

EAST AYRSHIRE

# Health & Social Care Partnership

## Integration Joint Board Annual Accounts 2021/22

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Working together  
with all of our  
communities to  
improve and  
sustain  
wellbeing, care  
and promote  
equity.



## TABLE OF CONTENTS

|  | Page number |
|--|-------------|
| <b>SECTION 1: MANAGEMENT COMMENTARY</b>                        | <b>2</b>    |
| INTRODUCTION   | 2           |
| CORONAVIRUS  | 2           |
| EAST AYRSHIRE IJB  | 3           |
| OBJECTIVES AND STRATEGY OF THE IJB                             | 8           |
| PERFORMANCE MANAGEMENT AND REPORTING                           | 12          |
| FINANCIAL STATEMENTS 2021/22                                   | 20          |
| FINANCIAL PERFORMANCE 2021/22                                  | 20          |
| FINANCIAL OUTLOOK, RISKS AND PLANS FOR THE FUTURE              | 30          |
| CONCLUSION   | 37          |
| WHERE TO FIND MORE INFORMATION                                 | 37          |
| <b>SECTION 2: STATEMENT OF RESPONSIBILITIES</b>                | <b>39</b>   |
| RESPONSIBILITIES OF THE IJB                                    | 39          |
| RESPONSIBILITIES OF THE CHIEF FINANCE OFFICER                  | 40          |
| <b>SECTION 3: ANNUAL GOVERNANCE STATEMENT</b>                  | <b>41</b>   |
| SCOPE OF RESPONSIBILITY  | 41          |
| THE PURPOSE OF THE GOVERNANCE FRAMEWORK                        | 42          |
| THE GOVERNANCE FRAMEWORK AND GOVERNANCE DEVELOPMENTS           | 42          |
| COVID-19 RESPONSE  | 44          |
| COVID-19 RECOVERY AND RENEWAL                                  | 45          |
| INTERNAL CONTROL SYSTEM  | 47          |
| REVIEW OF EFFECTIVENESS  | 48          |
| ACTION PLAN  | 49          |
| ASSURANCE  | 51          |
| <b>SECTION 4 – REMUNERATION REPORT</b>                         | <b>53</b>   |
| INTRODUCTION   | 53          |
| REMUNERATION: CHAIR AND VICE CHAIR                             | 53          |
| REMUNERATION: OFFICERS OF THE IJB                              | 53          |
| DISCLOSURE BY PAY BANDS  | 54          |
| EXIT PACKAGES  | 55          |
| <b>SECTION 5: THE FINANCIAL STATEMENTS</b>                     | <b>56</b>   |
| COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT                 | 56          |
| MOVEMENT IN RESERVES STATEMENT                                 | 56          |
| BALANCE SHEET  | 57          |
| <b>SECTION 6: NOTES TO THE FINANCIAL STATEMENTS</b>            | <b>58</b>   |
| NOTE 1: SIGNIFICANT ACCOUNTING POLICIES                        | 58          |
| NOTE 2: ACCOUNTING STANDARDS NOT YET ADOPTED                   | 60          |
| NOTE 3: CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY         | 60          |
| NOTE 4: EVENTS AFTER THE REPORTING PERIOD                      | 61          |
| NOTE 5: EXPENDITURE AND INCOME ANALYSIS BY NATURE              | 61          |
| NOTE 6: TAXATION AND NON-SPECIFIC GRANT INCOME                 | 61          |
| NOTE 7: DEBTORS  | 62          |
| NOTE 8: USABLE RESERVE – GENERAL FUND                          | 62          |
| NOTE 9: AGENCY INCOME AND EXPENDITURE                          | 64          |
| NOTE 10: RELATED PARTY TRANSACTIONS                            | 65          |
| NOTE 11: CONTINGENT LIABILITIES                                | 67          |
| NOTE 12: VAT   | 67          |
| <b>SECTION 7: INDEPENDENT AUDITOR’S REPORT</b>                 | <b>69</b>   |
| <b>SECTION 8: GLOSSARY OF TERMS</b>                            | <b>74</b>   |
| <b>APPENDIX 1: GOVERNANCE AND DECISION MAKING ARRANGEMENTS</b> | <b>77</b>   |
| <b>APPENDIX 2: PARTNERSHIP MANAGEMENT STRUCTURE</b>            | <b>78</b>   |

## SECTION 1: MANAGEMENT COMMENTARY

### INTRODUCTION

This publication contains the Annual Accounts of East Ayrshire Integration Joint Board (IJB) for the year ended 31 March 2022.

The Management Commentary provides an overview of the key messages in relation to the IJB's financial planning and performance for the 2021/22 financial year and how this has supported delivery of the IJB's core objectives. This commentary also looks forward and provides an indication of the challenges and risks, which may impact upon the finances of the IJB in the future as we strive to meet the health and social care needs of the people of East Ayrshire.

The Management Commentary has been prepared in accordance with the requirements of the Local Authority Accounts (Scotland) Regulations 2014 (SSI 2014/200) and the statutory guidance in Finance Circular 5/2015.

### CORONAVIRUS

The last quarter of 2019/20 saw a coronavirus pandemic spreading around the globe. The Scottish and UK governments imposed significant restrictions on movement of people, which came into effect on 23 March 2020. This resulted in a shutdown of most economic activity, the closure of all schools, and colleges, suspension of health and social care non-essential services and NHS non-emergency procedures in order to safeguard communities, service users, patients and employees as far as possible. This also resulted in the requirement for employers to take steps to facilitate employees to work from home where possible with unprecedented levels of financial support being provided by the UK government. The Health and Social Care Partnership in conjunction with East Ayrshire Council and NHS Ayrshire & Arran reduced front line services to those deemed "mission critical" including keeping vulnerable people of all ages safe and providing personal health and care services to those in need.

The pandemic has continued to have a significant impact on the financial position for 2021/22, with significant Covid-19 attributable costs being incurred over the course of the financial year by the Health and Social Care Partnership in dealing with the impact on individuals. Once again, income streams were reduced and previously planned savings were not fully achieved. Covid-19 attributable costs incurred over the course of 2021/22 totalled £7.273m. After taking account of 2020/21 earmarked Scottish Government funding drawn down from the IJB Reserve £3.110m, to partially offset costs in 2021/22, net costs £4.163m were incurred in 2021/22. All Covid-19 costs incurred in 2021/22 have been wholly offset by additional funding from the Scottish Government, with final costs going forward being dependent upon the recovery timescale.

The 2021/22 budget was approved by the IJB on 24 March 2021 on a 'business as usual' basis, with reduced expenditure on mainline health and social care services as a consequence of the pandemic having a significant impact on the overall financial position for the year.

On 26 February 2022, the Scottish Government notified IJBs and Health Boards that any balance of funding from £619m allocated for Covid-19 should be carried forward as an earmarked balance within IJB Reserves. East Ayrshire IJB's share of this funding was £14.143m, of which £2.780m was required to offset unfunded costs in 2021/22, with the balance of funding £11.363m earmarked within the IJB Reserve. The letter stated that the funding is to be used to support continuation of costs that were funded in 2021/22, relating to both IJBs and Health Boards. This allocation basis is problematic for both IJBs and Health Boards. The funding has been allocated to IJBs and can therefore only be used to fund delegated services or functions. The notification also highlighted that the Scottish Government will not receive any Barnett Consequential funding in 2022/2023 in relation to Covid-19 costs. Projected Covid-19 costs for 2022/2023 therefore require to be reduced as far as possible, with a recovery plan within available resources being a key requirement. NHS Ayrshire & Arran

received a letter from the Scottish Government on 1 June 2022 to advise that funding of £16.5m is to be provided to offset non-delegated spending in 2022/23.

## EAST AYRSHIRE IJB

In accordance with the Public Bodies (Joint Working) (Scotland) Act 2014, East Ayrshire Council and NHS Ayrshire & Arran prepared an Integration Scheme for the area of the Local Authority. Scottish Ministers approved the initial Integration Scheme between the two parent organisations on 3 March 2015, and the Scottish Ministers by order established the East Ayrshire IJB as a body corporate on 1 April 2015 as part of the establishment of the framework for the integration of health and social care in Scotland. The Integration Scheme was updated in March 2018 and is scheduled to be updated again in 2023, to align with the requirement of the Public Bodies (Joint Working) (Scotland) Act 2014 for a five yearly review.

Significant inequalities exist within and between our communities in East Ayrshire. The integration of health and social care provides an important framework to address health and wellbeing inequalities. The profile below displays key characteristics of the East Ayrshire population with information from community engagement:

## East Ayrshire

- spans 490 square miles in the South West of Scotland
- incorporates both urban and rural communities
- has a population of **121,600** - approximately 2.22% of Scotland's total population
- is expected to see it's population fall 1.55% by 2028



## Age Profile



### Aged 0-15 years

**20,869**  
17.2% of the population  
(Scotland 16.8%)



**Expected to fall to 16.3%**  
**of the population by 2028**  
(Scotland 15.6%)



### Aged 16-64 years

**75,511**  
62.1% of the population  
(Scotland 63.9%)



**Expected to fall to 60.0%**  
**of the population by 2028**  
(Scotland 62.3%)



### Aged 65+ years

**25,220**  
20.7% of the population  
(Scotland 19.3%)



**Expected to rise to 23.6%**  
**of the population by 2028**  
(Scotland 22.1%)

## Life Expectancy



**Male, 75.2 years**  
(Scotland 76.8 years)

**Healthy life expectancy for men, 57.2 years**  
(Scotland 60.9 years)

**76.0% of life spent in good health**  
(Scotland 79.3%)



**Female, 79.8 years**  
(Scotland 81.0 years)

**Healthy life expectancy for women, 59.1 years**  
(Scotland 61.8 years)

**74.1% of life spent in good health**  
(Scotland 76.3%)

# Deprivation

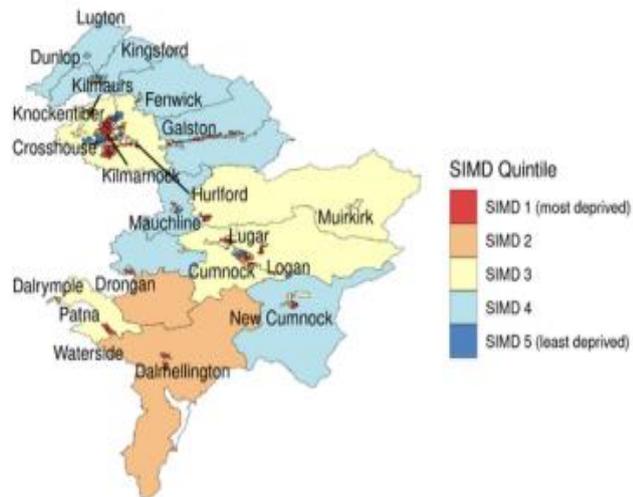


**31.3% of the population within East Ayrshire live within the most deprived Scottish Index of Multiple Deprivation quintile**

The following table details the percentage of the population within East Ayrshire living in the 2020 Scottish Index of Multiple Deprivation (SIMD) most deprived quintiles for each domain and the ranking of East Ayrshire amongst the 32 Scottish Local Authorities for each domain.

| East Ayrshire | Income | Employment | Education | Health | Access | Crime | Housing | Overall |
|---------------|--------|------------|-----------|--------|--------|-------|---------|---------|
| % of pop      | 28.8%  | 32.5%      | 25.8%     | 28.2%  | 24.5%  | 22.7% | 2.45%   | 31.3%   |
| Rank          | 7      | 6          | 8         | 8      | 13     | 8     | 25      | 7       |

The map highlights the datazones within East Ayrshire coloured by SIMD 2020 quintiles.



Source: Scottish Government, Public Health Scotland

## Early Years

**19.5% of East Ayrshire babies are exclusively breastfed at 6-8 weeks**  
(Scotland 32.0%)

**19.4% of East Ayrshire children have at least one developmental concern at 27-30 months**  
(Scotland 14.7%)

**72.7% of children within East Ayrshire have a healthy weight in Primary 1**  
(Scotland 76.3%)

**68.9% of children within East Ayrshire have no obvious dental decay in Primary 1**  
(Scotland 72.4%)



## Long Term Health Conditions

**26% of the population in East Ayrshire live with at least one long term health condition**  
(Scotland 19%)

**The five most common long term health conditions within East Ayrshire are asthma, arthritis, coronary heart disease, cancer and diabetes**

**Between 2022/23 and 2030/31, it is projected that the number of people within East Ayrshire living with dementia will have increased by 12.5% and the number of people living with Parkinsons will have increased by 11.2%**



## Mental Health

**20.9% of East Ayrshire residents are prescribed medication for anxiety/depression/psychosis**  
(Scotland 19.3%)

**Within East Ayrshire, the rate of deaths by suicide is 16.8 per 100,000**  
(Scotland 14.1)

**The number of mental health unscheduled bed days for people living in East Ayrshire aged 18 and over is projected to increase by 2.3% between 2022/23 and 2030/31**



## Harmful Behaviours

**The rate of alcohol related hospital admissions in East Ayrshire is 561.1 per 100,000**  
(Scotland 621.3)

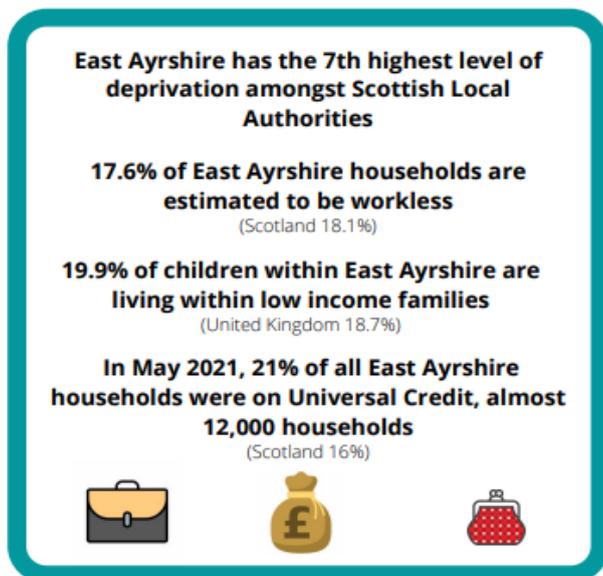
**During 2020 there were 36 drug related deaths in East Ayrshire, a rate of 32.4 per 100,000**  
(Scotland 25.4)

**124.9 incidents of domestic abuse were recorded in East Ayrshire per 10,000**  
(Scotland 115.1)

**17.5% of mothers in East Ayrshire smoke during pregnancy**  
(Scotland 13.1%)



## Economic Status



## Community



The initial East Ayrshire Integration Joint Board membership was confirmed including voting and non-voting members and stakeholder members in April 2015. The IJB accepted the Integration Scheme and agreed to exercise the decision making functions of the Council in relation to Council services and NHS Ayrshire & Arran services (through the Local Scheme of Delegation) delegated to the Board and agreed to provide assurance to the relevant Council and NHS Committees on effective operational arrangements in relation to professional and care governance, corporate governance and employee relations.

The voting members of the Integration Joint Board are appointed through nomination by NHS Ayrshire & Arran and East Ayrshire Council. The arrangements for the Chair and Vice Chair, who are drawn from the nominations of the Parties, are set out in clause 2.4 of the Integration Scheme, where the role of Chair alternates between voting members nominated by East Ayrshire Council and NHS Ayrshire & Arran.

The IJB Governance report presented to the Board on 24 March 2021 outlined that IJB members nominated by East Ayrshire Council should be considered on a three yearly basis, per clause 2.2.1 of the Integration Scheme. Councillors Douglas Reid, Iain Linton, Tom Cook and John McGhee were appointed in June 2017 and were due for reappointment in 2020. As a result of the Covid-19 pandemic, these appointments were extended. Additionally Councillor Cook stood down in 2019 from the IJB membership and Councillor John Herd was appointed and as such, this appointment carries on until 2022. East Ayrshire Council at its meeting on 1 April 2021 formally extended the appointments retrospectively and agreed to a further extension until May 2022, to align with the Scottish local government elections, following which the new Council will consider appointments to the IJB at the Statutory Council meeting. The Council at its meeting on 1 April 2021 also confirmed the nomination of Councillor Douglas Reid as Chair of the IJB, with the term of office as Chair of Mr. Michael Breen. NHS Ayrshire & Arran Non-executive Director ending in June 2021.

The IJB at its meeting on 16 June 2021 formally approved the appointment of Councillor Douglas Reid as IJB Chair in succession to Mr. Michael Breen. The IJB also approved the appointment of Mr. Michael Breen as Vice Chair, both appointments being effective from 16 June 2021.

Ms. Lisa Tennant's term of office as NHS Ayrshire & Arran Non-executive Director ended on 31 March 2021 and Ms. Sheila Cowan was nominated by the NHS Board to replace Ms. Tennant as a voting member of the IJB. Ms. Cowan's nomination was approved at the IJB meeting on 24 March 2021. At this time, the nomination of Ms.

Cowan to the Audit and Performance Committee was also approved. The IJB further approved that Ms. Cowan's nomination as Chair of the Audit and Performance Committee, effective from 10 August 2021 (Ms. Tennant having previously held the position of Chair of the Committee).

NHS Ayrshire & Arran previously nominated Professor Hazel Borland, Nurse Director and Depute Chief Executive of the Board, to be a voting member of the IJB. Following the secondment of the NHS Ayrshire & Arran Chief Executive to the Scottish Government, Professor Borland assumed position of Interim Chief Executive on 1 July 2021. NHS Ayrshire & Arran confirmed that Ms. Jennifer Wilson had been appointed to the role of Interim Nurse Director and nominated Ms. Wilson to replace Professor Borland as a voting member of the IJB. The Governance Update report to the IJB on 9 February 2022 noted that Professor Borland had resumed her role as Nurse Director and that NHS Ayrshire & Arran had confirmed that she would resume her position as a voting member of the IJB, in advance of her retirement on 31 March 2022. The Governance Update report to the IJB on 23 March 2022 noted that Ms. Jennifer Wilson has been appointed as Nurse Director of NHS Ayrshire & Arran on a permanent basis. The NHS Board has confirmed that Ms. Wilson has been appointed to replace Professor Borland as a voting member of the IJB, with effect from 1 April 2022.

The following table provides detail of voting members of the IJB at 31 March 2022:

| <b>Voting Members</b>           | <b>Representing</b>                           |
|---------------------------------|---|
| Councillor Douglas Reid (Chair) | East Ayrshire Council                         |
| Mr. Michael Breen (Vice Chair)  | Non-executive Director – NHS Ayrshire & Arran |
| Professor Hazel Borland         | Nurse Director – NHS Ayrshire & Arran         |
| Ms. Sheila Cowan                | Non-executive Director – NHS Ayrshire & Arran |
| Dr. Sukhomoy Das                | Non-executive Director – NHS Ayrshire & Arran |
| Councillor John Herd            | East Ayrshire Council                         |
| Councillor Ian Linton           | East Ayrshire Council                         |
| Councillor John McGhee          | East Ayrshire Council                         |

Local Government Elections were held on 5 May 2022, and therefore elected members' term of office came to an end at midnight on 4 May 2022. The Governance Update report to the IJB on 22 June 2022 noted that following the relevant statutory East Ayrshire Council meeting on 19 May 2022, appointments were made and the Council confirmed that the following elected members have been appointed to the IJB: Councillor Douglas Reid, Councillor Elaine Cowan, Councillor Maureen McKay and Councillor Neill Watts (Councillor Douglas Reid was appointed as Leader of the Council, and therefore retains his role as Chair of the IJB).

The following table provides detail of voting members of the IJB at 17 August 2022:

| <b>Voting Members</b>           | <b>Representing</b>                           |
|---------------------------------|---|
| Councillor Douglas Reid (Chair) | East Ayrshire Council                         |
| Mr. Michael Breen (Vice Chair)  | Non-executive Director – NHS Ayrshire & Arran |
| Ms. Sheila Cowan                | Non-executive Director – NHS Ayrshire & Arran |
| Dr. Sukhomoy Das                | Non-executive Director – NHS Ayrshire & Arran |
| Ms. Jennifer Wilson             | Nurse Director – NHS Ayrshire & Arran         |
| Councillor Elaine Cowan         | East Ayrshire Council                         |
| Councillor Maureen McKay        | East Ayrshire Council                         |
| Councillor Neill Watts          | East Ayrshire Council                         |

The Director of Health and Social Care, Craig McArthur is the lead professional advisor to the IJB in his role as Chief Officer. Non-voting members of the IJB comprise employee and trade union representatives, carers and people who use our services, the third and independent sectors and medical, clinical, social work, finance

and governance professionals.

## **OBJECTIVES AND STRATEGY OF THE IJB**

The main purpose of integration is to improve the wellbeing of families, our communities and 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. In addition, the IJB provides specific health care services across Ayrshire.

The partnership will deliver positive outcomes for our residents by ensuring that children and young people get the best start in life, that people live healthier, longer lives and are supported to be independent and have choice and control no matter who they are or where they live. In East Ayrshire integration underpins the Community Planning Partnership, with the IJB taking a strategic lead for delivery of the wellbeing theme of the Community Plan 2015-30.

The most recent review of the Community Plan 2015-30 was undertaken in 2021/22. The outcome of this review is reflected in the Community Plan Review Supplement and three new thematic delivery plans (Economy and Skills, Safer Communities and Wellbeing), all adopted in 2021, along with the new Local Outcomes Improvement Plan which, when taken together, set out shared partnership priorities for the three year period 2021-2024.

As part of the review of the Community Plan concluded in 2021, Members of East Ayrshire Council and the Community Planning Partnership Board recognised the significance of the Ayrshire Growth Deal and the Caring for Ayrshire Transformational Change Programme. These have the potential to make a real difference in our communities in relation to our Covid-19 recovery and renewal activity and also in our wider, ongoing work to tackle poverty and inequality across our communities. These have been adopted as shared high-level strategic priorities for the three-year period 2021-2024, representing the key, strategically important areas of activity to be supported with the potential to make a demonstrable positive impact on local outcomes for our communities.

The Strategic Plan must have regard for national health and wellbeing outcomes and with the full scope of the delegated functions also include the National Outcomes for children, young people and justice.

The Integration Scheme is intended to achieve National Health and Wellbeing Outcomes prescribed by Scottish Ministers in Regulations under section 5(1) of the Public Bodies (Joint Working) (Scotland) Act 2014. NHS Ayrshire & Arran and East Ayrshire Council agreed that Children's and Family Health, Social Work and Justice services should be included within functions and services to be delegated to the IJB, therefore specific National Outcomes for Children and Criminal Justice are included. Details of National Health and Wellbeing Outcomes across the various functions and services delegated to East Ayrshire IJB are outlined below:

## National Outcomes for Children

Our children have the best start in life.

Our young people are successful learners, confident individuals, effective contributors and responsible citizens.

We have improved the life chances for children, young people and families at risk.

## National Health and Wellbeing Outcomes

People are able to look after and improve their own health and wellbeing and live in good health for longer.

People, including those with disabilities, long-term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.

People who use health and social care services have positive experiences of those services and have their dignity respected.

Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.

Health and social care services contribute to reducing health inequalities.

People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and wellbeing.

People who use health and social care services are safe from harm.

People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.

Resources are used effectively and efficiently in the provision of health and social care services.

## National Justice Outcomes

Community safety and public protection.

The reduction of reoffending.

Social inclusion to support desistance from offending.

The vision for the integration of health and social care is to produce better outcomes for people through services that are planned and delivered seamlessly from the perspective of the patient, service user or carer. Prior to its formal establishment in April 2015, a vision was developed for how the East Ayrshire IJB would operate in consultation with stakeholders. This vision has driven activity over the last seven years and will continue to do so and is set out in our Strategic Plan as:



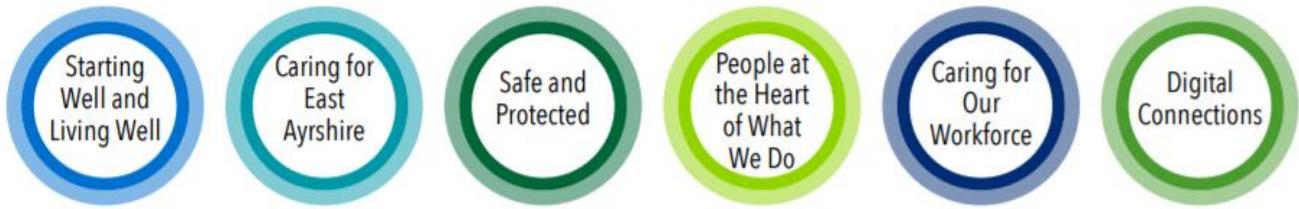
The East Ayrshire Health and Social Care Partnership (HSCP) [Strategic Plan 2021-30](#) was approved at the Integration Joint Board on 24 March 2021 and at Health Board and Council on 29 March 2021 and 1 April 2021 respectively. The Strategic Plan sets out local ambitions and shared priorities for health and social care 2021–24 and towards 2030, in delivering the vision outlined above. A comprehensive programme of engagement and an extensive Strategic Needs Assessment were undertaken to inform the development of the Plan.

The Strategic Planning and Wellbeing Delivery Group undertook the 2021-22 Annual Review of the HSCP Strategic Plan 2021-30. The Annual Review concluded that the Strategic Plan remains fit for purpose and reflects the Partnership’s strategic intent. The Group reaffirmed the vision, values and strategic commissioning intentions as set out in the Plan and identified key priorities for 2022 and beyond. The evolving policy environment in relation to collaborative commissioning has also been considered and a longer-term approach to future strategic planning endorsed, from 2022 onwards. In addition, the report also sets out the findings from the 2021-22 Annual Review of the Interim Workforce Development and Support Plan; Communications Strategy; and Property and Asset Management Strategy. The Annual Review of the Strategic Plan 2021-30 was presented to the IJB on 23 March 2022. The report was subsequently presented to East Ayrshire Council on 31 March 2022 and to Ayrshire and Arran NHS Board on 23 May 2022.

#### [12 - Strategic Plan Update - 2021-22 Annual Reviews.pdf](#)

The Strategic Plan 2021-30 is based on the strengths of East Ayrshire’s approach to wellbeing focussed health and social care, articulated as ‘People, Compassion and Partnership’ in recognition of the resilience of East Ayrshire’s citizens and the value of local community spirit, particularly in response to the Covid-19 pandemic. The Plan sets out the role of partners in all health and social care sectors to enhance these assets, working together to uphold human rights through person and family centred practice.

This strategic planning approach continues to centre on the ‘triple aim’ of better care, better health and better value, in line with the national Health and Social Care Delivery Plan, focussed on six core themes and local outcomes:



| <b>PRIORITY</b>                   | <b>2030 OUTCOME</b>   |
|-----------------------------------|---|
| Starting Well & Living Well       | More people and families have better health and wellbeing and we have fairer outcomes.  |
| Caring for East Ayrshire          | Health and social care is delivered in a way that promotes wellbeing and suits people and families, both virtually and through the buildings, places and spaces of the local environment.                 |
| People at the Heart of What We Do | People, unpaid carers, families and communities achieve their outcomes through seamlessly joined up support- they at the centre of all we do and support is a positive experience.                        |
| Caring for Our Workforce          | The health and social care workforce is well and we have the right people with the right skills in the right place at the right time, to support people, families and communities to achieve their goals. |
| Safe & Protected                  | East Ayrshire is a safe place for people to live, work and visit.   |
| Digital Connections               | Digital technology has improved local wellbeing and transformed health and care.  |

Each strategic priority is described in the Strategic Plan 2021-30, setting out strategic commissioning intentions and delivery activity. Strategic Commissioning Intentions are detailed in the Plan for the core themes, as summarised in the table below:

| <b>PRIORITY</b>                   | <b>COMMISSIONING INTENT</b>  |
|-----------------------------------|--|
| Starting Well & Living Well       | Children and young people; prevention & early intervention; tackling inequalities; physical health and fitness; wellbeing across the life course; compassionate connectedness. |
| Caring for East Ayrshire          | Person centeredness; place-based, empowered multi-disciplinary teams; improving service quality.   |
| People at the Heart of What We Do | Right service, right person, right place, right time; transformation; Scottish approach to service design; independent living and long-term conditions.                        |
| Caring for Our Workforce          | Workforce wellbeing; workforce planning.   |
| Safe & Protected                  | Reducing risk to vulnerable children, adults and the public.   |
| Digital Connections               | Enhancing support delivery and experience; improving self-care and self-management; building digital skills, capacity and connectedness.                                       |

Key enablers to the delivery of the Strategic Plan 2021-30 are set out in the final sections of the Plan covering:

- Workforce;
- Information and communication;
- Property and assets;
- “Thinking differently”;
- Housing contribution; and
- Leadership and improvement.

In reviewing activity on an annual basis partners must have due regard to the integration delivery principles and to the National Health and Wellbeing Outcomes, together with National Outcomes for Children, Young People and Justice.

## **PERFORMANCE MANAGEMENT AND REPORTING**

The IJB has embedded a performance management culture throughout the Partnership. It has created a wide range of performance information to manage services and target improvements for the people of East Ayrshire. This has been supported by our performance management systems which analyse data, track progress and monitor actions. Regular and robust performance information is provided to our Audit and Performance Committee (APC), IJB Members, operational managers and is publicly reported. Benchmarking is used to compare our performance with other organisations to support change and improvement.

The IJB embraces scrutiny including external inspection and self-assessment. In relation to performance targets, the Partnership continues to progress towards a core set of indicators that relate to services from publicly accountable national indicators and targets which the Health Board and Council currently report against. Improvement measures will be a combination of existing and new measures that will allow assessment at a local level. The performance targets and improvement measures will be linked to local outcomes. The IJB's performance is scrutinised by a dedicated APC with a wide-ranging remit, but with a particular focus on performance management and improvement.

Since January 2018, Partnerships have been working to local objectives and trajectories required by the Ministerial Strategic Group for Health and Community Care (MSG), for improvement in relation to six key indicators, aiming to provide a whole system overview of performance.

Much of the MSG data refers to a range of activities under the umbrella of 'unscheduled care', activities that support people to remain in their own homes, return to their own homes as quickly as possible when hospital treatment is required and prevent related re-admission to hospital. Unscheduled care is a key element of the health and social care system in Ayrshire and Arran. As such, services require to be responsive to need, whilst at the same time transforming in a way that, where appropriate, moves patient contact from reactive to proactive planned engagement and from hospital based care to the community. Our performance against the MSG measures is summarised in the following table. It should be noted that some of the figures presented may not be truly reflective of activity during 2021/22, due to the varying impact of Covid-19 at different points of the pandemic. This is also reflected in the performance of other areas throughout Scotland during this period.

| MSG Measure  | Performance  | Status |
|--|--|--------|
| Unscheduled Admissions *   | 2021/22 Trajectory: reduce rate of growth to 5%<br>2021 Performance: rate reduced by 1.4% from baseline  | ✓      |
| Occupied Bed Days<br>Unscheduled Care (acute) *  | 2021/22 Trajectory: reduce by 4%<br>2021 Performance: rate reduced by 0.9%   | ●      |
| Emergency Department-<br>Compliance with 4 hour<br>standard  | 2021/22 Trajectory: 95% admitted, discharged or transferred within 4 hours<br>2021/22 Performance: 77.9% admitted, discharged or transferred within 4 hours  | ●      |
| Delayed Discharge bed days<br>(including Code 9)   | 2021/22 Trajectory: reduce delayed discharges (All reasons) by 20%;<br>reduce delayed discharges (Code 9) by 25%; reduce delayed discharges (Other) by 8%<br>2021/22 Performance: delayed discharges (All reasons) increased by 8.6%;<br>delayed discharges (Code 9) increased by 17.1%; delayed discharges (Other) reduced by 11.8% | ●      |
| End of Life Care- Proportion of<br>last 6 months of life spent in<br>community setting *   | 2021 Calendar Year Trajectory: Increase to 91.7%<br>2021 Calendar Year Performance: Decreased to 90.2%   | ●      |
| Balance of care: Percentage of<br>population in community or<br>institutional settings - Proportion<br>of 65+ population living at home<br>(supported and unsupported) | 2020/21 Trajectory: N/A<br>2020/21 Performance: 96.5% of population aged 65+ living at home<br>(supported and unsupported)<br><br>2021/22 Trajectory: N/A<br>2021/22 Performance: N/A  | —      |

\* Calendar year 2021 is used as a proxy for 2021/22 due to the national data for 2021/22 being incomplete, following guidance issued by Public Health Scotland.

Throughout 2021/22, activity reports aligned to the MSG indicators were presented regularly to the Audit and Performance Committee and NHS Ayrshire and Arran Health Board, analysing performance in respect of pressures within the health and care system experienced resulting from local demand for unscheduled care.

#### East Ayrshire Performance against MSG Indicators: 2020/21 – 2021/22 Financial Years

|   | East Ayrshire<br>2020/21 | East Ayrshire<br>2021/22 | Variance    |
|---|--------------------------|--------------------------|-------------|
| MSG01 - Unscheduled Admissions (all ages) (rate per 1,000 total population) *   | 122.6                    | 133.2                    | + 8.6%* ↑   |
| MSG02 - Occupied Bed Days Unscheduled Care (all ages, acute specialities) (rate per 1,000 total population) *   | 733.2                    | 840.1                    | + 14.6% ↑   |
| MSG03 - Emergency Department: compliance with the four-hour standard (all ages)   | 89.1%                    | 77.9%                    | - 11.2pp* ↓ |
| MSG04 - Delayed Discharge Bed Days (including code 9s) (rate per 1,000 18+ population)  | 39.0                     | 65.3                     | + 67.4% ↑   |
| MSG05 - End of Life Care – proportion of the last 6 months of life spent in community setting *   | 90.6%                    | 90.2%                    | - 0.4pp* ↓  |
| MSG06 - Balance of care: Percentage of population in community or institutional settings - Proportion of 65+ population living at home (supported and unsupported) ** | 96.5%                    | Not available<br>**      |             |

\* Please note that the figures for MSG01, MSG02 and MSG05 reflect calendar year 2021. Calendar year 2021 figures are used as a proxy for 2021/22, due to the national data for 2021/22 being incomplete, following guidance issued by Public Health Scotland.

\*\* 2020/21 updates for MSG06 were not available at the time of reporting.

It is important to emphasise that 2021/22 has been a challenging year, with the core MSG indicators all showing a decline in performance in comparison to the previous year, as displayed in the table above. During calendar year 2021, the rate of unscheduled admissions rose by 8.6% and unscheduled care occupied bed days rose by 14.6%. Compliance with the four hour emergency department standard declined significantly by 11.2 percentage points during 2021/22 and the proportion of last 6 months of life spent in community settings fell by 0.4 percentage points in calendar year 2021. The rate of delayed discharge bed days increased notably by 67.4% in 2021/22, however, this still represents an area of sustained strength being considerably lower than the national rate.

### MSG Indicator Benchmarking – 2021/22

|  | Scotland | East Ayrshire | Eilean Siar | Dundee City | North Ayrshire | North Lanarkshire | Inverclyde | West Dumbartonshire | Glasgow City |
|--|----------|---------------|-------------|-------------|----------------|-------------------|------------|---------------------|--------------|
| MSG01 - Unscheduled Admissions (all ages) (per 1,000 population) *   | 103.5    | 133.2         | 109.2       | 112.9       | 129.4          | 130.9             | 111.0      | 113.8               | 104.8        |
| MSG02 - Occupied Bed Days Unscheduled Care (all ages, acute specialities) (per 1,000 population) *                                       | 697.1    | 840.1         | 947.5       | 640.5       | 960.6          | 733.6             | 933.7      | 902.9               | 803.6        |
| MSG03 - Emergency Department: compliance with the four-hour standard (all ages)  | 78.0%    | 77.9%         | 95.8%       | 93.0%       | 75.3%          | 72.6%             | 82.7%      | 80.3%               | 79.6%        |
| MSG04 - Delayed Discharge Bed Days (including code 9s) (per 1,000 18+ population)  | 121.7    | 65.3          | 246.2       | 148.5       | 159.5          | 117.0             | 60.4       | 144.5               | 123.7        |
| MSG05 - End of Life Care – proportion of the last 6 months of life spent in community setting *  | 90.1%    | 90.2%         | 90.7%       | 91.6%       | 88.9%          | 90.2%             | 88.7%      | 90.0%               | 89.5%        |
| MSG06 - Balance of care: Percentage of population in community or institutional settings - Proportion of 65+ population living at home** | 96.5%    | 96.5%         | 96.6%       | 95.9%       | 96.7%          | 97.1%             | 95.6%      | 96.2%               | 95.2%        |

\* Please note that the figures for MSG01, MSG02 and MSG05 reflect calendar year 2021. Calendar year 2021 figures are used as a proxy for 2021/22 due to the national data for 2021/22 being incomplete, following guidance issued by Public Health Scotland.

\*\* Figures for MSG06 relates to 2020/21, as figures for 2021/22 are not yet available.

The table above displays East Ayrshire performance alongside comparator areas throughout 2021/22 within our benchmarking 'Family Group' developed by the Local Government Benchmarking Framework and the Improvement Service. The figures highlight that East Ayrshire has performed well in relation to delayed discharge bed days, end of life care and balance of care. However, the data indicates that improvement is required in respect of unscheduled admissions, unscheduled care bed days and compliance with the four-hour emergency

department standard.

The Core Suite of Integration Indicators (CSII) draw together measures that are appropriate for the whole system under integration, developed to provide an indication of progress towards key outcomes that can be compared across partnerships and described at a national level.

### CSII (Outcome Indicators) Benchmarking - 2021/22

|   | Scotland | East Ayrshire | Eilean Siar | Dundee City | North Ayrshire | North Lanarkshire | Inverclyde | West Dumbartonshire | Glasgow City |
|---|----------|---------------|-------------|-------------|----------------|-------------------|------------|---------------------|--------------|
| CSII-01: Percentage of adults able to look after their health very well or quite well   | 90.9%    | 89.5%         | 93.4%       | 88.6%       | 88.8%          | 87.5%             | 90.1%      | 89.9%               | 88.1%        |
| CSII-02: Percentage of adults supported at home who agree that they are supported to live as independently as possible                                    | 78.8%    | 76.1%         | 82.5%       | 84.0%       | 81.3%          | 79.8%             | 82.9%      | 83.2%               | 80.3%        |
| CSII-03: Percentage of adults supported at home who agree that they had a say in how their help, care or support was provided                             | 70.6%    | 71.0%         | 72.4%       | 75.0%       | 73.5%          | 67.1%             | 66.7%      | 75.1%               | 71.1%        |
| CSII-04: Percentage of adults supported at home who agree that their health and social care services seemed to be well co-ordinated                       | 66.4%    | 60.0%         | 70.8%       | 77.5%       | 64.4%          | 66.6%             | 68.6%      | 77.2%               | 70.1%        |
| CSII-05: Percentage of adults receiving any care or support who rate it as excellent or good  | 75.3%    | 79.6%         | 82.6%       | 84.1%       | 75.8%          | 74.0%             | 81.3%      | 77.5%               | 74.9%        |
| CSII-06: Percentage of people with positive experience of care at their GP practice   | 66.5%    | 56.9%         | 80.2%       | 66.6%       | 61.2%          | 51.8%             | 58.7%      | 64.6%               | 71.4%        |
| CSII-07: Percentage of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life | 78.1%    | 75.7%         | 84.2%       | 71.5%       | 77.6%          | 77.0%             | 79.6%      | 85.7%               | 79.6%        |
| CSII-08: Percentage of carers who feel supported to continue in their caring role   | 29.7%    | 27.6%         | 41.2%       | 26.8%       | 30.8%          | 25.1%             | 28.7%      | 31.7%               | 33.7%        |
| CSII-09: Percentage of adults supported at home who agree they felt safe  | 79.7%    | 73.0%         | 88.0%       | 77.1%       | 83.0%          | 79.8%             | 81.9%      | 87.9%               | 81.0%        |

The table above provides a comparison across the CSII 'Outcome Indicators' (sourced from the 2021/22 Health and Care Experience Survey), within East Ayrshire's 'Family Group' of comparators. The figures demonstrate that East Ayrshire has performed well in some areas including, adults being able to look after their health very well or quite well and care or support being rated as excellent or good. However, the figures also highlight areas, which could be improved in East Ayrshire, such as supporting people to live as independently as possible, health and social care services being well co-ordinated and people feeling safe.

### East Ayrshire Performance against CSII (Outcome Indicators): 2019/20 – 2021/22

|   | East Ayrshire<br>2019/20 | East Ayrshire<br>2021/22 | Variance |
|---|--------------------------|--------------------------|----------|
| CSII-01: Percentage of adults able to look after their health very well or quite well   | 92.0%                    | 89.5%                    | ↓ 2.5pp  |
| CSII-02: Percentage of adults supported at home who agree that they are supported to live as independently as possible                                    | 86.2%                    | 76.1%                    | ↓ 10.1pp |
| CSII-03: Percentage of adults supported at home who agree that they had a say in how their help, care or support was provided                             | 78.8%                    | 71.0%                    | ↓ 7.8pp  |
| CSII-04: Percentage of adults supported at home who agree that their health and social care services seemed to be well co-ordinated                       | 83.5%                    | 60.0%                    | ↓ 23.5pp |
| CSII-05: Percentage of adults receiving any care or support who rate it as excellent or good  | 79.7%                    | 79.6%                    | ↓ 0.1pp  |
| CSII-06: Percentage of people with positive experience of care at their GP practice   | 70.3%                    | 56.9%                    | ↓ 13.4pp |
| CSII-07: Percentage of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life | 87.1%                    | 75.7%                    | ↓ 11.4pp |
| CSII-08: Percentage of carers who feel supported to continue in their caring role   | 35.8%                    | 27.6%                    | ↓ 8.2pp  |
| CSII-09: Percentage of adults supported at home who agree they felt safe  | 88.7%                    | 73.0%                    | ↓ 15.7pp |

The table above provides the data for CSII 'Outcome Indicators' (sourced from the Health and Care Experience Survey). The figures for all indicators show a decline in performance with falls noted in the co-ordination of health and social care services (down 23.5pp), positive experiences of GP practices (down 13.4pp) and people feeling safe (down 15.7pp). The care and support rated as excellent or good measure fell minimally by 0.1pp, whilst the result for people being able to look after their health very well or quite well dropped slightly by 2.5pp in this period.

CSII (Data Indicators) Benchmarking – 2021 Calendar Year / 2021-22 Financial Year

|  | Scotland | East Ayrshire | Eilean Siar | Dundee City | North Ayrshire | North Lanarkshire | Inverclyde | West Dumbartonshire | Glasgow City |
|--|----------|---------------|-------------|-------------|----------------|-------------------|------------|---------------------|--------------|
| CSII-11: Premature mortality rate per 100,000 (2021)   | 466      | 556           | 428         | 599         | 568            | 580               | 509        | 627                 | 661          |
| CSII-12: Emergency admission rate per 100,000 (2021) **  | 11,636   | 14,566        | 13,842      | 12,320      | 14,397         | 15,076            | 13,171     | 13,156              | 11,798       |
| CSII-13: Emergency bed day rate for adults per 100,000 (2021) **   | 109,429  | 123,058       | 124,939     | 105,538     | 148,528        | 113,993           | 142,573    | 133,255             | 121,189      |
| CSII-14: Emergency readmission to hospital within 28 days of discharge (per 1,000 discharges) (2021) *                                 | 110      | 123           | 106         | 139         | 116            | 116               | 93         | 96                  | 104          |
| CSII-15: Proportion of last 6 months of life spent at home or in the community (2021) *  | 90.1%    | 90.2%         | 90.7%       | 91.6%       | 88.9%          | 90.2%             | 88.7%      | 90.0%               | 89.5%        |
| CSII-16: Falls rate per population aged 65+ (2021) *   | 23.0     | 18.9          | 24.8        | 31.8        | 20.7           | 21.4              | 21.6       | 22.7                | 28.5         |
| CSII-17: Proportion of care services graded 'Good' (4) / better in Care Inspectorate Inspections (2021/22 FY)                          | 75.8%    | 71.3%         | 78.7%       | 74.0%       | 78.8%          | 78.1%             | 85.1%      | 87.7%               | 83.7%        |
| CSII-18: Percentage of adults with intensive care needs receiving care at home (2021)  | 64.9%    | 67.6%         | 62.5%       | 63.2%       | 76.8%          | 75.0%             | 68.1%      | 72.1%               | 60.8%        |
| CSII-19: Number of days people aged 75+ spend in hospital when ready to be discharged, per 1,000 population (2021/22 FY)               | 761      | 399           | 1305        | 799         | 819            | 831               | 296        | 972                 | 828          |
| CSII-20: Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency (2019/20 FY) ** | 24.2%    | 26.8%         | 20.0%       | 23.8%       | 30.2%          | 21.7%             | 25.5%      | 23.2%               | 26.0%        |

\* 2021 calendar year figures have been applied for indicators: 12, 13, 14, 15 and 16. Calendar year 2021 figures are used as a proxy for 2021/22 due to the national data for 2021/22 being incomplete, following guidance issued by Public Health Scotland. 2021/22 financial year data has been provided for indicators 17 and 19.

\*\* NHS Boards were not able to provide detailed cost information for 2020/21 due to changes in service delivery during the pandemic. As a result, Public Health Scotland have not provided information for indicator 20 beyond 2019/20. Public Health Scotland previously published information to calendar year 2020 using costs from 2019/20 as a proxy however, given the impact of the pandemic on activity and expenditure, it is no longer considered appropriate to include this information.

The table above provides a comparison across the CSII within East Ayrshire's 'Family Group' of comparators. The figures indicate that East Ayrshire has performed well in a number of areas in relation to comparators, including: premature mortality rate, falls rate for older people and delayed discharge for older people. However, the figures also identify various areas which could be improved in East Ayrshire when compared to other comparable local authorities, such as: emergency admission rate, readmission within 28 days and the proportion of care services graded 'Good' or better in Care Inspectorate Inspections.

## East Ayrshire Performance against CSII (Data Indicators): 2019/20 – 2020 / 2020/21

|   | East Ayrshire 2020 / 2020/21 | East Ayrshire 2021 / 2021/22 | Variance |
|---|------------------------------|------------------------------|----------|
| CSII-11: Premature mortality rate per 100,000 (2020 v 2021)   | 512                          | 556                          | ↑ 8.6%   |
| CSII-12: Emergency admission rate per 100,000 (2020 v 2021) *   | 13,792                       | 14,566                       | ↑ 5.6%   |
| CSII-13: Emergency bed day rate for adults (per 100,000 population) (2020 v 2021) *   | 107,863                      | 123,058                      | ↑ 14.1%  |
| CSII-14: Emergency readmission to hospital within 28 days of discharge (per 1,000 discharges) (2020 v 2021) *                                 | 125                          | 123                          | ↓ 1.6%   |
| CSII-15: Proportion of last 6 months of life spent at home or in a community setting (2020 v 2021) *  | 90.6%                        | 90.2%                        | ↓ 0.4pp  |
| CSII-16: Falls rate per population aged 65+ (2020 v 2021) *   | 18.2                         | 18.9                         | ↑ 3.8%   |
| CSII-17: Proportion of care services graded 'Good' (4) or better in Care Inspectorate Inspections (2020/21 v 2021/22)                         | 75.7%                        | 71.3%                        | ↓ 4.4pp  |
| CSII-18: Percentage of adults with intensive care needs receiving care at home (2020 v 2021)  | 71.1%                        | 67.6%                        | ↓ 3.5pp  |
| CSII-19: Number of days people aged 75+ spend in hospital when they are ready to be discharged, per 1,000 population (2020/21 v 2021/22)      | 196                          | 399                          | ↑ 103.6% |
| CSII-20: Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency (2018/19 v 2019/20) ** | 28.9%                        | 26.8%                        | ↓ 2,1pp  |

\* 2021 calendar year figures have been applied for indicators: 12, 13, 14, 15 and 16. Calendar year 2021 figures are used as a proxy for 2021/22 due to the national data for 2021/22 being incomplete, following guidance issued by Public Health Scotland. 2021/22 financial year data has been provided for indicators 17 and 19.

\*\* NHS Boards were not able to provide detailed cost information for 2020/21 due to changes in service delivery during the pandemic. As a result, Public Health Scotland have not provided information for indicator 20 beyond 2019/20. Public Health Scotland previously published information to calendar year 2020 using costs from 2019/20 as a proxy however, given the impact of the pandemic on activity and expenditure, it is no longer considered appropriate to include this information.

East Ayrshire has seen performance decline across the majority of 'Data' indicators within the CSII throughout 2021/22 in comparison to the previous year. However, there has been improvement in emergency readmission to hospital within 28 days of discharge which fell by 1.6%, a 2.1pp decline in resource spent on hospital stays where the patient was admitted in an emergency, and only a minimal change in the proportion of last 6 months of life spent at home or in a community setting which fell by 0.4pp. The most notable challenges experienced during 2021/22 were the rise in the emergency bed day rate (14.1% increase) and delayed discharge bed days for older people, however the increase of 103.6% does not reflect that our local 2021/22 performance is well below the national average and most comparable areas. This is highlighted in the CSII (Data Indicators) Benchmarking – 2021 Calendar Year / 2021-22 Financial Year table. The average number of delayed discharge bed days across the other eight 'Family Group' comparator IJBs equates to 826 days against 399 days in East Ayrshire.

## Achievements



The proportion of child protection re-registrations within 12 months fell to 6.7% in 2021/22, down 1.4 PPs from 8.1% in 2019/20.



51 Looked After and Accommodated Children had 3 or more moves as at 31 March 2022, 10.5% fewer than 57 children in 2020/21.



83% of Looked after children moved on to positive initial destinations (employment, training and education) in 2019/20, a significant increase of 15pp from 2018/19.



During 2021/22, 99.3% of people needing help with their drug or alcohol problem waited no longer than 3 weeks for treatment to support their recovery, up 0.8 PPs from 2020/21.



The falls rate per 1,000 population aged 65+ was 18.9 during calendar year 2021, significantly lower than the national rate of 23.



97.5% of older people aged 65+ lived in housing rather than a care home or hospital setting during 2021/22, an increase of 0.1 PPs from the previous year.



97.6% of Social Enquiry Reports were submitted to Court by the due date during 2021/22, 1.1 PPs higher than achieved during 2020/21.



Community Payback Orders: 96.6% of unpaid work requirement was successfully completed within timescales during 2021/22, an increase of 2 PPs from the previous year.

## Areas Identified for Improvement



6,408 Bed days were lost as a result of delayed discharge during 2021/22, a significant increase of 67.5% on the previous year's figure of 3,826.



The emergency admission rate per 100,000 population was 14,566 during calendar year 2021, notably higher than the national rate of 11,636 and 5.9% higher than the previous year.



59.9% of personal carers were qualified to SSSC (Scottish Social Services Council) standard as at 31 March 2022, a fall of 7.1 PPs from the previous year.



64.8% of reports were submitted to the Scottish Children's Reporter Administration (SCRA) by the due date in 2021/22, 2.9 PPs fewer than during 2020/21.



67.6% of child protection decision making was within standard timescales (CP1s completed within 10 days) in 2021/22, 8.7 PPs lower than 76.3% achieved during 2020/21.



It is estimated that 63.9% of children in Primary 1 had a healthy weight in 2020/21, a drop of 8.8 PPs from the previous year.



73% of adults supported at home agreed they felt safe during 2021/22, a significant fall of 15.7 PPs from the previous figure of 88.7% in 2019/20.



60% of adults supported at home agreed that their health and care services seemed to be well co-ordinated, 23.5 PPs lower than 83.5% in 2019/20.

Annual Performance Reports are normally published in July each year however, as in 2020/21, the Scottish Government has advised that the Coronavirus Scotland Act (2020) has been extended to 30 September 2022. Consequently, Integration Authorities can delay the release of their Annual Performance Report until November 2022 if they wish. As in 2020/21, the delayed publication will not be required in respect of the East Ayrshire IJB 2021/22 report.

The Annual Performance Report for the IJB for 2021/22 was presented to the APC on 2 August 2022, and is presented to the IJB on 17 August 2022, for formal approval. The link to the 2021/22 Annual Performance Report will be included within the audited Annual Accounts, which will also be presented to the IJB on 17 August 2022. The 2021.22 Annual Performance Report is available at the Governance webpage:

<https://www.east-ayrshire.gov.uk/SocialCareAndHealth/East-Ayrshire-Health-and-Social-Care-Partnership/Our-Performance.aspx>

### **FINANCIAL STATEMENTS 2021/22**

The Financial Statements for 2021/22 are set out at Section 5 and incorporate financial and other information required by the Code of Practice on Local Authority Accounting in the United Kingdom (The Code). The Statement of Significant Accounting Policies at Section 6 explains the basis for the recognition, measurement and disclosure of transactions and other events in the Financial Statements to ensure that they present a 'true and fair view' of the IJB's financial performance.

### **FINANCIAL PERFORMANCE 2021/22**

Financial information is part of the performance management framework with regular reporting of financial performance to the IJB and the IJB APC. This section provides a summary of the main elements of our financial performance for 2021/22.

Partnership services include the full range of community-based health and care services delegated by the partner organisations under the terms of the Integration Scheme. East Ayrshire Health and Social Care Partnership has the Lead Partnership role in Ayrshire for Primary Care and Out of Hours Community Response including:

- Primary Care (General Medical Services, General Dental Services, General Ophthalmic Services, Community Pharmacy)
- Public Dental Services
- Ayrshire Urgent Care Services (AUCS)
- Prison Service and Police Custody Services
- Out of Hours Social Work Services

The Annual Budget 2021/22 report approved by the IJB on 24 March 2021 directed East Ayrshire Council and NHS Ayrshire & Arran to deliver services in line with strategic planning priorities on behalf of the IJB within the initial delegated resource for directly managed services (including delegated functions managed out with the IJB). The initial approved directly managed services budget (excluding acute hospital Set Aside resources) for 2021/22 was a balanced budget of £273.987m.

The Approved Budget 2021/22 report set out key risks going forward into the financial year. Price inflation was only applied to the base estimate where there was a specific contractual requirement, with price increases not recognised in the budget, being accommodated through greater efficiency and new ways of working. Further risks included pressures in service areas impacted by demographic changes and implementation of new legislation. The balance of delivering additional cash releasing efficiency savings totalling £1.576m, whilst managing increased demand represented both financial and operational risks, which the IJB and its officers

were required to manage over the course of the financial year. The requirement to revisit approved savings for 2021/22 as services develop in response to Covid-19 remobilise, recovery and redesign principles represented a further risk.

The Annual Budget 2021/22 also highlighted that, going forward, unscheduled care and expectations around Set Aside, as well as ongoing Council and Health Board financial challenges remain key risk areas for the IJB. The impact of decisions taken by the other Ayrshire IJBs, safe staffing legislation requirements and fixed funding allocations (including Primary Care Improvement Fund and Mental Health Action 15) are other areas where risks have been identified, will require to be managed. The continued political and economic uncertainty following the EU Exit continues to represent an additional risk to the IJB and the wider public sector.

The Annual Budget 2021/22 budget was approved on a “business as usual” basis. As in 2020/21, the response to the Covid-19 pandemic, through the Local Mobilisation Planning process, had a significant impact on “business as usual” activity levels over the course of 2021/22. The Partnership mitigated risks associated with the response to the pandemic and also the wider budget, through ongoing monitoring and review to ensure the impact on resources as a consequence of increased demand and other unplanned activity changes were outlined in Financial Management Reports to the IJB and the APC.

Management of increased demand was noted as a significant risk in the Approved Budget 2021/22 report. Notwithstanding the continued impact of the pandemic on service delivery, increased demand has been managed effectively through the IJB’s transformational change programme being taken forward through the Strategic Commissioning Board. Work has been undertaken to mitigate the impact of demand and cost pressures through ongoing review of care and support packages and models of care to maximise efficiency, ‘front door’ approach to service delivery, advances in tele-healthcare and new supported accommodation models, whilst ensuring that health and social care service users’ needs continue to be met.

Expenditure for the 2021/22 financial year is £28.339m less than the directly managed services budget delegated to the IJB. This underspend reduces to £24.847m on a population basis when Lead Partnership net recharges totalling £3.492m are included. The £24.847m underspend is partially offset by specific commitments in future years, totalling £20.642m, including the earmarked balance of the East Ayrshire element of Primary Care Improvement Fund £2.351m and Mental Health Action 15 funding £0.205m, Alcohol and Drugs Partnership funding £0.741m, as well as Covid-19 funding £11.363m carried-forward to offset attributable expenditure in 2022/23. This results in a net underspend of £4.205m for 2021/22 and is retained within uncommitted balances in the IJB Reserve.

The following table highlights financial performance by IJB Service Division on a directly managed services basis (including Covid-19 attributable costs) as well as a population basis (incorporating Lead Partnership / hosted services / Set Aside NRAC fair share adjustments) and the layout is consistent with Financial Management Reports presented to the IJB over the course of the 2021/22 financial year:

| Annual Estimate 2020/21<br>£m | Actual to 31/3/21<br>£m | Variance (Favourable) / Adverse<br>£m | Service Division      | Annual Estimate 2021/22<br>£m | Actual to 31/3/22<br>£m | Variance (Favourable) / Adverse<br>£m |
|-------------------------------|-------------------------|---------------------------------------|-----------------------|-------------------------------|-------------------------|---------------------------------------|
|                               |                         |                                       | <b>Core Services</b>  |                               |                         |                                       |
| 23.026                        | 21.410                  | (1.616)                               | Learning Disabilities | 23.019                        | 22.360                  | (0.659)                               |
| 6.915                         | 6.825                   | (0.090)                               | Mental Health         | 7.644                         | 7.227                   | (0.417)                               |
| 40.420                        | 39.661                  | (0.759)                               | Older People          | 44.410                        | 43.536                  | (0.874)                               |
| 1.487                         | 1.572                   | 0.085                                 | Physical Disabilities | 3.139                         | 3.309                   | 0.170                                 |
| 0.181                         | 0.170                   | (0.011)                               | Sensory               | 0.178                         | 0.169                   | (0.009)                               |

|                |                |                 |   |                |                |                 |
|----------------|----------------|-----------------|---|----------------|----------------|-----------------|
| 6.774          | 5.803          | (0.971)         | Service Strategy                                    | 8.040          | 7.055          | (0.985)         |
| 0.475          | 0.475          | 0.000           | Transport   | 0.504          | 0.504          | 0.000           |
| 0.238          | 0.238          | 0.000           | Health Improvement                                  | 0.258          | 0.258          | 0.000           |
| 5.449          | 5.554          | 0.105           | Community Nursing                                   | 6.126          | 5.799          | (0.327)         |
| 26.408         | 26.408         | 0.000           | Prescribing   | 26.019         | 26.019         | 0.000           |
| 17.680         | 17.560         | (0.120)         | General Medical Services                            | 17.680         | 17.657         | (0.023)         |
| 11.242         | 10.583         | (0.659)         | Allied Health Professions                           | 11.470         | 10.139         | (1.331)         |
| 1.014          | 1.014          | 0.000           | Intermediate Care and Rehabilitation Teams          | 1.185          | 1.185          | 0.000           |
| <b>141.309</b> | <b>137.273</b> | <b>(4.036)</b>  |   | <b>149.672</b> | <b>145.217</b> | <b>(4.455)</b>  |
|                |                |                 | <b>Covid-19</b>                                     |                |                |                 |
| 14.412         | 11.302         | (3.110)         | Covid-19 Mobilisation Plan                          | 16.637         | 4.163          | (12.474)        |
| <b>14.412</b>  | <b>11.302</b>  | <b>(3.110)</b>  |   | <b>16.637</b>  | <b>4.163</b>   | <b>(12.474)</b> |
|                |                |                 | <b>Public Protection</b>                            |                |                |                 |
| 0.147          | 0.111          | (0.036)         | Adult Support and Protection                        | 0.138          | 0.137          | (0.001)         |
| 3.403          | 2.760          | (0.643)         | Alcohol and Drugs Support                           | 3.268          | 2.525          | (0.743)         |
| 0.120          | 0.106          | (0.014)         | Child Protection Committee                          | 0.059          | 0.053          | (0.006)         |
| 0.295          | 0.294          | (0.001)         | Learning and Development                            | 0.589          | 0.501          | (0.088)         |
| <b>3.965</b>   | <b>3.271</b>   | <b>(0.694)</b>  |   | <b>4.054</b>   | <b>3.216</b>   | <b>(0.838)</b>  |
|                |                |                 | <b>Non-District General Hospitals</b>               |                |                |                 |
| 3.661          | 3.032          | (0.629)         | East Ayrshire Community Hospital                    | 3.717          | 3.357          | (0.360)         |
| 1.041          | 0.525          | (0.516)         | Woodland View Commissioned Services                 | 0.444          | 0.434          | (0.010)         |
| <b>4.702</b>   | <b>3.557</b>   | <b>(1.145)</b>  |   | <b>4.161</b>   | <b>3.791</b>   | <b>(0.370)</b>  |
|                |                |                 | <b>Lead Partnership Services</b>                    |                |                |                 |
| 0.264          | 0.264          | 0.000           | Standby Services                                    | 0.185          | 0.185          | 0.000           |
| 94.345         | 90.405         | (3.940)         | Primary Care (incl. Dental)                         | 96.825         | 88.475         | (8.350)         |
| 3.320          | 3.112          | (0.208)         | Prison & Police Healthcare                          | 3.316          | 2.965          | (0.351)         |
| 1.424          | 1.424          | 0.000           | War Pensioner                                       | 1.424          | 1.424          | 0.000           |
| 0.088          | 0.080          | (0.008)         | Other Lead Services                                 | 0.088          | 0.081          | (0.007)         |
| <b>99.441</b>  | <b>95.285</b>  | <b>(4.156)</b>  |   | <b>101.838</b> | <b>93.130</b>  | <b>(8.708)</b>  |
|                |                |                 | <b>Children's Health, Care and Justice Services</b> |                |                |                 |
| 18.852         | 17.605         | (1.247)         | Children & Families / Women's Services              | 18.754         | 17.820         | (0.934)         |
| 4.938          | 4.747          | (0.191)         | Secure Accommodation / Outwith Placements           | 5.319          | 4.633          | (0.686)         |
| 2.388          | 2.376          | (0.012)         | Justice Services                                    | 2.430          | 2.419          | (0.011)         |
| 3.336          | 3.436          | 0.100           | Health Visiting                                     | 3.462          | 3.599          | 0.137           |
| <b>29.514</b>  | <b>28.164</b>  | <b>(1.350)</b>  |   | <b>29.965</b>  | <b>28.471</b>  | <b>(1.494)</b>  |
| <b>293.343</b> | <b>278.852</b> | <b>(14.491)</b> | <b>TOTAL DIRECTLY MANAGED SERVICES BUDGET</b>       | <b>306.327</b> | <b>277.988</b> | <b>(28.339)</b> |
|                |                |                 |   |                |                |                 |

|                 |                 |                 |   |                 |                 |                 |
|-----------------|-----------------|-----------------|---|-----------------|-----------------|-----------------|
|                 |                 |                 | <b>Hosted Services adjustments</b>  |                 |                 |                 |
| (64.440)        | (61.998)        | 2.442           | Recharges out   | (69.208)        | (63.797)        | 5.411           |
| 17.537          | 17.058          | (0.479)         | Recharges in  | 20.087          | 18.168          | (1.919)         |
| <b>(46.903)</b> | <b>(44.940)</b> | <b>1.963</b>    |   | <b>(49.121)</b> | <b>(45.629)</b> | <b>3.492</b>    |
|                 |                 |                 |   |                 |                 |                 |
| <b>23.897</b>   | <b>23.897</b>   | <b>0.000</b>    | <b>Set Aside</b>  | <b>24.566</b>   | <b>24.566</b>   | <b>0.000</b>    |
|                 |                 |                 |   |                 |                 |                 |
| <b>270.337</b>  | <b>257.809</b>  | <b>(12.528)</b> | <b>TOTAL POPULATION BASED BUDGET INCLUDING SET ASIDE</b>                          | <b>281.772</b>  | <b>256.925</b>  | <b>(24.847)</b> |
|                 |                 |                 |   |                 |                 |                 |
|                 |                 |                 | <b>Earmarked balances</b>   |                 |                 |                 |
| 0.000           | 4.903           | 4.903           | Underspend relating to EAC – earmarked by IJB                                     | 0.000           | 12.931          | 12.931          |
| 0.000           | 0.864           | 0.864           | Underspend relating to NHS A & A – earmarked by IJB                               | 0.000           | 2.768           | 2.768           |
| 0.000           | 1.272           | 1.272           | Underspend relating to NHS A & A Primary Care Improvement Fund – earmarked by IJB | 0.000           | 2.351           | 2.351           |
| 0.000           | 0.227           | 0.227           | Underspend relating to NHS A & A Mental Health Action 15 – earmarked by IJB       | 0.000           | 0.205           | 0.205           |
| 0.000           | 0.000           | 0.000           | Underspends in other NHS A & A Hosted Services – earmarked by IJB                 | 0.000           | 2.387           | 2.387           |
| <b>0.000</b>    | <b>7.266</b>    | <b>7.266</b>    |   | <b>0.000</b>    | <b>20.642</b>   | <b>20.642</b>   |
|                 |                 |                 |   |                 |                 |                 |
| <b>270.337</b>  | <b>265.075</b>  | <b>(5.262)</b>  | <b>NET UNDERSPEND AFTER EARMARKING</b>  | <b>281.772</b>  | <b>277.567</b>  | <b>(4.205)</b>  |
|                 |                 |                 |   |                 |                 |                 |
|                 |                 |                 | <b>Uncommitted balances</b>   |                 |                 |                 |
| 0.000           | 2.647           | 2.647           | Underspend relating to EAC – retained by IJB                                      | 0.000           | 2.107           | 2.107           |
| 0.000           | 2.615           | 2.615           | Underspend relating to NHS A & A – retained by IJB                                | 0.000           | 2.098           | 2.098           |
| <b>0.000</b>    | <b>5.262</b>    | <b>5.262</b>    |   | <b>0.000</b>    | <b>4.205</b>    | <b>4.205</b>    |
|                 |                 |                 |   |                 |                 |                 |
| <b>270.337</b>  | <b>270.337</b>  | <b>0.000</b>    | <b>TOTAL DELEGATED BUDGET</b>   | <b>281.772</b>  | <b>281.772</b>  | <b>0.000</b>    |

The final outturn position for 2021/22 highlights an underspend of £4.205m for the Partnership after earmarking of funds and taking account of full funding of Covid-19 attributable expenditure. The Financial Management Report to 31 March 2022, presented to the IJB on 22 June 2022, included the proposal that uncommitted balances for the year £4.205m be retained by the IJB, with the following recommendations:

- £2.796m set aside to increase the general contingency balance in line with the aspirational 2% target set out in the approved IJB Reserve Strategy.
- £0.500m set aside for workforce development purposes, recognising ongoing recruitment difficulties in essential health and social care services.
- £0.909m set aside for transformational change purposes.

These recommendations were approved by the IJB on 22 June 2022, subject to completion of the external audit of the Annual Accounts 2021/22.

The financial performance table above highlights that expenditure for the 2021/22 financial year is £24.847m less than the budget delegated to the IJB (£28.339m directly managed services, partially offset by £3.492m hosted services share). Taking account of £6.326m funding delegated to the IJB and accounted for in the 2020/21 financial year, this results a reduced surplus on provision of services pertaining to 2021/22 of £18.521m. This is reflected in the Comprehensive Income and Expenditure Statement within the Financial Statements at Section 5 of the Annual Accounts.

The Comprehensive Income and Expenditure Statement highlights net cost of provision of services for 2021/22 of £263.251m. This is greater than the net expenditure of £277.988m highlighted in the financial performance table above. The variance between these figures is represented by the following:

- Funding delegated to the IJB in 2020/21 and accounted for in that year;
- Lead Partnership income from North and South Ayrshire IJBs for their shares of Primary Care and Out of Hours Services (etc.)
- Lead Partnership contributions to North and South Ayrshire IJBs for East Ayrshire's share of Specialist Mental Health Services and NHS Equipment Store (etc.) costs respectively; and
- Large Hospital Set Aside expenditure attributable to East Ayrshire IJB. This is managed within the overall NHS Acute Services budget.

|   | <b>Net<br/>Expenditure<br/>2021/22<br/>£m</b> |
|---|---|
| Financial Statements: cost of provision of services | 263.251                                       |
| Management Accounts: actual expenditure             | 277.988                                       |
| <b>Variance</b>                                     | <b>(14.737)</b>                               |
|   |   |
| <b>Represented by:</b>                              |   |
| Funding delegated 2020/21                           | 6.326   |
| Lead Partnership income                             | (63.797)                                      |
| Lead Partnership contributions                      | 18.168  |
| Large Hospital Set Aside                            | 24.566  |
|   | <b>(14.737)</b>                               |

This favourable final outturn position is to be welcomed given the challenges associated with delivering efficiency savings, whilst managing increasing demand and cost pressures and reflects that certain mainline budgets have underspent over the course of the financial year. This is partly a reflection of the non-business as usual environment within which services were delivered over the course of 2021/22 in response to the Covid-19 pandemic. Despite this favourable position, a number of services experienced budget pressures over the course of the 2021/22 financial year and these pressures have been offset through both recurring and non-recurring savings. This includes staff turnover savings, which are additional to budgeted savings in non-front line services. The main variances are summarised as follows:

#### Core Services

The overall underspend of £4.455m takes account of underspends earmarked within the IJB Reserve, including

Interim Care funding, Remobilisation Plan (RMP) funding and Multi-Disciplinary Teams funding.

Learning Disabilities underspend £0.659m is primarily due to less than expected care at home spend via Self Directed Supports (SDS) options 2 and 3, partially offset by increased residential care costs and staffing costs.

Mental Health services underspend £0.417m is largely due to less than anticipated expenditure against RMP3 funding £0.299m, which has been earmarked for carry-forward within the IJB Reserve, as well as savings from recruitment slippage, primarily in the elderly Mental Health teams.

Older people's services underspend £0.874m includes £0.908m underspend on specific Scottish Government Interim Care funding, which has been carried-forward as an earmarked balance within the IJB Reserve. There was increased spend of £1.008m, net of Winter Pressures Care at Home Capacity funding £1.439m and RMP4 funding £0.253m. This net additional pressure is partially offset by reduced elderly residential and nursing care placement costs £0.556m, as well as reduced externally commissioned care at home services £0.255m.

Community Nursing underspend £0.327m mainly relates to net staffing savings, after accounting for Covid-19 additional costs and includes recruitment slippage against Health Care Support Worker funding.

Service Strategy underspend £0.985m is largely due to specific funding balances which have been earmarked within the IJB Reserve to offset future commitments. This includes Trauma funding, Workforce Wellbeing funding, Multi-Disciplinary Teams funding and Discharge Without Delay funding. In addition, there have been savings related to higher than budgeted staff turnover over the course of the financial year.

The Allied Health Professions (AHP) £1.331m underspend is largely due to staff vacancies, a number of which are being recruited to. In addition, there are savings in supplies budgets, notably within Orthotics. The underspend takes account of additional non-recurring funding from the Scottish Government, of which £0.259m has been earmarked within the IJB Reserve. Work is continuing to recruit to AHP posts to ensure that the specialties are resourced to meet service demands going forward. In common with other front line services, there are challenges associated with recruiting to AHP posts, mainly related to short supply of qualified staff across Health Boards and IJBs.

The Integration Scheme outlines that whilst the Primary Care prescribing budget will be delegated to the IJB, prescribing will be managed by NHS Ayrshire & Arran across the three Ayrshire Health and Social Care Partnerships, with a cost-neutral final outturn position presented in IJB accounts as a consequence.

### Covid-19

Covid-19 net costs for 2021/22 of £4.163m is after taking account of Scottish Government funding received in 2020/21 £3.110m which has been brought-forward as an earmarked balance within the IJB Reserve to offset anticipated full year and part-year costs in 2021/22 (RMP3). A breakdown of £7.273m gross costs incurred in 2021/22 is highlighted in the table below:

| Expenditure  | Actual at<br>31/3/22<br>£m |
|--|----------------------------|
| Additional personal protective equipment (PPE) – directly procured | 0.341                      |
| Additional care home placements (not delayed discharge)            | 0.190                      |
| Additional staff costs   | 0.532                      |
| Provider sustainability payments (including PPE £0.208m)           | 1.999                      |
| Loss of income   | 0.302                      |

|                                      |              |
|--------------------------------------|--------------|
| Children and Family services         | 1.383        |
| Unachievable savings                 | 0.102        |
| Community Clinical Hub               | 1.397        |
| Flu vaccination costs                | 0.021        |
| Additional staff costs               | 0.583        |
| Staff sickness – long Covid          | 0.175        |
| Additional equipment and maintenance | 0.091        |
| Other                                | 0.157        |
| <b>Total</b>                         | <b>7.273</b> |

As highlighted previously, on 26 February 2022, the Scottish Government notified IJBs and Health Boards that any balance of funding from £619m allocated for Covid-19 should be carried forward as an earmarked balance within IJB Reserves. The East Ayrshire balance of funding £11.363m is earmarked within the IJB Reserve accordingly. The letter stated that the funding is to be used to support continuation of costs that were funded in 2021/22, relating to both IJBs and Health Boards. This allocation basis is problematic for both IJBs and Health Boards. The funding has been allocated to IJBs and can therefore only be used to fund delegated services or functions. The notification also highlighted that the Scottish Government will not receive any Barnett Consequential funding in 2022/23 in relation to Covid-19 costs. Projected Covid-19 costs for 2022/23 therefore require to be reduced as far as possible, with a recovery plan within available resources being a key requirement. This represents a risk to the IJB beyond 31 March 2023.

The IJB has acted as agent in respect of £500 “thank you” payments from the Scottish Government to Community Link Workers employed by Council of Voluntary Organisations (East Ayrshire) Limited. All payments, totalling £0.006m, relate to the 2021/22 financial year and costs and income have been recorded accordingly. The IJB is acting as an agent in respect of this transaction, and whilst there is no recognition of net expenditure in the Comprehensive Income and Expenditure Statement (CIES), there are expenditure and offsetting income entries recorded.

The IJB has also acted as an agent in respect of PPE issued from National Services Scotland (NSS) stock, including PPE issued to external service providers (via the PPE Hub). The Comprehensive Income and Expenditure Statement does not therefore include any expenditure, income or stock of PPE supplied via these national distribution arrangements. This totals £0.199m for 2021/22 and is additional to the directly procured PPE costs highlighted in the tables above.

In addition, the IJB has acted as agent in respect of Covid-19 test kits supplied at no cost by the Scottish Government and UK Government. For Scottish Government funded PCR test kits, the sum is £0.899m and for UK Government funded LFD test kits, the sum is £2.277m. As the IJB was acting as an agent regarding test kit transactions, it does not recognise any income, expenditure or closing stock of test kits in the annual accounts.

### Public Protection

The £0.838m underspend on Public Protection is largely due to an IJB Reserve adjustment £0.476m for specific Scottish Government Alcohol and Drug Partnership funding. In addition, reduced staffing costs within Addictions services and Learning and Development team contribute to the overall underspend, the latter being due to the creation of new posts in the process of recruitment.

### Non-District General Hospitals

The £0.370m underspend is largely due to reduced staff costs at East Ayrshire Community Hospital (EACH). Following temporary closure of a ward in 2018/19 and the subsequent movement of staff and patients, there has been less reliance on supplementary staffing. Work is ongoing to consider the model of care provision going forward, recognising that the Ayrshire Hospice has temporarily relocated to the EACH site. The Woodland View

commissioned beds budget reflects the transfer of resources to North Ayrshire IJB to fund the cost of six continuing care beds at Woodland View.

#### Children's Health, Care and Justice Services

The overall £1.494m underspend includes reduced secure accommodation / outwith authority placement costs of £0.686m. The budget for secure accommodation allows for one full time equivalent placement over the course of the financial year. One young person was accommodated between December 2021 and March 2022, with the required placement being wholly due to Covid-19. As a consequence, costs have been reclaimed from the Scottish Government, as part of the Local Mobilisation Plan. There is a net underspend of £0.332m on outwith authority placements. The financial impact of Covid-19 has resulted in additional outwith authority placement costs £0.845m for 2021/22. These costs have arisen due to delays in scheduled moves to alternative care provision, as well as changes in support plans, resulting in additional placements. As a consequence, these costs have also been reclaimed from the Scottish Government and are included within the Covid-19 expenditure heading and represent a financial risk if costs continue beyond 31 March 2023.

The underspend on the Children and Families / Women's Services budget of £0.934m includes £0.118m related to underspends in specific funding which have been earmarked within the IJB Reserve to offset future commitments (School Counselling £0.003m, The Promise £0.029m, Whole Family Wellbeing funding £0.085m). The £0.827m net underspend is largely due to specific Scottish Government funding received: Mental Health & Wellbeing £0.332m, Winter Support Vulnerable Children £0.147m and Justice Services Pandemic £0.373m. There was a requirement to utilise these specific grants during 2021/22 with no opportunity for earmarked carry forward. In addition, there are less than expected costs within both internal and external adoption. These underspends are partially offset by additional costs within internal foster care and kinship care.

There is a small underspend of £0.011m on Justice Services which is the net position after taking account of budgeted specific grant funding £2.954m. Full spend of the grant funding has been achieved over the course of the financial year.

The £0.137m Health Visiting overspend is largely due to Health Visitor numbers being over budgeted establishment, as well as additional care package costs. The over establishment issue, as well as unachievable historic efficiency savings has been resolved as part of the budget approval process for 2022/23.

#### Lead Partnership Services

##### Primary Care and Out of Hours Community Response Services

On behalf of all IJBs within the NHS Ayrshire & Arran area, East Ayrshire IJB acts as the Lead Partner for Primary Care and Out of Hours Community Response Services, Prison and Police Healthcare and War Pensioners services. It commissions services on behalf of the three Ayrshire IJBs and reclaims the costs involved. This arrangement is treated as an agency arrangement.

On a managed services basis, Primary Care and Out of Hours Community Response Services are underspent by £8.350m. This includes an underspend of £5.749m on the Primary Care Improvement Fund which has been earmarked for carry-forward on an actual spend basis at individual IJB level. The £1.690m underspend in Dental services includes savings due to reduced service provision in 2021/22, with an anticipated increase in staffing costs going forward. This underspend also includes additional funding allocations for Practice Improvements, £0.715m and Winter Preparedness £0.347m, both of which have been earmarked for carry-forward on an individual IJB basis. There are reduced costs of £0.395m in Ayrshire Urgent Care Services (AUCS) due to vacancies within the service, as well as a reduction in the number of sites used for part of the year, resulting in a reduction in GP costs. The level of GP activity will continue to be closely monitored going forward.

The Primary Care Improvement Fund has out-turned below budget by £5.749m overall, with East Ayrshire's underspend £2.351m earmarked within the IJB Reserve. The Scottish Government provided confirmation of the sums available for the three Partnerships for 2021/22 with spending plans and priorities taken forward to meet agreed outcomes.

The North and South Ayrshire IJBs' shares of the underspend on the Primary Care Improvement Fund £5.749m total £3.399m (North Ayrshire £1.856m, South Ayrshire £1.543m).

### Prison and Police Healthcare

The £0.351m underspend on Prison and Police Healthcare is largely due to net staffing savings. In addition, the medical contracts at both Prison and Police have reduced and is contributing to the underspend. The underspend includes RMP4 funding £0.105m, which has been earmarked for carry-forward within the IJB Reserve.

The North and South Ayrshire IJBs' shares of the £8.708m overall underspend on East Ayrshire managed services total £5.409m (North Ayrshire £2.949m, South Ayrshire £2.460m).

### North Ayrshire Hosted Services

Specialist Mental Health Services have underspent by £5.340m with a small overspend of £0.022m in Children's Services, due to Nursing immunisation costs. Variances for the year in Mental Health Services mainly relate to overspend in Adult Inpatients £0.111m, due to staff in redeployment following the closure of the Lochranza ward. UNPACS (Unplanned Activities) overspent by £0.864m, which includes a backdated charge for a patient in the State Hospital. These placements are for individuals with very specific needs that require a higher level of security and / or care from a staff group with a particular skill set / competence. This can necessitate an UNPACS placement with a specialist provider, which can be out-of-area. An underspend in Mental Health Pharmacy of £0.086m, is due to an overall reduction in substitute prescribing costs (despite increasing unit cost). Learning Disability Services overspent by £0.562m. This is mainly due to high usage of supplementary staffing, cross charging for a patient whose discharge has been delayed and staffing redeployment costs. Supplementary staffing costs relate to backfill for sickness and enhanced observations and vacancies. Daldorch charging income under recovered by £0.156m. Previously income was received from other Health Boards for out of area Children / Young Persons attending Daldorch however, the service has been redesigned and is no longer chargeable, as it is no longer an education provider. This recurring shortfall in funding has been provided for as a pan-Ayrshire pressure as part of the 2022/23 budget. The turnover target for vacancy savings for the Lead Partnership is a pan-Ayrshire target. There was an over-recovery of the £0.400m vacancy savings target of £1.875m in 2021/22. Turnover projections are informed by recruitment plans and the confidence in recruitment success, as well as realistic timescales for filling individual vacancies.

There is an underspend of £0.898m on Mental Health Action 15. North Ayrshire have reallocated these underspends to East and South for earmarking within IJB Reserves, the East Ayrshire share being £0.205m.

### South Ayrshire Hosted Services

In South Ayrshire Integration Joint Board, there is an overall overspend of £0.061m on services managed under Lead Partnership arrangements. The overspend largely relates to additional Community Equipment Store costs £0.143m and is after taking account of additional investment for 2021/22, including £0.016m approved by East Ayrshire IJB to meet its share of the cost of two additional drivers. The overspend is due to increased spend on equipment, as well as maintenance contracts. There are also additional staffing (0.5 FTE over-establishment) and supplies costs within the Community Continence Team, totalling £0.043m. These additional costs are partially offset by reduced costs in the Family Nurse Partnership Programme of £0.125m, partly due to slippage on the recruitment of posts offset by specific income from the Scottish Government.

The pan-Ayrshire Lead Partnership outturn position for 2021/22 results in additional costs of £3.492m for East

Ayrshire IJB. This comprises the North and South shares of the East Ayrshire underspend totalling £5.411m, and the East Ayrshire share of the South Ayrshire overspend £0.019m. These costs are partially offset by the East Ayrshire share of the North Ayrshire underspend £1.938m. The following table provides a summary of NHS Lead Partnership / hosted services recharges for 2021/22:

|  | Annual Budget<br>2021/22<br>£m | Actual<br>Expenditure<br>2021/22<br>£m | Variance<br>2021/22<br>£m |
|--|--------------------------------|--|---------------------------|
| East Ayrshire hosted - income North Ayrshire       | (37.565)                       | (34.617)                               | 2.948                     |
| East Ayrshire hosted - income South Ayrshire       | (31.643)                       | (29.180)                               | 2.463                     |
| <b>Recharges out</b>                               | <b>(69.208)</b>                | <b>(63.797)</b>                        | <b>5.411</b>              |
| North Ayrshire hosted - contribution East Ayrshire | 19.043                         | 17.105                                 | (1.938)                   |
| South Ayrshire hosted - contribution East Ayrshire | 1.044                          | 1.063                                  | 0.019                     |
| <b>Recharges in</b>                                | <b>20.087</b>                  | <b>18.168</b>                          | <b>(1.919)</b>            |
| <b>Lead Partnership / hosted services</b>          | <b>(49.121)</b>                | <b>(45.629)</b>                        | <b>3.492</b>              |

### Set Aside

The Integration Scheme establishes that pressures in respect of large hospitals Set Aside budgets will be managed in-year by NHS Ayrshire & Arran. The budget delegated by NHS Ayrshire & Arran to the IJB for 2021/22 includes the Set Aside resource. This budget represents the cost of six specialties (Accident and Emergency, General Medicine, Geriatric Medicine, Rehabilitation Medicine, Respiratory Medicine and GP other than Obstetrics) and is focussed on unscheduled activity. Work has been undertaken to provide an updated specific Set Aside resource based upon locally sourced information in respect of 2019/20 bed days, discharges and admissions, inflated to a 2021/22 value. Actual Set Aside activity and values for 2020/21 are available, however due to the impact of the Covid-19 pandemic, these are £9.5m less than 2019/20 values and are therefore not considered representative of "normal" activity levels and therefore not suitable for delegating Set Aside resources. The updated Set Aside figure for East Ayrshire is £24.566m. This Set Aside allocation highlights that East Ayrshire's use of the resource was below the revised NHS Scotland Resource Allocation Committee (NRAC) "fair share" £27.716m by £3.150m (at 2019/20 activity levels) as follows:

|                | Set Aside<br>2021/22<br>£m | NRAC<br>2021/22<br>% | NRAC Budget<br>Share<br>2021/22<br>£m | Over /<br>(Under)<br>NRAC Fair<br>Share<br>£m |
|----------------|----------------------------|----------------------|---------------------------------------|---|
| East Ayrshire  | 24.566                     | 31.9                 | 27.716                                | (3.150)                                       |
| North Ayrshire | 33.980                     | 36.8                 | 31.964                                | 2.016   |
| South Ayrshire | 28.311                     | 31.3                 | 27.177                                | 1.134   |
| <b>Total</b>   | <b>86.857</b>              | <b>100.0</b>         | <b>86.857</b>                         | <b>0.000</b>                                  |

East Ayrshire Health and Social Care Partnership continues to operate within a challenging financial environment as a result of real terms reductions in funding, increased demographic pressures and the cost of implementing new legislation and policies. The response to the Covid-19 pandemic over the course of 2021/22 has once again impacted on service delivery, as evidenced in underspends in mainline budgets. The Partnership Leadership Team with the support of the Integration Joint Board has worked throughout 2021/22 to manage the response to the pandemic and monitor the budget and service implications through strong financial governance.

The Financial Statements 2021/22 for the IJB are set out at sections 5 and 6 of the Annual Accounts. This includes the Comprehensive Income and Expenditure Statement and the Balance Sheet, which summarises the IJB's net assets as at 31 March 2022.

## FINANCIAL OUTLOOK, RISKS AND PLANS FOR THE FUTURE

The East Ayrshire Health and Social Care Partnership, like all others, faces significant financial challenges and will be required to operate within tight fiscal constraints for the foreseeable future due to the continuing difficult national economic outlook.

In the short-term, the General Fund uncommitted balance will provide contingency funding to offset increased cost and volume pressures in 2022/23. The annual inflation rate in the UK increased to 9% in April 2022, the highest level since 1982. This increase is prompted by rising prices for electricity, gas and other fuels (including motor fuels). Consequently, additional inflationary pressures for the IJB in 2022/23 may include increased pay inflation, increased commissioned services inflation (in areas such as the National Care Home Contract, commissioned care at home services and commissioned children's placements) and general inflationary pressures across a range of services.

The reviewed Reserve Strategy was approved by the IJB on 23 March 2022 and is a key component of sound governance arrangements for the IJB. Whilst there is no defined level of reserves to be held, a number of organisations set a minimum level of 2% of annual budgeted expenditure as an aspirational target. The IJB approved that it will aspire to hold at least 2% of annual budgeted revenue expenditure as general fund balances, as part of the Reserve Strategy. As highlighted previously, it has been recommended that a further £2.796m be set aside to increase the general contingency balance to £5.780m, which represents 2% of the initial approved Annual Budget 2022/23. Given the aforementioned ongoing economic uncertainty, it is considered prudent that the IJB can access this contingency balance to cushion the impact of unintended events or emergencies, if required.

The Scottish Government published its Health and Social Care Medium-Term Financial Framework (MTFF) in October 2018. This outlines the future shape of demand and expenditure for health and social care services. The report includes cost and demand projections from work undertaken by the Institute of Fiscal Studies, which outlines that UK expenditure on healthcare would require to increase in real terms by an average of 3.3% per annum over the next 15 years to maintain NHS provision at current levels. The report also sets out that spending on social care services would require to increase by 3.9% per annum to meet the needs of an increasing elderly population and an increasing number of younger adults living with disabilities. The report recognises that despite additional planned investment, the health and social care system still needs to adapt and change.

The IJB's external auditors, Deloitte LLP presented their Audit Dimensions and Best Value report for the year ended 31 March 2022 to the Audit and Performance Committee on 31 May 2022. This report outlined that while the IJB has achieved short term financial balance over recent years, there remains a risk that robust medium to longer term financial planning arrangements are not in place to ensure that the IJB can manage its finances sustainably and deliver services effectively.

Deloitte have considered the 2022/23 budget setting process and the planned work over the medium and longer term, noting that the IJB approved a balanced budget for 2022/23 at its meeting on 23 March 2022. In setting the budget, the IJB has recognised a number of key financial risks, including:

- Price inflation pressures;
- The pending 2022/23 pay award for Local Government and NHS staff;
- The negotiated uplifts for the National Care Home contract;

- The impact of demographic changes and implementation of new legislation;
- Unscheduled care and expectations around Set Aside resources;
- Ongoing Council and NHS Board financial challenges;
- Impact of decisions taken by the other Ayrshire IJBs;
- The ongoing response to the Covid-19 pandemic, including uncertainty around future funding; and
- Continued political and economic uncertainty following the EU exit and wider global economic uncertainty.

As part of the 2022/23 budget setting process, the Scottish Government allocated an additional £353.9m for health and social care services for 2022/23 for national commitments, including support for pay and sustainability in social care services (including increased care at home capacity), as well as other “must do” national priorities. As a result, the budget delegated by East Ayrshire Council to the IJB includes additional funding £8.216m.

This £8.216m additional allocation increases to £8.507m, after taking account of additional recurring Scottish Government funding totalling £0.199m for Mental Health Recovery and Renewal, National Trauma Training and Scottish Disability Assistance.

The Scottish Government has allocated a further £200m to support pay and sustainability in social care services, as well as £22m Social Work capacity (adult care) funding. East Ayrshire IJB’s confirmed share of this additional funding totals £5.291m and provides for the Living Wage uplift (to £10.50 hourly rate), elements of the National Care Home Contract uplift, increased service provider National Insurance costs and further funding for system pressures investment. This £5.291m additional sum includes the IJB’s £0.511m share of the Social Work capacity (adult care) funding.

The Health Portfolio budget for 2022/23 includes £40m funding to recruit to 1,000 additional Multi-Disciplinary Team (MDT) posts, as well as £30m to recruit to Health Care Support Workers (HCSW) within MDTs. The IJB’s share of this additional MDT funding for 2022/23 is £0.930m (£40m) and £0.466m (£30m).

The Health Portfolio budget also includes an additional £45m related to the Primary Care Improvement Fund to support the delivery of the new GP contract and wider Primary Care reform and development of new models of primary care (25% increase over the lifetime of the Parliament). Additional funding for Mental Health and Child and Adolescent Mental Health Services (CAMHS) is also provided to underpin service improvements and supports (again a 25% increase in funding over lifetime of Parliament). An additional sum of £50m has been provided for Alcohol and Drugs initiatives and will support further investment in a range of community-based interventions, including primary prevention, with the expansion of residential based rehabilitation. This aligns with the National Drugs Deaths Taskforce, which aims to co-ordinate and drive action to improve health outcomes for people who use drugs, reducing the risk of harm and death. It is important to highlight that the sums outlined in this paragraph are national funding allocations.

A Systems Pressures Investment Plan report was approved by the IJB on 9 February 2022. This report outlined the Local Investment Plan, which was consolidated following a series of workshops, individual submissions from teams and discussion at Senior Leadership Group, Partnership Leadership Team and Strategic Planning Group. The plan focusses on the following areas of investment:

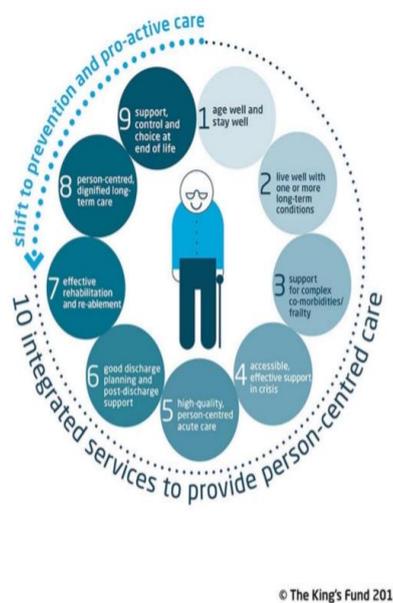
- Home First / Discharge Without Delay;
- Care at Home and Rehabilitation and Enablement;
- Enhancing Locality MDT Working;
- Community AHP Workforce;
- Enhanced Front Door Service in the Community;
- Social Work and MHO Capacity;

- Health Improvement in Mental Health;
- Developing Transitions across settings;
- Programme Management, Implementation Support and Evaluation; Integrated Finance Support; Developing Integrated Care Records; HR and OD support
- Interim Care, and;
- Wellbeing support.

The Systems Pressures Plan reflects effective interventions that also build on and enhance our existing model of care. The plan is premised on integrated care and support across the life course to deliver better outcomes, with prevention and early intervention being integral to the management of demand.

High impact changes relate to multi-disciplinary team working, early identification and planning, proactive management of long-term conditions, managing variation in admission, managing variation in discharge, home-first and discharge to assess approaches, rehabilitation and enablement.

The Kings Fund research and SCIE Logic Model helped guide these discussions, with the summary of policy direction and approach to using the logic model illustrated below.



The additional funding streams outlined in the preceding paragraphs, represent a significant investment in health and social care services. It should be recognised however, that after taking account of “must do” national priorities and cost and volume pressures, the IJB has been required to agree additional savings proposals totalling £1.803m to ensure a balanced budget was approved for 2022/23.

The £1.803m savings proposals for 2022/23 represent baseline rebalancing adjustments and have been approved on a non-recurring basis. The requirement to revisit these savings proposals for 2022/23, as services develop in response to Covid-19 remobilise, recovery and redesign principles represents a further risk given the potential impact in 2022/23 and future financial years. As in the two previous financial years, the 2022/23 budget assumes “business as usual”. The potential financial and economic impacts of the Covid-19 pandemic represents a significant risk to the IJB, and the wider public sector going forward. All additional costs pertaining to the response to the pandemic were fully funded by the Scottish Government in 2021/22.

As highlighted previously, a sum of £11.363m, representing the balance of the IJB's share of £619m Covid-19 funding has been earmarked for carry-forward within the IJB Reserve. The Scottish Government will not receive any Barnett Consequential funding in 2022/2023 in relation to Covid-19 costs. Projected Covid-19 costs for 2022/23 therefore require to be reduced as far as possible, with a recovery plan within available resources being a key requirement. At a national level, the impact of Covid-19 going forward represents the real potential for an extended period of fiscal restraint and represents a significant risk for the IJB, its funding partners, and the wider economy.

In response to challenges associated with Covid-19, a strategic Service Improvement Plan has been developed for wellbeing and recovery, which has identified specific action plan activities to assist with recovery from the pandemic. The Wellbeing, Recovery and Renewal Group (reporting to the Strategic Planning Group) has been established to take forward a Wellbeing, Recovery and Renewal Action Plan.

In previous years' audits, Deloitte have recommended that the IJB update its detailed Medium Term Financial Plan (MTFP). The initial MTFP 2017/18 to 2021/22 was approved by the IJB on 30 November 2017, with high level updates approved by the IJB on 25 March 2020 and 23 March 2022, as part of the approval of Annual Budgets for 2020/21 and 2022/23 respectively.

As part of the 2022/23 budget setting, the IJB considered a high-level MTFP (2022/23 – 2029/30). This high-level plan highlighted an indicative budget gap, based on three scenarios, of between £5.4m (1.7% of the budget) and £28.9m (9.1% of the budget). Whilst recognising that this is a high-level assessment and further detailed analysis is required to test and refine costs and funding assumptions, this demonstrates that significant work is required to re-design and transform services to ensure that they can be delivered on a sustainable basis over the medium to longer term.

The Scottish Government has advised of its intention to update its Health and Social Care MTFF in the second half of 2022. This is later than initially anticipated and is mainly due to ongoing uncertainties, including the pandemic recovery phase and the National Care Service direction of travel, making medium to longer-term financial planning more complex. Following publication of the MTFF, work will be undertaken to produce a detailed MTFP for East Ayrshire Health and Social Care Partnership, for consideration and approval by the IJB. The updated MTFP will take cognisance of stakeholder input via the Strategic Planning Group, with a focus on alignment of priorities, activities, budgets and outcomes.

The comprehensive review of the MTFP will take account of issues set out in the Scottish Government Health and Social Care MTFF, as well as the impact of potential Scottish Government legislation, notably the Independent Review of Adult Social Care / National Care Service and Fair Work in Scotland's social care sector. In addition, the Covid-19 recovery process, which will continue to impact across all health and social care services and the wider public sector, will be a key consideration. The MTFF supports the Health and Social Care Delivery Plan and sets out the potential approach and types of initiatives required to ensure continued delivery of a financially balanced and sustainable health and social care system. Importantly, at a local level, the detailed MTFP will continue to underpin delivery of the Strategic Plan 2021-30, to ensure outcomes can be delivered in line with the core themes of the Strategic Plan. It is a fundamental requirement to match the Strategic Plan and service delivery with the resources available. To meet this financial challenge, delivering services in a more streamlined and effective manner will be essential.

An early intervention and prevention approach to supporting communities is central to any success and this is included as a key principle throughout the Strategic Plan. The Strategic Plan also focuses on the 'triple aim' of better care, better health and better value in line with the national Health and Social Care Delivery Plan.

The IJB has a responsibility, with our local hospital services at University Hospital Crosshouse and University Hospital Ayr, for planning services that are mostly used in an unscheduled way. The aim is to ensure that we

work across the health and care system to deliver the best, most effective care and support, with shifting the balance of care being a key consideration. Service areas most commonly associated with unplanned use are included in the Set Aside budget.

Acute Services within NHS Ayrshire & Arran continue to face particular budget pressures around the costs of covering a high level of medical vacancies and the increasing needs of patients requiring nursing support above funded levels. Prior to the Covid-19 pandemic, there had been a high number of unfunded beds in use to meet demands and this pressure had been managed in-year by NHS Ayrshire & Arran in line with the Integration Scheme. The ability to plan with the overall resource for defined populations and user groups and to use budgets flexibly is one of the hallmarks of integrated care and this will be pursued going forward.

It is recognised at Scottish Government and individual IJB level, that there is a need to understand the progress that is being made towards planning across the full pathway of care, including the acute hospital component and the way in which the statutory guidance on the use of delegated hospital budgets is being applied in practice.

Set Aside resources, as well as Lead Partnership / Hosted Services were recognised as areas requiring further development as part of the review of the Integration Scheme carried out in 2017 and in the Strategic Planning, Commissioning and Delivery of Health and Social Care Services within NHS Ayrshire & Arran report to the IJB on 13 June 2018. This report sets out arrangements for the next steps in respect of “fair share” commissioning within the NHS Ayrshire & Arran health and social care system. The report also outlines future developments in respect of Directions as the model provided by the Public Works (Joint Working) Scotland Act 2014 for IJBs to commission services from Councils and NHS Boards. Pan-Ayrshire workshops were held with representatives from the Scottish Government to take forward a national pilot project on ‘fair share’ commissioning through the use of Directions. This work seeks to ensure that delegated hospital budgets and Set Aside budget requirements will be fully implemented and following work undertaken; the Scottish Government issued updated statutory guidance to all IJBs in January 2020. This guidance sets out how to improve practice through the issue of Directions by IJBs to Health Boards and Local Authorities for implementation. The Ministerial Strategic Group for Health and Community Care Review of Progress with Integration of Health and Social Care report published February 2019 set this out as a key proposal under integrated finances and financial planning requirements. Due to the significant challenges and ongoing response in respect of the Covid-19 pandemic, it has not been possible to progress this work to the desired level over the course of either 2020/21 or 2021/22. Work has recommenced and will be progressed further in 2022/23.

Prior to the Covid-19 pandemic, the UK government had signalled its intention to pursue continuous reductions in public sector expenditure over the medium-term. At the same time, demand for health and social care services, legislative changes and user expectations of service access, quality and performance continue to increase.

The Cabinet Secretary for Finance and the Economy outlined the Scottish Government’s spending plans for the next five years on 31 May 2022. The Spending Review suggests there will be real terms cuts in several areas of the public sector. These include local government, higher education, the courts service, culture and external affairs. Spending will be prioritised in areas such as health, education and tackling climate change.

Health spending is due to rise from £17.1bn to £19bn over the next five years, while funding for social security benefits will increase from £3.9bn to £6.3bn in cash terms. There is an expectation that, post-Covid, all elements of the public sector will reshape and refocus, with the requirement to look creatively at ways to sustainably address the challenge. The key message from the Scottish Government is the need to reset and become more efficient.

The anticipated continued reduction in funding aligned with the demographic challenges, which East Ayrshire is facing, results in key risks. The Partnership Leadership Team (PLT) recognise the importance of a formal

system of risk management and the evaluation of corporate and strategic risks. PLT regularly reviews and assesses the risk register, which details the high-level strategic risks, their relative importance and the required action measures. The register is updated based on the assessment of the overall risks identified by services as being significant enough to be placed on the IJB Risk Register with mitigating actions. These key risks can be summarised as follows:

- Socio-economic and health inequalities prevalent in East Ayrshire;
- Increased demand for services alongside reducing resources;
- The continued impact of Welfare Reform on the residents of East Ayrshire;
- The wider financial environment which continues to be challenging;
- Climate change duties;
- Political uncertainty including the impact of the EU withdrawal, as well as the financial powers arising from the Scotland Act 2012 and recommendations arising from the Smith Commission; and
- The impact of Covid-19.

The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015 came into force in November 2015, as secondary legislation made under the Climate Change (Scotland) Act 2009. The Order requires bodies to prepare reports on compliance with climate change duties. This includes Integration Joint Boards established by order under section 9(2) of the Public Bodies (Joint Working) (Scotland) Act 2014.

Scottish Government guidance was issued to IJBs in May 2017, setting out detail of the new duty to produce an annual climate change report. The report requires to be approved by the IJB, with returns to be submitted on the Sustainable Scotland Network (SSN) online portal by 30 November each year. The most recent Climate Change Report was submitted to the IJB on 1 December 2021.

Both East Ayrshire Council and NHS Ayrshire & Arran submit separate reports to the SSN and these are published online. Both bodies produce an annual report. As the parent bodies of the IJB, both East Ayrshire Council and NHS Ayrshire & Arran retain responsibility for employees who are managed within the Health and Social Care Partnership. The employees, therefore contribute to support the implementation of both bodies Climate Change Plans. East Ayrshire IJB has no direct responsibility for employees, buildings or vehicles, which are contained within the parent bodies reports, however full consideration of climate change implications will form part of future IJB service redesign.

As highlighted previously, the alignment of strategic planning and budgeting is a key element of the IJB's response to the challenges, risks and uncertainty going forward. East Ayrshire Health and Social Care Partnership requires to be clear about its role and what services are needed and valued by local people and communities, whilst seeking opportunities for new and innovative service delivery models to maximise the collective resources of all partners. Partnership working is core to being able to deliver effective services within delegated resources. Transparent conversations with community planning partners, including the third sector, independent and business sectors have increased understanding and this has harnessed collective thinking in respect of early intervention, prevention and creative modelling of service provision.

Partnership working continues to extend beyond delegated community health and care services and services managed under pan-Ayrshire Lead Partnership arrangements. Partnership working includes working with East Ayrshire Council's Education, Housing, Vibrant Communities and Leisure services, as well as the third and independent sectors, with the latter often supporting the delivery of innovative responses to need within our localities.

The Partnership is ambitious about what it aims to achieve and looking forward to 2030, will continue to be transformational when designing and developing services to ensure they are responsive to local community

needs. Collaborating with partners to maximise opportunities and bringing together resources from Caring for Ayrshire and Ayrshire Growth Deal making a difference for the people of East Ayrshire.

New Models of Care Strategic Commissioning Intentions sets out plans for more integrated, multi-disciplinary working in localities for older people and people with complex needs and long-term conditions.

Within East Ayrshire, there has been sustained effort in maximising all opportunities to make savings which minimise impact for front line service delivery and staff. Looking forward, it becomes increasingly challenging to identify savings without any impact on either service delivery or staffing levels. There has already been significant progress in transforming services and managing additional demand. The Partnership has established the Strategic Commissioning Board, which has delegated responsibility to oversee the implementation of a financial recovery plan on behalf of the IJB Audit and Performance Committee (APC) and through the APC to the IJB itself. The key priority is to ensure that the IJB is best prepared to meet key priorities set out in the Strategic Plan 2021-30 within delegated resources. It follows that the Strategic Planning and Wellbeing Group will have a key role in engaging in and influencing the transformational change / sustainable outcomes programme being taken forward through the Strategic Commissioning Board. During 2022/23 and going forward, this Board will continue to drive the delivery of transformational change at the required scale and pace. Transformational change proposals will be taken forward through the Board and these proposals will require to include the following with an agreed timescale for implementation:

- Fundamental reconfiguration of services to ensure sustainable service delivery within delegated budgets.
- Match resources to activity.
- Phased implementation of priorities.

The Strategic Commissioning Board approved the Service Review Programme 2019-22 on 24 September 2019. The Service Review Programme fits with the aim of the transformation strategies of the Parties to the Integration Scheme in 'Caring for Ayrshire' and in empowering communities to care without unnecessary public sector intervention. The Programme also aligns with reducing existing demand through prioritisation, prevention, early intervention, new ways of working including enhanced use of technology enabled care and realising the benefits of integration.

Caring for East Ayrshire is the partnership approach to delivering and supporting the Caring for Ayrshire ten year programme. East Ayrshire IJB's implementation of Caring for Ayrshire is focused across five locality areas. An East Ayrshire Hub Locality Group has been established to support the development in relation to the model of health and wellbeing, service models, design and business cases. These will be influenced by the context and views of local communities. A common methodology and approach, which reflects the individuality and community needs of each locality has been identified, as integral to the coordination and success of this initiative.

The IJB's approach to prioritisation will continue to draw on good practice such as cost benefit analysis, social return on investment and programme budgeting / marginal analysis. The transformational change programme being taken forward through the Strategic Commissioning Board, as well as "Thinking Differently" initiatives will continue to inform investment and disinvestment decisions. This approach will apply to the totality of delegated resources within IJBs including Set Aside hospital resources where the IJB has a key planning role.

Further opportunities will continue to be pursued for taking forward the Strategic Plan related to the potential offered by multi-disciplinary and cross-sector working at a locality level together with wider participation and engagement at a locality level. The rich data available from community and voluntary partners will inform the transformational change programme, the Strategic Plan 2021-30 and future commissioning intentions.

## CONCLUSION

Prudent financial management and medium-term financial planning has allowed the IJB to mitigate budget pressures, successfully deliver outcomes and manage its financial affairs in conjunction with parent organisations in a challenging financial and operational environment over the course of the 2021/22 financial year. The IJB has successfully overseen the delivery of all core services, responded to significant additional demands driven by the Covid-19 pandemic and continued a significant transformational change programme designed to provide more person centred models of care, deliver on early intervention and prevention priorities and achieve cash releasing efficiencies. The IJB's financial position at 31 March 2022, highlights a population based underspend of £24.847m on the total delegated budget for the year. Of this underspend; £20.642m has been earmarked within the IJB Reserve for specific commitments in future years, with £4.205m retained as an uncommitted balance. As highlighted previously, the IJB at its meeting of 22 June 2022, approved that, of this uncommitted balance, £2.796m be retained as a general contingency balance, with £0.500m set aside for workforce development purposes and £0.909m set aside for transformational change purposes. This approval is subject to the completion of the audit of the Annual Accounts 2021/22. This favourable outturn position reflects the collective efforts of service managers, directorate management teams and Finance staff in maintaining sound financial management processes throughout the year against a backdrop of increasing demand for services, constrained financial resources, the requirement to deliver cash releasing efficiency savings and notably, the response to the Covid-19 pandemic.

There are a number of ongoing risks, pressures and uncertainties impacting on the IJB at present and going forward, most notably the ongoing and future impact of the Covid-19 pandemic and wider economic uncertainty. The impact of Covid-19 on mainline services during 2021/22 cannot be underestimated nor can the pace of change going forward, as services adapt to "normal" service levels. One of the biggest challenges for transformation is being able to put in place renewal and recovery activities to bring service levels back to pre Covid-19 levels and to make further progress through transformational change.

It is however important to reaffirm that the requirement to change and redesign services to improve outcomes for individuals would exist regardless of the pandemic. There are a number of key initiatives ongoing to facilitate transformational change, all of which are part of the strategy required to ensure the IJB remains financially sustainable over the medium to longer-term. This will require services to be further re-designed and will represent a significant change to the IJB, our partners and the citizens of East Ayrshire, and will require joined-up working to focus finite resources on delivering services, which are sustainable and focussed on those with the greatest need.

We would like to acknowledge the significant effort of all the staff across the Health and Social Care Partnership who have contributed to the preparation of the Annual Accounts and to the budget managers and support staff whose financial stewardship contributed to the favourable financial position at 31 March 2022.

## WHERE TO FIND MORE INFORMATION

If you would like more information, the East Ayrshire Health and Social Care Partnership's webpage holds information on the IJB's strategies, plans and policies and on performance and spending. These can be found at:

<https://www.east-ayrshire.gov.uk/SocialCareAndHealth/East-Ayrshire-Health-and-Social-Care-Partnership/Governance-Documents.aspx>

Signed on behalf of East Ayrshire Integration Joint Board.

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*Craig McArthur*  
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Craig McArthur  
Chief Officer  
17 August 2022

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*Douglas Reid*  
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Douglas Reid  
Chair of the IJB  
17 August 2022

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*Alex McPhee*  
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Alex McPhee CPFA  
Interim Chief Finance Officer  
17 August 2022

## SECTION 2: STATEMENT OF RESPONSIBILITIES

This statement sets out the respective responsibilities of the IJB and the Chief Finance Officer, as the IJB's Section 95 Officer, for the Annual Accounts.

### RESPONSIBILITIES OF THE IJB

The IJB is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Board has the responsibility for the administration of those affairs (Section 95 of the Local Government (Scotland) Act 1973). In East Ayrshire IJB that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure that the Annual Accounts are prepared in accordance with legislation (The Local Authority (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 can confirm that these Annual Accounts will be approved for signature by the Integration Joint Board at its meeting on 17 August 2022.

Signed on behalf of East Ayrshire Integration Joint Board.

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Douglas Reid  
Chair of the IJB  
17 August 2022

## RESPONSIBILITIES OF THE CHIEF FINANCE OFFICER

The Chief Finance Officer, as S95 Officer, is responsible for the preparation of the IJB's Annual Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (The Accounting Code), are required to present a true and fair view of the financial position of the IJB at the accounting date and its transactions for the year.

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

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with legislation, and;
- Complied with the local authority Code of Practice (in so far as it is compatible with legislation).

The Chief Finance Officer has also:

- Kept proper accounting records which were up to date; and
- 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 East Ayrshire IJB as at 31 March 2022 and the transactions for the year then ended.

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Alex McPhee CPFA  
Interim Chief Finance Officer  
17 August 2022

## SECTION 3: ANNUAL GOVERNANCE STATEMENT

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

The 2016, CIPFA / SOLACE Framework was published with a separate guidance note for Scottish local authorities. The Guidance sets out seven core principles, namely:

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social and environmental benefits.
4. Determining the interventions necessary to optimise the achievement of the intended outcomes.
5. Determining the entity's capacity, including the capability of its leadership and the individuals within it.
6. Managing risks and performance through robust internal control and strong public financial management.
7. Implementing good practice in transparency, reporting and audit to deliver effective accountability.

The Annual Governance Statement sets out the framework within which the IJB has put in place proper financial arrangements for the governance of the IJB's affairs thereby facilitating the effective exercise of its functions, ensuring that appropriate arrangements are in place for the management of risk and that appropriate systems of internal control are in place.

As highlighted previously in the Management Commentary and section 1 of the Annual Accounts, the Covid-19 pandemic has continued to have a significant impact on the financial position for 2021/22, with significant costs being incurred over the course of the financial year by the Health and Social Care Partnership in dealing with the impact on individuals. The 2021/22 budget was approved by the IJB on 24 March 2021 on a 'business as usual' basis with reduced expenditure on elements of mainline health and social care services, as a consequence of the pandemic, having a significant impact on the overall financial position for the year.

### SCOPE OF RESPONSIBILITY

East Ayrshire IJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The IJB also has a duty under the Local Government in Scotland Act 2003 to make arrangements to secure Best Value, through continuous improvement in the way in which its functions are exercised, having regard to economy, efficiency, effectiveness, the need to meet the equal opportunity requirements and contributing to the achievement of sustainable development.

The IJB is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk. In discharging this responsibility, the Chief Officer has put in place arrangements for governance, which includes a system of internal controls. This is designed to manage risk to support the IJB's policies, aims and objectives but cannot eliminate the risk of failure to achieve policies and deliver on aims and objectives. The arrangements for governance can therefore only provide reasonable and not absolute assurance of effectiveness. Reliance is also placed on the East Ayrshire Council and NHS Ayrshire & Arran systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB.

The Integration Scheme sets out financial contributions by partners to IJBs. This includes the Health Board and Council each considering funding their pay cost pressures and contractual inflation with shared responsibility for demographic cost pressures, whilst taking account of directives from the Scottish Government.

## THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, culture and values by which the Partnership is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the IJB to monitor the achievement of its strategic objectives set out in the IJB's Strategic Plan and to consider whether those objectives have led to the delivery of appropriate cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, objectives and outcomes and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the IJB's policies, objectives and outcomes, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

## THE GOVERNANCE FRAMEWORK AND GOVERNANCE DEVELOPMENTS

The main features of the governance framework that was in place during 2021/22 are outlined below:

- Strategic decision making is governed by the IJB's key constitutional documents including the Integration Scheme, standing orders, scheme of delegation, code of conduct for IJB Members and financial regulations. The Chief Governance Officer of East Ayrshire Council serves as the IJB's Standards Officer. The IJB is responsible for the operational oversight of the integrated services and through the Chief Officer will be responsible for the operational management of the integrated services.
- The IJB's purpose and vision is outlined in the updated IJB Strategic Plan 2021-30 which was approved on 24 March 2021 and which links closely to the East Ayrshire Community Plan and the Local Outcome Improvement Plan, and is underpinned by an annual action plan and performance indicators. The initial Strategic Plan 2015-18 was approved by the IJB at its inaugural meeting on 2 April 2015 with the second Strategic Plan 2018-21 approved by the IJB on 26 April 2018. The Strategic Plan links with the Wellbeing Delivery Plan of the Community Plan 2015-30 and takes full cognisance of integrated delivery principles and national health and wellbeing outcomes as required by the Public Bodies (Joint Working) (Scotland) Act 2014. The Strategic Plan is subject to an annual review and is supported by the Workforce Development Plan, Property and Asset Management Strategy, as well as the Approved Annual Budget for each year of the Plan. The Strategic Plan focusses on the 'triple aim' of better health, better care and better value in line with the national Health and Social Care Delivery Plan. The 2021/22 Annual Review of the Strategic Plan; Workforce Development and Support Plan; and, Property Asset and Management Strategy was presented to, and approved by, the IJB on 23 March 2022.
- The Strategic Plan is also supported by annual Service Improvement Plans. These annual Service Improvement Plans are a key mechanism for setting out service level contributions to the delivery of the corporate objectives of the Partnership's parent bodies in line with the Community Plan 2015-30. The Service Improvement Plans cover the following service areas:
  - Children's Health, Care and Justice
  - Community Health and Care Services
  - Primary Care and Out of Hours Community Response
- The IJB, comprising all IJB Board Members is the key decision making body. The IJB established an APC to consider all matters in relation to internal and external audit, financial management, risk management and performance. The APC met four times during 2021/22.

- The IJB delegates responsibility to the following sub committees and groups as detailed in the governance structures and terms of reference:
  - Strategic Planning and Wellbeing Group
  - Locality Groups reporting through Strategic Planning Group
  - APC
  - Strategic Commissioning Board reporting to the APC
  - Health and Care Governance Group
  - Adverse Events / Significant Occurrence Group
  - Partnership Forum (Health Safety and Wellbeing Group)
  - Risk Management Committee
  - Resilience and Civil Contingencies
  - Management and Information Systems Board
  - Property and Asset Management Board

The IJB governance and decision making arrangements are set out in Appendix 1.

Senior management arrangements to deliver safe operation and progressive / innovative development for the Partnership are firmly established. In addition to the Chief Officer, the structure includes the Chief Social Work Officer who has responsibility for professional leadership of social work services and provides advice and guidance to East Ayrshire Council and Health and Social Care Partnership. The Interim Chief Finance Officer is a member of the IJB and is responsible for ensuring that appropriate financial services are available to the IJB and Chief Officer.

The Partnership management structure is set out in Appendix 2.

Reports were presented to the IJB on 16 June 2021, 9 February 2022, and 23 March 2022 to update on governance arrangements in respect of membership of the IJB and APC. Information on membership of the IJB over the course of 2021/22 is highlighted in the East Ayrshire IJB section of the Management Commentary at section 1 of the Annual Accounts.

The 23 March 2022, the IJB Governance update report highlighted that local government elections would be held on 5 May 2022 and East Ayrshire Council elected members term of office as members of the IJB will come to an end on Wednesday 4 May 2022. East Ayrshire Council will confirm the elected members appointed to the IJB after the results of the local government elections are known, and the relevant statutory Council meetings and appointments have concluded. This report also highlighted that at the start of the Covid-19 pandemic, all meetings were moved from being in person to being virtual. As restrictions continue to ease, it is now possible to support attendance at the IJB and other governance meetings in person. It is however recognised that IJB members and officers will continue to work flexibly and it was agreed that a hybrid model will be adopted to allow the flexibility of in-person attendance or virtual attendance via Microsoft Teams. Going forward, there are plans for IJB meetings to be accessible via public broadcast (as is currently the case with certain East Ayrshire Council committee meetings).

The IJB met six times during 2021/22, with the APC meeting four times over the course of the financial year. In the main, IJB members and officers participated on a “virtual” basis via Microsoft Teams.

[07 - IJB Governance Update.pdf](#)

[06 - IJB Governance Report.pdf](#)

[07 - Governance Report.pdf](#)

The Strategic Leadership Group meets weekly or fortnightly to consider significant strategic and operational issues. There has been particular focus on the response to the Covid-19 pandemic over the course of 2021/22.

Over the course of 2021/22, governance and reporting arrangements have included Locality Groups reporting to the Strategic Planning and Wellbeing Group, the Strategic Commissioning Board reporting to the APC and Adverse Events / Significant Occurrence Group reporting to the Health and Social Care Governance Group.

The Partnership Leadership Team meets on a regular basis and ensures implementation of the appropriate financial governance structures, staff governance structures and clinical governance structures.

Support in relation to corporate functions including Legal, Human Resources, Property and Information Technology, are delivered through existing NHS and Council structures.

## COVID-19 RESPONSE

On 11 March 2020, the World Health Organisation classified Covid-19 as a global pandemic and, on 23 March 2020, the United Kingdom entered a period of lockdown. This had an unprecedented impact on the governance of the IJB and delivery of services through the Health and Social Care Partnership over the course of 2020/21. The pandemic has continued to impact over the course of the 2021/22 financial year.

It was recognised at an early stage of the pandemic that it was no longer going to be practical to take decisions through established governance routes due to the challenges presented by the pandemic and the ability of individuals to meet formally. A range of delegated authorities for the Chief Officer, Section 95 Officer and other officers in the Health and Social Care Partnership form part of the Integration Scheme and Scheme of Delegation for East Ayrshire IJB. There are powers, which are reserved to the Board and these are outlined in the Scheme of Delegation. At its meeting on 25 March 2020, the IJB approved delegated authority to enable the Chief Officer to take operational decisions that would normally require Board approval. These delegated arrangements were required to ensure that operational decisions could be taken timeously to reduce the need for face to face meetings. It is important to highlight that this delegation was in relation to operational decisions only and did not result in any policy changes. As was the case in 2020/21, it has not been necessary to take operational decisions under delegated authority arrangements over the course of 2021/22.

The success of the vaccination programme in reducing much, but by no means all, of the serious harm associated with the virus enabled the lifting of almost all restrictions in summer 2021, with a reduced risk of health and social care services being overwhelmed as a result of Covid-19. Although life was by no means 'back to normal' and important public health measures remained in place, this lifting of restrictions provided the platform for recovery.

The emergence of the Omicron variant of Covid-19 in November 2021 impacted upon both the delivery of health and social care services, as well as the recovery process. A Health and Social Care Response to the Pandemic report was presented to the IJB on 9 February 2022. This report provided the IJB with an overview of the Health and Social Care Partnership response and activity since the emergence of the Omicron variant of Covid-19. The report provided assurance to the IJB on the delivery of health and social care services in the period since the first cases of the Omicron variant were reported in the UK on 27 November 2021. From that point, the UK and Scottish Governments issued successive guidance to manage and reduce the spread of the Omicron variant and the report highlighted both challenges and examples of where the workforce have gone above and beyond to ensure individuals, families and communities were supported and cared for.

### [07 - Reflection on Current Position.pdf](#)

As in 2020/21, the IJB approved its 2021/22 Annual Budget on a "business as usual basis" on 24 March 2021. The audited Annual Accounts 2020/21 were approved on 25 August 2021 in line with standard statutory

reporting requirements (as in 2019/20, there was no requirement to delay approval of the audited Annual Accounts in line with extended timescales, related to the pandemic).

The IJB's response to the pandemic was, as in 2020/21, taken forward through the Local Mobilisation Plan (LMP). Covid-19 related expenditure was separately identified and monitored over the course of 2021/22. Due to the nature of the pandemic, expenditure committed in response was relatively fluid over the course of the financial year and regular updates to the LMP were submitted to the Scottish Government to ensure that all eligible costs were recorded, and funds recovered to fully offset costs. A pan-Ayrshire approach to consolidate health and social care attributable costs and submit updated LMPs was undertaken over the course of the financial year. This was particularly relevant in respect of services managed under pan-Ayrshire Lead Partnership / Hosted Services arrangements.

This Annual Governance Statement has been prepared in the context of the response, recovery and renewal activity arising from the Covid-19 pandemic, which has once again dominated the last financial year. This has been directed and informed by the Scottish Government's Coronavirus (Covid-19) Strategic Framework, which sets out how decisions continue to be taken to control coronavirus, while restoring a degree of normality to everyday life.

Since March 2020, the IJB and its partners has been working to maintain essential services for our communities, with a specific emphasis on the most vulnerable in our society. Where required, these arrangements have been maintained over the course of 2021/22, both within commissioned services, and directly provided services. In terms of transactional finance processing arrangements, it was necessary to prioritise mission critical tasks, with staff office based on a rotational basis to ensure clients had continuous access to funds, including an appointments based system for cash payments (where appropriate) and email invoice processing and authorisation procedures put in place.

This Annual Governance Statement for 2021/22 has also been informed by the CIPFA Guidance Bulletin 06 – 'Application of the Good Governance Framework 2020/21'. This guidance concerns the impact of the continuing Covid-19 pandemic on governance in local government bodies and the requirements of the Delivering Good Governance in Local Government Framework 2016 CIPFA and Solace (the Framework). It also takes into account the introduction of the CIPFA Financial Management Code 2019.

A number of national publications and guidance supported the Covid-19 response by the IJB and parent bodies. These included publications from the Cabinet Office and Audit Scotland. Publications were focussed on fraud risk and related assurances and were primarily targeted to the transactional operations of the parent bodies. The IJB Chief Internal Auditor collated national responses for the draft Audit Scotland publication "Covid-19: Emerging Fraud Risk" which informs current external work.

## **COVID-19 RECOVERY AND RENEWAL**

The updated Strategic Plan 2021-30 focusses on recovery and renewal, following the challenges faced by the IJB and its partners in responding to the Covid-19 pandemic.

The IJB's external auditors Deloitte LLP presented their Audit Dimensions and Best Value report for the year ended 31 March 2022 to the APC on 31 May 2022. Within the recommendations for improvement, the report outlined that financial sustainability is a continuing challenge, and that while the IJB has set a balanced budget for 2022/23, significant work is still required to make the level of lasting long-term transformational change needed to ensure financial sustainability. The impact of Covid-19 and the requirement for recovery and renewal represents a significant risk which will require to be mitigated going forward.

There has been continued disruption to how health and social care services have been delivered over the course of 2021/22 with an impact on activities, as a consequence of the pandemic. Going forward, it will be necessary to capture the extent of the shift from "business as usual" activity to ensure that the IJB can continue to meet need

as part of the recovery and renewal process. A key element of recovery planning activity is learning from interim changes put in place in response to the pandemic. Engagement with service users and other key stakeholders in order to fully understand the impact of measures implemented is an essential component of the recovery and renewal process.

An interim high-level Medium Term Financial Plan 2022-30 update was presented to the IJB on 23 March 2022, alongside the Annual Budget 2022/23 report. As part of the IJB fiscal framework, a comprehensive review of the Medium Term Financial Plan will be undertaken following publication of the updated Scottish Government Health and Social Care Medium Term Financial Framework (anticipated in the second half of 2022). This updated Medium Term Financial Plan will align with the Strategic Plan 2021-30 and will consider policy intentions aligned to national health and wellbeing outcomes and National Care Service for Scotland proposals. Remobilise, recovery and redesign principles will be an integral part of the updated plan, with continued emphasis on alignment of budgets and activities to ensure outcomes can be delivered in line with the core themes of the Strategic Plan.

### [13 - Approved Budget 2022-23 - IJB 23-3-22.pdf](#)

The Accounts Commission's 2020 Local Government in Scotland Overview report highlights the importance of improving long-term financial planning in the context of the challenges and uncertainties councils (and their partners) face as a consequence of Covid-19. Health and social care budgets were already under pressure from increasing costs, along with increasing demands, before the pandemic. Covid-19 brings additional financial demands and has also led to significant reductions in income. Notwithstanding reduced spending on "business as usual" activities, this makes achieving a balanced budget more challenging. The impact of Covid-19 on public sector budgets has also heightened the focus on financial sustainability, with related questions about the application of the going concern basis of accounting in the public sector.

In addition to the Local Government overview report, two guides for auditors have been produced by Audit Scotland in relation to Covid-19: Balancing the Budget in Councils and Going Concern in Councils. These publications relate to the Accounts Commission's longstanding interest in the essential importance of effective leadership, good governance and strong financial management for councils and in recognition of the challenge of delivering key Best Value obligations in the context of Covid-19.

In October 2021, the Scottish Government published its Covid Recovery Strategy: for a fairer future. This publication sets out the Scottish Government's vision for recovery and actions required to address systemic inequalities made worse by the pandemic. This includes progress towards a wellbeing economy, and acceleration of person-centred public services. Despite the success of the vaccination programme, the impacts of Covid-19 continue to be felt acutely by many individuals, business and other organisations across Scotland and will continue to impact on National Outcomes. It is clear that the impact of the pandemic has not been felt evenly and has served to highlight inequalities in our society. The recovery process will require to address inequalities, which for many, particularly the most disadvantaged, have been made worse by the pandemic.

The ongoing effect of Covid-19 continues to be experienced by the IJB and its partners. The impact on the Partnership will continue to be reported to the IJB through regular reports (including Financial Management Reports) which have highlighted that service delivery models in some areas have changed as a result of the pandemic. Some services have experienced greater demand, with some services delivered differently, while others have been wholly or partially stood down over the course of the pandemic so far.

It is clear that, in common with other organisations, services provided by the Health and Social Care Partnership will not be the same as they were prior to the pandemic. Our workforce, the way we deliver services and where services are delivered, as well as our systems and processes having been reviewed and altered in response to Covid-19. It is possible that some of the new and innovative processes and service delivery models which were established at pace at the early stages of the pandemic will continue into the future.

Covid-19 has led to a substantial backlog of patients waiting for treatment. NHS boards are prioritising those in most urgent need; those who are of lower clinical priority will have to wait longer. NHS leaders need to work collaboratively, in partnership across public services, to deal with the ongoing challenges caused by Covid-19 and to remobilise services.

Covid-19 has exacerbated the existing financial and operational challenges in health and social care. Responding to the pandemic has resulted in significant additional expenditure across health and social care and there is uncertainty about the longer-term financial position.

The IJB and its senior management will refer all available reports and guidance notes as a basis for ongoing engagement with auditors to ensure that challenges presented by Covid-19 recovery and renewal can be addressed through sound financial planning with financial balance achievable going forward. This will include consideration of medium to longer-term changes to priorities, programmes, strategies and plans, as a consequence of the impact of the pandemic on the IJB and the population it serves.

## INTERNAL CONTROL SYSTEM

The governance framework described operates on the foundation of internal controls. The IJB's system of internal controls is based on a framework of regular management information, financial regulations, accounting policy bulletins, administrative procedures (including segregation of duties), management supervision and a system of delegation and accountability. Development and maintenance of these systems is undertaken by the Health Board and Council as part of the operational delivery of the Health and Social Care Partnership. In particular these systems include:

- Management information systems and process, including service performance and financial information;
- Financial Regulations and codes of financial practice;
- Scheme of Delegation;
- Comprehensive budgeting systems;
- Measurement of financial and other performance against target;
- Regular reviews of periodic and annual financial reports which indicate financial performance against forecasts and targets (including Covid-19 Mobilisation Plan);
- Internal audit functions; and
- Formal project management disciplines, as appropriate.

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

The likelihood of fraud within the "audit universe" of the IJB is very low. The IJB has no bank accounts, employees or contracts and fraud risk sits largely within the parent bodies. The IJB's external auditors Deloitte LLP presented their Audit Dimensions and Best Value report for the year ended 31 March 2022 to the APC on 31 May 2022. This report noted that "we have assessed the Board's arrangements for the prevention and detection of fraud and irregularities, which includes the arrangements at the Council and Health Board given that the IJB relies on their systems and processes. This has included specific considerations in response to the increased risk of fraud as a result of Covid-19. Overall we found the Board's arrangements to be designed and implemented appropriately". The parent bodies annual internal audit opinions make no reference to fraud impact during 2021/22. Going forward, the IJB Chief Auditor will benchmark fraud reporting in other IJBs to identify any continuous improvement.

In common with all public sector organisations, the IJB is required to conform to the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (2014) by embedding effective standards for countering fraud and

corruption. Through its sound governance arrangements, effective financial stewardship and strong financial management, in conjunction with its parent bodies, the IJB is conforming to the Code of Practice.

The main objectives of the IJB's internal control systems are:

- To ensure adherence to management policies and directives in order to achieve the organisation's objectives;
- To ensure relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records; and
- To ensure compliance with statutory regulations.

The systems of financial control are reviewed to ensure continued effectiveness by the work of managers in the IJB and by the work of internal and external audit in their annual and other reports.

The IJB financial management arrangements comply with the requirements of 'The Role of the Chief Financial Officer in Local Government (CIPFA 2016)'. The IJB's Interim Chief Finance Officer (Section 95 Officer) has overall responsibility for the IJB's financial arrangements, and is professionally qualified and suitably experienced to lead the IJB's finance function and to direct finance staff.

With regard to the entities incorporated into the Annual Accounts, the IJB has taken assurance from the existing scrutiny arrangements within the parent bodies.

The IJB internal audit function is responsible for the independent appraisal of the IJB's internal systems of control with resources drawn from the parent bodies. The function complies with the requirements of the 'Public Sector Internal Audit Standards (PSIAS 2013, 2016 and 3<sup>rd</sup> edition March 2017)' and the 'Local Government Application Note for the United Kingdom Public Sector Internal Audit Standards (CIPFA 2<sup>nd</sup> edition February 2019). The IJB Chief Internal Auditor complies with 'The Role of the Head of Internal Audit in Public Organisations (CIPFA 2<sup>nd</sup> edition 2019)'.

The APC acts as the IJB's audit committee and operates in accordance with 'Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA 2<sup>nd</sup> edition 2018)'.

IJB Internal Audit plans and reports are shared with the relevant committees of the partner organisations.

## REVIEW OF EFFECTIVENESS

East Ayrshire IJB has responsibility for conducting at least annually, a review of effectiveness of its governance framework including the system of internal control. The review of effectiveness of the governance framework, including the system of internal control is informed by the work of the Senior Management Team within the IJB who have responsibility for the development and maintenance of the governance environment, the annual report by the Chief Internal Auditor, and also by reports / comments made by external audit and other review agencies and inspectorates.

Based on work carried out during the year, the Chief Internal Auditor prepares an annual report to the APC in line with PSIAS obligations. This report includes the internal audit annual opinion regarding the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The assurance expressed in the annual opinion can never be absolute. The most that Internal Audit can provide in the annual opinion is one of reasonable assurance.

National pandemic arrangements, through the Internal Audit Standards Advisory Board (IASAB), are in place to allow for Chief Auditors to qualify their annual opinions if sufficient work had not been carried out; that arrangement had not been required for the East Ayrshire IJB in 2019/20 or 2020/21. The Chief Auditor's annual opinion was presented to the IJB Audit and Performance Committee on 2 August 2022, no requirement for qualification for

the year to 31 March 2022.

On the basis of internal audit work completed in 2021/22, and taking into account the pattern of work in previous years, East Ayrshire IJB's established internal control procedures were generally found to operate as intended to meet management's requirements for the individual systems reviewed by Internal Audit. Areas for improvement, system weaknesses and / or non-compliance with expected controls have been highlighted to management and action plans have been or are in the process of being put in place to ensure the necessary improvements are going to be achieved. It is management's responsibility to ensure that proper consideration is given to internal audit reports and that appropriate action is taken on audit recommendations. Internal Audit has arrangements in place to test the implementation of recommendations.

Internal Audit's overall opinion, based on the work carried out in 2021/22 and outcomes from previous years, continues to be that reasonable assurance can be placed upon the adequacy and effectiveness of East Ayrshire IJB internal control systems in the year to 31 March 2022. This overall opinion takes into consideration the age of the East Ayrshire IJB, the complexity of governance arrangements, to include the two parent bodies and, at times, other Integration Joint Boards operating in the same National Health Service area, as well as our witnessing of the IJB's robust response to the challenges of Covid-19, especially in terms of risk assessment and governance.

The Chief Internal Auditor noted in both 2019/20 and 2020/21 that the annual opinion took cognisance of national and local arrangements put in place for Covid-19 and that these arrangements undoubtedly created challenges for control environments in all organisations where tried and tested controls may no longer be effective or appropriate. The Chief Auditor noted that she firmly believed on the basis of year on year work that the East Ayrshire IJB was well placed to successfully overcome these challenges.

The Chief Internal Auditor's annual opinion was presented to the IJB Audit and Performance Committee on 2 August 2022, in line with the established timetable. The Chief Internal Auditor's annual opinion continues to be that reasonable assurance can be placed upon the IJB's overall adequacy and effectiveness of the organisation's framework of governance, risk management and control for the year to 31 March 2022. This overall opinion takes into consideration the complexity of governance arrangements, to include the two parent bodies and, at times other IJBs operating in the same National Health Service area. This opinion of reasonable assurance has been the consistent opinion since the inception of the IJB.

In considering the IJB annual opinion the Audit & Performance Committee are also supplied with the annual opinions of the parent bodies to provide assurance with regard to the control environments which support the delivery of commissioned services. The relevant Chief Internal Auditors have consistently given a reasonable opinion year on year, which is a notable achievement in that annual opinions for the IJB and the parent bodies have continued to provide a consistent level of assurance during the challenges of the pandemic. The East Ayrshire Council report containing an opinion of reasonable assurance for 2021/22 was presented to the Council's Governance and Scrutiny Committee on 21 April 2022. The equivalent report for NHS Ayrshire & Arran for 2021/22 will be presented to their Audit and Risk Committee on 27 June 2022 (with an opinion of reasonable assurance anticipated).

## **ACTION PLAN**

Deloitte have followed up on recommendations made in their previous years' audits within their Audit Dimensions and Best Value Report for the year ended 31 March 2022 which was presented to the Audit and Performance Committee on 31 May 2022:

- Consideration should be given to allocating a further resource to drive forward and increase the pace of change;
- The IJB should progress with implementing delegated hospital budgets and Set Aside requirements, in collaboration with the Scottish Government, NHS Ayrshire & Arran and other Ayrshire partnerships.

- The planned update to the Board's Medium Term Financial Plan should take account of the financial implications of the Scottish Government five year Medium Term Financial Strategy;
- Recommended improvements to the budget setting process; there needs to be a link between the budgeted spend and the IJB's priorities as set out in the Strategic Commissioning Plan; and there needs to be improved links between the budget and outcomes;
- Scrutiny could be improved by providing more training to members of both the IJB and the Audit and Performance Committee on their respective roles and the clear distinction between informal and formal meetings; and
- The Board should progress its work to allow members of the public access to IJB meetings through webcasting, whether live or access to on demand recordings.

These issues have been / are being addressed as follows:

- At its meeting on 16 June 2021, the IJB approved that £2.332m of the 2020/21 uncommitted balance be allocated to the Transformational Change Programme, subject to formal approval of the Annual Accounts on 25 August 2021, following completion of the external audit (fully implemented).
- The Set Aside resource was recognised as an area requiring further development as part of the review of the Integration Scheme carried out in 2017 and in the Strategic Planning, Commissioning and Delivery of Health and Social Care Services within the NHS Ayrshire & Arran report to the IJB on 13 June 2018. Following a hiatus due to the Covid-19 pandemic, the initial national pilot project on "fair share" commissioning through the use of Directions has recommenced locally. This will seek to ensure that delegated hospital budgets and Set Aside budget requirements can be implemented on a pan-Ayrshire basis (partially implemented – revised target date to be confirmed).
- The Annual Budget 2022/23 Report to the IJB on 23 March 2022 contains a high level Medium Term Financial Plan (MTFP) 2022-30. The report highlights that, as part of the IJB fiscal framework, a detailed MTFP will be produced once the Scottish Government Health and Social Care Medium Term Financial Strategy has been updated (anticipated in second half of 2022). This detailed plan will also include updates in respect of areas of uncertainty, including National Care Service for Scotland proposals and potential impact associated with recovery from the pandemic (partially implemented – revised target date 31 March 2023).
- Further work will be undertaken as part of the detailed MTFP / Strategic Plan to refine links between priorities, activity, budgets and outcomes. Important to highlight that investment plans will continue to be driven by the vision and themes of the Strategic Plan (partially implemented – revised target date 31 March 2023).
- Training and induction programme was progressed during 2021/22, including IJB development days to provide members with general and specific information relating to the IJB. All new members are provided with induction packs outlining governance arrangements, with access to key documents and as part of the induction programme. In addition, all new members are offered to opportunity to meet with the Chief Officer, the Interim Chief Finance Officer and Heads of Service (fully implemented).
- At this stage only East Ayrshire full Council, Cabinet and Governance and Scrutiny meetings are recorded. Any further roll out is likely to include the IJB (not implemented – revised target date 31 March 2023).

As outlined within the Financial Outlook, Risks and Plans for the Future section of the Management Commentary at section 1 of the Annual Accounts, there are a number of continued risks and uncertainties related to both Council and NHS commissioned services. These risks include pressures in service areas which will be impacted by demographic changes, as well as implementation of new legislation and potential costs arising from specific budget pressures. The balance of delivering cash releasing efficiency savings whilst managing increasing demand represents financial and operational risk which the IJB and its officers will require to manage going forward. The continued economic uncertainty following the United Kingdom's withdrawal from the European Union represents a risk to the IJB going forward into future financial years.

The impact of Covid-19 is a key risk for the IJB and the wider economy both at the present time and going forward. The IJB will require to consider and resolve budget issues, review and reshape financial plans and quantify the financial requirements of recovery and renewal against the backdrop of emerging local and national financial pressures. The requirement to revisit savings proposals for 2022/23, as services develop in response to remobilise, recovery and redesign principles, is a possibility. The national impact of Covid-19 going forward represents the real potential for a deep recession and a significant period of fiscal restraint and requires to be considered in terms of both medium-term and longer-term financial planning.

Unscheduled care and expectations around Set Aside, as well as ongoing Council and Health Board financial challenges remain risk areas for the IJB. The impact of decisions taken by the other Ayrshire IJBs, safe staffing legislation requirements and fixed funding allocations are other areas where risks are recognised, with management action required going forward. Delays around Acute and Secondary planned care represents a risk to the IJB as this can impact of Primary Care and community health and care services.

Global political and economic uncertainty and associated increasing inflationary pressures is a key risk at this stage. There are particular significant risks associated with negotiated pay awards being in excess of the Public Sector Pay Policy assumption applied for 2022/23, as well as fuel and energy price pressures and contractual inflation uplifts being in excess of applied uplifts.

Operationally, work continued during 2021/22 on the delivery of the IJB's transformational change programme in support of integration and the Strategic Plan. These programmes focus on, and will continue to focus on, early intervention and prevention, harm reduction, delivery of health and care services which enables choice, supports independent living and shifts the balance of care from hospital to community based settings where appropriate.

The transformational change programme consists of a range of activities across the entirety of the business of the IJB, which are delivered in support of the Strategic Plan. The Strategic Commissioning Board, jointly chaired by the Chief Officer and Interim Chief Finance Officer has oversight of the delivery of these programmes, the key aims of which are to:

- Deliver transformational change in health and social care services in East Ayrshire in line with the IJB's vision as outlined within the Strategic Plan and with National Health and Wellbeing Outcomes;
- Monitor and evaluate the short, medium and long-term impacts of the transformational change programme;
- Monitor progress against cash releasing efficiency savings through the transformational change programme; and
- Engage with stakeholders and promote innovation within and beyond East Ayrshire Health and Social Care Partnership.

The IJB is committed to address governance issues and to keep arrangements under review going forward.

## **ASSURANCE**

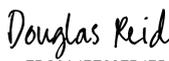
While recognising the improvements that are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's governance arrangements.

Subject to the above, and on the basis of the assurance provided, we consider the governance and internal control environment operating during 2021/22 provides reasonable and objective assurance that any significant risk impacting on our principal objectives will be identified and actions taken to avoid or mitigate their impact. Systems are in place to review and improve the governance and internal control environment and action plans are in place to address identified areas for improvement.

The unaudited Annual Accounts 2021/22 containing the Annual Governance Statement were approved by the IJB on 22 June 2022.

Signed on behalf of East Ayrshire Integration Joint Board.

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Craig McArthur  
Chief Officer  
17 August 2022

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Douglas Reid  
Chair of the IJB  
17 August 2022

## SECTION 4 – REMUNERATION REPORT

### INTRODUCTION

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

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

### REMUNERATION: CHAIR AND VICE CHAIR

The voting members of the Integration Joint Board are appointed through nomination by NHS Ayrshire & Arran and East Ayrshire Council and post holders will alternate every three years between a Health Board and a Council representative. The IJB at its meeting on 16 June 2021 formally approved the appointment of Councillor Douglas Reid as IJB Chair in succession to Mr. Michael Breen. The IJB also approved the appointment of Mr. Michael Breen as Vice Chair, both appointments being effective from 16 June 2021.

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

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

### REMUNERATION: OFFICERS OF THE IJB

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

#### Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014, a Chief Officer for the IJB has to be appointed and the employing partner has to formally second the officer to the IJB. In effect the Chief Officer is the only employee of the IJB, however the employment contract for the Chief Officer will adhere to the legislative and regulatory framework of the employing partner organisation which is currently East Ayrshire Council. The remuneration terms of the Chief Officer's employment are approved by the IJB.

#### Other Officers

No other staff are appointed by the IJB under a special legal regime. The Interim Chief Finance Officer, Chief Internal Auditor and IJB Standards Officer are not included in the Remuneration Report as these roles are additional to their substantive roles within East Ayrshire Council at no additional cost to the IJB. The Interim Chief Finance Officer (Alex McPhee) has no direct input into the strategic planning process other than the legislative requirement to ensure that its outcomes are delivered within delegated resources. No other non-voting board members meet the criteria for disclosure.

| Total Remuneration 2020/21<br>£ | Name and Post Title            | Salary, Fees and Allowances<br>£ | Taxable Expenses<br>£ | Total Remuneration 2021/22<br>£ |
|---------------------------------|--------------------------------|----------------------------------|-----------------------|---------------------------------|
| 7,175                           | Craig McArthur – Chief Officer | 120,553                          | 0                     | 120,553                         |
| 98,224                          | Eddie Fraser – Chief Officer   | 0                                | 0                     | 0                               |
| <b>105,399</b>                  | <b>Total</b>                   | <b>120,553</b>                   | <b>0.000</b>          | <b>120,553</b>                  |

The costs highlighted in the table above for 2020/21 are part-year. The previous Chief Officer, Eddie Fraser was in post from 1 April 2020 until 10 January 2021, with Craig McArthur in post from 11 January 2021 until 31 March 2021. The equivalent full year cost of the Chief Officer post for 2020/21 was £0.119m.

In respect of officers' pension benefits the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pensions liability reflected on the IJB balance sheet for the Chief Officer or any other officers.

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

| Name and Post Title  | In-year Pension / Contributions to 31 March 2021<br>£ | In-year Pension / Contributions to 31 March 2022<br>£ | Accrued Pension Benefits as at 31 March 2021<br>£m | Difference from 31 March 2021<br>£m   | Accrued Pension Benefits as at 31 March 2022<br>£m |
|--|---|---|--|---------------------------------------|--|
| Craig McArthur - Chief Officer<br>(full year 2021/22, part-year 2020/21) | 1,325   | 21,559  | Pension<br>0.040<br>Lump Sum<br>0.060              | Pension<br>0.011<br>Lump Sum<br>0.017 | Pension<br>0.051<br>Lump Sum<br>0.077              |
| Eddie Fraser - Chief Officer<br>(full year 2020/21 only)                 | 23,569*   | No disclosure required                                | Pension<br>0.059<br>Lump Sum<br>0.097              | No disclosure required                | No disclosure required                             |

\* £18,957 relates to role as Chief Officer of the IJB (1/4/20 to 10/1/21)

#### 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.

| Number of Employees in Band 2020/21 | Remuneration Band   | Number of Employees in Band 2021/22 |
|-------------------------------------|---------------------|-------------------------------------|
| 1                                   | £95,000 - £99,999   | 0                                   |
| 0                                   | £120,000 - £124,999 | 1                                   |

## EXIT PACKAGES

There were no exit packages during 2021/22 (as in 2020/21).

Signed on behalf of East Ayrshire Integration Joint Board.

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*Craig McArthur*  
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Craig McArthur  
Chief Officer  
17 August 2022

DocuSigned by:  
*Douglas Reid*  
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Douglas Reid  
Chair of the IJB  
17 August 2022

## SECTION 5: THE FINANCIAL STATEMENTS

### COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

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

| Gross Expenditure 2020/21<br>£m | Gross Income 2020/21<br>£m | Net Expenditure / (Income) 2020/21<br>£m |   | Gross Expenditure 2021/22<br>£m | Gross Income 2021/22<br>£m | Net Expenditure / (Income) 2021/22<br>£m |
|---------------------------------|----------------------------|--|---|---------------------------------|----------------------------|--|
| 168.082                         | (6.886)                    | 161.196                                  | Core Services                                       | 177.964                         | (6.868)                    | 171.096                                  |
| 3.271                           | 0.000                      | 3.271                                    | Public Protection                                   | 3.216                           | 0.000                      | 3.216                                    |
| 3.735                           | 0.000                      | 3.735                                    | Non-District General Hospitals                      | 4.018                           | 0.000                      | 4.018                                    |
| 29.536                          | (0.004)                    | 29.532                                   | Children's Health, Care and Justice Services        | 29.527                          | 0.000                      | 29.527                                   |
| 38.023                          | 0.000                      | 38.023                                   | Lead Partnership Services                           | 30.828                          | 0.000                      | 30.828                                   |
| 23.897                          | 0.000                      | 23.897                                   | Set Aside   | 24.566                          | 0.000                      | 24.566                                   |
| <b>266.544</b>                  | <b>(6.890)</b>             | <b>259.654</b>                           | <b>Cost of Services</b>                             | <b>270.119</b>                  | <b>(6.868)</b>             | <b>263.251</b>                           |
| 0.000                           | (82.043)                   | (82.043)                                 | East Ayrshire Council funding (notes 5,6 and 10)    | 0.000                           | (88.550)                   | (88.550)                                 |
| 0.000                           | (188.294)                  | (188.294)                                | NHS Ayrshire & Arran funding (notes 5,6 and 10)     | 0.000                           | (193.222)                  | (193.222)                                |
| <b>0.000</b>                    | <b>(270.337)</b>           | <b>(270.337)</b>                         | <b>Taxation and Non-Specific Grant Income</b>       | <b>0.000</b>                    | <b>(281.772)</b>           | <b>(281.772)</b>                         |
| <b>266.544</b>                  | <b>(277.227)</b>           | <b>(10.683)</b>                          | <b>Deficit / (Surplus) on provision of services</b> | <b>270.119</b>                  | <b>(288.640)</b>           | <b>(18.521)</b>                          |

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

### MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year of the IJB's reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices (2020/21 Movement in Reserves also shown for information).

| Movement in Reserves During 2021/22                           | General Fund Balance<br>£m | General Fund Earmarked Balance<br>£m | Total Reserves<br>£m |
|---|----------------------------|--------------------------------------|----------------------|
| <b>Opening Balance at 1 April 2021</b><br>(notes 7,8 and 10)  | <b>(3.248)</b>             | <b>(12.400)</b>                      | <b>(15.648)</b>      |
| Total Comprehensive Income and Expenditure (note 6)           | (3.941)                    | (14.580)                             | (18.521)             |
| Decrease or (Increase) in 2021/22                             | <b>(3.941)</b>             | <b>(14.580)</b>                      | <b>(18.521)</b>      |
| <b>Closing Balance at 31 March 2022</b><br>(notes 7,8 and 10) | <b>(7.189)</b>             | <b>(26.980)</b>                      | <b>(34.169)</b>      |

| Movement in Reserves During 2020/21                           | General Fund Balance<br>£m | General Fund Earmarked Balance<br>£m | Total Reserves<br>£m |
|---|----------------------------|--------------------------------------|----------------------|
| <b>Opening Balance at 1 April 2020</b><br>(notes 7,8 and 10)  | (0.318)                    | (4.647)                              | (4.965)              |
|   |                            |                                      |                      |
| Total Comprehensive Income and Expenditure (note 6)           | (2.930)                    | (7.753)                              | (10.683)             |
| Decrease or (Increase) in 2020/21                             | <b>(2.930)</b>             | <b>(7.753)</b>                       | <b>(10.683)</b>      |
| <b>Closing Balance at 31 March 2021</b><br>(notes 7,8 and 10) | <b>(3.248)</b>             | <b>(10.068)</b>                      | <b>(15.648)</b>      |

## BALANCE SHEET

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

| 31 March 2021<br>£m |                                 | Notes | 31 March 2022<br>£m |
|---------------------|---------------------------------|-------|---------------------|
| 15.648              | Debtors                         | 7     | 34.169              |
| <b>15.648</b>       | <b>Net Assets</b>               |       | <b>34.169</b>       |
| 3.248               | Usable Reserve: General Fund    | 8     | 7.189               |
| 12.400              | Earmarked Reserve: General Fund | 8     | 26.980              |
| <b>15.648</b>       | <b>Total Reserves</b>           |       | <b>34.169</b>       |

The Statement of Accounts presents a true and fair view of the financial position of the Integration Joint Board as at 31 March 2022 and its income and expenditure for the year then ended.

The unaudited Financial Statements were issued on 22 June 2022 and the audited Financial Statements will be authorised for issue on 17 August 2022.

DocuSigned by:  
  
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Alex McPhee CPFA  
 Interim Chief Finance Officer  
 17 August 2022

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### General principles

The Financial Statements summarise East Ayrshire IJB's transactions for the 2021/22 financial year and its position at 31 March 2022.

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

The Financial Statements are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

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

The Audit Scotland report, Covid-19: Going Concern in the Public Sector (December 2020) outlines that due to continuation of Health Board functions even if an organisation were to cease, Health Boards should be viewed as a going concern. If a body is to be discontinued, but its functions are to be transferred elsewhere in the public sector (e.g. the body is merging with another existing body, or the functions are being transferred to another public body), the going concern basis of accounting is still expected to be appropriate. For example, this was the case when NHS Argyll and Clyde was dissolved on 31 March 2006, and its assets, liabilities and the responsibility for delivering health services within its geographic boundaries were transferred to the successor boards, NHS Highland and NHS Greater Glasgow and Clyde.

#### Accruals of expenditure and income

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

#### Funding

The IJB is primarily funded through funding contributions from the statutory funding partners, East Ayrshire Council and NHS Ayrshire & Arran. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in East Ayrshire. Funding from the Scottish Government to offset Covid-19 attributable costs in 2021/22 has been routed to the IJB via NHS Ayrshire & Arran as part of the Local Mobilisation Planning process.

The IJB Interim Chief Finance Officer has received written confirmation from the Chief Finance Officers of East Ayrshire Council and NHS Ayrshire & Arran that, the charges for services commissioned by East Ayrshire IJB reflect income and expenditure recorded in the respective ledgers of the partner organisations; confirmation that the allocation of income and expenditure to the IJB reflects the appropriate charges; and where estimates have been used the best available data has been applied to give a true and fair view.

## Cash and Cash Equivalents

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partners. Consequently the IJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The funding balance due from or to each funding partner as at 31 March is represented as a debtor or creditor on the IJB's Balance Sheet.

## Employee Benefits

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

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

## Provisions, Contingent Liabilities and Contingent Assets

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

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

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

## Reserves

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

The IJB's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March shows the extent of resources which the IJB can use in later years to support service provision. Within usable reserves the IJB holds earmarked funds to meet specific service commitments including funds set aside for transformational change purposes. In addition, a contingency reserve is held to assist the IJB to deal with unforeseen events or emergencies. The updated Reserve Strategy approved by the IJB on 23 March 2022 (and reviewed as part of the budget setting process for 2022/23) outlines that while there is no defined level of contingency reserve to be held, the IJB will aspire to hold at least 2% of annual budgeted revenue expenditure by the end of the three year budget cycle as General Fund balances. It should be recognised that this aspiration has to be balanced within the wider financial and strategic planning context on an ongoing basis.

## Indemnity Insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. East Ayrshire Council and NHS Ayrshire & Arran have responsibility for claims in

respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Boards, the IJB does not have any 'shared risk' exposure from participation in the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). The IJB 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 IJB's Balance Sheet.

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

## **NOTE 2: ACCOUNTING STANDARDS NOT YET ADOPTED**

The Code requires the disclosure of information about accounting changes that will be required by new accounting standards that have been issued, but not yet adopted. At the date of authorisation of these financial statements, the IJB has not applied the following new and revised IFRS Standards that have been issued, but are not yet effective:

- IFRS 16: Leases. HM Treasury have agreed to defer implementation until 1 April 2022.
- IFRS 17: Insurance Contracts: Applicable for periods beginning on or after 1 January 2023.
- Amendment to IAS 1: Classification of Liabilities as Current or Non-Current. Applicable for periods beginning on or after 1 January 2023.
- Amendment to IAS 1: Definition of Accounting Policies. Applicable for periods beginning on or after 1 January 2023.
- Amendment to IAS 8: Definition of Accounting Estimates. Applicable for periods beginning on or after 1 January 2023.
- Amendment to IAS 16: Property, Plant and Equipment proceeds before intended use. Applicable for periods beginning on or after 1 January 2022.
- Amendments to IAS 37: Onerous Contracts, cost of fulfilling a contract. Applicable for periods beginning on or after 1 January 2022.
- Annual Improvements to IFRS Standards 2018-2020 Cycle. Applicable for periods beginning on or after 1 January 2022.

The IJB does not expect that the adoption of the Standards listed above will have a material impact on the financial statements in future periods. In relation to IFRS 16: Leases and IFRS 17: Insurance Contracts, the IJB does not enter into any lease agreements or contracts. These arrangements are held in either NHS Ayrshire & Arran or East Ayrshire Council and will be included in their financial statements in future periods.

## **NOTE 3: CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY**

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

- On behalf of all IJBs within the NHS Ayrshire & Arran area, the IJB acts as the lead partner for Primary Care (including Dental) and Out of Hours Community Response Services, as well as Prison and Police Healthcare and War Pensioners services. It commissions services on behalf of the three Ayrshire IJBs and reclaims the costs involved. This arrangement is treated as an agency arrangement. The approved Integration Scheme sets out that in the event of Lead Partnership overspending, a recovery plan requires agreement of the three Ayrshire Integration Joint Boards. Failure to reach agreement will require interim additional funding contributions in proportion to service usage, pending final agreement of the recovery plan.

- In applying the accounting policies set out at note 1 above, the IJB has had to make a critical judgement relating to the values included for Set Aside services. The Set Aside figure included in the IJB Financial Statements in 2021/22 is based upon work undertaken by the Ayrshire Finance Leads group to establish the baseline resources for each Partnership and how this compares to the NRAC “fair share” of resources. A model has been created to update Set Aside activity and values on a quarterly basis, to map activity data (bed days, admissions, discharges) against costs across the six specialties at the various Acute services locations. Activity data for 2021/22 is not complete and due largely to the pandemic, Set Aside activity and values for 2020/21 were £9.5m lower than 2019/20 values. These values are not considered representative of “normal” activity levels and therefore not suitable for delegating Set Aside resources. The Set Aside values included in the 2021/22 Annual Accounts are therefore, based on 2019/20 activity levels, inflated to a 2021/22 cost base.

There are no material estimation uncertainties included within the Financial Statements.

#### NOTE 4: EVENTS AFTER THE REPORTING PERIOD

The audited Annual Accounts will be authorised for issue by the Interim Chief Finance Officer on 17 August 2022. Events taking place after this date are not reflected in the Financial Statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2022, the figures in the Financial Statements and notes have been adjusted in all material respects to reflect the impact of this information.

#### NOTE 5: EXPENDITURE AND INCOME ANALYSIS BY NATURE

| 2020/21<br>£m   |  | 2021/22<br>£m   |
|-----------------|--|-----------------|
| 106.156         | Services commissioned from East Ayrshire Council             | 112.604         |
| 153.471         | Services commissioned from NHS Ayrshire & Arran              | 150.620         |
| 0.027           | Auditor Fee: External Audit Work                             | 0.027           |
| (270.337)       | Partners Funding Contributions and Non-Specific Grant Income | (281.772)       |
| <b>(10.683)</b> | <b>(Surplus) / Deficit on the Provision of Services</b>      | <b>(18.521)</b> |

#### NOTE 6: TAXATION AND NON-SPECIFIC GRANT INCOME

| 2020/21<br>£m    |   | 2021/22<br>£m    |
|------------------|---|------------------|
| (82.043)         | Funding Contribution from East Ayrshire Council | (88.550)         |
| (188.294)        | Funding Contribution from NHS Ayrshire & Arran  | (193.222)        |
| <b>(270.337)</b> | <b>Taxation and Non-specific Grant Income</b>   | <b>(281.772)</b> |

The funding contribution from the NHS Board shown above includes £24.566m in respect of Set Aside resources relating to acute hospital and other resources. These are provided by the NHS, which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

The funding contribution from the NHS Board also includes funding from the Scottish Government to offset Covid-19 attributable costs £14.143m. As highlighted previously in the Management Commentary at section 1, the balance of funding £11.363m is earmarked within the IJB Reserve to support continuation of costs that were funded in 2021/22, in respect of IJB delegated functions in 2022/23. Guidance on Accounting for Coronavirus

(Covid-19) Grants / Funding Streams issued by the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) in May 2021 outlines that financial support directed towards IJBs are not grants but funding of anticipated costs submitted as part of the regular Local Mobilisation Planning process. The main consideration for IJBs is to assess the nature of the expenditure being incurred such as spend directly incurred on Health and Social Care Partnership goods / services (such as PPE, costs of running Community and Mental Health Assessment units and increased staff costs of councils and health boards) and spend incurred to support social care providers (such as care homes).

The nature of these transactions requires the IJB to consider if it is acting as a Principal or Agent in the process. Under the Code of Practice on Local Government Accounting in the United Kingdom (the Code), principle and agent are defined as:

- Principal: where the authority is acting on its own behalf.
- Agent: where the authority is acting as an intermediary.

To assist consistency in treatment of funding provided, the LASAAC guidance contains a schedule which sets out a view of accounting treatment of Covid-19 funding, as to whether principal or agent accounting applies, which IJBs should consider. This sets out that for all payments underlying expenditure incurred in 2021/22, the IJB is acting as principal. In this respect this represents financial support directed towards the IJB and are not grants but funding of anticipated costs submitted as part of the regular Local Mobilisation Planning process. This expenditure is identifiable within the management accounts table within the Management Commentary at section 1.

#### NOTE 7: DEBTORS

| 2020/21<br>£m |                               | 2021/22<br>£m |
|---------------|-------------------------------|---------------|
| 9.316         | Funding East Ayrshire Council | 20.552        |
| 6.332         | Funding NHS Ayrshire & Arran  | 13.617        |
| <b>15.648</b> | <b>Debtors</b>                | <b>34.169</b> |

#### NOTE 8: USABLE RESERVE – GENERAL FUND

The IJB 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 IJB's risk management framework.

As highlighted previously under Reserves at note 1, the updated Reserve Strategy was approved by the IJB on 23 March 2022 and was reviewed as part of the budget setting process for 2022/23.

The following table shows the movements on the General Fund balance, analysed between those elements earmarked for specific planned future expenditure £26.980m, and the amount held as a general contingency £7.189m. Due to the level of balances retained, this table provides a breakdown of balances held by East Ayrshire Council and NHS Ayrshire & Arran on behalf of the IJB.

The Annual Budget 2022/23 report to the IJB on 23 March 2022 outlined a number of continued risks in respect of both Council and NHS commissioned services. It is important to note that the 2022/23 Annual Budget was

approved on a “business and usual” basis. The financial and economic impacts of the Covid-19 pandemic represent a significant risk to the IJB and partner organisations going forward. It is intended that the uncommitted balance, and transformational change funding retained within the IJB Reserve, as well as elements of earmarked funding, will be used to mitigate risk going forward.

| Balance as at 31 March 2021 £m |  | Transfers Out 2021/22 £m | Transfers In 2021/22 £m | Balance as at 31 March 2022 £m |
|--------------------------------|--|--------------------------|-------------------------|--------------------------------|
|                                | Earmarked:   |                          |                         |                                |
| (0.236)                        | Client Equipment and Adaptations                         | 0.025                    | (0.016)                 | (0.227)                        |
| (0.425)                        | Adult Care Package provision                             | 0.000                    | 0.000                   | (0.425)                        |
| (0.590)                        | School Counselling                                       | 0.000                    | (0.003)                 | (0.593)                        |
| (0.100)                        | Free Personal Care under 65s - Mental Health Counselling | 0.100                    | 0.000                   | 0.000                          |
| (0.021)                        | Care Commission standards                                | 0.000                    | 0.000                   | (0.021)                        |
| (0.017)                        | Legal fees   | 0.000                    | 0.000                   | (0.017)                        |
| (0.025)                        | Whole Systems Approach funding                           | 0.025                    | 0.000                   | 0.000                          |
| (0.032)                        | Looked After and Accommodated fees                       | 0.000                    | 0.000                   | (0.032)                        |
| (0.054)                        | Information Technology                                   | 0.054                    | 0.000                   | 0.000                          |
| (0.028)                        | Befrienders Project (ADP)                                | 0.000                    | 0.000                   | (0.028)                        |
| (0.020)                        | HARP / Wellbeing Project                                 | 0.000                    | 0.000                   | (0.020)                        |
| (3.110)                        | Covid-19 - Scottish Government funding                   | 3.110                    | (11.363)                | (11.363)                       |
| (0.013)                        | Community Justice - impact of Covid-19                   | 0.000                    | 0.000                   | (0.013)                        |
| (0.039)                        | Financial Risk, Insecurity & Poverty                     | 0.000                    | 0.000                   | (0.039)                        |
| (0.388)                        | C&YP: Mental Health & Wellbeing                          | 0.002                    | 0.000                   | (0.386)                        |
| (0.545)                        | ADP - Mainline; Hard Edges; DDTF                         | 0.000                    | (0.476)                 | (1.021)                        |
| (0.461)                        | Community Living Change Fund                             | 0.014                    | 0.000                   | (0.447)                        |
| 0.000                          | Interim Care   | 0.000                    | (0.908)                 | (0.908)                        |
| 0.000                          | The Promise  | 0.000                    | (0.030)                 | (0.030)                        |
| 0.000                          | Trauma Funding   | 0.000                    | (0.050)                 | (0.050)                        |
| 0.000                          | Whole Family Wellbeing Reserve                           | 0.000                    | (0.085)                 | (0.085)                        |
|                                |  |                          |                         |                                |
| <b>(6.104)</b>                 | <b>Earmarked – EAC</b>                                   | <b>3.330</b>             | <b>(12.931)</b>         | <b>(15.705)</b>                |
|                                |  |                          |                         |                                |
| (0.592)                        | Intermediate Care and Reablement - 2 year funding        | 0.150                    | 0.000                   | (0.442)                        |
| (0.225)                        | Post Covid developments - 2 year funding                 | 0.000                    | 0.000                   | (0.225)                        |
| (0.070)                        | SARC   | 0.070                    | 0.000                   | 0.000                          |
| (0.120)                        | Fairer Scotland – Dental                                 | 0.120                    | 0.000                   | 0.000                          |
| (0.012)                        | Social Care shielding                                    | 0.012                    | 0.000                   | 0.000                          |
| (0.495)                        | Urgent Care Pathway                                      | 0.492                    | (0.738)                 | (0.741)                        |
| (0.167)                        | GP Costs - Arran War Memorial                            | 0.167                    | 0.000                   | 0.000                          |
| 0.000                          | IT funding   | 0.000                    | (0.010)                 | (0.010)                        |
| 0.000                          | Allied Health Professions                                | 0.000                    | (0.008)                 | (0.008)                        |
| 0.000                          | Remobilisation Plan 3 - Mental Health                    | 0.000                    | (0.299)                 | (0.299)                        |
| 0.000                          | Remobilisation Plan 3 - Allied Health Professions        | 0.000                    | (0.259)                 | (0.259)                        |
| 0.000                          | Remobilisation Plan 4                                    | 0.000                    | (0.105)                 | (0.105)                        |
| 0.000                          | Discharge Without Delay                                  | 0.000                    | (0.370)                 | (0.370)                        |
| 0.000                          | Winter monies  | 0.000                    | (0.125)                 | (0.125)                        |

|                 |  |              |                 |                 |
|-----------------|--|--------------|-----------------|-----------------|
| 0.000           | Dementia PDS   | 0.000        | (0.080)         | (0.080)         |
| 0.000           | MAT funding  | 0.000        | (0.132)         | (0.132)         |
| 0.000           | MDT funding  | 0.000        | (0.538)         | (0.538)         |
| 0.000           | Workforce Welbeing   | 0.000        | (0.042)         | (0.042)         |
| 0.000           | Workforce bonus - Community Link Workers                         | 0.000        | (0.006)         | (0.006)         |
| 0.000           | School Nursing funding   | 0.000        | (0.056)         | (0.056)         |
|                 |  |              |                 |                 |
| <b>(1.681)</b>  | <b>Earmarked - NHS A &amp; A (managed services)</b>              | <b>1.011</b> | <b>(2.768)</b>  | <b>(3.438)</b>  |
|                 |  |              |                 |                 |
| (1.272)         | Primary Care Improvement Fund - actual                           | 1.272        | (2.351)         | (2.351)         |
| (0.227)         | Mental Health Action 15 – actual                                 | 0.227        | (0.205)         | (0.205)         |
| 0.000           | Expansion of Primary Care Estates - NRAC                         | 0.000        | (0.048)         | (0.048)         |
| 0.000           | Dental - Practice Improvement – NRAC                             | 0.000        | (0.233)         | (0.233)         |
| 0.000           | Dental - Winter Preparedness – NRAC                              | 0.000        | (0.112)         | (0.112)         |
| 0.000           | GP Premises Improvement – NRAC                                   | 0.000        | (0.072)         | (0.072)         |
| 0.000           | Mental Health Wellbeing - Primary Care - NRAC                    | 0.000        | (0.035)         | (0.035)         |
| 0.000           | Primary Care telephony   | 0.000        | (0.001)         | (0.001)         |
| 0.000           | Mental Health Recovery / Renewal - CAMHS - NRAC                  | 0.000        | (0.992)         | (0.992)         |
| 0.000           | Mental Health Recovery / Renewal - Eating Disorder Serv. - NRAC  | 0.000        | (0.106)         | (0.106)         |
| 0.000           | Mental Health Recovery / Renewal - Psych. Therapies - NRAC       | 0.000        | (0.242)         | (0.242)         |
| 0.000           | Mental Health Recovery / Renewal - Facilities Improvement – NRAC | 0.000        | (0.358)         | (0.358)         |
| 0.000           | Buvidal – NRAC   | 0.000        | (0.096)         | (0.096)         |
| 0.000           | Perinatal and Infant Mental Health - NRAC                        | 0.000        | (0.076)         | (0.076)         |
| 0.000           | Cossette funding – NRAC  | 0.000        | (0.016)         | (0.016)         |
|                 |  |              |                 |                 |
| <b>(1.499)</b>  | <b>Earmarked - NHS A &amp; A (population basis)</b>              | <b>1.499</b> | <b>(4.943)</b>  | <b>(4.943)</b>  |
|                 |  |              |                 |                 |
| (1.546)         | Transformational Change Programme - EAC                          | 0.208        | 0.000           | (1.338)         |
| (1.570)         | Transformational Change Programme - NHS A & A                    | 0.014        | 0.000           | (1.556)         |
|                 |  |              |                 |                 |
| <b>(3.116)</b>  | <b>Transformational Change Programme - total</b>                 | <b>0.222</b> | <b>0.000</b>    | <b>(2.894)</b>  |
|                 |  |              |                 |                 |
| <b>(12.400)</b> | <b>Total Earmarked</b>   | <b>6.062</b> | <b>(20.642)</b> | <b>(26.980)</b> |
|                 |  |              |                 |                 |
| (1.666)         | Uncommitted - EAC  | 0.264        | (2.107)         | (3.509)         |
| (1.582)         | Uncommitted - NHS  | 0.000        | (2.098)         | (3.680)         |
|                 |  |              |                 |                 |
| <b>(3.248)</b>  | <b>Uncommitted - total</b>                                       | <b>0.264</b> | <b>(4.205)</b>  | <b>(7.189)</b>  |
|                 |  |              |                 |                 |
| <b>(15.648)</b> | <b>General Fund</b>  | <b>6.326</b> | <b>(24.847)</b> | <b>(34.169)</b> |

#### NOTE 9: AGENCY INCOME AND EXPENDITURE

On behalf of all IJBs within the NHS Ayrshire & Arran area, the East Ayrshire IJB acts as the lead manager for Primary Care (including Dental) and Out of Hours Community Response services, as well as Prison and Police Healthcare and War Pensioners. It commissions services on behalf of the other IJBs and reclaims the costs

involved. The payments that are made on behalf of the other IJBs (£63.797m), and the consequential reimbursement (£63.797m), are not included in the Comprehensive Income and Expenditure Statement since the IJB is not acting as principal in these transactions.

The IJB has acted as agent in respect of £500 “thank you” payments from the Scottish Government to Community Link Workers employed by Council of Voluntary Organisations (East Ayrshire) Limited. All payments relate to the 2021/22 financial year and costs and income have been recorded accordingly. The IJB is acting as an agent in respect of this transaction, and whilst there is no recognition of net expenditure in the Comprehensive Income and Expenditure Statement (CIES), there are expenditure and offsetting income entries recorded.

The Health and Social Care Partnership operated a PPE hub, which distributed stock to the East Ayrshire Council staff, external providers and carers. This stock was issued to the hub at no charge by NHS National Services Scotland (NSS). This was done under an agency arrangement and the estimated stock issued to external providers was £0.620m. As the IJB was acting as an agent regarding PPE / test kit transactions, it has not recognised any income, expenditure or closing stock within the CIES.

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

| 2020/21<br>£m |   | 2021/22<br>£m |
|---------------|---|---------------|
| 61.998        | Expenditure on Agency Services - Lead Partnership                       | 63.797        |
| 1.605         | £500 payment – Third Sector staff                                       | 0.006         |
| 0.736         | £500 payment - Council staff working in HSCP                            | 0.000         |
| 0.138         | £500 payment – Personal Assistants (SDS)                                | 0.000         |
| 0.749         | PPE / test kits issued from National Services Scotland (NSS) stock      | 0.620         |
| (61.998)      | Reimbursement for Agency Services - Lead Partnership                    | (63.797)      |
| (2.479)       | Reimbursement for Agency Services - £500 payments (Scottish Government) | (0.006)       |
| (0.749)       | PPE / test kits issued from National Services Scotland (NSS) stock      | (0.620)       |
| <b>0.000</b>  | <b>Net Agency Expenditure excluded from the CIES</b>                    | <b>0.000</b>  |

| 2020/21<br>£m |  | 2021/22<br>£m |
|---------------|--|---------------|
| 65.226        | Expenditure on Agency Services                       | 64.423        |
| (65.226)      | Reimbursement for Agency Services                    | (64.423)      |
| <b>0.000</b>  | <b>Net Agency Expenditure excluded from the CIES</b> | <b>0.000</b>  |

#### NOTE 10: RELATED PARTY TRANSACTIONS

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

## Transactions with East Ayrshire Council

| 2020/21<br>£m   |   | 2021/22<br>£m   |
|-----------------|---|-----------------|
| <b>(82.043)</b> | Funding contributions received from the Council     | <b>(88.550)</b> |
|                 |   |                 |
| (6.890)         | Service income received from the Council            | (6.868)         |
| 113.850         | Expenditure on services provided by the Council     | 119.425         |
| 6.093           | Surplus / (Deficit) on provision of services        | 11.236          |
| 0.052           | Key management personnel: non-voting Board Members  | 0.060           |
| <b>113.105</b>  | Net expenditure on services provided by the Council | <b>123.853</b>  |
| <b>31.062</b>   | <b>Net Transactions with the Council</b>            | <b>35.303</b>   |

## Transactions with NHS Ayrshire & Arran

| 2020/21<br>£m    |   | 2021/22<br>£m    |
|------------------|---|------------------|
| <b>(188.294)</b> | Funding contributions received from the NHS Board     | <b>(193.222)</b> |
|                  |   |                  |
| 0.000            | Service income received from the NHS Board            | 0.000            |
| 152.589          | Expenditure on services provided by the NHS Board     | 150.573          |
| 4.590            | Surplus / (Deficit) on provision of services          | 7.285            |
| 0.053            | Key management personnel: non-voting Board Members    | 0.061            |
| <b>157.232</b>   | Net expenditure on services provided by the NHS Board | <b>157.919</b>   |
| <b>(31.062)</b>  | <b>Net Transactions with the NHS Board</b>            | <b>(35.303)</b>  |

Key Management Personnel: The non-voting Board members employed by the Council and NHS Board include the Chief Officer; the Interim Chief Finance Officer; representatives of primary care, nursing and non-primary services; and a staff representative. As outlined in the Remuneration Report at section 4 of the Annual Accounts, the Chief Officer is the only employee of the IJB with the (Council / NHS Board) shared cost of this post included in the preceding Related Party Transactions Tables and within the Remuneration Report.

Support services were not delegated to the Integration Joint Board through the Integration Scheme and are instead provided by the Council and Health Board free of charge as a 'service in kind'. This is included at section 4.2 of the Integration Scheme. The support services provided are mainly comprised of the provision of Interim Chief Finance Officer, IJB Standards Officer, financial management, democratic services, human resources, legal, ICT, payroll, internal audit and the provision of the Chief Internal Auditor.

The tables above highlight reduced expenditure on delivery of integrated functions on services commissioned by the IJB from NHS Ayrshire & Arran and additional expenditure services commissioned by East Ayrshire Council.

The following two tables highlight that this is due to accounting adjustments to reflect expenditure incurred in respect of funds which transfer between the partner organisations. The £36.068m which transfers from NHS Ayrshire & Arran to East Ayrshire Council includes Resource Transfer funding which offsets community based services funded from savings attributable to permanent NHS bed closures. In addition, Scottish Government Integration Funding for social care services £8.796m is included within this sum, as are other earmarked funding transfers including Alcohol and Drugs Partnership funding, Integrated Care Fund relating to Council-managed projects and Scottish Government Covid-19 funding (which has been routed to IJBs via NHS Boards) to offset expenditure on Council commissioned services. The £0.752m payment from the Council to the Health Board

includes Delayed Discharge funding which offsets the cost of NHS community-based services.

| 2020/21<br>£m | East Ayrshire Council - reconciliation        | 2021/22<br>£m |
|---------------|---|---------------|
| 82.043        | Payments for delegated functions              | 88.550        |
|               |   |               |
| 31.814        | Funding transfers from NHS Ayrshire & Arran   | 36.068        |
| (0.752)       | Funding transfers to NHS Ayrshire & Arran     | (0.765)       |
| 31.062        | Net transactions with NHS Ayrshire & Arran    | 35.303        |
|               |   |               |
| 113.105       | Payments for delivery of integrated functions | 123.853       |

| 2020/21<br>£m | NHS Ayrshire & Arran - reconciliation         | 2021/22<br>£m |
|---------------|---|---------------|
| 188.294       | Payments for delegated functions              | 193.222       |
|               |   |               |
| (31.814)      | Funding transfers to East Ayrshire Council    | (36.068)      |
| 0.752         | Funding transfers from East Ayrshire Council  | 0.765         |
| (31.062)      | Net transactions with East Ayrshire Council   | (35.303)      |
|               |   |               |
| 157.232       | Payments for delivery of integrated functions | 157.919       |

#### Balances with East Ayrshire Council

| 2020/21<br>£m |   | 2021/22<br>£m |
|---------------|---|---------------|
| 9.316         | Debtor balances: amounts due from the Council | 20.552        |
| 0.000         | Creditor balances: amounts due to the Council | 0.000         |
| <b>9.316</b>  | <b>Net Balance with the Council</b>           | <b>20.552</b> |

#### Balances with NHS Ayrshire & Arran

| 2020/21<br>£m |   | 2021/22<br>£m |
|---------------|---|---------------|
| 6.332         | Debtor balances: amounts due from the NHS Board | 13.617        |
| 0.000         | Creditor balances: amounts due to the NHS Board | 0.000         |
| <b>6.332</b>  | <b>Net Balance with the NHS Board</b>           | <b>13.617</b> |

#### NOTE 11: CONTINGENT LIABILITIES

A review of potential contingent liabilities has been undertaken for the IJB and none have been identified at 31 March 2022. This is consistent with the position at 31 March 2021.

#### NOTE 12: VAT

VAT payable is included as an expense only to the extent that it is not recoverable from H.M. Revenue and Customs. VAT receivable is excluded from income.

The VAT treatment of expenditure in the IJB's Financial Statements depends on which of the partner agencies is

providing the service as these agencies are treated differently for VAT purposes.

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

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

## SECTION 7: INDEPENDENT AUDITOR'S REPORT

### Independent auditor's report to the members of East Ayrshire IJB and the Accounts Commission Reporting on the audit of the financial statements

#### Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of East Ayrshire Integration Joint Board for the year ended 31 March 2022 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 significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the 2021/22 Code).

In our opinion the accompanying financial statements:

- Give a true and fair view in accordance with applicable law and the 2021/22 Code of the state of affairs of the body as at 31 March 2022 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 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

We conducted our 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. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 31 May 2016. The period of total uninterrupted appointment is 6 years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

#### Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

## **Responsibilities of the Interim Chief Finance Officer and East Ayrshire Integration Joint Board for the financial statements**

As explained more fully in the Statement of Responsibilities, the Interim Chief Finance 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 Interim Chief Finance 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 Interim Chief Finance Officer is responsible for assessing the body'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 there is an intention to discontinue the body's operations.

The East Ayrshire Integration Joint Board is responsible for overseeing the financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

Our 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 our 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 decisions of users taken on the basis of these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- Considering the nature of the IJB's control environment and reviewing the IJB's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired with management, internal audit and those charged with governance about their own identification and assessment of the risks of irregularities;
- Obtaining an understanding of the applicable legal and regulatory framework and how the IJB is complying with that framework;
- Identifying which laws and regulations are significant in the context of the IJB;
- Assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- Considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- Had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the Local Government (Scotland) Act 1973, the Local Authority Accounts (Scotland) Regulations 2014, the Local Government in Scotland Act 2003 and the Public Bodies (Joint Working) Scotland Act 2014.

- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These included the Data Protection Act 2018.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud was in relation to the completeness and accuracy of the contributions received from the Health Board and the Council. The risk is that the partner bodies do not pass on any additional funding due. In response to this risk, we tested the income recognised to ensure that the correct contributions have been received in accordance with that agreed as part of the budget process.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- Reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Enquiring of management, internal audit and internal legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- Reading minutes of meetings of those charged with governance and reviewing internal audit reports.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the IJB's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result 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.

## **Reporting on other requirements**

### **Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report**

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

### **Other information**

The Interim Chief Finance Officer is responsible for other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement**

In our 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 we are required to report by exception**

We are required by the Accounts Commission to report to you if, in our 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
- We have not received all the information and explanations we require for our audit;

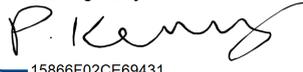
We have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

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

### **Use of our 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, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

DocuSigned by:  
  
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Pat Kenny, CPFA (for and on behalf of Deloitte LLP)  
110 Queen Street  
Glasgow  
G1 3BX  
United Kingdom

17 August 2022

## SECTION 8: GLOSSARY OF TERMS

While the terminology used in this report is intended to be self-explanatory, it may be useful to provide additional definition and interpretation of the terms used.

### Accounting Period

The period of time covered by the Accounts normally a period of twelve months commencing on 1 April each year. The end of the accounting period is the Balance Sheet date.

### Accruals

The concept that income and expenditure are recognised as they are earned or incurred not as money is received or paid.

### Balance Sheet

A statement of the recorded assets, liabilities and other balances at the end of the accounting period.

### CIPFA

The Chartered Institute of Public Finance and Accountancy.

### Consistency

The concept that the accounting treatment of like terms within an accounting period and from one period to the next is the same.

### CNORIS

The Clinical Negligence and Other Risks Indemnity Scheme

### COSLA

Convention of Scottish Local Authorities

### Creditor

Amounts owed by the IJB for work done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

### Debtor

Amount owed to the IJB for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

### Entity

A body corporate, partnership, trust, unincorporated association or statutory body that is delivering a service or carrying on a trade or business with or without a view to profit. It should have a separate legal personality and is legally required to prepare its own single entity accounts.

### IAS

International Accounting Standards

### IFRS

International Financial Reporting Standards

ISA

International Standard on Auditing

ISD

Information Services Division Scotland

LASAAC

Local Authority (Scotland) Accounts Advisory Committee

Liability

A liability is where the IJB owes payment to an individual or another organisation. A current liability is an amount which will become payable or could be called in within the next accounting period e.g. creditors or cash overdrawn. A non-current liability is an amount which by arrangement is payable beyond the next year at some point in the future or will be paid off by an annual sum over a period of time.

NRAC

NHS Scotland Resource Allocation Committee (Scottish NHS resource allocation formula)

Post Balance Sheet Events

Post Balance Sheet events are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Annual Accounts are authorised for issue.

Provisions

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates of when they will arise are uncertain.

PSIAS

Public Sector Internal Audit Standards.

Related Parties

Bodies or individuals that have the potential to control or influence the IJB or to be controlled or influenced by the IJB. For the IJB's purposes, related parties are deemed to include voting members, the Chief Officer and their close family and household members.

Remuneration

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as these sums are chargeable to UK income tax) and the monetary value of any other benefits received other than in cash.

Reserves

The accumulation of surpluses, deficits and appropriation over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the IJB.

Revenue Expenditure

The day-to-day expenses of providing services.

#### Significant Interest

The reporting authority is actively involved and is influential in the direction of an entity through its participation in policy decisions.

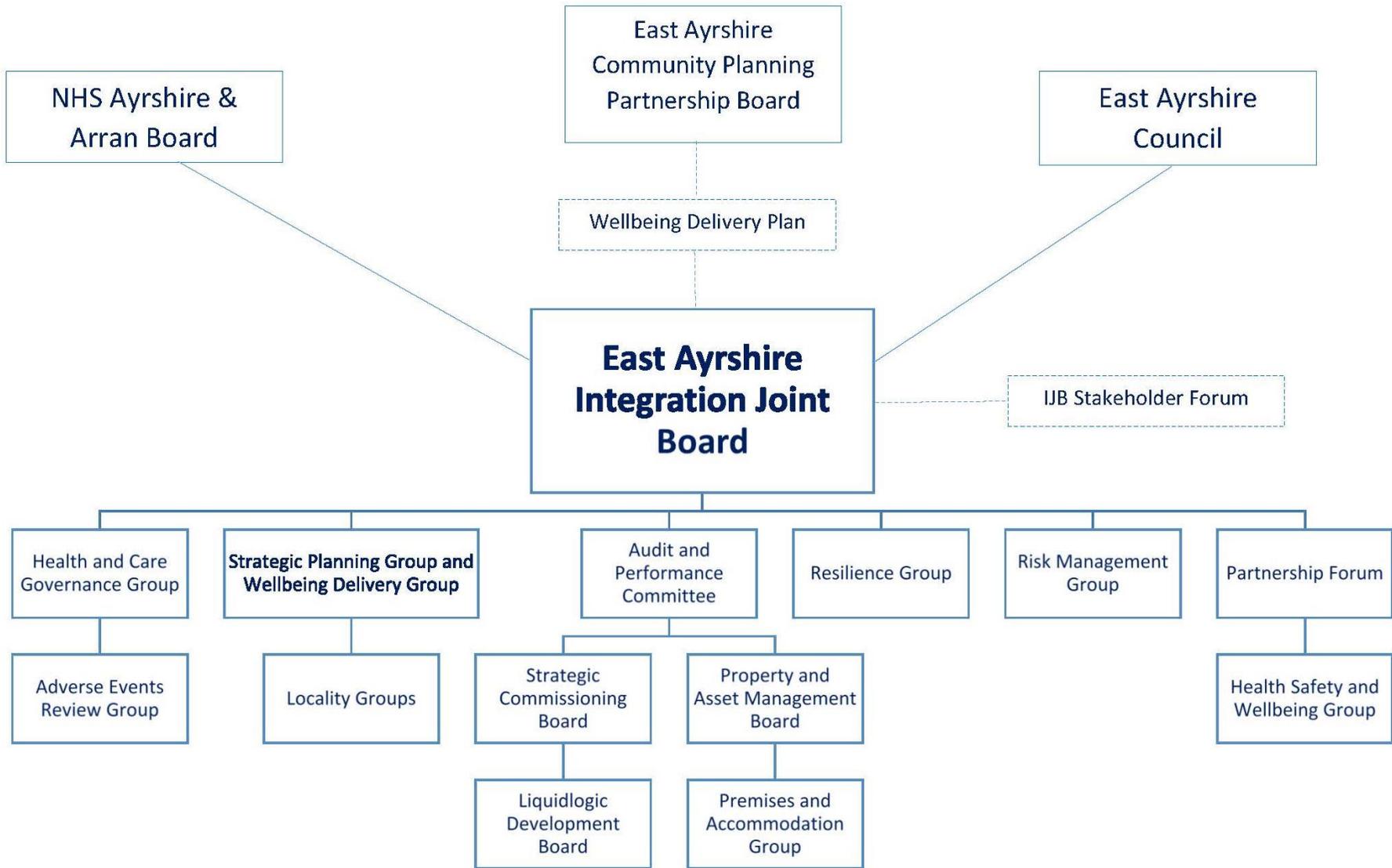
#### SOLACE

Society of Local Authority Chief Executives.

#### The Code

The Code of Practice on Local Authority Accounting in the United Kingdom.

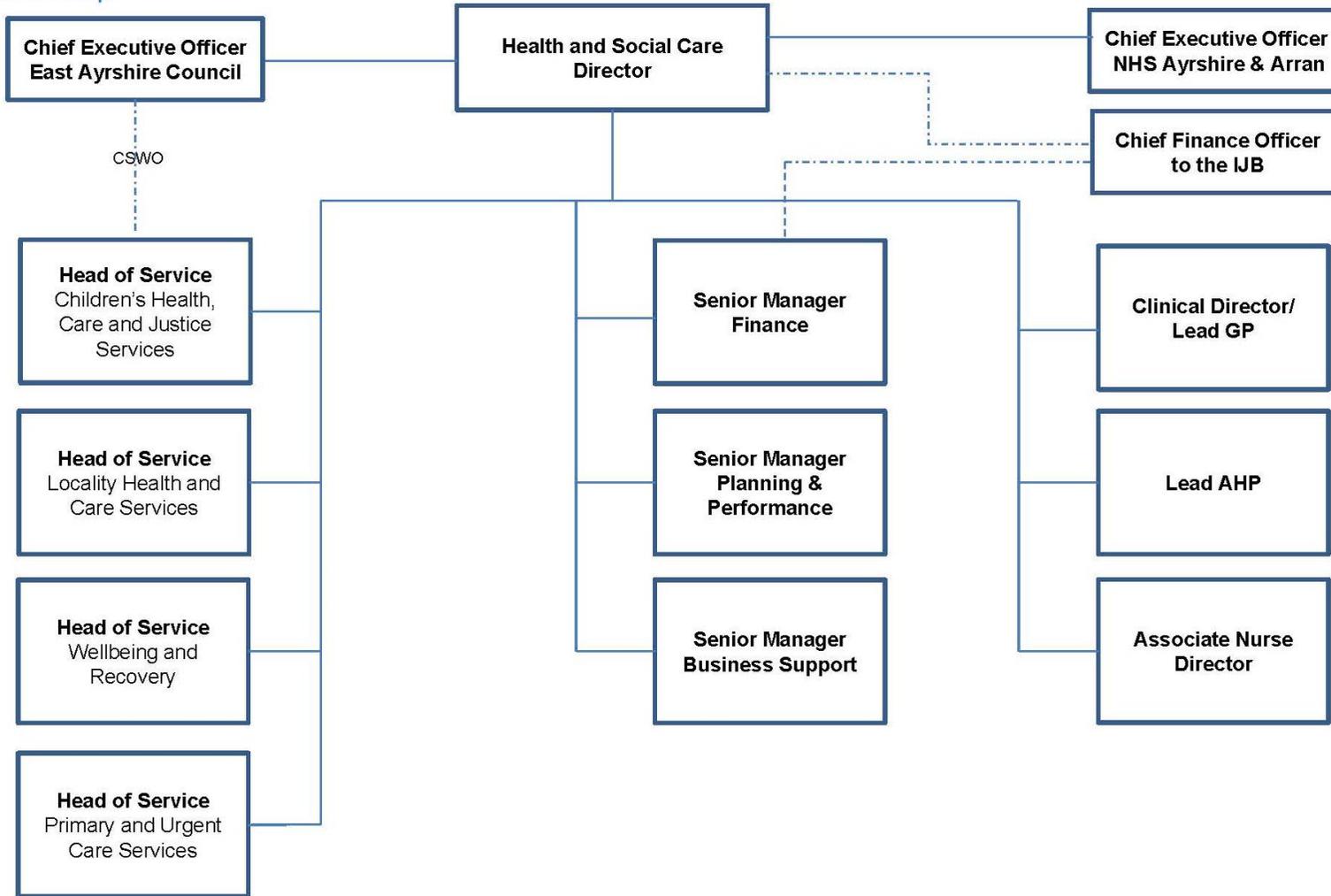
APPENDIX 1: GOVERNANCE AND DECISION MAKING ARRANGEMENTS



APPENDIX 2: PARTNERSHIP MANAGEMENT STRUCTURE

**EAST AYRSHIRE**  
**Health & Social Care**  
 Partnership

**East Ayrshire Hire and Social Care Partnership**



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

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

本信息可应要求提供盲文，大字印刷或音频格式，以及可翻译成多种语言。以下是详细联系方式。

本信息可慮應要求提供盲文，大字印刷或音频格式，以及可翻譯成多种語言。以下是詳細聯系方式。

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

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

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

EAST AYRSHIRE  
**Health & Social Care  
Partnership**

 East Ayrshire Council  
Comhairle Siorrachd Àir an Ear

**NHS**  
Ayrshire  
& Arran

 HEALTH AND SOCIAL CARE  
SCOTLAND

 CVO  
COUNCIL OF VOLUNTARY ORGANISATIONS  
(East Ayrshire) Ltd

 Scottish Care  
Voice of the independent care sector

East Ayrshire Health and Social Care Partnership

01563 554400  
HSCAdmin@east-ayrshire.gov.uk

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