

**REPORT TO ABERDEENSHIRE INTEGRATION JOINT BOARD AUDIT COMMITTEE
– 23 JUNE 2021**

UNAUDITED ANNUAL ACCOUNTS FOR THE YEAR TO 31 MARCH 2021

1 Recommendations

The Audit Committee is recommended to:

1.1 Consider the unaudited Annual Accounts for the year to 31 March 2021

2 Risk

2.1 This paper relates to risks IJB 1 (Sufficiency of Resources).

3 Discussion

3.1 Aberdeenshire Integration Joint Board (IJB) has a statutory responsibility to prepare its Annual Accounts by 30th June, following a financial year end on 31st March. The format of the annual accounts follows local authority accounting standards and hence complies with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

3.2 This is the fifth year that a full set of Accounts have been prepared for the IJB.

3.3 The accounts are based on the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code) and follow the format of the accounts used by local authorities as the IJB is recognised as a local government body under Part VII of the Local Government (Scotland) Act 1973.

3.4 Preparation of the Accounts must also be in accordance with the Local Authority Accounts (Scotland) Regulations 2014 and these include a requirement that the Integration Joint Board (IJB) or a committee with audit responsibilities must meet to consider the unaudited Annual Accounts as submitted to the auditor.

3.5 Due to the exceptional impact of the Covid 19 pandemic in 2020/21 there is a possibility that some of the disclosures and figures in the Accounts will need to be changed during the audit process. An issue still being discussed at national level is the accounting treatment of PPE and testing kits supplied to Health Boards and IJBs by National Services Scotland (NSS). At the moment the costs of and funding for these items are reflected in the Accounts of NSS but there is discussion on whether they should be reflected in the Accounts of Health Boards and IJBs. Any change in this regard will not impact on the surplus recorded against the revenue budget or the amount held in reserves.

3.6 The audit of the Accounts will take place over the summer. The final audited Accounts will be brought back to the Audit Committee meeting on 29th September.

3.7 The Annual Accounts contain a number of important narrative reports including:

- Management Commentary – Explains the performance over the last financial year and highlights potential issues for the current financial year.
- Annual Governance Statement – Highlights the Governance Framework in place and describes performance and improvements against the local code of governance. This contains governance assurances from NHS Grampian and Aberdeenshire Council. It also contains the opinion of the Chief Internal Auditor on the internal control environment.
- Remuneration Report – contains details of the pay and pension benefits accrued by the Chief Officer during 2020/21.
- Financial Statements – contains details of the financial transactions, including the Income & Expenditure Statement, Balance sheet and Movement in Reserves Statement.
- Notes to the Accounts – including the financial policies used by the IJB over this period and the relevant disclosures required through the Code.

3.8 The unaudited Annual Accounts show a surplus for 2020/21 of £20.449 million. The overall position is shown in the table below:-

2020/21 Outturn	£m
Underspend against Revenue Budget	4.597
Underspend against Scottish Govt additional funding	15.452
Funding Transfer from NHS Grampian for Dental Project	0.400
Total Underspend	20.449
Represented by Reserves:	
General Fund	4.597
Earmarked – Covid 19	7.038
Earmarked - Risk Fund	3.050
Earmarked – Primary Care Improvement Fund	3.456
Earmarked - Action 15 Mental Health	1.093
Earmarked – Community Living Change Fund	0.815
Earmarked – Stonehaven Dental	0.400
Total Reserves	20.449

3.9 Members are asked to consider the Annual Accounts for the year to 31st March 2021.

3.10 At this stage, only the Statement of Responsibilities and the Balance Sheet require to be signed by the Chief Finance Officer. Once the accounts have been audited, the following statements require to be signed:

Management Commentary	Chair of the IJB, Chief Officer, Chief Finance Officer
Remuneration Report	Chair of the IJB, Chief Officer
Statement of Responsibilities	Chair of the IJB, Chief Finance Officer
Annual Governance Statement	Chair of the IJB, Chief Officer
Balance Sheet	Chief Finance Officer

3.11 The Monitoring Officer within Business Services has been consulted and their comments incorporated into this report.

4 Equalities, Financial and Staffing Implications

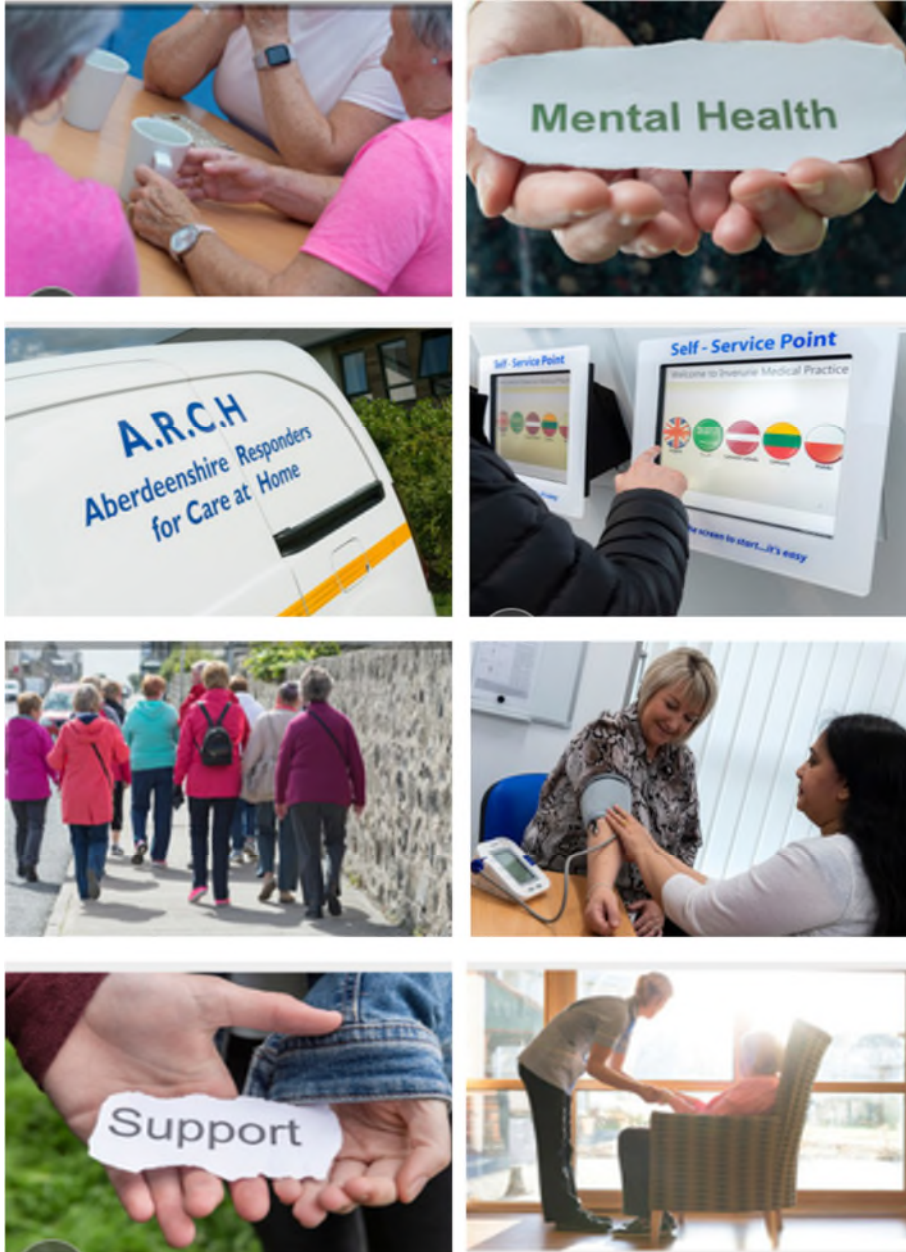
- 4.1 An equality impact assessment is not required because the reason for this report is to allow the Integration Joint Board to discuss and comment on historical and factual data in the Accounts and there will be no differential impact on people with protected characteristics.
- 4.2 There are no direct financial or staffing implications arising from this report.

Alan Sharp
Chief Finance Officer

Report prepared 12th June 2021



Aberdeenshire Integration Joint Board Annual Accounts 2020/21



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Management Commentary

Welcome to Aberdeenshire Integration Joint Board's (IJB) Annual Accounts for 2020/21. The main purpose of the Annual Accounts is to set out the financial position of the IJB for the financial year but also to demonstrate that appropriate governance is in place regarding public funds and that the expected levels of service delivery have been achieved.

The Annual Accounts have been prepared in accordance with the relevant legislation, regulations and the proper accounting practices, which primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code) supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the Local Government in Scotland Act 2003.

The Annual Accounts are a financial representation of the Board's strategic priorities and set out on an annual basis an investment of over £370 million per year across local communities in Aberdeenshire. This is equivalent to just over £1.0 million each day being spent on health and social care services, or about £3.80 a day for each Aberdeenshire resident.

The Management Commentary is intended to provide a suitable overview to a complex document allowing the reader to determine the IJB's overall performance for the year. The Management Commentary is structured as follows:

- The Role and Remit of Aberdeenshire's IJB
- Strategy and Business Model
- Impact of Covid 19 Pandemic
- Performance
- Finances
- Principal Risks and Uncertainties
- Outlook for future years

The Role and Remit of Aberdeenshire's IJB

The IJB was established on 6 February 2016 under The Public Bodies (Joint Working) (Scotland) Act 2014. The IJB has responsibility for the strategic planning and delivery of adult health and social care services within Aberdeenshire. Through a partnership agreement between Aberdeenshire Council and NHS Grampian, known as the Integration Scheme, locally agreed operational arrangements for the delivery of integrated services have been set out. The purpose of the IJB is to improve the wellbeing of people who use health and social care services, particularly those whose needs are complex and involve support from health and social care at the same time. More details can be found in the Integration Scheme at:

<https://www.aberdeenshire.gov.uk/media/22082/aberdeenshireintergrationschemerev19-01-2018.pdf>

Management Commentary (continued)

The IJB has different levels of responsibility for different services. Some services such as Adult Social Care, Community Mental Health Services, Criminal Justice, General Practitioner services, District Nursing, Health Visiting and Allied Health Professionals are fully delegated with the IJB having responsibility both for the strategic planning and operational delivery of these services. Other services are Grampian wide services which Aberdeenshire IJB “host” on behalf of all three IJBs in the NHS Grampian area.

There are also a number of hospital based services where Aberdeenshire IJB has responsibility for the strategic planning of these for Aberdeenshire residents but operational management of the service remains with the relevant hospital.

Hosted Services

Chronic Oedema

Retinal Screening / Diabetes Network

Marie Curie Nursing

Heart Failure Service

Continence Service

Medical services at HMP Grampian

Forensic Medical Examiners

Hospital Based Services

Accident & Emergency Services provided in a hospital

Inpatient hospital services for the following areas:

a) General Medicine

b) Geriatric Medicine

c) Rehabilitation Medicine

d) Respiratory Medicine

e) Palliative Care

f) Mental Health

g) Learning Disability Services

Management Commentary (continued)

Members of the Board for the period 1 April 2020 to 31 March 2021 were as follows:

Voting Members

Name	Organisation
Cllr Anne Stirling (Chair)	Aberdeenshire Council
Rhona Atkinson (Vice Chair)	NHS Grampian
Cllr Anne Allan (until 28 May 2020)	Aberdeenshire Council
Amy Anderson	NHS Grampian
Joyce Duncan	NHS Grampian
Cllr Bill Howatson	Aberdeenshire Council
Rachael Little	NHS Grampian
Cllr Glen Reynolds (from 29 May 2020)	Aberdeenshire Council
Cllr Dennis Robertson	Aberdeenshire Council
Cllr Ann Ross	Aberdeenshire Council
Susan Webb	NHS Grampian

Non-Voting Members

Name	Position
Angie Wood	Interim Chief Officer
Alan Sharp	Chief Finance Officer
Iain Ramsay	Chief Social Work Officer
Dr Chris Allan (until 22 March 2021)	General Medical Practitioner
June Brown	Nurse practitioner representative
Dr Malcolm Metcalfe	Medical Practitioner - Secondary Care Adviser

Stakeholder Representatives Non-Voting Members

Name	Position
Inez Kirk	Trade union representative
Martin McKay	Trade union representative
David Hekelaar	Third sector representative
Sue Kinsey	Third sector representative
Angie Mutch	Service User Representative
Fiona Culbert	Carer representative
George Mitchell	Carer representative

Management Commentary (continued)

Strategy and Business Model

The IJB is responsible for adult health and social care services across the Aberdeenshire area and oversees the Health & Social Care Partnership (HSCP) whose key strategic aim is to achieve sustainable, positive health and social care outcomes for people living in Aberdeenshire.

The IJB sets the direction of the Aberdeenshire HSCP via the preparation and implementation of the Strategic Plan and seeks assurance on the management and delivery of integrated services through appropriate scrutiny and performance monitoring, whilst ensuring effective use of resources.

Aberdeenshire Health and Social Care Partnership's vision is:

"Building on a person's abilities, we will deliver high quality person centred care to enhance their independence and wellbeing in their own communities."

The vision is underpinned by our philosophy and principles:

- Care and treatment should be designed round the needs of the person.
- People are entitled to expect the best possible advice, care and support from our staff, in a timely way and in the right place. Health and social care should be provided by a single team.
- Every individual is able to contribute to their own health and wellbeing, make their views known, and participate positively in their own care.
- A person's family, their social network and their close community all have a part to play to achieve healthy lifestyles and to support those who need help to continue to live in their own homes.

The Aberdeenshire Strategic Plan covers the period from 2020-2025. A copy of the Strategic Plan can be found at:

<http://publications.aberdeenshire.gov.uk/dataset/92dd401b-c939-4b2d-a804-e556a8fa9b69/resource/e7a18b76-77b8-40ca-87c1-36916c7300f5/download/ahscp-strategic-plan-2020---2025.pdf>

Strategic Plan

The [Aberdeenshire HSCP Strategic Plan 2020-25](#) outlines the vision of the HSCP and its key priorities for health and social care services over this five-year period. It describes how the HSCP will work with its partners to improve the health of local people and provide care and support when needed, focusing on the five strategic priorities of:

- Prevention and Early Intervention
- Reshaping Care

Management Commentary (continued)

- Engagement
- Effective use of Resources
- Tackling Inequalities and Public Protection

The Strategic Plan was published just prior to the outbreak of the Covid-19 pandemic. Responding to Covid-19 has placed huge pressure on services but has also resulted in considerable learning and adaptation that has provided the HSCP with the opportunity to further explore different ways of working and build on the significant progress made in particular priority areas identified within the original Strategic Plan.

Building on the positive learning and experience from Covid-19 described above, the HSCP has developed and agreed a Strategic Delivery Plan, providing the detail and focus for the HSCP over the next 12-24 months in terms of both the transformational and improvement work required to provide services that are safe, agile and sustainable for the future. This is centred around the four key themes of: **Digital First, Partnerships, Operation Home First and Reshaping Care**; through which a range of projects will be implemented.

Care is delivered on the basis of localities, with twenty multi-disciplinary locality teams working in an integrated manner with services from all sectors to offer care and treatment that best meets those local needs. The localities work to ensure health and social care teams and the people in the area they serve can have a clear influence on the resources that are available and the development of services and support.



Management Commentary (continued)

Impact of Covid-19 Pandemic

During the period of 1st April 2020 to 31st March 2021 community health and social care services faced unprecedented and exceptional challenges as a result of the Covid-19 (coronavirus) pandemic. Most services in Aberdeenshire largely continued to operate albeit in very different ways, and the ongoing impact of living and working with Covid-19 continues to present uncertainties and change for health and social care delivery.

It is in these very unique and unforeseen circumstances, therefore, that this year's Management Commentary has been written.

The impact of COVID-19 has been enduring and exceptional steps have been required to protect the public and meet surges in activity, whilst maintaining access to critical and protected services.

The Partnership has worked in conjunction with many other organisations to meet the challenges faced by Covid-19 and we are extremely grateful for their support. These include NHS Grampian, Aberdeenshire Council, neighbouring Integrated Joint Boards, our care homes, Third Sector organisations and other local resilience partnership members. The changes that partner bodies have helped us make to services have been essential in managing the impact of COVID-19, redesigning how the public access health and social care and implementing a range of public protection measures.

Following the publication on 3 March 2020 of a coronavirus action plan by the governments of the UK and the subsequent declaration of a global pandemic, the Partnership was required to implement a response to ensure that there was effective co-ordination of arrangements for the efficient, safe clinical management of COVID cases (and suspected cases) and delivery of critical and protected services. The Partnership also had a key role in supporting the public health response and the measures which were implemented during the year – Test and Protect (including the provision of testing of staff, patients, service users and service providers), a COVID vaccination programme and support and advice to care homes, workplaces and the general public being examples of these measures.

At the meeting of 25th March 2020 the Integration Joint Board agreed to delegate to the Chief Officer powers in relation to urgent matters allowing the Chief Officer to exercise their professional judgement on any matter which would normally be required to be determined by the Integration Joint Board but by reason of special urgency it was impractical to convene a meeting. Any decisions taken in this manner required to be reported to subsequent meetings of the Board.

The Board and its sub-committees continued to meet throughout the 2020/21 year on a virtual basis, with regular updates being provided on the Partnership's response to the pandemic.

During 2020/21, with the whole health and social care system operating under emergency provisions some of the core services provided within Aberdeenshire were paused or operating at reduced capacity in order to focus efforts on the response and to ensure services were operating according to public health and Scottish Government guidelines.

Management Commentary (continued)

The challenges of managing the impact of the pandemic did however encourage developments in digital innovations, shifting the balance of care and preventing admissions, and the community engagement agenda across Aberdeenshire. The maturing whole system partnership arrangements will be key to embedding the learning and transformational changes and initiatives arising from the recovery and remobilisation plans, in to core service provision moving forward.

The impact of COVID-19 has required the Partnership to review all of our services across health and social care. We will wish to reflect on the changes made and to build on the experience of the last 12 months. The increased use of technology to support clinical care and non-clinical work and the prominence of the public health response are examples on which the foundations for further changes can be made.

Continuing to respond to COVID-19 will be a factor for the foreseeable future and we are redesigning our services to ensure that we can continue to meet the health and social care needs of our population and provide a safe environment for our staff and most vulnerable patients and service users.

Many of these changes will allow us to provide a greater level of care in our communities and build on the excellent foundations already established through the integration of health and social care.

Performance

Following publication of the HSCP's new Strategic Plan the Aberdeenshire IJB requested that the HSCP undertake a review of its performance framework. The key aims for the HSCP's performance framework moving forward are:

- To better demonstrate the impact in terms of outcomes and end experiences for people who use HSCP services, in particular the difference that integration has made
- To ensure the usefulness and relevance of the data that is reported at both strategic and operational levels, recognising that different 'tiers' of performance data, interdependent and of equal importance, are required to ensure different parts of the organisation have the information they require for effective service planning, delivery and decision-making.

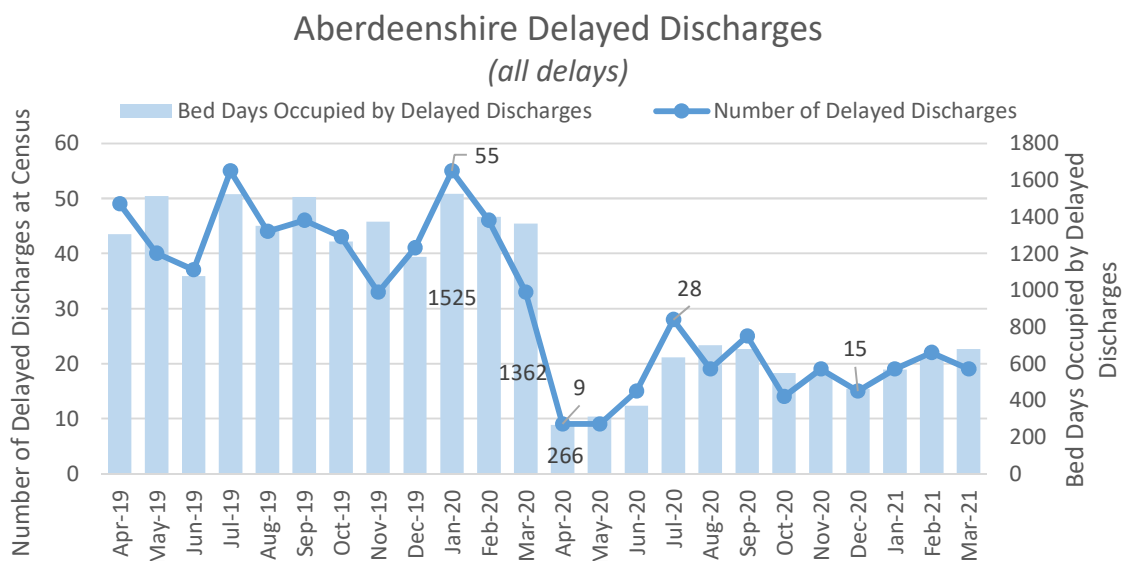
It has since been agreed that future reports to the IJB will be focused on the key transformational initiatives to be taken forward under the HSCP's new strategic delivery plan developed in response to Covid-19. Work is underway to develop the detail of the performance measures through which progress will be monitored, the aim being that this will provide greater assurance as to delivery of the Strategic Plan and providing evidence of the outcomes that the HSCP has agreed to work towards. It is intended that this will provide the suite of local performance measures for 2021/22 onwards.

Management Commentary (continued)

Underpinning this, work has been undertaken with NHS Grampian Health Intelligence and Council information teams on the development of operational performance dashboards through which the HSCP aims to improve the accessibility of health and social care datasets and support operational management oversight of performance. This has been particularly focused on identifying and understanding demands on the health and social care system throughout the Covid pandemic.

As illustrated below, at key points during the pandemic there have been significant shifts in trends in performance data routinely monitored by the HSCP, coinciding with national lockdowns. Such significant shifts mean that it is not possible to monitor the HSCP's performance against previous years as normal and there remain a number of unknowns as to what the longer-term impact on performance will be.

One such example is delayed discharges. Delayed discharge describes the situation where a hospital inpatient has been assessed as being clinically ready to be discharged from hospital but cannot be discharged. This may be due to a variety of reasons. This is important due to the potential negative impact on a person's health and wellbeing, particularly in older people where for example there can be an increased risk of losing functional ability and loss of independence.



As illustrated in the graph above, there was an 84% reduction in the number of Aberdeenshire delayed discharges and an 83% reduction in bed days occupied by delayed discharge from January 2020 to April 2020 around the time of national lockdown measures being imposed.

The number of delayed discharges increased slightly as lockdown measures began to ease, but still remained around 60% lower in early 2021 compared to pre pandemic figures from April 2019.

