



Integration Joint Board Meeting

NORTH AYRSHIRE
Health and Social Care
Partnership

Thursday, 16 November 2023 at 11:00

**Council Chambers, Cunninghame House, Irvine /
Hybrid via Microsoft Teams**

Meeting Arrangements - Hybrid Meetings

This meeting will be held on a predominantly physical basis but with provision, by prior notification, for remote attendance by Elected Members in accordance with the provisions of the Local Government (Scotland) Act 2003. Where possible, the meeting will be live-streamed and available to view at <https://north-ayrshire.public-i.tv/core/portal/home>.

1 Apologies

2 Declarations of Interest

Members are requested to give notice of any declarations of interest in respect of items of business on the Agenda.

3 Minute/Action Note

The accuracy of the Minutes of the meeting held on 12 October 2023 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

4 Director's Report

Submit report by Caroline Cameron, Director (NAHSCP) on developments within the North Ayrshire Health and Social Care Partnership (copy enclosed).

5 Contract and Commissioning Update

Submit report and receive presentation by Paul Doak, Head of Service (HSCP Finance and Transformation) on the current contract and commissioning landscape (copy enclosed).

6 2023-24 – Month 6 Financial Performance

Submit report by Paul Doak, Head of Service (HSCP Finance and Transformation) to provide an overview of the IJB's financial performance as

at month 6 (September) (copy enclosed).

7 External Audit Final Report

Submit report by Audit Scotland on the External Audit Final Report (copy to follow).

8 Audited Annual Accounts

Submit report by Audit Scotland on the Audited Annual Accounts (copy to follow).

9 Risk Appetite Statement

Submit report by Paul Doak, Head of Service (HSCP Finance and Transformation) on the Risk appetite Statement (copy enclosed).

10 Independent Advocacy Strategic Plan 2022-2026

Submit report by Caroline Cameron, Director (NAHSCP) on the development of the Advocacy Strategic Plan 2022-2026 (copy enclosed).

Webcasting

Please note: this meeting may be filmed/recorded/live-streamed to the Council's internet site and available to view at <https://north-ayrshire.public-i.tv/core/portal/home>, where it will be capable of repeated viewing. At the start of the meeting, the Provost/Chair will confirm if all or part of the meeting is being filmed/recorded/live-streamed.

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IJB Sederunt

Voting Members

Margaret Johnson (Chair)
Joyce White (Vice-Chair)

North Ayrshire Council
NHS Ayrshire & Arran

Cllr Timothy Billing
Cllr Anthea Dickson
Cllr Robert Foster
Christie Fisher
Tom Hopkins
Marc Mazzucco

North Ayrshire Council
North Ayrshire Council
North Ayrshire Council
NHS Ayrshire & Arran
NHS Ayrshire & Arran
NHS Ayrshire & Arran

Professional Advisors

Caroline Cameron
Paul Doak
Aileen Craig
Iain Jamieson
Scott Hunter
Thelma Bowers
Darren Fullarton

Director
Head of Service/Section 95 Officer
IJB Monitoring Officer
Clinical Director
Chief Social Work Officer – North Ayrshire
Mental Health Adviser
Associate Nurse Director/
Lead Nurse
Acute Services Representative
GP Representative
Lead Allied Health Professional
Public Health Representative
Head of Psychological Specialties

Dr Victor Chong
Dr Louise Wilson
Sharon Hackney
Elaine Young
Leigh Whitnall

Stakeholder Representatives

Terri Collins
Louise McDaid
Pamela Jardine
Clive Shephard
Vacancy
Vicki Yuill
Vacancy
Vacancy
Vacancy
Vacancy

Staff Rep - NHS Ayrshire and Arran
Staff Rep - NAC/Chair, North Coast Locality Forum
Carers Representative
Service User Representative
Independent Sector Representative
Third Sector Rep/Chair Arran Locality Forum
IJB Kilwinning Locality Forum (Chair)
IJB Three Towns Locality Forum (Chair)
IJB Garnock Valley Locality Forum (Chair)
IJB Irvine Locality Forum (Chair)



North Ayrshire Health and Social Care Partnership
Minute of Integration Joint Board meeting held on
Thursday 12 October 2023 at 10.00 a.m.
involving participation by remote electronic means and physical attendance
within the Council Chambers, Irvine.

Present (Physical Participation)

Voting Members

Councillor Margaret Johnson, North Ayrshire Council (Chair)
Joyce White, NHS Ayrshire and Arran (Vice-Chair)
Tom Hopkins, NHS Ayrshire and Arran

Professional Advisers

Caroline Cameron, Director of Health and Social Care Partnership
Paul Doak, Head of Service (HSCP Finance and Transformation)/Section 95 Officer
Thelma Bowers, Mental Health Adviser
Scott Hunter, Chief Social Work Officer
Darren Fullarton, Associate Nurse Director/IJB Lead Nurse
Sharon Hackney, Lead Allied Health Professional
Elaine Young, Public Health Representative
Leigh Whitnall, Head of Psychological Specialties

Stakeholder Representatives

Louise McDaid, Staff Representative (North Ayrshire Council)/Chair, North Coast
Locality Forum

Present (Remote Participation)

Voting Members

Councillor Anthea Dickson, North Ayrshire Council
Christie Fisher, NHS Ayrshire and Arran
Marc Mazzucco, NHS Ayrshire and Arran

Professional Advisers

Victor Chong, Acute Services Representative

Stakeholder Representatives

Pamela Jardine, Carers Representative
Vicki Yuill, Third Sector Representative

In Attendance (Physical Participation)

Elizabeth Stewart, Interim Head of Service (Children, Families and Criminal Justice)
Eleanor Currie, Manager, HSCP
Kerry Logan, Head of Service (Health and Community Care)
Karen Andrews, Team Manager HSCP
Shannon Wilson, Committee Services Officer

Hayley Clancy, Committee Services Officer

In Attendance (Remote Participation)

Michelle Sutherland, Partnership Facilitator, HSCP

Raymond Lynch, Senior Manager Legal Services

Apologies

Councillor Timothy Billings, North Ayrshire Council

Councillor Robert Foster, North Ayrshire Council

1. Apologies for Absence

Apologies for absence were noted.

2. Declarations of Interest

There were no declarations of interest in terms of Standing Order 7.2 and Section 5.14 of the Code of Conduct for Members of Devolved Public Bodies.

3. Minutes

The accuracy of the Minutes of the meeting held on 24 August 2023 were confirmed and the Minutes signed in accordance with Paragraph 7(10) of Schedule 7 of the Local Government (Scotland) Act 1973.

3.1 Matters Arising from the Action Note

Updates in terms of the Action Note were detailed as follows: -

- **Implementation of the National CAMHS and Neurodevelopmental Specifications** – Verbal update by Thelma Bowers on the agenda for the meeting and formal report to be presented to IJB in November 2023.
- **Director's Report** – Update to a future meeting regarding commissioned services – Scheduled for November 2023.
- **New Carer Strategy & Investment in Services for Unpaid Carers in North Ayrshire** - Regular updates will be provided at key points with a formal 6 monthly formal report scheduled into IJB planner.
- **Dental Services** - Update scheduled for Spring 2024.

4. Director's Report

Submitted report by Caroline Cameron, Director (NAHSCP) on the developments within the North Ayrshire Health and Social Care Partnership.

The report provided an update on the following areas: -

- the first annual progress report in relation to My Health, My Care, My Home, the healthcare framework for adults living in care homes. The report highlighted a number of examples of how the vision and recommendations were being implemented by Health Boards, HSCP and the wider sector to improve outcomes for people living in care homes;
- the recent Audit Scotland report for the Auditor General of Scotland and the Accounts Commission on Access to Mental Health Services highlighting that

accessing mental health services in Scotland remain slow and complicated for many people;

- the final report for the independent review of Inspection, Scrutiny and Regulation of Social Care in Scotland has been published and contains 38 recommendations;
- the Scottish Government provided a further update on discussions taking place in relation to the National Care Service Bill. This includes the published reports from the summer regional co-design events, discussions held with local government, NHS and Trade Unions and the Rights to breaks for carers;
- Staff from across North Ayrshire HSCP were joined by colleagues from NHS A&A, East and South HSCPs, Third Sector and wider stakeholder partners for a suicide prevention event at Saltcoats Town Hall;
- in 2018 North Ayrshire was one of 6 participating areas for the new Joint Thematic Inspection of ASP. The main objective for the joint inspection was to find out what adult protection partnerships were doing to make adults at risk of harm safe, supported, and protected and to ascertain the effectiveness of this activity. The inspection outcome in 2018 was very positive and provided a degree of assurance over arrangements in North Ayrshire and following the new approach being tested in a small number of areas there is now a rolling programme of inspection across Scotland;
- the new Carers Strategy “Building Caring Communities 2023/25” was formally launched at Ardeer Community Centre, Stevenston;
- the Scottish Mental Health Arts Festival will run this year from Wednesday 4 October to Sunday 22 October;
- Trindlemoss Day Opportunities in Irvine held its first ever festival event ‘TM Fest’;
- MCR Pathways mentoring programme are looking for Mentors in Ardrossan Academy, Auchenhavie Academy, Garnock Community Campus, Greenwood Academy, Irvine Royal Academy and St Matthew's Academy;
- a group of five unpaid carers enjoyed a trip to the Concert for Caring event at the Royal Concert Hall in Glasgow recently;
- Year 3 of the Communities Mental Health and Wellbeing Fund opened for applications on Thursday 28 September until Friday 10 November; and
- based on national recommendations, the staff winter vaccination programme is open to offer flu and COVID-19 vaccines immediately.

Vicki Yuill gave a verbal update on the Communities Mental Health and Wellbeing Fund Event, which was also the launch of the Third Sector Suicide Prevention Toolkit. The Board noted the Impact Report for Year 1 and Interim Report for Year 2 to a future meeting.

The Board also noted a report would be brought to a future meeting to consider the recommendations in the Audit Scotland report.

Noted.

5. Chief Social Work Officer Annual Report 2022/2023

Submitted report by Scott Hunter, Chief Social Work Officer on the Annual Report required by the Scottish Government. The report set out at Appendix 1, highlights the range of Social Work activity throughout the year and places that in the context of the socioeconomic challenges faced locally.

Members asked questions and were provided with further information in relation to: -

- correlation between reports, sentencing and outcomes; and
- areas the Care Inspectorate did not assess.

The Board noted a report on Justice Services would be brought to a future meeting.

The Board agreed to note (a) the contents of the report and, in particular, the successes and challenges detailed therein; and (b) the skilled and compassionate interventions of our practitioners and managers.

6. 2023 – 2024 Month 3 Financial Performance

Submitted report by Paul Doak, Head of Service (HSCP Finance and Transformation), on the IJB's financial performance as at month 3 (June). Appendix A to the report detailed the Objective Summary as at 30 June 2023, Appendix B provided the financial savings tracker and the budget position was set out at Appendix C.

Members asked questions and were provided with further information in relation to: -

- the costs and pressures associated with young people in residential care that have requested Continuing Care; and
- savings for staffing levels at Anam Cara.

The Board agreed to (a) note (i) the overall integrated financial performance report for the financial year 2023-24 and the current overall projected yearend overspend of £3.859m, (ii) the progress with delivery of agreed savings and (iii) the remaining financial risks for 2023-24; and (b) approve the budget reductions set out at section 2.10 of the report.

7. CAMHS and Neurodevelopmental Update 56:31

The Board received a verbal update by Thelma Bowers, Head of Service (Mental Health). The verbal update included information in relation to: -

- CAMHS specification fully implemented on 1 August and CAMHS achieving an 11 week wait time by January 2024;
- the extreme team for the neurodevelopment specification meeting weekly since May to address the concerns and challenges around neurodevelopment needs for children and young people;
- good response to the consultation survey for both children and adults;
- workshops held to develop the proposals for next steps;
- multi-agency panel pilot in North Ayrshire to consider referrals; and
- the 9 workstreams as part of the extreme team.

Members asked a question and were provided with further information in relation to communications and Locality level workshops and consultations. The Communications Subgroup are currently looking at next steps.

The Board noted a report would be brought to a future meeting.

Noted.

8. HSCP Learning and Development Strategy

Submitted report by Scott Hunter, Chief Social Work Officer on the HSCP Learning & Development Strategy set out at Appendix 1 to the report.

Members asked questions and were provided with further information in relation to: -

- developing the Strategy for all roles and looking the workforce as a whole;
- the Communications plan for the Strategy into schools and colleges; and
- successful case study stories to show people how they can progress.

Noted.

9. Meeting Dates 2024

Submitted report by Caroline Cameron, Director (NAHSCP) on the proposed timetable for meetings of the Integration Joint Board, Performance and Audit Committee and Strategic Planning Group for 2024, set out at Appendix 1 to the report.

The Board agreed to approve the timetable for the meeting for the Integration Joint Board, Performance and Audit Committee and Strategic Planning Group for 2024, set out at Appendix 1 to the report.

10. Urgent and Unscheduled Care Update & North Ayrshire Improvement Plans

Submitted report by Kerry Logan, Head of Service (Health and Community Care) on Urgent and Unscheduled Care, within the North Ayrshire Health and Social Care Partnership's Community Care Services.

Members asked questions and were provided with further information in relation to: -

- pre-noon discharges and the pressure to meet the timescales;
- delayed transfers of care and factors impacting the levels of delayed discharges;
- on the day recruitment events where people can apply and be interviewed on the same day; and
- progress around recharging for delayed discharges.

Noted.

11. Annual Delivery Plan 2022 - 2026

Report for information in relation to the IJB Annual Delivery Plan 2023 – 2026.

Noted.

12. Minutes of North Ayrshire Strategic Planning Group Meeting

Minutes for information in relation to the North Ayrshire Strategic Planning Group Meeting on Tuesday 8 August 2023.

Noted.

The meeting ended at 12.00 p.m.

DRAFT

North Ayrshire Integration Joint Board – Action Note

Updated following the meeting on 12 October 2023

No.	Agenda Item	Date of Meeting	Action	Status	Officer
1.	Implementation of the National CAMHS and Neurodevelopmental Specifications	16/3/23	Further update being provided to the IJB, potentially prior to the summer recess period.	Formal progress report to IJB in December 2023.	Caroline Cameron / Thelma Bowers
2.	Director's Report	11/5/23	An update to a future meeting regarding commissioned services, to provide the IJB with an overview of provider landscape.	On agenda November 2023	Paul Doak
3.	Director's Report – Community Mental Health Fund	12/10/23	The Impact Report for Year 1 and Interim Report for Year 2 to a future meeting.	tbc	Vicky Yuill
4.	Director's Report	12/10/23	Audit Scotland report for the Auditor General of Scotland and the Accounts Commission on Access to Mental Health Services - a report would be brought to a future meeting to consider the recommendations	Schedule for February 2024	Caroline Cameron/ Thelma Bowers
5.	Chief Social Work Officer Annual Report 2022/2023	12/10/23	Justice Services update report to be brought to a future meeting.	tbc	

Integration Joint Board 16 November 2023

Subject : **Director's Report**

Purpose : This report is for **awareness** to advise members of North Ayrshire Integration Joint Board (IJB) of developments within North Ayrshire Health and Social Care Partnership (NAHSCP)

Recommendation : IJB members are asked to note progress made to date.

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	



Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
IJB	Integration Joint Board
HSCP	Health and Social Care Partnership



1.	EXECUTIVE SUMMARY
1.1	This report informs members of the Integration Joint Board (IJB) of the work undertaken within North Ayrshire Health and Social Care Partnership (NAHSCP), nationally, locally and Ayrshire wide.
2.	BACKGROUND
2.1	This report provides IJB with up to date information on recent activity across the HSCP since the last IJB. The report will also provide COVID related information by exception.
3.	CURRENT POSITION
	<u>National Developments</u>
3.1	<u>Health and Care (Staffing)(Scotland) Act 2019</u>
	This Act aims to enable high quality care and improved outcomes for people using services in both health and care by helping to ensure appropriate staffing. The Act places duties on health boards, care service providers, Healthcare Improvement

	<p>Scotland (HIS), the Care Inspectorate and Scottish Ministers. The provisions of the Act come into force on 1st April 2024.</p>
	<p>For health settings, the Act places a duty on health boards to ensure appropriate staffing. This means ensuring both appropriate numbers of staff and appropriate types of professions. Within health, all clinical staff, including staff who provide clinical advice, are subject to the duties within the Act.</p>
	<p>For care settings, the Act places a duty on those who provide care services to ensure appropriate staffing. Care services operate differently to health care and, in this environment, all staff involved in the care of the person using the service are included.</p> <p>Health boards, local authorities and integration authorities will submit annual reports to Scottish Ministers on their compliance with the Act, high cost agency use and any severe and recurrent risks.</p> <p>Scottish Ministers will then report on compliance and offer recommendations to Parliament. The data from these reports will help inform local and national workforce planning, along with health and social care policies.</p>
3.2	<p><u>Adults with Incapacity – Delayed Discharge Good Practice Guidance</u></p>
	<p>Delayed discharges continue to present huge challenges across the country. Every patient who is medically fit to leave hospital should be able to do so. The Scottish Government is working closely with local delivery partners to reduce delayed discharges and has set Health and Social Care Partnerships (HSCPs) targets to bring delayed discharge numbers down to pre-pandemic levels. The Scottish Government has now published Good Practice Guidance on Delayed Discharges.</p> <p>The guidance aims to provide HSCPs models of good practice to support a reduction in delayed discharges where adults lack capacity. This should be read in conjunction with the guidance issued jointly last year by the Scottish Government and the Mental Welfare Commission (MWC) as well as the Scottish Government key actions guidance. AWI Delayed Discharge Good Practice Guidance 2023</p> <p>Over winter 2022 to 2023 the Scottish Government met with the majority of HSCPs across Scotland to learn about the pressures in any given area and good practices that had been developed. These good practices are shared in this guidance in the hope they can support change and improvement in other areas.</p>

3.3	<p><u>Mental Welfare Commission – Young People Monitoring Report 2022-23</u></p>
	<p>Section 23 of the Mental Health (Care and Treatment) (Scotland) Act 2003 places a duty on Health Boards to provide sufficient services and accommodation for all young people up to the age of 18 years who require hospital admission for the treatment of mental disorder. As part of its monitoring duties the Commission routinely gathers information about the admission of young people to non-specialist wards (usually adult mental health wards) and reports on these admissions on an annual basis. The latest annual report published was on 2 November 2023 and can be accessed via this link https://www.mwcscot.org.uk/node/2096.</p> <p>This year the report shows a drop in the number of young people aged under 18 admitted to non-specialist wards for mental health care in 2022-23. The figures show there were 79 admissions involving 66 young people in 2022-23 compared to 90 admissions involving 88 young people the previous year. The report provides further details about these admissions.</p> <p>Whilst the Commission welcomes the reduction in admissions to non-specialist settings, much still remains to be achieved in relation to inpatient provision for children and young people and we will continue to monitor progress on this.</p> <p>The numbers in Ayrshire and Arran whilst low have a great impact on young people, local plans are being considered in the context of Woodland View opportunities alongside the opening of Foxgrove.</p>
3.4	<p><u>Mental Health and Wellbeing Delivery Plan and Workforce Action Plan</u></p>
	<p>On 7th November SG published The Mental Health and Wellbeing Delivery Plan 2023-2025 (Supporting documents - Mental Health and Wellbeing Delivery Plan 2023-2025 - gov.scot (www.gov.scot)) and the Mental Health and Wellbeing Workforce Action Plan 2023 – 2025 (Mental Health and Wellbeing Workforce Action Plan 2023-2025 - gov.scot (www.gov.scot)) .</p>
	<p>The delivery plan sets out the actions the Scottish Government and COSLA will take to progress the outcomes and priorities of the new Mental Health and Wellbeing Strategy, published on 29 June 2023. The Delivery Plan and the accompanying Workforce Action Plan are jointly owned by COSLA and the Scottish Government.</p> <p>Locally these plans will be taken forward to identify and align actions in Ayrshire and Arran and North Ayrshire to the national delivery plans.</p>
3.5	<p><u>Waiting Well Hub</u></p>
	<p>A new Waiting Well Hub been launched on NHS Inform, to support people who may be waiting to see a healthcare specialist or to get health and social care services. The Hub aims to provide access to better information to support people to proactively manage their health and wellbeing, to think about what matters to them and what health improvements they could make during this time.</p>

	<p>This piece of work is being delivered through the Preventative and Proactive Care (PPC) Programme, part of Scottish Government’s Care and Wellbeing Portfolio (CWP), supported by professionals and the third sector representatives. The site was developed with support from NHS24 content designers and with input from various subject matter experts to ensure reliability and accuracy of content. User research was conducted in order to maximise the use of the site.</p>
	<p>This is the first phase in the development of tools and guidance to support people who are waiting. The main areas of work in Waiting Well we are focusing on are:</p> <ul style="list-style-type: none"> • Providing better information on how to wait well and lots of self-help material on NHS Inform and signposting to local and national services; • Designing improvements to support people to have a health and wellbeing plan at the start of waiting to enable the waiting period to be an active phase supporting health and wellbeing
	<p>Staff should be encouraged to signpost to this resource at the start of a person's waiting journey in addition to existing signposting and support throughout their journey. Patients can benefit from taking a proactive approach to their waiting period and this site can give information and tools needed to look at their own health and wellbeing in this waiting time, to think about what matters to them and what health related areas they can focus on such as managing pain, poor sleep, anxiety, stopping smoking etc. Waiting well -NHS inform</p>
3.6	<p><u>Health and Social Care Winter Preparedness Plan 2023/24.</u></p>
	<p>The Health and Social Care Winter Preparedness Plan for 2023/24, was published on 24th October 2023 (link below)</p> <p>https://www.gov.scot/isbn/9781835214343</p> <p>Alongside the actions captured under the eight priorities within the Winter Plan designed to increase capacity and resilience across the whole system over the difficult months to come, the Cabinet Secretary for NHS Recovery, Health and Social Care also announced additional funding for two areas to assist with winter and longer-term pressures: £50m for the Scottish Ambulance Service to recruit more staff, and £12m to further expand Hospital at Home provision.</p> <p>The IJB were updated on our own Unscheduled Care improvement plans at the last meeting.</p>
3.7	<p><u>Consultation : Care Leaver Payment</u></p>
	<p>On 25 October 2023, the First Minister announced that young people transitioning from the care system into adulthood are to receive a one-off Care Leaver Payment of £2,000 to support them to move into adulthood and more independent living.</p>

	<p>A public consultation on the Care Leaver Payment has been launched and will run until 26 January 2024.</p>
	<p>In addition, the Social Security (Amendment) (Scotland) Bill was introduced to Parliament on 31 October 2023. The Care Leaver Payment is the immediate motivation for the inclusion of Section 2 in the Bill, which provides Scottish Ministers with a regulation-making power to establish one or more schemes to provide financial assistance to those with experience of the care system.</p>
	<p>Further information on the Bill can be found on the Scottish Parliament website. The Scottish Government has also published a press release on the Bill. The Social Security Bill team will hold engagement sessions specific to the Care Leaver Payment consultation and will provide further information in due course.</p>
<p><u>Ayrshire Wide Developments</u></p>	
<p>3.8</p>	<p><u>Visit by Chief AHP Officer</u></p>
	<p>Carolyn McDonald, Chief AHP Officer with the Scottish Government visited Ayrshire on Monday 30th October 2023.</p> <p>This visit provided a useful opportunity to showcase the positive AHP contribution to the people of Ayrshire, and to highlight some of our successes and challenges, including :-</p> <ul style="list-style-type: none"> • A round table discussion around our highlights, and areas of challenge where Carolyn could perhaps help influence nationally • Visit to Imaging department at UHC • Visit to NAHSCP Children and Young People’s Speech and Language Therapy team • Visit to AHPs at Woodland View 
<p><u>North Ayrshire Developments</u></p>	
<p>3.9</p>	<p><u>Joint Inspection of Adult Support and Protection</u></p>
	<p>The IJB were advised of the Care Inspectorate issuing North Ayrshire HSCP formal notification of a joint inspection of Adult Support and Protection across agencies including Social Work, Health, and Police. The partnership position statement was submitted on 8th November. The first stage of the inspection will commence on 27th November 2023 with the casefile reading and will be followed up with focus groups.</p>

		<p>There is a 7 Minute Briefing explaining what this means, and how this will be taken forward by both staff and the Care Inspectorate.</p> <p>In addition, the Care Inspectorate issued a staff survey in relation to this inspection on 23rd October 2023 and closed on 10th November 2023.</p>
3.10	<u>Award Winners</u>	
	<u>NADARS Library Project Award</u>	
		<p>North Ayrshire Libraries were winners at the <u>Scottish Library & Information Council (SLIC) Awards</u> on 3rd November for their pioneering work in supporting those recovering from problematic alcohol and/or other drug use.</p> <p>The awards recognise the outstanding levels of commitment, creativity and value that libraries can offer the communities they serve, with the winners being announced at the SLIC Showcase and AGM on Friday 3 November.</p> <p>The partnership between North Ayrshire Libraries and North Ayrshire Drug and Alcohol Recovery Service (NADARS) saw the creation of a safe, supported, non-clinical environment in Kilwinning Library on a weekly basis for NADARS staff, service users and their families to attend. Library staff participated in drug/alcohol awareness and Naloxone training, delivered by the NHS Prevention and Service Support Team, with service users also being able to access a wide range of library services during the sessions.</p> <p>The project was set up to support the Scottish Government's Medication Assisted Treatment (MAT) standards, which address how people are encouraged to engage in and remain in treatment to support their recovery from problematic drug use by accessing support locally. Huge congratulations to all involved.</p>

Working North Ayrshire Awards



The Dirrans Centre had two finalists in the Working North Ayrshire Awards on 2nd November 2023.

Michael was a finalist in the Volunteer of the Year Category and Abby Anderson was voted Modern Apprentice of the Year.

Congratulations to both.



3.11 Bill Gray Award for Excellence in Dementia Care

Tracey McAllister, Charge Nurse was the recipient this month of The Bill Gray Award for excellence in dementia care. The photo is of her, the team and Annabelle Gray who set up the award a few years ago in recognition of the excellent care her husband Bill received in Iona /Lewis Ward at Ailsa Hospital.

There have been various recipients since the award was set up and this year particularly poignant as Tracey was at the centre of delivering person centred dementia care to Bill. Congratulations and well done Tracey.



3.12 RAMH Wellbeing & Recovery College Students – Single

Students of RAMH North Ayrshire Wellbeing & Recovery College have released a single as part of the Scottish Mental Health Arts Festival, which took place during October.

A song-writing course facilitated by singer/songwriter Maureen Malcolm resulted in a group of students writing their own songs, as well as co-producing the song 'Happy Days', which is available to download from all major digital stores such as iTunes, Spotify and Amazon Music.



	<p>The project was funded by the North Ayrshire Mental Health & Wellbeing Fund.</p> <p>A second single will be available in the coming weeks, entitled 'I am free, free to be exactly who I want to be'.</p> <p>Both songs were performed at the North Ayrshire launch of the Mental Health Arts Festival at the Harbour Arts Centre in September.</p>
3.13	<u>Appointments</u>
	<p>Following a very successful National and UK wide Recruitment programme I can confirm the appointment of Dr Wendy Van Riet to the Director of Psychological Services for NHS Ayrshire & Arran and based within North Ayrshire HSCP as the Lead HSCP for Mental Health Services.</p> <p>Wendy who is currently working within Psychological Services in NHS Highland as a Lead Consultant Clinical Psychologist in CAMHS is looking forward to joining us in her new role on 4th December 2023.</p>
	<p>We also concluded the interviews for the Head of Service (Children, Families & Justice) on 26th October 2023 and I can confirm that Elizabeth Stewart has been appointed to the role and commenced with immediate effect.</p> <p>Welcome and congratulations to both Wendy and Elizabeth.</p>
4.	IMPLICATIONS
4.1	<u>Financial</u> None
4.2	<u>Human Resources</u> None
4.3	<u>Legal</u> None
4.4	<u>Equality/Socio-Economic</u> None
4.5	<u>Risk</u> None
4.6	<u>Community Wealth Building</u> None
4.7	<u>Key Priorities</u> None



5.	CONSULTATION
	No specific consultation was required for this report. User and public involvement is key for the partnership and all significant proposals will be subject to an appropriate level of Consultation.

Caroline Cameron, Director
[Carolinecameron@north-ayrshire.gov.uk/01294 317723]

Appendices
Nil

Integration Joint Board 16th November 2023

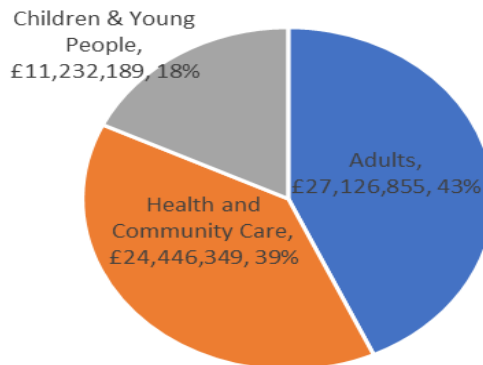
Subject :	Contract and Commissioning Update
Purpose :	<ul style="list-style-type: none"> • This report is for awareness to updated members of North Ayrshire Integration Joint Board (IJB) of the current contract and commissioning landscape.
Recommendation :	IJB members are asked to note the update on the contract and commissioning landscape.

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
IJB	Integrated Joint Board
NAC	North Ayrshire Council
NCHC	National Care Home Contract

1.	EXECUTIVE SUMMARY
1.1	<p>This report informs members of the IJB of commissioning updates and details and patterns of spend for care and support services. It provides an overview of current performance of purchased services, contract management approaches, current challenges within the social care market, efforts to support Providers and future development plans for the Contract and Commissioning Team.</p>
2.	BACKGROUND
2.1	<p>North Ayrshire Council (NAC) commission a variety of types of care and support, on behalf of the Health and Social Care Partnership (HSCP) noted at Appendix 1</p> <p>During the period 2022-23 care and support was purchased from 248 Providers. The total spend for the period was £62.8 million which does not include spend on non-care items such as aids and adaptations.</p>

Spend 22/23



The largest volume of spend at 43% was across the adult services market (mental health, learning disability, physical disabilities) followed by Health and Community Care and then Children Services.

Overall, 40% of services were commissioned via Self Directed Support Option 2, which is a positive indication of supported people exercising choice in terms of their preferred Provider. At the financial year end 95% of purchased services were subject to contract.

In the past two years there have been various developments in the area. This includes an increase in the use of supported accommodation models across North Ayrshire, opening of a new complex care supported accommodation service, a specialist mental health unit and the opening of an alcohol and drug rehabilitation centre. Two older people care homes and two care at home services have closed during this period.

3. CURRENT POSITION

3.1 Purchased Services

The HSCP purchase various types of care and support as noted at Appendix 1. The table below provides a snapshot of the type and scale of care being commissioned within key services such as residential care and community support, where spend is the highest.

46 residential beds and 57 nursing beds for adults with LD, MH and PD	330 residential beds and 469 nursing beds for older people	44 residential beds for children or young people	
295 hours of Community Support for 87 children with disabilities	2,178 hours of Care at Home per week for 176 adults	140 foster care placements	20,244 hours of community support for 393 adults (LD, MH, PD)

3.2 Current Performance

The table below provides a summary of the current quality performance of registered services based in North Ayrshire. Overall, 85% of services are graded good, very good or excellent by the Care Inspectorate across all inspection themes.

		Minimum Grade				
Care Service	Sub Type	2 Weak	3 Adequate	4 Good	5 Very Good	6 Excellent
Adoption Service					1	
Adult Placement Service					2	
Care Home	Older People	1	5	8	2	
	Children		2	3	4	3
	Alcohol & Drug Misuse			1		
	LD		1	2		
	MH		1			
	Respite			2		
Fostering				1		
Support Service	Care at Home		2	12	9	
	Other			7		1
Totals		1	11	36	18	4

3.3 Managing Concerns

The HSCP has a robust Contract Management Framework and Managing Care Deficiencies Procedure in place (Appendix 2), which outlines our approach to contract management, roles and responsibilities and details the steps taken when there are issues or concerns.

Managing contracts is a partnership approach between the Care Inspectorate who have overall responsibility for regulating of care services, Providers, HSCP care managers, Contract Management Officers and Senior Managers. Other partners such as HSCP Finance, provider representatives or Economic Development can also be invited to attend contract management discussions where this aids joint working.

Enhanced Clinical and Care Oversight Groups are also in place for care homes and care at homes services, these groups meet at least fortnightly, or sooner if required. Members of these groups include the Chief Social Work Officer, who has a responsibility to advise on the specification, quality and standards of commissioned services and other senior officers across health, social care and the Care Inspectorate.

	<p>Oversight groups are tasked with:</p> <ul style="list-style-type: none"> • maintaining effective care standards to prevent avoidable harm • managing and monitoring outbreaks • supporting workforce planning and deployment • ensuring appropriate wellbeing support for staff • encouraging effective engagement with General Practices • ensuring the right supports where palliative and end of life care is appropriate <p>The strengthened oversight arrangements put in place as part of the pandemic response have facilitated an invaluable forum for multi-agency partners to share intelligence and any emerging risks and also act as forum for providers to escalate any of their own concerns or challenges.</p>
3.4	<p><u>Current Challenges</u></p> <p>The challenges faced by the HSCP and its partners in North Ayrshire are well documented. The care and support sector in North Ayrshire faces similar challenges to other Local Authorities across Scotland. There is an increase in demand, a shift towards more complex and long term conditions, financial pressures, significant workforce challenges in terms of both recruitment and retention of staff. The workforce is also ageing and reports indicate that when people do leave the service it's to find employment in alternative markets.</p> <p>The National Care Home Contract (NCHC) sets the contractual arrangements for over 70% of older people care home placements in Scotland and is negotiated annually between COSLA (on behalf of Local Government) and Scottish Care. This year's fee negotiations resulted in the highest ever proposed increase and was the best offer that could be made based on the financial challenges at this time. Scottish Care indicated that they acknowledge the challenges Local Authorities face, however, they were highly critical of this year's offer and have expressed significant concerns about fragility of the care home market, particularly for rural or smaller sized care homes.</p> <p>Challenges specific to North Ayrshire include the number of actual beds available to the older people care home market with bed numbers having reduced, due to care home closures and the impact of the pandemic with some units closing and not reopening. It has proven extremely difficult this year to secure interim beds in care homes to support initiatives such as discharge to assess.</p> <p>Whilst the opening of additional resources such as complex care supported accommodation and residential care is very welcome it also places additional challenges on already stretched health and social care services in the area.</p> <p>The impact of these challenges is an adult community support market which is becoming increasingly fragile, longer than necessary stays in hospital for people who are medically fit to be discharged, lack of choice, waiting lists, additional pressures on</p>

	the current workforce and unpaid carers and the ongoing difficulty of both recruiting and retaining staff.
3.5	<p><u>Support to Care and Support Providers</u></p> <p>The HSCP have a range of supports in place to support Providers in an attempt to encourage partnership working and maintain positive working relationships.</p> <p>There are a range of Provider Forums which provide the opportunity to share information, discuss joint challenges, explore opportunities for joint working and review best practice.</p> <p>A Fair Work Practice Academy was delivered this year to encourage Providers to enhance their knowledge of fair work and consider how they could improve in this area. Discussions are underway with Ayrshire College to enhance learning pathways for Providers.</p> <p>Collaboratives with IRISS (Institute for Research and Innovation in Social Services) and the Care Inspectorate have taken place to consider key challenges and joint solutions across both the adult and older people care home markets. Providers have access to a range of free training and other free resources, with a number of Providers having taken up the offer of accessing funds to enhance staff wellbeing.</p>
3.6	<p><u>Next Steps</u></p> <p>The Contract and Commissioning team will:</p> <ul style="list-style-type: none"> • Continue to support the HSCP to progress its commissioning objectives and Transformation Plans. • Fair Work Practice is key objective in terms of addressing workforce challenges and a significant focus will be placed on enhancing practice in this area during 2024. • Consider how we improve on how we engage with supported people, carers and Providers in the design of services. • Consider the requirements of Ethical Commissioning Principles in relation to commissioning, procurement and contract management to ensure that we are operating in efficient manner in relation to these principles. • Continue to encourage honest, trusting relationship amongst all stakeholder, internal and external, with a focus on ensuring high quality, effective care and support
4.	IMPLICATIONS
4.1	<p><u>Financial</u></p> <p>None</p>
4.2	<p><u>Human Resources</u></p> <p>None</p>

4.3	<u>Legal</u> None
4.4	<u>Equality/Socio-Economic</u> None
4.5	<u>Risk</u> None
4.6	<u>Community Wealth Building</u> None
4.7	<u>Key Priorities</u> None
5.	CONSULTATION
	No specific consultation was required for this report.

Caroline Cameron, Director

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Appendices

- 1: Types of Services Being Purchased by HSCP
- 2: Contract Management Framework & Managing Care Deficiency Procedures

Types of care and support services being commissioned.

Contract Type	Number of Providers Subject to Contract by Service Area		
	Children and Justice Services	Health & Community Care Services	Mental Health Services
Residential Care	20	91	46
Respite Care	10		10
Community Support	10	12	23
Advocacy Services	1	1	2
Peer Support & Recovery Services	2	1	5
Day Care	0	1	7
Fostering	7		
Counselling Services	1		
Information and Support Services	1	1	1
Employability Services			1
Wellbeing and Recovery College			1
Distress Brief Intervention			
Breastfeeding	1		
Online / Face to Face Neurological Development Assessments	2		
Combat Stress			1

Contract Management Framework



NA HSCP Contract
Management Framew

Managing Care Deficiency Procedures



Managing Care
Concerns Procedure.d

Integration Joint Board 16th November 2023

Subject :	2023-24 – Month 6 Financial Performance
Purpose :	To provide an overview of the IJB’s financial performance as at month 6 (September).
Recommendation :	<p>It is recommended that the IJB:</p> <p>(a) notes the overall integrated financial performance report for the financial year 2023-24 and the current overall projected year-end overspend of £3.986m;</p> <p>(b) notes the progress with delivery of agreed savings;</p> <p>(c) notes the actions which are being taken to progress financial recovery;</p> <p>(d) notes the remaining financial risks for 2023-24; and</p> <p>(e) approves the budget reductions which are detailed at paragraph 2.10.</p>

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
MH	Mental Health
CAMHS	Child & Adolescent Mental Health Services
BRAG	Blue, Red, Amber, Green
UNPACS	UNPACS, (UNPlanned Activities) – Extra Contractual Referrals
NRAC	NHS Resource Allocation Committee
GAE	Grant Aided Expenditure
PAC	Performance and Audit Committee
MARAC	Multi Agency Risk Assessment Conference

1.	EXECUTIVE SUMMARY
1.1	The report provides an overview of the financial position for the Partnership and outlines the projected year-end outturn position informed by the projected expenditure and income commitments; these have been prepared in conjunction with relevant budget holders and services. It should be noted that, although this report

	refers to the position at the end of September, further work is undertaken following the month end to finalise projections, therefore the projected outturn position is as current and up to date as can practicably be reported.
1.2	The projected outturn is a year-end overspend of £3.986m (1.3%) for 2023-24 which is an adverse movement of £0.127m from month 4. This includes the financial impact of the NHS pay award but excludes the Council pay award.
1.3	From the core projections, overall, the main areas of pressure are residential placements for children, supplementary staff in wards and Unplanned Activities (UnPACs) within the lead partnership for mental health.
2.	CURRENT POSITION
2.1	The report includes an overview of the financial position including commitments against the available resource, explanations for the main budget variances and an update on progress in terms of savings delivery.
2.2	FINANCIAL PERFORMANCE – AT MONTH 6
	<p>At month 6 against the full-year budget of £313.383m there is a projected year-end overspend of £3.986m (1.3%). The Integration Scheme outlines that there is an expectation that the IJB takes account of the totality of resources available to balance the budget in year. Following this approach, an integrated view of the financial position should be taken, however it is useful to note that this overall position consists of a projected overspend of £2.579m (£0.928m favourable) in social care services and a projected overspend of £1.407m (£1.055m adverse) in health services.</p> <p>Appendix A provides the financial overview of the Partnership position. The sections that follow outline the significant variances in service expenditure compared to the approved budgets.</p> <p>The projections for some areas will be subject to fluctuations as they depend on recruitment plans for new funding and also the capacity of providers to take on work.</p>
2.3	Health and Community Care Services
	<p>Against the full-year budget of £89.944m there is a projected overspend of £0.366m (0.4%) and the main variances are:</p> <p>a) Care home placements including respite placements (net position after service user contributions and charging order income) are projected to underspend by £0.471m (£0.041m favourable movement).</p>

The budgeted number of permanent placements is 780 and at month 6 there are 786 placements. The projection assumes that the current number of placements will continue to the end of the year. Within the projection there is an assumption that recent placements which do not have a completed financial assessment (often due to the pressure to discharge from hospital) are costed with 50% of the cases at the current average cost of a placement and 50% at the gross or interim funded rate. It is likely that there will still be some cases being gross or interim funded at the year end. Their actual cost will not be known until the financial assessment is completed and this can impact on the final position.

The level of income recovered from charging orders is included in the projection above and is assumed to be £0.134m over recovered (£0.034m favourable) based on the income received to date. This income is not easy to project as it depends on the length of the legal process and time taken to sell the property that the charging order is registered to.

- b) Care at home (in house and purchased) is projected to be £0.409m underspent (£0.346m adverse). The position is made up of an underspend in in-house services of £0.922m (£0.320m adverse) as there are vacant posts, but some of the current capacity is being met by existing staff working additional hours and casual staff. Bank staff are being offered contracts and additional staff are being recruited which will replace the need for existing staff to work additional hours. This is partly offset by an overspend in purchased services of £0.518m (£0.025m adverse) as the budget was reduced to reflect the additional costs of bringing some services in-house after the provider withdrew from the contract.
- c) Reablement services are projected to be £0.127m (£0.002m favourable) underspent due to vacancies.
- d) Care at Home Charging Income is projected to under recover by £0.074m (£0.006m favourable) due to an ongoing shift towards personal care which is non chargeable.
- e) Physical Disability Care Packages (including residential and direct payments) - projected underspend of £0.217m (£0.048m favourable) in community care packages, £0.392m underspend (£0.026m favourable) in direct payments and £0.440m overspend (£0.125m favourable) for residential placements. There is also an under-recovery of income of £0.133m (no movement).
- f) Anam Cara is projected to overspend by £0.069m (£0.020m favourable) due to covering vacancies and sickness absence (£0.013m) and under-recovered income (£0.056m). The improvement in the projection is following a review of the staff costs.
- g) Integrated Island Services is projected to be £0.267m overspent (£0.131m adverse movement). There is an overspend at Montrose House of £0.195m (adverse movement of £0.038m) which relates to employee costs (the net cost of

	<p>agency staff versus vacancies), supplies and cleaning costs and an under-recovery of charging income. There is also an overspend of £0.050m due to Band 6 nurses receiving back-dated recruitment and retention premium this financial year. The SLA for Scottish Ambulance Service projected to overspend by £0.030m. Arran medical services are projecting to overspend by £0.032m and the remaining £0.039m projected overspend is due to supplies costs increasing. The overspends are partially offset by a projected underspend in care at home costs of £0.135m (£0.034m adverse movement). There are staffing vacancies which are included within the payroll turnover savings figures below which offset the use of agency and bank staff.</p> <p>h) District Nursing is projected to overspend by £0.236m (£0.011m favourable movement) due to an overspend on bank nursing costs and supplies.</p>
	<p>i) Rehab wards are projected to overspend by £0.220m which is an £0.038m favourable movement (Redburn ward £0.200m overspent and Douglas Grant £0.020m overspent). The overspend is due to cover costs for vacancies as well as supplementary staffing for patients who require one to one support.</p> <p>j) Wards 1 and 2 are projected to overspend by £0.850m (£0.100m adverse movement) due to increased use of supplementary staffing.</p> <p>k) Cumbrae Lodge Continuing Care beds are projected to underspend by £0.150m (no change) due to a reduced charge to reflect the reduction in beds used during the transition to the new service.</p>
2.4	Mental Health Services
	<p>Against the full-year budget of £105.191m there is a projected overspend of £1.804m (2.2%) prior to the reallocation of the Lead Partnership overspend to East and South HSCP. This also excludes any potential variance on the Mental Health Recovery and Renewal Funding where any underspend will be earmarked at the year-end for use in 2024-25. The main variances are:</p> <p>a) Learning Disabilities are projected to overspend by £0.660m (£0.035m favourable) and the main variances are:</p> <ul style="list-style-type: none"> • Care Packages (including residential and direct payments) - projected underspend of £0.244m in community care packages (£0.020m adverse), projected overspend of £0.348m in direct payments (£0.144m adverse) and £0.560m for residential placements (£0.019m favourable). • Trindlemoss non-employee costs are projected to underspend by £0.075m. <p>b) Community Mental Health services are projected to underspend by £0.266m (£0.222m favourable movement) which is mainly due to an underspend of</p>

£0.503m in community packages (including direct payments) and an overspend in residential placements of £0.262m.

c) The Lead Partnership for Mental Health is projecting to be £1.408m overspent (£0.379m adverse movement) and the main variances are as follows:

- A projected overspend in Adult Inpatients of £0.553m (£0.114m favourable movement) due to overspends in supplementary staff for enhanced observations, staff cover due to sickness (inc covid outbreak) and reduced bed sale income.
- The UNPACS (Unplanned Activities) budget is projected to overspend by £1.407m (£0.301m adverse movement) based on current number of placements and enhanced costs remaining until the year end. The adverse movement is due to additional costs for enhanced observations. 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. There are no local NHS secure facilities for women, people with a learning disability or people with neurodevelopmental disorder. This can necessitate an UNPACS placement with a specialist provider which can be out-of-area. The nature of mental health UNPACS spend is that it is almost exclusively on medium or long term complex secure residential placements which are very expensive so a small increase in placements can have a high budgetary impact. Due to the complexity and risk involved, transitions between units or levels of security can take many months. Applications to approve a placement are made to the Associate Medical Director for Mental Health who needs to be satisfied that the placement is appropriate and unavoidable prior to this being agreed.
- A projected overspend in MH Pharmacy of £0.114m (£0.099m adverse) due to an increase in substitute prescribing costs. The adverse movement is due to a review of the Buvidal costs to date and projecting this to the year end.
- Learning Disability Services are projected to overspend by £0.326m (£0.093m favourable movement) due to high usage of supplementary staffing, cross-charging for a LD patient whose discharge has been delayed and redeployment staffing costs. Supplementary staffing costs relate to backfill for sickness, increased and sustained enhanced observations and vacancies. The enhanced observations are reviewed on a daily basis. The favourable movement is due to additional recharge income for out of authority placements.
- Elderly Inpatients are projected to overspend by £0.181m (£0.076m favourable) due to the use of supplementary staffing.
- The Innovation Fund is projected to underspend by £0.275m (£0.003m adverse) due to slippage within some of the projects and not all of the funding was allocated.
- Addictions in patients are projected to overspend by £0.014m (£0.031m favourable) due to the use of supplementary staffing.

- The Apprenticeship Levy is projected to overspend by £0.067m (£0.067m adverse) for the Lead Partnership.
- The turnover target for vacancy savings for the Lead Partnership is held within the Lead Partnership as this is a Pan-Ayrshire target. There is a projected over-recovery of the vacancy savings target of £1.063m (£0.170m favourable) in 2023-24, further information is included in the table below:

Vacancy Savings Target	(£0.873m)
Projected to March 2024	£1.936m
Over/(Under) Achievement	£1.063m

The current projection to the year-end is informed by the recruitment plans and the confidence in recruitment success and realistic timescales for filling individual vacancies.

The areas contributing to this vacancy savings position are noted below:

- CAMHS £0.592m
- Mental Health Admin £0.366m
- Psychiatry £0.375m
- Psychology £0.539m
- Associate Nurse Director £0.064m

2.5 Children and Justice Services

Children's Services

Against the full-year budget of £39.535m there is a projected overspend of £5.016m (12.7%) (£0.584m favourable) and the main variances are:

a) Care Experienced Children and Young People is projected to overspend by £4.740m (£0.568m favourable). The main areas within this are noted below:

- Children's residential placements are projected to overspend by £5.400m (£0.248m favourable). We started 2023/24 with 32 external placements and there are currently 34 placements (month 4 was 34 placements) which are assumed to continue until the end of the year. Within the £5.400m there is £0.145m relating to enhanced costs for two placements. There are a number of factors leading to this challenging position:
 - We have 32 places available in our internal children's houses, due to demand these have been operating at 100%+ occupancy for some time, leading to increased use of external placements where residential care is required.
 - The requirement to support Unaccompanied Asylum-Seeking Children (UASC) under the National Transfer Scheme and to support trafficked young people who have been identified in North Ayrshire.

	<ul style="list-style-type: none"> • A number of young people in residential care have requested Continuing Care, whereby a young person can remain in their placement until age 21. • Where appropriate young people are placed to meet their educational needs, the cost of Residential School Placements in the most cases is shared 50/50 with Education services. <p>Children’s Services are continuing to work with other services including Education and Housing to address the challenges. A change programme is being developed to respond to the pressures of residential care, further detail of the scope and plan around this work will be presented to a future IJB.</p> <ul style="list-style-type: none"> • Looked After and Accommodated Children (fostering, adoption, kinship etc) is projected to be £0.473m underspent (£0.062m favourable); this is based on the current number of placements and also now reflects additional monies received to support the uplift in rates for fostering and kinship placements (16+year olds). <p>b) Children with disabilities – residential placements are projected to overspend by £0.208m (£0.027m favourable). This is based on 8 current placements and 2 further placements which are expected to commence during November. Direct payments are projected to underspend by £0.189m (£0.046m favourable). Community packages are projected to underspend by £0.104m (£0.005m favourable) based on 71 current number of packages and assumptions around further packages until the year end.</p>
	<p>c) Residential respite – placements are projected to overspend by £0.049m (no movement). These short-term placements are used to prevent an admission to full residential care. There is one short term placement, but this could vary throughout the year and have an impact on the projection.</p> <p>d) Head of Service – is projected to overspend by £0.300m (£0.103m favourable). The overspend is mainly due to the planned saving of £0.233m in relation to the staff reconfiguration in the children’s houses which is not expected to be fully achieved in 23-24. There are also projected costs of £0.092m for the JII (Joint Investigative Interview) project which is not funded.</p> <p>e) Irvine, Kilwinning and Three Towns - projected to overspend by £0.003m which is adverse movement of £0.168m. The adverse movement relates to agency staff being in place for longer than previously assumed.</p> <p>f) Intervention Services projected to underspend by £0.088m which is a favourable movement of £0.104m. The favourable movement is due to further vacant posts.</p>

	g) Justice Services – is projected as being spent in full, however, there is a risk the service could go into an overspend if there is no additional grant funding to mitigate the potential impact of the 23/24 pay award.												
2.6	ALLIED HEALTH PROFESSIONALS (AHP)												
	The non-employee costs element of the AHP services are projected to be on-line. All underspends in employee costs have been taken as payroll turnover.												
2.7	CHIEF SOCIAL WORK OFFICER												
	There is a projected underspend of £0.384m (£0.005m adverse) mainly due to a projected underspend in the Carers Strategy funding.												
2.8	MANAGEMENT AND SUPPORT												
	<p>Management and Support Services are projected to underspend by £1.756m (£0.557m adverse) and the main areas of underspend are:</p> <ul style="list-style-type: none"> • An over-recovery of payroll turnover of £0.723m for social care services and an over-recovery of payroll turnover of £0.417m for health services as outlined in the table below. • There is projected slippage on the LD and MH transition funding of £0.553m (£0.085m favourable) due to delays in children transitioning into adult services. • The adverse movement in the projection for management and support reflects the reallocation of the Band 2 to Band 3 funding which was previously reported here as an underspend. This funding has now been allocated to the relevant service. <p>The turnover targets and projected achievement for the financial year for Health and Social Care services outwith the Lead Partnership is noted below:</p> <table border="1" data-bbox="331 1534 1318 1727"> <thead> <tr> <th></th> <th>Social Care</th> <th>Health Services</th> </tr> </thead> <tbody> <tr> <td>Vacancy Savings Target</td> <td>(3.014m)</td> <td>(1.433m)</td> </tr> <tr> <td>Projected to March 2024</td> <td>3.737m</td> <td>1.850m</td> </tr> <tr> <td>Over/(Under) Achievement</td> <td>0.723m</td> <td>0.417m</td> </tr> </tbody> </table> <p>The position in the table above reflects the assumption in the current financial projections. For social care, a total of £1.677m (55.6% of annual target) has been achieved to date.</p>		Social Care	Health Services	Vacancy Savings Target	(3.014m)	(1.433m)	Projected to March 2024	3.737m	1.850m	Over/(Under) Achievement	0.723m	0.417m
	Social Care	Health Services											
Vacancy Savings Target	(3.014m)	(1.433m)											
Projected to March 2024	3.737m	1.850m											
Over/(Under) Achievement	0.723m	0.417m											
	The health vacancy projection to the year-end is based on the month 6 position and is informed by the recruitment plans and confidence in recruitment to posts for the remainder of the year.												

The areas contributing to the health and social care vacancy savings are spread across a wide range of services with vacancy savings being achieved in most areas.

The main areas at month 6 are:

- Children and Families £0.613m
- Learning Disability £0.030m
- Management and Support £0.173m
- Community Care Service Delivery £0.161m
- Rehab and Reablement £0.162m
- Locality Services £0.183m
- Integrated Island Services £0.197m
- Community Mental Health £0.073m

There have been no intentional plans to pause or delay recruitment and services have actively continued to recruit; in some service areas it has proven difficult to fill posts.

The turnover target for the North Lead Partnership for Mental Health services is detailed within the Lead Partnership information at section 2.4.

2.9 Savings Progress

a) The approved 2023-24 budget included £4.963m of savings.

BRAG Status	Position at Budget Approval £m	Position at Month 6 £m
Red	-	0.273
Amber	2.245	0.322
Green	2.718	1.860
Blue	-	2.508
TOTAL	4.963	4.963

b) The main area to note is that previous amber savings of £0.273m, relating to the reconfiguration of staffing within Children and Families, have been escalated to red. Progress to date suggests that the timescale for this saving will not be met and the full £0.273m will not be achieved in 2023-24 but this is accounted for in the projected outturn.

Work is ongoing to refresh the Transformation Plan to focus on the financial challenges which the Partnership expects to face in 2024/25 and 2025/26. The plan is critical to the ongoing sustainability of service delivery. Once it has been endorsed by the Transformation Board it will be included within future financial monitoring reports. The Transformation Board also has responsibility for overseeing the delivery of the plan and for ensuring that projects remain on track.

	Appendix B provides an overview of those service changes which do have financial savings attached to them and the current BRAG status around the deliverability of each saving.																		
2.10	<p>Budget Changes</p> <p>The Integration Scheme states that <i>“either party may increase it’s in year payment to the Integration Joint Board. Neither party may reduce the payment in-year to the Integration Joint Board nor Services managed on a Lead Partnership basis.... without the express consent of the Integration Joint Board.”</i></p> <p>Appendix C highlights the movement in the budget position following the initial approved budget.</p> <p>Reductions Requiring Approval:</p> <table border="1"> <thead> <tr> <th>Ref</th> <th>Description</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Post transferred to medical records</td> <td>(0.037)</td> </tr> <tr> <td>2</td> <td>2023/24 Reallocation of the Prescribing Budget (Rx Budget)</td> <td>(0.908)</td> </tr> <tr> <td>3</td> <td>Reduction to Mental Health after Covid Funding to match the confirmed allocation.</td> <td>(0.102)</td> </tr> <tr> <td>4</td> <td>Community Phlebotomy funding transferred to South Ayrshire HSCP</td> <td>(0.039)</td> </tr> <tr> <td>5</td> <td>Training grade adjustment – reduction in line with the number of training posts.</td> <td>(0.007)</td> </tr> </tbody> </table>	Ref	Description	Amount	1	Post transferred to medical records	(0.037)	2	2023/24 Reallocation of the Prescribing Budget (Rx Budget)	(0.908)	3	Reduction to Mental Health after Covid Funding to match the confirmed allocation.	(0.102)	4	Community Phlebotomy funding transferred to South Ayrshire HSCP	(0.039)	5	Training grade adjustment – reduction in line with the number of training posts.	(0.007)
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2.11	<p>Pan Ayrshire Lead Partnership services and Large Hospital Set Aside</p> <p>Lead Partnerships: - The IJB outturn position is adjusted to reflect the impact of Lead Partnership services. The outturn for all Lead Partnership services is shared across the 3 Partnerships on an NRAC basis; this position is currently the default pending further work to develop a framework to report the financial position and risk sharing across the 3 Partnerships in relation to hosted or lead service arrangements, which has been delayed by the requirement to focus efforts on the Covid response.</p> <p>The final outturn in relation to North Lead Partnership services would not be fully attributed to the North IJB as a share would be allocated to East and South Partnerships; similarly, the impact of the outturn on East and South led services will require to be shared with North. At Month 6 the MH lead partnership is projected to overspend by £1.408m (£0.461m NRAC share for East and £0.403m for South).</p>																		

South HSCP (month 6 information) – projected overspend of £0.360m (£0.080m favourable) of which £0.133m will be allocated to North. The overspend is mainly due to an overspend of £0.247m in the community store, £0.107m in the continence service and £0.010m in the Family Nurse Partnership.

East HSCP (month 4 information) – projected underspend of £0.141m of which £0.052m will be allocated to North. The overspend is mainly due to:

Primary Care and Out of Hours Services

There is a projected underspend of £0.189m on the Primary Care Lead Partnership budget and includes a projected underspend in Dental services totalling £0.267m, where staffing numbers are running at less than establishment. In addition, there are projected reduced costs within Primary Care contracting and support £0.343m, largely due to staff turnover. These reduced costs are partially offset by additional costs in the GP element of Out of Hours services, as well as additional costs in the overnight nursing service, totalling £0.469m, as well as a small overspend on projected staff costs in Primary Medical Services £0.057m. Work is ongoing to address the Out of Hours increased costs as far as possible over the course of the 2023/24 financial year. This projected outturn position assumes funding will be allocated to fully offset Urgent Care Pathway projected costs £1.254m, as well as Covid-19 Therapeutics projected costs £0.240m

Prison and Police Healthcare

The £0.048m projected overspend at month 4 is largely due to increased costs associated with the new national medical contract.

Set Aside (month 6 info): - preparatory work is well underway with NHS Ayrshire and Arran and the other Ayrshire partnerships to progress and develop the set aside arrangements to fully implement the legislative requirement. This includes arrangements in relation to the use of Directions, Joint Commissioning Plans and overall progression towards fair share allocations of resources. The North budget for set aside resources for 2023-24 is £35.547m. This is based on the 2022-23 figure of £34.850m inflated by the 2023-24 uplift of 2%.

The annual budget for Acute Services is £420.6m. The directorate is overspent by £14.5m after 6 months. This caused by increasing overspends on agency medical and nursing staff, together with increasing drug expenditure. These have been required due to the level of operational pressure being experienced, in common with many other areas in Scotland. Several unfunded wards are open across both main hospital sites.

There is a material underlying deficit caused by:

- Unachieved efficiency savings
- High expenditure on medical and nursing agency staff, high rates of absence and vacancies causing service pressure.
- High numbers of delayed discharges and high acuity of patients.

The IJBs and the Health Board work closely in partnership to maintain service and improve performance.

2.12 FINANCIAL RECOVERY PLAN

The Integration Scheme requires the preparation of a recovery plan if an overspend position is being projected to plan to bring overall service delivery back into line with the available resource.

Heads of Service have closely reviewed expenditure and have implemented actions which have seen the projected year-end position improve by a net £0.590m since Month 3. The main contributors to this are noted in the table below:

	TOTAL
Payroll Turnover – Health (non-Lead)	156,000
Anam Cara staffing	108,000
Care Experienced Young People	519,000
Looked After Children	298,000
Transitions funding	145,000
Care Homes	41,000
Physical Disabilities (Community Packages, Direct Payments and Residential)	199,000
Mental Health Care Packages	222,000

These areas of improvement have been partially offset by adverse movements in Care at Home, Integrated Island Services, Wards 1 and 2 at Woodland View and UNPACS.

Work is ongoing to further improve the projected position and an updated plan will be included in the Month 7 report which will be brought to the December IJB. This work is built on the following general principles:

- No adverse impact on delayed discharges or patient flow during Winter
- Exercising professional judgement around the use of waiting lists where this may have an impact elsewhere in the system
- Reviewing the need for more active management of non-frontline vacant posts
- The non-recurring use of reserves
- Working with East and South on lead partnership projections
- The potential for a freeze on non-essential spend.

	<p>As a contingency there is provision of £2m non-recurring funding set aside in the reserves (appendix D) to contribute towards the 2023-24 position. This would reduce the current projected overspend to £1.986m.</p> <p>The IJB also holds a General Fund reserve balance of £6.448m of unallocated funds, this would underwrite the risk of the remainder of the projected overspend if it cannot be managed downwards in the coming months. This would be a last resort as this funding is non-recurring and it does not resolve the areas underlying the projected overspend.</p>
2.13	<p>FINANCIAL RISKS</p>
	<p>There are a number of ongoing financial risk areas that may impact on the 2023-24 budget during the year, these include:</p> <ul style="list-style-type: none"> • Current high levels of inflation which impact on costs incurred directly by the Partnership and on our partner providers • High risk areas of low volume / high-cost services areas e.g. Children’s residential placements, Learning Disability care packages and complex care packages; • Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this. • Ongoing implementation costs of the Scottish Government policy directives • Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs. • The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas. • The use of supplementary staffing for enhanced observations across a number of service areas. • The use of high-cost agency staff to support frontline service delivery in areas where there are recruitment challenges. • Continuing risks associated with provider sustainability. • The Local Government pay award for 2023-24 has just been settled at the time of writing but has not yet been paid; the increase is in excess of the budgeted 3% and will have an adverse impact on the projected financial position unless additional funding is forthcoming. <p>These risks will be monitored during 2023-24 and any impact reported through the financial monitoring report.</p>
2.14	<p>RESERVES</p>
	<p>The IJB reserves position is summarised in the table below with full detail of the opening position given in Appendix D.</p>

The 'free' general fund balance of £6.448m is held as a contingency balance, this equates to around 2.3% of the initial approved IJB budget for 2023-24 which is within, but towards the lower end, of the target range of 2%-4%.

	General Fund Reserves		Earmarked Reserves		Total
	Debt to NAC	Free GF	External Funding	HSCP	
	£m	£m	£m	£m	£m
Opening Balance - 1 April 2023	-	6.448	6.997	4.219	17.664
2023-24 Draw Per the Budget Paper	-	-	(1.252)	-	(1.252)
Current Reserve balances	-	6.448	5.745	4.219	16.412

The 2023-24 budget approved the use of £1.252m of previously earmarked reserves to support a balanced budget position for 2023-24. The HSCP earmarked reserves also includes a further amount of £2.0m which was agreed to support the financial position during 2023-24.

3. PROPOSALS

3.1 Anticipated Outcomes

Continuing to closely monitor the financial position will allow the IJB to take corrective action where required to ensure the Partnership can deliver services in 2023-24 from within the available resource, thereby limiting the financial risk to the funding partners.

3.3 Measuring Impact

Ongoing updates to the financial position will be reported to the IJB throughout 2023-24.

4. IMPLICATIONS

4.1 Financial

The financial implications are as outlined in the report. Against the full-year budget of £313.383m there is a projected overspend of £3.986m. The report outlines the main variances for individual services.

4.2 Human Resources

The report highlights vacancy or turnover savings achieved to date. Services will review any staffing establishment plans and recruitment in line with normal practice when implementing service change and reviews as per agreement with the IJB, there is no intention to sustain the staffing capacity reduction on a recurring or planned basis.

4.3	<u>Legal</u> None.
4.4	<u>Equality/Socio-Economic</u> None.
4.5	<u>Risk</u> Para 2.13 highlights the financial risks. The report falls in line with the agreed risk appetite statement which is a low -risk appetite in respect to adherence to standing financial instructions, financial controls and financial statutory duties and a high -risk appetite in relation to finance and value for money.
4.6	<u>Community Wealth Building</u> None.
4.7	<u>Key Priorities</u> None.
5.	CONSULTATION
5.1	This report has been produced in consultation with relevant budget holders and the Partnership Senior Management Team.
5.2	The IJB financial monitoring report is shared with the NHS Ayrshire and Arran Director of Finance and North Ayrshire Council's Head of Finance after the report has been finalised for the IJB.

Caroline Cameron, Director

Author – Paul Doak, Head of Finance and Transformation
Eleanor Currie, Principal Manager Finance
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2023-24 Budget Monitoring Report–Objective Summary as at 30th September 2023

Appendix A

Partnership Budget - Objective Summary	2023/24 Budget									(Under) Spend Variance at Period 4	Movement in projected variance from Period 4
	Council			Health			TOTAL				
	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
COMMUNITY CARE AND HEALTH	70,521	69,517	(1,004)	19,423	20,793	1,370	89,944	90,310	366	240	126
: Locality Services	28,218	27,753	(465)	5,341	5,577	236	33,559	33,330	(229)	38	(267)
: Community Care Service Delivery	36,633	35,940	(693)	0	0	0	36,633	35,940	(693)	(779)	86
: Rehabilitation and Reablement	2,143	2,145	2	0	0	0	2,143	2,145	2	(2)	4
: Long Term Conditions	944	1,003	59	10,392	11,360	968	11,336	12,363	1,027	856	171
: Community Link Workers	185	177	(8)	0	0	0	185	177	(8)	(9)	1
: Integrated Island Services	2,398	2,499	101	3,690	3,856	166	6,088	6,355	267	136	131
MENTAL HEALTH SERVICES	29,844	30,240	396	75,347	76,755	1,408	105,191	106,995	1,804	1,556	248
: Learning Disabilities	22,975	23,635	660	490	490	0	23,465	24,125	660	695	(35)
: Community Mental Health	5,985	5,719	(266)	1,771	1,771	0	7,756	7,490	(266)	(44)	(222)
: Addictions	884	886	2	1,821	1,821	0	2,705	2,707	2	(124)	126
: Lead Partnership Mental Health NHS Area Wide	0	0	0	71,265	72,673	1,408	71,265	72,673	1,408	1,029	379
CHILDREN & JUSTICE SERVICES	34,774	39,654	4,880	4,761	4,897	136	39,535	44,551	5,016	5,600	(584)
: Irvine, Kilwinning and Three Towns	3,082	3,085	3	0	0	0	3,082	3,085	3	(165)	168
: Garnock Valley, North Coast and Arran	3,095	3,022	(73)	0	0	0	3,095	3,022	(73)	(67)	(6)
: Intervention Services	1,838	1,750	(88)	423	423	0	2,261	2,173	(88)	16	(104)
: Care Experienced Children & Young people	23,056	27,796	4,740	0	0	0	23,056	27,796	4,740	5,308	(568)
: Head of Service - Children & Families	1,071	1,371	300	0	0	0	1,071	1,371	300	403	(103)
: Justice Services	2,412	2,412	0	0	0	0	2,412	2,412	0	(16)	16
: Universal Early Years	220	218	(2)	3,698	3,834	136	3,918	4,052	134	121	13
: Lead Partnership NHS Children's Services	0	0	0	640	640	0	640	640	0	0	0
CHIEF SOCIAL WORK OFFICER	1,859	1,475	(384)	0	0	0	1,859	1,475	(384)	(389)	5
PRIMARY CARE	0	0	0	52,995	52,995	0	52,995	52,995	0	(41)	41
ALLIED HEALTH PROFESSIONALS	0	0	0	10,200	10,200	0	10,200	10,200	0	0	0
COVID NHS	0	0	0	0	(274)	(274)	0	(274)	(274)	(274)	0
MANAGEMENT AND SUPPORT COSTS	8,710	7,404	(1,306)	3,611	3,161	(450)	12,321	10,565	(1,756)	(2,313)	557
NATIONAL COMMISSIONED SERVICE	0	0	0	3	3	0	3	3	0	0	0
FINANCIAL INCLUSION	1,335	1,332	(3)	0	0	0	1,335	1,332	(3)	0	(3)
OUTTURN ON A MANAGED BASIS	147,043	149,622	2,579	166,340	168,530	2,190	313,383	318,152	4,769	4,379	390
Return Hosted Over/Underspends East	0	0	0	0	(461)	(461)	0	(461)	(461)	(337)	(124)
Return Hosted Over/Underspends South	0	0	0	0	(403)	(403)	0	(403)	(403)	(294)	(109)
Receive Hosted Over/Underspends South	0	0	0	0	133	133	0	133	133	163	(30)
Receive Hosted Over/Underspends East	0	0	0	0	(52)	(52)	0	(52)	(52)	(52)	0
OUTTURN ON AN IJB BASIS	147,043	149,622	2,579	166,340	167,747	1,407	313,383	317,369	3,986	3,859	127

2023-24 Savings Tracker

Appendix B

Savings ref number	Description	Deliverability Status at budget setting	Deliverability Status at month 6	2023/24 Saving	Description of the Saving
Children, Families & Criminal Justice					
1	Staffing reconfiguration - children & families	Amber	Red	273,000	Review staffing provision within children's houses with the saving phased over 2023/24 and 2024/25 – 50/50
Community Care & Health					
2	Deliver the Strategic Plan objectives for Older People's Residential Services - Reduction in Care Home Places	Amber	Green	1,000,000	The budget for 23/24 would fund an average 780 places at the current split of nursing/residential (60/40). This reflects reduced demand and investment in CAH to support more people at home.
3	Care Home Respite	Amber	Green	560,000	All respite care to be provided in-house at Anam Cara and Montrose House and any use of other respite provision funded via Carers budget.
4	Montrose House Capacity	Green	Amber	210,000	Registration amended from 30 beds to 20 beds across 2 staffed wings. This is supported by introduction of intermediate care beds at Arran War Memorial Hospital.
5	Reconfigure respite provision at Anam Cara	Amber	Amber	112,000	The service is currently relocated to Taigh Mor (8 beds) on a temporary basis and this proposal would reduce capacity from 14 beds to 9 beds in one wing when it reverts to Anam Cara.
Mental Health					
6	Trindlemoss pool running costs	Green	Blue	85,000	Trindlemoss Pool has never opened due to ongoing maintenance issues. The historic budgeted running costs are £0.085m but it is expected actual costs would be much higher. The pool will not open and alternative therapies will be provided e.g. bounce
7	Trindlemoss Day Care	Green	Blue	168,932	Trindlemoss day opportunities staffing was restructured during 2021/22 and 2022/23. This saving has already been achieved and will remove the additional staffing budget.
8	Intermediate Placement Scheme - cessation of service	Green	Blue	30,000	The contract has ceased and will not be renewed.
Other Areas					
9	Carers Act Funding - Substitution of Spend	Green	Blue	500,000	There is a plan in place to invest across carer service contract, preparation of carer plans, short breaks and other support to carers. This proposal will invest £0.500m in contributions to Red Rose House, Roslin House, Anam Cara, waiving of charges and day services.

Savings ref number	Description	Deliverability Status at budget setting	Deliverability Status at month 6	2023/24 Saving	Description of the Saving
Other Areas					
10	Payroll Turnover - increase to target (social care)	Green	Blue	1,000,000	The saving is based on less than 50% of the 2022/23 overachievement
11	Income Generation - 5% Increase to fees and charges	Green	Blue	46,600	Implement a 5% increase to fees and charges and a 5% increase to the maximum charge. The impact will be limited where service users are already paying the maximum charge.
12	Staffing Reconfiguration - Finance and Transformation	Green	Blue	35,091	Saving released through management and admin structure change

TOTAL SOCIAL CARE SAVINGS

4,020,623

Health:

Savings ref number	Description	Deliverability Status at budget setting	Deliverability Status at month 6	Approved Saving 2023/24 £m	Description of the Saving
13	Payroll Turnover - Health Lead Partnership	Green	Blue	392,245	The saving is based on less than 25% of the 2022/23 overachievement
14	Payroll Turnover - Health Non Lead Partnership	Green	Blue	250,000	The saving is based on less than 50% of the 2022/23 overachievement
15	Reprovisioning of Continuing Care beds	Amber	Green	300,000	Currently provided through Cumbrae Lodge Care Home in Irvine but the provider does not want to continue to provide the service. Plans are being developed to relocate the service to Taigh Mor in Beith with an anticipated saving of £0.3m.

TOTAL HEALTH SAVINGS

942,245

TOTAL NORTH HSCP SAVINGS

4,962,868

2023-24 Budget Reconciliation

Appendix C

COUNCIL	Period	Permanent or Temporary	£'m
Initial Approved Budget			121.408
Less Living Wage Fund not yet allocated			(2.826)
Revised Budget			118.582
Resource Transfer	1-6	P	24.640
HSCP Fin Circ 3	1-3	T	0.013
Living Wage - final allocation	1-3	P	2.808
ICT Licences Various	1-3	P	(0.012)
Island Funds	1-3	T	0.015
Facilities Management Costs - Montrose House	1-3	P	0.387
West Road - Capital funded from Revenue	1-3	T	(0.300)
Care at Home – Draw from reserves	4	T	0.173
Transport (taxi) budget transferred to HSCP	6	P	0.247
Curator fees budget transferred from Legal Services	6	P	0.004
Fostering and Kinship – additional SG funding re increased rates.	6	P	0.486
Social Care Budget Reported at Month 6			147.043
HEALTH	Period	Permanent or Temporary	£'m
Initial Baseline Budget			164.500
Month 10-12 Adjustments			2.473
MDT funding			0.828
Adjust for full year impact of part year amounts			0.052
Revised Baseline			167.853
Baseline Funding Increase			2.164
Adjust for recurring funding			7.629
Adjust for non-recurring			2.434
Resource Transfer			(23.597)
2023/24 Opening Position			156.483
Net impact of Pan Ayrshire Pressures	1	P	0.028
Top Slicing Posts 2022-23	2		(0.054)
MDT Funds to Arran Medical Group	3		(0.033)

Training Grade Adjustments	3		(0.035)
Ward 3 Band 2 Domestic	3		(0.004)
V2 B6 to AHM233	3		(0.061)
Virement 12 Band 2 Domestic	4		(0.010)
Virement 18 Band 3 budget trf - J Baird	4		0.019
Lymphoedema Top Slice RX	4		(0.029)
HD Ref 51 Band 2-4	4		0.054
District Nursing Anticipated	5		0.032
HD REF 110 Multi-Disciplinary Teams	5		0.120
Post (EB) transferred to Medical Records	5		(0.037)
Integrated Infant Feeding (South)	5		0.057
Integrated Infant Feeding (SG)	5		0.050
2023-24 RX Budget	6		(0.908)
Training Grade ADJ - August	6		0.270
PFG LOCAL IMPROVEMENT	6		0.457
ADP National Mission	6		0.207
ADP Residential Rehab	6		0.094
ADP AFC Pay Uplift	6		0.091
ADP Lived & Living Experience	6		0.009
ADP Drug Prevalence	6		0.059
ADP Whole Family Approach	6		0.066
ADP MAT 70%	6		0.175
HD126: MENTAL HEALTH AFTER COVID HOSPITALISATION SERVICE 23-24	6		0.039
REMOVE Anticipate MACH (Mental Health After Covid)	6		(0.102)
HD185: MENTAL HEALTH OUTCOMES FRAMEWORK	6		2.178
HD227: DELIVERY OF VETERAN SPECIFIC MENTAL HEALTH SUPPORT	6		0.105
HD229: DIGITAL THERAPY POSTS	6		0.059
COMMUNITY PHLEBOTOMY - NORTH SHARE	6		(0.039)
SOUTH ADP WARD 5 W/VIEW PAY UPLIFT	6		0.003
SOUTH ADP ORT PAY UPLIFT	6		0.005
SOUTH ADP PREV&SERVICES SUPPORT PAY UPLIFT	6		0.004
Apprenticeship Levy	6		0.225
Training Grade ADJ - September	6		(0.007)
ADP PSST Support - South	6		0.008
South Naloxone kits	6		0.002
South MAT Funding - Psychiatry	6		0.029
ADP Pay Uplift	6		0.003

Drug Tarif Anticipate 2023-24	6		0.525
North HSCP Medical Pay Award 23/24	6		0.532
Roundings	6		(0.003)
Anticipated budgets included in the report but not yet in the ledger	6		6.717
Health Budget Reported at Month 6			166.340
TOTAL COMBINED BUDGET			313.383

North Ayrshire Integration Joint Board

2022/23 Annual Audit Report



Prepared for North Ayrshire Integration Joint Board and the Controller of Audit
November 2023

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Key messages

2022/23 Annual Accounts

- Our audit opinions on the Annual Accounts of the North Ayrshire Integration Joint Board (the IJB) are unmodified. The financial statements give a true and fair view of the financial position of the IJB.

Financial management and sustainability

- The IJB has appropriate and effective financial management arrangements in place.
- The IJB reported a £3.7 million underspend against the 2022/23 budget. The main factor for the underspend was the continued workforce challenges to recruit and maintain staff in the social care sector.
- The IJB has updated its medium-term financial outlook. This shows a cumulative estimated savings gap ranging from best case £1.1 million to worst case £22.7 million in the period to 2026/27.
- Work is currently ongoing to refresh the Transformation Plan to focus on the financial challenges ahead.

Visions, leadership and governance

- The IJB has a clear strategic vision that is supported by its partners.
- A review of the Integration Scheme is ongoing. A revised scheme is to be considered by the end of 2023/24 and submitted to the Scottish Government for approval.
- Governance arrangements are appropriate and generally operate effectively.

Use of resources to improve outcomes

- Performance management arrangements are effective with indicators and targets kept under review. These arrangements contribute to the IJB's Best Value duty.
- Performance in relation to the national measures highlights both areas of improvement and areas of declining performance over the last year.

Introduction

1. This report summarises the findings arising from our 2022/23 audit of North Ayrshire Integration Joint Board (the IJB). The scope of the audit was set out in our 2022/23 Annual Audit Plan issued in March 2023 and presented to Performance and Audit Committee on 23 June 2023. This Annual Audit Report comprises:

- significant matters arising from an audit of the IJB’s Annual Accounts
- conclusions on the following wider scope areas that frame public audit as set out in the [Code of Audit Practice 2021](#):
 - Financial Management
 - Financial Sustainability
 - Vision, Leadership, and Governance
 - Use of Resources to Improve Outcomes.
- a review of the arrangements put in place by the IJB to secure Best Value.

2. This report is addressed to the Board of the IJB and the Controller of Audit and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

Responsibilities and reporting

3. The IJB has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing Annual Accounts that are in accordance with proper accounting practices. The IJB is also responsible for compliance with legislation and putting arrangements in place for governance and propriety that enable it to successfully deliver its objectives.

4. The responsibilities of the independent auditor are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice 2021](#), and supplementary guidance and International Standards on Auditing in the UK.

5. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management of the IJB from its responsibility to address the issues we raise and to maintain adequate systems of control.

6. This report contains an agreed action plan at [Appendix 1](#). It sets out specific recommendations, the responsible officers, and dates for implementation.

Communication of fraud or suspected fraud

7. In line with ISA (UK) 240 (*The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*), in presenting this report to the Performance and Audit Committee we seek confirmation from those charged with governance of any instances of actual, suspected, or alleged fraud that should be brought to our attention. Should members have any such knowledge or concerns relating to the risk of fraud within the IJB, we invite them to communicate this to the appointed auditor for consideration prior to the Annual Accounts being certified.

Auditor Independence

8. We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services, therefore the 2022/23 audit fee of £31,470 as set out in our 2022/23 Annual Audit Plan remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

9. We add value to the IJB by:

- identifying and providing insight on significant risks, and making clear and relevant recommendations
- providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance, arrangements to ensure the best use of resources and financial sustainability.
- sharing intelligence and good practice identified.

1. Audit of 2022/23 Annual Accounts

The IJB is required to prepare Annual Accounts comprising financial statements and other related reports. These are principal means of accounting for the stewardship of public funds.

Main judgements

Our audit opinions on the Annual Accounts of the North Ayrshire Integration Joint Board (the IJB) are unmodified.

The audited part of the Management Commentary, Annual Governance Statement and Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the relevant regulations and guidance.

Our audit opinions on the Annual Accounts of the IJB are unmodified

10. The IJB's Annual Accounts for the year ended 31 March 2023 were approved by the IJB on 16 November 2023. As reported in the independent auditor's report:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework.
- the audited part of the Management Commentary, Annual Governance Statement and Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the relevant regulations and guidance.

11. We concluded that there were no matters upon which we are required to report, by exception, to the Accounts Commission.

The unaudited Annual Accounts were received in line with the agreed audit timetable

12. The unaudited Annual Accounts were received in line with our agreed audit timetable on 26 June 2023. The Annual Accounts submitted for audit were of a good standard and supporting working papers were reasonable. IJB staff provided good support to the audit team which helped ensure the final accounts audit process ran smoothly. We were unable to meet the target of concluding

the audit and signing the accounts by 30 September, due to continuing audit resource pressures during our recovery period from the Covid-19 pandemic.

Our audit testing reflected the calculated materiality level

13. Broadly, the concept of materiality is applied by auditors to determine whether misstatements identified during the audit could reasonably be expected to influence the economic decisions of users of the financial statements, and hence impact their opinion set out in the independent auditor’s report. Auditors set a monetary threshold when considering materiality, although some issues may be considered material by their nature. It is ultimately a matter of the auditor’s professional judgement.

14. Our initial assessment of materiality was carried out during the risk assessment and planning phase of the audit. This was reviewed on receipt of the unaudited Annual Accounts and is summarised in [Exhibit 1](#).

Exhibit 1 Materiality levels

Materiality level	Amount
Overall materiality: This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 2% of gross expenditure as at 31 March 2023.	£6.661 million
Performance materiality: This acts as a trigger point. If the aggregate of errors identified during the financial statements’ audit exceeds performance materiality this would indicate that further audit procedures should be considered. We have assessed performance materiality at 65% of overall materiality.	£4.330 million
Reporting threshold: We are required to report to those charged with governance on all unadjusted misstatements more than the ‘reporting threshold’ amount.	£0.250 million

Source: Audit Scotland

15. It is our responsibility to request that all misstatements are corrected, although the final decision on making the correction lies with those charged with governance.

Significant findings and key audit matters

16. Under ISA (UK) 260 (*Communication with Those Charged with Governance*), we communicate significant findings from the audit to the IJB, including our view about the qualitative aspects of NGS’s accounting practices.

17. The Code of Audit Practice also requires all auditors to communicate key audit matters within the Annual Audit Report under ISA (UK) 701 (*Communicating key audit matters in the Independent Auditor’s Report*). These

are matters that we judged to be of most significance in our audit of the financial statements.

18. The significant findings and key audit matters are summarised in [Exhibit 2](#). Where a finding has resulted in a recommendation to management, a cross reference to the Action Plan in [Appendix 1](#) has been included.

Exhibit 2

Significant findings and key audit matters from the audit of the annual report and accounts

Issue	Resolution
<p>1. Debtor balances due from partners</p> <p>A variance of £0.936 million exists between total IJB reserves (£17.664 million) and debtor balances due from partners audited accounts (£16.728 million). The IJB has accepted that there may be deficiencies with the approach to calculating balances due from partners that it will aim to address.</p>	<p>The board has decided not to adjust the 2022/23 accounts in relation to balances due from partner bodies. While we are satisfied this has not resulted in a material misstatement, we recommend that the board review its approach to the calculation of these debtors.</p> <p>Recommendation 1 (refer Appendix 1, action plan)</p>

19. The qualitative aspects of the IJB's accounting practices, accounting policies, accounting estimates and accounts disclosures are satisfactory and appropriate.

20. In accordance with normal audit practice, a few presentational and disclosure amendments were discussed and agreed with management. The disclosure changes were satisfactory.

There was one non-material misstatement identified within the financial statements

21. It is our responsibility to request that all misstatements, other than those below our reporting threshold are corrected, although the final decision on making the correction lies with those charged with governance.

22. We identified one misstatement which was not corrected by management in the audited accounts. We considered the size, nature and circumstances leading to the uncorrected misstatement and concluded that it was not material. Further details of the uncorrected misstatement are included in [Appendix 2](#).

Our audit work responded to the risk of material misstatement we identified in the Annual Accounts

22. We have obtained audit assurances over the identified significant risk of material misstatement in the Annual Accounts. [Exhibit 3](#) sets out the significant risk of material misstatement to the financial statements we identified in our 2022/23 Annual Audit Plan. It also summarises the further audit procedures we

performed during the year to obtain assurances over this risk and the conclusions from the work completed.

Exhibit 3

Significant risk of material misstatement in the Annual Accounts

Audit risk	Assurance procedures planned	Results and conclusion
<p>1. Risk of material misstatement due to fraud caused by the management override of controls</p> <p>As stated in ISA (UK) 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements), management is in a unique position to perpetrate fraud because of their ability to override controls that otherwise appear to be operating effectively.</p>	<p>Assurances to be obtained from the auditors of NHS Ayrshire and Arran and North Ayrshire Council on the completeness, accuracy and allocation of income and expenditure.</p> <p>Evaluate any significant unusual transactions outside the normal course of business.</p>	<p>Results: We obtained assurances from the auditors of NHS Ayrshire and Arran and North Ayrshire Council over the completeness, accuracy and allocation of income and expenditure.</p> <p>We evaluated any significant unusual transactions outside the normal course of business.</p> <p>Conclusion: No incidents of management override of controls were identified through audit testing.</p>

Source: Audit Scotland

23. We also identified one “area of audit focus” in our 2022/23 Annual Audit Plan where we considered there to be a risk of material misstatement to the financial statements. The area of specific audit focus was;

- **Repayment of Covid-19 funding from the North Ayrshire IJB to the Scottish Government:** In January 2023 the Scottish Government announced its intention to recover unspent IJB Covid-19 funding, held in the IJB’s earmarked reserves. The return of this funding was completed via the health board. As part of our audit, we considered the accounting treatment and disclosures for the repayment. We are satisfied that appropriate accounting treatment and disclosures have been made.

The audited part of the Management Commentary, Annual Governance Statement and Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the relevant regulations and guidance

24. The Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 requires Councils to prepare and publish, along with the financial statements, a Management Commentary, Annual Governance Statement, and a

Remuneration Report, which are consistent with the disclosures made in the financial statements.

25. Our audit work established that these were consistent with the financial statements and prepared in accordance with relevant regulations and guidance.

Some progress has been made on the prior year significant finding

26. The IJB's previous external auditor Deloitte, highlighted that there was no evidence of review of journals in NHS Ayrshire and Arran (reported for NHSAA 21/22 but also reported to the IJB for information). The assurance provided to us by the NHS Ayrshire and Arran auditor for 2022/23 recorded that members of the health board finance team continue to post journals to the financial ledger without secondary authorisation. They have recommended in their 2022/23 action plan that the board should introduce robust authorisation controls to mitigate the risk of accounting entry errors, and misstatements, in the annual report and accounts. Timescales for action have been agreed with health board management and are replicated in [Appendix 1](#). No material misstatements which could impact on the IJB's accounts were identified in NHS Ayrshire and Arran's accounts from this issue.

2. Financial management and sustainability

Financial management means having sound budgetary processes, and the ability to understand the financial environment and whether internal controls are operating effectively. Financial sustainability means being able to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Main judgements

The IJB has appropriate and effective financial management arrangements in place.

The IJB reported a £3.7 million underspend against the 2022/23 budget. The main factor for the underspend was the continued workforce challenges to recruit and maintain staff in the social care sector.

The IJB has updated its financial plan This shows a cumulative estimated savings gap ranging from best case £1.1 million to worst case £22.7 million in the period to 2026/27.

Work is currently ongoing to refresh the Transformation Plan to focus on the financial challenges ahead.

There remain significant workforce pressures within both partner organisations.

The IJB has appropriate and effective financial management arrangements in place

27. Comprehensive budget monitoring reports are presented to each meeting of the IJB. These contain detail on the year-to-date financial position, forecast outturn for the year and, progress in delivering savings and update on financial risks of the in-year financial plan. The information is provided at timely intervals throughout the year which enables scrutiny from members.

The IJB's 2022/23 budget outturn was impacted by workforce pressures

28. The IJB approved a balanced budget of £316.215 million (inclusive of the estimated set aside budget of £32.267 million) for 2022/23 on 17 March 2022. The budget included an overall savings requirement of £0.683 million.

29. The Annual Accounts show an underspend of £3.719 million for 2022/23 after adjusting for new earmarked reserves of £4.219 million. £3.170 million of the underspend relates to social care services and £0.549 million for health services. Main contributing factors were:

- Mental Health total underspend of £3.402m which relates primarily to the level of vacant posts in community mental health, and Lead Partnership arrangements for mental health (psychology, child and adolescent mental health services (CAMHS), Action 15 and psychiatry).
- Children, Families and Justice – total overspend of £2.214m related to overspends in services for care experienced children (residential care, respite care and employee costs) and services for children with a disability (residential care, respite care).
- Management and Support Costs – underspend of £6.285m relating mainly to over-recovery of payroll turnover due to the level of vacant posts being higher than assumed when setting the budget.

30. The final outturn was adjusted to reflect the impact of North Ayrshire’s Lead Partnership services for mental health. In the absence of detailed service activity information and alternative risk sharing arrangements, all Lead Partnership services are shared across the 3 partnerships on an NHS Resource Allocation Committee (NRAC) basis. This is pending completion of the ongoing work by the Ayrshire Finance Leads to establish the baseline resources for each partnership and how this compares to the fair share of resources.

Set aside budgets are to move to a model reflecting more on actual activity levels from 2023/24

31. The funding for large hospital services is referred to as the ‘set aside’ budget – it is excluded from the payment to the Integration Joint Boards but is ‘set aside’ for direction by the IJBs through the Strategic Plan. Legislation requires that the method for determining the amount to be set aside should be included in the Integration Scheme.

32. In most areas, set aside budgets are not being directed by IJBs, meaning that opportunities to use resources to prioritise prevention and deliver care in a community setting are not fully utilised. Work is currently underway by NHS Ayrshire and Arran and the three IJBs to set out what large hospital services will be commissioned by the IJBs.

33. Alongside this, Ayrshire Finance Leads are developing a set aside model to determine the cost of large hospital services which are being used by each of the IJBs. This will be based on actual activity and actual costs being incurred by the health board. NHS Ayrshire and Arran were able to calculate 2022/23 Set Aside with local activity data for 2022/23. However, whilst a proposed pricing methodology using budgetary information has been developed, Ayrshire Finance Leads agreed to use historic pricing for consistency with prior year’s annual accounts as detailed in [Exhibit 4](#) below. From 2023/24, the new model will be used to better reflect actual activity levels. North Ayrshire HSCP have also requested further work supported by Public Health colleagues and Local Intelligence Support Team analysts to understand the North Ayrshire population health impact on the use of acute hospital services, to determine if a different

approach to National Resource Allocation Committee (NRAC) is a fairer methodology to establishing a base line fair share.

Exhibit 4: Comparison of NRAC set aside allocation and historical allocation basis

	2022/23 NRAC Share %	2022/23 NRAC Share £	2022/23 Spend £	2022/23 Variance £
East	31.90%	28,543,045	26,555,104	1,987,941
North	36.80%	32,917,081	32,267,475	649,606
South	31.30%	27,988,464	30,626,010	(2,637,546)
Total	100.00%	89,448,590	89,448,590	0

Source: North Ayrshire IJB

The return of Covid-19 funding to the Scottish Government contributed to a decrease in the IJB's reserves position

34. The IJB holds a general fund and earmarked reserves. At 31 March 2023, the total reserve balance amounted to £17.664 million compared to £29.232 million at 31 March 2022.

35. In September 2022, the Scottish Government (SG) commenced discussions with IJBs regarding the possible clawback of Covid-19 reserves to meet future funding pressures. These discussions resulted in the IJB returning £13.089 million of its Covid-19 reserves to the SG in 2022/23. £2.321 million was also paid back to North Ayrshire Council, clearing the balances owed by NAIJB to the council. [Exhibit 5](#) below sets out the reserve balances of the IJB between 2020/21 to 2022/23.

Exhibit 5 IJB reserves 2020/21 to 2022/23

General Fund	2020/21 £m	2021/22 £m	2022/23 £m
Earmarked	7.413	24.305	11.216
Outstanding debt	(3.807)	(2.321)	0
Unallocated General Fund	4.151	7.248	6.448
Total reserves	7.757	29.232	17.664

Source: North Ayrshire IJB Annual Accounts

36. Given the level of funds held in reserve, it is essential that the IJB has a clear plan on how and when monies will be spent. The Medium-Term Financial

Outlook (MTFO) 2023-2026 approved by the IJB in March 2023, led to the addition of £1.7 million to the Service Redesign/Challenge Fund within earmarked reserves. The purpose of this reserve is to set aside a specific sum of money from current uncommitted reserves to be used to improve services to ensure future financial sustainability. The funding will be allocated to specific projects and investments on a non-recurring basis and in line with IJB's current strategic objectives.

37. Other earmarked reserves include Care at Home Capacity (£1.1 million), Mental Health Recovery and Renewal (£1.2 million) and 2023/24 Budget Support (£2.0 million).

38. At the time of approval of the 2023/24 budget in March 2023, the IJB carried out its annual review of its reserves. Its Reserves Strategy recommends that the IJB will aspire to hold at least 2 to 4% of its annual budgeted expenditure as an uncommitted reserve. The uncommitted reserve balance as at 31 March 2023 of £6.448 million, represents 2.2% of the IJB'S 2023/24 budget of £288.072 million (excluding the set aside budget of £35.547 million).

The 2023/24 budget is balanced but is reliant on non-recurring savings

39. The 2023/24 budget of £323.619 million (inclusive of the estimated set aside budget of £35.547 million) was approved by the IJB on 16 March 2023 and resulted in a budget gap of £6.2 million to be met by savings of £4.9 million and reserves of £1.3 million. The savings are RAG rated with £2.6 million rated as Amber and £2.3 million rated as Green. Savings include £1.0 million reduction in care home places (rated Amber) and £1.0 million payroll savings (rated Green).

40. In setting its budget, the IJB has recognised a number of risks including:

- The agreement of staff pay awards for 2023/24
- National Care Home Contract uplift, including the impact of inflationary pressures on this.

41. The budget proposals were developed with Board member involvement. This included the IJB Budget Working Group who scrutinised the pressures and prioritised those proposed for approval at the IJB meeting in March.

42. The IJB should continue to explore and progress transformational change with its partners. This should identify where recurring savings, rather than temporary solutions, can be made. In particular, the lessons learned from delivering services during the pandemic should be used to advance new ways of working to improve the user experience. This, combined with its robust medium-term financial plan, will be key to maintaining financial sustainability. Progress on the IJB's Transformation Plan is discussed at [paragraphs 48 to 52](#).

The IJB has updated its Medium-Term Financial Outlook, with this providing a transparent forecast of its financial position over the period 2023-26. It shows a cumulative estimated

savings gap ranging from best case £1.128 million to worst case £22.730 million in the period to 2026/27

43. In our Annual Audit Plan we identified the IJB's financial sustainability as a wider scope audit risk for focus. Financial sustainability looks forward to the medium-term to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered. It is acknowledged that medium-term planning was difficult during the pandemic and during the current period of financial uncertainty. The Scottish Government's proposals for a new National Care Service add to the uncertainty. One-year funding settlements exacerbate this also. The immediate priority continues to be responding to the current and emerging service challenges, in particular workforce capacity.

44. The IJB Chief Officer, Chief Financial Officer and both partners are committed to ensuring the IJB has a clear financial and operational strategy underpinning its service priorities. In March 2023, the IJB approved its Medium-Term Financial Outlook (MTFO) 2023-2026.

45. The document presented to members was clear, comprehensive, and outlined a transparent forecast of the IJB's financial position for the years ahead. The plan considers a range of scenarios and assesses the impact of known pressures on the IJB's finances such as, inflation, pay awards, the challenging economic climate, the impact of the National Care Service and workforce challenges.

46. The plan outlined an anticipated financial position covering best, mid, and worst-case scenarios ([Exhibit 6](#)). Over the course of the 2 years, the budget gap is estimated at best case £1.128 million or worst case £22.730 million of savings to deliver.

Exhibit 6 MTFO - 2024/25 - 2025/26

Scenario	2024/25 £'million	2025/26 £'million	Cumulative total £'million
Best case	(1.140)	0.012	(1.128)
Mid case	(5.854)	(3.867)	(9.721)
Worst case	(11.699)	(11.031)	(22.730)

Source: North Ayrshire IJB MTFO 2023/24 - 2025/26

47. The purpose of the MTFO is to provide a clear direction on how the IJB will manage its financial resources in the short to medium-term to ensure they are deployed effectively to achieve its priorities and objectives. The plan provides members with a fuller picture of the likely challenges the IJB will face in the coming years which should help to focus attention and inform decisions on

improvement and savings projects for the years ahead. The extent of the potential financial challenges means that services will need to change if they are to be sustainable in the future.

Work is currently ongoing to refresh the Transformation Plan to focus on the financial challenges ahead

48. As noted at [paragraph 28](#), the approved 2022/23 budget included £0.683 million of savings. These were to be achieved through payroll turnover (£0.301 million) mental health inpatients bed retraction from Ailsa (£0.321 million) and reduction of overspend on Adoption Allowances (£0.060 million). The first two projects were fully achieved however although the review of allowances is complete, the benefit will not be realised until future years.

49. The full Transformation Plan which has been agreed by the Transformation Board comprises 34 projects. Not all projects have savings attached to them but there is an expectation that they will lead to service improvements. The Plan is recognised by the Transformation Board as critical to the ongoing sustainability and safety of service delivery and to supporting the delivery of financial balance in future.

50. The Transformation Board provides oversight and governance to the programme of service change. A focus of the Board is to ensure plans are in place to deliver savings and service change, with a solution focussed approach to bringing programmes back on track. Progress against the Plan is reported regularly to the IJB and projects within the annual timetable given a RAG status.

51. Work is currently ongoing to refresh the Transformation Plan to focus on the financial challenges which the Partnership expects to face in 2024/25 and 2025/26. The plan is critical to the ongoing sustainability of service delivery. This will be brought to the IJB for approval alongside the budget plans for 2024/25.

52. Whilst we recognise that a range of improvement activity is taking place across the IJB, it needs to be clearer about how this activity makes a difference to the outcomes the IJB and its partners want to achieve. Clear alignment is required with the health board's Annual Delivery Plan and the council's Sustainable Change Programme. To support monitoring of progress against the overall Transformation Plan, timescales and milestones for each project should be included.

Recommendation 2

The IJB and its partners need to clearly set out what achieving its intended outcomes looks like in the short, medium and longer term.

There remain significant workforce pressures within parental organisations but the IJB's Workforce Plan should provide it with a structured approach to help address these

53. There are significant workforce pressures in the NHS and social care systems. In its February 2022 [NHS in Scotland 2022](#) report, in the context of the scale and pace of remobilisation following the pandemic, Audit Scotland noted that workforce issues in the NHS remains the biggest risk to this recovery. This

2. Financial management and sustainability | 17

included concerns about staff wellbeing, sustainability because of high sickness levels, recruitment challenges and the need to ensure the appropriate skills mix.

54. From a social care perspective, Audit Scotland's 2022 [Social care briefing](#) highlighted that the social care workforce has high vacancy rates with many services facing recruitment problems. Together with the increasing demand for social care this presents a risk to the capacity and quality of social care services.

55. The workforce issues being experienced nationally are replicated within both the partner organisations of the North Ayrshire Health and Social Care Partnership. These issues have the potential to impact on the achievement of the IJB's strategic priorities.

56. In October 2022, the Partnership published a three-year Workforce Plan. It highlighted a number of key challenges facing the HSCP Workforce, including:

- Widespread challenges in recruiting to vacant posts, experienced across all service and professional areas.
- Staff retention; likely as a result of the high level of vacancies and competition across the health and social care market.
- A lack of nationally available trained/qualified workers – particularly for professional roles (e.g., shortage of trained Mental Health Officers).
- High levels of staff absence, exacerbated by the high pressure of working through the pandemic.

57. To address these challenges and build the local HSCP workforce needed to meet future health and social care demand, a workforce action plan was developed built around local priorities. These priorities mapped to the Scottish Government's five pillars of Workforce Planning (Plan, Attract, Train, Employ, Nurture).

58. Specific actions include:

- create clear career pathways for potential and existing staff by March 2025;
- develop an online training portal for Community Care Staff by March 2025; and
- Review the role of Care at Home Assistant by October 2023.

Financial systems of internal control operated effectively

59. The IJB is reliant on the systems of its partner bodies, NHS Ayrshire and Arran and North Ayrshire Council, for its key financial systems including ledger and payroll. All IJB transactions are processed through the respective partners' systems and all controls over those systems are within the partner bodies rather than the IJB.

60. As part of our audit approach, we sought assurances from the external auditors of NHS Ayrshire and Arran and North Ayrshire Council. The assurance provided by the North Ayrshire Council auditor confirmed there were no significant weaknesses in the systems of internal control for the council that

could result in a risk of material misstatements to the Annual Accounts of the IJB.

61. As noted at [paragraph 26](#) the NHS Ayrshire and Arran auditor has recommended an improvement to the journal authorisation controls.

Standards of conduct and arrangements for the prevention and detection of fraud and error were appropriate

62. The IJB does not maintain its own policies relating to the prevention and detection of fraud and error but instead depends on those in place at its partner bodies. We reviewed the arrangements in place at NHS Ayrshire and Arran and North Ayrshire Council through consideration of the work by partner body auditors and found them to be adequate. The IJB has a Code of Conduct in place to which members subscribe and the Members' Registers of Interest are publicly available on the websites of the partner bodies.

63. Appropriate arrangements are in place for the prevention and detection of fraud and error. We are not aware of any specific issues we require to bring to your attention.

3. Vision, leadership and governance

The IJB must have a clear vision and strategy and set priorities for improvement within this vision and strategy.

Main Judgements

The IJB has a clear strategic vision that is supported by its partners.

A review of the Integration Scheme is ongoing. A revised scheme is to be considered by the Health Board and Local Authority and submitted to the Scottish Government for approval.

Governance arrangements are appropriate and generally operate effectively.

The IJB has a clear strategic vision that is supported by its partners

64. The Public Bodies (Joint Working) (Scotland) Act 2014 requires the IJB to prepare a strategic plan that sets out the arrangements in place to carry out the integration functions over the period of the plan. The Act also requires that the plan set out how those arrangements are intended to achieve, or contribute to achieving, the national health and wellbeing outcomes.

65. To support the IJB in achieving these responsibilities, it has established a clear strategic vision as set out in its “Caring Together” Strategic Plan 2022-2030. The plan contains five strategic priorities:

- Enable communities.
- Develop and support workforce.
- Provide early and effective support.
- Improve mental and physical health and wellbeing.
- Tackle inequalities.

66. The IJB provides services as set out in its Integration Scheme. The Strategic Plan objectives aim to give direction to the services provided and commissioned by the IJB and are based on its engagement with its partners and other key stakeholders together with consideration of national outcomes.

A review of the Integration Scheme is ongoing. A revised scheme is to be considered by the end of 2023/24 and submitted to the Scottish Government for approval

67. The Public Bodies (Joint Working) (Scotland) Act 2014 places a legal duty on councils and health boards to review the Integration Schemes at least every 5 years to consider whether any changes are necessary or desirable. The Integration Scheme for the North Ayrshire IJB was last updated in 2019. The other Councils (South and East Ayrshire) aligned with NHS Ayrshire and Arran carried out their reviews in the preceding year.

68. The IJB and its partners are working closely with colleagues in South and East Ayrshire Councils and with NHS Ayrshire and Arran to undertake a review of the current scheme. The review is ongoing and there is a desire from the NHS Board to review the balance of financial risk between the Health Board and Local Authorities in relation to primary care prescribing and overspends, and payments through set aside for acute beds occupied by delayed discharge patients.

69. The revised Integration Scheme will be considered by IJB and its partners by the end of 2023/24 and submitted to Scottish Government for approval.

Governance arrangements are appropriate and generally operate effectively.

70. There continues to be an increasing focus on demonstrating the best use of public money. Openness and transparency in how a body operates and makes decisions is key to supporting understanding and scrutiny. Transparency means that the public has access to understandable, relevant and timely information about how the body is taking decisions and using resources.

71. All IJB meetings and committees took place mainly via remote conferencing in 2022/23. The meeting papers and minutes are available on the IJB's website. Members of the public are able to observe/attend the live online meetings of the IJB and request a recording. In recent months meetings have been hybrid (at IJB offices and on Teams). We consider that governance arrangements are appropriate and generally support effective scrutiny, challenge and decision making.

Development of a National Care Service

72. In September 2022, the North Ayrshire Integration Joint Board submitted a response to the Scottish Parliament's Health, Social Care and Sport Committee consultation on the publication of the National Care Service (Scotland) Bill. The Bill highlighted a number of key concern areas for the IJB and the Health and Social Care Partnership, including how the future health and social care workforce will be structured, how services will be aligned and integrated, and the impact the development of a National Care Service could have on local people, service users and patients.

4. Use of resources to improve outcomes

The IJB needs to make best use of its resources to meet stated outcomes and improvement objectives, through effective planning and working with strategic partners and communities.

Main Judgements

Performance management arrangements are effective with indicators and targets kept under review. These arrangements contribute to the IJB's Best Value duty.

Performance in relation to the national measures highlights both areas of improvement and areas of declining performance over the last year.

Performance management arrangements are effective with indicators and targets kept under review. These arrangements contribute to the IJB's Best Value duty

73. Integration Joint Boards have a statutory duty to have arrangements to secure Best Value. To achieve this, IJBs should have effective processes for scrutinising performance, monitoring progress towards their strategic objectives, and holding partners to account.

74. We have not undertaken any specific Best Value work in 2022/23. However, based on our findings in this report, we consider that the IJB has arrangements in place to secure Best Value. This is evidenced through:

- a clear strategy (Strategic Plan 2022-30) and performance reporting, including its framework for continuous improvement.
- established governance and decision-making arrangements.
- recognition that strategic priorities must be delivered within the financial and workforce resources available.

75. The Public Bodies (Joint Working) (Scotland) Act 2014 requires the IJB to produce an annual performance report covering areas such as assessing performance in relation to national health and wellbeing outcomes, financial performance, and best value, reporting on localities, and the inspection of services.

76. The Annual Performance Report 2022-23 was presented to the IJB in August 2023. The report is informative and transparent. It details in a balanced

way the IJB's performance in the year, including its financial performance. It also includes a section on Best Value, including details of recent independent inspection report findings and the IJB's response.

77. The IJB has effective arrangements in place for managing and reviewing performance.

Performance in relation to the national measures highlights both areas of improvement and areas of declining performance over the last year

78. There are 16 local indicators used for performance reporting by the IJB. However for comparability when assessing the performance of the IJB, we have considered the Ministerial Strategic Group for Health and Community Care measures that are also used to track performance in Integration Authorities. [Exhibit 7](#) sets out the IJB's results against these measures for 2022/23.

Exhibit 7 National performance measures (age 18+)

Measures	22/23 performance**	Improving from 21/22
Unplanned admissions	14.5% increase	No
Emergency department attendances	7.5% decrease	Yes
Unplanned bed days (acute)	22.0% decrease	Yes
Emergency bed days (mental health)	N/A*	N/A
Emergency bed days (geriatric long-stay)	N/A*	N/A
Delayed transfers of care (all)	4.3% increase	No
End of life care	N/A*	N/A
The balance of spend across institutional and community services	N/A*	N/A

Source: North Ayrshire IJB

* Data for 2022/23 still to be confirmed.

** Column contents are the most up to date data information received from Scottish Government statisticians.

79. Performance in relation to the national measures shown above highlights both areas of improvement and areas of declining performance over the last year. Unplanned admissions and delayed discharge bed days have both increased but there have been year on year improvements in ED attendances and unplanned bed days in acute. This is as a result of ongoing work to improve Unscheduled Care performance and flow through hospital, for example

4. Use of resources to improve outcomes | 23

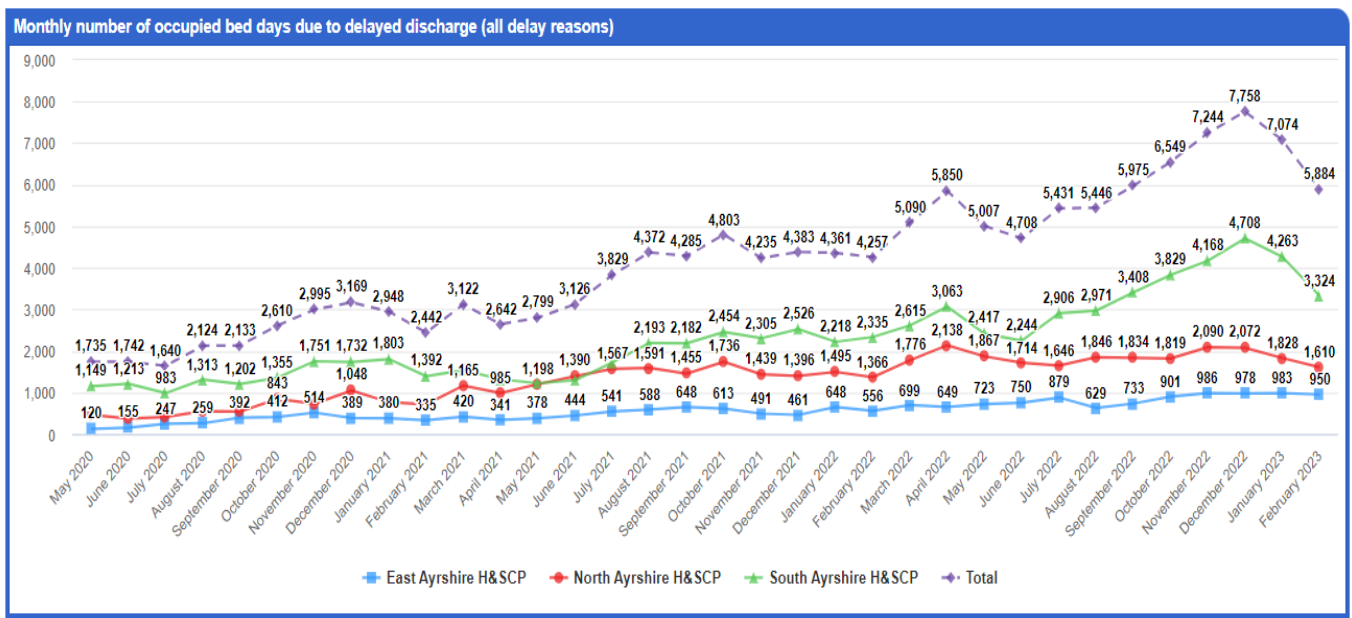
the Flow Navigation Centre which re-directs people from ED to other pathways where appropriate and the work taken forward jointly with HSCP and acute colleagues on Discharge without Delay which has seen improvements in discharge planning and flow through the acute hospitals.

The IJB continues to experience challenges with delayed transfers of care. It is working with partners to address the issue

80. The ongoing challenges with the number of delayed transfers of care are a focus for the IJB and its partners. NHS Ayrshire and Arran’s performance reporting notes that Delayed Discharge Occupied Bed Days (OBDs) for all delay reasons (see [Exhibit 8](#)) increased each month to a record high of 7,758 in December 2022, although subsequently fell to 5,884 in February 2023, a decrease of 24.2% since December 2022, and the lowest figure recorded since September 2022.

81. Within North Ayrshire Health and Social Care Partnership, the number of OBDs for all delay reasons dropped from 2,072 in December 2022 to 1,610 in February 2023.

Exhibit 8 Number of bed days occupied by delayed transfers of care (all reasons)



Source: NHS Ayrshire and Arran

82. In its January 2022 Social care briefing, Audit Scotland noted that current issues experienced by the social care sector, particularly regarding workforce pressures, are being felt nationally.

83. During 2022/23 the Partnership reviewed its systems for utilising interim beds for those who can be discharged for assessment to consider their needs out with a hospital setting. Additional investment was also made in the Care at Home workforce, however the IJB recognises delayed transfers of care as an area that requires further action and that work is needed to:

4. Use of resources to improve outcomes | 24

- Reform acute services to reduce length of stay, close speedily all unfunded beds and thereafter close funded acute beds to release cash releasing efficiency savings.
- Take forward the work around the Acute Set-aside resource in Ayrshire and Arran. This work is being progressed by the Pan Ayrshire Directions Group together alongside the review of Integration Schemes.

84. During 2022 the IJB were presented with two reports (in June and November) on the work in progress to improve Unscheduled Care performance across Ayrshire and Arran. These provided an update on the use of resources allocated by Scottish Government during winter 2021, and the plans in place to improve North Ayrshire performance particularly in relation to delayed discharges.

85. As noted at [paragraph 68](#), work is ongoing between the health board and the IJBs around set aside services and the development of commissioning plans as the Integration Schemes are reviewed. We will continue to monitor developments in this area during 2023/24.

The IJB has produced an annual climate change report in line with Scottish Government guidance

86. 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. This 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.

87. Climate change decision making sits within North Ayrshire Council and the NHs Ayrshire and Arran. Within each partner there are allocated officers who oversee climate change and sustainability across the range of their activities. The IJB does not have any direct action as the activities are allotted to either the Council or NHS.

88. 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 the Sustainable Scotland Network (SSN). The IJB has submitted an annual return each November to the SSN.

Appendix 1. Action Plan

2022/23 Audit Scotland recommendations

Issue/risk	Recommendation	Agreed management action/timing
<p>1. Debtor balances due from partners</p> <p>A variance of £0.936 million exists between total IJB reserves (£17.664 million) and debtor balances due from partners' audited accounts (£16.728 million). The IJB has accepted that there may be deficiencies with the approach to calculating balances due from partners that it will aim to address.</p> <p>Risk; There is a risk that IJB debtors are inaccurately disclosed in the financial statements.</p>	<p>The IJB has decided not to adjust the 2022/23 accounts in relation to balances due from partner bodies. While we are satisfied this has not resulted in a material misstatement, we recommend that the IJB review its approach to the calculation of these debtors.</p> <p>(Exhibit 2)</p>	<p>Action: Further work is required to explore the reasons behind the differences. Any corrections will be made during 2023/24 with a new process in place to ensure this does not reoccur.</p> <p>Officer: Paul Doak, Head of Service (Finance and Transformation)</p> <p>Target Date: 31/03/2024</p>
<p>2. Transformation Plan</p> <p>The IJB needs to be clearer about how the ongoing improvement activity makes a difference to the outcomes the IJB and its partners want to achieve. Clear alignment is also required with the health board's Annual Delivery Plan and the council's Sustainable Change Programme.</p> <p>Risk: It is not clear how the individual deliverables and milestones within the current Transformation Plan contribute to the achievement of the organisational priorities.</p>	<p>The IJB and its partners need to clearly set out what achieving its intended outcomes looks like in the short, medium and longer term.</p> <p>(Paragraph 52)</p>	<p>Action: The Transformation Plan is currently undergoing a thorough refresh to ensure it is focussed on the financial challenges ahead. This will include ensuring that there are clear links between the transformation projects and the IJB strategic priorities.</p> <p>Officer: Paul Doak, Head of Service (Finance and Transformation)</p> <p>Target Date: 31/03/2024</p>

Follow-up of prior year significant finding made by Deloitte

Recommendation	Update on agreed management action / timing
<p>b/f 1. Review of journals at NHSAA</p> <p>No evidence of review of journals in NHSAA audit in 2021/22</p>	<p>An updated position has been reported in 2022/23. The assurance provided by the NHS Ayrshire and Arran auditor recorded that members of the health board finance team can post journals to the financial ledger without secondary authorisation. They have recommended in their 2022/23 action plan that the board should introduce robust authorisation controls to mitigate the risk of accounting entry errors, and misstatements, in the annual report and accounts. This will be implemented by March 2024.</p>

Appendix 2. Summary of uncorrected misstatements

We report all uncorrected misstatements in the annual report and accounts that are individually greater than our reporting threshold of £250 thousand.

The table below summarises uncorrected misstatements that were noted during our audit testing and were not corrected in the financial statements. Cumulatively these errors are below our performance materiality level as explained in [Exhibit 1](#). We are satisfied that these errors do not have a material impact on the financial statements.

Narrative	Account areas	Comprehensive income and expenditure statement		Balance sheet	
		Dr	Cr	Dr	Cr
Accounting Misstatements		£000	£000	£000	£00
1. Debtor balances due from partners	Short term debtors				936
	Usable reserves			936	

North Ayrshire Integration Joint Board

2022/23 Annual Audit Report

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

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Integration Joint Board 16th November 2023

Subject :	2022/23 Audited Annual Accounts
Purpose :	The Board is required to approve the audited annual accounts for 2022-23 for issue and to consider the report from External Audit.
Recommendation :	That the Board: (a) Note that Audit Scotland have completed their audit of the annual accounts for 2022-23 and have issued an unqualified independent report auditor's report; and (b) Approve the Audited Annual Accounts to be signed for issue.

Direction Required to Council, Health Board or Both <i>(where Directions are required please complete Directions Template)</i>	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership

1.	EXECUTIVE SUMMARY
1.1	The Integration Joint Board (IJB) was required to produce a set of annual accounts for 2022-23. These accounts were produced within the statutory timescale and have been subject to independent audit by the Integration Joint Board's external auditors, Audit Scotland.
1.2	The external auditor is required to report on certain matters arising to those charged with governance in sufficient time to enable appropriate action to be taken before the financial statements are approved and certified. The audit process has been completed and Audit Scotland have issued an unqualified independent auditor's report.
1.3	As part of the independent audit there were some minor presentational changes required and these have been updated in the final accounts. There are no changes to the overall financial position reported to the Performance and Audit Committee in

	June. An accounting misstatement was identified which was well within the materiality threshold and any corrective action will be taken ahead of the 2023-24 audit.
2.	BACKGROUND
2.1	The Integration Joint Board is subject to the audit and accounts provisions of a body under section 106 of the Local Authority Government (Scotland) Act 1973. This requires annual accounts to be prepared with the reporting requirements specified in the relevant legislation and regulations. The requirements are proportionate to the number of transactions of the Integration Joint Board whilst complying with the requirement for transparency and true and fair reporting in the public sector.
2.2	The audited annual accounts have been prepared in accordance with the Code of Practice on Accounting for Local Authorities in the United Kingdom 2022-23. Additional guidance was issued by the Scottish Government Integrated Resources Advisory Group (IRAG) and CIPFA LASAAC and this guidance has been followed to produce the unaudited accounts.
2.3	The Audited Annual Accounts for 2022-23 are included as Appendix 1, these incorporate the independent auditors report. Audit Scotland are able to conclude that the Integration Joint Board's accounts present a true and fair view of the IJB's financial position.
2.4	Appendix 2 includes a letter of representation signed by the Head of Service (Finance and Transformation) as responsible officer. Audit Scotland's External Audit Annual Audit Report to members, which summarises the findings of the audit, is a separate item on the agenda.
2.5	Audit Scotland have given an unqualified opinion that the 2022-23 financial statements give a true and fair view of the financial position and expenditure and income of the IJB for the year, concluding that the accounts have been properly prepared in accordance with relevant legislation, applicable accounting standards and other reporting requirements. The overall financial position remains as reported to the Performance and Audit Committee in June 2023.
2.6	Audit Scotland identified an accounting misstatement during the audit relating to a difference between total IJB reserves (£17.664million) and the debtor balances due to the IJB from partners' audited accounts (£16.728million). This is well within the materiality threshold. This difference requires to be reviewed through the ledgers and any corrective action will be taken ahead of the 2023-24 audit and reported to the IJB.
2.7	The Integration Joint Board are required to formally approve the Audited Annual Accounts and thereafter they will be published on the partnership website.

3.	PROPOSALS
3.1	The Board is invited to: (a) note that Audit Scotland have completed their audit of the annual accounts for 2022-23 and have issued an unqualified independent auditor's report; and (b) approve the Audited Annual Accounts to be signed for issue.
3.2	<u>Anticipated Outcomes</u> The annual accounts are a key statutory reporting requirement and can be a useful way to join up financial and service delivery performance information in a readily available public document.
3.3	<u>Measuring Impact</u> Progress against the recommendations will be reviewed by the Performance and Audit Committee during 2023-24.
4.	IMPLICATIONS
4.1	<u>Financial</u> The IJB are required to consider and approved the Audited Annual Accounts for 2022-23.
4.2	<u>Human Resources</u> None.
4.3	<u>Legal</u> None.
4.4	<u>Equality/Socio-Economic</u> None.
4.5	<u>Risk</u> The report falls in line with the agreed risk appetite statement which is a low-risk appetite in respect to adherence to standing financial instructions, financial controls and financial statutory duties and a high-risk appetite in relation to finance and value for money.
4.6	<u>Community Wealth Building</u> None.
4.7	<u>Key Priorities</u> None.

5.	CONSULTATION
5.1	<p>The unaudited annual accounts were advertised and made publicly available for inspection. There were no objections noted from the public inspection.</p> <p>The Chief Officer, Chief Finance Officer and other officers of the IJB have been consulted during the audit process as required.</p>

Caroline Cameron
Director, Health and Social Care Partnership

For more information please contact Paul Doak, Head of Service (Finance and Transformation) (pdoak@north-ayrshire.gov.uk) or Eleanor Currie (Principal Manager, Finance) (eleanorcurrie@north-ayrshire.gov.uk)

Appendices

- Appendix 1, Audited Annual Accounts 2022-23
 - Appendix 2, Letter of representation



Annual Accounts for Period Ending 31 March 2023



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Management Commentary

This publication contains the Annual Accounts of North Ayrshire Integration Joint Board (IJB) for the period ended 31 March 2023.

The Management Commentary outlines the key messages in relation to the IJB's financial planning and performance for the period 2022-23 and how this has supported delivery of the IJB's strategic priorities.

This commentary also looks forward, outlining the future financial plans for the IJB and the challenges and risks that we will face as we strive to deliver services that continue to meet the needs of the people of North Ayrshire following the Covid19 pandemic.

North Ayrshire IJB

Each of the three Ayrshire Councils and NHS Ayrshire and Arran established the Integration Joint Boards on 1 April 2015. The IJB's purpose is to improve the health and wellbeing of local people, create support within our communities and deliver joined-up care pathways for people who use health and social care services, particularly those who have complex care needs.

North Ayrshire Health and Social Care Partnership (NAHSCP/the Partnership) is the name given to the service delivery organisation for functions which have been delegated to the IJB.

In April 2022, the Partnership published its long-term strategic plan, 'Caring Together 2022-30'. This represents the first time the Partnership has produced a strategic commissioning plan over the longer term.

In developing this plan the Partnership undertook a review of its vision, values and strategic priorities.

Following consultation, the Partnership agreed to maintain the vision that:

'All people who live in North Ayrshire are able to have a safe, healthy and active life'

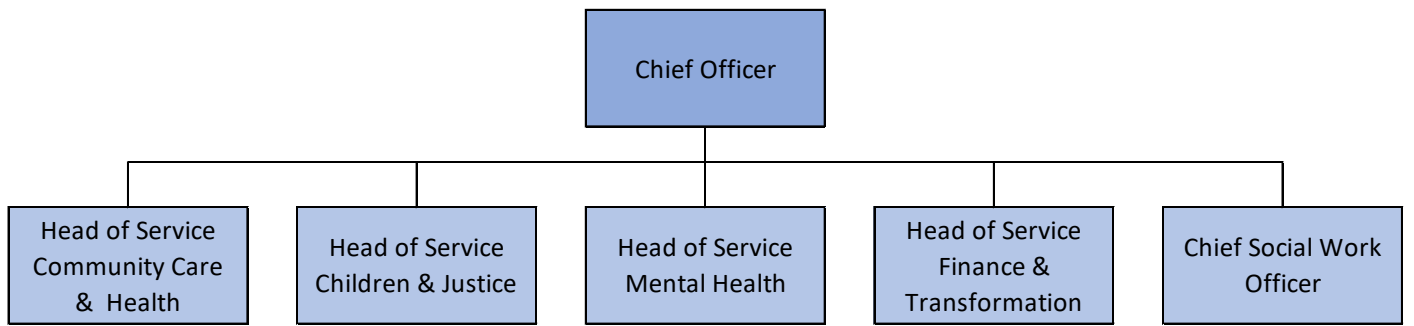
This vision is supported by five strategic priorities:



NAHSCP Priorities

North Ayrshire Council and NHS Ayrshire and Arran delegate responsibility for the planning of services to the IJB. The IJB commissions services from the Council and NHS and is responsible for the operational oversight of integrated services. The IJB Chief Officer is responsible for the operational management of integrated services.

The Chief Officer is supported by heads of service for each service area, the Chief Finance and Transformation Officer, the Chief Social Work Officer and the wider partnership management team.



NAHSCP structure

Following a revision of the Partnership’s values, people accessing Health and Social Care Services across North Ayrshire can expect to experience: **Care, Empathy and Respect**

The plan built on much of the work that had been established during the development of the one-year 2021-22 bridging plan, with key members of the Strategic Planning Group and other stakeholders being actively involved in its development.

In addition, engagement across local health and care networks provided further valuable information. In October 2020 we launched the North Ayrshire Wellbeing Conversation to help inform both our one-year bridging plan and our longer-term strategy. This online engagement approach ran for 18 months and attracted 727 responses. As well as providing insights into the health and wellbeing approaches of North Ayrshire residents, it also helped us to identify volunteers to join the North Ayrshire ‘Care Improvement Network’, a new flexible approach to engagement.

Delivering the Plan

The plan identifies several key ambitions against each of these priorities, underpinning our vision for health and social care services in the future.

Delivery of the plan will be facilitated by several key enablers, including the Medium-Term Financial Outlook, Transformation Plan, and Participation and Engagement Strategy.

The plan is supported by key strategic actions which are each aligned to a strategic priority and service ambitions. These actions will form part of the HSCP’s performance reporting going forward.

Further, implementation of the strategic plan is key for the Partnership to achieve the nine National Health and Wellbeing Outcomes as set by the Scottish Government.

More information about the Strategic Plan 2022-30 can be found at: [‘Caring Together’ HSCP Strategic Commissioning Plan \(2022-30\)](#)

North Ayrshire Today

North Ayrshire is home to an estimated 133,806 people. The local area covers approximately 340 square miles and includes the islands of Arran, Great Cumbrae and Little Cumbrae.

The local population is expected to fall over the next 8 years, and we expect that there will be fewer people aged 65 and under, reducing the number of working age adults. By 2030, we expect the local population to fall to 129,987 with those 65 and over accounting for 27% of the local population. Between 2022 and 2030, the percentage of the adult (18-64) population will fall from 57% to 53%.

By 2030, the local population of people 75 and over will grow by 16%, to 16,905 (from 14,546 in 2022). In contrast, those aged 65 to 74, will increase by 11%, to 19,207.

Currently, 27% of local people are known to have some form of long-term condition. It is recognised that the prevalence of people with a long-term condition increases by age. For example, only 1.7 people in every 10 under the age of 65 has a long-term condition, whereas 8.2 people in every 10 over the age of 85 has a condition.

In contrast to the growth in the older population, the life expectancy figures for North Ayrshire have dropped in recent years. At the most recent reporting period (2020), female life expectancy was 79.68 years, compared to 80.52 in 2015, and male life expectancy was 74.47 years compared to 75.92. For both females and males, life expectancy is lower when compared to the Scottish Average.

Healthy life expectancy for men North Ayrshire has increased in recent years. However, we see a decreasing trend for women. In the latest time-period available (2019-2021 3-year aggregate), the average healthy life expectancy in North Ayrshire was 56.5 years for men and 52.1 years for women. This is a decrease across both sexes compared to 2017-2019 data, which highlighted the average healthy life expectancy for men was 58.5 years and 56.3 years for women.

When compared against life expectancy this suggests that, while women will generally live longer than men, they will spend a greater proportion of their life in ill health. In 2019, men could expect to live 24.1% of their life in ill health, compared to 34.6% for women.

Socio-Economic Profile

The Scottish Index of Multiple Deprivation (SIMD) 2020, reports that 74 of North Ayrshire's 186 data-zone areas are ranked in the top 20% for levels of deprivation. As such, 41% of North Ayrshire residents live in areas identified as amongst the most deprived in Scotland. This equates to almost 56,000 people locally living in areas of relatively high deprivation.

North Ayrshire Council's latest economic briefing (covering the period from Jan to Dec 2021), reported the local employment level at 64.9%, the lowest in Scotland (Scottish figure was 72.1%). Over the same period, North Ayrshire also reported an unemployment level of 4.9%, the second highest in Scotland and above the Scottish figure of 3.9%. Again, over the same period, North Ayrshire reported 30.2% of local people as economically inactive, again higher than the Scottish figure of 23.8%.

Overall, there are 23,700 economically inactive people in North Ayrshire and 56,600 economically active people. This means that there are roughly two economically inactive people for every five economically active people. North Ayrshire's overall benefit claimant count (16-64 years) in February 2022 was 5.0%, which is below pre-Covid19 levels. The Scottish rate for the same period was 3.6%.

A snapshot of achievements during 2022-23

Tackle Inequalities

- **Supported Accommodation** - The construction of new supported accommodation developments across several areas of North Ayrshire concluded during 2022/23, with the opening of those in Largs and Stevenston. The Nethermains supported accommodation in Kilwinning has also had additional capacity.



- The **Financial Inclusion Pathway** for Children and Families was refreshed and relaunched in June 2022 within Universal Early Years. The new pathway, originally developed in 2019, now includes supports for employability and debt advice, as well as benefits and energy advice.
- **Additional Welfare Advice staff in GP surgeries** – Welfare Advice and Health Partnership funding allowed additional welfare rights advisors in GP Practices in areas of multiple deprivation for a two-year period. Embedded advisors provide regulated and accredited advice on income maximisation, social security, debt resolution, housing, and employability issues as well as representation at tribunals.

Enable Communities

- The Mental Health and Wellbeing in Primary Care working group has completed an initial period of engagement with service user and stakeholders. 451 survey questionnaires were completed, with 47 individuals attending focus groups across the localities. Follow up focus groups with partners will take place with a particular group focused on digital solutions and the new mental health and wellbeing strategy.



- **Supporting Needs Collaborative Improvement Day:** The Third Sector Interface North Ayrshire collaborated with the Partnership to deliver a marketplace event as part of this day, providing an opportunity for colleagues to meet a range of third sector organisations and groups offering services within our local communities to families, especially those with additional support needs.
- **Locality Conversation Approach** - these are larger stakeholder events facilitated in community settings in each locality in North Ayrshire. Staff members from across services in the Partnership, Council, NHS, and 3rd sector attend alongside the community members in each locality. The events are facilitated by the Partnership Engagement Officer team with staff teams being encouraged to help share possible topic discussions based on what is going on in services at that time. These events enable people to have conversations, ask questions and share ideas around health and social care services in their locality.

- The Partnership is implementing **Signs of Safety**, a strength and safety organised model of practice which has been evaluated as effective in driving cultural change. Evaluation from other areas which have implemented Signs of Safety has indicated:
 - Families feel more empowered and are more able to understand and address the concerns and requirements of child protection authorities.
 - Other things being equal, the number of children removed from families reduces relative to the number of families with whom authorities work more intensively to build safety around the children.
 - Practitioners report greater job satisfaction due to the clarity of the approach, the usefulness of the tools and the impact for the children and families.
- The **Changing Rooms** project was launched by Developing Young Workforce Ayrshire. It is the second of five such projects in the pipeline in North Ayrshire – two baristas, one beauty and two community cafes. We are very pleased that service users are already being trained and gaining skills and qualifications.

Improving Mental and Physical Health and Wellbeing

- **Partnership working with the TSI: Scottish Government Communities Mental Health Fund** - as part of the Scottish Government's Recovery and Renewal Fund, a second year of funding was allocated to North Ayrshire to support community-based initiatives that promote and develop good mental health and wellbeing within the adult population. The North Ayrshire Third Sector Interface led the local fund initiative, with NAHSCP supporting the planning, process design, communication and implementation along with others.

As well as aligning with our Locality priorities, our strategic priorities and CPP Locality priorities, the Fund aims also overlapped with our longer-term strategic response to the Scottish Government's Mental Health Strategy.
- The new **Alcohol and Drug Liaison Team** was launched in August 2022. This new team replaces the previous Alcohol Liaison Team as well as the Non-Fatal Drug Overdose Pathway and operates 7 days a week from 9am -7pm. Priority for the team is the implementation of the MAT standards. The model being used is under continual review and a proposal has been made to introduce an Advanced Nurse Practitioner within the team using established funding.
- The **Emergency Services Mental Health Pathway** launched in May 2022. The pathway is operational 24/7 and is for Police Scotland and Scottish Ambulance Service to use when they are responding to individuals who they feel have a primary mental health concern and who may require an urgent mental health response. This is a whole life referral pathway, with no upper or lower age limits. This pathway is staffed by charge nurses recruited into this specific role from existing teams. The pathway is well utilised which has seen a decrease in patients attending Emergency Departments.



- **Short Term Support Worker Recovery Team** – as an addition to the Mental Health Social Work Team, the Support Worker Recovery Team was developed to offer short term support to individuals with Mental Health difficulties. The service has been invaluable in facilitating timeous discharge from hospital support and preventing unnecessary admissions. It has also supported the service in the short term with unmet need, whilst awaiting appropriate packages of care.

Develop and Support our Workforce

- **Primary and Social Care Wellbeing Fund** – grants have been made available to benefit the ‘wellbeing’ of North Ayrshire HSCP staff across our whole system - including NHS, Social Care, GP Practice and Primary Care teams, personal assistants, third and independent service providers who are commissioned by the HSCP including carers, voluntary groups, volunteers, and independent sector care homes.
- **Social Work Trainees** - the strategy of building workforce capacity and growing our own Social Workers through the development of the professional training pathway was agreed and resources have been identified to support three placements.
- **The Unscheduled Care Service** has undergone a full rebranding as a 24/7 Unscheduled Care Service made up of the following teams: Adult Mental Health Liaison, Elderly Mental Health Liaison, Alcohol and Drug Liaison, Intensive CPN team (previously CRT) and Mental Health ANPs. This service models provides flexibility across the service as well as enhancing working relationships and development as a whole service.
- **Pan Ayrshire Duty Service:** whilst it has been identified that the Community Mental Health Teams (CMHTs) across Ayrshire & Arran require an additional staffing resource to meet demand, the service has nonetheless looked at innovative ways to maximise the current workforce. The Pan-Ayrshire Duty Service is one such test of change (TOC) that is proving effective in providing some staffing resource release back to the CMHTs. Additionally, there is shared learning occurring for the CPNs involved from each of the localities across Ayrshire. Although the TOC is not complete, early indications are that we should continue with the shared model as not only is it delivering service benefits, patient care as always remains high.



Provide Early and Effective Support

- The North Ayrshire **Suspected Death by Suicide Review Group** has continued to evolve throughout 2022/ 2023. The Group initially reviewed all deaths that were not already subject to formal processes. Learning from the reviews to date has allowed us to not only consider what training and development is required, but considering where it is required.
- **Suicide Prevention Toolkit for the Third Sector:** During a marketplace event hosted by the Third Sector Interface North Ayrshire to launch Year 2 of the Communities Mental Health and Wellbeing Fund, it was identified that many third sector groups and organisations are not



confident in dealing with potential suicide concerns. A collaborative working group has been established involving colleagues from the Partnership, health, and the third sector, to develop a toolkit to support increased awareness and confidence.

- NHS Ayrshire and Arran and the three HSCPs secured **UNICEF Baby Friendly Gold Achieving Sustainability accreditation** in November 2022. Baby friendly accreditation is based on a set of inter-linked evidence based, child rights-based standards relating to the care of babies, their mothers and families provided by maternity, neonatal and health visiting services. In our case, this relates to the care provided by the integrated Community Infant Feeding team which includes Health Visitors, Family Nurses, support staff and the Breastfeeding Network.

Organisational Performance

Our new 2022-2030 strategic plan was approved and implemented with the year one performance being monitored via the quarterly Performance and Audit Committee. A full review of service planning and performance measures was undertaken resulting in a new agreed set of measures attributed to our new strategic objectives and to reflect the transformation of services to meet continual service improvement and demand. Where an indicator presents as being off track, commentary with proposed resolution and future mitigation is provided on how to improve future performance.

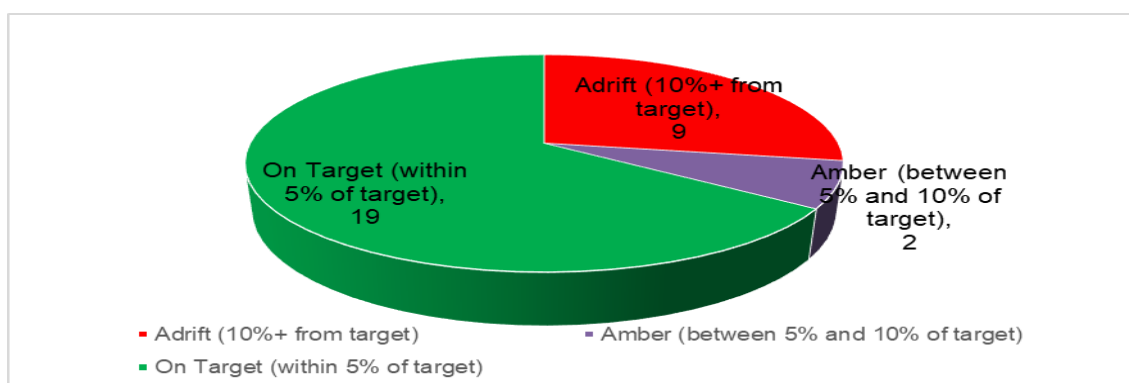
Performance reporting comprises of a series of key performance indicators and key actions, which link directly back to our strategic plan. Performance is reported at a number of levels within the organisation including the Integration Joint Board Performance and Audit Committee, the Integration Joint Board (IJB), the Joint Review with North Ayrshire Council and NHS Ayrshire and Arran Chief Executives, and service performance reviews within each service area.

As is standard practice a report was presented to each meeting of the Performance and Audit Committee listing all changes to service performance measures for 2022-23. These included:

- Target resetting
- Removal of measures that are no longer reflective of the service improvement
- The inclusion of new measures to meet service improvement and current operational demand

For the year 2022-23 there were 30 agreed performance measures across all service areas. Due to the time for collation and verification 2 measures are included from Q3 as they are reported one quarter in arrears.

The latest Performance and Audit Committee Report shows progress against the key measures, and this is represented in the chart below.



As part of our commitment to continuous improvement, we recognise areas where we could do more and by monitoring indicators which present as significantly adrift enables us to identify and target plans to address performance issues. The key areas off target for 2022-23 were:

- Recruiting 6 new foster carers during the year
- Supporting younger service users into employment, training, education via Employability Mentors
- Reducing the number of people waiting for Health and Community Care assessment
- Reducing the number of people on the waiting list for a Care at Home service in the Community and in Hospital
- Reducing the number of days people spend in hospital beyond their discharge date
- Absence levels

Provisions made under Coronavirus (Scotland) Act 2020 were removed for the reporting year 2022-23. As such further information on performance will be contained in the Annual Performance Report due for publication at end of July 2023 following approval of the Performance and Audit Committee and the Integrated Joint Board.

Annual Accounts

The Annual Accounts set out the financial statements of the IJB for the period ended 31 March 2023. The main purpose is to demonstrate the stewardship of the public funds that have been entrusted to the IJB for the delivery of its vision and strategic priorities as outlined in the Strategic Plan. The requirements governing the format and content of the Annual Accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The Annual Accounts for 2022-23 have been prepared in accordance with this Code.

The Financial Plan

Strong financial planning and management is paramount to ensure our limited resources are targeted to maximise the contribution to our objectives. Delivery of services in the same way is not financially sustainable. The updated strategic plan approved for 2022-30 is underpinned by the need to learn from the pandemic and ensure opportunities are maximised to transform care models and find new solutions to ensure the future sustainability of high-quality health and care services.

In 2022-23 the IJB agreed a one-year balanced budget which included an overall savings requirement of £0.683m. The financial position was monitored closely during the financial period with an added focus on the risk in relation to the funding of Covid19 related costs.

The ability to plan based on the totality of resources across the health and care system to meet the needs of local people is one of the hallmarks of integrated care. Medium term financial planning is key to supporting this process and identifying the transformation and planned shift in resources to provide sustainable services to the local community over the medium term.

Going into 2023-24 there are unknowns relating to pressures, particularly staff pay awards which have not been agreed for either Council or NHS employees.

The impact of the policy, legislation and funding implications of the introduction of the National Care Services also remain unknown at this stage.

The Medium-term Financial Outlook (MTFO) was updated during 2022-23 and reported to the IJB in March 2023. This covers the period 2023-26.

Financial Performance

Financial information is part of the performance management framework with regular reporting of financial performance to the IJB. This included an integrated approach to financial monitoring, reporting on progress with savings delivery, financial risks and any variations and changes to the delegated budget. There were significant financial challenges during the period due to the impact of the pandemic. This resulted in additional costs being incurred, fluctuating service levels and partial non-delivery of the transformation programme and associated savings.

From month 4 the projected position has been an underspend. This demonstrates the continued focus on the financial position, tight financial controls, planned progress with savings delivery in many areas, and the focus on ensuring that the pandemic impacts were captured and funded appropriately.

From the outset of the pandemic the IJB acted very swiftly to respond and developed a mobilisation plan detailing the additional activities to support our response, alongside the estimated financial impact. Financial returns were submitted to the Scottish Government on a regular basis, on the premise that any additional costs aligned to mobilisation plans would be fully funded. Funding was

provided by Scottish Government in advance of the 2022-23 financial year to cover Covid-related costs in delegated services and surplus funding was recovered later in the year. It is not currently anticipated that any additional funding will be made available in 2023-24 for this purpose.

The overall financial performance against budget for the financial period 2022-23 (after adjusting for new earmarked reserves) was an overall underspend of £3.719m. This consisted of £3.170m of underspend in social care services and £0.549m underspend in health services.

This position includes the budget being held on behalf of the IJB by the Council for debt repayment. This £2.321m was allocated at the period-end which completely cleared the outstanding debt to North Ayrshire Council (£1.486m 2021-22). This debt related to historic overspends which North Ayrshire Council funded at the time and the IJB had to subsequently repay.

The table below reconciles the deficit on the provision of services of £11.568m as noted in the Comprehensive Income and Expenditure Statement to the financial outturn surplus position of £3.719m.

Reconciliation table	21/22	22/23
(Surplus) / Deficit on provision of services	(21.475)	11.568
Earmarked reserves released to services during the year	(1.159)	(19.506)
Repayment of Debt	1.486	0
Sub Total	(21.148)	(7.938)
NEW Earmarked Reserve Balances	18.232	4.219
Financial Outturn (underspend)	(2.916)	(3.719)

The table below summarises the financial performance for 2022-23 and 2021-22. This notes the budget outturn on a managed basis (including the full allocation for North HSCP lead partnership services), adjusts this for the net impact of lead partnership allocations across North, South and East Ayrshire and also for new earmarked balances.

The table includes the financial performance for services managed by the IJB during the period, therefore it excludes the large hospital Set Aside Budget of £32.267m which was allocated at the end of the period to the IJB. The set aside budget is included within the financial statements.

2021-22 Budget	2021-22 Actual	Variance (Fav) / Adv	Service	2022-23 Budget	2022-23 Actual	Variance (Fav) / Adv
£000	£000	£000		£000	£000	£000
81,840	77,629	(4,211)	Health and Community Care	85,261	85,286	25
88,742	81,491	(7,251)	Mental Health	96,133	92,731	(3,402)
36,579	37,818	1,239	Children, Families and Justice	38,076	40,290	2,214
50,073	50,047	(26)	Primary Care	51,357	51,277	(80)
6,853	6,771	(82)	Allied Health Professionals	9,532	9,463	(69)
29,214	17,627	(11,587)	Management and Support Costs	(175)	(6,460)	(6,285)
1,099	1,105	6	Change Programme	1,194	1,197	3
0	0	0	Chief Social Work Officer	2,570	866	(1,704)
294,400	272,488	(21,912)	TOTAL EXPENDITURE	283,948	274,650	(9,298)

2021-22 Budget £000	2021-22 Actual £000	Variance (Fav) / Adv £000	Service	2022-23 Budget £000	2022-23 Actual £000	Variance (Fav) / Adv £000
(294,000)	(294,400)	0	TOTAL INCOME	(283,948)	(283,948)	0
0	(21,912)	(21,912)	OUTTURN ON A MANAGED BASIS	0	(9,298)	(9,298)
0	764	764	Lead Partnership Allocations	0	1,360	1,360
0	(21,148)	(21,148)	OUTTURN ON AN IJB BASIS	0	(7,938)	(7,938)
0	18,232	18,232	New Earmarking	0	4,219	4,219
0	(2,916)	(2,916)	FINAL OUTTURN POSITION	0	(3,719)	(3,719)

The main areas of variance during 2022-23 are noted below:

Health and Community Care – overspend of £0.025m mainly relates to overspends in Integrated Island Services, supplementary staffing in rehab wards and care packages for people with a physical disability, offset by underspends in care home placements, reablement and care at home.

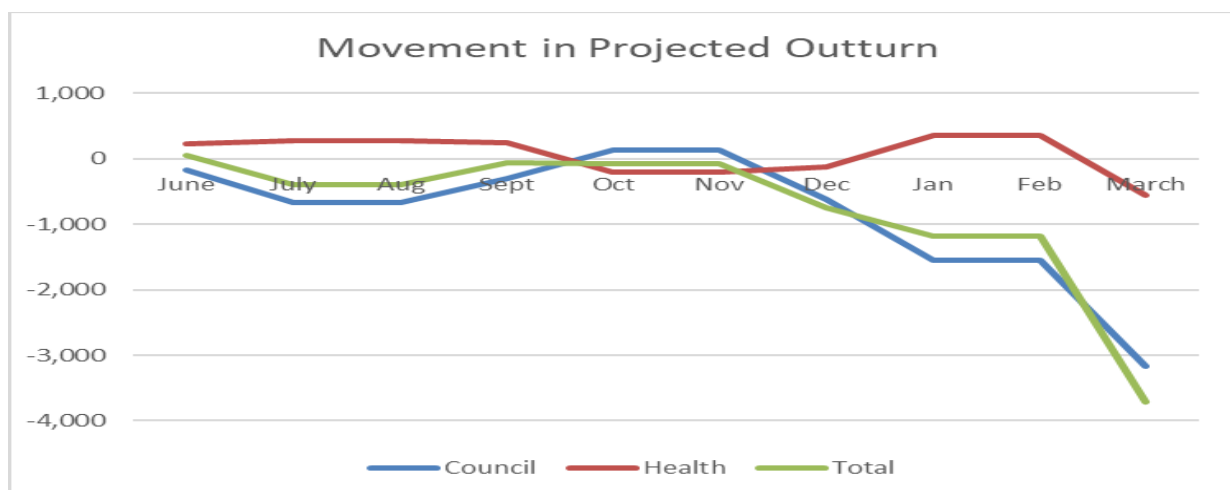
Mental Health – underspend of £3.402m which relates to underspends in community mental health, non-employee costs at Trindlemoss and the Lead Partnership for mental health (psychology, child and adolescent mental health services (CAMHS), Action 15 and psychiatry). These underspends are predominantly related to the level of vacant posts in these areas. There is also an underspend in the Alcohol and Drugs Partnership which will be earmarked for use in 2023-24.

Children, Families and Justice – overspend of £2.214m which is mainly related to overspends in services for care experienced children (residential care, respite care and employee costs) and services for children with a disability (residential care, respite care). These were partially offset by an underspend in the Whole Family Wellbeing Fund which will earmarked for use in 2023-24.

Management and Support Costs – underspend of £6.285m mainly relates to over-recovery of payroll turnover due to the level of vacant posts being higher than assumed when setting the budget, and underspends in transition funding, LD day care savings and an underspend in relation to the planned redesign of the West Road building which will be earmarked for use in 2023/24.

Movement in Projected Outturn Position:

The overall movement in the projected outturn during the period is illustrated below. This illustrates the continued improvement in the financial projection for 2022-23.



Lead Partnership Services

The final outturn is adjusted to reflect the impact of Lead Partnership services. In the absence of detailed service activity information and alternative risk sharing arrangements it was agreed that the outturn for all Lead Partnership services would be shared across the 3 partnerships on an NRAC (NHS Resource Allocation Committee) basis. This is pending completion of the ongoing work by the Ayrshire Finance Leads to establish the baseline resources for each partnership and how this compares to the fair share of resources.

The outturn of the lead partnership services for each IJB is provided below, the adjustment to the North IJB outturn reflects the impact of reallocating a share of the North lead partnership services underspend to the other two areas and receiving an NRAC share of the outturn for the South and East partnerships. In addition, any allocations of ring-fenced funding are returned to each IJB in line with allocations and expenditure to allow each IJB to carry forward for future use.

IJB	£000	Over/Under	Explanation of Outturn
North	(2,802)	Underspend	Mental health services, mainly due to vacancies and recruitment delays and underspend on the MH Recovery and Renewal Funding which is earmarked for use in 2023-24.
South	139	Overspend	Pressures from the community equipment store and continence service offset by underspends in the Family Nurse Partnership
East	(1,970)	Underspend	Primary care – mainly in the Primary Care Improvement Fund and Ayrshire Urgent Care Services (AUCS).

Set Aside Budget

The Integration Scheme establishes that pressures in respect of large hospital set aside budgets will be managed in-year by NHS Ayrshire and Arran. The 2022-23 budget delegated by NHS Ayrshire and Arran includes the acute set aside resource of £32.267m, this is based on Information Services Division Scotland (ISD) data. The set aside allocation below highlights that North Ayrshire's use of the resource is £0.650m (2021-22 £2m over) under the NRAC fair share:

IJB	NRAC Budget Share 2022-23 £m	NRAC %	Set Aside 2022-23 £m	Over / (Under) NRAC Fair Share £m
East Ayrshire	28.543	31.90%	26.555	1.988
North Ayrshire	32.917	36.80%	32.267	0.650
South Ayrshire	27.988	31.30%	30.626	(2.638)
Total	89.448	100%	89.448	0

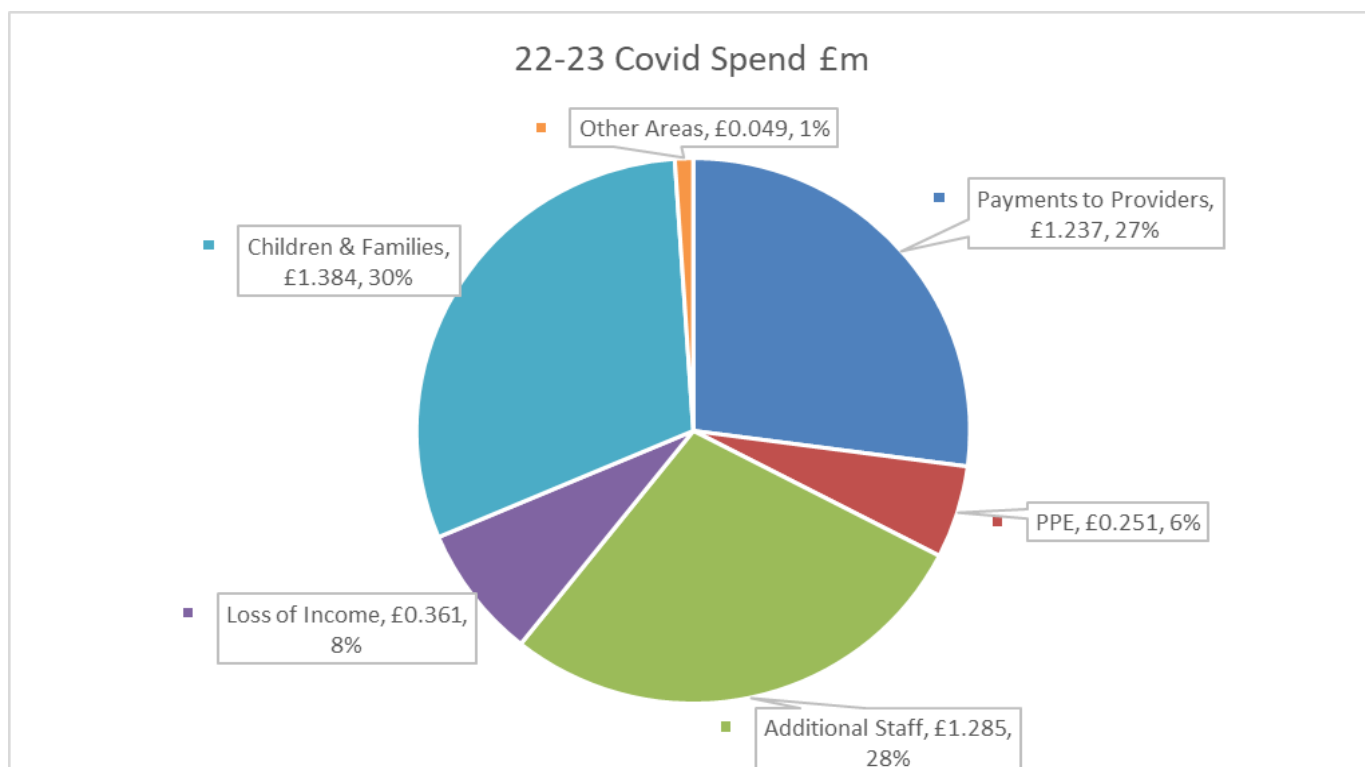
Covid 19 Costs

From the outset of the pandemic the IJB acted very swiftly to respond and developed a mobilisation plan detailing the additional activities to support our response, alongside the estimated financial impact.

COSLA Leaders and Scottish Government agreed an approach to supporting the social care sector to ensure that reasonable additional costs were met. Care home occupancy and sustainability payments were made to commissioned social care providers in line with the agreed National principles for sustainability and remobilisation payments to social care providers during Covid19.

The majority of the additional costs for the HSCP relate to the provision of social care services and the most significant areas are additional staff costs for staff absence, payments to commissioned care providers to ensure future sustainability and PPE. The additional spend during 2022-23 has been met from the Covid19 funding carried forward from 2021-22. £13.321m was brought forward for use in services delegated to the Partnership during 2022-23. The unused funding has been reclaimed by the Scottish Government and redistributed to Health Boards for Covid-related costs in non-delegated services.

The 2022-23 costs are shown in the pie chart below.



Climate Change

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 19 October 2022.

Both North Ayrshire Council and NHS Ayrshire & Arran submit separate reports to the SSN and these are published online. As the parent bodies of the IJB, both North 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. North 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 part of the transformational change programme.

Overall position

It is essential that the IJB operates within the delegated budget and commissions services from the Council and Health Board on that basis. Financial balance has been achieved in 2022-23 and significant progress has been made to ensure the ongoing financial sustainability of the IJB. This work will continue and be built upon moving into 2023-24.

Financial outlook, risks and plans for the future

The Scottish Government published an updated Medium-Term Financial Strategy (MTFS) in May 2022 which covers the period to 2026-27. It compares the funding and spending scenarios to assess the scale of the challenge. It was published alongside the Resource Spending Review for the same time period. The role of the MTFS is to set out Scotland's fiscal outlook over the coming years, including financial opportunities and risks that may impact on the fiscal position. In line with the recommendations of the Budget Process Review Group, the document does not set out new spending plans or explain how prioritisation decisions will be made to meet policy objectives. These decisions are made in the Scottish Government budget.

Three factors determine the available funding for the Scottish Budget:

- UK Government spending decisions: through the Barnett formula, the change in the Scottish Government's Block Grant each year is determined by the change in the UK Government's spending on areas devolved to the Scottish Parliament.
- Relative growth in Scottish Government and UK Government devolved tax revenues: under the Fiscal Framework, if Scottish devolved tax revenue per person grows relatively faster than in the rest of the UK, the Scottish Budget is better off and vice versa. This means that Scotland's budget is influenced not only by tax policy and economic performance in Scotland, but also by tax policy and economic performance in the rest of the UK.
- Relative growth in Scottish and UK social security expenditure: under the Fiscal Framework, if Scottish devolved social security expenditure grows relatively faster than in the UK, the Scottish Budget is worse off. If UK expenditure grows relatively faster, additional funds are available within the Scottish Budget. Again, this means that Scotland's budget is influenced not only by policy changes within Scotland, but also what happens in the rest of the UK

The MTFS notes that the funding available to Scottish Government is expected to grow steadily (by 14%) over the next four years to 2026-27, with slightly higher growth from 2025-26. In real terms the growth would only be 5% due to the effect of inflation. However, much of the growth relates to the Social Security block grant, driven by increased demand. Excluding this implies real terms growth of only 2% across the whole four-year period.

The Scottish Government MTFS models three scenarios (a central resource funding outlook and an upside and downside scenario, indicating plausible alternative funding paths) and outlines the immediate and longer-term pressures on public spending which need to be considered when developing spending plans to ensure that they meet the needs of a changing population and build resilience for the future

The Resource Spending Review, which was published at the same time, sets out the multi-year portfolio spending envelopes. The risks to the resource spending outlook include the following:

- Spending pressure from increased demand from an aging population
- Demand-led nature of social security expenditure
- Public sector pay
- Inflationary pressures

From 2016-17 to 2022-23 the Health and Social Care Portfolio has risen by £5bn and by the end of the spending review period in 2026-27 the total rise will have been £6.9bn.

The RSR also outlines the underlying growth in the size and cost of the public sector workforce, even since before Covid. Some of it relates to the devolution of new functions, but the RSR notes that the growth is not sustainable. The approach from 2023-24 onwards will be to contain the total cost of the public sector pay bill at 2022-23 levels – so increasing salary costs will need to be balanced by reductions in workforce numbers.

The Scottish Budget for 2023-24 highlighted:

- Investment of over £1.7 billion in social care and integration and lays the groundwork for the introduction of the National Care Service.
- The National Mission on drugs is supported by increased investment to £160 million, to reduce the avoidable harms associated with drugs and alcohol.
- Investment of £290.2 million over the coming year to tackle CAMHS and psychological therapies, waiting times backlogs, and deliver improved community-based mental health and wellbeing support for children, young people and adults.

Set Aside

The Partnership 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. Service areas most commonly associated with unplanned use are included in the Set Aside budget. Set Aside budgets relate to the strategic planning role of the Partnership. Key areas within this budget are:

- Accident and emergency
- Inpatient services for general medicine
- Geriatric medicine
- Rehabilitation
- Respiratory
- Learning disability, psychiatry and palliative care services provided in hospital

Acute Services within NHS Ayrshire and 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. There have been a high number of unfunded beds in use to meet demands and this pressure has been managed in-year by NHS Ayrshire and 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.

It is recognised 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.

The full implementation of the set aside arrangements is key to delivering this commitment to planning across the whole unplanned care pathway and partnerships must ensure that set aside arrangements are fit for purpose and enable this approach. This has not yet been achieved in Ayrshire and Arran as the priority was the response to Covid19.

Preparatory work is well underway with NHS Ayrshire and Arran and the other Ayrshire partnerships to progress and develop the set aside arrangements to fully implement the legislative requirement. This includes arrangements in relation to the use of Directions, Joint Commissioning Plans and overall progression towards fair share allocations of resources.

Directions

The Scottish Government issued Statutory Guidance in January 2020 outlining the requirements for the use of Directions from Integration Authorities to Health Boards and Local Authorities. The guidance sets out how to improve practice in the issuing (by IJBs) and implementation (by Health Boards and Local Authorities) of directions issued under the Public Bodies (Joint Working) (Scotland) Act 2014. It supersedes the Good Practice Note on Directions issued in March 2016.

The Scottish Government worked closely with IJB Chief Officers to better understand the diversity of practice across Scotland surrounding directions and to identify good practice. They also discussed the use of directions with a range of local systems at regular partnership engagement meetings, including with Health Board and Local Authority Chief Executives.

The three Ayrshire HSCPs worked together during 2022-23 to develop a template for the issuing of Directions and this was implemented across the system from April 2023.

National Care Service

The Independent Review of Adult Social Care (published February 2021) recommended the creation of a National Care Service (NCS), with Scottish Ministers being accountable for the delivery of adult social care services. In Autumn 2021, the Scottish Government consulted widely on the creation of a NCS which would have a much wider remit, assuming responsibility for the delivery of a community health and social care service which would support people of all ages. The establishment of a NCS will fundamentally change the role and operation of the Integration Joint Board and will have significant implications for the whole health and social care system. However, it is currently unclear what form the NCS will take.

The Scottish Government has published draft legislation and has committed to the NCS being operational by the end of the current parliamentary term in 2026; however, the legislation has been paused and is not currently expected to be voted on by Parliament until Autumn 2023.

Risk

The most significant risks faced by the IJB over the medium to longer term, alongside mitigation, are summarised below. All of these risks are rated as 'high'.

Ref	Title	Mitigation
SRR01	Financial Sustainability	<ul style="list-style-type: none"> * Updated Medium-Term Financial Outlook for 2023-26 * Transformation Board overseeing the programme of service re-design. * Outstanding debt to NAC repaid in full during 2022-23. * Integrated approach to managing totality of NHS and LA resources delegated to the IJB.

Ref	Title	Mitigation
		<ul style="list-style-type: none"> * Robust processes for monitoring projects and the monthly financial position. * The IJB had uncommitted financial reserves of £7.248m at the start of 2022/23, which equates to 2.6% of the budget.
SRR07	Demography and Inequality Pressures	<ul style="list-style-type: none"> * HSCP services work to address inequalities, for example our Money Matters service. * The Partnership will continue to work closely with partners to deliver the Fair for All pledges and progress the Fairer Food agenda. * Demography increases are factored into budget planning. * Equalities Impact Assessments considered as part of IJB decision making processes
SRR09	Scottish Government Policies	<ul style="list-style-type: none"> * Horizon scanning for policy developments through partners, professional networks including links with Scottish Government policy teams * Regular liaison with Scottish Government and COSLA senior officers * Attendance at the national Chief Officer and Chief Finance Officer networks. * Responses to consultations on potential implementation of new policy areas * Early impact assessments locally for national policies, including operational and financial service impact
SRR10	Covid-19 Recovery	<ul style="list-style-type: none"> * IJB actively monitors the partnership financial position. * Directors of Finance of the Council and Health Board have oversight. * Regular updates are provided to the Council's Cabinet. * Robust processes for monitoring projects and the monthly financial position ensuring financial projections can inform any corrective action. * Close monitoring of the services that were Covid funded e.g. ward costs
SRR11	National Care Service	<ul style="list-style-type: none"> * Providing a full response to the Scottish Government Consultations * Participating in national engagement events organised by Scottish Government * Keeping up to date with and seeking to influence developments via national professional networks * Push for more information where there were significant gaps in the draft legislation, e.g. boundaries, services in scope, finance, assets, staffing, pension provision.

These risks emphasise the importance of effective planning and management of resources. It is therefore crucial that we focus on early intervention, prevention and recovery if we are to work within the total delegated partnership budget.

Going forward, we will continue to ensure local people are supported to get the right care in the right place, developing clear health and care pathways for the people of North Ayrshire. To achieve its vision, the Partnership recognises it cannot work in isolation. The Partnership will continue to strengthen relationships with colleagues within the Community Planning Partnership to ensure a joint approach to improving the lives of local people.

Most importantly, the Partnership must work closer with local people and maximise the use of existing assets within communities to improve the overall health and wellbeing of people in North Ayrshire. 2023-24 will see the progression of the implementation of the longer-term Strategic Plan. We will also further develop self-directed support, instilling an enablement ethos promoted by our professionals, collaborating with the third and independent sector to design and commission appropriate models of service.

2023-24 Budget

As part of the Scottish Government budget and finance settlement funding letters were issued to NHS Boards and Councils, these detailed the requirements in relation to the level of funding to be delegated to IJBs in 2023-24.

The specific requirements are as follows:

- In line with previous years, 2023-24 NHS payments to Integration Authorities for delegated health functions must deliver an uplift of 2% over 2022-23 agreed recurring budgets and make appropriate provision for 2023-24 pay.
- In addition there are monies for Primary Care, Waiting Times, MH and CAMHS, Trauma Networks and Drugs Deaths to be allocated in-year. We are currently awaiting further information on these allocations.
- The Health and Social Care Portfolio will transfer net additional funding of £95 million to Local Government to support social care and integration, which recognises the recurring commitments on adult social care pay in commissioned services (£100 million) and inflationary uplift on Free Personal Nursing Care rates (£15 million). This is offset by non-recurring Interim Care money ending (£20 million).
- The overall transfer to Local Government includes additional funding of £100 million to deliver a £10.90 minimum pay settlement for adult social care workers in commissioned services, in line with Real Living Wage Foundation rate.
- The funding allocated to Integration Authorities should be additional and not substitutional to each Council's 2022-23 recurring budgets for services delegated to IJBs and, therefore, Local Authority social care budgets for allocation to Integration Authorities must be at least £95 million greater than 2022-23 recurring budgets.

Based on the 2023-24 Finance Settlement, the Council confirmed a net contribution to the Partnership of £8.934m through its agreed budget and £8.111m of this was already allocated during 2022-23 resulting in a net increase of £0.823m. The Council have still to allocate the share of the Living Wage Funding of £2.826m but this is assumed taking the net Council increase to £3.649m.

The 2% Health Board uplift is applied to the baseline budget. The baseline budget requires to be appropriately adjusted to not apply the uplift where:

- There are significant in-year allocations of funding, as these allocations do not form part of the Health Board baseline funding to which the annual uplift is applied, for example Action 15 Mental Health funding.
- There are separate risk sharing arrangements in place, e.g. prescribing.
- There is a separate uplift basis other than the general board uplift, e.g. GMS.

The baseline budget used to apply the uplift was agreed with the Ayrshire Finance Leads and the Health Board Director of Finance and equates to an increase in funding of £2.164m.

More information about the 2023-24 Budget can be found [here](#)

Moving into 2023-24 the Partnership is proactively working to provide safe and effective services for the residents of North Ayrshire within the financial envelope, this is supported by approving a balanced budget.

The IJB approved a one-year balanced budget for 2023-34 on 16 March 2023.

This budget included new net budget pressures for health and social care services totalling £12.028m. These were developed in partnership, with Finance supporting front line services to identify current and emerging financial pressures considering historic demand and costs and potential future variations. The provision of funding for pressures has the impact of increasing the budget gap to be addressed through savings, therefore the pressures are only included in budget plans where these are absolutely unavoidable.

The new cost and demand pressures resulted in a requirement to identify and approve additional savings of £4.963m, as noted in the summary below:

Description	Social Care (NAC) £m	Health (NHS A&A) £m	Total £m
Scottish Government Funding Increase	(3.649)	-	(3.649)
Service Pressures	9.316	2.712	12.028
Baseline uplift	0	(2.164)	(2.164)
Budget Gap	5.667	0.548	6.215
Approved Savings	(4.021)	(0.942)	(4.963)
Draw on Reserves	(1.252)	-	(1.252)
Net balanced budget	0.394	(0.394)	-

The approved savings will not fully address the budget gap so there is a requirement to draw £1.252m from the IJB reserves.

The Integration Joint Board, in common with most Public Sector bodies, is facing a period of significant financial challenge with cost and demand pressures. The most significant financial pressures continue to be pay awards for staff, inflationary cost increases for contracted services and demographic changes driving increased demand for services - funding these unavoidable pressures year-on-year drives our savings requirement.

There are a number of highlighted financial risk areas that may impact on the 2023-24 budget during the year, these include:

- Current high levels of inflation which impact on costs incurred directly by the Partnership and on our partner providers
- High risk areas of low volume / high-cost services areas e.g. Children's residential placements, Learning Disability care packages and complex care packages;
- Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this.
- Ongoing implementation costs of the Scottish Government policy directives

- Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs.
- The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas.
- The Covid recovery process including the ability to change and improve services following learning from the Covid response.
- The impact and implementation of the National Care Service.
- The Local Government and NHS pay awards are not settled for 2023-24 and negotiations are ongoing; as outlined in the report the risk is mitigated for the social care workforce by providing for a 3% increase and for NHS it is anticipated that additional funding would be allocated if the pay award settlement is higher than the current assumption.
- National Care Home Contract increases are subject to ongoing negotiation.

These risks will be monitored during 2023-24 and the financial impact reported to the IJB through the regular financial monitoring report.

Medium Term Financial Outlook

A Medium-Term Financial Outlook (MTFO) is a critical part of the strategic planning process. The financial context for public services remains very challenging and so it is vital that the IJB's strategic ambitions are set against the financial resources which are anticipated to be available.

The MTFO provides key information on the possible financial position of the IJB over the next three years (2023-2026). It identifies the financial challenges which will be faced by the IJB enabling the IJB to see the impact of current and future decisions on its medium-term financial health.

The MTFO will also be used to identify pressure points and inform decisions which are required to ensure the Partnership remains financially sustainable.

There are a range of factors which influence the financial planning of the IJB. These are considered through the MTFO and include the following:

- Demographic changes
- Local priorities
- Workforce challenges
- The UK and Scottish Economy
- Policy and Legislation
- Cost and demand pressures
- Available funding

Based on the projected budget pressures, three scenarios have been developed which align to the Scottish Government Medium-term Financial Strategy – best-case, medium-case and worst-case. In 2023/24, the actual funding levels have been applied across each of the three, with the possible scenarios applied for 2024/25 and 2025/26.

Against each of the three scenarios, sensitivity analysis has been used to demonstrate what the impact would be in 2024/25 and 2025/26 if the funding were to increase or decrease by 5% or 10%.

For 2024-25, the forecast budget gap ranges from a deficit of £1.140m in the best-case scenario to a shortfall of £5.854m in the medium-case and a shortfall of £11.699m in the worst-case. These figures are after adjusting for the saving of £1.252m which was planned on a non-recurring basis for 2023/24 through the use of reserve balances.

For 2025-26, the forecast budget gap ranges from a breakeven position in the best-case scenario, to a shortfall of £3.876m in the medium-case and a shortfall of £11.031m in the worst-case.

The MTFO will be revisited ahead of the 2024-25 budget exercise.

Conclusion

2022-23 has been another challenging year for the partnership. Whilst we are optimistic that we may be over the worst of the direct impact of the pandemic, its long-term impact is not as well understood. We expect our services to face on-going challenges, including supporting those who have not been able to access a health and social care professional due to demands and restrictions, and addressing the rise in poor mental wellbeing in our communities.

Our health and social care services should reflect and respond to the needs of local people. To support this, we will help to build greater capacity in our communities and provide more ways for service users and local people to share their views with us to help shape services. We are fully committed to planning and designing services together with local people, our staff and our key partners including acute health services, housing, community planning and the third and independent sectors.

Growing evidence suggests that the pandemic has had negative socio-economic effects that have led to increased health inequalities and contributed to an increase in both poor mental wellbeing and mental health.

The IJB, through the refreshed Strategic Plan, outlines the belief that together we can transform health and social care services to achieve the joint vision for the future “all people who live in North Ayrshire are able to have a safe, healthy and active life.” Moving into 2023-24, we are working proactively to address the financial challenges, while at the same time, providing high-quality and sustainable health and social care services for the communities in North Ayrshire.

Where to find more information

If you would like more information on IJB strategies, plans and policies and our performance and spending, please refer to the [North Ayrshire Health and Social Care Partnership website](#).

Statement of responsibilities

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 responsibility for the administration of those affairs (Section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the Chief Finance Officer
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- Ensure the annual financial statements are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far, as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland act 2003)
- Approve the Annual Accounts for signature.

Margaret Johnson

IJB Chair

16 November 2023

Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the IJB's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code).

In preparing the annual accounts, the Chief Finance Officer has:

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

The Chief Finance Officer is also required to:

- Keep proper accounting records which are up to date
- Take reasonable steps to ensure the propriety and regularity of the finances of the Integration Joint Board

I certify that the financial statements give a true and fair view of the financial position of the North Ayrshire Integration Joint Board as at 31 March 2023, and its income and expenditure for the period then ended.

Paul Doak CPFA
Chief Finance Officer

16 November 2023

Annual governance statement

The Annual Governance Statement explains how North 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.

Scope of responsibility

North 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 and properly accounted for and used economically, efficiently and effectively.

The IJB is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

In discharging this responsibility, the Chief Officer has put in place arrangements for governance which includes the system of internal control. Reliance is placed on these controls which are designed to manage risk to a reasonable level but cannot eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable but not absolute assurance of effectiveness.

Purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values by which the IJB is directed and controlled and the activities through which it accounts to and engages with the community. It enables the IJB to monitor the achievement of its strategic priorities and to consider whether those priorities 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. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of North Ayrshire IJB's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Governance framework

The main features of the governance framework that was in place during 2022-23 are summarised below:

- The IJB, comprising all IJB Board members, was the key decision-making body. The Performance and Audit Committee considered all matters in relation to Internal and External Audit, Risk Management and Performance and fulfilled the requirements of the CIPFA document 'Audit Committees: Practical Guidance for Local Authorities and Police.'
- Strategic decision-making is governed by the IJB's key constitutional documents including the Integration Scheme, standing orders, scheme of administration, scheme of delegation to officers and financial regulations.

- The Integration Scheme sets out the process to determine financial contributions by partners to Integration Joint Boards. This has been supplemented by directives from the Scottish Government in relation to additional resources for Health and Social Care Integration.
- The IJB's purpose and vision are outlined in the IJB Strategic Commissioning Plan 2022-30 which links closely to the vision of the North Ayrshire Community Planning Partnership and the Local Outcome Improvement Plan (LOIP) 2022-30 and is underpinned by an annual action plan and performance indicators. Quarterly performance reports are provided to the Performance and Audit Committee on the delivery of the values and strategic priorities set out in the strategic plan.
- The performance management framework focuses firmly on embedding a performance management culture throughout the IJB. Regular reporting to Board Members takes place.
- A risk management strategy, strategic risk register and risk appetite statement is in place for the IJB. The Risk Management Strategy was revised in June 2022.
- The Health and Care Governance Framework covers governance arrangements in relation to complaints and customer feedback, risk management, health and safety, Internal Audit, workforce planning and public protection. Regular updates are provided to the IJB by the Clinical and Care Governance Group.
- The IJB has adopted a 'Code of Conduct' for all its Board Members and employees, a register of interests is in place for all Board members and senior officers.
- The IJB has in place an informal development programme for all Board Members, the Partnership Senior Management Team and senior managers across the Partnership. Performance and Personal Development schemes are in place for all staff, the aim of which is to focus all staff on their performance and development that contributes towards achieving service objectives.
- The IJB has established six locality planning forums, reflecting the previously agreed local planning areas. These provide Board Members, health and social care staff and local community representatives with the opportunity to be involved in considering and influencing priorities for each area.
- A Transformation Programme Board is in place, which recognises the significant change programme which is required to support delivery of the priorities within the new 2022-30 strategic plan. Terms of Reference covering 2021-25 are in place which detail the Board's membership, duties, authority, reporting and governance. The Board meets six-weekly.

The governance framework was in place during the period ended 31 March 2023.

Review of effectiveness

North Ayrshire IJB has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the framework is informed by the work of the Partnership Senior Management Team who have responsibility for development and maintenance of the governance environment, the annual report by the Chief Internal Auditor and reports from Audit Scotland and other review agencies.

The Chief Internal Auditor reports directly to the IJB Performance and Audit Committee on all audit matters, with the right of access to the Chief Officer, Chief Finance Officer and Chair of the Performance and Audit Committee on any matter. In accordance with the principles of the code of corporate governance, regular reports were made to the IJB's Performance and Audit Committee during 2022-23.

The Internal Audit function has independent responsibility for examining, evaluating and reporting on the adequacy of internal control. During 2022-23, the Internal Audit team operated in accordance with the Public Sector Internal Audit Standards.

The Chief Internal Auditor is responsible for forming an annual opinion on the adequacy and effectiveness of the systems of internal control.

The approved IJB internal audit plan for 2022-23 focussed on a review of the IJB's arrangements towards community engagement.

It is the opinion of the Chief Internal Auditor that the systems of internal control relied upon by the IJB continue to provide reasonable assurance against loss.

System of internal financial control

The governance framework described operates on the foundation of internal controls. The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

Development and maintenance of these systems is supported by NHS Ayrshire and Arran and North Ayrshire Council in relation to the operational delivery of health and social care services. These systems include:

- Financial regulations and codes of financial practice
- Comprehensive budgeting systems
- Regular reviews of periodic and annual financial reports that indicate financial performance against the forecasts
- Setting targets to measure financial and other performance
- Formal project management disciplines
- A Transformation Board to provide further scrutiny of service re-design and financial delivery
- An effective Internal Audit function

The IJB's financial management arrangements conform to the governance requirements of the CIPFA statement: 'The Role of the Chief Finance Officer in Local Government (2016)'.

The IJB complies with the CIPFA Financial Management Code.

Through the counter fraud arrangements that are in place within NHS Ayrshire and Arran and North Ayrshire Council, the IJB conforms with the CIPFA 'Code of Practice on Managing the Risks of Fraud and Corruption.'

Developments during 2022-23

The elements noted below incorporate progress with the further actions or developments identified in the 2022-23 Annual Accounts.

Medium-Term Financial Outlook (MTFO)

A revised financial outlook was presented to the IJB in March 2023 and covers the period 2023-26. The MTFO is a critical part of the strategic planning process. The position is updated on an annual basis and is aligned to the IJB strategic plan 2022-30 to ensure the IJB's strategic ambitions are set against the financial resources which are anticipated to be available.

In addition, the Reserves Policy was reviewed, updated and approved by the IJB in September 2022.

Locality planning

North Ayrshire Health and Social Care Partnership committed to reviewing the current Locality Planning structures in the updated Participation and Engagement Strategy (2022-2025). The strategy document outlined the plan to review current engagements with communities, HSCP staff, and partners, throughout 2022 to work towards fulfilling our local and strategic priorities.

The plans to improve local engagement has been delivered through the redevelopment of the Locality Planning Forum structure. The new approach aims to increase levels of participation from communities and representation from HSCP service areas.

The new approach includes the facilitation of two Stakeholder Events in each locality per year, and two Locality Planning Review Group meetings per year. This approach was endorsed by the IJB in December 2022.

Risk management arrangements

There are robust risk management arrangements in place for the IJB. In June 2022, the IJB approved the updated partnership risk management strategy.

During 2022-23 the strategic and operational risk registers were reviewed and updated, with the strategic risk register approved by the IJB in March 2023.

Review of IJB key governance documents

The IJB continues to review its key governance documents on a rolling basis.

Governance around meetings

The IJB has full openness and transparency through the availability of live and webcast recordings of all its IJB meetings. During 2022/23, a hybrid approach to meetings was piloted as part of the new administration and has now been expanded to include the IJB. Meetings of the IJB are now held predominantly on a physical basis but with provision for remote attendance by Elected Members. Meetings are filmed, recorded and live streamed to the Council's internet site and available for repeated viewing.

Clinical and Care Governance Group (CCGG)

Clinical and Care Governance is the system in which the HSCP is accountable for continuously improving quality and safeguarding high standards of care. The Partnership has developed Clinical

and Care Governance arrangements in line with the commitments and requirements contained in the Integration Scheme.

The CCGG meets on a monthly to discuss and review a number of topics. The Terms of Reference for the CCGG have been reviewed and updated in 2022.

Care Service Oversight Arrangements

Two oversight groups, one for care homes and one for all other types of care are in operation. These multi-disciplinary groups are made up of key clinical and care professionals who have a lead role in the oversight of care and support services based in the North Ayrshire area.

Members are tasked with ensuring a partnership approach to resolving concerns and ensuring that the right support is provided at the right time for supported people, their carers, and Providers staff. Group members are also responsible for ensuring appropriate escalations steps are progressed if issues cannot be resolved at a local level.

Tackling Child Poverty

In June 2022, the IJB approved the North Ayrshire Child Poverty Report 2021/22 and Action Plan for 2022/23. A proposal has also been made to develop a strategy to tackle child poverty, covering the period 2023-26. This is underpinned by the introduction of a “Tackling Child Poverty” Board to agree, monitor and deliver the local strategy. North Ayrshire has also been proposed as a “Pathfinder” local authority in tackling child poverty, which will seek to commence work on a new phased approach to whole system change.

Equality Outcomes Plan 2022-25

North Ayrshire IJB previously published a set of equality outcomes in April 2021 which aligned with the one-year strategic bridging plan for 2021-22. Following guidance from the Equality and Human Rights Commission (EHRC) the IJB has now developed a more focused set of equality outcomes that more closely reflect the partnership’s primary service user groups.

The Equality Outcomes Plan 2022-25 was approved by the IJB in March 2023 and sets out how the HSCP will continue to mainstream equality practice into its day-today business. The set of Equality Outcomes will cover the reporting period of this plan from 2022-25.

Membership of IJB

Following the local elections in May 2022, Councillor Margaret Johnson was appointed as North Ayrshire Council’s Cabinet Portfolio Holder for Health and Social Care.

North Ayrshire Council endorsed the undernoted Voting Member appointments to the IJB:

- Councillor Margaret Johnson
- Councillor Anthea Dickson
- Councillor Timothy Billings
- Councillor Louise McPhater

The following appointments to Committee were made in June 2022:

- Vice Chair, IJB – Councillor Margaret Johnson
- Chair, Performance and Audit Committee – Councillor Timothy Billings
- Chair, Strategic Planning Group – Councillor Margaret Johnson

Chief Officers

During the year, there were no changes to the Chief Officers for the IJB. The Head of Service (Health and Community Care) retired on 31st March 2023, and following a recruitment process Kerry Logan was appointed to this post. The Head of Service (Children and Justice) post is currently vacant and a recruitment process is underway to fill the position.

Annual Performance Report

The IJB endorsed the Annual Performance Report for 2021-22 at the meeting in September 2022. This report outlined the performance of the Health and Social Care Partnership and how it delivered against the strategic priorities and the national outcomes.

Quarterly performance reports are published on the Partnership's website once they have been reviewed by the Performance and Audit Committee. This supports a commitment to make more performance information accessible and available for public scrutiny.

National Care Service

The Independent Review into Adult Social Care (IRASC) recommended the establishment of a National Care Service (NCS), with Scottish Ministers being accountable for the delivery of consistent and high standards in health and social care services.

The first National Care Service Forum took place in October 2022, and provided an opportunity for stakeholders, people who access social care, the social care workforce, carers and unpaid carers to share their thoughts about the National Care Service. Group discussion took place around a number of questions and Scottish Government undertook to ensure that the information gathered at the event would be used to help inform the co-design of the NCS. The forum will become an annual event and North Ayrshire will continue to be represented.

Workforce Planning

The Scottish Government published its National Workforce Strategy for Health and Social Care in Scotland in March 2022. Guidance was provided to HSCPs to support them in the development of their individual Workforce Plans. In short summary, the guidance proposed that HSCPs should reflect current Workforce profiles and future implications and develop a workforce plan focused on the Scottish Governments five pillars – plan, attract, train, employ and nurture.

A draft of the North Ayrshire Workforce Plan 2022-25 and associated action plan was completed and submitted to Scottish Government in July 2022. The plan was further developed and refined ahead of the final approval and publication in October 2022 following consultation and engagement with a range of stakeholders including:

- IJB;
- Partnership Senior Management Team (PSMT);
- Staff Partnership Forum (including Trade Unions);
- Professional Leads in both Local Authority and NHS;
- HR and Workforce Planning Leads;
- Primary Care leads; and
- Third and Independent Sector representatives.

Pan Ayrshire Work on Directions

The three Ayrshire HSCPs, and NHS colleagues, through the Strategic Planning and Operational Group (SPOG), have reinvigorated the work around Directions and have now established a group to agree the governance arrangements relating to these. This includes a standardised approach to Directions across the three partnerships, with a “soft” introduction of these arrangements taking place from January 2023 and full implementation by 1 April 2023. From that date, where a direction is required, IJB reports will be accompanied by a Directions Template and a log of all directions issued will be maintained across all three partnerships.

Further actions for 2023-24

The IJB has identified the following actions for 2023-24 that will assist with the further strengthening of corporate governance arrangements:

- Continue the Pan Ayrshire work on developing Directions for Lead Partnership services which are in compliance with the Scottish Government’s statutory guidance, progress was delayed due to service pressures including the Covid19 pandemic.
- Develop commissioning plans and Directions in relation to the acute set-aside resources.
- Support the Local Authorities and NHS Board with the requirement for a Pan Ayrshire Review of the Integration Scheme(s).
- Implement and embed a new approach to Locality engagement through the introduction of ‘locality conversations’, which will offer local people another way to engage with the Partnership around health and social care services.
- Develop a Transformation Plan which will assist the Partnership to redesign services and tackle future financial challenges.
- Embed post-Covid health and care governance arrangements, ensuring robust arrangements in place across all areas of service with appropriate escalations through formal governance forums.

Assurance

Subject to the above, and on the basis of the assurances provided, we consider the governance and internal control environment operating during 2022-23 to provide reasonable and objective assurance that any significant risks impacting on the achievement of our actions will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to continually review and improve the governance and internal control environment and action plans are in place to address identified areas for improvement.

The Annual Governance Statement explains how North 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 Annual Governance Statement was approved by the IJB Performance and Audit Committee on 23 June 2023.

Caroline Cameron

Chief Officer

16 November 2023

Margaret Johnson

IJB Chair

16 November 2023

Remuneration report

This 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 auditor to ensure it is consistent with the financial statements.

Remuneration: IJB Chair and Vice Chair

The IJB comprises eight voting members appointed through nomination in equal numbers by NHS Ayrshire and Arran and North Ayrshire Council. A Chair and Vice Chair are appointed in accordance with the Integration Scheme and the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. As required in Article 4 of the Order the nomination of the IJB Chair and Vice Chair post holders alternates between a Council and Health Board representative, with the Vice Chair appointment by the constituent authority which did not appoint the Chair.



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 board 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: Senior 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 Integration Joint Board.

Chief Officer and Chief Finance Officer

The appointment of an Integration Joint Board Chief Officer is required by section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 which includes the statement “an Integration Joint Board is to appoint, as a member of staff, a chief officer”.

The Chief Officer for the IJB has to be appointed and the employing partner has to formally second the officer to the IJB. The employment contract for the Chief Officer adheres to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer’s employment are approved by the IJB.

As the IJB is constituted as a Local Government body as set out by Section 106 of the Local Government (Scotland) Act 1973, it also requires to appoint an officer responsible for the proper administration of its financial affairs, the Chief Finance Officer (Section 95 Officer).

Other Officers

No other staff are appointed by the IJB under a similar legal regime. Non-voting board members who meet the criteria for disclosure are included in the tables below.

2021-22		2022-23	2022-23	2022-23
Total Remuneration £	Name and Post Title	Salary, fees and allowances £	Taxable Expenses £	Total Remuneration £
116,614	Caroline Cameron, Chief Officer 1/4/22 – 31/3/23 Employing organisation: North Ayrshire Council	121,710	0	121,710
67,946*	Paul Doak Chief Finance Officer 1/4/22 – 31/3/23 Employing organisation: North Ayrshire Council	93,413	0	93,413
14,518*	Eleanor Currie, Interim Chief Finance Officer 21/12/20 – 6/6/21 Employing organisation: North Ayrshire Council	0	0	0

*The full year equivalent salaries are given in the table below.

Name and post title	2021-22 Full Year Salary £
Paul Doak, Chief Finance Officer, 7/6/21 – 31/3/22	88,965
Eleanor Currie, Interim Chief Finance Officer, 1/4/21 – 6/6/21 (salary and responsibility allowance)	78,001

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 period 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 period 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.

In Period pension contributions

Officer	2021-22 (£)	2022-23 (£)
Caroline Cameron, Chief Officer and Chief Finance Officer	22,410	23,490
Paul Doak, Chief Finance Officer	13,114	18,029
Eleanor Currie, Interim Chief Finance Officer	2,710	0

Accrued pension benefits

Officer	Type of benefit	2021-22 (£)	2022-23 (£)
Caroline Cameron, Chief Officer and Chief Finance Officer	Pension	7,383	9,987
	Lump Sum	0	0
Paul Doak, Chief Finance Officer	Pension	38,917	40,865
	Lump Sum	62,611	65,778
Eleanor Currie, Interim Chief Finance Officer	Pension	8,285	0
	Lump Sum	0	0

Disclosure by pay bands

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

Number of employees in band 2021-22	Remuneration band	Number of employees in band 2022-23
0	£120,000 - £124,999	1
1	£115,000-£119,999	0
0	£95,000-£99,999	0
0	£90,000 - £94,999	1
1	£65,000-£69,999	0

Exit packages

There were no exit packages during 2021-22 or 2022-23.

Financial statements

The **Comprehensive Income and Expenditure Statement** shows the cost of providing services for the period according to accepted accounting practices.

2021-22 Gross Exp £000	2021-22 Gross Income £000	2021-22 Net Exp £000	Area of Service	2022-23 Gross Exp £000	2022-23 Gross Income £000	2022-23 Net Exp £000
77,470	0	77,470	Community Care and Health	85,950	0	85,950
27,801	0	27,801	Mental Health	33,259	0	33,259
37,819	0	37,819	Children's Services and Criminal Justice	40,604	0	40,604
50,047	0	50,047	Primary Care	51,277	0	51,277
18,135	0	18,135	Management and Support Costs	5,983	0	5,983
1,105	0	1,105	Change Programme	1,197	0	1,197
6,771	0	6,771	Allied Health Professionals	9,514	0	9,514
90,734	0	90,734	Lead Partnership and Set Aside	104,415	0	104,415
0	0	0	Chief Social Work Officer	867	0	867
309,882	0	309,882	Cost of Services	333,066	0	333,066
0	(107,059)	(107,059)	North Ayrshire Council Funding	0	(120,549)	(120,549)
0	(224,298)	(224,298)	NHS Ayrshire and Arran Funding	0	(200,949)	(200,949)
0	(331,357)	(331,357)	Total Taxation And Non-Specific Grant Income (note 5)	0	(321,498)	(321,498)
309,882	(331,357)	(21,475)	(Surplus) or Deficit on Provision of Services	333,066	(321,498)	11,568

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 provided in these annual financial statements.

The **Movement in Reserves Statement** shows the movement in the period on the reserves held by the IJB. The movements which arise due to statutory adjustments which affect the General Fund

balance are separately identified from the movements due to accounting practices. In 2022-23 there were no statutory adjustments. Note 8 to the accounts provides more detail on the movement in reserves.

Total Reserves 2021-22	Movement in reserves	General Fund – Debt to NAC 2022-23	General Fund 2022-23	Earmarked Reserves 2022-23	Total Reserves 2022-23
7,757	Opening balance as at 1 April	(2,321)	7,248	24,305	29,232
21,475	Total Comprehensive Income and Expenditure	2,321	(800)	(13,089)	(11,568)
0	Adjustments between accounting basis and funding basis under regulations	0	0	0	0
21,475	Increase\ (Decrease) in period	2,321	(800)	(13,089)	(11,568)
29,232	Closing Balance as at 31 March	0	6,448	11,216	17,664

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 2022	Balance Sheet Description	Notes	31 March 2023
£000			£000
31,553	Short Term Debtors	6	17,664
(2,321)	Long Term Creditors	7	0
29,232	Net Assets		17,664
29,232	Usable Reserve: General Fund	8	17,664
29,232	Total Reserves		17,664

The Statement of Accounts present a true and fair view of the financial position of the Integration Joint Board as at 31 March 2023 and its income and expenditure for the period then ended.

The unaudited financial statements were authorised for issue on 23 June 2023.

Paul Doak CPFA, Chief Finance Officer, 16 November 2023.

Notes to the financial statements

Note 1 – Significant Accounting Policies

General principles

The Financial Statements summarise the authority's transactions for the 2022-23 financial period and its position at the period-end as at 31 March 2023.

The North 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 2022-23, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The accounts are prepared on the going concern basis, which provides that the entity will continue in operational existence for a minimum of 12 months from the date of these accounts. In accordance with the Code, the going concern concept will apply as there is the assumed continuation of service provision into the future.

The historical cost convention has been adopted.

Accruals of expenditure and income

Activity is accounted for in the period that it takes place, not simply when cash payments are made or received. 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.

For the Integration Joint Board financial statements, a debtor and/or creditor will be recorded where the partner contributions differ from the actual net expenditure in period, this allows any surplus or deficit on the provision of services to be transferred to the reserves held by the Integration Joint Board.

Funding

The IJB is primarily funded through contributions from the statutory funding partners, North Ayrshire Council and NHS Ayrshire and 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 North Ayrshire.

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 to or from 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 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 and a Chief Finance 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 and Chief Finance Officer's absence entitlement 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 Integration Joint Board'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.

Indemnity insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Ayrshire and Arran and North Ayrshire Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Ayrshire and Arran, the IJB does not have any 'shared risk' exposure from participation in CNORIS (Clinical Negligence and Other Risks Indemnity Scheme). The IJB participation in the CNORIS scheme is therefore equivalent 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.

VAT Status

The IJB is a non-taxable body and does not charge or recover VAT on its functions.

Note 2 – Critical Judgements and Estimation Uncertainty

The critical judgements include:

- On behalf of all IJBs within the NHS Ayrshire and Arran area, the IJB acts as the lead partner for Mental Health Services. It commissions services on behalf of the three Ayrshire IJBs and reclaims the costs involved. This arrangement is treated as an agency arrangement. In the absence of an alternative agreement or approach being outlined in the Integration Scheme, the recharges across the partnerships for lead services are based on an NRAC share of costs, this may not reflect the actual cost of delivering services to the population in the three areas.
- In applying the accounting policies, 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 accounts is based upon 2022-23 Information Services Division Scotland (ISD) activity data at historic prices with inflation applied. As such, the Set Aside sum included in the accounts will not reflect the true cost of actual hospital usage in 2022-23.

There are no material estimation uncertainties included within the Financial Statements. The impact of Covid19 and associated costs incurred in 2022-23 have been accounted for in the financial statements.

Note 3 – Events after the Reporting Period

The audited annual financial statements will be authorised for issue by the Chief Finance Officer on 16 November 2023. Events taking place after this date are not reflected in the financial statements or notes.

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period - the financial statements are adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the financial statements are not adjusted to reflect for such events, but where a category of events would have a material impact disclosure is made in the notes of the nature of the events and their estimated financial effect.

There are no such events to report for 2022-23.

Note 4 – Expenditure and Income Analysis by Nature

2021-22 £000's	Description	2022-23 £000's
132,167	Services commissioned from North Ayrshire Council	143,907
177,687	Services commissioned from NHS Ayrshire and Arran	189,128
28	Auditor Fee: External Audit Work	31
(331,357)	Partners Funding Contributions and Non-Specific Grant Income	(321,498)
(21,475)	(Surplus) / deficit on the Provision of Services	11,568

Note 5 - Taxation and Non-Specific Grant Income

2021-22 £000's	Description	2022-23 £000's
(107,059)	Funding Contribution from North Ayrshire Council	(120,549)
(224,298)	Funding Contribution from NHS Ayrshire and Arran	(200,949)
(331,357)	Taxation and Non-specific Grant Income	(321,498)

The funding contributions from the partners shown above exclude any funding which is ring-fenced for the provision of specific services. Such ring-fenced funding is presented as income in the Cost of Services in the Comprehensive Income and Expenditure Statement. There was no ring-fenced funding in 2021-22 or 2022-23.

The funding contribution from NHS Ayrshire and Arran shown above includes £32.267m (2021-22 £33.980m) 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 Covid19 attributable costs. Guidance on Accounting for Coronavirus (Covid19) 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 HSCP 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), principal 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 Covid19 funding, as to whether principle or agent accounting applies, which IJBs should consider. This sets out that for all payments underlying the expenditure, 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.

Note 6 – Debtors

31 March 2022 £000's	Description	31 March 2023 £000's
24,188	North Ayrshire Council	14,791
7,365	NHS Ayrshire and Arran	2,873

31 March 2022 £000's	Description	31 March 2023 £000's
31,553	Total Debtors	17,664

Amounts due from to the funding partners are stated on a net basis. Debtor and Creditor balances recognised by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the Integration Joint Board.

Note 7 – Creditors

31 March 2022 £000's	Description	31 March 2023 £000's
(2,321)	North Ayrshire Council	0
0	NHS Ayrshire and Arran	0
(2,321)	Total Creditors	0

Amounts owed to the funding partners are stated on a net basis. Debtor and Creditor balances recognised by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the Integration Joint Board.

The Debtor balances recognised on the Balance Sheet represent the value of reserves held by partners supporting the earmarked element of the General Fund balance. The remaining balance of the surplus on the provision of services is offset against the Creditor balance, which relates entirely to the outstanding debt to North Ayrshire Council. This is in line with the amounts owed to funding partners being stated on a net basis irrespective of settlement in cash terms.

This position is summarised below:

Funding Partner	Surplus on provision of services £000's	Repayment of Debt £000's	Movement in Reserves £000's	Uncommitted Surplus (funds which are not earmarked for specific purposes) £000's
North Ayrshire Council	8,539	2,321	(10,314)	546
NHS Ayrshire and Arran	3,029	0	2,873	5,902
Total	11,568	2,321	(7,441)	6,448

Note 8 – Usable Reserve: General Fund

The IJB holds a balance on the General Fund which will normally comprise one of three elements:

- As a working balance to help cushion the impact of uneven cash flows.
- As a contingency to manage the impact of unexpected events or emergencies.
- As a means of building up funds, often referred to as earmarked reserve, to meet known or predicted liabilities.

The table below shows the movements on the General Fund balance, analysed between those elements earmarked for specific planned expenditure and the amount held in unallocated reserves.

The 'free' general fund balance of £6.448m is proposed to be held as a contingency balance, this equates to around 2.3% of the IJB budget for 2022-23 which is above the lower target level of 2% and does demonstrate significant progress towards establishing a contingency reserve of between 2% and 4%.

Transfers Out 2021-22	Transfers In 2021-22	Balance at 31 March 2022	Area of Reserves	Transfers Out 2022-23	Transfers In 2022-23	Balance at 31 March 2023
Earmarked Funds						
0	554	890	: Alcohol & Drug Partnership	(890)	715	715
(224)	511	511	: Mental Health Action 15	(511)	125	125
(935)	1,856	1,856	: Primary Care Improvement Fund	(1,856)	0	0
(181)	0	0	: 21-22 Budget Gap	0	0	0
0	0	500	: Service Redesign / Challenge Fund	0	1,719	2,219
0	0	513	: Community Living Change Fund	0	0	513
0	8,597	13,321	: Covid19 Funding	(13,321)	76	76
0	145	145	: Neighbourhood Networks	(145)	0	0
0	41	41	: Mental Health Officer Development Grant	(41)	0	0
0	71	71	: NAC Recovery and Renewal – Mental Health Element	0	0	71
0	5	5	: Joint Equipment	(5)	0	0
0	40	40	: Nethermains Adaptations	(40)	0	0
0	50	50	: Supported Accommodation	(50)	0	0
0	0	0	: West Road	0	300	300
0	1,192	1,192	: Care at Home Capacity	(127)	0	1,065
0	1,046	1,046	: Interim Care	(310)	0	736
0	50	50	: Trauma Training	0	0	50
0	48	48	: Trauma Trainer	(48)	0	0
0	106	106	: Family Wellbeing Fund	(106)	804	804
0	65	65	: Perinatal MH Nurse	(31)	0	34
0	11	11	: Unaccompanied Asylum-Seeking Children	(11)	0	0
0	644	644	: Multi-Disciplinary Teams	(644)	644	644
0	144	144	: Health Care Support Workers	(144)	0	0
0	2,057	2,057	: MH Recovery and Renewal	(2,057)	1,170	1,170
0	4	4	: Medical photography	(4)	0	0
0	28	28	: Data Sims	(28)	0	0
0	56	56	: School Nursing	(56)	0	0
0	109	109	: Buvidal	(109)	168	168
0	51	51	: AHP Winter Funding	(51)	0	0
0	86	86	: Perinatal and Infant Mental Health	(86)	0	0
0	18	18	: Cossette Funding	(18)	18	18
0	78	78	: Replacement Mattress Programme	(78)	0	0
0	55	55	: Expansion of Primary Care Estates	0	0	55
0	81	81	: GP Premises Improvements - tranches 1 and 2	(10)	0	71
0	40	40	: Mental Health Wellbeing in Primary Care	0	40	80

Transfers Out 2021-22	Transfers In 2021-22	Balance at 31 March 2022	Area of Reserves	Transfers Out 2022-23	Transfers In 2022-23	Balance at 31 March 2023
0	265	265	: Dental Practice Improvement	(164)	0	101
0	0	0	: Childsmile	0	13	13
0	128	128	: Dental Winter Preparedness	(86)	0	42
0	0	0	: LD Health Checks	0	146	146
0	0	0	: 23-24 Budget Support	0	2,000	2,000
(1,340)	18,232	24,305	Total Earmarked	(21,027)	7,938	11,216
3,807	(2,321)	(2,321)	Outstanding Debt	2,321	0	0
181	2,916	7,248	Unallocated General Fund	(800)	0	6,448
2,648	18,827	29,232	General Fund	(19,506)	7,938	17,664

Note 9 – Agency Income and Expenditure

On behalf of all IJBs within the NHS Ayrshire and Arran area, the IJB acts as the lead manager for Mental Health Services. 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, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the IJB is not acting as principal in these transactions.

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

2021-22 £000	Description	2022-23 £000
32,109	Expenditure on Agency Service – Lead Partnership	33,462
2,155	Expenditure on £500 Thank You Payments to Social Care Providers	0
905	Expenditure on PPE and Test Kits from National Services Scotland	880
35,169	TOTAL AGENCY EXPENDITURE	34,342
(32,109)	Reimbursement for Agency Service – Lead Partnership	(33,462)
(2,155)	Reimbursement for £500 Thank You Payments to Social Care Providers	0
(905)	Reimbursement for PPE from National Services Scotland	(880)
(35,169)	TOTAL AGENCY INCOME	(34,342)
0	Net Agency Expenditure Excluded from the CIES	0

During 2021-22, the Scottish Government provided funding as a “Thank You” payment to all health and social care staff and social care providers. Payments to health and social care staff and social care providers were actioned at 31st of March 2022 but are excluded from the accounts of NHS Ayrshire and Arran and North Ayrshire Council as the IJB acted as an agent in respect of these payments. No income or expenditure has been recognised for the payments in the Comprehensive Income and Expenditure Statement.

The Health and Social Care Partnership operated a PPE hub which distributed stock to employees, as well as external providers and carers. This stock was issued to the hub at no charge by NHS National Services Scotland. This was done under an agency arrangement and the estimated stock issued was £0.008m. As the IJB was acting as an agent regarding PPE transactions it does not recognise any income, expenditure or closing stock of PPE in the annual accounts.

In addition, Covid19 testing kits valued at £0.872m were issued by the Scottish and UK Governments for the use of frontline staff. This was also done under an agency arrangement and so no entries are included within the annual accounts.

Note 10 – Related Party Transactions

The IJB has related party relationships with NHS Ayrshire and Arran and North 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.

2021-22 £000	Transactions with NHS Ayrshire and Arran	2022-23 £000
(224,298)	Funding Contributions received from NHS Board	(200,949)
0	Service Income received from NHS Board	0
177,643	Expenditure on Services Provided by NHS Board	189,083
58	Key Management Personnel: Non-Voting Board Members	61
0	Support Services	0
(46,597)	Net Transactions with NHS Board	(11,805)

31 March 2022 £000	Balances with NHS Ayrshire and Arran	31 March 2023 £000
7,365	Debtor Balances: Amounts due from NHS Board	2,873
0	Creditor Balances: Amounts due to NHS Board	0
7,365	Net Balances with NHS Board	2,873

2021-22 £000	Transactions with North Ayrshire Council	2022-23 £000
(107,059)	Funding Contributions received from the Council	(120,549)
0	Service Income received from the Council	0
132,123	Expenditure on Services Provided by the Council	143,861
58	Key Management Personnel: Non-Voting Board Members	61
0	Support Services	0
25,122	Net Transactions with the Council	23,373

31 March 2022 £000	Balances with North Ayrshire Council	31 March 2023 £000
24,188	Debtor Balances: Amounts due from the Council	14,791
(2,321)	Creditor Balances: Amounts due to the Council	0
21,867	Net Balances with the Council	14,791

There are key management personnel employed by NHS Ayrshire and Arran and North Ayrshire Council; these costs are included in the expenditure on services provided. The non-voting Board members employed by the Council and Health Board include the Chief Officer, Chief Finance Officer, Chief Social Work Officer, representatives of primary care, nursing and non-primary care services; and a staff representative. Details of the remuneration for some specific post-holders is provided in the Remuneration Report.

Support services were not delegated to the Integration Joint Board through the Integration Scheme and are instead provided by NHS Ayrshire and Arran and North Ayrshire Council free of charge as 'services in kind.' These include services such as financial management, human resources, legal services, committee services, ICT, payroll, internal audit and accommodation.

Note 11 – VAT

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

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. Revenue 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.

Note 12 – Accounting Standards Issued 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:

- Amendments to IAS 1 Presentation of Financial Statements
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to IAS 12 Income Taxes
- Amendments to IFRS 3 Business Combinations

Adoption of the Standards listed above will not impact on the 2022/23 Annual Accounts and it is not anticipated that the adoption of the Standards will have a material impact on the financial statements in future periods. Implementation of IFRS 16: Leases has been deferred to be effective

from 1 April 2024. These arrangements are held in either NHS Ayrshire and Arran or North Ayrshire Council and will be included in their financial statements in future periods.

Independent auditor's report

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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.

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.

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.

The Code

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

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Appendix A: Proposed Independent Auditor's Report

Independent auditor's report to the members of North Ayrshire Integration Joint Board and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of North Ayrshire Integration Joint Board for the year ended 31 March 2023 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 2022/23 (the 2022/23 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the body as at 31 March 2023 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 2022/23 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 3 April 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

Based on the work I have performed, I 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, I 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

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Chief Finance Officer and North Ayrshire Integration Joint Board for the financial statements

As explained more fully in the Statement of Responsibilities, the 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 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 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 North Ayrshire Integration Joint Board is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the body;
- inquiring of the Chief Finance Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Chief Finance Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on 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.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body'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.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

I have audited the parts of the Remuneration Report described as audited. In my opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Other information

The Chief Finance Officer is responsible for the 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.

My 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 my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on 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 my opinion, based on the work undertaken in the course of the audit:

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

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

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



DIRECTOR (North Ayrshire Health & Social Care Partnership): Caroline Cameron
5th Floor West Wing, Cunninghame House, Friarscroft, Irvine, KA12 8EE
Tel: 01294 317700

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

10th November 2023

Dear Fiona,

North Ayrshire Integration Joint Board Annual Accounts 2022/23

- 1.** This representation letter is provided in connection with your audit of the Annual Accounts of North Ayrshire Integration Joint Board for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the financial reporting framework, and for expressing other opinions on the Remuneration Report, Management Commentary and Annual Governance Statement.
- 2.** I confirm to the best of my knowledge and belief and having made appropriate enquiries of the North Ayrshire Integration Joint Board, North Ayrshire Council and NHS Ayrshire and Arran, the following representations given to you in connection with your audit of North Ayrshire Integration Joint Board's Annual Accounts for the year ended 31 March 2023.
- 3.** I acknowledge my responsibility and that of North Ayrshire Integration Joint Board for the Annual Accounts. All the accounting records requested have been made available to you for the purposes of your audit. All material agreements and transactions undertaken by North Ayrshire Integration Joint Board have been properly reflected in the financial statements. All other records and information have been made available to you, including minutes of all management and other meetings.

Financial reporting framework

- 4.** The Annual Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (2022/23 accounting code) the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003 and The Local Authority Accounts (Scotland) Regulations 2014.
- 5.** Disclosure has been made in the financial statements of all matters necessary for them to show a true and fair view of the transactions and of the North Ayrshire Integration Joint Board for the year ended 31 March 2023.

Legality of financial transactions



6. The financial transactions of North Ayrshire Integration Joint Board are in accordance with the relevant legislation and regulations governing its activities. I am unaware of any actual or non-compliance with laws and regulations.

Accounting policies and estimates

7. All material accounting policies adopted are as shown in the Statement of Accounting Policies included in the financial statements. The appropriateness of these policies has been reviewed and takes account of the requirements set out in the 2022/23 accounting code.

8. The significant assumptions used in making accounting estimates are reasonable and properly reflected in the financial statements. There are no changes in estimation techniques which should be disclosed due to their having a material impact on the accounting disclosures.

Going concern

9. I have assessed North Ayrshire Integration Joint Board's ability to carry on as a going concern and concluded that it is appropriate to prepare the financial statements on a going concern basis.

Carrying value of assets and liabilities

10. The assets and liabilities have been recognised, measured, presented, and disclosed in accordance with the 2022/23 accounting code. There are no plans or intentions that are likely to affect the carrying value or classification of the assets in the financial statements.

Fraud

11. I have provided you with all information in relation to

- my assessment of the risk that the financial statements may be materially misstated as a result of fraud
- [any allegations of fraud or suspected fraud affecting the financial statements](#)
- fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

Laws and Regulations

12. I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Remuneration Report

13. The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Amendment Regulations 2014, and all required information of which I am aware has been provided to you.

Management commentary

14. I confirm that the Management Commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

Corporate Governance

15. I confirm that North Ayrshire Integration Joint Board has undertaken a review of the system of internal control during 2022/23 to establish the extent to which it complies with proper practices set



out in the Delivering Good Governance in Local Government: Framework 2016. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.

16. I confirm that the Annual Governance Statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework 2016 and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements or issues identified, since 31 March 2023, which require to be reflected.

Related Party Transactions

17. All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with the 2022/23 accounting code. I have made available to you the identity of all the North Ayrshire Integration Joint Board's related parties and all the related party relationships and transactions of which I am aware.

Management commentary

18. I confirm that the Management Commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

Events Subsequent to the Date of the Balance Sheet

19. I am not aware of there being any events subsequent to 31 March 2023 for which the 2022/23 accounting code requires adjustment or disclosure in the Annual Accounts.

Yours sincerely

Paul Doak
Chief Finance Officer

Integration Joint Board
16th November 2023

Subject :	Risk Appetite Statement
Purpose :	To approve the Risk Appetite Statement
Recommendation :	That the IJB approve the Risk Appetite Statement

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	x
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership

1.	EXECUTIVE SUMMARY
1.1	This report provides an overview of the second risk appetite statement for the partnership. The purpose of the report is to allow IJB members to approve the Risk Appetite Statement.
2.	BACKGROUND
2.1	Risk appetite is the amount of risk which is judged tolerable and justifiable. It is the amount of risk that any organisation is prepared to tolerate or be exposed to at any one point in time.
2.2	The Risk Appetite Statement has been developed to recognise that the planning and delivery of health and social care services involves having to manage risk and that staff must have the confidence to work with uncertainty.
2.3	The Statement reflects the 'normal' risk appetite, but it is recognised that risk appetite accepted in responding to delivering services during exceptional circumstances e.g. a pandemic, may be higher.
2.4	The Statement focuses on the key elements of service, quality, people and finance. Appendix A details the assessed risk appetite for each of these key elements of service.

2.5	The Statement was first approved in February 2022. It has been reviewed and no changes have been found necessary. On this basis, future reviews of the risk appetite statement will routinely be conducted alongside the triennial review of the risk management strategy, with the next one due in early 2025. It may be reviewed in the interim in the event of an urgent need.
3.	PROPOSALS
3.1	It is proposed to approve the risk appetite statement as detailed in Appendix A.
3.2	<u>Anticipated Outcomes</u>
	Appropriate and effective risk management practice will be embraced throughout the IJB as an enabler of success, whether delivering better outcomes for the people of North Ayrshire, protecting the health, safety and wellbeing of everyone who engages with the IJB or for maximising opportunity, delivering innovation and best value, and increasing performance.
3.3	<u>Measuring Impact</u>
	The IJB aims to provide safe and effective care and treatment for patients and clients, and a safe working environment within the IJB and for others who interact with the services delivered under the direction of the IJB. Effective risk management practice will support this.
4.	IMPLICATIONS
4.1	<u>Financial</u> The Risk Appetite Statement is relevant to finance in framing the approach to value for money, the balance of risk and reward from alternative courses of action.
4.2	<u>Human Resources</u> None
4.3	<u>Legal</u> None
4.4	<u>Equality/Socio-Economic</u> None
4.5	<u>Risk</u> Failure to approve the report would result in a gap in the governance structure of the partnership.

4.6	<u>Community Wealth Building</u> None
4.7	<u>Key Priorities</u> Appropriate and effective risk management practice will deliver better outcomes for the people of North Ayrshire, protecting the health, safety and wellbeing of everyone who engages with the IJB or for maximising opportunity, delivering innovation and best value, and increasing performance.
5.	CONSULTATION
	The risk appetite statement has been reviewed and agreed by the Partnership Senior Management Team and circulated to IJB members for comment before submission to the meeting for approval.

Caroline Cameron, Director
Author – Paul Doak, Head of Finance and Transformation
Eleanor Currie, Principal Manager Finance
 [pdoak@north-ayrshire.gov.uk/eleanorcurrie@north-ayrshire.gov.uk]

Appendices

- Appendix A – Risk Appetite Statement



North Ayrshire Integration Joint Board

Risk Appetite Statement

Version	2.0
Prepared by	Principal Manager - Finance
Effective from	16 th November 2023
Review Date	June 2025
Lead Reviewer	Head of Finance and Transformation

Introduction

The Integration Joint Board (IJB) is committed to a culture where the workforce is encouraged to develop new initiatives, improve performance and achieve goals safely, effectively and efficiently by appropriate application of good risk management practice.

Appropriate and effective risk management practice will be embraced throughout the IJB as an enabler of success, whether delivering better outcomes for the people of North Ayrshire, protecting the health, safety and wellbeing of everyone who engages with the IJB or for maximising opportunity, delivering innovation and best value, and increasing performance.

In doing so the IJB aims to provide safe and effective care and treatment for patients and clients, and a safe working environment within the IJB and for others who interact with the services delivered under the direction of the IJB.

The IJB purposefully seeks to promote an environment that is risk 'aware' and strives to place risk management information at the heart of key decisions. This means that the IJB can take an effective approach to managing risk in a way that both address significant challenges and enable positive outcomes.

Risk appetite is the amount of risk which is judged tolerable and justifiable. It is the amount of risk that any organisation is prepared to tolerate or be exposed to at any one point in time.

The approved risk strategy requires a formal risk appetite statement to be agreed annually by the IJB.

The Risk Appetite Statement has been developed to recognise that the planning and delivery of health and social care services involves having to manage risk. The IJB is responsible for the oversight of services and through the Chief Officer is responsible for the operational management and delivery of these services. Caring for people, managing staff, facilities and finances are all, by their nature, activities that involve risk. These risks cannot be avoided completely but can be managed to an acceptable level.

In considering the development of the risk appetite statement the focus was on the key elements of service, quality, people and finance. The IJB's appetite for risk in each of these elements has been assessed as either none, low, moderate or high.

Risk Appetite Statement

North Ayrshire Health and Social Care Partnership's Vision is 'All people who live in North Ayrshire are able to have a safe, healthy and active life'.

This vision is supported by five strategic priorities:

- Tackling inequalities
- Engaging communities
- Improving mental and physical health and wellbeing
- Provide early and effective support
- Develop and support our workforce

Service

We acknowledge that health and social care operates within a regulated environment and we have to meet compliance expectations from various regulatory sources. We will endeavour to meet those expectations whilst being creative and operating within regulation. We therefore have a **low** appetite for taking risk in relation to compliance and regulatory requirements but a **high** appetite for risk in relation to service innovation and transformation. This high-risk

appetite reflects those innovative developments are needed to present real change to the way services are being delivered, with a realism that continuing to deliver services in the same way is no longer sustainable and changes need to be made in the way services are accessed and provided.

Quality

We are committed to a culture of quality improvement and learning ensuring that quality of care is above all else. Safe delivery of integrated services is the highest priority for the partnership. There is a **low** appetite for risk related to the safety of service users or the workforce.

At the same time the partnership sees a need to enable calculated risk-taking in relation to achieving positive individual outcomes and improving service quality in terms of person-centred support. The IJB aims to commission services of the highest quality and the partnership needs to reinforce that exercising creativity is to be welcomed. There is a need to enable calculated risk-taking for both supported people and the workforce and to share and learn from positive practice and for this area we have a **high**-risk appetite.

People

We want to attract, recruit and retain the right people with the right skills in the right place. We have a **high** appetite for addressing workforce challenges in relation to delivering on our Workforce Plan. There is a recognition that support is required across the workforce to foster creativity and new ways of working. This is coupled with a full commitment to partnership with trade unions, ethical standards and staff governance standards and minimal appetite for risks to these principles. In doing so challenges are recognised in relation to workforce demography and the cultural change required to have a more flexible innovative workforce and to attract a younger workforce.

Finance

We have a **low** appetite for taking risk in respect of adherence to standing financial instructions, financial controls, and financial statutory duties.

We have a **high**-risk appetite in relation to the financial and value for money element. There is a requirement to set a balanced budget and that supports caution in budgetary management terms, particularly where decisions on required spend can constitute a sizeable proportion of the budget (for example secure care for children and young people or complex care packages). The IJB has robust, proactive budget management arrangements in place. There is a need for greater risk appetite with an open attitude to shifting towards earlier stage intervention and towards maturity in a context of the need to think differently in the context of transformation and sustainability.

We need to work proactively to address the financial challenges, while at the same time, providing high-quality and sustainable health and social care services for the communities in North Ayrshire.

Overall Risk Appetite

The partnership is **open** in terms of risk appetite. The partnership encourages innovation and creativity and creates the permission, trust and support required to meet its vision. At the same time this needs to be balanced against the risk related to the safety of service users or the workforce.

Risk Appetite Matrix

		RISK APPETITE		
		Low	Moderate	High
Service	Compliance	Want to adhere to all regulations with no deviation.	Adhering to all regulations but being creative in doing so.	Not adhering to regulations.
	Innovation & Transformation	Tendency to stick to the status quo, innovation is generally avoided	Innovation supported only with evidence of improvement.	Innovation pursued - desire to challenge current practice. Empower staff to be innovative.
Quality	Safety	No risk related to the safety of supported people or the workforce.	Limited risk related to the safety of supported people or the workforce.	Unlimited risk related to the safety of supported people or the workforce.
	Positive Practice	No sharing of positive practice.	Limited local sharing but not partnership wide.	Networks/ forum / procedures in place to share and learn from positive practice on partnership wide basis. Respond well and learn from critical incidents.
People	Workforce Challenges	No workforce plan or recognition of future challenges.	Future changes known but no plan in place to address them.	Aware of future challenges and a robust workforce plan in place. High ambition to be innovative, testing new ways of working and recruiting alongside calculated risk taking supporting people and workforce. Look to be innovative in recruiting and have a robust workforce plan.
Finance	Compliance	Want to adhere to all regulation with no deviation.	Adhering to all regulations but being creative in doing so.	Not adhering to regulations.
	VFM and financial Planning	Budgets focus is on recovery and renewal.	Balanced budget with strong financial management in place despite challenge of annual budget setting processes.	Investment in new approaches to improve service and to increase efficiency and effectiveness.

Integration Joint Board 16 November 2023

Subject : **Independent Advocacy Strategic Plan 2022-2026**

Purpose : The IJB to note progress in developing the Advocacy Strategic Plan.

Recommendation : The IJB to approve the Advocacy Strategic Plan.

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
IJB	Integration Joint Board
ASP	Adult Support & Protection

1.	EXECUTIVE SUMMARY
1.1	<p>North Ayrshire Health and Social Care Partnership (The Partnership) is committed to ensuring people have their voice heard, can express their needs, make informed decisions, and have their rights and interests protected.</p> <p>The Partnership recognises the importance of advocacy in:</p> <ul style="list-style-type: none"> • Empowering people to express their own needs and make their own decisions. • Enabling people to access information, explore options and make informed decisions. • Providing a voice for people who are unable to speak or who do not use speech as a form of communication. • Ensuring a safeguard for vulnerable people
1.2	<p>This has resulted in advocacy being available to adults with learning disabilities, adults affected by mental ill health, adults with addictions issues, adults with physical disabilities, adults with brain injury, children, and young people.</p>

1.3	<p>The new North Ayrshire ‘Empowering Inclusion’, Independent Strategic Advocacy Plan 2022-2026 has been collaboratively developed with learning and evaluation of the previous the Advocacy Strategy 2018 – 2021 and associated plans.</p> <p>This new strategy will take us from 2022 to 2026 and has been influenced by a number of national and local policy drivers highlighted within the strategy. Primarily among those is the North Ayrshire Health and Social Care Partnership Strategic Commissioning Plan ‘<i>Caring Together</i>’ 2022-30.</p> <p><i>Caring Together</i> sets out the partnership’s ambitions to improve the health and wellbeing of all people living in North Ayrshire. It underlines the importance of working with people as they go through their care journey and ensures that people using our services have their voices heard and needs respected.</p>
2.	<p>BACKGROUND</p>
2.1	<p>The Mental Health (Care and Treatment) (Scotland) Act 2003 imposed a duty on local authorities and health boards to collaborate to ensure the availability of independent advocacy services in their area. The Act gave everyone with mental illness, learning disability, dementia, and related conditions the right to access independent advocacy support. The Mental Health (Scotland) Act 2015 builds on the right in the 2003 Act to independent advocacy support, by requiring health boards and local authorities to tell the Mental Welfare Commission how they have ensured access to services up to now, and how they plan to do so in the future.</p> <p>Local authorities and health boards have a legal duty to provide independent advocacy for people who have a mental disorder (this includes people who have a mental illness, learning disability or personality disorder, and covers people with dementia and acquired brain injury) under the Mental Health (Care and Treatment) (Scotland) Act 2003. This is not restricted to people subject to compulsory measures; "everyone with a mental disorder is entitled to access independent advocacy, regardless of which piece of legislation is being considered, and indeed, when no legislative intervention is being considered at all" (Patrick &Smith 2009).</p> <p>Under the Adult Support and Protection (Scotland) Act (2007) local authorities are required to "have regard to the importance of the provision of appropriate services (including, in particular, independent advocacy services) to the adult concerned". Therefore, it must be considered whether advocacy is required for any adult subject to ASP procedures, however, as identified above advocacy must be offered to any adult subject to ASP who has a mental disorder.</p> <p>There is a range of legislation in Scotland that requires the local authority to give regard to the views of children, including the Children (Scotland) Act 1995, Children's Hearings (Scotland) Act 2011 and the Children and Young People (Scotland) Act 2014. This may involve the provision of advocacy to ensure children are able to</p>

express their views. Under the Mental Health (Care and Treatment) (Scotland) Act 2003 all children with a mental disorder are entitled to independent advocacy.

Under the Equality Act 2010, local authorities and health boards have a statutory duty to ensure services provided are equitable and accessible and that any barriers to this are addressed. For people who are marginalised or face discrimination it is particularly important that they have access to independent advocacy to ensure equitable access to services. People may face discrimination on the basis of age, gender, ethnicity, disability, sexual orientation, mental health or substance dependency. This duty requires consideration of the provision of advocacy on a wider basis than that required for people with a mental disorder.

In addition to legal requirement, there is a range of policy and guidance that recommends access to advocacy for particular groups, such as Getting It Right for Every Child (2010) and Advocacy for Unpaid Carers, Guidance (2016).

In 2023 the MWC published 'The Right To Advocacy' which is the outcome of a review undertaken by the MWC to identify how health and social care partnerships, local authorities and NHS boards are discharging their responsibilities under the Mental Health (Care and Treatment) (Scotland) Act 2003.

The report identified key recommendations which have been considered in the development of the new North Ayrshire HSCP strategy:

Recommendation 1: All health and social care partnerships (HSCPs), health boards and local authorities should work collaboratively to ensure that a strategic advocacy plan has been developed and implemented for a three-year period based on information gathered from a needs assessment, scoping exercises and consultations for the provision of independent advocacy services in their area by 31 March 2024.

Recommendation 2: Equality impact assessments (EQIA) must be undertaken when developing and finalising strategic advocacy plans and signed off by senior management from all key partners, e.g. health and social care partnerships, health boards and local authorities.

Recommendation 3: All health and social care partnerships (HSCPs), health boards and local authorities should ensure that advocates and advocacy organisations commissioned to provide advocacy services in their area comply with the principles and standards set out in Appendix 1 of the Scottish Government Guidance: Independent advocacy - a guide for commissioners (2013).

Recommendation 4: All health and social care partnerships (HSCPs), health boards and local authorities should promote advocacy services among health, social care and social work staff through training/awareness sessions and ensure information is available through a wide range of methods to members of the public.

	<p>Recommendation 5: All children’s integrated service plans should include reference to the provision of independent advocacy services by 31 March 2024.</p> <p>Recommendation 6: All health and social care partnerships (HSCPs), health boards and local authorities to consider the term of funding in response to the feedback from the advocacy organisations about how this can make it challenging regarding long term planning and sustainability of independent advocacy organisations.</p> <p>The new North Ayrshire ‘Empowering Inclusion’, Independent Strategic Advocacy Plan 2022-2026 is in alignment with the MWC recommendations.</p> <p>A short-life working group was established with key stakeholders to ensure application of the strategy to practice could be achieved, identifying and outlining key priorities for delivery.</p>
3.	PROPOSALS
3.1	<p>The IJB is asked to approve the new North Ayrshire ‘Empowering Inclusion’, Independent Strategic Advocacy Plan 2022-2026.</p> <p>This approved plan will be provided to the Mental Welfare Commission Scotland.</p>
3.2	<u>Anticipated Outcomes</u>
	<p>The outcomes of independent advocacy support to individuals as outlined above, are not only of a legal duty but of ethical support to ensure individuals rights are being protected and safeguarded.</p>
3.3	<u>Measuring Impact</u>
	<p>The progress on implementation of independent advocacy will report using the HSCP Performance & Audit Committee process and form part of the HSCP annual performance report.</p>
4.	IMPLICATIONS
4.1	<p><u>Financial</u> The Advocacy Strategy will be underpinned by the appropriate commissioning of services. Such services are already commissioned separately for children and adults, and have been re-tendered in the past months, with new contract awards due to commence by April 2024.</p>
4.2	<p><u>Human Resources</u> “None”.</p>
4.3	<p><u>Legal</u> The HSCP will comply with the legal aspects of independent advocacy.</p>

4.4	<u>Equality/Socio-Economic</u> Ensuring parity of access for those in need.
4.5	<u>Risk</u> To not provide this service would be in breach of legal duty.
4.6	<u>Community Wealth Building</u> This is not a requirement of the service.
4.7	<u>Key Priorities</u> Advocacy Strategy will ensure equitable access to services and ensure any barriers to equitable provision are addressed meeting the objectives of the Strategic Plan.
5.	CONSULTATION
5.1	The new strategy has been developed in collaboration and consultation with key partners within commissioned and statutory services. The views of the people who may require to access advocacy services were presented via their advocacy supports.

Caroline Cameron, Director, NAHSCP
Thelma Bowers, Head of Service, Mental Health,
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Appendices

- Appendix No 1, Independent Advocacy Strategic Plan 2022-2026

North Ayrshire Health and Social Care Partnership



Empowering Inclusion

Independent Advocacy Strategic Plan
2022-2026

In partnership with



Document Control

Control Aspect	Information
Document Name:	Independent Advocacy Strategic Plan
Directorate:	Health & Social Care Partnership
Prepared by:	Julie Barrett
Authorised by:	Thelma Bowers
Source Location:	
Published Location:	
Other documents referenced:	Empowering Inclusion: Independent Advocacy Strategic Plan 2019-2021
Related documents:	Scottish Independent Advocacy Alliance (2019) Independent Advocacy: Principles, Standards & Code of Best Practice.
Acknowledgements:	With thanks to the authors and contributors of the previous North Ayrshire Independent Advocacy Strategic Plan that provided the foundation for this review and refresh. Also many thanks for the authors that produced and contributed towards this updated plan

Version Control

Version Number	Date Issued	Author	Update Information
V1	01/03/2022	J. Barrett	Review and refresh from previous Strategic Plan 2019-2021
V2	21/06/2022	J. Barrett	Draft distributed following working group
V2	21/06/2022	J. Barrett	Issued to Child and Family Services
V2.1	22/06/2022	P. McArthur	Updated following return from Addiction Services
V2.2	27/07/2022	M. McClurg	Updated following return from AIMS Advocacy
V2.3	03/08/2022	M. McLennan	Updated following return from Partnership Engagement
V2.4	08/08/2022	P. McArthur	Updated following return from Addiction Services
V2.5	08/08/2022	S. Bryan	Updated following return from Strategic Planning
V3	26/08/2022	J. Barrett	Draft distributed following working group

Version Number	Date Issued	Author	Update Information
V3.1	26/08/2022	W. Lauder	Updated following return from Inpatient Services
V3.1	29/08/2022	J. Barrett	Request for update from Child and Family Services
V3.2	13/09/2022	P. McArthur	Updated following return from Addiction Services
V3.4	30/09/2022	J. Thomson D. Jarrett	Updated following return from LDS
V4	03/10/2022	J. Barrett	Updated following return from working group
V4	30/11/2022	J. Barrett	Draft Paper tabled at PSMT
V4	12/12/2022	J. Barrett	Draft Paper tabled at SMT
V4.1	13/01/2023	V. McInulty	Updated following return from CAMHS
V4.1	31/01/2023	J. Barrett	Updates from Health & Community Care Services requested
V4.1	31/01/2023	J. Barrett	Updates from Child and Family Services requested
V4.2	31/01/2023	D. Thomson	Updates from Health & Community Care Services provided
V4.3	06/02/2023	A. Sutherland	Updates from Child and Family Services provided
V5	29/03/2023	J. Barrett	UPDATED REPORT
V5	04/05/2023	J. Barrett	Updated report tabled at PSMT
V5	11/05/2023	J. Barrett	Updated Report shared with HoS for Child & Families and Chief Social Work Officer (in follow up to PSMT)
V5	07/06/2023	J. Barrett	Updated reported shared with HoS for Mental Health and Director of H&SCP to try and finalise outstanding tweaks
V5.1	08/06/2023	E. Stewart	Update from Child and Family Services provided
V6	08/06/2023	J. Barrett	UPDATED REPORT
V6	15/06/2023	J. Barrett	Requested update from CSWO
V6	28/07/2023	J. Barrett	Updated reported shared with HoS for Mental Health to try and finalise
V6	08/09/2023	J. Barrett	Request to consider life span of Advocacy Plan made. ? Reducing plan to 3/4/5 year plan to coincide with tender process.
V7	03/10/2023	J. Barrett	Update to life span of advocacy strategy; 2022-2026.

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1. Who are we and what do we do?

North Ayrshire Health and Social Care Partnership (the Partnership) provides community-based health and social care services for people throughout their life: from birth through childhood, teenage years and adulthood.

Our service delivery areas include:

- Adult Health and Community Care Services
- Children, Families and Justice Services
- Mental Health, Learning Disability, Drug And Alcohol Services

The majority of our services are delivered in collaboration between North Ayrshire Council and NHS Ayrshire and Arran.

Our service delivery teams include, but are not limited to; Allied Health Professionals (dietitians, physiotherapists, occupational therapists, speech and language therapists), addictions workers, care at home and care home staff, child immunisation, community alarm and digital health staff, community link workers, welfare rights officers, nurses (including specialist and advanced nurses), paid carers, psychologists and psychiatrists, social workers (across all age groups) and social work assistants, residential adult and childcare staff and volunteers in a range of teams. In many services, we also have peer support workers, who are staff members employed due to their lived experience of services.

We also work closely with our partnering Health & Social Care Partnerships, Primary Care colleagues; Dentists, GPs, Optometrists and Pharmacists, wider members of North Ayrshire Council; particularly Housing and Education, and wider members of NHS Ayrshire & Arran.

In delivering effective Health and Social Care services, we also appreciate many things are out with the scope of either NHS or North Ayrshire Council partners to achieve. That is why our partnership actively includes representation from the Third Sector Interface and from the local independent sector.

We want to ensure people in North Ayrshire have access to the right care at the right time, in the right place with the right professional. We work together to provide high quality, safe and sustainable care, as seamlessly as possible. This is perhaps summarised best in our Partnership Vision:

Our vision is that all people who live in North Ayrshire are able to have a safe, healthy and active lifestyle.

Our intentions for achieving this vision are set out within the North Ayrshire Health and Social Care Partnership Strategic Commissioning Plan, 'Caring Together (2022/30)'. The plan identifies our five strategic priorities to help us reach our vision. We will seek to:

- Enable Communities
- Develop and Support our Workforce
- Provide Early and Effective Support
- Improve Mental and Physical Health and Wellbeing
- Tackle Inequalities

We see these priorities as interlinked, and we expect that where we see success against one priority, its effect will positively impact against others. You can find out further information about our priorities, and how we intend to address them, in our strategic commissioning plan, '*Caring Together*', and how we are working towards achieving them in our annual performance reports at [Caring Together: NAHSCP Strategic Commissioning Plan 2022-2030](#).

Caring Together (2022/30) also identifies our values as a Health and Social Care organisation. Our values were informed by engagement with local people, who told us that they expect us to embody:

Care, Empathy, and Respect

- By being a **Caring** Partnership, we look after and support the health and wellbeing needs of those who require it.
- By showing **Empathy**, we understand the needs, wishes and concerns of people accessing our services as we support them on their care journey.
- By showing **Respect**, we see people accessing services as unique individuals and actively involve them, and their family, in the planning and delivery of their care.

The role of advocacy is an essential component of meeting the Health and Social Care requirements for our community and is also an opportunity to provide a critical voice for our communities in meeting their health and wellbeing ambitions. There is great opportunity through our diverse workforce in promoting the use of advocacy in its many guises as per section 4 of the document.

The Health and Social Care services within the Partnership are committed to raising awareness of the types of advocacy available and to promote and assist access to such supports with the goal of empowering individuals and their families to make informed decisions in relation to their care and support needs.

2. Our advocacy strategic plan

North Ayrshire Health and Social Care Partnership (The Partnership) is committed to ensuring people have their voice heard, are able to express their needs, make informed decisions and have their rights and interests protected.

The Partnership recognises the importance of advocacy in:

- Empowering people to express their own needs and make their own decisions
- Enabling people to access information, explore options and make informed decisions
- Providing a voice for people who are unable to speak or who do not use speech as a form of communication
- Ensuring a safeguard for vulnerable people

This has resulted in advocacy being available to adults with learning disabilities, adults affected by mental ill health, adults with addictions issues, adults with physical disabilities, adults with brain injury, children and young people.

This new strategy will take us from 2022 to 2029 and has been influenced by a number of policy drivers. Primarily among those is the North Ayrshire Health and Social Care Partnership Strategic Commissioning Plan 'Caring Together' 2022-30. Described in the previous section, Caring Together sets out the partnership's ambitions to improve the health and wellbeing of all people living in North Ayrshire. It underlines the importance of working with people as they go through their care journey and ensures that people using our services have their voices heard and needs respected. In turn, the NAHSCP Commissioning Strategy is underpinned by several other policy drivers:

National Drivers

The Promise

The Partnership will work closely with our national and local partners as we help to deliver 'The Promise' for Children, Young People and Families. The promise is responsible for driving the work of change demanded by the findings of the Independent Care Review. Made on 5th February 2020, the Promise seeks to improve the experience of all children, young people and their families if they require additional support. The Promise aims to create a more compassionate care service for families and young people.

The Promise has five key foundations that all change must be delivered against. Among these is the foundation of 'Voice', in which all children must be listened to and respected and appropriately involved in decisions about their care. Specifically referencing advocacy, 'All care experienced children and their families will have access to independent advocacy at all stages of their experience

of care.' 'Care experienced children and young people will be able to easily access child centred legal advice and representation.' Advocacy provision will follow the principles set out in the promise.

Mental Health Strategy (2017-27)

In a strategic response to the National Mental Health Strategy, we undertook the Ayrshire Mental Health Conversation in 2019. This Ayrshire wide engagement and consultation identified a number of key priorities to support people affected by poor mental health or complex mental health conditions. Highlighted in the key priorities was:

- The need to promote community-based support, including self-management and peer support
- Improving access to services for people with mental health problems and distress, and
- Bringing the voice of those with lived experience into the heart of care planning

Advocacy service must play a strong part in supporting local people with mental health concerns have their voices heard.

Learning Disability Strategy

The work of North Ayrshire Learning Disability Services is informed by a variety of national strategies, including the aforementioned Mental Health Strategy. In addition 'The Keys to Life: Implementation Framework and Priorities' highlighted 'Choice and Control' as one of its themes for action, and highlighted the need for access to advocacy organisations to support people with learning disabilities to gain greater choice and control over their lives. This theme was carried forward into the 'Towards Transformation' plan; a bridging strategy published by Scottish Government as a part response to the pandemic experience of people with autism and /or learning disabilities. Supporting self-advocacy organisations, and ensuring parents have access to advocacy to enable them to be equal participants in their child's education, were 2 aspects of advocacy related action highlighted within the latter document.

Medication Assisted Treatment (MAT) Standards: access, choice, support

Services have processes in place to inform and support individuals to access Advocacy services:

1. All services will inform people of independent advocacy services that are available and feel able to use them to discuss the issues that matter to them.

2. All service users will have support if they choose from advocacy or a family member or nominated person(s) and are encouraged to do so.
3. All services will have clear pathways that enable family members or nominated person(s) to use independent advocacy to raise concerns and receive support
4. Service staff are clear on their responsibility to provide accessible, accurate information on and proactively promote independent advocacy.
5. Services will have policies and procedures to ensure people are informed of independent advocacy services that empower them to access their rights and enable informed decision making;
6. Services will have a documented system in place that ensures people are informed of independent advocacy and that their family member or nominated person(s) can be included from the start in care planning
7. All people should be informed of independent advocacy services should they wish support in their journey throughout services.
8. Staff should have training to understand the role of independent rights-based advocacy and have access to rights-based and health inequalities training.

North Ayrshire Local Policy Drivers

North Ayrshire Local Outcome Improvement Plan 2022-30

Published by the North Ayrshire Community Planning Partnership (CPP) in April 2022, the North Ayrshire Local Outcome Improvement Plan (LOIP) sets out the strategic vision and direction for improving the lives of the local people.

The LOIP has identified three areas for focus:

- WELLBEING – providing a focus on the health and wellbeing of local people, with an aim of reducing local health inequalities through targeted support to improve individual, family and community health and wellbeing.
- WORK – focussing on the local economy and improving the local skills base to help address the root causes of poverty and deprivation.
- WORLD – focussing on efforts to address climate change, reduce carbon emissions and improve the local natural environment.

With a key focus on health and wellbeing and on addressing social, economic and health inequalities, the LOIP 2022-30 is in close alignment with our own strategic objectives. Its delivery will help develop a local environment that provides greater opportunities to local people, and supports them to achieve their identified ambitions.

North Ayrshire Council Plan (2019-24)

Aligning closely to the LOIP, The North Ayrshire Council Plan (2019-24) sets out the Council's priority areas to achieve the vision of a "North Ayrshire that is 'Fair For All'".

The Community Wealth Building strategy is a key driver behind the Council's three priorities which are:

- Aspiring Communities – A society where everyone has the same life chances to grow, prosper and have fulfilling and healthy lives.
- Inspiring Place – An enterprising, vibrant and sustainable environment that is appealing to investors, attractive for visitors and a place where our residents are proud to live and work.
- A Council for the Future – Ensuring the Council is forward thinking and motivated to improve the services we provide for our communities through innovation.

Being 'fair for all', actions taken by North Ayrshire Council will seek to reduce the economic and social inequalities in North Ayrshire, support all residents to have equal access to services and have the opportunity to be involved in local decision making processes.

3. What is independent advocacy and why do we need it?

There are three parts to this question. The first is to define what we mean by 'advocacy' the second is about what makes advocacy independent and the third is why we need it.

There are many different ways to describe advocacy. Most definitions include statements regarding ensuring people have their voice heard, are able to express their needs, make informed decisions and have their rights and interests protected. Wherever possible, advocacy supports people to gain increased skills and confidence so that, over time, they will feel able to advocate for themselves when the need arises.

Advocacy enables people to be involved in decisions which affect their lives. It helps them to express their views and wishes, to access information, to make informed choices and to have control over as many aspects of their lives as possible.

Independent Advocacy - Guide for Commissioners
Scottish Government (2013)

We believe that everyone who needs independent advocacy should have access to it. Independent advocacy must be of the highest possible standard.

The Scottish Independent Advocacy Alliance (2019) Vision Statement

The Partnership recognises the benefits of advocacy in:

- Empowering people to express their own needs and make their own decisions
- Enabling people to access information, explore options and make informed decisions
- Providing a voice for people who are unable to speak up for themselves
- Ensuring a safeguard for vulnerable people

Advocacy can be carried out by the person themselves (self-advocacy) or with support from a third party. An advocate supports a person to get the information they need to make real choices and if needed, ensure these choices are communicated to others. In summary, advocacy helps amplify people's views, concerns, rights and aspirations.

Family members, carers and friends, as well as health and social care staff often act as advocates for people. However, it is sometimes difficult for them to put forward the person's views due to their own opinions of what is in the person's best interests or their responsibilities to the organisation they work for. There are also situations where a person needs advocacy support and has no-one else in their life who can act as an advocate for them. Having an advocate is particularly important for people who may lack capacity, face prejudice or who may be more vulnerable than other members of our communities. It is in those situations that Independent Advocacy is appropriate to ensure that the person's views are taken into account in decision making processes, free from conflicts of interests with the views of others.

Advocacy can take place in a group setting as well as on a one-to-one basis. This can be where an advocate supports a group of people with the same issue or to provide a setting where people can develop their self-advocacy skills.

There is no one way of describing when advocacy is independent. The legislation and guidance listed in Section 2 define 'independent' in a range of different ways. The Scottish Independent Advocacy Alliance, who publish good practice guidance for independent advocacy in Scotland, for example, expects its members to demonstrate structural, financial and psychological independence. This implies that advocacy and advocacy related activities are the only function of an independent advocacy organisation (structural independence), that the organisation will strive to generate funds from a range of sources (financial independence) and that their first accountability will be to the people they advocate for (psychological independence). Each piece of legislation has its own definition of independence, some of which use a wider level of compliance, along with differing responsibilities being delegated to local health and social care partnerships in regard to the availability of independent advocacy services that meet the need within their area.

The purpose of this plan is to take account of the responsibilities delegated to NAHSCP within the legislation and guidance documents listed in Section 2 in order to assure the provision of Independent Advocacy for people in North Ayrshire who need it.

4. Types of Advocacy

There are many types of advocacy, both voluntary and paid, to support people in a range of situations. Other than self and citizen advocacy, which are, by their nature, always independent, each type may be independent or non-independent. Some or all types may be needed to address the advocacy need within an area.

The main types of advocacy are:

Self-advocacy

Self-advocacy is the ability of a person to express their own views and concerns about the things that are important to them. Self-advocacy means people are able to ask for what they need and want, and they are able to tell people about their thoughts and how they feel. Self-advocacy means people are able to communicate their choices and decisions about their life.

Citizen advocacy

Citizen advocacy is one to one, medium to long term support for people who cannot speak up for themselves. Citizen advocacy is based on a relationship of trust and understanding between two people – the advocate and the person seeking support. Citizen advocates are often supported by independent advocacy organisations. These organisations ensure people who are advocates use clear principles and standards and receive on-going training and support. Citizen advocates are unpaid.

Collective advocacy

Collective advocacy happens when a group of people with similar experiences or challenges support each other about an issue that affects them all. The group has a unified voice that is often difficult to ignore. This group support can often increase an individual's self-confidence and self-worth and can help to reduce social isolation and stigma.

Group advocacy

Advocacy can occur in group settings to support participants to gain or develop their ability to advocate for themselves. This type of advocacy can be carried out in a range of ways such as a series of workshops or using expressive arts based activities to provide opportunities for people to share their views and opinions with others.

Peer advocacy

Peer advocates share their own significant lived experience, e.g. age, gender, ethnicity, diagnosis, service experience or issues, with an individual or a group. They offer understanding, empathy as well as information and assistance to the people they support. Peer advocacy helps to increase people's self-awareness, confidence and assertiveness so that they can begin to speak out for themselves.

Professional advocacy

Professional advocacy is also known as one-to-one or individual advocacy. It is provided by paid and unpaid advocates, mainly through an independent advocacy organisation. The advocate supports the person to express their views and make choices and decisions on issues that affect them. This support (providing information, not advice) can be short or longer term, depending on the complexity of the issues.

Non-instructed advocacy

Non-instructed advocacy happens when a person who needs an independent advocate cannot express their wishes to the advocate. This can happen where the person has complex communication issues or has a long term illness or disability that prevents them from being able to state their needs and wishes. The advocate will take time to get to know the person and explore the use of alternative methods of communication, e.g. people's behaviour and actions, to enable the person to express their views. The advocate will also get to know the person's family, carer and friends. This will help to build a picture of what is important to the person to support decision making and ensure the person's rights are upheld.

5. Advocacy services in North Ayrshire

AIMS Advocacy

AIMS Advocacy provide independent advocacy in North Ayrshire for people over 16 years who require independent advocacy and who are eligible to receive a community care service. This includes people who experience mental ill health or disabilities. AIMS Advocacy provides professional advocacy services to individuals and also supports group advocacy when appropriate. Advocacy support is provided in the community as well as hospital settings.

Barnardo's Hear 4 U

Barnardo's Hear 4 U is an independent advocacy service based in Kilwinning, although operational across North Ayrshire. The service provides community-based advocacy to children and young people ensuring that they are aware of their rights as defined within the United Nations Convention on the Rights of the Child (UNCRC). Hear 4u is funded by North Ayrshire Health & Social Care Partnership. Priority is given to children and young people who:

- Are involved in the child protection process and/or children's hearing system.
- Are Care Experienced in Foster Care, Residential Care and/or Kinship Care.
- **Are on the periphery of Secure Care**
- Were previously looked after and accommodated
- Have additional support needs

Woodland View

Woodland View provides our main inpatient facility within the Ayrshire Central Hospital Site. As lead partnership for mental health services, Woodland View sits within the North Ayrshire Health & Social Care Partnership. Should independent advocacy be required for inpatients within woodland view the commissioned service from the individuals respective Health & Social Care Partnership should be approached.

For anyone out of area (i.e. out with Ayrshire & Arran), the commissioned services for North Ayrshire may provide support on an interim basis, until appropriate transfer is completed.

Foxgrove

The new National Secure Adolescent Inpatient Service for Scotland (NSAIS) will sit within the Ayrshire Central Hospital campus in Irvine, North Ayrshire. Foxgrove will provide secure adolescent inpatient service for young people from across Scotland. As it is known that young people will likely be from out of area, separate specialist independent advocacy support will be commissioned.

6. Enhancing our advocacy approach

North Ayrshire Health and Social Care Partnership is committed to ensuring that advocacy continues to be developed across North Ayrshire in a planned, and collaborative way. This includes providing services for vulnerable people to have their voice heard, express their needs, make informed decisions and have their rights and interests protected where there is no one else and/or it is not appropriate for others to do this on their behalf.

There are a number of key pieces of legislation that outline a requirement for independent advocacy and therefore the Partnership prioritises the following groups:

- Older People (including people living with dementia)
- People with a mental illness
- People with learning disabilities
- People with drug and/or alcohol problems
- Disabled Children and young people
- Children and young people (under the age of 16) who have a mental disorder
- Young people with forensic level mental health problems (as part of the National Secure Adolescent Inpatient Service)
- Adult Support and Protection
- Adults with Incapacity
- Child Protection

There are also a number of other groups that would benefit further development of independent advocacy. We will continue to consider the best ways to support these groups by working with individuals and organisations already supporting them, including:

- Carers, including young carers
- People with a brain injury/physical disability (and have communication support needs)

While we acknowledge that we have made good progress with advocacy over the last few years, we recognise that our approach to advocacy will continue to evolve as the Partnership develops. People can input into the direction of services via the Care

Improvement Network. Full details of our ambitions for Community Engagement are outlined in our Participation and Engagement Strategy.

7. Evaluation and review

The Pan-Ayrshire Mental Health Programme Board will be responsible for the direction, implementation and review of our Advocacy Strategy. This group provides a basis for stakeholder representation within the Partnership and makes recommendations to North Ayrshire Integration Joint Board (responsible for the direction, effectiveness and efficiency of North Ayrshire Health and Social Care Partnership) for implementation

We believe that robust monitoring and evaluation will improve the quality of the services provided and drive-up standards in promoting greater accountability. To embed effective monitoring and evaluation into practice we will:

- Establish an effective advocacy monitoring framework, built around the Principles and Standards of Independent Advocacy, within the first year of this plan.
- Undertake an annual internal evaluation of local advocacy services, using the monitoring framework as a basis for evaluation work

The strategy and monitoring framework will be reviewed annually. This evaluation will help us ensure the on-going effectiveness of advocacy across North Ayrshire and highlight any gaps or identify future needs.

An annual advocacy report will be produced and distributed across key governance groups, including the Partnership's Strategic Planning Group (SPG). Any future commissioning needs, based on identified gaps will be considered by the SPG and recommendations made to Integration Joint Board.

Key highlights from the annual report will be published in the Partnership's Annual Performance Report.

Appendix

Appendix A: Principles and Underpinning Standards for Independent Advocacy (Scottish Independent Advocacy Alliance, 2019)

Principles:

- 1) Independent advocacy is loyal to the people it supports and stands by their views and wishes.
- 2) Independent advocacy ensures people's voices are listened to and their views taken into account.
- 3) Independent advocacy stands up to injustice, discrimination and disempowerment.

Standards:

- 1) Independent advocacy is loyal to the people it supports and stands by their views and wishes.
 - a) Independent advocacy follows the agenda of the people supported regardless of the views, interests and agendas of others.
 - b) Independent advocacy must be able to evidence and demonstrate its structural, financial and psychological independence from others.
 - c) Independent advocacy provides no other services, has no other interests, ties or links other than the delivery, promotion, support and defence of independent advocacy.
- 2) Independent advocacy ensures people's voices are listened to and their views taken into account.
 - a) Independent advocacy recognises and safeguards everyone's right to be heard.
 - b) Independent advocacy reduces the barriers people face in having their voice heard because of communication, or capacity, or the political, social, economic and personal interests of others.
- 3) Independent advocacy stands up to injustice, discrimination and disempowerment.
 - a) Independent advocacy recognises power imbalances or barriers people face and takes steps to address these.
 - b) Independent advocacy enables people to have more agency, greater control and influence.

c) Independent advocacy challenges discrimination and promotes equality and human rights.

