



Aberdeenshire
Health & Social Care
Partnership

Aberdeenshire Integration Joint Board

Unaudited Annual Accounts 2022/23



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Management Commentary

Welcome to Aberdeenshire Integration Joint Board's (IJB) Annual Accounts for 2022/23. The main purpose of the Annual Accounts is to set out the financial position of the IJB for the financial year but also to demonstrate that appropriate governance is in place regarding public funds and that the expected levels of service delivery have been achieved.

The Annual Accounts have been prepared in accordance with the relevant legislation, regulations and the proper accounting practices, which primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code) supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the Local Government in Scotland Act 2003.

The Annual Accounts are a financial representation of the Board's strategic priorities and set out on an annual basis an investment of over £390 million per year across local communities in Aberdeenshire. This is equivalent to over £1.1 million each day being spent on health and social care services, or approximately £4.00 a day for each Aberdeenshire resident.

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

- The Role and Remit of Aberdeenshire's IJB
- Strategy and Business Model
- Strategic Priorities Performance
- Financial Performance
- Principal Risks and Uncertainties
- Outlook for future years

The Role and Remit of Aberdeenshire's IJB

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

UPDATED LINK TO BE PROVIDED FOR AUDITED ACCOUNTS

Management Commentary (continued)

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

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

Hosted Services

Chronic Oedema

Retinal Screening / Diabetes Network areas:

Marie Curie Nursing

Heart Failure Service

Continence Service

Clinical services at HMP Grampian

Forensic Medical Examiners

Hospital Based Services

Emergency Department services provided in a hospital

Acute Inpatient hospital services for the following

- a) General Medicine
- b) Geriatric Medicine
- c) Rehabilitation Medicine
- d) Respiratory Medicine
- e) Palliative Care
- f) Mental Health
- g) Learning Disability Services

Management Commentary (continued)

Members of the Board for the period 1 April 2022 to 31 March 2023 were as follows:

Voting Members

Name	Organisation
Amy Anderson	NHS Grampian
Rhona Atkinson (Vice-Chair) (until 12/12/2022)	NHS Grampian
Joyce Duncan	NHS Grampian
Cllr Moray Grant (from 19/05/2022)	Aberdeenshire Council
Cllr William Howatson (until 04/05/2022)	Aberdeenshire Council
Cllr David Keating	Aberdeenshire Council
Cllr Gordon Lang (from 19/05/2022)	Aberdeenshire Council
Rachael Little (until 31/08/2022)	NHS Grampian
Steven Lindsay (from 01/08/2022)	NHS Grampian
Cllr Glen Reynolds	Aberdeenshire Council
Cllr Dennis Robertson (until 04/05/2022)	Aberdeenshire Council
Cllr Anne Stirling (Chair – from 1 Oct 2022)	Aberdeenshire Council
Dr John Tomlinson (Vice-Chair) (from 12/12/2022)	NHS Grampian
Susan Webb	NHS Grampian

Non-Voting Members

Name	Position
Pamela Milliken	Chief Officer
Chris Smith	Chief Finance and Business Officer
Leigh Jolly	Chief Social Work Officer
Rachel Taylor	Primary Care Advisor
Jenny McNicol (retired 31/12/2022) June Barnard (from 28/03/2023)	Nursing Lead Advisor
Dr Malcolm Metcalfe (until 24/08/2022)	Medical Practitioner – Secondary Care Adviser
Mr Paul Bachoo (from 12/10/2022)	Medical Practitioner – Secondary Care Adviser

Stakeholder Representatives Non-Voting Members

Name	Position
Inez Kirk	Trade Union representative
Martin McKay (Keith Grant, sub)	Trade Union representative
David Hekelaar	Third Sector representative
Sue Kinsey	Third Sector representative
Angie Mutch	Service User representative
Fiona Culbert	Carer representative
VACANT	Carer representative

Strategy and Business Model

The [Aberdeenshire Health and Social Care Partnership Strategic Plan 2020-25](#) outlined the vision of the AHSCP and its key priorities for health and social care services over this five-year period. It describes how the AHSCP will work with its partners to improve the health of local people and provide care and support when needed, focusing on the five strategic priorities of: Prevention and Early Intervention; Reshaping Care; Engagement; Effective Use of Resources; and Tackling Inequalities and Public Protection.

Aberdeenshire HSCP Strategic Priorities

Prevention & Early Intervention
Reshaping Care
Engagement
Effective Use of Resources
Tackling Inequalities & Public Protection

The AHSCP agreed a new Strategic Delivery Plan in December 2022 which laid out our strategic focus from 2022 – 2025.

During 2022-23 the IJB's focus has moved to look at recovery from the pandemic and responding to ongoing challenges due to the ageing population and complex presentations of need.

In terms of our strategic and operational priorities, the key areas which reported during 2022-23 were as follows -

- A framework for emerging from emergency measures implemented due to Covid 19 was agreed and implemented.
- Chief Social Worker's Annual Report 2021/2022.
- NHS Grampian Out of Hours Primary Care Service
- Annual Report on Community Justice in Aberdeenshire 2021/22
- Reshaping Care
- Adult Social Care Sustainability
- Regular Strategic Delivery Plan updates
- Property Asset Strategy
- Grampian Operational Pressure Escalation Systems Updates

Performance

Below are some of the areas of key progress that has been achieved by the Aberdeenshire HSCP against its 5 strategic priorities during 2022-23.

1. Engagement

As set out in the Aberdeenshire HSCP Strategic Plan, the key principles underpinning our strategic priority of engagement are that:

- We will be clear and transparent in our decision making
- We will listen to and be responsive to what individuals and our communities say
- We will be open, honest and transparent when communicating with individuals and our communities and continue to engage with our staff.

This aligns with delivery of National Health and Wellbeing Outcomes 3 and 8:

- **Outcome 3** - People who use health and social care services have positive experiences of those services, and have their dignity respected.
- **Outcome 8** - People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.

The AHSCP's approach to engagement and participation follows that of the Scottish Government's Planning with People: community engagement and participation guidance for health and social care services.

Services that are shaped by listening to and involving patients, staff and service users have been found to result in improved outcomes. Keeping well requires people to make healthy choices, be actively involved in the management of their health conditions and be connected with the community in which they live. The Aberdeenshire HSCP recruited a Consultation and Engagement Officer for the partnership in early 2023 to support the commitment to build and develop involvement of our service users, communities and stakeholders. Over the last quarter the work has begun to build the foundations to an Aberdeenshire Engagement framework. Work has continued over the last year to develop our engagement content on the AHSCP's hub on Engage Aberdeenshire. This digital platform is the focal point online engagement and consultation by the partnership. It is used as a tool that can be supported by other methodologies to ensure that key stakeholders are reached in a way that engages with them. There have been approximately 15 projects where Engage Aberdeenshire have been used and including the Aberdeenshire Autism Strategy for Children, Young People and Adults, the Deeside and Upper Donside Strategic Needs Assessment, Sensory Support Service Engagement and the Learning Disability Strategy. The site provides key information about the projects being designed alongside the ability for stakeholders to provide feedback. During April 2022 and March 2023 1,334 individuals have taken part in engagement activity and provided feedback to the partnership and over 7,000 individuals have read the information about the projects taking place.

Sensory Loss – Review of Service Provision

In Spring 2023 we commenced a programme of engagement to hear views about the currently commissioned sensory support services from Deaf Action and the RNIB in order to inform and help shape the support these services provide in the future (current contract for these services ends in 2024). The Partnership engaged with people who currently benefit from sensory support services, carers of people with a sensory loss and professionals providing services to people living with sensory loss. Surveys were created which would allow us to capture views. In addition, face to face sessions were planned where support would be available to enable people to contribute locally within their areas. The face to face sessions included; dedicated drop-in sessions (some with BSL translators), 1 to 1 individual appointments either in person and over the telephone, and members of HSCP staff attending Deaf Action drop in sessions in 8 location across Aberdeenshire. The survey converted into British Sign Language (BSL) which we hosted on our Engage HQ platform. The information from the engagement is currently being analysed and an update on how this has helped to shape service provision from 2024 will be provided in next years annual report.

Integration Scheme

The Integration Scheme sets out which services are formally delegated to the Integration Joint Board (IJB) and provides the context in which the Health and Social Care Partnerships operate. The Aberdeenshire H&SCP undertook a full review of the scheme. As a result of this a proposed updated version was consulted on in a side by side format with the current version of the scheme to ensure transparency and clear identification of the proposed changes. Of those who responded to the consultation 95% agreed that the revised scheme was easy to understand, and that comments from the consultation were taken into account prior to the final version of the Integration Scheme being submitted to the Aberdeenshire IJB, NHS Grampian Board and Aberdeenshire Council for approval ahead of submission to Scottish Government.

Autism Strategy

As part of the progressing the Aberdeenshire Autism Strategy for children, young people and adults a comprehensive engagement programme was undertaken. This programme was collaboratively organised with and coordinated by the Autism Strategy Planning Group. The programme consisted of two key stages which were the engagement phase between April and September 2022 and Public Consultation Phase between February- April 2023. As part of our Engagement Phase, our aim was to gather the viewpoints and needs of Aberdeenshire's Autistic Community and other stakeholders in order to help shape the Strategy and Action Plan. A range of engagement methods were used throughout the engagement programme to encourage as stakeholders to take part.

Deeside Strategic Needs Assessment

The Deeside and Upper Donside Strategic Needs Assessment was completed at the end of 2022 with the report summarising the outcomes and agreeing next steps was approved by the Integration Joint Board in December 2022. The extensive staff and community engagement highlighted several areas for improvement to Health and Social Care services within the area.

A Project Board has been set up to oversee the project implementation with 3 key workstreams that report into the Project Board to address the areas identified for improvement.

In addition, there were considerations in relation to Travel & Transport and Digital provision of services. These are being shared with working groups already in existence.

Staff Engagement

We are committed to and recognise the importance of listening to our staff and believe in engaging with people when shaping the services we deliver. iMatter is an annual staff experience survey implemented across NHS Grampian and including both NHS and Council employed staff within the AHSCP, providing staff with the opportunity to feed back on their experiences of working within both their particular team and wider organisation (essential to continuous organisational learning and improvement). iMatter also allows analysis of organisations' performance against Staff Governance Standards, considering both how effectively staff are managed and also how staff feel they are managed. The 2022 AHSCP Directorate report for iMatter demonstrated an improvement in scores across each strand when compared with 2021 with a similar number of responses received.

Nursing teams within the AHSCP also participated in the BPA Culture Matters survey in 2022. Similar to the iMatter results, responses were more positive in relation to people's experience within their own teams, relationships with their peers, colleagues and team leaders.

Individual teams are progressing their iMatter and BPA action plans to achieve targeted improvements.

The 5 elements of the Staff Governance Standard serve as overarching principles for AHSCP activity. The AHSCP seeks to achieve and support delivery of these standards in a variety of ways. There are regular meetings of the Integrated Joint Staff Forum which include staff side and Trade Union colleagues.

2. Prevention and Early Intervention

Communities, the third sector and other partners continue to have a role alongside the AHCSP in supporting the opportunities for people to be active, to be involved and to connect with others. This approach is a key basis through all of the partnerships 'condition specific' strategies and plans, whilst acknowledging this is primarily driven through the AHSCP Health Improvement Delivery Plan.

In doing so the HSCP's ambitions are:

- We will support people to live healthy lifestyles
- We will support people to self-manage long term conditions
- We will work to help people avoid preventable conditions.

This aligns with National Health and Wellbeing Outcomes 1 and 6:

- **Outcome 1** - People are able to look after and improve their own health and wellbeing and live in good health for longer
- **Outcome 6** - People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and well-being

A. Aberdeenshire Health Improvement Delivery Plan

The Aberdeenshire Health Improvement Delivery Plan for 2021 - 2023 focuses on four priority areas, aligned with national and Grampian Public Health priorities:

- Improving mental health and wellbeing
- Healthy eating, being active and healthy weight
- Reducing the impact of poverty and inequalities
- Building community capacity for health improvement.

This delivery plan highlights what we will do at an Aberdeenshire level working towards the priorities above.

Key achievements within the plan include:

Community Paradigm New Pitsligo

The AHSCP Public Health Team in collaboration with the Kings Fund have begun to implement a 'Community Paradigm' test of change in the New Pitsligo community. The 'Community Paradigm' is referred to as a future practice and culture of community engagement, which challenges and empowers communities to collaborate in developing and delivering solutions to some of the most complex problems they face. It describes a re-imagined social 'contract' between public services, communities and individual citizens. The project set out to build capacity to understand health and wellbeing needs and priorities in New Pitsligo; build stronger relationships with stakeholders and the wider community and work jointly with community to identify innovative solutions to identified needs and priorities. The findings from this project will set out how the NHS will make a step change to its contribution across the full range of important social and economic determinants of health.

Management Commentary (continued)

Improving Mental Health and Well Being

The Public Health team continue to facilitate the annual Aberdeenshire Wellbeing Festival and each year have developed more engagement within local communities with support of partner organisations and local groups. The festivals in 2022 and 2023 supported the Mind yer Mind campaign by including the 5 ways of wellbeing within the festival programme and asked hosts to share the resources to help promote positive mental wellbeing. The second phase of the Mind Yer Mind campaign was launched in Autumn 2022 with a number of wellbeing ambassadors in Aberdeenshire describing how they use the Five Steps to Wellbeing to maintain and improve their mental wellbeing. The work has continued with emphasis on working with communities to share resources through revised e-books for each area in Aberdeenshire. A number of resources were created for anyone to download including six printable e-books to show exactly how to take part in activities in your area.

Reducing the impact of poverty & Inequalities

The Public Health Team continue to work towards reducing the impact of poverty and inequalities within Aberdeenshire through supporting the delivery of various projects across Aberdeenshire. The Shaping Places for Wellbeing programme is a 3-year programme, running until March 2024, which is being delivered by Public Health Scotland (PHS) and the Improvement Service (IS) jointly with local authorities and NHS local boards. The programme is being delivered in seven project towns (Alloa, Ayr, Clydebank, Dalkeith, Dunoon, Fraserburgh and Rutherglen) with each project town having been identified due to the current levels of inequalities prevalent within the communities, based on recent SIMD data. The programme has funding from the Health Foundation and Scottish Government.

The aim of the programme is to:

- Improve Scotland's wellbeing by reducing the significant inequality in the health of its people while addressing the health of our planet.

Fraserburgh joined the programme as an active project town in October 2022, with key highlights of the work up to March 2023 including:

- 2 x workshops (one in person one online) to engage stakeholders and introduce the Shaping Places for Wellbeing Programme.
- Data profile development using conversations with stakeholders to enhance the profile and expand and sense check.
- Network building and raising awareness through presentations to various groups

B. Primary Care Improvement Plan

We are continuing to implement the Primary Care Improvement Plan based on the 2018 GMS contract. Where we have some fantastic and established services, we do remain challenged in terms of expansion and development based on recruitment and the current financial envelope. Where we have practices with access to the services, the challenge can often be the breadth of access that is offered.

Management Commentary (continued)

Pharmacotherapy

The current pharmacotherapy service provides pharmacists and pharmacy technicians to support the pharmacotherapy workstreams in GP practices. This can either be basing the teams within practices or offering the service via a hub approach. Currently we have twenty-seven practices with access to Pharmacotherapy – this can range from Level 1 (authorising prescription requests) to Level 3 (polypharmacy reviews and specialist clinics). Our aspirations would be that all practices have access to Level 1, Level 2, and level 3 pharmacotherapy services.

Community Treatment And Care

We currently have all thirty practices with access to phlebotomy services. We are currently working on expansion of our treatment room services. Where we have some established hubs in Aberdeenshire, we are continuing to try and increase our hubs and ultimately increase access to the service.

First Contact Physiotherapy

This is a well-established service which has physiotherapists based in practices offering appoints for musculoskeletal conditions. We currently have twenty-nine practices with access to this service averaging 477 appointments offered weekly across Aberdeenshire.

Vaccination Transformation Programme

Services have been redesigned to allow all pre-school, adult and travel vaccination to be delivered through a co-ordinated Grampian-wide vaccination service. This has been successfully transferred over to the health board with responsibility to deliver. We have several clinics operating across Aberdeenshire. We are in the process of reviewing all of our clinics. We are currently offering pre-school immunisations, school age immunisations, out of schedule, adult immunisations, adult flu (twenty-seven out of thirty practices), pregnancy and travel. The HSCP implemented an 'extended flu immunisation programme from September 2022 for all over 50's, pre-school and school teachers, health and social care staff, prison residents/staff and care home residents.

The autumn and spring Covid booster programmes have also been delivered and Childhood immunisations completed during the reporting period show that all of immunisations across the age groups in Aberdeenshire were higher than the overall Scottish uptake which is an improvement on the previous year.

In Aberdeenshire, 8,348 immunisations were delivered to the under 12-month age group. The 24-month age group had an uptake of 11,448 immunisations completed. The up to 5 years age group had 12,958 immunisations in total and the up to 6 years of age group had 7,939 immunisations completed.

Urgent Care

This has been a challenge to fully deliver with the biggest barriers being our geography in Aberdeenshire and the demand for Advance Nursing Roles with recruitment being a continual challenge. We currently have fourteen out of twenty-nine practices with access to Urgent Care. We are now offering a robust training programme in Aberdeenshire which works in tripartite with the HSCP, GP practices and the Universities (RGU and Aberdeen).

2C practices sustainability work

General Practice nationally is facing a serious and prolonged sustainability challenge. These challenges are felt acutely locally due to long standing recruitment and retention issues in Grampian. Aberdeenshire specifically has had seven contracts to deliver GMS services handed back to the HSCP, with us retaining five '2c' practice in Aberdeenshire. What this means is that they are run by the health board rather than being independent partnership models.

Why practises are handing back their contracts is multi-factorial:

Recruitment and retention issues, significant premises challenges, rising utility costs, population behaviour changes and population demographic changes which have compounded the ever-increasing challenges facing general practice.

The rising challenges facing the partnership model have meant that we, as a Health and Social Care Partnership, have had to look forward at the future and work to support the sustainability of Primary Care. We are very proud to have our own dedicated Clinical Lead to support 2c practices and sustainability who has been leading on our own work for Aberdeenshire and has also working with other leads to looking at the 'Future of general Practice' and helping produce sustainability documents for practices and staff.

In addition, they have been looking at developing different models within our 2c practices and supporting new roles within. Aberdeenshire Primary Care Management Team have conducted supportive visits to our General Practices. These visits have been utilised to support all practices in Aberdeenshire and collect key themes in relation to challenges and successes across them. In turn, we have used this information to report back to Scottish Government and hold a series of programmes too support practices.

Aberdeenshire Public Dental Service

There are increased pressures due to challenges within the General Dental Service largely due to recruitment and retention issues. This is being acutely felt in North Aberdeenshire as approx 7000 patients have been de-registered. The NHS delivery plan has asked that boards work to increase provision of routine and emergency care for this patient group and plans are being made to try and increase staffing to accommodate this. Despite the challenges, the Public Dental Service is maintaining all core work streams at this time; Paediatrics, Oral Surgery, Anxiety Management and Special Care referral service as well as providing continuing care to our registered patients including domiciliary care.

A summary on the context of primary care in the last year, challenges, and impacts

Whether the model is independent partnership or 2c, there continues to be fantastic work happening in Primary Care and a real focus in keeping care in our communities. The HSCP work closely with our practices to support the services offered. We have seen tests of new roles within General Practice (Occupational Therapy for example) and fantastic collaboration within clusters. We are also very proud of our Virtual Community Wards which is an exclusive service to Aberdeenshire.

Virtual Community Wards are offered by all practices in Aberdeenshire. This is a service that sees professionals from both health and social care work in a multi-disciplinary format to offer rapid around care in the community to prevent unnecessary admissions. We are currently doing a review of this service and looking to support its enhancement and implementation.

Management Commentary (continued)

The Primary Care Management Team are committed to supporting the future of General Practice in Aberdeenshire. Evidence supports that robust primary care provision can increase wellness and reduce secondary care admissions. We are very proud that Grampian has the lowest Emergency Department admission rates in Scotland. We are striving to support access and sustainable future primary care services. We are doing this by supporting sustainability work, looking at the future of general practice and working closely with our patients, elected members, Scottish Government, and chief executives.

Self-directed Support

Aberdeenshire Council continues to offer the 4 options of self-directed support, a duty under the Social Care (Self-directed Support) (Scotland) Act 2013. Self-directed support is imbedded across all service user groups in Aberdeenshire including adult services, children's services and unpaid carers. Option 3, where the Local Authority arranges support as requested by service user, remains the most popular option choice, the number of supported people choosing an Option 1 or Option 2 continues to increase.

On a national level Scottish Government commissioned In Control Scotland to carry out a Scotland wide study of Option 2 provision. Aberdeenshire was chosen as 1 of 5 Local Authorities who were asked for information on how an Option 2 ISF (Individual Service Fund) is delivered.

The final report stated, "the overall picture is of a well-designed system working well, and Aberdeenshire's model is perhaps the most "in the spirit" of the Act". We were then offered further input from In Control Scotland to improve and streamline the service, identifying any barriers and finding ways to tackle them. This included 3 workshops attended by practitioners, finance staff, commissioning, service users, Cornerstone ISF staff and external service providers. We continue to work on the actions from this group. We also attend the SWS Practice Network and the SDS Community of Practice hosted by the SDS Project Team working under the umbrella of Social Work Scotland. These groups have helped to shape the review of the SDS Standards as Scottish Government works to imbed self-directed support consistently across Scotland.

Mental Health & Wellbeing

Across Aberdeenshire, community mental health teams are delivering a wide range of groups to support self-management of mental health. One of these groups is the Decider Skills course which teaches a number of techniques across four core skill sets: distress tolerance, mindfulness, emotion regulation and interpersonal effectiveness. The course has an excellent record of feedback from participants, both individuals who use mental health services and those who are referred directly from their GP. The Decider Skills have been taught to approx. 120 staff members of the community mental health teams. This means individuals on the course or who have graduated from it can have consistency in the treatment and advice they are given by community mental health team members.

The Crisis Intervention Team

The Crisis Intervention Team have been operational since April 2021 and have undergone a test of change since October 2022 trialling different working days to ensure the greatest uptake of their service. This has been successful, and they are now moving to 7 day working, 9am-5pm from Fraserburgh Custody Suite.

Management Commentary (continued)

Mental Health and Wellbeing Improvement Service

As part of Action 15 of the Scottish Government Mental Health Strategy, the Mental Health and Wellbeing Improvement Service was developed and has now been fully operational for 12 months. The service is available from every GP practice across Aberdeenshire to support people with their mental wellbeing.

Suicide Prevention

The national suicide prevention strategy, 'Creating Hope Together', was published in Autumn 2022. In December and January, we held two multi-agency meetings using a benefit mapping model to guide discussions towards identifying what we can do better in Aberdeenshire for suicide prevention. From these discussions, an Action Plan is being created and we are working with SAMH who have been recommissioned to provide suicide prevention services across Grampian to deliver better outcomes for people affected by suicide in Aberdeenshire.

3. Reshaping Care

The Reshaping Care programme of work focusses on improving the quality and outcomes of care particularly for older people within Aberdeenshire. It looks at how support packages can be interlinked to enable to stay at home or in a homely environment for as long as possible. It allows to look at how we plan our services moving forward to ensure they are sustainable and fit for the future.

The HSCP's principles underpinning this strategic priority are:

- We will support people to remain in a homely environment
- We will ensure that people can access the right support when they need it
- We will support people to live healthy and independent lives.

These support many of the National Health and Wellbeing Outcomes but in particular outcome 2:

- **Outcome 2** - People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.

Winter Response and Social Care Sustainability

Following the significant impacts of the adverse weather events over the winter in 2021/22, the AHSCP convened a workshop with key partners and stakeholders in October 2022 to plan for the next winter including how we would respond to surge in demand whilst reducing delayed discharges. The workshop was attended by representatives from the AHSCP Senior and Operational Management Teams, Aberdeenshire Council and Aberdeenshire Voluntary Action (Third Sector Interface). The primary outcome was to produce a clear plan – including the AHSCP's 'Surge Plan' - documenting existing controls/assurance and what actions were required to provide further assurance as to our preparedness and resilience moving into winter, working collaboratively with all partners.

Management Commentary (continued)

Key areas of focus within the AHSCP's surge plan, setting out its approach to managing cross-system surges in demand and maintaining patient flow, included increasing our community hospital bed base to create additional surge capacity based on a risk assessed approach. Interim care home placements were also commissioned in Aberdeenshire from 21 December 2022 to end of March 2023. This helped to reduce the number of delayed discharges and improve flow through the acute sector to community hospitals during quarter 4. It enabled patients to be cared for in a more suitable, homely setting with increased opportunity for social engagement and lower risk of gaining a hospital acquired infection.

Aberdeenshire Care Managers gained access to Trakcare (hospital patient record system) in December 2022 which reduced the timeframe for the assessment for patients delayed in Aberdeen Royal Infirmary from 15 hours on average per assessment to 1 hour 11 minutes. The AHSCP also introduced a temporary leadership role to oversee and support the management of people who are delayed in hospital, starting in January 2023. The postholder supported teams to maximise resources including interim beds and focus activity to ensure people could be discharged timeously and supported in the correct environment for their needs.

To address the challenges around capacity for adult social care in Aberdeenshire, and following discussion with the Integration Joint Board, the Chief Officer commissioned the Chief Social Work Officer to convene a Social Care Sustainability Programme Board. The purpose of the Board has been to oversee a programme of work to create self-improving and sustainable social care services through cultural, system and transformational change.

Recognising that there is no single solution to the issues of social care sustainability, work has been progressed across a number of areas including:

- Review of in-house Home Care
- Rehabilitation and Enablement
- Maximisation of Aberdeenshire's Support at Home Framework
- Training, recruitment and retention

Digital Technology

The AHSCP have recruited a Digital Project Manager. The initial focus of their work is to develop the programme of work to ensure the digital technology is in place to support the AHSCP workstreams. The Analogue to Digital programme which involves switching over to digital services, requiring all of our call alarms and telecare to be replaced in 3,000 households, sheltered and very sheltered housing complexes is still progressing.

Very Sheltered Housing, Residential and Respite Service

A review of the existing Very Sheltered Housing model commenced in October 2022, focusing primarily on Dawson Court in Turriff and Pleyfauld House in Inverurie. A short life working group was established to assess the services currently being delivered and to produce recommendations for any future redesign. The group has representation from across a range of services including Health and Social Care, Housing and Finance. In February, the group began planning the types of engagement that would be required in order to gain the views of key stakeholders such as tenants, families and staff members. The

Management Commentary (continued)

purpose of the engagement is to establish what is important to those taking part, what they feel works well currently and where they feel improvements could be made. Once received, all feedback will be analysed and reviewed in the coming months and will be used to formulate an options appraisal outlining their recommendations.

Post Diagnostic Support Dementia Work

In November 2022, a Post Diagnostic Support Worker was commissioned for one year to provide dedicated support and information to people receiving a dementia diagnosis under the age of 65. Having this dedicated worker has enabled people (under the age of 65) to receive support which is tailored to their individual needs as well as ensuring that information is provided quickly following diagnosis, ultimately improving the dementia journey for the individual and their carers.

Learning Disabilities Strategy

The Partnership have six Adult Day Services for people over 16 with learning disabilities and additional support needs who are eligible for Social Work services. These community-based Day Services in Banff, Fraserburgh, Peterhead, Inverurie, Ellon and South Aberdeenshire each offer a different selection of community-based activities depending on local demand and opportunity. In 2022-23, 227 users were supported across our six Day Services. The key focus of learning disability services during 2022-23 was in maintaining services and supporting our population as we continue to navigate the impacts of the Covid pandemic. Some of our services such as Day Opportunities were re-modelled to provide increased community-based opportunity to those service users not being supported by their providers. Building-based Day Services are being used primarily for those with more complex needs. Social work teams, working closely with health colleagues, continue to provide valuable assessment and support to adults with a learning disability and their families. The creative use of SDS continues to be an important part of our service delivery as we advocate for service users to have active, healthy and independent lives. The role of the social worker is key to ensuring a holistic approach to support ensuring that human rights are at the forefront of every interaction. The Partnership continues to value the support from our Third Sector partners and our Provider Forum ran by ARC Scotland is vital in sharing information and learning. These are key areas we aim to continue to develop and grow.

'Be All You Can Be' – Learning Disability Strategy

We continue to deliver our 5-year Learning Disability strategy 'Be All You Can Be'.

Our 4 priorities from the Strategy are that people with learning disabilities in Aberdeenshire feel:

- Well
- Involved
- Valued
- Supported

Management Commentary (continued)

Some notable highlights from the year include:

Health Inequalities – As part of this project looking at the health needs of our Learning Disability population, a number of pathways including a palliative and end of life care pathway and a dementia pathway has now been completed with discussions ongoing with staff on how to support people with a learning disability with these pathways. The Partnership are also currently looking at the roll-out of Annual Health Checks in Aberdeenshire as part of a wider Grampian-wide roll-out.

Out of Area Complex Care – In February 2022, the Scottish Government published the ‘Coming Home Implementation’ report to support Health and Social Care Partnerships to find alternatives to out-of-area placements and to eradicate delayed discharges for people with learning disabilities. £20 million of funding has been provided to support authorities address the long-standing issue of delayed discharges and out-of-area placements. In Aberdeenshire we are looking at developing suitable accommodation options for adults who have complex support and behavioural needs, enabling them to be supported appropriately, remain in Aberdeenshire and reduce inappropriate out of area placements and ensuing costs. 10 service users currently inappropriately placed out with Aberdeenshire have been identified as being a priority to return to the area. The Partnership are also looking to enhance current service provision with better complex care support and care options locally to support the reduction in need for out of area placements.

Technological Support – The Covid pandemic forced us in to re-evaluating how we delivered support and go further in embracing new technologies. As a result, Near Me is now embedded within LD Teams as an option for communicating with service users when face to face is not required. Early 2023 also saw the introduction of Virtual Community Wards for people with Learning Disabilities. Virtual Community Wards are a means of agreeing and co-ordinating focussed short term, intensive support for those deemed to be high-risk with the possibility of admission to hospital or placement breakdown.

Day Services – Each area continues to embrace a new model of delivering Day Opportunities with particular focus on community integration and outreach. Examples of initiatives to strengthen these community links, such as Shopping Buddies, where service users collect shopping for people who are unable to leave their home and Books on Legs, delivering library books to older or disabled people, are indicative of a strategic shift away from building based day services.

Mental Health Strategy

The AHSCP Adult Mental Health and Wellbeing Strategy 2019 to 2024 set out our priorities for mental health and wellbeing for all adults living in Aberdeenshire who currently access mental health services, as well as those who may need support in the future.

Those priorities are:

- Prevention and Self-Management: People are supported to maintain and improve their mental health
- Access: People have access to the right treatment, care and support at the right time

Management Commentary (continued)

- Person Centred: We deliver person-centred, recovery focussed services, that promote choice and control
- Mental Health Inequalities: We reduce the negative effects of mental health inequalities

The work of delivering the 12 projects contained in the Mental Health Strategy Delivery Plan is overseen by the Mental Health Strategic Action Group (SAG) comprising of partners from a number of key areas across mental health services, including social work, health, third sector and community planning partners. Progress on the projects was impacted by the operational demands of the pandemic but 10 of the 12 projects are now complete. Some projects have been modified considering the change in priorities since the pandemic. The delayed national mental health strategy is due for publication in June 2023. The Strategic Action Group are now beginning plans to consider how to develop a refreshed local strategy and delivery plan to reflect the national changes.

Aberdeenshire Autism Strategy for Children, Young People and Adults

The Autism Strategy is a five-year strategy jointly produced by the Health & Social Care Partnership and Education and Children's Services. The previous strategy Aberdeenshire Council's 2014 Strategy for Autism¹ pre-dated Health and Social Care Integration and had an educational focus.

This strategy supports a whole lifespan approach aiming to improve support and services for autistic people of all ages - children, young people, adults and older adults. The strategy has been developed in collaboration with autistic individuals, parents/ carers, third sector organisations and various professionals who support autistic individuals within Aberdeenshire.

Following on from completion of this phase, the data was analysed, responses and feedback gathered, and the following 7 key themes were identified.:

1. Whole Lifespan
2. Diagnostic Pathway (for children, young people, adults and older adults)
3. Training
4. Lifelong Learning
5. Employment
6. Connecting
7. Community

The final version of the strategy is currently going through the IJB and Aberdeenshire Council's approval processes.

4. Tackling Inequalities and Public Protection

The HSCP's progress against this strategic priority is centred on achieving the following:

- We will work to keep vulnerable people safe
- We will ensure everybody is able to access the service or treatment that they need
- We will work to remove barriers to accessing services
- We will work with partners to ensure that Aberdeenshire is a safe and happy place to live for everyone.

This aligns with National Health and Wellbeing Outcomes 5 and 7:

- **Outcome 5** - Health and social care services contribute to reducing health inequalities
- **Outcome 7** - People using health and social care services are safe from harm

Mainstreaming Equalities

Under The Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2015 each HSCP is required to publish a set of Equality Outcomes. The four equality outcomes approved by the Aberdeenshire IJB are:

1. We will enable people to have improved health and wellbeing as a result of access to person-centred, holistic services.
2. People will be supported to look after their health and wellbeing and live well by accessing advice and support that is relevant to their needs.
3. Through meaningful engagement, our health and social care services will understand and reflect the needs of their diverse service users.
4. We will enable effective communication between patients/service users and staff to ensure person-centred care is provided.

Furthermore the Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2015 each HSCP is required to publish a progress report which provides an update on the work been undertaken in both mainstreaming the equality duty within the partnership and the progress in working towards the equalities outcomes agreed. Aberdeenshire HSCP progress report 2020 – 2022 was published in July 2022. Key areas of progress in mainstreaming the Equality duty included:

- Embedding Equalities in All Strategic Delivery Plan Reporting
- Understanding How Changes to Service Delivery Due to COVID Affected People with Protected Characteristics
- Public Sector Equalities Duty and Fairer Scotland Duty Workshops
- Adoption of Integrated Impact Assessment
- Support to Stakeholder Members to Participate in Decision Making Processes

Management Commentary (continued)

Integrated impact Assessments - The AHSCP adopted Aberdeenshire Council's Impact Assessment Process in 2021. In May 2022 Strategic Development Officers (SDOs), who have undertaken the Integrated Impact Assessment Training became linked with the Equality Ambassadors in Aberdeenshire Council. The SDO's access training on the integrated impact assessment process and the assessment areas including Equalities, Fairer Scotland Duty and Health and Wellbeing for example. This provides ongoing support and knowledge to colleagues within the HSCP undertaking Integrated Impact Assessments.

Live life Aberdeenshire Physical Activity Pathway - Aberdeenshire HSCP have supported Live Life Aberdeenshire to develop and deliver a Physical Activity Pathway for individuals living with Long Term Conditions. AHSCP has enabled LLA to develop their offer to patients across Aberdeenshire through an online referral process and triaging patients to the programme most suited to their needs.

The Live Life Well service offers:

- Online classes
- Classes delivered on site
- Health Walks
- One to One's Self-Management Support materials
- Health checks 3 times per year
- Follow up support

The programme enables individuals living with long term conditions to self-refer into the programme or be referred by a health and social care practitioner.. The programme supported individuals living with a range of long term conditions e.g. COPD, Diabetes, Cancer, Musculoskeletal conditions, mental health conditions and Parkinson's disease. Participants were offered a 12 week programme of classes/activity. Participants received educational content on smoking cessation, alcohol, healthy eating, mental wellbeing and physical activity. Light Movers classes were available at all LLA sites, providing individuals with an appropriate exit pathway which allows them to continue to attend low level classes following completion of the 12 week referral programme. Healthy Eating Active Living Programme commenced May 2022 at Peterhead.

Adult Support and Protection

Public Protection - Public Protection is a term used to encompass the many different strategic approaches and responses to keeping children and adults safe in our communities and involves working with both victims and perpetrators. The main areas of public protection are Adult Support and Protection, Child Protection, Domestic Abuse, MAPP, Prevent Alcohol and Drug Partnership and Suicide Prevention. Public Protection activity and oversight is undertaken on a multi-agency basis. HSCP remains a committed partner in all aspects of public protection. Throughout the last year public protection has remained a priority. HSCP teams have continued to work to ensure that people, particularly our most vulnerable residents, are kept safe from harm, and that risks to individuals or groups are identified and managed appropriately.

Adult Support and Protection - Adult Support and Protection (ASP) work in Aberdeenshire is overseen by the multiagency Aberdeenshire Adult Protection Committee (APC). The HSCP is consistently represented and engaged in the work of the Adult Protection

Management Commentary (continued)

Committee and its subgroups. In October 2022 the APC published their Biennial Report outlining progress that had occurred between 2020- 2022 and setting out priorities over the next reporting period. Aberdeenshire Council through Social Work is the lead agency for Adult Support and Protection. The Adult Protection Network acts as a single point of contact for all Adult Support and Protection concerns. There was a significant increase in referrals during the pandemic and this increase has not reduced in the last year. Recognising the increase in demand HSCP funded additional staffing to which enable the service to continue to meet the needs of adults at risk of harm.

Implementation of MAT Standards - Progress on MAT implementation is reviewed nationally by the MAT Implementation Support Team (MIST).

This was undertaken initially for Standards one to five in year 2021/22. Each ADP area was then asked to submit information on each of the ten standards in April 2023.

Evidence looked for included:

- Process information e.g. Standard Operating Procedures (SOP), Practice Guidance, Prescribing Guidelines etc.
- DATA – various numerical information for standards 1-5 only. Not for 6-10 as yet.
- Experiential feedback- analysis and raw data from staff, people accessing the service and family members feedback.

The MIST team have had regular Support to Implement and Report (STIR) meetings with delivery partners in the area. It was at these meetings that indicative scorings of Green for standards one to five and Amber for six to 10 were given in March 2023.

Developing and Redesigning Drug and Alcohol Services - This has been a priority in 2023. We have received investment through the National Drugs Mission funding which has allowed recruitment of additional staff and roles within the service. Staff have received a variety of training to ensure they all have the appropriate tools and approaches to deliver an engaging, trauma informed and person centred service.

As part of the redesign, new roles within the service have been tested this year. An example is the role of an Occupational Therapist within the Drug and Alcohol service. This was funded through Action 15 funding and has proved to be very effective and also well received by service users.

5. Effective Use of Resources

The AHSCP aims to ensure the best value for every pound spent, and to change the balance of service provision from hospital and residential based care to community based services, prevention and self-care. These aims need to be achieved alongside demographic pressures of a rising population of older people and those with more complex needs. Recruitment and retention of staff is a challenge for the AHSCP in a similar way that it is for most organisations currently. Coupled with increasing demand for services and reducing budgets, the partnership, is going through processes to ensure the resources are focused and used in an effective way.

The HSCP's ambitions in relation to the strategic priority of ensuring the effective use of resources are:

Management Commentary (continued)

- We will work to ensure that we have the right number of staff with the right skills
- We will focus our resources where they are most needed
- We will manage our reducing budget against increasing need.

This aligns with delivery of National Health and Wellbeing Outcomes 4 and 9:

- **Outcome 4** - Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services
- **Outcome 9** - Resources are used effectively and efficiently in the provision of health and social care services

This section describes how the AHSCP has continued to work towards delivery of these outcomes in relation to financial performance, operational performance, workforce, and audit and governance. Underpinning this, the AHSCP must fulfil the duty of Best Value. This describes the arrangements put in place to secure continuous improvements in performance, while maintaining an appropriate balance between quality and cost. In making those arrangements and securing that balance, the AHSCP has a duty to have regard to economy, efficiency, effectiveness, equal opportunities requirements and to contribute to the achievement of sustainable development. The AHSCP has in place a clear strategy to support the delivery of best value over the medium term and this is reflected in our medium-term financial strategy

Workforce Planning

AHSCP's Workforce plan was agreed by the IJB in Autumn 2022 and its purpose of our Workforce Plan is to identify our workforce needs and demands and set out the key priorities for the next 3 years. Supporting staff's physical and psychological wellbeing continues to be a priority for the AHSCP, recognising that this is crucial to maintaining a fit and effective workforce to meet the needs of the service at all times. Providing a workforce to deliver health and social care services continues to be exceptionally challenging with a range of unfilled vacancies across a wide range of staff groups but particularly in home care and nursing. More flexible approaches to recruitment and retention continue to be taken forward to respond to these challenges

Community Hospitals

Jubilee Hospital Refurbishment

The major refurbishment at Jubilee Hospital has commenced, with Rothieden Ward now closed to inpatients whilst the roof and internal improvement works are underway. Whilst this adds to pressures in the system for beds, the work was required and is on track to be completed in November 2023. The ward will then be able to open at its full capacity which it has not been operating at for a number of years. As well as the work on Rothieden Ward, there have been improvements made within the Minor Injury Unit and to the wider fabric of the building in recent months, all of which contribute to a better and safer patient experience.

Deeside Community Hospitals

Management Commentary (continued)

Staffing pressures in our community hospitals have presented challenging circumstances across Deeside towards the end of 2022. We are very grateful to the teams at Aboyne Community Hospital and Glen O' Dee Hospital (Morven Ward) who have worked very hard and supported each other to continue to provide care to patients across Deeside. Measures have included increasing our bed base to manage winter pressures across the sites and continuing to support recruitment to vacant posts.

Fraserburgh Hospital

The hospital welcomed Summers Ward (Peterhead Hospital) earlier this year due to the water safety issues on the Peterhead site. The staff from all areas have been flexible and accommodating to make this possible. The staff across both sites should be commended for their work towards this goal.

Chalmers Hospital

The newly developed secondary care hub service is now operational providing phlebotomy for secondary care patients and is working well. The increase in number of inpatient beds from 16 to 20 operational beds has also been a significant development for the GP Ward

Management Commentary (continued)

Financial Performance

2022/23 Financial Year

At the beginning of the financial year the IJB set a balanced budget for 2022/23 of £374 million after recording an underspend position for the 2021/22 financial year of £24.3 million against the revenue budget (£16.2m relating to additional Scottish Government for Covid-19).

The financial position for 2022/23 resulted in an overspend which mirrored the financial positions pre Covid-19 in 2018/19 and 2019/20 where the AHSCP had recorded overspends against budget. In overall terms the AHSCP recorded an overspend of £6.4 million against the operating budget (1.6% of total revised budget for 2022/23).

The Annual Accounts show a deficit position for 2022/23 of £27.9 million when the use of reserves are taken into account. The overall position is shown in the table below :-

2022-23	Movement
	£m
General Fund Reserve	(4.610)
Earmarked Reserves:-	
Covid-19	(14.731)
Primary Care Improvement Fund	(4.568)
Winter Pressure Funding	(3.786)
Service Capacity and Redesign	2.000
Transformational Funding	(1.105)
Action 15 – Mental Health	(1.210)
Alcohol & Drug Partnership	0.131
Community Living Change Fund	(0.203)
Psychological Therapies	0.122
Other	0.026
Total Reserves	(27.934)

Management Commentary (continued)

Analysis of the Financial Statements

A number of operational areas experienced financial pressure throughout 2022/23. The areas which recorded the largest pressures for the year are shown below:

GP Prescribing	£3.1m	Significant item price increases, attributed to the impact of short supply causing a spike in prices. An overall 4.% volume increase during the period was higher than expected following a period of increased volumes in 21/22.
Older People – Care Management	£3.0m	Covid sustainability payments have now come to an end, so an increase in expenditure over the previous year was expected but all packages continue to be reviewed, especially those of high value. An increase in care at home provision post Covid, both in terms of referral numbers and complexity of cases, has been identified.
Adult Services – Community Care	£2.6m	Significant rise in costs this year due to complexity of needs, double up care and an increase in service users.
Other Direct Patient Care	£2.0m	Impact of 2C salaried medical practices generated an overspend during the period.
Community Mental Health	£1.7m	Due to requirement to use locum medical staffing due to vacancies.
Older People – Residential Care	£1.1m	Reliance on overtime, relief and agency staff due to vacancies.

Some areas recorded underspends in 2022/23 and the largest underspends for the year are shown below:

Headquarters	£2.9m	Due to difficulties and timing of recruitment relating to additional funding received in year.
Primary Care	£1.7m	This underspend primarily reflects the benefit of a rates refund in respect of prior years.
Adult Services – Mental Health	£0.9m	Payments to Third Sector are underspent as redesign of services for this client group is undertaken.
Out of Area	£0.8m	Ceasing of payments relating to a specialist facility due to transfer to a community placement.

LINK TO 2022-23 DETAILED OUTTURN REPORT TO BE INCLUDED IN FINAL ACCOUNTS FOLLOWING IJB APPROVAL.

2023/24 Revenue Budget

Aberdeenshire HSCP agreed the revenue budget for 2023-2024 in March 2023. The budget sets out how resources will be spent across health and social care services for the year and reflects the funding contributions agreed with NHS Grampian and Aberdeenshire Council.

2023-2024 is again likely to be a challenging year in financial terms, the HSCP will require to continue to balance delivery of services whilst avoiding developing the type of financial pressures which have been experienced in previous years.

Management Commentary (continued)

Account will also continue to be taken of:

- How best to invest additional funding confirmed by the Scottish Government in areas such as mental health services, drug deaths prevention and primary care.
- The emerging recommendations from the national review of Adult Social Care services and the creation of a National Care Service.
- The normal financial risks around items such as pay awards, drug costs and workforce challenges.

The IJB is operating in an increasingly challenging environment with funding not keeping pace with increasing demand for services and increasing costs linked to the delivery of services. This is reflected in the MTFS, which has identified a potential £23.5 million financial gap over the next 4 years if funding levels and demand for services continue on current trends. This equates to an annual requirement of the need to identify circa £5.9 million of new cash releasing savings each year over the next 4 years, equivalent to 1.5% of the total IJB budget.

Delivery of effective and lasting transformation of health and social care services is central to the vision of the IJB. The IJB's Strategic Plan 2020 – 2025 outlines its ambitions over the medium term and the reshaping of services which will support delivery.

Many public sector organisations are continuing an increasing challenge to balance their budgets in the context of increasing service demand and rising costs. Aberdeenshire IJB is no different to this pattern.

The IJBs revenue budget for 2023/2 totals £393.5 million and was agreed on 29th March 2023. The overall budget includes planned savings of £4.7 million.

The IJB Revenue Budget for 2023/24 is a one year budget, reflecting the funding settlement of our partner organisations (NHS Grampian and Aberdeenshire Council). The IJB has approved a Medium Term Financial Strategy covering five financial years.

A link to the strategy is provided here –



IJB Medium Term
Financial Strategy.doc

It is recognised that a strategic and medium term view of resources is essential if the IJB is to deliver on its priorities.

Regarding the IJB reserves the balance as at 31st March 2023 is £16.9 million. The earmarked portion of the reserves is £13.6 million (General Reserve approximately £3.3m).

The remaining earmarked funds relating to Primary Care improvement, Covid, Transformation Projects, Alcohol and Drugs Partnership are intended to be fully utilised in 2023/24.

The forecast position is that the IJB reserve position, both General and Earmarked will be approximately £4m as at 31 March 2024.

Management Commentary (continued)

The breakdown of the funding included in the 2023/24 budget can be seen in more detail below:

IJB 2023/24 Budget – Funding Sources	£m
NHS Grampian	207.2
Aberdeenshire Council	150.9
Use of Reserves and Savings	3.1
Sub total	361.2
Set aside	32.3
Total	393.5

Principal Risks and Uncertainties

Aberdeenshire IJB has an approved Risk Management Policy and Strategy in place. The IJB monitors a series of corporate strategic risks using agreed methodologies. The Board recognises that the management of risk is one of its key responsibilities. The risks monitored include service, financial, clinical care & professional governance, performance management and workforce risks.

The risk register has been updated during the year and identifies nine high level risks. The risk register was reviewed by the Audit Committee throughout the 2022/23 financial year. A link to the risk register can be found at:

LINK TO BE UPDATED FOR AUDITED ACCOUNTS

The table below outlines corporate risks, mitigating actions in place and the responsible officer for the risk:

Risk	Situation	Mitigating Action	Responsible Officer
Sufficiency and affordability of resource	Resources available not sufficient to deliver services.	Robust financial planning, monitoring via Medium Term Financial Strategy and regular reports to Board.	Chief Officer
Health & social care policy alignment	Some national and local policies not well aligned leading to contradictory strategic direction.	Officers contribute to national consultations and undertake horizon scanning of new policies.	Chief Officer
Workforce capacity	Insufficient workforce in numbers and skills to deliver all services.	Workforce Plan updated annually with regular meetings of Workforce & Training Group.	Chief Officer
Business continuity arrangements	Plans are not integrated, tested and harmonised across the Partnership.	Resilience, Health & Safety and Clinical Governance Groups	Chief Officer

		meet regularly to review plans.	
Involvement and engagement of patients / clients, the public, staff and partners	Risk of failing to fully inform patients and public in a way relevant to their needs.	Engagement Programme Board co-ordinates activity in this area.	Strategy & Transformation Manager
Service and business alignment with current and future needs	Risk of failing to deliver transformational change.	All transformational work streams led by a Partnership Manager and provide regular reports to the IJB.	Chief Officer
Child, Adult and Public Protection	Potential harm if legislative arrangements are not provided for.	Aberdeenshire Adult Protection Network Co-ordinates all activity.	Chief Social Work Officer
Failure to deliver standards of care in the right place at the right time	Risk of failure to provide safe, effective and sustainable services.	Performance management arrangements in place with Clinical Quality Indicators.	Chief Officer
Covid-19 Associated Risks	Range of potential staff and service risks relating to Covid-19 and the reopening of services.	Weekly meetings of Bronze Tactical Team to monitor issues arising and escalate if appropriate.	Chief Officer

Outlook for Future Years

The Strategic Plan outlines the vision of the Partnership and the key priorities for the next two years up to 2025. We recognise that demand for health and social care continues to change with people living longer, and needs becoming more complex. This coupled with growing financial pressures allows an opportunity to continue to be innovative in the way we support people in local communities to stay healthy and continue to provide an effective and sustainable health and social care service.

In the short term and possibly also in the medium to longer term, adapting our services to operate with the consequences of Covid-19 will be a major area of work for the Partnership. Our overriding aim is to deliver services in a way which keeps service users and staff safe.

The vision of the Partnership remains to deliver the highest quality of person centred care to the population of Aberdeenshire. We will continue to strive to provide high quality services and transform them where required with the aim of achieving this vision. We will use all the resources that are made available to us to enable residents to enjoy long, healthy and independent lives.



Anne Stirling
Chair



Pamela Milliken
Chief Officer



Chris Smith
Chief Finance &
Business Officer

5 July 2023

The Integration Joint Board's Responsibilities

The Integration Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this Joint Board, 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 Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003; and
- Approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Aberdeenshire Integration Joint Board Audit Committee at its meeting on 5 July 2023.

Signed on behalf of Aberdeenshire Integration Joint Board

Anne Stirling
Chair
5 July 2023

Statement of Responsibilities

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the IJBs Annual Accounts in accordance with the proper practices 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; and
- complied with the Accounting Code (in so far as it is compatible with legislation).

The Chief Finance Officer has also:

- kept adequate accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of Aberdeenshire Integration Joint Board as at 31 March 2023 and the transactions for the year then ended.

Chris Smith
Chief Finance & Business Officer
5 July 2023

Introduction

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

The IJBs Annual Governance Statement describes the current governance arrangements and reports on the effectiveness of the system of internal control.

Scope of Responsibility

Aberdeenshire Integration Joint Board has a responsibility for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used appropriately. The IJB also strives to make arrangements to secure continuous improvement in the way in which its resources are managed, having regard to a combination of economy, efficiency and effectiveness.

To meet this responsibility the Chief Officer has established arrangements for governance which includes a system of internal control. The system is intended to manage risk to support the achievement of policies, aims and objectives. The internal control system is designed to manage risk to a reasonable level but cannot eliminate the risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable but not absolute assurance of effectiveness.

Through the close working relationship with Aberdeenshire Council and NHS Grampian reliance is also placed upon their systems of internal control. These systems support compliance with both organisations' policies and in turn promotes the achievement of each organisation's aims and objectives, to the extent that these are complementary to those of the IJB.

The result of this is a situation where assurances are required on the effectiveness of governance arrangements in three bodies. This means that a significant failure in the internal control environment of one of the three bodies may require to be disclosed in the Accounts of all three bodies and not just the IJB and the body where the issue occurred.

The Governance Framework and Internal Control System

The Board of the IJB comprises voting members, nominated from Aberdeenshire Council and NHS Grampian, representatives from adult health and social care services, carers groups, trade unions and the third sector as well as non-voting members including a Chief Officer appointed by the Board.

Annual Governance Statement (continued)

The framework developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) entitled 'Delivering Good Governance in Local Government' was updated in 2016 and provides a structured approach to defining the principles that should underpin governance arrangements and include:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social and environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the IJBs capacity, including the capability of its leadership and the individuals within it
- Managing risk and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit to deliver effective accountability

The IJBs governance arrangements are consistent with these principles and also reflect the requirements of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016).

The system of corporate governance and internal financial control continues to be based on a framework with appropriate delegation and accountability. This includes the Board's Integration Scheme, Standing Orders, management information, performance and risk management, comprehensive financial management systems, regular and annual financial reports and a periodic review of all financial procedures. Financial Regulations are approved and in place. The IJB have agreed a new Governance Handbook for members in 2022.

The Integration Joint Board has two Committees: an Audit Committee and the Clinical and Adult Social Work Governance Committee.

The governance framework is enhanced by:

- Feedback from the IJB and the Audit Committee carrying out its scrutiny role;
- Interaction and dialogue from Workshop sessions with the IJB and Management Team;
- Internal Audit and External Audit of Aberdeenshire Council, NHS Grampian and the Board;
- Work undertaken by external review bodies including the Care Inspectorate, Health Improvement Scotland, Mental Welfare Commission and Audit Scotland;
- Input and comment from managers within Aberdeenshire Council, NHS Grampian and the Board
- Feedback from the newly established Risk Assurance Group; and
- Customer and stakeholder feedback.

Review of Effectiveness

The review of the effectiveness of the governance framework, including the system of internal control, is carried out throughout the year by various means including:

- The Integration Joint Board
Feedback from the Board, the Audit Committee and the Clinical and Social Work Governance Committee carrying out their scrutiny roles;
- Senior Management Team
Assurances from the Senior Management Team (SMT) which includes the Chief Officer, four Partnership Managers, Clinical Lead Officers and the Chief Finance Officer;
- The Chief Officer
Who provides a senior point of overall strategic and operational advice to the IJB. She is also a member of the senior management teams of NHS Grampian and Aberdeenshire Council. This enables the Chief Officer to work with senior management of both organisations to carry out the functions of the IJB in accordance with the Strategic Plan. She is line managed jointly by the Chief Executives of the Council and the Health Board and is accountable to both;
- The Chief Finance Officer
Who has the statutory responsibility for the Board's financial affairs in terms of Section 95 of the Local Government (Scotland) Act 1973. His responsibilities are set out in the Statement of Responsibilities;
- The Chief Social Work Officer
Who provides professional advice to Board members and officers in the provision of Social Work Services. She also has a responsibility for overall performance improvement and the identification and management of corporate risk in so far as these relate to Social Work Services.
- The Standards Officer
Who is responsible for keeping a register of Interests and providing advice in relation to Code of Conduct issues at a local level. The Council's Legal Services Manager has been appointed to this role;
- Internal Audit
In both the Council and NHS Grampian are responsible for the independent audit of all financial and non-financial systems in their respective organisations. Aberdeenshire Council's Chief Internal Auditor provides an Internal Audit service to the IJB; and
- External organisations
That carry out independent audits or inspections of the Board, the Council and NHS Grampian. These include external audit by auditors appointed by the Accounts Commission, inspection of care services by the Care Inspectorate and inspection of health facilities by Health Improvement Scotland.

The IJB has placed reliance on the systems and procedures of its principal Partners, NHS Grampian and Aberdeenshire Council. The Partners have maintained governance arrangements applicable to their respective organisations which are summarised annually and published in their Annual Governance Statements which form part of the annual accounts of each organisation. Extracts from the respective governance statements have been included as part of this statement.

Covid-19 Arrangements

Over the winter of 2021/22 NHS Grampian introduced the Grampian Operational Pressure Escalation System (G-OPES). This involved a daily assessment of the operation of AHSCP against a four-level escalation scale. As a governance control it was agreed that the AHSCP would report to the Clinical and Adult Social Work Governance Committee (CASWG Committee) if it was reporting as Level 4 for an extended period. On 16 March 2022, the AHSCP began reporting at G-OPES Level 4. Reporting at this level continued until 11 April 2022. In line with the Clinical and Adult Social Work Group Terms of Reference duty, “Escalate to the IJB any clinical and care governance risk that is not adequately mitigated by the control measures identified” and the Assurance Framework for G-OPES Reporting, a priority meeting of the CASWG Committee took place on 8 April 2022 and a briefing from this meeting was provided to members of the IJB.

The Aberdeenshire IJB has considered the effectiveness of its governance arrangements against the principles set out in the CIPFA/SOLACE Corporate Governance Framework.

Against each of the seven governance principles adopted by the IJB there are key documents, activities, policies and arrangements which help to address these. For the IJB some of these documents belong to NHS Grampian and Aberdeenshire Council given their operational delivery role and the fact that staff have remained employed by the partner bodies.

The seven governance principles recommended in the CIPFA / SOLACE Framework are identified below, along with narrative evidencing compliance with the principle.

Principle 1 – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

The IJB is supported by two committees – the Audit Committee and Clinical and Adult Social Work Governance Committee to promote high standards of member conduct. Both Committees regularly reported to the IJB during the 2022/23 year to summarise the business they had considered during the year. The terms of reference of both Committees have been reviewed during the year.

The vision and commitments of the IJB are clearly set out in the approved Strategic Plan 2020 – 2025.

The IJB has adopted a Code of Conduct which has been formally approved by Scottish Government.

The board has a Standards Officer whose duties include advising and guiding Members of the Board on issues of conduct. The Standards Officer ensures the Board keeps Registers of Interest and records of Gifts and Hospitality. At the start of each IJB meeting the Chair asks members to disclose any Declarations of Interest.

Principle 2 – Ensuring openness and comprehensive stakeholder engagement

The IJB is a public board where members of the public and press can attend. Agenda papers and minutes for all board and committee minutes are publicly available in advance of meetings through Aberdeenshire Council's website. During 2022/23 formal IJB meetings have been held virtually using Teams and in hybrid. The meetings are recorded and recordings are made available to the public shortly after the meeting. Therefore, Aberdeenshire residents can assess whether they believe that decisions are being taken in the public interest. The Audit Committee is also a public meeting.

Both the voting and non-voting membership arrangements of the IJB are set out in the Integration Scheme and are in line with the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. The non-voting membership comprises six professional members and six stakeholder members representing the following groups: staff, third sector bodies carrying out activities in relation to health and social care, service users and carers. The broad membership of the IJB ensures valued input and engagement from a wide range of stakeholders.

Regulations require that the IJB consults with communities and partners in respect of strategic planning requirements. The Community Empowerment (Scotland) Act 2015 places further statutory duties on IJBs and Community Planning Partners to engage with communities on the planning and delivery of services and securing local outcomes.

There is also an established Joint Staff Forum for the IJB which includes representation from trade union and staff partnership representatives. The forum reviews workforce issues impacting on social care and health staff.

Principle 3 – Defining outcomes in terms of sustainable economic, social and environmental benefits

In March 2022 the IJB considered a report on the revenue budget for 2022/23. The financial outlook for the new financial year addressed the continuing impact of Covid-19 on services, remobilisation of services paused or reduced during the pandemic and the impact of national decisions on items such as pay uplifts. The financial outlook supports the preparation of the Strategic Plan which is underpinned by a Medium Term Financial Strategy and Workforce Plan. The 2022/23 Workforce Plan was submitted in June 2022. The Medium Term Financial Strategy was refreshed during 2022/23 to reflect the impact of Covid-19 on public sector finances and presented to the IJB in August 2022 for approval.

The IJB has a Strategic Plan 2020 – 2025 which identifies outcomes and the direction of travel over the next two years. The majority of outcomes are closely linked to how health and social care services will be delivered and improved over the life of the Strategic Plan.

The Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change, requiring them to contribute to the delivery of the Act's emissions reduction targets, contribute to climate change adaptation and act sustainably. During 2022/23 there has been a significant continued reduction in emissions from IJB services as more consultations have been carried out virtually and many staff have been working from home. Both of these factors have seen a significant reduction in mileage travelled.

Principle 4 – Determining the interventions necessary to optimise the achievement of intended outcomes

The IJBs decision making process ensures that the members of the Board receive objective and robust analysis of a variety of options indicating how the intended outcomes will be achieved, providing information on the associated risks and opportunities. Public involvement and engagement is undertaken to ensure that feedback from citizens and service users are fully considered when making recommendations regarding service improvements / changes.

During the year there has been a refocus on transformation activity as efforts were able to continue to be directed from the response to the pandemic. Some of the continuing changes that have taken place throughout 2022 can be viewed as transformational, such as the move to delivering more services virtually and the development of a redesigned care pathway for Frail & Elderly patients.

The transformation programme is now being refreshed to focus on agreed priorities which can be delivered in the short to medium term with the use of additional funding received from Aberdeenshire Council being utilised to facilitate this. This will make sure that the transformation programme fully aligns with the Strategic Plan 2020-25 and seeks to mainstream “business as usual” projects. Performance indicators are being developed to measure impact and demonstrate meaningful progress. A revised governance framework is also being put in place to oversee transformational work.

Principle 5 – Developing the entity’s capacity, including the capability of its leadership and the individuals within it

During the year the IJB has worked on implementing the actions from the Workforce Plan 2021/22. The 2022/23 Workforce Plan was submitted to the Scottish Government in June 2022. The IJBs Workforce Plan sets development of the workforce within the context of the Health and Social Care Partnership Strategic Plan. Its purpose is to ensure that the correct size and right skill mix of workforce needed to support the redesign of services across Aberdeenshire can be delivered and sustained within the available budget.

IJB capacity is further developed and enhanced by having external stakeholders represented on the IJB and many of its working groups.

Training and development for members is provided mainly in the form of briefings and development sessions. Development sessions have been held during 2022/23 and have included briefings on issues such as budget monitoring, local service reviews, service based strategies and strategic priorities. Induction is also provided to IJB Members.

The Chief Officer represents the IJB on the Scottish Chief Officer group which is called Health and Social Care Scotland (HSCS).

Principle 6 – Managing risk and performance through robust internal control and strong public financial management

The IJB has a Strategic Risk Register which is updated on a regular basis. The Strategic Risk Register was reviewed by the Audit Committee during 2022/23. There are also a number of operational risk registers held at Departmental level.

Performance is monitored at quarterly sector performance review meetings, where the Chief Executives and senior finance officers from NHS Grampian and Aberdeenshire Council discuss performance and finance matters in a structured meeting with the Chief Officer and Chief Finance Officer. Performance management information is also provided at a national NHS level and also contained within the statutory performance indicators reported by the Council. An annual Performance Report is also required as defined in the legislation (Public Bodies (Joint Working) (Scotland) Act 2014) which underpinned the creation of the IJB.

A daily dashboard of key performance indicators has been developed which now enables managers to access the most up to date information when planning services. Key indicators such as the level of delayed discharges, hospital occupancy, care home status and social work referral trends can now all be accessed on a daily basis.

The internal control system links closely with those of the Partners, given their operational remit for delivery of services under direction of the IJB. The Audit Committee through its consideration of reports monitors the effectiveness of internal control procedures. The IJB Chief Internal Auditor undertakes an annual review of the adequacy of internal controls and the opinion is included within this statement.

The IJB has in post a S95 Officer who is a member of the IJB, providing advice on all financial matters and ensure timely production and reporting of budget estimates, budget monitoring reports and annual accounts.

The IJB has received regular reports on the financial position throughout 2022/23. All finance reports contain a section advising the IJB on the budget implications of agreeing to the recommendations of the report.

Principle 7 – Implementing good practices in transparency, reporting and audit to deliver effective accountability

IJB business is conducted through an approved cycle of Board meetings which are held in public, and the agendas, reports and minutes are available for the public to inspect. There is a standard reporting format in place to ensure consistency of approach and consideration by Members to provide transparency in decision making. In 2022/23 meetings have been held virtually and hybrid with recordings of the meetings being made available to the public shortly after the meeting date.

The IJB publishes both Annual Accounts and an Annual Performance Report following Board approval.

Annual Governance Statement (continued)

The Audit Committee approved an Internal Audit Plan presented to it by the Chief Internal Auditor. Thereafter, the Chief Internal Auditor reports to the Audit Committee on the delivery of the plan and provides an annual audit report, including the internal audit opinion on the internal controls used by the IJB.

The Audit Committee provides assurance to the Board that appropriate systems of internal control are in place to ensure that: business is conducted in accordance with the law and proper standards; public money is safeguarded and properly accounted for; Financial Statements are prepared timeously and give a true and fair view of the financial position of the Board for the period in question; and that reasonable steps are being taken to prevent and detect fraud and other irregularities. It has also established a Clinical and Social Work Governance Committee to oversee the assurance around delivery of safe, high quality services.

Chief Internal Auditor Opinion

The Chief Internal Auditor has the responsibility to independently review on an annual basis the adequacy and effectiveness of the IJBs framework of governance, risk management and control.

After consideration of the results of the work carried out by Internal Audit, taken together with other sources of assurance, it is my opinion that I can only provide limited assurance that the Aberdeenshire Integration Joint Board had adequate systems of governance, risk management and internal control, covering the period 1 April 2022 to 31 March 2023.

Basis of Annual Assurance Opinion

In accordance with the Public Sector Internal Audit Standards, IA's assessment, and opinion over the framework of governance, risk management and control are based upon the whole activity and work of IA including:

- The results of internal audits completed (in final or draft) up to the date of this report.
- Any follow-up action taken in respect of audits from previous periods.
- The effects of any significant changes in the Board's control environment.
- Matters arising from previous annual reports to the Board.
- Any limitations that may have been placed on the scope of IA – there are no restrictions to declare in this report.
- Reports issued by the Board's external auditors.
- The relevant work of NHS Grampian's Internal auditors.
- IA's knowledge of the Board and the Council's governance, risk management and performance monitoring arrangements.
- The assessment of risk completed during the formation of the 2023-26 Audit Plan.
- The results of other assurance activities completed during the year.

Partner bodies' governance arrangements

The Board also places reliance on the governance arrangements that are in place in Aberdeenshire Council and NHS Grampian.

Aberdeenshire Council

Aberdeenshire Council has adopted a Code of Corporate Governance which ensures the accountability and probity of officers of the Council. The Governance Code is consistent with the principles and reflects the requirements of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016) as set out in *Delivering Good Governance in Local Government: Framework (2016)*, and the Council's financial management arrangements conform to the governance requirements set out therein. The Council's Code of Corporate Governance and the related systems of internal financial control provide reasonable assurance that responsibilities will be met.

The governance framework comprises the systems, processes, cultures and values by which the Council is directed and controlled and through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. Key elements of good corporate governance include honesty; trust and integrity; openness; performance focus; responsibility and accountability; management of risk; mutual respect and commitment to the organisation.

The following section sets out the Principles of the Local Code and some of the ways in which the Council complies with them.

Principle 1 Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

- The Scheme of Governance including the Financial Regulations
- Councillors Code of Conduct
- One Aberdeenshire Principles
- Corporate Integrity Group
- Financial and Legal Monitoring Officers • Counter Fraud Strategy
- Integrated Impact Assessments
- Fairer Scotland Duty

Principle 2: Ensuring openness and comprehensive stakeholder engagements

- Council Plan
- Local Outcome Improvement Plan
- Directorate and Area Plans
- Engagement & Participation Policy
- Participation Requests
- Participatory Budgeting
- Live Webcasting
- Minimising exempt reports
- Budget Engagement
- Partnership Reviews and Reporting
- Engage Aberdeenshire
- Community Impact Assessment

Principle 3: defining outcomes in terms of sustainable economic, social and environmental benefits

- Council Plan and Strategic Priorities
- Performance Reporting
- Community Benefits in Procurement
- Carbon Budget
- Climate Change Commitment
- Aberdeenshire's Digital Strategy
- Procurement Strategy

Principle 4: determining the interventions necessary to optimise the achievements of the intended outcomes

- Legal and Financial Monitoring
- Integrated Impact Assessments
- Budget Setting Process
- Medium Term Financial Strategy
- Performance Reporting
- Financial Performance Reports
- Capital Plan Monitoring
- Carbon Budget
- Risk Registers
- Policy Review

Principle 5: Developing the entity's capacity including the capability of its leadership and the individual within it

- Councillors Roles and Responsibilities
- Multi Member Ward Guidance
- Training and CPD for Councillors
- Committee Workshops
- Leadership Forum
- Learning and Development programme
- ALDO (Aberdeenshire Learning & Development Online) training
- Workforce Strategy
- HR Policies and Procedures

Principle 6: Managing risks and performance through robust internal control and strong public financial management

- Corporate Risk Group
- Corporate, Directorate & Operational Risk Registers
- Committee Reports
- Financial Performance Reporting
- Audit Committee
- Internal Audit
- Financial Regulations
- Capital Plan
- Strategic Leadership Team
- Contracts Register

Principle 7: implementing good practices in transparency, reporting and audit to deliver effective accountability

- Budget engagement
- Web Casting of Committee Meetings
- Annual Review Reports
- Corporate Improvement Plan
- Scrutiny Reports
- Performance Reports
- Internal Audit Charter
- Notices of Motion
- Audit Committee
- External Audit Reports to Committee

On the basis of the Chief Internal Auditor's report and his review of the Council's corporate governance arrangements, the Chief Executive of the Council is satisfied that the arrangements provide assurance, are adequate and are operating effectively.

TO BE UPDATED FOR AUDITED ACCOUNTS

NHS Grampian

NHS Grampian is required to operate within the aspects of the Scottish Public Finance Manual (SPFM) which are set out within the guidance issued to Chief Executives and more generally to all Board members by the Scottish Government Health and Social Care Directorates as being applicable to NHS Boards.

The SPFM is issued by Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. The SPFM sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for efficiency, effectiveness and economy, and promotes good practice and high standards of propriety.

As Accountable Officer, the Chief Executive is responsible for maintaining an adequate and effective system of internal control that identifies, prioritises and manages the principal risks facing the organisation, promotes achievement of the organisation's aims and objectives and supports compliance with the organisation's policies and safeguarding public funds.

The Board continually monitors and reviews the effectiveness of the system of internal control with a specific focus on the delivery of safe and effective patient care, achievement of national and local targets and demonstrating best value and the efficient use of resources.

Annual Governance Statement (continued)

Key elements of the system of internal control include:

- A Board which meets regularly to discharge its governance responsibilities, set the strategic direction for the organisation and approve decisions in line with the Scheme of Delegation. The Board comprises the Executive Directors and Non-Executive members. The Board activity is open to public scrutiny with minutes of meetings publicly available;
- The Board receives regular reports on Healthcare Associated Infection from the Clinical Governance Committee and reducing infection as well as ensuring that health and safety, cleanliness and good clinical practice are high priorities;
- Scheme of Delegation, Standing Orders and Standing Financial Instructions approved by the Board are subject to regular review to assess whether they are relevant and fully reflective of both best practice and mandatory requirements;
- Mature and organisation wide risk management arrangements built on localised risk registers and processes which ensure, as appropriate, escalation of significant instances of non-compliance with applicable laws and regulations;
- Dedicated full time members of staff for key statutory compliance functions including Information Governance, Health and Safety, fire and asbestos, tasked with ensuring they are up to date with all relevant legislation and are responsible for co-ordinating management action in these areas;
- A focus on best value and commitment to ensuring that resources are used efficiently, effectively and economically taking into consideration equal opportunities and sustainable development requirements;
- Consideration by the Board of regular reports from the chairs of the Performance Assurance, Infrastructure Finance, Population Health committee, Staff Governance, Clinical Governance, Audit and Risk committees and from the Chair of the Endowment Trustees concerning any significant matters on governance, risk and internal controls;
- Each key governance committee is supported by a designated lead Executive Director who has the delegated management accountability for statutory and regulatory matters. In addition, senior leadership arrangements were strengthened during the year to provide additional capacity and support to the Chief Executive;
- Regular review of financial performance, risk management arrangements and non-financial performance against key service measures and standards by the Performance Assurance Finance Infrastructure Committee;
- Regular review of service quality against recognised professional clinical standards by the Clinical Governance Committee;
- Regular review of workforce arrangements and implementation of the NHS Scotland Staff Governance standards by the Staff Governance Committee;
- An active joint management and staff partnership forum with staff side representation embedded in all key management teams and a dedicated full time Employee Director who is a member of the Board;

Annual Governance Statement (continued)

- Regular review of priorities for infrastructure investment and progress against the agreed Asset Management Plan by an Asset Management Group chaired by a Board Executive Director and including management representatives from all operational sectors and representation from the clinical advisory structure;
- Clear allocation of responsibilities to ensure we review and develop our organisational arrangements and services in line with national standards and guidance including consultation with all stakeholders on service change proposals to inform decision making;
- Promotion of effective cross sector governance arrangements through participation by the IJB Board members and the Chief Executives of each of the partner organisations in the regular meetings between the Chief Executives of all Public Sector organisations in Grampian and performance review meetings with each IJB Chief Officer to further develop and drive improvement through integrated service delivery;
- A patient feedback service to record and investigate complaints and policies to protect employees who raise concerns in relation to suspected wrongdoing such as clinical malpractice, fraud and health and safety breaches; and
- Separate governance arrangements for the NHS Grampian Endowment Funds including a Chair of the Trustees elected from within the body of the Trustees, an annual general meeting of all Trustees to agree all policy matters and an Endowment Sub Committee of Trustees with delegated authority to manage the day to day operational matters of the charity.

Based on the evidence considered during the review of the effectiveness of the internal control environment NHS Grampian has confirmed that there are no known outstanding significant control weaknesses or other failures to achieve the standards set out in the guidance on governance, risk management and control.

Progress on External Audit Action Plan from 2021/22

A key part of the external audit of the IJBs annual accounts is the identification of any issues or risks that have come to the attention of External Auditor during the audit. The external audit annual report contains an Action Plan setting out the specific recommendations, responsible officers and dates for implementation for the recommendations.

During 2021/22, 4 risks was identified. They highlighted:

- Delay in the preparation of reconciliations of income and expenditure between partners and the IJB with risk of material differences in partners annual accounts
- Management commentary that accompanies the financial statements should explain the financial results in comparison to budget and non-financial performance against key service indicators where possible, in simple terms and provide clarity to readers to avoid risk of non-transparency and lack of understanding.
- Ensure correct treatment of expenditure funded from reserves to avoid risk of material misstatements in the annual accounts.

Annual Governance Statement (continued)

- Local performance information has not yet been developed, with performance reporting largely dependant on thematic project reporting contained in Strategic Delivery Plan to ensure Board is able to undertake effective scrutiny.

To address the 4 risks, partner organisations finance management meet on a regular basis agree consistency of accounting treatment and to ensure working papers explain variances, improvement of management commentary layout and content and more detailed and frequent performance information has been presented to the IJB throughout financial year 2022/23.

Conclusion and Opinion on Assurance

In our respective roles as Chair and Chief Officer of the IJB, we are committed to good governance and recognise the contribution it makes to securing delivery of service outcomes in an effective and efficient manner. This annual governance statement summarises the IJBs current governance arrangements and affirms our commitment to ensuring they are regularly reviewed and remain fit for purpose.

Subject to the above, and on the basis of the assurances provided, we consider that the internal control environment operating during the reporting period provides reasonable and objective assurance that any significant risks impacting on the achievement of our principal objectives will be identified and actions taken to avoid or mitigate their impact. Systems are in place to continually review and improve the internal control environment and action plans are in place to progress areas for improvement. Whilst recognising that improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Aberdeenshire IJBs governance environment.

It should be noted that as we have moved out from the Covid-19 pandemic we are still continuing to face an ongoing pressure of a high level of service demand, an increasing complexity in the care and support required by people as well as challenges across the partnership from building issues and recruitment and retention of staff. This has meant that workstreams within the plan are being progressed on a priority basis working around the capacity of teams.

An overarching review of all internal control recommendations has been undertaken and themes have been identified. The AHSCP is focusing substantial resources on ensuring timely responses to all audits in addition to accessing support from both Aberdeenshire Council and NHS Grampian. The AHSCP will continue to closely monitor the progress of audit recommendations, ensuring this is driving learning and improvement, and providing regular updates through the IJB Audit Committee to the IJB.

Anne Stirling
Chair

Pamela Milliken
Chief Officer

5 July 2023

Remuneration Report

Introduction

The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It discloses information relating to the remuneration and pension benefits of specified Board members and staff.

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

Remuneration of the Chair and Vice-Chair

The voting members of the Board are appointed through nomination by NHS Grampian and Aberdeenshire Council. Nomination of the Board Chair and Vice Chair post holders alternates between a Councillor and a Health Board Representative.

Rhona Atkinson was formally appointed as the Chair of the Board from 1 April 2021 to 30 September 2022 and Vice Chair from the period 1 October 2022 to 12 December 2022. She received remuneration from NHS Grampian in her capacity as a non-executive member of NHS Grampian Board and no additional allowance is paid by the IJB. The remuneration of NHS Grampian Board members is disclosed in the Remuneration Report included within NHS Grampian's published Annual Report and Accounts.

Dr John Tomlinson replaced Rhona Atkinson and was formally appointed as Vice Chair from 12 December 2022.

Councillor Anne Stirling was formally appointed as Vice Chair of the Integration Joint Board from 1 April 2021 to 30 September 2022 and Chair from the period 1 October 2022. She receives remuneration from Aberdeenshire Council in her capacity as senior councillor with no additional allowances paid by the IJB. The remuneration of senior Aberdeenshire Councillors is disclosed in the Remuneration Report included within Aberdeenshire Council's Annual Accounts.

Remuneration: Other Voting Members

The IJB does not pay allowances or remuneration to voting members, but the voting members are remunerated by their relevant IJB partner organisation, which are included in these partners' annual accounts.

Remuneration: Officers of the Board

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

The Chief Officer is regarded as a Board employee and treated as a relevant person under the accounts regulations, although she is employed by NHS Grampian and is subject to the NHS pay and conditions. The annual remuneration of all employees of the Board is set by

Remuneration Report (contd)

reference to national arrangements agreed by the Scottish Government under Ministerial Direction and in accordance with relevant NHS Pay and Conditions of Service Circulars.

Officers receive business mileage and subsistence allowances in accordance with amounts agreed nationally and adopted by the Board. Officers are eligible to join the National Health Service Superannuation Scheme for Scotland.

Remuneration

The term remuneration means gross salary, fees and bonuses, allowances and expenses, and compensation for loss of employment. It excludes pension contributions paid by the Employer. Pension contributions made to a person's pension are disclosed as part of the pension benefits disclosure below.

Remuneration of Senior Employees

Total Remuneration 2021/22 £		Salaries, Fees and Allowances 2022/23 £	Total Remuneration 2022/23 £
8,046	Angie Wood, Interim Chief Officer (to 30 th April 2021)	-	-
89,063	Pam Milliken, Chief Officer (from 10 th May 2021)	107,540	107,540
37,278	Chris Smith, Chief Finance and Business Officer (from 28 th September 2021)	79,345	79,345
134,387	Totals	186,885	186,885

The Chief Finance Officer is appointed by the IJB. He is employed by Aberdeenshire Council and is subject to the Council's terms and conditions but he is a dedicated IJB resource.

Remuneration Report (continued)

Note

For 2021/22 and 2022/23 there were no payments for bonuses, taxable expenses, compensation for loss of employment, and non-cash benefits. These columns have been removed from the above table.

Exit Packages

There were no exit packages during the financial year.

Senior Employee

The term senior employee means:

1. Any employee who has responsibility for the management of the Board to the extent that the person has the power to direct or control the major activities of the Board (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
2. Who holds a post that is politically restricted by reason of section 2(1) (a), (b) or (c) of Local Government and Housing Act 1989 (4); or
3. Whose annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or above.

Remuneration of Employees receiving more than £50,000

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

Number of Employees in Band 2021/22	Remuneration Band	Number of Employees in Band 2022/23
0	£105,000 - £109,999	1
1	£85,000 - £89,999	0

Pension Benefits

The term pension benefits covers in-year pension contributions for the employee by the Board and the named person's accrued pension benefits at the reporting date.

Remuneration Report (continued)

Pension Benefits of Senior Employees

The Board has no directly employed employees. The Chief Officer is regarded as a Board employee, but as she is employed by NHS Grampian she is a member of the National Health Service Superannuation Scheme for Scotland.

In accordance with regulations, the IJB is responsible for funding in-year employer contributions in respect of the Chief Officer. The table shows the IJBs funding during the year to support pension benefits. It also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from the officer's own contributions.

In respect of the officers' pension benefits the statutory liability for any future contributions rests with NHS Grampian. On this basis there is no pensions liability reflected on the IJB balance sheet for the Chief Officer.

Senior Employee	In-Year Pension Contributions		Accrued Annual Pension Benefits		
	For Year to 31/03/22 £	For Year to 31/03/23 £		Difference from 31/03/22 £	As at 31/03/23 £
Angie Wood Interim Chief Officer (to 30 th April 2021)	1,682	-	Pension	(45,659)	-
			Lump Sum	(107,277)	-
Pam Milliken Chief Officer (from 10 th May 2021)	18,614	21,641	Pension	4,032	39,257
			Lump Sum	4,316	98,265
Chris Smith Chief Finance and Business Officer (from 28 th September 2021)	7,346	15,314	Pension	3,448	17,337
			Lump Sum	179	902
Totals	27,642	36,955	Pension	(38,179)	56,594
			Lump Sum	(102,782)	99,167

Anne Stirling
Chair

Pamela Milliken
Chief Officer

5 July 2023

Independent Auditor's Report

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

To follow

Comprehensive Income and Expenditure Statement (CIES)

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

There are no statutory or presentation adjustments which affect the IJBs application of the funding received from partners. The movement in the General Fund balance is therefore solely due to the transactions shown in the CIES. Consequently, an Expenditure and Funding Analysis is not provided in these annual accounts as it would be a replication of the CIES.

Gross Expenditure 2021/22 £'000	Income 2021/22 £'000	Net Expenditure 2021/22 £'000		Gross Expenditure 2022/23 £'000	Income 2022/23 £'000	Net Expenditure 2022/23 £'000
18,005	(141)	17,864	Community Hospitals	20,577	(51)	20,526
43,454	(2,348)	41,106	Other Community Health Services	49,101	(1,893)	47,208
44,031	-	44,031	Primary Care	43,225	-	43,225
45,895	-	45,895	Primary Care Prescribing	49,617	-	49,617
10,933	(156)	10,777	Community Mental Health	12,812	(379)	12,433
16,557	(11)	16,546	Aberdeenshire Share of Hosted Services (health)	17,871	-	17,871
32,349	-	32,349	Set Aside Services	34,515	-	34,515
19,776	(679)	19,097	Management & Business Services	20,999	(1,028)	19,971
65,005	(5,834)	59,171	Adult Services	76,635	(7,376)	69,259
99,999	(8,532)	91,467	Older People, Physical & Sensory Disabilities	110,676	(8,258)	102,418
396,004	(17,701)	378,303	Cost of Services	436,028	(18,985)	417,043
	(402,599)	(402,599)	Taxation and Non-Specific Grant Income		(389,110)	(389,110)
		(24,296)	(Surplus) / Deficit on Provision of Services			27,933
		(24,296)	Total Comprehensive Income and Expenditure			27,933
See Notes 1-5, 9						

Movement in Reserves Statement

This statement shows the movement in the year on the IJBs reserves. The movements which arise due to statutory adjustments which affect the General Fund Balance are separately identified from the movements on accounting practices.

General Fund Balance 2021/22 £'000	Movements in Reserves During 2022/23	General Fund Balance 2022/23 £'000
(20,566)	Opening Balance at 31 March 2021	(44,862)
(24,296)	Total Comprehensive Income and Expenditure	27,933
-	Adjustments between accounting basis and funding basis under regulations	-
(24,296)	(Increase) or Decrease in 2022/23	27,933
(44,862)	Closing Balance as at 31 March 2023	(16,929)

Balance Sheet

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

2021/22 £'000		2022/23 £'000	Notes Ref
44,862	Short Term Debtors	16,929	6
44,862	Current Assets	16,929	
-	Short Term Creditors	-	
-	Current Liabilities	-	
44,862	Net Assets	16,929	
(44,862)	Usable Reserves	(16,929)	7
(44,862)	Total Reserves	(16,929)	
	Other Notes		10-11

The unaudited accounts were issued on 5 July 2023.

Chris Smith
Chief Finance & Business Officer
5 July 2023

Note 1 – Significant Accounting Policies

1.1 General Principles

The Annual Accounts summarises the Board's transactions for the 2022/23 financial year and its position at the year ended 31 March 2023.

The 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 Annual Accounts are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

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

1.2 Accruals of Income and Expenditure

Activity is accounted for in the year in which 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.

1.3 Funding

The IJB is primarily funded through funding contributions from the statutory funding partners, Aberdeenshire Council and NHS Grampian. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in Aberdeenshire.

Note 1 – Significant Accounting Policies (continued)

1.4 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.

1.5 Employee Benefits

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

The IJB has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report. The charges from the employing partner are treated as employee costs.

1.6 Events after the Balance Sheet Date

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 Annual Accounts are adjusted to reflect such events, if deemed material; and
- those that are indicative of conditions that arose after the reporting period – the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

1.7 Clinical Negligence and Other Risks Indemnity Scheme (CNORIS)

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

Unlike NHS Boards, the IJB does not have any ‘shared risk’ exposure from participation in CNORIS. The IJB participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

Note 1 – Significant Accounting Policies (continued)

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 IJBs Balance Sheet.

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

1.8 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 CIES and will 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 IJBs 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 IJBs Balance Sheet but is disclosed in a note only if it is probable to arise and can be reliably measured.

1.9 Reserves

The IJB is permitted to set aside specific amounts as reserves for future policy purposes. Reserves are generally held to do three things:

- create a working balance to help cushion the impact of uneven cash flows – this forms part of general reserves;
- create a risk fund to cushion the impact of unexpected events or emergencies; and
- create a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

The balance of the reserves normally comprises:

- funds that are earmarked or set aside for specific purposes; and
- funds which are not earmarked for specific purposes but are set aside to deal with unexpected events or emergencies.

Note 1 – Significant Accounting Policies (continued)

Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged against the appropriate line in the Income and Expenditure Statement in that year to score against the Surplus/Deficit on the Provision of Services. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement.

The IJBs reserves are classified as either Usable or Unusable Reserves.

The IJBs only Usable Reserve is the General Fund. The balance of the General Fund reserve as at 31 March shows the extent of resources which the IJB can use in later years to support service provision.

1.10 VAT

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

1.11 Support Services

Corporate support services (finance, human resources, legal, facilities & information and communications technology) are provided by Aberdeenshire Council and NHS Grampian at no cost to the IJB and it is not possible to separately identify these costs. To the extent that delegated services included an element of overheads and support services costs, these will be included within the appropriate line within the Income and Expenditure statement.

Note 2 – Accounting Standards that have been Issued but have not yet been Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted and could have a material impact on the accounts. This applies to new or amended standards within the 2022/23 Code.

There are no new or amended Accounting Standards issued but not yet adopted that will have a material impact on the 2022/23 Annual Accounts.

Note 3 – Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in note 1, the Board has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgement made in the Annual Accounts is that there is a degree of uncertainty about future levels of funding for local government and the NHS, which may have an impact on the Board. However, the Board has determined that this uncertainty alone is not sufficient to provide a material change to the level of service provision. The level of future uncertainty and associated risk is considered as part of the Board's medium term financial planning.

Note 4 – Expenditure and Income Analysis by Nature

31 March 2022 £'000		31 March 2023 £'000
184,533	Services Commissioned from Aberdeenshire Council	207,590
211,079	Services Commissioned from NHS Grampian	232,589
131	Employee Benefit Expenditure	144
235	Insurance & Related Expenditure	220
28	Fees payable to Audit Scotland for services undertaken in the Code of Audit Practice	28
(10,175)	Service Income: Fees, Charges & Other Service Income	(17,094)
-	Service Income: Internal Allocations (not Trading Accounts)	-
(4,871)	Service Income: Aberdeenshire Council	(4,109)
(2,657)	Service Income: NHS Grampian	(2,325)
(402,599)	Partners Funding Contributions and Non- Specific Grant Income	(389,110)
(24,296)	Total Comprehensive (Income) / Expenditure	27,933

Note 5 – Taxation and Non-Specific Grant Income

31 March 2022 £'000		31 March 2023 £'000
132,337	Funding Contribution from Aberdeenshire Council	148,601
270,672	Funding Contribution from NHS Grampian	240,509
402,599	Taxation and Non-Specific Grant Income	389,110

The funding from NHS Grampian shown above includes £34,515,000 in respect of “set aside” resources primarily in respect of acute hospital services. NHS Grampian continue to manage these costs whilst the IJB has a strategic role over the level of demand placed on them.

The value of the Hospital Acute Services “set aside” expenditure reported is based on uplifting the 2021/22 totals by an inflationary uplift of 6.7%. Activity analysis for the 2022/23 year on which the figures would normally be based has not been produced by Public Health Scotland.

Note 6 – Short Term Debtors

31 March 2022 £'000		31 March 2023 £'000
41,131	NHS Grampian	11,507
3,731	Aberdeenshire Council	5,422
44,862	Total Short Term Debtors	16,929

Note 7 – Usable Reserve: General Fund

31 March 2022 £'000		Transfers In £'000	Transfers (Out) £'000	31 March 2023 £'000
7,908	General Fund	3,786	(8,396)	3,298
5,753	Earmarked: Primary Care Improvement Fund		(4,568)	1,185
2,589	Mental Health Action 15/Facilities Improvement		(1,210)	1,379
16,205	Covid-19		(14,731)	1,474
400	Stonehaven Dental Practice		-	400
815	Community Living Change Fund		(203)	612
3,050	Risk Fund		-	3,050
1,267	Alcohol and Drug Partnership	856	(725)	1,398
3,786	Winter Pressure Funding		(3,786)	-
2,727	Transformation Project Funding		(1,105)	1,622
-	Service Capacity and Redesign	2,000	-	2,000
362	Other	149	-	511
44,862	General Fund	6,791	(34,724)	16,929

Usable Reserves are held for the following purposes:-

General Fund – represents the underspend against the Partnership’s revenue budget and can be used for purposes.

Primary Care Improvement Fund – specific funding streams earmarked to support the roll out of the national General Medical Services contract for GPs

Mental Health Action 15/Facilities Improvement – specific funding streams for the provision of Mental Health workers in the Community.

Covid-19 – earmarked to meet the additional costs of dealing with the Covid-19 pandemic response.

Stonehaven Dental Practice – earmarked for a project to relocate a dental practice in Stonehaven.

Community Living Change Fund – specific funding stream earmarked to support the repatriation of out of area placements back into Aberdeenshire.

Risk Fund – represents an earmarked fund to assist with the implementation of the Medium Term Financial Plan.

Alcohol and Drug Partnership – earmarked national funding to support the implementation of the priorities of the Alcohol and Drug Partnership in conjunction with partner organisations

Winter Pressure Funding – earmarked funding received from Scottish Government to assist with provision of Health and Social Care consisting of four key principles:

- maximising capacity – through investment in new staffing, resources and facilities.
- caring for our staff – through ensuring they can continue to work safely and effectively with timely access to wellbeing support.
- ensuring system flow – through specific interventions to improve planned discharge from hospitals and increased access to care in a range of community settings.
- improving outcomes – through investment in capacity, people and systems to deliver the right care, in the right setting

Transformation Project Funding – funding received from our partner body to assist with the implementation of transformational projects across the partnership.

Service Capacity and Redesign – funding approved by IJB from general reserve balance as at 31 March 2022 to assist with the implementation of service redesign to drive efficiencies.

Other – relates to a number of smaller funding streams for GP Premises funding, Joint Equipment Store Digital project and Criminal Justice.

Note 8 – Agency Income and Expenditure

On behalf of all IJBs within the NHS Grampian Health Board, the IJB acts as the lead IJB in managing the Chronic Oedema Services, Diabetes and Retinal Screening, Marie Curie Nursing, Heart Failure Service, Continence Service, HMP Grampian and Police Custody / Forensic Medicine Contracts. 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:

31 March 2022 £'000		31 March 2023 £'000
4,569	Expenditure on Agency Services	4,871
(4,569)	Reimbursement for Agency Services	(4,871)
-	Net Agency Expenditure excluded from the CIES	-

Note 9 – Related Party Transactions

The IJB has related party relationships with NHS Grampian and Aberdeenshire Council. In particular, the nature of the partnership means that the IJB may influence, and be influenced by, its partners.

In the year, the following financial transactions were made with NHS Grampian and Aberdeenshire Council in relation to integrated health and social care functions:

Income – Receipts for Integrated Functions

31 March 2022 £'000		31 March 2023 £'000
(215,707)	NHS Grampian	(212,160)
(206,889)	Aberdeenshire Council	(200,478)
(422,596)	Total	(412,638)

Expenditure – Payments for the Delivery of Integrated Functions

31 March 2022 £'000		31 March 2023 £'000
214,185	NHS Grampian	232,735
184,115	Aberdeenshire Council	207,836
398,300	Total	440,571

Key Management Personnel

The Chief Officer, Chief Finance Officer and the Chief Social Work Officer are non-voting members of the Board. The Chief Officer is employed by NHS Grampian.

Note 10 – Assumptions made about the Future and other Major Sources of Estimation Uncertainty

The Annual Accounts contains estimated figures that are based on assumptions made by the IJB about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Note 11 – Events After the Balance Sheet Date

The unaudited accounts were issued on 5 July 2023 by Chris Smith BA (Hons), FCPFA, Chief Finance Officer, who is the proper officer of the Board in accordance with Section 95 of the Local Government (Scotland) Act 1973. Where events taking place before this date provided information about conditions existing at 31 March 2023, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information, if appropriate.

There have been no material events since the date of the Balance Sheet which necessitate the revision of the figures in the financial statements or notes thereto including contingent assets and liabilities.

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 12 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.

Asset

An item having value to the IJB in monetary terms. Assets are categorised as either current or non-current. A current asset will be consumed or cease to have material value within the next financial year (e.g., cash and stock). A noncurrent asset provides benefits to the IJB and to the services it provides for a period of more than one year.

Audit of Accounts

An independent examination of the IJBs financial affairs.

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.

Contingent Asset/Liability

A Contingent Asset/Liability is either:

- A possible benefit/obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain events not wholly within the IJBs control; or
- A present benefit/obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.

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.

Government Grants

Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the IJB. These grants may be specific to a particular scheme or may support the revenue spend of the IJB in general.

Glossary of Terms (continued)

Health and Social Care Scotland (HSCS)

This is a collaboration of health and social care leaders and managers from across health and social care partnerships.

IAS

International Accounting Standards.

IFRS

International Financial Reporting Standards.

IRAG

Integration Resources Advisory Group.

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.

Provisions

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

PSIAS

Public Sector Internal Audit Standards.

Related Party

A body or individual that has the potential to control or influence the IJB or to be controlled or influenced by the IJB. For the IJBs purposes, related parties are deemed to include voting members, the Chief Officer, the Chief Finance Officer, the Heads of Service and their close family and household members.

Remuneration

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

Reserves

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

Revenue Expenditure

The day-to-day expenses of providing services.

Significant Interest

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

SOLACE

Society of Local Authority Chief Executives.

The Code

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