

Curam is Slàinte nan Eilean Siar

**DREACH
CUNNTASAN BHLIADHNAIL
2020/2021**



**Western Isles
Integration Joint Board**

**DRAFT ANNUAL ACCOUNTS
2020/21**

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MANAGEMENT COMMENTARY

Introduction

Cùram is Slàinte Nan Eilean Siar is the Western Isles' Integration Joint Board (IJB). Its parent bodies are NHS Eileanan Siar and Comhairle nan Eilean Siar (CnES). This commentary provides a summary of the IJB's financial performance for the year and how this has supported the delivery of its core duties. It also summarises the challenges and risks it faces in future years in delivering its objectives.

The IJB covers the whole of the Outer Hebrides which are located to the north-west mainland of Scotland with a total population of around 27,000. The main islands are Lewis, Harris, North Uist, Benbecula, South Uist, Eriskay and Barra. The length of the islands measures approximately 130 miles from the Butt of Lewis in the North, to the uninhabited small islands of Berneray, Pabbay and Mingulay to the south of Vatersay. The quality of the natural environment in the Outer Hebrides is special and the people have a strong cultural identity directly related to the Gaelic language, with some 72% of people aged three and over having some Gaelic language ability, significantly more than any other area in Scotland. The traditional industries are crofting, fishing and Harris Tweed and these are now complemented with new and emerging sectors, including tourism.

Western Isles IJB

Following the Public Bodies (Joint Working) (Scotland) Act 2014, NHS Western Isles and the CnES have developed a 'body corporate' integration model. This is where both the Health Board and the Local Authority delegate to a third body called an Integration Joint Board (IJB). Cùram is Slàinte Nan Eilean Siar or Western Isles Integration Joint Board (IJB) became operational from 1 April 2016. NHS Western Isles and the CnES set out within their integration scheme the scope of the delegated functions. The scheme was approved by the Scottish Parliament on 24 September 2015.

Delegated functions from the CnES include adult social work services (including criminal justice), homecare, adult day care, care homes, and housing support. Delegated functions from NHS Western Isles include Accident and Emergency and general medical wards, General Practice, AHPs, Dentistry, Mental Health, Community Nursing, Health Visiting and School Nursing.

Objectives and Strategy of the IJB

The IJB's Strategic Plan provides the operating context and background to integration, a vision of future service delivery, an assessment of how good services are currently, a focused change plan, and a description of the organisational levers that will deliver that change. The plan was refreshed in 2018, allowing the partnership to respond to national developments, including a new GP contract. Since the inception of the IJB, we have used a variety of mechanisms to report on progress against our strategic objectives but in its audit report last year, Audit Scotland recommended that we should bring all of our strategic work into a single SMART document and use this to monitor progress. The IJB monitors the implementation of that plan on a quarterly basis.

More generally, the IJB has four over-arching objectives:

- developing our locality arrangements, to ensure that our services are responsive and connected to local communities;
- working with staff, stakeholders and service users to develop integrated delivery arrangements which are capable of improving the experience and outcomes of the people we serve;
- deploying our resources transparently, making sound investment decisions and managing a very fragile budget; and
- implementing our strategic plan, to ensure that our services change and adapt in response to population need.

Key Issues and Risks

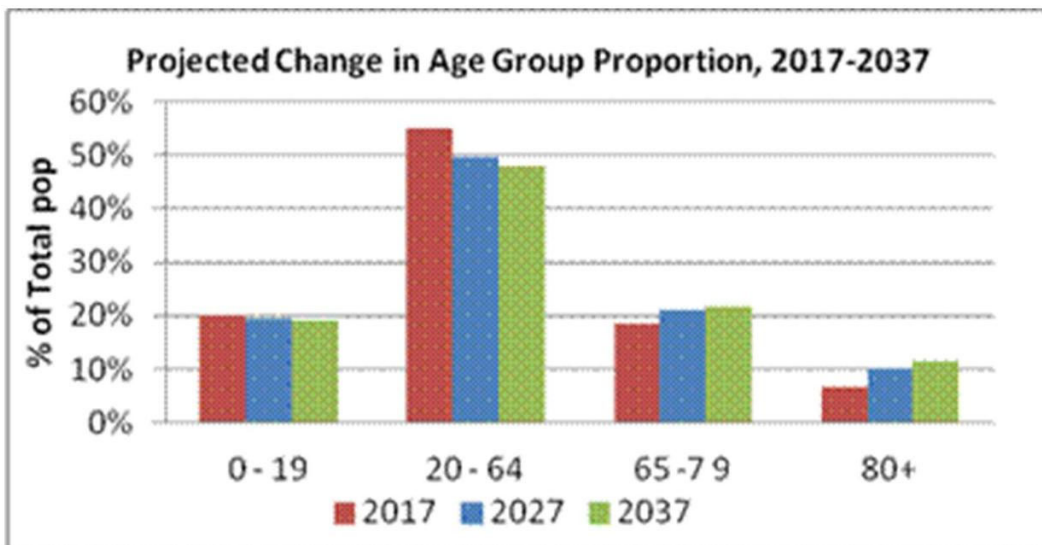
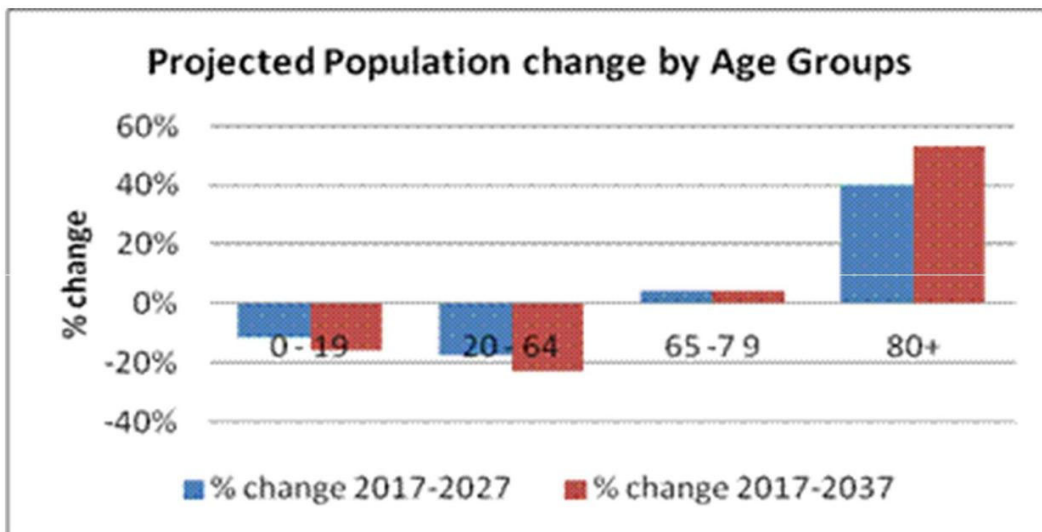
The key challenges that the Board faces are:

- Demography;
- Ageing workforce;
- Long Term Conditions;
- Covid-19 – short term and medium-term effects; and
- Departure of Chief Officer.

Demography

The overall population within the Western Isles is expected to drop from the midpoint estimate 2017 of 26,950 to 24,698 by 2027 and a further predicted decrease to 23,855 by 2037.

As can be seen in the graphs below, by 2027 the elderly population (65+) is expected to rise by 44% and the 20-64 age population set to decrease by 17%. The age group with the greatest levels of co-morbidity (80+) is expected to increase by 40%. The population changes will result in a year-on-year reduction in the available workforce to nurse, care and attend to the most vulnerable of people whose numbers are increasing year on year. The IJB is already feeling the effect of the changes in demography with high levels of vacancies in social care workforce and nursing workforce.



Ageing Workforce

Recruiting staff is already proving difficult for both nursing and social care staff and is expected to worsen as the available workforce on the islands decreases. There has been a slight upward trend due to the pandemic as more local workforce was temporarily available for social care posts, however recently trends are returning to pre-pandemic levels. The IJB monitors the health and social care workforce closely. A year end snapshot of 31 March 2021 indicated that there were 125 vacancies out of 1,137 established posts; this is shown below per service area.

The table shows the vulnerability of the workforce with 33% of staff over 55 and 4% over 65. The workforce is predominately made up of female workers 91% (traditional, nurses, homecare workers and care at home workers for example are female) which also puts a strain of recruiting staff from a decreased employment pool.

Estab Head	31 03 2021 Service Area	Vac. Head	% Vac	Head Over 55+ %	Head Over 65+ %	Female % in Post
11.00	Medical Staffing	4	36%	14.3%	0.0%	57%
75.00	Allied Health Professionals	8	11%	22.4%	1.5%	85%
67.00	Dental	3	4%	21.9%	0.0%	83%
134.00	Hospital (Acute) Nursing	20	15%	21.9%	5.3%	95%
56.00	Community Hospital Nursing	7	13%	38.8%	6.1%	94%
111.00	Community Nursing	8	7%	35.0%	1.0%	98%
49.00	Mental Health Nursing	11	22%	23.7%	0.0%	79%
15.00	Clinical Admin	1	7%	42.9%	7.1%	71%
125.00	Adult Services	14	11%	35.1%	2.7%	87%
234.00	Residential Services	20	9%	43.9%	6.1%	93%
202.00	Home Care & Reablement	23	11%	36.3%	7.3%	96%
11.00	Criminal Justice	1	9%	20.0%	0.0%	40%
14.00	Strategic Commissioning & PS	2	14%	16.7%	8.3%	100%
18.00	Assessment and Care Services	1	6%	29.4%	0.0%	94%
15.00	Management and Admin	2	13%	15.4%	0.0%	92%
1,137	Total	125	11%	33.0%	4%	91%

These workforce trends are also impacting on sickness absence levels in those service areas which require a level of physical fitness. Statically work undertaken on the NHS workforce shows that people over 50 do not necessarily have more episodes of sick but the sickness days taken are longer.

Long Term Conditions

As we live longer and medicine improves, we see a corresponding increase in the number of people living with a range of long term conditions. These range from the most common conditions like CHD, stroke and cancer, to a variety of other chronic physical or mental health conditions including diabetes, dementia, asthma and depression. In the Western Isles, around 4 in 10 adults have a long-term condition or disability, with the majority describing these as limiting their quality of life. Most long-term conditions have a strong association with age and as result there is a significant projected increase in prevalence over the next fifteen years.

Many long-term conditions are mental health related, including depression, dementia and other mental health conditions. The Western Isles tends to have higher levels of such conditions relative to the rest of Scotland, which in part reflects the older population profile. Overall projections are for a 73% increase in dementia cases over the next 20 years.

The increase in the number of people living with long term conditions also has an effect of increasing demand on the IJB with the increased financial costs that treating these conditions bring in a time of austerity.

Covid-19

February 2020 saw the development of Covid-19 worldwide pandemic which rapidly placed unprecedented challenge on the NHS and Social Care, requiring immediate action, responses, changes and interruption to service configuration and delivery. Thrust into uncharted territory, immediate tactical responses and actions dominated throughout our services and our daily lives.

Now over a year into the pandemic, waves 1 and 2, lockdown restrictions, and acknowledging the wider health consequences from the drastic measures needed, we are rapidly developing the 'new normal' for recovery and renewal of our services, sure in the fact that new ways of working will change the way in which patients, clients and staff experience the provision of Health and Social Care services.

Returning, recovering and renewing the Health and Social Care Services we provide will be a process of evolution acknowledging that this phase is in itself somewhat uncharted territory. The ongoing impact of Covid-19 in terms of future Health and Social Care demand, Health and Safety and Infection Prevention and Control measures remains uncertain. However, for the foreseeable future it is unlikely that many services specifically in Health will be able to recover 100% of their pre Covid-19 capacity.

On an individual basis there have been rapid and traumatic changes to our lives. In personal and health terms, some have experienced this to a far greater extent than others. For all of us activities for everyday living have been severely interrupted or stopped. Our focus has been and remains protecting our population, caring for the health and wellbeing of our staff, preparing and navigating our organisation through and unprecedented scale and complexity associated with the pandemic.

As our attention turns to recovery and remobilisation, the sustained challenge to mental health and wellbeing and the longer lasting impact of Covid-19 on individuals and our society remain a key focus. Running in parallel is the mass vaccination programme, at a scale not seen before within the NHS. The year 2020/2021 has been an extremely challenging year in the present financial climate and being in a global pandemic, all our staff have worked extremely hard to deliver services efficiently and effectively to individuals and communities.

Departure of Chief Officer

The IJB has been without a Chief Officer since the start of the 2020/2021 financial year, until February 2021 when the new Chief Officer commenced. The absence of a Chief Officer resulted in issues with the review of the strategic direction of the Board and the overarching management of the operation side of the IJB. As the Health and Social Care Partnership (HSCP) move into the remobilisation and recovery stage of Covid-19 a Chief Officer is key to ensure HSCP services are positioned to provide care in the most effective and efficient way moving forwards.

Performance Management and Reporting

Our achievements for 2020/21 include:

- the Board broke even and transferred £3,876k to general, specific and earmarked reserves;
- an Integrated Corporate Management Team continues to oversee the operation of integration, which allows for executive level coordination and agreement of health and social care priorities - 'one system, one budget';
- we have been able to drive change as a partnership, working across boundaries. For example, the reform of mental health, while ostensibly focused on NHS services, has allowed us to play-in council and third sector interests to a greater degree than would have been possible under previous arrangements;
- we have implemented an integrated management structure which cuts across the council and the NHS and which brings together leaders from each professional area;
- NHS Western Isles and the Council have worked in partnership during the pandemic with many stakeholder groups including Pandemic Resilience Group. A very successful Covid Vaccination Programme is underway with all Western Isles stakeholders contributing; and

- although many services have been put on hold or are operating in a different manner, there has been some new initiatives and success. For example:
 - NHS Western Isles launched a new Community Treatment and Care Service based at the Western Isles Dental Centre in Stornoway in September 2020. Changes in the arrangements between GP Practices and the Scottish Government have meant that some services are no longer provided directly by the GP Practice. Services include phlebotomy, dressings and wound care, routine health checks and basic observations and injections are now delivered by trained nursing staff directly employed by NHS Western Isles.
 - The Queen's Nurse title is awarded to twenty selected clinical leaders every year and they must be community based registered nurses, midwives or Health Visitors. The title is received following a nine month development programme designed to enable clinical leaders in Scotland's communities to become catalysts for change in their communities. Annie MacDonald, a District Nurse in Uist and Rachel Morrison, MS Specialist Nurse were nominated by the NHS Western Isles Nurse Director and Community Lead Nurse and were awarded their title in November 2020.

As the response to the pandemic evolved in 2020, the services across the IJB portfolio adapted to address the various demands and resulting changes to practice required to sustain resilience and responsiveness of the local system. This effort should be acknowledged across all levels of the IJB and the partner organisations as the volume of guidance, information (clinical/professional and financial) and ensuing risk management processes impacted on the workloads of frontline and back office staff. Individuals and teams have worked flexibly and applied diligence to ensure best use was made of resources and compliance with regulations addressed. For some teams this required staff to be trained in new practice to support redeployment within teams and across other areas of service. For many frontline services enhanced working with individuals, families and communities became a constant feature to adapt care plans and services to take account to changing circumstances. The staff across the services, our partner organisations and the communities should be commended for their resilience and commitment to delivering a collective effort to address the challenges of supporting the most vulnerable in our islands. This at a time when all were personally and professionally affected by the changing impacts of the pandemic.

Throughout the pandemic, in order to support care home residents experiencing a significant reduction in social opportunities and activities, Care Home Managers and local musicians worked in partnership to produce a series of ceilidhs for Care Home residents and staff.

The IJB has performed well against most of the indicators set out by the Scottish Government. Service user survey material indicates that more needs to be done on the degree to which service users have a say in how their help, care or support is provided; and the degree to which service users' health and care services seem to be well coordinated. Work is ongoing on both of these matters. The IJB has closely monitored system performance against a range of indicators and benchmarked these against the Scottish average and the previous year's performance.

National Outcome Indicators	Current Performance 2020/21	2019/20 Performance Baseline	Scotland Rate
Premature mortality rate (per 100,000)		381	432
Rate of emergency admissions for adults (per 100,000)*		15,463	11,313
Rate of emergency bed days for adults (per 100,000)*		130,890	104,406
Readmissions to hospital within 28 days of discharge (per 1000)*		103	99
Proportion of last 6 months of life spent at home or in community setting		88%	89%

Falls rate per 1,000 population in over 65s*	26	20
Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	83%	82%
Percentage of adults with intensive needs receiving care at home	65%	62%
Number of days people (75+) spend in hospital when they are ready to be discharged (rate per 1000)	1,543	793
Percentage of total health and care spend on hospital stays where the patient was admitted in an emergency	21%	21%

As indicated above, the IJB performs well against a range of indicators but continues to be troubled by delayed discharges. The sustained improvement in the management of delayed discharges delivered across 2017/18 has been more variable in 2019/20, as evidenced in the below however delays reduced in February and March when Health and Social care managers worked together to discharge delays as part of the release of beds for the Covid 19 pandemic.

Annual Accounts

The Financial Statements for 2020/2021 are set out on pages 17 and 18 and incorporate financial and other information required by the Code of Practice on Local Authority Accounting in the United Kingdom. The statement of Accounting Policies on pages 21 and 22 explains the basis for the recognition, measurement and disclosure of transactions and other events in the Annual Accounts, to ensure that they present a "true and fair view" of the IJB's financial performance

Financial Performance 2020/2021

The annual budget and actual expenditure for both partners is shown in the table below:

	Full Year Projection		
	Budget	Actual	Variance
	Under/(over)		
	£'000	£'000	£'000
NHS	48,758	47,517	1,241
CnES	21,266	18,632	2,635
Total	70,024	66,149	3,876

The IJB had an in-year underspend of £3,876k, which will be offset by transfer of £3,876k into general, specific and earmarked reserves. A lot of the specific reserves are money allocated by the Scottish Government for Primary Care Improved Fund, Mental Health Improvements for example. Due to Covid some initiatives were unable to be taken forward. This money is ring fenced and work will be undertaken using these funds in 2021/22 and beyond.

The key variances during the year were as follows:

- Community Nursing – There has been an underspend of £209k in community nursing partly due to some high grade posts being vacant awaiting a redesign of services.
- Dental Services – Due to the pandemic and the reduction in services offered there has been savings within the dental services on staffing where dental vacancies were not required to be filled and on the cost of dental materials. There is an underspend of £325k.

- The underspend on acute nursing of £202k is due in part to vacancies within the department and beds held vacant for part of the year within the COVID wards.
- Mental Health nursing is underspent by £153k this is due to unfilled vacancies for difficult to fill posts.
- Homecare services was underspent £683k with 11% staff vacancies accounting for the majority of underspend, together with departmentally held income not previously allocated to the service.
- Residential Care is overspent by £277k. This is most significantly due to budgeted staffing savings not being realised as vacancies across the service have reduced within the pandemic year.
- Adult Care and Support Services is underspent by £403k. This is due to an allocation of income previously attributed to a financial efficiency saving.
- Adult Mainland Placements is underspent by £168k from due to changes to budgeted placements which has increased efficiency savings.

Covid-19 and / Winter Pressures / Local Authority Support Funding

The Health and Social Care Partnership received Covid-19 funding of £2,305k and winter pressure / Local Authority Support funding of £911k. Whilst Covid-19 monies were spent, winter pressure/Local Authority Support monies and other related funds came too late in the year to recruit staff. The IJB hopes to use the winter pressure monies for a transformational project around our care at home services. The IJB has a struggling service due to high level of vacancies which they had tried to cover with agency staff (difficult in a remote island setting). Once the IJB partners are out of emergency settings, we are looking at transformational change. The IJB requires increase funding to cover the vacancies and the increased service whilst the redesign takes place. Covid and winter pressure funds/Local Authority support received are shown in the table below:

COVID/Winter Pressure/Local Authority Support	Total £	NHS IJB £	CnES IJB £
Prescribing	329,451	329,451	
Inc staffing due to shielding/isolation, RAU, etc.	779,331	96,831	682,500
Additional Funding for GP	356,666	356,666	
Community Hub for Testing/Triage etc.	230,960	230,960	
Social Care PPE	173,000		173,000
Payments to 3rd party Social Care Suppliers	322,441		322,441
Adult Social Care Winter Preparation	340,000		340,000
Local Authority Support/Winter Pressures	571,155		571,155
Other	113,389	16,800	96,589
Total Covid Funding	3,216,393	1,030,708	2,185,685

Reserves

The IJB at 31 March 2021 holds reserves of £8.045m as shown below. Note 8 in the Accounts gives more detail on the Earmarked and Specific Reserves.

	£,000
Specific	2,135
Earmarked	4,441
General	1,469
Total	8,045

An updated investment strategy will be submitted for approval in June 2021 which fully utilises the reserves over a 3-year investment period. Since 2016, through careful financial management, better than anticipated income generation and ongoing recruitment challenges, the IJB has developed reserves which are capable of being

- that we ensure that multi-agency arrangements deliver effective public protection and facilitate the sharing of information and intelligence.

This should be read as a companion document to the original plan and highlights a range of new areas of work for the IJB. Now the Chief Officer is in post, the Strategic Plan will be reviewed and will take on board any changes and Government priorities as part of the remobilisation of services and any health and well-being challenges caused by the pandemic.

Review of Effectiveness

During 2020/2021, the IJB continued to put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and effective in practice.

Specifically, the IJB's governance arrangements have been reviewed and tested against the requirements of the Public Bodies (Joint Working) (Scotland) Act, associated regulations and guidance notes and the CIPFA Good Governance Framework.

Specific measures were introduced to ensure the IJB as a public body in compliant with all of its legislative obligations.

The Chief Finance Officer was responsible for the preparation and oversight of the IJB's accounts for 2020/2021, and for the development, along with the Chief Officer, of the budget for 2021/2022.

Certification

It is our opinion that reasonable assurance, subject to the matters noted above, can be placed upon the adequacy and effectiveness of the Western Isles IJB's systems of governance.

Malcolm Burr
Chief Executive

15 June 2021

Gordon Jamieson
Chief Executive

15 June 2021

Gillian McCannon
Interim Chair

15 June 2021

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Integration Joint Board's Responsibilities

The Board is required:

- to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Board, that officer is the Chief Financial Officer;
- to 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 the Coronavirus (Scotland) Act, 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.

Gillian McCannon
Interim Chairperson

15 June 2021

The Chief Financial Officer's Responsibilities

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

In preparing the Annual Accounts, the Chief Financial Officer has:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation; and
- complied with the Local Authority Accounting Code (in so far as it is compatible with legislation).

The Chief Financial Officer has also:

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

I certify that the Annual Accounts present a true and fair view of the financial position of the Board at the reporting date and the transactions of the Board for the year ended 31 March 2021.

Debbie Bozkurt
Chief Financial Officer

15 June 2021

ANNUAL GOVERNANCE STATEMENT OF ASSURANCE

Scope of Responsibility

Cùram is Slàinte Nan Eilean Siar (the Western Isles Integration Joint Board (hereafter the IJB) is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and proper arrangements are in place to account for it.

In meeting the obligations of the Public Bodies (Joint Working) (Scotland) Act 2014, NHS Western Isles and Comhairle nan Eilean Siar are required to put in place proper arrangements for the governance of the functions delegated to an Integration Authority. The legislation provides a choice of ways in which to do this.

NHS Western Isles and the CnES have used a 'body corporate' integration model. This is where both the Health Board and the Local Authority delegate to a third body called an Integration Joint Board.

The IJB is required to agree a strategic plan and will begin to deliver its functions from the date set out in that plan. The IJB will achieve this by giving direction to the Health Board and the Local Authority and will require them to carry out these functions in a particular way.

The main aim of the IJB is to improve the wellbeing of people who use health and social care services. It does this by:

- creating a single system for health and social care services;
- developing more informal community resources and supports;
- putting the emphasis on prevention and early intervention;
- improving the quality and consistency of services; and
- providing seamless, high quality, health and social care services.

NHS Western Isles and the CnES set out within their integration scheme the scope of the delegated functions. The scheme was approved by the Scottish Parliament on 24th September 2015.

Section 44 of the Public Bodies (Joint Working) (Scotland) Act 2014 requires a review of the Integration Scheme to be undertaken within 5 years of initial approval, which in this case would have been June 2020.

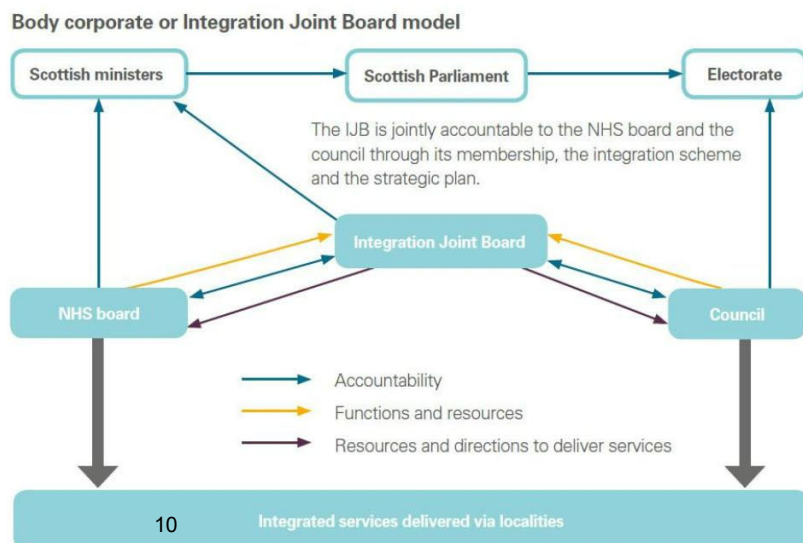
Due to the pressures associated with the Covid-19 Pandemic, the government has not rigidly applied this ruling and has suggested an initial brief review, noting issues for further consideration and setting out a plan for the completion of the work at a later date. This approach also has the advantage of enabling the Board to plan for the review to be completed once the new Chief Officer is in post. The Board has agreed that the review should be completed by 31 March 2022.

Delegated functions from the CnES include adult social work services (including criminal justice), homecare, adult day care, care homes, and housing support. Delegated functions from NHS Western Isles include A&E, some elements of inpatient care, General Practice, AHPs, Dentistry, Mental Health, Community Nursing, Health Visiting and School Nursing.

Audit Scotland describes the accountability relationship between the IJB and the two parent bodies as depicted opposite.

The IJB was formally established on 1 April 2016.

This governance statement covers the period from 1 April 2020 until 31 March 2021.



The Integration Joint Board Membership

The Public Bodies Joint Working (Scotland) Act 2014 and associated Regulations set out the arrangements for the membership of the IJB. As a minimum this must comprise of voting members nominated from the NHS Board and the CnES; non-voting members who are holders of key professional roles within the CnES and NHS Western Isles; and representatives of groups who have an interest in the IJB. There is also flexibility to appoint additional members in certain circumstances.

Local authorities must nominate councillors as voting members. The NHS Board should nominate non-executive directors. Where this is not possible, there is scope to appoint “appropriate persons” as agreed by the Scottish Ministers, but at least two non-executive directors must be nominated.

During 2020/2021 the Chair of the IJB was Ian Burgess from 1 September 2019 to 30 September 2020, and from 1 October 2020 Gillian McCannon took the Chair. Cllr Kenny John MacLeod, during this period of time, is the Vice Chair, taking up his post as of 1 September 2019 to date.

The IJB has four voting members each from the CnES and NHS Western Isles.

NHS Voting Members – 2020 - 2021

Rosemary Bugler – Non Executive Director

Ian Burgess – Chair and Chair of IJB from 01.09.2019 to 30.09.2020

Georgina Marczak – Non Executive Director

Gillian McCannon – Non Executive Director / Chair of the IJB from 01.10.2020 to date

Comhairle Voting Members – 2020 - 2021

Norman A MacDonald – Councillor

Kenny John MacLeod – Councillor and Vice Chair of IJB

Angus Morrison – Councillor

Paul F Steele – Councillor

In addition, six professional advisers have been appointed as non-voting members. These are:

- the Chief Social Work Officer – David Gibson
- the Chief Officer of the IJB – No Chief Officer in post from 01.04.2020 -17.01.2021. Nick Fayers took up post as of 18.01.2021;
- the Section 95 Officer of the IJB (Chief Finance Officer) – Debbie Bozkurt;
- a registered nurse employed by the NHS Board – Kathleen McCulloch, Community Lead Nurse until 31.03.2021. The post is currently out to advert;
- a General Medical Practitioner – Dr. Brian Michie; and
- a medical practitioner who is not a GP (currently vacant).

Finally, the IJB is required to appoint stakeholder members who are non-voting members. These include:

- two staff side representatives working within an integrated function – NHS representative is Dana Murray and Angus Murray representing the CnES;
- two representatives of the third sector – Hector MacLeod, Chief Executive of Third Sector Hebrides and Morag Munro from Western Isles Community Care Forum;
- a service user; an unpaid carer – Anne Moqbel and Karen Taylor;
- a representative from the Scottish Ambulance Service - Dr. Francis Tierney; and
- a representative from the Hebridean Housing Partnership – Dena MacLeod.

The following people are classed as Advisors to the Integration Joint Board:

- Gordon Jamieson, Chief Executive NHS Western Isles

- Malcolm Burr, Chief Executive Comhairle nan Eilean Siar
- Tim Langley, Head of Legal within Comhairle nan Eilean Siar and the IJB Standards Officer.

The full IJB membership across the year was 38% female and 52% male and 10% of posts were vacant during 2020/2021.

During the financial year 2020/2021, the IJB met virtually through Teams six times. During that period, the Board:

- approved the Annual Report 2019/2020;
- agreed a balanced budget for 2021/2022;
- approved the respite policy;
- approved the Care Unit Report;
- received reports on the management of the IJB budget; performance against strategic objectives;
- the IJB risk register.

There was no change to the formal governance arrangements of the IJB during the Covid-19 Pandemic, however, meetings were conducted virtually using video and teleconferencing.

In addition, IJB officers participated fully in the multi-agency Pandemic Response Group and Care for People Groups established as part of the statutory response to Covid-19.

Sub Committees

The IJB is required to properly manage its financial and governance affairs. An Audit Committee of the IJB has been established to assist in the delivery of those functions. The IJB Audit Committee has a key role with regard to ensuring the efficient and effective performance of Western Isles' Health and Social Care Partnership in order to deliver the outcomes set out in the Integration Scheme.

Partner Governance

NHS Western Isles has a corporate governance framework which includes:

- a Board which meets every month, alternating with formal public sessions with board development and briefing workshops, to consider the plans and strategic direction of the organisation;
- an Annual Operational Plan (formally LDP), which identifies the organisation's strategic development objectives and aspirations for health improvement, wellbeing and health care in conjunction with Better Health Better Care, the Quality Strategy and the National Clinical Strategy;
- a Healthcare Governance and Audit Committee (covering risk, audit and clinical governance); Area Clinical Forum, Area Partnership forum, Staff Governance Committee; and Remuneration Committee, all of which meet at least quarterly acting on specific terms of reference to focus on particular aspects of the governance framework;
- a Corporate Management Team which meets monthly to consider and drive effective delivery against overall plans, objectives, targets and guarantees. The team comprises the Chief Executive, Executive Directors and Senior Managers;
- a single comprehensive Code of Corporate Governance, in which clearly defined guidelines and levels of authority are established for all areas of expenditure and capital investment;
- risk registers which are active, maintained and reported regularly to operational management and a corporate risk register identifying key risks which is reported regularly to the Corporate Management Team, Healthcare Governance and Audit Committee and the Board;
- a system of regular performance management and review led by the Chief Executive; and
- an Anti-fraud, Bribery and Corruption policy.

Social Care is covered by the Comhairle's Corporate Governance Framework which includes:

- a performance management system administered by the Chief Executive's Department
- a Reporting Concerns at Work (Whistleblowing) Procedure
- a Duty of Candour Policy Statement and Procedural Guidance
- a Complaints-Handling Procedure
- fortnightly Corporate Management Team meetings comprising the Chief Executive, Directors and Senior Managers

Risk Management

The Integration Scheme indicates that a risk management strategy and policy will be adopted by the IJB. The Risk Management Strategy and Policy was agreed by the Shadow IJB in March 2016. It was prepared in line with the international standard for risk management (ISO 31000).

As part of that, the IJB has maintained a risk register, reflecting its strategic activities and taking cognizance of both significant issues from each statutory partner's own risk registers, and also emerging risks.

The Chief Officer has overall accountability for risk management, ensuring that suitable and effective arrangements are in place to manage the risks relating to the functions within the scope of the Integration Joint Board. The CnES and NHS Western Isles supported the Chief Officer and the Integration Joint Board with relevant specialist advice.

Over the course of the year, the level of risk changed in light of material circumstances. Actual risk ratings were consistently higher than the target risk rating, with the major risk being around the recruitment and retention challenges within the Partnership. The following risks were monitored by the IJB over the course of the year, within a 5x5 risk register which gauges impact and likelihood:

TMitigating measures were applied to all identified risks – however, some risks relate to systemic challenges within the local health and care system. In particular, challenges around workforce have proved difficult to mitigate, with key vacancies across the system. Vacancies are monitored by the IJB when it meets, with updates given on mitigating actions. However, many of the solutions to this challenge sit outside of the IJB's influence.

Code	Risk Owner	Strategic Risk Event	Current	Target
IJBSR1	Chief Officer	The implementation of the strategic plan does not result in improved outcomes for service users	12	6
IJBSR2	Chief Officer	Organisational, professional and cultural barriers prevent us from integrating front-line teams	12	6
IJBSR3	Chief Officer	Locality Planning structures do not take hold or improve connections between local professionals and communities	16	6
IJBSR4	Chief Officer	The increase in demand for health and social care services is greater than anticipated	16	6
IJBSR5	Chief Finance Officer	Unanticipated service pressures create an in year overspend	16	9
IJBSR6	Chief Officer	Change Management Projects fall or have unintended consequences/service redesign in to implemented	16	6
IJBSR7	Chief Officer	Ineffective governance arrangements are in place to provide assurance that the IJBs statutory duties are being met	3	3
IJBSR8	Chief Officer	Recruitment and retention challenges within the Partnership create service stress	20	9
IJBSR9	Chief Finance Officer	The IJB budget is insufficient to meet its statutory obligations	20	9
IJBSR10	Chief Officer	Clinical and care governance arrangements fall during service redesign and service transitions	12	8
IJBSR12	Chief Officer	Impact of Covid 19 Pandemic inhibits transformational change	15	

Audit and Scrutiny

The Public Sector Internal Audit Standards 2013 (PSIAS) sets basic principles for carrying out public sector internal audit in the UK. The PSIASs are applicable to the CnES, NHS Western Isles and the IJB.

A Strategic Audit Plan has been prepared based on a robust risk assessment process, following appropriate consultation, challenge and comparison with underlying, national, corporate and professional objectives. The planned internal audit reviews address the main focus of the IJB in terms of establishment, planning, and complying with the need to provide quality service provision in our communities whilst doing so effectively and efficiently in the use of finite resources.

The Chief Internal Auditor for the IJB was appointed in December 2015. The internal audit function is provided by the CnES.

Over the course of the year, a range of issues were highlighted through the audit process:

- The workforce strategy was updated and submitted to the board in December 2019 and covers the period 2019-22. The previous version contained an action plan detailing agreed outputs required across both organisations to support the strategy. However, it is unclear as to whether this action plan is still in place and whether progress is being routinely reported to the board. Without an integrated workforce plan there is no breakdown of SMART deliverables which makes it harder to define and report progress. As the IJB is required to have an integrated workforce plan in place this is a matter that will need to be fundamental to its considerations in achieving success. In order for the objectives of the strategy to be realised a comprehensive action plan will need to be implemented detailing action points, responsible officers and timeframes.
- The workforce strategy published on the IJB's website is out of date and requires to be replaced with the latest version. This is also the case with regards to the strategic plan. H L Strategic documentation published on the website to be updated with the latest versions. 3 Agreed. An audit carried out in 2019 identified that the Integrated HR Forum had not met for some time. We understand that the forum is still in abeyance although HR matters are discussed at the Integrated Corporate Management Team meetings. The workforce strategy states that the development of an integrated workforce will be overseen by the HR forum and that the forum would be responsible for ensuring that the statutory responsibilities of each parent body are being met within the context of integrated services. Consideration should therefore be given to whether the group is reinstated as this would provide a specialist forum for HR matters to be discussed as per the intentions of the strategy.
- From reviewing previous meetings of the Integration Joint Board it is evident that funding arrangements of the new care facility at Goathill have been discussed periodically. However, revenue estimates were last presented to the board in March 2019 when a shortfall of approximately £392k was reported. From discussions with management we understand that this revenue funding gap has now increased significantly. A gap analysis of staffing required for the facility is also underway. An update should be provided to the board as a matter of urgency with assurances provided as to how the funding gap will be addressed, whether there are any further cost implications as a result of the staffing gap analysis and whether the proposed service delivery model will be affected. Updates should also be given on a much more frequent basis. Also, as the project in Barra progresses, regular finance updates should be provided to the board to keep members informed of potential funding gaps at the earliest opportunity.
- A report by the Chief Officer in March 2020 indicated that governance structures were being developed with regards to the Barra and Vatersay Campus project. We also noted that progress reports regarding both projects have been provided to the board on a number of occasions through written reports and verbal updates. A detailed update on the Barra project was also provided to the September IJB meeting. The Investment Delivery section of the Comhairle, in conjunction with colleagues from NHSWI, have provided detailed progress reports to the Scottish Government regarding the Barra project with a further report due to be submitted in September. These reports provide a great deal of detail within the business case including governance arrangements and risk management processes. Performance reports submitted quarterly to the Comhairle's Policy and Resources committee also detail progress of both projects. Furthermore, specific reports are produced for the Investment Delivery Board of the Comhairle at key milestones of these projects. Although we recognise that a number of IJB members are also on these committees, consideration should be given to whether these reports can also be distributed to the Board.

No matters of concern were raised by either of the parent bodies' internal auditors.

Audit Scotland is appointed as the external auditor for the 6 year period 2016/17 to 2021/22.

Performance Management

For the purposes of managing the performance of the IJB, including the delivery of the national health and wellbeing outcomes and the Strategic Plan, a Performance Framework has been produced.

The monitoring arrangements within the Performance Framework are in accordance with statutory requirements for production of an Annual Performance Report under the Public Bodies (Joint Working) (Scotland) Act 2014.

Performance monitoring and reporting arrangements are set out within the Performance Framework. This includes the production of an Annual Performance Report as required under Section 42 of the 2014 Act with the content in accordance with the Public Bodies (Joint Working) (Content of Performance Reports) (Scotland) Regulations 2014. The Framework details a hierarchy of performance indicators that comprise the performance monitoring of activities at various levels across the Partnership which are detailed in a series of appendices to the Framework.

The management commentary describes our performance over 2020/21 in detail.

Strategic Plan

The IJB's Strategic Plan provides the operating context and background to integration, a vision of future service delivery, an assessment of how good services are currently, a focused change plan, and a description of the organisational levers that will deliver that change.

The Strategic Plan was developed through a process of engagement with local communities and the people who work in health and social care. Strategic priorities are expressed as 25 'deliverables' which will improve personal outcomes and deliver a more sustainable health and social care system against a backdrop of increasing demand for services and budgetary constraints. At each meeting, the IJB was apprised of progress in respect of the implementation of the 25 deliverables.

In addition, the IJB agreed a Strategic Plan Refresh in February 2018. Since the inception of the IJB, we have used a variety of mechanisms to report on progress against our strategic objectives but in its audit report last year, Audit Scotland recommended that we should bring all of our strategic work into a single SMART document and use this to monitor progress.

Although the majority of the content is already mapped out in the strategic plan and its refresh, our SMART plan does contain some new areas of work. It has also allowed us to build on our wider system analysis and our developing narrative about how to transform our local system:

- that we can better manage demand by embedding asset-based assessment processes;
- that we should diversify support at home by building reablement capacity, to maximise people's independence;
- that we should reform discharge processes to focus on home first (as per national best practice) and by ensuring that no-one is discharged directly from hospital to long-term care;
- that we have a significant gap in our local system in the form of a multi-disciplinary team that is focused in delivering complex and urgent care in the community, thus preventing hospital admission;
- that we should diversify our residential options, bolstering short term care like respite and intermediate care;
- that we should utilise the new GP contract and other levers to deliver a system of primary care that supports self-management and prevention;
- that we continue to focus on improving mental health and well-being, build community capacity and reduce off-island placements;
- that we develop and embed an ethos of community empowerment in support of improved health and well-being; and

- that we ensure that multi-agency arrangements deliver effective public protection and facilitate the sharing of information and intelligence.

This should be read as a companion document to the original plan and highlights a range of new areas of work for the IJB. Now the Chief Officer is in post, the Strategic Plan will be reviewed and will take on board any changes and Government priorities as part of the remobilisation of services and any health and well-being challenges caused by the pandemic.

Review of Effectiveness

During 2020/2021, the IJB continued to put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and effective in practice.

Specifically, the IJB's governance arrangements have been reviewed and tested against the requirements of the Public Bodies (Joint Working) (Scotland) Act, associated regulations and guidance notes and the CIPFA Good Governance Framework.

Specific measures were introduced to ensure the IJB as a public body in compliant with all of its legislative obligations.

The Chief Finance Officer was responsible for the preparation and oversight of the IJB's accounts for 2020/2021, and for the development, along with the Chief Officer, of the budget for 2021/2022.

Certification

It is our opinion that reasonable assurance, subject to the matters noted above, can be placed upon the adequacy and effectiveness of the Western Isles IJB's systems of governance.

Malcolm Burr
Chief Executive

15 June 2021

Gordon Jamieson
Chief Executive

15 June 2021

Gillian McCannon
Interim Chair

15 June 2021

REMUNERATION REPORT

Introduction

This report is set out in accordance with the Local Authority Accounts (Scotland) Amendment regulations 2014. These regulations require the disclosure of certain details in respect of the remuneration and pension benefits of senior Voting Board Members and senior employees. 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 Comhairle or NHS Eileanan Siar. Gross salary means the annual salary for a full time employee or member and for presentation purposes the salaries of part-time employees or those who have been employed or served as members for less than a full year are annualised.

The term pension benefits, covers the in-year contributions paid by the Comhairle or NHS Eileanan Siar for the employee or Board Member, and their accrued pension benefits at 31 March 2021.

All information disclosed below will be audited by external auditors. The other sections will be reviewed by external auditors to ensure that they are consistent with the financial statements.

Arrangements for Remuneration

Board Members

Voting membership consists of 4 Councillors nominated as board members by the Comhairle and 4 NHS representatives nominated by NHS Eileanan Siar. In addition, there are 12 non-voting members which include the Chief Officer, the Comhairle's Chief Social Work Officer, The Chief Financial Officer, registered medical practitioners from both primary and non-primary care and a registered nurse.

The Senior Members on the Board during 2020/21 were:

Chairperson (until 30/9/20)	Ian Burgess	NHS Eileanan Siar
Chairperson (from 1/10/20)	Gillian McCannon	NHS Eileanan Siar
Vice-Chairperson	Kenny John Macleod	Comhairle nan Eilean Siar

Ian Burgess retired from the Board in September 2020, with Gillian McCannon taking the position in the interim.

Members are remunerated by the relevant partner organisation and the Board does not pay allowances or other remuneration directly.

The statutory liability for pension contributions and ongoing commitments lies with the partner organisation and on this basis there is no pension liability reflected on the Board Balance Sheet.

Senior Employees

The appointment of a Chief Officer is required by Section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014. However, the Board is not empowered to directly employ the Chief Officer and the contract of employment must be with one of the partner organisations. In this case the Comhairle is the employer.

Other Officers employed by the partner organisations, including the Chief Financial Officer, who meet the criteria for disclosure are included in the tables below.

The remuneration of the Chief Officer is set by reference to the arrangements for Service Directors in the Comhairle.

Employees whose remuneration was £50,000 or above

As required by the regulations, the following table shows the number of officers whose remuneration was £50,000 or above.

Remuneration Band	Number of Employees	
	2020/21	2019/20
£85,000 – £89,999	-	1
£90,000 – £94,999	1	-

Exit Packages

There were no exit packages paid during this or the previous financial year.

Remuneration

Name and Responsibility	2020/21			2019/20
	Salary, fees & Allowances	Taxable Expenses	Total Remuneration	Total Remuneration
	£	£	£	£
Ron Culley, Chief Officer	-	-	-	87,767
Nick Fayers, Chief Officer (from 18/1/21)	17,817 (90,322 full year equivalent)	-	17,817	-
Debbie Bozkurt, Chief Financial Officer ¹	22,733	-	22,733	21,018

^{1.} Portion of salary attributable to role as Chief Financial Officer – equivalent to 0.3 FTE

Pension Benefits

With regard to officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pension liability reflected on the Board's Balance Sheet.

The Board does however have responsibility for funding the employer contributions for the current year and the table below shows the expenditure incurred in respect of pension benefits during the year. The table also shows the total value of accrued pension, some of which may relate to previous employment.

Name and Responsibility	In-year pension contributions		Accrued Pension Benefits		
	Year to 31/03/21	Year to 31/03/20		As at 31/03/21	Difference from March 2020
	£	£		£	£
Ron Culley, Chief Officer	-	17,115	Pension	-	-
			Lump Sum	-	-
Nick Fayers, Chief Officer	3,678	-	Pension	1,000	1,000
			Lump Sum	-	-
Debbie Bozkurt, Chief Financial Officer ¹	-	-	Pension	-	-
			Lump Sum	-	-

^{1.} The Chief Financial Officer is not a member of the Pension Fund.

Nick Fayers
Chief Officer

15 June 2021

Gillian McCannon
Interim Chairperson

15 June 2021

MOVEMENT IN RESERVES STATEMENT

This Statement shows the movement in the year on the IJB's reserves.

Movement in Reserves 2020/21	General Reserves	Earmarked Reserves	Total Reserves
	£'000	£'000	£'000
Opening Balance at 1 April 2020	554	3,615	4,169
Total Comprehensive Income and Expenditure	915	2,961	3,876
Increase/(Decrease) in 2020/21	915	2,961	3,876
Closing Balance at 31 March 2021	1,469	6,576	8,045

Movement in Reserves 2019/20	General Reserves	Earmarked Reserves	Total Reserves
	£'000	£'000	£'000
Opening Balance at 1 April 2019	1,500	4,340	5,840
Total Comprehensive Income and Expenditure	(946)	(725)	(1,671)
Increase/(Decrease) in 2019/20	(946)	(725)	(1,671)
Closing Balance at 31 March 2020	554	3,615	4,169

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This Statement shows the cost of providing services for the year.

2019/20			Service	2020/21		
Gross Expend	Gross Income	Net Expend		Gross Expend	Gross Income	Net Expend
£'000	£'000	£'000		£'000	£'000	£'000
2,250	(407)	1,843	Management and Administration	2,929	(2,624)	306
602	(29)	573	Alcohol and Drugs Partnership	787	(3)	784
24,373	(4,885)	19,488	Locality Services	25,312	(5,296)	20,015
16,610	(3,757)	12,853	Partnership Services	19,406	(4,419)	14,986
3,528	(746)	2,782	Dental Services	3,181	(347)	2,834
2,871	(76)	2,795	Mental Health Services	3,064	(87)	2,977
16,132	(136)	15,996	Medical	16,962	(90)	16,872
7,895	-	7,895	Acute Set Aside Budget	7,101	-	7,101
306	-	306	Housing Services	274	-	274
74,567	(10,036)	64,531	Cost of Services	79,014	(12,865)	66,149
	(62,860)	(62,860)	Taxation and Non-Specific Grant Income		(70,024)	(70,024)
74,567	(72,896)	1,671	(Surplus)/Deficit on Provision of Services	79,014	(82,890)	(3,876)
74,567	(72,896)	1,671	Total Comprehensive Income and Expenditure	79,014	(82,890)	(3,876)

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

BALANCE SHEET

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

2019/20			2020/21	
£'000	£'000		£'000	£'000
4,169		Short Term Debtors	8,045	
	4169	Current Assets		8,045
	4,169	Net Assets		8,045
4,169		Usable Reserves	8,045	
	4,169	Total Reserves		8,045

The unaudited accounts were issued on 15 June 2021.

Debbie Bozkurt
Chief Financial Officer
15 June 2021

NOTE 1 ACCOUNTING POLICIES

1. General Principles

The IJB was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined by the Local Government (Scotland) Act 2014. The Annual Accounts have therefore been prepared on an Income and Expenditure basis in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The accounts have been prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. The historic cost convention has been adopted.

2. Accruals of Income and Expenditure

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

- Expenditure is recognised when goods or services are received, and their benefits are recognised 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 debts may not be received, the balance of debtors is written down; and
- Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the corresponding amount is recorded in the Balance Sheet.

3. Funding

The IJB is primarily funded through funding contributions from the statutory funding partners, namely NHS Eileanan Siar and Comhairle nan Eilean Siar. Expenditure is incurred as the IJB commission specified health and social care services from the funding partners for the benefit of service recipients.

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. The funding balance due, to or from each funding partner as at 31 March, is represented as a debtor or creditor in the IJB Balance Sheet. A Cash Flow Statement is therefore not required to be presented in the Annual Accounts.

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. Where material the Chief Officer's absence entitlement as at 31 March is accrued, for example in relation to annual leave earned but not yet taken.

6. Support Services Costs

Costs relating to the overheads (e.g. human resources support, financial services, information technology) required by the Comhairle and the NHS Board to provide the services commissioned by the Integration Joint Board are not regarded as IJB running costs. These costs were not included in the partner contributions agreed as part of the establishment of the IJB and will be retained by the partner organisations.

7. Provisions

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31 March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund. Provisions for specific purposes, such as non-payment of debt, will have been provided by the partner organisations.

8. Reserves

IJB's are not currently anticipated to hold cash or to have bank accounts. However, where the IJB underspends on the partner funding contributions, this would result in a General Fund Reserve.

Property, Plant and Equipment used for the delivery of commissioned services have not transferred to the IJB Balance Sheet and the related Capital Adjustment and Revaluation Reserves are therefore not required.

9. Events after the Reporting Period

These are events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. An adjustment is made to the statements where there is evidence that the event relates to the reporting period, otherwise the statements are not adjusted, and where the amount is material, a disclosure is made in the notes.

10. VAT

The IJB is a non-taxable body and does not charge or recover VAT on its activities. VAT is settled/recovered by the parent bodies.

NOTE 2 CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

The Annual Accounts contain estimated figures that are based on assumptions made by the partner organisations, taking account of historical experience, current trends or other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from these estimates.

The Comhairle has previously had a backlog on invoicing for residential care charges due to delays in completion of financial assessment of clients, although the position has improved significantly in recent years. A provision, based on the aged debt profile and specific client financial information, has been made for non-payment of this debt. This provision and the associated risks remain with the Comhairle. Given the amount of the debt which is secured on property and the extent of the provision, a significant portion of the debt is covered.

NOTE 3 RELATED PARTY TRANSACTIONS

The IJB is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Board or to be controlled or influenced by the Board. Disclosure of these transactions allows readers to assess the extent to which the Board might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Board. As a partnership between the Comhairle and the NHS Board, these two organisations are the main related parties to the Board and the following transactions were made during 2020/21.

2019/20		2020/21
£'000		£'000
	Transactions with NHS Eileanan Siar	
42,245	Funding contributions received	48,758
-	- Services Income received	-
43,435	Expenditure on Services provided	47,450
79	Key Management Personnel: Non-Voting Board Members	42
36	Support Services	24
	Transactions with Comhairle nan Eilean Siar	
20,615	Funding contributions received	21,266
-	- Services Income received	-
20,859	Expenditure on Services provided	18,606
58	Key Management Personnel: Non-Voting Board Members ¹	2
63	Support Services ²	24

¹ **Key Management Personnel:** The Chief Officer is employed by Comhairle nan Eilean Siar but NHS Eilean Siar make a contribution of 50% of the costs. The Chief Financial Officer is employed by the NHS Board and 30% of her time is charged to the IJB. These payments are included in Corporate Costs in the Comprehensive Income and Expenditure Statement and the remuneration details in the Remuneration Report.

² **Support Services:** Both partner organisation provide a range of support services to the IJB, e.g. Financial Services, Human Resources, Legal. There are no charges included in the IJB accounts for these services. The Support Service costs included in the table above represent costs such as travel and subsistence, incidental administration and equipment etc.

2019/20		2020/21
£'000		£'000
	Balances with Comhairle nan Eilean Siar	
4,169	Debtor balances: Amounts due from the Comhairle	8,045
-	- Creditor balances: Amounts due to the Comhairle	-
4,169	Net Balance with the Comhairle	8,045

NOTE 4 EXPENDITURE AND INCOME ANALYSIS

2019/20		2020/21
£'000		£'000
	Services Commissioned from the NHS	
20,202	Employee Benefits	20,629
14,238	Family Health Services	14,843
6,083	Other Operating Expenditure	6,789
(1,608)	Services Income	(1,151)
	Services Commissioned from the Comhairle	
17,363	Employee Benefits	17,860
16,446	Other Operating Expenditure	23,729
(8,428)	Services Income	(16,645)
208	Corporate Expenditure	67
27	Auditor Fee: External Audit Work	25
(62,860)	Partners Funding	(70,024)
1,671	(Surplus)/Deficit on Provision of Services	(3,876)

NOTE 5 TAXATION AND NON-SPECIFIC GRANT INCOME

2019/20		2020/21
£'000		£'000
42,245	Funding Contribution from the NHS	48,758
20,615	Funding Contribution from the Comhairle	21,266
62,860	Total	70,024

The funding contribution from the NHS Eileanan Siar shown above includes £7,101k in respect of "set aside" resources relating to acute hospital and other resources. These are provided by the NHS, which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

The funding contributions from partners shown above would exclude any funding which is ringfenced for the provision of specific services. Such income is presented as service income in the Cost of Services within the Comprehensive Income and Expenditure Statement.

NOTE 6 CORPORATE EXPENDITURE

2019/20		2020/21
£'000		£'000
138	Staff Costs	44
70	Administration	23
27	Audit Fee	25
235	Total	93

NOTE 7 SHORT TERM DEBTORS

2019/20		2020/21
£'000		£'000
-	National Health Service	-
4,169	Local Authorities	8,045
4,169	Total	8,045

NOTE 8 USABLE RESERVE

The IJB holds a balance on the General Fund for two main purposes:

- to earmark or build up funds which are to be used for specific purposes in the future, such as known or predicted future expenditure needs. This supports strategic financial management.
- to provide a contingency fund to cushion the impact of unexpected events or emergencies. This is part of the IJB's risk management framework.

2019/20			Project / Investment Area	2020/21		
Balance at 01/04/2019 £'000	Transfers £'000	Balance at 31/03/2020 £'000		Transfers Out £'000	Transfers In £'000	Balance at 31/03/2021 £'000
2,309	-	2,309	Digital Innovation and Infrastructure ¹			2,309
650	(185)	465	Workforce Sustainability ²		1,013	1,478
495	(391)	104	Transformational Change ³		550	654
			Funding Streams			
91	-	91	Self Directed Support			91
12	-	12	Community Justice			12
66	(20)	46	Carers Information Strategy	(20)		26
6	-	6	Sight Action			6
89	(52)	37	Primary Care Fund - Pharmacy			37
155	111	266	Primary Care Transformational Fund ⁴		519	785
66	(10)	56	Mental Health & Psychological Therapies			56
			MHO Training		36	36
			CSWO Resource		12	12
36	(33)	3	Urgent Care Programme Work		108	111
25	(25)	-	Digital Services Fund for GP's		13	13
89	66	155	Local Enhanced Services for GPs			155
157	(157)	-	Action 15		173	173
			Dietetics		99	99
			Community Nursing and Local Improvement		228	228
			Community Living Charge (3 years)		97	97
94	(29)	65	Alcohol and Drug Partnership		133	198
4,340	(725)	3,615	Total Earmarked	(20)	2,981	6,576
1,500	(946)	554	General Reserves		915	1,469
5,840	(1,671)	4,169	General Fund	(20)	3,896	8,045

¹ Lewis Residential Care Development

² Apprenticeships

³ Palliative Care, Primary Care, Community Development and Communication

⁴ Primary Care Transformational Fund, GP Subcommittees for GP contract, Dispensing Practices for GP contract