

# MORAY INTEGRATION JOINT BOARD



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**UNAUDITED ANNUAL ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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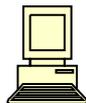
اگر آپ کو مورے کونسل سے کسی دیگر زبان یا صورت میں معلومات درکار ہوں مثلاً "بریلے، آڈیو ٹیپ یا بڑے حروف، تو مہربانی فرما کر رابطہ فرمائیں:



Chief Financial Officer to the Moray Integration Joint Board, High Street, Elgin, IV30 1BX



01343 563125



[accountancy.support@moray.gov.uk](mailto:accountancy.support@moray.gov.uk)

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## MORAY INTEGRATION JOINT BOARD MEMBERS

### Voting Members

Dennis Robertson (Chair)	The Grampian Health Board
Cllr. Shona Morrison (Vice-Chair)	Moray Council
Sandy Riddell	The Grampian Health Board
Professor Nicholas Fluck	The Grampian Health Board
Cllr. Theresa Coull	Moray Council
Cllr. Frank Brown	Moray Council

### Non-Voting Members

Simon Bokor-Ingram	Interim Chief Officer
Tracey Abdy	Chief Financial Officer
Jane Mackie	Chief Social Work Officer
Jane Ewen	Lead Nurse
Dr Malcolm Metcalfe	Deputy Medical Director
Dr Lewis Walker	Registered Medical Practitioner
Elidh Brown	tsiMoray
Val Thatcher	Public Partnership Forum Representative
Ivan Augustus	Carer Representative
Steven Lindsay	Grampian Health Board Staff Partnership
Karen Donaldson	UNISON, Moray Council

### Co-opted Members

Sean Coady	Head of Service and IJB Hosted Services
Christopher Littlejohn	Deputy Director of Public Health
Professor Caroline Hiscox	The Grampian Health Board
Roddy Burns	Moray Council

## **MANAGEMENT COMMENTARY**

### **The Role and Remit of the Moray Integration Joint Board**

The Public Bodies (Joint Working) (Scotland) Act 2014 required that Moray Council and the Grampian Health Board prepared an Integration Scheme for the area of the local authority detailing the governance arrangements for the integration of health and social care services. This legislation resulted in the establishment of the Moray Integration Joint Board (MIJB) that became operational from 1 April 2016. Moray Council and Grampian Health Board, as the parties to the Integration Scheme, each nominate voting members to the MIJB. Currently, three elected members from Moray Council and three Grampian Health Board members (one executive and two non-executives).

Under the Public Bodies (Joint Working) (Scotland) Act 2014, a range of health and social care functions have been delegated from Moray Council and Grampian Health Board to the MIJB who has assumed responsibility for the planning and operational oversight of delivery of integrated services. MIJB also has a role to play in the strategic planning of unscheduled acute hospital based services provided by Grampian Health Board as part of the 'set aside' arrangements.

Hosted services also form part of the MIJB budget. There are a number of services which are hosted by one of the 3 IJB's within the Grampian Health Board area on behalf of all the IJBs. Responsibilities include the planning and operational oversight of delivery of services managed by one IJB on a day to day basis. MIJB has responsibility for hosting services relating to Primary Care Contracts and the Grampian Medical Emergency Department (GMED) Out of Hours service.

### **Key Purpose and Strategy**

Following review and consultation, our second Strategic Planning (2019-29) – Partners in Care was launched in December 2019. The current plan emphasises the strength of integration and in addition to our two main Partners – Moray Council and the Grampian Health Board, the MIJB recognises the importance of the Third and Independent Sectors in facilitating the successful operation of the partnership of Health & Social Care Moray. As with all health and social care systems Moray is facing increasing demand for services at the same time as resources – both funding and workforce availability are under pressure. These challenges will intensify in the coming years as our population ages and more people with increasing complex needs require support to meet their health and care needs. The MIJB sets the direction and strategic intent through the development and implementation of the Strategic Plan and seeks assurance on the management and delivery of services through Board level performance reporting which ensures an appropriate level of scrutiny and challenge. The Strategic Plan identifies priority areas to support strategic direction and vision.

## MANAGEMENT COMMENTARY (continued)

### WE ARE PARTNERS IN CARE

**OUR VISION:** “We come together as equal and valued partners in care to achieve the best health and wellbeing possible for everyone in Moray throughout their lives.”

**OUR VALUES:** Dignity and respect; person-centred; care and compassion; safe, effective and responsive

**OUTCOMES:** Lives are healthier – People live more independently – Experiences of services are positive – Quality of life is improved – Health inequalities are reduced – Carers are supported – People are safe – The workforce continually improves – Resources are used effectively and efficiently

### STRATEGIC PLAN KEY THEMES

**BUILDING RESILIENCE** – Taking greater responsibility for our health and wellbeing

**HOME FIRST** – Being supported at home or in a homely setting as far as possible

**PARTNERS IN CARE** – Making choices and taking control over decisions

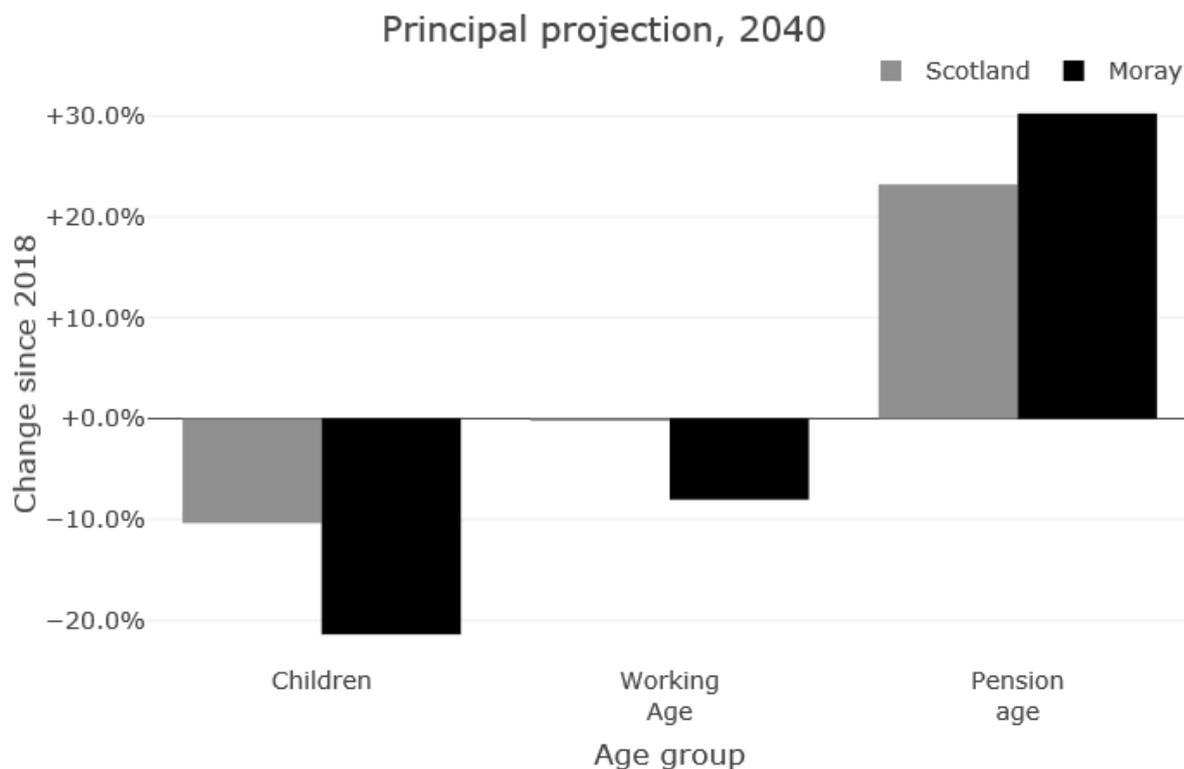
The Plan purposefully places an emphasis on prevention activities and seeks to prioritise these activities as a long term goal, actively pursuing good health and wellbeing for the population, this will mean increased investment in this area of work. It highlights the HOMEFIRST approach and the rationale for this is to assist people in understanding that “hospital is not always the best place for people”, a statement frequently used and in particular if you are frail and elderly can be counter intuitive to a successful recovery. The response to Covid-19 has escalated elements of the HOMEFIRST approach.

## MANAGEMENT COMMENTARY (continued)

### Population

Moray is a largely rural area covering a land mass of 2,238 sq. km. It has a long coastline on the Moray Firth with harbours, fishing villages and world-class beaches. The area's projected population for 2021 is 95,792. The main centre of population is Elgin, which is home to more than one quarter of the people living in Moray. Other towns of population between 5,000 and 10,000 are Forres, Buckie, Lossiemouth and Keith. Moray's population has grown significantly in recent years from 87,160 in 1997. The population growth in Moray is slowing and it is projected that against the 2018 baseline<sup>1</sup> Moray will be one of the 14 councils in Scotland who will have had a population decline by 2030. This trend is forecast to continue.

The table below sets out projected population growth based on the 2018 baseline. Across Scotland there is a projected reduction in children, limited change in the working age population, but significant growth in adults of pensionable age. By comparison it is projected that Moray will have a greater decrease in children, a marked decrease in those of a working age, but a significantly higher change in those of a pensionable age.



<sup>1</sup> <https://www.nrscotland.gov.uk/files/statistics/nrs-visual/sub-nat-pop-proj-18/pop-proj-principal-2018-infographic.pdf>

## MANAGEMENT COMMENTARY (continued)

Performance is reported quarterly to the Audit, Performance and Risk Committee of the MIJB. In addition to the quarterly reporting, there is a requirement under the Public Sector (Joint Working) (Scotland) Act 2014 for the MIJB to produce and publish an Annual Performance Report setting out an assessment of performance in planning and carrying out the delegated functions for which they are responsible. The Annual Performance Report is due to be published by 31 July each year and is published on the Health & Social Care Moray website. The Coronavirus Act (Scotland) has made provision to delay the publication of this document. This will be exercised this year. The MIJB will be asked to approve the document at its meeting on 30 September 2021.

One of the major aims of integration and a key measurable target for MIJB is to reduce the number of Moray residents that are ready to be sent home from hospital but have been delayed in this process. This is referred to as a 'delayed discharge'. Delayed discharge can occur due to several reasons but quite often involves the onward provision of social care which can be complex in nature. The table below notes performance over a four year period showing the number of delayed discharge bed days occupied varying significantly and with minimal seasonal pattern up to March 2020.

There was a significant reduction in delayed discharges from April 2020 onwards as the focus of the COVID-19 response in Moray was assessing and finding suitable support for those in hospital (specifically those ready for discharge) to allow for the anticipated influx of COVID-19 patients.

After a sharp increase in quarter 2 of 2020-21 an immense amount of work was undertaken across the Moray system to ensure that performance was improved.

Improvements throughout the year include twice weekly operational meetings to scrutinise the Delayed Discharge workflow, looking specifically at issues and implementing solutions. An operational Discharge Hub is in place to streamline documentation, enabling quicker access to care provision and improved utilisation of intermediate facilities. Two new Care at Home providers commenced in Moray in January 2021 to support the winter period.

<b>The Number of Bed Days Occupied by Delayed Discharges 18+ per 1,000 population</b>			
<b>Jun 20</b>	<b>Sept 20</b>	<b>Dec 20</b>	<b>Mar 21</b>
242	803	672	496
<b>Jun 19</b>	<b>Sept 19</b>	<b>Dec 19</b>	<b>Mar 20</b>
768	751	971	1,208
<b>Jun 18</b>	<b>Sept 18</b>	<b>Dec 18</b>	<b>Mar 19</b>
1,008	1,276	1,070	926
<b>Jun 17</b>	<b>Sept 17</b>	<b>Dec 17</b>	<b>Mar 18</b>
1,161	749	823	1,089

In relation to occupied bed days, there continues to be a focus on ensuring people are getting home quickly and can maintain their independence. This has resulted in a long-term downward trend in the rate of emergency occupied bed days for over 65's per 1,000 population from June 2017 to September 2019 and despite increasing again in the last six months of the 2019-20 financial year there have been further reductions during the COVID-19 pandemic in 2020-21. However, the reduction of 18% in this rate from Mar 20 to Mar 21 is not mirrored in the number of people over 65 admitted in an emergency, which only reduced by 5%, from a rate of 125.2 in 2019-20 to 119.4 in 2020-21.

## MANAGEMENT COMMENTARY (continued)

Rate of Emergency Occupied Bed Days for over 65's per 1000 Population			
Jun 20	Sept 20	Dec 20	Mar 21
2,038	1,995	1,883	1,780
Jun 19	Sept 19	Dec 19	Mar 20
2,117	2,097	2,112	2,173
Jun 18	Sept 18	Dec 18	Mar 19
2,380	2,375	2,344	2,274
Jun 17	Sept 17	Dec 17	Mar 18
2,558	2,531	2,495	2,444

### Covid 19 Challenges and Success

Following announcement by the World Health Organisation (WHO) in January 2020 that a new respiratory illness originating in Wuhan, China was associated with a novel coronavirus, Covid 19, Scotland confirmed its first case in early March 2020 and by 23 March - the start of the first national lockdown - the deaths of 16 people had been linked to the virus. In the year since, more than 9,800 deaths where coronavirus was mentioned on the death certificate had been recorded.

For much of 2020, Moray has recorded the third lowest infection rate of any Scottish local authority and typically recorded 6-8 cases per week, per 100,000 of population. As a result, Moray was placed in Level 1 in the first review of Scotland's Covid alert system in November 2020. Moray, however, began to experience a significant increase in cases in early 2021. To drive down community transmission, testing began in February of people who experienced no symptoms to identify those with the virus who had the potential to infect others.

Following direction from the Scottish Government, in March 2020 Health & Social Care Moray started its emergency response to the pandemic. Many planned services were suspended whilst others rapidly changed their delivery model and huge numbers of staff began working from home with a massive effort from ICT services to enable this to happen. A number of staff were redeployed to assist with anticipated high levels of demand and activity.

In the emergency response phase, there were a number of key priorities to be addressed.

#### ➤ **Ensuring the most vulnerable residents with critical care and support needs stayed safe and well in the community**

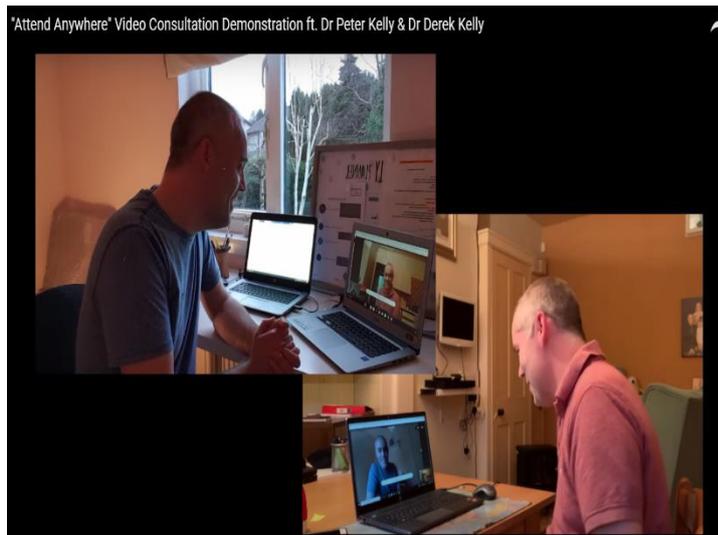
Lockdown was a particularly difficult and isolating time for those with health and care needs and their families as their usual services were suspended, community facilities closed their doors and support from those out with their household was restricted. Carers had little to no respite from their role.

The Access Team continued to provide a single point of contact for all initial requests for care and support. Daily duty social work systems, out of hours services and Adult Protect responses were all maintained.

## MANAGEMENT COMMENTARY (continued)

Mental health services in Moray remained open during the pandemic to ensure people in crisis had access to mental health assessment, care and treatment. Emergency (seen same day) and urgent (seen within 7 days) referrals were triaged and prioritised by a newly-formed Urgent Care Team. The in-patient wards - Ward 4 at Dr Gray's Hospital and Muirton at Seafield Hospital - continued to provide services.

General practice was never stood down but delivery methods rapidly changed to maintain



infection control in GP practices, keep patients and staff safe, and allow general practice staff to continue delivering care should they need to self-isolate. The majority of consultations were delivered remotely by telephone or using the secure NHS video calling platform Near Me (Attend Anywhere) unless it was clinically appropriate for the patient to be seen face-to-face. An asynchronous consulting platform, eConsult, has been successfully adopted by a number of practices across Grampian and is proving highly effective. 2020/21 saw a full take-up and scale-up of Near Me

video (Attend Anywhere) calling by all GP practices in Moray with a 915% increase in consultations from the previous year (459 to 4200) and a 1173% rise in consultation hours delivered using the platform (58,000 to 690,200).

- Moray Community Optometry continued to support their patients through remote consultations during the first lockdown.
- Whilst the majority of building-based day services had to close temporarily, the Burnie Day Centre in Buckie continued to provide a critical service for adults with learning disabilities, with staff making adaptations to the service to ensure the provision of excellent day care and support that was safe, fun and meaningful.
- Many other services continued to be delivered face-to-face such as care at home and community nursing, and in supported living and residential care settings.
- Enhanced support was provided to commissioned services with a particular focus on care homes. Care homes play a vital role in providing a safe, caring environment for people to live, but are a high risk setting for Covid 19 due to the vulnerability of residents and the setting. A range of structures and processes were put in place to support and maintain good engagement with care home providers in Moray and to offer assurance to the Partnership around care homes' ability to cope with additional pressures placed on them. This included the establishment of a multi-disciplinary oversight group. Personal Protective Equipment (PPE) and staffing levels were monitored daily and an open line with the Chief Nurse was provided to offer clinical guidance and support. A consultant social work practitioner and lead nurse were seconded to provide support and carry out onsite visits. Weekly information returns were made to the Scottish Government.

## MANAGEMENT COMMENTARY (continued)

### ➤ Supporting those in the community who were shielding, self-isolating or vulnerable

Since the first lockdown there has been an unprecedented movement in community resilience and increase in community capacity. Neighbours connected and looked out for one another more than usual and informal groups in local areas mobilised to use community-centred approaches to identify and support individuals and families in need, particularly the isolated and excluded. Much of this work was co-ordinated by community planning partners including Moray Council's community support unit and tsiMORAY.

Use the Grampian Assistance Hub phonenumber and website to reach out for help.

Or use it to report that someone else needs help.

freephone  
8.00am - 8.00pm  
7 days

**0808 196 3384**

[www.gcah.org.uk](http://www.gcah.org.uk)

The Grampian Humanitarian Assistance Centre (HAC) began operation to coordinate resilience partnership, third sector and community resources for people on the shielded patients list (the extremely vulnerable at higher risk) and for members of the wider public experiencing difficulties due to the Covid-19 restrictions such as collecting shopping and medications.

Although a number of the Partnership's own volunteers were stood down in line with national guidance, many continued to support clients through telephone calls, garden visits and delivering meals.

The NHS Grampian virtual Psychological Resilience Hub launched just days after the first lockdown was imposed and was the first of its kind in Scotland. Members of the public and health and care staff from all sectors who were struggling with the impact of the pandemic could refer themselves to the hub. Clinicians and trained volunteers provided psychological first aid aimed at reducing distress, preventing further psychological harm and reducing presentations to front line services.

### ➤ Supporting the workforce to continue to safely deliver essential services

A symptomatic key worker testing programme was developed and a drive-through testing facility set up at Linkwood in Elgin. Staff critical to the delivery of frontline services had rapid access to testing, as did members of their immediate household, to allow them to be released from isolation guidance on confirmation of a negative test. The testing team provided a seven day a week service.

Enabling home working was one of the ways both Moray Council and NHS Grampian as employers reduced the risk of infection to people who receive services and the wider workforce, while maintaining core functions. Homeworking also supported shielding staff to continue working if possible while minimising exposure to the virus. ICT Services mounted an urgent response to enable as many staff as possible to do this, sourcing, building and distributing large volumes of laptops and mobile phones although orders were delayed due to the national demand and supply issues.

## MANAGEMENT COMMENTARY (continued)

Unprecedented demand for PPE across the health and social care system called for the introduction of national measures to maintain appropriate supply and improve the distribution



of masks, aprons, gloves and other crucial items of PPE direct to those on the frontline who needed it. In Moray, deliveries were received at NHS and Local Authority points for onward distribution and collection. The social care PPE hub was established at a day centre in Elgin where services had been suspended. Redeployed council employees worked to ensure staff across in house services and external providers, along with personal assistants and unpaid carers, had access to PPE through an efficient packing and distribution system.

Protecting the mental health and wellbeing of health and social care staff was a priority.

Enhanced resources promoting physical and psychological wellbeing, self-care and personal resilience were put in place nationally with the launch of the National Wellbeing Hub and the We Care website for NHS Grampian and partnership staff. Both offered a wealth of resources for individuals and for managers to help them support their staff through the challenges brought by the pandemic.

### ➤ Supporting those in the community effected by coronavirus

As the number of people with Covid-19 symptoms in Scotland grew, Health Boards were asked to set up community clinical hubs and assessment centres as part of a comprehensive front line community response for people struggling to manage their symptoms at home. Calls made day or night to NHS 24 by members of the public whose symptoms failed to improve, were initially assessed and information forwarded to the Grampian Covid-19 Hub, staffed by clinicians from across the system.

Throughout 2020/21, the Community Response Team (CRT) carried out rapid response assessments for patients who were too unwell to attend the centre which was based at The Oaks in Elgin, enabling it to dovetail with the CRT and the out of hours Grampian Medical Emergency Department (GMED) service.

## MANAGEMENT COMMENTARY (continued)

### ➤ Reducing delayed discharges to release hospital beds and adjusting care and support packages to increase capacity to prevent hospital admission

An Enhanced Discharge Hub was set up to focus efforts to free up hospital beds and arrange care at home or a homely setting for older people and others in need of support.



**Social Care Assistants Adele and Meg brave the elements in Lossiemouth**

Members of the Hospital Discharge, Reablement, Care at Home and Commissioning teams worked together to support the care system to adapt to the increased pressure placed on it by Covid-19, with many people requiring continued support for daily living even if they had not contracted the virus.

To increase capacity in care at home services, Social Work teams worked with service users and their families to review low-level packages of care and seek agreement for temporary variations. The process of assessment and reassessment was overseen by Consultant Social Work Practitioners. Adjustments to care packages ensured the ability to meet all critical needs whilst having the capacity to continue with hospital admission avoidance and early hospital discharge in order to protect the acute hospital bed capacity.

Additional bed capacity was created with the opening of Duffus Wing – an unused section of Spynie Care Home in Elgin – to support the discharge of individuals who no longer required acute care but were not in a position to return home. The 17-bed intermediate social care facility was staffed by teams deployed from Moray Council and NHS Grampian, working in partnership with staff from local providers.

## MANAGEMENT COMMENTARY (continued)

### Vaccination Programme

The Covid 19 vaccination programme is the biggest in history and involved a massive team effort from our staff and the community to deliver this as quickly and as safely as possible. Since early December when the Covid 19 vaccine first became available, vaccination teams, including nursing and medical staff, care workers, GPs, returning workers, administration staff and volunteers have done great work with the rapid roll-out of vaccinations following the timelines for the priority groups.

January saw the first appointments offered at newly opened mass vaccination centre in Elgin. The Fiona Elcock Centre is named in memory of our much-missed and valued colleague who was an immunisation nurse and died very suddenly at the end of 2020. Uptake across all priority cohorts has been high.

The vaccine programme was accelerated in response to the increase in positive Covid 19 tests in early 2021, and the vaccination team stepped up immediately to offer all adults their first vaccine, which completed on the 20<sup>th</sup> May.



Staff at the opening of the Fiona Elcock Vaccination Centre © The Northern Scot

### Recovery and Re-mobilisation

A Re-mobilisation Plan was developed by the Moray, Aberdeenshire and Aberdeen City Health & Social Care Partnerships and NHS Grampian which set out a whole-system approach to safely restarting services whilst living with Covid-19. The plan drew on learning from the innovation and reform accelerated during the initial response phase to support the priorities of keeping residents safe through work with statutory, third sector and independent sector partners. The partnership remained focused on the strategic priority of Home First. The approach of aiming to avoid hospital admissions where appropriate and minimise hospital delayed discharge, was key to creating the capacity and pathways required to sustain care

## MANAGEMENT COMMENTARY (continued)

delivery through winter, including any further waves of Covid-19. A number of tests of change were initiated under the Home First programme in 2020/21, including Discharge to Assess (D2A) which was successfully taken forward into a six month pilot project. Funding has since been approved to scale up the project into a full service in 2021/22. D2A supports the rapid discharge of patients who are medically ready to leave hospital and appropriate that their functional needs are assessed among the familiar surroundings of their own home. People are supported through comprehensive physiotherapy and occupational therapy assessment and the provision of timely rehabilitation to maximise their independent living skills.

The partnership built on the strong joint working with care homes through enhanced oversight, support and assurance on a local and national basis that care home residents were well protected from the risk of Covid-19. All staff in care homes took up testing on a repeat basis in a bid to curb the spread of coronavirus. Twice weekly asymptomatic testing using lateral flow devices went on to be expanded to all public-facing staff. Moray's first mobile community testing site opened in February to provide free testing for members of the public with no symptoms associated with Covid-19 in an effort to drive down community transmission.

Day services remobilised in line with government guidance. The risk assessments of buildings for infection prevention and control limited capacity and the reduced number of places had to be prioritised to individual and/or carers assessed as having critical and substantial needs. People unable to return to their services or who chose not to go back, were supported by social work teams to expand alternative ways to have their outcomes met.

Since the end of June 2020, Community Optometry has worked hard to remobilise whilst adapting to a new world of PPE and more stringent hygiene and infection control and prevention measures. Initially permitted to only deal with emergency and essential eye care, the scope of services was expanded to review routine eye care patients. Dental services have also worked towards greater remobilisation.

Since January 2021, a core group of early adopter social workers have been using Near Me. The primary driver was to reduce the backlog of outstanding reviews with residents in care homes which could not be held face to face due to restrictions on entering the homes. This group has also been starting to use video calling for other social work interactions and the work has informed processes to embed Near Me as an additional tool which affords a more personal approach than being undertaken by telephone. Social workers have so far reported that the experiences have mostly been positive for all parties and provides the ability to include other participants such as family members who do not live locally or are unable to travel due to restrictions as well as the ability to review out-of-area placements as far away as England. In the first three months of use around 1800 miles of travelling has been saved.

## MANAGEMENT COMMENTARY (continued)

### Financial Review and Performance

Financial performance forms part of the regular reporting cycle to the MIJB. Throughout the year the Board, through the reports it receives is asked to consider the financial position at a given point and any management action deemed as necessary to ensure delivery of services within the designated financial framework. From the mid-point in the financial year, the Board was presented with financial information that included a forecast position to the end of the year. In November 2020 the Board received a report for the first half of the year which at that point gave an anticipated forecast overspend to the end of the financial year of £0.3m. By the end of the December 2020, MIJB were forecasting a small underspend to the end of the year of £0.04m.

Given the uncertainties associated with Covid-19, it was necessary to update the Board regularly on the emerging financial position. This was done formally through MIJB meetings and informally through development sessions.

To support the response to Covid-19, the Scottish Government developed a process to assess the impact of Covid on Integration Authorities' budgets. They did this through the development of local mobilisation plans for each health board area, which in turn captured each Integration Authority. The objective was to demonstrate the impact on IJB budgets and provide appropriate financial support. The local mobilisation plans were updated regularly throughout the year and funding allocations were made by the Scottish Government on the basis of these updates. At the end of the financial year, the cost of the mobilisation plan for Moray was £7.028m. The largest element of spend related was £2.9m which was used to support sustainability payments to external providers of care. In February 2021, the Scottish Government announced further funding, primarily relating to Covid-19. These funds are to be held in an earmarked reserve and drawn down as appropriate for the continued support to the pandemic response and recovery. Additional detail is provided below.

The following table summarises the financial performance of the MIJB by comparing budget against actual performance for the year.

## MANAGEMENT COMMENTARY (continued)

Service Area	Budget £000's	Actual £000's	Variance (Over)/ under spend	Note
Community Hospitals	5,348	5,587	(239)	
Community Health	5,175	4,853	322	
Learning Disabilities	7,968	8,546	(578)	<b>3</b>
Mental Health	8,680	8,649	31	
Addictions	1,176	1,143	33	
Adult Protection & Health Improvement	151	152	(1)	
Care Services Provided In-House	16,397	15,183	1,214	<b>2</b>
Older People Services & Physical & Sensory Disability	17,930	19,835	(1,905)	<b>1</b>
Intermediate Care & OT	1,510	1,497	13	
Care Services Provided by External Contractors	8,413	8,067	346	
Other Community Services	8,144	7,725	419	<b>5</b>
Administration & Management	4,363	3,904	459	<b>4</b>
Primary Care Prescribing	17,626	17,451	175	
Primary Care Services	17,669	17,541	128	
Hosted Services	4,427	4,526	(99)	
Out of Area Placements	669	808	(139)	
Improvement Grants	938	613	325	
<b>Total Core Services</b>	<b>126,584</b>	<b>126,080</b>	<b>504</b>	
Strategic Funds & Other Resources	12,540	6,702	5,838	
<b>TOTALS (before set aside)</b>	<b>139,124</b>	<b>132,782</b>	<b>6,342</b>	

## MANAGEMENT COMMENTARY (continued)

MIJB's financial performance is presented in the comprehensive income and expenditure statement (CIES), which can be seen on page 39. At 31 March 2021 there were usable reserves of £6.342m available to the MIJB, compared to £0.187m at 31 March 2020. These remaining reserves of £6.342m are for various purposes as described below:

Earmarked Reserves	Amount £000's
Action 15	151
Primary Care Improvement Plan	1,517
Covid-19	2,289
Winter Funding	306
Physio Arise	32
Community Living Change Fund	319
Care Home Infection Control	131
<b>Total Earmarked</b>	<b>4,744</b>
<b>General Reserves</b>	<b>1,597</b>
<b>TOTAL Earmarked &amp; General</b>	<b>6,342</b>

Significant variances against the budget were notably:

**Note 1 Older People Services and Physical & Sensory Disability** - This budget was overspent by £1.9m at the end of the year. The final position includes an overspend for domiciliary care in the area teams, which incorporates the Hanover complexes for sheltered housing in Forres and Elgin. The ageing population and local demographics also contributes to this overspend.

**Note 2 Care Services Provided In-House** – This budget was underspent by £1.2M at the end of the year. The most significant variance being due to the Care at Home services for all client groups. Supported Living services are also underspent. Staff transport across all the services and client transport under day services are also contributing to the underspend. This was due to Covid-19 and related restrictions

**Note 3 Learning Disabilities** – The Learning Disability (LD) service was overspent by £0.6m at the end of 2020-21. This consists of a £0.8m overspend, primarily relating to day services and the purchase of care for people with complex needs. Adults with learning disabilities are some of the most vulnerable people in our community and need a high level of support to live full and active lives. The overspend was offset in part by an underspend of £0.2m, relating primarily to staffing in physiotherapy, occupational therapy, speech and language and psychology services. The transformational change programme in learning disabilities helps to ensure that every opportunity for progressing people's potential for independence is taken, and every support plan involves intense scrutiny which in turn ensures expenditure is appropriate to meeting individual outcomes.

## MANAGEMENT COMMENTARY (continued)

**Note 4 Administration & Management** – This budget was underspent overall by £0.5m at the end of 2020-21 and refers primarily to an adjustment relating to staffing budgets, meaning staffing underspends were greater than the staff savings target applied.

**Note 5 Other Community Services** – Other Community Services was underspent by £0.4m. This relates to underspends in Allied Health Professionals which includes underspends in Speech and Language Therapy and Podiatry where ongoing difficulties are being experienced in recruitment. This is partially offset by overspends in Occupational Therapy, Dietetics and Physiotherapy. There were also underspends in Community Dental services mainly arising from staffing, Specialist Nursing services and Public Health. The underspends are offset in part by an overspend in Pharmacy which is related to staff costs which are expected to continue.

**Set Aside** – Excluded from the financial performance table above on page 14 but included within the Comprehensive Income & Expenditure Account is £12.62m for Set Aside services. Set Aside is an amount representing resource consumption for large hospital services that are managed on a day to day basis by the NHS Grampian. MIJB has a responsibility for the strategic planning of these services in partnership with the Acute Sector. Set Aside services include:

- Accident and emergency services at Aberdeen Royal Infirmary and Dr Gray’s inpatient and outpatient departments;
- Inpatient hospital services relating to general medicine, geriatric medicine, rehabilitation medicine, respiratory medicine, learning disabilities, old age psychiatry and general psychiatry; and
- Palliative care services provided at Roxburgh House Aberdeen and The Oaks Elgin.

The budget allocated to Moray is designed to represent the consumption of these services by the Moray population. Public Health Scotland has not yet updated the data for 2019/20 activity. The 2020/21 values have been derived at by uplifting the 2019/20 values by 3% representing the base funding uplift applied in 2020/21:

	2020/21	2019/20	2018/19	2017/18
Budget	12.62m	12.252m	11.765m	10.593m
Number of Bed Days and A&E Attendances	-----	-----	47,047	48,283

## MANAGEMENT COMMENTARY (continued)

### Risks, Uncertainties and Future Developments

The MIJB Chief Officer has a responsibility to maintain a risk strategy and risk reporting framework. Risks inherent within the MIJB are monitored, managed and reported at each meeting of the Audit, Performance and Risk Committee. In addition, a risk action log is monitored and managed by the Senior Management Team.

The key strategic risks of the MIJB classed as 'High' and 'Very High' are presented below:

#### VERY HIGH

**Risk 1 -** There is a risk of MIJB financial failure in that the demand for services outstrips available financial resources. Financial pressures being experienced both by the funding Partners and Community Planning Partners will directly impact on decision making and prioritisation of MIJB.

**Mitigating Actions -** Risk remains of the challenge that the MIJB can deliver transformation and efficiencies at the pace required. Financial information is reported regularly to both the MIJB, Senior Management Team and System Leadership Group.

The Chief Officer and Chief Financial Officer (CFO) continue to engage in finance discussions with key personnel of both NHS Grampian and Moray Council. These conversations continue as we respond and remobilise to the Covid-19 pandemic.

Chief Officer and CFO will continue to engage with the partner organisations in respect of the financial position throughout the year. Cross partnership performance meetings are in place with partner CEOs, Finance Directors and the Chair/Vice Chair of the MIJB.

The focus for 2021/22 will be close monitoring to assess the continuing impacts of Covid-19 and the costs of remobilisation. Early intervention will support a level of mitigation.

**Risk 2 -** Inability to progress with delivery of Strategic Objectives and Transformation projects.

**Mitigating Actions -** Integrated Infrastructure Group established, with ICT representation from NHS Grampian and Moray Council, to consider and provide solutions to data sharing issues and ICT infrastructure matters. Linkages to Infrastructure Board and information sharing groups have been established albeit these meetings are not taking place regularly at the moment.

#### HIGH

**Risk 3 -** Inability to recruit and retain qualified and experienced staff to provide safe care, whilst ensuring staff are fully able to manage change resulting from Integration.

**Mitigating Actions -** System re-design and transformation. Locality Managers have been in post since January 2020 and are developing the Multi-disciplinary teams in their areas. Workforce planning has recommenced with an initial draft submitted at the end of March 2021. This will be taken forward alongside plans for NHS Grampian and Moray Council with a detailed version being prepared for March 2022.

Lead Managers are involved in regional and national initiatives to ensure all learning is adopted to improve this position.

Lead Managers and Professional Leads are linked to University Planning for intakes and programmes for future workforce development.

## MANAGEMENT COMMENTARY (continued)

### HIGH (continued)

**Risk 4 -** Inability to cope with unforeseen external emergencies or incidents as a result of inadequate emergency and resilience planning.

**Mitigating Actions –** Information from the updated Business Impact Assessments /Business Continuity Plans has informed elements of the Winter Plan (Surge plan).

A Friday huddle is in place which gathers the status of services across the whole system to provide information and contact details to the Senior Manager on Call (SMOC) over the weekend.

NHS Grampian have amended their approach to Pandemic preparation so HSCM Pandemic plan requires redrafting and testing.

Lesson learnt from the response to Covid-19 will be incorporated into the Surge (Winter) Plan and training needs identified will be addressed.

Practitioner group established for Moray with representation from HSCM, Dr Grays, Moray Council and NHSG to discuss matters arising from the Local Resilience Forum and within our respective organisations. In addition it will provide a forum for discussion of the linkages between organisational response plans to ensure there are no gaps or over reliance on particular local resources.

HSCM has engaged with NHS Grampian Operation Snowdrop which identified the incident response structure and key priorities, and is on Moray Council's Response and Recovery management team. These arrangements were stepped down at end of March 2021.

**Risk 5 -** Inability to achieve progress in relation to national Health and Wellbeing Outcomes. Performance of services falls below acceptable level.

**Mitigating Actions –** Service managers monitor performance regularly within their teams and escalate any issues to the Performance Management Group for further discussion to provide wider support, developing shared ownership and a greater understanding across the whole system.

Key performance data is being circulated daily to all managers in a "Performance Flow" dashboard to ensure any potential issues are identified quickly so action can be taken.

**Risk 6 -** Requirements for support services are not prioritised by NHS Grampian and Moray Council.

**Mitigating Actions –** Membership of the Board was reviewed and revised to ensure representation of all existing infrastructure processes and funding opportunities. Process for ensuring infrastructure change/investment requests developed.

Infrastructure Manager in post and linking into other Infrastructure groups within NHS Grampian and Moray Council to ensure level of 'gatekeeping'.

Dr Gray's site development plan is being produced collaboratively with input from NHS Grampian and HSCM management.

## MANAGEMENT COMMENTARY (continued)

### Development Aims for 2021/22

#### HOME FIRST

The impact of the Covid-19 pandemic meant a temporary suspension of various functions including the meeting of the Strategic Planning & Commissioning Board which has created a delay in embedding the transformation processes designed to support the delivery of the overarching Strategic Plan 2019-29 'Partners in Care'. However, the planning and delivery to meet the threat of Covid-19 has led to some rapid change and has created a new starting point. Home First is now the over-arching project to embed change going forwards, to ensure that in a new environment we can continue to meet health and care needs safely, and can react to further waves of Covid-19; winter pressures; and future unknown events. Under the umbrella of Home First, the 3 Health and Social Care Partnerships in Grampian have worked together to share learning; commission an evaluation of progress; and to co-ordinate Grampian wide activity through Clinical Cells and Managed Clinical Networks to support the response to the Covid pandemic. Shared messaging has supported the branding of Home First and a consistency in communicating to staff and the wider population <https://www.youtube.com/watch?v=5XvtMCb5jGU>

As a result of the Covid 19 activity and diversion, the Strategic Plan 2019-29, the Medium Term Financial Strategy and other supporting plans will need to be revisited.

As the organisation continues to remobilise following the impacts of response, new, transformational ways of working are being adopted and are informing our approach to delivery of the strategic objectives outlined in the plan.

In addition we will seek to:

- Continue to develop systems leadership;
- Further embed the Home First approach;
- Ensure successful implementation of Discharge to Assess in support of reducing Delayed Discharges;
- Continually develop by progressing the MIJB Improvement Action Plan;
- Ensure compliance with the Governance Framework as approved by the MIJB in January 2021;
- Progress the Primary Care Improvement Plan; and
- Embed any emerging recommendations from the Independent Review of Adult Social Care as directed through Scottish Government.

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**Dennis Robertson**

**Chair of Moray IJB**

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**Simon Bokor-Ingram**

**Chief Officer**

.....

**Tracey Abdy**

**Chief Financial  
Officer**

**24 June 2021**

## **STATEMENT OF RESPONSIBILITIES**

### **Responsibilities of the MIJB**

- To make arrangements for the proper administration of its financial affairs and to secure that it has an officer responsible for the administration of those affairs. In Moray Integration Joint Board, that officer is the Chief Financial Officer;
- To manage its affairs to achieve best value in the use of its resources and safeguard its assets;
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014) and the Local Authority (Capital Financing and Accounting) (Scotland) (Coronavirus) Amendment regulations 2021ct, 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
- To approve the Annual Accounts.

**Dennis Robertson**

**Chair of Moray IJB**

**24 June 2021**

## **STATEMENT OF RESPONSIBILITIES (continued)**

### **Responsibilities of the Chief Financial Officer**

The Chief Financial Officer is responsible for the preparation of the Moray 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 (the Code).

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 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 financial statements give a true and fair view of the financial position of the Moray Integration Joint Board for the year ending 31 March 2021 and the transactions for the year then ended.

**Tracey Abdy CPFA**

**Chief Financial Officer**

**24 June 2021**

## REMUNERATION REPORT

### Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014 (SSI2014/200) as part of the MIJB annual accounts. This report discloses information relating to the remuneration and pension benefits of specified MIJB members.

All information disclosed in the tables is subject to external audit. Other sections within the Remuneration Report will be reviewed for consistency with the financial statements.

### Moray Integration Joint Board

The voting members of MIJB are appointed through nomination by Moray Council and the Grampian Health Board. There is provision within the Order to identify a suitably experienced proxy or deputy member for both the voting and non-voting membership to ensure that business is not disrupted by lack of attendance by any individual.

### MIJB Chair and Vice-Chair

Nomination of the MIJB Chair and Vice-Chair post holders alternates every 18 months between a Councillor and a Health Board non-executive member.

The MIJB does not provide any additional remuneration to the Chair, Vice-Chair or any other board members relating to their role on the MIJB. The MIJB does not reimburse the relevant partner organisations for any voting member costs borne by the partner.

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

Taxable Expenses 2019/20	Name	Position Held	Nomination By	Taxable Expenses 2020/21
£				£
Nil	Dennis Robertson	Chair 24/09/20 to 29/04/21	Grampian Health Board	Nil
Nil	*Jonathan Passmore	Chair 01/10/19 to 13/09/20 Vice-Chair 28/11/18 to 1/10/19	Grampian Health Board	Nil
Nil	Cllr Shona Morrison	Vice-Chair 01/10/19 to 29/04/2021 Chair 13/6/18 to 1/10/19	Moray Council	Nil

\*Jonathan Passmore stepped down from the MIJB on 13 September 2020. He was replaced by Dennis Robertson who was formally appointed as Chair at a meeting of the MIJB on 24 September 2020.

## REMUNERATION REPORT (continued)

### Officers of the MIJB

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

### Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the integration joint board has to be appointed and the employing partner has to formally second the officer to the Board. The employment contract for the Chief Officer will adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the Board.

### Other Officers

No other staff are appointed by the MIJB under a similar legal regime. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below.

Total 2019/20	Senior Employees	Salary, Fees & Allowances	Taxable Expenses	Total 2020/21
£		£	£	£
101,244	Pamela Dudek Chief Officer (until 19/4/20)	5,553 (fye 105,209)	0	5,553
0	Simon Bokor- Ingram (interim Chief Officer 20/4/20 to 21/3/21) Chief Officer from 22/3/21	96,115 (fye 101,393)	0	96,115
63,721	Tracey Abdy Chief Financial Officer	87,271	0	87,271

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

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

## REMUNERATION REPORT (continued)

	In Year Pension Contributions		Accrued Pension Benefits		
	Year to 31/03/20	Year to 31/03/21		As at 31/03/2021	Difference from 31/03/2020
	£	£		£ 000's	£ 000's
Pamela Dudek Chief Officer (until 19/4/20)	21,660	1,204 (to 19/4/20)	Pension	44	7
			Lump Sum	98	17
Simon Bokor-Ingram, (Interim Chief Officer 20/4/20 to 21/3/21) Chief Officer from 22/4/21	0	13,142 (from 20/4/20)	Pension	38	0
			Lump Sum	80	0
Tracey Abdy Chief Financial Officer	13,318	18,075	Pension	18	2
			Lump Sum	18	0

### Disclosure by Pay bands

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

Number of Employees in Band 2019/20	Remuneration Band	Number of Employees in Band 2020/21
1	£60,000 - £64,999	0
0	£85,000 - £89,999	1
0	£95,000 - £99,999	1
1	£100,000 - £104,999	0

## REMUNERATION REPORT (continued)

### Exit Packages

There were no exit packages agreed by the MIJB during 2020/21 financial year, or in the preceding year.

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**Dennis Robertson**

**Chair of Moray IJB**

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**Simon Bokor-Ingram**

**Chief Officer**

**24 June 2021**

## ANNUAL GOVERNANCE STATEMENT

The Annual Governance Statement describes the Moray Integration Joint Board's (MIJB) governance arrangements and reports on the effectiveness of the MIJB's system of internal control.

### Scope of Responsibility

The MIJB is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, and that public money is safeguarded and used efficiently and effectively in pursuit of best value.

In discharging its responsibilities, the MIJB has established arrangements for its governance which includes the system of internal control. This system is intended to manage risk and support the achievement of the MIJB's policies, aims and objectives. The system provides reasonable but not absolute assurance of effectiveness.

The MIJB places reliance of the systems of internal control of NHS Grampian systems and Moray Council, which supports organisational compliance of policies and procedures in addition to those of the MIJB. Assurances are required on the effectiveness of the governance arrangements of all three organisations, meaning a significant failure in one of the three Partners may require to be disclosed in the annual accounts of all three Partners.

### The Governance Framework

The CIPFA/SOLACE framework for 'Delivering Good Governance in Local Government' last updated in 2016 remains current and provides a structured approach in defining seven principles that underpin effective governance arrangements. Whilst the framework is written specifically for Local Government, the principles apply equally to integration authorities, and while the MIJB continues to evolve as an entity in its own right. It continues to draw on the governance assurances of NHS Grampian and Moray Council as its principal funding partners.

Given the scope of responsibility within the MIJB and the complexities surrounding the assurance arrangements, a Local Code of Corporate Governance was developed and the MIJB assesses the effectiveness of its governance arrangements against the principles set out in the document. The Code outlines the seven governance principles from the CIPFA/SOLACE guidance (as referenced below) and provides the sources of assurance for assessing compliance relative to the MIJB, Moray Council and NHS Grampian.

### Key Governance Arrangements

Covid-19 has had a significant impact on the MIJB and its approach to dealing with the pandemic has involved the use of amended governance arrangements granted under delegated powers. In March 2020 the MIJB granted delegated authority to the Chief Officer to take decisions in respect of matters that would normally require Board approval, subject to consultation with the Chair and Vice-Chair of the MIJB. The aim was to support business continuity through uncertain times. Due to rapid advancement in digital technology availability, the Board were able to establish online meetings immediately and the original timetable of MIJB meetings was fulfilled. A further report was presented to the MIJB in September 2020 where it was no longer considered necessary for the Chief Officer to hold emergency decision making powers and consequently these were removed.

## ANNUAL GOVERNANCE STATEMENT (continued)

All but one of the scheduled Audit Performance and Risk Committee meetings were held as timetabled during 2020/21. An interim arrangement was agreed for the operation of the Clinical and Care Governance Committee whereby the Chair of the Committee received monthly updates on the key issues arising during the pandemic response. This related principally to the provision of care, care home oversight and child and adult protection matters. The meeting of this committee scheduled for May did not go ahead. In addition the Chief Officer committed to providing weekly updates on the emerging situation to IJB Members, elected Members and staff.

Health and Social Care Moray (HSCM) established an emergency response group that has been operational since the end of March 2020, with the frequency of meetings being adapted throughout the year dependent on the stage of response. Representation on the emergency response groups of the Partner organisations is provided by HSCM staff, ensuring the necessary links and flow of information to ensure a co-ordinated response on a pan Grampian basis and locally within Moray.

### Evaluation of the Effectiveness of Governance

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

##### Assessment of Effectiveness

- The activities of the MIJB are directed by a Board comprising voting and non-voting members. The Board meets every two months and draws its membership from a broad range of sources. Formal Board meetings are augmented by regular development sessions that focus in detail on specific areas. The Board is also supported by an Audit, Performance and Risk Committee, and a Clinical and Care Governance Committee, each with a specific remit to support effective governance arrangements.
- The MIJB operates in line with Standing Orders that govern proceedings of the Board and its Committees, and which incorporates the Board's Scheme of Administration that deals with the Board's committee structure and working groups.
- The MIJB has appointed a Standards Officer to support compliance with an ethical standards framework in line with the Ethical Standards in Public Life etc. (Scotland) Act 2000 whereby members of devolved public bodies such as the MIJB are required to comply with Codes of Conduct, approved by Scottish Ministers, together with guidance issued by the Standards Commission.
- The MIJB Governance framework was approved by the Board in January 2021.

## ANNUAL GOVERNANCE STATEMENT (continued)

### Governance Principle 2 – Ensuring openness and comprehensive stakeholder engagement

#### Assessment of Effectiveness

- Provision is made within MIJB's Standing Orders for public and press access to meetings and reports. During the 2020/21 year it was necessary to broadcast live Board meetings with attendance being virtual for all. A specific web-site has been developed for Health and Social Care Moray and is continuously monitored for improvement. Agendas, reports and minutes for all committees can be accessed via the website in addition to all the linked strategies of the MIJB.
- Both the voting and non-voting membership arrangements of the MIJB are in line with the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. The non-voting membership comprises six professional members and five stakeholder members representing: staff, third sector bodies carrying out activities in relation to health and social care, service users and unpaid carers, and four additional non-voting members which include the Chief Executives of Moray Council and NHS Grampian in an Ex-officio capacity. The broad membership of the MIJB ensures valued input and engagement from a wide range of stakeholders.
- The Community Empowerment (Scotland) Act 2015 places a statutory duty on MIJB and its Community Planning Partners to engage with communities on the planning and delivery of services and securing local outcomes. The MIJB has an approved Communications and Engagement Strategy which recognises and promotes the active and meaningful engagement with all stakeholders.

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

#### Assessment of Effectiveness

- The MIJB has in place a Strategic Plan 2019-29 which is supported by various documents including a medium term financial framework. Following the impact of the pandemic a review is planned for both documents.
- The plan is underpinned by a performance framework, workforce plan, organisational development strategy, and a communications, engagement and participation plan.
- The suite of documents are designed to identify outcomes and forward-thinking on direction over the medium term. Outcomes are closely linked to the delivery of health and social care and the planned improvements for the population of Moray.
- A climate change duties report is collated and submitted annually on behalf of the MIJB.

## ANNUAL GOVERNANCE STATEMENT (continued)

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

#### Assessment of Effectiveness

- The MIJB's 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.
- Board papers reflect the broad range of matters under consideration including regular update reports by the Chief Officer on topical matters and agenda items covering opportunities and challenges arising from reconfiguration of services.

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

#### Assessment of Effectiveness

- The Senior and Operational Management teams continue to take part in a Systems Leadership Programme led by The Kings Fund to support the leadership teams following a pause for the Covid 19 response. During the Covid 19 response there has been increased opportunity to work collaboratively across organisations through use of new technology.
- The MIJB has met with Officers regularly for development sessions to increase the opportunity for shared learning and constructive challenge.

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

#### Assessment of Effectiveness

- As part of a robust risk monitoring framework, the Strategic Risk Register is reviewed and updated regularly and presented to every Audit, Performance and Risk Committee. A related action log was created for monitoring purposes and is owned and monitored by the Senior Management Team.
- A Performance Management Framework has been developed. Performance reporting falls within the scope of the Audit, Performance and Risk Committee and reporting is quarterly.
- The internal control system links closely with those of the Partners, given their operational remit for delivery of services under direction of the MIJB. The Audit, Performance and Risk committee through its consideration of reports monitors the effectiveness of internal control procedures. The MIJB Chief Internal Auditor undertakes an annual review of the adequacy of internal controls and the opinion is included within this statement.
- The MIJB has an independent S95 Officer who is a member of the MIJB, providing advice on all financial matters and ensure timely production and reporting of budget estimates, budget monitoring reports and annual accounts.

## ANNUAL GOVERNANCE STATEMENT (continued)

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

#### Assessment of Effectiveness

- MIJB business is conducted through an approved cycle of Board meetings which in 2020/21 were not held in public due to Covid 19. During the year, recordings of Board meetings were made available to the public. 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.
- The MIJB publishes both Annual Accounts and an Annual Performance Report following Board approval.
- The Chief Internal Auditor reports directly to the Audit, Performance and Risk committee with the right of access to the Chief Officer, Chief Financial Officer and Chair of the Audit, Performance and Risk committee on any matter. The Chief Internal Auditor has continued to report to Committee during 2020/21.

#### Review of Adequacy and Effectiveness

The MIJB has a responsibility for conducting, at least annually, a review of the effectiveness of the governance arrangements, including the system of internal control. The review is informed by the work of the Senior Management Team (which has responsibility for the development and maintenance of the internal control framework environment); the work of the Internal Auditors and the Chief Internal Auditor's annual report and the reports from the External Auditor and other review agencies and inspectorates.

#### Moray Council Governance Framework

Moray Council is a local authority incorporated under the Local Government etc. (Scotland) Act 1994. The council is accountable to its electorate through 26 local councillors elected to serve in eight multi-member wards within the Moray area.

The council is regulated by statute across many areas of service provision including Social Care delivered under Direction of the MIJB for Adult Services, with plans in place to deliver Children's Services under similar governance arrangements.

Council governance is underpinned by a series of constitutional documents comprising:

- Standing Orders which regulate the form and conduct of meetings of the Council and its committees.
- A Scheme of Administration, which sets out the powers delegated to the Council and each committee.
- A Scheme of Delegation which sets out the tasks assigned to Senior Officers under delegated powers.
- Financial Regulations which support the application of sound internal financial controls and assist in ensuring the proper use of public funds.

## ANNUAL GOVERNANCE STATEMENT (continued)

Governance arrangements are kept up to date on an ongoing basis in response to changing need and, annually, these arrangements are reviewed in line with the governance principles referred to elsewhere in this statement. The findings from this review are summarised in a published Annual Governance Statement. [Link to follow](#)

The Statement describes the contributions to good governance made by members and officers in line with the principles identified as best practice and includes the oversight roles of the Chief Financial Officer, the Chief Social Work Officer, and the Monitoring Officer all of who are appointed under statutory provision. An opinion is also provided by the council's Internal Audit Manager on the system of Governance, Risk Management and Internal Control.

A review of the effectiveness of these systems has been completed and the Statement endorsed by the Leader of the Council and the Head of Paid Service (Chief Executive). No significant weaknesses in the Council's system of governance, risk management and internal control have been disclosed.

### NHS Grampian Governance Framework

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. 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;
- A Scheme of Delegation, Standing Orders and Standing Financial Instructions approved by the Board that 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;

## ANNUAL GOVERNANCE STATEMENT (continued)

- The consideration by the Board of regular reports from the chairs of the performance governance, engagement and participation, staff governance, clinical governance, audit committee and from the Chair of the Endowment Trustees concerning any significant matters on governance, risk and internal controls;
- Regular review of financial performance, risk management arrangements and non-financial performance against key service measures and standards by the Performance Governance Committee; and of service quality against recognised professional clinical standards by the Clinical Governance Committee;
- 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.

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.

### Internal Audit Opinion

The opinion is based on the Chief internal Auditor's knowledge of governance, risk and control processes of the MIJB and from internal audit activity completed during the period to 31<sup>st</sup> March 2021. The provision of the opinion is an important source of assurance and any 'limitations in the scope' as a consequence of the pandemic require to be disclosed.

Factors identified by CIPFA as having the potential to impact on the availability of assurance from Internal Audit during the pandemic include:

- the changing risks and impacts on the organisation;
- whether key governance, risk management and internal control arrangements have deteriorated or been maintained;
- changes to the resource base of internal audit whether staff or budget related;
- demands made on Internal Audit for any advisory or non-audit support activity that does not directly support the audit opinion;
- operational disruption that impacts on the access of internal audit to key staff, information or systems resulting in greater inefficiency and reduced outputs.

All of these factors are relevant, with the Health and Social Care response to the pandemic being a major challenge which required services to adapt and prioritise in short order. However, as evident from a review of Board papers and those of the linked Committees, good governance practices continued with meetings held regularly, wide ranging agendas, and transparency around emergency delegation of decision making powers to the Interim Chief Officer. The risk register was also updated to reflect changing circumstances and shared with the Board for information and approval.

## ANNUAL GOVERNANCE STATEMENT (continued)

Internal Controls within Social Care were similarly adapted to enable main financial systems, including payroll and payments, to continue functioning as staff moved to remote working arrangements. No issues were noted from testing of payroll controls and for most payments selected for review, appropriate supporting information was available. Exceptions to this related to sample invoice charges from service providers, it being noted that service commissioning is an area where further work is required to better align contracts to service user needs.

Being unable to progress audit work where services had been suspended or staff redeployed, Internal Audit also adapted its work programme to allow emerging control systems to be assessed e.g. for the distribution of funding streams linked to the pandemic. But there have been some limitations on internal audit activity occasioned by delays in being able to access key staff who themselves were encountering significant workload demands; by being unable to access certain facilities due to homeworking restrictions, and by being unable to access systems that potentially could be subject to audit.

The effect of these impacts was to reduce the outputs of the internal audit team and restrict the ability to provide audit assurance in these areas, although setting this in context, any restrictions applying were not considered to be material in terms of affecting the audit opinion, when considered alongside other assurances referenced throughout this report and the controls assurances provided by NHS Grampian and Moray Council. *(NHS assurances tbc following Board meeting in August.)*

Having regard to the factors outlined above, it is the opinion of the Chief Internal Auditor that reasonable assurance can be placed on the MIJB's framework of governance, risk management and internal control for the year ended 31 March 2021.

## ANNUAL GOVERNANCE STATEMENT (continued)

### Prior Year Governance Issues

The Annual Governance Statement for 2019/20 highlighted a number of areas for development in looking to secure continuous improvement. An assessment of progress is provided below:

Area for Improvement Identified in 2019/20	Action Undertaken / Progress Made in 2020/21
<p>Following the Cabinet Secretary's announcement of 2 June 2020 in relation to health services remaining on an emergency footing for a further 100 days. Three core tasks have been set out nationally that we need to respond to, these being- :</p> <ul style="list-style-type: none"> <li>• Commence work toward delivery of as many of our normal services as possible; in a safe manner, with an immediate focus on the most urgent care requirements</li> <li>• Ensure capacity remains available to deal with Covid-19;</li> <li>• Begin preparation of our health and care system for the challenges of the next 9 months and particularly the winter season.</li> </ul> <p>Recovery and Renewal - As we progress through this critical phase of the Covid-19 pandemic, it is essential that whilst the priority remains to deliver services safely and effectively in what is clearly a constantly changing landscape, it is recognised that there is need to consider the recovery phase and what our services may look like in the future.</p> <p>A key development for 2020/21 will be to enhance strategic planning processes to drive and support the delivery of the Strategic Plan in order to strengthen our ability to be agile in a complex and changing landscape and to develop a range of ambitious plans that drive quality, safety, and efficiency.</p>	<p>The system has adhered to and responded effectively through all phases of the pandemic.</p> <p>Essential services have continued to operate where safe and permitted to do so using enhanced PPE and working to strict infection prevention and control measures. For staff delivering face-to-face care, measures were put in place to deliver twice-weekly testing. To meet capacity and in-line with government guidelines, adjustments in care packages were required to maintain the ability to meet all critical needs and ensure the capacity to continue with hospital admission avoidance and early hospital discharge in order to protect the acute hospital bed capacity.</p> <p>Home First is the over-arching project designed to embed change and ensure that in a new environment we can continue to meet health and care needs safely, and can react to further waves of Covid-19; winter pressures; and future unknown events. Additional funding was made available to support the Winter season where additional capacity was secured for care at home services and allowed the Discharge to Assess pilot to rapidly progress.</p> <p>Following a pause and delay in this activity, a senior planning lead post was recruited to in March 2021 which strengthens the management team and will drive forward the aims of the Strategic Plan.</p>

## ANNUAL GOVERNANCE STATEMENT (continued)

Area for Improvement Identified in 2019/20	Action Undertaken / Progress Made in 2020/21
<p>Financial Planning – the Covid-19 Pandemic has effectively placed a significant risk on the recovery and transformation plan supporting the 2020/21 budget. Urgent attention is required across the whole system to consider both the high risk areas from a financial perspective and the opportunities to draw positively on the experiences arising from our response to the pandemic.</p> <p>A review of commissioning practice will be required to ensure procurement and contractual considerations and need of service users can be developed at an increased pace given the operational and financial challenges facing the MIJB. Resourcing this will be a key consideration to ensure satisfactory progress is achieved.</p>	<p>Support was provided from Scottish Government for the costs associated with Covid 19. In February 2021 it was confirmed that this support would extend to the underachievement of savings, recognising the impact the pandemic placed of efficiency planning. The issues arising will be considered carefully in 2021/22.</p> <p>Progress has been made in this area. Regular meetings take place between Commissioning, the Chief Officer and Chief Financial Officer in gaining clarity on the scale of external contracts. Scotland Excel are also supporting this process.</p>

## ANNUAL GOVERNANCE STATEMENT (continued)

### Further Developments

Following consideration of the review of adequacy and effectiveness, the following action plan has been established to ensure continual improvement of the MIJB's governance arrangements and progress against the implementation of these issues will be assessed as part of the next annual review.

Areas of focus for 2021/22	
1.	It is recognised that the impact the pandemic has had on services drives the need to review the Strategic Plan 2019-29 during 2021/22. The review will require engagement of key stakeholders and MIJB approval following the governance framework.
2.	The Medium Term Financial Framework will be reviewed to reflect the emerging and anticipated financial challenge arising from Covid 19 and Scottish Government policy changes.
3.	Focus will be placed on the Governance Framework approved by the Board in January 2021 to ensure this key document is embedded into operational and strategic delivery.
4.	As part of the financial challenge it is necessary to ensure continuous dialogue and identification of further savings opportunities. This was a commitment made as part of the revenue budget setting for 2021/22, recognising current and future impact and the drive for transformation through Home First.
5.	Increase focus on the development of commissioning capabilities to deliver best value with a tender exercise for outcome based care at home services.

### Key Governance challenges going forward will involve:

- Providing capacity to meet statutory obligations whilst managing expectation and rising demand for services;
- As a Board, difficult decisions will require to be made in ensuring we operate within available funding;
- Continue to address our work force challenges in respect of recruitment and retention;
- Continuing to work closely with NHS Grampian and Moray Council to build on existing relationships and establishing collaborative leadership;
- The delegation of Children's services, ensuring the necessary due diligence is undertaken prior to formal delegation;
- The challenges being faced through the current pandemic are expected to be a continued focus for additional scrutiny for an extended period of time.

## ANNUAL GOVERNANCE STATEMENT (continued)

### Statement

In our respective roles as Chair and Chief Officer of the MIJB, we are committed to ensuring 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 MIJB's current governance arrangements, and affirms our commitment to ensuring they are regularly reviewed, developed and fit for purpose. Whilst recognising that improvements are required, as detailed earlier in the statement, it is our opinion that a reasonable level of assurance can be placed upon the adequacy and effectiveness of the MIJB's governance arrangements.

The immediate challenge will be to continue to meet all operational demands during the Covid-19 Pandemic and through re-mobilisation whilst not compromising the safety of employees and people that use our services; beyond that, pressure on financial settlements is set to continue during the incoming period, and we will continue to engage with our Partners and the wider community to agree plans and outcome targets that are both sustainable and achievable. Taking those forward will be challenging as we aim to fulfil the nine Health and Wellbeing national outcomes and the strategic priorities identified and detailed in our Strategic Plan. Good governance remains an essential focus in delivering services in a way that both meets the needs of communities and discharges statutory best value responsibilities.

.....  
**Dennis Robertson**  
**Chair of Moray IJB**

.....  
**Simon Bokor-Ingram**  
**Chief Officer**

**24 June 2021**

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the cost of providing services for the year ended 31 March 2021 according to generally accepted accounting practices.

2019/20		2020/21
Net Expenditure		Net Expenditure
£ 000		£ 000
5,466	Community Hospitals	5,587
4,738	Community Nursing	4,853
7,481	Learning Disabilities	8,546
8,568	Mental Health	8,649
1,048	Addictions	1,143
151	Adult Protection & Health Improvement	152
15,514	Care Services Provided In-House	15,183
18,636	Older People & Physical & Sensory Disability Services	19,835
1,736	Intermediate Care and Occupational Therapy	1,497
9,060	Care Services Provided by External Providers	8,067
7,712	Other Community Services	7,725
2,933	Administration & Management	3,904
17,573	Primary Care Prescribing	17,451
16,555	Primary Care Services	17,541
4,671	Hosted Services	4,526
807	Out of Area Placements	808
933	Improvement Grants	613
1,055	Strategic Funds & Other Resources	6,702
12,252	Set Aside	12,620
<b>136,889</b>	<b>Cost of Services</b>	<b>145,402</b>
136,819	Taxation and Non-Specific Grant Income (note 5)	151,557
<b>70</b>	<b>(Surplus) or Deficit on provision of Services</b>	<b>(6,155)</b>
<b>70</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>(6,155)</b>

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

## MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the Moray Integration Joint Boards (MIJB) reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices. Additional detail included within note 7 on page [45](#).

<b>Movement of Reserves During 2020/21</b>	<b>General Fund Balance £000</b>
<b>Opening Balance at 1 April 2020</b>	<b>(187)</b>
Total Comprehensive Income and Expenditure	(6,155)
<hr/>	
(Increase) or Decrease in 2020/21	<b>(6,155)</b>
<hr/>	
<b>Closing Balance at 31 March 2021</b>	<b>(6,342)</b>
<hr/>	
<b>Movement of Reserves During 2019/20</b>	<b>General Fund Balance £000</b>
<b>Opening Balance at 1 April 2019</b>	<b>(257)</b>
Total Comprehensive Income and Expenditure	70
<hr/>	
(Increase) or Decrease in 2019/20	<b>70</b>
<hr/>	
<b>Closing Balance at 31 March 2020</b>	<b>(187)</b>
<hr/>	

## BALANCE SHEET

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

<b>31 March 2020 £000</b>		<b>Notes</b>	<b>31 March 2021 £000</b>
187	Short Term Debtors <b>Current Assets</b>	6	6,342
0	Short Term Creditors <b>Current Liabilities</b>		0
0	Provisions <b>Long Term Liabilities</b>		0
<b>187</b>	<b>Net Assets</b>		<b>6,342</b>
187	Usable Reserve General Fund	7	6,342
<b>187</b>	<b>Total Reserves</b>		<b>6,342</b>

The unaudited annual accounts were issued on 24 June 2021.

**Tracey Abdy CPFA**

**Chief Financial Officer**

**24 June 2021**

# NOTES TO THE FINANCIAL STATEMENTS

## Note 1 Significant Accounting Policies

### General Principles

The Financial Statements summarise the Moray Integration Joint Board's (MIJB) transactions for the 2020/21 financial year and its position at the year-end of 31 March 2021.

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

The Financial Statements are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20, 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 MIJB will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

### Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when settlement in cash occurs. In particular:

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

### Funding

The MIJB is primarily funded through funding contributions from the statutory funding partners, Moray Council and the Grampian Health Board. Expenditure is incurred as the MIJB commissions' specified health and social care services from the funding partners for the benefit of service recipients in Moray area.

### Cash and Cash Equivalents

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

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 1 Significant Accounting Policies (continued)

#### Employee Benefits

The MIJB 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 MIJB therefore does not present a Pensions Liability on its Balance Sheet.

The MIJB 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.

Charges from funding partners for other staff are treated as administration costs.

#### Reserves

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

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

#### Indemnity Insurance

The MIJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board members. The Grampian Health Board and Moray Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Boards, the MIJB does not have any 'shared risk' exposure from participation in the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). The MIJB participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

### Note 2 Critical Judgements and Estimation Uncertainty

In applying the accounting policies, the MIJB has had to make certain judgements about complex transactions or those involving uncertainty about future events. There are no material critical judgements and the note below relates to uncertainty about future events:

Public Sector Funding – There is a high degree of uncertainty about future levels of funding for Local Government and Health Boards and this will directly impact on the MIJB.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 3 Events after the Reporting Period

The unaudited accounts were issued by Tracey Abdy, Chief Financial Officer on 24 June 2021.

Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2021, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

### Note 4 Expenditure and Income Analysis by Nature

		2020/21
£000		£000
56,343	Services commissioned from Moray Council	60,984
80,519	Services commissioned from The Grampian Health Board	84,391
27	Auditor Fee: External Audit Work	27
<b>136,889</b>	<b>Total Expenditure</b>	<b>145,402</b>
(136,819)	Partners Funding Contributions and Non-Specific Grant Income	(151,557)
<b>70</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>6,155</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 5 Taxation and Non-Specific Grant Income

2019/20		2020/21
£000		£000
43,950	Funding Contribution from Moray Council	45,060
92,869	Funding Contribution from The Grampian Health Board	106,497
<b>136,819</b>	<b>Taxation and Non-specific Grant Income</b>	<b>151,557</b>

The funding contribution from The Grampian Health Board shown above includes £12.62m in respect of 'set aside' resources relating to acute hospital and other resources. These are provided by The Grampian Health Board who retains responsibility for managing the costs of providing the services. The MIJB however has responsibility for the consumption of, and level of demand placed on, these resources.

### Note 6 Debtors

31 March 2020		31 March 2021
£000		£000
187	The Grampian Health Board	6,160
0	Moray Council	182
<b>187</b>	<b>Debtors</b>	<b>6,342</b>

Amounts owed by the funding partners are stated on a net basis. Creditor balances relating to expenditure obligations incurred by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the MIJB.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 7 Usable Reserve: General Fund

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

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

The table below shows the movements on the General Fund balance:

	<b>Earmarked Reserves</b>				
	<b>General Reserves</b>	<b>PCIP Action 15</b>	<b>&amp; Covid-19</b>	<b>Other Earmarked</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance at 1 April 2019	0	257	0	0	257
Transfers (out)/in 2019/20	0	(70)	0	0	(70)
<b>Balance at 31 March 2020</b>	<b>0</b>	<b>187</b>	<b>0</b>	<b>0</b>	<b>187</b>
Transfer out 2020/21	0	(2,993)	(11,466)	0	(14,459)
Transfers in 2020/21	1,598	4,473	14,191	352	20,614
<b>Balance at 31 March 2021</b>	<b>1,598</b>	<b>1,667</b>	<b>2,725</b>	<b>352</b>	<b>6,342</b>

**Primary Care Improvement Fund (PCIP)** - The purpose of this fund is to ring fence funding received from the Scottish Government as part of its Primary Care Transformation Plan

**Covid – 19** – are funds received by Scottish Government during 2020/21 being held in an earmarked reserve to support the MIJB through the pandemic and remobilisation.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 8 Agency Income and Expenditure

On behalf of all IJB's within The Grampian Health Board, the MIJB acts as the lead manager for Grampian Medical Emergency Department (GMED) and Primary Care 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 MIJB is not acting as principal in these transactions.

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

<b>2019/20</b>		<b>2020/21</b>
£000		£000
10,171	Expenditure on Agency Services	10,032
(10,171)	Reimbursement for Agency Services	(10,032)
<b>0</b>	<b>Net Agency Expenditure excluded from the CIES</b>	<b>0</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 9 Related Party Transactions

The MIJB has related party relationships with The Grampian Health Board and Moray Council. In particular the nature of the partnership means that the MIJB may influence, and be influenced by, its partners. The following transactions and balances included in the MIJB's accounts are presented to provide additional information on the relationships.

#### Transactions with The Grampian Health Board

2019/20		2020/21
£000		£000
(92,869)	Funding Contributions received from the NHS Board	(106,497)
80,365	Expenditure on Services Provided by the NHS Board	84,208
153	Key Management Personnel: Non-Voting Board Members	183

<b>(12,351)</b>	<b>Net Transactions with The Grampian Health Board</b>	<b>(22,106)</b>
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Key Management Personnel: The Chief Officer and Chief Financial Officer, are non-voting Board members and are both employed by The Grampian Health Board and recharged to the MIJB. Details of the remuneration of both officers are provided in the Remuneration Report. The Chief Officer is a joint appointment made by Moray Council and The Grampian Health Board and is jointly accountable to the Chief Executives of both organisations, as such this post is jointly funded. The Chief Financial Officer, whilst a Board appointment, does not share this arrangement of funding.

#### Balances with The Grampian Health Board

31 March 2020		31 March 2021
£000		£000
(187)	Debtor balances: Amounts due from The Grampian Health Board	(6,160)

<b>(187)</b>	<b>Net Balance due from The Grampian Health Board</b>	<b>(6,160)</b>
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## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Note 9 Related Party Transactions (continued)

#### Transactions with Moray Council

<b>2019/20</b>		<b>2020/21</b>
£000		£000
(43,950)	Funding Contributions received from the Council	(45,060)
56,302	Expenditure on Services Provided by the Council	60,945
69	Key Management Personnel: Non-Voting Board Members	66
<b>12,421</b>	<b>Net Transactions with Moray Council</b>	<b>15,951</b>

#### Balances with Moray Council

<b>31 March 2020</b>		<b>31 March 2021</b>
£000		£000
0	Debtor balances: Amounts due from Moray Council	(182)
0	Creditor balances: Amounts due to Moray Council	0
<b>0</b>	<b>Net Balance due from Moray Council</b>	<b>(182)</b>

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **Note 10 VAT**

The MIJB is not registered for VAT and as such the VAT is settled or recovered by the partners. The VAT treatment of expenditure in the MIJB accounts depends on which of the partners is providing the services as each of these partners are treated differently for VAT purposes.

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

### **Note 11 Accounting Standards That Have Been Issued but Have Yet To Be Adopted**

The Code requires the MIJB to identify any accounting standards that have been issued but have yet to be adopted and could have material impact on the accounts.

There are no accounting standards issued but not yet adopted that impact on the 2020/21 financial statements.

