



South Ayrshire Integration Joint Board

**Report to the Performance and Audit Committee
on the 'Audit Dimensions and Best Value' for the year ended 31 March 2022**

Issued on 6 June for the meeting on 17 June 2022

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Key messages

As set out in our audit plan, the Code of Audit Practice sets out four audit dimensions which set a common framework for all public sector audits in Scotland. Our audit work has considered how the Integration Joint Board (IJB) is addressing these and our conclusions are set out within this report, with the report structured in accordance with the four dimensions. Our responsibilities in relation to Best Value ('BV') have all been incorporated into this audit work.

Financial management

The IJB continues to have effective budget setting and monitoring arrangements in place. This is supported by an experienced finance team and an internal audit function, as well as appropriate arrangements for the prevention and detection of fraud and error. The South Ayrshire Council internal audit function has experienced resourcing challenges in the year, therefore it is critical that any impact on the IJB is closely monitored.

Financial sustainability

The IJB has set a balanced budget for 2022/23 therefore is financially sustainable in the short term. It has not refreshed its medium-term financial plan given the levels of uncertainty, and therefore is unable to demonstrate that it is financially sustainable in the medium to longer-term.

It is positive to see that specific focus has been given to transformation change in setting budgets, however progress continues to be impacted by the ongoing response to the pandemic. Significant earmarked reserves are projected to be carried forward into future years. It is critical that detailed plans are developed to demonstrate how these funds will be used to make the required transformational change.

Governance and transparency

The IJB continues to have strong leadership, however, the impact of recent departures and new appointments need to be closely monitored. The governance arrangements also continue to be robust and the IJB continues to be open and transparent, with improvements made in the year in relation to engagement on the Learning Disability Strategy.

Further work is required to progress with implementing delegated hospital budgets and set aside requirements, in collaboration with the Scottish Government, NHS Ayrshire and Arran and other Ayrshire partnerships.

Value for money

The IJB continues to have a clear and robust performance management framework in place which analyses data, tracks progress and identifies actions. Challenges remain in responding to the pandemic particularly with delayed discharge. Regular reporting on performance is provided to the Performance and Audit Committee and the IJB.

Best value - The IJB has sufficient arrangements in place to secure best value and has a clear understanding of areas which require further development.

Key messages (continued)

Next steps

An agreed Action Plan is included on pages 22 to 25 of this report, including a follow-up of progress against prior year actions.

Added value

Our aim is to add value to the IJB by providing insight into, and offering foresight on, financial sustainability, risk and performance by identifying areas for improvement and recommending and encouraging good practice. In so doing, we aim to help the IJB promote improved standards of governance, better management and decision making, and more effective use of resources. This is provided throughout the report.

We have also included our “sector developments” on pages 18 to 20 where we have shared Audit Scotland’s national reporting and our research and informed perspective and best practice from our work across the wider public sector that are specifically relevant to the IJB.

Financial management

Is financial management effective?



Are budget setting and monitoring processes operating effectively?



Is there sufficient financial capacity?



Financial Management

Significant risks identified in Audit Plan

In previous years we have concluded that the IJB had effective financial management arrangements in place and a sufficiently qualified and experienced finance team. We therefore did not identify any significant risks in relation to financial management during our planning. We have continued to review the arrangements in place as summarised on the following pages.

Current year financial performance

The 2021/22 budget of £200.170m, including set aside, was approved by the IJB on 24 March 2021. The budget has been updated throughout the year to include in-year movements and the latest projected position is a net underspend of £4.878m (2.4%). The Partnership Senior Management Team and Board members regularly review progress against budget throughout the year, with quarterly reporting to the IJB. From review of the reporting throughout the year, variances are clearly reported and explained.

The net underspend is a combination of an underspend of £3.658m in services commissioned from South Ayrshire Council, an underspend of £0.640m on services commissioned from NHS Ayrshire and Arran and an underspend of £0.580m from the Lead Partnership arrangements.

The budget incorporated planned savings of £3.393m. The latest projections have highlighted that the majority of these savings are on track to be achieved, with a small balance of £0.116m not expected to be achieved due to delays as a result of the COVID-19 pandemic.

As part of the response to the pandemic, the Health and Social Care Partnership developed a mobilisation plan detailing the additional activities to support its response, alongside the estimated financial impact. Financial returns have continued to be submitted during 2021/22 with the latest estimated financial impact being £4.652m. While there is a risk that the full costs will not be funded as not confirmed in writing, the assumption is that these costs will be fully met by the Scottish Government.

Financial management (continued)

Finance capacity

The finance team has remained consistent throughout the year. Whilst COVID-19 has created additional work for the team, including the additional reporting requirements to the Scottish Government, this is being well managed.

Internal audit

We have assessed the internal audit function, including its nature, organisational status and activities performed. While the IJB specific internal audit work has not yet concluded, we have carried out a review of the internal audit reports published throughout 2021/22 for both South Ayrshire Council and NHS Ayrshire and Arran. The conclusions have helped inform our audit work where applicable to the IJB, although no specific reliance has been placed on this work. From this work, we are aware that the Council internal audit team has resourcing challenges, with a significant amount of work to be delivered in quarter 4 of the financial year. Any impact on the assurance provided to the IJB needs to be closely monitored.

The 2021/22 IJB Internal Audit Plan was approved by the Performance and Audit Committee in May 2021. In addition to reviews carried out within the parent organisation, the IJBs own internal audit plan included an assignment to carry out a review of risk management. This work was scheduled for quarter four of 2021/22 and therefore has not yet been formally reported.

We will consider the work of internal audit as part of our audit work on the Annual Governance Statement and report our conclusions in our final report to the Committee in August 2022.

Standards of conduct for prevention and detection of fraud and error

We have assessed the IJB's arrangements for the prevention and detection of fraud and irregularities, which relies to an extent on the arrangements in place in the respective parent organisations. This has included specific considerations in response to the increased risk of fraud as a result of COVID-19. Overall, we found the IJB's arrangements to be to be designed and implemented appropriately.

Deloitte view – financial management

The IJB continues to have effective budget setting and monitoring arrangements in place. This is supported by an experienced finance team and an internal audit function, as well as appropriate arrangements for the prevention and detection of fraud and error.

The South Ayrshire Council internal audit function has experienced resourcing challenges in the year, therefore it is critical that any impact on the IJB is closely monitored.

Financial sustainability



Significant risks identified in Audit Plan

While the IJB has achieved short term financial balance over recent years, there remains a risk that robust medium-to-long term planning arrangements are not in place to ensure that the IJB can manage its finances sustainably and delivery services effectively. We have therefore considered the 2022/23 budget setting process and the work being done over the medium and longer-term as summarised on the following pages.

2022/23 budget setting

The IJB approved a balanced budget of £222.646m (inclusive of the estimated set aside budget of £28.311m) for 2022/23 on 16 March 2022. Due to the increase in funding from the Scottish Government, there was no gap between the funding available and identified pressures, therefore no savings have been incorporated into the approved budget.

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

- The pending pay award for Local Government and NHS staff;
- The negotiated uplifts for the National Care Home Contract; and
- The ongoing response to the COVID-19 pandemic and impact on costs.

Board members were fully involved in the budget process in advance of the formal budget setting meeting. This included the IJB Budget Working Group who scrutinised the pressures and prioritised those proposed for approval.

Financial sustainability (continued)

2022/23 budget setting (continued)

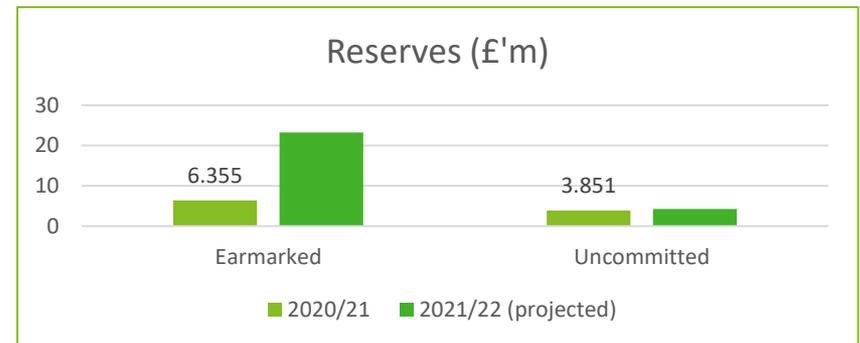
The costs associated with responding to the COVID-19 pandemic have been fully funded by the Scottish Government in 2020/21 and 2021/22. The final costs for 2022/23 and future years will depend upon the recovery timescale. In February 2022 the Scottish Government confirmed further funding to NHS Boards and IJBs to meet COVID-19 costs and to support the continuing impact of the pandemic. A sum of £12.731m has been allocated to South Ayrshire IJB, with £0.354m required to offset unfunded costs from 2021/22, resulting in £12.377m being carried forward as an earmarked balance within the IJB reserves.

In addition to the COVID-19 funding, in October 2021 the Scottish Government announced significant investment for health and social care. In response to this, the IJB approved its Winter 2021/22 Investment Plan in February 2022, which provided specific details on the investment allocation to meet the specific priorities and key performance indicators defined by the Scottish Government. This was reflected in the approved 2022/23 budget. This is a positive step towards improving the links between budgets and outcomes as this funding is specifically targeted at key priorities.

Reserves

At the time of approval of the 2022/23 budget on 16 March 2022, the IJB carried out its annual review of its reserves in line with good practice. It's Reserves Strategy recommends that the IJB will aspire to hold at least 2% of its annual budgeted expenditure as an uncommitted reserve, which equates to £4.469m. In recognition of the continuing financial pressures, this optimal reserves balance is considered aspirational, with the current projected balance of £4.244m, slightly below this level.

The projected reserves position as at 31 March 2022 is illustrated below.



Financial sustainability (continued)

Reserves (continued)

The earmarked balance incorporates the £12.377m COVID-19 funding received from the Scottish Government, explaining the significant projected increase in the balance. The earmarked reserve balance relates to ring-fenced funding for a number of projects including £3.851m to support change activity. It is important that clear plans are developed and monitored to demonstrate how these funds will be used to help transform services.

Medium-to-long term financial planning

In previous years audits, we have continued to recommend that the IJB update its Medium-Term Financial Plan (MTFP), which was last updated in January 2020. This is required to ensure that the IJB can manage its finances on a sustainable basis, aligned to effective service delivery.

Given the continuing levels of uncertainty and in particular with the ongoing response to the pandemic and the planned National Care Service for Scotland, a detailed update to the MTFP has not been progressed. Management plan to develop this following the publication of the Scottish Government's updated Health and Social Care Medium-Term Financial Framework, which is expected in the second half of 2022. This detailed plan will be presented to a future meeting of the IJB for approval.

Transformational change

In our 2020/21 report we concluded that the IJB was progressing with its transformation programme, however, significant work was still required to make the level of lasting long-term transformational change needed to ensure financial sustainability.

In setting its 2021/22 budget, the IJB approved its Transformation Programme. Specific funding was also earmarked to invest in transformational change activity to reduce the financial impact in future years and continue to improve service delivery aligned to the new Strategic Plan and Caring for Ayrshire. For example, funding was agreed to increase capacity within the Children and Family teams to increase the number of kinship and foster carers the partnership can support. The expected outcome of this is to reduce the need for expensive outwith authority placements.

As noted on page 5, the achievement of savings as a result of transformational change activity is monitored through the quarterly finance reports, with savings largely on track. Monitoring of the wider benefits of the transformation projects, and impact on outcomes, is monitored at different levels depending on the individual project, for example the projects for Community Care and Health are monitored in Driving Change groups chaired by the Head of Community Care and Health.

Financial sustainability (continued)

Transformational change (continued)

There is no consistent, overarching approach to monitoring the achievement of benefits. We would recommend a more structured approach to monitoring the transformational change to ensure that all projects are monitored and regular reporting provided to the IJB to give assurance that both the financial and operational benefits expected are on track. Management has confirmed that update reports have recently been presented to the Budget Working Group and will be monitored through that group on a monthly basis.

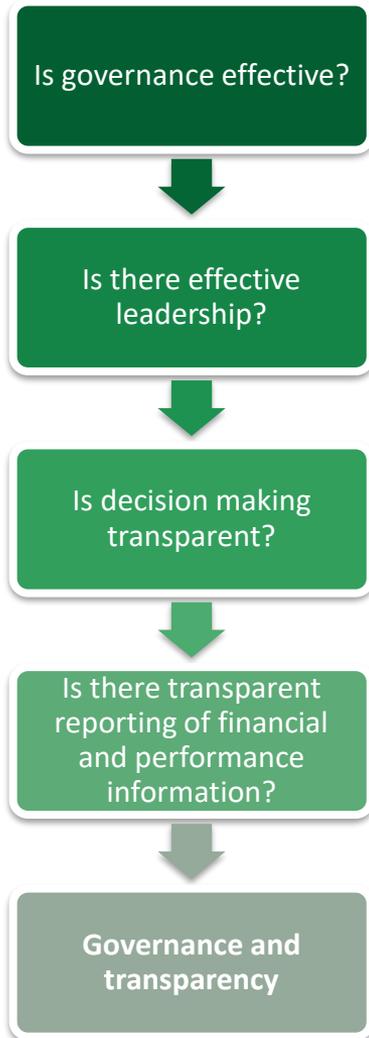
Deloitte view – Financial sustainability

The IJB has set a balanced budget for 2022/23 therefore is financially sustainable in the short term, although, its level of unearmarked reserves are slightly below its aspirational level set within its Reserves Strategy. The IJB has not refreshed its medium-term financial plan given the levels of uncertainty, and therefore is unable to demonstrate that it is financially sustainable in the medium to longer-term.

It is positive to see that specific focus has been given to transformation change in setting budgets. Progress continues to be impacted by the ongoing response to the pandemic. Significant earmarked reserves are projected to be carried forward into future years. It is critical that detailed plans are developed to demonstrate how these funds will be used to make transformational change.

Significant work is still required to make the level of lasting long-term transformational change needed to ensure financial sustainability. It is important that tools are developed to consistently track the benefits achieved (both financial and outcomes) from the transformational change to demonstrate that it is achieving the desired outcomes.

Governance and transparency



Significant risks identified in Audit Plan

In previous years we have concluded that the IJB had strengthened its leadership team and improved its governance and scrutiny arrangements. We therefore did not identify any significant risks in relation to governance and transparency during our planning. We have, however, continued to review the work of the IJB and its Committees, as summarised on the following pages.

Leadership

As noted above, the Partnership Senior Management Team had strengthened in recent years. There have, however, been some recent changes with the departure of the Chief Social Work Officer and Senior Manager (Planning and Performance), with both posts recently filled although yet to start. It is important that this transition is closely monitored to ensure sufficient capacity to progress with the priorities set out within the Strategic Plan.

Governance and scrutiny arrangements

We have reviewed meetings attendance from the past year and confirm that there has been adequate attendance. In addition, from attendance at meetings we can confirm that there is sufficient scrutiny and challenge exercised by members during the meetings.

As a result of COVID-19 and associated restrictions, meetings of the IJB and its committees have taken place via a hybrid model of face-to-face meetings with members and officers attending remotely via MS Teams since June 2020. In October 2021, following the successful implementation and testing of the “Public-I” platform, South Ayrshire Council agreed to allow access to the public and press via live webcasting of all meetings. This is being extended to the IJB. The public have, however, continued to be invited to attend IJB meetings via MS Teams.

The Performance and Audit Committee continues to be a key element of the governance arrangements in place. It has provided oversight and scrutiny of the Strategic Risks, with an updated Strategic Risk Register considered by the Committee in November 2021.

Governance and transparency

Openness and transparency

Agendas, papers and minutes of the IJB and its Committees are available through its website, thereby continues to demonstrate openness and transparency of decision making and performance information (which is considered further on page 14).

As reported in our 2020/21 report, the IJB had taken steps to address the underlying issues which arose in relation to the Kyle Day Centre. A full review has taken place of the Learning Disability Strategy through the Strategy Development Group which consists of partners from South Ayrshire Council, NHS Ayrshire and Arran, Third Sector, parents and person who receive support. The Scottish Commission for Learning Disabilities has also supported the IJB in this process. The IJB has therefore improved its process for engagement, enhancing its openness and transparency.

Set aside arrangements

In our 2020/21 report we recommended that the IJB continue to make progress with implementing delegated hospital budgets and set aside requirements. This was recognised as an area requiring further development by the Ministerial Strategic Group.

Progress had stalled due to the priority of managing COVID-19 responses. The pilot project on 'fair share' commissioning through the use of Directions has recommenced on a pan-Ayrshire basis. This project will seek to ensure that delegated hospital budgets and Set Aside budget requirements can be fully implemented.

Deloitte view – Governance and transparency

The IJB continues to have strong leadership, however, the impact of recent departures and new appointments need to be closely monitored. The governance arrangements also continue to be robust and the IJB continues to be open and transparent, with improvements made in the year in relation to engagement on the Learning Disability Strategy.

Further work is required to progress with implementing delegated hospital budgets and set aside requirements, in collaboration with the Scottish Government, NHS Ayrshire and Arran and other Ayrshire partnerships.

Value for money



Significant risks identified in Audit Plan

In previous years we have concluded that the IJB had an embedded performance management culture. Performance with delayed discharge was showing improvement during 2020/21 reflecting the targeted work being done to address this. Given the ongoing pressures across the health and care system, there remains a risk that performance reporting has not been timely, reliable, balanced and transparent. We have therefore reviewed the performance reports presented at the IJB to assess the extent of openness and transparency during the year, as summarised on the following pages.

Performance management framework

The IJB continues to have a well-established performance management framework in place with regular reports taken to the IJB's Performance and Audit Committee. It monitors progress against the strategic priorities set out within the strategic commissioning plan as well as progress against individual strategies. The March 2022 Committee received the following progress reports:

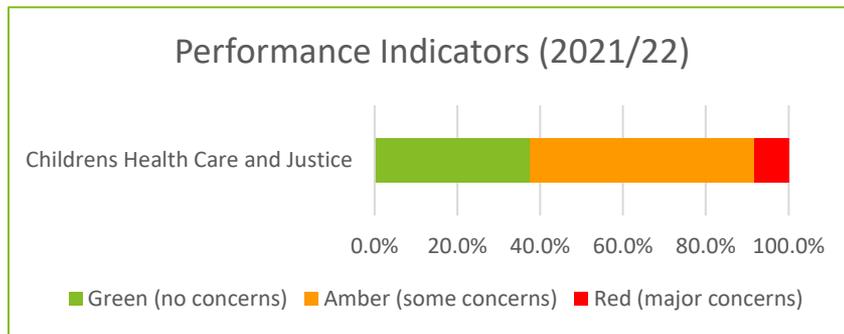
1. Children's Health Care and Justice – 6 monthly performance report.
2. Progress report on the Dementia Strategy 2018-2023.
3. Progress report on Social Isolation and Loneliness Strategy 2018-2021.
4. Progress Report on Young Carers Strategy 2021-2026.
5. Progress Report on Adult Carers Strategy 2019-2024.
6. Progress Report on the Sexual Exploitation Strategy 2020-2025.

The Annual Performance Report 2020-21 was approved by the IJB in November 2021.

Value for money

Performance data

The latest performance for Children’s Health Care and Justice is summarised below:



The report to the Committee highlights the areas of focus from those indicators categorised as “Red”, with an update on remedial action being taken.

The performance reports for adult services, within Community Health and Care, were considered through “SAHSCP Briefings” in 2021/22 rather than the full performance reports. These were weekly reports focussing on the specific areas of performance related to the risks associated with COVID-19, including delayed discharges, care home outbreaks, staffing vacancies and interim beds.

In addition to this, daily reports were considered by the management team in relation to delayed discharge.

In our 2020/21 report we highlighted that performance with delayed discharge was showing improvement during 2020/21 reflecting the targeted work being done.

At 5 May 2021, there were 36 cases of delayed discharge. Despite focussed work in this area, performance has declined during 2021/22, with the latest information at 11 May 2022 reporting 69 cases. The majority of these are due to awaiting Care at Home packages which is being impacted by staff vacancies and sickness.

The HSCP, along with NHS Ayrshire and Arran is part of a national pathfinder programme in relation to Discharge without Delay.

Deloitte view – Value for money

The IJB continues to have a clear and robust performance management framework in place which analyses data, tracks progress and identifies actions. Challenges remain in responding to the pandemic particularly with delayed discharge. Regular reporting on performance is provided to the Performance and Audit Committee and the IJB.

Best value

It is the duty of the IJB to secure **Best Value** as prescribed in Part 1 of the Local Government in Scotland Act 2003. We have a statutory duty to be satisfied that the IJB have made proper arrangements for securing BV.

Duty to secure Best Value

1. It is the duty of the IJB to make arrangements which secure Best Value.
2. Best Value is continuous improvement in the performance of the IJB's functions.
3. In securing Best Value, the IJB shall maintain an appropriate balance among:
 - a) The quality of its performance of its functions;
 - b) The cost to the IJB of that performance; and
 - c) The cost to persons of any service provided by the IJB for them on a wholly or partly rechargeable basis.
4. In maintaining that balance, the IJB shall have regard to:
 - a) Efficiency;
 - b) Effectiveness;
 - c) Economy; and
 - d) The need to make the equal opportunity requirements.
5. The IJB shall discharge its duties in a way that contributes to the achievement of sustainable development.
6. In measuring the improvement of the performance of an IJB's functions, regard shall be had to the extent to which the outcomes of that performance have improved.

Our BV audit work is integrated into our audit approach, including our work on the audit dimensions discussed on pages 5 to 14. Through our annual audit work, discussed further within this report, the IJB continues to have a number of arrangements in place to secure best value, including an established governance framework, strong leadership, and a comprehensive performance management framework.

The IJB recognises that it must commission services within the financial resources available and, as noted elsewhere in this report, and in common with other IJBs, continued work will be required to deliver long-term financial sustainability. The progress with transformational change programme is a positive step, with resources now being allocated to drive forward the change required.

Deloitte view – Best Value

The IJB has sufficient arrangements in place to secure best value and has a clear understanding of areas which require further development.

Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Performance and Audit Committee and the IJB discharge their governance duties.

The scope of our work

We described the scope of our work in our audit plan.

Use of this report

This report has been prepared for the IJB, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose.

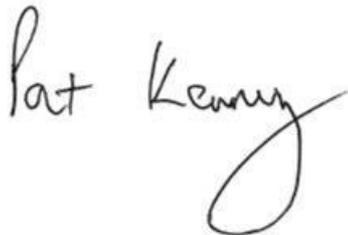
What we don't report

As you will be aware, our audit was not designed to identify all matters that may be relevant to the IJB.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

We welcome the opportunity to discuss our report with you and receive your feedback.



Pat Kenny, CPFA
For and on behalf of Deloitte LLP
Glasgow | 6 June 2022

Sector developments



Local government in Scotland

Financial overview 2020/21

Background and overview

The Accounts Commission published its Local government in Scotland financial overview 2020/21 in March 2022. This covers the first full year that makes clear the impact of COVID-19. It also looks ahead to the medium to longer-term financial outlooks for Councils. While specifically referring to Councils, a number of the key messages are equally relevant for IJBs.

Key messages

Local government finances 2020/21

- The Covid-19 pandemic persisted throughout 2020/21, with the Scottish Government increasing funding to councils by £1.5 billion to support them in dealing with the impacts of the pandemic.
- When Covid-19 funding is excluded, there has been a real terms underlying reduction of 4.2 per cent in local government funding since 2013/14.
- The underlying increase in Scottish Government funding of £358 million in 2020/21 was 1.1 per cent in real terms. But, over half of this increase is due to specific grants. Ring-fenced funding helps support delivery of key Scottish Government policies but constrains a proportion of the total funding and resources and removes any local discretion over how councils can use these funds.
- Councils' income from customers and clients was affected by Covid-19 restrictions and fell by £0.5 billion.
- In 2020/21, all councils reported surpluses and increased their usable reserves. The total increase in reserves was £1.2 billion (46 per cent). This increase was mainly due to late Covid-19 funding, which was unspent at 31 March 2021.
- Councils administered a further £1.4 billion of Covid-19 grants on behalf of the Scottish Government in 2020/21, putting additional pressure on finance staff across councils.

Medium and longer-term outlook for local government finances

- Scottish Government capital funding to councils is expected to fall again in 2021/22.
- Uncertainty over the amount of funding available for Covid-19 recovery at the end of 2020/21 led to difficulties in setting budgets, and many councils established updated Covid-19 budgets in autumn 2021.
- Covid-19 resulted in revised medium-term financial plans, but longer-term planning will need to be updated as Covid-19 uncertainty diminishes.

Local government in Scotland (continued)

Financial overview 2020/21 (continued)

Key observations

Reserves – Most of the increase in the general fund is committed to Covid-19 recovery.

Financial management and transparency - Management commentaries in councils accounts have improved, but many are still not complying with previous recommendations on transparency

Budgets for 2021/22 - The uncertainty over the funding position for Covid-19 at the end of 2020/21 led to issues in budget setting and many councils established Covid-19 budgets in autumn 2021

Medium and long-term financial planning - Covid-19 resulted in revised medium-term financial plans, but longer-term planning will need to be updated as Covid-19 uncertainty diminishes.

Audit Scotland Recommendations

Elements of Covid-19 funding that are being carried forward in general earmarked and unearmarked reserves in the accounts should be clearly identified.

We recommend again that councils review and improve how they comply with these key expectations of transparency, in particular:

- Is the outturn against budget position for the year clearly shown, and are the reasons for significant variances obvious?
- Is the outturn reported in the narrative reconciled to the movement in the general fund contained in the financial statements, and are major differences explained?
- Is progress against agreed savings reported?

We expect councils to agree spending plans and timescales for Covid-19 recovery reserves with the relevant decision making committee.

All councils will now need to revise medium-term financial plans to reflect additional financial pressures and updated funding arrangements and to account for updated savings requirements and financial assumptions. Councils should also review longer-term planning as Covid-19 uncertainty diminishes.

Next steps

The IJB should consider each of the above recommendations (where they equally apply to IJBs and Councils) and incorporate into plans where not already considered. The full report is available through the following link: [Local government in Scotland: Financial overview 2020/21 | Audit Scotland \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk/local-government-in-scotland-financial-overview-2020-21)

Reimagining social care – recasting the social safety net

Deloitte insights

Background and overview

Rising costs, limited growth of government revenues, and increasing client expectations are compelling governments to not just repair, but to reweave, the social safety net in order to provide equitable, seamless, and effective services.

Governments rely on income assistance and social care services to protect their most vulnerable citizens. But around the globe, many social safety nets are fraying. The COVID-19 pandemic exacerbated homelessness and other economic disparities in many countries.

In the face of rising costs and client expectations, agencies are re-examining how they and their partners can provide equitable, seamless, and effective social services. They're shifting their focus to prevention—attacking problems at their root, intervening early to keep small issues from growing, and creating pathways to greater self-sufficiency and resilience. The goal is less to patch up the safety net than to reweave it entirely.

The full article available here [Recasting the social safety net | Deloitte Insights](#), with some key highlights summarised below.

Trend Drivers

- The COVID-19–induced economic disruption
- Demand for social care is growing
- Declining job quality
- Many governments can't afford to strengthen their social safety nets



Trend Actions

Many policymakers and service providers are shifting their emphasis from treatment to prevention. They're creating more “wraparound” social services that integrate access to income assistance, child care, health services, housing aid, and other supports to help clients in crisis achieve stability more quickly. They're investing in programs intended to boost the resilience of individuals and communities. And they're looking at ways to plug the gaps in the safety net to accommodate new ways of working.



Moving forward

The pandemic has presented a once-in-a-generation opportunity to create a social care system designed for today's needs. Here are a few steps that can help leaders achieve long-term success:

- Free caseworkers from repetitive tasks
- Embrace a human-centred mindset
- Adopt an ecosystem approach
- Make data and evidence actionable
- Invest in outcomes and remunerate based on results

Action plan



Action Plan

We have followed up the recommendations made in our previous years audits. We are pleased to note that one recommendation has been fully implemented and three partially implemented.

Recommendation	Management Response	Priority	Management update 2021/22
<p>1.1 Financial sustainability Details transformation plans need to be developed and implemented at pace to ensure that the projected efficiencies are achieved. The IJB must ensure that sufficient resources are in place to manage this plan, and have a clear benefits tracker in place to demonstrate that the transformation initiatives are achieving the desired results, as recommended in our 2018/19 report.</p>	<p>Transformation plans developed in line with Project Charters completed in relation to Transformation activities, measurements identified and teams are in process of collating data to measure actual progress against target.</p> <p>Appendix 4 in the IJB Budget 21-22 details the Transformation Programme</p> <p>Responsible Person: Chief Finance Officer</p> <p>Target Date: 31 March 2022</p>	<p>High</p>	<p>Transformation Plans were developed in line with Project Charters detailing transformation activities and expected outcomes to progress and approved in the budget for 2021-22.</p> <p>The continued response to the pandemic, meant the expected outcomes from the activities were monitored on a daily and weekly basis reviewed by Directorate Management Team daily in order to direct resources. Regular updates were provided to IJB in the monthly directors' report.</p> <p>Partially implemented – As discussed on page 10, we recommend a more structured approach to monitoring the benefits of the transformation change.</p> <p>Revised target date: 31 March 2023</p>

Action Plan (continued)

Recommendation	Management Response	Priority	Management update 2021/22
<p>1.2 Budget process</p> <p>We recommended the following improvements to the budget setting process:</p> <ul style="list-style-type: none"> • There needs to be a link between the budgeted spend and the IJB's priorities as set out in the Strategic Commissioning Plan. • There needs to be improved links between the budget and outcomes: there is no information of the outcomes the IJB expects to be progressed (and to what extent) by the budget, which makes it difficult for the IJB to assess to what extent budgetary decisions are impacting on outcomes achieved. 	<p>We recommended the following improvements to the budget setting process:</p> <ul style="list-style-type: none"> • There needs to be a link between the budgeted spend and the IJB's priorities as set out in the Strategic Commissioning Plan. • There needs to be improved links between the budget and outcomes: there is no information of the outcomes the IJB expects to be progressed (and to what extent) by the budget, which makes it difficult for the IJB to assess to what extent budgetary decisions are impacting on outcomes achieved. <p>Responsible Person: Chief Officer/Chief Finance Officer</p> <p>Target Date: 30 March 2020 (revised to 31 March 2022)</p>	<p>Medium</p>	<p>This is a National issue linking budgets to outcomes, as budgets can meet various outcomes and spend is not directly identifiable to specific outcomes.</p> <p>Guidance would be welcome from Audit Scotland on how this can be achieved and examples where IJB's have been able to link budgets to outcomes.</p> <p>During the last two years there has been clearer direction from the Scottish Government on outcomes expected from additional funding and investment is ongoing in data analytics to ensure capture of the right data to measure outcomes.</p> <p>The identified outcomes from the additional funding will partially link budget spend to outcomes.</p> <p>Partially implemented</p> <p>Revised Target date: 31 March 2023</p>

Action Plan (continued)

Recommendation	Management Response	Priority	Management update 2021/22
<p>2.1 Governance and scrutiny arrangements</p> <p>The areas identified from the review of the Integration Scheme must be progressed during 2020/21.</p> <p>The IJB should continue to review all governance documents to ensure they are up to date and fit for purpose</p>	<p>Issues emerging from the review of the Integration Scheme have been addressed in part including the status of Children's services. Action in relation to the remaining issues associated with funding have been delayed first by response to Covid-19 pandemic and more recently decision has been made to await consultation on future of integrated services following the publication of the Independent Review of Adult Social Work Services</p> <p>Responsible Person: Chief Officer/Chief Finance Officer</p> <p>Target Date: 31 March 2022</p>	<p>Medium</p>	<p>Work has been undertaken during the year at a Pan-Ayrshire level to map activity data (bed days, admissions, discharges) against costs for the set aside budget.</p> <p>This year is being used to analyse the data and ensure work will progress that delegated budgets and set aside budget requirements can be implemented going forward. However, this may be superseded by the impact of the National Care Service.</p> <p>Partially implemented</p> <p>Revised Target date: 31 March 2023</p>

Action Plan (continued)

Recommendation	Management Response	Priority	Management update 2021/22
<p>2.2 Openness and transparency</p> <p>The IJB should complete its review of the circumstances around the Kyle Day Centre case to further examine and strengthen a number of governance processes including those associated with public consultation and the decision making relationships between the IJB and Council governance structures. Lessons learned should be reported back to the IJB. Internal Audit should also consider this in future audit programmes. Internal Audit have already built this into their 2020/21 internal audit plan</p>	<p>The IJB has embarked on a full review of the Learning Disability Strategy. The review will include consideration of how day services might respond in future to the emerging patterns of need for people with a learning disability, taking particular account of the experience during the Covid-19 crisis.</p> <p>Responsible Person: Chief Officer</p> <p>Target Date: 31 March 2021 (revised to 31 March 2022)</p>	High	<p>A full review has taken place of the current Learning Disability Strategy 2018-2023 to develop a new Strategy which will cover the period 2022-2027. The new Strategy has been developed by the Strategy Development Group which consisted of partners from SAC, NHS, Third Sector, parents and a person who receives support. The Scottish Commission for Learning Disabilities has been supporting this process and also attend the Development Group. A Steering Group feeds into the Development Group and members of the Steering Group include people with learning disabilities, carers and providers. The Steering Group will not continue once the strategy has been developed. However, the Champions Board (consisting of people with learning disabilities, carers and providers) will be an ongoing group for to hold the HSCP o account on delivering what is set out in the strategy. An initial consultation took place from August to November 2021 to inform the draft strategy. A variety of methods were used: an online and paper survey, online and in-person focus groups, third sector providers forum, 1-1 meetings with managers and a staff survey. The draft strategy will be published for public consultation on 4th March 2022. Updates on the progress of the strategy have been submitted to SPAG on a regular basis and IJB were updated on the progress at its meeting in February 2022.</p>

Fully implemented



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