



## RISK, AUDIT AND PERFORMANCE COMMITTEE

<b>Date of Meeting</b>	27 April 2021
<b>Report Title</b>	National Updates
<b>Report Number</b>	HSCP.21.016
<b>Lead Officer</b>	Alex Stephen, Chief Finance Officer
<b>Report Author Details</b>	Alex Stephen Job Title: Chief Finance Officer alestephen@aberdeencity.gov.uk
<b>Consultation Checklist Completed</b>	Yes
<b>Appendices</b>	Appendix A - Local Government in Scotland: Financial Overview Appendix B – National Health Service In Scotland 2020 Report

### 1. Purpose of the Report

- 1.1. To present to the Risk, Audit and Performance Committee (RAPC) the Audit Scotland Financial Overview Report as published by the Accounts Commission from their high-level independent analysis of the financial performance of councils and Integration Joint Boards (IJBs) during 2019/20 and their financial position at the end of that year; and
- 1.2. To present to RAPC the National Health Service in Scotland 2020 Report as published by the Auditor General for Scotland.

### 2. Recommendations

- 2.1. It is recommended that the Risk, Audit and Performance Committee (RAPC):
  - a. Note the content of Appendix A - the Local Government Financial Overview report 2019/20.
  - b. Note the content of Appendix B – National Health Service in Scotland 2020 report.



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### **3. Summary of Key Information**

#### **Local Government**

- 3.1. Appendix A, the Financial Overview Report is an annual report prepared by Audit Scotland on the 2019/20 financial performance of councils and IJBs and their financial position at the end of that year. The report also looks ahead and comments on the financial outlook for councils and IJBs. The reporting on IJBs can be found from page 30 in Appendix A.
- 3.2. The report recognises that Councils and Integration Joint Boards (IJB's) play a vital role in supporting Scotland's communities, and that this has been amplified by the Covid-19 global pandemic. In 2019/20, before the pandemic really took hold in Scotland, the financial impact of Covid-19 was limited.
- 3.3. During 2020/21 the financial impact of the pandemic on public services whilst recognised in the report as extreme, also acknowledges at the same time the strength and resilience of many communities as they have worked with public service partners to provide invaluable support to those who need it most.
- 3.4. The Financial Overview Report is one of two overview reports that the Accounts Commission publishes each year. The second report, commenting on councils' initial response to the Covid-19 pandemic, will be published in May 2021.
- 3.5. Audit Scotland has published a Guide for audit and risk committees (Appendix A, page 4), to support effective scrutiny of how public bodies have responded to Covid-19. This covers key areas, including internal controls and assurance, financial management and reporting, governance and risk management. The guide highlights that good governance, strong financial management and transparency of decision making will be critical for local government bodies in dealing with the implications and fallout from the pandemic.

#### **National Health Service (NHS)**

- 3.6. Appendix B presents a report published by the Auditor General for Scotland in February 2021 on the NHS for 2020. This report outlines the response to the pandemic by the NHS in Scotland and presents an overview of its financial and operational performance for 2019/20 (found at Appendix 1, page 37 within Appendix C to this report).
- 3.7. The report acknowledges that the Covid-19 pandemic created a unique and challenging set of circumstances for the NHS in Scotland, and notes that the



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Scottish Government and NHS in Scotland's response to Covid-19 continues to develop as the pandemic progresses. The report comments that policy and guidance are being updated frequently and the findings reflect the situation in January 2021.

- 3.8. The longer-term impact of Covid-19 on the NHS in Scotland will be included in the 2021 report.

### 4. Implications for IJB

- 4.1. **Equalities** – there are no direct implications arising from this report.
- 4.2. **Fairer Scotland Duty** – there are no direct implications arising from this report.
- 4.3. **Financial** – The Chief Finance Officer for the Aberdeen City Health & Social Care Partnership is required to set out a balanced financial plan for services delegated to the Integration Joint Board in accordance with the integration scheme. There is robust financial monitoring against the plan.
- 4.4. **Workforce** - there are no direct implications arising from this report.
- 4.5. **Legal** – there are no direct implications arising from this report.
- 4.6. **Other** – there are no other implications arising from this report.

### 5. Links to ACHSCP Strategic Plan

This report links to all aims within the ACHSCP strategic plan – prevention, resilience, personalisation, connected and communities.

### 6. Management of Risk

#### 6.1. Link to risks on strategic or operational risk register:



A risk of IJB financial failure with demand outstripping available budgets.

#### 6.2. How might the content of this report impact or mitigate these risks:

Audit Scotland reporting and the updated guidance on internal controls and assurance, financial management and reporting, governance and risk management which are complemented by our own robust monitoring of expenditure.



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Approvals	
	Sandra Macleod (Chief Officer)
	Alex Stephen (Chief Finance Officer)