

Principle 1: *The Chief Financial Officer in a local authority is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest.*

Statement	Evidenced by
<p>Requirement: Set out a clear statement of the respective roles and responsibilities of the Leadership Team and its members individually.</p>	
<p>The IJB Leadership Team:</p> <ul style="list-style-type: none"> • has a clear statement of its respective roles and responsibilities. 	<ul style="list-style-type: none"> • Job Descriptions of the IJB Leadership Team Members. • IJB Leadership Team Structure. • IJB Leadership Team Minutes.
<p>Requirement: Ensure the CFO reports directly to Chief Executive and is a member of the leadership team with at least equal status to other members</p>	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> • is a member of the IJB Leadership Team and an advisor to the Integration Joint Board and the two leadership forums. • reports directly to the Chief Officer with a status at least equivalent to the other Leadership Team members. 	<ul style="list-style-type: none"> • IJB Leadership Team Structure. • IJB Leadership Team Minutes. • IJB minutes and reports.
<p>Requirement: Determine a scheme of delegation and reserve powers, including a formal schedule of those matters specifically reserved for collective decisions by the Board and these should be reviewed.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> • Is governed by its standing orders and the integration scheme. • Terms of Reference have been agreed and reviewed for both sub committees. <p>NHS Grampian (NHSG) and Aberdeen City Council (ACC):</p> <ul style="list-style-type: none"> • Both have lists of powers reserved for officers and authorisation limits. 	<ul style="list-style-type: none"> • IJB Standing Orders/Integration Scheme. <i>(revised 26 April 2018)</i> • Sub Committee Terms of Reference. <i>(revised 26 April 2018)</i> • ACC schemes of delegation and Committee Terms of Reference. • IJB minutes and agendas.

Statement	Evidenced by
	<ul style="list-style-type: none"> • IJB Chief Officer and Chief Finance Officer - roles and responsibilities protocol • IJB Formal Directions Procedure
Requirement: Ensure that the IJB's Governance arrangements allow the CFO to influence all material business decisions and has direct access to Chief Executive, other leadership team members, the audit committee and external audit	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> • is a member of the Leadership Team and reports to the Chief Officer. • is responsible for the coordination of reports for the Audit and Performance Systems Committee. • is a non-voting member of the IJB. • is the IJB contact for external audit matters. 	<ul style="list-style-type: none"> • IJB Leadership Team Structure. • IJB Leadership Team Minutes. • AP&S Minutes. • IJB minutes and reports.
Requirement: Review the scope of the CFO's other management responsibilities to ensure financial matters are not compromised.	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> • has management responsibility for business management, infrastructure and assets, communications, organisational development, public health, strategy and transformation and is the IJB client manager for central support services. • management responsibilities are led and managed by suitably qualified staff and the CFO does therefore not feel that these responsibilities compromise financial matters. 	<ul style="list-style-type: none"> • IJB Leadership Team Structure. • IJB Leadership Team Minutes and Agendas.
Requirement: Assess the financial skills required by the leadership team and commit to developing these skills to enable their roles to be carried out effectively.	
<p>The IJB CFO:</p>	<ul style="list-style-type: none"> • IJB Leadership Team Minutes <p>Development Work:</p>

Statement	Evidenced by
<ul style="list-style-type: none"> • is confident that the Leadership Team members have the financial capabilities to perform their jobs effectively. 	<ul style="list-style-type: none"> • The CFO will develop and deliver financial training for IJB managers once the structure below the Leadership Team has been recruited.
<p>Requirement: Review partnership arrangements to ensure the authority always has access to financial advice in relation to its role in partnership</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> • has partnership relationships formally identified through the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. • has its own Chief Finance Officer to provide independent financial advice. • has agreed a budget protocol which establishes how future budgets should be agreed. • has developed and continues to develop relationships with care providers. • has a membership heavily influenced by its partners. • Has contract management arrangements for Bon Accord Care. <p>The IJB Chief Officer is a member of the NHS and ACC senior leadership teams.</p>	<ul style="list-style-type: none"> • Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. • IJB Leadership Team Structure. • Care provider forums. • IJB membership lists. • IJB Budget Protocol. • ACC corporate management team structure. • NHS Grampian Senior Leadership Team structure. • BAC quarterly contract management meetings agendas and minutes.

Principle 2: *The CFO in a local authority must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the authority’s overall financial strategy.*

Statement	Evidenced by:
Requirement: Establish a medium-term business and financial planning process to deliver the IJB’s strategic objectives.	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> works collaboratively with senior officers to produce a balanced budget which allows the services in the strategic plan to be delivered. has led the development of IJB Medium Term Financial Framework <p>The IJB:</p> <ul style="list-style-type: none"> agreed a budget protocol. held budget workshops with IJB members 	<ul style="list-style-type: none"> IJB Medium Term Financial Framework (<i>revised 12 March 2019</i>) IJB Budget Protocol. Slides from IJB/Senior management finance workshops. IJB budget timetable. Transformation plan <p>Development Work: Budget process development to include more strategic focus, a stronger link to transformation plans, which aim to cost return on investment by shift to a prevention/early intervention and health inequalities reduction approach and greater review of medium-term financial position.</p>
Requirement: Ensure that these are subject to continuing review of the assumptions	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> reviews the budget assumptions through the budget monitoring process. 	<ul style="list-style-type: none"> Regular budget monitoring reports to the IJB Medium Term Financial Framework (<i>revised 12 March 2019</i>)
Requirement: Ensure that professional advice on matters that have financial implications is available and recovered well in advance of decision making	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> reviews all IJB reports and signs these off from a financial perspective before publication. 	<ul style="list-style-type: none"> IJB reports and minutes
Requirement Ensure that budget calculations are robust and reserves adequate.	

Statement	Evidenced by:
<p>The IJB CFO:</p> <ul style="list-style-type: none"> Developed and regularly reviews a reserves strategy which was approved by the IJB. reviewed the reserve levels during the financial strategy work and requested the IJB ring fence funding as a 'risk reserve'. 	<ul style="list-style-type: none"> IJB reserve strategy. IJB minute approving reserve strategy. IJB Medium Term Financial Framework. (<i>revised 12 March 2019</i>)
<p>Requirement: Ensure those making decisions are provided with financial information which is relevant, timely and clear.</p>	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> reviews all IJB reports and signs these off from a financial perspective before publication. attends the IJB as a non-voting member and provides advice where and when appropriate. 	<ul style="list-style-type: none"> IJB reports and minutes. IJB Leadership Team Reports and Minutes.
<p>Requirement: Ensure that the authority meets its policy and service objectives and provided effective stewardship of public money and value for money in its use.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> has agreed a performance management framework which is regularly reviewed by the IJB and at the APS Committee. approves spend and issues directions for procurement spend over £50,000. <p>NHSG and ACC:</p> <ul style="list-style-type: none"> have procurement and financial regulations which demonstrate best value. 	<ul style="list-style-type: none"> IJB reports and minutes. IJB integration scheme. (<i>revised 27 March 2018</i>) IJB financial regulations (<i>revised 13 November 2018</i>) ACC Procurement regulations. ACC financial regulations. ACC delegated powers. NHSG schedule of reserved decisions. NHSG standing financial instructions. Formal Directions Procedures.
<p>Requirement: Ensure that authority maintains a prudential financial framework, keeps its commitment in balances with available resources, monitors income and expenditure levels and takes corrective action when necessary.</p>	
<p>The IJB CFO:</p>	<ul style="list-style-type: none"> Regular budget monitoring reports to the IJB.

Statement	Evidenced by:
<ul style="list-style-type: none"> reviews the budget assumptions through the budget monitoring process. <p>The Leadership Team:</p> <ul style="list-style-type: none"> review budget monitoring and where possible develop plans to rectify adverse movements in the financial position. 	<ul style="list-style-type: none"> Leadership Team – Agendas, Reports and Minutes.
<p>Requirement: Ensure the IJB understands the budgetary commitment of a contracted service including longer term financial implications.</p>	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> prepared an IJB Medium-Term Financial Framework <p>The IJB:</p> <ul style="list-style-type: none"> is provided with the financial implications of decision in future years in its reports. 	<ul style="list-style-type: none"> Transformation Update reports. IJB reports – financial implications sections. IJB Medium Term Financial Framework (<i>revised 12 March 2019</i>)
<p>Requirement: Ensure advice is provided on reserve levels in line with good practice.</p>	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> developed and regularly reviews a reserves strategy which was approved by the IJB. reviews the reserve levels during the financial strategy work and requested the IJB ring fence funding as a ‘risk reserve’. 	<ul style="list-style-type: none"> IJB reserve strategy. IJB minute approving reserve strategy. IJB Medium Term Financial Framework and covering report.
<p>Requirement: Ensure compliance with CIPFA’s prudential code for capital finance in local authorities and CIPFA’s Treasury Management in the Public Services Code of Practice.</p>	
<p>The IJB has no responsibility for treasury management.</p>	<p>NA</p>

Statement	Evidenced by:
Requirement: Ensure that appropriate management accounting systems, functions and controls are in place so finances are kept under review.	
NHSG and ACC: <ul style="list-style-type: none"> • provide the management accounting systems, functions and controls for the IJB. • these systems are reviewed regularly by internal audit. 	<ul style="list-style-type: none"> • Internal Audit Reports of ACC, NHSG and IJB. Internal Auditor's opinion on internal controls of ACC, NHSG and IJB.
Requirement: Ensure the provision of clear, well presented, timely, complete and accurate information and reports to budget holders.	
NHSG and ACC: <ul style="list-style-type: none"> • Finance managers provide financial information and advice to budget holders on a regular basis. 	<ul style="list-style-type: none"> • Budget monitoring reports and timetables for budget holders.
Requirement: Ensure that medium-term business and financial planning systems along with ongoing performance monitoring cover the services provided through partnerships and alternative delivery models.	
The IJB: <ul style="list-style-type: none"> • Receive full details and approve the budget for Bon Accord Care (BAC). • has considered a report on BAC's Strategic Plan • will receive BAC's Annual Report 	<ul style="list-style-type: none"> • IJB reports and minutes. • BAC quarterly contract monitoring meeting agendas and minutes.
Requirement: Ensure that the prudential financial framework accurately reflects the commitments and potential future impact of contracted future services.	
The IJB has no responsibility for treasury management.	N/A

Principle 3: *The CFO in a local authority must lead the promotion and delivery by the whole authority for good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.*

Statement	Evidenced By
<p>Requirement: Make the CFO responsible for ensuring appropriate advice is given on all financial matters, for keeping financial records and accounts, and maintaining an effective system of financial control.</p>	
<p>The IJB CFO:</p> <ul style="list-style-type: none"> has responsibility for these matter as indicated in the CFO job description. <p>The IJB:</p> <ul style="list-style-type: none"> needs to place assurance on ACC and NHS Grampian for some elements of the financial control system, which in turn are regularly reviewed by their internal audit functions. 	<ul style="list-style-type: none"> CFO Job description. ACC and NHS Grampian - annual accounts. Internal Audit's –Annual report and Statement on the internal control system – ACC, NHS Grampian and IJB.
<p>Requirement: Ensure that system and processes for financial administration, financial control and protection of the authority's resources and assets are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> needs to place assurance on ACC and NHS Grampian for some elements of the financial control system, which in turn are regularly reviewed by their internal audit functions. 	<ul style="list-style-type: none"> ACC and NHS Grampian - annual accounts. Internal Audit's –Annual report and Statement on the internal control system – ACC, NHS Grampian and IJB.
<p>Requirement: Ensure that the authority puts in place effective internal financial controls. Ensuring that these controls are an integral part of the IJB's underlying framework of corporate governance and that they are reflected in its local code.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> needs to place assurance on ACC and NHS Grampian for some elements of the financial control system, which in turn are regularly reviewed by their internal audit functions. 	<ul style="list-style-type: none"> ACC and NHS Grampian - annual accounts. Internal Audit's –Annual report and Statement on the internal control system – ACC, NHS Grampian and IJB. IJB local code of corporate governance. <i>(revised annually)</i>

Statement	Evidenced By
<ul style="list-style-type: none"> Through the AP&S committee, have developed a local code of corporate governance, in line with guidance from CIPFA/SOLACE. 	
Requirement: Address the IJB's arrangements for financial and internal control and for managing risk in annual governance reports.	
<p>The IJB:</p> <ul style="list-style-type: none"> has addressed these arrangements in the annual governance report and will continue to do so. 	<ul style="list-style-type: none"> The IJB accounts (annual governance statement).
Requirement: Publish annual accounts on a timely basis to communicate the authority's activities and achievements, its financial position and performance.	
<p>The IJB:</p> <ul style="list-style-type: none"> publishes its financial accounts on its website. provides members of the public the opportunity to inspect the accounts of the organisation in line with statutory process. 	<ul style="list-style-type: none"> Aberdeen City Health & Social Care Partnership website. Annual Accounts documents.
Requirement: Ensure an effective internal audit function is resourced and maintained.	
<p>The IJB:</p> <ul style="list-style-type: none"> has appointed an internal auditor. <p>The APS Committee</p> <ul style="list-style-type: none"> has received the internal audit annual plan at the APS Committee. has reviewed internal audit reports. 	<ul style="list-style-type: none"> Audit & Performance System agendas and minutes. IJB agenda and minutes.
Requirement: Develop and maintain an effective audit committee.	

Statement	Evidenced By
<p>The IJB:</p> <ul style="list-style-type: none"> has established an audit committee. 	<ul style="list-style-type: none"> Audit & Performance System agendas and minutes. Audit & Performance Systems terms of reference. <p>Development Work:</p> <ul style="list-style-type: none"> Need to establish a framework to review effectiveness. <i>Work undertaken with Chair to review APS duties and how these are being discharged (reported to APS on 11 September 2018)</i>
<p>Requirement: Ensure that the IJB makes best use of resources and that taxpayers and/or service users receive value for money.</p>	
<p>The NHS Grampian and ACC:</p> <ul style="list-style-type: none"> financial standing orders and procurement regulations which the IJB uses, which allows best value to be demonstrated. 	<ul style="list-style-type: none"> ACC Procurement regulations. ACC financial regulations. ACC delegated powers. NHSG schedule of reserved decisions. NHSG standing financial instructions.
<p>Requirement: Embed financial consequences in person specifications and appraisals.</p>	
<p>The NHS Grampian, ACC and IJB:</p> <ul style="list-style-type: none"> included financial responsibilities in job specifications where appropriate. 	<ul style="list-style-type: none"> Job Descriptions <p>Development Work: Review ACC/NHSGs' appraisal frameworks to determine whether finance is covered as a separate topic. <i>Will require approval from the partners given they are still the employers.</i></p>
<p>Requirement: Assess the financial skills required by managers and commit to develop those skills to enable their roles to be carried out effectively.</p>	
<p>The IJB:</p>	<ul style="list-style-type: none"> ACC and NHS Grampian training records.

Statement	Evidenced By
<ul style="list-style-type: none"> Is currently relying on the financial skills, regulations and budget management training provided by ACC and NHS Grampian. 	<p>Development Work:</p> <ul style="list-style-type: none"> Once the IJB leadership team is established a training programme will be developed.
<p>Requirement: Ensure that councillors' roles and responsibilities for monitoring performance/budget management are clear, that they have adequate access to financial skills, and are provided with appropriate financial training on an ongoing basis to help them discharge their responsibilities.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> had three financial workshops to discuss the budget. has a development plan. has inductions for new members. 	<ul style="list-style-type: none"> Slides and invitations for budget workshops. IJB development plan. CFO 'open door' policy for IJB member enquiries on any aspect of finance.
<p>Requirement: Ensure ongoing monitoring of assurance arrangements in respect of partnerships and alternative delivery models and that appropriate access to information is maintained.</p>	
<p>ACC:</p> <ul style="list-style-type: none"> has implemented a governance hub which seeks to review the arrangements of alternative delivery models such as Bon Accord Care. <p>The IJB:</p> <ul style="list-style-type: none"> has received the minutes of these meetings for information previously. 	<ul style="list-style-type: none"> Governance Hub agendas and minutes. IJB agendas and minutes.

Principle 4: *The CFO in a local authority must lead and direct a finance function that its resources to be fit for purpose.*

Statement	Evidenced By
<p>Requirement: Provide the finance function with the resources, expertise and systems necessary to perform its role effectively</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> • has established the role of CFO <p>ACC and NHS Grampian:</p> <ul style="list-style-type: none"> • provide the finance functions for the IJB. 	<ul style="list-style-type: none"> • IJB Leadership Team Structure. • NHS Grampian and ACC Finance Structures. <p>Development Work:</p> <p>A review will be undertaken to establish if these arrangements are effective. <i>Over the last financial year it has become clear that the arrangements are effective and proportionate in the current environment, however, changes to the structure means these arrangements need to be assessed regularly.</i></p>
<p>Requirement: Ensure there is a line of professional accountability to the CFO for finance staff throughout the authority.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> • has established the role of CFO <p>AC and NHS Grampian:</p> <ul style="list-style-type: none"> • provide the finance functions for the IJB 	<ul style="list-style-type: none"> • IJB Leadership Team Structure. • NHS Grampian and ACC Finance Structures. <p>Development Work: when the review of effectiveness is undertaken consideration will also be given to professional accountability. <i>Professional accountability for the finance teams continues to be maintained by the partner bodies. However, regular meetings with the finance staff have helped ensure that any concerns are addressed and if necessary escalated.</i></p>

Principle 5: *The CFO in a local authority must be professionally qualified and suitably experienced.*

Statement	Evidenced by:
<p>Requirement: Appoint a professionally qualified CFO whose core responsibilities include those set out under the other principles in the statement and ensure that these are properly understood throughout the authority.</p>	
<p>The IJB</p> <ul style="list-style-type: none"> • has employed a professional accountant as CFO. • the CFO's job description sets out the core responsibilities which are similar to those outlines in the statement. 	<ul style="list-style-type: none"> • CFO's professional certificates. • CFO's job description.
<p>Requirement: Ensure that the CFO has the skills, knowledge, experience and resource to perform effectively in both the financial and non-financial areas of their role.</p>	
<p>The IJB:</p> <ul style="list-style-type: none"> • undertook a comprehensive recruitment process to employ the CFO to make sure that the CFO has the necessary skills and experience. <p>The IJB Chief Officer</p> <ul style="list-style-type: none"> • performs the annual appraisal of the CFO which includes a section on future training requirements. <p>The IJB CFO</p> <ul style="list-style-type: none"> • considers that sufficient resource is available to perform role effectively. 	<ul style="list-style-type: none"> • CFO recruitment process. • CFO annual appraisal.