

Clackmannanshire and Stirling Integration Joint Board

2022/23 Annual Accounts



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Management Commentary

Introduction & Purpose

This publication contains the financial statements for the financial year from 1 April 2022 to 31 March 2023.

The Management Commentary outlines the key messages in relation to the Integration Joint Board's (IJB) financial planning and performance for the year 2022/23 and how this supports delivery of the IJBs strategic priorities as defined in the 2019-2023 Strategic Commissioning Plan. This commentary also takes a forward look and outlines future plans for the IJB and particularly the ambitious 2023/2033 Strategic Commissioning Plan approved by the IJB in March 2023. The commentary also highlights the challenges and risks we will face as we endeavour to meet the needs of and improve outcomes for the population of Clackmannanshire and Stirling.

Understandably, the continuing impacts of the Covid 19 pandemic continues to feature within the commentary as we evolve our understanding of the medium-term effects on the Health and Social Care needs of the partnership population.

The IJB is responsible for the strategic planning, funding, and commissioning of Adult Social Care Services, Community and Family Health Services, and strategic planning and funding of large hospital services with NHS Forth Valley and Falkirk Integration Joint Board. These large hospital services continue to be operationally managed by NHS Forth Valley as part of pan Forth Valley arrangements.

The IJB and the Health and Social Care Partnership (HSCP) Senior Management Team would wish to take this opportunity to convey thanks for the tremendous work that staff, both directly employed, and commissioned through providers of health and social care services, have done to continue delivery of services to our citizens during what has been a significantly challenging year. The IJB would also wish to thank our wider range of partners it works with including partners in the Third Sector.

Role and Remit of the Clackmannanshire and Stirling Integration Joint Board

The Clackmannanshire and Stirling Integration Joint Board was formally established in October 2016 through the legal partnership agreement between NHS Forth Valley and Clackmannanshire and Stirling Councils known as the Integration Scheme.

The IJB has responsibility for the strategic planning and commissioning of a wide range of health and adult social care services within the Clackmannanshire and Stirling area. The functions delegated to the IJB, under the Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) are detailed within the Integration Scheme <https://clacksandstirlinghscp.org/about-us/integration-scheme/>.

Clackmannanshire and Stirling IJB is unique in Scotland as the only IJB consisting of two local authorities and one NHS Board. This arrangement brings additional complexity particularly with regard to issues such as funding losing its identity, service delivery being seamless from the point of the service user, governance arrangements, and assurance required from an operational perspective.

IJB Business Model

The role of the IJB is to plan health and social care services for the population it covers, including preventative type provision such as Health Improvement. The IJB discharges this role through:

- Carrying out a strategic needs assessment for the partnership population
- Developing and agreeing a Strategic Commissioning Plan including defined priorities to pursue improvement against the 9 National Health and Wellbeing Outcomes that seek to measure the impact that integration is having on people's lives.
- Directing Clackmannanshire and Stirling Councils and NHS Forth Valley to deliver services within the Strategic Commissioning Plan and budget.
- Implementing Locality Planning Networks within the IJBs agreed localities which are the engine room for local planning and delivery.



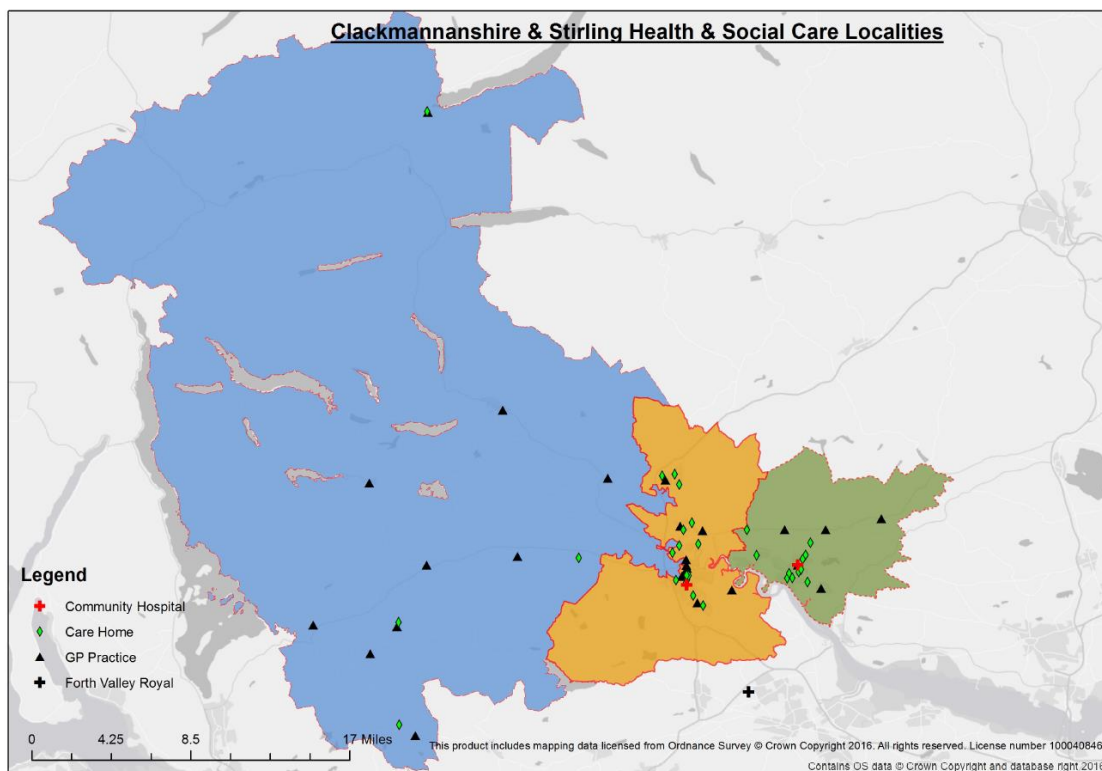
There is therefore a distinction between the Integration Joint Board as the Public Body and the Health and Social Care Partnership as the mechanism or 'delivery vehicle' for delegated integration functions covered by the Integration Scheme. These functions are delivered by means of the IJB directing the constituent authorities to deliver services on the IJBs behalf using the resources available to deliver the Strategic Commissioning Plan.

Review of Integration Scheme

Under the requirements of the Act, Local Authorities and NHS Boards are required to review Integration Schemes within five years of the scheme being approved in Parliament. An initial review of the Integration Scheme was undertaken in January 2020, however due to the pandemic, ongoing service pressures, and other competing demands, consideration of a revised scheme has not yet been taken forward at 31 March 2023 although a plan for the process was developed. This plan is in place with the constituent authorities to complete the substantive review during 2023/24.

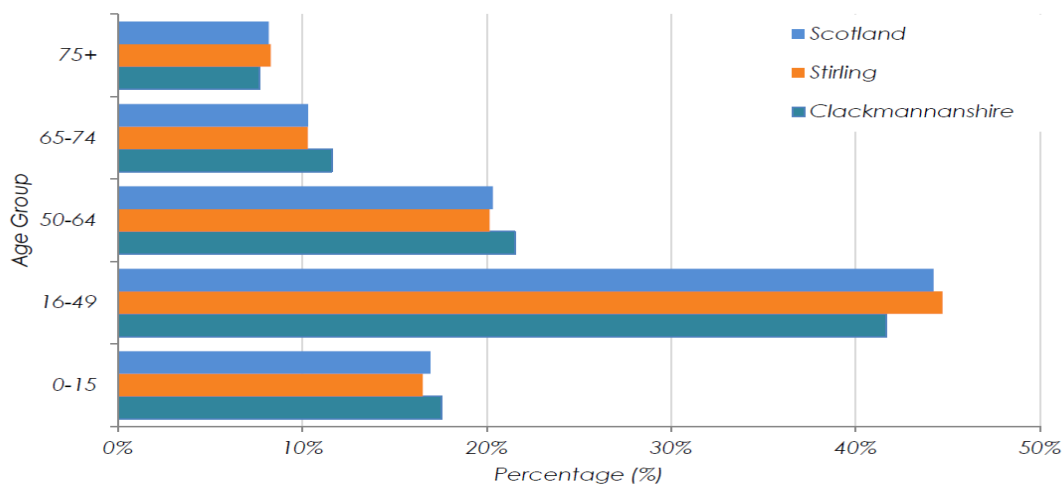
Clackmannanshire and Stirling Health and Social Care Partnership

The Clackmannanshire and Stirling Health and Social Care Partnership population is approximately 146,000 and the partnership provides services over an area of 1454 square miles with urban centres around Stirling and Alloa and very rural areas to the North and West of Stirling including a significant element of the Loch Lomond and Trossachs National Park.



Note: The acute hospital that serves Clackmannanshire & Stirling is the Forth Valley Royal Hospital in Larbert. Some residents in Rural Stirling also access nearby Glasgow hospitals.

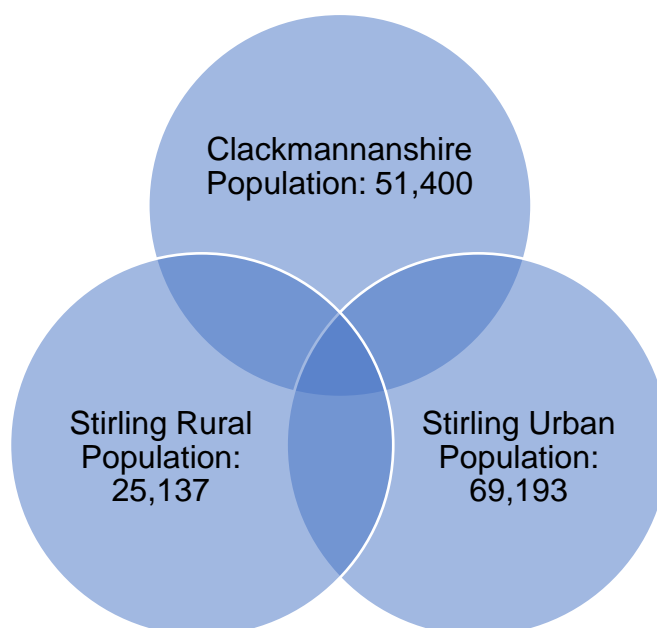
The age distribution of the population of Clackmannanshire and Stirling compared to Scotland is illustrated below:



Our Strategic Needs Assessment highlights a number of key messages for the partnership population:

- We have an ageing population.
- It is projected that Clackmannanshire and Stirling will have growing numbers of individuals living with long term conditions, multiple conditions, and complex needs.
- Supporting unpaid carers is a priority.
- Reducing unplanned emergency hospital care will benefit the service as well as the individual.
- Reducing behaviours such as smoking, alcohol consumption, drug use, and poor diet could have a positive effect on an individual's health and, in general, on the future burden of disease across communities.
- There are significant differences in the issues affecting health and social care within each locality including socio-economic issues.

There are three localities in the partnership:



We have developed locality profiles with key findings for each of our localities to better understand the differing needs and challenges in each and target responses in each.

Clackmannanshire Locality Key Findings

- 28% of Population in most deprived quintile
- 55% of households are council tax bands A or B
- 22% of population being prescribed medication for anxiety, depression or psychosis (Scotland 20%)
- Mental health unscheduled bed days are 14% higher than for Scotland
- Cancer registrations are 5.7% higher than for Scotland
- Early mortality rate for 15-44 year olds is 19% higher than for Scotland
- There has been a 136% increase in drug related hospital admissions since 2011/12

Stirling Rural Locality Key Findings

- Larger Older Population - 23% of population > 65 versus 19% for partnership area
- Considerably higher life expectancy for both males and females compared to partnership area
- Hospital Emergency Admission rate is considerably lower than the other 2 localities however unschedule care bed days rate is higher
- People in rural Stirling spend more time in community in their last 6 months of life in comparison to the other localities
- Access is a barrier to services
- Other indicators tend to be in line with or better than Scottish averages

Stirling Urban Locality Key Findings

- 16% of Population in most deprived quintile
- There are notable 'pockets' of deprivation in Cowie, Plean, Fallin, Coenton and Raploch
- 53% of households are council bands A-C
- Accident and Emergency attendances are higher than the other localities but similar to Scotland
- 18% of population being prescribed medication for anxiety, depression, or psychosis
- Emergency readmissions within 28 days are slightly higher than the national average

Integration Joint Board Vision, Strategic Commissioning Plan and Priorities

The vision of Clackmannanshire and Stirling Health and Social Care Partnership is:

Enabling people in Clackmannanshire & Stirling to live full and positive lives within supportive communities.

Partnership Vision - Rich Picture

To consider the meaning of this vision, a collaborative exercise was carried out with members of our Strategic Planning Group and wider citizens the output was then recorded by a graphic artist. The diagram below illustrates what the vision means for delivery of care and support and for communities across Clackmannanshire and Stirling. This Rich Picture has been used in the development of the Strategic Plan, guiding discussions, setting priorities, and agreeing next steps with our communities.



The vision is based on the Partnership Principles, which are to ensure that services are provided in a way which:

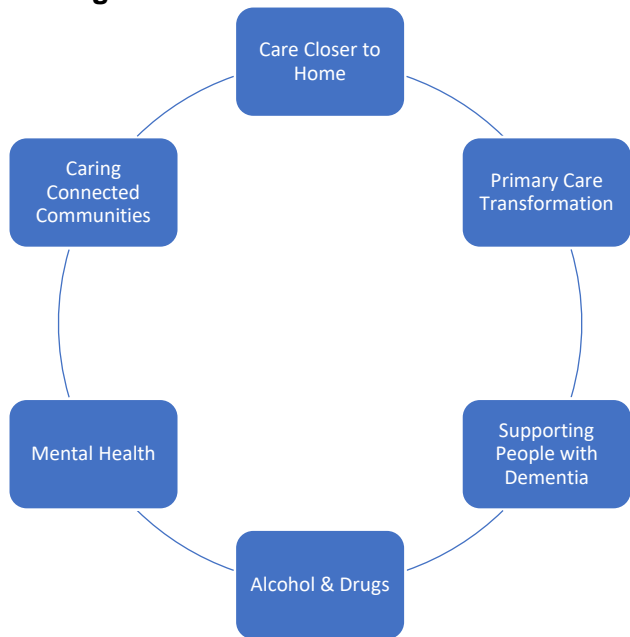
- Are integrated from the point of service users
- Take account of the particular needs of different service users
- Respects the rights and takes account of the dignity of service users
- Protects and improves quality and safety
- Are planned and led locally in a way which is engaged with communities
- Anticipates needs and prevents them arising where possible
- Makes best use of available facilities, people and other resources

The Integration Joint Board approved the 2023/2033 Strategic Commissioning Plan in March 2023. Financial year 2022/23 therefore reflects the fourth year of four of the 2019/23 Strategic Commissioning Plan. The plan built on the priorities within the 2016 to 2019 and 2019 to 2023 Strategic Commissioning Plans informed by focused refresh of the Strategic Needs Assessment for the adult population and an extensive consultation and engagement process with the public, partners, and other stakeholders.

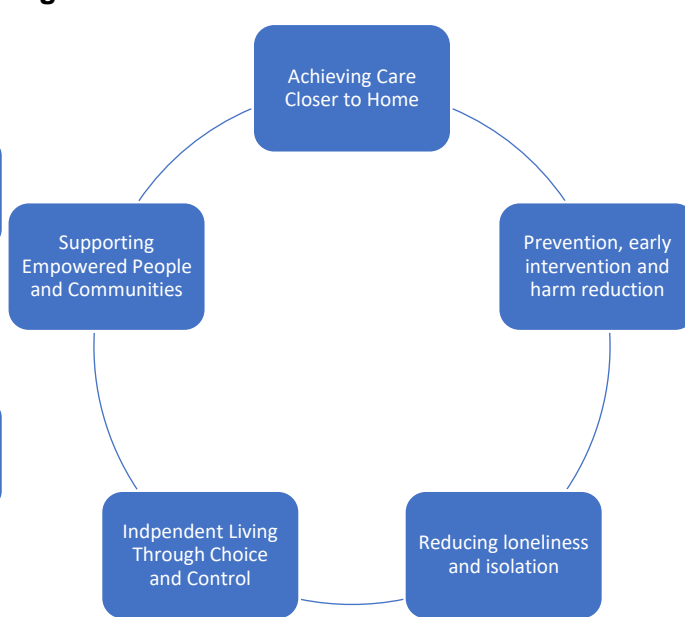
The IJB has agreed that the 2023/33 Strategic Commissioning Plan will be a 10-year plan and the plan approved in March 2023 built on the priorities and successes of the previous plan after an extensive period of public engagement and participation. The 2023 to 2033 Strategic Commissioning Plan will be subject to substantive review at least every 3 years to comply with extant legislation and statutory guidance and progress on delivering the plan will be the focus of annual performance reports (APRs) during the lifecycle of the plan.

The priorities defined in the 2019/2023 Plan and 2023/2033 Plans are illustrated below. By looking at the priorities side by side the evolution is relatively obvious.

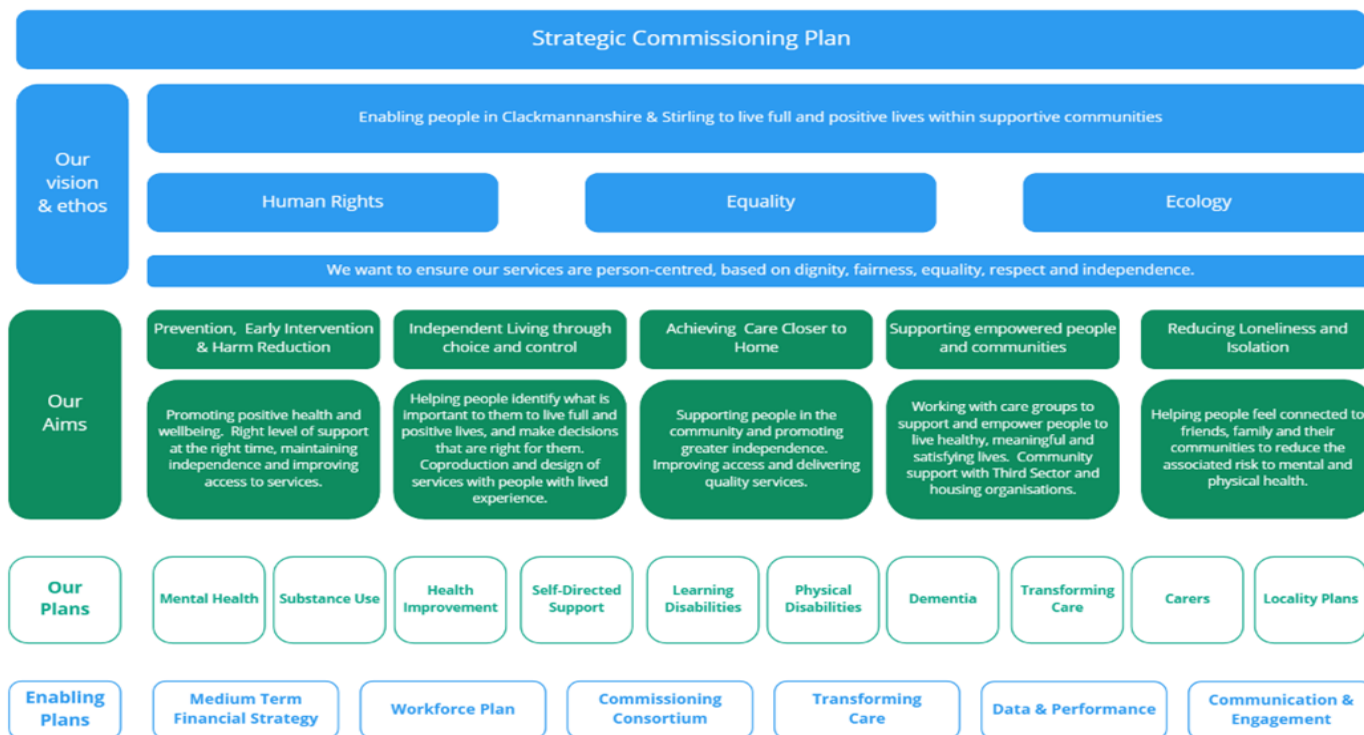
Strategic Priorities 2019/2023



Strategic Priorities 2023/2033



The partnerships ‘plan on a page’ below illustrates how the partnership vision, ethos, priorities and aims, and enabling plans and strategies to deliver change align with the partnership principles detailed above.



A Year 1 Delivery Plan has been developed and is being implemented to deliver against the priorities in a sustainable manner aligned to the Transforming Care Programme. The Strategic Commissioning Plan is supplemented by regular reports to the Integration Joint Board on Transforming Care, Governance, Finance and Performance.

The Strategic Commissioning Plan can be found here: <https://clacksandstirlinghscp.org/about-us/strategic-plan/>

Covid 19 – Ongoing Responses and Impacts

The financial year 2022/23 continued to be impacted by Covid as the medium-term impacts on the Health and Social Care needs of the population evolve.

The partnerships financial position continued to be supported by a degree of Covid consequential funding however the direct demonstrable impacts of this reduced significantly and a degree of funding was reclaimed by Scottish Government.

Principal Activities & Key Achievements in 2022/23

During 2022/23 the key activities and achievements of Clackmannanshire and Stirling Integration Joint Board included:

- Continuing our responses to the Covid 19 pandemic to continue to deliver safe high-quality services to our citizens. Responding to operational service delivery pressures in the face of significant and enduring increases in demand and complexity was our primary focus as a partnership during the year.
- Developing and agreeing the 2023/2033 Strategic Commissioning Plan
- Continuing to significantly progress implementation of the Primary Care Improvement Plan (PCIP) incorporating implementation of the General Medical Services Contract Arrangements and Mental Health Action 15 plans. This also incorporated testing the model for Community Link Workers in partnership with the Third Sector.
- Developing and agreeing a Workforce Plan including an improvement action plan.
- Continuing to evolve and progress delivery of the Transforming Care Programme overseen by the Transforming Care Board as the key delivery vehicle to modernise and transform integrated service delivery to improve outcomes for citizens. This included agreeing with the IJB key investments for Rapid Response Services and Rural Care at Home provision and implementing plans for Analogue to Digital changeover for Mobile Emergency Care Service (MECS) community alarms.
- Developing our approach to Locality Planning and supporting the role of locality planning groups.
- Developing and beginning to implement Commissioning Consortium arrangements.
- Implementing Senior Management and Leadership and IJB development programmes.
- Agreeing and implementing Carers Recovery Plans in partnership with Third Sector and Carers Centres.
- Developing models to understand demand and capacity for provision of Adult Social Care.
- Further developing strategic relationships including the partnership's role in leading on the Community Wellbeing Agenda in Community Planning Partnerships.
- Agreeing arrangements for further service delegation.
- Developing a refreshed approach to Self-Directed Support and SDS Implementation Plan.
- Developing and implementing a Winter Plan to deliver high performing safe service delivery and improvements in Unscheduled Care performance.
- Securing financial support from Scottish Government for the financial implications of Covid 19 to offset the ongoing demonstrable cost implications of Covid including exceptional demand levels.

Forward Look: Policy Landscape Reform

Further to the Independent Review of Adult Social Care published in September 2020 Scottish Government agreed policy intent to establish a National Care Service (NCS) over the current parliamentary term.

The Scottish Governments 'New Leadership – A fresh start' document published on 18 April 2023 sets out key policy commitments including Delivery of the National Care Service legislation, subject to the agreement of parliament, to tackle consistency of provision and improvements in health and social care, in partnership with Local Government, to improve social care across Scotland.

There is also a commitment to increased social care pay to help reduce the workforce challenges in the sector with a timescale yet to be defined.

At the time of writing further consideration of the NCS legislation by Scottish Parliament has been delayed until January 2024.

2022/23 Annual Accounts

The Accounts report the financial performance of the Integration Joint Board. Its main purpose is to demonstrate the use of the public funds available for the delivery of the Integration Joint Board's vision and priorities as set out in the Strategic Commissioning Plan.

The requirements governing the format and content of local authorities' annual accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The 2022/23 Annual Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting and the Local Authority Accounts (Scotland) Regulations 2014.

For financial year 2022/23 a deficit of £5.722 million has been declared reflecting the net decrease in reserves held between 1 April 2022 and 31 March 2023.

At 31 March 2023 the Integration Joint Board holds £22.525 million of reserves which are earmarked for use during 2023/24 and future years.

The level of reserves held at 31 March 2023 continues to be temporarily high as a result of:

- A balance in Covid earmarked reserves of £5.140m which is subject of ongoing discussion with Scottish Government.
- An increase in general reserves as a result of net underspend in the integrated budget for financial year 2022/23.
- Higher than projected balance of service pressures earmarked reserve at 31 March 2023.
- A number of new earmarked reserves including reserves established in agreement with NHS Forth Valley for PCIP Transitional Payments and Prescribing Invest to Save costs which are fully committed and will be expended during 2023/24 financial year.

Given plans to expend earmarked reserves and financial risks and pressures projected for 2023/24 it is anticipated reserves will fall to target levels by 31 March 2024.

The IJBs extant reserves policy incorporates a prudential reserve target of 2.5% of budgeted expenditure and a minimum general or contingency reserve level of 1% of budgeted expenditure.

The table below summarises the net total movement in reserves from 2021/22:

	£m
Total Reserves at 1 April 2022	28.248
Net Decrease in Reserves	(5.722)
Total Reserves at 31 March 2023	22.525

The reserves held at 31 March 2023 are across three broad categories as summarised in the table below:

Reserve Category	£m
General Reserves	4.398
Earmarked Reserves: Residual Covid Funding	5.140
Other Earmarked Reserves	12.987
Total Reserves at 31 March 2023	22.525

A fuller analysis of reserves and movements therein is provided within Note 8 to the financial statements.

Whilst reserves held at 31 March 2023 are higher than target, it should be viewed as a positive that the IJB continues to hold a degree of general or contingency reserves for future financial risks or unforeseen events with financial consequence. Given the increasing future financial risk profile of the IJB it is particularly important to hold sufficient reserves and maintain a prudential reserves strategy.

Performance Reporting

The Integration Joint Board continues to further develop its performance management frameworks, infrastructure, and culture in partnership with support services drawn from the constituent authorities. Specific further work will be undertaken this year in developing an integrated performance framework and this is reflected in delivery plans for 2023/24. This is aimed at developing over time ways to demonstrate improved outcomes for citizens, best value for the use of public money, and evidence of progress in relation to the agreed Strategic Plan Priorities. There are ongoing challenges with regard to access to data, in particular, automated data. Information Technology and Management Information Systems across the three constituent authorities require significant modernisation from both an individual organisational perspective but also to report and measure the impact of integrated service delivery and gather evidence of improved outcomes.

The Integration Joint Board receives a performance report at each meeting which along with financial reports and periodic progress reporting on the Transforming Care Programme, giving a rounded view of the overall operational and financial performance, financial sustainability, and progress in implementing the Strategic Commissioning Plan priorities of the Partnership.

Taken together, information on key performance indicators, measurable progress in delivering the priorities of the Strategic Plan, and financial performance collectively aim to demonstrate best value within a culture of continuous improvement.

The published Annual Performance Reports for the Partnership, including those for previous years, can be found here <https://clacksandstirlinghscp.org/performance/>.

The 2022/23 report represents the 7th Annual Performance Report for the Partnership. It is acknowledged the approach to, and quality of performance reporting will continue to develop over time.

The 2022/23 Annual Performance Report, details progress in relation to the partnership priorities along with summary and detailed performance information.

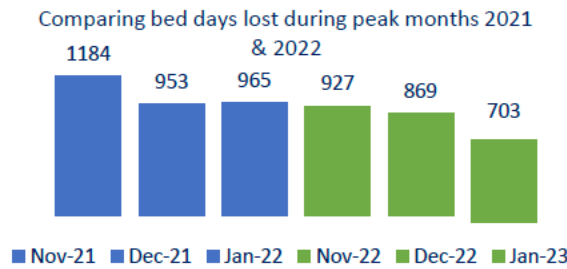
The partnerships 2022/23 Annual Performance Report was considered by the IJB in draft form in June 2023 and will be published on the partnership website in due course.

Key elements of performance highlighted within the Annual Performance Report was aligned to the partnerships strategic priorities and supported by real live evidence from service users illustrating improved personal health and wellbeing outcomes.

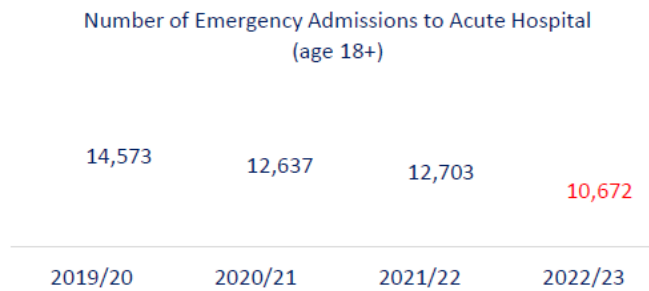
Key elements of performance in relation to Care Closer to Home is provided below. This is the overarching partnership priority and the priority for which there is more comparative data available for to illustrate performance.

Performance Highlights: Care Closer to Home

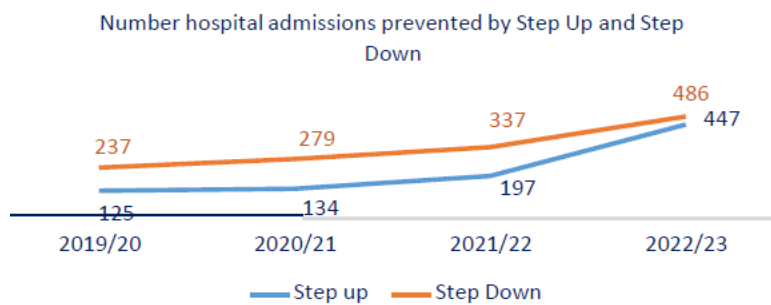
Bed days lost to Delayed Discharges has reduced since November 2021



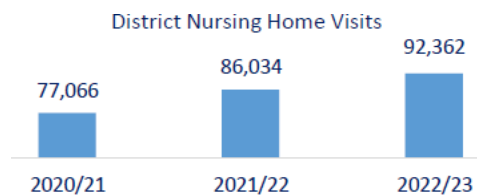
The Number of Emergency Admissions to Acute Hospital (age 18+) has reduced since 2019/20



The Number of hospital admissions prevented by use of Step Up and Step Down Care has increased since 2019/20



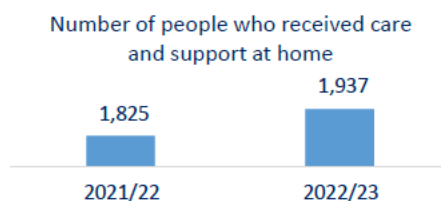
The number of home visits by District Nurses has increased since 2020/21



The number of people receiving reablement support has increased by 35% from 2021/22 and 2022/23.

The number of people who received care and support at home increased by 6% from 2021/22 to 2022/23

Planned Care in Place in People's own Homes across the Partnership



A supplementary update to the Annual Performance report will be published in due course using the information from the Core Suite of Integration Indicators published by Public Health Scotland once local analysis and quality assurance of the data has been completed.

Financial Performance and Outlook, Risks, and Plans for the Future

Financial Performance

The Partnership has continued to face significant financial challenges in 2022/23 requiring ongoing development and implementation of options for financially sustainable service delivery aligning, as far as possible, to the priorities agreed within the Partnerships Strategic Commissioning Plan 2019-2023.

The challenges included:

- Significant and enduring increased demand for health and social care services.
- Linked to the point above, increased acuity and complexity of care requirements with associated increased costs.
- Increasingly competitive labour markets and scarcity of appropriately skilled and trained workforce.
- Inflationary pressures.
- Delivery of local transformation programmes including Scottish Government supported policy initiatives e.g. Primary Care Transformation.
- Linked to the point above, delivery of sufficient savings and efficiency programmes to maintain a balanced budget position.

The 2022/23 Revenue Budget was approved by the IJB on 23 March 2022. The plan was predicated on a savings requirement of £2.651 million on the Integrated Budget and £0.628 million in relation to the Set Aside Budget for Large Hospital Services with risk assessed plans in place to deliver these. The budget also contained business cases for investment in a Rapid Response Service and a Rural Care at Home team.

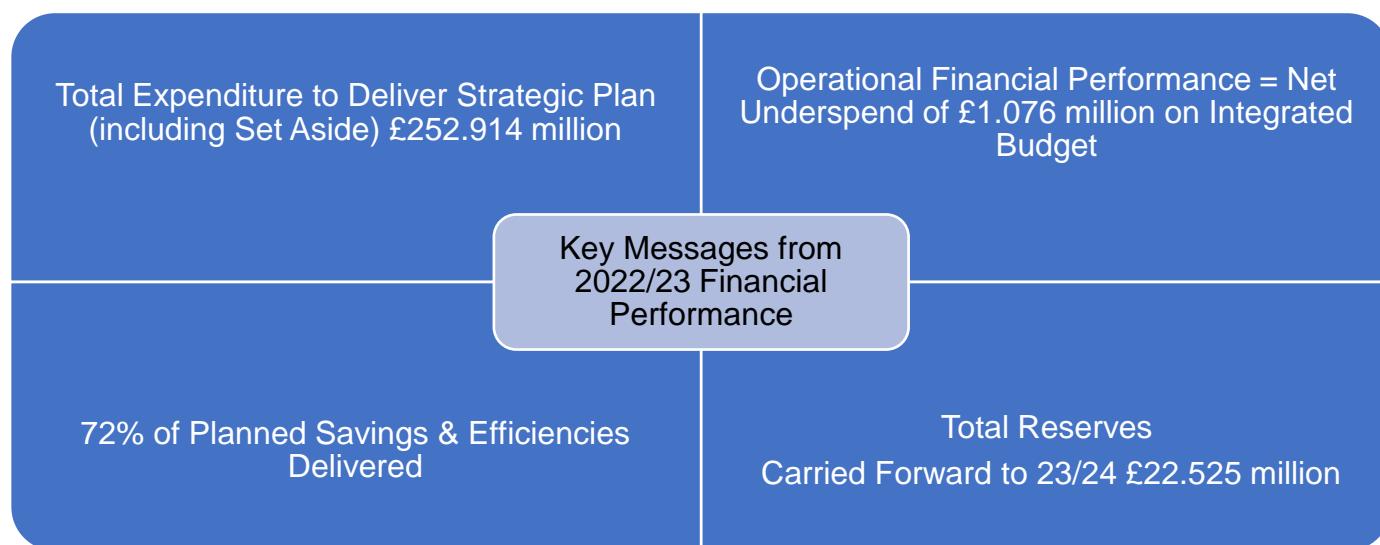
Approximately 72% of the planned savings and efficiencies programme were achieved in the year in relation to the Integrated Budget. Less than full delivery of savings and efficiency targets and other cost pressures were offset by in-year slippage on implementation of the key business cases approved by the IJB and other underspends including from staff vacancies demonstrating the challenges in relation to workforce recruitment and retention.

The operational financial position on the Integrated Budget (the partnership budget excluding set aside budget for large hospital services) was a net underspend of £1.076 million.

The set aside budget for large hospital services was overspent by £3.511 million for the financial year due to costs of contingency beds, associated staffing for these beds and other workforce

costs including increased use of temporary workforce solutions. This financial pressure was met by NHS Forth Valley and poses a significant ongoing risk for the Health and Social Care system.

No additional financial contributions from the partners were required to reach this position.



Key factors Impacting Financial Performance in 2022/23:

- Residual Scottish Government financial support for the financial impacts of Covid.
- Underspends across several areas of Community Health Services including predominantly staffing related underspends in:
 - District Nursing
 - Addictions
 - Allied Health Professionals
 - Community Learning Disabilities
 - Community Mental Health Services
- Family Health Services Prescribing remained the most significant cost pressure area within the partnership.
- Increasing temporary workforce costs across both the Integrated and Set Aside elements of the budget.
- Levels of staffing underspends across services reflecting recruitment and retention issues.

The accounts illustrate a deficit of £5.722 million for the Partnership for the 2022/23 financial year.

	£m
Sum Set Aside for Large Hospital Services	<u>31.513</u>
Integrated Budget Income	215.679
Integrated Budget Expenditure	<u>221.402</u>
Deficit for Financial Year 2022/23	<u>(5.722)</u>

	£m
Integrated Budget Underspend	1.076
COVID Reserves	(7.859)
Increase in Other Earmarked Reserves	<u>1.062</u>
Deficit for Financial Year 2022/23	<u>(5.722)</u>

Whilst core financial performance was positive, the Partnership will continue to face significant financial challenges to deliver the current and future Strategic Plan priorities and improved outcomes for service users, unpaid carers, and communities in a climate of growing demand, cost, and complexity.

Set Aside Budget for Large Hospital Services

The Set Aside budget covers the in-scope integration functions of the NHS that are carried out in a large hospital setting providing services to the population of more than one Local Authority and/or Partnership area. For the Clackmannanshire and Stirling Partnership this includes services provided at the Forth Valley Royal Hospital site including the Lochview Learning Disability Inpatient facility and at Bellsdyke hospital in Larbert (Mental Health Inpatients). This covers areas such as emergency department, geriatric and general medicine, palliative care, learning disability and mental health inpatient services.

For financial year 2022/23 NHS Forth Valley met the pressures associated with the set aside budget and therefore the financial risk does not currently lie with the Integration Joint Board. As a result, the figures disclosed in the accounts reflect the budget position for the Set Aside element. Financial reports to the Integration Joint Board include information on the actual estimated expenditure against the Set Aside budget, noting that NHS Forth Valley currently meets the financial pressure associated.

	£m
Set Aside Budget	31.513
Estimated Expenditure	35.024
Overspend met by NHS Forth Valley	3.511

Arrangements for the Set Aside budget continue to be under review. Work on completing this review has not been concluded during 2022/23 due to the focus on significant operational pressures across the whole Health and Social Care system. The further work required to complete the review and agree future arrangements in line with extant legislation and the partnership action plan in response to the Ministerial Strategic Group recommendation on Progress on Integration is planned to be completed over the course of 2023/24, with recommendations being made thereafter to the IJB and NHS Board. This, along with the review of the Integration Scheme, may impact how this is financed and accounted for in future years.

Financial Outlook

The medium-term impacts of the Covid 19 pandemic, world events, and economic conditions including ongoing high inflation is having significant effect on Scottish, UK, and the global economy. The longer-term impacts remain very uncertain and issues such as high general inflation, energy prices, and geopolitical events will have ongoing effect on economies, public expenditure, and costs. The Scottish Governments Medium Term Financial Strategy published on 25 May 2023 set out a very challenging fiscal environment for public sector expenditure in the coming years.

The IJBs 2023/24 Revenue Budget, approved in March 2023, incorporated a budget gap of £9.466 million in relation to the IJBs Strategic Plan budget requiring to be addressed through efficiency and savings programmes to achieve financial balance. This figure was made up of £6.392 million in relation to the Integrated Budget and £3.074 million in relation to the set aside budget for large hospital services.

A balanced initial budget was approved by the IJB in March 2023 after £2 million non-recurrent support from IJB Reserves. Given the risk assessment in relation to delivery of savings and efficiencies and non-recurrent support from reserves the financial risk profile of the IJB has significantly increased and it will be increasingly difficult to continue to deliver levels of service for assessed need and unmet need is likely to grow. There are also significant risks to whole system performance and safety including ability to support hospital discharges timeously.

Changing Scottish Government policy in relation to Health and Social Care and particularly the establishment of a National Care Service may have a significant effect on the finances and accountabilities of the IJB going forward. The IJB awaits further detail of the legislative and policy direction of the Scottish Government in this regard.

The IJB Initial 2023/24 Revenue Budget incorporated a medium-term financial outlook over the next five years which estimates a gap between projected costs and resources requiring to be met by savings of £34.013 million. This outlook was aligned to the Scottish Governments May 2022 Resource Spending Review and will be superseded by a refreshed Medium Term Financial Plan by November 2023. Plans are ongoing to develop sustainable service options to deliver services within resources available however, given increasing demand and complexity, it will also be necessary to work collegiately with partners and Scottish Government on sustainable policy solutions for Health and Social Care.

Future Key Risks and Mitigation

There are multiple risks facing the IJB and the IJB maintains a Strategic Risk Register. The IJBs Audit and Risk Committee regularly scrutinises the Strategic Risk Register and high risks are reported to the IJB on an exception basis via routine performance reporting.

The key risks and mitigation are summarised in the table below:

Key Risk	Mitigation (where possible)
Continued economic uncertainty, high inflation, and wider impacts of world events and political influences. Resultant implications for public expenditure.	Financial planning and efforts to control costs.
Increasing demand for and cost of health and social care services driven by demographic change including an ageing and increasing population with multiple and complex long-term conditions inequalities and wider determinants of health such as deprivation, housing, and employment	Transformation Programme and Strategic Shift to Early Intervention and Preventative Approaches.
Increasing public expectations from health and social care services:	Public engagement and consultation of priorities and service delivery options.
The changing policy landscape particularly in relation establishment of a National Care Service (NCS) and rising expectations associated with this.	Working collegiately with partners, Health and Social Care Scotland and Scottish Government to inform and influence policy and service delivery structures.
Workforce challenges, staff wellbeing, the ageing workforce, and issues around recruitment and retention within the health and social care workforce. This specifically and notably includes challenges in relation to GP Practice Sustainability.	Workforce planning, effective working relationships with staff and trade unions and ongoing focus on workforce health and wellbeing.
Maintaining performance against key local and national indicators whilst maintaining service delivery within resources available.	Transformation Programme and alignment to strategic priorities.

All of the above risks may have an impact on the partnership's costs in future years and, therefore, add to the financial pressures over the medium to longer term.

Plans for the Future

There continues to be opportunities for the Integration Joint Board to use its combined resources in a more effective, efficient, and person-centred ways focusing on place-based services to make better use of public resources and improve outcomes for our citizens.

The significantly increasing demands on health and social care services risks exceeding available resources and approaches to service design and delivery requires to be focused on better outcomes for citizens and co-produced with our communities through meaningful and ongoing engagement.

Demonstrable delivery of progress on the priorities defined in the 2023/33 Strategic Commissioning Plan and improved outcomes for our communities will be the focus of service delivery and our transforming care programme as we try and balance service performance and financial sustainability. Going forward increasingly difficult decisions locally, including disinvestment decisions, and collaborative work with Scottish Government on sustainable policy approaches will be required.

The Partnership continues to adopt a whole-systems approach to improve health and social care outcomes and will work alongside Community Planning partners to address wider issues in relation to congruence with Local Outcome Improvement Plans, driving public value through place-based services, community empowerment, public health, and health improvement.

These approaches will ensure a joint contribution to encouraging, supporting, and maintaining the health and wellbeing of people who live in our communities thus assisting the partnership in addressing the challenges faced.

It is recognised that without significant further change to the way that services are planned and delivered with partners across all sectors, current service provision will not be sufficient to meet the future health and social care needs of the population. We must therefore continue to embed new ways of working and seek to focus resources away from bed-based models of care into community-based services and invest in early intervention and prevention. We need to continue to critically appraise and challenge our current models of service delivery to ensure our combined resources are focused on areas of greatest need delivering the best outcomes to our service users and patients and that crucially we co-produce these harnessing the capacity of local communities to support the wider preventative health and wellbeing outcomes.

Moving forward there will increasingly be a requirement to focus investment of available resources on Strategic Commissioning Plan Priorities and ensure we and partners meet statutory requirements in innovative ways including increasing use of assistive technologies and digital solutions. It is paramount these solutions are co-produced with communities through an ongoing commitment to public and service user engagement – this process is commonly known as co-production.



The key elements of this approach are set out in the 'plan on a page' schematic on Page 10 of this document and supplemented the detailed planning within and aligned to our Transforming Care Programme.

Conclusion

In this seventh year of operations the Partnership has focussed heavily on responding to the increased level of demand for Health and Social Care Services presenting across the whole system and supporting whole system performance and safety.

Going forward, the Clackmannanshire and Stirling Health and Social Care Partnership will continue to face significant financial challenges in delivering better outcomes for its patients and service users in line with its Strategic Commissioning and Financial Plans in a climate of growing demand and complexity with increasingly scarce resources.

In order to achieve this, we must continue to identify and implement innovative ways of delivering sustainable services to our citizens in ways that are truly co-produced with our communities, that draw on lived experience of our service users and that are human rights based.

We will continue to work with staff, managers, services, partners (including the third and independent sectors) and our localities and communities to lead and support sustainable service design approaches, identify, and implement innovative, cost effective and person centred, outcomes focused and place-based service delivery models and pathways, and contribute to the delivery of the Partnership's Strategic Commissioning Plan 2023/2033 priorities within the resources available.

Where to find more information

If you would like more information, please visit our webpage at:

<https://clacksandstirlinghscp.org/>

The papers and minutes from meeting of the Integration Joint Board can be found here:

<https://clacksandstirlinghscp.org/integration-joint-board-meetings/>

Other publications from the partnership, past and present can be found here:

<https://clacksandstirlinghscp.org/publications/>

Acknowledgements

The Integration Joint Board would wish to take this opportunity to thank the staff, volunteers, and paid and unpaid carers whose work contributes to the provision of services to the populations of Clackmannanshire and Stirling.

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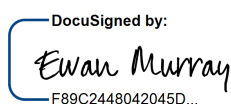
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Allan Rennie
Chair

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Annemargaret Black
Chief Officer

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Ewan C. Murray
Chief Finance Officer

Statement of Responsibilities

Responsibilities of the Integration Joint Board

The Integration Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the board has responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In Clackmannanshire and Stirling Integration Joint Board, that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient, and effective use of resources and safeguard its assets.
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland act 2003).
- Approve the Annual Accounts.

I confirm that these Annual Accounts were approved for signature on 27 September 2023.

Signed on behalf of the Clackmannanshire and Stirling Integration Joint Board.

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Allan Rennie
Chair

Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the IJB'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 Accounting Code).

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

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

The Chief Finance Officer has also:

- kept proper accounting records which were up to date.
- 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 Clackmannanshire & Stirling Integration Joint Board as at 31 March 2023 and the transactions for the year then ended.

DocuSigned by:

Ewan Murray

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Ewan C. Murray
Chief Finance Officer

Remuneration Report

Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It discloses information relating to the remuneration and pension benefits of specified IJB members and staff.

The information in the tables below is subject to external audit. The explanatory text in the Remuneration Report is reviewed by the external auditors to ensure it is consistent with the financial statements.

Voting Membership of the Integration Joint Board in 2022/23

Voting members of the Integration Joint Board constitute Councillors nominated as Board members by constituent authorities and NHS representatives nominated by the NHS Forth Valley. The voting members of the Clackmannanshire and Stirling Integration Joint Board were appointed through nomination by Clackmannanshire Council, NHS Forth Valley, and Stirling Council.

Voting Membership of the Integration Joint Board during 2022/23 was as follows:

Clackmannanshire Council

Councillor Martha Benny
Councillor Wendy Hamilton
Councillor Janine Rennie

NHS Forth Valley

Allan Rennie, IJB Chair
Cathie Cowan, Chief Executive
Martin Fairbairn, Non-Executive
Gordon Johnston, Non-Executive
Stephen McAllister, Non-Executive
John Stuart, Non-Executive

Stirling Council

Councillor Danny Gibson, IJB Vice Chair
Councillor Martin Earl
Councillor Rosemary Fraser

Remuneration: Integration Joint Board Chair and Vice Chair

The voting members of the Integration Joint Board are appointed through nomination by Clackmannanshire & Stirling Councils and NHS Forth Valley. Nomination of the Integration Joint Board Chair and Vice Chair postholders alternates between a Councillor and a Health Board representative.

The Chair and Vice Chairs of the IJB changed in May 2022 with Allan Rennie, Non-Executive Director of NHS Forth Valley appointed as IJB Chair and Councillor Danny Gibson, Stirling Council appointed as Vice Chair.

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

The IJB does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting Integration Joint Board members. Therefore, no pension rights disclosures are provided for the Chair or Vice Chair.

Remuneration: Officers of the Integration Joint Board

The Integration Joint Board 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 must be appointed and the employing partner must formally second the officer to the Integration Joint 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 Integration Joint Board.

The Chief Officer took up post on 17 June 2019 and is employed by NHS Forth Valley.

Other Officers

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

The Chief Finance Officer is employed by NHS Forth Valley.

2021/22 Total	Senior Employees	Salary, Fees, & Allowances	Taxable Expenses	Total 2022/23
£		£	£	£
105,183	Chief Officer: A Black	108,023	0	108,023
80,513	Chief Finance Officer: E Murray	82,059	0	82,059

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 Integration Joint Board balance sheet for the Chief Officer or any other officers.

The Integration Joint Board however has 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 Integration Joint Board. The following table shows the Integration Joint Board's funding during the year to support 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.

Senior Employees	In Year Pension Contributions		Accrued Pension Benefits		
	For Year to 31/03/2022	For Year to 31/03/2023		Movement from 31/03/2022	As at 31/03/2023
	£	£		£000	£000
Chief Officer: A Black	21,983	22,577	Pension	13	44
			Lump Sum	31	108
Chief Finance Officer: E Murray	16,827	17,150	Pension	10	45
			Lump Sum	23	96

Accrued pension benefit estimates are provided by the Scottish Public Pensions Agency (SPPA).


Disclosure by Pay Bands

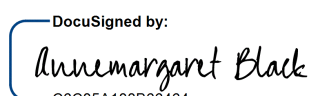
As required by the regulations, the following table shows the number of persons whose remuneration for the year was £50,000 or above, in bands of £5,000.

Number of Employees in Band	Remuneration Band	Number of Employees in Band
2021/22		2022/23
0	£75,000 - £79,999	0
1	£80,000 - £84,999	1
0	£95,000 - £99,999	0
1	£105,000 - £109,999	1

Exit Packages

There were no exit packages in relation to Clackmannanshire and Stirling Integration Joint Board in financial year 2022/23 or 2021/22.

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Allan Rennie
 Chair

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Annemargaret Black
 Chief Officer

Annual Governance Statement

The Annual Governance Statement explains the IJB's governance arrangements and reports on the effectiveness of the IJB's system of internal control.

Scope of Responsibility

The IJB is responsible for ensuring that:

- its business is conducted in accordance with the law and appropriate standards.
- that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively.

The IJB also aims to foster a culture of continuous improvement in the performance of the IJB's delegated functions and make arrangements to secure best value.

To meet this responsibility, the IJB has established arrangements for governance which includes a system of internal control. The system is intended to manage risk to support the achievement of the IJB's policies, aims, and objectives. Reliance is also placed on the NHS Forth Valley and Clackmannanshire and Stirling Councils systems of internal control which support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB.

Given the IJB utilises the systems of internal control with NHS Forth Valley, Clackmannanshire Council, and Stirling Council the system can only provide reasonable and not absolute assurance of effectiveness.

Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the IJB is directed and controlled. It enables the IJB to monitor the achievement of the objectives set out in the IJB's Strategic Commissioning Plan. The governance framework will be continually updated to reflect best practice, new legislative requirements, and the expectations of stakeholders.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the IJB's objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively.

Governance Framework and Internal Control System

The Board of the IJB comprises the Chair, Vice Chair and ten other voting members; six are Council Elected Members nominated (three each council) by Clackmannanshire and Stirling Council and six are Board members of NHS Forth Valley (four Non-Executive Directors and two Executive Directors). There are also a number of non-voting professional and stakeholder members on the IJB including the Chief Officer, Chief Finance Officer, and professional medical, nursing, and social work advisors to the IJB. Stakeholder members currently include representatives from the third sector interfaces, carers, and service users.

The main features of the governance framework in existence during 2022/23 were:

- The Integration Scheme
- Standing Orders
- Scheme of Delegation
- Financial Regulations and Reserves Policy and Strategy
- Code of Conduct and Register of Interests

- IJB Committees operating within approved Terms of Reference
- Clinical and Care Governance Framework
- Risk Management Framework and Strategic Risk Register
- Complaints Handling Procedure
- Information Governance Arrangements and Information Security Policy

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision, and delegation.

The IJB utilises the internal control systems of NHS Forth Valley, Clackmannanshire Council and Stirling Council in the commissioning and delivery of in-scope functions. As such the Annual Governance Statements of the constituent authorities have been reviewed and no matters which pose significant additional risk to the IJB are highlighted.

The IJB complies with “The Role of the Head of Internal Audit in Public Organisations” (CIPFA) and operates in accordance with “Public Sector Internal Audit Standards” (CIPFA) The Head of Internal Audit reports directly to the Integration Joint Board Audit and Risk Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair of the Integration Joint Board Audit and Risk Committee on any matter. The annual programme of internal audit work is based on a risk assessment drawn from review of the Integration Joint Boards Strategic Risk Register and is approved by the Integration Joint Board Audit and Risk Committee.

From April 2022 the IJBs Chief Internal Auditor has been appointed on behalf of Clackmannanshire Council. As Clackmannanshire Council procures Internal Audit Services from Falkirk Council’s Internal Audit service the IJBs Chief Internal Auditor is the Internal Audit Risk and Corporate Fraud Manager from Falkirk Council. Up to 31 March 2023 the Chief Internal Auditor to the IJB was from FTF Internal Audit Services appointed on behalf of NHS Forth Valley.

Review of Adequacy and Effectiveness

The IJB has responsibility for conducting, at least annually, a review of effectiveness of the system of internal control and the quality of data used throughout the organisation. The review is informed by the work of the Senior Management Team, work of the IJBs internal audit service and the Chief Internal Auditor’s annual assurance report, and reports from external auditors and other review agencies and inspectorates.

The Chief Internal Auditors 2022/23 Annual Assurance Report was presented to the IJB Audit and Risk Committee in June 2023 and provided substantial assurance on the IJBs arrangements for risk management, governance, and control for the year to 31 March 2023.

The review of the IJB’s governance framework is supported by a process of self-assessment and compiled by the Chief Finance Officer.

The Chief Finance Officer has completed a “Governance Questionnaire” and any supplies further supporting evidence requested as evidence of adequacy and review of key areas of the IJB’s internal control framework; this is provided to the IJBs Chief Internal Auditor as part of the evidence base to inform the opinion within the Annual Internal Audit Assurance Report.

The Chief Officer also gives assurances as Director of Health and Social Care through the Annual Governance Statement processes of the constituent authorities and the IJB Chief Finance Officer reviews the Annual Governance Statements of the constituent authorities to identify any identified weaknesses in governance which may affect integration functions and/or pose a risk to the IJB.

The Senior Management Team has input to this process through the Chief Finance Officer. In addition, the review of the effectiveness of the governance arrangements and systems of internal

control within the Health Board and Local Authority partners places reliance upon the individual bodies' management assurances in relation to the soundness of their systems of internal control.

The appointed IJB Chief Internal Auditor provides an annual report to the Audit and Risk Committee and an independent opinion on the adequacy and effectiveness of the governance framework, risk management, and internal control. The IJB Audit and Risk Committee will consider this at its next meeting in September 2023.

Due to the nature of IJB Board Membership, a conflict of interest can arise between an IJB Board Members' responsibilities to the IJB and other responsibilities that they may have. The IJB has arrangements in place to deal with any conflicts of interest that may arise. It is the responsibility of Board and Committee Members to declare any potential conflicts of interest, and it is the responsibility of the Chair of the relevant Board or Committee to ensure such declarations are appropriately considered and acted upon. There is specific guidance from the Standards Commission for IJB members.

The Management Commentary provides an overview of the key risks and uncertainties facing the IJB (Pg. 20).

Roles and Responsibilities

The Chief Officer is the Accountable Officer for the IJB and has day-to-day operational responsibility to monitor delivery of integrated services, with oversight from the IJB.

The IJB complies with the CIPFA Statement on "The Role of the Chief Finance Officer in Local Government 2014". The IJB's Chief Finance Officer has overall responsibility for Clackmannanshire and Stirling Health and Social Care Partnerships financial arrangements.

The IJB complies with the requirements of the CIPFA Statement on "The Role of the Head of Internal Audit in Public Organisations 2019". The IJB's appointed Chief Internal Auditor has responsibility for the IJB's internal audit function and is professionally qualified and suitably experienced to lead and direct internal audit staff. The Internal Audit service operates in accordance with the CIPFA "Public Sector Internal Audit Standards 2017".

Board members and officers of the IJB are committed to the concept of sound internal control and the effective delivery of IJB services. The IJB's Audit and Risk Committee operates in accordance with CIPFA's Audit Committee Principles in Local Authorities in Scotland and Audit Committees: Practical Guidance for Local Authorities. The Committee's core function is to provide the IJB with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance arrangements.

Governance Issues Relating to Ongoing Impacts of COVID-19

The IJB considered and approved an updated Scheme of Delegation in March 2022 and operated within this during financial year 2022/23 superseding specific governance arrangements put in place during the Covid-19 pandemic. Whilst Covid continues to have impacts on demand for, and delivery of, health and social care services there are no specific governance issues to disclose in this regard.

Other Governance Issues

There are no other specific governance issues to report.

Management of Risk

The Integration Joint Board monitors and seeks to mitigate significant risk through its Risk Management Framework and Strategic Risk Register. The Strategic Risk Register is regularly

reviewed by the partnership Senior Leadership Team. The Audit & Risk Committee provide a scrutiny role for the Integration Joint Board by reviewing, scrutinising, and approving the Strategic Risk Register as a standing agenda item at each meeting. High risks on the Strategic Risk Register are reported to the Integration Joint Board through routine Performance Reports.

The IJBs risk management framework remains under review and an HSCP Risk Management Network has been re-established during the year to enhance risk management arrangements and provided professional risk management input. The review will consider any updates required to the risk management framework and improving interfaces with risk management arrangements across the constituent authorities assisting in linking operational and strategic risk identification, management, and reporting.

Action Plan

Following consideration of the review of adequacy and effectiveness the following action plan has been agreed to ensure continual improvement of the IJB's governance. Regular updates on progress of the agreed actions will be monitored by the IJB Audit and Risk Committee.

Update on Action Plan

Areas for Improvement Identified	Action Undertaken in 2022/23	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
A comprehensive review of the IJBs Governance Frameworks will be undertaken aligned to changes in operational responsibilities of the Chief Officer	Action partially complete.	Chief Officer and Chief Finance Officer		Complete
	Reserves Strategy & Policy Updated			
	Delegation agreed and approved by both IJBs within Forth Valley		December 2021	Complete
	Financial Regulations reviewed, updated and presented for approval.		January 2023	September 2023
	Consideration of requirement to prepare revised Integration Scheme has now been revisited and a programme to undertake review is now in place. Note the Integration Scheme is the legal partnership agreement between the constituent authorities.		October 2022	In progress. Completion estimated by March 2024
Development of Local Code of Corporate Governance	Action Outstanding. Local Code of Corporate Governance will be developed as part of review of governance frameworks post review of Financial Regulations	Chief Officer and Chief Finance Officer	December 2021	December 2023

Areas for Improvement Identified	Action Undertaken in 2022/23	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
Implement Revised Approach to Directions	Partially complete. Revised directions policy approved, and full implementation linked to agreement of 2023-2033 Strategic Plan	Chief Officer, Head of Service (SP&HI) & Chief Finance Officer	March 2023	Over course of 2023/24 linked to delivery plan
Produce Annual Assurance Reports for IJB Committees	Action previously deferred due to operational pressures however IJB agreed to annual assurance reporting from 2023/24 as part of review of committee terms of reference in March 2023.	Chief Finance Officer & HSCP Business Manager	December 2022	March 2024 (first annual assurance reports)
Review of relationship between IJB and Community Planning Partnerships (CPPs)	<p>Action is being progressed.</p> <p>The IJB Chief Officer is a member of Clackmannanshire Alliance and Stirling Community Planning Partnership; with HSCP Managers as member of CPP Delivery groups in both Councils.</p> <p>As part of developing good governance arrangements the IJBs has taken on the CPP leadership role for the Alcohol and Drug Partnership across Clackmannanshire and Stirling areas. This includes regular reporting into CPP for both Council areas.</p> <p>The delegation of Health Improvement Service has been completed. Service and financial planning is underway to align the work to the new Strategic Commissioning Plan and Locality Plans in each Locality area.</p>	Head of Service (Strategic Planning & Health Improvement)	March 2022	Completed
Further Develop Best Value Arrangements	Action partially complete. Further consideration as part of delivery plan and integrated performance framework.	Chief Finance Officer	March 2022	Ongoing

Areas for Improvement Identified	Action Undertaken in 2022/23	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
Further Develop Strategic Improvement Plan	Superseded by agreement to develop annual delivery plan to underpin Strategic Commissioning Plan.	Chief Officer, Chief Finance Officer, and Head of Service Strategic Planning & Health Improvement	Ongoing	Complete
Undertake Review of Strategic Plan / Strategic Commissioning Plan	Complete	Chief Officer & Head of Service, Strategic Planning & Health Improvement	March 2023	N/a

Some of the actions reflected within the Action Plan above has been materially delayed as largely as a result of the Covid 19 pandemic and enduring significant system pressures being faced by Health and Social Care Services.

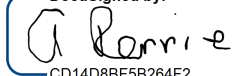
Conclusion and Opinion on Assurance

Whilst recognising that further improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's governance arrangements.

We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the IJB's principal objectives will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to regularly review and improve the internal control environment and the implementation of the action plan will be monitored by the HSCP Senior Management Team and reported and scrutinised by IJB and the IJB Audit and Risk Committee.

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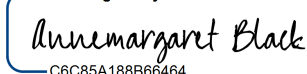
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Allan Rennie

Chair

27 September 2023

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Annemargaret Black

Chief Officer

27 September 2023

Comprehensive Income and Expenditure Statement

This statement shows the cost of providing services for the year according to accepted accounting practices. Where the impact on the General Fund is amended by statutory adjustments this is shown in the Movement in Reserves Statement.

		2021/22			2022/23	
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
24,736	0	24,736	Large Hospital Services	31,513	0	31,513
127,956	(8,462)	119,493	Community Health and Social Care Services	138,938	(8,632)	130,306
83,691	0	83,691	Primary Care	90,720	0	90,720
317	0	317	IJB Running Costs	375	0	375
236,699	(8,462)	228,237	IJB Operational Costs	261,546	(8,632)	252,914
	(242,272)	(242,272)	Taxation and Non-Specific Grant Income		(247,192)	(247,192)
		(14,035)	(Surplus) or Deficit on Provision of Services and Total Comprehensive (Income) and Expenditure			5,722

There are no statutory or presentation adjustments which affect the Integration Joint Board'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 Integration Joint Board's reserves.

Movements in Reserves 2022/23	General Fund Balance £000	Unusable Reserves £000	Total Reserves £000
Opening Balance at 31 March 2022	(28,248)	0	(28,248)
Total Comprehensive Income and Expenditure	5,722	0	5,722
Closing Balance at 31 March 2023	(22,525)	0	(22,525)

Movements in Reserves 2021/22	General Fund Balance £000	Unusable Reserves £000	Total Reserves £000
Opening Balance at 31 March 2021	(14,212)	0	(14,212)
Total Comprehensive Income and Expenditure	(14,035)	0	(14,035)
Closing Balance at 31 March 2022	(28,248)	0	(28,248)

Balance Sheet

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

31 March 2022 £000		Notes	31 March 2023 £000
<u>28,248</u>	Short Term Debtors	Note 7	<u>22,525</u>
<u>28,248</u>	Current Assets		<u>22,525</u>
<u>28,248</u>	Net Assets		<u>22,525</u>
<u>(28,248)</u>	Useable Reserves: General Fund	Note 8	<u>(22,525)</u>
<u>(28,248)</u>	Total Reserves		<u>(22,525)</u>

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Ewan Murray

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Ewan C. Murray

Chief Finance Officer

27 September 2023

Notes to the Financial Statements

1. Significant Accounting Policies

General Principles

The Financial Statements summarises the authority's transactions for the 2022/2023 financial year and its position at the year ended 31 March 2023.

The Integration Joint Board was established under the requirements of the Public Bodies (Joint Working) (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 2022/23, 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 Integration Joint Board will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

The IJB's funding from and commissioning of services to partners has been confirmed for 2023/24 and a Medium-Term Financial Outlook has been prepared covering the next 5 financial years with a commitment in place to fully update the IJBs Medium Term Financial Plan later in 2023. The IJB considers there are no material uncertainties around its going concern status.

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 Integration Joint Board.
- Income is recognised when the IJB has a right to the income, for instance by meeting any terms and conditions required to earn the income, and receipt of the income is probable.
- Where 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 Integration Joint Board is funded through funding contributions from the statutory funding partners Clackmannanshire Council, Stirling Council, and NHS Forth Valley which includes the pass through of funds from Scottish Government for the specific use of the IJB. Expenditure is incurred as the Integration Joint Board commissions specified health and social care services from the funding partners for the benefit of service recipients in Clackmannanshire and Stirling.

Cash and Cash Equivalents

The Integration Joint Board does not operate a bank account or hold cash. Transactions are settled on behalf of the Integration Joint Board by the funding partners. Consequently, the Integration Joint Board 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 Integration Joint Board's Balance Sheet.

Employee Benefits

The Integration Joint Board does not directly employ staff. Staff are formally employed by the funding partners who retain the liability for pension benefits payable in the future. The IJB therefore does not present a Pensions Liability on its Balance Sheet.

The Integration Joint Board 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.

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

Provisions, Contingent Liabilities, and Contingent Assets

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31 March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund.

A contingent liability is a possible liability arising from events on or before 31 March, whose existence will only be confirmed by later events. A provision that cannot be reasonably estimated, or where settlement is not probable, is treated as a contingent liability. A contingent liability is not recognised in the Integration Joint Board's Balance Sheet but is disclosed in a note where it is material.

A contingent asset is a possible asset arising from events on or before 31 March, whose existence will only be confirmed by later events. A contingent asset is not recognised in the Integration Joint Board's Balance Sheet but is disclosed in a note only if it is probable to arise and can be reliably measured.

Reserves

The Integration Joint Board's reserves are classified as either Usable or Unusable Reserves.

The Integration Joint Board's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March 2023 shows the extent of resources which the Integration Joint Board can use in later years to support service provision.

The Integration Joint Board has no unusable reserves.

Indemnity Insurance

The Integration Joint Board has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Forth Valley, Clackmannanshire and Stirling Councils have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Boards, the Integration Joint Board does not have any 'shared risk' exposure from participation in CNORIS. The Integration Joint Boards participation in the CNORIS scheme is therefore supplementary to normal insurance arrangements for clinical and care services.

Known claims are assessed as to the value and probability of settlement. Where it is material the overall expected value of known claims, taking probability of settlement into consideration, is provided for in the Integration Joint Board's Balance Sheet.

The likelihood of receipt of an insurance settlement to cover any claims is separately assessed and, where material, presented as either a debtor or disclosed as a contingent asset.

VAT

The Integration Joint Board is not registered for VAT and as such VAT is settled or recovered by the partner agencies.

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.

2. Accounting Standards That Have Been Issued but Not Yet Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The IJB considers that there are no such standards which would have significant impact on its annual accounts.

3. Critical Accounting Estimates and Assumptions

Set Aside Budget for Large Hospital Services

For financial year 2022/23 the sum included within the accounts in relation to the Set-Aside budget for Large Hospital services reflects the budget allocated rather than the actual cost of hospital activity. The reason for uncertainty in relation to this is the inability of systems to accurately estimate expenditure relating to the populations of Clackmannanshire and Stirling. Systems continue to be developed to be able to accurately provide this information within the accounts in future financial years in partnership with NHS Forth Valley. Development of these arrangements has been materially impacted by the pandemic and ongoing pressures across the health and social care system but is ongoing.

In terms of risk of misstatement, a 10% shift in activity would equate to an estimated £3.502m in costs which would, in turn, be matched by additional income from NHS Forth Valley.

The approach to developing arrangements was detailed in a report to the Integration Joint Board meeting in June 2018 and within the partnerships consolidated response to the Ministerial Strategic Groups proposals on Progress on Integration. The Integration Joint Board, and its committees, will continue to receive reports on progress of this work.

4. Events after the Reporting Period

The Annual Accounts were authorised for issue by the Chief Finance Officer on 27 September 2023. 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 2023, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

5. Expenditure and Income Analysis by Nature

31 March 2022 £000		31 March 2023 £000
26,011	Services Commissioned from Clackmannanshire Council	30,158
46,482	Services Commissioned from Stirling Council	52,218
163,889	Services Commissioned from NHS Forth Valley	178,795
343	Other IJB Operating Expenditure	343
3	Insurance and Related Expenditure	3
29	Auditor Fee: External Audit Work	29
(4,427)	Service Income: Clackmannanshire Council	(5,066)
(4,035)	Service Income: Stirling Council	(3,566)
(242,330)	Partners Funding Contribution and Non-Specific Grant Income	(247,192)
(14,035) (Surplus) or Deficit on the Provision of Services		5,722

Service income reflected in the table above reflects contributions received from service users towards the costs of adult social care services provided in line with the extant charging policies of Clackmannanshire and Stirling Councils.

6. Taxation and Non-Specific Grant Income

31 March 2022 £000		31 March 2023 £000
21,012	Funding Contribution from Clackmannanshire Council	27,909
41,122	Funding Contribution from Stirling Council	48,852
180,138	Funding Contribution from NHS Forth Valley	170,431
242,272	Taxation and Non-Specific Grant Income	247,192

The funding contribution from the NHS Board shown above includes £31.513 million in respect of 'set aside' resources relating to acute hospital and other resources. These are provided by NHS Forth Valley which currently retains responsibility for managing the costs of providing the services. The Integration Joint Board, however, has strategic responsibility for the consumption of, and level of demand placed on, these resources.

7. Debtors

31 March 2022 £000		31 March 2023 £000
5,232	Stirling Council	5,319
2,396	Clackmannanshire Council	5,138
20,619	NHS Forth Valley	12,068
28,248	Total Debtors	22,525

8. Useable Reserve – General Fund

The Integration Joint Board 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 and pursuance of best value from available resources.
- To provide a contingency fund to cushion the impact of unexpected events or emergencies. This is regarded as an element of the Integration Joint Board's financial resilience framework. The IJB held contingency funding totalling £4.398 million at 31 March 2023.

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

Balance at 31 March 2022 £000	Reserve Detail	Transfers Out £000	Transfers In £000	Balance at 31 March 2023 £000
(1,914)	Transformation & Leadership Fund	1,000	(1,151)	(2,066)
(3,296)	Service Pressures (from Winter Funding)	1,303	(1,520)	(3,512)
(512)	Community Living Fund	0	0	(512)
(12,999)	COVID Funding	12,072	(4,213)	(5,140)
(4,586)	Other Earmarked Reserves	1,596	(1,052)	(4,042)
(1,246)	Primary Care Improvement Plans	1,028	0	(218)
(90)	Action 15 - Mental Health	67	0	(23)
(281)	Alcohol and Drug Partnerships	0	0	(281)
0	Invest to Save Fund	0	(500)	(500)
0	MDT Funding	0	(705)	(705)
0	B2-4 Healthcare Support Workers	0	(775)	(775)
0	PCIP Transitional Payments	0	(153)	(153)
0	Prescribing HSCP Invest to Save	0	(200)	(200)
(24,925)	Total Earmarked	17,066	(10,268)	(18,127)
(3,323)	Contingency	0	(1,075)	(4,398)
(28,248)	General Fund	17,066	(11,344)	(22,525)

The table above is in condensed format and the presentation is intended to aid understanding and highlight the reserves with significant values.

The following constitute the material elements of earmarked reserves and further information of the intended purpose are provided below:

Transformation & Leadership Funding

Funding retained to support non recurrent costs of implementing the transformation programme.

Service Pressures

£2 million of this funding was deployed to support the Initial 22/23 Revenue Budget with the balance being held to support specific service pressures including any additional costs associated with the 23/24 Winter Plan.

Covid Funding

The residual balance of Scottish Government funding support. The funds use will be subject to further discussion with Scottish Government. This reserve has reduced significantly due to deployment to support Covid costs during 2022/23.

Invest to Save Fund

Funding to support ‘pump priming’ initiatives intended to release cash savings in future periods.

MDT Funding

Funding to support development of Multi-Disciplinary Teams. This is held in reserves at 31 March 2023 due to a timing difference between the allocation of funding from Scottish Government and the incurrence of expenditure.

Band 2-4 Healthcare Support Workers

Funding to support increasing the numbers of Healthcare Support Workers. This is held in reserves at 31 March 2023 due to a timing difference between the allocation of funding from Scottish Government and the incurrence of expenditure.

Other Earmarked Reserves

The IJB held a number of smaller earmarked reserves at 31 March 2023 which have specific spending plans but are not individually material. These include residual elements of specific Scottish Government allocations received in 22/23 but not due to be fully expended until financial year 2023/24.

9. Related Party Transactions

The IJB has related party relationships with the NHS Forth Valley and the Clackmannanshire & Stirling Councils. In particular, the nature of the partnership means that the Integration Joint Board may influence, and be influenced by, its partners. The following transactions and balances included in the Integration Joint Board’s accounts are presented to provide additional information on the relationships.

There are no material transactions with Clackmannanshire and Stirling Integration Joint Board officers or with organisations they have an interest in. The remuneration and any other taxable payments to senior officers, the Chair and Vice Chair are disclosed in the remuneration statement. Each Board member’s registered interests will be published on the Integration Joint Board webpage in due course.

Support services were not delegated to the Integration Joint Board through the Integration Scheme and are instead provided by the constituent authorities free of charge as a ‘service in kind’. The support services provided by the constituent authorities mainly consist of performance management, human resources, financial management, information services, information technology and payroll.

Transactions with NHS Forth Valley

31 March 2022 £000		31 March 2023 £000
(180,138)	Funding Contributions received from the NHS Board	(170,431)
163,889	Expenditure on Services provided by the NHS Board	178,795
159	Key Management Personnel: Non-Voting Members	187
(16,091)	Net Transactions with NHS Forth Valley	8,551

Key Management Personnel: The Chief Officer and Chief Finance Officer are employed by NHS Forth Valley and recharged to the Integration Joint Board via contributions from the constituent authorities based on voting shares. Details of the remuneration for the Chief Officer and Chief Finance Officer is provided in the Remuneration Report.

Balances with NHS Forth Valley

31 March 2022 £000		31 March 2023 £000
<u>20,619</u>	Debtors Balances: Amounts due from NHS Board	<u>12,068</u>
<u>20,619</u>		<u>12,068</u>

Transactions with Clackmannanshire Council

31 March 2022 £000		31 March 2023 £000
(21,012)	Funding Contributions received from the Council	(27,909)
(4,427)	Service Income Received from the Council	(5,066)
26,011	Expenditure on Services provided by the Council	30,158
63	Key Management Personnel: Non-Voting Members	75
<u>635</u>	Net Transactions with Clackmannanshire Council	<u>(2,742)</u>

Balances with Clackmannanshire Council

31 March 2022 £000		31 March 2023 £000
<u>2,396</u>	Debtors Balances: Amounts due from Council	<u>5,138</u>
<u>2,396</u>		<u>5,138</u>

Transactions with Stirling Council

31 March 2022 £000		31 March 2023 £000
(41,122)	Funding Contributions received from the Council	(48,852)
(4,035)	Service Income Received from the Council	(3,566)
46,482	Expenditure on Services provided by the Council	52,218
95	Key Management Personnel: Non-Voting Members	112
<u>1,420</u>	Net Transactions with Stirling Council	<u>(87)</u>

Balances with Stirling Council

31 March 2022 £000		31 March 2023 £000
<u>5,232</u>	Debtors Balances: Amounts due from Council	<u>5,319</u>
<u>5,232</u>		<u>5,319</u>

10. Expenditure Analysis

Expenditure on services commissioned by the Clackmannanshire and Stirling Integration Joint Board from its constituent authorities is analysed below:

	Year Ended 31 March 2022 £000	Year Ended 31 March 2023 £000
NHS Forth Valley - Health Services		
<u>Set Aside</u>		
Accident and Emergency Services	6,793	10,725
Inpatient Hospital Services Relating to:		
General Medicine	3,265	3,753
Geriatric Medicine	3,937	6,566
Rehabilitation Medicine	1,706	2,790
Respiratory Medicine	1,264	2,123
Psychiatry of Learning Disability	1,115	1,243
Palliative Care (Hospital Based)	1,149	1,218
Mental Health Inpatient Services	5,984	6,605
Set Aside Subtotal	25,212	35,024
Adjustment to budget	(476)	(3,511)
Adjusted Set Aside Subtotal	24,736	31,513
<u>Operational</u>		
Nursing Services	4,550	5,003
Community Addiction Services	3,212	3,662
Community Based AHP Services	6,663	6,886
Community Mental Health	761	998
Community Learning Disabilities	4,672	5,504
Community Hospitals	5,629	6,573
Other Health Care Services	5,582	6,406
Integration Fund & Resource Transfer	24,393	21,530
Partnership Costs	159	187
Operational Subtotal	55,621	56,749
<u>Universal</u>		
Primary Medical Services (GMS Contract)	29,843	32,417
Primary Dental Services (GDS Contract)	9,281	10,369
Community Ophthalmic Services	2,801	2,849
Community Pharmaceutical Services	39,961	43,307
GP Out of Hours Services	1,805	1,779
Universal Subtotal	83,691	90,720
Total Health Services	164,047	178,982

Clackmannanshire Council - Adult Social Care Services

Long Term Care	10,496	13,459
Care at Home	9,036	11,799
Staffing	8,162	9,127
Direct Payments	890	1,300
Third Party Payments	4,148	1,774
Other Adult Social Care Services	1,103	1,222
Partnership Costs	63	75
Income	(4,427)	(5,066)
Resource Transfer	(7,825)	(8,521)

Total Adult Social Care Services - Clackmannanshire	21,647	25,167
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Stirling Council - Adult Social Care Services

Long Term Care	15,389	15,719
Care at Home	18,614	21,260
Staffing	6,329	6,398
Bellfield Centre	3,703	4,478
Reablement	2,358	3,135
Direct Payments	1,290	1,613
Third Party Payments	903	1,393
Respite	960	1,569
MECS / Telecare / Telehealth	661	686
Other Adult Social Care Services	3,360	3,562
Partnership Costs	95	112
Integration Fund & Resource Transfer	(11,120)	(11,160)

Total Adult Social Care Services - Stirling	42,543	48,765
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Partnership Total	228,237	252,914
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Independent auditor’s report to the members of Clackmannanshire and Stirling Integration Joint Board and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of Clackmannanshire and Stirling Integration Joint Board for the year ended 31 March 2023 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement and Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the 2022/23 Code).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the Integration Joint Board as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27 we are independent of the Clackmannanshire and Stirling Integration Joint Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Clackmannanshire and Stirling Integration Joint Board. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Integration Joint Board’s ability to continue to adopt

the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the Integration Joint Board current or future financial sustainability. However, we report on the Integration Joint Board arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that We identified and our judgements thereon.

Responsibilities of the chief finance officer and Clackmannanshire and Stirling IJB for the financial statements

As explained more fully in the Statement of Responsibilities, the chief finance officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the chief finance officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the chief finance officer is responsible for assessing the Integration Joint Board ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the Integration Joint Board operations.

The Integration Joint Board is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud.

Procedures include:

- using our understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the Clackmannanshire and Stirling IJB;
- inquiring of the chief officer and chief finance officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the Clackmannanshire and Stirling IJB;

- inquiring of the chief officer and chief finance officer concerning the Clackmannanshire and Stirling IJB policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This includes the Public Bodies (Joint Working) (Scotland) Act 2014
- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These include the Data Protection Act 2018 and relevant employment legislation.

As a result of performing the above, we identified the greatest potential for fraud was in relation to management override of controls. In common with audits under ISAs (UK) we are required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulation described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Clackmannanshire and Stirling IJB controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

We have audited the parts of the Remuneration Report described as audited. In our opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Other information

The chief finance officer is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and We do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which we are required to report by exception

We are required by the Accounts Commission to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- we have not received all the information and explanations We require for our audit.

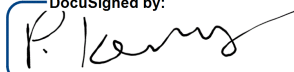
We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

DocuSigned by:


15966F02CE69431
Pat Kenny, CPFA (for and on behalf of Deloitte LLP)
110 Queen Street
Glasgow
G1 3BX
United Kingdom

27 September 2023

Glossary

While the terminology used in this report is intended to be self-explanatory, it may be useful to provide additional definition and interpretation of the terms used.

Accounting Period	The period of time covered by the Accounts normally a period of twelve months commencing on 1 April each year. The end of the accounting period is the Balance Sheet date.
Accruals	The concept that income and expenditure are recognised as they are earned or incurred not as money is received or paid.
Balance Sheet	A statement of the recorded assets, liabilities, and other balances at the end of the accounting period.
CIPFA	The Chartered Institute of Public Finance and Accountancy.
Consistency	The concept that the accounting treatment of like terms within an accounting period and from one period to the next is the same.
CNORIS	The Clinical Negligence and Other Risks Indemnity Scheme
COSLA	Convention of Scottish Local Authorities
Creditor	Amounts owed by the IJB for work done, goods received, or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.
Debtor	Amount owed to the IJB for works done, goods received, or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.
Entity	A body corporate, partnership, trust, unincorporated association, or statutory body that is delivering a service or carrying on a trade or business with or without a view to profit. It should have a separate legal personality and is legally required to prepare its own single entity accounts.
Events after the Reporting Period	Events after the Reporting Period are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Annual Accounts are authorised for issue.
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ISA	International Standard on Auditing
ISD	Information Services Division Scotland
LASAAC	Local Authority (Scotland) Accounts Advisory Committee
Liability	A liability is where the IJB owes payment to an individual or another organisation. A current liability is an amount which will become payable or could be called in within the next accounting period e.g. creditors or cash overdrawn. A non-current liability is an amount which by arrangement is payable beyond the next year at some point in the future or will be paid off by an annual sum over a period of time.
NRAC	NHS Scotland Resource Allocation Committee (Scottish NHS resource allocation formula)
Provision	An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates of when they will arise are uncertain.
PSIAS	Public Sector Internal Audit Standards.
Related Parties	Bodies or individuals that have the potential to control or influence the IJB or to be controlled or influenced by the IJB. For the IJB's purposes, related parties are deemed to include voting members, the Chief Officer and their close family and household members.

Remuneration	All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as these sums are chargeable to UK income tax) and the monetary value of any other benefits received other than in cash.
Reserves	The accumulation of surpluses, deficits, and appropriation over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the IJB.
Revenue Expenditure	The day-to-day expenses of providing services.
Significant Interest	The reporting authority is actively involved and is influential in the direction of an entity through its participation in policy decisions.
SOLACE	Society of Local Authority Chief Executives.
The Code	The Code of Practice on Local Authority Accounting in the United Kingdom.