

# Clackmannanshire and Stirling Integration Joint Board

2023/24 Annual Accounts (Unaudited)



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# Management Commentary

## Introduction & Purpose

This publication contains the financial statements for the financial year from 1 April 2023 to 31 March 2024.

The Management Commentary outlines the key messages in relation to the Integration Joint Board's (IJB) financial planning and performance for the year 2023/24 and how this supports delivery of the IJBs strategic priorities as defined in the 2023-2033 Strategic Commissioning Plan. This commentary also takes a forward look and outlines future plans for the IJB. 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.

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.

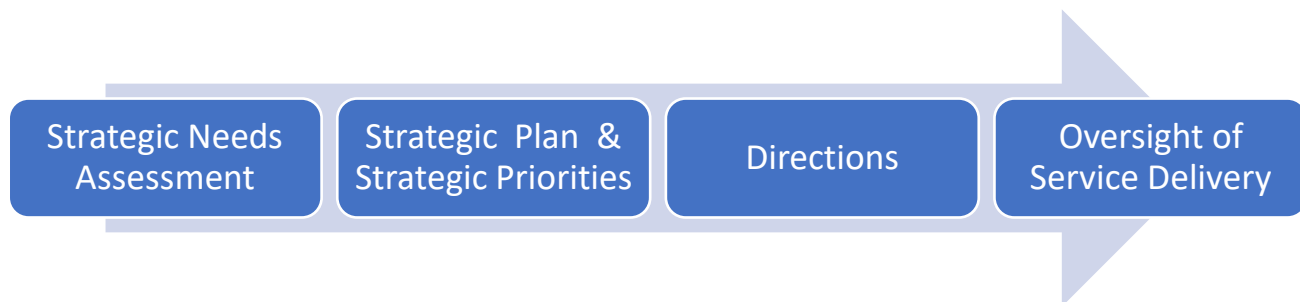
The IJB has responsibility for the strategic planning and commissioning of a wide range of health and adult social care services within the Clackmannanshire and Stirling area. The functions delegated to the IJB, under the Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) are detailed within 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 integrated strategic and financial planning, 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 budget.
- Implementing Locality Planning Networks within the IJBs agreed localities which are the 'engine room' for local planning and delivery.



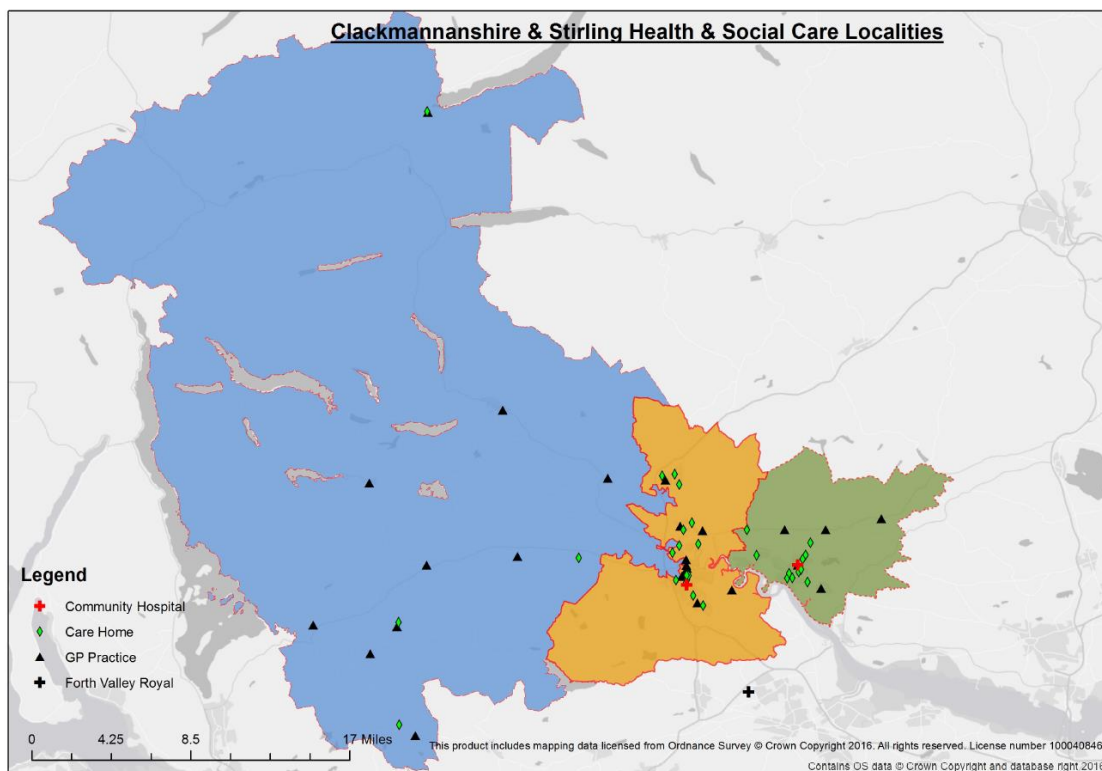
There is therefore a distinction between the Integration Joint Board as the Public Body and the Health and Social Care Partnership as the mechanism or 'delivery vehicle' for delegated integration functions covered by the Integration Scheme. These functions are delivered by means of the IJB directing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

## Review of the 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 had not yet been completed at 31 March 2024. This work is now underway with the constituent authorities with a current planned completion date of October 2024.

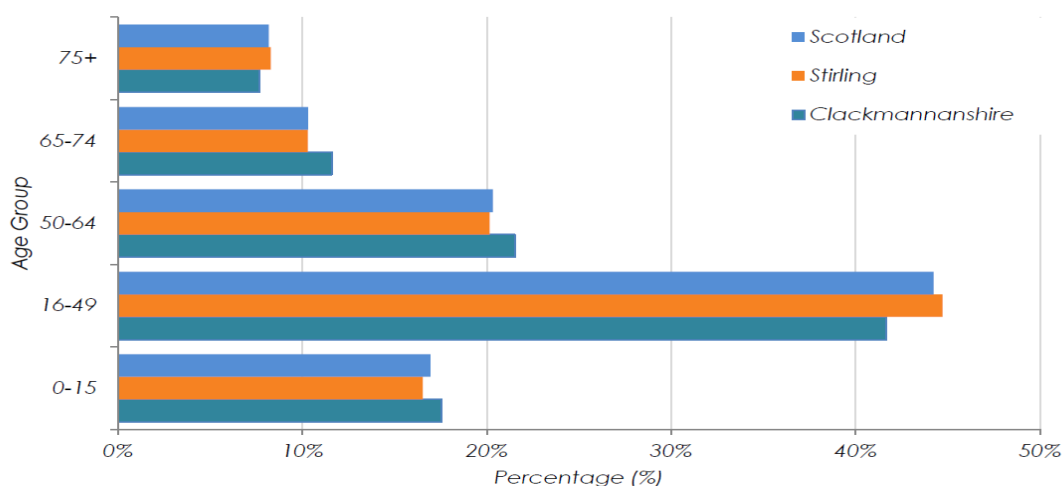
## Clackmannanshire and Stirling Health and Social Care Partnership

The Clackmannanshire and Stirling Health and Social Care Partnership population is approximately 145,000 and the partnership provides services over an area of 1,454 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.

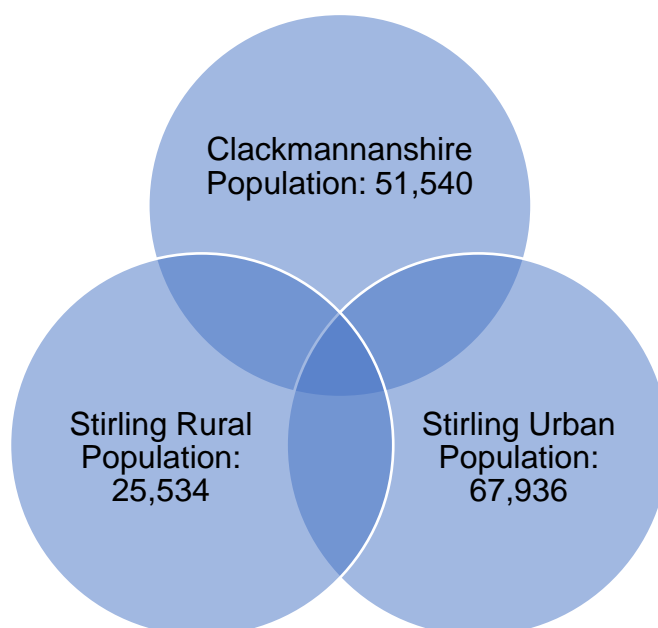
The age distribution of the population of Clackmannanshire and Stirling compared to Scotland is illustrated below:



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:



In September 2023 the IJB approved Locality Plans for each of the 3 localities within the partnership area.

These included locality action plans for 2023-26 focusing on co-produced agreed local priorities.

These local priorities are set out below:

#### Clackmannanshire

- Issues of Alcohol and Drug Use across Clackmannanshire
- Supporting and promoting Mental Health and Wellbeing
- Addressing Health Inequalities
- Clear shared communication on the clarity of roles across community health and care services to be shared across communities

#### Stirling Urban

- Clear shared communication on the clarity of roles across community health and care services to be shared across communities
- Supporting and promoting Mental Health and Wellbeing
- Identifying Social Enterprise opportunities based around need within our communities
- Supporting people with dementia within our communities

#### Stirling Rural

- Better understanding of services and increased knowledge linked to access to services across rural Stirling
- Access to care closer to home
- Scope support available to develop caring and connected communities and supporting recruitment opportunities in health and social care
- Supporting people with dementia within our communities



## 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 by working together and promoting wellbeing.**

### 2023/2033 Strategic Commissioning Plan

The IJB approved its 2023/2033 in March 2023 which sets out our ambitions that were co-created as a result of extensive engagement across Clackmannanshire and Stirling. This is the third Strategic Commissioning Plan since the establishment of the IJB and covers a 10-year period. The full Strategic Commissioning Plan can be accessed here [Clackmannanshire and Stirling HSCP – Strategic Plan \(clacksandstirlinghscp.org\)](https://clacksandstirlinghscp.org)

The Strategic Commissioning Plan demonstrates our ongoing commitment to delivery of a programme of transformation and change to meet the needs of our population.

### Our Strategic Themes & Priorities

Our priority is to provide health and social care services that support people to meet their outcomes, to provide services that are high quality, to fulfil the needs of people and help individuals to live independent and fulfilling lives. The Strategic Commissioning Plan sets out how these priorities will be pursued through a 'Needs Led, Resource Bound' approach recognising the financial and other sustainability challenges such as workforce.

#### 1. Prevention, early intervention, and harm reduction

Working with partners to improve overall health and wellbeing and preventing ill health. Promote positive health and wellbeing, prevention, early interventions and harm reduction. Promoting physical activity and reduce exposure to adverse behaviours. Right levels of support and advice at the right time, maintaining independence and improving access to services at times of crisis.

#### 2. Independent Living through choice and control

Supporting people and carers to actively participate in making informed decisions about how they will live their lives and meet their agreed outcomes. Helping people identify what is important to them to live full and positive lives and make decisions that are right for them. Coproduction and design of services with people with lived experience who have the insight to shape services of the future.

#### 3. Achieving Care Closer to Home

Shifting delivery of care and support from institutional, hospital-led services towards services that support people in the community and promote recovery and greater independence where possible. Investing in and working in partnership with people, their carer, and communities to deliver services. Improving access to care, the way services and agencies work together, working efficiently, improving the customer journey, ensure people are not delayed in hospital unnecessarily, co-design of services, primary care transformation and care closer to home.



#### 4. Supporting empowered people and communities.

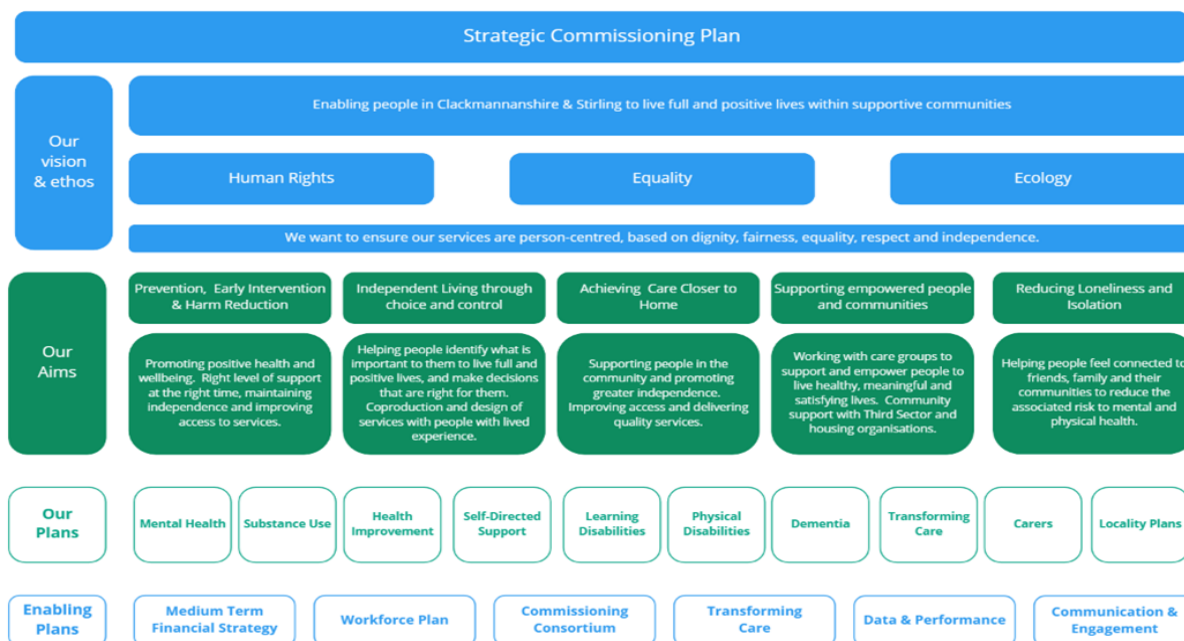
Working with communities to support and empower people to continue to live healthy, meaningful, and satisfying lives as active members of their community. Being innovative and creative in how care and support is provided. Support for unpaid carers; helping people live in their local communities, access to local support, dealing with isolation and loneliness. Planning community supports with third sector, independent sector, and housing providers. Neighbourhood care, unpaid carers, third sector supports.

#### 5. Reducing loneliness and isolation

Our society is changing, accelerated by the pandemic and there is increasing risk of social isolation and loneliness, both of which can impact a person’s physical and mental wellbeing. We will work with communities to support local communities to build connections. We will build preventions and early interventions around changing the narrative around loneliness and isolation and find new ways for people to ask for help without feeling embarrassed.

### Our ‘Plan on a Page’

The partnership vision and ethos, priorities, aims, supporting and enabling plans are brought together visually within ‘our plan on a page’ below.



## **Review of Progress in Delivery of Strategic Commissioning Plan**

The 2023/2033 Strategic Commissioning Plan will be subject to substantive review at least every three 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.

### **Principal Activities & Key Achievements in 2023/24**

During 2023/24 the key activities and achievements of Clackmannanshire and Stirling Integration Joint Board, aligned to the priorities of the 2023/2033 Strategic Commissioning Plan, included:

- Developing and approving the 2022/23 Annual Performance Report
- Implementing and monitoring delivery plans for Year 1 of the 2023/33 Strategic Commissioning Plans
- Developing and Approving Locality Plans
- Developing, Approving, and overseeing financial recovery plans in line with the requirements of the Integration Scheme
- Developing and approving Alcohol and Drug Partnership Commissioning Plans
- Refreshing and reviewing key governance frameworks including:
  - Financial Regulations
  - Clinical and Professional Governance Framework
  - Directions Policy including implementation.
- Continuing to implement Commissioning Consortia arrangements.
- Reviewing and refreshing transformation plans and monitoring arrangements.
- Developing and agreeing a Workforce Plan including an improvement action plan.
- Approved, along with Falkirk IJB, the development of a Forth Valley Strategic Commissioning Plan for Palliative and End of Life Care
- Implementing Senior Management and Leadership and IJB development programmes.
- Continuing to implement and monitor key programmes aligned to Scottish Government policy including Carers Support, Action 15 of the Mental Health Strategy, Alcohol and Drug Partnership and Primary Care Improvement Plans.
- Development and engaging on and gaining approval for the 2024/25 IJB Revenue Budget including significant and ambitious transformation and savings plans to support a 'Needs Led, Resource Bound' approach and demonstrate clear alignment to strategic priorities.

### **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 Government's ambition is for an NCS that ensures people of all ages can access the care and support that they need to live a full life by improving consistency and quality of provision.

The National Care Service (Scotland) Bill which would establish the National Care Service passed Stage 1 of the legislative process on General Principles on 29 February 2024. The Bill is a 'framework' piece of legislation, which means that it creates a framework for the future delivery of the NCS and much of its detail will be co-developed with a range of stakeholders and decided upon over a period of time. The Bill proposes that new public bodies called 'Care Boards' are established with shared accountability between Scottish Government, NHS Boards and Local Authorities. It is currently anticipated that significant changes will be place from 2027/28. The Bill is currently at Stage 2.

## 2023/24 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 2023/24 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 2023/24 a deficit of £12.663 million has been declared reflecting the net decrease in reserves held between 1 April 2023 and 31 March 2024.

At 31 March 2023 the Integration Joint Board holds £9.863 million of reserves which are earmarked for use during 2024/25 and future years.

Given the reliance on reserves in the 2024/25 budget, ongoing financial risks and existing expenditure plans, reserves are anticipated to significantly fall further during 2024/25.

The IJBs extant reserves policy incorporates a minimum general or contingency reserve level of 1% of budgeted expenditure. It is anticipated that the reserves policy will be breached during 2024/25 and general reserves will fall to zero making the reserves policy aspirational. The medium term financial outlook included within the 2024/25 Revenue Budget incorporates financial estimates to restore general reserves over time.

The table below summarises the net total movement in reserves from 2022/23:

	£m
Total Reserves at 1 April 2023	22.525
Net Decrease in Reserves	(12.662)
Total Reserves at 31 March 2024	9.863

The reserves held at 31 March 2024 are across two broad categories as summarised in the table below:

Reserve Category	£m
General Reserves	2.600
Other Earmarked Reserves	7.263
Total Reserves at 31 March 2024	9.863

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

Whilst reserves held at 31 March 2024 are in line with the extant reserves policy these are projected to fall to minimal levels during 2024/25 and as such this reflects a significantly increased financial risk to the IJB and the partner bodies.

## 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 continues to be undertaken in developing an integrated performance framework and the IJB will receive an update on this in June 2024. This framework 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 2023/24 report represents the 8th Annual Performance Report for the Partnership. It is acknowledged the approach to, and quality of performance reporting will continue to develop over time.

The 2023/24 Annual Performance Report, details progress in relation to the partnership priorities along with summary and detailed performance information. The partnerships 2023/24 Annual Performance Report will be considered by the IJB in August 2024 and will be published on the partnership website thereafter. Once the Annual Performance Report is published the management commentary will be further updated to reflect key performance information.

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

### Financial Performance

The Partnership has faced significantly increased financial challenges in 2023/24 requiring ongoing development and implementation of options for financially sustainable service delivery and financial recovery plans aligning, as far as possible, to the priorities agreed within the Partnerships Strategic Commissioning Plan (SCP) 2023-2033.

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 transformational change demonstrating alignment to SCP priorities
- Linked to the point above, delivery of sufficient savings and efficiency programmes to maintain a balanced budget position.

The 2023/24 Revenue Budget was approved by the IJB on 29 March 2023. The plan was predicated on a savings requirement of £4.392 million on the Integrated Budget and £3.047 million in relation to the Set Aside Budget for Large Hospital Services with risk assessed plans in place to deliver these. The plan also placed reliance on reserves totalling £2 million to bridge the gap on the Integrated Budget.

Approximately 48% of the planned savings and efficiencies programme were achieved in the year in relation to the Integrated Budget with no material savings delivery being delivered in relation to the Set Aside Budget for Large Hospital Services largely due to ongoing system pressures manifesting in ongoing reliance on contingency bed capacity and associated staffing costs. 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.

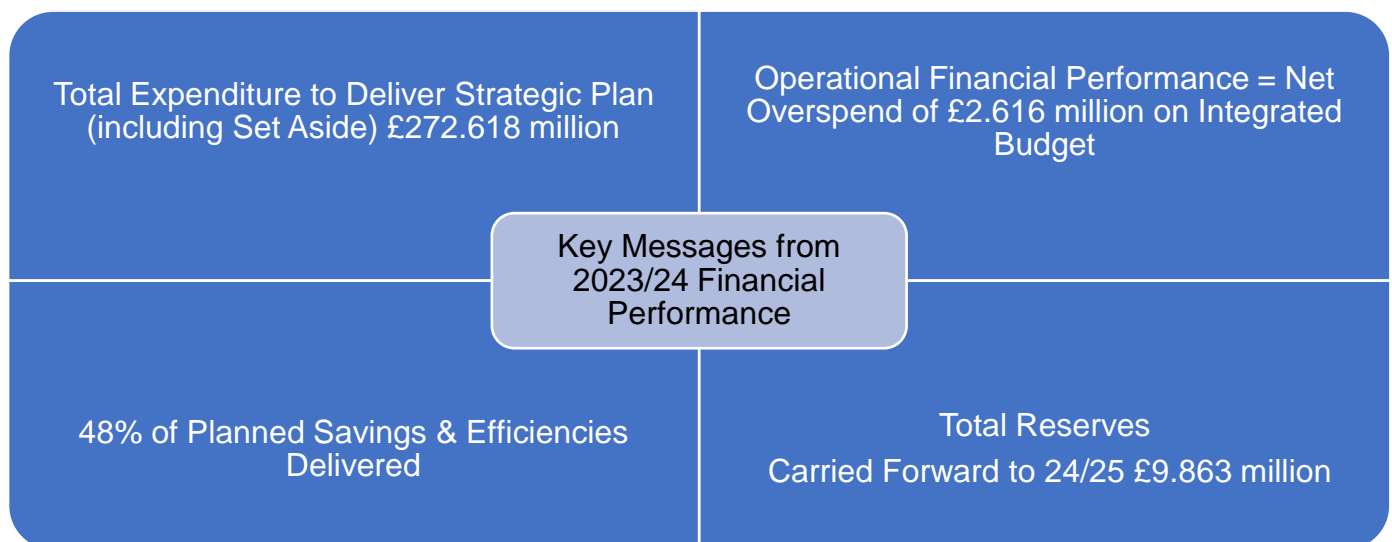
The operational financial position on the Integrated Budget (the partnership budget excluding set aside budget for large hospital services) was a net overspend of £2.616 million after taking account of the impact of financial recovery measures.

The set aside budget for large hospital services was overspent by £3.981 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.

Both the Integrated Budget and Set Aside budget financial positions were supported by £5 million of residual covid funding on a non-recurrent basis in agreement with the Scottish Government.

The overspend on the Integrated Budget was met from IJB reserves, a position which materially reduces flexibility and ability to manage financial risk going forward.

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



Key factors Impacting Financial Performance in 2023/24:

- Deployment of residual Covid funding in agreement with Scottish Government.
- 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 and this financial pressure increased to unprecedented levels.
- Significant demand driven overspends in Adult Social Care services across long-term care, care at home, and Learning Disabilities services.
- Ongoing 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 £12.662 million for the Partnership for the 2023/24 financial year.

	<b>£m</b>
Sum Set Aside for Large Hospital Services	<u>36.595</u>
Integrated Budget Income	223.361
Integrated Budget Expenditure	<u>236.361</u>
<b>Deficit for Financial Year 2022/23</b>	<b><u>(12.663)</u></b>

	<b>£m</b>
Integrated Budget Overspend	(2.616)
COVID Reserves	(5.140)
Decrease in Other Earmarked Reserves	<u>(4.907)</u>
<b>Deficit for Financial Year 2022/23</b>	<b><u>(12.663)</u></b>

Given the challenging financial performance for the year 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 the emergency department, geriatric and general medicine, palliative care, and learning disability and mental health inpatient services.

For financial year 2023/24 NHS Forth Valley continued, as in previous years, to meet the financial pressure 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	36.595
Estimated Expenditure	40.576
Overspend met by NHS Forth Valley	3.981

Arrangements for the Set Aside budget continue to be under review. Work on completing this review has not been concluded during 2023/24 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 required to be completed over the course of 2024/25, with recommendations being made thereafter to the IJB and NHS Board. This, along with the review of the Integration Scheme, also underway at the time of writing, 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 including ongoing conflicts and associated global tensions, and economic conditions including ongoing high inflation is having a significant effect on the Scottish, UK, and global economy. This was manifested in financial settlements in the public sector for 24/25 representing very significant fiscal tightening. The longer-term impacts remain uncertain and issues such as high general inflation, energy prices, and geopolitical events will have ongoing effect on economies, public expenditure, and costs. The impacts on public sector policy, expenditure, and resultant impacts on the Scottish budget of the July 2024 UK General Election remain to be seen at this point in time. Additionally, since 2008, the lack of more than single year budget settlements has hindered medium to longer term financial planning.

The aforementioned UK General Election has delayed publication of the Scottish Governments Medium Term Financial Strategy and Medium Term Financial Framework for Health and Social Care. When published these will set out the fiscal environment for public sector expenditure and specifically Health and Social Care in the coming years and the IJBs Medium Term Financial Plan will be updated to reflect these.

The IJBs 2024/25 Revenue Budget, approved in March 2024, incorporated a budget gap of £20.510 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 £14.041 million in relation to the Integrated Budget and £6.469 million in relation to the set aside budget for large hospital services.

The key themes within the Transformation and Efficiency Savings Plan approved were:

- Removal of all unfunded provision including Contingency Bed capacity
- Implementation of a Right Care Right Time Programme including allocation model for Long Term Care Admissions
- Full and Systematic Implementation of revised Self-Directed Support Provision
- Primary Care Medicines Optimisation Programme
- Maximising Charging Income through consistent application of charging policy
- Strategic Commissioning aligned to Strategic Priorities
- Grip and Control to Manage Costs within Budget

This is supported by implementation of a programme management approach to provide structure and oversight of the programme.

The balanced initial budget was approved by the IJB in March 2024 after protecting £4 million from IJB Reserves to meet the remaining deficit not addressed by approved savings and efficiency programmes. Given the risk assessment in relation to delivery of savings and efficiencies and likely support from reserves, which would mean exhausting any general or contingency 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. 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 intended policy direction of the Scottish Government in this regard.

The 2024/25 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 £37.005 million. This high-level outlook will be supplemented and superseded by a fuller review and update of the medium-term financial plan later in the financial year.

### 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 given the increased risk profile the IJB now also considers the Strategic Risk Register as a standing agenda item.

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

Key Risk	Mitigation (where possible)
Continued economic uncertainty, inflation, and wider impacts of world events and political influences with 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 clearly aligned to the priorities approved. Whole system working and collaboration including alignment to Community Planning Partnerships.
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, potentially 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 and costs of 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 partners and 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.

There is increasingly a need to focus deployment 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 9 of this document and supplemented the detailed planning within and aligned to our Transforming Care Programme.

## Conclusion

In this eighth year of operations the Partnership has continued to focus 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 Plan priorities 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.

**Councillor Gerry McGarvey**  
Chair

**David Williams**  
Interim Chief Officer

**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 at a meeting of the Integration Joint Board on 2 October 2024.

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

**Councillor Gerry McGarvey**  
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 2024 and the transactions for the year then ended.

**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 2023/24

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 2023/24 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 (till 29 August)  
Martin Fairbairn, Non-Executive  
Gordon Johnston, Non-Executive  
Stephen McAllister, Non-Executive  
John Stuart, Non-Executive

### Stirling Council

Councillor Danny Gibson, IJB Vice Chair (till 27 September)  
Councillor Gerry McGarvey, IJB Vice Chair (IJB member from 27 September, Vice Chair from 29 November 2023)  
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 from 29 March 2024 with Councillor Gerry McGarvey, Stirling Council, appointed as IJB Chair and Allan Rennie, Non-Executive Director of NHS Forth Valley, 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 Chief Officer until 4 December 2023, Annemargaret Black, took up post on 17 June 2019 and is employed by NHS Forth Valley.

The interim Chief Officer, David Williams took up post on 4 December 2023 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.

2022/23 Total	Senior Employees	Salary, Fees, & Allowances	Taxable Expenses	Total 2023/24
£		£	£	£
108,023	<b>Chief Officer: A Black (01/04/23 – 04/12/23)</b>	75,458	0	75,458
0	<b>Interim Chief Officer: D Williams (from 04/12/23)</b>	30,029	0	30,029
82,059	<b>Chief Finance Officer: E Murray</b>	86,120	0	86,120

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 31/03/2023	For Year to 31/03/2024		Movement from 31/03/2023	As at 31/03/2024
	£	£		£000	£000
Chief Officer: A Black	22,577	15,574	Pension	(7)	37
			Lump Sum	(12)	96
Chief Officer: D Williams (Interim)	0	6,276	Pension	1	1
			Lump Sum	0	0
Chief Finance Officer: E Murray	17,150	17,803	Pension	(8)	37
			Lump Sum	4	100

Accrued pension benefit estimates are provided by the Scottish Public Pensions Agency (SPPA). A Blacks in year pension contributions for 23/24 relate to the part of the financial year served as Chief Officer.

### 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
2022/23		2023/24
0	£75,000 - £79,999	1
1	£80,000 - £84,999	0
0	£85,000 - £89,999	1
1	£105,000 - £109,999	0

### Exit Packages

There were no exit packages in relation to Clackmannanshire and Stirling Integration Joint Board in financial year 2023/24 or 2022/23.

**Councillor Gerry McGarvey**  
Chair

**David Williams**  
Interim 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 2023/24 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 which provide annual assurance statements to the IJB
- 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 2023 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.

## **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 IJB’s 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 Auditor’s 2023/24 Annual Assurance Report will be presented to the IJB Audit and Risk Committee in June 2024 and will provide an opinion on the IJB’s arrangements for risk management, governance, and control for the year to 31 March 2024.

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 supplies any 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 IJB’s 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 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.

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. 17).

## **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 Partnership's 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" (the Standards).

The Standards require the Chief Internal Auditor to establish a Quality Assurance and Improvement Programme (QAIP) to allow evaluation of compliance with the Standards. This comprises an annual self-assessment and a five yearly external assessment. The external quality assessment element of the Standards seeks to provide independent assurance on the level of compliance. The Internal Audit Manager undertook a detailed self-assessment against the Standards in March 2023. This confirmed continuing compliance with the Standards, and has now been subject to independent, external validation as part of a national review process established by the Scottish Local Authorities Chief Internal Auditors' Group.

In line with the requirement, a review was undertaken from November 2023 to January 2024 by the Chief Internal Auditor from Argyll and Bute Council. The report concludes that Clackmannanshire Council's Internal Audit team fully conforms with the Standards. This is a positive outcome and provides the Audit and Risk Committee with independent assurance in line with the requirements of the Scheme of Delegation.

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**

Recent years governance statements have included specific statements with regard to the ongoing impacts of COVID-19. Given a full year has passed since the World Health Organisation

declared the end of the pandemic there are no specific governance issues to note. Furthermore, it is proposed that this is an appropriate time to cease this practice.

## Other Governance Issues

The IJB Audit and Risk Committee received a Limited Assurance Report in relation to Directions Policy at its February 2024 meeting as part of the approved Internal Audit Annual Plan.

As the core functions of the IJB are to:

- Develop and approve a Strategic Plan
- Commission (through directions) the local authorities and NHS Board to deliver services in line with the strategic plan priorities.
- Monitor performance and directions.

It is appropriate to specifically note this issue within the governance statement. The audit report was brought to the attention of the IJB and the IJB Finance and Performance Committee and significant work has been undertaken to address the recommendations within the review since that date including a review and refresh of the Directions Policy and development and implementation of directions in line with the directions policy from March 2024.

Furthermore, the structure of the IJBs agenda from March 2024 identifies and prioritises items 'for decisions with direction'.

## 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 this will be concluded in the near future. 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 is proposed to the IJB Audit and Risk Committee 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.

Areas for Improvement Identified	Action Undertaken in 2022/23	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
Comprehensive review of the IJBs Governance Frameworks will be undertaken	Financial Regulations reviewed, updated, and presented for approval.	Chief Finance Officer	September 2023	Complete
		Chief Officer	N/A	June 2024

Areas for Improvement Identified	Action Undertaken in 2022/23	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
	Standing Orders reviewed, revised, and presented for approval.  Preparation of a revised Integration Scheme (noting the Integration Scheme is the legal partnership agreement between the constituent authorities).	Clackmannanshire and Stirling Councils and NHS Forth Valley	March 2024	October 2024
Development of Local Code of Corporate Governance	Action in progress.	Chief Finance Officer	December 2023	September 2024
Implement Revised Approach to Directions	Partially complete. Directions policy reviewed and update and implementation of Revised Approach substantially implemented from March 2024	Chief Officer & Chief Finance Officer	Over course of 2023/24	From March 2024
Produce Annual Assurance Reports for IJB Committees	Action complete.	Chief Finance Officer & HSCP Business Officer	March 2024	Complete
Further Develop Best Value Arrangements	Partially complete within limitations of recording and management information systems and information available.	Chief Officer, Chief Finance Officer and Head of Strategic Planning and Health Improvement	Ongoing	Ongoing with update to IJB ARC June 2024

## 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.

**Councillor Gerry McGarvey**  
Chair

**David Williams**  
Chief Officer



## 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.

		2022/23			2023/24	
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
31,513	0	31,513	Large Hospital Services	36,595	0	36,595
138,938	(8,632)	130,306	Community Health and Social Care Services	147,525	(8,522)	139,003
90,720	0	90,720	Primary Care	96,632	0	96,632
375	0	375	IJB Running Costs	388	0	388
<b>261,546</b>	<b>(8,632)</b>	<b>252,914</b>	<b>IJB Operational Costs</b>	<b>281,140</b>	<b>(8,522)</b>	<b>272,618</b>
	<b>(247,192)</b>	<b>(247,192)</b>	<b>Taxation and Non-Specific Grant Income</b>		<b>(259,955)</b>	<b>(259,955)</b>
		<b>5,722</b>	<b>(Surplus) or Deficit on Provision of Services and Total Comprehensive (Income) and Expenditure</b>			<b>12,663</b>

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.

<b>Movements in Reserves 2023/24</b>	<b>General Fund Balance £000</b>	<b>Unusable Reserves £000</b>	<b>Total Reserves £000</b>
<b>Opening Balance at 31 March 2023</b>	<b>(22,525)</b>	<b>0</b>	<b>(22,525)</b>
Total Comprehensive Income and Expenditure	12,663	0	12,663
<b>Closing Balance at 31 March 2024</b>	<b>(9,863)</b>	<b>0</b>	<b>(9,863)</b>

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

## 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.

<b>31 March 2023 £000</b>		Notes	<b>31 March 2024 £000</b>
<u>22,525</u>	Short Term Debtors	Note 7	<u>9,863</u>
<u>22,525</u>	<b>Current Assets</b>		<u>9,863</u>
<hr/>			
<u><b>22,525</b></u>	<b>Net Assets</b>		<u><b>9,863</b></u>
<u>(22,525)</u>	Useable Reserves: General Fund	Note 8	<u>(9,863)</u>
<u><b>(22,525)</b></u>	<b>Total Reserves</b>		<u><b>(9,863)</b></u>

**Ewan C. Murray**  
Chief Finance Officer  
26 June 2024

# Notes to the Financial Statements

## 1. Significant Accounting Policies

### General Principles

The Financial Statements summarises the authority's transactions for the 2023/2024 financial year and its position at the year ended 31 March 2024.

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 2023/24, 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 2024/25 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 2024. 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 2024 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 2023/24 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 £4.057m 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 26 June 2024. 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 2024, 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 2023 £000		31 March 2024 £000
30,158	Services Commissioned from Clackmannanshire Council	30,895
52,218	Services Commissioned from Stirling Council	55,437
178,795	Services Commissioned from NHS Forth Valley	194,417
343	Other IJB Operating Expenditure	355
3	Insurance and Related Expenditure	3
29	Auditor Fee: External Audit Work	33
(5,066)	Service Income: Clackmannanshire Council	(4,764)
(3,566)	Service Income: Stirling Council	(3,758)
(247,192)	Partners Funding Contribution and Non-Specific Grant Income	(259,955)
<b>5,722</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>12,663</b>

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 2023 £000		31 March 2024 £000
27,909	Funding Contribution from Clackmannanshire Council	21,437
48,852	Funding Contribution from Stirling Council	49,430
170,431	Funding Contribution from NHS Forth Valley	189,088
<b>247,192</b>	<b>Taxation and Non-Specific Grant Income</b>	<b>259,955</b>

The funding contribution from the NHS Board shown above includes £36.595 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 2023 £000		31 March 2024 £000
5,319	Stirling Council	2,953
5,138	Clackmannanshire Council	366
12,068	NHS Forth Valley	6,544
<b>22,525</b>	<b>Total Debtors</b>	<b>9,863</b>



## 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 £2.600 million at 31 March 2024.

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

<b>Balance at 31 March 2023 £000</b>	<b>Reserve Detail</b>	<b>Transfers Out £000</b>	<b>Transfers In £000</b>	<b>Balance at 31 March 2024 £000</b>
(2,066)	Transformation & Leadership Fund	459	0	(1,606)
(3,512)	Service Pressures (from Winter Funding)	3,062	0	(450)
(512)	Community Living Fund	0	0	(512)
(5,140)	COVID Funding	5,140	0	0
(4,042)	Other Earmarked Reserves	1,486	(1,035)	(3,592)
(218)	Primary Care Improvement Plans	218	0	(0)
(23)	Action 15 - Mental Health	23	(40)	(40)
(281)	Alcohol and Drug Partnerships	163	(245)	(363)
(500)	Invest to Save Fund	0	0	(500)
(705)	MDT Funding	705	0	0
(775)	B2-4 Healthcare Support Workers	775	0	0
(153)	Pcip Transitional Payments	153	0	0
(200)	Prescribing Hscip Invest To Save	0	0	(200)
<b>(18,127)</b>	<b>Total Earmarked</b>	<b>12,184</b>	<b>(1,320)</b>	<b>(7,263)</b>
(4,398)	Contingency	1,798	0	(2,600)
<b>(22,525)</b>	<b>General Fund</b>	<b>13,983</b>	<b>(1,320)</b>	<b>(9,863)</b>

The table above is in condensed format and the presentation is intended to aide 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 and Service Pressures Funding

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

### Invest to Save Fund

Funding to support 'pump priming' initiatives intended to release cash savings in 2024/25 and beyond.

### Other Earmarked Reserves

The IJB held a number of smaller earmarked reserves at 31 March 2024 which have specific spending plans but are not individually material.

## 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

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
<b>(170,431)</b>	Funding Contributions received from the NHS Board	<b>(189,088)</b>
178,795	Expenditure on Services provided by the NHS Board	194,417
187	Key Management Personnel: Non-Voting Members	196
<b><u>8,551</u></b>	<b>Net Transactions with NHS Forth Valley</b>	<b><u>5,524</u></b>

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

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
<b><u>12,068</u></b>	Debtors Balances: Amounts due from NHS Board	<b><u>6,544</u></b>
<b><u>12,068</u></b>		<b><u>6,544</u></b>

**Transactions with Clackmannanshire Council**

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
(27,909)	Funding Contributions received from the Council	(21,437)
(5,066)	Service Income Received from the Council	(4,764)
30,158	Expenditure on Services provided by the Council	30,895
75	Key Management Personnel: Non-Voting Members	78
<u>(2,742)</u>	<b>Net Transactions with Clackmannanshire Council</b>	<u>4,772</u>

**Balances with Clackmannanshire Council**

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
5,138	Debtors Balances: Amounts due from Council	366
<u>5,138</u>		<u>366</u>

**Transactions with Stirling Council**

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
(48,852)	Funding Contributions received from the Council	(49,430)
(3,566)	Service Income Received from the Council	(3,758)
52,218	Expenditure on Services provided by the Council	55,437
112	Key Management Personnel: Non-Voting Members	117
<u>(87)</u>	<b>Net Transactions with Stirling Council</b>	<u>2,367</u>

**Balances with Stirling Council**

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
5,319	Debtors Balances: Amounts due from Council	2,953
<u>5,319</u>		<u>2,953</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 2023 £000	Year Ended 31 March 2024 £000
<b>NHS Forth Valley - Health Services</b>		
<u>Set Aside</u>		
Accident and Emergency Services	10,725	13,316
Inpatient Hospital Services Relating to:		
General Medicine	3,753	4,504
Geriatric Medicine	6,566	7,152
Rehabilitation Medicine	2,790	3,320
Respiratory Medicine	2,123	2,452
Psychiatry of Learning Disability	1,243	1,356
Palliative Care (Hospital Based)	1,218	1,280
Mental Health Inpatient Services	6,605	7,196
<b>Set Aside Subtotal</b>	<b>35,024</b>	<b>40,576</b>
Adjustment to budget	(3,511)	(3,981)
<b>Adjusted Set Aside Subtotal</b>	<b>31,513</b>	<b>36,595</b>
<u>Operational</u>		
Nursing Services	5,003	5,312
Community Addiction Services	3,662	3,714
Community Based AHP Services	6,886	7,865
Community Mental Health	998	979
Community Learning Disabilities	5,504	6,471
Community Hospitals	6,573	7,377
Other Health Care Services	6,406	7,785
Integration Fund & Resource Transfer	21,530	21,689
Partnership Costs	187	196
<b>Operational Subtotal</b>	<b>56,749</b>	<b>61,386</b>
<u>Universal</u>		
Primary Medical Services (GMS Contract)	32,417	33,975
Primary Dental Services (GDS Contract)	10,369	10,007
Community Ophthalmic Services	2,849	3,251
Community Pharmaceutical Services	43,307	47,465
GP Out of Hours Services	1,779	1,934
<b>Universal Subtotal</b>	<b>90,720</b>	<b>96,632</b>
<b>Total Health Services</b>	<b>178,982</b>	<b>194,613</b>

**Clackmannanshire Council - Adult Social Care Services**

Long Term Care	13,459	12,880
Care at Home	11,799	12,926
Staffing	9,127	9,600
Direct Payments	1,300	1,542
Third Party Payments	1,774	687
Other Adult Social Care Services	1,222	1,234
Partnership Costs	75	78
Income	(5,066)	(4,764)
Resource Transfer	(8,521)	(7,974)

<b>Total Adult Social Care Services - Clackmannanshire</b>	<b>25,167</b>	<b>26,209</b>
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**Stirling Council - Adult Social Care Services**

Long Term Care	15,719	17,928
Care at Home	21,260	24,939
Staffing	6,398	3,915
Bellfield Centre	4,478	4,481
Reablement	3,135	3,918
Direct Payments	1,613	1,668
Third Party Payments	1,393	957
Respite	1,569	1,072
MECS / Telecare / Telehealth	686	737
Other Adult Social Care Services	3,562	3,446
Partnership Costs	112	117
Integration Fund & Resource Transfer	(11,160)	(11,384)

<b>Total Adult Social Care Services - Stirling</b>	<b>48,765</b>	<b>51,796</b>
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<b>Partnership Total</b>	<b>252,914</b>	<b>272,618</b>
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Independent auditor's report to the members of Clackmannanshire and Stirling Integration Joint Board and the Accounts Commission

**The independent auditors report will be included within the audited accounts at this place.**

## 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.