

Clackmannanshire and Stirling Integration Joint Board

2024/25 Annual Report and Financial Statements



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Management Commentary

Introduction & Purpose

This publication contains the financial statements for the financial year from 1 April 2024 to 31 March 2025.

The Management Commentary outlines the key messages in relation to the Integration Joint Board's (IJB) financial planning and performance for the year 2024/25 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.

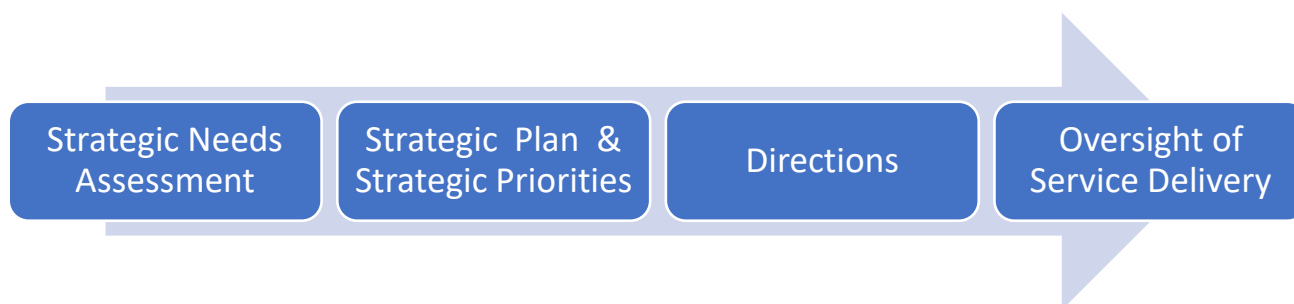
The IJB has responsibility for the strategic planning and commissioning of a wide range of health and adult social care services within the Clackmannanshire and Stirling area. The functions delegated to the IJB, under the Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) are detailed within 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 assurances 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.



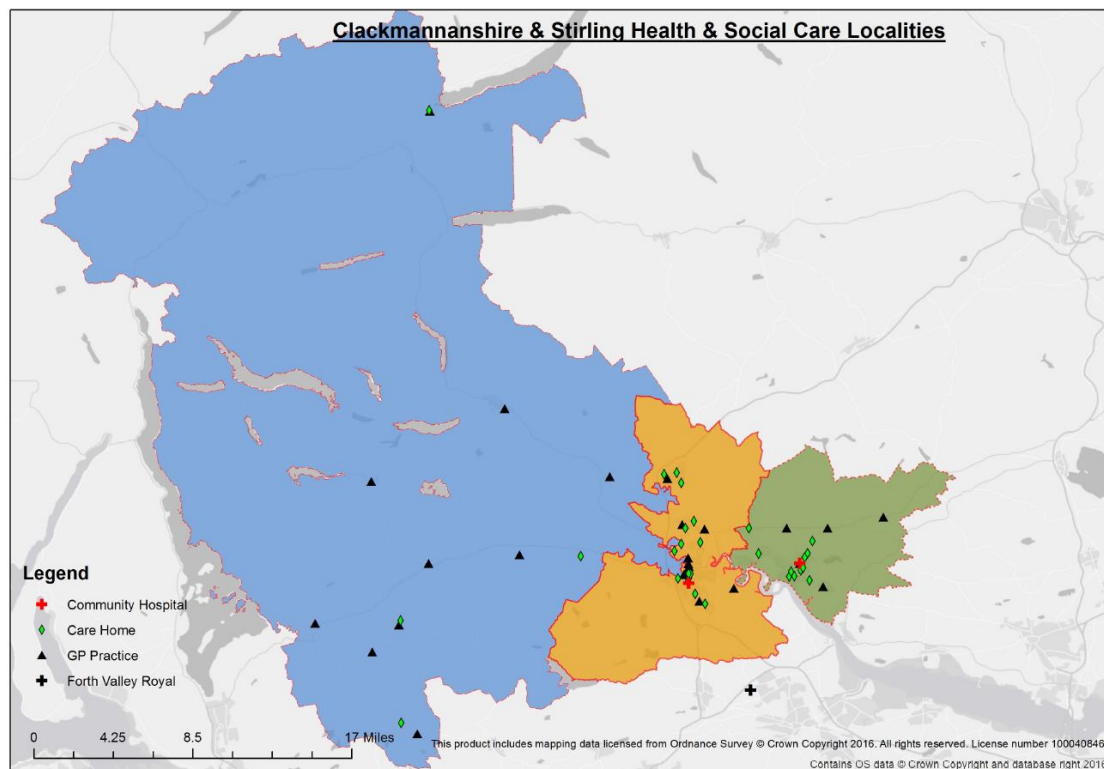
There is therefore a distinction between the Integration Joint Board as the Public Body and the Health and Social Care Partnership as the mechanism or 'delivery vehicle' for delegated integration functions defined in the Integration Scheme. These functions are delivered by means of the IJB directing 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, and a revised scheme has been developed however at the time of writing had not been approved by all of the constituent authorities. The revised Integration Scheme is now being discussed under the auspices of the ongoing dispute between the constituent authorities. Therefore, at the current point in time, the extant Integration Scheme remains in force. At the time of writing, there was not a firm timescale for resolution of this matter agreed.

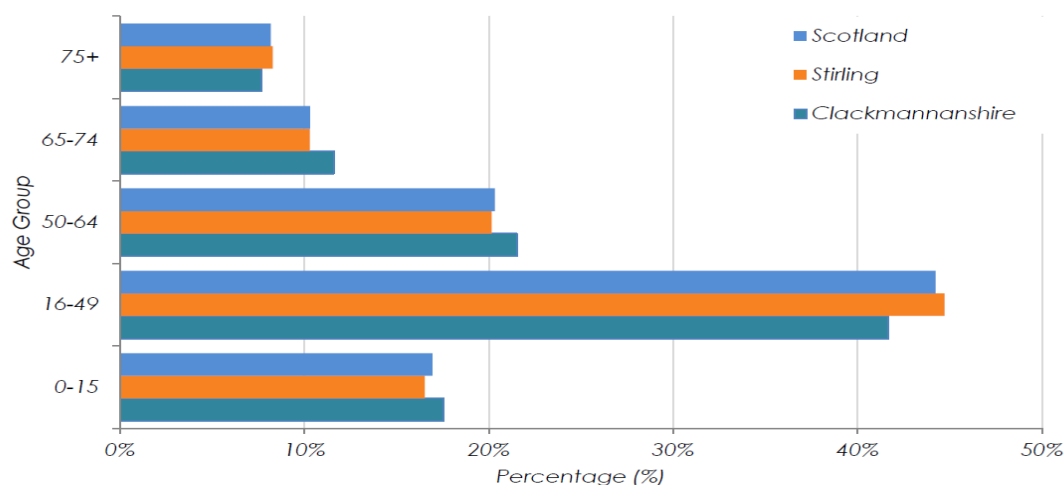
Clackmannanshire and Stirling Health and Social Care Partnership

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.

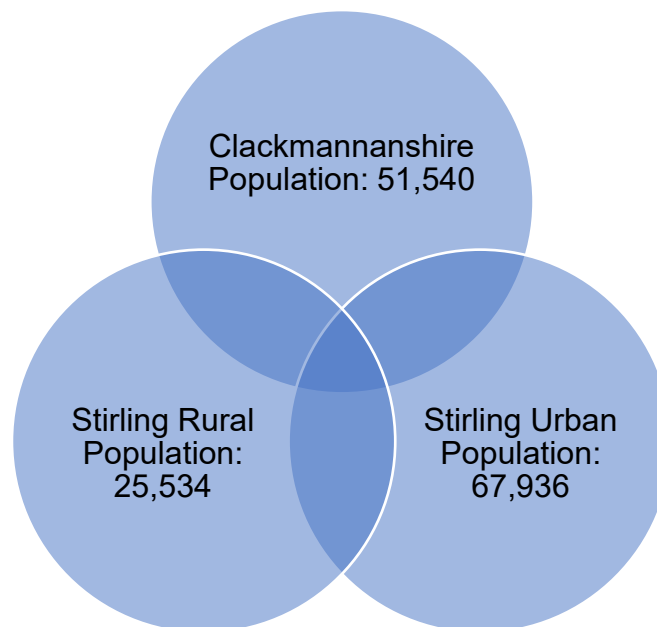
The age distribution of the population of Clackmannanshire and Stirling compared to Scotland is illustrated below:



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. This leads to inequalities.

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.

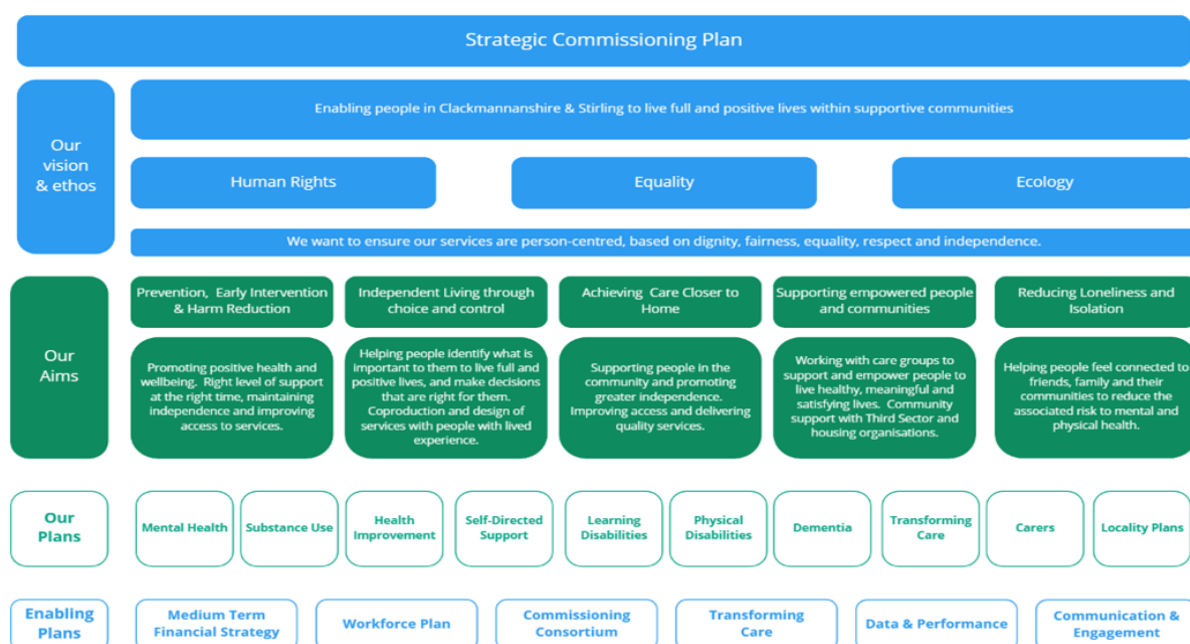
Working with communities to support and empower people to continue to live healthy, meaningful, and satisfying lives as active members of their community. Being innovative and creative in how care and support is provided. Support for unpaid carers; helping people live in their local communities, access 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. A substantive review is therefore planned to be conducted over the remainder of financial year 2025/26.

Principal Activities & Key Achievements in 2024/25

During 2024/25 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 2023/24 Annual Performance Report
- Implementing and monitoring delivery plans for Year 2 of the 2023/33 Strategic Commissioning Plans
- Agreeing a 'Once for Clackmannanshire and Stirling Self Directed Support (SDS) Policy
- Agreeing a revised Integrated Performance Framework
- Reviewing and streamlining governance arrangements including streamlined committee structure through establishing a Finance, Audit and Performance Committee to replace the former Audit and Risk and Finance and Performance Committees.
- Agreeing a revised Risk Management Strategy including Risk Appetite and Tolerance Statements
- Agreeing an Independent Advocacy Strategic Commissioning Plan
- Agreeing a Commissioning Approach for Dementia
- Agreeing a plan to Implement the Self-Directed Support Policy for Adults with Learning Disabilities
- Agreeing a Palliative and End of Life Care Strategic Plan
- Agreeing an Improvement Plan in Response to the Joint Inspection of Clackmannanshire and Stirling Health and Social Care Partnership which took place between April and September 2024
- Agreeing to Commission a Change to the Model of Long-Term Care for Older Adults
- Agreeing a Mental Health Inpatient Redesign
- Agreeing a Model of Care for Respite and Short Breaks
- Agreeing and overseeing financial recovery options which partially mitigated the projected overspend whilst maintaining statutory service delivery and maintaining performance.

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.

After significant consultation, discussion and significant changes the initial National Care Service Bill has now become the Care Reform (Scotland) Act 2025 which was approved in July 2025. The Act introduces key changes including:

- Anne's Law which guarantees the right of people in adult care homes to see loved ones
- Rights for Unpaid Carers including the right to breaks
- Improved Information Sharing
- Establishment of a National Social Work Agency
- Plans for a new digital integrated health and care record

Additionally in June 2025 the Scottish Government approved the Public Service Reform Strategy and the Health and Social Care Service Renewal Framework setting out how the Scottish Government intends to work with the public sector and the public to reform public services and approach addressing fiscal and service sustainability challenges.

2024/25 Annual Accounts

The Accounts report the financial performance of the Integration Joint Board. Its main purpose is present a true and fair overview of financial performance and 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 2024/25 a deficit of £0.027m has been declared reflecting the net decrease in reserves held between 1 April 2024 and 31 March 2025.

At 31 March 2025 the Integration Joint Board holds £9.835 million of reserves which are all earmarked for use during 2025/26 and future years. This figure includes an additional payment of £4m made by NHS Forth Valley in 2024/25 as a risk share contribution to the deficit on the 25/26 Delivery Plan. The reserves position treats the unresolved risk share for 2024/25 in dispute as a negative reserves balance at this point in time and there will be subject to further change when the dispute resolution process is concluded.

Given the level of overspend not met by financial recovery measures in 2024/25 the IJB holds zero general reserves to cushion financial risk or deal with unforeseen cost pressures. This is now the case for most IJBs in Scotland reflecting significant systemic sustainability challenges. The position is not compliant with the IJBs extant reserves policy and strategy and re-establishment of a degree of contingency reserves remains an aspiration over the medium term.

The table below summarises the net total movement in reserves in 2024/25:

	£m
Total Reserves at 1 April 2024	9.862
Net Decrease in Reserves	(0.027)
Total Reserves at 31 March 2025	9.835

The reserves held at 31 March 2025 are across two broad categories as summarised in the table below:

Reserve Category	£m
Payment in 24/25 in advance of 25/26 estimated risk share	4.000
Other Earmarked Reserves	5.835
Total Reserves at 31 March 2025	9.835

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

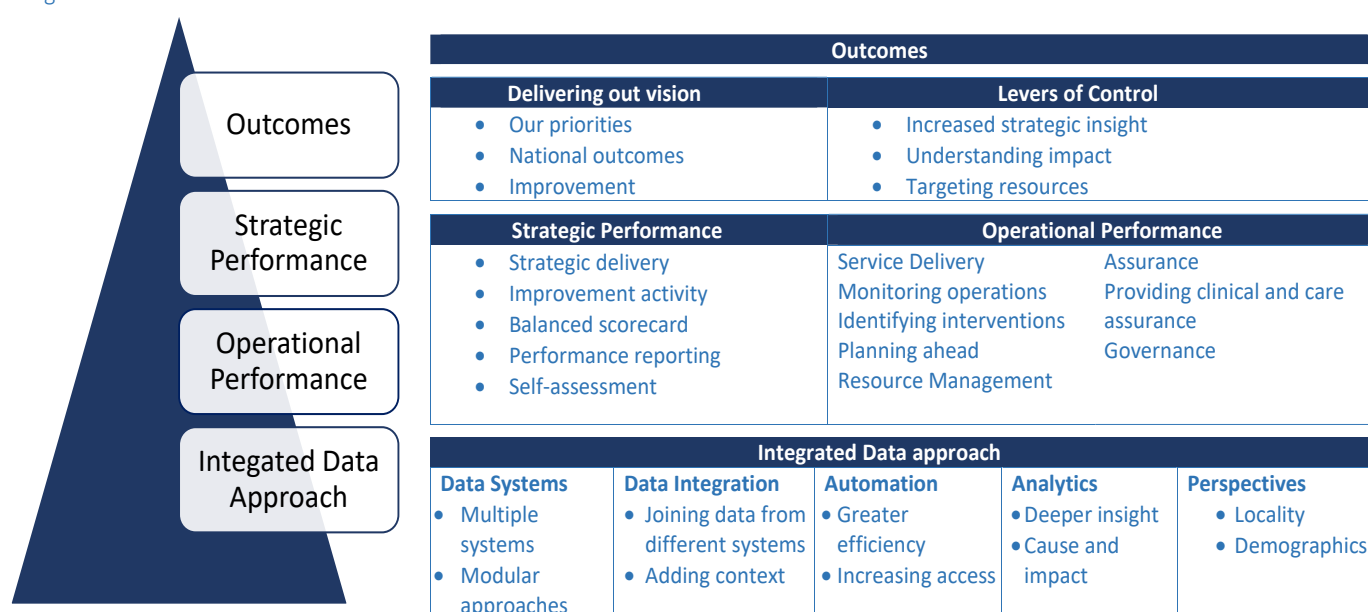
The reserves position creates an additional risk to the IJB and its constituent authorities given projected demand and cost increases and constrained public finances.

Performance Reporting

The Integration Joint Board continues to further evolve its performance management frameworks, infrastructure, and culture in partnership with support services drawn from the constituent authorities.

Specific further work has been undertaken in developing an integrated performance framework and the IJB approved 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. A visual representation of the Integrated Performance Framework is provided below:

Integrated Performance Framework



The Integration Joint Board receives a quarterly performance report which along with financial reports and periodic progress reporting on the Transforming Care Programme, gives 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://clacksandstirlinghsc.org/performance/>.

The 2024/25 Annual Performance Report (APR) will represent the 9th for the Partnership it will detail progress in relation to the partnership priorities along with summary and detailed performance information. The partnerships 2024/25 Annual Performance Report will be

considered by the IJB in September 2025 and will be published on the partnership website thereafter.

Reporting on Key Performance Indicators

This report will not seek to reproduce the content of the Annual Performance Report rather provide a 'snapshot' of key elements of performance as it relates to the Ministerial Strategic Group (MSG) Performance Indicators and National Health and Wellbeing Indicators

National Indicators Performance Summary

This section will be updated within the final accounts to reflect a summary from the Annual Performance Report when presented to and approved by the IJB.

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

Financial Performance

The Partnership has faced significantly increased financial challenges in 2024/25 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. A particular increase in demand for high tariff (over > £52k per annum) packages of care has been observed since the establishment of the Senior Resource Allocation Group (SRAG) over a year ago. Much of this relates to service users with complex Learning Disability needs.
- Recruitment and retention challenges including scarcity of some elements of skilled and trained health and social care workforce (e.g. Mental Health Officers and Physiotherapists).
- General Inflationary pressures and contract inflation predominantly driven by the Scottish Living Wage.
- Delivery of service modernisation and 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 2024/25 Revenue Budget was approved by the IJB on 27 March 2024. The plan was predicated on a savings requirement of £14.041 million on the Integrated Budget and £6.469 million in relation to the Set Aside Budget for Large Hospital Services with risk assessed plans in place to deliver these. The budget was also predicated on utilisation of £3.947 million of reserves, fully depleting general reserves balances.

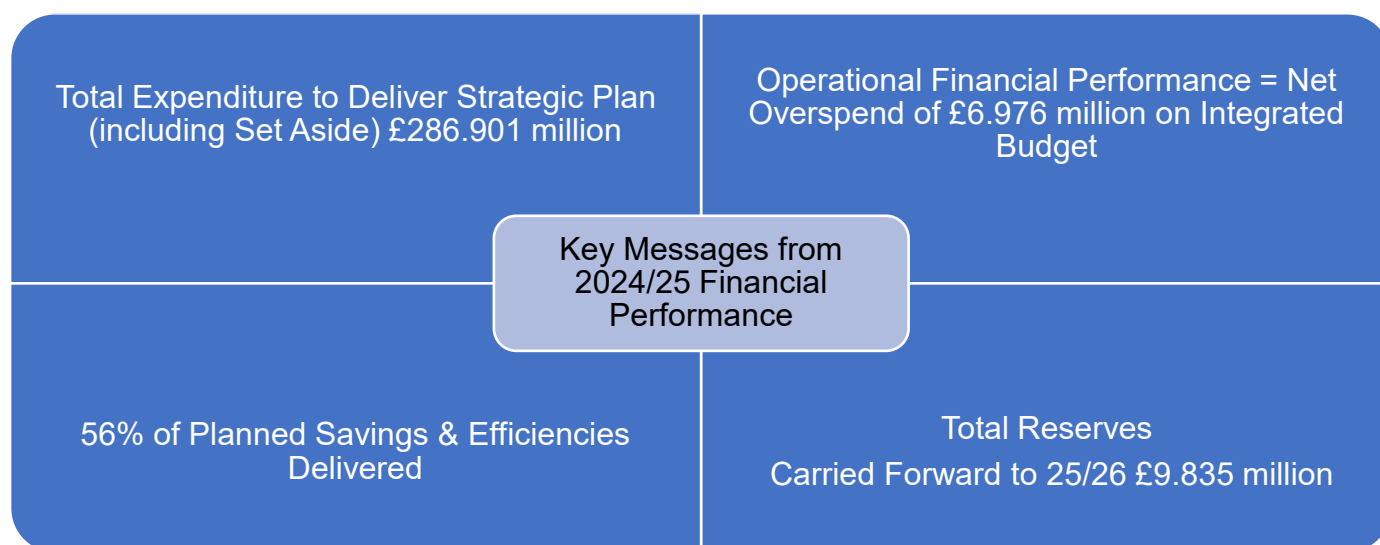
Approximately 55.9% of the planned savings and efficiencies programme were achieved in the year in relation to the Integrated Budget with a c£1.5m reduction in costs pressures delivery being observed in relation to the Set Aside Budget for Large Hospital Services. Less than full delivery of

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 £6.976 million after taking account of the impact of financial recovery measures.

The set aside budget for large hospital services was overspent by £4.922 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.

The overspend on the Integrated Budget was predominantly met by additional payments from the constituent authorities including £1.327m from Clackmannanshire Council which the Council have provided on the basis of this being repayable in 26/27. The unresolved risk share amount totals £0.417m and the dispute resolution process, in line with the requirements of the extant Integration Scheme was ongoing at the time of writing.



Key factors Impacting Financial Performance in 2024/25:

- 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.
- 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 net deficit of £0.027m for the Partnership for the 2024/25 financial year.

	£m
Sum Set Aside for Large Hospital Services	<u>36.863</u>
Integrated Budget Income	251.236
Integrated Budget Expenditure	<u>251.263</u>
Deficit for Financial Year 2024/25	<u>(0.027)</u>

Given the 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 2024/25 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	36.863
Estimated Expenditure	41.785
Overspend met by NHS Forth Valley	4.922

Arrangements for the Set Aside budget continue to be under review. Work on completing this review has not been concluded during 2024/25 due to the focus on significant operational pressures, improving whole system performance including delayed discharge performance and efforts to recover the financial position as far as possible and develop the 2025/26 to 2027/28 Delivery Plan. 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 2025/26, 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

We are now at a point where, although there is evidence that the Covid 19 pandemic had an impact in demand for and complexity of needs presenting to services this requires to be considered in a business-as-usual manner in terms of how we plan and deliver services to our citizens.

The approach taken to medium term planning from 2024/25 onwards is to integrate the Delivery Plan and Medium-Term Financial Plan on a 3-year rolling basis partly as a result of economic turbulence in recent years highlighting the difficulties of informative longer term financial planning. This dovetails, in the coming period with the legislative requirement for a review of the Strategic Commissioning Plan which requires to be completed by March 2026.

The 2025/26 Revenue Budget and 2025/26 to 2027/28 Delivery Plan and Medium-Term Financial Plan approved by the IJB on 2 May 2025 detailed a savings requirement of £26.387m on the Integrated Budget over the 3 financial years with plans identified at that point in time for £22.236m leaving a deficit requiring further identification of savings plans of £4.151m.

The Delivery Plan and Medium-Term Financial Plan was structured along 4 key thematic:

- Doing Things Differently
- Doing Things More Efficiently
- Doing Less
- Raising Revenue

Future Key Risks and Mitigation Actions and Strategies

There are a multitude of risks facing the IJB and the IJB maintains a Strategic Risk Register. Additionally, the IJBs Risk Management Framework has been substantively reviewed over the past year including agreement of risk appetite and tolerance statements. The IJBs Finance, Audit and Performance Committee scrutinises the Strategic Risk Register and given the increased risk profile the IJB now also considers the Strategic Risk Register on a quarterly basis.

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

Key Risk	Mitigation (where possible)
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	Revenue Budget, 2025/26 Delivery Plan and Medium-Term Financial Plan including Transformation Programme and Strategic Shift to Early Intervention and Preventative Approaches clearly aligned to the approved Strategic Commissioning Plan priorities. 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. Review of Strategic Commissioning Plan.
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 incorporated within the Delivery Plan and alignment to strategic priorities.
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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 progressing our delivery plan as the key means to 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. These approaches will also continue to incorporate work through commissioning consortia and with partners to reduce climate impact.

The Partnership will continue 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 both the partnership and public sector more widely 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 aligned to the principles of Value Based Health and Care. This requires focussing on driving out waste and inefficiency from our systems and delivery methods. 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 a continuing need to ensure available resources are focussed 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. This approach will be key to the review of the Strategic Commissioning Plan during 2025/26.

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 ninth 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:

[Clackmannanshire and Stirling HSCP – Meetings Schedule](#)

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.

David Wilson
Chair

Joanna MacDonald
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 Audit and Risk Committee on {date to be confirmed}.

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

David Wilson
Vice 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 2025 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 2024/25

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 2024/25 was as follows:

Clackmannanshire Council

Councillor Martha Benny
Councillor Wendy Hamilton (till February 2025)
Councillor Janine Rennie
Councillor Fiona Law (from March 2025)

NHS Forth Valley

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

Stirling Council

Councillor David Wilson, IJB Chair from October 2024
Councillor Gerry McGarvey (till September 2024)
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 IJB Chair changed on 2 October 2024 with Councillor David Wilson coming Chair, Allan Rennie, Non-Executive Director of NHS Forth Valley, remained the 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 Interim Chief Officer until 29 November 2024 was David Williams and the Interim Chief Officer appointed from 16 December 2024 to the current date is Joanna MacDonald.

Joanna MacDonald is an employee of 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 Interim Chief Officer and Chief Finance Officer are employed by NHS Forth Valley.

2023/24 Total	Senior Employees	Salary, Fees, & Allowances	Taxable Expenses	Total 2024/25
£		£	£	£
75,458	Chief Officer: A Black (01/04/23 – 04/12/23)	-	-	-
30,029	Interim Chief Officer: D Williams (04/12/23 – 29/11/2024)	63,127	0	63,127
-	Interim Chief Officer: J MacDonald (from 16/12/2024)	34,679	0	34,679
86,120	Chief Finance Officer: E Murray	89,866	0	89,866

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 31/03/2024	For Year to 31/03/2025		Movement from 31/03/2024	As at 31/03/2025
	£	£		£000	£000
Chief Officer: A Black	15,574	-	Pension	-	-
			Lump Sum	-	-
Interim Chief Officer: D Williams	6,276	14,204	Pension	1	2
			Lump Sum	0	0
Interim Chief Officer: J MacDonald	-	7,803	Pension	1	1
			Lump Sum	0	0
Chief Finance Officer: E Murray	17,803	20,220	Pension	4	41
			Lump Sum	6	106

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
2023/24		2024/25
0	£60,000 - £64,999	1
1	£75,000 - £79,999	0
1	£85,000 - £89,999	1

Exit Packages

There were no exit packages in relation to Clackmannanshire and Stirling Integration Joint Board in financial year 2023/24 or 2024/25.

David Wilson

IJB Chair

Joanna MacDonald

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 demonstrable progress against the priorities 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 (five Non-Executive Directors and one Executive Director). 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 2024/25 were:

- The (extant) Integration Scheme
- Standing Orders
- Scheme of Delegation

- Financial Regulations and Reserves Policy and Strategy
- Code of Conduct and Register of Interests
- IJB Committee(s) 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 with delivery being through the operational construct of the Health and Social Care Partnership. As such the Annual Governance Statement of NHS Forth Valley has been reviewed and no matters which pose significant additional risk to the IJB are highlighted. At the time of drafting the draft annual governance statements of Clackmannanshire and Stirling Councils were not yet available. This will be reviewed when available and any relevant matters highlighted in further iterations of the Annual Governance Statement.

The Chief Internal Auditor complies with “The Role of the Head of Internal Audit in Public Organisations” (CIPFA) and operates in accordance with “Public Sector Internal Audit Standards”. The Head of Internal Audit reports directly to the Integration Joint Board Finance, Audit and Performance Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair of the Integration Joint Board Finance, Audit and Performance 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 Boards Finance, Audit and Performance Committee (formerly by the IJB Audit and Risk Committee).

From April 2023 to March 2025 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.

From April 2025 to March 2027 the IJBs Chief Internal Auditor is Stirling Councils Audit Service Manager. This arrangement is in line with the decision taken by the IJB on 24 February 2016 agreeing cyclical provision of Internal Audit services. Responsibility therefore rotates between the Chief Internal Auditors of the constituent authorities on a three yearly basis.

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 Leadership Team, work of the IJB’s internal audit service including the Chief Internal Auditor’s annual assurance report, and reports from external auditors and other review agencies and inspectorates.

The outgoing Chief Internal Auditor’s 2024/25 Annual Assurance Report was presented to the IJB Finance, Audit and Performance Committee in June 2025 and provided a ‘Substantial Assurance’

opinion on the IJB's arrangements for risk management, governance, and control for the year to 31 March 2025 whilst highlighting a number of outstanding matters that required follow up.

The review of the IJB's governance framework is supported by a process of self-assessment. This is undertaken by the Chief Finance Officer, who passes the outputs of the self-assessment to the Chief Internal Auditor. This helps to inform the Chief Internal Auditor's overall opinion on the IJB's arrangements for risk management, governance and control, as set out in the Internal Audit Annual 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 Leadership 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. The Standards Commission for Scotland sets out guidance for Councillors and board members on identifying and managing potential conflicts of interest including specific guidance for IJB members.

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 Chief Finance Officer 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 Chief Internal Auditor 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. During 2024/25 the Internal Audit service operated in accordance with Public Sector Internal Audit Standards. From April 2025 the Institute of Internal Auditors' (IIA) Global Internal Audit Standards 2024 (GIAS) apply. The Internal Audit team will be required to operate in compliance with GIAS from April 2025.

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.

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 which has now been superseded by the Finance, Audit and Performance 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.

Other Significant Governance Issues

The material level of net overspend in 2024/25 and inability to set a deliverable balanced budget for 2025/26 require to be acknowledged as significant governance issues.

The Chief Finance Officers report to the November 2024 IJB set out potential options that were considered but that it was not possible to fully recover the budget position in year.

The IJB considered the 2025/26 Revenue Budget in March 2025 and approved a revised 2025/26 Indicative Revenue Budget and 2025/26 to 2027/28 Delivery Plan on 2 May 2025. Given the budget was still unbalanced at this time further financial recovery options require to continue to be considered and implemented in line with the requirements of the extant Integration Scheme.

These challenges require to be set within the context of increasing demand and complexity and costs of service provision with financial settlements not keeping pace as referred by the Accounts Commission in their Integration Joint Boards: Finance Bulletin 2023/24 published on 6 March 2025.

Integration Scheme

At the time of writing a revised integration scheme has been approved by two of the three constituent authorities with the other authority seeking further revisions before consideration for approval. Whilst the Integration Scheme forms a significant element of the IJBs governance frameworks it is important to understand that the Integration Scheme is the legal partnership agreement between the constituent authorities which established and govern the IJB. The IJB does not, therefore, have any direct locus on the Integration Scheme itself.

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 Finance, Audit and Performance Committee will 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.

The IJBs risk management framework has recently been reviewed, and a revised strategy including risk appetite and tolerance statements were approved by the IJB in August 2024.

Action Plan

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

Review of 2024/25 Action Plan

Areas for Improvement Identified	Action Undertaken in 2024/25	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
Comprehensive review of the IJBs Governance Frameworks will be undertaken	<p>Standing Orders reviewed, revised, and presented for approval.</p> <p>Preparation of a revised Integration Scheme (IS) (noting the IS is the legal partnership agreement between the constituent authorities).</p>	<p>Chief Officer</p> <p>Clackmannanshire and Stirling Councils and NHS Forth Valley</p>	<p>June 2024</p> <p>October 2024</p>	<p>November 2024 (IJB paper 13)</p> <p>Subject to resolution of dispute between constituent authorities and reaching a point where all constituent authorities can approve revised scheme.</p>
Development of Local Code of Corporate Governance	Not taken forward in way originally envisaged. Instead, further review of governance frameworks including Standing orders, financial regulations and scheme of delegation will be required once revised Integration Scheme is approved.	Chief Finance Officer	September 2024	Estimated by December 2025 – however there are dependencies with the revised Integration Scheme.
Implement Revised Approach to Directions	Substantially complete (subject to ongoing development)	Chief Officer & Chief Finance Officer	From March 2024	Complete

Areas for Improvement Identified	Action Undertaken in 2024/25	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
Further Develop Best Value Arrangements	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	June 2024	June 2025

2025/26 Action Plan

Areas for Improvement Identified	Action Required	Responsible Party(s)	Planned Date of Completion
Review and Reform of IJB Governance Frameworks	Review of Financial Regulations Development of Board Assurance and Escalation Framework Review of Scheme of Delegation (IJB and Operational Delegated Authority Levels)	Chief Finance Officer Chief Finance Officer Chief Officer, Chief Finance Officer	September 2025 December 2025 December 2025
Assurance Arrangements	Reinstate Annual Assurance Report for IJB Committee	FAP Committee Chair	March 2026
Audit Follow Up	Ensure improvement of audit follow up actions	Chief Finance Officer / Senior Planning Manager	December 2025
Workforce Planning	Review Year 3 Action Plan to ensure SMART and specific consideration approaches to recruitment and retention of new talent.	Head of Service (strategic Planning and Health Improvement) / HSCP Senior Organisational Development Advisor	January 2026

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 Leadership Team and reported and scrutinised by IJB and the IJB Finance, Audit and Performance Committee.

David Wilson
Chair

Joanna MacDonald
Interim 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.

2023/24				2024/25		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
36,595	0	36,595	Large Hospital Services	36,863	0	36,863
147,525	(8,522)	139,003	Community Health and Social Care Services	159,178	(9,756)	149,421
96,632	0	96,632	Primary Care	101,445	0	101,445
388	0	388	IJB Running Costs	397	0	397
281,140	(8,522)	272,618	IJB Operational Costs	297,883	(9,756)	288,126
			Taxation and Non-Specific Grant Income			
	(259,955)	(259,955)			(288,099)	(288,099)
			(Surplus) or Deficit on Provision of Services and Total Comprehensive (Income) and Expenditure			
		12,663				27

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 2024/25	General Fund Balance £000	Unusable Reserves £000	Total Reserves £000
Opening Balance at 1 April 2024	(9,863)	0	(9,863)
Total Comprehensive Income and Expenditure	27	0	27
Closing Balance at 31 March 2025	(9,835)	0	(9,835)

Movements in Reserves 2023/24	General Fund Balance £000	Unusable Reserves £000	Total Reserves £000
Opening Balance at 1 April 2023	(22,525)	0	(22,525)
Total Comprehensive Income and Expenditure	12,663	0	12,663
Closing Balance at 31 March 2024	(9,863)	0	(9,863)

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 2024 £000		Notes	31 March 2025 £000
9,863	Short Term Debtors	Note 7	9,835
9,863	Current Assets		9,835
9,863	Net Assets		9,835
(9,863)	Useable Reserves: General Fund	Note 8	(9,835)
(9,863)	Total Reserves		(9,835)

There are no unusable reserves.

Ewan C. Murray
Chief Finance Officer

Notes to the Financial Statements

1. Significant Accounting Policies

General Principles

The Financial Statements summarises the authority's transactions for the 2024/2025 financial year and its position at the year ended 31 March 2025.

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 have been prepared in accordance with United Kingdom adopted international accounting standards and with International Financial Reporting Standards as issued by the IASB.

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 subject to possible additional funding from Stirling Council dependent progress with the Delivery Plan and associated financial risk. The Delivery Plan also incorporates a Medium-Term Financial Plan for its 3 years lifecycle.

The ongoing dispute resolution process between the constituent authorities poses a risk to the IJBs going concern in its current form should agreement not be reached by all on a revised Integration Scheme. Meantime the extant Integration Scheme remains in force.

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 2025 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. This applies to the adoption of the following new or amended standards within the 2025/26 Code:

- Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)
- Issue of new IFRS17 Insurance Contracts which replaces IFRS4
- Amendment to IAS16 Property, Plant and Equipment and IAS 38 Intangible Assets

The Code requires implementation from 1 April 2025 therefore there is no impact on the 2024/25 Annual Accounts.

These new or amended standards are not expected to have an impact on the IJBs Annual Accounts.

3. Critical Accounting Estimates and Assumptions

Set Aside Budget for Large Hospital Services

For financial year 2024/25 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 £4.179m 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.

Additional Payment from NHS Forth Valley towards 25/26 Delivery Plan Financial Gap

Given this payment was made in 2024/25 financial year it has been reflected as 24/25 income and incorporated within reserves balances at 31 March 2025 in line with the Chief Finance Officers interpretation of integration finance guidance and precedents including prior year treatment of Covid 19 funding from Scottish Government. Given it sits within IJB Reserves balances it is also demonstrable that the IJB are taking the decisions in relation to deployment and direction of the funding.

Proposed Repayment of Additional Payment from Clackmannanshire Council

As disclosed in the accounts Clackmannanshire Council made an additional payment of £1.327m in 2024/25 which the Council deems to be repayable in 2026/27. As this relates to matters included in the ongoing dispute resolution process it has not been viewed as a loan at this point in time. Timeous resolution of the dispute would resolve this matter clearly.

Unresolved 2024/25 Financial Risk Share Balance

As disclosed in the accounts at the time of writing there was an unresolved 2024/25 risk share of £0.417m which, in common with the matter above, is part of the ongoing dispute resolution process. At the time of publishing the unaudited accounts this has been treated as a negative reserve balance. Timeous resolution of the dispute would resolve this matter and reserves balances, and the balance sheet will require to be restated at this point.

4. Events after the Reporting Period

The Annual Accounts were authorised for issue by the Chief Finance Officer on XX XXXX 2025. 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 2025, 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 2024 £000		31 March 2025 £000
30,895	Services Commissioned from Clackmannanshire Council	34,315
55,437	Services Commissioned from Stirling Council	59,916
194,417	Services Commissioned from NHS Forth Valley	203,255
355	Other IJB Operating Expenditure	356
3	Insurance and Related Expenditure	3
33	Auditor Fee: External Audit Work	39
(4,764)	Service Income: Clackmannanshire Council	(5,542)
(3,758)	Service Income: Stirling Council	(4,215)
(259,955)	Partners Funding Contribution and Non-Specific Grant Income	(288,099)
12,663	(Surplus) or Deficit on the Provision of Services	27

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.

The Auditor Fee relates to statutory audit work. The external auditors did not provide any additional services to the IJB.

6. Taxation and Non-Specific Grant Income

31 March 2024 £000		31 March 2025 £000
21,437	Funding Contribution from Clackmannanshire Council	28,407
49,430	Funding Contribution from Stirling Council	53,469
189,088	Funding Contribution from NHS Forth Valley	206,223
259,955	Taxation and Non-Specific Grant Income	288,099

The funding contribution from the NHS Board shown above includes £36.863 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. Short Term Debtors

31 March 2024 £000		31 March 2025 £000
2,953	Stirling Council	601
366	Clackmannanshire Council	(79)
6,544	NHS Forth Valley	9,313
9,863	Total Debtors	9,835

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.
- The IJB also aspires to hold a balance of contingency funds or general reserves to provide a contingency fund to cushion the impact of unexpected events or emergencies. There is currently a zero balance of general reserves and further revisions to the IJBs medium term financial plans will require to consider how a prudent level of general reserves can be reestablished over time.

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

Balance at 31 March 2024 £000	Reserve Detail	Transfers Out £000	Transfers In £000	Balance at 31 March 2025 £000
(1,606)	Transformation & Leadership Fund	968	(0)	(639)
(450)	Service Pressures (from Winter Funding)	280	0	(170)
(512)	Community Living Fund	512	0	0
(3,592)	Other Earmarked Reserves	1,444	(974)	(3,121)
(0)	Primary Care Improvement Fund	0	(385)	(385)
(40)	Action 15 - Mental Health	0	(22)	(61)
(363)	Alcohol and Drug Partnerships	180	(26)	(208)
(500)	Invest to Save Fund	218	0	(282)
0	National Recruitment Campaign For B2-4 (Cs)	0	(609)	(609)
0	Pcip Transitional Payments	0	0	0
(200)	Prescribing Hscp Invest To Save	11	0	(189)
0	Unresolved 2024/25 Risk Share	0	417	417
0	2024/25 Overpayment of risk share due to NHS FV	0	(588)	(588)
0	Nhs FV Contribution 25/26 Delivery Plan Risk	0	(4,000)	(4,000)
(7,263)	Total Earmarked	3,614	(6,186)	(9,835)
(2,600)	Contingency	2,600	0	(0)
(9,863)	General Fund	6,214	(6,186)	(9,835)

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 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 2025 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

31 March 2024 £000		31 March 2025 £000
(189,088)	Funding Contributions received from the NHS Board	(206,223)
194,417	Expenditure on Services provided by the NHS Board	203,255
196	Key Management Personnel: Non-Voting Members	199
<u>5,524</u>	Net Transactions with NHS Forth Valley	<u>(2,769)</u>

Key Management Personnel: The Interim 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 2024 £000		31 March 2025 £000
<u>6,544</u>	Debtors Balances: Amounts due from NHS Board	<u>9,313</u>
<u>6,544</u>		<u>9,313</u>

Transactions with Clackmannanshire Council

31 March 2024 £000		31 March 2025 £000
(21,437)	Funding Contributions received from the Council	(28,407)
(4,764)	Service Income Received from the Council	(5,542)
30,895	Expenditure on Services provided by the Council	34,315
78	Key Management Personnel: Non-Voting Members	79
<u>4,772</u>	Net Transactions with Clackmannanshire Council	<u>445</u>

Balances with Clackmannanshire Council

31 March 2024 £000		31 March 2025 £000
<u>366</u>	Debtors Balances: Amounts due from Council	<u>(79)</u>
<u>366</u>		<u>(79)</u>

Transactions with Stirling Council

31 March 2024 £000		31 March 2025 £000
(49,430)	Funding Contributions received from the Council	(53,469)
(3,758)	Service Income Received from the Council	(4,215)
55,437	Expenditure on Services provided by the Council	59,916
117	Key Management Personnel: Non-Voting Members	119
<u>2,367</u>	Net Transactions with Stirling Council	<u>2,351</u>

Balances with Stirling Council

31 March 2024 £000		31 March 2025 £000
<u>2,953</u>	Debtors Balances: Amounts due from Council	<u>601</u>
<u>2,953</u>		<u>601</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 2024 £000	Year Ended 31 March 2025 £000
NHS Forth Valley - Health Services		
<u>Set Aside</u>		
Accident and Emergency Services	13,316	13,962
Inpatient Hospital Services Relating to:		
General Medicine	4,504	4,393
Geriatric Medicine	7,152	7,351
Rehabilitation Medicine	3,320	3,234
Respiratory Medicine	2,452	2,496
Psychiatry of Learning Disability	1,356	1,418
Palliative Care (Hospital Based)	1,280	1,477
Mental Health Inpatient Services	7,196	7,453
Set Aside Subtotal	40,576	41,785
Adjustment to budget	(3,981)	(4,922)
Adjusted Set Aside Subtotal	36,595	36,863
<u>Operational</u>		
Nursing Services	5,312	4,878
Community Addiction Services	3,714	3,922
Community Based AHP Services	7,865	8,454
Community Mental Health	979	978
Community Learning Disabilities	6,471	6,599
Community Hospitals	7,377	7,690
Other Health Care Services	7,785	10,347
Integration Fund & Resource Transfer	21,689	21,052
Partnership Costs	196	199
Operational Subtotal	61,386	64,118
<u>Universal</u>		
Primary Medical Services (GMS Contract)	33,975	36,722
Primary Dental Services (GDS Contract)	10,007	10,698
Community Ophthalmic Services	3,251	3,368
Community Pharmaceutical Services	47,465	50,657
GP Out of Hours Services	1,934	0
Universal Subtotal	96,632	101,445
Risk share balance	0	1,028
Total Health Services	194,613	203,453

Clackmannanshire Council - Adult Social Care Services

Long Term Care	12,880	15,763
Care at Home	12,926	16,981
Staffing	9,600	9,227
Direct Payments	1,542	1,242
Third Party Payments	687	(206)
Other Adult Social Care Services	1,234	1,595
Partnership Costs	78	79
Income	(4,764)	(5,542)
Resource Transfer	(7,974)	(7,862)
Risk share balance	0	(2,426)

Total Adult Social Care Services - Clackmannanshire	26,209	28,853
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Stirling Council - Adult Social Care Services

Long Term Care	17,928	20,223
Care at Home	24,939	29,287
Staffing	3,915	5,711
Bellfield Centre	4,481	4,708
Reablement	3,918	3,768
Direct Payments	1,668	1,250
Third Party Payments	957	903
Respite	1,072	708
MECS / Telecare / Telehealth	737	945
Other Adult Social Care Services	3,446	3,726
Partnership Costs	117	117
Integration Fund & Resource Transfer	(11,384)	(11,384)
Risk share balance	0	(4,145)

Total Adult Social Care Services - Stirling	51,796	55,820
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Partnership Total	272,618	288,126
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The format of the analysis above reflects the delegated integration functions per the integration scheme.

Independent auditor's report to the members of Clackmannanshire and Stirling Integration Joint Board and the Accounts Commission

Space left deliberately blank for later inclusion of independent auditor's report

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.