

Inverclyde Health and
Social Care Partnership
(HSCP)

IJB Unaudited Annual Accounts
2023/24

Greenock Ocean Terminal, Inverclyde's new cruise ship visitor centre and community facility was officially opened on 25 August 2023. The project, led by Inverclyde Council, is part of the £1 billion Glasgow City Region City Deal funded by the Scottish and UK governments, with contributions from Peel Ports and the George Wyllie Foundation via Dunard Fund. The facility features an arrivals and departures hall, Scott's restaurant and bar, and the Wyllieum, an exhibition and gallery space due to open in 2024, paying tribute to famous artist George Wyllie who worked in Greenock and lived in Gourrock.

Photo: David Barbour Photography

Find out more about what Inverclyde has to offer at discoverinverclyde.com

This document can be made available in other languages, large print, and audio format upon request.

Arabic

هذه الوثيقة متاحة أيضا بلغات أخرى والأحرف الطباعية الكبيرة وبطريقة سمعية عند الطلب.

Cantonese

本文件也可應要求，製作成其他語文或特大字體版本，也可製作成錄音帶。

Gaelic

Tha an sgrìobhainn seo cuideachd ri fhaotainn ann an cànanan eile, clò nas motha agus air teip ma tha sibh ga iarraidh.

Hindi

अनुरोध पर यह दस्तावेज़ अन्य भाषाओं में, बड़े अक्षरों की छपाई और सुनने वाले माध्यम पर भी उपलब्ध है

Kurdish

Li ser daxwazê ev belge dikare bi zimanên din, çapa mezin, û formata dengî peyda bibe.

Mandarin

本文件也可应要求，制作成其它语文或特大字体版本，也可制作成录音带。

Polish

Dokument ten jest na życzenie udostępniany także w innych wersjach językowych, w dużym druku lub w formie audio.

Punjabi

ਇਹ ਦਸਤਾਵੇਜ਼ ਹੋਰ ਭਾਸ਼ਾਵਾਂ ਵਿਚ, ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ ਅਤੇ ਆਡੀਓ ਟੇਪ 'ਤੇ ਰਿਕਾਰਡ ਹੋਇਆ ਵੀ ਮੰਗ ਕੇ ਲਿਆ ਜਾ ਸਕਦਾ ਹੈ।

Soraini

ئەم بەلگەنامەیە دەتوانرێت بە زمانەکانی تر و چاپی گەورە و فۆرماتیکی دەنگی لەسەر داواکاری بەردەست بکەیت.

Tigrinya

እዚ ሰነድ እዚ ብኸልእ ቋንቋታት፡ ብዓቢ ፊደላትን ብድምጺ ቅርጽን ምስ ዝሕተት ክቕርብ ይኸእል።

Urdu

درخواست پر یہ دستاویز دیگر زبانوں میں، بڑے حروف کی چھپائی اور سننے والے ذرائع پر بھی میسر ہے۔

Ukrainian

За запитом цей документ може бути доступний іншими мовами, великим шрифтом та аудіоформатом.



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Management Commentary

Introduction

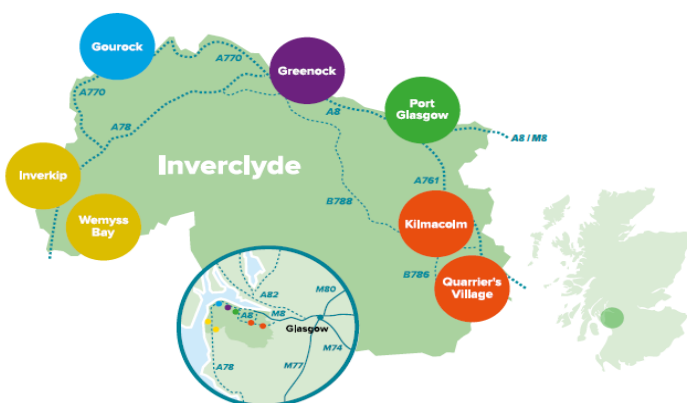
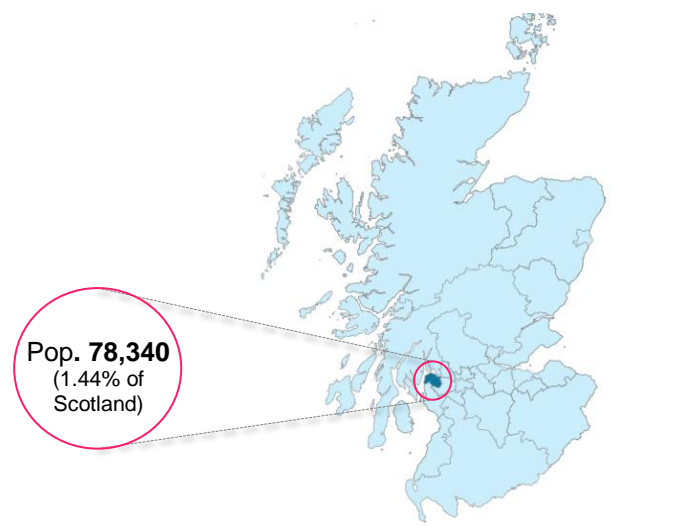
This publication contains the financial statements for the Inverclyde Integration Joint Board (IJB) for the year ended 31st March 2024.

The Management Commentary outlines the key messages in relation to the IJB's financial planning and performance for the year 2023/24 and how this has supported delivery of the IJB's core objectives. This commentary also looks forward, outlining the future financial plans for the organisation and the challenges and risks which we will face as we strive to meet the needs of the people of Inverclyde.

Inverclyde IJB

Inverclyde is in West Central Scotland, along the south bank of the River Clyde. It is amongst the smallest local authority areas in Scotland, being home to 78,340 people. This amounts to only 1.4% of Scotland overall population. Inverclyde's population continues to fall and is expected to decrease by a 3.2% over the next four years. Within this decrease we are witnessing a shift in the local age structure, decreases in younger people and working age adults being offset by an increase in the population of those 65 and over.

Women account for 51.9% of Inverclyde's population, with men accounting for 48.1%. Women account for a greater proportion of the population of Inverclyde compared to Scotland, with women accounting for 51.4% nationally. Over time this is expected to increase in Inverclyde, with the projected dependency ratio set to increase from 58.6% in 2023 to 72.6% in 2043, widening the gap to Scotland.



POPULATION ESTIMATES FOR 2022

Age Group	% Inverclyde	% Scotland
0 to 17	17.4%	18.5%
18 to 64	60.1%	61.4%
65 plus	22.5%	20.1%

Source: NRS population projections for Scottish Areas June 2022

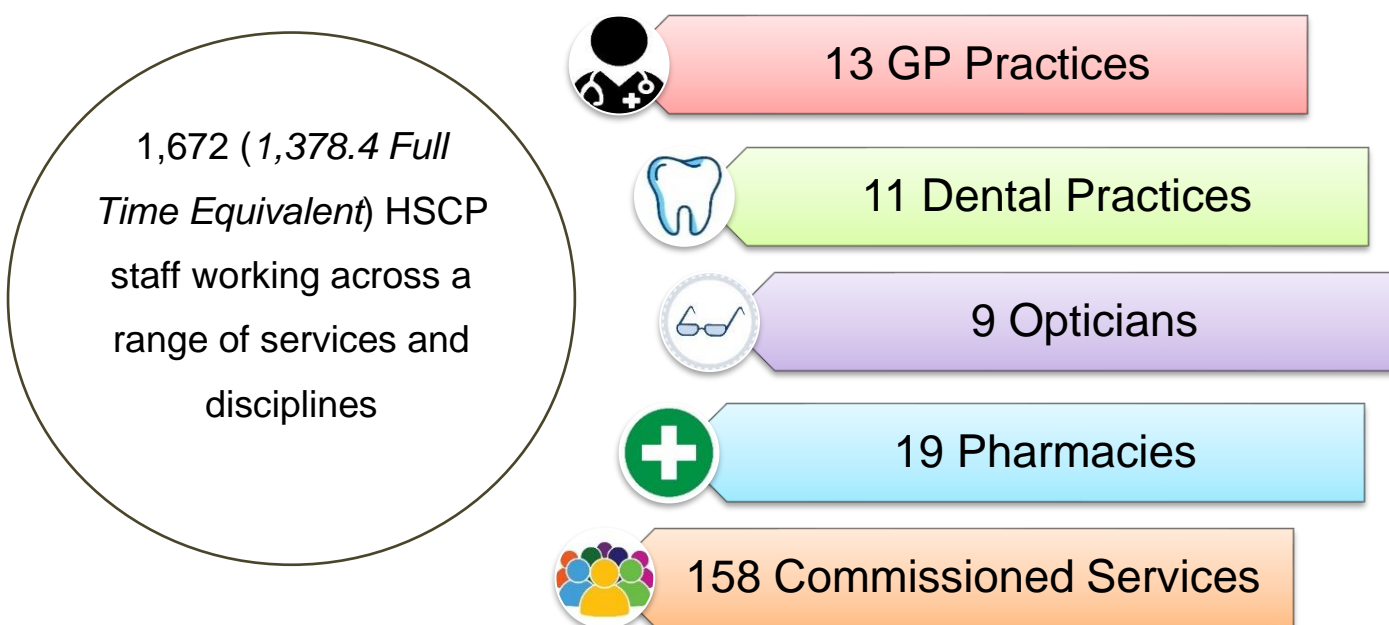
The Inverclyde IJB was established by parliamentary order on 27th June 2015 following approval of the Inverclyde Integration Scheme by the Scottish Ministers. From 1st April 2016, the IJB took formal delegated responsibility from the NHS Greater Glasgow and Clyde (NHSGGC) and Inverclyde Council for the delivery and/or planning of local health and social care services.

For some services this delegation of responsibility means the IJB taking full responsibility for planning, management, and delivery of service provision, while for others, notably hospital-based services, this means planning with partners who continue to manage and deliver the services as part of wider structures (e.g., the Greater Glasgow and Clyde Acute Sector).

The Inverclyde IJB has responsibility for the strategic commissioning (either planning or direct service delivery, or both) of the full range of health and social care services; population health and wellbeing, statutory health and social work/ social care services for children, adults, older people, homelessness and people in the community justice system. The IJB discharges this responsibility through its operational delivery arm, which is the Inverclyde Health and Social Care Partnership (HSCP).

Our resources

The HSCP has responsibility for, and delivers, an extensive range of services across primary care, health and social care and through several commissioned services.



Interim governance structures developed in 2020/21 were continued through 2021/22 and into 2022/23 as we moved through the pandemic. Throughout this time the HSCP continued to work to put people at the centre of their care and ensured that essential services were delivered safely and effectively and in line with our Strategic Plan. To support our journey through the pandemic and into the recovery phase, our 2019 Strategic Plan was re-prioritised in 2021/22 and published as our Covid Transition plan in March 2021.

In March 2023, we published a refresh of the 2019 strategic plan, bringing focus back onto the 6 big actions. This refreshed plan was published alongside a robust outcomes framework and shaped our direction throughout 2023/24.

The IJB Strategic Plan is supported by a variety of service strategies, investment and management plans which aid day to day service delivery. These plans and strategies identify what the IJB wants to achieve, how it will deliver it and the resources required to secure the desired outcomes. The Strategic Plan also works in support of the Inverclyde Community Planning Partnership's Local Outcome Improvement Plan and the Greater Glasgow and Clyde Health Board Local Delivery Plan. It is vital to ensure that our limited resources are targeted in a way that makes a significant contribution to our objectives.

The Strategic Plan and other key documents can be accessed online at:

<https://www.inverclyde.gov.uk/health-and-social-care>

The operational HSCP Structure responsible for delivering services in 2023/24 is illustrated below.

HSCP Operational Structure



The Annual Accounts 2023/24

The Annual Accounts report the financial performance of the IJB. Its main purpose is to demonstrate the stewardship of the public funds which have been entrusted to us for the delivery of the IJB’s vision and its core objectives. 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 Accounts have been prepared in accordance with this Code.

The Financial Plan

IJBs need to account for spending and income in a way which complies with our legislative responsibilities.

As per the Revised Budget reported at period 11, the IJB budgeted to deliver Partnership Services at a cost of £212.330m, including £35.398m of notional budget for Set Aside and £6.063m of spend was anticipated through Earmarked Reserves. Subsequently, funding adjustments and an increase in the Set Aside resulted in actual spend of £219.912m, including Set Aside of £37.670m. Funding moved from a budgeted £212.330m at Period 11 to a year end position of £214.937m. This movement related mainly to a final year end adjustment of Set Aside budget. The final position generated a deficit for the year of £4.975m, which has been reflected in IJB reserves in line with its reserves policy. The movement in projection at Period 11 vs actual and analysis of the deficit are shown in the tables on pages 11-12.

The IJB agreed a two-year budget for the 2024/25 to 2025/26 financial years on 25 March 2024, utilising one off funds from reserves held to meet a funding gap for 2024/25 of £0.709m. The two-year budget agreed savings and efficiency measures of £5.4m over the period to close the identified budget gap in full by 2025/26. Several workstreams were included in the savings and working groups are in the process of being mobilised to take this forward over the next year, to ensure a focussed approach on achievement of the agreed measures. The updated 5-year financial plan was also presented to the IJB at its March meeting, identifying a budget gap of £6.869m up to 2028/29 financial year, taking account of forecast demand for services, inflationary pressures, pay awards and assumptions on funding from partners.

Performance

The IJB and HSCP tracks change in need and demand, and delivery of the nine National Health and Wellbeing Outcomes through its performance management arrangements. Every service is subject to a quarterly service review (QSR), chaired by the relevant Head of Service. Service use, waiting times and any other pressures are closely reviewed alongside progress against the service's key objectives and delivery of outcomes. Any divergence from the agreed targets is quickly identified and steps are put in place to support improvement. Following a break period necessitated by pandemic pressures, work has been undertaken to re-establish the QSR process throughout 2023-24. Performance is still reviewed regularly within each service and any notable differences between service performance and identified aims are reported to the Senior Management Team, where remedial actions are considered.'

National Integration Indicators

The legislation requires that IJBs follow a prescribed format of annual performance reporting against the nine outcomes, based on 23 national indicators and a requirement to publish an annual performance report by the 31st of July each year. There are 23 National Integration Indicators against which the performance of all HSCPs in Scotland is measured, the data for these is provided by Public Health Scotland (PHS) on behalf of the Scottish Government. These indicators are grouped into two types of complementary measures: outcome indicators based on survey feedback, and indicators derived from organisational or system data.

Inverclyde's summary 2023/24 will be published in line with agreed national revised timelines and approved at the September 2024 IJB meeting.

The IJB's 2022/23 Performance against the 23 National Indicators is shown below where it is available. Numbers 1 to 9 are taken from the 2020/21 biennial Health and Care Experience Survey.

Of the 19 currently reported measures we are at or better than the Scottish average in 10 (green), just below in 4 (amber) and behind in 5 (red).

In 6 measures we have seen an improving trend (green arrow), maintaining our performance in 5 (amber arrows) and reducing performance in 10 (red arrow). This trend analysis is based upon the 5 most recent reporting years.

Inverclyde is an area of social-economic deprivation which directly correlates to long term chronic disease and risk factors e.g. diet, tobacco, alcohol and drug use, obesity. This results in higher premature mortality rates, higher emergency admissions and longer-term bed use in the acute system, which is indicated at measures 11, 12 and 13.

The convention for comparing performance in relation to the Scottish average are as follows:

Green	Performance is equal or better than the Scottish average	↑ ↓	Trend is improving (moving in the right direction)
Amber	Performance is close to the Scottish average	→ ←	Trend is static – no significant change (less than 3% change)
Red	Performance is below the Scottish average	↑ ↓	Trend is declining (moving in the wrong direction)

PHS are still developing 4 of the 23 National Integration Indicators so these have not been included in the report. These are: -

10	Percentage of staff who say they would recommend their workplace as a good place to work
21	Percentage of people admitted to hospital from home during the year, who are discharged to a care home
22	Percentage of people who are discharged from hospital within 72 hours of being ready
23	Expenditure on end-of-life care, cost in last 6 months per death

Outcome Indicators

The Health and Care Experience survey is sent to a random sample of patients who are registered with a GP practice in Scotland. Questionnaires were sent out in November 2021 asking about people's experiences during the previous 12 months. The results for 2021/22 were published on 10 May 2022 with local level results available via interactive dashboards on the PHS website. These figures will be updated in the final audited accounts as the 2023/24 figures will be released and reported in July 2024.

National Integration Indicator		Time Period	Inverclyde HSCP	Scottish Average	Change from previous period	Inverclyde Long-term Trend	Scottish Long-term Trend
1	Percentage of adults able to look after their health very well or quite well	2021/22	90.1%	90.9%	→ ←	→ ←	↓
2	Percentage of adults supported at home who agreed that they are supported to live as independently as possible	2021/22	82.9%	78.8%	↓	→ ←	↓
3	Percentage of adults supported at home who agreed that they had a say in how their help, care, or support was provided	2021/22	66.7%	70.6%	↓	↓	↓
4	Percentage of adults supported at home who agreed that their health and social care services seemed to be well co-ordinated	2021/22	68.6%	66.4%	↓	↓	↓
5	Total % of adults receiving any care or support who rated it as excellent or good	2021/22	81.3%	75.3%	↓	↓	↓

	Percentage of people with positive experience of the care provided by their GP practice	2021/22	58.7%	66.5%	↓	↓	↓
7	Percentage of adults supported at home who agree that their services and support had an impact on improving or maintaining their quality of life	2021/22	79.6%	78.1%	↓	↓	↓
8	Total combined percentage of carers who feel supported to continue in their caring role	2021/22	28.7%	29.7%	↓	↓	↓
9	Percentage of adults supported at home who agreed they felt safe	2021/22	81.9%	79.7%	↓	↔	↓

Data indicators

The primary source of data for these indicators are Scottish Morbidity Records (SMRs) which are nationally collected discharge-based hospital records. The data presented here is the most up to date provided by Public Health Scotland (PHS) and communicated to all Health and Social Care Partnerships. The figures will be subject to review and data completeness and, therefore, likely to change in subsequent releases. PHS recommend that Integration Authorities do not report any period for indicator 20 beyond 2019/2020 within their 2021/2022 APRs as NHS Boards were not able to provide detailed cost information for 2020/2021 due to changes in service delivery during the pandemic. Again these figures will be updated in the final audited accounts as the 2023/24 figures will be released and reported in July 2024.

National Integration Indicator		Time Period	Inverclyde HSCP	Scottish Average	Change from previous period	Inverclyde Long-term Trend	Scottish Long-term Trend
11	Premature mortality rate per 100,000 persons	2021	509	466	↓	↑	↑
12	Emergency admission rate (per 100,000 population)	2022	12,378	11,155	↓	↓	↓
13	Emergency bed day rate (per 100,000 population)	2022	145,349	113,134	↔	↓	↓
14	Readmission to hospital within 28 days (per 1,000 population)	2022	78	102	↓	↓	↑
15	Proportion of last 6 months of life spent at home or in a community setting	2022	87.7%	89.3%	↔	↑	↑
16	Falls rate per 1,000 population aged 65+	2022	23.3	22.2	↑	↓	↑
17	Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	2022/23	80.4%	75.2%	↓	↓	↓
18	Percentage of adults with intensive care needs receiving care at home	2022	67.6%	63.5%	↔	↑	↑
19	Number of days people spend in hospital when they are ready to be discharged (per 1,000 population) (age 75+)	2022/23	460	919	↑	↑	↓
20	Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency	2019/20	25.3%	24.0%	↔	↑	↔

The past few years has been a particularly challenging time for our community and for the HSCP. We are still recovering from the impact of the COVID-19 Pandemic and have all felt the pressure of the national

cost-of living crisis. Despite this, we have much to be proud of in Inverclyde, below is a snapshot of performance and operational highlights we have achieved throughout 2023/2024.

- We commenced Access to the Whole Family Wellbeing Fund; this will progress in the streamlining of the Inverclyde HSCP's Children's Service 'front door' in the development of a multi-agency early support hub.
- We have commenced work with Action for Children who deliver the Sidestep project for young people aged between 11-18 years who are at risk of involvement in serious organised crime. Sidestep provide targeted support and intervention and this support is now being provided to several young people within Inverclyde.
- We have developed a successful Health Visiting social media campaign to help improve local breast-feeding rates.
- We have continued our Cost-of-Living Funds to supported individuals and families through the cost-of-living crisis.
- Delivered by the Early Action System Change (Woman in Justice) Project, we have continued the roll out of Trauma Informed Training across HSCP staff.
- We developed '*A Guide to Primary Care*' media programme.
- We have continued to develop the Vaccination transformation programme.
- We continue our successful approach to Unscheduled Care (UC) across Inverclyde, we are working closely with our NHSGGC partners to implement an UC action plan of priorities.
- We are implementing and improving '*Call before you Convey*' alongside care homes to safely reduce conveyance to Hospital, this includes the rolling out of the RESTORE 2 tool and training.
- Justice social work staff supported the Community Justice Partnership to liaise with Scottish Prison Service partners to deliver their annual development day at HMP Greenock. It is our intention to establish a short-life, multi-agency working group to explore this further.
- We have successfully implemented our '*Grow Your Own*' approach, providing HSCP staff the opportunity to train to become fully qualified social workers.
- The Training Board developed a scheme to reimburse master's students who commit to working for Inverclyde.
- We have partnered with *The Lens* to identify, develop and generate innovative improvement projects across the HSCP. With initial success in Children and Families, the approach has been rolled out to adult services.

Financial Performance

Financial information is part of our performance management framework with regular reporting of financial performance to the IJB. This section summarises the main elements of our financial performance for 2023/24.

(a) Partnership Revenue Expenditure 2023/24

The Partnership was overspent by £0.843m in 2023/24 at the financial year end. Existing Smoothing Reserves were used to offset this for 2023/24.

On the Social Care side of the budget overspends of £3.380m were incurred mainly within Children and Families for Residential Placements, Fostering, Adoption and Kinship packages. Use of agency staff in Homelessness and Mental Health also contributed to this overspend.

This is partially offset by underspends of £2.946m mainly in Client Package costs across adult services, vacancies in most services and over-recovery of client income in Adult Services.

On the Health side of the budget overspends of £1.764m were incurred within the Prescribing budget. This is partially offset by underspends due to vacancies across the Health side of the HSCP.

At the start of the year the HSCP had a smoothing reserves balance of £6.592m. This is to facilitate managing services of a volatile nature and a contingency for any pay award deficits. During the year a total of £3.676m has been drawn down for these purposes. In addition, a specific severance cost reserve of £1.492m has been created as part of the budget setting process to pay for any voluntary redundancy costs incurred as part of the 2024/26 savings programme. This leaves a total smoothing reserve balance of £4,408 available for use in 2024/25 onwards in addition to our savings plan.

The IJB continued to hold a Transformation Fund for the purposes of funding projects and activities which will realise future efficiencies for the Partnership. In 2023/24 an opening balance of £1.739m was held, £0.381m of net expenditure was incurred in year. A closing balance of £1.326m is recorded.

Reserves are held for Winter Pressures/Planning amounting to £1.735m across various workstreams. £0.525m net expenditure was incurred in 2023/24 financial year, with the remaining £1.21m to be utilised to ease pressure on care services in 2024/25.

Reserves of £2.190m were held as of 1 April 2023 in relation to refugee income received to fund future years expenditure. During 2023/24, grant income was received in relation to both New Scots Ukraine arrivals and some previous scheme ongoing commitments. After funding in year spend, the remaining balance was added to reserves giving a final earmarked reserve of £3.073m held to fund future years expenditure including New Scots team employee costs, Health and Social care staff pressures, Unaccompanied Asylum Seeking Children, third party support and support, for ongoing accommodation costs.

General Reserves of £1.561m are also held for the partnership.

Overall opening reserves of £24.262m were held at 1 April 2023. During the year £10.130m of Earmarked Reserves were used to fund specific spend and projects. An additional £5.155m was added to Earmarked Reserves including £0.709m allocated to general reserve as part of the budget process approved by the IJB to temporarily fund the 24/25 as part of the overall approved savings. This led to a final net deficit of £4.975m, with total reserves of £19.287m held at year end. As is usual during budget monitoring processes, a number of areas of specific underspend have been added to earmarked reserves for use in future years, and approval has been requested as part of the annual accounts covering report. These specific areas totalling £0.462m are as follows: -

Final transfers to Earmarked Reserves	£000s
Carers - transfer to Primary Care Support	(50)
Primary Care Support - transfer from Carers	50
Refugees - final in year balance to reserve for future years planned spend	237
Whole Family Wellbeing - final underspend	13
Homelessness redesign additional funds	200
Client Commitments - general - final position	12
Total earmarking request	462

Following earmarking of these specific items, a revenue overspend of £0.843m remains. A further request has been made as part of the annual accounts covering report to drawdown smoothing reserves as follows:

Draw on Reserves for final overspend	£000s
Children and Families residential smoothing reserve	434
Prescribing smoothing reserve	409
Total	843

An analysis of all earmarked reserves is set out in Note 8 to the Financial Statements on Page 33.

Total net expenditure for the year was £219.912m against the overall funding received of £214.937m, generating a revenue deficit of £4.975m. This was made up as follows:

Analysis of Deficit on Provision on Services

At year end the overall deficit was comprised of:

- an overspend on Health services of £0.409m, drawn from the prescribing reserve.
- an overspend on Social Care services of £0.434m, drawn from Children and Families smoothing reserve.
- A net reduction in overall reserves of £4.975m as detailed below.
- New and net increased reserves of £2.996m as agreed by the IJB
- Further use of reserves of £7.128m being planned spend during the year against balances held.

Further analysis of the movements forming the overall deficit are shown in the following table:

Detail of in year movement	£000
<i>Movements in reserves</i>	
Use of general reserves towards 2023/24 budget	(603)
Use of pay contingency reserve towards 2023/24 budget	(199)
Reserves transferred to East Dunbartonshire - Specialist Childrens Services	(379)
Mental Health Action 15 - net addition	95
Net use of ADP reserve	(392)
Use of Primary Care Improvement reserve	(156)
Use of Community Living Change	(191)
Use of Winter Pressures - Health care support workers/MDTS/Care at Home/Interim Beds	(525)
Rapid Rehousing Transition Plan (RRTP)	(105)
Primary Care Support - net addition	102
Net use of Homelessness reserve	(194)
Transfer of CAMHS Tier 2 reserve to Transformation Fund	(100)
Use of Welfare EMR	(235)
Net increase to reserve for New Scots and other refugee schemes	883
Use of Tier 2 Counselling EMR	(100)
Addition to Whole Family Wellbeing reserve	280
Temporary Posts for utilisation over future years	(169)
Cost of Living Fund - remaining funds utilised	(265)
Net use of Transformation Fund	(381)
Use of Mental Health Transformation reserve	(160)
Use of Digital Strategy reserve	(381)
Use of SWIFT replacement project reserve	(207)
Net use of Client Commitments - general reserve	(72)
Use of Adoption/Fostering/Residential Childcare reserve	(500)
Other reductions to smoothing reserves	(2,021)
Creation of Severance costs contingency reserve	1,492
General reserve - net addition	529
Other movements in existing reserves during 2023/24 - various	(178)
<i>Revenue variances</i>	
Underspend in Health Employee Costs (excluding Mental Health In patients)	1,731
Mental Health In Patient staffing overspend	(1,148)
Overspend in prescribing due to inflationary pressures, volumes and availability	(1,753)
Corporate non pay contingency budgets	891
Health supplies and services underspend - other areas	(131)
Underspend in Council Employee Costs	758
External care at home underspend	878
Children and Families residential placements overspend	(2,718)
Other C&F packages	(402)
Adult Client Commitments - overall underspend	509
Agency Staff - Homelessness & Mental Health	(260)
Criminal Justice income	85
Over Recovery of client income across Adult Services	456
Smaller over/underspends throughout services	260
Deficit on Provision of Services	(4,975)

The period 11 budget monitoring report projected an overspend of £0.710m in Social Care core budgets. The main projected variances were linked to overspends in Children's residential placements and client commitments for both Children's and Learning Disability, and a projected overspend on employee costs for

Children and Families services. These overspends were offset by underspends in employee costs throughout other services, care at home packages, budgets held for inflationary purposes and other client commitments.

The projected outturn for Health services at period 11 was reported as an overspend of £0.314m. The main areas of overspend were prescribing and the mental health in patients service with projected overspends of £1.753m and £1.407m respectively. The projected position on prescribing was due to various factors including drug prices, volumes and availability. This position was unchanged at year end as the period 11 figures were produced in April in line with reporting deadlines.

These overspends were offset by underspends totalling £1.731m on employee costs spread throughout all services other than mental health, which are included in the overspend position for the mental health inpatients service noted above.

The final overspend reported is £0.843m, with the main movements since Period 11 in relation to reduced employee costs and some additional income offset by an under recovery in homelessness rental income.

Period 11 vs Final Outturn

Revised Budget	IJB	Projected Outturn @ P11	Outturn	P11 vs Actual Outturn
87,593	Health Funding	87,301	87,593	292
87,593	Health Spend	87,615	88,002	387
0	Contribution	(314)	(409)	(95)
69,666	Social Care Funding	70,042	70,086	44
69,666	Social Care Spend	70,752	70,520	(232)
0	Contribution	(710)	(434)	276
19,589	Resource Transfer Funding	19,589	19,589	0
19,589	Resource Transfer Spend	19,589	19,589	0
0	Contribution	0	0	0
37,670	Set Aside Funding	35,398	37,670	2,272
37,670	Set Aside Spend	35,398	37,670	2,272
0	Contribution	0	0	0
0	Movement in Reserves	(5,039)	(4,132)	907
0	Surplus/(Deficit) on Provision of Operating Services	(6,063)	(4,975)	1,088

Revised Budget		Projected Outturn @ P11	Outturn	P11 vs Actual Outturn
214,518	IJB Funding	212,330	214,938	2,608
214,518	IJB Expenditure	213,354	215,781	2,427
0	Movement on Earmarked Reserves (Decrease)/Increase	(5,039)	(4,132)	907
0		(6,063)	(4,975)	1,088

(b) The Balance Sheet

The Balance Sheet summarises the IJB's assets and liabilities as of 31 March 2024, with explanatory notes provided in the financial statements.

Financial Outlook, Risks and Plans for the Future

The Inverclyde IJB has responsibility for social care and a range of health services. The IJB is responsible for financial and strategic oversight of these services.

Further reductions to public sector funding at a UK and Scottish level are predicted. This in turn is likely to have a direct effect on the funding available to HSCP's from the partner organisations for integrated services. In addition to economic performance, other factors influence the availability of funding for the public sector including demographic challenges that Inverclyde is facing. These were built into the updated Financial challenges as part of the budget setting process and gap for the next 5 years.

The Covid pandemic elicited a fiscal response from the UK Government which was without precedent in peace time. The UK Government borrowed large sums of funding to support the economy, households and frontline services battling against the virus to help protect as many jobs as possible as part of the recovery. This impact continues to be felt and will be a factor in the UK economy for many years.

The Spring Statement in March 2024 provided updates on the main indicators and showed no real change in GDP forecasts since November 2023 statement, inflation rates for 2024 are now lower than predicted in November (reduction of 1.4%) and a reduction in interest rates predicted.

Due to a reduction in both inflation and interest rates, there is a reduction in receipts and expenditure. There has been a reduction in projected debt but any change in this could mean tax rises or spending cuts being required in the future. The latest forecasts of funding for public services continues to look challenging for the medium term.

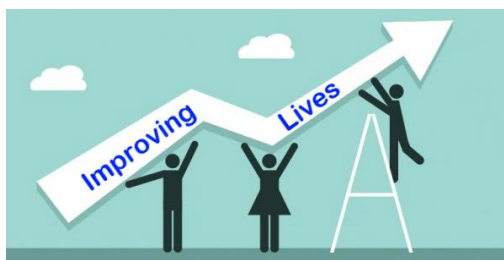
The recent announcement of the UK General Election will lead to an increased focus on economic forecasts and plans. Based on the economic underlying position, adequate funding for public finances will prove a challenge whatever the make-up of the new UK Government.

Inverclyde IJB's current reserves position including various smoothing reserves puts the IJB in a strong position to be able to address the effect of these global and local risks. Robust budget monitoring and financial planning will ensure that we are able to continue to take decisions as required to address any emerging issues.

The HSCP is still adapting to and learning from the changes to services which occurred during the Covid 19 pandemic and our recovery. A series of reviews including Care at Home, Children and Families, Day Services have been progressed in 2023/24 and Homelessness will be concluded in 2024/25.

In March 2024 the IJB agreed a 2 year balanced budget for 2024/26, which included savings initiatives of £5.4m. These initiatives included a combination of budget adjustments, reserve redesigns, services reductions, targeted workstreams and the temporary use of reserves. These savings initiatives will be progressed into 2024/26 with an overall Savings Workgroup being set up to monitor progress. This progress will be reported back to the IJB on a regular basis. A medium-term financial projection was also included in the budget setting document which highlighted the HSCP's financial gap over the next 5 years taking account of forecast demand for services, inflationary pressures, pay awards and assumptions on funding from partners.

In 2023/24 the HSCP moved into the final year of the current IJB Strategic Plan.



Throughout 2023/24 we remained committed to “Improving Lives”, and our vision is underpinned by the “Big Actions”, detailed below, and the following values based on the human rights and wellbeing of:

- **Dignity and Respect**
- **Responsive Care and Support**
- **Compassion**
- **Wellbeing**
- **Be Included**
- **Accountability**

6 Big Actions

Big Action 1:
Reducing Health Inequalities by Building Stronger Communities and Improving Physical and Mental Health

Big Action 2:
A Nurturing Inverclyde will give our Children and Young People the Best Start in Life

Big Action 3:
Together we will Protect Our Population

Big Action 4:
We will Support more People to fulfil their right to live at home or within a homely setting and Promote Independent Living

Big Action 5:
Together we will reduce the use of, and harm from alcohol, tobacco and drugs

Big Action 6:
We will build on the strengths of our people and our community

In May 2024 the IJB approved the new Strategic Partnership Plan for 2024/27. This new plan sets out, the IJB’s strategic direction for delivering Health and Social Care Services and improving the health and wellbeing of local people. The plan identifies four strategic Priorities for delivery:

- Provide Early Help and Intervention
- Improve Support for Mental Health, Wellbeing and Recovery
- Support Inclusive, Safe and Resilient Communities
- Strengthen Support to Families and Carers

This plan has been developed in consultation with local people, HSCP staff, third and independent sector partners and other key stakeholders.

Conclusion

2023/24 continued to be a challenging operating environment, in which the IJB successfully oversaw the delivery of core services, the setting of a new 2-year budget and the development of a new Strategic Partnership Plan. During this period, the IJB continued to review its change programme designed to provide a more person-centred model of care, deliver on early intervention and prevention ambitions. During last financial year, services have continued to adapt to address ongoing implications of changing legislation in relation to Covid and the recovery from the pandemic.

Where to Find More Information

If you would like more information, please visit our IJB website at:
<https://www.inverclyde.gov.uk/health-and-social-care>

Kate Rocks

Chief Officer

Craig Given

Chief Financial Officer

Robert Moran

IJB Chair

Statement of Responsibilities

Responsibilities of the IJB

The IJB is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that the proper officer of the board has the responsibility for the administration of those affairs. In this IJB, the proper officer is the Chief Financial 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 the Coronavirus (Scotland) Act 2020), 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 Statement of Accounts.

Signed on behalf of the Inverclyde IJB

Robert Moran

IJB Chair

Responsibilities of the Chief Financial Officer

The Chief Financial 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 these annual accounts, the Chief Financial Officer has:

- Selected appropriate 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 Financial 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 Inverclyde IJB as at 31 March 2024 and the transactions for the year then ended.

Craig Given

Chief Financial 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.

1 Integration Joint Board

The voting members of the IJB were appointed through nomination by the Health Board and Council.

2 Senior officers

The IJB does not directly employ any staff. All HSCP officers are employed through either the Health Board or Council and remuneration for senior staff is reported through those bodies. 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 IJB must be appointed and the employing partner must formally second the officer to the IJB. During 2023/24 the Chief Officer, Kate Rocks was in post for the full financial year. The statutory responsibility for employer pension liabilities sits with Inverclyde Council as the employing partner organisation. There is therefore no pension liability reflected on the Inverclyde IJB balance sheet for the IJB's Chief Officer. The remuneration terms of the Chief Officer's employment are approved by the IJB.

Chief Financial Officer

Craig Given is the Chief Financial Officer of the IJB. He is employed by NHS and the Council and Health Board share his salary cost and those of all other senior officer remunerations.

Other officers

No other staff are appointed by the IJB under a similar legal regime. There are no other non-voting board members who meet the criteria for disclosure and require to be included in the disclosure below.

Salary, Fees & Allowances 2022/23 £	Name and Post Title	Salary, Fees & Allowances 2023/24 £
77,325 (FYE £122,320)	Kate Rocks Chief Officer (from 16/08/22)	131,633
48,731 (FYE £122,320)	Allen Stevenson Interim Chief Officer (until 29/08/22)	-
90,587	Craig Given Chief Financial Officer	94,345

There were no exit packages paid in either financial year.

3 Remuneration: IJB Chair, Vice Chair and Voting Members

The voting members of the IJB are appointed through nomination by Inverclyde Council and Greater Glasgow and Clyde Health Board. Nomination of the IJB Chair and Vice Chair post holder's alternates between a Councillor and Health Board representative.

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

costs borne by the partner. The details of the Chair, Vice Chair and other IJB voting member appointments and any taxable expenses paid by the IJB are shown below.

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

Voting IJB Members Remuneration Table

Name	Post(s) Held	Nominated By
Councillor Jim Clocherty	IJB Member (until 5/5/22) IJB Vice-Chair (until 5/5/22)	Inverclyde Council
Alan Cowan	IJB Member IJB Chair (until 25/6/23) Audit committee member (from 26/6/23) IJB Vice-Chair (from 26/6/23)	NHS GGC
Simon Carr	IJB Member (until 26/6/23) Audit Committee Member (until 26/6/23) Audit Committee Vice-Chair (until 27/6/22)	NHS GGC
Councillor Lynne Quinn	IJB Member (from 26/6/23) Audit Committee Member (from 27/6/22) Audit Committee Vice Chair (from 26/6/23)	Inverclyde Council
Councillor Elizabeth Robertson	IJB Member (until 26/6/23) Audit Committee Member (until 26/6/23) Audit Committee Chair (from 21/06/21 until 25/6/23)	Inverclyde Council
Councillor Ciano Rebecchi	IJB Member (until 5/5/22) Audit Committee Member (until 5/5/22)	Inverclyde Council
Dr Becky Metcalfe	IJB Member from 26/6/23	NHS GGC
Councillor Robert Moran	IJB Member (from 19/5/22) IJB Vice-Chair (from 19/5/22 until 25 June 2023) IJB Chair (from 26 June 2023)	Inverclyde Council
Councillor Martin McCluskey	IJB Member (from 19/5/22)	Inverclyde Council
Ann Cameron-Burns	IJB Member	NHS GGC
David Gould	IJB Member Audit Committee Member Audit Committee Vice-Chair (from 27/6/22 until 25/6/23) Audit Committee Chair (from 26/6/23)	NHS GGC
Councillor Sandra Reynolds	IJB Member (from 26/6/23) Audit Committee Member (from 26/6/23)	Inverclyde Council

There were no Inverclyde IJB specific expenses recorded for voting members of the IJB during 2023/24. Any expenses claimed by voting members are paid through the relevant IJB partner organisation.

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 IJB balance sheet for the Chief Officer or any other officers.

An actuarial review has been conducted by Strathclyde Pension fund in 2023/24. This will result in a reduction in employer rates in 2024/25 onwards. This benefit will be used to help offset the HSCP's funding gap and pressures for future years.

The IJB 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 IJB. The following table shows the IJB'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 Employee	In Year Pension Contributions		Accrued Pension Benefits		
	For Year to 31/03/23 £	For Year to 31/03/24 £		Difference from 31/03/23 £000s	As at 31/03/24 £000s
Kate Rocks Chief Officer	14,924	25,405	Pension	3	5
			Lump Sum	0	0
Allen Stevenson Interim Chief Officer (until 29/8/22)	21,158	-	Pension	-	-
			Lump Sum	-	-
Craig Given Chief Financial Officer	18,933	19,718	Pension	22	25
			Lump Sum	0	0

Disclosure by Pay Bands

Pay band information is not separately provided as all staff pay information has been disclosed in the information above.

Kate Rocks

Chief Officer

Robert Moran

IJB Chair

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 Inverclyde IJB was established by parliamentary order on 27 June 2015 following approval of the Inverclyde Integration Scheme by the Scottish Ministers. The integration scheme is currently being reviewed by all the Greater Glasgow IJB's and will be approved in due course. The timeline for the completion of this task has slipped Greater Glasgow wide due to the scale of work required in its completion and the requirement for consultation with the Health Board and each Local Authority. Inverclyde IJB is a body corporate, a legal entity in its own right but it relies on support from officers employed by Inverclyde Council and Greater Glasgow and Clyde NHS Board in relation to the conduct of its business. It is subject to the Public Bodies (Joint Working) (Scotland) Act 2014 and secondary legislation directly relating to the integration of health and social care services, and indirectly in relation to regulatory regimes affecting devolved public bodies in Scotland. The main features of the IJB's governance arrangements are described in the Local Code but are summarised below.

The IJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

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 Inverclyde Council and Greater Glasgow and Clyde Health Board systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB.

The system can only provide reasonable and not absolute assurance of effectiveness.

The Chief Financial 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).

The Chief Finance Officer has taken reasonable steps for the prevention of fraud and other irregularities.

The Governance Framework and Internal Control System

The Board of the IJB comprises voting members, nominated by either Inverclyde Council or Greater Glasgow and Clyde Health Board, as well as non-voting members including a Chief Officer appointed by the Board.

The main features of the IJB's governance arrangements are described in the Local Code but are summarised below:

- The IJB is the key decision-making body. The IJB's membership (voting and non-voting), as set by statutory instrument, is fully established. An Audit Committee with detailed remit and powers and clearly defined membership considers all matters in relation to Internal and External Audit and Risk Management.
- Strategic decision-making is governed by the IJB's key constitutional documents including the Integration Scheme, Standing Orders, and Financial Regulations.
- The IJB's purpose and vision are outlined in the IJB Strategic Plan which links closely to the vision of the Inverclyde Community Planning Partnership and the Single Outcome Agreement and is underpinned by an annual action plan and national statutory performance indicators.

- The HSCP has a performance management system, Pentana, which will be utilised for all planning actions, key performance indicators and risk management. This will support the culture of performance management and the delivery of improved outcomes. The Annual performance Report is submitted to the IJB annually with formal six-monthly reporting.
- The IJB has a Code of Conduct based on the Model Code of Conduct for Integration Joint Boards. The code of conduct was revised and updated during 2021/22. A register of members' interests is published and made available for inspection.
- Two Locality Planning Groups for Inverclyde HSCP have been established (East and West) with representation from a range of partners and community representatives. These groups have been further developed during 2023/24 and will be key mechanism to support future strategic planning.
- Inverclyde IJB were found by the Equality and Human Rights Commission (EHRC) to not be fully compliant with the Public Sector Equality Duty (PSED). Following support by EHRC colleagues, an PSED Improvement plan was agreed and implemented throughout the service year. Full compliance with the PSED was achieved by year end 2023/24.

The governance framework set out was in place throughout 2023/24.

The System of Internal Financial Control

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. Development and maintenance of these systems is undertaken by the Health Board and Council as part of the operational delivery of the Health and Social Care Partnership. During 2023/24 this included the following:

- Financial regulations and codes of financial practice;
- Comprehensive budgeting systems;
- Regular reviews of periodic and annual financial reports that indicate financial performance against budget and forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital expenditure guidelines;
- Formal project management disciplines.

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 Chief Internal Auditor reports directly to the IJB Audit Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair of the Audit Committee on any matter. The annual programme of internal audit work is based on a strategic risk assessment and is approved by the Audit Committee.

With regard to the entries taken from the Health Board and Council Accounts, the IJB is not aware of any weaknesses within their internal control systems and has placed reliance on the individual Annual Governance Statements where appropriate.

Review of Effectiveness

Inverclyde IJB has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the framework is informed by the work of the Senior Management Team who have responsibility for development and maintenance of the governance environment, the annual report by the Chief Internal Auditor and reports from Audit Scotland and other review agencies.

The Internal Audit functions of the Council and Health Board have independent responsibility for examining, evaluating and reporting on the adequacy of internal control. During 2023/24, these services operated in accordance with relevant professional audit standards and the Public Sector Internal Audit Standards. The Chief Internal Auditors prepared annual reports to the relevant Audit Committees, including an assurance statement containing a view on the adequacy and effectiveness of the systems of internal control.

Significant Governance Issues during 2023/24

The Internal Audit Annual Reports 2023/24 for the Council and Health Board identify no significant control issues. Some actions have been agreed within the Council and Health Board Annual Governance statements to further enhance those internal control environments. None of these are considered material enough to have a significant impact on the overall control environment.

The Internal Audit Annual Report and Assurance Statement for 2023/24 concludes that the majority of the IJB's established internal control procedures operated as intended to meet management's control requirements for each area reviewed by Internal Audit. The overall audit opinion is **Satisfactory** and reasonable assurance can be placed on the adequacy and effectiveness of the IJB's governance, risk management and controls in the year to 31 March 2024.

Summaries of the issues arising in relation to each system or activity covered by Internal Audit work in 2023/24 are reported separately to the Audit Committee. Appropriate responses to the recommendations made in internal audit reports have been obtained. When actioned, the recommendations made in the Internal Audit reports should provide management with additional comfort that the system of control operates as intended. It is therefore imperative that the agreed actions are implemented by management.

A follow up process is in place which ensures that all actions arising from internal audit reviews are captured within a follow up database and are subject to follow up and validation by the Internal Audit on a regular basis, with reporting on progress to the Audit Committee.

Conclusion and Opinion on Assurance

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.

Kate Rocks

Chief Officer

Robert Moran

IJB Chair

The Financial Statements

Comprehensive Income and Expenditure Statement

This statement shows the cost of providing services for the year according to accepted accounting practices.

2022/23			2023/24		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
4,137	(2,386)	1,751	4,822	(2,041)	2,781
35,375	(893)	34,482	37,907	(997)	36,910
14,787	(360)	14,427	16,112	(187)	15,925
7,948	(656)	7,292	8,261	(214)	8,047
12,445	(601)	11,844	13,211	(435)	12,776
18,769	(1,617)	17,152	22,548	(1,096)	21,452
4,104	(606)	3,498	4,553	(264)	4,289
5,613	(1,467)	4,146	5,295	(844)	4,451
15,264	(2,660)	12,604	15,472	(837)	14,635
10,530	(2,960)	7,570	9,593	(1,825)	7,768
2,271	(2,232)	39	2,384	(2,317)	67
1,938	(422)	1,516	2,751	(509)	2,242
28,174	(843)	27,331	29,892	(1,016)	28,876
20,570	(1)	20,569	22,030	(409)	21,621
3,711	(323)	3,388	(0)	0	(0)
368	0	368	402	(0)	402
186,004	(18,027)	167,977	195,233	(12,991)	182,242
36,036	0	36,036	37,670	0	37,670
222,040	(18,027)	204,013	232,903	(12,991)	219,912
0	(199,950)	(199,950)	0	(214,937)	(214,937)
222,040	(217,977)	4,063	232,903	(227,928)	4,975
		4,063			4,975

There are no statutory or presentation adjustments which affect the IJB's application of 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 IJB's reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices.

Movements in Reserves During 2023/24	General Reserves £000	Earmarked Reserves £000	TOTAL Reserves £000
Opening Balance at 31 March 2023	(1,635)	(22,627)	(24,262)
Total Comprehensive Income and Expenditure	74	4,901	4,975
Closing Balance at 31 March 2024	(1,561)	(17,726)	(19,287)

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 2023 £000		Notes	31 March 2024 £000
Current Assets			
24,283	Short term debtors	5	19,309
Current Liabilities			
(21)	Short term creditors	6	(22)
24,262	Net Assets		19,287
24,262	Reserves	8	19,287
24,262	Total Reserves		19,287

The Statement of Accounts present a true and fair view of the financial position of the Integration Joint Board as of 31 March 2024 and its income and expenditure for the year then ended.

The unaudited financial statements were issued on 24 June 2024 and the audited financial statements were authorised for issue by Craig Given on tbc 2024.

Craig Given

Chief Financial Officer _____

Notes to the Financial Statements

1. Significant Accounting Policies

1.1 General principles

The Inverclyde Integration Joint Board is formed under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014. It was established by parliamentary order on 27 June 2015 following approval of the Inverclyde Integration Scheme by the Scottish Ministers. The Integration Scheme is a legally binding agreement between Inverclyde Council and NHS Greater Glasgow and Clyde.

IJBs are specified as section 106 bodies under the Local Government (Scotland) Act 1973 and as such are required to prepare their financial statements in compliance with the Local Authority Accounts (Scotland) Regulations 2014 and the Code of Practice on Accounting for Local Authorities in the United Kingdom, supported by International Financial Reporting Standards (IFRS). These are issued jointly by CIPFA and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) and are designed to give a “true and fair view” of the financial performance of the IJB.

The accounts are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

The Annual Accounts summarise the IJB’s transactions for the 2023/24 financial year and its position at the year end of 31 March 2024.

1.2 Accruals of expenditure and income

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Expenditure is recognised when goods or services are received, and their benefits are used by the IJB.
- Income is recognised when the IJB has a right to the income, for instance by meeting any terms or 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.

1.3 Funding

The IJB is primarily funded through funding contributions from the statutory funding partners namely Inverclyde Council and NHS Greater Glasgow and Clyde. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in Inverclyde.

1.4 Cash and Cash Equivalents

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partners. Consequently, the IJB does not present a ‘Cash and Cash Equivalent’ figure on the balance sheet. The funding balance due to or from each funding partner as of 31 March is represented as a debtor or creditor in the IJB Balance Sheet.

1.5 Employee Benefits

The IJB 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 IJB 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. Where material the Chief Officer's absence entitlement as of 31 March is accrued, for example in relation to annual leave earned but not yet taken.

1.6 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 of 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 IJB'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 IJB's Balance Sheet but is disclosed in a note only if it is probable to arise and can be reliably measured.

1.7 Events After the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- Adjusting events: Those that provide evidence of conditions that existed at the end of the reporting period. The Annual Accounts are adjusted to reflect such events. No material events have taken place.
- Non-adjusting events: Those that are indicative of conditions that arose after the reporting period and the Statements are not adjusted to reflect such events. Where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect. No material non-adjusting events have taken place.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

1.8 Exceptional items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the IJB's financial performance.

1.9 Related Party Transactions

As parties to the Inverclyde Integration Scheme both Inverclyde Council and NHS Greater Glasgow and Clyde are related parties and material transactions with those bodies are disclosed in Note 3 in line with the requirements of IAS 24.

1.10 Support services

Support services were not delegated to the IJB through the Integration Scheme and are instead provided by the Health Board and Council free of charge as a 'service in kind'. The support services provided are mainly comprised of provision of financial management, human resources, legal, committee services, ICT, payroll, internal audit and the provision of the Chief Internal Auditor.

1.11 Indemnity Insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. Inverclyde Council and Greater Glasgow and Clyde Health Board have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike Health Boards, the IJB does not have any 'shared risk' exposure from participation in Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). The IJB participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

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 IJB'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.

1.12 Clinical and Medical Negligence

The IJB provides clinical services to patients under the statutory responsibility of NHS Greater Glasgow and Clyde. In connection with this it is responsible for any claims for medical negligence arising within the services it commissions, up to a certain threshold per claim. For claims in excess of this threshold the Health Board and IJB are members of CNORIS established by the Scottish Government which reimburses costs to members where negligence is established.

The IJB would make provision for claims notified by the NHS Central Legal Office according to the value of the claim and the probability of settlement. Where a claim was not provided for in full the balance would be included as a contingent liability. The corresponding recovery from CNORIS in respect of amounts provided for would be recorded as a debtor and that in respect of amounts disclosed as contingent liabilities are disclosed as contingent assets.

1.13 Reserves

Reserves are created by appropriating amounts out of revenue balances. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year so and included within the Income and Expenditure Statement. Movements in reserves are reported in the Movement in Reserves Statement. Reserves are classified as either general or earmarked reserves.

1.14 VAT

The VAT treatment of expenditure in the IJB's accounts depends on which of the partner agencies is providing the service as these agencies are treated differently for VAT purposes.

Where the Council is the provider, income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to H.M. Revenue and Customs and all VAT paid is recoverable from it. The Council is not entitled to fully recover VAT paid on a very limited number of items of expenditure and for these items the cost of VAT paid is included within service expenditure to the extent that it is irrecoverable from H.M. Revenue and Customs.

Where the NHS is the provider, expenditure incurred will include irrecoverable VAT as generally the NHS cannot recover VAT paid as input tax and will seek to recover its full cost as Income from the Commissioning IJB.

1.15 Prior period adjustments, changes in accounting policies and estimates and errors

Prior period adjustments may arise because of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively i.e. In the current or future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of the transactions, other events and conditions on the IJB's financial position or performance. Where a change is made, it is applied retrospectively (when material) by adjusting opening balances and comparative amounts for the prior period as if the new policy had been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

2. Taxation and Non-Specific Grant Income

31 March 2023 £000	Taxation and Non-Specific Grant Income	31 March 2024 £000
133,133	NHS Greater Glasgow and Clyde Health Board	144,851
66,817	Inverclyde Council	70,086
199,950	TOTAL	214,937

Greater Glasgow and Clyde Health Board Contribution

The funding contribution from the Health Board above includes £37.670m in respect of 'Set Aside' resources relating to hospital services. These are provided by the NHS which retains responsibility for managing the costs of providing the services. The IJB however, has responsibility for the consumption of, and the level of demand placed on, these resources.

The funding contributions from the partners shown above exclude any funding which is ring-fenced for the provision of specific services. Such ring-fenced funding is presented as income in the Cost of Services in the Comprehensive Income and Expenditure Statement.

3. Related Party Transactions

The IJB has related party relationships with Greater Glasgow and Clyde Health Board and Inverclyde Council. In particular the nature of the partnership means that the IJB may influence, and be influenced by, its partners. The following transactions and balances included in the IJB's accounts are presented to provide additional information on the relationships.

31 March 2023 £000		31 March 2024 £000
	Transactions with NHS Greater Glasgow & Clyde	
(133,134)	Funding Contributions received	(144,852)
(6,297)	Service Income received	(3,842)
125,610	Expenditure on Services Provided	128,978
(13,821)	TOTAL	(19,716)
	Transactions with Inverclyde Council	
(66,817)	Funding Contributions received	(70,086)
(11,729)	Service Income received	(9,150)
96,430	Expenditure on Services Provided	103,928
17,884	TOTAL	24,691

31 March 2023 £000		31 March 2024 £000
	Balances with NHS Greater Glasgow & Clyde	
0	Debtor balances: Amounts due to the NHS	0
0	Creditor balances: Amounts due from the NHS	0
0	Net Balance with the NHS Board	0
	Balances with Inverclyde Council	
(21)	Debtor balances: Amounts due to the Council	(22)
24,283	Creditor balances: Amounts due from the Council	19,309
(24,262)	Net Balance with the Council	(19,287)

Key Management Personnel: The non-voting Board members employed by the Health Board or Council and recharged to the IJB include the Chief Officer, Chief Financial Officer, representatives of primary care, nursing and non-primary services, and staff representatives. Details of remuneration for some specific post holders is provided in the Remuneration Report.

4. IJB Operational Costs

31 March 2023 £000	Core and Democratic Core Services	31 March 2024 £000
290	Staff costs	302
47	Administrative costs	66
31	Audit fees	33
368	TOTAL	402

The cost associated with running the IJB has been met in full by NHS Greater Glasgow and Clyde and Inverclyde Council. For the 2023/24 Accounts this is combined within the gross expenditure for both partners.

5. Short Term Debtors

31 March 2023 £000	Short Term Debtors	31 March 2024 £000
24,283	Other local authorities	19,309
24,283	TOTAL	19,309

Amounts owed by the funding partners are stated on a net basis. Creditor balances relating to expenditure obligations incurred by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the IJB.

6. Short Term Creditors

31 March 2023 £000	Short Term Creditors	31 March 2024 £000
(21)	Other local authorities	(22)
(21)	TOTAL	(22)

7. Critical Judgements and Estimation Uncertainty

In applying the accounting policies set out above, the IJB has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts include:

- It should be noted that the set aside budget is an estimate provided by NHS Greater Glasgow and Clyde as an estimate of costs incurred by the Inverclyde IJB as opposed to actual judgement figures.

The set aside resource for delegated services provided in acute hospitals is determined by analysis of hospital activity and actual spend for that year and while these are provided by the Health Board which retains responsibility for managing the costs of providing the service the HSCP Board however has responsibility for the consumption of, and level of demand placed on, these resources.

- Within Greater Glasgow and Clyde, each IJB has responsibility for services which it hosts on behalf of the other IJB's. In delivering these services the IJB has primary responsibility for the provision of the services and bears the risk and reward associated with this service delivery in terms of demand and the financial resources required. As such the IJB is acting as 'principal', and the full costs should be reflected within the financial statements for the services which it hosts. This is the basis on which Inverclyde IJB accounts have been prepared. The services which are hosted by Inverclyde are identified in the table below. This also shows expenditure in 2023/24 and the value consumed by other IJB's within Greater Glasgow and Clyde.

Host	Service	Actual Net Expenditure 2023/24	Consumed by Other IJBs
Inverclyde	General Psychiatry	£8,144,136	£1,249,707
Inverclyde	Old Age Psychiatry	£4,631,746	£198,317
	Total	£12,775,882	£1,448,024

The services which are hosted by other IJB's on behalf of the other IJB's including Inverclyde are identified in the following table. This also shows expenditure in 2023/24 and the value consumed by Inverclyde IJB.

Host	Service	Actual Net Expenditure 2023/24	Consumed by Inverclyde IJB
East Dunbartonshire	Oral Health	£12,019,770	£763,076
	Total	£12,019,770	£763,076
East Renfrewshire	Learning Disability	£11,330,018	£97,128
East Renfrewshire	SCTI – Scottish centre for technology for communication impaired	£219,270	£9,673
East Renfrewshire	Specialist Children's Services	£40,043,642	£2,710,940
	Total	£51,592,930	£2,817,741
Glasgow	Continence	£6,406,121	£464,444
Glasgow	Sexual Health	£12,624,657	£490,791
Glasgow	MH Central Services	£13,339,798	£1,208,612
Glasgow	MH Specialist Services	£18,950,434	£1,044,582
Glasgow	Alcohol and Drugs Hosted	£16,177,530	£1,167,341
Glasgow	Prison Healthcare	£10,697,000	£815,394
Glasgow	HC in Police Custody	£2,600,400	£188,529
Glasgow	Old Age Psychiatry	£18,566,884	£36,639
Glasgow	General Psychiatry	£57,138,430	£121,817
	Total	£156,501,254	£5,538,149
Renfrewshire	Podiatry	£7,290,262	£1,108,227
Renfrewshire	Primary Care Support	£4,312,353	£253,641
Renfrewshire	General Psychiatry	£11,718,670	£102,834
Renfrewshire	Old Age Psychiatry	£9,697,412	£0
	Total	£33,018,697	£1,464,702
West Dunbartonshire	MSK Physio	£8,264,690	£593,219
West Dunbartonshire	Retinal Screening	£879,189	£56,184
West Dunbartonshire	Old Age Psychiatry	£1,910,427	£0
	Total	£11,054,306	£649,403
Grand Total		£264,186,959	£11,233,071

8. Movement in reserves

The table on Page 33 shows the movements on the General Fund balance, analysed between those elements earmarked for specific planned future expenditure, and the amount held as a general reserve.

2022/23	2023/24		
Balance at 31 March 2023 £000	Transfers Out 2023/24 £000	Transfers In 2023/24 £000	Balance at 31 March 2024 £000
SCOTTISH GOVERNMENT FUNDING			
21 Mental Health Action 15	21	116	116
894 Alcohol & Drug Partnerships	592	200	502
156 Primary Care Improvement Programme	156	0	0
292 Community Living Change	191	0	101
253 Winter planning - MDT	253	134	134
331 Winter planning - Health Care Support Worker	0	0	331
1,059 Winter pressures - Care at Home	314	0	745
92 Winter pressures - Interim Beds	92	0	0
65 Care home oversight	0	23	88
784 MH Recovery & Renenal	481	57	360
32 Learning Disability Health Checks	0	0	32
304 Carers	50	0	254
EXISTING PROJECTS/COMMITMENTS			
108 Integrated Care Fund	0	0	108
93 Delayed Discharge	106	63	50
341 Welfare	235	0	106
569 Primary Care Support	129	231	671
372 SWIFT Replacement Project	207	0	165
180 Rapid Rehousing Transition Plan (RRTP)	139	34	75
500 LD Estates	0	0	500
2,190 Refugee Scheme	486	1,369	3,073
329 Tier 2 Counselling	100	0	229
100 CAMHS Tier 2	100	0	0
9 Dementia Friendly Inverclyde	9	0	0
1,099 Contribution to Partner Capital Projects	0	0	1,099
404 Staff Learning & Development Fund	71	14	347
450 Homelessness	394	200	256
157 Autism Friendly	34	0	123
486 Whole Family Wellbeing	0	280	766
675 Temporary Posts	169	0	506
109 ADRS fixed term posts	6	0	103
0 CORRA Residential Rehab	13	100	87
0 The Lens project	29	61	32
50 National Trauma Training	0	0	50
265 Cost of Living	265	0	0
15 Wellbeing	15	0	0
TRANSFORMATION PROJECTS			
1,739 Transformation Fund	453	72	1,358
292 Addictions Review	20	0	272
637 Mental Health Transformation	160	0	477
583 IJB Digital Strategy	381	0	202
BUDGET SMOOTHING			
1,500 Adoption/Fostering/Residential Childcare	1,034	0	466
425 Continuous Care	158	0	267
1,091 Prescribing	528	0	563
1,286 Residential & Nursing Placements	854	0	432
600 Learning Disability Client Commitments	218	0	382
605 Client commitments - general	191	0	414
1,085 Pay contingency	693	0	392
0 Severance costs contingency	0	1,492	1,492
22,627 Total Earmarked	9,347	4,446	17,726
UN-EARMARKED RESERVES			
1,635 General	783	709	1,561
1,635 Un-Earmarked Reserves	783	709	1,561
24,262 Total Reserves	10,130	5,155	19,287

9. Expenditure and Funding Analysis

31 March 2023 £000	Inverclyde Integration Joint Board	31 March 2024 £000
HEALTH SERVICES		
32,169	Employee Costs	32,384
148	Property Costs	82
8,557	Supplies & Services	6,943
28,170	Family Health Service	28,882
20,386	Prescribing	21,441
36,036	Set Aside	37,670
(6,297)	Income	(2,417)
SOCIAL CARE SERVICES		
36,012	Employee Costs	40,032
1,775	Property Costs	1,800
1,697	Supplies & Services	1,805
256	Transport	361
950	Administration	925
55,515	Payments to Other Bodies	58,751
(11,729)	Income	(9,149)
CORPORATE & DEMOCRATIC CORE/IJB COSTS		
290	Employee Costs	302
47	Administration	66
31	Audit Fee	33
204,013	TOTAL NET EXPENDITURE	219,912
(199,950)	Grant Income	(214,937)
4,063	DEFICIT ON PROVISION OF SERVICES	4,975

10. External Audit Costs

Fees payable to KPMG LLP in respect of external audit services undertaken in accordance with Audit Scotland's Code of Audit Practice in 2023/24 are £33,360 (2022/23 £31,470). There were no fees paid to KPMG LLP in respect of any other services.

11. Post balance sheet events

These are events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. An adjustment is made to the financial statements where there is evidence that the event relates to the reporting period; otherwise, the financial statements are not adjusted, and where the amount is material, a disclosure is made in the notes.

The Chief Financial Officer issued the Unaudited Statement of Accounts on 24 June 2024. There have been no material events after the balance sheet date which necessitate revision of figures in the financial statements or notes thereto including contingent assets or liabilities.

12. Contingent assets and liabilities

There are no equal pay claims to our knowledge pending against both the Council and Health Board. Since the IJB is not the employer for any of the staff in question it is not financially liable for any amounts due.

13. New standards 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.

Independent Auditor's Report