



Scottish Borders
Health and Social Care
PARTNERSHIP

Scottish Borders Health and Social Care Integration Joint Board

ANNUAL ACCOUNTS

***For the Financial Year
01 April 2023 to 31 March 2024***

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A Management Commentary

Message from the Chief Officer



I am pleased to present the Annual Accounts for the Scottish Borders Health and Social Care Integration Joint Board for 2023/24.

This year we have started to put our new Health and Social Care Strategic Framework 2023-26 into action. To do this, extensive work has started by our teams across the Health and Social Care Partnership, along with our partners and wider communities. We have focused on delivering our Strategic Objectives and Ways of Working with a view to improving local health and wellbeing outcomes so that we realise our vision that “all people in the Scottish Borders are able to live their lives to the full.”

Our Community Led Support approach is maturing and we are now considering the broader context of promoting wellbeing from a preventative perspective across the Scottish Borders. Close partnerships with Borders Community Action to support the Warm Spaces initiative, and with Home Energy Scotland over the winter

period helped us to collectively support more people across the Scottish Borders who were challenged with rising food and energy costs.

We are making good progress with developing supports in primary care, older adults, unpaid carers, mental health, and learning disability. We were delighted to be successful as one of four Primary Care Phased Investment Programme Pathfinder which will help us to further develop primary care and community health services. We have invested in adult social care provision and brought in new residential and nursing care provision for older adults. In partnership with Eildon Housing Association, additional Extra Care Housing was opened in Poynder Apartments, Kelso. There has been investment into bed-based respite along with new day supports, which have been opened in Newcastleton. We opened the new Teviot Day Service in April 2024, as well as a new intensive community mental health rehabilitation supported accommodation provision in Melrose for adults with enduring mental health conditions previously supported out of area. We are also making good progress with the ‘Coming Home Programme’¹. We have seen reductions in unmet need for people in our communities, reductions in Social Work assessment waits, improvements in Child & Adolescent Mental Health Services (CAMHS) performance, and increases in transfers to care.

Whilst we have taken many positive steps forward, we have also faced a number of major challenges over the past year in our operating environment which includes continuing workforce, financial and economic challenges, along with increasing need for services. There have been significant financial challenges for the Health and Social Care Partnership, predominantly in delegated health services, and we are working in partnership with our statutory partners and communities from across the Scottish Borders to address this. At the year end there was a deficit of income over expenditure of £2.997m; (previous year deficit £16.753m). This is not by itself an indicator of the financial health of the IJB as the position includes the utilisation of reserves brought forward from previous years. The full statement of accounts is presented in Section F, with notes to the accounts presented in Section G. As we move into 2024/25 we will work on a Medium Term Financial Strategy which will help us to deliver financial sustainability. Despite the increased care capacity, we have seen the complexity and demand number for care in hospital increase and unfortunately as a result we have seen an increase in the number of people in hospital waiting for

¹ The Scottish Government published the Coming Home Implementation report in February 2022 which included measures to reduce delayed discharge and provide care closer to home for people with learning disabilities and complex needs.

assessment and care. As we move into 2024/25 we will continue to focus in this area, while in parallel continuing to work with people to keep them well in their communities.

I would like to thank you for your ongoing support now and as we move into 2024/25.

Chris Myers

Chris Myers
Chief Officer
Scottish Borders Health and Social Care Integration Joint Board

22 January 2025

1. **Purpose**

Welcome to the Annual Accounts for the [Scottish Borders Health and Social Care Integration Joint Board \(IJB\)](#) for the year ended 31 March 2024. The purpose of the [Management Commentary](#) is to assist readers to understand the [Statement of Accounts](#) and assess how the IJB has performed in fulfilling its duties during the financial year.

This management commentary provides a summary of the Scottish Borders Health and Social Care Integration Joint Board's financial performance for the year and how this has supported delivery of the new Health and Social Care Strategic Framework 2023-26. It also outlines the financial framework which the IJB operates within and the challenges it faces in future years in delivering its priorities for the Scottish Borders.

2. **Background**

The Scottish Borders covers an area of 473,614 hectares (1,827 square miles) and is located in the Southeast of Scotland. It is situated between Northumberland to the south, Edinburgh and the Lothians to the north, and Dumfries and Galloway to the west. It has a large land area and a sparse population density which presents challenges in organising the provision of health and social care.

Population Information from National Records Scotland

The Scottish Borders is a rural area which, in 2022, had a population of 116,820. From 2001 to 2022, the population of the region increased by 9.2%, which is above Scotland's 7.6% rate of growth. The main reason for the growth in population is inward migration. 44% of the population growth in the period has occurred in those aged 50 years and above, while the net growth in those aged below 25 years has been 0%.

Whilst the size of the Scottish Borders population puts it in the medium sized category it has a large land area and a sparse population density which presents its own challenges in providing health and social care.

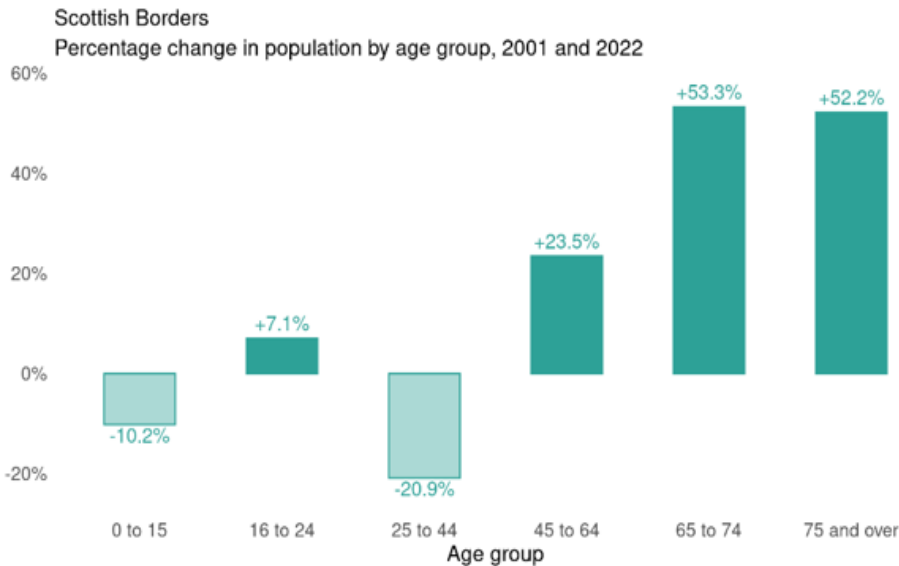
The graph below compares the age distribution of the male and female population of the Scottish Borders in 2022 (grey area) to the distribution in 2001 (area bounded by the blue line). In 2001, 21% of the total population was aged 15 or under, 60% of the total population was aged between 16 and 64, and 19% were 65 and over.

Scottish Borders
Population profile, 2001 and 2022

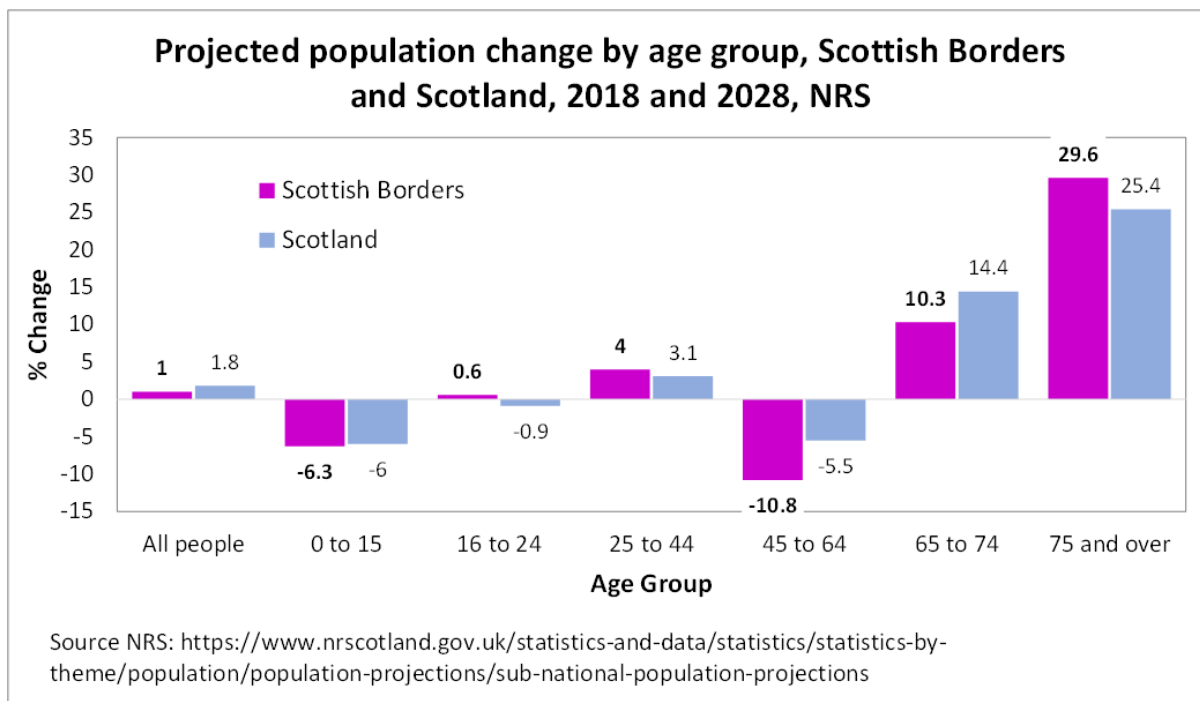


In 2022 (the last published data) 58.0% of the population of the Scottish Borders is aged between 16 and 64 years of age. This is against a national average of 64.6%. The 45-64 years age group made up an above-average 30.2% of the Scottish Borders population and 26.4% of its population is over 65 years of age, significantly above the national average of 20.1%. In contrast, the 16 to 24 age group was the smallest, with a population of 9,456.

The current proportion of the over 65 population in the Scottish Borders is 30 years ahead of the estimated Scottish national demographic, which will reach this level in 2051.



The latest available population projections from the National Records of Scotland project forward for ten years using 2018 data as a starting point and are reproduced below.



The overall population of the Scottish Borders is projected to increase by 1% between 2018 and 2028 with a 10% increase in the number 65-74 years and a 29.6% increase to over 75 years. As the current older working-age cohort become pensioners with an increased life expectancy, there is expected to be fewer younger people to replace them and a further reducing working age population.

These demographic factors directly drive our strategic objectives, transformation programmes, planned shifts in the balance of care, resource requirements, and costs.

3. **Role and Remit of the Scottish Borders Health and Social Care Integration Joint Board**

The Scottish Borders Health and Social Care Integration Joint Board is a Public Authority focused on delivering improvements against the nine [National Outcomes for Health and Wellbeing](#), and on achieving the core aims of integration.



To improve the quality and consistency of services for patients, carers, service users and their families



To provide seamless, integrated, quality health and social care services in order to care for people in their homes, or a homely setting, where it is safe to do so



To ensure resources are used effectively and efficiently to deliver services that meet the needs of the increasing number of people with long term conditions and often complex needs, many of whom are older

The Integration Joint Board is responsible for the strategic planning of the functions delegated to it and for ensuring the delivery of those functions through the directions issued by it. It does this by developing a needs-based and outcomes-focused Strategic Commissioning Plan, and by commissioning our partners in line with the Integration Planning and Delivery Principles.

The Integration Joint Board then reviews progress against this plan and its impact on outcomes, using this information to refine its approach to commissioning.

The table below sets out which services have been delegated to the **IJB** to strategically oversee and commission. The day-to-day delivery of these services is managed through **Directions** to the **Scottish Borders Health and Social Care Partnership (HSCP)** which comprises **NHS Borders (NHSB)**, the **Scottish Borders Council (SBC)**; who in turn may commission other delivery partners, including third sector and housing.

ADULT SOCIAL CARE SERVICES*	ACUTE HEALTH SERVICES (PROVIDED IN A HOSPITAL)*	COMMUNITY HEALTH SERVICES*
<ul style="list-style-type: none"> • Social Work Services for adults and older people; • Services and support for adults with physical disabilities and learning disabilities; • Mental Health Services; • Drug and Alcohol Services; • Adult protection and domestic abuse; • Carers support services; • Community Care Assessment Teams; • Care Home Services; • Adult Placement Services; • Health Improvement Services; • Re-ablement Services, equipment and telecare; • Aspects of housing support including aids and adaptations; • Day Services; • Local Area Co-ordination; • Respite Provision; • Occupational therapy services. 	<ul style="list-style-type: none"> • Accident and Emergency; • Inpatient hospital services in these specialties: <ul style="list-style-type: none"> - General Medicine; - Geriatric Medicine; - Rehabilitation Medicine; - Respiratory Medicine; - Psychiatry of Learning Disability; • Palliative Care Services provided in a hospital; • Inpatient hospital services provided by GPs; • Services provided in a hospital in relation to an addiction or dependence on any substance; • Mental health services provided in a hospital, except secure forensic mental health services. 	<ul style="list-style-type: none"> • District Nursing; • Primary Medical Services (GP practices)*; • Out of Hours Primary Medical Services*; • Public Dental Services*; • General Dental Services*; • Ophthalmic Services*; • Community Pharmacy Services*; • Community Geriatric Services; • Community Learning Disability Services; • Mental Health Services; • Continence Services; • Kidney Dialysis outwith the hospital; • Services provided by health professionals that aim to promote public health; • Community Addiction Services; • Community Palliative Care; • Allied Health Professional Services

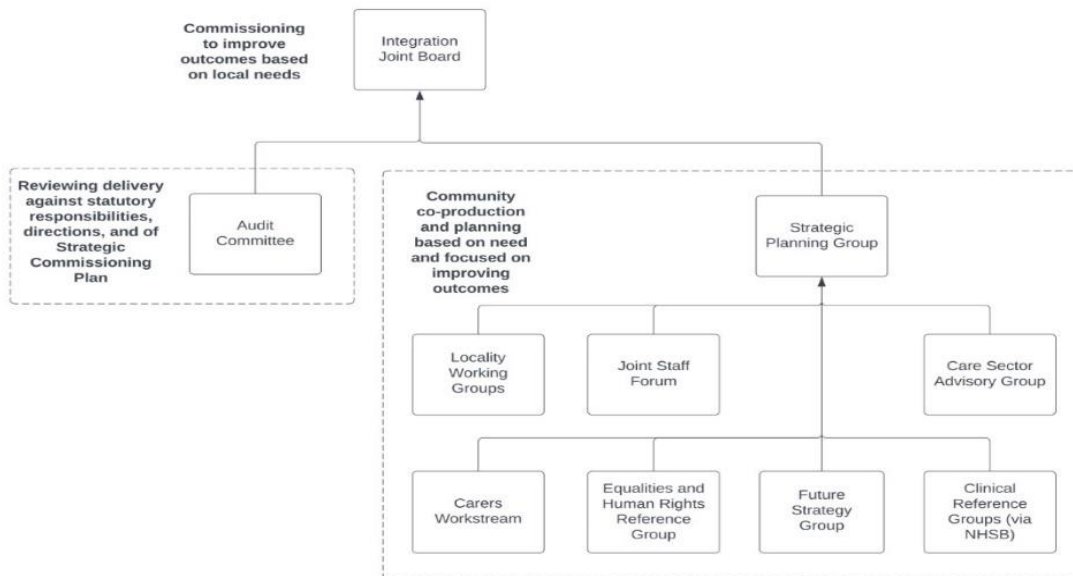
*Adult Social Care Services for adults aged 18 and over

*Acute Health Services for all ages – adults and children

Community Health Services for adults aged 18 and over, and those marked with an (), also services for children

The **IJB** is responsible for the strategic planning of hospital services most commonly associated with emergency / unscheduled care (middle section above). Under the Regulations these are known as **Set-Aside** services.

Responsibility for planning and strategic commissioning of health and social care functions which have been delegated to (and set aside for) the **HSCP** sits with the **IJB** as a statutory public body. Our statutory partners comprise **NHSB** and **SBC**. Commissioning is needs based and outcomes focused. It involves significant levels of engagement and consultation with our stakeholders. The diagram and narrative below summarise our approach to commissioning (and de-commissioning).



The **Strategic Planning Group (SPG)** oversees the work of its subgroups and work streams through

- developing new plans through meaningful co-production with our diverse communities
- ensuring implementation of the **Integration Planning and Delivery Principles**
- consultation and engagement with relevant stakeholders
- focus on impact and outcomes.

These groups are core to our design of services. The **SPG** ensures that groups provide the detail for plans to be approved by the **IJB** and **Directions** to be proposed for implementation by the **HSCP**:

- all **Directions** are underpinned by a thorough assessment of their impact on people with protected characteristics
- service design is through meaningful engagement and co-production with our communities and professionals.
- the **Direction** sets out the nature of the service change to be implemented by **NHSB / SBC**.
- the **SPG** recommends the **Direction** for approval by the **IJB**.

This is fundamentally built on trust between partner bodies, in a shared endeavour, with a willingness to tolerate acceptable risk, learn from experience, and continually adapt together. As a direct result therefore, governance arrangements are significantly stripped down, and have a greater reliance on the delegation of responsibility. This approach is serving us well.

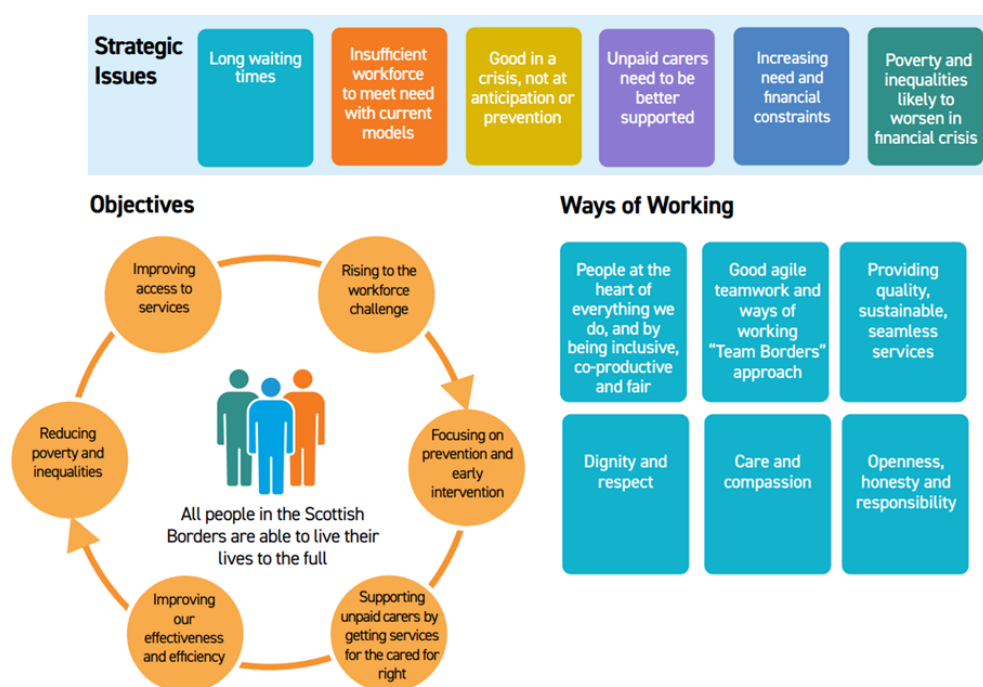
Locality Planning is a requirement but has not been fully in place in recent years due to the impact of Covid-19. It is now a priority to re-establish these arrangements so that this mechanism can inform and support delivery of the **Strategic Framework**. Effective local engagement and involvement is critical to changes required to meet new and existing demands in the Borders. Professionals, communities and individuals can inform locality planning and redesign of services to meet local need in the best way. Discussions have been progressing during 2023/24 to ensure that these are developed and focus on prevention and early intervention, and reducing poverty and inequalities, while closely aligning to other existing supports.

The **Audit Committee** reviews progress against **Directions** and the operation of systems of internal control.

4. Strategic Planning and Commissioning

4.1. Strategic Planning and Commissioning: Renewal of our Strategic Plan

A needs assessment and engagement process has informed the creation of a new [Strategic Commissioning Plan](#), the 'Health and Social Care Strategic Framework 2023-26', which was approved in March 2023. The infographic below shows the six strategic issues which translate to six objectives to enable delivery of our vision: that "all people in Scottish Borders are able to live their lives to the full".



These are in turn supported by [ways of working](#), an [Integrated Workforce Plan](#) which was approved in October 2022 and a [Financial Framework](#) which continues to be developed.

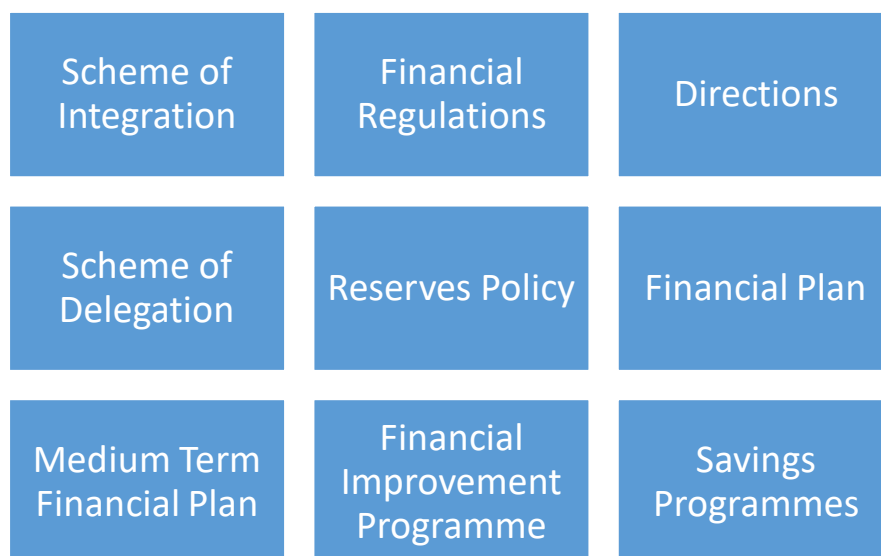
4.2. Strategic Planning and Commissioning: Workforce Plan

The Integrated [Workforce Plan](#) puts effective workforce planning at the forefront of achieving safe, integrated, high quality and affordable health and social care services for the people living in the Scottish Borders. Within the plan there are actions aligned to the Scottish Government's 5 Pillars as detailed in the National Workforce Strategy for Health and Social Care in Scotland:



Priority over 2024/25 has been focused on the train and nurture pillars of the Integrated Workforce Plan.

4.3 Strategic Planning and Commissioning: Financial Framework



This diagram sets out the [Financial Framework](#) within which the HSCP operates.

For 2023/24 we agreed a more comprehensive [Framework of Directions](#) to [SBC](#) and [NHSB](#), to implement the [Strategic Framework](#) within the [IJB](#) governance arrangements and particularly within financial plan and budget parameters.

4.4 Strategic Planning and Commissioning: Managing Future Resources

Recognising the financial position of the IJB and workforce positions of the HSCP, where possible, progress needs to simultaneously:

- improve outcomes
- reduce the workforce requirement and
- promote financial sustainability.

Progress against saving plans and the development of a Medium Term Financial Plan will assist with IJB financial sustainability and the re-prioritisation of funds to ensure best value. The Medium Term Financial Plan will be presented to the IJB for approval in March 2025.

However, there will be some areas which require enabling investment to support the initial changes, and so the IJB will work to:

- develop the use of appropriate funds from available reserves or
- redirect resources from other services, and
- direct its partners accordingly.

The scale of work is significant and the SPG will provide guidance to the IJB on the prioritisation of required changes.

5. Performance Analysis

There has been significant focus on performance as part of Business as Usual for the IJB. During 2023/24, this included the development of new Performance and Delivery Reports which are now reported to each IJB meeting. Highlights and exceptions are discussed in detail which allows IJB members to ensure that they can have an appropriate overview of performance and delivery, while also focusing on areas of greatest risk, and celebrating successes.

5.1. Health and Wellbeing Outcomes

9,110 surveys were sent out to residents across the Scottish Borders, with 2,634 responses (29%). The results are included in the sections below. Results can be viewed at a national, NHS Board or Health and Social Care Partnership level on the interactive dashboards available at:

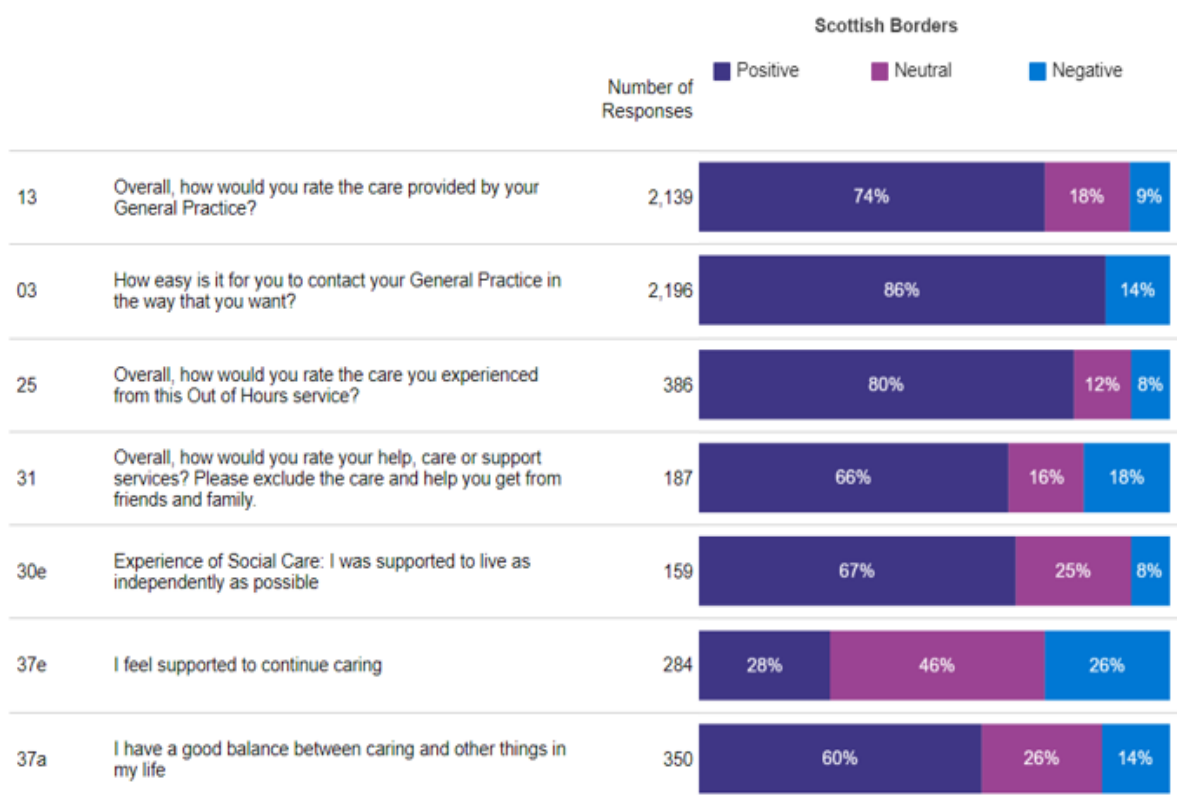
<https://publichealthscotland.scot/publications/health-and-care-experience-survey/health-and-care-experience-survey-2024/>

All of the health and wellbeing outcomes have been reviewed by the HSCP and IJB, and relevant actions have been identified to inform the HSCP Delivery Plan for 2024/25.

The first chart shows the percentage of positive, neutral and negative responses for the headline questions for each section in the Health and Care Experience survey.

This section provides an overview of our 2023/24 performance against the National Health and Wellbeing Outcomes, which is the most up to date available information. These are derived from national Health and Care Experience Survey feedback for people in the Scottish Borders.

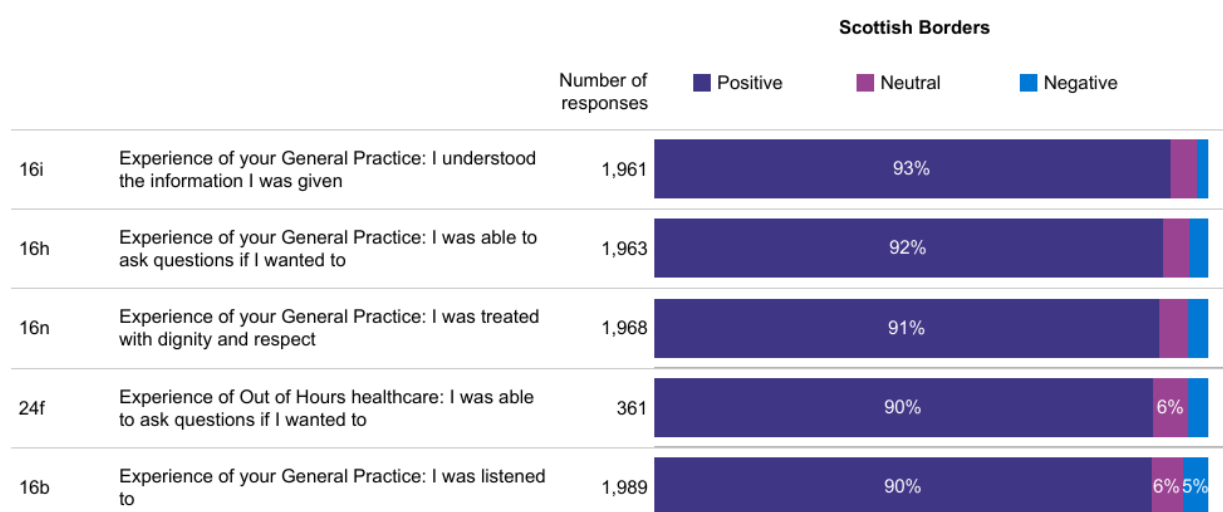
Percentage of positive, neutral and negative responses



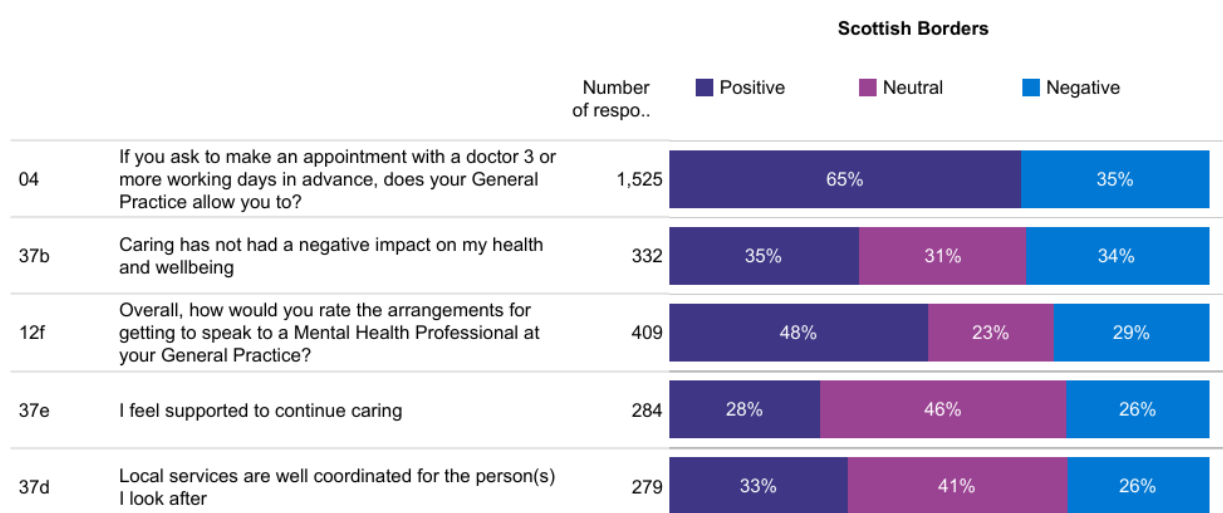
It is important to note that in line with the pressures that we faced, we saw a significant reduction in local Health and Wellbeing Outcomes in 2022/23. This reflects feedback that we have received from our service users, staff, unpaid carers and partners about the significant pressures they face, the challenges of being able to provide or access key services in a timely manner, and the higher levels of risk being experienced across the health and social care system. A number of these outcomes are now improving in line with the work of the IJB and HSCP to focus on improving health and wellbeing outcomes in line with the previous year's Health and Care Experience survey. The 2023/24 Health and Care Experience outcomes, along with local data, inform the actions when setting the following year's HSCP Delivery Plan.

The next chart shows the most positive, and most negative experience ratings highlighted by the survey.

Most positive results



Most negative results



5.2. Quantitative indicators

Over 2023/24, the SPG and HSCP Joint Executive Team will focus on how the IJB can promote improvements in all areas, with a focus on driving improvements in the areas where we performed worse in the Scottish Borders than the national benchmarks.

5.3. Comparison by Year

This section provides an overview briefly of our local performance against the national integration data indicators. The latest data available currently is the 2023 calendar year so this has been added to the financial year figures presented. The data has been colour-coded, with red showing a negative change from the previous year and green showing a positive change from the previous year.

Emergency admission rate (per 100,000 population)	2018/19	2019/20	2020/21	2021/22	2022/23	2023
Scottish Borders rate	12,430	12,179	10,255	10,245	9,840	9,981
Scotland rate	12,284	12,529	10,964	11,643	11,276	11,707

Emergency bed day rate (per 100,000 population)	2018/19	2019/20	2020/21	2021/22	2022/23	2023
Scottish Borders rate	131,350	120,062	105,619	124,535	131,395	125,062
Scotland rate	121,174	119,753	102,875	115,308	119,806	112,883

Emergency readmissions to hospital within 28 days of discharge (rate per 1,000 discharges)	2018/19	2019/20	2020/21	2021/22	2022/23	2023
Scottish Borders rate	109	107	120	97	121	120
Scotland rate	103	105	120	107	102	104

Proportion of last 6 months of life spent at home or in a community setting	2018/19	2019/20	2020/21	2021/22	2022/23	2023
Scottish Borders rate	85.7%	86.0%	89.5%	88.2%	87.7%	88.2%
Scotland rate	88.0%	88.2%	90.2%	89.7%	88.9%	89.1%

Falls rate per 1,000 population aged 65+	2018/19	2019/20	2020/21	2021/22	2022/23	2023
Scottish Borders rate	18.7	21.1	18.1	17.9	15.8	16.3
Scotland rate	22.5	22.8	21.7	22.6	22.6	23.0

Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Scottish Borders rate	78.5%	85.7%	90.1%	77.9%	81.1%	70.6%
Scotland rate	82.2%	81.8%	82.5%	75.8%	75.2%	77.0%

Number of days people spend in hospital when they are ready to be discharged (per 1,000 population)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Scottish Borders rate	761	656	588	982	1,364	1,605
Scotland rate	793	774	484	748	919	902

Premature mortality rate per 100,000 persons	Rate	Year of latest data
Scottish Borders rate	358	2022
Scotland rate	442	

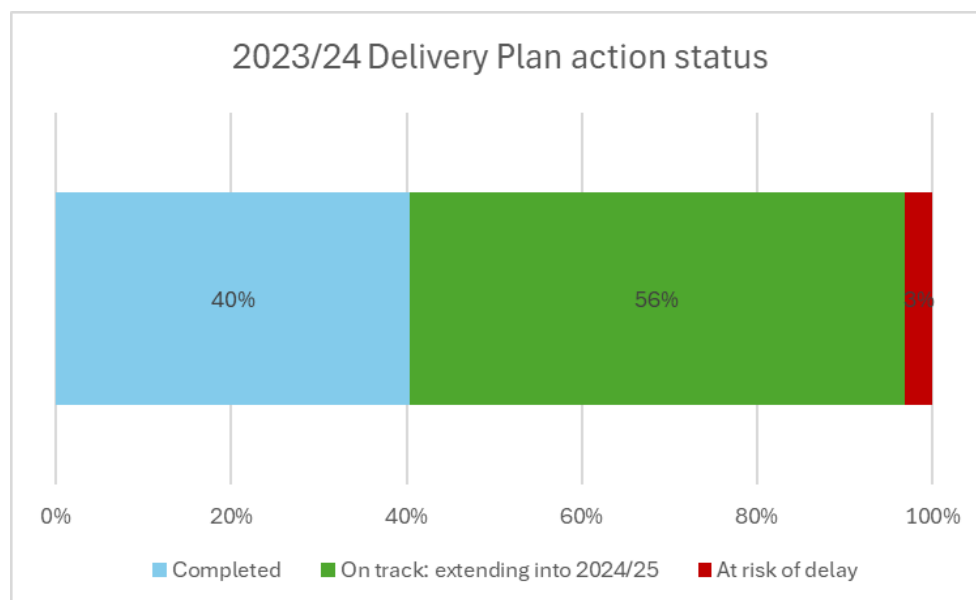
Percentage of adults with intensive care needs receiving care at home	Rate	Year of latest data
Scottish Borders rate	59.5	2023
Scotland rate	64.8	

Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency	Rate	Year of latest data
Scottish Borders rate	20.2%	2019/20
Scotland rate	24.0%	

- The emergency admission rate in the Scottish Borders has decreased from 12,430 per 100,000 population in 2018/19 to 9,981 in 2023 and is now well below the national average of 11,707.
- The emergency bed day rate in the Scottish Borders has fluctuated, with a peak of 131,395 per 100,000 population in 2022/23 with a subsequent decrease to 125,062 in 2023.
- The rate of emergency readmissions within 28 days of discharge has significantly increased since 2021/22 (97) to an above national average of 120 per 1,000 in 2023 (national average 104).
- The proportion of the last 6 months of life spent at home or in a community setting has increased since 2018/19 to 88% but remains slightly lower than the national average of 89%.
- Falls within the Borders remain below the national average of 23 at 16 per 1,000.
- The proportion of Care Homes graded as 'good' has dropped significantly from 81% last year to 71% in 2023. This is below the national average of 77% for the first time since 2018/19. This will be reviewed by the Care Home forum to collectively improve the inspection ratings.
- The number of days people aged 75+ spent in hospital when they are ready to be discharged has increased to 1,605 from a low of 588 per 1,000 in 2020/21. This is 241 days higher than last year and 703 days longer than the national average, this will continue to be an area of focus for the Integration Joint Board moving into 2024/25.
- The premature mortality rate of 358 per 100,000 is well below the national average at 442 per 100,000.

5.4. Achievements over 2023-24

Of the 62 actions in the 2023/24 Delivery Plan, 25 actions were completed, 35 actions are on track and extending into the 2024/25 Delivery Plan, and 2 actions are at risk of delay. Further information is available in the IJBs Annual Performance Report and some key achievements are noted below.



- Launch of the Mental Health and Suicide Prevention Plan
- Full compliance with Medication Assisted Treatment Standards for Alcohol and Drugs Partnership
- CAMHS waits have reduced to 90% of children and young people referred starting treatment in less than 18 weeks in line with the national standard
- Opening of Millar House Grade 5 Accommodation, in partnership with Carr Gomm and Eildon Housing Association
- Commissioning of £1.9m additional older adult social care support, including additional residential, nursing care, home care and bed based respite support
- Opening of Poynder Apartments, Extra Care Housing in Kelso, in partnership with Eildon Housing Association
- Pathfinder of Newcastleton Day Supports in partnership with the Buccleuch Community Trust and Holmcare
- Warm Spaces initiative over winter in partnership with Borders Community Action
- High levels of vaccination uptake
- Pathfinder of Hospital at Home service
- Further development of Community Led Support Agenda
- Success in becoming a Primary Care Phased Improvement Plan Pathfinder, leading to further developments in Primary Care over 2024/25 for Pharmacotherapy and Community Treatment and Care services which will improve GP sustainability
- Positive joint inspection of Adult Support and Protection
- Significant progress and focus on Equalities and Human Rights in line with our Public Sector Equality Duty
- Development of Macmillan Improving the Cancer Journey programme

The two actions at risk of delay have been rolled forward for delivery under the 2024/25 action plan and are noted below.

- Early detection and improved management of the cardiovascular risk factor conditions (diabetes, high blood pressure and high cholesterol)
- Review District Nursing and Health Visiting services.

5.5. Qualitative Self-Assessment

The **Improvement Service** was commissioned to undertake a new self-assessment process for implementation of the **Ministerial Strategy Group** priorities. Following a planning process, the **Improvement Service** sent out a self-assessment to **IJB** members in March 2023, asking them to agree or disagree with statements outlining the potential effectiveness of the **IJB**.

Theme	Agree/Strongly Agree	Disagree/Strongly Disagree	Don't Know
IJB Response to COVID-19	73%	17%	10%
Leadership and Relationships	63%	24%	13%
Governance and Accountability	50%	39%	11%
Community Engagement and Participation	70%	27%	3%
Outcomes and Impact	37%	46%	17%
Performance Management and Use of Evidence	51%	38%	11%

Through a facilitated workshop with the Improvement Service, the three priorities agreed by **IJB** members were:

- Outcomes and impact: “Consider how the **IJB** can further align resources to facilitate the desired shift to early intervention and prevention.”
- Governance and accountability: “Clarify the roles and responsibilities of **IJB** members to ensure they are clear on what is expected of them”.
- Community engagement and participation “Reflect upon the **IJB**’s current mechanisms for engaging with service users and the wider public to more effectively seek their views.” Despite good progress in this area noted by **IJB** members, it was felt that this must continue to be an ongoing priority.

Action plans were developed with the support of the Improvement Service for each of these three areas which have been implemented over the year.

6. Decisions of the IJB during the 2023/24 year

6.1. The IJB agreed the following Directions:

- To **SBC** and **NHSB** to work collaboratively within the budgets and parameters outlined, complying with **IJB** guidance and to endorse the approach to development of an **HSCP Recovery Plan** and medium-long term Finance Strategy which will address savings targets and provide alignment with the Strategic Commissioning Framework and the Workforce Strategy.
- To **SBC** and **NHSB** to close the Gala Resource Centre and to reinvest £70k to provide improved services to those with an Emotional and Unstable Personality Disorder.

- To **SBC** to implement the Teviot Day Service business case
- To **SBC** and **NHSB** to undertake a pathfinder to determine future model for Locality Working Groups / Community Integration Groups
- To **SBC** to undertake a pathfinder and associated review of night support service in Duns
- To **SBC** and **NHSB** to commence the surge planning process for winter, and reduce delayed discharge, closing surge capacity
- To **NHSB** to implement the Primary Care Improvement Plan bundle, escalate funding concerns to Scottish Government and approve the financial model
- To **NHSB** to undertake a 6 month test of change pathfinder for Hospital at Home as a transformation programme, so that a case can be presented to the IJB
- To **SBC** and **NHSB** to develop a robust process that works to ensure that an effective sustainable model identified in the short term in the Knoll and Kelso Community Hospitals, and that over the longer term a model fit for the future in line with need is developed
- To **SBC** to implement the 'Reprovisioning of night support service' report recommendations considered by the Integration Joint Board. This includes review at 6 months in the IJB Audit Committee

6.2. The IJB considered the significant pressures in the following areas:

- The IJB had extensive discussions on delayed discharge pressures and commissioned an extensive delayed discharge and surge plan with £1.9m investment in older adults social care provision
- Pressures delivering the functions of the IJB within a reducing financial envelope when considering inflationary pressures
- The challenges relating to fully delivering the Primary Care Improvement Plan within the resources available, and work to develop a 'bundle' that provided an opportunity to increase delivery of the plan and reduce overall costs to the IJB. However this was superseded by a successful Primary Care Phased Investment Plan Demonstrator bid to the Scottish Government
- A requirement to re-commission the Adult Day Service in the Teviot locality based on the identified need
- Social care rurality and workforce pressures which were subsequently escalated to the Scottish Government Whole Systems Operational Group
- The Coming Home Programme, the plans, progress and the challenges delivering the programme, which relate to developing the right type of care and housing provision in the Scottish Borders, growth in demand, along with the forecast future financial pressure.
- Challenges relating to the integration of Home First and Adult Social Care

- Mental Health and Learning Disabilities Medical Workforce pressures, and plans to improve workforce sustainability
- Regular performance exceptions and highlights in the standing HSCP Performance and Delivery reports from November 2023 onwards

7. Financial Performance

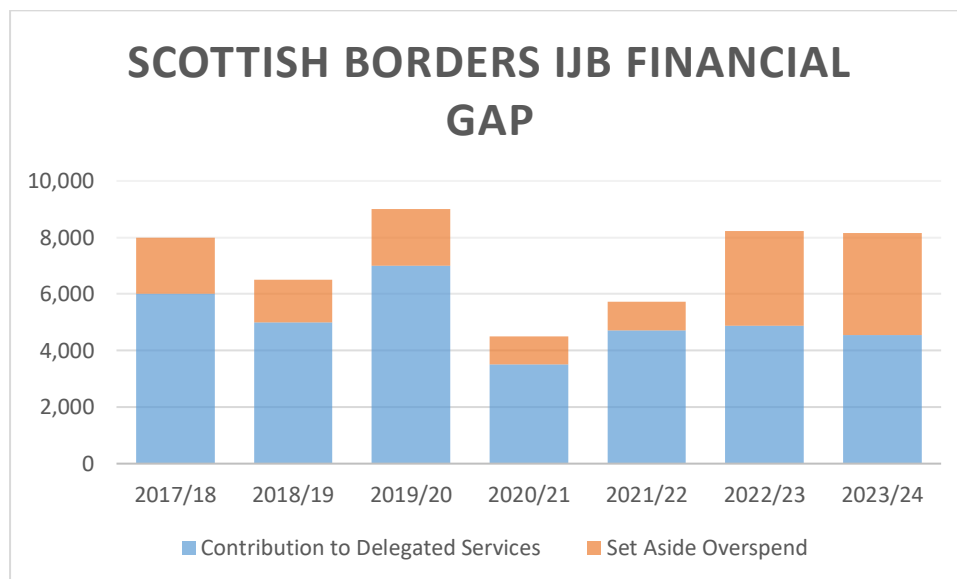
7.1. Introduction

For **delegated** services, any year end overspends against budget trigger an “**additional payment**” from our partners, **NHSB** and **SBC**. There is no automatic requirement for these additional payments to be refunded in future years. Similarly, any underspend on core activity, unless otherwise agreed, will be returned to the delegating partner.

For **Set-Aside** services, no such payment mechanism is required, and any overspend is funded directly by NHSB.

The financial position of the **IJB** has been challenging since its inception. **Chart 1** below depicts the historic annual financial gaps based on the **Set-Aside** overspend and additional payments for **delegated** services.

Chart 1 Scottish Borders IJB - Financial Gap



7.2. Year-end Outturn

The **Comprehensive Income and Expenditure Statement** in Section F shows a year end **deficit** of income over expenditure of **£2.997m** (previous year **deficit** of **£16.753m**). This is not by itself an indicator of the financial health of the **IJB** as the position includes the utilisation of reserves brought forward from previous years, as detailed in section 7.5 below.

7.3. Delegated Services

The underlying financial performance of delegated services was a net overspend of **£4.544m (2.21%)** against the revised delegated budget of **£206.066m** at 31 March 2024 (previous year overspend **£4.890m, or 2.48%**). An additional payment of **£5.714m** from NHS Borders was required to meet this additional in year spend whilst an underspend of **£1.170m**, was returned to Scottish Borders Council at the end of the financial year. Table 1 below compares this with the previous year.

Table 1 Underlying Performance – Delegated services

SCOTTISH BORDERS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD			
UNDERLYING FINANCIAL PERFORMANCE			
	SBC £'000	NHSB £'000	IJB £'000
Financial Plan Funding for delegated services	62,324	143,742	206,066
Transfer of Social Care funding	8,047	(8,047)	0
Outturn Spending	69,201	141,409	210,610
Current year 2023/24 additional payments (returned)/required	(1,170)	5,714	4,544
% Value of additional payments required	-1.88%	3.98%	2.21%
Last year 2022/23 additional payments (returned) / required	(573)	5,463	4,890
% Value of additional payments required	-0.79%	4.37%	2.48%

The financial position in Social Care delegated functions is largely in line with forecast, with slightly lower than expected demand for some services resulting in **£1.170m** being returned to SBC. The net overspend amount of **£5.714m** is funded by NHB via an additional payment.

Table 2 Delegated Services Year-end Outturn 2023-24

<i>Delegated Functions Total</i>	Revised Budget £'000	Actual Outturn £'000	Outturn Variance £'000
Joint Learning Disability Service	26,233	27,734	(1,501)
Joint Mental Health Service	26,596	25,215	1,381
Joint Alcohol and Drug Service	1,027	1,027	0
Older People Service	34,017	33,483	534
Physical Disability Service	3,108	3,113	(5)
Prescribing	24,915	27,342	(2,427)
Generic Services	90,170	92,696	(2,526)
NHSB / SBC Net Additional Contribution	4,544	0	4,544
	210,610	210,610	0

Table 2 details the variances between budget and expenditure across the delegated functions. Some services overspent compared to their budgets including Prescribing, Generic Services and learning disability services, while underspent what they initially budgeted including Mental Health and Older People.

- Significant financial pressures in **delegated** functions include:
 - High-cost individual Learning Disabilities out of area placements
 - Prescribing volumes and price indicators show an increased spend within primary care.
 - Use of premium rate staffing to cover medical workforce gaps within Mental Health is offset by underspends in other staffing areas primarily nursing.
 - The £2.526m overspend in Generic services is largely due to unmet savings targets of £3.7m being offset by staff vacancies.

7.4. Large Hospital Budget (Set-Aside)

Legislation sets out that **IJBs** are responsible for strategic planning of hospital services most commonly associated with the emergency care pathway.

The **IJB** directed **£32.530m** to **NHSB** for the **Set-Aside** budget in 2023/24. During the financial year, **NHSB** spent **£36.132m**, resulting in an overspend of **£3.602m, (last year £3.327m)**. The overspend remains the responsibility of **NHSB**, and as a result, has been absorbed within the **NHSB** financial outturn.

The 2023/24 **Set-Aside overspend** is shown in Table 3. Significant pressures have been experienced throughout the year, relating to demand and capacity. As can be noted in **Chart 1** above, the overspend in **Set-Aside** is significantly higher than in the previous four financial years.

Table 3 Set Aside Services Year-end Outturn 2023-24

<i>Set Aside Healthcare Functions</i>	Revised Budget £'000	Actual Outturn £'000	Outturn Variance £'000
Accident & Emergency	4,309	5,677	(1,368)
Medicine of the Elderly	7,954	8,294	(340)
Medicine & Long-Term Conditions	21,211	22,161	(950)
Planned Savings & Actions	(944)	0	(944)
	32,530	36,132	(3,602)

The IJB is not responsible for the operational overspend on set-aside functions. Whilst operationally these functions adversely reported a **£3.602m** within NHS Borders, this was addressed internally within the Health Board.

Set Aside services have required significant supplementary staffing to be deployed throughout the year. Unfunded surge beds have also remained open throughout the year. The **Kaizen Improvement Programme** has identified improvements which can be made. New planning for **Set-Aside** services has been discussed in June 2023, as part of a whole system review, and is looking to inform “right-sizing” bed capacity across the Scottish Borders supported by a single discharge to assess process.

7.5. Earmarked Reserves

The balances shown in **Table 4** below relate to earmarked reserves. These reserves are largely created from ring-fenced allocations the IJB received from Scottish Government but not fully spend in year. Funds remain in reserves until spend plans are agreed and spend incurred, upon which they are released into the annual budget. Expenditure often occurs over more than one financial year, and reserves are released to reflect in-year spending.

The total movement in reserves is summarised below:

- Brought forward reserves of **£9.843m** including **£9.024m** within delegated services and **£0.818m** in set aside.
- **£15.986m of reserves** were utilised during the year including the £8.047m Social Care Fund, £3m in transformation and £1.44m on Mental Health and wellbeing.
- Additional Reserves of **£12.988m** were added, largely within the Social Care Fund (**£8.047m**), and Transformation (**£2.27m**).
- This gives an in-year net **reduction in reserves** of **£2.997m**.
- Remaining reserves of **£6.845m** carried forward into 2024/25 including Transformation fund reserves of **£0.251m** Mental Health reserves of **£1.402m** and Health Board Support of **£1.238m**.

Much of the movement in reserves in year was due to the utilisation of **ring-fenced funds**. There is a deferred Income element of £0.135m in the reserve which is income received from National Education for Scotland (NES) and from National Services Scotland NSS as Pharmacy Rebates.

Table 4 Movement in different funds held in IJB Reserves during 2023/24

Portfolio	Opening Balance April 2023 £	2023/24 Utilised in Year £	2023/24 Additional Commitment £	2023/24 in-year movement £	Closing Balance March 2024 £
Alcohol and Drugs Partnership	611	(37)	0	(37)	574
BBV	46	(27)	0	(27)	18
Mental Health & Wellbeing	2,072	(1,440)	771	(669)	1,402
Primary Care Improvement Fund	387	(387)	0	(387)	0
Primary care	463	(60)	193	133	596
Primary Care Digital	226	(66)	0	(66)	160
Primary Care Premises	719	0	19	19	738
Primary Care Other	467	(326)	4	(322)	144
East Region Diabetes	832	(832)	188	(644)	188
Workforce & Wellbeing	85	(13)	0	(13)	72
Community Living Change Fund	378	(64)	0	(64)	314
Health Board Support	1,327	(295)	206	(89)	1,238
Other	342	(146)	236	90	432
Pharmacy Rebate (NES & NSS)	0	0	135	135	135
Transformation Fund	1,070	(3,089)	2,270	(819)	251
Social Care Fund	0	(8,047)	8,047	0	0
Other fund	0	(350)	350	0	0
Delegated Total	9,024	(15,180)	12,419	(2,760)	6,264
Urgent & Unscheduled Care	786	(773)	569	(204)	582
Winter	33	(33)	0	(33)	0
Set-Aside Total	819	(806)	569	(237)	582
Grand Total	9,843	(15,986)	12,988	(2,997)	6,846

7.6. Financial Outlook Future Years

The continuing increase in the number of older people and greater need for suitable services, requires [innovative solutions](#) to enable services to be provided within available staffing and funding levels and, within the capacity of the partnership to transform services.

Although Strategic Plans cover multiple years, both [NHSB](#) and [SBC](#) receive only a 1-year financial settlement from Scottish Government. This, as well as the uncertain economic climate, means that long term planning is challenging. Capacity to plan and deliver required levels of transformation and efficiency savings is also a key factor.

As noted earlier in this report, the [HSCP](#) has faced significant financial challenges since its inception.

Significant financial risks which require management and mitigation include:

- Underlying [savings targets](#) within delegated budgets.

- Service pressures and new policy decisions which are not fully funded by the [Scottish Government](#) eg the Coming Home Project and elements of pay deals.
- Workforce sustainability for health, social and independent/third sector partners.
- The potential loss of service provision as a result of market failure.
- Ongoing inflationary pressures in key areas e.g. utilities, pay and transport.
- Real term reductions to partner funding.
- Reducing Scottish Government allocations .
- Prescribing - due to the volatility of price and volume of prescriptions.

The [IJB](#) approved an interim budget in April 2024 for 2024/25. It was unable to set a final budget at that time due to the gap between the funding offer from NHSB and the anticipated spend based on the current operating model.

[NHSB](#) have since agreed to increase the payment offer with the agreement that, in line with national brokerage arrangements and the Scheme of Integration, the IJB repay the additional funding.

[IJB Partners](#) continue to work closely to address the financial challenges faced and find pragmatic solutions to the ongoing issues.

A Medium Term Financial Plan will be developed during 2024/25 to quantify the scale of the financial challenges faced by the [Scottish Borders IJB](#). We will use the Medium Term Financial Plan to identify areas of priority and to realign spending plans to provide greatest benefit.

8. [Risk Management](#)

As an integral part of [good governance](#) and [system of internal controls](#) it is crucial that risks to the achievement of outcomes are identified and managed and must be considered in all aspects of decision making. It is important that the [IJB](#) has its own [robust risk management arrangements](#) in place because if objectives are defined without taking the risks into consideration, the chances are that direction will be lost should any of these risks materialise.

A [refreshed Risk Management Policy and Risk Management Strategy 2023-2026](#) were approved by the IJB on 24 January 2024, following their endorsement by the IJB Audit Committee on 18 December 2023, [which set out the roles and responsibilities and the approach to the systematic identification, evaluation, management and review of the risks](#). In accordance with the [IJB Risk Management Policy and Strategy](#) “The IJB will continue to systematically identify, analyse, evaluate, control and monitor those risks where there is exposure to significant financial, strategic, and reputational damage in relation to the achievement of the IJB’s objectives, either through commissioning services from its Partners or arising from its operation as a separate entity.”

The [IJB Strategic Risk Register](#) has been reframed during 2023/24 to better reflect those risks facing the [IJB](#) as a separate legal entity and its strategic commissioning role. The IJB Chief Officer, on a [quarterly basis](#), carries out a review of the IJB Strategic Risk Register, which sets out the strategic [risks associated with the achievement of objectives](#) and priorities within the [H&SC Strategic Framework 2023-26](#). These reviews were undertaken with support from the SBC Corporate Risk Officer.

[Bi-annual risk update reports](#) and the [IJB Strategic Risk Register](#) are intended to provide the

Board with assurance that the strategic risks associated with the achievement of objectives and priorities within the [Strategic Framework 2023-26](#) are being effectively managed and monitored. An annual update was also provided to the [IJB Audit Committee](#) on 18 March 2024.

IJB Strategic Risk Register Updates were presented to the [Board](#) on 15 November 2023 (reflective of risk review activity in October 2023) and on 15 May 2024 (reflective of risk review activity between February and April 2024). The Risk Map and Table (set out below) provide a summary of the [IJB Strategic Risk Register](#) as at this latest review.

Risk Title	Description of Risk	Risk Score and Rating
IJB002 – Increasing Demand & Financial Constraints	If we fail to ensure the effective and efficient delivery of delegated services within available budgets, in the context of increasing demand and resource constraints, then it could lead to poorer Health & Wellbeing Outcomes for the population and result in an inability to support the achievement of the Objectives contained within the Strategic Framework .	25 Critical - Almost Certain
IJB004 – Operating as a Separate Entity	If the IJB does not operate effectively as a separate entity in partnership with Communities, the Council and the Health Board, then it could result in a failure to deliver the principles of integration , achieve its objectives or deliver positive outcomes.	6 Moderate – Unlikely
IJB007 – Legislative/Regulatory Compliance	If the IJB fails to comply with legislative and regulatory requirements it could lead to legal breaches and result in fines and/or prosecution.	8 Major – Unlikely
IJB008 – National Care Service Bill	SG’s National Care Service Bill (ultimately disbanding Scottish IJBs) could result in partners ceasing to engage with the IJB , subsequently leading to negative impacts on the achievement of IJB objectives and the Communities it serves.	3 Moderate - Remote
IJB009 - Improving Access to Services	If we do not resolve long waiting times for services (incl. preventative services) then this will adversely impact upon the health and wellbeing of our communities and could result in inequalities or loss of confidence in the Health & Social Care Partnership. As a result, population need could become more acute and we could see a deterioration in outcomes and an increase in resource use .	16 Major - Likely
IJB010 - Rising to the Workforce Challenge	If the market and workforce conditions in the Scottish Borders are not conducive to attract and sustain External Providers, sufficient salaried workforce and NHS & SBC staff then there is a risk that H&SC provision will be challenging to sustain, resulting in an inability to provide appropriate H&SC services for our population and increased Health Board & Council service provision. This will result in associated increased resource use and negatively impact on people’s health and wellbeing , leading to increased failure demand.	16 Major - Likely
IJB011 - Prevention & Early Intervention	If we fail to evolve from a focus on crisis management to having a strong focus on prevention and early intervention then there is a risk that the health and wellbeing of the population deteriorates resulting in poorer outcomes for the population, increased resources in terms of service delivery and reputational damage .	12 Major – Possible
IJB012 - Supporting Unpaid Carers by getting	If we do not appropriately support the ‘cared for’ then there is a risk that the health and wellbeing of unpaid carers is negatively affected leading to poorer outcomes, increased demand for care & health support services and increased	12 Major – Possible

Services for the Cared For Right	partnership resource requirements to support this.	
IJB013 - Poverty & Inequalities	A rise in poverty and inequalities, linked to the current economic climate, could lead to an increase in inequality and worsening health and wellbeing amongst our population with poorer outcomes, greater need and higher resources requirements to address this need. This could be compounded if we fail to make best use of community assets and improve the social determinants of health .	12 Major – Possible

9. *The Integration Joint Board*

Voting members

During 2023/24 the [IJB](#) was chaired by Mrs Lucy O’Leary, Vice Chair of [NHSB](#). During the same period the Vice-Chair was. Cllr. David Parker, [SBC](#). In addition to the Chair and Vice-Chair, the IJB comprised four additional voting members from [NHSB](#) (Non-Executive Directors) and from [SBC](#) (Elected Members).

Name	Designation	Membership Status
Mrs. Lucy O’Leary	Non-Executive Director, NHS Borders	Voting member (Chair)
Mrs Fiona Sandford	Non-Executive Director, NHS Borders	Voting member
Ms. Karen Hamilton	Non-Executive Director, NHS Borders	Voting member
Mr. John McLaren	Non-Executive Director, NHS Borders	Voting member
Mr. Tris Taylor	Non-Executive Director, NHS Borders	Voting member Resigned 31/01/24
Mr. James Ayling	Non-Executive Director, NHS Borders	Voting Member Appointed 01/02/24
Cllr. David Parker	Elected Member, Scottish Borders Council	Voting member (Vice Chair)
Cllr. Neil Richards	Elected Member, Scottish Borders Council	Voting member
Cllr. Robin Tatler	Elected Member, Scottish Borders Council	Voting member
Cllr. Elaine Thornton-Nicol	Elected Member, Scottish Borders Council	Voting member
Cllr. Tom Weatherston	Elected Member, Scottish Borders Council	Voting member

Non-Voting members

The [Chief Officer](#) of the [IJB](#) is Mr Chris Myers. The [Chief Officer](#) is a non-voting member.

The [Chief Finance Officer \(CFO\)](#) is also a non-voting member. Mrs Hazel Robertson commenced as responsible officer under [Section 95 of the Local Government \(Scotland\) Act 1973](#). Mrs Robertson has responsibility for signing the accounts of the [IJB](#). However, Mrs Robertson has been absent from her post since Summer 2023 and the role is being fulfilled on an interim basis by Lizzie Turner, Chief Officer Finance and Procurement within SBC, from the 6th of March 2024.

Non-voting members play an important role in the [IJB](#). Members are invited from across the partnership, and they provide expertise, engagement and representation of key stakeholders: [SBC](#) (e.g. Chief Social Work Officer), [NHSB](#) (e.g. Medical Director) and representatives of the [Third Sector, Staff, GPs, Carers and Housing sector](#).

Lucy O'Leary

Lucy O'Leary
Chair of the IJB

22 January 2025

Chris Myers

Chris Myers
Chief Officer IJB

22 January 2025

Lizzie Turner

Lizzie Turner ACCA
Chief Finance Officer IJB
(Section 95 Officer)

22 January 2025

Remuneration Report

10. Introduction

The remuneration report has been prepared in accordance with the [Local Authority Accounts \(Scotland\) Regulations 2014](#). These Regulations require various disclosures about the remuneration and pension benefits of specific [IJB](#) members and senior employees in respect of earnings and pension benefits.

10.1. Remuneration

The term remuneration means gross salary, fees and bonuses, allowances and expenses, and compensation for loss of employment. It excludes pension contributions paid by the employee. Pension contributions made to a person's pension are disclosed as part of the pension benefits disclosure below.

The Remuneration Tables contained in the report are subject to external audit. The explanatory text within the report is reviewed by external auditors to ensure that it is consistent with the financial statements.

10.2. Remuneration of Integration Joint Board Members

The voting members of the [IJB](#) are appointed through nomination by [NHSB](#) and [SBC](#). Nomination of the [IJB](#) Chair and Vice-Chair posts alternates between an elected member and an [NHSB](#) representative every three years.

The [IJB](#) does not provide any additional remuneration to the Chair, Vice-Chair, or any other Board member. All [IJB](#) Board members are nominated to the [IJB](#) by their respective organisations at no cost. Expenses paid to the [IJB](#) members are disclosed below. [IJB](#) does not re-imburse any expenses paid to Board members. These are paid directly by each partner organisation.

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 the Chair and Vice-Chair of the [IJB](#).

Remuneration Table 1: IJB Members Expenses

Expenses 2022/23 £	Name	Post held	From / to	Nominated by	Expenses 2023/24 £
3,485.47	Ms Lucy O'Leary	Chair		NHS Borders	2,592.02
0.00	CLlr David Parker	Vice- Chair		Scottish Borders Council	0.00
3,485.47					2592.02

Remuneration of Senior Employees

The term 'Senior Employee' means:

1. Any employee who has responsibility for the management of the Integration Joint Board to the extent that the person has the power to direct or control the major activities of the Board (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
2. Who holds a post that is politically restricted by reason of section 2(1) (a), (b) or (c) of [Local Government and Housing Act 1989](#) (4); or
3. Whose annual remuneration, including any remuneration from a local authority subsidiary body, is £0.150m or more.

The [IJB](#) does not employ any staff in its own right. Specific post-holding officers are non-voting members of the board, however:

Under [section 10 of the Public Bodies \(Joint Working\) \(Scotland\) Act 2014](#), a [Chief Officer](#) for the [IJB](#) has to be appointed and the employing partner has to formally second the officer to the [IJB](#). The employment contract for the [Chief Officer](#) will adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the [Chief Officer's](#) employment are approved by the [IJB](#).

The [Chief Finance Officer \(CFO\)](#) undertakes the statutory role of Section 95 Officer for the [IJB](#). The employment contract for the [CFO](#) will adhere to the legislative and regulatory framework of the employing partner organisation. The [CFO](#) role was performed jointly by the [CFO of Scottish Borders Council](#) and the [Director of Finance for NHS Borders](#) on an interim basis, until Mrs Hazel Robertson took up the [IJB CFO](#) role on a permanent basis on 1st August 2022. There was no additional remuneration or charge to the [IJB](#) for the interim arrangement. There are no other non-voting board members who meet the criteria for disclosure.

The Chief Officer has responsibility for the management of the [IJB](#), supported by the [CFO](#) within a financial context as [Section 95 Officer \(Local Government \(Scotland\) Act 1973\)](#) to the Partnership. Regardless of how these posts are supplied to the [IJB](#) or funded, both are therefore deemed to be Senior Employees in line with criterion 1 above.

Remuneration Table 2: Senior Employees of the IJB

Total 2022/23 £	Name	Employing Organisation	Salary 2023/24 £	Fees and allowance £	Total 2023/24 £
91,994	Mr Chris Myers	NHS Borders	95,873	2,851	98,724
54,284	Mrs Hazel Robertson	NHS Borders	61,124	0	61,124
146,278	Total	Total	156,997	2,851	159,848

Mrs Hazel Robertson commenced the role of Chief Finance Officer on 1 August 2022. The annual salary for the role in 2022/23 was £81,426. The annual full time equivalent salary for the Chief Finance Officer in 2023/24 was £85,181

Ms Lizzie Turner commenced the role of Interim Chief Finance Officer in March 2024. There was no additional remuneration or recharge to the [IJB](#).

During the period, no payments were made in respect of bonuses, compensation for loss of office or any non-cash benefits. No exit packages were agreed by the IJB during this period.

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 pension liability reflected on the IJB Balance Sheet for the Chief Officer or any other officers. 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 and the total value of accrued pension benefits which may include benefits earned in other employment positions.

Remuneration Table 3: Pension Benefits

Name	Employing Organisation	In-year pension contributions for year to		Accrued pension benefits		
		31-Mar-23	31-Mar-24	Type	As at 31/3/24	Difference from 31/3/2023
		£	£		£'000	£'000
Chris Myers	NHS Borders	19,227	20,437	Pension	26	6
				Lump Sum	61	7
Hazel Robertson	NHS Borders	11,345	12,579	Pension	25	-6
				Lump Sum	67	-21

The regulations require any officer whose remuneration for the year was £0.050m or above, to be disclosed in bandings of £0.005m. For the IJB in 2023/24 this is:

Remuneration Table 4: Remuneration Band of senior employees

Number of employees in Band 2022/23	Remuneration Band	Number of employees in Band 2023/24
1	£50,001 - £55,000	-
-	£60,001 - £65,000	1
1	£90,001 - £95,000	-
-	£95,001 - £100,000	1

Lucy O'Leary

Lucy O'Leary
Chair of the IJB

22 January 2025

On behalf of the Members and Officers of Scottish Borders Health and Social Care Integration Joint Board

Chris Myers

Chris Myers
Chief Officer IJB

22 January 2025

C.Statement of Responsibilities


11. *Responsibilities of the Scottish Borders Health and Social Care 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 the responsibility for the administration of those affairs ([Section 95 of the Local Government \(Scotland\) Act 1973](#)). In this 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](#)); and
- Approve the Annual Accounts.

I confirm that these Annual Accounts were approved for signature by the [Integration Joint Board](#) at its meeting on 22nd January, 2025

Signed on behalf of [Scottish Borders Health and Social Care Integration Joint Board](#).



Lucy O'Leary
Chair of the IJB

22 January 2025

12. Responsibilities of the Chief Finance Officer

The Chief Finance Officer (CFO) is responsible for the preparation of the IJB's Annual Accounts in accordance with the 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 Accounting Code (in so far as it is compatible with legislation).

The CFO 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 Scottish Borders IJB at the reporting date and the transactions of Scottish Borders IJB for the year ended 31 March 2024.

Lizzie Turner

Lizzie Turner ACCA
Chief Finance Officer
(Section 95 Officer)
IJB

22 January 2025

D. Annual Governance Statement

Introduction

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

Scope of Responsibility

The **IJB** as a separate legal entity 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 **NHS Borders** and **Scottish Borders Council** (the partners') systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives.

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

The Framework of Good Governance

The overall aim of the **CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' (2016)**, which is deemed relevant for integration authorities, is to ensure that: resources are directed in accordance with agreed policy and according to priorities; there is sound and inclusive decision making; and there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

The **CIPFA/SOLACE Framework** defines the seven core principles of good governance, namely:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- B. Ensuring openness and comprehensive stakeholder engagement.
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes.
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it,
- F. Managing risks and performance through robust internal control and strong public financial management.
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

The **IJB's Local Code of Corporate Governance (IJB Local Code)**, which was approved by the **Board** in September 2018, sets out the framework and key principles which require to be complied with to demonstrate effective governance, and is consistent with the principles and recommendations of the **CIPFA/SOLACE Framework** and the supporting guidance notes for Scottish authorities. It is recognised that the **IJB Local Code** needs to be reviewed and updated, and submitted for approval, to ensure it continues to be relevant in the changing context of integration and reflects the framework of governance and control for the conduct of the **IJB's** business. This activity is underway in 2024/25.

The Governance Framework and Internal Control System

The main features of the governance framework and internal control system associated with the [IJB Local Code's 7 core principles of good governance](#) in existence during 2023/24 included:

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting rule of law

The [Board of the IJB](#) comprises voting members, nominated by either [NHS Borders](#) or [Scottish Borders Council](#), as well as third sector, carer, public and professional non-voting members, and a Chief Officer and Chief Finance Officer appointed by the [Board](#).

The roles and responsibilities of [Board](#) members and statutory officers and the processes to govern the conduct of the [Board's](#) business are defined in the approved [Scheme of Integration, Constitution](#) and [Standing Orders](#) to make sure that public business is conducted with fairness and integrity. The [Board](#) has a standalone [Terms of Reference](#) setting out its remit.

The [IJB](#) has adopted the new model code of conduct for members of devolved public bodies. Reliance is placed on the values and standards set out in the codes of conduct for the health and social care partnership staff within the employer partner organisations, which incorporate "[The Seven Principles of Public Life](#)" identified by the Nolan Committee on Standards in Public Life.

The [IJB](#) is dependent upon and places significant reliance on arrangements within the partner organisations ([NHS Borders](#) and [Scottish Borders Council](#)) for areas such as:

- Ensuring legal compliance in the operation of services.
- Handling complaints.
- Counter fraud and corruption arrangements in line with best practice, including ethical awareness training, whistleblowing policies and procedures, and identifying, mitigating and recording conflicts of interest, hospitality and gifts.
- Staff appointment and appraisal processes which take account of values and ethical behaviour.
- Management of data in accordance with legislation including IT/Cyber Security arrangements.
- Procurement of goods and services which are sustainable, represent value of money and which reinforce ethical values.

The [IJB](#) Chief Officer is responsible for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with. Professional advice on the discharge of duties is provided to the [Board](#) by the [IJB](#) Chief Officer supported by the Board Secretary, Chief Finance Officer, and Chief Internal Auditor as appropriate.

B. Ensuring openness and comprehensive stakeholder engagement

[Board](#) meetings are public unless there are good reasons for not doing so on the grounds of confidentiality. Unless confidential, decisions made by the [Board](#) are documented in the public domain.

The key principles of stakeholder consultation and engagement, including the integration planning principles were applied during the development of the [Health & Social Care Strategic Framework 2023-26](#). The [Equalities and Human Rights Framework](#) (March 2023) includes a new [Equalities and Human Rights Impact Assessment](#) that promotes consultation with people with protected characteristics and harder-to-reach groups.

All reports considered by the [IJB](#) are required to evidence whether an impact assessment is required, and if this is the case then this has to be included in the accompanying papers.

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

The vision, strategic objectives, ways of working and outcomes are reflected in the [Health & Social Care Strategic Framework 2023-26](#), informed by the comprehensive [Joint Needs Assessment](#).

Implications and Consultation are considered during the decision-making process by way of the report template (March 2023) covering Community Health and Wellbeing Outcomes; Financial impacts; Equality, Human Rights and Fairer Scotland Duty; Legislative considerations; Climate Change and Sustainability; Risk and Mitigations.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

In determining how services and other courses of action should be planned and delivered, the [IJB](#) has a statutory responsibility to involve patients and members of the public.

The [Strategic Framework 2023-26](#) applies to the [IJB](#) as its [Strategic Commissioning Plan](#) and supports the [IJB](#) in its oversight of all delegated and set aside services and the integration agenda. It sets out how the [IJB](#) will transform, commission, and provide health and social care services over the years 2023-2026 to improve and support the health and wellbeing of the people of the Scottish Borders.

An [Integrated Financial Framework](#) is being developed to support the [Strategic Framework](#) and ensure that the strategic objectives and ways of working are prioritised from a financial perspective in line with the principles of [Programme Budgeting and Marginal Analysis and Best Value](#). An [Annual Delivery Plan for 2024/25](#) will outline the priorities of the [IJB](#) and its partners for the year ahead.

[Directions](#) are routinely used by the [IJB](#) in line with the [Directions Policy and Procedure](#). Monitoring of progress on [Directions](#) is reported to the [Audit Committee](#) on an exception basis.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

The [IJB](#) Chief Officer is responsible and accountable to the [Board](#) for all aspects of strategic management including promoting sound governance and providing quality information and support to inform decision-making and scrutiny.

Regular meetings are held between the [Chief Officer and the Chair and Vice Chair of the IJB](#). The Chief Officer also meets regularly with the Chief Executives of the partner organisations.

Members of the [Board](#) are provided with the opportunity to attend [Development Sessions](#) relevant to their role, as do members of the [Audit Committee](#) to enhance skills and knowledge. The latter undertakes an annual self-assessment against Audit Committee best practice. A facilitated self-evaluation with the [Board](#) informs its areas for improvement.

The [Integrated Workforce Plan 2022-2025](#) is interlinked with the [Strategic Framework](#) to support transformation, change and redesign to meet the current and emerging needs of the communities.

F. Managing risks & performance through robust internal control & strong public financial management

The IJB Chief Officer has overall responsibility for the strategic commissioning of health and social care services. The [Board](#) is responsible for key decision-making.

The IJB has approved a revised [Risk Management Policy Statement and Risk Management Strategy 2023-2026](#) (January 2024) to refine its approach to managing its strategic risks and embed these key aspects into the management practices of the IJB and its Partners. An improved cycle of strategic risks review and reporting to the [Board](#) has been established to embed risk management into the IJB's culture.

The IJB Chief Finance Officer (IJB CFO) is responsible for the proper administration of all aspects of the IJB's financial affairs. The post-holder has been on long-term absence since August 2023. This role has been fulfilled on an interim basis by Lizzie Turner, Chief Officer for Finance and Procurement within SBC, from the 6th of March 2024.

The IJB's system of internal financial control is dependent upon on the framework of appropriate [Financial Regulations](#) (updated version approved in July 2023), codes of financial practice, and reporting standards.

[Financial Monitoring reports 2023/24](#) presented to the [Board](#) for monitoring and control purposes reduced in frequency and format due to IJB CFO absence.

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

[Performance and Delivery Reports](#) were presented to the [Board](#) for the purposes of monitoring from both a non-financial and financial perspective. An [Annual Performance Report for 2023/24](#) was presented to the [Board](#) in July 2024 to outline progress against strategic objectives during the year.

The [independent and objective audit opinion](#) of the IJB Chief Internal Auditor is that there are [generally sound governance arrangements, risk management and systems of internal control in place](#) for Scottish Borders Health and Social Care Integration Joint Board to support the achievement of its objectives. Provision of [Internal Audit](#) services for the IJB by [Scottish Borders Council's](#) Internal Audit team is carried out in conformance with [Public Sector Internal Audit Standards](#) to fulfil statutory Internal Audit provision.

The IJB responds to the findings and recommendations of Internal Audit, External Audit, and other bodies via the [Audit Committee](#), which is integral to overseeing assurance and monitoring improvements in internal control, risk and governance. The [Audit Committee](#) undertakes its functions in compliance with the [CIPFA Audit Committees Guidance](#), including the production of an [Annual Report](#) to the IJB on the performance of the Audit Committee against its remit.

The [draft unaudited Annual Accounts and Report for 2023/24](#) which sets out the financial position in accordance with relevant accounting regulations were presented for review by the [Audit Committee](#) in July 2024. Post completion of the statutory audit process, the final audited version will be presented for review by the [Audit Committee](#) prior to submission to the [Board](#) for approval.

Review of Adequacy and Effectiveness of the Governance Framework

The IJB is required to conduct an [annual review](#) of the effectiveness of its governance framework. The output is this [Annual Governance Statement](#) which is presented to the [Audit Committee](#). The review was informed by:

- An annual assessment by [Internal Audit](#) against the [IJB's Local Code of Corporate Governance](#);
- [Internal Audit](#) reports for IJB;
- [External Audit](#) reports for IJB;
- Relevant reports by other [external scrutiny bodies and inspection agencies](#); and
- Relevant partners' ([NHS Borders](#) and [Scottish Borders Council](#)) Internal Audit and External Audit reports.

In respect of the five improvement areas of governance identified by the IJB in 2022/23, there has been progress made with their implementation, as reported to and monitored by the [Audit Committee](#). Three associated with [Internal Audit](#) recommendations are now complete (Ensure regular updates on progress against the [Ministerial Strategy Group \(MSG\) Self Evaluation HSCP Action Plan](#) and Best Value Areas of Improvement; Review and update the [Communications Strategy](#) to ensure that it remains relevant in the current environment in respect of stakeholder consultation and engagement; Establish a mechanism for the [Partnership Joint Staff Forum](#) to monitor and report on cross sector organisational development during the delivery of the [Integrated Workforce Plan](#)), and two associated with [External Audit](#) recommendations were commenced though have been delayed in the main due to the long-term absence of the IJB Chief Finance Officer since August 2023. These therefore continue to be noted below, nos. 1-2 incorporating further related improvements raised in the Annual Audit Report 2022/23, nos.3-4. Three further recommendations were made by [Internal Audit](#) arising from their 2023/24 review to enhance corporate governance arrangements, nos. 4-6 below, noting that no.4 was raised by both Internal Audit and External Audit. Furthermore, a new action arising from the MSG Self-Assessment March 2023, no.7 below.

Improvement Areas of Governance

The review activity outlined above has identified the following areas where further improvement in governance arrangements can be made to enhance compliance with the [IJB Local Code](#):

- 1 Develop financial reporting to ensure compliance with guidance in relation to the [set aside hospital functions and associated resources](#), in collaboration with [NHS Borders](#).
- 2 Formalise engagement of the IJB Chief Finance Officer in the scrutiny and monitoring arrangements for the [NHS Borders Financial Improvement Plan](#).
- 3 Enhance budget monitoring reports for 2024/25 to ensure sufficient information is included on savings, use of reserves to support expenditure in year, and recovery plans for member scrutiny.
- 4 [Develop Medium Term Financial Plans](#) to support the achievement of priorities and outcomes associated with the HSCP [Annual Delivery Plans](#) and [Strategic Framework](#), and help support make challenging decisions.
- 5 [Annual financial plans and delivery plans](#) will be based on [reasonable assumptions](#), supported by [scenario planning](#), to better deal well with uncertainty over funding i.e. the payment offers from the Partners, and other financial risks.
- 6 [Quarterly updates](#) will be presented to the [Board](#) on the progress made in relation to the implementation of the [Integrated Workforce Plan](#).
- 7 MSG Self-Evaluation March 2023 Action Plan will be implemented in accordance with the agreed timescales for actions and progress monitored by IJB Audit Committee.

The implementation of the associated improvement actions to enhance the governance arrangements will be driven and monitored by the IJB Chief Officer and IJB Chief Finance

Officer in order to inform the next annual review. [Internal Audit](#) work planned in 2024/25 will follow-up on progress with implementation of the associated improvement actions.

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 and risk arrangements and system of internal control, while recognising that improvements are required to fully demonstrate compliance with the [IJB Local Code](#) in order for the [IJB](#) to fully meet its principal objectives. Systems are in place to regularly review and improve governance and risk arrangements and the system of internal control.

Chris Myers

Chris Myers
Chief Officer IJB

22 January 2025

Lucy O'Leary

Lucy O'Leary
Chair of the IJB

22 January 2025

On behalf of the Members and Officers of the Scottish Borders Health and Social Care Integration Joint Board

E. Independent Auditor's Report

Independent auditor's report to the members of Scottish Borders Integration Joint Board and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Scottish Borders Integration Joint Board for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves, Balance Sheet, and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the 2023/24 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the body as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 2 December 2022. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

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

Risks of material misstatement

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

Responsibilities of the Chief Finance Officer and Scottish Borders Integration Joint Board for the financial statements

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

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the body;
- inquiring of the Chief Finance Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Chief Finance Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;

- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

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

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

Reporting on other requirements

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

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

Other information

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

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

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

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

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

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

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



John Boyd FCPFA

Audit Scotland

8 Nelson Mandela Place

Glasgow

G2 1BT

22 January 2025

F. Statement of Accounts

Comprehensive Income and Expenditure Statement (CIES) for the Year Ended 31 March 2024

This statement presents the expenditure incurred during 2023/24 on the cost of services, along with the funding provided, and details the surplus/deficit on provision of services

COMPREHENSIVE INCOME & EXPENDITURE STATEMENT							
Gross Expenditure 2022/23 £'000	Income 2022/23 £'000	Net Expenditure 2022/23 £'000		Gross Expenditure 2023/24 £'000	Income 2023/24 £'000	Net Expenditure 2023/24 £'000	Note
130,753	0	130,753	Health Services Delegated	141,411	0	141,411	(3,4)
71,607	0	71,607	Social Care Services Delegated	69,201	0	69,201	
29,031	0	29,031	Health Services Retained and Set-Aside by NHS Borders	32,530	0	32,530	
273	0	273	Corporate Services	269	0	269	
231,664	0	231,664	Cost of Services	243,411	0	243,411	
0	(214,910)	(214,910)	Taxation and Non-Specific Grant Income	0	(240,414)	(240,414)	5
231,664	(214,910)	16,753	(Surplus) or Deficit on Provision of Services	243,411	(240,414)	2,997	
		16,753	Total Comprehensive Income and Expenditure			2,997	

Movement in Reserves

The IJB approved its Reserves Policy initially in 2016/17 and updated it during 2023/24.

The policy was applied to ring-fenced funding allocations received by NHSB.

	General Fund Balance £'000	Total Reserves £'000
Opening Balance as at 1st April 2022	26,596	26,596
Total comprehensive Expenditure	(16,753)	(16,753)
Closing Balance as at 31st March 2023	9,843	9,843
Increase or (Decrease) during Previous year	(16,753)	(16,753)
Opening Balance as at 1st April 2023	9,843	9,843
Total comprehensive Expenditure	(2,997)	(2,997)
Closing Balance as at 31st March 2024	6,846	6,846
Increase or (Decrease) during Current year	(2,997)	(2,997)

Balance Sheet at 31 March 2024

The Balance Sheet shows the value of the IJB's assets and liabilities as at 31 March 2024. The net assets of the IJB (assets less liabilities) are matched by the reserves held by the IJB.

BALANCE SHEET AS AT 31 MARCH 2024

31st March 2023 £'000			31st March 2024 £'000		Note
12,295	12,295	Current Assets			
		Short-Term Debtors	8,683	8,683	6
(2,452)	(2,452)	Current Liabilities			
		Short-Term Creditors	(1,837)	(1,837)	6
	9,843	Net Assets		6,846	
	9,843	Useable Reserve: General Fund		6,846	
	9,843	Total Reserves		6,846	

Notes 1 to 12 under the notes to the accounts form part of these financial statements.

The unaudited accounts were issued for public consultation on 25 July 2024 and the audited accounts were authorised for issue on 22 January 2025

Lizzie Turner

Lizzie Turner ACCA
Chief Finance Officer IJB
(Section 95 officer)

22 January 2025

G. Notes to the Annual Accounts

Material Accounting Policies

1. General Principles

The Annual Accounts summarise the Integration Joint Board's transactions for 2023/24 and its position at the year-end of 31 March 2024.

The IJB 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.

It is therefore required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires these to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The accounting convention adopted in the Annual Accounts is historical cost. They are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future.

(i) Accruals of Income and Expenditure

Activity is accounted for in the year in which 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 IJB
- 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.

(ii) Funding

The IJB is primarily funded through funding contributions from the statutory funding partners, NHSB and SBC. Expenditure is incurred as the IJB commissions health and social care services from the funding partners for the benefit of service recipients in the Scottish Borders.

(iii) 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 / from each funding partner, as at 31 March 2024, is represented as a debtor or creditor on the IJB's Balance Sheet.

(iv) Employee Benefits

The IJB does not employ staff. Officers are 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. The IJB has also appointed a Chief Finance Officer. Details on the arrangement are provided in the Remuneration Report. The charges for the employing partners are treated as employee costs. Where material, the absence entitlement at 31 March will be accrued, for example in relation to annual leave earned but not yet taken

No adjustments are required in relation to the statutory requirement to defer any charge to the General Fund for the Chief Officer's absence entitlement at 31 March 2024.

(v) 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 IJB's Balance Sheet, but where it is material, it is disclosed in a note.

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.

No provisions or contingent liabilities or assets have been made at 31 March 2024.

(vi) Reserves

The IJB's reserves are classified as either Usable or Unusable Reserves.

The IJB's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March 2024 shows the extent of resources which the IJB can use in later years to support service provision.

The Employee Statutory Adjustment Account is one of the Unusable reserves of IJB. This is required by legislation. It defers the charge to the General Fund for the Chief Officer's absence entitlement as at 31 March 2024, for example any annual leave earned but not yet taken. The General Fund is only charged for this when the leave is taken, normally during the next financial year.

(vii) VAT

VAT payable is included as an expense where appropriate, only to the extent when it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Events after the Reporting Period / Balance Sheet Date

The unaudited Annual Accounts were authorised for issue by the IJB Audit Committee on 25 July 2024. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provide information about conditions existing at 31 March 2024, the figures in the financial statements and notes would normally be adjusted in all material respects to reflect the impact of this information. There are no identified events after the reporting period to 31 March 2024.

3. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how the funding available to the IJB, in the form of funding partner contributions, has been used in providing services.

NOTE 3 - EXPENDITURE & FUNDING ANALYSIS		
2022/23		2023/24
Net Expenditure in the CIES £'000		Net Expenditure in the CIES £'000
25,879	Joint Learning Disability Service	27,734
22,841	Joint Mental Health Service	25,215
1,038	Joint Alcohol and Drug Service	1,027
30,101	Older People Service	33,482
2,586	Physical Disability Service	3,113
25,263	Prescribing	27,342
94,385	Generic Services	92,696
29,031	Health Services Retained and Set-Aside by NHS Borders	32,530
266	Scottish and UK Government-Funded Testing Kits	2
273	Corporate Services	269
231,664	Cost of Services	243,411
(214,910)	Other Income	(240,414)
16,753	(Surplus) or Deficit on Provision of Services	2,997
(26,596)	Opening General Fund Balance	(9,843)
16,753	(Surplus) or Deficit in the Year	2,997
(9,843)	Closing General Fund Balance	(6,846)

4. Expenditure and Income Analysis by Nature

2022/23 £'000		2023/24 £'000
159,783	Services commissioned from NHS Borders	173,940
71,608	Services commissioned from Scottish Borders Council	69,201
151	Employee Benefits Expenditure	188
31	Auditor Fee: External Audit	33
90	NDTi Expense	49
(214,910)	Partners' Funding Contributions	(240,414)
16,753	(Surplus)/Deficit on provision of Services	2,997

The fee charged by the Independent Auditor for 2023/24 was £33,360, an increase of 6% from last year. There were no non-audit services provided by External Audit.

5. Taxation and Non-Specific Grant Income

2022/23 £'000		2023/24 £'000
(151,053)	Funding Contribution from NHS Borders	(179,125)
(63,857)	Funding Contribution from Scottish Borders Council	(61,289)
(214,910)	Taxation and Non-Specific Grant Income	(240,414)

The funding contribution from **NHSB** shown above includes **£32.530m** in respect of Set-Aside resources relating to acute hospital and healthcare unscheduled care services. The **NHS** retains responsibility for managing the costs of providing the services. The **IJB** however is responsible for managing the consumption of these resources, through managing the demand.

6. Debtors and Creditors

The IJB's debtors include money owed to the partnership at 31 March 2024 and any payments made in respect of delegated functions in advance of the financial year 2024/25.

The IJB's Creditors include payments due by the partnership not yet made by the 31 March 2024 and any income it has received in advance of the financial year 2024/25.

DEBTORS incl. PAYMENTS IN ADVANCE

31st March 2023 £'000		31st March 2024 £'000
8,788	Funding NHS Borders	6,862
3,507	Funding Scottish Borders Council	1,821
0	Funding Non-Public Sector	0
12,295	Debtors	8,683

CREDITORS incl. INCOME IN ADVANCE

31st March 2023 £'000		31st March 2024 £'000
0	Funding NHS Borders	0
(2,452)	Funding Scottish Borders Council	(1,837)
0	Funding Non-Public Sector	0
(2,452)	Creditors	(1,837)

7. Related Party Transactions

The IJB has related party relationships with **NHSB** and **SBC**. 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.

NHS BORDERS

2022/23 £'000		2023/24 £'000
(151,054)	Funding Contributions	(179,125)
159,783	Expenditure on Services Provided	173,940
151	Key Management Personnel	135
0	Support Services	0
8,881	Net Transactions with NHS Borders	(5,049)

31st March 2023 £'000		31st March 2024 £'000
8,788	Debtors: Amounts Due from NHS Borders	6,862
0	Creditors: Amounts Due to NHS Borders	0
8,788	Net Balance with NHS Borders	6,862

SCOTTISH BORDERS COUNCIL

2022/23 £'000		2023/24 £'000
(63,857)	Funding Contributions	(61,289)
71,607	Expenditure on Services Provided	69,201
0	Key Management Personnel	0
122	Support Services	134
7,872	Net Transactions with Scottish Borders Council	8,047

31st March 2023 £'000		31st March 2024 £'000
3,507	Debtors: Amounts Due from Scottish Borders Council	1,821
(2,452)	Creditors: Amounts Due to Scottish Borders Council	(1,837)
1,055	Net Balance with Scottish Borders Council	(16)

16,753	Net Transactions Overall	2,997
9,843	Net Balances	6,846

The senior officers employed by SBC (none) and NHSB and recharged to the IJB are the Chief Officer and Chief Finance Officer. Details of the remuneration for specific post-holders are provided in the Remuneration Report.

8. Provisions:

There were no provisions brought forward from 2022/23, nor made at 31 March 2024.

9. Useable Reserve: General Fund:

The IJB holds a balance on its General Fund Reserve at 31 March 2024. This balance is earmarked in that it relates to funding received from the Scottish Government ring-fenced for specific purposes such as Mental Health Service, Primary Care or Alcohol and Drugs Partnership.

The IJB has an approved **Reserves Policy** which enables it over time 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. The Policy can also enable a contingency fund to be established in order to cushion the impact of unexpected events or emergencies. The IJB does not currently hold such contingency reserves.

10. Unusable Reserve: Employee Statutory Adjustment Account:

Both the Chief Officer and Chief Finance Officer require to be considered in relation to absence entitlement earned but not yet taken at 31 March 2024. The value of this untaken but accrued entitlement is not considered material to the overall financial position of the IJB as presented in the Comprehensive Income and Expenditure Statement.

11. Agency Income and Expenditure:

The IJB is co-terminus with NHSB and SBC. The IJB does not act as the lead agency / manager for any delegated health or care services nor does it commission services on behalf of any other IJBs.

12. Contingent Assets and Contingent Liabilities:

No Contingent Liabilities or Contingent Assets were recognised at 31 March 2024 nor have any been identified during the year or at the year end, relating to any item not recognised on the IJB's Balance Sheet.