



Scottish Borders
Health and Social Care
PARTNERSHIP

Scottish Borders Health and Social Care Integration Joint Board

ANNUAL ACCOUNTS

***For the Financial Year
01 April 2022 to 31 March 2023***

Table of Contents

Section	Page
A. Management Commentary	03
B. Remuneration Report	28
C. Statement of Responsibilities	32
D. Annual Governance Statement	34
E. Independent Auditor's Report	39
F. Statement of Accounts	44
G. Notes to the Accounts	47

A. Management Commentary

Message from the Chief Officer



I would like to start by thanking everyone who uses our services, works in our services, our partners, unpaid carers and the wider public.

I am pleased to present the Annual Accounts for the Scottish Borders Health and Social Care Integration Joint Board for 2022/23.

2022/23 has been a year where we have reset and renewed our focus as a Partnership. We started this with an open dialogue with our communities through the 'We have Listened' exercise. This provided us with a really rich understanding of what matters to Borderers.

We have used this information, along with a Public Health needs assessment, and a review of outcomes and an understanding of risks to form the Health and Social Care Strategic Framework which sets our path over 2023-26. I am pleased that we now have one strategy for Health and Social Care across the Integration Joint Board, Scottish Borders Council, NHS Borders and Community Planning Partnership. Ultimately these organisations are working to ensure that all people in the Scottish Borders are able to live their lives to the full, and will work collectively with each other, and with you to do this.

The Health and Social Care Strategic Framework 2023-26, along with our Integrated Workforce Plan, and new 2023-25 Equality Outcomes and Mainstreaming Framework help set us in the right direction for the coming years. A HSCP Delivery Plan will be developed and overseen by the Integration Joint Board each year setting out our approach to planning and delivery for each year over the next 3 years to help us realise our Strategic Framework.

Over the past year, in closing off our last Strategic Commissioning Plan, there have also been a number of major operational developments including a significant level of work to review carer support, the development of our re-ablement approach in adult social care, commencing work to integrate our adult social care home care and hospital to home services, development of primary care psychological therapy service (Renew), progress on the Primary Care Improvement Plan, expansion of the Community Equipment Stores, development of pharmacy services for social care service users and expansion of the Rapid Assessment and Discharge service. I am extremely grateful to everyone involved in these operational and strategic developments.

We do this within an environment with continuing workforce, financial and economic pressures, along with increasing need for services. Against this challenging backdrop, there is a lot to do which we commit to continue to deliver in partnership with our communities.

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

April 2024

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 2023. 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 Strategic Commissioning Framework 2018-2023. It also outlines the financial strategy and the challenges the Integration Joint Board faces in future years in delivering its priorities for the Scottish Borders. A new Strategic Plan, the "Health and Social Care Strategic Framework 2023-26" was approved on 15 March 2023 which sets out the Integration Joint Board's priorities for the Scottish Borders over the coming years.

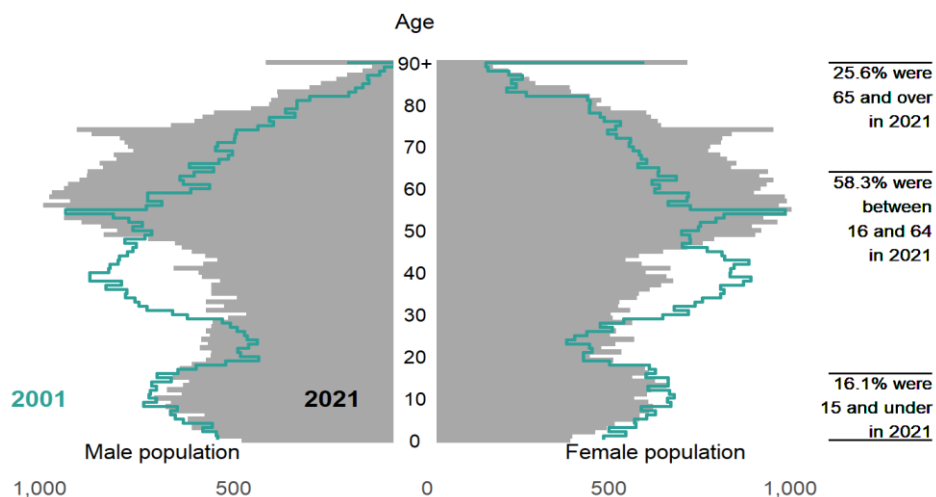
2. Background

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 2021, had a population of 116,020. From 2001 to 2021, the population of the region increased by 8.5%, which is significantly above Scotland's 0.25% rate of growth. The main reason for the growth in population is inward migration.

Scottish Borders
Population profile, 2001 and 2021



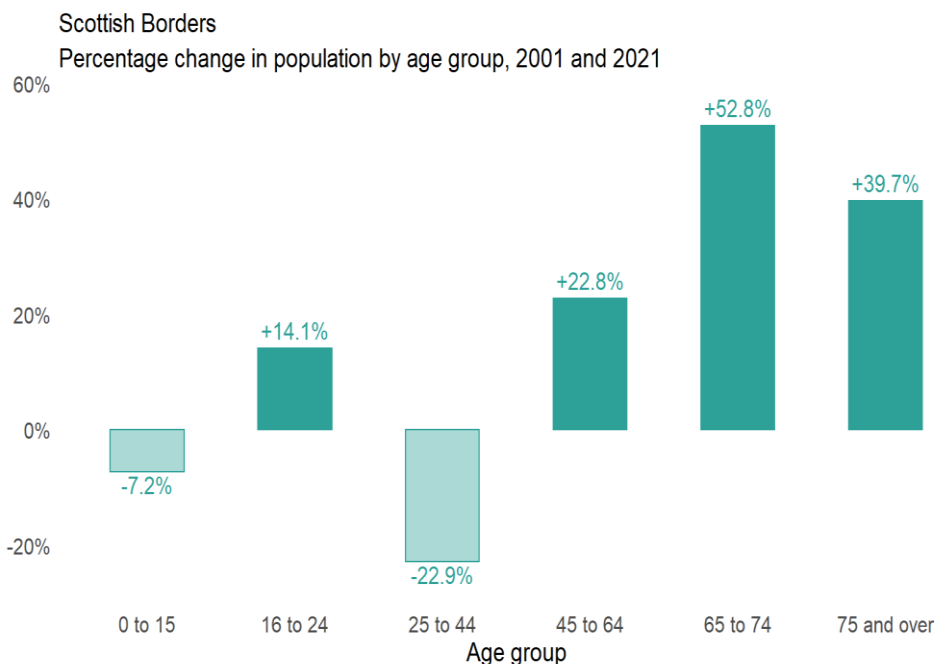
NRS Mid-year Small Area Population Estimates, 2021													
Area	All Ages	0-15	% 0-15	16-24	% 16-24	25-34	% 25-34	35-44	% 35-44	45-54	% 45-54	55-64	% 55-64
Ayton	602	93	15.4	41	6.8	320	53.2	130	21.6	189	31.4	69	11.5
Chirnside	1,457	315	21.6	125	8.7	830	57.0	316	22.0	312	21.5	133	9.4
Coldingham	512	70	13.7	29	5.7	294	57.4	163	31.8	148	28.9	63	12.3
Coldstream	1,944	250	12.4	143	7.4	1,026	52.8	432	22.2	668	34.8	370	19.3
Duns	2,887	495	16.8	245	8.5	1,638	56.9	680	23.8	754	26.3	369	13.0
Eyemouth	3,473	694	20.0	306	8.8	1,902	54.7	703	20.2	877	25.3	393	11.4
Greenlaw	600	77	12.8	62	10.3	379	63.2	180	30.0	144	24.0	57	9.5
Rural Berwickshire (settlements under 500)	9,778	1,351	13.7	778	8.0	5,763	59.5	2,777	28.4	2,644	26.8	1,030	10.3
Total Berwickshire	21,253	3,345	15.8	1,729	8.0	12,172	56.8	5,381	25.0	5,736	27.4	2,490	12.1
Ancrum and Lanton Area	1,045	138	13.2	71	6.8	544	52.1	253	24.2	363	34.7	181	17.3
Jedburgh	3,832	670	17.3	308	8.0	2,172	56.5	874	22.9	930	26.2	434	13.1
Kelso	6,861	982	14.1	609	8.8	3,833	55.9	1,510	21.8	2,046	30.0	1,012	15.0
St Boswells	1,418	214	15.1	118	8.3	739	52.1	324	22.8	465	32.8	212	15.0
Yetholm	590	75	12.7	27	4.6	284	48.1	160	27.1	231	39.2	113	19.2
Rural Cheviot (settlements under 500)	6,731	915	13.9	506	6.6	3,831	49.8	1,834	23.8	1,985	25.9	880	11.5
Total Cheviot	19,432	2,856	14.0	1,568	7.5	10,859	55.5	4,702	25.9	5,717	30.5	2,711	14.0
Earlston	1,715	259	15.5	183	10.6	1,003	58.7	405	23.6	453	25.8	215	12.1
Galashiels	12,302	1,894	15.4	1,232	10.4	7,748	62.8	2,676	21.6	2,660	21.8	1,103	9.1
Melrose	2,493	393	14.9	236	9.6	1,443	57.3	541	21.8	657	27.7	336	14.5
Newtown St Boswells	1,465	243	16.3	128	8.5	898	61.3	387	26.5	324	22.3	190	9.1
Selkirk	5,458	831	14.8	490	8.8	3,073	56.5	1,244	22.8	1,554	28.7	742	13.6
Stow	718	125	17.4	63	8.8	456	63.5	197	27.4	137	19.1	62	8.6
Tweedbank	1,994	346	16.9	185	9.2	1,229	60.8	460	22.8	419	22.4	151	8.1
Eildon rural area (settlements under 500)	8,808	1,562	16.6	703	7.8	5,179	58.0	2,159	25.6	2,067	25.4	838	10.3
Eildon total	36,840	6,081	16.7	3,423	9.0	22,086	59.4	8,471	23.7	8,673	23.9	3,746	10.5
Denholm	710	87	12.3	52	7.3	398	56.1	192	27.0	225	31.7	111	15.6
Hawick	13,586	2,286	16.9	1,253	9.2	7,997	58.7	3,099	22.8	3,303	24.4	1,543	11.5
Newcastleton	768	94	12.2	58	7.6	425	55.3	205	26.7	249	32.4	124	16.1
Teviot and Liddesdale rural area (settlements under 500)	2,660	353	13.1	183	6.8	1,488	55.3	778	29.1	819	31.0	304	11.5
Teviot and Liddesdale total	17,724	2,820	13.6	1,546	7.7	10,308	56.5	4,274	26.4	4,596	23.9	2,082	13.7
Cardrona	844	185	21.9	101	12.0	504	59.7	197	23.3	155	18.4	59	7.0
Innerleithen	3,225	538	16.8	273	8.5	1,872	58.5	750	23.4	815	24.7	412	12.2
Peebles	8,581	1,444	16.7	738	8.7	4,886	57.2	1,928	22.7	2,251	26.1	1,037	11.9
Walkerburn	722	103	14.3	60	8.3	440	60.9	174	24.1	179	24.8	69	9.6
West Linton	1,851	376	19.4	181	9.9	1,074	58.0	432	23.8	401	22.6	183	10.4
Rural Tweeddale (settlements under 500)	5,548	975	17.4	458	8.3	3,441	62.0	1,530	27.9	1,132	20.7	448	8.2
total Tweeddale	20,771	3,621	17.7	1,811	9.3	12,217	59.4	5,011	24.2	4,933	22.9	2,208	9.9
Scottish Borders	116,020	18,723	16.1	10,077	8.7	67,642	58.3	27,839	24.0	29,655	25.6	13,237	11.4
Scotland	5,479,900	911,522	16.6	557,816	10.2	3,494,517	63.8	1,151,827	21.0	1,073,861	19.6	478,283	8.7

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.

58.3% of the population of the Scottish Borders is aged between **16 and 64** years of age. This is against a national average of 63.9%. The **45-64s** age group made up an above-average 30.2% of the Scottish Borders population. 25.6% of its population is **over 65 years** of age, significantly above the national average of 19.3%. The current proportion of the over 65 population in the Scottish Borders is 30 years ahead of the Scottish demographic, which will reach this level in 2054. In contrast, the **16 to 24 age group** was the smallest, with a population of 10,077.

The proportion of individuals aged 0-15 varies across different areas, ranging from 11.9% in the Rural Cheviot area to 21.9% in Cardrona. Areas with a higher percentage of individuals aged 0-15 include Cardrona (21.9%), Ancrum and Lanton Area (13.2%), and Denholm (12.3%). The percentage of individuals aged 65 and above is notably higher in rural areas compared to urban centres.

Urban areas like Galashiels and Peebles exhibit a balanced distribution across age groups, with a significant proportion in the working-age category (16-64). Rural areas tend to have a higher proportion of individuals in the older age brackets, particularly those aged 65 and above. The 16-24 age group forms a relatively smaller percentage of the population in most areas, indicating potential challenges related to youth retention and employment opportunities.



Whilst the overall population of the Scottish Borders may not be projected to increase significantly over the coming years, the average age of the Scottish Borders population is expected to continue to increase. 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. The Borders 16-24 age group is projected to further decrease by over 10% before 2026, and the 75+ age group is projected to increase by almost 30% over the same period.

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 impacts 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

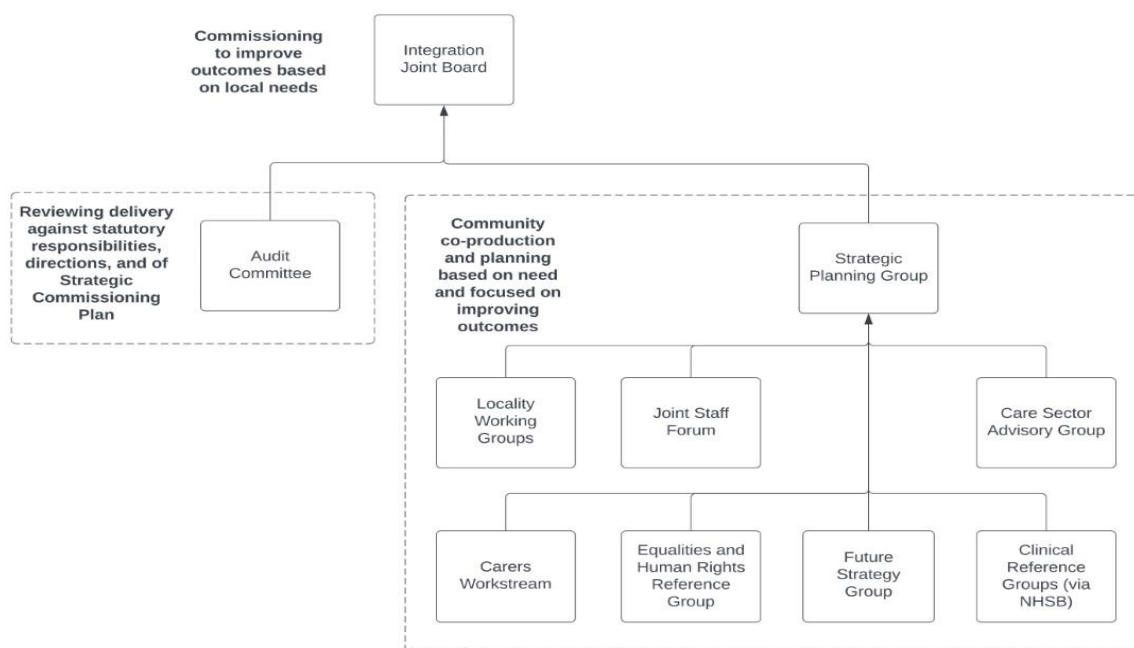
Community Health Services for adults aged 18 and over, and those marked with an (), also services for children

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.

The *IJB* have approved a programme to start with a pathfinder in the Eildon locality, commencing in the summer of 2023. This will take place in tandem with already established *What Matters Hubs* where individuals and families can drop in for support. These *Hubs* will be supported by the Third Sector, volunteers, Citizens Advice Scotland and other partners who act as gatekeepers, use an asset-based conversation (effective conversation model) to triage and signpost to community support where possible. If more formal support is required, the multi-disciplinary team can assist.

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

4. *Strategic Planning and Commissioning*

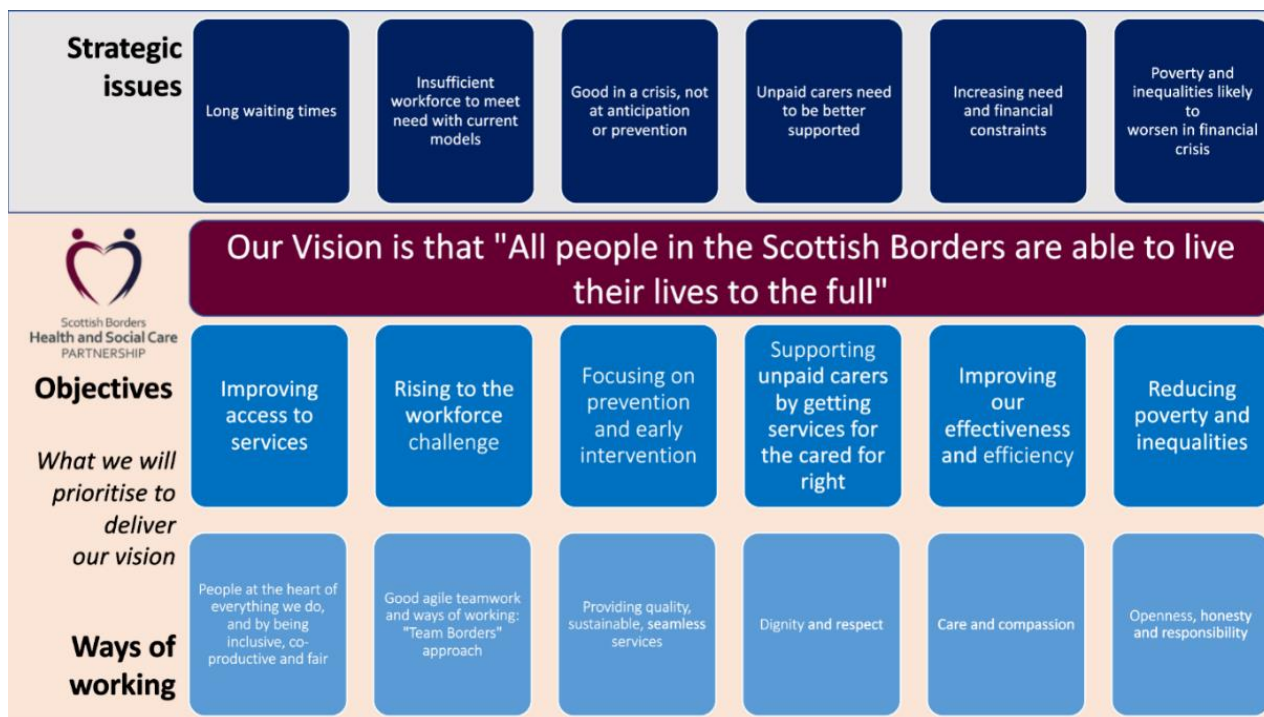
The *IJB Strategic Plan 2018 – 2022* sets out what the *IJB* sought to achieve in relation to improved health and well-being for Borders residents.

The plan:

- Described priorities and actions being taken forward, including shifting the balance towards more locality-based health and social care services. These include the following three strategic objectives:
 - Improve the health of the population and reduce the number of hospital admissions
 - Improve the flow of patients into, through and out of hospital
 - Improve the capacity within the community for people who have been in receipt of health and social care services to better manage their own conditions and support those who care for them.
- Outlined the performance measures used to assess progress being made
- Was extended for two years in the context of the response to the Covid pandemic to allow time to develop a new strategic plan.

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 developing *Financial Framework*.

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:

- Plan** Improving collection and analysis of data and taking a whole-system approach to planning.
- Attract** Bringing new workers into the workforce including through both domestic and ethical international recruitment, via youth employability and apprenticeship schemes, and by offering fair work.
- Train** Supporting new entry to the workforce through clear education pathways and developing new skills and capabilities amongst workers including in digital and specialist care.
- Employ** Ensuring that staff are well rewarded for their work, with modernised terms and conditions, and appropriate registration to support delivery of outcomes-focused work.
- Nurture** Creating positive workplace cultures and ensuring strong leadership, committing to diversity, equality and inclusion in the workforce, ensuring workplace wellbeing, developing a carers strategy and working in partnership across the sectors.

Pillar 1: Plan

At the foundation of the strategy lies the imperative to Plan effectively. This pillar emphasizes the importance of informed decision-making through improved data collection and analysis. By taking a whole system approach to planning, the Scottish Government aims to anticipate and address workforce requirements proactively. This involves forecasting future needs, identifying areas for growth or restructuring, and optimizing resource allocation to ensure a balanced and sustainable workforce distribution across health and social care settings.

Pillar 2: Attract

Building upon a solid planning framework, the Attract pillar focuses on bringing new talent into the workforce. This is achieved through initiatives aimed at enhancing youth employability and expanding through domestic and international recruitment. By offering fair work opportunities and equitable pathways for career progression, the Scottish Government seeks to attract individuals who are passionate about making a difference in health and social care. Through targeted recruitment efforts, emphasis is placed on diversity, ensuring that the workforce reflects the communities it serves.

Pillar 3: Train

The Train pillar is dedicated to supporting workforce development and lifelong learning. Clear education pathways are established to facilitate entry into the workforce, while ongoing training opportunities are provided to enhance skills and capabilities. Special attention is given to the development of digital competencies, recognizing the increasing role of technology in healthcare delivery. Additionally, efforts are made to address specific needs in specialist care areas, ensuring that the workforce remains adaptable and responsive to evolving healthcare demands.

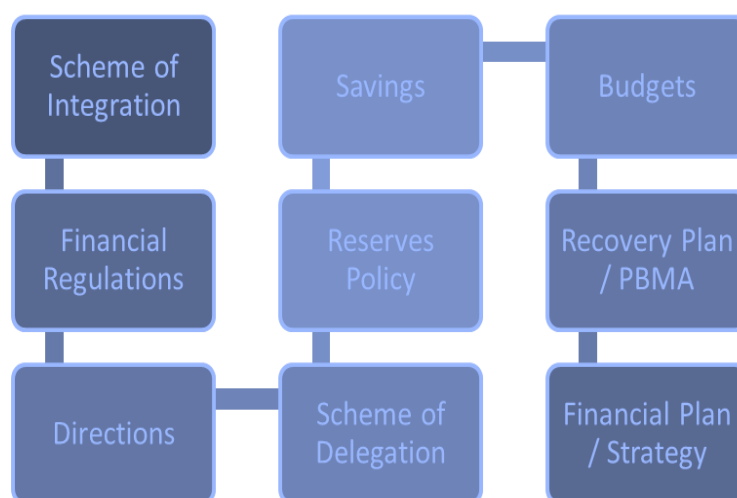
Pillar 4: Employ

Recognizing the invaluable contributions of health and social care workers, the Employ pillar focuses on ensuring fair treatment and recognition. This involves modernizing terms and conditions of employment to reflect contemporary standards and expectations. Adequate remuneration is provided to reflect the skills and dedication of the workforce, while appropriate registration mechanisms are in place to uphold professional standards and support outcomes-focused work. By valuing and rewarding staff, the Scottish Government aims to foster a motivated and committed workforce.

Pillar 5: Nurture

At the pinnacle of the strategy lies the Nurture pillar, which underscores the importance of creating supportive and inclusive workplace cultures. Strong leadership is promoted, with a commitment to diversity, equality, and inclusion at all levels of the workforce. Measures are implemented to prioritize workplace wellbeing, recognizing the demanding nature of health and social care roles. A comprehensive carers strategy is developed to support those providing care, acknowledging their vital role in the continuum of care delivery. Furthermore, partnerships are fostered across sectors to promote collaboration and shared learning, ensuring that Scotland's health and social care workforce thrives in a supportive and nurturing environment.

4.3. Strategic Planning and Commissioning: Financial Framework



[PBMA – Programme Budgeting & Marginal Analysis. A technical analysis of cost behaviour]

This diagram sets out the *Financial Framework*.

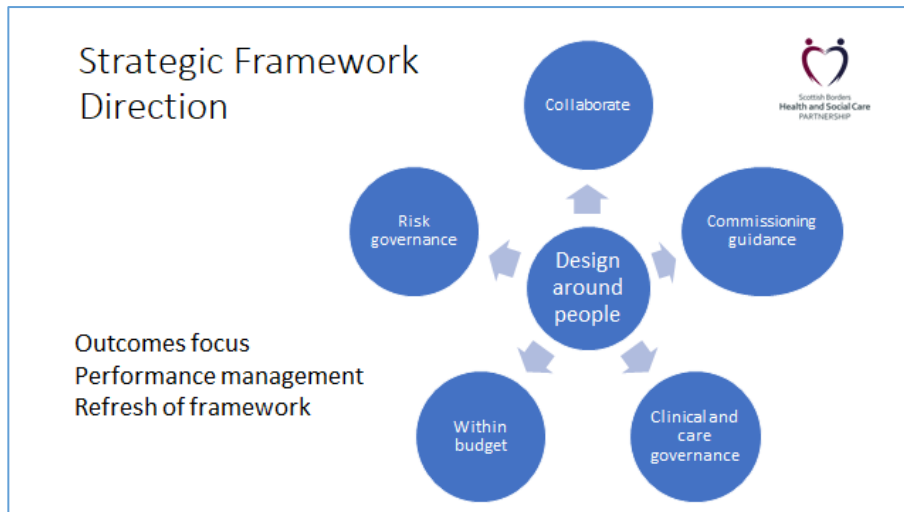
For 2023/24 we have agreed a more comprehensive *Framework of Directions* to *SBC* and *NHSB*, to implement the *Strategic Commissioning Framework* within the *IJB* governance arrangements and particularly within financial plan and budget parameters.

Following approval of the initial budgets the partnership is required to agree a *Financial Recovery Plan*. This plan will be developed collaboratively with partner bodies during 2023/24.

A full review of the *Reserves Policy* has been carried out and was approved on 21st December 2022 and revised *Financial Regulations* were approved in July 2023.

A new toolkit has been approved which provides a basis for assessing the impact of use of resources and enabling decisions based on best value. The toolkit is currently being tested.

Further developments in 2023/24 will include a scheme of delegation and a longer-term financial strategy, to identify actions required to deliver sustainability moving forward, and alignment with our Health and Social Care Strategic Framework.



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 *Financial Recovery Plan* will assist with *IJB* financial sustainability and the re-prioritisation of funds for best value.

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

5.1. Health and Wellbeing Outcomes

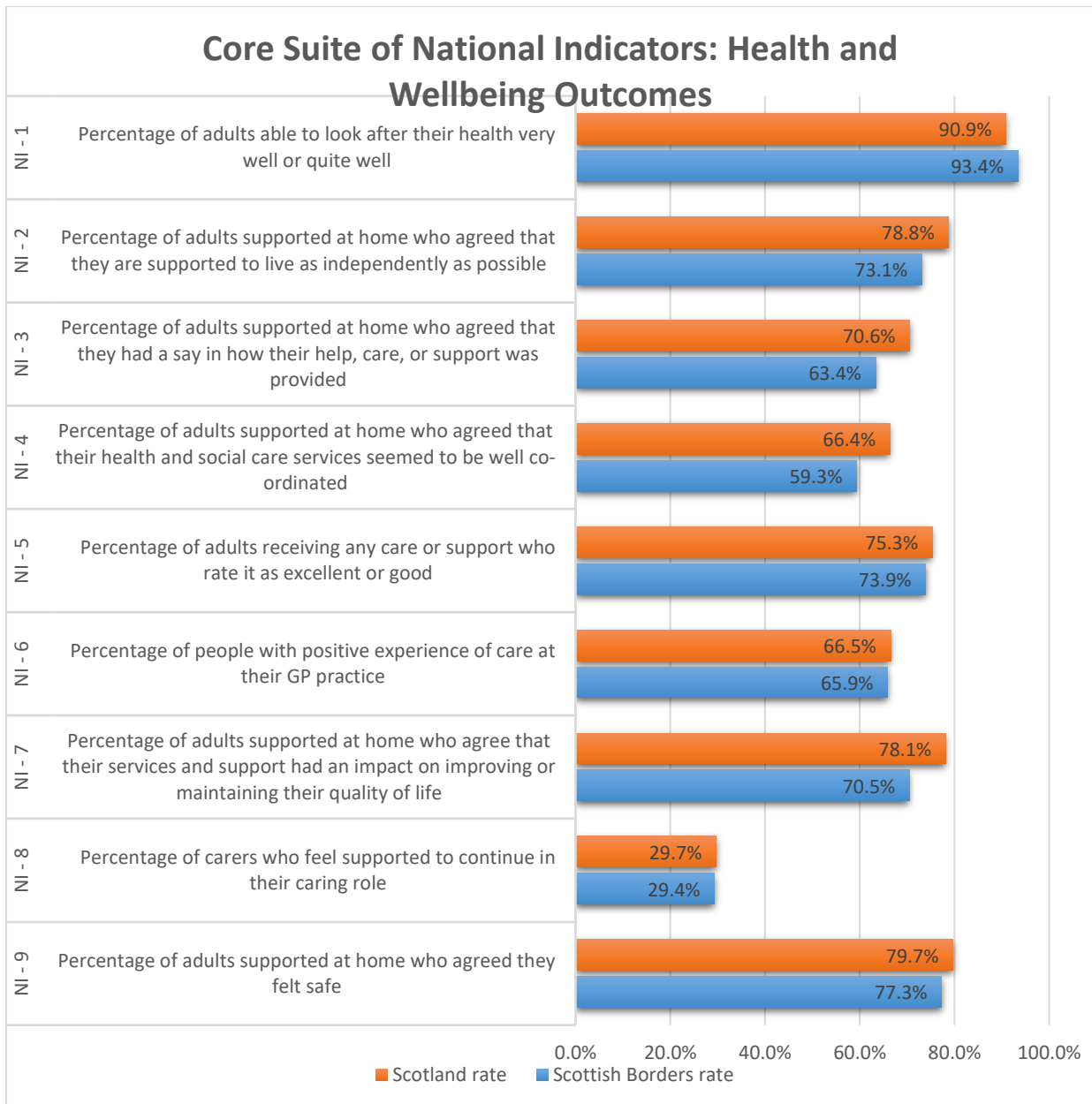
Public Health Scotland have indicated that there will be no updates to the Health and Care Experience (HACE) survey this year which forms the basis of this section. The next update is due in May 2024. As a result, in this report we present data for 2021/22.

This section provides an overview of our 2021/22 performance against the National Health and Wellbeing Outcomes¹, 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.

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 2021/22. 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.

Scottish Borders performance Better than the national average	Health and Wellbeing Outcome indicator
	<ul style="list-style-type: none"> • Premature mortality rate • Emergency admission rate • Spend on hospital stays where the person was admitted due to an emergency (2019/20 data) • Emergency readmissions to hospital within 28 days of discharge • Rate of falls in the Scottish Borders
Broadly in line with the national average	<ul style="list-style-type: none"> • Proportion of care services graded as good or better in Care Inspectorate inspections • Adults receiving care who rated the care they receive as excellent or good • People who had a positive experience of care at their GP practice • Carers who felt supported to continue in their caring role • Adults supported at home who agreed they felt safe • People in their last 6 months of life spent this at home or in a community setting in the Scottish Borders, compared to the national average
Below the national average	<ul style="list-style-type: none"> • Adults supported at home who agreed that they had a say in how their help, care or support was provided • Adults supported at home who agreed that their health and social care services seemed to be well co-ordinated • Adults supported at home who agreed that they were supported to live as independently as possible • Adults supported at home who agreed that their services and support had an impact on improving or maintaining their quality of life • Adults with intensive care needs in the Scottish Borders receiving care at home, compared to the national average • Occupied bed days in hospital associated to emergency admissions

Relevant performance metrics are reviewed on a quarterly and annual basis by the Integration Joint Board, which informs in year actions and the setting of the following year's HSCP Delivery Plan.



5.2. Quantitative indicators

Over 2023/24, the SPG and its subgroups 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 2022 calendar year and, as a result, calendar year rather than financial year figures have been presented.

Emergency admission rate (per 100,000 population)	2018/19	2019/20	2020/21	2021/22	2022
Scottish Borders rate	12,425	12,181	10,248	10,230	9,633
Scotland rate	12,279	12,525	10,951	11,629	11,155

Emergency bed day rate (per 100,000 population)	2018/19	2019/20	2020/21	2021/22	2022
Scottish Borders rate	131,471	119,798	105,790	124,148	127,849
Scotland rate	119,986	118,552	100,710	112,637	113,134

Emergency readmissions to hospital within 28 days of discharge (rate per 1,000 discharges)	2018/19	2019/20	2020/21	2021/22	2022
Scottish Borders rate	109	107	120	97	114
Scotland rate	103	105	120	107	102

Proportion of last 6 months of life spent at home or in a community setting	2018/19	2019/20	2020/21	2021/22	2022
Scottish Borders rate	85.5%	86.0%	89.6%	88.2%	87.9%
Scotland rate	88.0%	88.3%	90.3%	89.8%	89.3%

Falls rate per 1,000 population aged 65+	2018/19	2019/20	2020/21	2021/22	2022
Scottish Borders rate	18.7	21.1	18.1	17.9	15.7
Scotland rate	22.5	22.8	21.7	22.6	22.2

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

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
Scottish Borders rate	761	656	588	982	1,364
Scotland rate	793	774	484	748	919

Premature mortality rate per 100,000 persons	Rate	Year of latest data
Scottish Borders rate	348	2021
Scotland rate	466	

Percentage of adults with intensive care needs receiving care at home	Rate	Year of latest data
Scottish Borders rate	60.6%	2022
Scotland rate	63.5%	

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 decreased from 12,425 per 100,000 population in 2018/19 to 9,633 in 2022.
- The emergency bed day rate in the Scottish Borders fluctuated, with a peak of 131,471 per 100,000 population in 2018/19 and a subsequent decrease to 127,849 in 2022.
- The rate of emergency readmissions within 28 days of discharge fluctuated in the Scottish Borders, reaching a peak of 120 per 1,000 discharges in 2020/21 before declining to 114 in 2022.
- The proportion of the last 6 months of life spent at home or in a community setting decreased slightly in both the Scottish Borders and Scotland from 2018/19 to 2022.
- The number of days people spend in hospital when they are ready to be discharged increased significantly in the Scottish Borders from 2018/19 to 2022, surpassing the rates observed in Scotland.

5.4. *Achievements from the last Strategic Commissioning Plan*

The last IJB Strategic Commissioning Plan set out a detailed three year forward view focused on particular actions to improve outcomes. Notable successes include:

- Developing pharmacy services to optimise outcomes, reduce re-admissions and length of stay
- Implementing the Transforming Care After Treatment Programme for people with cancer
- Development of Community Link Worker and Local Area Coordination services
- What Matters Hubs are operational in all 5 localities of the Scottish Borders
- Funding the Borders Carers Centre to undertake carers assessments
- Development of Polypharmacy review for social care service users
- Transformation and redesign of inpatient dementia services
- Review of community hospital and day hospital provision
- Good progress with the Primary Care Improvement Plan
- Developing home based intermediate care (Home First)
- Opening Garden View bed based intermediate care
- Increasing provision of care and extra care housing
- Roll out of the Distress Brief Intervention Service
- Improving the uptake of Self-Directed Support
- Good uptake of Technology Enabled Care
- Appointment of GP Cluster Leads.

Delivery actions still to be achieved include:

- Increasing the referral rate for people with dementia to post diagnostic support services
- Developing the Buutzorg model of care and integrated locality management
- Providing polypharmacy support to social care service users to prevent medication-related admissions and improve the quality of disease management
- Shifting resources from acute health and social care to community settings

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 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 for each of these three areas.

6. Decisions of the IJB during the year

6.1. The IJB agreed the following Directions:

- To *SBC* and *NHSB* to re-commission learning disability services from the market.
- To *NHSB* to implement the *Primary Care Improvement Plan (PCIP)* within available resources; and to continue to engage with the *Scottish Government* regarding the shortfall in funding.
- To *NHSB* for the development of the *Oral Health Strategy*.
- To work in partnership to develop an integrated *poly-pharmacy* support service for all adult social care service users, provided by all providers.
- The *Court of Session* declared the previous decision to close the *Teviot day service* as unlawful. In response, the *IJB* established an inclusive working group to undertake a needs assessment. Through extensive engagement and co-production, *SBC* were directed to implement the agreed service model. Work is now progressing to review requirements and develop solutions for Newcastleton and the other localities.

- To *NHSB* to develop a *Hospital at Home* model within the Eildon locality.
- The *Integrated Workforce Plan* was approved, covering health, social care and third/independent sector.
- The *Strategic Commissioning Framework 2023-26* was welcomed and approved by the *IJB* in March 2023. The Direction to *SBC* and *NHSB* was to implement the *Framework* in the context of the *Financial Plan, Budget, and the Workforce Plan*.

In June 2023, two *Directions* were considered to be of concern:

- Despite significant engagement with *Scottish Government*, *PCIP* funding remained materially less than required. The *PCIP Executive* have worked on a proposal for the *IJB* to consider in July 2023.
- The budget for 2023/24 is very challenging with significant savings targets which have not been fully identified. The *IJB* has requested a *Financial Recovery Plan*. The gap will not be able to be addressed in one year.

6.2. The *IJB* considered the significant pressures in the following services:

The *IJB* had an extensive discussion in relation to the establishment of care villages. A revised direction was required, to clearly set out the requirements for the *Council, Health Board and IJB*.

The *IJB* noted the financial challenges around implementing the *PCIP* (and the resulting difficulty in implementing the new *GP Contract*). The implementation of the RENEW mental health and wellbeing service in Primary Care has been very successful with clients having a positive experience and workload for GPs has reduced.

The *IJB* had a specific session to consider pressures across the whole system. They considered updates in relation to the use of multi-disciplinary funds and preparations for winter. Primary Care have undertaken adhoc surveys which demonstrate that pressures continue to increase. Pressures are prevalent in hospital services throughout the year. Work is being undertaken through the *Kaizen Programme* to redesign and transform hospital unscheduled care services. Members recorded their appreciation for what was happening and what teams were delivering on the ground to support patients and the local population with their health and care needs.

7. Financial Performance

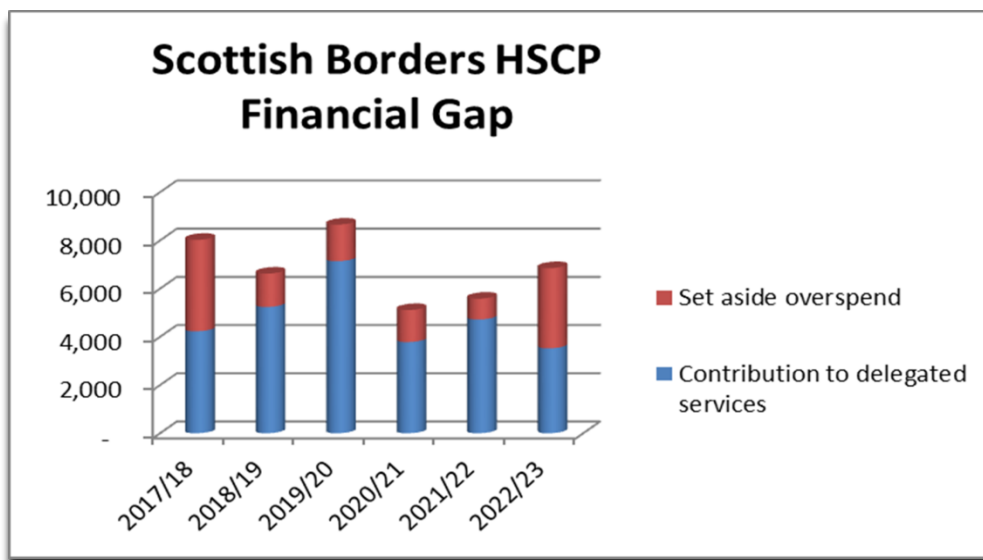
7.1. Introduction

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 £16.753m (previous year *surplus* of £16.356m). 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. £8.901m of COVID funding was returned to Scottish Government with the remainder utilised throughout the year, as detailed in section 7.5 below.

7.3. Delegated Services

The underlying financial performance of *delegated* services was a net *overspend* of **£4.889m (2.48%)** against the revised delegated budget of **£197.204m** at 31 March 2023 (previous year overspend **£4.718m, or 4%**). An additional payment of **£5.463m** from *NHS Borders* was required to meet this additional in year spend whilst an underspend of **£0.573m** 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 INTEGRATION JOINT BOARD			
UNDERLYING FINANCIAL PERFORMANCE			
	SBC £'000	NHSB £'000	IJB £'000
Financial Plan Funding for delegated services	72,180	125,024	197,204
Outturn Spending	71,607	130,487	202,094
2022/23 (underspends returned) / additional payments required	(573)	5,463	4,889
% Value of (underspends returned) /additional payments required	-0.79%	4.37%	2.48%
2021/22 additional payments required	0	4,718	4,718
% Value of additional payments required	0.00%	2.60%	4.00%

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 **£0.573m** being returned to SBC. The net overspend amount of **£5.463m** is funded by NHB via an additional payment.

Table 2 Delegated Services Year-end Outturn 2022-23

<i>Delegated Functions Total</i>	Revised Budget £'000	Actual Outturn £'000	Outturn Variance £'000
Joint Learning Disability Service	24,790	25,879	(1,089)
Joint Mental Health Service	23,428	22,841	587
Joint Alcohol and Drug Service	1,038	1,038	0
Older People Service	30,293	30,101	192
Physical Disability Service	2,698	2,586	112
Prescribing	23,432	25,263	(1,831)
Generic Services	92,595	94,385	(2,861)
NHSB / SBC Net Additional Contribution	4,889	0	4,889
	202,094	202,094	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 some marginally underspent what they initially budgeted including older people and physical disability services.

- Significant financial pressures in *delegated* functions include:
 - High-cost individual Learning Disabilities out of area placements
 - Use of premium rate staffing to cover medical workforce gaps within Mental Health is offset by underspends in other staffing areas primarily nursing.
 - Prescribing volumes and price indicators show an increased spend within primary care.

The £2.861m overspend in Generic services is largely due to unmet savings targets of £4.3m 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 **£29.031m** to *NHSB* for the *Set-Aside* budget in 2022/23. During the financial year, *NHSB* spent **£32.358m**, resulting in an overspend of **£3.327m, (last year £0.866m)**. The overspend remains the responsibility of *NHSB*, and as a result, has been absorbed within the *NHSB* financial outturn.

The 2022/23 *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 2022-23

<i>Set Aside Healthcare Functions</i>	Revised Budget £'000	Actual Outturn £'000	Outturn Variance £'000
Accident & Emergency	3,777	4,999	(1,222)
Medicine of the Elderly	19,355	19,946	(591)
Medicine & Long-Term Conditions	6,842	7,412	(569)
Planned Savings & Actions	(944)	0	(944)
	29,031	32,358	(3,327)

The *IJB* is not responsible for the operational overspend on set-aside functions. Whilst operationally these functions adversely reported a **£3.327m** 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, 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 [£26.596m](#) including [£25.297m](#) within delegated services and £1.299m in set aside.
- [£29.617m of reserves](#) were utilised during the year including [£8.901m](#) of COVID funding being returned to SG (Scottish Government).
- Additional Reserves of [£12.863m](#) were added, largely within the Social Care Fund ([£7.887m](#)), Transformation ([£2.27m](#)) and Health Board Support ([£2.028m](#))
- This gives an in-year net [reduction in reserves](#) of [£16.753m](#).
- Remaining reserves of [£9.843m](#) carried forward into 2023/24 including Transformation fund reserves of [£1.070m](#), Mental Health reserves of £2.015m and Health Board Support of £ 2.027m.

Much of the movement in reserves in year was due to the treatment of unutilised Covid funds. At March 2022 the IJB held a balance of [£11.048m](#) in relation to Covid ring-fenced funds; during 2022/23 the IJB incurred expenditure of [£2.147m](#) in relation to Covid with the balance of [£8.901m](#) being returned to Scottish Government via clawback of funds through the NHS Borders Revenue Resource Limit.

Table 4 Movement in different funds held in IJB Reserves during 2022/23

Portfolio	Opening Balance April 2022 £	2022/23 Utilised in year £	Additional Commitment (NHSB) £	Total Balance March 2023 £	2022/23 In-Year Movement £
Alcohol and Drugs Partnership	974,522	(363,424)		611,098	(363,424)
BBV	97,329	(97,329)	45,520	45,520	(51,809)
Mental Health & Wellbeing	2,287,674	(272,114)		2,015,560	(272,114)
Primary Care Improvement Plan	1,522,980	(1,136,244)		386,736	(1,136,244)
Primary Care Digital	346,527	(220,059)		126,468	(220,059)
Primary Care Premises	339,878	(233,570)	112,280	218,588	(121,290)
Primary Care Other	568,679	0	296,605	865,284	296,605
East Region Diabetes	1,492,998	(660,527)		832,471	(660,527)
Workforce & Wellbeing	687,261	(602,215)		85,046	(602,215)
Community Living Change Fund	377,966	0		377,966	0
Covid *	11,048,000	(11,048,000)		0	(11,048,000)
HB Support	3,720,613	(3,720,613)	2,027,851	2,027,851	(1,692,762)
Other	782,645	(612,450)	191,637	361,832	(420,813)
Transformation Fund**	928,000	(2,128,000)	2,270,000	1,070,000	142,000
Social Care Fund**	0	(7,887,000)	7,887,000	0	0
Older People's Change Fund	122,000	(122,000)	0	0	(122,000)
Delegated Total	25,297,072	(29,103,545)	12,830,893	9,024,420	(16,272,652)
Urgent & Unscheduled Care	871,566	(86,127)		785,439	(86,127)
Winter	427,468	(427,468)	33,047	33,047	(394,421)
Set-Aside Total	1,299,034	(513,595)	33,047	818,486	(480,548)
Grand Total	26,596,106	(29,617,140)	12,863,940	9,842,906	(16,753,200)

7.6. Financial Outlook Future Years

The anticipated continued increase in the number of older people and a 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 means that long term planning is challenging. Capacity to plan and deliver required levels of transformation and efficiency savings is also a key factor.

In this context, the *HSCP* continues to experience significant challenges in meeting the demand for services within available budget and staffing levels. As noted earlier in this report, the *HSCP* has faced significant financial challenges since its inception.

Significant financial risks which require management and mitigation:

- Underlying *savings targets within delegated budgets*.
- If service pressures are not funded by the *Scottish Government* in full, neither partner will be able to make additional contributions to top-up the budget delegated to the *IJB*. Accordingly, the *IJB* may be at risk of overspend, without mitigating solutions.
- Workforce sustainability for health, social and independent/third sector partners.
- The potential loss of service provision as a result of market failure would result in additional costs for alternative supply. The impact of inflationary pressure on third and independent sector is significant. National negotiations around the uplift have not yet concluded.
- Insufficient funding allocation from Scottish Government to implement the *PCIP* which underpins the new GP contract (from 1 April 2023).
- Prescribing remains high risk due to the volatility of price and volume of prescriptions.
- Services previously provided under the Transformation Programme have been permanently provided as recurring budget. Any future transformation activity will require additional resources to be identified.
-

The *IJB* did not approve the *NHSB* initial *delegated budget* until its April 2023 meeting, because further information was requested.

The *IJB* has requested a *recovery plan* be prepared, to address the pressures and risks, and the *IJB* budget was therefore presented on a one-year basis pending agreement to the recovery plan.

Moving forward, two approaches are key to success:

- Increased ability to identify a greater level of savings and management capacity to deliver those savings on a recurring basis.
- Developing a longer-term financial model which will quantify the challenges ahead and allow us to use a *Best Value* approach to longer term financial planning, designed to provide more value with less resource. Using this approach to identify areas of priority, and to realign spending plans to provide greatest benefit.

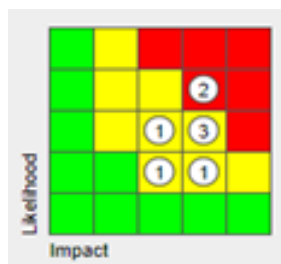
8. *Risk Management*

Effective risk management including financial risk is one of the key responsibilities of the *IJB*. The identification and management of risk is a management responsibility and is reviewed regularly by the *IJB Audit Committee*, ensuring that actions are in place to mitigate and manage risks appropriately.

In accordance with the *IJB Risk Management Policy and Strategy*, 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 *IJB Strategic Commissioning Plan*.

The *Chief Officer* and *CFO* carried out a management review of the previous iteration of the risk register on 25 March 2022. This was followed by a series of development sessions between May and July 2022 to reframe the *Risk Register* to better reflect the role and remit of the *IJB* and support and underpin the objectives of integration, retaining all relevant elements from the original risk register before its deactivation. The *Risk Register* and mitigation was considered by the *IJB* in March 2023.

At that latest review, two risks were rated as likely: failure to deliver within budgets will impact on outcomes, and lack of infrastructure to operate effectively could result in failures of governance, scrutiny and performance management.



Risk Title	Description of risk	Score and Rating
IJB001 - Strategic Objectives	Failure to deliver the <i>SBIJB</i> strategic objectives could lead to the inability of the <i>IJB</i> to deliver the <i>intended health and wellbeing outcomes</i> and achieve the <i>core aims of integration</i> for the Scottish Borders population.	9 Moderate – Possible
IJB002 – Budget	If we fail to ensure the effective delivery of outcomes/delegated services within the available budgets, then it could lead to poorer outcomes and an inability to deliver the <i>Strategic Commissioning Plan</i> .	16 Major – Likely
IJB 003 – Issuing of Directions	If the <i>Directions</i> issued by the <i>IJB</i> are unclear or are not implemented by partners then it may adversely impact on outcomes, resources and on the principles of integration.	8 Major – Unlikely
IJB 004 – Operating as a Separate Entity	If the <i>IJB</i> does not operate effectively as a <i>separate entity</i> in <i>partnership</i> with communities, the Council and the Health Board, then it could result in a failure to deliver the principles of integration and achieve its objectives.	6 Moderate – Unlikely
IJB 005 – Infrastructure	If the <i>IJB</i> lacks the professional, administrative and technical infrastructure to operate effectively it could result in failures of planning, governance, scrutiny and performance arrangements.	16 Major – Likely
IJB006 – Resources	If the <i>IJB</i> fails to make best use of the expertise, experience and creativity of its communities then it could result in negative impacts to the delivery of its strategic outcomes and poor relationships with its communities.	12 Major – Possible
IJB007 – Legislative/Regulatory Compliance	If the <i>IJB</i> fails to comply with legislative and regulatory requirements it could lead to legal breaches and result in fines and/or prosecution.	12 Major – Possible
IJB008 – National Care Service Bill	<i>SG's National Care Service Bill</i> (ultimately disbanding Scottish <i>IJBs</i>) could result in partners ceasing to engage with the <i>IJB</i> , subsequently leading to negative impacts on the achievement of <i>IJB</i> objectives and the communities it serves.	12 Major – Possible

9. The Integration Joint Board

Voting members

During 2022/23 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
Ms. Lucy O’Leary	Non-Executive Director, NHSB	Voting member (Chair)
Mrs. Harriet Campbell	Non-Executive Director, NHSB	Voting member - Resigned 31/10/22
Mrs. F Sandford	Non-Executive Director, NHSB	Voting member - appointed 01/11/22
Ms. Karen Hamilton	Non-Executive Director, NHSB	Voting member
Mr. John McLaren	Non-Executive Director, NHSB	Voting member
Mr. Tris Taylor	Non-Executive Director, NHSB	Voting member
Cllr. David Parker	Elected Member, SBC	Voting member
Cllr. Jane Cox	Elected Member, SBC	Voting member - Resigned 31/12/22
Cllr. Robin Tatler	Elected Member, SBC	Voting member
Cllr. Elaine Thornton-Nicol	Elected Member, SBC	Voting member
Cllr. Tom Weatherston	Elected Member, SBC	Voting member (Vice Chair)
Cllr. Neil Richardson	Elected member, SBC	Voting member – appointed 01/02/23

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. This post was vacant until 1 August 2022. This role is a statutory requirement, which, whilst vacant, was undertaken by Mr Andrew Bone, *Director of Finance of NHS Borders* and Mr David Robertson, *Director of Finance and Corporate Governance of Scottish Borders Council* on a shared basis until 1 August 2022 when 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 Ms 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
Chair of the IJB

25 July 2024



Chris Myers
Chief Officer IJB

25 July 2024



Lizzie Turner ACCA
Chief Financial Officer – IJB
(Section 95 Officer)

25 July 2024

B. **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 information contained in the report is 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 Expense

Expenses 2021/22 £	Name	Post held	From / to	Nominated by	Expenses 2022/23 £
1,082	Mr Malcolm Dickson		To 31/07/2021	NHS Borders	
1,117	Mrs Lucy O'Leary	Member	From 01/04/2021	NHS Borders	3,485.47
		Vice Chair	From 31/07/2021		
37	Dr Stephen Mather			NHS Borders	
511	Mr Tris Taylor			NHS Borders	1,551.42
2,747					5,037

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 Financial 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 2021/22 £	Name	Employing Organisation	Note	Salary 2022/23 £	Fees and allowance £	Total 2022/23 £
77,836	Mr Rob McCulloch-Graham	Scottish Borders Council	1	-	-	-
37,918	Mr Chris Myers	NHS Borders	2	89,318	2,676	91,994
-	Mrs Hazel Robertson	NHS Borders	3	54,284	-	54,284
115,754	Total			143,602	2,676	146,278

Notes

1. Mr Rob McCulloch-Graham left the post of Chief Officer to the IJB on 31 October 2021. Only salary costs to this date have therefore been included.
2. Mr Chris Myers took up post of Chief Officer to the IJB on 1 November 2021. For 2021/22 Mr Myers's annual salary was £85,966.
3. Mrs Hazel Robertson took up post of Chief Financial Officer to the IJB on 1 August 2022 thus there are no salary costs in 2021/22. Mrs Robertson's annual salary is £81,426.
4. Mr Andrew Bone, NHS Borders and Mr David Robertson, Scottish Borders Council jointly provided cover for the CFO role in 2021/22 and up to the date of Mrs Hazel Robertson taking up post in August 2022. 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	Note	In-year pension contributions for year to		Accrued pension benefits		
			31-Mar-22	31-Mar-23	Type	As at 31/3/23	Movement from 31/3/2022
			£	£		£	£
Mr Chris Myers	NHS Borders	1	7,856	19,227	Pension	20	4
					Lump Sum	54	5
Mrs Hazel Robertson	NHS Borders	3	n/a	11,345	Pension	31	n/a
					Lump Sum	88	n/a

Notes

- 1 Mr Chris Myers took up post of Chief Officer to the IJB on 1 November 2021 and therefore did not accrue a full year of pension contributions in 2021/22.
- 2 Mr David Robertson, CFO Scottish Borders Council and Mr Andrew Bone, Director of Finance NHS Borders jointly performed the role of IJB CFO from 03 August 2020 to 31 July 2022. There was no additional remuneration or recharge to the IJB.
- 3 Mrs Hazel Robertson took up post of Chief Financial Officer to the IJB on 1 August 2022 thus there is no pension contribution in the prior reporting period.
- 4 An error has been identified in the 2021/22 accounts which incorrectly stated C Myers pension contribution; this has been rectified in the table above.

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 2022/23 this is:

Remuneration Table 4: Remuneration Band of senior employees

Number of employees in Band 2021/22	Remuneration Band	Number of employees in Band 2022/23
-	£50,001 - £55,000	1
1	£75,001 - £80,000	-
-	£90,001 - £95,000	1



Lucy O'Leary
Chair of the IJB

25 July 2024



Chris Myers
Chief Officer IJB

25 July 2024

On behalf of the Members and Officers of Scottish Borders Integrated Joint Board.

C. Statement of Responsibilities

11. Responsibilities of the Scottish Borders 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 Financial Officer*;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- Ensure the Annual Accounts are prepared in accordance with legislation (*The Local Authority Accounts (Scotland) Regulations 2014*), and 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 24th July 2024.

Signed on behalf of *Scottish Borders Integration Joint Board*.



Lucy O'Leary
Chair of the IJB

25 July 2024

12. Responsibilities of the Chief Financial Officer

The *Chief Financial 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 Financial 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 2023.



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

25 July 2024

D. Annual Governance Statement

13. Introduction

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

13.1. Scope of Responsibility

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

To meet this responsibility, the *IJB* has established arrangements for governance which includes a system of internal control. The system is intended to manage risk to support the achievement of the *IJB's* policies, aims and objectives. Reliance is also placed on *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.

13.2. The Governance Framework and Internal Control System

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 Financial Officer appointed by the Board.

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. The *IJB Local Code* reflects the changing context of integration and is consistent with the principles and recommendations of the new *CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' (2016)* and the supporting guidance notes for Scottish authorities. The overall aim of the *Framework* 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 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 2022/23 included:

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

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 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 and
- 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 *Strategic Framework 2023-26*. A new *Equalities and Human Rights Framework* was approved in March 2023 which includes a new *Equalities and Human Rights Impact Assessment* that promotes consultation with people with protected characteristics and harder to reach groups.

The *Future Strategy Group (FSG)* supports the *Strategic Planning Group (SPG)* in undertaking the ‘analyse and plan’ commissioning segments of the strategic commissioning cycle.

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 new 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* applies to the *IJB* as its *Strategic Commissioning Plan and* supports the *IJB* in its oversight of all delegated and set aside services and integration agenda. It sets out how the *IJB* will transform, commission and provide health and social care services over the next three years 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 plan for 2023/24 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*.

E. Developing the entity's capacity, including 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/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 *IJB Board* are provided with the opportunity to attend Development Sessions relevant to their role, as do members of the *IJB 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 *IJB Board* will inform areas for improvement.

The *Integrated Workforce Plan 2022/25* 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 *IJB Board* is responsible for key decision-making.

The *IJB* has approved a *Risk Management Strategy*. Improved strategic risk review and reporting to the Board have been established to embed risk management into *IJB's* culture.

The *IJB* Chief Financial Officer is responsible for the proper administration of all aspects of the *IJB's* financial affairs.

The *IJB's* system of internal financial control is dependent upon on the framework of appropriate financial regulations, codes of financial practice, and reporting standards.

Quarterly Revenue Budget Monitoring reports are presented to the *Board* for monitoring and control purposes including the annual outturn.

The 2023/24 budget includes reference to the development of a *Financial Recovery Plan* with its partners. It is expected that *Directions* will be used to support this.

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

Quarterly Performance Reports were presented to the *IJB Board* for the purposes of monitoring and control. An *Annual Performance Report* for 2022/23 will be presented to the *Board* to outline progress against strategic objectives during the year.

The independent and objective audit opinion of the *IJB Chief Internal Auditor* on the effectiveness of the *IJB's* internal control, risk management and governance arrangements are stated in the *Internal Audit Annual Assurance Report for the IJB*.

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 *IJB Audit Committee*, which is integral to overseeing assurance and monitoring improvements in internal control, risk and governance. The *IJB 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 IJB Audit Committee against its remit.

The *Annual Accounts and Report for 2022/23* sets out the financial position in accordance with relevant accounting regulations and are presented for review by the IJB Audit Committee prior to submission to the *IJB Board* for approval.

Review of Adequacy and Effectiveness

The *IJB* is required to conduct an annual review of the effectiveness of its governance framework. 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 four improvement areas of governance identified by the *IJB* in 2021/22, there has been progress made with their implementation. Two recommendations are now complete (Develop the *Workforce Planning Framework* to align to *Strategic Commissioning Plan*; Ensure the key themes of consultation and sustainability are evidenced in reports used for decision-making to enhance transparency), and two recommendations are still in progress with extensions granted to completion dates to enable the IJB Chief Officer to fully implement these. These therefore continue to be noted below, nos. 1-2. One further recommendation was made by *Internal Audit* arising from their 2022/23 review to enhance corporate governance arrangements, no. 3 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. Ensure regular updates on progress against the *Ministerial Strategy Group (MSG) Self Evaluation HSCP Action Plan* and Best Value Areas of Improvement.
2. Review and update the *Communications Strategy* to ensure that it remains relevant in the current environment in respect of stakeholder consultation and engagement.

3. 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*.
4. Develop financial reporting to ensure compliance with guidance in relation to the *Set-Aside*, in collaboration with *NHS Borders*.
5. Formalise engagement of the IJB Chief Finance Officer in the scrutiny and monitoring arrangements for the *NHS Borders Financial Improvement Plan*.

The implementation of the associated Action Plan, Nos.1-3 set out within the *Internal Audit Annual Assurance Report 2022/23* and Nos. 4-5 set out in the *External Audit Annual Report 2021/22*, 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 2023/24 will follow-up on progress with implementation of the *Action Plan*.

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
Chief Officer IJB

25 July 2024



Lucy O'Leary
Chair of the IJB

25 July 2024

On behalf of the Members and Officers of the Scottish Borders Integrated 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 2023 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 policies 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 2022/23 (the 2022/23 Code).

In my opinion the accompanying financial statements:

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

Basis for opinion

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

These conclusions are not intended to, nor do they, provide assurance on Scottish Borders Integration Joint Board's current or future financial sustainability. However, I report on Scottish Borders Integration Joint Board'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 Audit Committee 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 Scottish Borders Integration Joint Board'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 Scottish Borders Integration Joint Board's operations.

The Audit Committee 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 Scottish Borders Integration Joint Board;
- 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 Scottish Borders Integration Joint Board;
- inquiring of the Chief Finance Officer concerning Scottish Borders Integration Joint Board'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 Scottish Borders Integration Joint Board'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 Director

Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

Date: 25 July 2024

F. Statement of Accounts

Comprehensive Income and Expenditure Statement (CIES) for the Year Ended 31 March 2023

This statement shows the movement in the year on the IJB's reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices.

COMPREHENSIVE INCOME & EXPENDITURE STATEMENT							
Gross Expenditure	Income	Net Expenditure		Gross Expenditure	Income	Net Expenditure	Note
2021/22	2021/22	2021/22		2022/23	2022/23	2022/23	
£'000	£'000	£'000		£'000	£'000	£'000	
126,389	0	126,389	Health Services Delegated	130,753	0	130,753	(3,4,7)
64,104	0	64,104	Social Care Services Delegated	71,607	0	71,607	
27,451	0	27,451	Health Services Retained and Set-Aside by NHS Borders	29,031	0	29,031	
132	0	132	Corporate Services	273	0	273	
218,076	0	218,076	Cost of Services	231,664	0	231,664	
0	(234,432)	(234,432)	Taxation and Non-Specific Grant Income	0	(214,910)	(214,910)	5
218,076	(234,432)	(16,356)	(Surplus) or Deficit on Provision of Services	231,664	(214,910)	16,753	
			Total Comprehensive Income and Expenditure			16,753	

Movement in Reserves

The *IJB* approved its *Reserves Policy* initially in 2016/17 and updated it during 2022/23.

The policy was utilised to ring-fenced funding allocations received by *NHSB*, including Covid-19.

MOVEMENT IN RESERVES			
	General Fund Balance £'000	Useable Reserves: Employee Statutory Adjustment Account £'000	Total Reserves £'000
Opening Balance as at 31st March 2022	26,596	0	26,596
Total comprehensive Expenditure	(16,753)	0	(16,753)
Opening Balance as at 31st March 2023	9,843	0	9,843
Increase or Decrease during Current year	(16,753)	0	(16,753)

Balance Sheet at 31 March 2023

The Balance Sheet shows the value of the IJB's assets and liabilities as at 31 March 2023. The net assets of the IJB (assets less liabilities) are matched by the reserves held by the IJB.

BALANCE SHEET AS AT 31 MARCH 2023					
31st March 2022 £'000			31st March 2023 £'000		Note
29,166	29,166	Current Assets			
		Short-Term Debtors	12,295	12,295	6
(2,570)	(2,570)	Current Liabilities			
		Short-Term Creditors	(2,452)	(2,452)	6
	26,596	Net Assets		9,843	
	26,596	Useable Reserve: General Fund		9,843	
	0	Useable Reserve: Employee Statutory Adjustment Account		0	
	26,596	Total Reserves		9,843	

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 30 June 2023 and the audited accounts were authorised for issue on

Lizzie Turner

**Lizzie Turner ACCA
Chief Financial Officer - IJB
(Section 95 Officer)**

25 July 2024

G. Notes to the Annual Accounts

Significant Accounting Policies

1. General Principles

The Annual Accounts summarise the Integration Joint Board's transactions for 2022/23 and its position at the year-end of 31 March 2023.

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 2022/23 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 2023, 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 2023.

(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 2023.

(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 2023 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 2023, 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 30 June 2023. 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 2023, 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 2023.

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		
2021/22		2022/23
Net Expenditure in the CIES £'000		Net Expenditure in the CIES £'000
23,257	Joint Learning Disability Service	25,879
21,280	Joint Mental Health Service	22,841
920	Joint Alcohol and Drug Service	1,038
25,245	Older People Service	30,101
2,573	Physical Disability Service	2,586
23,552	Prescribing	25,263
88,809	Generic Services	94,385
1,980	Integrated Care Fund / Transformation Fund	0
27,451	Health Services Retained and Set-Aside by NHS Borders	29,031
2,876	Scottish and UK Government-Funded Testing Kits	266
133	Corporate Services	273
218,076	Cost of Services	231,664
(234,432)	Other Income and Expenditure	(214,910)
(16,356)	(Surplus) or Deficit on Provision of Services	16,753
(10,240)	Opening General Fund Balance	(26,596)
(16,356)	(Surplus) or Deficit in the Year	16,753
(26,596)	Closing General Fund Balance	(9,843)

4. Expenditure and Income Analysis by Nature

2021/22 £'000		2022/23 £'000
153,840	Services commissioned from NHS Borders	159,783
64,104	Services commissioned from Scottish Borders Council	71,608
104	Employee Benefits Expenditure	151
28	Auditor Fee: External Audit	31
0	NDTi Expense	90
(234,432)	Partners' Funding Contributions	(214,910)
(16,356)	(Surplus)/Deficit on provision of Services	16,753

The fee charged by the Independent Auditor for 2022/23 was £31,470, an increase of 12.55% from last year. There were no non-audit services provided by External Audit.

5. Taxation and Non-Specific Grant Income

2021/22 £'000		2022/23 £'000
(178,487)	Funding Contribution from NHS Borders	(151,053)
(55,945)	Funding Contribution from Scottish Borders Council	(63,857)
(234,432)	Taxation and Non-Specific Grant Income	(214,910)

The funding contribution from **NHSB** shown above includes **£29.031m** 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 2023 and any payments made in respect of delegated functions in advance of the financial year 2022/23.

The IJB's Creditors include payments due by the partnership not yet made by the 31 March 2023 and any income it has received in advance of the financial year 2023/24.

DEBTORS incl. PAYMENTS IN ADVANCE

31st March 2022 £'000		31st March 2023 £'000
25,560	Funding NHS Borders	8,788
3,606	Funding Scottish Borders Council	3,507
0	Funding Non-Public Sector	
29,166	Debtors	12,295

CREDITORS incl. INCOME IN ADVANCE

31st March 2022 £'000		31st March 2023 £'000
0	Funding NHS Borders	0
(2,570)	Funding Scottish Borders Council	(2,452)
0	Funding Non-Public Sector	0
(2,570)	Creditors	(2,452)

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

2021/22 £'000		2022/23 £'000
(178,487)	Funding Contributions	(151,054)
153,840	Expenditure on Services Provided	159,783
37	Key Management Personnel	151
14	Support Services	0
(24,596)	Net Transactions with NHS Borders	8,881

31st March 2022 £'000		31st March 2023 £'000
25,560	Debtors: Amounts Due from NHS Borders	8,788
0	Creditors: Amounts Due to NHS Borders	0
25,560	Net Balance with NHS Borders	8,788

SCOTTISH BORDERS COUNCIL

2021/22 £'000		2022/23 £'000
(55,945)	Funding Contributions	(63,857)
0	Service Income	0
64,104	Expenditure on Services Provided	71,607
67	Key Management Personnel	0
14	Support Services	122
8,240	Net Transactions with Scottish Borders Council	7,872

31st March 2022 £'000		31st March 2023 £'000
3,606	Debtors: Amounts Due from Scottish Borders Council	3,507
(2,570)	Creditors: Amounts Due to Scottish Borders Council	(2,452)
1,036	Net Balance with Scottish Borders Council	1,055

(16,356)	Net Transactions Overall	16,753
26,596	Net Balances	9,843

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 2021/22, nor made at 31 March 2023.

9. Useable Reserve: General Fund:

The IJB holds a balance on its General Fund Reserve at 31 March 2023. 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 Financial Officer require to be considered in relation to absence entitlement earned but not yet taken at 31 March 2023. 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 2023 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.