

REPORT TO: HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD –
21 JUNE 2023

REPORT ON: UNAUDITED ANNUAL ACCOUNTS 2022/23

REPORT BY: CHIEF FINANCE OFFICER

REPORT NO: DIJB41-2023

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to present the Integration Joint Board's Unaudited Annual Statement of Accounts 2022/23.

2.0 RECOMMENDATIONS

It is recommended that the Integration Joint Board (IJB):

- 2.1 Considers and agrees the content of the Unaudited Final Accounts Funding Variations as outlined in Appendix 1;
- 2.2 Approves the Draft Dundee Integration Joint Board Annual Corporate Governance Statement as outlined in Appendix 2;
- 2.3 Notes the Integration Joint Board's Unaudited Annual Statement of Accounts 2022/23 as outlined in Appendix 3;
- 2.4 Instructs the Chief Finance Officer to submit the Unaudited Accounts to the IJB's external auditors (Audit Scotland) by the 30th June 2023 to enable the audit process to commence.

3.0 FINANCIAL IMPLICATIONS

3.1 The unaudited annual accounts statement for the year end 31 March 2023 highlights that the IJB made an overall deficit of £15,030k in 2022/23. This consists of an operational underspend of £7,531k with a draw down of reserves balances for specific ring fenced funding allocations of £22,561k at the year-end. The deficit position is funded from reserve balances.

4.0 MAIN TEXT

4.1 Background

4.1.1 The IJB is required to prepare financial statements for the financial year ending 31 March 2023 following the Code of Practice on Local Authority Accounting in the United Kingdom ("the Code"). The Annual Accounts report the financial performance of the IJB. Its main purpose is to demonstrate the stewardship of the public funds which have been entrusted to the IJB for the delivery of the IJB's vision and its core objectives.

- 4.1.2 The IJB is required to follow Local Authority Accounts (Scotland) Regulations 2014. This requires the inclusion of a management commentary and remuneration report and recommends submission of the unaudited accounts by 30 June 2023 to the IJB's external auditors (Audit Scotland for 2022/23)
- 4.1.3 The 2022/23 Annual Accounts comprise: -
- a) Comprehensive Income and Expenditure Statement – This statement shows that Dundee Integration Joint Board made an overall deficit of £15,030k in 2022/23 (surplus of £25,169k in 2021/22) on the total income of £328,622k (£325,430k in 2021/22).
 - b) Movement in Reserves – Dundee City Integration Joint Board has year-end reserves of £23,968k (£38,998k in 2021/22). These are held in line with the Dundee City Integration Joint Board's reserves policy. Reserves were applied during the year to cover outstanding liabilities to Dundee City Council, NHS Tayside and the activities of the Integration Joint Board. Dundee Integration Joint Board reserves have decreased due to the return of unused COVID-19 recovery funding to the Scottish Government
 - c) Balance Sheet – In terms of routine business Dundee Integration Joint Board does not hold assets, however the reserves noted above are reflected in the year-end balance sheet.
 - d) Notes - Comprising a summary of significant accounting policies, analysis of significant figures within the Annual Accounts and other explanatory information.
- 4.1.4 It should be noted that due to a range of technical accounting and other budgetary changes, there is some variation between the original agreed levels of funding from Dundee City Council and NHS Tayside to Dundee IJB as part of the delegated budget. The details of these are set out within the Draft Final Accounts Funding Variations summary as Appendix 1 to this report and it is proposed that the IJB accepts these changes.
- 4.1.5 The annual accounts document contains a Governance and Assurance Statement which is based on a self-assessment process. The IJB governance arrangements require to be independently assessed by Internal Audit and the Chief Internal Auditor's Annual Internal Audit Report is set out as a separate item on this IJB meeting agenda.
- 4.1.6 Once submitted, Audit Scotland will assess these accounts in line with their Annual Audit Plan for Dundee IJB as approved at the meeting of the Integration Joint Board held on the 19th April 2023 and produce an independent auditors' report setting out their opinion on the annual statement at the earliest date possible as noted in section 4.1.2 above. The outcome of this will be incorporated into the annual accounts and will subsequently be presented to the IJB for final approval. The unaudited accounts are shown in Appendix 3.

5.0 POLICY IMPLICATIONS

5.1 This report has been subject to the Pre-11A Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6.0 RISK ASSESSMENT

Risk 1 Description	There is a risk that through the audit process, Audit Scotland identify areas of concern or material misstatement leading to a qualified audit certificate
Risk Category	Financial/Governance
Inherent Risk Level	Likelihood 2 x Impact 4 = Risk Scoring 8 (which is High Risk Level)
Mitigating Actions (including timescales and resources)	The accounts have been prepared in accordance with good practice principles and statutory requirements by suitably qualified officers
Residual Risk Level	Likelihood 2 x Impact 3 = Risk Scoring 6 (which is a Moderate Risk Level)
Planned Risk Level	Likelihood 2 x Impact 3 = Risk Scoring 6 (which is a Moderate Risk Level)
Approval recommendation	Given the nature of the risks, these are deemed to be acceptable

7.0 CONSULTATIONS

7.1 The Chief Officer and the Clerk were consulted in the preparation of this report.

8.0 DIRECTIONS

8.1 The Integration Joint Board requires a mechanism to action its strategic commissioning plans and this is provided for in sections 26 to 28 of the Public Bodies (Joint Working) (Scotland) Act 2014. This mechanism takes the form of binding directions from the Integration Joint Board to one or both of Dundee City Council and NHS Tayside.

Direction Required to Dundee City Council, NHS Tayside or Both	Direction to:	
	1. No Direction Required	✓
	2. Dundee City Council	
	3. NHS Tayside	
	4. Dundee City Council and NHS Tayside	

9.0 BACKGROUND PAPERS

9.1 None.

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Appendix 1

Final Accounts – Funding Variations (and Adoption of Specific Presentation)

Extract - Note to Dundee Joint Integration Board regarding variations to the existing Scheme of Integration and the adoption of specific presentation of information within the framework of the International Financial Reporting Standards (IFRS).

Background

The following note provides details of variations to the delegated budget for which approval is sought by the Dundee Integration Joint Board. The adjustments and explanations for these adjustments are outlined below section 1.

In addition, information has been presented within the requirements of the International Financial Reporting Standards (IFRS) and attributable supplementary Local Authority (Scotland) Accounts Advisory Committee (LASAAC). Specific applications of the guidance are outlined in section 2.

Section 1 – Variations to Delegated Budget

Local Authority Variations – The agreed delegated budget 2022/23 provided for a budgeted payment of £92,763k from Dundee City Council to the Dundee City Integration Joint Board to fund the commissioning of services. It is recognised that a number of technical year-end adjustments will result in variations in costs out with the control of the IJB (e.g. adjustments to pension costs).

These year-end adjustments will be a feature of each year end accounts process. Notably they are difficult to quantify at the commencement of the financial year (e.g. pension costs adjustments can vary significantly within a single financial year) and cognisance of these variations requires to be taken of these variations in the Dundee Integration Joint Boards accounts.

The Dundee City Council adjusted funding is outlined below: -

DCC Funding to Dundee Integration Joint Board (DIJB)	£000
Initial DCC contribution to DIJB	92,763
Additional Scottish Government Funding For Investment in Health and Social Care (share of £200m)	5,881
Additional Scottish Government Funding For Social Work Capacity in Adult Services	628
Additional Funding from DCC – pension costs	7,047
IJB Adult Disability Payment	125
Various Council Virements	77
Total Funds provided by Dundee City Council	106,521

NHS Tayside Variations – The agreed delegated budget 2022/23 provided for a budgeted payment of £128,794k from NHS Tayside to the Dundee City Integration Joint Board to fund the commissioning of services.

The NHS Tayside contribution also includes specific Integration funding which was provided by the Scottish Government with NHS Tayside acting as an agent. These monies have been provided to the Dundee Integration Joint Board and those not expended currently sit in the Board's reserves.

The NHS Tayside adjusted funding is summarised below in terms of core service areas: -

NHS Funding to Dundee Integration Joint Board (DIJB)	£000
Initial NHS Contribution to DIJB	128,794
Hospital & Community Health Services	3,999
FHS Drugs Prescribing	-4,657
General Medical Services	29,644
FHS - Cash Limited & Non-Cash Limited	23,301
Net Effect of Hosted Services	10,517
Large Hospital Set Aside	20,776
Additional Pay Award and NI Uplift	1,551
Scottish Government Allocation Adjustments	4,727
Partnership Funding	3,449
NHS contribution to DIJB	222,101

Section 2 – Specific application of International Financial Reporting Standards (IFRS)

Netting of Income – The Dundee Integrated Joint Board annual accounts have been prepared on the basis that all operational expenditure is shown net of income as it reflects the actual environment the board is working under. In particular the Dundee Integration Joint Board does not have the legal power to set charges for services provided by either the Council or NHS Tayside. In addition, the IJB cannot pursue an action to recover income from a service recipient. More specifically it reflects the role of the Dundee Integration Joint Board as a net funding vehicle. Audit Scotland has indicated that this is the preferred approach.

To support this position the following text is included on the face of the 2022/23 Annual Accounts

“The Dundee Integration Joint Board’s Comprehensive Income and Expenditure Statement shows the net commissioning expenditure provided to partners to support services. It does not detail income received from service users as this remains the statutory responsibility of the partners.”

Offsetting of Debtors & Creditors – The Dundee Integration Joint Board accounts have been prepared on the basis that the net expenditure from Dundee City Council and NHS Tayside recognises that debtors and creditors in respect of NHS Tayside and Dundee City Council with third parties (other than the Dundee Integration Board) but not yet settled in cash terms are offset against the funds they are holding on behalf of the IJB. This essentially requires that when consolidating its accounts, the Dundee Integration Joints Board have consolidated the accrued net expenditure. Therefore, only debtors and creditors between Dundee Integration Joint Board and its two-constituent body are detailed in the IJB’s final accounts. The only exception to this is Audit Scotland audit fees.

Introduction

The Annual Governance Statement explains Dundee City Integration Joint Board's governance arrangements and reports on the effectiveness of the Integration Joint Board's system of internal control.

Scope of Responsibility

Dundee City Integration Joint Board 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 Integration Joint Board 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 Integration Joint Board's policies, aims and objectives. Reliance is also placed on the NHS Tayside (NHST) and Dundee City Council (DCC) systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the Integration Joint Board. Reliance is similarly placed on Angus IJB and Perth & Kinross IJB with respect to Lead Authority Services.

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



The Governance Framework and Internal Control System

Dundee City Integration Joint Board comprises six voting members, three nominated by Dundee City Council and three nominated by Tayside NHS Board, as well as non-voting members including a Chief Officer and Chief Finance Officer appointed by the Integration Joint Board. As a legacy from the response to the COVID-19 pandemic, all formal IJB governance committees continued to be held online throughout the 2022/23 financial year.

The main features of the governance framework in existence during 2022/23 were:

- The Integration Scheme as the overarching agreement between the Integration Joint Board, NHS Tayside and Dundee City Council as to how the planning for and delivery of delegated health and social care services is to be achieved reflecting a range of governance arrangements required to support this arrangement. This was reviewed by the statutory partners during 2021/22 and early 2022/23 with a revised scheme submitted to Scottish Ministers for approval at the end of June 2022 and final approval received in November 2022.
- The senior leadership team of the Health and Social Care Partnership consisting of the Chief Officer, Head of Finance and Strategic Planning (Chief Finance Officer) and two Head of Service of Health and Social Care Services. The Chief Finance Officer has overall responsibility for the Integration Joint Board's financial arrangements and is professionally qualified and suitably experienced to lead the Integration Joint Board's finance function and to direct staff accordingly.
- Formal regular meetings of the senior leadership team including professional advisers.

- Standing Orders, Financial Regulations and a Code of Conduct including the publication of Register of Member's Interests and the nomination of the Clerk to the Integration Joint Board as Standards Officer were all in place during 2022/23.
- The Integration Joint Board met remotely on seven occasions throughout the year to consider its business. Three development sessions were also held remotely as part of the 2023/24 budget development process. A further eight development sessions were held covering IJB Members Induction, Primary care Improvement Plan, the National Care Service, Alcohol and Drug Prevention, the Strategic Commissioning Plan, Protecting People Annual Reports, IJB Equalities Development and Trauma Informed Practice.
- The Integration Joint Board's Performance and Audit Committee met remotely on four occasions throughout the year to enhance scrutiny of the performance of the Integration Joint Board and audit arrangements in line with regulations and good governance standards in the public sector.
- Internal Audit arrangements for 2022/23 were approved at the Performance and Audit Committee meeting held on the 20 July 2022 including the appointment of the Chief Internal Auditor of FTF Internal Audit and Management Services to the role of Chief Internal Auditor of the Integration Joint Board supported by Dundee City Council's Internal Audit Service. An Internal Audit Plan for 2021/22 was approved drawing on resources from both organisations.
- The assurances provided from internal audit through their independent review work of the Integration Joint Board's internal control systems.
- Assurances were provided to the Performance and Audit Committee in relation to Clinical, Care and Professional Governance through the presentation of a Chairs assurance Report from the Clinical, Care and Professional Governance Group to each meeting of the Committee
- The Chief Finance Officer complied fully with the five principles of the role of the Chief Finance Officer, as set out in CIPFA guidance.
- Compliance with CIPFA's Financial Management Code

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. During 2022/23 this included the following:

- A continued focus on considering risk in decision making through the clear identification of risks in relation to Integration Joint Board decisions reflected in reports presented to the Integration Joint Board and Performance and Audit Committee.
- The provision of regular strategic risk register updates to the Performance and Audit Committee with an annual risk register report presented to the IJB
- The approval and progressing in year of the Annual Internal Audit Plan with the presentation of Internal Audit reports and follow up action plans as appropriate. Update reports on progress of the Internal Audit Plan provided at each Performance and Audit Committee.
- The presentation of the IJB's Annual Performance Report.
- Continued development of the performance management framework with a range of performance reports published and scrutinised by the Performance and Audit Committee throughout the year, including more detailed reviews of specific areas of concern, some of which as requested by the committee such as discharge management, readmission to hospital rates and inspections gradings analysis. A further suite of indicators for Drug and Alcohol and Mental Health Services were developed and adopted by the Performance and Audit Committee over the financial year
- A process of formal regular reporting of financial performance and monitoring to the Integration Joint Board was in place throughout 2022/23.
- The provision of regular budget development reports for 2023/24 to the Integration Joint Board.
- The further enhancement of IJB and Performance and Audit Committee minutes to reflect the nature of discussion and further agreed actions in addition to the availability of online access to and recordings of meetings.
- The continued development of an Action Tracker to each IJB and Performance and Audit Committee meeting to monitor progress of previously agreed actions and to provide assurance that actions were implemented as requested.
- The provision of an assurance report from the chair of the Performance and Audit Committee outlining the key issues raised at the previous Performance and Audit Committee meeting to the following Integration Joint Board meeting.
- Reporting on issues relating to the Clinical, Care and Professional Governance Group in the form of the group's Chairs Assurance Report to each meeting of the Performance and Audit Committee in line with the overarching strategy: Getting It Right for Everyone – A Clinical, Care and Professional Governance Framework with no major issues reported.

- The adoption of a Directions Policy setting out the process for formulating, approving, issuing and reviewing directions to Dundee City Council and NHS Tayside.
- Regular reporting to the Performance & Audit Committee of external scrutiny reports relating to delegated services from scrutiny bodies such as the Care Inspectorate and supporting subsequent action plans.
- Provision of a Governance Action Plan progress report to monitor progress of previous recommended areas of improvement provided to each meeting of the Performance and Audit Committee.
- Assurance provided around the quality of Social Work Services through the annual Chief Social Work Officer's Annual Report
- Reporting of Complaints in relation to delegated Health and Social Care services
- Assurances on the procedures, processes and systems of NHS Tayside and Dundee City Council as advised through the partner bodies Annual Governance Statements and Annual Internal Audit Reports and relevant internal and external audit reporting

Review of Adequacy and Effectiveness

Dundee City Integration Joint Board is required to conduct, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

The review is informed by the work of the HSCP's Senior Management Team (who have responsibility for the development and maintenance of the internal control framework environment), the work of the internal auditors and the Chief Internal Auditor's annual report, and reports from external auditors and other review agencies and inspectorates.

The review of Dundee City Integration Joint Board's governance framework is supported by a process of self-assessment and assurance certification by the Chief Officer. The Chief Officer completes a "Self-assessment Checklist" as evidence of review of key areas of the Integration Joint Board's internal control framework. The Senior Management Team has input to this process through the Chief Finance Officer. There were no significant internal control issues identified by the self-assessment review.

In addition, the review of the effectiveness of the governance arrangements and systems of internal control within the Health Board and Local Authority partners places reliance upon the individual bodies' management assurances in relation to the soundness of their systems of internal control.

The Chief Finance Officer has completed a checklist developed by CIPFA to demonstrate compliance with their Financial Management Code designed to support good practice in financial management and to assist authorities in demonstrating their financial sustainability. Following this, the Chief Finance Officer has concluded compliance with all relevant standards.

Furthermore, in order to support the Chief Financial Officer in ensuring they have fulfilled their duties, a Statement on the Role of the Chief Financial Officer checklist has been completed which notes all relevant requirements have been met.

In preparing the Annual Governance Statement, the Integration Joint Board gave consideration to both NHS Tayside and Dundee City Council's Annual Governance Statements. There were no issues arising which require any further disclosure in the Integration Joint Board's Governance Statement.

Throughout the year, the Performance and Audit Committee has considered a range of issues which cover its core responsibilities in providing the Integration Joint Board with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance arrangements. Assurances are provided through the internal audit reviews undertaken throughout the financial year and presented to the Performance and Audit Committee.

The IJB's Performance and Audit Committee was presented with one substantive internal audit report during 2022/23 relating to the IJB as a Category 1 Responder. This assessed the IJB's arrangements to meet its statutory obligations under the Civil Contingencies Act 2004 which came into effect in March 2021. The review concluded that the IJB was still in the preliminary stages of introducing the necessary resilience arrangements and reflected the reliance on the statutory partner bodies to provide assurance that the required resilience components are in place and up to date. The audit opinion was one of limited assurance. A number of actions were recommended for the HSCP to take forward to enhance systems

and processes with an action plan developed to respond to these approved by the IJB at its meeting in October 2022.

The Performance and Audit Committee also received a report on the Sustainability of Primary Care which had been commissioned by Angus IJB, Perth IJB and NHS Tayside. Although not directly commissioned, the Internal Audit review contained a number of recommendations for improvement which are relevant across Primary Care in Tayside and provided limited assurance. Actions arising from these were noted and will be reported back to the Performance and Audit Committee during 2023/24.

Three further substantial internal audit reviews commenced during 2022/23 (Viability of External Providers, Governance Action Plan Review and Operational Planning) but were not finalised for consideration at the end of the 2022/23 financial year. The outcome of the Governance Action Plan review was presented to the Performance and Audit Committee at its meeting in May 2023. This Internal Audit review concluded that the current Governance Action Plan has become overcomplicated and difficult to follow. A number of recommendations have been identified which include separating out internal and external audit recommendations and governance statement improvement actions. This resulted in a risk assessment of significant risk if actions are not put in place. The recommendations have been accepted by management.

It should be noted that a number of actions outstanding on the Governance Action Plan are reliant on the statutory partners to support in order to progress. These include the development of a Memorandum of Understanding in relation to the level of corporate support services to be provided to the IJB and the development of the Large Hospital Set Aside. In addition, while no longer monitored at a national level or reported separately to the PAC, some remaining outstanding actions from the Ministerial Steering Group report on health and social care integration are also dependent on the partner bodies including those noted above. The progress of these are likely to be impacted by future announcements by the Scottish Government on arrangements for establishing a National Care Service. A number of outstanding actions were completed throughout the year including clarification of deputising arrangements for the Chief Officer, review of adequacy of reserves, review of the strategic risk around increased bureaucracy and liaison with partner organisations to ensure an agreed budget is approved prior to the start of the year.

The IJB consolidated its development work around risk management through continuous reviews of the IJB's Strategic Risk Register at each meeting of the Performance and Audit Committee. This led to identification of new risks escalated from the Clinical Care and Professional Group and horizon scanning with the removal of other risks no longer considered relevant or subsumed within other risks (e.g. the impact of Brexit). The next stage is for the IJB to agree its risk appetite over the course of 2023/24. The Tayside Risk Management Group, consisting of risk management leads from the three Tayside IJB's, the corresponding local authorities and NHS Tayside and chaired by the Dundee IJB Chief Finance Officer continued to meet during the year to streamline risk reporting arrangements, share risk intelligence and develop best practice.

The revision to the Integration Scheme was finalised and signed off by the Scottish Government during 2022/23 with the final version shared with the IJB at its meeting in December 2022. This revision brought the Integration Scheme up to date and reflects the actual experience of the arrangements for and governance of health and social care integration since the original Scheme was approved in 2015/16. This revised scheme ensures there is a governance framework around the arrangements for the integration of health and social care services which is fit for purpose.

Following on from the agreement of the revised Integration Scheme, the IJB has developed and adopted a Directions Policy which will enhance the governance, transparency and accountability between the IJB, Dundee City Council and NHS Tayside by clarifying responsibilities and relationships and support the IJB in exercising its legal powers to ensure the IJB's Strategic Commissioning Plan is delivered. This was approved by the IJB in April 2023.

Following receipt of a report from the Equality and Human Rights Commission with regard to compliance with the Public Sector Equality Duty, the IJB reviewed its arrangements and implemented a range of improvements to ensure compliance with the duties. This includes improvements to the Integrated Impact Assessment reporting within formal IJB and PAC reports, more accessible public access to these assessments on the IJB's website and the provision of a development session for IJB members and workshop for IJB report authors to ensure full understanding of the requirements of the duties.

Following the publication of the update report from the Dundee Drugs Commission in March 2022, leaders from across the Dundee Partnership published an initial statement of intent IN June 2022 asserting their commitment to providing a comprehensive, accessible, trauma-informed and compassionate response to drug related harm. This was followed in January 2023 by the publication of the Strategic Framework 2023-2028: Working together to prevent harm and support recovery with a supporting two-year delivery plan. This plan was developed to not only to respond to recommendations made by the Dundee Drugs Commission, but to provide a single, prioritised framework that addresses national policy priorities and local needs. Importantly, the revised framework also extends to cover alcohol related harm, as well as drugs. The strategic framework sets out the Alcohol and Drug Partnership’s (ADP) vision that “People in Dundee thrive within safe, nurturing and inclusive communities, supported by accessible and effective alcohol and drug services that focus on prevention, protection, harm-reduction, resilience and recovery.” Dundee ADP is currently finalising a Commissioning Plan to ensure the identified strategic actions are delivered in practice.

The final report of the Independent Oversight and Assurance Group (IOAG) on Tayside’s Mental Health Services was published in January, 2023. The IOAG’s remit was to provide independent assurance to the Minister for Mental Wellbeing and Social Care about progress being made in relation to 49 recommendations made within Trust and Respect, the report of the Independent Inquiry into Mental Health Services in Tayside, published in February 2020. The IOAG report set out six priority areas for improvement and in response the Mental Health and Learning Disability Improvement Plan has been developed and approved by the three Tayside IJBs and NHS Tayside Board in March 2023.

The Chair of the Performance and Audit Committee provides an update to the next available Integration Joint Board meeting on the issues raised and any areas of concern which the Integration Joint Board should be made aware of through the Chairs Assurance Report.

Dundee City Integration Joint Board complies in full with “The Role of the Head of Internal Audit in Public Organisations” (CIPFA) and operates in accordance with “Public Sector Internal Audit Standards” (CIPFA). The Head of Internal Audit reports directly to the Performance and Audit Committee with the right of access to the Chief Finance Officer, Chief Officer and Chair of the Performance and Audit Committee on any matter. The annual programme of internal audit work is based on a strategic risk assessment, and is approved by the Performance & Audit Committee.

The Chief Internal Auditor has carried out his review of the adequacy and effectiveness of the Integration Joint Board’s framework of governance, risk management and control. The findings of this review are reflected in the Annual Internal Audit Report 2022/23 presented to the IJB meeting of the 21 June 2023 which supports the outcome of Dundee City IJB’s self-assessment process noted above and concludes that although some areas for improvement have been identified these do not impact on the level of assurance provided and reliance can be placed on the Integration Joint Board’s governance arrangements and systems of control for 2022/23.

Continuous Improvement

The following areas for improvement have been identified through the self-assessment process, the Governance Action Plan and Annual Internal Audit Report. Progress against these will be monitored by the Performance and Audit Committee during 2023/24.

Area for improvement	Lead Officer	Target Completion Date
Under Clinical and Care Governance, review of remits needs to consider information and data sets to be agreed and presented to the Getting it Right for Everyone Group to support the governance of Lead Authority Services	Lead Allied Health Professional/ Head of service Health & Community Care	October 2023
Reporting on workforce issues including the Workforce and Organisational Development Strategy as well as the partnership forum.	Chief Officer	December 2023
Development of improved Lead Authority Services arrangements around risk and performance management for lead authority services.	Chief Finance Officer	December 2023

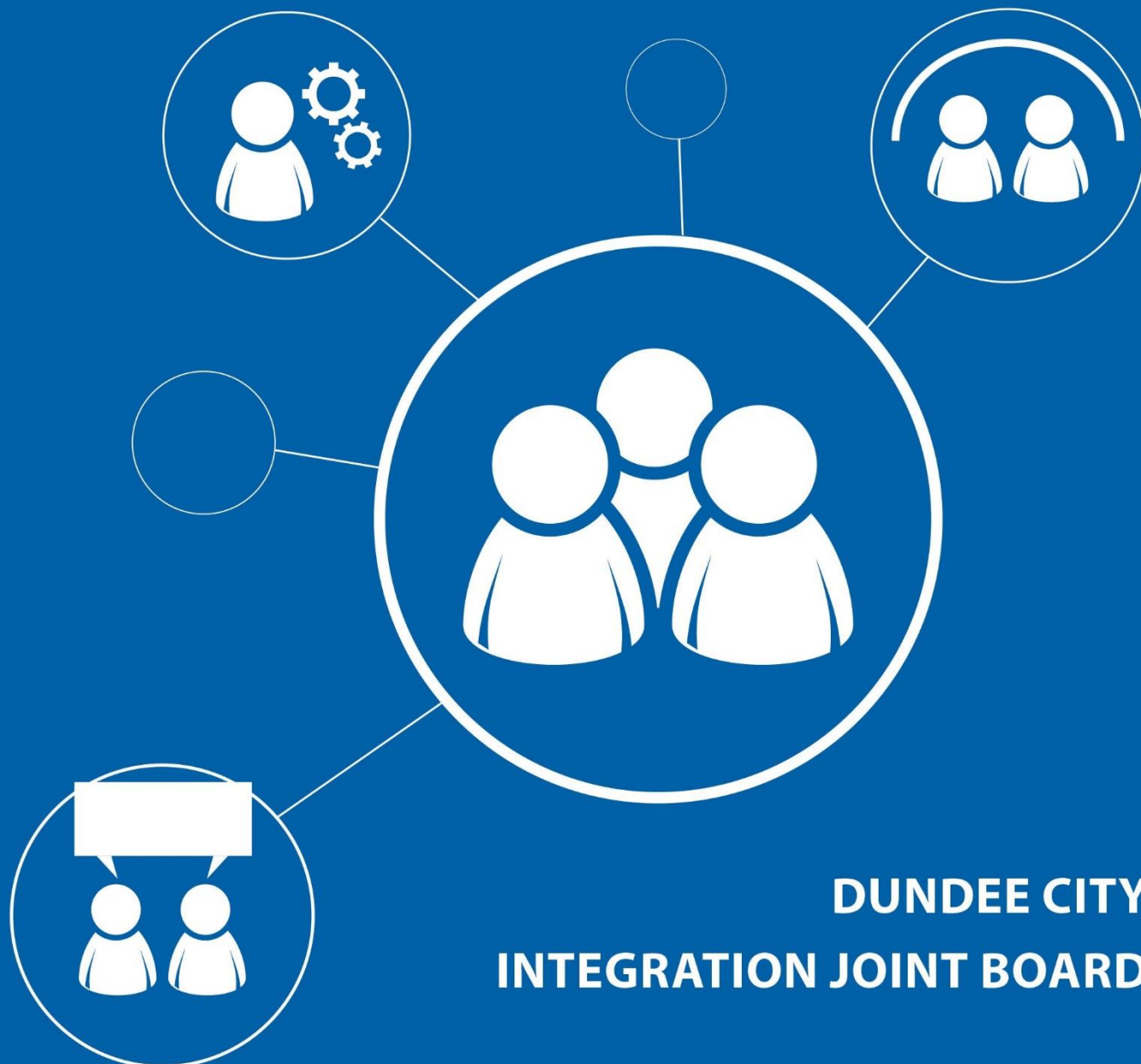
Further develop performance report information into a delivery plan framework to ensure the HSCP fulfils its remit in delivering the direction of travel within the IJB's Strategic Commissioning Plan.	Chief Finance Officer	October 2023
Combine financial and performance reporting to members in the context of the IJB's Strategic Risks.	Chief Finance Officer	December 2023
Further development of governance arrangements considering agreed governance principles and updated advice from the Scottish Government Health & Social care Division including an IJB assurance plan to ensure assurance on all IJB risks including from partner bodies. Will also include an annual report from the PAC to the IJB to provide assurance that it has met its remit.	Chief Officer	October 2023
Embed a programme of development and training opportunities for Board members.	Chief Officer	October 2023
Update the Board and PAC on progress in delivering against the remaining actions in the risk maturity action plan following adoption of Tayside IJB's Risk Management Framework.	Chief Finance Officer	October 2023
Work to fully implement the actions in the Workforce and Organisational Development Strategy. Strive towards ensuring that the DH&SCP culture becomes fully embedded. Engage staff in developing and maintaining the partnership culture as well as sharing and embedding the guiding principles.	Lead Allied Health Professional/ Head of service Health & Community Care / Chief Finance Officer	December 2023
Review attendance at groups based on agreed principles. Attendance at partner groups should be based on a consideration of whether this is necessary to provide assurance to allow the partner body to fulfil their agreed responsibilities in line with their accountabilities	Chief Officer	October 2023
Develop a best practice guidance document to ensure the operation of all groups conforms to the various principles detailed in the Governance Mapping report.	Chief Finance Officer	October 2023
Review and implement recommendations from the Internal Audit Review of the IJB's Transformation Programme	Chief Finance Officer	October 2023
Review and implement the recommendations from the Internal Audit Review of Performance Management arrangements	Chief Finance Officer	December 2023
Develop further Strategic Plan Performance Measures for implementation of the IJB's Strategic Plan	Chief Finance Officer	December 2023
Embed Best Value Reporting into IJB Meetings Schedule	Chief Finance Officer	October 2023
Review the remit of the PAC and update financial regulations following agreement of revised Integration Scheme	Chief Finance Officer	October 2023
Provide an annual report from the PAC to the IJB	Chief Finance Officer	August 2023

Conclusion and Opinion on Assurance

While recognising that improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of Dundee City Integration Joint Board's governance arrangements.

We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the Integration Joint Board's principal objectives will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to regularly review and improve the internal control environment.



**DUNDEE CITY
INTEGRATION JOINT BOARD**

**ANNUAL ACCOUNTS
2022-23**

Unaudited

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Dundee City Integration Joint Board
Annual Accounts 2022-23
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Introduction

The Public Bodies (Joint Working) (Scotland) Act 2014 was passed by the Scottish Parliament on 25 February 2014 and received Royal Assent in April 2014. This established the framework for the integration of health and adult social care in Scotland, to be governed by Integration Joint Boards with responsibility for the strategic planning of the functions delegated to it and for ensuring the delivery of its functions through the locally agreed operational arrangements.

Following approval from Dundee City Council and NHS Tayside, the Dundee Integration Scheme, the formal legal partnership agreement between the two parent organisations, was submitted to the Scottish Ministers in August 2015. On 3 October 2015 Scottish Ministers legally established Dundee's Integration Joint Board as a body corporate by virtue of the Public Bodies (Joint Working) (Integration Joint Board) (Scotland) Amendment (No 3) Order 2015. The Integration Scheme was subsequently reviewed by the statutory partners and approved by the Scottish Government in November 2022.

Dundee City Integration Joint Board (IJB) formally became responsible for the operational governance and oversight of delegated health and social care functions with effect from 1 April 2016 and through the Chief Officer is responsible for the operational management of integrated services excluding delegated acute services. The Integration Joint Board directs Dundee City Council and NHS Tayside to deliver these services in accordance with the Strategic Plan through Dundee Health and Social Care Partnership (DHSCP). The services delegated to Dundee City IJB by NHS Tayside and Dundee City Council are listed in the [Dundee Integration Scheme](#). (new link to be inserted)

This publication contains the financial statements for Dundee City Integration Joint Board for the year ended 31 March 2023. The Management Commentary highlights the key activities carried out to date and looks forward, outlining the anticipated financial outlook for the future and the challenges and risks facing health and social care services over the medium term.

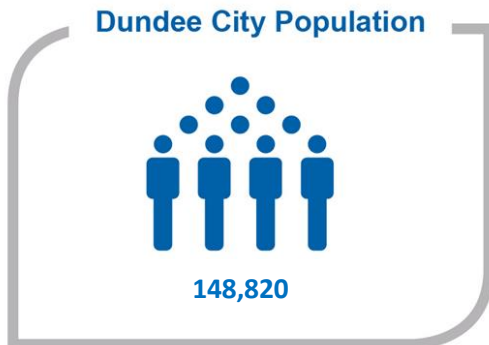
Role and Remit of Dundee City Integration Joint Board

Dundee City Integration Joint Board has responsibility for planning and providing defined health care and social care services for the residents of Dundee encompassing an area of 60 square kilometres and a population of around 149,000. These services are provided in line with the Integration Joint Board's Strategic and Commissioning Plan 2019-2022 (extended to 31st March 2023) which can be found here: (new link to be inserted)

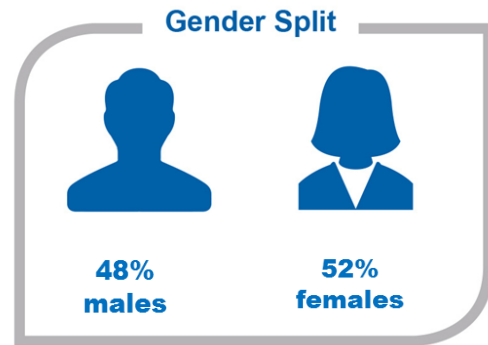
Population, health and deprivation impact directly on demand for health and social care services and can often result in higher support levels being required. Dundee has high levels of inequalities within the city with significant variances across locality areas, driven by high levels of deprivation and resultant impact on higher prevalence levels of health and multiple long-term conditions. In addition to frailty and ill health which is prevalent in the ageing population, many younger adults in Dundee are experiencing health conditions earlier in life as a result of deprivation and associated impact of substance use and mental health issues. These factors highlight the scale of the challenges Dundee City Integration Joint Board faces over the coming years.

A full profile of Dundee City is set out in the [Strategic Needs Assessment](#). Some of the key characteristics are presented below. All these characteristics have an impact on the demand for services commissioned by the Dundee City IJB, both now and in the future.

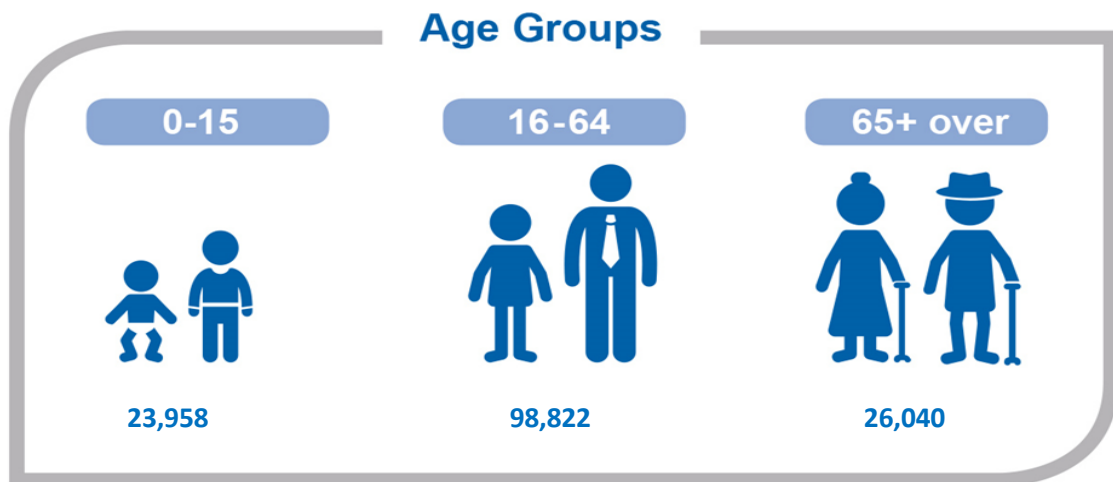
POPULATION PROFILE AND PROJECTIONS



(Source: [National Records of Scotland](#), 2021)



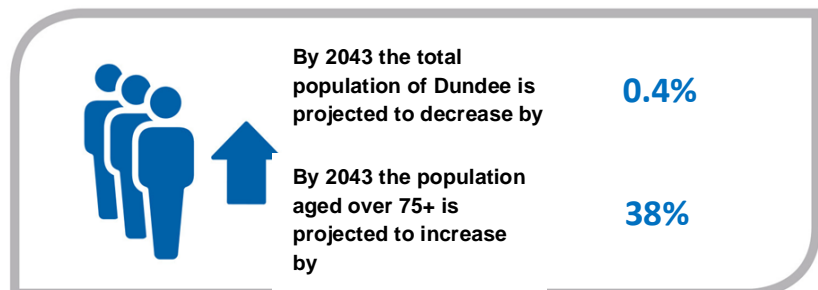
(Source: [National Records of Scotland](#), 2021)



(Source: [National Records of Scotland](#), 2021)

Projected Population

Like other parts of Scotland, Dundee is expected to see a significant rise in the number of older people with an increase of **38%** in those over 75 anticipated over the next 20 years.



Life Expectancy

Dundee **males have the second lowest** life expectancy in Scotland and Dundee **females have the fifth lowest** life expectancy in Scotland, with factors such as prevalence of substance misuse, mental health problems, smoking, and obesity all contributing to the reduced life expectancy.



Female Life Expectancy at Birth – 79 years
(compared to 81 for a Scottish female, a difference of 2 years)

Male Life Expectancy at Birth – 74.0
(compared to 77.0 years for a Scottish male, a difference of 3 years)

(Source: NRS Life Expectancy for areas within Scotland 2018-20)

Deprivation

Dundee is the **5th** most deprived local authority area in Scotland with just over **36.6%** of the Dundee population living in the **20%** most deprived areas of Scotland.



In Dundee, **six out of eight Dundee LCPP areas** are above the Scottish average of **19.5%** and are also above the Dundee average of **36.6%**

(Source: Scottish Index of Multiple Deprivation 2020, Scottish Government)

Drug Use



Dundee has the **4th** highest prevalence of drug use in Scotland. There are an estimated **2,300** persons using drugs (ages 15-64) in Dundee.

1,600 (70%) male and

700 (30%) are female

(Source: Estimating the Prevalence of Problem Drug Use in Scotland 2015-16, PHS (published 05/03/2019))

Homelessness



1,010 households assessed as homeless in 2019/20

58% of households have at least one identified support need

(Source: Homelessness in Scotland 2019 to 2020, Scottish Government)

Physical Disability



10,590 people in Dundee identified themselves as having a physical disability.

7% of Dundee's population.

(Source: Census 2011, scotlandscensus.gov.uk)

MANAGEMENT COMMENTARY

Membership of Dundee City Integration Joint Board

The voting membership of Dundee City Integration Joint Board is drawn from three elected members nominated by the Council and three non-executive members nominated by the Health Board.

The table below notes the membership of Dundee City Integration Joint Board in 2022/23:

Voting Members:

Role	Member
Nominated by Tayside Health Board	Pat Kilpatrick
Nominated by Tayside Health Board	Anne Buchanan
Nominated by Tayside Health Board	Donald McPherson (until 27/10/2022 – proxy member from 27/10/2022) Sam Riddell (from 27/10/2022)
Councillor Nominated by Dundee City Council	Councillor Ken Lynn
Councillor Nominated by Dundee City Council	Bailie Helen Wright (until 04/05/2022) (Proxy member from 23/05/2022) Councillor Dorothy McHugh (from 23/05/2022)
Councillor Nominated by Dundee City Council	Councillor Lynne Short (until 04/05/2022) (Proxy member from 23/05/2022) Councillor Siobhan Tolland (from 23/05/2022) Councillor Steven Rome (Proxy Member until 04/05/2022) Councillor Roisin Smith (Proxy member from 23/05/2022)

Non-voting members:

Role	Member
Chief Social Work Officer	Diane McCulloch (Dundee City Council)
Chief Officer	Vicky Irons
Proper Officer Appointed under section 95 (Chief Finance Officer)	Dave Berry
Registered medical practitioner whose name is included in the list of primary medical performers prepared by the Health Board	Dr David Wilson
Registered nurse who is employed by the Health Board	Sarah Dickie (until 27/4/2023) Susannah Flower (27/4/2023)

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Registered medical practitioner employed by the Health Board and not providing primary medical services	Dr James Cotton
Staff of the constituent authorities engaged in the provision of services provided under integration functions	Raymond Marshall (NHS Tayside Staff Side Representative) Jim McFarlane (Dundee City Council Trade Union Representative)
Director of Public Health	Dr Emma Fletcher
Clinical Director	Dr David Shaw
Third Sector Representative	Christina Cooper
Service user residing in the area of the local authority	Liz Goss (from 29/3/23)
Persons providing unpaid care in the area of the local authority	Martyn Sloan

The Chair of Dundee City Integration Joint Board rotates on a two-yearly basis. The year began with Councillor Ken Lynn acting as chair and Pat Kilpatrick acting as vice chair until 27 October 2022 when she became Chair with Ken Lynn becoming Vice Chair from that date.

The Chief Officer provides the strategic leadership and direction to Dundee City Integration Joint Board. The Chief Officer is supported by the Head of Finance and Strategic Planning (as Chief Finance Officer). In relation to the Chief Officer's role as Executive Director of Dundee Health and Social Care Partnership, they are also supported by the Head of Finance and Strategic Planning in addition to two Heads of Service of Health and Social Care Services.

COVID-19 PANDEMIC RECOVERY

The COVID-19 pandemic was the biggest public health challenge faced by society in our lifetimes. The impact on the health and social care needs of the population, how supports and services are delivered, on health inequalities and on the health and wellbeing of the health and social care workforce and of unpaid carers has been substantial and wide ranging.

Services delegated to Dundee City Integration Joint Board (IJB) as delivered through Dundee Health and Social Care Partnership (DHSCP) form a critical part of the overall health and social care system, particularly the wide range of community-based health, social care and social work supports and services. During the pandemic Partnership services not only supported efforts to rapidly increase the availability of beds to respond to COVID-19 positive patients requiring hospital admission, but were also integral to provide responses to COVID-19 positive people in the community, both within their own homes and within residential settings such as care homes.

During 2022/23 the effects of the pandemic were reduced but still clearly visible, particularly through Mental Health and Drug and Alcohol services which have seen a surge in referrals with some services seeing an increase of up to 50% in referral rate. The Engage Dundee survey concluded that 1 in 5 respondents admitting a worsening of their Mental Health conditions and 84% of carers reported a negative impact on physical, mental and social wellbeing as a result of the pandemic. This has had a knock-on effect on increased alcohol consumption, frailty and food and energy poverty resulting in increased demand for health and

social care services. This, alongside demand for those managing the impact of long COVID has increased pressure on services in terms of staffing demands and in the overall health of the community.

Partnership services have therefore continued to provide a pandemic response, whilst also consolidating adaptations to services and practice to become mainstream, long-term models of service provision. The enduring nature of the pandemic has meant that recovery activity in many aspects of the Partnership's work have been focused on establishing a 'new normal' across integrated health and social care services and supports rather than returning to pre-pandemic ways of working. Many offices still had restricted access and services continued to utilise home working with some consultations being held within a clinical setting.

In recognition that the effects of the pandemic were still evident in 2022/23 additional funding ringfenced from 2021/22 within the IJB's reserves was available for use throughout all services within DHSCP as required. In line with the Scottish Government's expectations, this funding was to be used solely for Covid-19 response purposes with any residual balance to be returned to the Scottish Government at year-end. Of the reserve balance at the start of the financial year of £15,595k, DHSCP spent £6,073k of eligible expenditure with £9,522k returned to the Scottish Government via NHS Tayside.

The future delivery of health and social care services will continue to build on the new ways of working which have been required to be implemented as part of the Covid-19 response, such as increased use of technology to carry out virtual consultations, a blended approach to home and office working, more outreach working and greater opportunities for mobile working.

Operations for the Year

With Covid-19 infections having declined throughout 2022/23 the new focus of operations within the IJB lies with Covid recovery. As noted earlier in this report, Mental Health and Drug and Alcohol services have seen a surge in referrals since the pandemic and these services continue to be reviewed on a regular basis through various strategic planning groups consisting of senior managers, third party representatives and clinical staff amongst other stakeholders. Progress has been made in relation to rapid responses to non-fatal overdoses, the extension of assertive outreach work and broadening of treatment options offered by the Dundee Drug and Alcohol Recovery Service (DDARS). Within Mental Health, notable developments include the development of Distress Brief Intervention (DBI) in Tayside, led by the Dundee workforce, the Mental Health Discharge Hub and the progress made towards the provision of a Community Wellbeing Centre.

Throughout 2022/23 the population has also been impacted by the cost of living crisis and information about the city's response over the winter months was publicised widely across the Dundee Partnership including the HSCP. Intelligence gathered from our communities shows that the crisis is having a profound effect particularly those living in the more deprived areas who were already struggling to make ends meet. Interventions such as food vouchers, no-cost family activities, and free hot meals were organised quickly and appear to be having a positive and protective effect.

The HSCP has been impacted by the same recruitment challenges in a range of disciplines and professions as other health and social care services across Scotland. The lack of capacity in the social care workforce in particular has continued to provide challenges in reducing

delayed discharges from hospital as the acute sector experiences increased demand for beds. Other professions such as nursing, Allied Health Professionals (e.g. Occupational Therapists, Physiotherapists and Dieticians) and GP's alongside specialist areas such as substance use and mental health services also continue to face recruitment challenges which impact on the availability and effectiveness of services. These issues are highlighted in the IJB's Strategic Risk register and are monitored for impact. Work is ongoing through the IJB's Workforce Plan and national initiatives to address these risks. Continuing to develop more effective ways of working in an integrated way will help reduce the impact of increased demand and limited staffing resources. Examples of service change such as the launch of the Dundee Enhanced Care at Home Team which works in a multidisciplinary way across the frailty pathway to ensure the right care is provided at the right place, at the right time by the right person are key to achieving this.

Despite the pressures seen throughout 2022/23 all services continue to be underpinned by the principles of the Dundee City Integration Joint Board's Strategic and Commissioning Plan 2019-22. The plan sets out the context within which integrated services in Dundee operate and is shaped around the Health and Social Care Partnership's vision that "Each Citizen of Dundee will have access to the information and support that they need to live a fulfilled life." An extension to the plan to cover 2022/23 was approved in February 2022 by the IJB following the recommendation of the IJB's Strategic Planning and Advisory Group that the vision and strategic priorities of tackling health inequalities, early intervention and prevention, localities and engaging with communities and developing models of support/pathways of care remained fit for purpose.

However, work was required to update action lists associated with each priority considering feedback gathered from stakeholders, including members of the public, and other evidence gathered during the review of the existing plan. An addendum was developed to be read alongside the Strategic and Commissioning Plan 2019-2022 and the Equality Outcomes and Mainstreaming Framework 2019-2022. It is supported by the care group strategic planning/commissioning statements and transformation plans previously agreed by the IJB for areas such as mental health and wellbeing, carers, drug and alcohol and primary care. The addendum also reflected the priorities arising from Covid-19 remobilisation activity.

In June 2023 the IJB approved a revised Strategic and Commissioning Framework of the Dundee Integration Joint Board 2023-2033 "The plan for excellence in health and social care in Dundee". This builds on the previous framework and reflects the outcome of considerable engagement with communities and stakeholders. There are six strategic priorities in the framework as follows:

- Inequalities (support where and when it is needed the most),
- self-care (supporting people to look after their wellbeing),
- open door (improving ways to access services and supports),
- planning together (planning services to meet local need),
- workforce (valuing the workforce)
- working together (working together to support families).

These priorities are consistent with and support the Scottish Government’s nine National Health and Wellbeing Outcomes which apply across all health and social care services. These are:

Table 1 National Outcomes

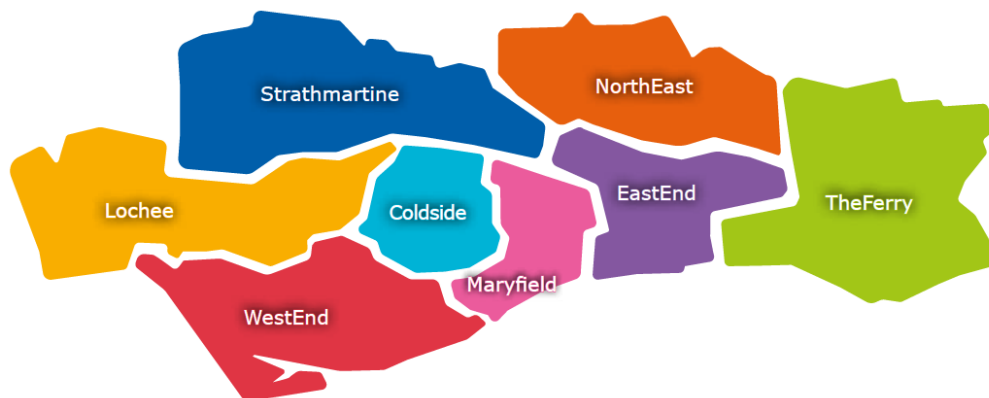
Outcome 1. Healthier Living	People are able to look after and improve their own health and wellbeing and live in good health for longer
Outcome 2. Independent Living	People, including those with disabilities, long term, conditions, or who are frail, are able to live as far as reasonably practicable, independently at home or in a homely setting in their community.
Outcome 3. Positive Experiences and Outcomes	People who use health and social care services have positive experiences of those services and have their dignity respected.
Outcome 4. Quality of Life	Health and social care services are centred on helping to maintain or improve the quality of life of service users.
Outcome 5. Reduce Health Inequalities	Health and social care services contribute to reducing health inequalities.
Outcome 6. Carers are Supported	People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and wellbeing.
Outcome 7. People are Safe	People who use health and social care services are safe from harm.
Outcome 8. Engaged Workforce	People who work in health and social care services feel engaged with the work they do, are supported to continuously improve the information, support, care and treatment they provide
Outcome 9. Resources are used Efficiently and Effectively	Resources are used effectively and efficiently in the provision of health and social care services

Operational Delivery Model

During 2022/23, Dundee Health and Social Care Partnership’s operational delivery model continued to embed a model of fully integrated health and social care services to support the delivery of the Dundee City Integration Joint Board’s strategic priorities. The overall responsibility for the delivery of operational services falls with two Heads of Service with one focusing on Older People’s pathways and the other Adult Services, including mental health and substance misuse. Service managers below this level have responsibility for both council and NHS services as part of their integrated portfolios with a specific focus on service user categories (e.g. older people, mental health).

Dundee Health and Social Care Partnership delivers its services across the city's eight Local Community Planning Partnership Areas, each with its own particular social and demographic profile which require tailored responses to meet their specific health and social care needs. The partnership also provides health services on behalf of Angus and Perth and Kinross Integration Joint Boards under lead partnership arrangements (e.g. palliative care services) with reciprocal arrangements provided by those Integration Joint Boards (e.g. Out of Hours, Prison Healthcare services).

Map of Eight Local Community Planning Partnership Areas



Scrutiny and Performance

The Integration Joint Board's Performance and Audit Committee (PAC) provides the opportunity for committee members to better understand the needs of communities and to monitor and scrutinise performance of delegated services against delivering the strategic priorities through a range of performance indicators and benchmarking. Throughout 2022/23, the Integration Joint Board's Performance and Audit Committee received performance reports which quantified Dundee's health and social care challenges in relation to the baseline data against a range of performance indicators, designed to capture the progress made under integration over time. This includes nationally and locally set indicators, a number of which are reflected at locality level to assist the Dundee City Integration Joint Board in determining the areas of greatest need and to inform the targeting of resources. Dundee's 2022/23 performance against a range of national indicators is reflected in Table 2. Further information regarding the performance of Dundee Integration Joint Board can be found within the 2022/23 Annual Performance Report (**link to be inserted**)

The work of the Performance and Audit Committee over the 2022/23 financial year also informs the Annual Governance Statement set out within these annual accounts.

Table 2

National Indicator	Dundee 15/16 (Baseline Year)	Dundee 2021/22	Dundee 2022/23 *	Scotland 2022/23*
Emergency admissions rate to hospital per 100,000 people aged 18+	12,168	12,320	tbc	tbc
Emergency bed days rate per 100,000 people aged 18+	146,192	105,538	tbc	tbc
Readmissions to acute hospital within 28 days of discharge rate per 1,000 population	122	139	tbc	tbc
Falls rate per 1,000 population aged 65+	25	32	tbc	tbc
Number of days people spend in hospital when they are ready to be discharged, per 1,000 population (Delayed Discharge bed days)	832	799	tbc	tbc

*figures not yet available

Source: [link to be included](#)

Transforming Services

Transforming services is key to the Dundee City Integration Joint Board continuing to improve outcomes for service users and performance and service redesign opportunities connected to the overarching strategic priorities. Following on from the pandemic some Covid contingency measures appear to be the 'new normal'. Mobile working practices have remained popular with applications still being used for non-contact consultations and services such as the Discharge Team have reinstated weekend working as 25% of discharges in Tayside are taking place over the weekend. In addition to this, we have also seen some services previously put on hold begin to reopen such as group work sessions within the community in relation to post diagnostic dementia support.

The key transformation programmes the Integration Joint Board has oversight of are as follows:

- Reshaping Non-Acute Care Programme
- Living Life Well – Tayside Mental Health and Wellbeing Strategy (Tayside Mental Health Alliance)
- ADP Strategic Framework and Delivery Plan
- Urgent and Unscheduled Care Board (Care Closer to Home, Specialist Palliative Care Services)
- Integrated Community Teams
- Transforming Public Protection (Dundee Partnership)

- Primary Care Improvement Plan
- Digital Transformation (with NHS Tayside and Dundee City Council)

Across Tayside a programme team has been established to support the delivery of Living Life Well. The team has supported efforts to revise governance structures related to living life well and listen learn change and have been involved in the process of reviewing existing workstreams to identify key priorities and streamline the overall programme. The following priority workstreams have been identified; Crisis and Urgent Care Pathway, Integrated Substance Use/Mental Health, Specialist Community Mental Health Redesign, Adult Mental Health Inpatient Redesign and Whole System Learning Disability. The revised workstream priority areas are in the process of remobilising, supported by the programme team.

A summary of the key achievements over 2022/23 is as follows:

- The Distress Brief Intervention (DBI) service continues to improve and develop providing essential support to people across Tayside experiencing distress. Run by Penumbra, between April and December 2022 they have supported 67 people across Tayside. DBI support is now being rolled out to practices.
- Progress continues to be made to further develop local mental health and wellbeing in primary care support. The Listening Service, social prescribing Link workers and PALMS team are linking with practices to support individuals as early in their pathway as possible.
- We have started to grow our Advanced Nurse Practitioner (ANP) workforce across a number of services such as Community Mental Health Team, Learning Disabilities, Psychiatry of Older Age Services and Urgent Care.
- The additional 4 ANP's in urgent care has allowed for the roll out of care home support to 14 practices.
- Increased staffing in our Post Diagnostic Support team to ensure those with a diagnostic of dementia and their carers are well supported. The increase in staffing has allowed the service to invest more time in one to one and groupwork support models.

Feedback from service users across the Partnership

"The carers centre made me realise how valuable I was a carer and the skills I'd learnt it then gave me the confidence to grab life again I'm now in full time employment and working as a development and support worker an opportunity I'd have never in a million years expected my employers loved all the skills I'd learnt through caring role."

"Really supportive & helpful. Easy to talk to and let us decide as a group/team. I love this course and enjoy cooking. I'm getting more confident in my ability thanks to our team" feedback regarding 6 week cooking programme

"Her Morning Call has really helped to build her confidence and overcome her hesitation to join groups. We are really glad she has the service." - Daughter of service user after 5 months of calls. Service user had gone on to join 3 weekly clubs/groups and has cut calls down to twice a week instead of 5 times a week.

Analysis of Financial Statements 2022/23

The Annual Accounts report the financial performance of Dundee City Integration Joint Board. Its main purpose is to demonstrate the stewardship of the public funds which have been entrusted to the Dundee City Integration Joint Board for the delivery of its vision and its core objectives. The requirements governing the format and content of local authorities' annual accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code 2022/23). The 2022/23 Accounts have been prepared in accordance with this Code.

Integration Joint Boards need to account for their spending and income in a way which complies with our legislative responsibilities and supplementary Local Authority (Scotland) Accounts Advisory Committee (LASAAC) guidance.

The 2022/23 Annual Accounts comprise: -

- a) Comprehensive Income and Expenditure Statement – This statement shows that Dundee City Integration Joint Board made an overall deficit of £15,030k in 2022/23 (surplus of £25,169 in 2021/22) on the total income of £328,622 (£325,430k) in 2021/22).
- b) Movement in Reserves – Dundee City Integration Joint Board has year-end reserves of £23,968k (£38,998k in 2021/22). These are held in line with the Dundee City Integration Joint Board's reserves policy. Reserves were applied during the year to cover outstanding liabilities to Dundee City Council, NHS Tayside and the activities of the Integration Joint Board. Dundee Integration Joint Board reserves have decreased due to the return of unused COVID-19 recovery funding to the Scottish Government.
- c) Balance Sheet – In terms of routine business Dundee City Integration Joint Board does not hold non-current assets.
- d) Notes - Comprising a summary of significant accounting policies, analysis of significant figures within the Annual Accounts and other explanatory information.

The Annual Accounts for 2022/23 do not include a Cash Flow Statement as Dundee City Integration Joint Board does not hold any cash or cash equivalents.

Financial Position at the End of March 2023

The IJB's delegated budget from Dundee City Council and NHS Tayside developed over the financial year as follows:

	NHS Tayside Funding	Dundee City Council Funding
	£000	£000
Initial Agreed Funding	128,794	92,763
Additional Pay award and NI uplift	1,551	
SG Allocation Adjustments	4,727	
Hospital & Community Health Services	3,999	
Partnership Funding	3,449	
Family Health Services Drugs Prescribing	-4,657	
General Medical Services	29,644	
Family Health Services – Cash and Non-Cash Limited	23,301	
Net Effect of Hosted Services	10,517	
Large Hospital Set Aside	20,776	
Additional DCC Funding – Pension Adjustment		7,047
Social Work & Social Care Funding		6,712
Revised Partners Funding Contribution	222,101	106,522

The IJB reported a year end underlying underspend of £7,531k for 2022/23, arising from an underlying underspend of £6,545k in social care budgets and an underlying underspend of £986k in health budgets. This net underspend has been utilised to increase the Uncommitted Reserve within the Balance Sheet.

Within Dundee City Council services, there have been high levels of staff vacancies, including management vacancies throughout a number of services. Difficulties in recruiting staff, resulting in less hours of care being available to deliver across services such as care at home services has been a significant driver in creating an underspend. This includes challenges in recruiting to new posts funded by additional Scottish Government funding in 2022/23.

Similarly, the underspend within the NHS also relates to recruitment and retention issues. This issue which has been seen nationally throughout different health boards has encouraged the Government to invest more in staff. During 2022/23 the effects of the cost of living crisis was felt heavily by many, the Agenda for Change pay award provided some respite for 2022/23

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with further increases announced in February 2023 for 2023/24 in the hope to retain more staff going forward.

During 2022/23, the IJB utilised £6,073k of the additional COVID-19 funding which was held in a ring-fenced reserve, having been previously allocated by Scottish Government to fully cover all known additional pandemic response costs and provision for unanticipated costs. A breakdown of this expenditure is detailed below: -

Mobilisation Expenditure Area	COVID-19 Additional Expenditure (2020/21) £k	COVID-19 Additional Expenditure (2021/22) £k	COVID-19 Additional Expenditure (2022/23) £k
Additional Care Home Placements	336	0	0
PPE	157	192	85
Additional Staff Cover / Temporary Staff	2,817	2,659	3,425
Provider Sustainability Payments	4,379	2,538	1,712
IT / Telephony	50	0	20
Additional Family Health Services Contractor Costs	678	143	0
Additional Family Health Services Prescribing Costs	0	226	0
Loss of Charging Income	1,350	1,028	0
Additional Equipment and Maintenance	189	336	0
Primary Care	0	197	589
Additional Services within Remobilisation Plan	0	484	0
Other Costs	114	119	242
Anticipated Underachievement of Savings	200	0	0
Total Projected Mobilisation Costs	10,271	7,922	6,073
NHS Tayside spend	3,522	2,950	2,004
Dundee City Council spend	6,749	4,972	4,069

The in-year utilisation of Reserves balances within the impact of the overall financial position for integrated services in Dundee for 2022/23 has resulted in the level of reserves held by Dundee City Integration Joint Board decreasing to £24,423k at the year ended 31 March 2023 (as against £38,998k at the year ended 31 March 2022). This is reflected in the Movement in Reserves Statement.

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	Opening Committed Reserves	In-Year Restatement of Reserves	Closing Committed Reserves @ 31/3/23
	£k	£k	£k
Primary Care	4,995	5,277	1,535
Mental Health	1,825	1,825	635
Drug & Alcohol	1,220	1,220	925
Service Specific	1,947	2,823	1,995
Community Living Change Fund	613	613	613
COVID-19	15,595	15,595	0
NHST - shifting balance of care	1,600	1,600	1,600
Strategic Developments	0	2,500	2,500
Interim Care	0	893	0
Revenue Budget Support	0	3,000	3,000
Other Staffing	394	394	377
Total Committed Reserves	29,065	35,740	13,189
Plus Uncommitted Reserves	9,933	3,258	11,244
Total Reserves	38,998	38,998	24,423

The reserve balance of £24,423k at the year ended 31 March 2023 is greater than the planned level of reserve of 2% of the Dundee City Integration Joint Board's net expenditure as set out within its reserves policy however it is important to acknowledge that the majority of these reserves are committed for specific initiatives linked to the funding streams detailed in the above table and are not available for more flexible use.

It should also be noted that the opening committed reserve for the continuing COVID-19 response was the only funding available to the Integration Joint Board to support additional COVID-19 expenditure during 2022/23 for all delegated services, including unscheduled care as the Scottish Government has confirmed there will be no further financial support available. During the financial year, the IJB utilised £6,073k towards this expenditure, with the surplus balance being returned to Scottish Government for redistribution across the sector to meet the Covid19 priorities. The impact of this was a net reduction of funding allocations of £9,523k to return this surplus funding to Scottish Government during 2022/23.

Achieving long-term financial sustainability and making best use of resources is critical to delivering the Dundee City Integration Joint Board's Strategic and Commissioning Plan's priorities. In response to the growing demand for health and social care and financial constraints, the Dundee City IJB recognises that continuous service redesign and further integration of services is critical. In December 2022 the IJB set out a Reserves Investment Strategy to ensure the IJB is in a position to utilise all available resources it has to maximum effect to support the delivery of the strategic priorities set out within the Strategic and Commissioning Plan. This includes setting aside funding to support transformation, infrastructure support and non recurring budget support. The IJB will continue to review opportunities to reinvest its available reserves over the coming year.

Key Risks and Uncertainties

Staff Resource

The COVID-19 pandemic has had a profound impact on our health, economy and society, with damaging impacts on the way of life and wellbeing of people in Scotland. It has exacerbated health issues and inequalities, increased the demand for health and social care services, and impacted on the health and wellbeing of our workforce. As a result, throughout 2022/23 clinical resource has been a key concern being one of the highest scoring risks on the partnerships strategic risk register. Recruitment challenges continue to exist in a range of roles including social care and nursing. Recruitment for Consultants and Doctors in specific areas such as Mental Health and Substance Misuse has meant added pressure for nurses and other staff leading to an increase in overtime and agency workers which creates a financial burden for the IJB. This added pressure has resulted in higher staff turnover with more posts remaining vacant throughout the duration of the year.

Resource risk, which previously sat on the Operational Risk Register, has been escalated to the Strategic Risk Register. The IJB has also approved a Workforce Strategy which aims to give a whole rounded view of the current situation and ways in which it can be improved over the next 3 years. This plan aims to focus on the short-term workforce drivers, focussing on recovery and remobilisation and also the medium term (12-36 month) workforce drivers focusing on sustaining growth and supporting longer term transformation.

National Care Service

The Scottish Government's Bill regarding the establishment of a National Care Service sets out plans to introduce Local Care Boards with the abolition of Integration Joint Boards. The Health and Social Care partnership responded to the call for views on the draft legislation. Similar to other bodies, significant concerns have been raised around the content of the bill in terms of scope and financial implications of the legislation. While progress of the proposed legislation through the Scottish Parliament has been deferred while the Scottish Government considers the feedback from the call for views and engages in further consultation with stakeholders, the impact of the review on the IJB and its partners will be significant and will change the service delivery and governance landscape for adult social care. The National Care Service risk continues to pose a risk to the IJB's future existence and its ability to implement its Strategic Commissioning Plan. Given the uncertainty that currently exists there is a risk that partner bodies may be reluctant to provide investment for HSCP developments.

The Cost of Living Crisis

The war in Ukraine resulting in higher levels of inflation and rising energy prices has led to a cost of living crisis throughout 2022/23, the effects of which were felt by both service users and staff. The crisis has invariably resulted in increased poverty within the city and exacerbated health inequalities that already existed within the population. This, along with the reduced availability of financial resources posed a great risk to Dundee Health and Social Care Partnership throughout 2022/23 and continues to be a high priority heading into 2023/24.

Impact of COVID-19

Throughout 2022/23 the partnership has begun to see a decrease in the direct impact of Covid-19 with the number of cases declining. The risk now for the Integration Joint Board is the availability of resources for Covid-19 recovery. As noted in the management commentary, the pandemic has resulted in increased demand for services particularly Mental Health and

Substance use services while there is no additional funding available from 2023/24 onwards to support any Covid legacy expenditure. With waiting lists continuing to grow and scarce resources available, this poses a risk to service user and patient care along with a reputational and financial risk to the partnership.

Primary Care & Restrictions on Public Sector Funding

Challenges continue to present within Primary Care services, including the recent closure of Ryehill Medical Practice in Dundee and imminent closure of the Invergowrie Practice and impact on other Dundee GP Practices of supporting those closed practices patient lists. Furthermore, additional interventions by Scottish Government to seek the use of IJB's reserves by restricting the overall funding available has the potential to de-stabilise agreed investment plans e.g. Primary Care Improvement Funding.

Dundee Drug and Alcohol Recovery Service

Throughout 2022/23, the challenges associated with the Dundee Drug and Alcohol Recovery Service were escalated as a strategic risk to the IJB. A Report around Reducing Harm Associated with Drug Use, presented to both the IJB and Dundee City Council in June 2022 set out findings and priority areas for improvement in relation to substance use services. Risks and Control Factors around the implementation of the Medically Assisted Treatment (MAT) Standards were included in the ADP Risk Register.

Towards the end of 2022/23 there was a reduction in risk evidenced by the progress made in Dundee on delivery of the MAT standards and improvements in recruitment. A vital role in the progress was the feedback received from the people using services. This dialogue with those who have lived experience and those who care for them is still at an early stage, but this will be a primary driving force throughout all the work services are doing to improve and reduce risk of harm from drug and/or alcohol use. There continue to be improvements required due to the higher than average level of drug deaths although recent figures show there has been some reduction. It is hoped that by sustaining the progress on MAT standards 1-5 and now starting major work on Standards 6-10 the partnership will continue to see progress and a downward trend of drug deaths and associated risk.

Lack of Capital Investment in Community Facilities

Restrictions in access to capital funding from the statutory partner bodies and Scottish Government to invest in existing and potential new developments to enhance community-based health and social care services. This could potentially be exacerbated by the transitional period until the establishment of a National Care Service due to the uncertainty of funding and ownership of assets by the local authority and Health Board.

Viability of External Providers

Previous assessments have been affected by the Covid-19 Pandemic, however the increase in energy prices in addition to fuel costs for staff travel in addition to staff pay pressures is already impacting this sector with concerns that a number will not be able to sustain their activities.

Conclusion

We are pleased to present the annual accounts for the year ended 31 March 2023 for Dundee City Integration Joint Board. The accounts show that Dundee City Integration Joint Board has benefited from considerable additional Scottish Government funding provided during 2022/23 to support the further development of integrated health and social care services through funding allocations such as expanding Multi-Disciplinary Teams while recognising the challenges of the legacy impact of the COVID-19 pandemic, growing demographic demand and the need to invest in the social care workforce. In line with health and social care services across the country, recruitment challenges in social care and other professions over the winter period in particular have resulted in slippage in the full deployment of these resources. The net impact of this has led to a considerable increase in the IJB's financial reserves which will support the IJB's financial position throughout 2023/24 and beyond. While some of this resource is allocated to delivering on local and national priorities the IJB has committed to utilising its reserves to support transformation of health and social care services and to support financial sustainability over future years.

Going forward, Dundee City Integration Joint Board has a significant financial challenge ahead to deliver the revised Strategic Commissioning Framework 2023-2033 in this climate of growing demand and tighter public finances and resources. This framework recognises the high levels of poverty and associated social issues in the city and that this has been exacerbated by the impact of the Covid19 pandemic and the current cost of living crisis. With life expectancy in the city lower than it was 10 years ago and a growing health inequalities gap across the different city localities the Integration Joint Board will work closely with other organisations in the city including Dundee City Council, NHS Tayside, the Police and organisations in the third and independent sectors to address these challenges. Focussing available resources on meeting the priorities set out within the Strategic Commissioning Framework, transforming health and social care service provision and ensuring the public receives best value in the delivery of services will contribute to making a real and lasting difference to people's lives.



Dave Berry CPFA
Chief Finance Officer
Dundee City
Integration Joint Board

Date:



Vicky Irons
Chief Officer
Dundee City
Integration Joint Board

Date:



Pat Kilpatrick
Chair
Dundee City
Integration Joint Board

Date:

STATEMENT OF RESPONSIBILITIES

Responsibilities of the Dundee City Integration Joint Board

The Dundee City Integration Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Board has responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). For this Board, that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- Approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature at a meeting of the Integration Joint Board on 21st June 2023.

Signed on behalf of the Dundee City Integration Joint Board

Pat Kilpatrick

Chair

Dundee City Integration Joint Board

Date:

STATEMENT OF RESPONSIBILITIES

Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of Dundee City Integration Joint Board's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ("the Code of Practice").

In preparing the Annual Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation;
- complied with the local authority Accounting Code (in so far as it is compatible with legislation).

The Chief Finance Officer has also:

- kept adequate accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the Dundee City Integration Joint Board as at 31 March 2023 and the transactions for the year then ended.

Dave Berry CPFA
Chief Finance Officer
Dundee City Integration Joint Board

Date:

Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It discloses information relating to the remuneration and pension benefits of specified Integration Joint Board members and staff.

The information in the tables on the following page is subject to external audit. The explanatory text in the Remuneration Report is reviewed by the external auditors to ensure it is consistent with the financial statements.

Remuneration: Integration Joint Board Chair and Vice Chair

The voting members of Dundee City Integration Joint Board are appointed through nomination by Dundee City Council and Tayside NHS Board. Nomination of the Integration Joint Board Chair and Vice Chair post holders alternates between a Councillor and a Health Board representative. The details of the Chair and Vice Chair appointments are shown below:

Name	Post(s) held	Nominated by
P Kilpatrick	Chair – From 26 October 2022 Vice Chair - From 1 April 2022- 26 October 2022	NHS Tayside
K Lynn	Vice Chair – From 26 October 2022 Chair - From 1 April 2022 to 26 October 2022	Dundee City Council

Dundee City Integration Joint Board does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the Integration Joint Board. The Chair and Vice Chair are remunerated by their relevant Integration Joint Board partner organisation. Dundee City Integration Joint Board does not reimburse the relevant partner organisations for any voting board member costs borne by the partner. No taxable expenses were paid to the Chair or Vice Chair of the Integration Joint Board in 2022/23.

Dundee City Integration Joint Board does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting Integration Joint Board members. Therefore, no pension rights disclosures are provided for the Chair or Vice Chair.

Remuneration: Officers of Dundee City Integration Joint Board

Dundee City Integration Joint Board does not directly employ any staff in its own right, however specific post-holding officers are non-voting members of the Board.

Senior Employees

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the Integration Joint Board has to be appointed and the employing partner has to formally second the officer to the Integration Joint Board. The employment contract for the Chief Officer will adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the Dundee City Integration Joint Board. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below.

REMUNERATION REPORT

Total Salary, Fees & Allowances 2021/22 £	Post	Senior Employees	Total Salary, Fees & Allowances 2022/23 £
117,432	Chief Officer	Vicky Irons	128,027
97,316	Chief Finance Officer	Dave Berry	101,450
214,748		Total	229,477

In respect of officers' pension benefits the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pensions liability reflected on the Dundee City Integration Joint Board balance sheet for the Chief Officer or any other officers. The Chief Officer and Chief Finance Officer are members of the Tayside Pension Fund which is a Local Government Pension Scheme (LGPS). The LGPS is a defined benefit statutory scheme, administered in accordance with the Local Government Scheme Regulations 2014. The Chief Officer was previously a member of the NHS Pension Scheme (Scotland) (until 15 February 2021). The scheme is an unfunded multi-employer defined benefit scheme. Details of the LGPS can be found in Dundee City Council's accounts and details of the NHS pension scheme can be found in NHS Tayside's accounts. Both documents are available on their respective websites.

Dundee City Integration Joint Board however has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the Integration Joint Board. The following table shows the Dundee City Integration Joint Board's funding during the year to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions.

REMUNERATION REPORT

Senior Employee	In Year Pension Contributions		Accrued Pension Benefits		
	For Year to 31/03/22 £	For Year to 31/03/23 £		Difference from 31/03/22 £000	As at 31/03/23 £000
V Irons Chief Officer	19,963	21,765	Pension	0	45
			Lump Sum	0	85
D Berry Chief Finance Officer	16,459	17,246	Pension	4	46
			Lump sum	3	64
Total	36,422	39,011	Pension	4	91
			Lump Sum	3	148

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

Exit Packages

There were no exit packages payable during the financial year.

Pat Kilpatrick
Chair
Dundee City Integration Joint Board

Vicky Irons
Chief Officer
Dundee City Integration Joint Board

Date:

Date:

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Introduction

The Annual Governance Statement explains Dundee City Integration Joint Board's governance arrangements and reports on the effectiveness of the Integration Joint Board's system of internal control.

Scope of Responsibility

Dundee City Integration Joint Board 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 Integration Joint Board 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 Integration Joint Board's policies, aims and objectives. Reliance is also placed on the NHS Tayside (NHST) and Dundee City Council (DCC) systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the Integration Joint Board. Reliance is similarly placed on Angus IJB and Perth & Kinross IJB with respect to Lead Authority Services.

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



The Governance Framework and Internal Control System

Dundee City Integration Joint Board comprises six voting members, three nominated by Dundee City Council and three nominated by Tayside NHS Board, as well as non-voting members including a Chief Officer and Chief Finance Officer appointed by the Integration Joint Board. As a legacy from the response to the COVID-19 pandemic, all formal IJB governance committees continued to be held online throughout the 2022/23 financial year.

The main features of the governance framework in existence during 2022/23 were:

- The Integration Scheme as the overarching agreement between the Integration Joint Board, NHS Tayside and Dundee City Council as to how the planning for and delivery of delegated health and social care services is to be achieved reflecting a range of governance arrangements required to support this arrangement. This was reviewed by the statutory partners during 2021/22 and early 2022/23 with a revised scheme submitted to Scottish Ministers for approval at the end of June 2022 and final approval received in November 2022.

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- The senior leadership team of the Health and Social Care Partnership consisting of the Chief Officer, Head of Finance and Strategic Planning (Chief Finance Officer) and two Head of Service of Health and Social Care Services. The Chief Finance Officer has overall responsibility for the Integration Joint Board's financial arrangements and is professionally qualified and suitably experienced to lead the Integration Joint Board's finance function and to direct staff accordingly.
- Formal regular meetings of the senior leadership team including professional advisers.
- Standing Orders, Financial Regulations and a Code of Conduct including the publication of Register of Member's Interests and the nomination of the Clerk to the Integration Joint Board as Standards Officer were all in place during 2022/23.
- The Integration Joint Board met remotely on seven occasions throughout the year to consider its business. Three development sessions were also held remotely as part of the 2023/24 budget development process. A further eight development sessions were held covering IJB Members Induction, Primary care Improvement Plan, the National Care Service, Alcohol and Drug Prevention, the Strategic Commissioning Plan, Protecting People Annual Reports, IJB Equalities Development and Trauma Informed Practice.
- The Integration Joint Board's Performance and Audit Committee met remotely on four occasions throughout the year to enhance scrutiny of the performance of the Integration Joint Board and audit arrangements in line with regulations and good governance standards in the public sector.
- Internal Audit arrangements for 2022/23 were approved at the Performance and Audit Committee meeting held on the 20 July 2022 including the appointment of the Chief Internal Auditor of FTF Internal Audit and Management Services to the role of Chief Internal Auditor of the Integration Joint Board supported by Dundee City Council's Internal Audit Service. An Internal Audit Plan for 2021/223 was approved drawing on resources from both organisations.
- The assurances provided from internal audit through their independent review work of the Integration Joint Board's internal control systems.
- Assurances were provided to the Performance and Audit Committee in relation to Clinical, Care and Professional Governance through the presentation of a Chairs assurance Report from the Clinical, Care and Professional Governance Group to each meeting of the Committee
- The Chief Finance Officer complied fully with the five principles of the role of the Chief Finance Officer, as set out in CIPFA guidance.
- Compliance with CIPFA's Financial Management Code

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. During 2022/23 this included the following:

- A continued focus on considering risk in decision making through the clear identification of risks in relation to Integration Joint Board decisions reflected in reports presented to the Integration Joint Board and Performance and Audit Committee.
- The provision of regular strategic risk register updates to the Performance and Audit Committee with an annual risk register report presented to the IJB
- The approval and progressing in year of the Annual Internal Audit Plan with the presentation of Internal Audit reports and follow up action plans as appropriate. Update reports on progress of the Internal Audit Plan provided at each Performance and Audit Committee.
- The presentation of the IJB's Annual Performance Report.
- Continued development of the performance management framework with a range of performance reports published and scrutinised by the Performance and Audit Committee throughout the year, including more detailed reviews of specific areas of concern, some of which as requested by the committee such as discharge management, readmission to hospital rates and inspections gradings analysis. A further suite of indicators for Drug and

Alcohol and Mental Health Services were developed and adopted by the Performance and Audit Committee over the financial year

- A process of formal regular reporting of financial performance and monitoring to the Integration Joint Board was in place throughout 2022/23.
- The provision of regular budget development reports for 2023/24 to the Integration Joint Board.
- The further enhancement of IJB and Performance and Audit Committee minutes to reflect the nature of discussion and further agreed actions in addition to the availability of online access to and recordings of meetings.
- The continued development of an Action Tracker to each IJB and Performance and Audit Committee meeting to monitor progress of previously agreed actions and to provide assurance that actions were implemented as requested.
- The provision of an assurance report from the chair of the Performance and Audit Committee outlining the key issues raised at the previous Performance and Audit Committee meeting to the following Integration Joint Board meeting.
- Reporting on issues relating to the Clinical, Care and Professional Governance Group in the form of the group's Chairs Assurance Report to each meeting of the Performance and Audit Committee in line with the overarching strategy: Getting It Right for Everyone – A Clinical, Care and Professional Governance Framework with no major issues reported.
- The adoption of a Directions Policy setting out the process for formulating, approving, issuing and reviewing directions to Dundee City Council and NHS Tayside.
- Regular reporting to the Performance & Audit Committee of external scrutiny reports relating to delegated services from scrutiny bodies such as the Care Inspectorate and supporting subsequent action plans.
- Provision of a Governance Action Plan progress report to monitor progress of previous recommended areas of improvement provided to each meeting of the Performance and Audit Committee.
- Assurance provided around the quality of Social Work Services through the annual Chief Social Work Officer's Annual Report
- Reporting of Complaints in relation to delegated Health and Social Care services
- Assurances on the procedures, processes and systems of NHS Tayside and Dundee City Council as advised through the partner bodies Annual Governance Statements and Annual Internal Audit Reports and relevant internal and external audit reporting

Review of Adequacy and Effectiveness

Dundee City Integration Joint Board is required to conduct, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

The review is informed by the work of the HSCP's Senior Management Team (who have responsibility for the development and maintenance of the internal control framework environment), the work of the internal auditors and the Chief Internal Auditor's annual report, and reports from external auditors and other review agencies and inspectorates.

The review of Dundee City Integration Joint Board's governance framework is supported by a process of self-assessment and assurance certification by the Chief Officer. The Chief Officer completes a "Self-assessment Checklist" as evidence of review of key areas of the Integration Joint Board's internal control framework. The Senior Management Team has input to this process through the Chief Finance Officer. There were no significant internal control issues identified by the self-assessment review.

In addition, the review of the effectiveness of the governance arrangements and systems of internal control within the Health Board and Local Authority partners places reliance upon the

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individual bodies' management assurances in relation to the soundness of their systems of internal control.

The Chief Finance Officer has completed a checklist developed by CIPFA to demonstrate compliance with their Financial Management Code designed to support good practice in financial management and to assist authorities in demonstrating their financial sustainability. Following this, the Chief Finance Officer has concluded compliance with all relevant standards.

Furthermore, in order to support the Chief Financial Officer in ensuring they have fulfilled their duties, a Statement on the Role of the Chief Financial Officer checklist has been completed which notes all relevant requirements have been met.

In preparing the Annual Governance Statement, the Integration Joint Board gave consideration to both NHS Tayside and Dundee City Council's Annual Governance Statements. There were no issues arising which require any further disclosure in the Integration Joint Board's Governance Statement.

Throughout the year, the Performance and Audit Committee has considered a range of issues which cover its core responsibilities in providing the Integration Joint Board with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance arrangements. Assurances are provided through the internal audit reviews undertaken throughout the financial year and presented to the Performance and Audit Committee.

The IJB's Performance and Audit Committee was presented with one substantive internal audit report during 2022/23 relating to the IJB as a Category 1 Responder. This assessed the IJB's arrangements to meet its statutory obligations under the Civil Contingencies Act 2004 which came into effect in March 2021. The review concluded that the IJB was still in the preliminary stages of introducing the necessary resilience arrangements and reflected the reliance on the statutory partner bodies to provide assurance that the required resilience components are in place and up to date. The audit opinion was one of limited assurance. A number of actions were recommended for the HSCP to take forward to enhance systems and processes with an action plan developed to respond to these approved by the IJB at its meeting in October 2022.

The Performance and Audit Committee also received a report on the Sustainability of Primary Care which had been commissioned by Angus IJB, Perth IJB and NHS Tayside. Although not directly commissioned, the Internal Audit review contained a number of recommendations for improvement which are relevant across Primary Care in Tayside and provided limited assurance. Actions arising from these were noted and will be reported back to the Performance and Audit Committee during 2023/24.

Three further substantial internal audit reviews commenced during 2022/23 (Viability of External Providers, Governance Action Plan Review and Operational Planning) but were not finalised for consideration at the end of the 2022/23 financial year. The outcome of the Governance Action Plan review was presented to the Performance and Audit Committee at its meeting in May 2023. This Internal Audit review concluded that the current Governance Action Plan has become overcomplicated and difficult to follow. A number of recommendations have been identified which include separating out internal and external audit recommendations and governance statement improvement actions. This resulted in a risk assessment of significant risk if actions are not put in place. The recommendations have been accepted by management.

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It should be noted that a number of actions outstanding on the Governance Action Plan are reliant on the statutory partners to support in order to progress. These include the development of a Memorandum of Understanding in relation to the level of corporate support services to be provided to the IJB and the development of the Large Hospital Set Aside. In addition, while no longer monitored at a national level or reported separately to the PAC, some remaining outstanding actions from the Ministerial Steering Group report on health and social care integration are also dependent on the partner bodies including those noted above. The progress of these are likely to be impacted by future announcements by the Scottish Government on arrangements for establishing a National Care Service. A number of outstanding actions were completed throughout the year including clarification of deputising arrangements for the Chief Officer, review of adequacy of reserves, review of the strategic risk around increased bureaucracy and liaison with partner organisations to ensure an agreed budget is approved prior to the start of the year.

The IJB consolidated its development work around risk management through continuous reviews of the IJB's Strategic Risk Register at each meeting of the Performance and Audit Committee. This led to identification of new risks escalated from the Clinical Care and Professional Group and horizon scanning with the removal of other risks no longer considered relevant or subsumed within other risks (e.g. the impact of Brexit). The next stage is for the IJB to agree its risk appetite over the course of 2023/24. The Tayside Risk Management Group, consisting of risk management leads from the three Tayside IJB's, the corresponding local authorities and NHS Tayside and chaired by the Dundee IJB Chief Finance Officer continued to meet during the year to streamline risk reporting arrangements, share risk intelligence and develop best practice.

The revision to the Integration Scheme was finalised and signed off by the Scottish Government during 2022/23 with the final version shared with the IJB at its meeting in December 2022. This revision brought the Integration Scheme up to date and reflects the actual experience of the arrangements for and governance of health and social care integration since the original Scheme was approved in 2015/16. This revised scheme ensures there is a governance framework around the arrangements for the integration of health and social care services which is fit for purpose.

Following on from the agreement of the revised Integration Scheme, the IJB has developed and adopted a Directions Policy which will enhance the governance, transparency and accountability between the IJB, Dundee City Council and NHS Tayside by clarifying responsibilities and relationships and support the IJB in exercising its legal powers to ensure the IJB's Strategic Commissioning Plan is delivered. This was approved by the IJB in April 2023.

Following receipt of a report from the Equality and Human Rights Commission with regard to compliance with the Public Sector Equality Duty, the IJB reviewed its arrangements and implemented a range of improvements to ensure compliance with the duties. This includes improvements to the Integrated Impact Assessment reporting within formal IJB and PAC reports, more accessible public access to these assessments on the IJB's website and the provision of a development session for IJB members and workshop for IJB report authors to ensure full understanding of the requirements of the duties.

Following the publication of the update report from the Dundee Drugs Commission in March 2022, leaders from across the Dundee Partnership published an initial statement of intent in June 2022 asserting their commitment to providing a comprehensive, accessible, trauma-informed and compassionate response to drug related harm. This was followed in January 2023 by the publication of the Strategic Framework 2023-2028: Working together to prevent harm and support recovery with a supporting two-year delivery plan. This plan was developed

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to not only to respond to recommendations made by the Dundee Drugs Commission, but to provide a single, prioritised framework that addresses national policy priorities and local needs. Importantly, the revised framework also extends to cover alcohol related harm, as well as drugs. The strategic framework sets out the Alcohol and Drug Partnership's (ADP) vision that "People in Dundee thrive within safe, nurturing and inclusive communities, supported by accessible and effective alcohol and drug services that focus on prevention, protection, harm-reduction, resilience and recovery." Dundee ADP is currently finalising a Commissioning Plan to ensure the identified strategic actions are delivered in practice.

The final report of the Independent Oversight and Assurance Group (IOAG) on Tayside's Mental Health Services was published in January, 2023. The IOAG's remit was to provide independent assurance to the Minister for Mental Wellbeing and Social Care about progress being made in relation to 49 recommendations made within Trust and Respect, the report of the Independent Inquiry into Mental Health Services in Tayside, published in February 2020. The IOAG report set out six priority areas for improvement and in response the Mental Health and Learning Disability Improvement Plan has been developed and approved by the three Tayside IJBs and NHS Tayside Board in March 2023.

The Chair of the Performance and Audit Committee provides an update to the next available Integration Joint Board meeting on the issues raised and any areas of concern which the Integration Joint Board should be made aware of through the Chairs Assurance Report.

Dundee City Integration Joint Board complies in full with "The Role of the Head of Internal Audit in Public Organisations" (CIPFA) and operates in accordance with "Public Sector Internal Audit Standards" (CIPFA). The Head of Internal Audit reports directly to the Performance and Audit Committee with the right of access to the Chief Finance Officer, Chief Officer and Chair of the Performance and Audit Committee on any matter. The annual programme of internal audit work is based on a strategic risk assessment, and is approved by the Performance & Audit Committee.

The Chief Internal Auditor has carried out his review of the adequacy and effectiveness of the Integration Joint Board's framework of governance, risk management and control. The findings of this review are reflected in the Annual Internal Audit Report 2022/23 presented to the IJB meeting of the 21 June 2023 which supports the outcome of Dundee City IJB's self-assessment process noted above and concludes that although some areas for improvement have been identified these do not impact on the level of assurance provided and reliance can be placed on the Integration Joint Board's governance arrangements and systems of control for 2022/23.

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Continuous Improvement

The following areas for improvement have been identified through the self-assessment process, the Governance Action Plan and Annual Internal Audit Report. Progress against these will be monitored by the Performance and Audit Committee during 2023/24.

Area for improvement	Lead Officer	Target Completion Date
Under Clinical and Care Governance, review of remits needs to consider information and data sets to be agreed and presented to the Getting it Right for Everyone Group to support the governance of Lead Authority Services	Lead Allied Health Professional/ Head of service Health & Community Care	October 2023
Reporting on workforce issues including the Workforce and Organisational Development Strategy as well as the partnership forum.	Chief Officer	December 2023
Development of improved Lead Authority Services arrangements around risk and performance management for lead authority services.	Chief Finance Officer	December 2023
Further develop performance report information into a delivery plan framework to ensure the HSCP fulfils its remit in delivering the direction of travel within the IJB's Strategic Commissioning Plan.	Chief Finance Officer	October 2023
Combine financial and performance reporting to members in the context of the IJB's Strategic Risks.	Chief Finance Officer	December 2023
Further development of governance arrangements considering agreed governance principles and updated advice from the Scottish Government Health & Social care Division including an IJB assurance plan to ensure assurance on all IJB risks including from partner bodies. Will also include an annual report from the PAC to the IJB to provide assurance that it has met its remit.	Chief Officer	October 2023
Embed a programme of development and training opportunities for Board members.	Chief Officer	October 2023
Update the Board and PAC on progress in delivering against the remaining actions in the risk maturity action plan following adoption of Tayside IJB's Risk Management Framework.	Chief Finance Officer	October 2023
Work to fully implement the actions in the Workforce and Organisational Development Strategy. Strive towards ensuring that the DH&SCP culture becomes fully embedded. Engage staff in developing and maintaining the partnership culture as well as sharing and embedding the guiding principles.	Lead Allied Health Professional/ Head of service Health & Community Care / Chief Finance Officer	December 2023
Review attendance at groups based on agreed principles. Attendance at partner groups should be based on a consideration of whether this is necessary to provide assurance to allow the partner body to fulfil their agreed responsibilities in line with their accountabilities	Chief Officer	October 2023
Develop a best practice guidance document to ensure the operation of all groups conforms to the various principles detailed in the Governance Mapping report.	Chief Finance Officer	October 2023

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Review and implement recommendations from the Internal Audit Review of the IJB's Transformation Programme	Chief Finance Officer	October 2023
Review and implement the recommendations from the Internal Audit Review of Performance Management arrangements	Chief Finance Officer	December 2023
Develop further Strategic Plan Performance Measures for implementation of the IJB's Strategic Plan	Chief Finance Officer	December 2023
Embed Best Value Reporting into IJB Meetings Schedule	Chief Finance Officer	October 2023
Review the remit of the PAC and update financial regulations following agreement of revised Integration Scheme	Chief Finance Officer	October 2023
Provide an annual report from the PAC to the IJB	Chief Finance Officer	August 2023

Conclusion and Opinion on Assurance

While recognising that improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of Dundee City Integration Joint Board's governance arrangements.

We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the Integration Joint Board's principal objectives will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to regularly review and improve the internal control environment.

Pat Kilpatrick
Chair
Dundee City Integration Joint Board

Date:

Vicky Irons
Chief Officer
Dundee City Integration Joint Board

Date:

THE FINANCIAL STATEMENTS

COMPREHENSIVE INCOME & EXPENDITURE STATEMENT

The Comprehensive Income and Expenditure Statement shows the cost of providing services which are funded by budget requisitions from the partners for the year according to accepted accounting practices.

2021/22		2022/23
Net Expenditure (Income) £000		Net Expenditure (Income) £000
83,526	Older People Services	91,570
24,843	Mental Health	29,733
37,980	Learning Disability	42,200
9,317	Physical Disability	10,370
7,107	Substance Misuse	8,840
18,259	Community Nurse Services / AHP* / Other Adult Services	18,666
12,328	Community Services (Hosted)***	14,788
6,681	Other Services / Support / Management	20,970
31,126	Prescribing	31,868
28,950	General Medical Services (FHS**)	30,056
21,607	FHS – Cash limited & Non-Cash Limited	23,454
281,724	Net Cost of Operational Services during the Year	322,515
337	IJB Operational Costs	361
18,200	Large Hospital Set Aside	20,776
300,261	Total Cost of Services	343,652
(325,430)	Taxation and Non- Specific Grant Income (Note 5)	(328,622)
(25,169)	(Surplus) or Deficit on Provision of Services	15,030
(25,169)	Total Comprehensive Income & Expenditure	15,030

Notes

* AHP – Allied Health Professionals

** FHS – Family Health Services

*** Reflects the impact of hosted services not attributable to specific client groups

Dundee City Integration Joint Board's Comprehensive Income and Expenditure Statement shows the net commissioning expenditure provided to partners to support services. It does not separately detail income received from service users as this remains the statutory responsibility of the partners.

THE FINANCIAL STATEMENTS

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the Dundee City Integration Joint Board's reserves.

Total Reserves 2021/22 £000	Movements in Reserves	General Fund Balance Total Reserves £000
13,829	Opening Balance at 31 March 2022	38,998
25,169	Total Comprehensive Income and Expenditure	(15,030)
25,169	Increase/(Decrease)	(15,030)
38,998	Closing Balance at 31 March 2023	23,968

THE FINANCIAL STATEMENTS

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by Dundee City Integration Joint Board.

31 March 2022 £000		Notes	31 March 2023 £000
39,038	Short Term Debtors	Note 6	24,039
39,038	Current Assets		24,039
(40)	Short Term Creditors	Note 7	(71)
(40)	Current Liabilities		(71)
38,998	Net Assets		23,968
38,998	Usable Reserve: General Fund	Note 8	23,968
38,998	Total Reserves		23,968

The unaudited accounts were issued on ** June 2023

Dave Berry, CPFA
Chief Finance Officer
Dundee City Integration Joint Board

Date:

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1. Significant Accounting Policies

General Principles

The Financial Statements summarise Dundee City Integration Joint Board's transactions for the 2021/22 financial year and its position at the year-end of 31 March 2023. The Dundee City Integration Joint Board was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973.

The Financial Statements are prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, supported by International Financial Reporting Standards (IFRS), and statutory guidance issued under Section 12 of the Local Government in Scotland Act 2003.

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

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when settlement occurs. In particular:

- Expenditure is recognised when goods or services are received and their benefits are used by the Dundee City Integration Joint Board.
- Income is recognised when the Dundee City Integration Joint Board 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 has not taken place, a debtor or creditor is recorded in the Balance Sheet.
- Where debts may not be received, the balance of debtors is written down.

Funding

Dundee City Integration Joint Board is primarily funded through funding contributions from the statutory funding partners, Dundee City Council and NHS Tayside. Expenditure is incurred as the Integration Joint Board commission's specified health and social care services from the funding partners for the benefit of service recipients in the Dundee City Integration Joint Board area.

Cash and Cash Equivalents

Dundee City Integration Joint Board does not operate a bank account or hold cash. Transactions are settled on behalf of Dundee City Integration Joint Board by the funding partners. Consequently, Dundee City Integration Joint Board does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The funding balance due to or from each funding partner as at 31 March is represented as a debtor or creditor on Dundee City Integration Joint Board's Balance Sheet.

Employee Benefits

Dundee City Integration Joint Board does not directly employ staff. Staff are formally employed by the funding partners who retain the liability for pension benefits payable in the future. Dundee City Integration Joint Board therefore does not present a Pensions Liability on its Balance Sheet. Dundee City Integration Joint Board has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report. The charges from the employing partner are treated as employee costs.

Reserves

The Dundee City Integration Joint Board'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 Dundee City IJB can use in later years to support service provision.

Indemnity Insurance

Dundee City Integration Joint Board has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Tayside and Dundee City Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide. Unlike NHS Boards, Dundee City Integration Joint Board does not have any 'shared risk' exposure from participation in Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). Dundee City Integration Joint Board participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

The Dundee City IJB currently has no known or potential claims against it.

2. Critical Judgements and Estimation Uncertainty

Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Dundee City Integration Joint Board has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts are:

The value of the Large Hospital "set aside" expenditure reported within the total Integration Joint Board expenditure is £20.776m. This figure for 2022/23 has been agreed with NHS Tayside and will be included in both the NHS Tayside and Dundee City IJB annual accounts. The figure is calculated on the basis of activity and costs extracted from local datasets. In line with national guidance issued, bed day rates were adjusted to reflect a direct cost per occupied bed day, uplifted for inflation. As such, the sum set aside included in the accounts will not reflect actual hospital usage in 2022/23. This is a transitional arrangement for 2022/23 agreed locally between NHS Tayside and the three Tayside Integration Joint Boards and with the Scottish Government. Work is progressing at a national and local level to refine the methodology for calculating and planning the value of this in the future.

On behalf of all IJBs within the NHS Tayside area, Dundee City IJB acts as the lead partner under hosting arrangements for a range of services including Palliative Care, Brain Injury, Dietetics, Sexual and Reproductive Health and Psychology. It commissions services on behalf of the three Tayside IJB's and is responsible for the strategic planning and operational budget of those hosted services. The Dundee City IJB reclaims the cost of these services using an agreed methodology based around population shares from the other IJB's. Dundee City IJB is not responsible for covering the full cost of any overspends in these areas, nor do they retain

NOTES TO THE FINANCIAL STATEMENTS

the benefits of any underspends. The Dundee City IJB will also receive a corresponding charge from the other Tayside IJB's for the services they host on Dundee's behalf. This arrangement is treated as an agency arrangement.

Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Annual Accounts contain estimated figures that are based on assumptions made by the Dundee City Integration Joint Board about the future or that which are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

3. Events after the Reporting Period

It is considered that there have been no events occurring between 1 April 2023 and the date the accounts were authorised for issue that would have an impact on the 2022/23 financial statements.

4. Expenditure and Income Analysis by Nature

2021/22 £000	Description	2022/23 £000
178,649	Services commissioned from NHS Tayside	209,405
121,275	Services commissioned from Dundee City Council	133,887
309	Other IJB Operating Expenditure	330
28	Auditor Fee: External Audit Work	31
(228,944)	Partners Funding Contributions – NHS Tayside	(222,101)
(96,486)	Partners Funding Contributions – Dundee City Council	(106,521)
(25,169)	(Surplus) or Deficit on the Provision of Services	15,030

5. Taxation and Non-Specific Grant Income

2021/22 £000	Description	2022/23 £000
(228,944)	Funding Contribution from NHS Tayside	(222,101)
(96,486)	Funding Contribution from Dundee City Council	(106,521)
(325,430)	Taxation and Non-Specific Grant Income	(328,622)

The funding contribution from the NHS Board shown above includes £20.776m in respect of 'set aside' resources relating to acute hospital and other resources (Large Hospital Set Aside). Dundee City Integration Joint Board has responsibility for the strategic planning of the amount set aside based on the local population's consumption of these resources. NHS Tayside has

NOTES TO THE FINANCIAL STATEMENTS

the responsibility to manage the costs of providing these services. The value of the set aside is calculated on the basis of activity and costs extracted from local datasets, previous national data sets not available due to COVID-19. The methodology of calculating future values of the Large Hospital Set Aside is being developed locally and nationally.

6. Debtors

2021/22 £000	Description	2022/23 £000
27,792	NHS Tayside	8,336
11,246	Dundee City Council	15,703
39,038	Total Debtors	24,039

7. Creditors

2021/22 £000	Description	2022/23 £000
0	NHS Tayside	0
37	Other Bodies	68
3	Other Government Bodies	3
0	Dundee City Council	0
40	Total Creditors	71

8. Usable Reserve: General Fund

Dundee City Integration Joint Board holds a general reserve balance in line with its reserves policy for two main purposes:

- To commit, 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 with resources to be used in line with the delivery of the IJB's Strategic and Commissioning Plan.
- To provide a contingency fund to cushion the impact of unexpected events or emergencies. This is regarded as a key part of the Dundee City Integration Joint Board's risk management framework.

As stated in the IJB's reserves policy, in light of the size and scale of the Integration Joint Board's operations, over the longer term it is considered that it would be an aspiration to achieve a level of general reserves which represent approximately 2% of net expenditure. The value of reserves must be reviewed annually as part of the Integration Joint Board's Budget and Strategic and Commissioning Plan and in light of the financial environment at that time.

Under the IJB's reserves policy, committed reserves relate to specific funds for specific purposes and will only be used for these purposes, often spanning multiple years. Whilst these reserves are fully committed and therefore not free to use, these are regularly monitored. Any change of use, or decisions relating to residual balance will require the approval of the IJB.

NOTES TO THE FINANCIAL STATEMENTS

The movement reflects the impact of funding for specific initiatives carried forward to 2023/24. The committed reserves balance of £13,179k has been committed by the Dundee City Integration Joint Board through the planned reinvestment of Scottish Government ring fenced funding in line with the conditions of this funding for Primary Care Improvement Plan, Action 15 Mental Health Strategy and Alcohol and Drug Partnership. In addition, Dundee City Integration Joint Board has made decisions to commit reserves for specific purposes such as to support strategic developments and revenue budget support during 2022/23.

Committed reserves relate to reserves that have been earmarked for specific purposes. At 31 March 2022, the IJB reserves are reporting a number of committed reserves that have decreased in size. This is mainly due to Scottish Government Policy whereby reserve balances are considered in the in year allocation of funding for a number of ring fenced funding streams with the expectation that these reserve balances are utilised prior to funding being provided by the Scottish Government. The level of uncommitted reserves grew as a result of the net surplus achieved in 2022/23. A detailed breakdown of these reserves is noted below:

Committed Reserves	Balance At	Ring-fenced in year	Restated 22/23	Movement	Balance at
	01-Apr-22 £000	2022/23 £000	01-Apr-22 £000	2022/23 £000	31-Mar-23 £000
Mental Health	1,825	0	1,825	(1,189)	636
Primary Care	4,996	281	5,277	(3,743)	1,534
Service Specific	1,947	0	2,823	(828)	1,995
Community Living Fund	613	0	613	0	613
NHST - Shifting Balance of Care	1,600	0	1,600	0	1,600
Drug & Alcohol	1,220	0	1,220	(296)	924
Covid-19	15,595	0	15,595	(15,595)	0
Strategic Developments	876	2,500	2,500	0	2,500
Revenue Budget Support	0	3,000	3,000	0	3,000
Other Staffing	394	(0)	394	(17)	377
Interim Care	0	893	893	(893)	0
Total Committed Reserves	29,065	6,675	35,740	(22,561)	13,179
Total Uncommitted Reserves	9,933	(6,675)	3,258	7,531	10,789
Total - General Fund Balances	38,998	0	38,998	(15,030)	23,968

9. Related Party Transactions

The Dundee City Integration Joint Board has related party relationships with NHS Tayside and Dundee City Council. In particular the nature of the partnership means that the Dundee City Integration Joint Board may influence, or be influenced by, its partners. The following transactions and balances included in Dundee City Integration Joint Board's accounts are presented to provide additional information on the relationships. Dundee City Integration Joint Board is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence Dundee City Integration Joint Board or to be controlled or influenced by Dundee City Integration Joint Board. Related party relationships require to be disclosed where control exists, irrespective of whether there have been transactions between the related parties. Disclosure of these transactions allows readers to assess the extent to which the Dundee City Integration Joint Board may have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with Dundee City Integration Joint Board.

Dundee City Integration Joint Board Members

Board members of Dundee City Integration Joint Board have direct control over the Board's financial and operating policies. The Dundee City Integration Joint Board membership is detailed on page 6 of these statements. Board members have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that directly or indirectly may influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, board members with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties.

Officers

Senior Officers have control over Dundee City Integration Joint Board's financial and operating policies. The total remuneration paid to senior officers is shown in the Remuneration Report. Officers have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that directly or indirectly may influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, officers with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties.

Key Management Personnel

The Non-Voting Board members employed by Dundee City Council and recharged to the Dundee City Integration Joint Board include the Chief Officer and the Chief Finance Officer. Details of the remuneration for these post-holders is provided in the Remuneration Report.

NOTES TO THE FINANCIAL STATEMENTS

Transactions with NHS Tayside

2021/22 £000	Description	2022/23 £000
221,572	Funding Contributions received from the NHS Tayside Board	222,101
(177,123)	Net Expenditure on Services Provided by the NHS Tayside Board	(209,405)
44,449	Net Transactions with NHS Tayside	12,696

NHS Tayside did not charge for any support services provided in the year ended 31 March 2023 (2022: nil)

Balances with NHS Tayside

2021/22 £000	Description	2022/23 £000
27,792	Debtor balances: Amounts due from the NHS Board	8,336
0	Creditor balances: Amounts due to the NHS Board	0
27,792	Net Balance with the NHS Board	8,336

Transactions with Dundee City Council

2021/22 £000	Description	2022/23 £000
96,486	Funding Contributions received from Dundee City Council	106,521
(121,613)	Net Expenditure on Services Provided by Dundee City Council	(134,248)
(25,127)	Net Transactions with Dundee City Council	(27,727)

Dundee City Council did not charge for any support services provided in the year ended 31 March 2023 (2022: nil).

The Net Expenditure on Services Provided by Dundee City Council figure includes IJB Operating Expenditure of £361k.

Balances with Dundee City Council

2021/22 £000	Description	2022/23 £000
11,246	Debtor balances: Amounts due from Dundee City Council	15,703
0	Creditor balances: Amounts due to Dundee City Council	0
11,246	Net Balance with Dundee City Council	15,703

10. Value Added Tax (VAT)

NOTES TO THE FINANCIAL STATEMENTS

Dundee City IJB is not a taxable person and does not charge or recover VAT on its functions. The VAT treatment of expenditure in the Dundee City IJB's accounts depends on which of the partner agencies is providing the service as these are treated differently for VAT purposes. The services provided to Dundee City IJB by the Chief Officer are outside the scope of VAT as they are undertaken under a special legal regime.

11. Agency Income and Expenditure

On behalf of all Integration Joint Boards within the NHS Tayside area, the Dundee City Integration Joint Board acts as the lead manager for a variety of Community, Older People, Physical Disability, Mental Health and Learning Disability Services. It commissions services on behalf of the other Integration Joint Boards (Perth & Kinross and Angus) and reclaims the costs involved. The payments that are made on behalf of the other Integration Joint Boards, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the Dundee City Integration Joint Board is not acting as principal in these transactions.

As was the case in 2021/22, National Services Scotland (NSS) have been supplying PPE to Scottish Health Boards free of charge during the financial year 2022/23. In addition to this the Health Boards also provided PPE to Dundee Health and Social Care employees throughout the year. The value of this PPE issued to Dundee Health and Social Care Partnership in 2022/23 was £0.043m. The IJB is acting as an agent regarding these transactions and therefore there is no impact on the figures within the Comprehensive Income and Expenditure Statement.

The amount of expenditure and income relating to the agency arrangement is shown below.

2021/22 (£000)	Description	2022/23 (£000)
13,109	Expenditure on Agency Services	14,566
(13,109)	Reimbursement for Agency Services	(14,566)
0	Net Agency Expenditure Excluded from CIES	0

12. Provisions

Dundee City Integration Joint Board has currently made no provisions. This does not prohibit Dundee City Integration Joint Board making provisions in the future and will where necessary consider the needs for a provision based on the merits of the incumbent circumstances at a relevant future point.

13. Accounting Standards that have been issued but not adopted

There were no relevant accounting standards that have been issued but are not yet adopted in the 2022/23 Code of Practice on Local Authority Accounts in the United Kingdom.

Independent Auditor's Report

Independent auditor's report to the members of Dundee City Integration Joint Board and the Accounts Commission

The Annual Accounts are subject to audit in accordance with the requirements of Part VII of the Local Government (Scotland) Act 1973.

The Auditor appointed for this purpose by the Accounts Commission for Scotland is:

Brian Howarth

Audit Director

Audit Scotland

4TH Floor, South Suite,

The Athenaeum Building

8 Nelson Mandela Place

Glasgow

G2 1BT

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