



Angus Integration Joint Board – **Unaudited** Annual Accounts 2022/23

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All text in red will be updated in due course.

Management Commentary**1. Introduction**

Angus Integration Joint Board (Angus IJB) was established on 3rd October 2015 as a body corporate by Parliamentary Order under section 9 of the Public Bodies (Joint Working) (Scotland) Act 2014. The IJB took over delegated responsibility for Health and Social Care in Angus from 1st April 2016. The IJB's Annual Accounts for 2022/23 reflect the seventh year since taking over that responsibility and covers the period from 1st April 2022 to 31st March 2023. The IJB is required to prepare annual accounts under The Local Authority Accounts (Scotland) Regulations 2014 and Regulations under Section 106 of the Local Government (Scotland) Act 1973 and in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

This Management Commentary outlines key messages regarding the objectives and strategy of the Angus IJB, its financial reporting and performance and provides an indication of risks which may impact upon the IJB in the future. The impact of COVID-19 has continued to have some effect on aspects of the work of the IJB and is noted in relevant sections below.

2. Purpose and Objectives

Angus IJB is a formal Partnership between NHS Tayside and Angus Council (the Parties) and involving the third and independent sectors. The Partnership was established following the approval of an Integration Scheme (the Angus IJB Integration Scheme, updated in 2022) describing the health and social care functions that have been delegated by the Parties to Angus IJB from 1st April 2016.

Angus IJB is responsible for Community Health and Social Care Services for the population of Angus (c116,000 – National Records of Scotland mid-2021 population estimate) across an area that is co-terminus with Angus Council. The key role for the IJB is to deliver the Strategic Commissioning Plan described below. Services provided are fully described in the 2022 Integration Scheme and include, amongst others, Older People's Services, Community Mental Health and Learning Disability Services, Physical Disability Services and Substances Misuse Services. As one of three IJBs in Tayside, Angus IJB also hosts Tayside-wide services including Out of Hours and Speech Therapy and is the lead Health and Social Care Partnership for Primary Care in Tayside. Through the developing Large Hospital Set Aside arrangements, Angus IJB has a strategic planning responsibility for a range of Acute Hospital Services including for Accident and Emergency Services, General Medicine, Geriatric Medicine and Respiratory Medicine generally provided at Ninewells Hospital, Dundee or Stracathro Hospital near Brechin. The IJB also has a strategic planning responsibility for In Patient Mental Health Services currently operationally managed by NHS Tayside.

The Scottish Government's "Independent Review into Adult Social Care", published in February 2021, recommended the creation of a National Care Service. Following these recommendations and an associated public consultation process, the Scottish Government introduced the National Care Service (Scotland) Bill in June 2022. This committed the Scottish Government to establishing a functioning National Care Service by 2026. In April 2023, the Scottish Government extended the period ahead of the next phase of parliamentary consideration to allow for further engagement regarding proposals. This will see any implementation phase deferred and may see some of the previously envisaged proposals amended. However, it remains that case that the direction of travel could have an impact on the future of the IJB and the services it has responsibility for.

3. Strategic Plan

In August 2021, the IJB agreed that the Strategic Commissioning Plan covering 2019-2022 would remain in place through to March 2023. A new Strategic Commissioning Plan was then scheduled for April 2023. For much of 2022/23, the IJB was developing that new plan and, as planned, the new plan "Working Together to Improve People's Lives in Angus" was approved by the IJB in April 2023.

In terms of the development of the new Commissioning Plan, including associated Market Facilitation Statement and Housing Contribution Statement, this was progressed via the IJB's Strategic Planning Group. Appropriate consultation and engagement were undertaken as part of the development of the new plan with this described in reports to the IJB.

Progress towards the objectives of the Strategic Commissioning Plan is monitored by the bi-monthly Strategic Planning Group and regularly reported to the IJB Board. To support this, the IJB has recently agreed to strengthen the reporting arrangements between the Strategic Planning Group, which operates with its prescribed membership, and the IJB Board. Looking forward, the delivery of the new Strategic Commissioning Plan will be described through an associated Strategic Delivery Plan with the

implementation of that Delivery Plan managed through an emerging Strategic Delivery Plan Group (reporting to the Strategic Planning Group).

Routinely the IJB's Annual Performance Report will include an assessment of progress against the Strategic Commissioning Plan. While the IJB has produced a summary 2022/23 Annual Performance Report, an assessment of progress against the Strategic Commissioning Plan won't be included until the final report is produced later this year. The Partnership also develops delivery plans linked to the Strategic Plan and these are shared via Partnership Management groups. [Note - this paragraph will be reviewed once the IJB's Annual Performance report is published.]

The 2023-2026 Angus IJB Strategic Commissioning Plan describes the IJB's:

Vision – "People in Angus receive the best services – possible and enjoy physical and mental health and wellbeing to their full potential."

Mission – "Working together, being courageous and innovative; always aiming to provide safe, effective and high-quality health and social care."

Values – "Caring, compassionate, person-centred, honest and respectful."

While these were only formally approved in April 2023 and are part of the 2023-2026 plan, these factors have influenced IJB thinking and planning throughout 2022/23 as the new plan has been emerging. The new plan highlights three Strategic Ambitions that are already influencing the IJB's thinking as follows: -

To: -

- Support people to be independent for as long as possible.
- Ensure services are sustainable and proportionate to need.
- Provide integrated and co-ordinated care.

The new plan includes and describes four strategic priorities, reflecting the evolution of the IJB's priorities since the last plan was written, as follows: -

Priority 1. Prevention and proactive care.

Priority 2. Care closer to home.

Priority 3. Mental health and wellbeing & substance use recovery.

Priority 4. Equity of access and public protection.

The new plan also describes resources, workforce, property, data and IT and technology issues and reflects learning from the COVID-19 pandemic.

Locality Improvement Groups (LIGs) are established in each locality. Each group includes a wide membership including front-line staff, carers, members of the public, third sector organisations and independent providers of care and support working in the locality. Each LIG has access to information about their locality and uses that to consider how to address local issues. A 3 year Locality Improvement Action Plan is in place for each locality. These are due to be renewed in 2023 and progression of these was delayed awaiting finalisation of the IJB Strategic Commissioning Plan and Strategic Delivery Plan which would inform the updated locality improvement plans. The AHSCP are currently reviewing the effectiveness of the current locality model in Angus with a development session being delivered for the Strategic Planning Group in June 2023.

4. Strategic and Operational Review

The IJB has successfully delivered services throughout 2022/23 in line with the Integration Scheme; however, the delivery of these services in the first part of the year was still subject to some impact of the COVID-19 pandemic. Through the year IJB services delivery has also been impacted by ongoing recruitment challenges.

By April 2022, and in line with national guidance, the IJB approved the proposal to no longer maintain a separate COVID-19 remobilisation plan. At the same time, it was agreed that remaining remobilisation priorities be reflected in the Partnership's strategic and commissioning plans and individual service plans, in effect mainstreaming any ongoing COVID-19 responses. This clearly marked a significant point in the development of the overall COVID-19 response during which the IJB was well supported by partners in Angus Council, NHS Tayside, the third sector and the independent sector.

The impact of COVID has had a marked impact on the way many services are delivered and the risk services have to manage. Examples include the significant changes in the way Out of Hours Services are currently delivered and the risk being managed within the Care Home sector. All these changes to service delivery and risks will require to continue to be managed collaboratively with in the Partnership

to ensure appropriate ongoing, sustainable service delivery, but also reflective of future available resources. As the IJB has followed national guidance in mainstreaming any ongoing COVID-19 responses, so the previous financial support for COVID -19 responses came to an end at March 2023.

While the IJB has developed a new Strategic Commissioning Plan during 2022/23, a number of other Strategic Commissioning Plan and operational imperatives have been progressed by the IJB during 2022/23 including: –

- The further development of In-patient Services within Angus.

During 2022/23, the IJB has considered, approved and progressed with the redesign of the Stroke Rehabilitation Pathway in conjunction with Dundee IJB. This has resulted in the close of Stroke services at Stracathro Hospital and the re-provision of those services at Royal Victoria Hospital in Dundee alongside an augmented local community service. Further work is underway to consider options to develop community-based service further.

In October 2023, the IJB considered the future of Medicine for the Elderly Services and, reflecting safety and property issues and the learning from operation service delivery since 2020, approved the permanent closure of Ward 2 at Stracathro and the opening of additional beds at Whitehills Health and Community Centre in Forfar.

- In February 2022, the IJB agreed to de-commission residential care home services previously delivered at Beech Hill House, Forfar. This change was progressed in the early part of 2022/23 with many staff being successfully redeployed and retained within the Partnership and services users successfully re-located to alternative services.

Separately, in February 2023, the Beech Hill House facility became the preferred option for the re-provision of Learning Disability services previously delivered at The Gables. This will allow this client group to move from accommodation deemed no longer fit for purpose by the Care Inspectorate to accommodation that does meet service user needs. The service changes associated with this decision will happen during 2023/24.

- In addition to changes regarding The Gables service users, improvement planning has continued within Learning Disability and Physical Disability Services. These services have a range of challenges to manage including managing the pressure of increasing numbers of complex care packages from finite financial and workforce resources while also seeking to progress responses to the Scottish Government's "Coming Home Implementation Report", which may have a significant impact on future service provision.
- Through the year, the IJB has continued to develop local Mental Health service improvement and delivery. This has been progressed through the local "Living Life Well" implementation plan with progress being overseen through the Angus Mental Health and Wellbeing Network Strategic Oversight Group and Strategic Planning Group. The IJB has also contributed to regional work and by March 2023, the IJB approved a detailed plan "Tayside Mental Health and Learning Disability Improvement Plan" as part of a response to the final report of the Independent Oversight and Assurance Group published in January 2023.
- Despite workforce challenges, the IJB has continued to consolidate its prescribing position. This is overseen locally and supported by continued engagement with local General Practices, continued work with secondary care and ongoing collaboration across Tayside through the Tayside Prescribing Management Group.
- The continued progression of the 2018 General Medical Services contract through Primary Care Improvement Plans. Nationally, from 2021/22, it was increasingly acknowledged that there was much to be done to fully deliver the GP Contract Offer commitments as originally intended. The 2018 contract was intended to have far-reaching implications for local General Practices and the services that support them and was directly intended to support future sustainability of General Practice. While progress has been made in 2022/23, it has been undermined by persistent recruitment challenges across the multidisciplinary team professions, particularly Pharmacy staffing. In addition there have been significant local challenges in the way Community Care and Treatment services are delivered. These issues mean that full contract implementation is still some way off, but plans continue to evolve to overcome current challenges.
- Alongside the core progression of the above plans, the IJB has continued to struggle to rapidly progress an associated GP Practice Premises Strategy. Proposals were shared with the IJB during 2022/23 with the final GP Practice Premises Strategy being shared with the IJB in June 2023. Delivery of the Strategy is dependent upon NHS Tayside who is contractually responsible for NHS Tayside property.

- Throughout 2022/23, the IJB delivered General Medical Services in Abbey Medical Centre, Arbroath and at Brechin Health Centre through NHS Tayside salaried staff. There have been continuing challenges with providing services of this type during 2022/23, particularly at Brechin Health Centre. The IJB continues to progress plans to improve this against a backdrop of GP recruitment issues. In May 2022, the IJB approved plans to manage the withdrawal from the General Medical Services contract delivery by Friockheim General Practice. These issues are indicative of the risks associated with the sustainability of Primary Care within Angus and across Tayside.

The IJB has had to manage a number of workforce challenges throughout the year including issues regarding the provision of General Medical Services and long-standing issues with respect to professions such as Pharmacy, both noted above. From 2021/22, the IJB has experienced particular challenges with supporting recruitment into local Independent Sector Social Care providers. The IJB continues to work closely with sector representatives, and to support potential national solutions, but for all of 2022/23, the IJB has had a significant level of unmet social care need. The IJB is aware of the impact this issue has on service users and also aware of the impact under-delivery of Social Care can have on the whole system. Management are continuing to work to resolve this as best the IJB can reflecting the importance of this workforce to overall care provision. In June 2022, the IJB approved a new 3-year Workforce Plan (2022-2025) with associated action plan reflecting 7 key priorities: Staff Health and Wellbeing, Primary Care, Ageing Workforce, Succession Planning, Care at Home, Agile Working and Recruitment and Retention.

It continues to be important to recognise the scale of change and range of service delivery issues that the IJB is engaged with and has to manage. While some plans (e.g. Primary Care Improvement Plans) have not progressed as quickly or smoothly as anticipated, other plans (e.g. Stroke Rehabilitation Pathway) have progressed. On top of this, and as noted above, the IJB has had to manage a number of recruitment issues and, looking forward, will have to deliver services in an increasingly funding - constrained environment. The IJB's strong record of change in recent years, continued through 2022/23, will continue to service the IJB well as it progresses the delivery of the new Strategic Commissioning Plan.

5. Performance Reporting

Section 42 of the Public Bodies (Joint Working) (Scotland) Act 2014 states that Integration Authorities must prepare an Annual Performance Report for each reporting year and make this available to the public. The report is intended to set out an assessment of performance by each Integration Authority in planning and carrying out its integration functions. Angus IJB regularly receives Performance Report updates.

The publication of the full Annual Performance Report for 2022/23 will be available in July 2023. For 2022/23, an initial dashboard version of the IJB's Performance Report was shared with the IJB in June 2023.

[Insert link \(TBC\)](#)

The following narrative and data are extracts of this report.

The report focuses on key indicators in relation to the four priorities of the Strategic Commissioning Plan:

- *Improving health, wellbeing, and independence*
- *Supporting care needs at home*
- *Developing integrated and enhanced primary care and community responses*
- *Improving integrated care pathways for priorities in care*

These four priorities of our Strategic Commissioning Plan aim to deliver on the nine National Health and Wellbeing Outcomes.

The final year data for 2022/23 in relation to some indicators are not available yet. Where this is the case full year data to the end of December 2022 has been used. This is shown in the dashboards as 22/23 Q3.

Overall the (IJB's Performance Report) ... demonstrates that the AHSCP has continued to make progress against the ambitions set out in its Strategic Commissioning Plan 2019-22. Some indicators have been impacted by COVID-19, particularly those related to hospital admissions. There are areas that require further work to be progressed to improve performance and work towards achieving the target or trajectory, in particular personal care provision and prescribing.

Angus IJB approved a new Strategic Commissioning Plan for 2023-26. This Strategic Commissioning Plan includes a Strategic Delivery Plan detailing new/updated ambitions and revised indicators. These indicators will be reviewed and target/trajectories set to ensure we can delivery on the new Strategic Commissioning Plan.

The IJB's full Annual Performance Report will refer to the securing of Best Value. Prior to the COVID-19 pandemic, the IJB believed the scale of change being progressed through the IJB ensured that the vast majority of the IJB's resources and services were subject to some form of service review and continuous improvement. Consequently this, alongside the corporate systems accessed through Angus Council and NHS Tayside, assisted the IJB demonstrate that it was, at all times, seeking to secure best value from the resources available. While improvement and change work slowed during the pandemic and in the immediate post-pandemic period, during 2022/23 the IJB has continued to make important decisions (e.g. regarding the Stroke Rehabilitation Pathway and regarding the configuration of in-patient Medicine for the Elderly services. In 2022/23, the IJB also completed the work to de-commission residential care home services noted above. The IJB believes that the approval of the new Strategic Commissioning Plan and, importantly, the development of the associated Strategic Delivery Plan, allow it to set out a framework that underlines the IJB's continued commitment to deliver Best Value. Further iterations of the IJB's Strategic Financial Plan are expected to reflect this. [Note - this paragraph will be reviewed once the IJB's Annual Performance report is published.]

While it was noted in the IJB's 2021/22 Annual Accounts, it is important to note that in July 2022, Audit Scotland issued a "Best Value Assurance Report" for Angus Council. This generally positive report did note that both Angus Council and Angus HSCP will need to "develop and deliver significant savings plans over the next few years to secure financial sustainability. This will require changes to the range and scope of services being delivered." The report also noted the impact of recruitment issues within health and social care and acknowledged that "AHSCP has made some good progress in shifting care from hospitals into the community, and in introducing social prescribing".

The performance dashboard for these priorities is set out below:-

Summary Performance Dashboard

<p>Improving Health and Wellbeing</p> <ul style="list-style-type: none"> • 2 out of 4 measures are within 5% tolerance of target/trajectory • 2 out of 4 measures are greater than 5% variance against the target/trajectory • 3 measures do not have a target/trajectory set 											
<p>Number of people aged over 65 admitted to hospital following a fall as a rate per 1,000 population (National Indicator)</p>											
21/22	▼	22/23 Q3	Target	21/22	▼	22/23 Q3	Target 2022	21/22	▼	22/23	Target 2022
22.7		25.1	n/a	54		55	49	220		221	207
<p>Number of people that were prescribed items for hypertension in Angus as a crude rate per 1,000</p>				<p>Number of people prescribed items for diabetes in Angus as crude rate per 1,000</p>				<p>Number of people prescribed items for anxiety and depression in Angus as a crude rate per 1,000</p>			
21/22	▼	22/23 Q3	Target 2022	21/22	▼	22/23 Q3	Target 2022	21/22	▼	22/23	Target 2022
140		141	140.5	54		55	49	220		221	207
<p>Number of people in Angus using Telecare items as a rate per 1,000 population</p>				<p>Number of people using short breaks as a rate of 1,000 population</p>				<p>Number of respite nights for people aged over 65 as a rate of 1,000 population</p>			
21/22	▲	22/23	Target 2022	21/22	▲	22/23	Target	21/22	▼	22/23	Target
5.0		5.6	9.0	3.9		4.0	n/a	417		386	n/a
<p>Supporting Care Needs at Home</p> <ul style="list-style-type: none"> • 1 out of 4 measures are on track • 3 out of 4 measures are within 5% tolerance of target/trajectory • 1 out of 4 measures are greater than 5% variance against the target/trajectory • 1 measure does not have a target/trajectory set 											
<p>Percentage of people using alcohol and drug services treated within 3 weeks of referral</p>				<p>Number of people receiving personal care as a rate per 1,000 population</p>				<p>Number of personal care hours as a rate per 1,000 adult population</p>			
21/22	▲	22/23	Target	21/22	▲	22/23	Target 2022	20/21	—	22/23	Target
84.3%		93.8	90%	19.6		20.2	15.4	6,963		6,872	n/a
<p>Average age that someone over 65 is likely to require personal care</p>				<p>Number of personal care hours for people aged over 65 as a rate of the population aged over 65</p>							
21/22	—	22/23	Target 2022	21/22	▼	21/22	Target 2020				
82.26		82.50	≥ 83.41	17,420		16,313	11,088				

Developing Integrated and Enhanced Primary Care and Community Responses

- 2 out of 6 measures are on track
- 4 out of 6 measures are greater than 5% variance against the target/trajectory

Emergency admissions for adults as a rate per 1,000 population (National Indicator)	Emergency bed days for adults as a rate per 1,000 population (National Indicator)	Emergency readmissions within 28 days of discharge as a rate of all emergency admissions (National Indicator)
21/22 107	21/22 995	21/22 165
▼	▲	▲
22/23 118	22/23 Q3 952	22/23 115
Target 2022 103	Target 2022 948	Target 2022 100
Average length of stay for adults following an emergency admission	Number of care home nights as a rate per 1,000 population over 65	Number of people aged over 65 placed in a care home as a rate per 1,000 population
21/22 10.4	21/22 9,255	21/22 40.4
	▼	—
22/23 Target 2022 ≤ 7.6	22/23 Q3 8,159	22/23 40.0
Target 2022 ≤ 7.6	Target 2022 9,630	Target 2022 48.7

Improving Integrated Care Pathways for Priorities in Care

- 2 out of 2 measures are greater than 5% variance against the target/trajectory

Bed days lost to delays in discharge for people aged over 75 as a rate per 1,000 population	Bed days lost to complex delays (all ages) (MSG indicator)
21/22 205	21/22 Q3 2,340
▼	▼
22/23 Q3 229	22/23 Q3 3,476
Target 2022 -5%	Target 2022 -10%

Key: all data derived from local management information not national statistics.

▲	Improved performance		Meeting Target/Trajectory
—	Static performance		Within 5% tolerance of Target/Trajectory
▼	Decline in performance		Greater than 5% tolerance from Target/Trajectory

6. Financial Management

The IJB's finances are overseen by the IJB's Chief Finance Officer with support from a finance support structure, including a Partnership Finance manager, aligned to the IJB Chief Finance Officer. The IJB's financial management is supported by systems and advice from finance functions within Angus Council and NHS Tayside. This support from partners is provided as part of overall arrangements for corporate support services whereby Angus Council and NHS Tayside provide a range of services, including Finance, Human Resources and Legal & Democratic Services, without charge to Angus IJB.

Prior to April 2016, the IJB had developed the financial governance infrastructure required to allow it to assume new responsibilities from 1st April 2016. That financial governance infrastructure continues to be reviewed and refreshed, albeit with limited update during the period of the COVID-19 pandemic.

7. Analysis of Financial Statements

A main objective of these Annual Accounts is to provide information about the financial position and financial performance of the IJB that is useful to a wide range of users in making and evaluating decisions about the allocation of resources.

The 2022/23 Annual Accounts comprise:-

- a) Comprehensive Income and Expenditure Statement – This statement shows that the IJB operated at an overall deficit of (£13.890m) (i.e. over spent by £13.890m) in 2022/23 on the total income of £193.821m (7.2% of 2022/23 income). This overall deficit consists of a) £7.438m of operational service under spends, and b) £21.328m of over spends linked to reduction or consumption of "ear-marked" reserves. This overall deficit mainly reflects the reduction in COVID-19 reserves (by £15.759m), as well as reduction in Primary Care Improvement Fund reserves (by £2.512) and other 2021/22 reserves (as shown in Note 9. Reserves). Consequently, the deficit of £13.890m is managed through an overall reduction in the IJB's reserves.
- b) Movement in Reserves – The IJB had a 2021/22 opening reserves of £35.454m. This has decreased by the overall deficit of £13.890m with a year-end reserve of £21.564m. Part of the balance on the Comprehensive Income and Expenditure Statement supported the creation of a Primary Care Investment Reserve and a Mental Health Recovery Financial Reserve, increasing the Strategic Planning Reserve, increasing the IJB's General Fund (Contingency) to 3% of the IJB's turnover and the development of a 2023/24 Financial Planning Reserve, These reserves are managed in line with the IJB's reserves policy.
- c) Balance Sheet – In terms of routine business the IJB does not hold assets, however the reserves noted above are reflected in the year-end Balance Sheet.
- d) Notes – These comprise of 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 the IJB does not hold any cash or cash equivalents.

8. Financial Performance

Throughout 2022/23, finance reports have been presented to IJB Board meetings. These reports set out information regarding the annual budgets and projected financial out-turns for the financial year as well as describing the financial impact of COVID-19, financial risks and reserves position. At the end of the 2022/23 financial year, a year end summary report was submitted to the June 2022 IJB Board meeting.

Reporting through the year anticipated in year under spends for the IJB. Operational service under spends were attributable to a combination of unfilled vacancies, recruitment issues (e.g. unmet social care), lower-than-expected care home placements, higher pay award funding than expected, some inflationary and contractual pressures being lower than planned and the benefit of National Insurance changes.

The anticipated year end under spend allowed the IJB to develop and approve reserves proposals as described above. It also allowed the IJB, in conjunction with NHS Tayside and Angus Council, to deploy IJB funds, Scottish Government investment funding and COVID-19 reserves to support investments in telecare and digital; commitments to Angus HSCP premise development priorities (including regarding Care Homes); Mental Health services operationally managed by NHS Tayside and wider system costs within NHST (including those related to COVID-19). This has been practical on a one-off basis linked to the financial position of the IJB in 2022/23.

A number of service areas within local Community Health Services concluded the year in under-spending positions. Some of these under-spends related to recruitment challenges. Cost pressures were evident and emerging regarding likes of Out of Hours, General Medical Services (GP Services) and Prescribing.

Within Social Care a lower demand for care home placements has been evident along with a continued high demand for care at home services. The care at home demand continues to exceed the available capacity within the partnership, resulting in unmet need and costs being incurred at a lower level than would otherwise have been the case. This shift in the balance of care will require to be sustained in future years through the rebalancing of resources.

Overall the total spends on COVID-19 was £3.151m with the main areas of spend as follows:-

- £1.416m Key Provider Support costs;
- £0.732m to support COVID-19 related Mental Health in patient pressures;
- £0.605m to support wider system COVID-19 pressures within NHS Tayside;
- £0.195m Additional Staffing costs, including Out of Hours and Dietetic Services
- £0.124m Additional Prescribing costs;
- £0.079m Additional Personal Protective Equipment(PPE) costs and associated PPE running costs

The Scottish Government advised any unused COVID-19 reserves would revert back to Scottish Government in financial year 2022/23 for the IJB this has resulted in £12.608m being returned to Scottish Government.

The COVID-19 reserves funding has been a factor in the IJB's reporting for 2022/23. While all 2022/23 COVID-19 related costs were funded, looking forward the expectation of the Scottish Government is for IJBs to mainstream any recurring COVID-19 related spend. For future years expected ongoing costs have been factored in the Strategic Financial Plan 2023/24 to 2025/26.

As noted in the analysis of the financial statements, the IJB had an opening reserve position of £35.454m. This has decreased by the balance on the Comprehensive Income and Expenditure Statement of £13.890m, resulting in a year-end closing reserve of £21.564m.

9. Financial Outlook

On an annual basis, Angus IJB negotiates budget settlements with both Angus Council and NHS Tayside. Angus IJB has now agreed a budget settlement with Angus Council for 2023/24 and has working assumptions regarding the budget settlement from NHS Tayside for 2023/24. There a number of unresolved issues with respect to the budget allocation from NHS Tayside including regarding Large Hospital Set Aside, Mental Health Services and the funding of some drug costs. Subject to resolution of those issues, finalisation of agreements and any further allocations, budget settlements for 2023/24 will be as follows (as per the IJB's Strategic Financial Plan for 2023/24):-

- Budgets to be delegated from Angus Council – £69.413m
- Budgets to be delegated from NHS Tayside – £149.523m
- Total budgets to be devolved to the IJB – £218.936m

The above was set out in a report to the IJB in April 2023 (report 28/23) and is intended to be consistent with the IJB's new Strategic Commissioning Plan for 2023/24 to 2025/26.

Budget settlements from both Partners are subject to Scottish Government influence and direction. From 2021/22 and into 2022/23, the IJB received recurring additional funding from the Scottish Government to support a range of pressures – including Expanding Care at Home, supporting increases in the Living Wage in Adult Social Care and to support Multidisciplinary Team working. These funding streams are now largely mobilised and have provided important additional support and capacity for service delivery. However, despite this additional funding and despite most COVID-19 responses now being mainstreamed, the IJB continues to face significant underlying challenges in terms of continuing demographic and much-increased inflationary type pressures. In addition, the IJB acknowledges that the long-term implications of the Independent Review of Adult Social Care / National Care Service remain uncertain. These issues and other pressures will require the IJB to continue to revisit its strategic financial and commissioning plans as has been evidenced by April 2023 IJB reports.

The budgets noted above include assumptions regarding Large Hospital Set Aside resource. This element of the IJB's resource framework remains subject to further development. While this is a national issue subject to national focus, Angus IJB continues to seek to progress this issue with both NHS Tayside and other Tayside IJBs and has recently developed preliminary proposals with NHS Tayside to progress this issue during 2023/24.

The IJB regularly considers its multi-year financial plans and the latest plans (April 2023) reflect a significant reliance on reserves to deliver a breakeven position in 2023/24 and 2024/25. Beyond 2024/25, the current financial plans describe significant shortfalls and this has resulted in the IJB continuing to review the future Strategic Delivery Plan and Strategic Financial Plan. Report 28/23 indicated the following financial position:-

Financial Year	2023/24	2024/25	2025/26	2025/26 (Recurring)
	£k	£k	£k	£k
Shortfalls	(5,199)	(6,405)	(8,056)	(8,056)
Non-recurring Under spends	3,000	1,500	500	0
Planned Use of Contingency Reserves	2,119	4,331	0	0
Revised Shortfall	0	(574)	(7,556)	(8,056)

Note: Contingency reserves increased to £6.450m from £5.250m following approval of 2022/23 accounts, with this increase available to further offset future years shortfalls if required. (Note- still to be confirmed.)

While projected shortfalls, which already assume the delivery of a series of planned interventions, and could be exacerbated by increased inflationary or service pressures, are assumed to be largely offset by non-recurring under spends (largely due to recruitment issues) and reserves in 2023/24 and 2024/25, there is a clear significant structural shortfall in the overall financial plans associated with the new Strategic Commissioning Plan. The IJB acknowledges that it needs to continue to develop the new Strategic Commissioning Plan's associated Strategic Delivery Plan to allow the IJB to deliver the Commissioning Plan on a financially sustainable basis. The IJB is also aware that ultimately, it may have to revisit its recently approved Strategic Commissioning Plan.

The above structural shortfalls confirm the IJB will need to remain focused on considering difficult issues at pace and then moving forward with associated implementation plans. This will remain challenging as the IJB, staff within the IJB and services continue to work in a very dynamic environment and one where the IJB are having to manage a series of ongoing recruitment challenges.

As Angus IJB negotiates budget settlements with both Angus Council and NHS Tayside on an annual basis, the future funding assumptions for Angus IJB are linked to those of both Partner organisations and the Scottish Government's position. With the whole Public Sector likely to be subject to increased financial pressure, the IJB will monitor funding streams available from the Scottish Government and the overall financial positions of NHS Tayside and Angus Council. These factors have an impact on the financial resources available to Angus IJB. It is already clear that the impact of inflationary pressure has undermined the financial stability and sustainability of the IJB and, while it is hard to predict how long inflationary pressure will remain a significant factor, it will also be difficult to ever recover from the recent and current impact.

In terms of financial sustainability, it is important to note that the 2022 Angus Integration Scheme states that "In the event that an overspend is evident following the application of a recovery plan, use of reserves or where the Strategic Plan cannot be adjusted, the overspend will be shared in proportion to the spending Direction for each Party for that financial year, adjusting these spending directions to ensure the Parties budgets are on a like for like basis. Where the parties make additional payments to cover an over spend then the Parties will discuss whether recovery of those additional payments in future years from the Integration Joint Board should be pursued. In the event that the Parties agree that the recovery of additional payments is to be pursued this will be over a maximum period of 3 years on a basis and repayment profile to be agreed between the Parties, in consultation with the Integration Joint Board. Consideration of whether to recover additional payments made by the Parties will be informed by an assessment of the reasons for these payments and the implications for the Parties and Integration Joint Board of doing so." While the 2022 Integration Scheme now includes a clause regarding the repayment of any additional payments, with unresolved structural shortfalls within the IJB's financial plans in future years, this could increasingly have an impact on the relationship with the IJB's Partners as they may become increasingly exposed to the IJB's financial position. This could be source of increasing focused within IJB decision making.

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As noted in above sections, the IJB does hold significant level of reserves at the end of 2022/23. The IJB will seek to deploy these reserves in line with the IJB's Strategic Commissioning Plans and in a manner consistent with Scottish Government guidance.

The IJB regularly documents prospective financial risks. Significant longer-term and ongoing risks include:-

Risk	Situation	Mitigating Action	Responsible Officer
Funding	Unresolved budget settlement issues with NHS Tayside (e.g. Large Hospital Set Aside, Mental Health, drug cost funding).	Ongoing discussions with NHS Tayside	Chief Finance Officer
Funding	Medium Term Financial Planning – Lack of funding clarity including potential reviews of funding formulae or risk sharing agreements.	The IJB will, through national and regional networks, work with the Scottish Government and local colleagues to develop this planning.	Chief Finance Officer
Financial Planning	Financial Plan contains a number of estimates and assumptions, particularly with regard to inflation.	Estimates and assumptions will all be monitored and addressed as early as is practical any variance to plans highlighted.	Chief Finance Officer
Planned Interventions	The IJB's recent patterns of delivery of savings from planned interventions have been variable.	The IJB's financial plan has been re-set in April 2023 and the IJB continues to progress all agreed planned interventions.	Chief Officer
Cost Pressures – Service, Legal and Contractual	The IJB continually needs to manage a series of service/demographic pressures (e.g. managing the introduction of new drug treatments and mainstreaming COVID-19 responses), legal pressures and contractual pressures (e.g. Primary Care Improvement Plan).	Through local and national forums, the IJB will work to manage and contain pressures and ensure mitigating or offsetting measures are in place.	Chief Officer
Cost Pressures – Inflation	The IJB has to manage inflationary pressures across staff pay, non-pay costs (e.g. energy, consumables and drugs), pressures regarding the National Care Home Contract and pressures within the voluntary and independent sector generally.	Through local and national forums, the IJB will work to manage and contain pressures and ensure mitigating or offsetting measures are in place, while seeking to support partner organisations.	Chief Officer
Workforce	The IJB faces a number of workforce issues (e.g. General Practice, unmet need within the Home Care sector) and requires good workforce planning to mitigate these risks. The IJB will also have to manage the impact of Reviews of Safe Staffing issues re Health and Care (Staffing) (Scotland) Act	The IJB continues to progress its workforce planning to seek to resolve short and long term workforce issues.	Chief Officer
Organisational	The IJB will have to manage risks resulting from the 2022 Integration Scheme, any shortcomings regarding the provision of corporate support from the IJB's partners, overall managerial capacity issues within the IJB. The IJB will require to monitor risks regarding the future introduction of the National Care Service.	The IJB continues to link in with national and local groups regarding all these issues.	Chief Officer
Income	The IJB's income management improvement plan did not progress as planned in 2022/23.	The IJB is now progressing a revised April 2023 Income Management Improvement Plan with	Chief Finance Officer

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	The IJB will monitor risks associated with Scottish Government commitments regarding charging for social care services.	increased resources supporting this work. The IJB continues to link in with national groups regarding Scottish Government commitments.	
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10. Management of Risks

Angus IJB has an approved Risk Management Strategy in place, which was updated in April 2021. In 2022/23 Angus IJB developed and approved their Risk Appetite statement (February 2023). The IJB monitors a series of corporate strategic risks using agreed methodologies. The risks monitored are described below and cover a range of issues. The scrutiny and management of risks is devolved to the Angus HSCP Clinical, Care and Professional Governance forum, chaired by the Health & Social Care Partnership's Associate Medical Director. Monitoring of risk performance is undertaken on a bi-monthly basis with an overview provided to the IJB's Audit Committee (two times per year) and NHS Tayside's Strategic Risk Management Group. In addition, regular reports are shared at the NHS Tayside Care Governance Committee.

The following risks were regularly monitored by the IJB during 2022/23.

Ref.	Risk	Risk Detail	Maximum Risk Status	Risk Status March 2023
SR01	Sustainability of Primary Care Services	To maintain sustainable Primary Care Services both in and out of hours due to national recruitment issues.	Red	Red
SR02	Prescribing Management	The prescribing overspend remains the single most significant cost pressure within the IJB.	Red	Amber
SR03	Effective Financial Management	Noting long term financial forecasts, to maintain good quality financial management and to ensure the best use of all available resources.	Red	Red
SR08	Workforce Optimisation	Bringing together partnership staffing to improve outcomes, efficiency and reduce duplication.	Red	Red
SR11	Commissioned Service Provider Failure	To monitor and provide assurance that mechanisms for identifying early warning signs that providers operating locally are failing or in difficulty.	Red	Amber
SR14	Adult Support & Protection	Ensuring that the quality of adult protection work within the AHSCP is of a good standard so that risk to the public, to individual services and to member organisations is averted.	Red	Yellow
SR16	Non-integration of Adverse Event, Risk Management and Complaints Handling	Risk to effective and integrated adverse event management, risk management, and complaints handling.	Amber	Amber
SR18	Implementation of Strategic Planning Priorities	The implementation of our strategic priorities has been impacted upon adversely by COVID 19.	Red	Archived March 2023
SR20	Withdrawal of Roche Glucose Nano Meter	Primary Care staffs across all 3 partnerships are not being supplied with new or replacement Performa Nano glucose meters.	Red	Archived March 2023
SR21	Equalities	There is a risk that Angus HSCP will be unable to evidence that it has paid due regard to the need to foster good relations within communities by tackling prejudice and promoting understand, advance equality of opportunity, eliminate discrimination, harassment and victimisation and will not meet its legal obligations under the Equality Act (2010) and other relevant legislation.	Red	Amber

Note: All Risks graded Red (High Risk) through Amber, to Yellow, to Green (Low Risk).

In May 2023/24 a new risk has been agreed regarding Commissioned Services Unmet Needs (SR24). Two further risks are being developed regarding Mental Health and Primary Care.

While the impact of COVID-19 was not documented as a unique risk, all the IJB's risks were reviewed to allow for the effects of COVID-19.

11. Further Information

These Annual Accounts refer to both the Angus IJB Integration Scheme and Angus IJB Strategic Plan. These can be found at: –

Angus IJB Integration Scheme (2022 version):

<https://www.angushscp.scot/wp-content/uploads/2022/11/Angus-Revised-Integration-Scheme-2022.pdf>

Angus IJB Strategic Commissioning Plan 2019-2022 (Extended to March 2023):

<https://angushscp.scot/wp-content/uploads/2021/12/Strategic-Commissioning-Plan-2019-2022.pdf>

Angus IJB Strategic Commissioning Plan 2023-26 (Approved in April 2023)

[https://www.angus.gov.uk/sites/default/files/2023-](https://www.angus.gov.uk/sites/default/files/2023-04/Report%20IJB%2029_23%20Strategic%20Commissioning%20Plan%202023-2026App1.pdf)

[04/Report%20IJB%2029_23%20Strategic%20Commissioning%20Plan%202023-2026App1.pdf](https://www.angus.gov.uk/sites/default/files/2023-04/Report%20IJB%2029_23%20Strategic%20Commissioning%20Plan%202023-2026App1.pdf)

Angus IJB publishes all formal Board papers at:

[Integration Joint Board agendas, reports and minutes | Angus Council](#)

Further information regarding the Annual Accounts can be obtained from the Chief Finance Officer, Angus IJB, Angus House, Orchardbank Business Park, Forfar, DD8 1AN.

12. Conclusion and Acknowledgements

We are pleased to record that during 2022/23 the IJB has successfully delivered health and social care services to the population of Angus and, for hosted services, to the population of Tayside. We all acknowledge that, as with recent years, 2022/23 continued to be challenging for all those involved in the provision of health and social care services. While the direct impact of COVID-19 had clearly reduced in the first part of the year, issues such as workforce challenges had a significant impact on the services that we provide, the staffs that provide those services and on those who rely on our services.

We are grateful for the support provided by the independent, third and primary care sectors and all the employees of Angus Council and NHS Tayside who have helped us to work in partnership to transition from managing COVID-19 responses through remobilisation and recovery. The IJB's ability to continue to sustain services for the local population and to respond to the likes of workforce challenges is only possible through the hard work of all involved and through working in partnership.

Looking forward, the IJB acknowledges it faces continuing challenging financial circumstance. This will happen in a dynamic operating and strategic planning environment subject to a range of risks. Against this background, the IJB remains confident that it can continue to take advantage of the opportunities available through Health and Social Care Integration to best deliver affordable and sustainable health and social care services for the population of Angus.

Gail Smith	Councillor Julie Bell	Alexander Berry
Chief Officer	Chairperson	Chief Finance Officer
TBC	TBC	TBC

Annual Governance Statement

Introduction

In October 2015, the Scottish Government approved Angus IJB's Integration Scheme thus formally constituting the Partnership with the intention of it being responsible for services from 1st April 2016. Angus IJB duly assumed responsibility for services from 1st April 2016 and this Governance Statement therefore reflects the responsibilities assumed from 1st April 2016. During 2022 a revised Integration Scheme was developed. This was considered and supported by NHS Tayside and Angus Council (the parties to the agreement) in June 2022 and the revisions to the Integrations Scheme then received Ministerial approval in November 2022.

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

Scope and Responsibility

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

To meet this responsibility the IJB has established arrangements for governance which includes a system of internal control. The system is intended to manage risk and to support the achievement of the IJB's policies, aims and objectives. Reliance is also placed on the NHS Tayside and Angus Council systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB. Reliance is similarly placed on Dundee IJB and Perth & Kinross IJB with respect to hosted services.

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

The Governance Framework and System of Internal Control

The Board of the IJB comprises voting members, nominated by either NHS Tayside or Angus Council, as well as non-voting members, including a Chief Officer appointed by the Board. Board membership during 2022/23 is documented in the Angus IJB Remuneration Report within the Annual Accounts.

Angus IJB also has an Audit Committee chaired by a member of the IJB and comprising five further IJB members. During 2022/23, the Audit Committee met five times, including one special meeting. The Audit Committee conducts its business in line with the Chartered Institute of Public Finance and Accountancy's (CIPFA) "Audit Committees: Practical Guidance for Local Authorities and Police" guidance. The Audit Committee's membership at the year-end was as follows:-

Andrew Jack (Chair of Audit Committee, attended 5 of 5 meetings)
 Chris Boyle (attended 3 of 5 meetings)
 Peter Burke (attended 5 of 5 meetings)
 Kathryn Lindsay (Vice Chair of Audit Committee, attended 5 of 5 meetings)
 Hayley Mearns (attended 2 of 5 meetings)
 Councillor George Meechan (attended 3 of 3 meetings)
 Elaine Henry (attended 0 of 0 meetings)

In June 2022, Andrew Jack became Chair of the Audit Committee replacing Councillor Julie Bell [attended 1 of 1 meeting]. Kathryn Lindsay was appointed as Vice-Chair of the Audit Committee replacing Andrew Jack.

During the financial year, Councillor George Meechan joined the Audit Committee, replacing Councillor Julie Bell, and attended his first meeting in August 2022. Peter Davidson resigned from the Audit Committee (attended 3 of 5 meetings) when he was appointed Vice Chair of the IJB and in February 2023 was replaced by Elaine Henry.

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

- Approved updated Integration Scheme, Standing Orders and Financial Regulations (updated April 2023).
- Bi-monthly public meetings of the IJB, with two additional special meetings of the IJB in May 2022 and March 2023. The requirement to hold additional special meetings does reflect the dynamic environment the IJB is operating in.

- Code of Conduct and Register of Interests for all IJB members.
- Monthly Executive Management Team meetings.
- Weekly Leadership Management Team meetings.
- The Strategic Planning Group met five times in 2022/23 overseeing the IJB's Strategic Plan and its implementation and updating.
- Monthly Clinical, Care and Professional Governance forum.
- Bi-monthly Staff Partnership forum.
- The Audit Committee met five times in 2022/23, including one additional special meeting of the Audit Committee in September 2022, with responsibility for agreeing the Annual Internal Audit Plan, considering the results of any external or internal inspections, assessments or audits of the IJB, scrutinising the Annual Accounts and Governance Statement of the IJB and monitoring the progress with "Directions" issued by the IJB. The Audit Committee fulfils its remit in compliance with CIPFA's "Audit Committees – Practical Guidance for Local Authorities and Police".
- The IJB's Audit Committee holds an annual "private" meeting between the IJB's Internal and External Auditors and the members of the IJB's Audit Committee.
- Appointment of Fife, Tayside and Forth Valley Management Services as Internal Auditors for the IJB with support from Angus Council Internal Audit.
- Appointment of Audit Scotland as External Auditors for the financial years 2022/23 to 2026/27.
- Chief Officer in post for duration of 2022/23.
- Chief Finance Officer in post for the duration of 2022/23 with the Chief Finance Officer having overall responsibility for the IJB's financial arrangements, being professionally qualified and having suitable experience to lead the IJB's finance function and to direct staff. In line with overall Corporate Support arrangements, the Chief Finance Officer is reliant on the finance support provided by both NHS Tayside and Angus Council. The responsibility for management of associated NHS finance staff and Angus Council finance staff is devolved to the Chief Finance Officer enabling a fully integrated finance team.
- In depth review of the "Role of the Chief Finance Officer in Local Government".

The governance framework described above 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:

- Implementation of the IJB's Risk Management Strategy and revision and enhancements to risk management arrangements and processes.
- Establishment of Performance Steering Group with associated improved performance reporting framework.
- Provision of regular financial monitoring reports to the IJB.
- Provision of regular budget settlement reports.
- Provision of regular Strategic Financial Planning reports to the IJB.
- Approval and delivery of an Annual Internal Audit Plan.
- Further increased issuing of "Direction" to the IJB's Partner organisations and the approval of a new Directions Policy and Procedure in August 2022.
- Implementation of complaints handling procedure in line with partner organisations, noting improvement work continues to be progressed.
- Ongoing monitoring of Clinical, Care and Professional Governance arrangements including required reporting to partner bodies.
- Implementation of the IJB's GDPR (General Data Protection Regulation) protocols.
- Reliance on the procedures, processes and systems of Partner organisations for which assurance is received from Partner bodies.
- Development of IJB Risk Appetite.
- Approved a new Equalities Mainstreaming Report (August 2022).
- Approval of a 2022-2025 Workforce Plan with annual monitoring.
- IJB has reviewed governance structures of the sub-committees and has strengthened these reporting arrangements.

During 2022/23, the Audit Committee considered outputs from previous years internal audit reports including reports in respect of Commissioned Services (77/22) and Sustainability of Primary Care (84/22). For both reports, the Audit Opinion on the level of assurance was of "Limited Assurance" only. A series of action points have been agreed for each Audit and these will be followed up respectively through the IJB's Audit Committee and, for Primary Care as it was a joint Internal Audit, through the NHS Tayside Audit follow up processes. The Committee also monitored progress regarding the 2022/23 audit plan which included assignments for financial management and workforce.

As reported to the Audit Committee in December 2022 a number of IJB governance documents need to be refreshed this includes the Financial Regulations (updated to April 2023), IJB Reserves Policy (updated June 2023) and the IJB Scheme of Delegations which is currently being updated.

The IJB complies with "The Role of the Head of Internal Audit in Public Organisations" (CIPFA publication) and operates in accordance with "Public Sector Internal Audit Standards" (CIPFA publication). The Chief Internal Auditor reports directly to the Audit Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair and members of the IJB Audit Committee on any matter and the right to submit reports directly to the Audit Committee. The annual programme of internal audit work is based on a strategic risk assessment and is approved by the Audit Committee.

COVID-19

In April 2022 the IJB approved that the Partnership no longer maintain a separate COVID-19 remobilisation plan reflecting Scottish Government guidance, but that remaining remobilisation priorities are reflected in the Partnership's strategic and commissioning plans (overarching and care group specific) and individual service plans.

Mental Health – Governance Arrangements

Following the production of the "Independent Inquiry into Mental Health Services in Tayside: Trust and Respect" in February 2020, an action plan, "Listen. Learn. Change", was produced in 2020 and subsequently an associated strategy, "Living Life Well (LLW)". However, at the time, no regional implementation plan was progressed in response to the strategy. In 2021/22, an Independent Assurance and Oversight Group (IAOG) was established by the Scottish Government with a remit to provide independent assurance to the Minister for Mental Wellbeing and Social Care about progress being made in relation to recommendations made in the February 2020 Trust and Respect report. In June 2022 Angus IJB approved a local implementation plan for LLW describing how this would be implemented across Angus in the absence of a regional implementation plan, the report also highlighted how Angus would continue to contribute to regional work and discussions.

The final report of the IAOG regarding Tayside's Mental Health Services was published in January 2023 following a 12-month period of engagement with a range of key stakeholders across Tayside. The publication included as an appendix the Tayside Executive Partners collective assessment of their delivery of their leadership promise set out in Living Life Well in the form of a 135-page report with Red Amber Green (RAG) rated progress against the recommendations set out in the Trust and Respect Report.

By March 2023, Angus IJB approved a Tayside Mental Health and Learning Disabilities Improvement Plan prepared in response to six recommendations set out in the January 2023 IAOG final report. The plan is set in the context of a revised governance structure and work to refine the priorities which had been identified in the earlier Living Life Well Strategy and includes clear priorities, outcomes and timelines. This plan will be monitored closely regionally and by Angus IJB during 2023/24.

In March 2020, the Scottish Government confirmed that the operational management for in-patient Mental Health Services in Tayside would transfer from Integration Authorities (Perth and Kinross IJB) to NHS Tayside. It was also confirmed that strategic responsibility for Mental Health services remains with IJBs.

The Mental Health arrangements regarding financial governance do still need to be refined to ensure a shared collective understanding of remits and responsibilities including financial risk sharing. This has been the subject of ongoing discussion during 2022/23 with an anticipation of resolution in the early part of 2023/24. Further, the March 2023 "Tayside Mental Health and Learning Disabilities Improvement Plan" notes that progress needs to be made to develop an improved financial framework and financial recovery actions for Mental Health Services.

Adult Protection

Previous Annual Governance Statements have noted issues with regard to Adult Protection and 2022/23 has seen a continued rise in Adult Protection and Adults with Incapacity work in the Angus HSCP. This increase in activity has created significant demand-capacity challenges in the relevant services, which the Partnership has responded to by providing additional social work and support staff for the care management teams and care at home services.

In 2022/23 Angus was subject to an adult protection inspection. This was led by the Care Inspectorate in collaboration with Healthcare Improvement Scotland and His Majesty's Inspectorate of Constabulary in Scotland, to seek assurance that adults at risk of harm in Scotland are supported and protected by existing national and local adult support and protection arrangements. The results were very positive and the inspection concluded that the partnership's key processes for adult support and protection were very effective and demonstrated major strengths supporting positive experiences and outcomes for adults at

risk of harm. A multi-agency improvement plan has been developed to progress areas of improvement arising from the inspection. This has been approved by the Angus Adult Protection Committee, the Care Inspectorate and the Angus Chief Officer's group. Responsibility for monitoring progress of the actions within the improvement plan has been allocated to the Angus Adult Protection Self Evaluation and Continuous Improvement Subgroup. This is a subgroup of the Angus Adult Protection Committee. This subgroup will report on progress to the Angus Adult Protection Committee who will report on progress to the Angus Chief Officers group.

There is further activity in the area of adult protection overseen by the Angus Adult Protection Committee (AAPC) and supported by the Partnership's Clinical Care Practise Governance Group (CCPG) including:

- In February 2022 the IJB noted the ongoing work of the Adult Protection Committee partners to finalise a multi-agency improvement plan in response to the Significant Case Review. A sub group was established in 2022 to progress the improvement plan and report to an External Scrutiny panel. Very good progress has been made across the AHSCP and Angus Council on completion of their actions throughout 2022/23.
- The Adult Protection Improvement Plan arising from a large-scale audit of Partnership Adult Support and Protection activity in November 2021 has been completed.
- Angus Adult Protection Self Evaluation and Continuous Improvement subgroup are responsible for monitoring progress of the learning review oversight document containing all Learning Reviews outstanding actions undertaken by the AAPC. There are 5 current learning reviews (excluding SCR P19) and the oversight contains 4 actions for progression by AHSCP. These are co-ordinated through AHSCP monthly adult protection meetings.
- The AAPC and CCPG both have risk frameworks for adult protection, which are reviewed regularly. Adult Protection reports are submitted to the Tayside Chief Officers Group and to the IJB.

Adults With Incapacity

During 2022/23, Angus Council's Internal Audit team undertook an Internal Audit regarding Adults with Incapacity. This reviewed procedures within Adult Social Care, delivered through Angus Council by Angus Health and Social Care Partnership, to ensure compliance with Office of the Public Guardian and Mental Welfare Commission for Scotland requirements in relation to recording guardianships for Adults with Incapacity. This report was considered at Angus Council's Scrutiny and Audit Committee on 25 April 2023 and it was noted that the outcome of the audit was one of "No Assurance".

It was agreed at the April 2023 Committee, that a full review of our Guardianship process is required. This is underway and an action plan has been developed to support this. All actions are progressing with the aim to have the full review completed by October 2023. This item will be followed up through the IJB's Audit Committee alongside feedback to Angus Council.

Income Management

During 2019/20 the IJB, in conjunction with Angus Council, initiated a review of its overall income management processes to seek to address some emerging operational issues. This work was initially delayed due to COVID-19 issues and resource to address this issue were only identified from early 2021. In June 2021, the IJB's Internal Auditors provided a consultancy-type report on this issue. Since then a working group has met regularly to progress improvements plans. However, the momentum has not been as expected with progress being limited during 2022/23. Since April 2023, a detailed improvement plan has been agreed and this plan is being implemented at pace.

Development Issues

The IJB is required to review the effectiveness of its governance structures regularly. The IJB acknowledges that as an increasingly mature organisation, albeit working in a complicated environment and having had to withstand the pressures of COVID-19 from March 2020, further development and review of governance structures is still required.

In recent years, the IJB's Annual Governance Statement has noted a number of governance "Areas for Improvement". An update is provided as follows: –

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Area for Improvement	Lead Officer	Status in 2022/23	Proposals for 2023/24
Development of Large hospital Set Aside arrangements in conjunction with NHS Tayside	Chief Officer/Chief Finance Officer	Last report to IJB was in June 2021 with progress delayed due to COVID-19. Discussions continue to progress with NHS Tayside regarding alternative way of considering activity associated with these resources and the IJB has reached preliminary agreement with NHS Tayside regarding a process to manage changes in the volumes of services used. This will be developed in 2023/24.	Updates to be provided to IJB Board re both current status and future developments. Continue to progress discussion with NHS Tayside including work through Planned Care and Unscheduled Care Boards. It is anticipated this will be the subject of reports to the IJB in 2023/24.
Development of improved Lead Partner Services arrangements in conjunction with neighbouring IJBs	Chief Officer/Chief Finance Officer	Work has progressed with governance reporting.	Update to be provided to Audit Committee on the development of consolidated Finance reporting.
Review Corporate Support Arrangements	Chief Officer	During 2022/23, the IJB continued to note that these arrangements required review. It was also noted that the updating of the IJB's Integration Scheme could have been a vehicle for resolving these issues but that this did not happen.	The IJB will review this issue and consider practicalities of making improvements and managing within current arrangements.
Inpatient Mental Health Services	Chief Officer/Chief Finance Officer	Ongoing complex discussions regarding the financial pressures within the service with the 2022/23 position only being agreed with NHS Tayside in May 2023.	Update to be provided to the IJB Board on the future financial risk sharing arrangements on Inpatient Mental Health Services
Develop roles and responsibilities against the Civil Contingencies Act	Chief Officer	Good Progress with services reviewing their business continuity plans against a new integrated planning framework. However, there has been limited progress with the development and delivery of an integrated emergency planning and response framework due to capacity.	The IJB will ensure capacity is in place to address remaining requirements and updates to be reported to the IJB Audit Committee.
Review of the Information Governance Strategy	Chief Officer	Capacity to develop proposals to complete this review has been limited.	The IJB has ensured capacity is in place to close out remaining actions and updates to be reported to the IJB Audit Committee.
Review strategic risk relating to Sustainability of Primary Care Services	Chief Officer	Following the finalisation of an Internal Audit report, progress was made in terms of responding to a series of agreed action points regarding governance and addressing sustainability issues.	The IJB will continue to lead and contribute to regional improvements while continuing to progress local improvements. Updates to be reported regularly as part of the internal audit follow up process.

Some of the above issues have been noted in previous Annual Governance Statements, others are more recent. The resolution of these issues remains characterised by their complexity and the requirement, for some of them, to work with other parties. The issue of competing demands and varying views across parties does remain a challenge. These issues are highlighted regularly to the IJB and the Audit Committee.

Review of Effectiveness

As noted, the IJB has responsibility for reviewing the effectiveness of its governance structures regularly. Throughout 2022/23 governance updates have been regularly provided to the IJB's Audit Committee.

At the end of 2022/23, the IJB's Chief Internal Auditor reviewed the IJB's governance arrangements and in the IJB's 2022/23 Annual Internal Audit report notes:-

1. As Chief Internal Auditor, this Annual Internal Audit Report to the IJB provides my opinion on the IJB's internal control framework for the financial year 2022/23.
2. Based on the work undertaken, I have concluded that reliance can be placed on the IJB's governance arrangements and systems of internal controls for 2022/23.
3. In addition, I have not advised management of any concerns around the following:
 - o Consistency of the Governance Statement with information that we are aware of from our work;
 - o The format and content of the Governance Statement in relation to the relevant guidance;
 - o The disclosure of all relevant issues.

While there remain a number of challenging areas of governance (described above in "Development Issues" section), it is the opinion of the IJB Chairperson and Chief Officer that at 31 March 2023, reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's governance arrangements. We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the IJB's principal objectives will be identified and actions taken to avoid or mitigate their impact. Additionally, systems are in place to regularly review and improve the internal control environment.

Councillor Julie Bell	Gail Smith
Chairperson	Chief Officer
tbc	tbc

Angus IJB Remuneration Report

Introduction

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

All information disclosed within the tables in the Remuneration Report is audited by the IJB's appointed External Auditors. The other sections of the Remuneration Report are reviewed by the External Auditors as detailed in the independent auditor's report.

Board Members

At 31st March 2023, Angus IJB has six voting members and 13 non-voting members reflecting the Integration Scheme. Details of membership and changes to membership are noted below. The IJB held eight meetings during 2022/23, including two special meetings.

Voting Members: –

Angus Council

Councillor Julie Bell – Chair (attended 6 of 6 meetings) and Vice-Chair (attended 2 of 2 meetings)
Councillor George Meechan (attended 6 of 6 meetings)
Councillor Lois Speed (attended 8 of 8 meetings)

In June 2022, Councillor Julie Bell became Vice Chair of the IJB replacing Councillor Bob Myles (attended 2 of 2 meetings).

In line with the IJB's Standing Orders, in October 2022, Councillor Julie Bell became Chair of the IJB replacing Emma Jane Wells. Emma Jane Wells was the Vice-Chair at the October 2022 meeting and resigned at the end of October 2022. (attended 5 of 5 meetings).

NHS Tayside

Peter Davidson, Non-Executive Board Member – Vice Chair (attended 7 of 8 meetings)
Peter Drury, Non-Executive Board Member (attended 6 of 8 meetings)
Tracey Bowman, Non-Executive Board Member (attended 2 of 2 meetings)

In December 2022 Peter Davidson was appointed as Vice-Chair of the IJB replacing Councillor Julie Bell and Tracey Bowman was appointed as an NHS Tayside voting member of the IJB from January 2023 replacing Emma Jane Wells.

Non-voting Members: –

Gail Smith, Chief Officer	Alexander Berry, Chief Finance Officer
Kathryn Lindsay, Chief Social Work Officer	Elaine Henry, Registered Medical Practitioner
David Mackenzie, Carers Representative	Richard Humble, GP Representative
Chris Boyle, Staff Representative (Angus Council)	Hayley Mearns, Third Sector Representative
Nicky Worrall, Independent Sector Representative	Barbara Tucker, Staff Representative (NHS Tayside)
Andrew Jack, Service User Representative	Sarah Dickie, Associate Nurse Director
Alison Clement, Clinical Director	

In February 2023, David Mackenzie replaced Peter Burke as Carers Representative.

Since the end of March 2023, Sarah Dickie has left NHS Tayside and has been replaced by Suzie Flowers, Nurse Director for Community/HSCPs, as a non-voting member of the IJB Board.

Remuneration: IJB Chair and Vice Chair

The voting members of the IJB are appointed through nomination by Angus Council and NHS Tayside. The roles of IJB Chair and Vice Chair alternate between a Councillor and a Health Board representative.

The IJB does not provide any additional remuneration to the Chair, Vice Chair or any other Board members relating to their role on the IJB. The IJB does not reimburse the relevant Partner organisations for any voting Board member costs or taxable expenses borne by the Partner.

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

Board Member Expenses

Most Board members' expenses associated with IJB commitments are managed through other organisations. The IJB does however cover Board members' expenses where this is not the case. In 2022/23 the cost of this was £nil due to meetings being held remotely.

Remuneration: Officers of the IJB

The IJB does not directly employ any staff in its own right, however, specific post-holding officers are non-voting members of the Board. Both the Chief Officer and Chief Finance Officer of Angus IJB are employed by NHS Tayside, though funded by the IJB, and the remuneration and pension benefits of both roles are reported here.

Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014, a Chief Officer for the IJB has to be appointed and will be employed by one of the Partners. The Chief Officer is employed by NHS Tayside with employment contracts adhering to the legislative and regulatory framework of NHS Tayside. For the Chief Officer, the remuneration arrangements and performance appraisal are consistent with other NHS Executive Directors and Senior Managers and is governed by decisions of the NHS Tayside Remuneration Committee. Decisions have been strictly in accordance with the provision of circulars issued by the Scottish Government Health and Social Care Directorates and are subject to regular audit scrutiny. The membership of NHS Tayside's Remuneration Committee is reported in the Directors Report in NHS Tayside's Annual Accounts.

Other Officers

No other staff are appointed by the IJB under a similar legal regime to the Chief Officer. An assessment has been made of the other non-voting Board members who meet the criteria for disclosure and consequently the Chief Finance Officer is included in the disclosures below.

The following table provides details of the remuneration paid to the relevant Angus IJB's officers for the period 1st April 2022 to 31st March 2023.

Total 2021/22 £	Post	Senior Employee	Salary, fees & allowances £	Taxable Expenses £	Total 2022/23 £
87,944	Chief Officer	G Smith	94,464	0	94,464
80,460	Chief Finance Officer	A Berry	81,426	0	81,426
168,404	Total		175,890	0	175,890

In respect of officers' pension benefits, while the IJB funds employer pension contributions as they become payable during the period of service, the statutory liability for any future contributions rests with the relevant employing Partner organisation. On this basis there is no pensions liability reflected on the IJB Balance Sheet for the Chief Officer or any other officers.

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

Angus Integration Joint Board – Annual Accounts for period ended 31st March 2023

Post	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 £	As at 31/03/23 £
Chief Officer	G Smith	18,380	20,793	Pension	4,630	48,768
				Lump sum	7,721	140,135
Chief Finance Officer	A Berry	16,651	17,018	Pension	488	31,973
				Lump sum	-4,051	56,226
	Total	35,031	37,811	Pension	5,118	80,741
				Lump Sum	3,670	196,361

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

Gail Smith	Councillor Julie Bell
Chief Officer	Chairperson
Date tbc	Date tbc

THE STATEMENT OF RESPONSIBILITIES

The Integration Joint Board's Responsibilities

The Integration Joint Board is required to:

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

I confirm that these Annual Accounts were approved for signature by the Audit Committee at its meeting on XX August 2023.

Signed on behalf of Angus Integration Joint Board

Councillor Julie Bell
Chairperson
Date TBC

The Chief Finance Officer's Responsibilities

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

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

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

The 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 Annual Accounts give a true and fair view of the financial position of the Angus Integration Joint Board as at 31 March 2023 and its income and expenditure for the year then ended.

Alexander Berry
Chief Finance Officer
XX June 2023 (TBC)

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

This statement shows the 2022/23 cost, in accordance with generally accepted accounting practices, of providing services which are funded by budget requisitions from the Parties listed in the Integration Scheme.

2021/22		2022/23
Net Expenditure £000		Net Expenditure £000
63,495	Older People's Services	67,397
14,121	Mental Health	16,098
18,398	Learning Disabilities	21,066
6,854	Physical Disabilities	7,637
2,721	Substance Misuse	3,815
16,713	Community Services	19,302
1,776	Planning/Management Support	2,342
324	Centrally Managed Resources	329
256	IJB Operational Costs	276
21,630	Family Health Services Prescribing	22,731
19,837	General Medical Services	20,273
14,803	Family Health Services	16,634
8,569	Large Hospital Set Aside	9,811
189,497	Cost of Services	207,711
(207,565)	Non-Specific Grant Income (Note 5)	(193,821)
(18,068)	(Surplus) or Deficit on Provision of Services	13,890
(18,068)	Total Comprehensive (Income) / Expenditure	13,890

In any year there will be small incremental changes to the way the IJB manages and reports information. Since the publication of the 2021/22 Annual Accounts there have been no reporting changes that have necessitated a prior year adjustment to the 2021/22 Net Expenditure breakdown in the Comprehensive Income and Expenditure Statement above.

The Management Commentary notes that within the IJB, £7.438m of the reported £13.890m noted above is attributable to operational underspends, with the balance attributable to the impact of specific Scottish Government allocations.

The IJB's Comprehensive Income and Expenditure Statement shows the net cost of Partners providing directed services. It does not separately identify income received from service users as this remains the statutory responsibility of the Partners.

There are no statutory or presentation adjustments which affect the IJB's application of the funding received from Partners. The movement in the General Fund balance is therefore solely due to the transactions shown in the Comprehensive Income and Expenditure Statement. Consequently, an Expenditure and Funding Analysis is not provided in these Annual Accounts.

Movement in Reserves Statement as at 31st March 2023

This statement shows the movement in 2022/23 on the IJB's reserves. The IJB only holds a General Fund Balance within overall usable reserves.

Movement in reserves 2022/23	General Fund Balance (Usable Reserve) £000
Opening Balance at 1 st April 2022	(35,454)
Total Comprehensive (Income) / Expenditure (Transferred in to General Fund Balance)	13,890
Closing Balance at 31st March 2023	(21,564)

The information for 2021/22 was as follows:-

Movement in reserves 2021/22	General Fund Balance (Usable Reserve) £000
Opening Balance at 1 st April 2021	(17,386)
Total Comprehensive (Income) / Expenditure (Transferred in to General Fund Balance)	(18,068)
Closing Balance at 31st March 2022	(35,454)

The IJB's reserves are described in more detail in Note 9 to these Annual Accounts.

Balance Sheet as at 31st March 2023

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

31st March 2022 £000		Notes	31st March 2023 £000
	Current Assets		
35,454	Short term debtors	7	21,564
	Current Liabilities		
0	Short term creditors	8	0
35,454	Net Assets		21,564
35,454	Usable Reserves		21,564

Usable reserves may be used to provide services and to assist the IJB with longer-term financial planning subject to the need to maintain a prudent level of reserves and any statutory limitations on their use.

The unaudited accounts were authorised for issue by the Chief Finance Officer on the XXth August 2023.

Alexander Berry
Chief Finance Officer
XX August 2023

Notes to the Financial Statements

Note 1 – Significant Accounting Policies

General Principles

The IJB was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973. The Financial Statements summarise the authority's transactions for the 2022/23 financial year and its position at the year-end of 31st March 2023.

The Financial Statements are therefore 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), unless legislation or statutory guidance requires different treatment. The accounts are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

Accruals of Income and Expenditure

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

- Expenditure is recognised when goods or services are received and their benefits are used by the IJB.
- Income is recognised when the IJB has a right to the income, for instance, by meeting any terms and conditions required to earn the income, and receipt of the income is probable.
- Where income may not be received, expected income is adjusted.

Funding

The IJB is primarily funded through funding contributions from the statutory funding Partners, Angus Council and NHS Tayside (the Parties). Expenditure is incurred as the IJB directs specified health and social care services from the Parties for the benefit of service recipients in Angus.

Going Concern

For 2023/24 the IJB has agreed budget settlements with Angus Council and NHS Tayside, subject to any final confirmations and adjustments and noting the need to address any unresolved issues. The IJB has a financial plan in place that demonstrates the ability to deliver a 2023/24 balanced budget, with an assumed reliance on general reserves. On that basis the IJB can be treated, from a financial reporting perspective, as a going concern. However there remain underlying financial shortfalls and risks for the duration of the IJB's new Strategic Commissioning Plan (2023-2026) and the associated Strategic Financial Plan (2023-2026).

Cash and Cash Equivalents

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

Employee Benefits

The IJB does not directly employ staff. Staff are formally employed by the funding Partners who retain the liability for pension benefits payable in the future. The IJB therefore does not present a pensions liability in its Balance Sheet.

The IJB has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report. The charges from the employing Partner are treated as employee costs.

Reserves

The IJB is able to hold reserves albeit these will be reserves held through one of the Partner agencies as the IJB will not directly hold cash balances. Reserves may be designated for specific purposes or for the general purposes of the IJB. The balance of the general reserve as at 31st March shows the extent of resources which the IJB can use in later years to support service provisions, though these balances need

to be considered in the context of the overall financial arrangements for the IJB as set out in the Integration Scheme.

Indemnity Insurance

As a member of CNORIS (Clinical Negligence and Other Risks Indemnity Scheme), the IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Tayside and Angus Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they are directed to provide.

Unlike NHS Boards, the IJB does not have any 'shared risk' exposure from participation in CNORIS. The IJB participation in the CNORIS scheme is therefore comparable to normal insurance arrangements.

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

Value Added Tax (VAT)

The IJB is not VAT registered however for expenditure incurred on behalf of the IJB by Partners, the VAT treatment of expenditure in the IJB's accounts depends on which of the Partner agencies is providing the service as these agencies are treated differently for VAT purposes.

Where Angus Council is the provider, income and expenditure exclude any amounts related to VAT, as all VAT collected is payable to H.M. Revenue & Customs and all VAT paid is recoverable from it. Where the NHS is the provider, expenditure incurred will include irrecoverable VAT as generally the NHS cannot recover VAT paid as input tax and NHS Tayside will charge the full cost to the IJB.

Note 2 – Events after the Balance Sheet Date

The audited Annual Accounts reflect events after 31st March 2023 up to the date the audited accounts were authorised for issue. Where events taking place before this date provided information about conditions existing at 31st March 2023, the figures in the Financial Statements and notes have been adjusted in all material respects to reflect the impact of this information. For 2022/23, no such adjustments have been required.

Note 3 – Critical Judgements

In compiling the 2022/23 Annual Accounts a small number of critical judgements have had to be made as follows:-

- An estimate has been used for the funding contribution and net expenditure regarding Large Hospital Set Aside. For 2022/23 this estimate has been on the basis of direct costs of hospital care, using a methodology agreed with NHS Tayside with that methodology reliant on a combination of previous unit costs (i.e. 2019/20) uplifted to 2022/23 costs and actual 2022/23 activity. While this methodology is consistent with previous years, it is acknowledged that using unit cost information from 2019/20 may not be fully representative of 2022/23 unit costs, however, there is currently limited, definitive unit cost information available for 2022/23. Post-COVID, and due to the lack of definitive unit cost information, this remains a transitional arrangement for 2022/23 agreed locally between NHS Tayside and the three Tayside Integration Joint Boards. The underlying methodology remains consistent with the treatment of Large Hospital Set-Aside in previous year's financial statements.
- Angus IJB is the Lead Partner IJB for a number of services on behalf of other Tayside IJBs. Likewise, Dundee and Perth & Kinross IJBs are Lead Partner IJB for a number of services on behalf of Angus IJB. The costs of delivering Lead Partner services across all three Tayside Partnerships are shared on an agreed basis consistent with previous years and accounted for on an agency basis (see Note 10).
- In March 2020, the Scottish Government confirmed that the operational management for In Patient Mental Health Services in Tayside would transfer from Integration Authorities (Perth and Kinross IJB) to NHS Tayside. While operational management arrangements have been revised, strategic responsibility for Mental Health services remains with the IJB. Consequently, the costs of delivering In Patient Mental Health Services within Tayside have been determined on a similar basis to previous years and are shared across the three Tayside Partnerships on an agreed basis consistent with previous years.

- A number of COVID-19 costs have been incurred beyond business as usual. The IJB has continued to follow national guidance regarding these and a range of additional costs are included in the IJB's accounts reflecting the IJB acting as principal in the transactions including:-
 - Social care sustainability costs
 - Supporting wider system COVID-19 costs

A limited range of COVID-19 related costs and associated funding have been not been recognised in the IJB's accounts in accordance with national accounting guidance. In these cases, Angus IJB is acting as the agent. This is now limited to c£0.31m relating to PPE provided by NHS National Services Scotland to Angus IJB for social care services.

Note 4 – Expenditure and Income Analysis by Nature

2021/22 £000		2022/23 £000
72,906	Services commissioned from Angus Council	80,995
116,335	Services commissioned from NHS Tayside	126,440
225	Other IJB Operating Expenditure ¹	243
3	Insurance and Related Expenditure ²	3
28	Auditor Fee: External Audit Work ³	30
(54,640)	Partners Funding Contribution (Angus Council)	(64,108)
(152,925)	Partners Funding Contribution (NHS Tayside)	(129,713)
(18,068)	(Surplus) or Deficit on the Provision of Services	13,890

Note 1. Costs associated with Chief Officer and Chief Finance Officer.

Note 2. CNORIS costs (see Note 1).

Note 3. Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor.

Note 5 – Taxation and Non-Specific Grant Income

2021/22 £000		2022/23 £000
(54,640)	Contributions from Angus Council	(64,108)
(152,925)	Contributions from NHS Tayside	(129,713)
(207,565)	Total	(193,821)

The "contributions" received by Angus IJB represent the funding provided by the Parties (Angus Council and NHS Tayside).

The funding contribution from the NHS Board shown above includes £9.811m in respect of Large Hospital 'set aside' resources relating to acute hospital resources. While the associated services are provided by NHS Tayside, which retains responsibility for service management, the IJB has formal responsibility for the strategic planning of Large Hospital "set aside" resources, including considering the level of planned consumption of these resources.

Note 6 – Offsetting Debtors and Creditors

The IJB does not hold cash and cash equivalents. Instead the IJB's Partners utilise, as directed by the IJB, the funding available to the IJB to pay for services.

The IJB and the funding Partners have previously confirmed that there is a 'right of offset', and that there is an intention to allow settlement of balances to be undertaken on a net basis. On this basis the IJB's Financial Statements present the balances due to and from the funding Partners on a net basis rather than as separate creditors and debtors.

The offsetting of debtors and creditors by the IJB primarily relates to the funding contributions due from the funding Partners as at 31st March (a debtor balance), and the commissioning expenditure relating to 2022/23 that the IJB is committed to paying the funding Partners for, as at 31st March (a creditor balance).

Note 7 – Debtors

2021/22 £000		2022/23 £000
5,652	Angus Council	9,298
29,802	NHS Tayside	12,266
35,454	Debtors	21,564

The debtor balances with Angus Council and NHS Tayside represents Angus IJB reserves held by Angus Council and NHS Tayside at March 2023.

Note 8 – Creditors

The IJB has no creditor balances at March 2023 (no creditor balances at March 2022).

Note 9 – Reserves

The IJB holds a balance on the General Fund for two main purposes:

- To ear-mark, or build up, funds which are to be used for specific purposes.
- To provide a contingency fund to cushion the impact of unexpected events or emergencies. This is regarded as a key part of the IJB's risk management framework. In February 2023, due to the increased financial planning uncertainties facing the IJB, the IJB agreed to increase the target for this reserve to 3.0% of turnover. This target continues to be met with the balance on the reserve being adjusted to reflect increased turnover. The financial pressures on the IJB, for the duration of the current Strategic Financial Plan, clearly suggest the IJB will require to rely on these reserves during this period.

The reserves are described in the following table.

Angus Integration Joint Board – Annual Accounts for period ended 31st March 2023

Balance at 1 st April 2021 £000	Transfer In 2021/22 £000	Transfer Out 2021/22 £000	Balance at 31 st March 2022 £000		Transfer In 2022/23 £000	Transfer Out 2022/23 £000	Balance at 31 st March 2023 £000
				Ear-marked Reserves:			
1,666	3,183	2,200	2,649	Primary Care Improvement Fund	688	3,200	137
331	772	414	689	Mental Health Action 15	598	1,121	166
195	0	13	182	Primary Care Transformation Fund	8	0	190
102	151	8	245	Primary Care Premises	0	0	245
63	1,014	568	509	Alcohol and Drug Partnership Fund	416	866	59
33	10	36	7	Forensic Medical Services	0	7	0
101	42	76	67	Drug Death Task Force	0	23	44
47	150	149	48	District Nursing	204	252	0
4,433	0	517	3,916	COVID-19 (2020/21)	0	3,916	0
0	11,843	0	11,843	COVID-19 (2021/22)	0	11,843	0
392	0	0	392	Community Living Fund	0	60	332
0	86	49	37	Workforce Wellbeing Primary and Social Care	0	7	30
0	324	0	324	Mental Health Facilities Project	0	0	324
0	31	0	31	Mental Health Primary Care Development	0	31	0
0	221	0	221	General Dental Services	0	112	109
0	43	1	42	Community Nursing Neurological Care	0	1	41
0	76	6	70	Dementia Post-Diagnostic Support	57	118	9
0	477	226	251	Multi-Disciplinary Teams	960	1,211	0
0	137	0	137	Health Care Support Workers	273	410	0
0	73	0	73	Unscheduled Care	0	31	42
0	954	0	954	Interim Care	0	954	0
0	1,479	642	837	Expanding Care at Home	2,978	3,475	340
0	0	0	0	Forensic Medical Services (Sexual Assault Response Co-ordination)	15	7	8
0	0	0	0	Learning Disability Health Checks	43	0	43
0	0	0	0	General Medical Services	23	8	15
0	0	0	0	Carers PPE Reserve	3	0	3
0	0	0	0	Long COVID Support Fund	59	0	59
1,850	674	234	2,290	Strategic Plan Reserve	500	0	2,790
0	3,300	0	3,300	Property Reserve	0	0	3,300
1,751	0	1,751	0	Financial Planning Reserve (2020/21)	0	0	0
1,672	0	1,672	0	Financial Planning Reserve (2021/22)	0	0	0
0	1,090	0	1,090	Financial Planning Reserve (2022/23)	0	0	1,090
0	0	0	0	Financial Planning Reserve (2023/24)	3,038	0	3,038
0	0	0	0	Mental Health Recovery Financial Reserve	2,000	0	2,000
0	0	0	0	Primary Care Investment Reserve	700	0	700
12,636	26,130	8,562	30,204	Total Ear-marked Reserves	12,563	27,653	15,114
4,750	500	0	5,250	Contingency Reserve	1,200	0	6,450
17,836	26,630	8,562	35,454	Total Reserves	13,763	27,653	21,564

At March 2023, the IJB is reporting a decreased value of "ear-marked" reserves. This overall decrease mainly reflects the reduction in COVID-19 related reserves to £nil. It also reflects reductions in Primary Care Improvement Fund Reserves actioned by the Scottish Government and the consumption of resources held in a series of reserves associated with 2021/22 Scottish Government allocations (including for Interim Care, Health Care Support Workers, Multi-Disciplinary Teams and Expanding Care at Home). Reflecting the net Movement on Reserves, and decisions of the IJB during 2022/23, new Mental Health and Primary Care reserves have been created reflecting IJB priorities and risks.

As noted above, the reduction in reserves is influenced by the reduction in COVID-19 related reserves. This reflects the Scottish Government's decisions to withdraw any unused associated funding that had previously been held at an IJB level. The funding reductions were actioned after appropriate COVID-19 related costs had been allowed for and adjustments of this type were anticipated and understood well in advance and replicated across Scotland.

The net movement in and out of reserves is (£13.890m) representing the total on the Consolidated Income and Expenditure Statement.

Note 10 – Agency Income and Expenditure

On behalf of all IJBs within the NHS Tayside area, Angus IJB acts as the Lead Partnership for Out of Hours, Speech Therapy, Continence, Pharmacy and Forensic Medical Services. The IJB directs services on behalf of Dundee and Perth & Kinross IJBs and reclaims the full costs involved. The payments that are made on behalf of other IJBs, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the IJB is not acting as principal in these transactions.

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

2021/22 £000		2022/23 £000
11,648	Expenditure on Agency Services	13,074
(11,648)	Reimbursement for Agency Services	(13,074)
0	Net Agency Expenditure excluded from the CIES	0

As noted under "Critical Judgements", a limited range of COVID-19 related costs have not been recognised in the IJB's accounts as it assumed Angus IJB is acting as an agent for the Scottish Government.

Note 11 – Related Parties

The IJB is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the IJB or to be controlled or influenced by the IJB. Disclosure of these transactions allows readers to assess the extent to which the IJB might 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 the IJB.

Scottish Government

The Scottish Government has significant influence over the general activities of the IJB – it is responsible for providing the statutory framework within which the IJB is constituted and will operate, through Partner agencies provides the majority of the IJB's funding and prescribes the terms of many of the transactions that the IJB has with other parties (e.g. Angus Council, NHS Tayside). During 2022/23, the Scottish Government continued to provide additional funding to offset COVID-19 related costs with these costs being funded from ring-fenced balances held in ear-marked reserves.

Members

Members of the IJB Board have control over the IJB's financial and operating policies to the extent they are transacted through the IJB.

Other Public Bodies (Subject to Common Control by Scottish Government)

The IJB has related party relationships with its Partners Angus Council and NHS Tayside. In particular the nature of the Partnership means that the IJB may influence, and be influenced by, its Partners. The following transactions and balances included in the IJB's accounts are presented to provide additional information on the relationships.

Transactions with Angus Council

2021/22 £000		2022/23 £000
54,640	Funding Contributions Received	64,108
(72,906)	Expenditure on Services	(80,995)
(18,266)	Net Transactions with the Council	(16,887)

This table shows that expenditure within Angus Council is £16.887m greater than Angus Council funding contributions. This largely represents IJB funding received from NHS Tayside being directed into Angus Council.

Key Management personnel: Angus Council employs the Chief Social Work Officer and Staff (Council) representatives on the IJB Board but there is no discrete charge for this representation.

Corporate Support: During 2022/23, the IJB received corporate support services (as described in the IJB's Integration Scheme and including Finance, Human Resources and Legal and Democratic Services) from Angus Council without a charge to Angus IJB.

Transactions with NHS Tayside

2021/22 £000		2022/23 £000
152,925	Funding Contributions Received	129,713
(116,335)	Expenditure on Services	(126,440)
(225)	Key Management Personnel	(243)
(31)	Expenditure on other IJB Costs	(33)
36,334	Net Transactions with NHS Tayside	2,997

This table shows that expenditure within NHS Tayside is £2.997m less than NHS Tayside funding contributions. However, during 2022/23 funding contributions from NHS Tayside reduced significantly compared to 2021/22 as, not only was core 2021/22 funding increased by likes of COVID-19 funding, so core 2022/23 funding was reduced by the return of the COVID-19 funding creating a significant overall funding change. Further, a number of other ear-marked reserves were utilised to support 2022/23 costs with funding contributions from NHS Tayside commensurately reduced in line with Scottish Government intentions. Overall this represents the combined impact of IJB funding received from NHS Tayside being directed into Angus Council and reported year-end overspend.

Key Management personnel: NHS Tayside employs two non-voting Board members, the Chief Officer and Chief Finance Officer. The Chief Officer and Chief Finance Officer posts are discretely costed and reflected in the Remuneration Statement. NHS Tayside also employs the Nursing Staff (NHS), Registered Medical Practitioner and Clinical Director representatives on the IJB Board but there is no discrete charge for this representation.

Corporate Support: During 2022/23, the IJB received corporate support services (as described in the IJB's Integration Scheme and including Finance and Human Resources) from NHS Tayside without a charge to Angus IJB.

Balances with Angus Council

31 st March 2022 £000		31 st March 2023 £000
5,652	Debtor Balances – Amounts due from Angus Council	9,298
0	Creditor Balances – Amounts due to Angus Council	0
5,652	Net Balance with Angus Council	9,298

The debtors balance with Angus Council represents Angus IJB reserves held by Angus Council at March 2023.

Balances with NHS Tayside

31 st March 2022 £000		31 st March 2023 £000
29,802	Debtor Balances – Amounts due from NHS Tayside	12,266
0	Creditor Balances – Amounts due to NHS Tayside	0
29,802	Net Balance with NHS Tayside	12,266

The debtors balance with NHS Tayside represents Angus IJB reserves held by NHS Tayside at March 2023.

Independent Auditor's Report to the Members of Angus Integration Joint Board and the Accounts Commission

To be completed after the IJB's External Audit is concluded.