

Cùram is Slàinte nan Eilean Siar

**DREACH CHUNNTASAN
BHLIADHNAIL
2022/23**



**Western Isles
Integration Joint Board**

**DRAFT ANNUAL ACCOUNTS
2022/23**

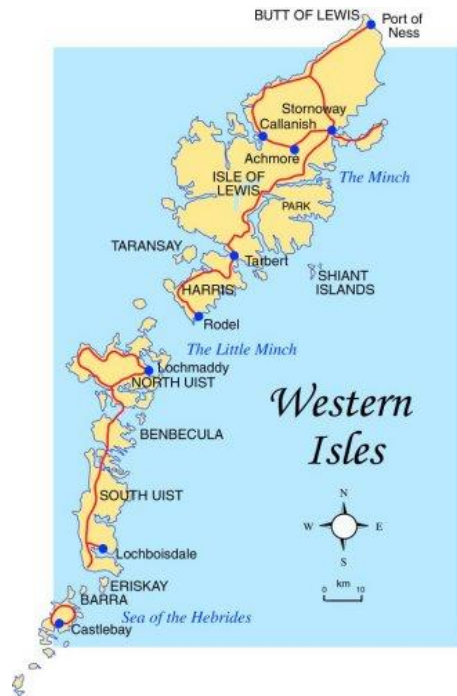
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MANAGEMENT COMMENTARY

Introduction

Cùram is Slàinte Nan Eilean Siar is the Western Isles' Integration Joint Board (IJB). Its parent bodies are NHS Eileanan Siar and Comhairle nan Eilean Siar (CnES). This commentary provides a summary of the IJB's financial performance for the year and how this has supported the delivery of its core duties. It also summarises the challenges and risks it faces in future years in delivering its objectives.



The IJB covers the whole of the Outer Hebrides, which are located to the north-west mainland of Scotland with a total population of around 27,000. The main islands are Lewis, Harris, North Uist, Benbecula, South Uist, Eriskay and Barra. The length of the islands measures approximately 130 miles from the Butt of Lewis in the North, to the uninhabited small islands of Berneray, Pabbay and Mingulay to the south of Vatersay. The quality of the natural environment in the Outer Hebrides is special and the people have a strong cultural identity directly related to the Gaelic language, with some 72% of people aged three and over having some Gaelic language ability, significantly more than any other area in Scotland. The traditional industries are crofting, fishing and Harris Tweed and these are now complemented with new and emerging sectors, including tourism.

Western Isles IJB

Following the Public Bodies (Joint Working) (Scotland) Act 2014, NHS Western Isles and the CnES have developed a 'body corporate' integration model. This is where both the Health Board and the Local Authority delegate to a third body called an Integration Joint Board (IJB). Cùram is Slàinte Nan Eilean Siar or Western Isles Integration Joint Board (IJB) became operational from 1 April 2016. NHS Western Isles and the CnES set out within their integration scheme the scope of the delegated functions. The scheme was approved by the Scottish Parliament on 24 September 2015.

Delegated functions from the CnES include adult social work services (including criminal justice), homecare, adult day care, care homes, and housing support. Delegated functions from NHS Western Isles include Accident and Emergency and General Medical Wards, General Practice, AHPs, Dentistry, Mental Health, Community Nursing, Health Visiting and School Nursing.

The Western Isles Health and Social Care Strategic Framework has been developed to improve outcomes for our communities across the islands. In formulating the Framework, the following set of core principles have been used to guide the development of the Strategic Framework:

An outcomes-based approach;

Early engagement to support prevention and early intervention with well-established anticipatory care planning;

Supporting and caring for a person as far as skills and competences allow, while looking to develop these over time (working at the top of competence/registration);

Focus on assessment, treatment, care and support at home and in community settings;

Developing conversations to understand a person's strengths and resources, needs and preferences while adopting an ethos of co-production in jointly exploring options to meet these needs.

The Strategic Framework considers five overarching factors:

1. Considering the social determinants of health;
2. Considering the challenges, we currently face and would expect to face in the Western Isles;
3. Reviewing our performance against the National Health and Wellbeing outcomes in the context of the actions taken in our last Strategic Plan;
4. Understanding our local population public health needs (predicated on the National Scottish Health Survey);
5. Review of locality planning arrangements and data.

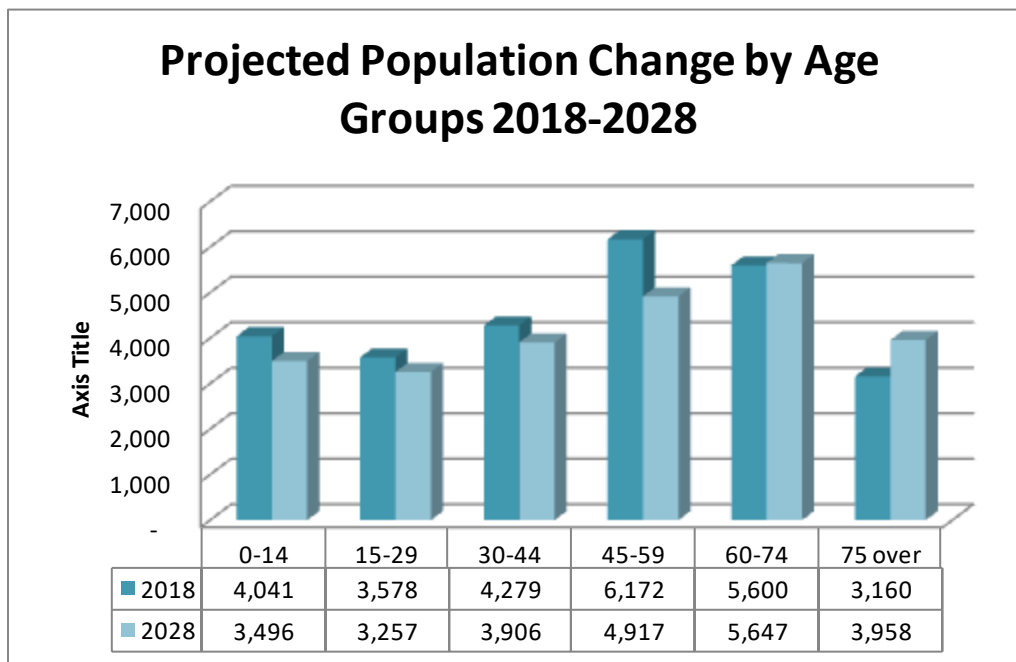
Key Issues and Risks

The key challenges that the Board faces are:

- Demography;
- Ageing workforce;
- Long Term Conditions;
- Covid-19 – short term and medium-term effects; and
- Reducing Financial Envelope

Demography

Using updated population prediction, the islands are expecting to see a 6% drop in population by 2028, one of the biggest population decreases in Scotland. Working age population is set to decrease by 6% by 2028 and in contrast the over 75s with the greatest levels of co-morbidity is set to rise by 25%. The population changes will result in a year-on-year reduction in the available workforce to nurse, care and attend to the most vulnerable of people whose numbers are increasing year on year. The Health and Social Care services are already feeling the effect of the changes in demography with high levels of vacancies in social care workforce and domestic and catering workforce.



Current ratio between death and births is very disturbing, for the calendar year 2022 was a ratio of 1: 0.42, which means for every two deaths there is under one birth, compared to a Scottish average for the same period of 1:0.75. This ratio has dropped considerably from about 2018 where the ratio was 1:0.60 and has been dropping consistently in the last 2 years and the ratio stated of 1:0.42 continues in the first 2 months of 2023. This is unsustainable and

will lead to faster reduction in the Islands population and a reduction in school rolls in the short term and in the long term less population to work and provide Health and Social Care services.

It is also worth noting that the Western Isles has the highest equal female pensioner population at 27% in comparison to 20% in Scotland. This is against a backdrop of 94% of frontline social care workers being female.

Ageing Workforce

The workforce population has already decreased by 7% by 2020 and therefore the accumulative effect by 2028 is approx. 12%. The jobs that are overall affected by the reducing workforce on the islands are the semi-skilled jobs, band 2-5 Agenda for Change and grades A to E for single status. These types of jobs for the Health and Social Care Partnership would be for example, Health Care Assistants, Social Care Assistants and Workers, Domestic and Catering staff. Although salary paid plays a part in recruiting, the biggest issue is there is not enough people of workforce age in the Western Isles. To also firm up the point, our semiskilled work force are mostly women (94%) including Health and Social Care, so in fact we are reducing the available workforce to recruit from by half.

Long Term Conditions

As we live longer and medicine improves, we see a corresponding increase in the number of people living with a range of long-term conditions. These range from the most common conditions like CHD, stroke and cancer, to a variety of other chronic physical or mental health conditions including diabetes, dementia, asthma and depression. In the Western Isles, around 4 in 10 adults have a long-term condition or disability, with the majority describing these as limiting their quality of life. Most long-term conditions have a strong association with age and as result, there is a significant projected increase in prevalence over the next fifteen years.

Many long-term conditions are mental health related, including depression, dementia and other mental health conditions. The Western Isles tends to have higher levels of such conditions relative to the rest of Scotland, which in part reflects the older population profile. Overall projections are for a 73% increase in dementia cases over the next 20 years.

The increase in the number of people living with long term conditions also has an effect of increasing demand on the IJB with the increased financial costs that treating these conditions bring in a time of austerity.

Covid-19

February 2020 saw the development of Covid-19 worldwide pandemic, which rapidly placed unprecedented challenge on the NHS and Social Care, requiring immediate action, responses, changes and interruption to service configuration and delivery. Thrust into uncharted territory, immediate tactical responses and actions dominated throughout our services and our daily lives.

Now three years into the pandemic, waves 1,2 and 3 lockdown restrictions, and acknowledging the wider health consequences from the drastic measures needed, we are rapidly developing the 'new normal' for recovery and renewal of our services, sure in the fact that new ways of working will change the way in which patients, clients and staff experience the provision of Health and Social Care services.

Returning, recovering and renewing the Health and Social Care Services we provide will be a process of evolution acknowledging that this phase is in itself somewhat uncharted territory. The ongoing impact of Covid-19 in terms of future Health and Social Care demand, Health and Safety and Infection Prevention and Control measures remains uncertain. However, for the near future it is unlikely that many services specifically in Health will be able to recover 100% of their pre Covid-19 capacity.

As our attention, turns to recovery and remobilisation, the sustained challenge to mental health and wellbeing and the longer lasting impact of Covid-19 on individuals and our society remain a key focus. The year 2022/2023 has been an extremely challenging year in the present financial climate and all our staff have worked extremely hard to deliver services efficiently and effectively to individuals and communities. To note there will be no specific funds for Covid -19 in 2023/2024 for the Health and Social Care Partnership and therefore any outbreaks in wards and care-homes for example will have to be managed within existing budgets.

Performance Management and Reporting

Our achievements for 2022/23 include:

- The Board shows a deficit of £5,233k due to the transfer of general, specific and earmarked reserves to both revenue and capital, including Covid Funding held in reserves and Capital funding for the Goathill complex. The Board broke even in year with the transfer of reserves into revenue.
- An Integrated Corporate Management Team continues to oversee the operation of integration, which allows for executive level coordination and agreement of health and social care priorities - 'one system, one budget'.
- The First Contact Physiotherapy Service in the Western Isles celebrated its first anniversary in July 2022. Working on the nation of seeing the right person at the right time, the service allows people access to specialist Musculoskeletal (MSK) advice quickly. The service, established in all nine GP practices either in person or remotely and two thousand appointments were provided in the first year. The two First Contact Physiotherapists manage all these practices with time split depending on the number of registered patients per practice. We have implemented an integrated management structure which cuts across the council and the NHS and which brings together leaders from each professional area, this structure has continued throughout the pandemic and as proved to be very effective.
- The Hospital at Home service now provides outreach care for the whole of Lewis and Harris and aims to provide hospital level care at home. This is for conditions which would usually require inpatient care, such as infections requiring intravenous antibiotics, oxygen therapy for various acute and chronic lung conditions, intravenous diuretics for heart failure, subcutaneous (drip) fluids for patients who may be at risk of dehydration, and all forms of monitoring of acute illness (pulse, blood pressure, ECG, oxygen and blood analysis). Most recently, two other services have been absorbed into the Hospital at Home ward. One provides intravenous bone sparing therapy to patients who have had a hip fracture, ensuring that they receive this treatment in a timely manner in the comfort of their own home while recovering from surgery. The second, the new Colon Capsule Endoscopy service launched this month, is using a home delivery model in Lewis and Harris - testing this concept as a first for NHS Scotland. This allows patients to remain in the comfort of their own home throughout the preparation and delivery of the capsule, demonstrating a real patient centred approach to service design.
- NHS Western Isles appointed an Alzheimer Scotland Dementia Consultant on 4 January 2023. Her previous role was as Adult Speech and Language Therapist, which has taken her to care settings all over the Western Isles since 2014. The new consultant has worked as a Speech and Language Therapist for over sixteen years, specialising in dementia, acquired neurological conditions and care of older people. She holds professional qualifications in dementia care, Parkinson's disease care and Quality Improvement. Recently the new Consultant has worked in a national role with Healthcare Improvement Scotland and plans to use her strategic leadership skills, clinical expertise, and quality improvement skills to influence service development and provide strategic direction on dementia services.

- During 2022/2023, the quality of the social care services has been formally recognised through the external scrutiny of the Care Inspectorate. The findings of the regulator inspections have recognised the high level of care and support delivered to our residents and service users. Recent examples are the Short-Term Assessment and Reablement Service, Stomaigh Service, Grianan Day Care Service and St Brendan's Care Home all receiving grades of five for this aspect of the service. This is the second highest level and is classified as 'Very Good'. Similarly, the leadership within the services were evaluated as 'good or 'very good'. The reports recognise the collaborative efforts of the staff and management to work with families, colleagues and agencies to support residents and services to meet their personal outcomes.



Care home and Extra Care Housing

The Goathill complex with fifty-two bedded care home and extra care housing is complete and transfer of clients began early summer 2023.

The IJB has closely monitored system performance against a range of indicators and benchmarked these against the Scottish average and the previous year's performance.

	Indicator No.	Description	Western Isles		Trend (Local)	Scotland		Performance vs National
			2021/2022	2022		2021/2022	2022	
Data indicators	NI - 11	Premature mortality rate per 100,000 persons	428	Jul-23		466	Jul-23	
	NI - 12	Emergency admission rate (per 100,000 population)*	14127	14667	↑	11636	11120	↑
	NI - 13	Emergency bed day rate (per 100,000 population)*	127079	135762	↑	111293	111371	↑
	NI - 14	Emergency readmissions to hospital within 28 days of discharge (rate per 1,000 discharges)*	107	110	↑	106	101	↑
	NI - 15	Proportion of last 6 months of life spent at home or in a community setting*	91	90	↓	90	89	↑
	NI - 16	Falls rate per 1,000 population aged 65+ *	27	25	↓	23	22	↑
	NI - 17	Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	79	Jul-23		76	Jul-23	
	NI - 18	Percentage of adults with intensive care needs receiving care at home **	60	60	↔	65	64	↓
	NI - 19	Number of days people spend in hospital when they are ready to be discharged (per 1,000 population)	1305	1229	↓	761	919	↑
	NI - 20	Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency	N/A	N/A		N/A	N/A	

National Outcome Indicators	Current Performance 2022/23	2021/22 Performance Baseline	Scotland Rate
Premature mortality rate (per 100,000)*	Jul-23	428	Jul-23
Rate of emergency admissions for adults (per 100,000)**	14667	14127	11120
Rate of emergency bed days for adults (per 100,000)**	135762	127079	111371
Readmissions to hospital within 28 days of discharge (per 1000)**	110	107	101
Proportion of last 6 months of life spent at home or in community setting**	90	91	89
Falls rate per 1,000 population in over 65s**	25	27	22
Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	Jul-23	79	Jul-23
Percentage of adults with intensive needs receiving care at home	60	60	64
Number of days people (75+) spend in hospital when they are ready to be discharged (rate per 1000)**	1229	1305	919
Percentage of total health and care spend on hospital stays where the patient was admitted in an emergency	N/A	N/A	N/A

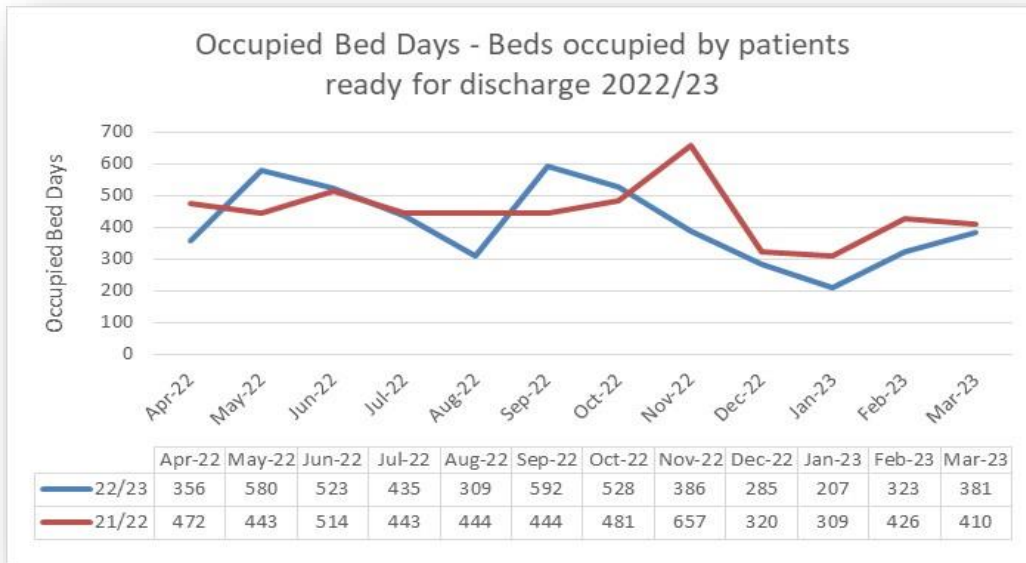
* The primary source of data for these indicators are Scottish Morbidity Records (SMRs) which are nationally collected discharge-based hospital records. In accordance with the recommendations made by Public Health Scotland (PHS) and communicated to all Health and Social Care Partnerships, the most recent reporting period available with complete and robust data is calendar year 2022.

Reporting on 2022 calendar year rather than 2022/2023 financial year may not fully reflect local activity, however, this is still recommended due to data completeness levels.

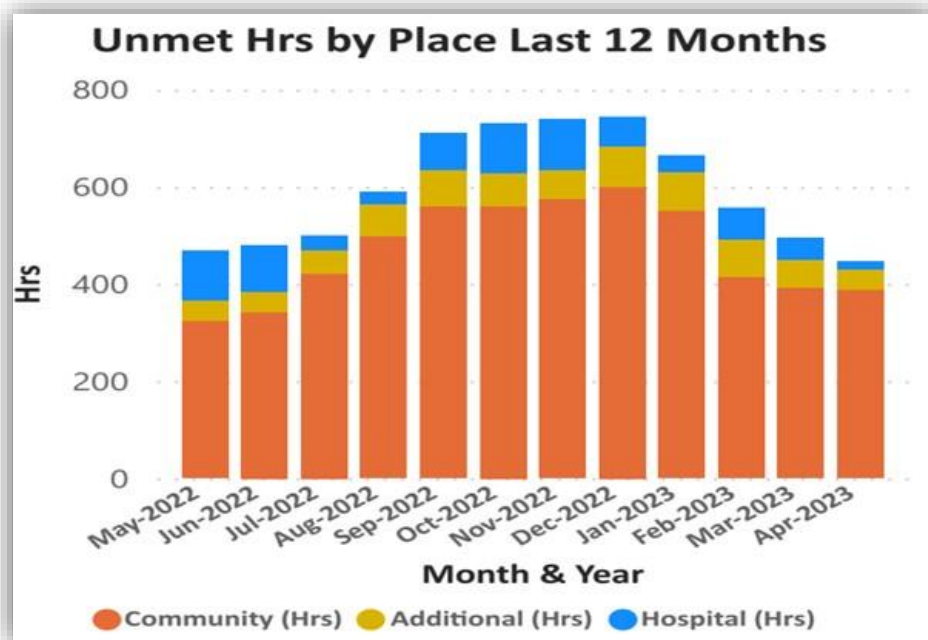
** The primary data source for indicator 18 is the Source return to PHS submitted by Partnerships each quarter. At present, the most recent reporting period available is calendar year 2022. Reporting on 2022 calendar year rather than 2022/23 financial year may not fully reflect local activity, however, this is still recommended due to data completeness levels.

For indicator 20, NHS Boards were not able to provide detailed cost information for 2020/21 due to changes in service delivery during the pandemic. As a result, PHS have not provided information for indicator 20 beyond 2019/20. PHS previously published information to calendar year 2020 using costs from 2019/20 as a proxy but, given the impact of the COVID-19 pandemic on activity and expenditure, PHS no longer consider

NHS Western Isles continues to be troubled by delayed discharges. However, there has been an annual reduction in the delayed discharges from 2021/2022 of 458 days.



Since December 2021, information has been gathered locally and nationally to examine Unmet Need for people awaiting Care at Home Services. While there are multiple scenarios as to why a patient may be delayed, the trend seen in Unmet Need where a patient is in hospital mirrors that seen in the Occupied Bed Days chart above.



Annual Accounts

The Financial Statements for 2022/2023 are set out on pages 23 and 24 and incorporate financial and other information required by the Code of Practice on Local Authority Accounting in the United Kingdom. The statement of Accounting Policies on pages 25 and 26 explains the basis for the recognition, measurement and disclosure of transactions and other events in the Annual Accounts, to ensure that they present a “true and fair view” of the IJB’s financial performance

Financial Performance 2022/2023

The annual budget and actual expenditure for both partners is shown in the table below,

	Budget	Actual	Variance
	£'000	£'000	Under/(over)
			£'000
NHS	47,743	52,860	(5,118)
CnES	25,135	25,250	(115)
Total	72,878	78,110	(5,233)

The IJB had an in-year overspend of £5,233, which will be offset by transfer from general, specific and earmarked reserves. Specific transfers back to revenue were, Covid Funding, Scottish Government Funding for Primary Care Improved Fund, Mental Health Transformation Funds and infrastructure money for the dental hub. There was also a transfer to capital for the Goathill complex building works.

Gross Income presented in the Annual Accounts shows a reduction of £11.768m in 2022/2023 compared to 2021/2022. This is due to a reduction of Scottish Government monies via NHS of £6.28m, a reduction in the deferred grant relating to the Lewis Residential Care development of £4.48m and a reduction in the central SG supply of PPE of £0.98m.

There is a key theme that runs through most of the variances for the Integrated Joint Board, this is the inability to recruit to both consultant, and medical posts and to the semi-skilled market i.e. Social Care Assistants.

- Psychiatric Consultants – NHS Western Isles has a vacant post and sickness amongst staff plus problems filling an on-call rota without calling on agency staff. The cost of using agency staff not only for the 40 hours day rota but for the 24/7 rota have been crippling with rates of pay upwards of £140 per hour plus VAT. This is unsustainable and the Board is looking at completing the previous Mental Health Transformation project and whether we need consultants to provide 24/7 cover. The overspend was £695k with an employment of a third Psychiatric consultant through agency to cover on call shifts. The Chief Officer is investigating various ways of mitigating the spend for 23/24 which involves reducing on-call, working collaboratively with the other Island Boards and making the roles more desirable that we will be able to appoint substantive post holders (due to reduce on call arrangements).
- GP Out of Hours and unscheduled care – There is an identified pressure of £542k in the Boards OOH service for both managing the community hospital in Barra and for the GP OOH service in Barra and the Uists and a smaller overspend in Lewis and Harris. Recruitment has been difficult, and the Board has had to use locum GPs at a sizable cost. Plans for 23/24 include OOH and oversight of St Brendans in Barra being undertaken by the soon to be recruited GP posts situated in the Castlebay practice and by using ANPs as well in the future.
- General Medical Consultant Services – It has been necessary to cover vacant posts and annual leave with high-cost agency staff both in Medical Consultants and specialist Doctors. The overspend was £640k.
- Prescribing – Prescribing was overspent by £442k, partly due to previous year obtaining covid funding to offset approx. £200k of prescribing expenditure relating to taking patients off Warfarin and put them onto DOACS, mostly Apixban. This drug reduces the need for regular face to face contact with practice nurses and GPs, as it does not require continuous blood testing. There also has been above inflationary increases for some drugs.
- The Home Care Service is under spent by £115k. This is mainly due to the level of vacancies within this service. The gross saving has been offset by agency staffing costs required to ensure continuity of care.

- Comhairle Residential Care is overspent by £937k. Staffing pressures and increased utility costs have been partially offset by higher than anticipated service user income. The major factor in the overspend is the transfer of £823k to fund the Lewis Residential Care capital project and will be allocated against the amount set aside in IJB Reserves in the year-end movement of balances
- Independent Care Homes – underspend by £226k due to higher than anticipated income from service users/residents.
- Mainland Placements – underspend by £390k due to expected placements not being required in-year.
- Management and Administration – underspend due to vacancies and additional SG monies not fully utilised in 2022/23.

Covid-19

The Health and Social Care Partnership received 2021/2022 carry forward funding for Covid-19 funding of £1.299m of which was fully spent on sustainability payments to the private sector, contributed to staff costs during outbreaks, PPE and infection control measures.

Reserves

The IJB, at 31 March 2023, holds reserves of £11.496m as shown below, a reduction from 2021/2022 of £5.233m. Note 8 in the Accounts gives more detail on the Earmarked and Specific Reserves.

Reserves	£'000
Specific	5,848
Earmarked	2,594
General	3,054
Total	11,496

An updated reserve report will be submitted for approval in 2023, once the IJB accounts have been signed off which fully utilises the reserves over a three-year period. Much of the earmarked and general funds for the next three years will be to ensure the Goathill Campus is funded within a break-even envelope and help offset underlying IJB deficits.

Financial Outlook and Risks

The three year budget plan is based on the core assumption that CnES will be providing a flat cash settlement for the IJB (i.e. budgets not inflated) and NHS Western Isles will provide an uplift to the base budget in line with inflation increase as laid out by the Scottish Government. There is also an assumption the increased resources required for the Goathill Complex will be at substantive post rates only after the initial bedding in period. There is an assumption that a high level of vacancies not back filled will continue, which may not be sustainable. The cost pressures the IJB is looking to mitigate over the next three years are as follows:

- Goathill Campus £1.1m;
- Increases acute mental health placement;
- Inability to recruit into medical consultant posts including psychiatrist and OOH medics which results in the employment of very high-cost agency staff (hourly rates have been increasing steadily over the last 2 years);
- Inability to recruit into key social care posts e.g., care at home and increased staff required for the Goathill Complex;
- Increasing risk of emerging care packages £0.5m; and
- Above inflation price rises from prescribed drugs.

This is together with the IJB underlying deficit of £3m due to flat cash settlement and with continued increase in inflation on our services e.g. heating and food costs and pay uplifts.

There is also an unknown disease and mental health burden in future years resulting from the pandemic, which is yet unquantifiable. It is imperative that transformational change drives recurring efficiencies, but we recognize that with the workforce and population demographics this will become more increasingly difficult to do.

Budgets have been prepared on the assumption that Covid-19 costs will reduce considerably and that the base funds that the IJB have will be enough to counter any Covid – 19 costs for example outbreaks in care homes or wards.

*Nick Fayers
Chief Officer*

29 June 2023

*Debbie Bozkurt
Chief Financial Officer*

29 June 2023

*Calum MacLean
Chairperson*

29 June 2023

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Integration Joint Board's Responsibilities

The Board is required:

- to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Board, that officer is the Chief Financial Officer;
- to manage its affairs to secure economic, efficient, and effective use of resources and safeguard its assets;
- ensure the Annual Accounts are prepared in accordance with legislation, The Local Authority Accounts (Scotland) Regulations 2014 and the Coronavirus (Scotland) Act, and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the Annual Accounts.

Calum MacLean
Chairperson

29 June 2023

The Chief Financial Officer's Responsibilities

The Chief Financial 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/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

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

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

The Chief Financial Officer has also:

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

I certify that the Annual Accounts present a true and fair view of the financial position of the Board at the reporting date and the transactions of the Board for the year ended 31 March 2023.

Debbie Bozkurt
Chief Financial Officer

29 June 2023

ANNUAL GOVERNANCE STATEMENT OF ASSURANCE

Scope of Responsibility

Cùram is Slàinte Nan Eilean Siar (the Western Isles Integration Joint Board (hereafter 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 proper arrangements are in place to account for it.

In meeting the obligations of the Public Bodies (Joint Working) (Scotland) Act 2014, NHS Western Isles and Comhairle nan Eilean Siar are required to put in place proper arrangements for the governance of the functions delegated to an Integration Authority. The legislation provides a choice of ways in which to do this.

NHS Western Isles and the CnES have used a 'body corporate' integration model. This is where both the Health Board and the Local Authority delegate to a third body called an Integration Joint Board.

The IJB is required to agree a strategic plan and will begin to deliver its functions from the date set out in that plan. The IJB will achieve this by giving direction to the Health Board and the Local Authority and will require them to carry out these functions in a particular way.

The main aim of the IJB is to improve the wellbeing of people who use health and social care services. It does this by:

- creating a single system for health and social care services;
- developing more informal community resources and supports;
- putting the emphasis on prevention and early intervention;
- improving the quality and consistency of services; and
- providing seamless, high quality, health and social care services.

NHS Western Isles and the CnES set out within their integration scheme the scope of the delegated functions. The scheme was approved by the Scottish Parliament on 24th September 2015.

Section 44 of the Public Bodies (Joint Working) (Scotland) Act 2014 requires a review of the Integration Scheme to be undertaken within 5 years of initial approval, which in this case would have been June 2020.

The review of the scheme is now completed with one key element pertaining to dispute resolution being the focus of the review.

The following services on the next page have been delegated to the IJB to strategically oversee and commission in line with our local priorities, the core aims of integration and the National Health and Wellbeing Outcomes. The delivery of these services has also been delegated, annually through directions, to Western Isles Health and Social Care Partnership which is provided by NHS Western Isles, Comhairle nan Eilean Siar (local authority), along with non-statutory delivery partners in line with the integration delivery principles.

Adult Social Care Services	Community Health Services	Adult Hospital Health Services
<ul style="list-style-type: none"> • Care at Home Services • Extra Care Housing • Social Work Services for Adults and Older People • Services and support for Adults with Physical Disabilities and Learning Disabilities • Mental Health Services • Drug and Alcohol Services • Adult Protection and Domestic Abuse • Carers Support Services • Community Care Assessment Teams • Care Home Services • Adult Placement Services • Reablement Services, Equipment and Telecare • Aspects of Housing Support including Aids and Adaptations • Day Services • Respite Provision • Occupational Therapy Services 	<ul style="list-style-type: none"> • Primary Medical Services (GP Practices) • Out of Hours Primary Medical Services • Community Hospital Services • Public Dental Services • General Dental Services • Ophthalmic Services • Community Pharmacy Services • Allied Health Professional Services • Community and Specialist Nursing • Mental Health Services • Community Learning Disability Services • Community Addiction Services • Public Health Services (vaccination) • Community Palliative Care • Pharmacy Services • Continence Services 	<ul style="list-style-type: none"> • Accident and Emergency • Inpatient Hospital Services in these specialties: <ul style="list-style-type: none"> – General Medicine – Mental Health (APU) – Psychiatry • Pharmacy Services

The Integration Joint Board Membership

The Public Bodies Joint Working (Scotland) Act 2014 and associated Regulations set out the arrangements for the membership of the IJB. As a minimum this must comprise of voting members nominated from the NHS Board and the CnES; non-voting members who are holders of key professional roles within the CnES and NHS Western Isles; and representatives of groups who have an interest in the IJB. There is also flexibility to appoint additional members in certain circumstances.

Local authorities must nominate Councillors as voting members. The NHS Board should nominate non-executive directors. Where this is not possible, there is scope to appoint "appropriate persons" as agreed by the Scottish Ministers, but at least two non-executive directors must be nominated.

The role of IJB Chair was handed over in June 2022 resulting in:

Gillian McCannon held the position of Chair from April 2022 to June 2022. In June 2022 took on the role as Vice-Chair of the IJB.

Cllr. Calum MacLean took on the role of Chair from June 2022.

The IJB has four voting members and 4 proxy voting members each from the CnES and NHS Western Isles.

NHS Voting Members – 2022 – 2023

Gillian McCannon – NHS Board Chair / Chair of the IJB - Chair position handover in June 2022 to Local Authority member. Currently holding the position of Vice-Chair of the IJB as from June 2022

Tim Ingram – started June 2021 – left 31.12.22

Jocelyn McConnachie - started June 2021

Annetta Smith – started June 2022

Sheena Wright – started in January 2023

NHS Proxy Members – 2022-2023

Dr David Rigby – left 31.03.23

Dr Maggie Watts

Julia Higginbottom – June 2022

Abdul Elghedafi – started June 2021 – left 31.03.23

Sheena Wright – proxy from June 2021 and moved to full voting member in January 2023

Comhairle Voting Members – 2022 - 2023

The Local Authority Ward elections took place in May 2022 resulting in the change of voting membership of Councillors.

The following members left the IJB in June 2022

Cllr. Norman A MacDonald – Councillor

Cllr. Kenny John MacLeod – Councillor and Vice Chair of IJB

Cllr. Angus Morrison – Councillor

Cllr. Paul F Steele – Councillor

Newly appointed voting members from Local Authority as from June 2022

Cllr. Calum MacLean – started June 2022 and took on the role of IJB Chair

Cllr. Kenneth J. MacLean

Cllr. Donald MacSween

Cllr. Susan Thomson

Local Authority Proxy voting members – 2022-2023

Cllr Duncan MacInnes

Cllr Paul Steele

2 vacant positions

In addition, six professional advisers have been appointed as non-voting members. These are:

1. the Chief Social Work Officer – Jack Libby
2. the Chief Officer of the IJB – Nick Fayers
3. the Section 95 Officer of the IJB (Chief Finance Officer) – Debbie Bozkurt;
4. a registered nurse employed by the NHS Board – Cathie Anderson, Community Lead Nurse

5. a General Medical Practitioner – Dr. Brian Michie; and
6. a medical practitioner who is not a GP (currently vacant).

Finally, the IJB is required to appoint stakeholder members who are non-voting members. These include:

- two staff side representatives working within an integrated function – NHS representative is Dana Murray, with Alana MacPhee being the proxy non-voting member and Angus Murray representing the CnES who left the Local Authority in June 2022 and the IJB is still waiting on confirmation of its full non-voting member. Fiona Black is the Local Authority proxy non-voting member;
- two representatives of the third sector – Caroline MacPhee, Third Sector Interface with Eoin MacNeil taking on the role of lead in January 2023 with Caroline MacPhee acting as his proxy non-voting member. Morag Munro from Western Isles Community Care Forum with Peggy MacKay acting as proxy non-voting member;
- a service user; an unpaid carer – Anne Moqbel and Karen Taylor;
- a representative from the Scottish Ambulance Service - Dr. Francis Tierney; and
- a representative from the Hebridean Housing Partnership – Dena MacLeod.

The following people are classed as Advisors to the Integration Joint Board:

- Gordon Jamieson, Chief Executive NHS Western Isles
- Malcolm Burr, Chief Executive Comhairle nan Eilean Siar
- Tim Langley, Head of Legal within Comhairle nan Eilean Siar and the IJB Standards Officer.

The full IJB voting membership across the year was 63% female and 37% male during 2022/2023.

During the financial year 2022/2023, the IJB met virtually through Teams five times. During that period, the Board:

- approved the Annual Report 2022/2023;
- agreed a balanced budget for 2022/2023;
- received various reports on the updated build of Goathill Complex and the Barra and Vatersay Community Campus;
- received workforce and demographic reports for the IJB;
- had development on the strategic framework;
- a re-written IJB risk register.

Sub Committees

The IJB is required to properly manage its financial and governance affairs. An Audit Committee of the IJB has been established to assist in the delivery of those functions. The IJB Audit Committee has a key role with regard to ensuring the efficient and effective performance of Western Isles' Health and Social Care Partnership in order to deliver the outcomes set out in the Integration Scheme. The Audit function of the IJB was undertaken by external auditors Azets (NHS Western Isles internal auditors) in light of recruitment issues within the CnES Audit Team. which are reported to the Committee detailed under the paragraph Audit and Scrutiny.

Partner Governance

NHS Western Isles has a corporate governance framework which includes:

- a Board which meets every month, alternating with formal public sessions with board development and briefing workshops, to consider the plans and strategic direction of the organisation;
- an Annual Operational Plan (formally LDP), which identifies the organisation's strategic development objectives and aspirations for health improvement, wellbeing and health care in conjunction with Better Health Better Care, the Quality Strategy and the National Clinical Strategy;
- a Healthcare Governance and Audit Committee (covering risk, audit and clinical governance); Area Clinical Forum, Area Partnership forum, Staff Governance Committee; and Remuneration Committee, all of which meet at least quarterly acting on specific terms of reference to focus on particular aspects of the governance framework;
- a Corporate Management Team which meets monthly to consider and drive effective delivery against overall plans, objectives, targets and guarantees. The team comprises the Chief Executive, Executive Directors and Senior Managers;

- a single comprehensive Code of Corporate Governance, in which clearly defined guidelines and levels of authority are established for all areas of expenditure and capital investment;
- risk registers which are active, maintained and reported regularly to operational management and a corporate risk register identifying key risks which is reported regularly to the Corporate Management Team, Healthcare Governance and Audit Committee and the Board;
- a system of regular performance management and review led by the Chief Executive and an Anti-fraud, Bribery and Corruption policy.

Social Care is covered by the Comhairle's Corporate Governance Framework which includes:

- a performance management system administered by the Chief Executive's Department;
- a Reporting Concerns at Work (Whistleblowing) Procedure;
- a Duty of Candour Policy Statement and Procedural Guidance;
- a Complaints-Handling Procedure;
- fortnightly Corporate Management Team meetings comprising the Chief Executive, Directors and Senior Managers.

Risk Management

The Integration Scheme indicates that a risk management strategy and policy will be adopted by the IJB. The Risk Management Strategy and Policy was agreed by the Shadow IJB in March 2016. It was prepared in line with the international standard for risk management (ISO 31000).

As part of that, the IJB has maintained a risk register, reflecting its strategic activities and taking cognizance of both significant issues from each statutory partner's own risk registers, and also emerging risks.

The Chief Officer has overall accountability for risk management, ensuring that suitable and effective arrangements are in place to manage the risks relating to the functions within the scope of the Integration Joint Board. The CnES and NHS Western Isles supported the Chief Officer and the Integration Joint Board with relevant specialist advice.

Over the course of the year, the level of risk changed in light of material circumstances. Actual risk ratings were consistently higher than the target risk rating, with the major risk being around the recruitment and retention challenges within the Partnership.

The following risks were monitored by the IJB over the course of the year, within a 5x5 risk register which gauges impact and likelihood:

Ref	Officer	Risk	Current	Target
IJBSR1	CO, H&SC	Failure to plan for strategic change	16	6
IJBSR2	CO, H&SC	Workforce, inability to attract and retain workforce to deliver delegated services	20	9
IJBSR3	CO, H&SC	Increasing demand for delegated services. Demand outstrips capacity	12	6
IJBSR4	CFO IJB	Insufficient financial resources in order for the partnership to deliver its statutory obligations	20	9
IJBSR5	CO, H&SC	Organisational, professional and cultural barriers inhibit the ability of H&SCP and in turn the Board to develop services and deliver on strategic ambition	12	6

Mitigating measures were applied to all identified risks – however, some risks relate to systemic challenges within the local health and care system. In particular, challenges around workforce have proved difficult to mitigate, with key vacancies across the system. Vacancies are monitored by the IJB when it meets, with updates given on mitigating actions. However, many of the solutions to this challenge sit outside of the IJB's influence.

Audit and Scrutiny

The Public Sector Internal Audit Standards 2013 (PSIAS) sets basic principles for carrying out public sector internal audit in the UK. The PSIASs are applicable to the CnES, NHS Western Isles and the IJB.

A Strategic Audit Plan has been prepared based on a robust risk assessment process, following appropriate consultation, challenge and comparison with underlying, national, corporate and professional objectives. The planned internal audit reviews address the main focus of the IJB in terms of establishment, planning, and complying with the need to provide quality service provision in our communities whilst doing so effectively and efficiently in the use of finite resources.

The Chief Internal Auditor for the IJB was appointed in December 2015. The internal audit function is normally provided by the CnES, however due to staff vacancies in 22/23 the internal audit function was provided by Azets, NHS internal auditors..

Over the course of the year, a range of issues were highlighted through 2 audit reviews:

Workforce Management Information

As outlined in the Integration Scheme, the Integration Joint Board has responsibility for the planning and direction of certain services, with Comhairle Nan Eilean Siar and NHS Western Isles responsible for the operational management of those services. Both NHS Western Isles and the Comhairle have a responsibility to provide such information as may be required by the Chief Officer and the IJB or its Committees to enable the planning, monitoring and delivery of integrated services.

Effective workforce planning and management is a fundamental aspect in the delivery of integrated services and crucial to the achievement of the IJB's strategic objectives. As such the Integration Joint Board will require assurance that the partner bodies have robust arrangements in place that ensure they have a sufficient workforce to deliver planned services over the short, medium and long term.

In accordance with the 2022/23 Internal Audit Plan, we reviewed the arrangements in place to ensure the Integration Joint Board (IJB) are receiving sufficient assurances that there are appropriate arrangements in place within Comhairle Nan Eilean Siar and NHS Western Isles to recruit and retain the required workforce to deliver integrated services.

Findings were as follows:

- The IJB should review the workforce KPIs in the current Performance Management Framework document and confirm whether these remain relevant and should be included in any future reporting. Management should also ensure that the sharing of any raw data from the partner body HR systems is proportionate in line with General Data Protection Regulation (GDPR).
- The IJB should ensure that workforce reports include data on staff turnover and the KPIs linked to the workforce plan and other workforce related targets. Management should reflect on the reporting capacity of the IJB and consider whether the Chief Financial Officer is the most appropriate person to produce regular IJB workforce reports.
- The IJB should ensure, where possible, that there is HR representation from both partner bodies at the Integrated Corporate Management Team meeting. Consideration should also be given to reinvigorating the HR forum to allow HR colleagues from both partner bodies to come together to discuss, collaborate and progress issues affecting the IJB workforce and to report directly in to the IJB.
- Management should include details of relevant mitigating actions within the body of the workforce reports. The IJB should ensure that all relevant actions are recorded on the IJB action log with clear owners and due dates so that progress can be monitored and the IJB can be assured that appropriate action is being taken.
- The IJB should develop a formal escalation framework and ensure that there is a clear process to escalate matters when the performance information required by the IJB is not forthcoming from the partner body organisations.

Strategic Planning

The Public Bodies (Joint Working) (Scotland) Act 2014 provides the legislative framework for the integration of health and social care services in Scotland.

The legislation requires NHS Western Isles and Comhairle Nan Eilean Siar to establish formal partnership arrangements to oversee the integration of services via the Integration Joint Board, which is designed to take decisions about how to invest resources and deliver services.

Ensuring there is a clear strategic plan in place outlining the strategic priorities of the IJB is fundamental to ensure activities are delivered and monitored.

In accordance with the 2022/23 Internal Audit Plan we reviewed the strategic planning arrangements in place within the IJB to ensure plans are sufficiently clear, can be monitored and are informed by stakeholder engagement. We also considered whether roles and responsibilities for strategic planning are clearly defined and assigned to individuals.

Findings were as follows:

- Management should provide a clear timeline to complete the strategic planning cycle, including Board approval.
- Management should ensure that the IJB Board is provided with a timescale outlining when underlying plans should be produced. In addition, strategic plans should address medium- and long-term activities.
- The Health and Social Care Strategic Framework 2023-2026 document should address how it will ensure alignment with strategic vision and objectives of underlying plans.
- Management should ensure that actions within the strategic framework and plans are sufficiently SMART, where these actions are derived from national outcomes additional context and supporting SMART actions should be documented. In addition, they should also ensure the Health and Social Care Strategic Framework 2023-2026 document complies with the legislative requirements.
- Management should ensure that the strategic context is adequately addressed in the Health and Social Care Strategic Framework 2023-2026 document.
- Management should develop an outline communication and engagement plan, aligned with strategic plans development which clearly identifies when and how stakeholders, both internal and external will be involved in the strategic planning process.
- Management should clarify the roles and responsibilities for strategic planning with the planning framework document, ensuring that this complies with the integration legislation. In addition, any terms of reference or job descriptions should be updated accordingly. Management should also ensure the Integration Joint Board is provided with assurance that the strategic plan develop process complies with legislation.

No matters of concern were raised by either of the parent bodies' internal auditors.

Audit Scotland is appointed again (though different team and Director) as the external auditor for the five year period 2022/2023 to 2026/2027.

External Audit Action Plan 2021/2022

As below are recommendations and any action taken and if complete:

Scheme of Integration - The IJB should complete a full review of the Scheme of Integration – This is due to be completed 30 September 2023.

Unidentified savings– in order to bridge the funding gap and achieve the required level of efficiency savings, the IJB should develop a transformational plan for the redesign of services. This should be developed alongside the medium-term financial plan and be consistent with the Health Board's Transformational Plan – The Mental Health redesign has recommenced after a break during covid and the Goathill complex with extra care housing is due to go live in early 2023. These will be the main areas of redesign for 2023/2024.

Refreshed strategic Plan – A three-year strategic plan should be published to bring together the Board’s financial plans, workforce plans, and service redesign priorities – Development Day to present the Strategic framework has occurred and a strategic plan will be forthcoming which will go out to public consultation.

Integrated Workforce Plan – Publication of an integrated workforce plan should be a priority for the IJB to address acute workforce challenges – this was not accepted. Each partner creates their own workforce plan and there is no requirement by the Scottish Government to create a joint plan. However as previously indicated the Western Isles faces a loss in both overall population and work age population, which is the greatest risk for both Health and Social Care. The Chief Officer and Chief Finance Office have had various meetings with Scottish Government agencies to discuss the worsening demographic and population changes which are having a huge effect on the ability of Health and Social Care to provide services. Quarterly Demographic and Workforce reports are being presented to IJB and onward to Scottish Government.

Publish Board and audit committee meeting papers and minutes on the Website – All Board meeting papers are on the IJB Website

Risk Management – A refreshed Risk Management Strategy and Policy should be approved to ensure that the Board’s arrangements effectively manage risks to achieving its objectives. This should include unifying the risk register and forming a strategic risk management group – this has been completed.

Best Value self-assessment – An annual self-assessment has not been carried out for 2019/2020 Self-assessments permit the Board to identify where improvement can be made to its strategic objectives, governance arrangements and use of resources, and to demonstrate areas of good practice – work will be undertaken by the end of the calendar year 2023.

Performance Management

For the purposes of managing the performance of the IJB, including the delivery of the national health and wellbeing outcomes and the Strategic Plan, a Performance Framework has been produced.

The monitoring arrangements within the Performance Framework are in accordance with statutory requirements for production of an Annual Performance Report under the Public Bodies (Joint Working) (Scotland) Act 2014.

Performance monitoring and reporting arrangements are set out within the Performance Framework. This includes the production of an Annual Performance Report as required under Section 42 of the 2014 Act with the content in accordance with the Public Bodies (Joint Working) (Content of Performance Reports) (Scotland) Regulations 2014. The Framework details a hierarchy of performance indicators that comprise the performance monitoring of activities at various levels across the Partnership which are detailed in a series of appendices to the Framework.

The management commentary describes our performance over 2022/2023 in detail.

Strategic Plan

To have the greatest impacts for our communities, the Health and Social Care Strategic Framework will be used as the Strategic Commissioning Plan for the IJB. In turn, this will be used to develop annual delivery plans to guide the delivery of delegated services for both the Local Authority and the Health Board. Given the challenging fiscal environment we will not prioritise areas that do not align to the Strategic Framework.

The Framework is intended to:

- provide the conceptual framework as to how the IJB approaches population health challenges, informs the commissioning plan and ensures our focus remains outcome focused for our communities
- guide decisions we make in the short term, such as annual delivery plans • inform the longer-term programme of work
- enable the Board (IJB) and our communities to assess actions against our strategic ambition
- provide a basis for more detailed and engaged conversation with our two parent bodies and wider partners about the challenges ahead, supporting wider achievements of integration of health and social care services

Within the last 12 months the Health and Social Care Partnership has seen a number of notable successes including:

- Good progress with the implementation of the Primary Care Improvement Plan

- Developing the provision of Housing with Extra Care (HwEC)
- Improving the uptake of Self-Directed Support
- Early development of home-based intermediate care (START/Reablement)
- Expansion of Hospital at Home Service (which received national recognition)
- Formation of Acute Assessment Unit to reduce hospital admissions
- Development of Urgent and Unscheduled Care model for community hospitals
- Appointment of GP Cluster Leads
- Development of a Polypharmacy review service for people with comorbidities
- Launch of Improving the Cancer Journey programme of care

As a result of the challenges that we have faced between 2020/2023, we have learnt that setting out a detailed plan in 2023 for the next three years is unlikely to achieve the impacts that we would want to achieve, in the context of a number of challenges that we are currently aware of now and may not be able to predict. For example, if we think back to early 2020 and the global events in the identification of Novel Coronavirus (COVID-19) disease, the impact of what became a global pandemic could not have been predicted.

Therefore, a Strategic Framework as opposed to a strategic plan. A strategic plan tends toward short-term, actionable tasks. A strategic framework, while focused, allows the flexibility to adapt to changing community dynamics, policy mandates, and population health needs.

The Strategic Framework is not prescriptive in the actions that we will take and is instead designed to be enabling us to best deal with the critical challenges we are aware of now, and to help us decide how to deal with further critical challenges on the next steps of our three-year journey.

Review of Effectiveness

During 2022/2023, the IJB continued to put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and effective in practice.

Specifically, the IJB's governance arrangements have been reviewed and tested against the requirements of the Public Bodies (Joint Working) (Scotland) Act, associated regulations and guidance notes and the CIPFA Good Governance Framework.

Specific measures were introduced to ensure the IJB as a public body in compliant with all of its legislative obligations.

The Chief Finance Officer was responsible for the preparation and oversight of the IJB's accounts for 2022/2023, and for the development, along with the Chief Officer, of the budget for 2023/2024.

Certification

It is our opinion that reasonable assurance, subject to the matters noted above, can be placed upon the adequacy and effectiveness of the Western Isles IJB's systems of governance.

Nick Fayers
Chief Officer

29 June 2023

Calum MacLean
Chairperson

29 June 2023

REMUNERATION REPORT

Introduction

This report is set out in accordance with the Local Authority Accounts (Scotland) Amendment regulations 2014. These regulations require the disclosure of certain details in respect of the remuneration and pension benefits of senior Voting Board Members and senior employees. The term remuneration means gross salary, fees and bonuses, allowances and expenses, and compensation for loss of employment. It excludes pension contributions paid by the Comhairle or NHS Eileanan Siar. Gross salary means the annual salary for a full-time employee or member and for presentation purposes the salaries of part-time employees or those who have been employed or served as members for less than a full year are annualised.

The term pension benefits, covers the in-year contributions paid by the Comhairle or NHS Eileanan Siar for the employee or Board Member, and their accrued pension benefits at 31 March 2023.

All information disclosed below will be audited by external auditors. The other sections will be reviewed by external auditors to ensure that they are consistent with the financial statements.

Arrangements for Remuneration

Board Members

Voting membership consists of 4 Councillors nominated as board members by the Comhairle and 4 NHS representatives nominated by NHS Eileanan Siar. In addition, there are 12 non-voting members which include the Chief Officer, the Comhairle's Chief Social Work Officer, The Chief Financial Officer, registered medical practitioners from both primary and non-primary care and a registered nurse.

The Senior Members on the Board during 2022/23 were:

<i>Chairperson:</i>	<i>Calum Maclean</i>	<i>Comhairle nan Eileanan Siar</i>
<i>Vice-Chairperson:</i>	<i>Gillian McCannon</i>	<i>NHS Eileanan Siar</i>

Members are remunerated by the relevant partner organisation and the Board does not pay allowances or other remuneration directly.

The statutory liability for pension contributions and ongoing commitments lies with the partner organisation and on this basis there is no pension liability reflected on the Board Balance Sheet.

Senior Employees

The appointment of a Chief Officer is required by Section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014. However, the Board is not empowered to directly employ the Chief Officer and the contract of employment must be with one of the partner organisations. In this case the Comhairle is the employer.

Other Officers employed by the partner organisations, including the Chief Financial Officer, who meet the criteria for disclosure are included in the tables below.

The remuneration of the Chief Officer is set by reference to the arrangements for Executive Officers in the NHS.

Employees whose remuneration was £50,000 or above

As required by the regulations, the following table shows the number of officers whose remuneration was £50,000 or above.

Remuneration Band	Number of Employees	
	2022/23	2021/22
£95,000 - £99,999	-	1
£90,000 - £94,999	1	-

Exit Packages

There were no exit packages paid during this or the previous financial year.

Remuneration

Name and Responsibility	2022/23			2021/22
	Salary, fees & Allowances	Taxable Expenses	Total Remuneration	Total Remuneration
	£	£	£	£
Nick Fayers, Chief Officer	91,788	-	91,788	96,677
Debbie Bozkurt, Chief Financial Officer ¹	24,788	-	24,788	26,057

1. Portion of salary attributable to role as Chief Financial Officer – equivalent to 0.3 FTE

Pension Benefits

With regard to officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pension liability reflected on the Board's Balance Sheet.

The Board does however have responsibility for funding the employer contributions for the current year and the table below shows the expenditure incurred in respect of pension benefits during the year. The table also shows the total value of accrued pension, some of which may relate to previous employment.

Name and Responsibility	In-year pension contributions		Accrued Pension Benefits		
	Year to 31/03/23	Year to 31/03/22		As at 31/03/23	Difference from March 2022
	£	£		£	£
Nick Fayers, Chief Officer	18,933	18,478	Pension Lump Sum	4,179 -	2,179 -
Debbie Bozkurt, Chief Financial Officer ¹	-	-	Pension Lump Sum	- -	- -

1. The Chief Financial Officer is not a member of the Pension Fund.

Nick Fayers
Chief Officer

Calum Maclean
Chairperson

MOVEMENT IN RESERVES STATEMENT

This Statement shows the movement in the year on the IJB's reserves.

Movement in Reserves 2022/23	General Reserves	Earmarked Reserves	Total Reserves
	£'000	£'000	£'000
Opening Balance at 1 April 2022	2,138	14,591	16,729
Total Comprehensive Income and Expenditure	916	(6,149)	(5,233)
Increase/(Decrease) in 2022/23	916	(6,149)	(5,233)
Closing Balance at 31 March 2023	3,054	8,442	11,496

Movement in Reserves 2021/22	General Reserves	Earmarked Reserves	Total Reserves
	£'000	£'000	£'000
Opening Balance at 1 April 2021	1,469	6,576	8,045
Total Comprehensive Income and Expenditure	669	8,015	8,684
Increase/(Decrease) in 2021/22	669	8,015	8,684
Closing Balance at 31 March 2022	2,138	14,591	16,729

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This Statement shows the cost of providing services for the year.

2021/22			Service	2022/23		
Gross Expend	Gross Income	Net Expend		Gross Expend	Gross Income	Net Expend
£'000	£'000	£'000		£'000	£'000	£'000
3,342	(1,882)	1,460	Management and Administration	2,529	(1,112)	1,417
841	(331)	510	Alcohol and Drugs Partnership	782	(95)	687
33,659	(12,564)	21,095	Community Services	31,302	(7,009)	24,293
18,122	(8,955)	9,167	Partnership Services	18,834	(4,263)	14,570
5,014	(2,388)	2,626	Dental Services	5,448	(1,620)	3,828
3,763	(606)	3,157	Mental Health Services	5,017	(189)	4,828
17,690	(187)	17,503	Medical	18,956	(1,028)	17,928
7,760	(503)	7,257	Acute Set Aside Budget	10,585	(332)	10,253
306	-	306	Housing Services	306	-	306
90,496	(27,416)	63,080	Cost of Services	93,758	(15,648)	78,110
	(71,764)	(71,764)	Taxation and Non-Specific Grant Income		(72,878)	(72,878)
90,496	(99,180)	(8,684)	(Surplus)/Deficit on Provision of Services	93,758	(88,525)	5,233
90,496	(99,180)	(8,684)	Total Comprehensive Income and Expenditure	93,758	(88,525)	5,233

There are no statutory or presentational 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 accounts.

BALANCE SHEET

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

2021/22			2022/23	
£'000	£'000		£'000	£'000
16,729		Short Term Debtors	11,496	
	16729	Current Assets		11,496
	16,729	Net Assets		11,496
16,729		Usable Reserves	11,496	
	16,729	Total Reserves		11,496

The unaudited accounts were issued on 29 June 2023.

Debbie Bozkurt
Chief Financial Officer

NOTE 1 ACCOUNTING POLICIES

1. 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 by the Local Government (Scotland) Act 2014. The Annual Accounts have therefore been prepared on an Income and Expenditure basis in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The accounts have been prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. The historic cost convention has been adopted.

2. 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 recognised 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 debts may not be received, the balance of debtors is written down; and
- Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the corresponding amount is recorded in the Balance Sheet.

3. Funding

The IJB is primarily funded through funding contributions from the statutory funding partners, namely NHS Eileanan Siar and Comhairle nan Eilean Siar. Expenditure is incurred as the IJB commission specified health and social care services from the funding partners for the benefit of service recipients.

4. Cash and Cash Equivalents

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partners. Consequently, the IJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The funding balance due, to or from each funding partner as at 31 March, is represented as a debtor or creditor in the IJB Balance Sheet. A Cash Flow Statement is therefore not required to be presented in the Annual Accounts.

5. Employee Benefits

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

The IJB has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report. The charges from the employing partner are treated as employee costs. Where material the Chief Officer's absence entitlement as at 31 March is accrued, for example in relation to annual leave earned but not yet taken.

6. Support Services Costs

Costs relating to the overheads (e.g. human resources support, financial services, information technology) required by the Comhairle and the NHS Board to provide the services commissioned by the Integration Joint Board are not regarded as IJB running costs. These costs were not included in the partner contributions agreed as part of the establishment of the IJB and will be retained by the partner organisations.

7. Provisions

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31 March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund. Provisions for specific purposes, such as non-payment of debt, will have been provided by the partner organisations.

8. Reserves

IJBs are not currently anticipated to hold cash or to have bank accounts. However, where the IJB underspends on the partner funding contributions, this would result in a General Fund Reserve.

Property, Plant and Equipment used for the delivery of commissioned services have not transferred to the IJB Balance Sheet and the related Capital Adjustment and Revaluation Reserves are therefore not required.

9. Events after the Reporting Period

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

10. VAT

The IJB is a non-taxable body and does not charge or recover VAT on its activities. VAT is settled/recovered by the parent bodies.

NOTE 2 CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

The Annual Accounts contain estimated figures that are based on assumptions made by the partner organisations, taking account of historical experience, current trends or other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from these estimates.

The Comhairle has previously had a backlog on invoicing for residential care charges due to delays in completion of financial assessment of clients, although the position has improved significantly in recent years. A provision, based on the aged debt profile and specific client financial information, has been made for non-payment of this debt. This provision and the associated risks remain with the Comhairle. Given the amount of the debt which is secured on property and the extent of the provision, a significant portion of the debt is covered.

NOTE 3 RELATED PARTY TRANSACTIONS

The IJB is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Board or to be controlled or influenced by the Board. Disclosure of these transactions allows readers to assess the extent to which the Board 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 Board. As a partnership between the Comhairle and the NHS Board, these two organisations are the main related parties to the Board and the following transactions were made during 2022/23.

2021/22		2022/23
£'000		£'000
	Transactions with NHS Eileanan Siar	
49,995	Funding contributions received	47,743
-	- Services Income received	-
41,735	Expenditure on Services provided	52,747
81	Key Management Personnel: Non-Voting Board Members ¹	89
19	Support Services	24
	Transactions with Comhairle nan Eilean Siar	
21,769	Funding contributions received	25,135
-	- Services Income received	-
21,173	Expenditure on Services provided	25,164
52	Key Management Personnel: Non-Voting Board Members	61
19	Support Services ²	24

¹ **Key Management Personnel:** The Chief Officer is employed by NHS Eileanan Siar but Comhairle nan Eilean Siar make a contribution of 50% of the costs. The Chief Financial Officer is employed by the NHS Board and 30% of her time is charged to the IJB. These payments are included in Corporate Costs in the Comprehensive Income and Expenditure Statement and the remuneration details in the Remuneration Report.

² **Support Services:** Both partner organisation provide a range of support services to the IJB, e.g. Financial Services, Human Resources, Legal. There are no charges included in the IJB accounts for these services. The Support Service costs included in the table above represent costs such as travel and subsistence, incidental administration and equipment etc.

2021/22		2022/23
£'000		£'000
	Balances with Comhairle nan Eilean Siar	
16,729	Debtor balances: Amounts due from the Comhairle	11,496
16,729	Net Balance with the Comhairle	11,496

NOTE 4 EXPENDITURE AND INCOME ANALYSIS

2021/22		2022/23
£'000		£'000
	Services Commissioned from the NHS	
22,337	Employee Benefits	24,911
15,431	Family Health Services	15,740
9,410	Other Operating Expenditure	12,370
(9,489)	Services Income	(4,413)
	Services Commissioned from the Comhairle	
18,464	Employee Benefits	19,266
24,682	Other Operating Expenditure	21,271
(17,926)	Services Income	(11,235)
144	Corporate Expenditure	169
28	Auditor Fee: External Audit Work	30
(71,764)	Partners Funding	(72,878)
(8,684)	(Surplus)/Deficit on Provision of Services	5,233

NOTE 5 TAXATION AND NON-SPECIFIC GRANT INCOME

2021/22		2022/23
£'000		£'000
49,995	Funding Contribution from the NHS	47,743
21,769	Funding Contribution from the Comhairle	25,135
71,764	Total	72,878

The funding contribution from the NHS Eileanan Siar shown above includes £7,750k in respect of "set aside" resources relating to acute hospital and other resources. These are provided by the NHS, which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

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

NOTE 6 CORPORATE EXPENDITURE

2021/22		2022/23
£'000		£'000
133	Staff Costs	151
11	Administration	18
28	Audit Fee	30
172	Total	199

NOTE 7 SHORT TERM DEBTORS

2021/22		2022/23
£'000		£'000
16,729	Local Authorities	11,496
16,729	Total	11,496

NOTE 8 USABLE RESERVE

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

- to earmark or build up funds which are to be used for specific purposes in the future, such as known or predicted future expenditure needs. This supports strategic financial management.
- to provide a contingency fund to cushion the impact of unexpected events or emergencies. This is part of the IJB's risk management framework.

Balance at 01/04/2021 £'000	2021/22		Project / Investment Area	2022/23		Balance at 31/03/2023 £'000
	Transfers £'000	Balance at 31/03/2022 £'000		Transfers Out £'000	Transfers In £'000	
2,309	(1,080)	1,229	Digital Innovation and Infrastructure	(843)		386
1,528	(1,158)	370	Workforce Sustainability	(225)		145
604	1,459	2,063	Transformational Change			2,063
	0		<i>Funding Streams</i>			
268	53	321	Social Care Specific Reserves			321
-	702	702	SC and NHS Winter Pressures Fund C/F	(18)	1,545	2,229
12	3,376	3,388	SC and NHS Covid Fund Carried Forward	(3,388)		-
890	48	938	Primary Care Funds	(478)		462
-	1,963	1,963	Dental Infrastructure Funds	(1,963)	1,010	1,010
-	115	115	Dental Other		68	183
105	113	218	Nurse Director Support Funds		120	338
-	27	27	Workforce Wellbeing PC&SC			27
220	1,319	1,539	Mental Health Funds	(1,249)	17	307
-	103	103	Hospital at Home	(164)	220	159
99	128	227	Allied Health Professionals	(227)		-
343	516	859	Other NHS Specific Funds	(844)	363	378
198	331	529	Alcohol and Drug Partnership	(95)		434
6,576	8,015	14,591	Total Earmarked	(9,492)	3,343	8,442
1,469	669	2,138	General Reserves		916	3,054
8,045	8,684	16,729	General Fund	(9,492)	4,259	11,496