

DUMFRIES AND GALLOWAY INTEGRATION
JOINT BOARD

Annual Report and Financial Statements

For the Year Ended
31 March 2021



DUMFRIES AND GALLOWAY
Health and Social Care

UNAUDITED DRAFT ACCOUNTS
CONSULTATION VERSION

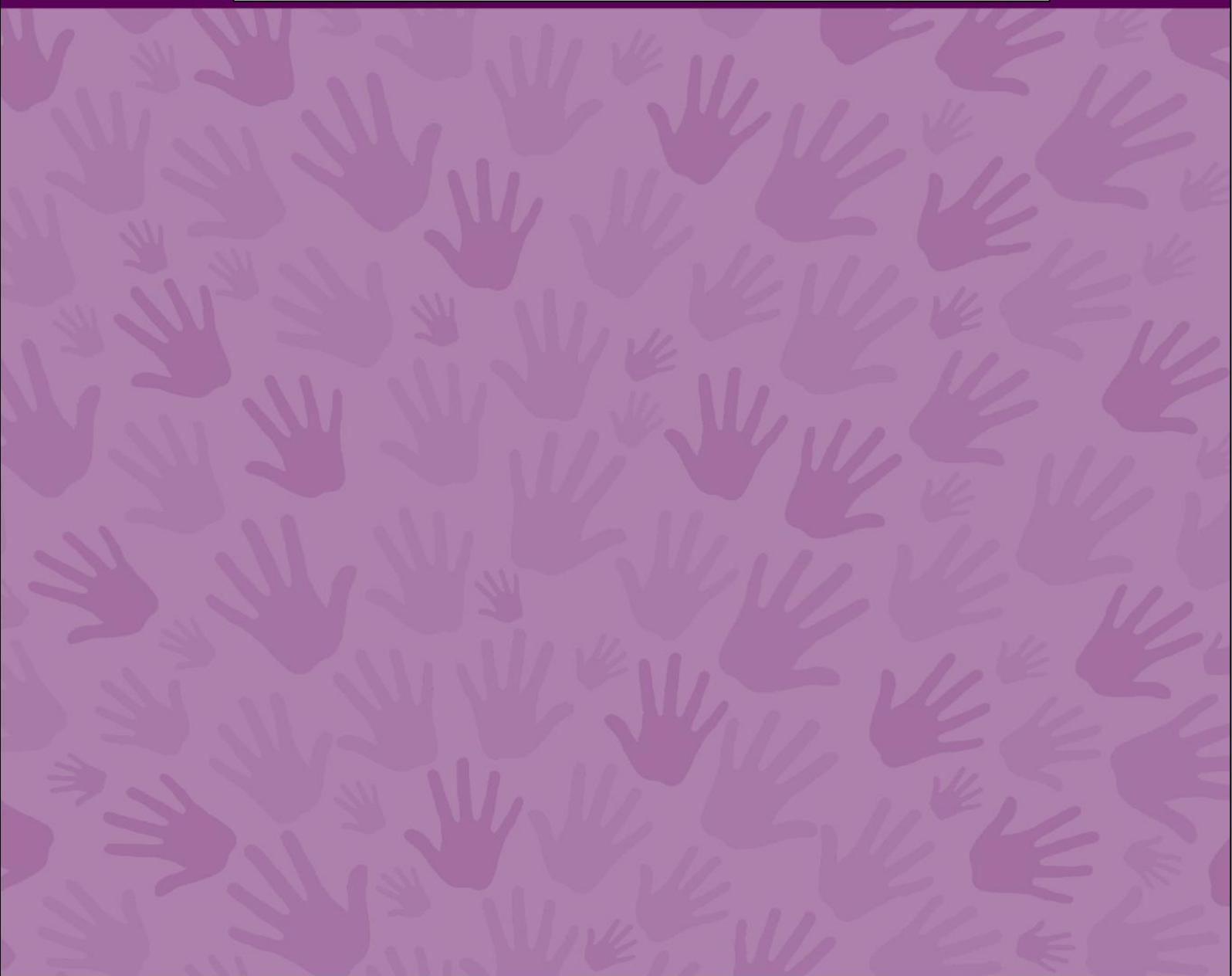


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Section 1: Management Commentary

Introduction

This Management commentary provides an overview of the key messages in relation to the objectives and strategy of Dumfries and Galloway Integration Joint Board (the IJB) and its financial performance for the year ended 31st March 2021. It also provides an indication of the risks and challenges which may impact upon the finances of the IJB in the future.

The IJB was established as a body corporate by order of the Scottish Ministers on 3 October 2015 as part of the establishment of the framework for the integration of Health and Social Care in Scotland under the Public Bodies (Joint Working) (Scotland) Act 2014.

The IJB has responsibility for the strategic planning and delivery of a defined range of Health and Adult Social Care services for the residents of Dumfries and Galloway.

Within Dumfries and Galloway, a unique model has been taken forward with all Acute services delegated to the IJB reflecting the co-terminosity of its Council and NHS boundaries. This has allowed a whole system approach to planning and delivery of services for an area of 2481 square miles and a population of 148,790. Dumfries and Galloway shares a border with South Ayrshire, Lanarkshire, Borders and Cumbria as per the map below.



Both Dumfries and Galloway Council and NHS Dumfries and Galloway, as the parties to the Integration Scheme have nominated 5 voting members for the IJB. The Council nominated Elected Members and the Health Board Non-Executive Directors. The Chair of the IJB in 2020/21 is a Council nominee and the Vice-Chair a Health Board Non-Executive.

The IJB has appointed a Chief Officer and a Chief Finance Officer to support its purpose and delivery of objectives along with a number of other non-voting Representative Advisory Members. These Representatives are chosen from the Third Sector, the Independent Sector, Carers, Service Users, Council and NHS Board staff.

Three Committees of the IJB have been established. These are:

- Performance and Finance Committee
- Clinical and Care Governance Committee
- Audit and Risk Committee

Purpose and Objectives of the IJB

The main purpose of integration is to help local partners improve quality and outcomes for local populations, particularly those whose needs are complex and involve support from Health and Social Care at the same time.

The IJB adopted the following vision for the Health and Social Care Partnership as part of its approved Strategic Commissioning Plan for 2016-19: *“Making our communities the best place to live active, safe and healthy lives by promoting independence, choice and control.”* The Integration Scheme puts in place a framework designed to deliver the National Health and Wellbeing Outcomes prescribed by the Scottish Ministers in Regulations under Section 5(1) of the Public Bodies (Joint Working) (Scotland) Act 2014.

The IJB Strategic Commissioning Plan (SCP) sets out a number of strategic objectives and policy priorities with accompanying Implementation and Resource Plans, Performance Framework and Strategic Needs Assessment, all designed to ensure a direction of travel by the Partnership consistent with national objectives. The Partnership’s agreed strategic objectives are as follows:

- Enabling people to have more choice and control
- Supporting Carers
- Developing and strengthening communities
- Making the most of well-being
- Maintaining safe, high quality care and protecting vulnerable adults
- Shifting the focus from institutional care to home and community based care
- Integrated ways of working
- Reducing health inequalities
- Working efficiently and effectively
- Making the best use of technology

The Public Bodies Joint Working (Scotland) Act 2014 places a legislative requirement on integration authorities to review their strategic plans at least once in every relevant period (the current relevant period is 2018-21). The IJB has formally considered the position and agreed to retain its existing plan after seeking the views of its Strategic Planning Group (SPG) on the effectiveness of the arrangements for carrying out the integration functions and whether the integration authority should prepare a replacement Strategic Plan.

The IJB, having undertaken formal processes in regard to both the above during 2017/18, made the decision at their meeting on the 5th April 2018 to retain their current SCP until 31st March 2021. The Covid-19 pandemic necessitated an extension to the period of relevance, to 31st March 2022. This was approved by the IJB on the 18th March 2021. Consultation on the development of the next Strategic Commissioning Plan commenced on 17th May 2021 for a period of three months and will conclude at the end of August 2021, with a new plan in place from 1st April 2022.

Operational Delivery

The operational delivery of the IJB functions is delegated back to Dumfries and Galloway Council and NHS Dumfries and Galloway who in turn delegate the operational delivery to the Health and Social Care Partnership. This is led by the Chief Officer, supported by 6 General Managers covering:

- Community Health and Social Care Services
- Acute and Diagnostic Services
- Mental Health Services
- Women Children's and Sexual Health Services
- Facilities and Clinical Support Services
- Information Management and Technology (IM&T)

Other staff reporting directly to the Chief Officer provide strategic planning, performance and business support services to the Partnership.

In addition, a Programme Director to support the Sustainability and Modernisation (SAM) Programme was appointed in March 2020 and is leading the Partnership's transformation programme.



2021/22 Financial Planning

The IJB, like many other public bodies, faces significant financial challenges and is required to operate within tight fiscal constraints for the foreseeable future due to the continuing difficult national economic outlook and increasing demand for services. A Financial Plan has been developed for 2021/22 with the objective that the IJB operates within the resource available. The Financial Plan reflects the agreement with Dumfries and Galloway Council on the level of additional investment by the Scottish Government into Social Care and the funding delegated by NHS Dumfries and Galloway from the Health budget. The Partnerships overall Financial Plan has been significantly impacted by the Covid-19 pandemic.

The IJB has approved an ambitious agenda for change aimed at:

- Better integration of care and support to improve people's experience of Health and Social Care.
- Driving innovative change that delivers better outcomes for the people who access Health and Social Care support.

- Changing our primary approach to one of prevention and early intervention, shifting our focus away from 'crisis management'.
- Developing partnership approaches to Health and Care delivery that enable people to retain as high a level of independence as possible, and have greater choice and control over their own lives.
- Reducing inequalities in Health and Social Care.

Update from the Chief Operating Officer

2020/21 has undoubtedly been the most difficult year across Health and Social Care in Dumfries and Galloway since the inception of our IJB in 2015/16. Covid-19 has caused significant harm, pain and suffering to many people within our region and has been the largest crisis we have ever faced. Its impact on service provision has taken a huge toll on our Health and Social Care teams and the communities that we serve. I would like to take this opportunity to thank all of our staff, our Partners in the Third and Independent Sector, our volunteers and our communities for the vast contribution they have made to our response effort in the last 12 months.

The IJB operated under emergency response mode until 18th March 2021 and agreed enhanced delegation of decision making to the Chair, Vice-Chair and Chief Officer in April 2020. A revised governance framework was introduced to suspend IJB Committees and focus the urgent business of the IJB through a programme of monthly Board meetings.

Our Health and Social Care system faced many challenges pre-Covid19 including an increase in demand from our changing demographics, significant workforce challenges, health inequalities and a substantial financial gap. In the face of the unprecedented challenges caused by the pandemic we have, however, demonstrated that we can modernise and transform our Health and Social Care system in a very short timeframe. The flexibility and adaptability of our workforce has never been more apparent with many staff working in different roles to minimise the impact of Covid-19. We created new ways of delivering Health and Social Care services including a rapid programme of digital reform, establishment of rapid response teams, enhanced support for our Care Homes, a 24/7 community nursing service in people's own homes and countless other initiatives to optimise our response. We also built long lasting partnerships with Partner organisations and our local communities. The collaborative approach demonstrated via our Local Resilience Partnership and the willingness of our Partners to support our response was exceptional. We witnessed an upsurge in engagement with our Third Sector colleagues and an increase in community engagement and support for Health and Social Care. I cannot overstate the important role that our communities played in our collective response.

Our focus for 2021/22 must be on taking the learning from our response to Covid-19 to transform and modernise our services to meet the needs of our population in 2021 and beyond (recognising that these needs have changed significantly as a result of the pandemic). Whilst we need to transform our provision, we must also do this in a way that is financially sustainable. The development of the forthcoming IJB SCP 2022-2025 will be the framework for this sustainability, modernisation and transformation programme.

There is no doubt that the scale of the challenge facing us as a Health and Social Care Partnership is immense. We will continue to respond to the ongoing challenges that Covid-19 brings. We will begin to rebuild our Health and Social Care system to meet new and ongoing needs within our communities and we will continue to focus on our local communities and the development of a citizen led public service in Dumfries and Galloway.

Financial Statements

The financial statements for 2020/21 are set out on pages 27-28 of the accounts and incorporate financial and other information as required by the Code of Practice on Local Authority Accounting in the United Kingdom (*The Code*). The Statement of Accounting Policies included on pages 29-36 explains the basis for the recognition, measurement and disclosure of transactions and other events in the Financial Statements, to ensure that they present a 'true and fair view' of the IJB's financial performance. An explanation of each of the financial statements which follow and their purpose is shown at the top of each statement.

Financial Performance 2020/21

The IJB delivered a balanced financial position for 2020/21. The IJB carried forward ringfenced reserves of £2.5m into 2020/21 relating to the balance of the Social Care Fund and Alcohol and Drug Partnership monies. As at the 31st March 2021, these had increased to £16.4m as set out below. A combination of a slowing of spend on projects during the pandemic and additional resource from Scottish Government to support Covid-19 spend, and also Adult Social Care Winter Plans has driven the increase. Any reserve allocated for Covid-19 activity will be the first call for use against Covid-19 costs for 2021/22. These are ringfenced allocations and are fully committed and remain set aside for the purposes they were originally allocated to. The IJB has no general reserves.

| | 31/03/20 | 31/03/21 |
|--|--------------|---------------|
| Social Care Fund | £2.3m | £2.6m |
| Adults Social Care Winter Planning | £0 | £3.8m |
| Covid-19 Costs/Local Mobilisation Plan | £0 | £7.8m |
| Integrated Care Fund | £0 | £0.3m |
| Primary Care Improvement Fund | £0 | £0.4m |
| Mental Health Strategy | £0 | £0.2m |
| Community Living Change Fund | £0 | £0.5m |
| Alcohol and Drugs Partnership | £0.2m | £0.8m |
| TOTAL | £2.5m | £16.4m |

The IJB can retain these reserves for 2021/22, with the use of these reserves to support management of pressures within Social Care and development and transformation of new services across the Partnership to support the Strategic

Commissioning Plan aims, along with the specific initiatives that they were designated for.

Additional resources were provided in-year to the IJB from the NHS Board totalling £28.856m to support the overspend in the Health element of the delegated budget. The Integration Scheme sets out the arrangements for management of any overspend or underspends. The respective partners (NHS and Local Authority) are required to contribute additional resources dependent upon which area the overspend arose. This arrangement will be reviewed in the next update of the Integration Scheme. A review of the Integration Scheme has commenced during 2020/21 and whilst Scottish Government have confirmed this can be a review of the existing scheme rather than development of a completely new scheme, the completion of this has been delayed into 2021/22.

Financial Outlook and Key Risks

The IJB faces ongoing service and cost pressure arising from a range of factors. Both of the Parties to the IJB are facing challenges in meeting the demands for services within the finances available; this will have a direct consequence on the funding provided to the IJB. Within the IJB, the major risk to managing the financial position arises from demographic pressures and the consequent changes to demands for Health and Social Care. The significant growth in the number of older people and their need for suitable services, requires innovative solutions to allow services to be provided within the funding available, and the ability of the Partnership to transform services to help meet this demand. Increasingly, workforce sustainability pressures are becoming more challenging across both Acute and Primary Care services and whilst the increasing medical locum bill reflects the challenges around recruitment of medical staff, this is something which is a risk across all staff groups. In addition to the usual challenges, the Covid-19 pandemic has created additional financial risk with a number of new services required to support the ongoing challenges associated with the management of Covid-19. Whilst the longer term strategy in relation to these costs is not entirely certain, it is clear there is a need to continue a number of services into the new financial year with some potentially becoming core services as part of the overall remobilisation plans.

Key Financial Risks and Uncertainties

The management of financial risks during 2021/22 will continue to be critical for the IJB and there are already a number of further risks emerging that have not all been reflected in the financial position and as an IJB.

The Financial Plan, as agreed, reflects a significant savings challenge of £24.160m based on the resources allocated from the NHS Board and Local Authority, with an opening gap of £12.930m after identifying savings of £11.230m, with a number of significant risks in the position. It is likely that this original savings plan is impacted by the Covid-19 crisis as delivery of savings are impacted by the diversion of organisational capacity to develop mobilisation plans to respond to the emergency.

The key risk remains delivery of a balanced financial position given the level of unidentified savings and level of pressures and risk within the position alongside the inherent risk which arises from the Covid-19 impact. This year we have seen an

increasing number of funding sources that lack clarity on the recurring position. Additional non-recurring funding for the Scottish Living Wage issued post the budget settlement and the uncertainty in relation to a number of inflationary pressures at the time of setting the budget for 2021/22, introduces increased risk into the position. The Financial Plan at this stage is a one year plan; a longer term position will be developed during 2021/22 as greater certainty emerges around the longer term funding position.

Work is ongoing to both review the Strategic Commissioning Plan and also the IJB directions to align them more closely to resources and the financial impact of the Strategic Commissioning Intentions.

Analysis of Non-Financial Performance

The first two cases of Covid-19 in the UK were confirmed by 31st January 2020. The first positive cases in Dumfries and Galloway were identified on 16th March 2020. In March 2020, following direction from the Scottish Government, Dumfries and Galloway Health and Social Care Partnership started their emergency response to the pandemic. Many planned services were stopped whilst others changed their delivery model. Many staff were redeployed to assist with anticipated high levels of demand across the Partnership.

There were many issues that had to be addressed including:

- The supply and distribution of Personal Protective Equipment (PPE) across the Health and Social Care system.
- Adjustments to over 500 people's regular care and support 'packages' were required to respond to the needs presented by Covid-19.
- The partnerships relationships with care homes changed significantly.
- A vacant site was quickly kitted out to be used as temporary community beds in Dumfries.
- The Test and Protect Team was established to support people who had tested positive for Covid-19 and to enable people's close contacts to be identified and tested. The contact tracing undertaken by the Test and Protect is one of the most effective ways to keep the spread of the disease under control. The Test and Protect Team have contacted and supported thousands of people across the region.

In Dumfries and Galloway, two waves of the pandemic have been experienced:

- The first wave was between March and May 2020. The peak of this wave occurred in April 2020 when there were 25 people in hospital with Covid-19.
- The second wave occurred between September 2020 and March 2021. In December 2020, a new, more contagious variant of Covid-19 brought new challenges. Services that were trying to restart and remobilise had to once again prioritise managing the impacts of Covid-19. Staff were redeployed to support services that were hardest hit. The peak of this second wave occurred in January 2021 when there were 75 people in hospital with Covid-19.

Overall, between the start of the pandemic and 31st March 2021, over 140,000 PCR (Polymerase Chain Reaction) Covid-19 tests have been carried out across Dumfries and Galloway. During this same period just over 4,100 people tested positive for Covid-19 and there were 488 admissions to hospital for Covid-19. The average length of stay for someone with Covid-19 in a hospital in Dumfries and Galloway was 9.8 days and, in total, over 4,700 hospital bed days were used to treat Covid-19 across the region. Up to 31st March 2021, 153 people were identified as having died within 28 days of a positive Covid-19 test.

During the period of June to October 2020, the Partnership focused on adapting services to reflect the heightened infection prevention and control measures needed to combat Covid-19 and rapidly expanding Covid-19 testing capacity across the region. We rolled out training and technology to enable many more video and telephone consultations. We had to rethink how people could access our premises, with additional cleaning and social distancing to keep people safe. Our clinical staff reviewed waiting lists that were likely to be impacted by necessary delays and identified ways to support people who had the most urgent needs.

Some services remained very much face to face, community nursing in particular, and whilst many services saw a cessation or reduction in activity, many did not. Adult Support and Protection activity continued throughout Covid-19.

Some key performance elements during 2020/21 were:

- There were over 28,600 inpatient and daycase visits to hospital across Dumfries and Galloway. People attended a total of 223,600 outpatient appointments during 2020/21.
- Cancer treatment and services continued throughout the year. Data from October, November and December 2020 shows that 93.6% of people diagnosed with cancer started treatment within 62 days of their referral and was higher than for the same period in 2019 when the rate was 88.6%. The target is 95%. In October to December 2020, the rate across Scotland was 86.2%.
- Mental Health services have also been maintained throughout 2020/21. Data from October, November and December 2020 shows that 67.8% of people referred for psychological therapies started treatment within 18 weeks of referral. This is similar to the rate achieved during the same period in 2019 when the rate was 68.1%. However, this rate is lower than the overall rate for Scotland which was 80.0%. The target is 90%.
- In October, November and December 2020, 96.1% of children and young people referred to Community and Adolescent Mental Health Services (CAMHS) started treatment within 18 weeks of referral. This is higher than the same period in 2019 when the rate was 88.6% and higher than the overall rate for Scotland which was 73.1%. The target is 90%.
- During 2020/21 there were just over 37,300 visits to the Emergency Departments across Dumfries and Galloway. This is lower than in 2019/20 when there were 52,790 visits. There were just over 19,400 emergency admissions during 2020/21 compared to 23,100 emergency admissions in

2019/20. These differences are linked to changes in people's behaviours brought about by the social restrictions and "stay at home" instructions from the Scottish Government.

The Covid-19 vaccination programme in Dumfries and Galloway started on 8th December 2020. In line with Scottish Government advice, the first groups of people to be vaccinated included care home residents and staff, Health and Social Care front line staff and people aged 80 years and older. Since then, the vaccination programme has broadened rapidly. This includes all people aged 65 and older, Carers and people at high risk due to existing health conditions. At the time of writing (April 2021), over 136,000 doses of Covid-19 vaccine have been delivered in Dumfries and Galloway with more than 70% of people aged 16 and over having received their first dose.

The complexity and impact of the Covid-19 lockdown is still being experienced by our population and this has affected people in different ways. It is anticipated this will be the situation for the foreseeable future.

Performance information for the Board and The Health and Social Care Partnership can be found on their websites (<https://www.nhsdg.co.uk/> and <https://dghscp.co.uk/performance-and-data>) with other performance information being available from other organisations including the following:

- NHS Performs brings together information on how hospitals and NHS Boards within NHSScotland are performing including: Accident and Emergency (A&E) performance; hospital waiting times; the numbers of cancelled operations; healthcare associated infections (HAI); numbers of patients who remain in hospital longer than they need to be (delayed discharges); numbers of hospital beds; hospital deaths. This can be found at <https://www.nhsperforms.scot/>
- Information Services Scotland publishes reports on the various activities and performance of NHS Boards throughout the year. You can find up-to-date information on the ISD Scotland website <https://www.isdscotland.org/Health-Topics/>

Section 42 of the 2014 Public Bodies (Joint Working) (Scotland) Act requires that Performance Reports be prepared by the Partnership. The framework and flow of reporting has been previously agreed by Dumfries and Galloway IJB.

Further reports taken to the Integration Joint Board throughout the year are also available on our website at the following link: <https://dghscp.co.uk/integration-joint-board/integration-joint-board-meetings/>

Every six months, Area Committees are provided with a Locality Performance Report that enables Health and Social Care services in each locality to be accountable to their local community, in accordance with the Integration Scheme. The latest reports can be found at the following links:

Annandale and Eskdale Locality Report

<https://dghscp.co.uk/wp-content/uploads/2021/03/Agenda-Item-10-Appendix-1-Locality-Report-AE.pdf>

Nithsdale Locality Report

<https://dghscp.co.uk/wp-content/uploads/2021/03/Agenda-Item-10-Appendix-2-Locality-Report-Nithsdale.pdf>

Stewartry Locality Report

<https://dghscp.co.uk/wp-content/uploads/2021/03/Agenda-Item-10-Appendix-3-Locality-Report-Stewartry.pdf>

Wigtownshire Locality Report

<https://dghscp.co.uk/wp-content/uploads/2021/03/Agenda-Item-10-Appendix-4-Locality-Report-Wigtown.pdf>

A review of annual performance of the IJB is prepared and published each year by the Partnership. It has been confirmed that the deadline for completing and publishing this report has been extended to the end of November 2021 in line with the Covid-19 emergency legislation. Given this report will be published after the accounts sign off, this performance report will be issued separately to the accounts; this will include the Ministerial Steering Group indicators. A performance overview is included in this report.

.....
Julie White
Chief Officer
Dumfries and Galloway Integration Joint Board

.....
Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

.....
Katy Kerr ACMA
Chief Finance Officer
Dumfries and Galloway Integration Joint Board

16th September 2021

Section 2: Statement of Responsibilities

Responsibilities of the Integration Joint Board

The Integration Joint 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 (section 95 of the Local Government (Scotland) Act 1973). In Dumfries and Galloway Integration Joint Board, that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure that the Financial Statements are prepared in accordance with legislation and so far as compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- Approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Dumfries and Galloway Integration Joint Board at its meeting on 16th September 2021.

Signed on behalf of Dumfries and Galloway Integration Joint Board.

.....
Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

16th September 2021

Responsibilities of the Chief Finance Officer

The Chief Finance Officer, as S95 Officer, is responsible for the preparation of the IJB's Financial Statements which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (*The Code*), are required to present a true and fair view of the financial position of the IJB at the accounting date and its transactions for the period.

In preparing these Financial Statements, 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 the Code of Practice and legislation.
- Complied with the local authority Accounting Code (in so far as it is compatible with legislation).
- Kept proper accounting records which were up to date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the Dumfries and Galloway Integration Joint Board at the reporting date and the transactions of Dumfries and Galloway Integration Joint Board for the year ended 31 March 2021.

.....
Katy Kerr ACMA
Chief Finance Officer
Dumfries and Galloway Integration Joint Board

16th September 2021

Section 3: 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.

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

Integration Joint Board Membership

The voting members of the IJB are nominated by the parent organisations: Dumfries and Galloway Council and NHS Dumfries and Galloway. There are 5 voting members from each parent organisation. The table below shows the details of the voting members for 2020/21. Where no date is indicated, they were a member for the full year.

| Name | Parent Organisation | To/From |
|-----------------------------|-------------------------------|-------------------------|
| Councillor Andy Ferguson | Dumfries and Galloway Council | |
| Councillor Ian Carruthers | Dumfries and Galloway Council | Until 11/03/2021 |
| Councillor Karen Carruthers | Dumfries and Galloway Council | From 11/03/2021 |
| Councillor Jane Maitland | Dumfries and Galloway Council | |
| Councillor Elaine Murray | Dumfries and Galloway Council | |
| Councillor Andrew Giusti | Dumfries and Galloway Council | Until 09/12/2020 |
| Councillor Ronnie Tait | Dumfries and Galloway Council | From 09/12/2020 |
| Penny Halliday | NHS Dumfries and Galloway | Until 06/12/2020 |
| Marsali Caig | NHS Dumfries and Galloway | From 06/12/2020 |
| Lesley Bryce | NHS Dumfries and Galloway | |
| Grace Cardozo | NHS Dumfries and Galloway | |
| Laura Douglas | NHS Dumfries and Galloway | |
| Melissa Gunn | NHS Dumfries and Galloway | 01/11/2019 – 19/06/2020 |
| Vicky Keir | NHS Dumfries and Galloway | From 06/12/2020 |

From 3rd April 2019, the Chair of the IJB for 2019/20 was Andy Ferguson. Penny Halliday was nominated by the NHS Board to revert to the Vice-Chair role. From 3rd April 2021, Laura Douglas was appointed as Chair with Jane Maitland appointed as Vice-Chair.

The IJB does not pay allowances or remuneration to the Voting Board members. Voting Board members are remunerated by their parent organisation. Voting Board

members receive expenses from their parent organisation. The IJB does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting IJB members, therefore no pension rights disclosures are provided for the Chair or Vice-Chair.

Remuneration: Officers of the IJB

The IJB does not employ any staff in its own right, however, specific post-holding officers are Advisory members of the Board.

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 the employing partner has to formally second the officer to the IJB. The pay arrangements for the Chief Officer have been determined by the NHS employer, with arrangements for NHS staff determined under national arrangements. The pay arrangements for NHS senior managers whose posts are part of the Executive and Senior Management Cohorts are, subject to Scottish Government Health and Social Care Directorates guidance, determined by the local NHS Remuneration Sub-Committee who ensures the application and implementation of fair and equitable systems for pay and for performance management on behalf of the NHS Board.

Other Officers

No other staff are appointed by the IJB under a similar legal regime. Other Advisory Board members who meet the criteria for disclosure are included in the disclosures below.

| Total 2019/20 £ | Senior Employees | Salary, Fees and Allowances £ | Other Benefits £ | Total 2020/21 £ |
|-----------------------|--|--|------------------------|-----------------------|
| 104,800 | Mrs J White Chief Officer | 109,748 | 0 | 109,748 |
| 88,727 | Mrs K Kerr (previously Mrs K Lewis) Chief Finance Officer | 93,478 | 0 | 93,478 |

Remuneration for the Chief Officer and Chief Finance Officer reflects their total salary for both their roles within the IJB and also their NHS responsibilities, with remuneration also disclosed in the NHS Board accounts. Due to the integrated model in Dumfries and Galloway, no arbitrary apportionment of the remuneration between the two roles has been made with full remuneration disclosed.

In respect of officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis, there are no pensions liability reflected on the IJB balance sheet for the Chief Officer or any other officers.

Dumfries and Galloway Integration Joint Board

The IJB, however, has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the IJB. The following table shows the total contributions 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.

| Senior Employee | In-Year Pension Contributions | | Accrued Pension Benefits | | |
|---|-------------------------------|---------------------------|--------------------------|----------------------------------|------------------------|
| | For Year to 31/03/20 £ | For Year to 31/03/21 £ | | Difference From 31/03/20 £000 | As at 31/03/21 £000 |
| Mrs J White Chief Officer | 14,358 | 14,967 | Pension | 3 | 35 |
| | | | Lump sum | 2 | 68 |
| Mrs K Kerr (previously Mrs K Lewis) Chief Finance Officer | 12,156 | 12,738 | Pension | 3 | 36 |
| | | | Lump sum | 3 | 79 |
| Total | 26,514 | 27,705 | Pension | 6 | 71 |
| | | | Lump Sum | 5 | 147 |

Note: The figures in the "Difference from 31/03/20" columns represent the difference between the unrounded pension benefits as at 31 March 2021 and the unrounded pension benefits as at 31 March 2020, rounded to the nearest £1,000. In a small number of cases, basing the calculation on the rounded pension benefits as at 31 March 2021 and as 31 March 2020 results in a marginally higher or lower difference.

Disclosure by Pay Bands

As required by the regulations, the following table shows the number of persons whose remuneration for the year was £50,000 or above, in bands of £5,000.

| Number of Employees in Band 2019/20 | Remuneration Band | Number of Employees in Band 2020/21 |
|-------------------------------------|---------------------|-------------------------------------|
| 1 | £85,000 - £89,999 | 0 |
| 0 | £90,000 - £94,999 | 1 |
| 0 | £95,000 - £99,999 | 0 |
| 1 | £100,000 - £104,999 | 0 |
| 0 | £105,000 - £119,000 | 1 |

.....
Julie White
Chief Officer
Dumfries and Galloway Integration Joint Board

.....
Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

16th September 2021

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Section 4: Annual Governance Statement

This statement sets out the framework within which the IJB has put in place proper arrangements (known as the governance framework) for the governance of the IJB's affairs. The governance framework facilitates the effective exercise of the IJB's functions, ensuring that appropriate arrangements are in place for the management of risk and that appropriate systems of internal financial control are in place.

Scope of Responsibility

Dumfries and Galloway 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. The IJB also has a duty under the Local Government Act 2003 to make arrangements to secure 'Best Value', through continuous improvement in the way in which its functions are exercised, having regard to economy, efficiency, effectiveness, the need to meet the equal opportunity requirements, and contributing to the achievement of sustainable development.

In discharging this overall responsibility, the IJB is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

The IJB complies with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Statement on "*The Role of the Chief Financial Officer in Local Government 2010*". The IJB's Chief Finance Officer (Section 95 Officer) has overall responsibility for the IJB's financial arrangements, and is professionally qualified and suitably experienced to lead the IJB's finance function and to direct finance staff.

The IJB Internal Audit function complies with the requirements of the United Kingdom Public Sector Internal Audit Standards 2013:

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes".

The IJB uses the systems of Dumfries and Galloway Council and NHS Dumfries and Galloway to manage its financial records. The operational delivery of services within the NHS Dumfries and Galloway and Dumfries and Galloway Council, on behalf of the IJB, is covered by their respective internal audit arrangements.

The Audit and Risk Committee performs a scrutiny role in relation to the application of the Public Sector Internal Audit Standards 2013 (PSIAS) and regularly monitors the performance of the IJB's Internal Audit service. The IJB has appointed a Chief Internal Auditor who has responsibility to review independently and report to the Audit and Risk Committee annually, to provide assurance on the adequacy and effectiveness of risk management, internal control and governance processes within the IJB.

Members and officers of the IJB are committed to the concept and delivery of sound governance and the effective delivery of IJB services.

This statement explains how the IJB has complied with the Framework and also meets the requirements of The Local Authority Accounts (Scotland) Regulations 2014 which requires all relevant bodies to prepare an annual governance statement.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, objectives and outcomes and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the IJB's policies, objectives and outcomes, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been developed within Dumfries and Galloway IJB for the period ended 31 March 2021 and up to the date of approval of this statement of accounts.

The Governance Framework

In relation to the development of its governance arrangements during 2015/16, the IJB established a Strategic Planning Group as required by regulation to shape and influence the development of strategic plans, to provide views on any 'significant decision' being considered by the IJB and to provide support and comment within the Partnership on the development of policies across the full range of delegated functions. This has been reviewed and continues to be an effective mechanism around the review and scrutiny of the Strategic Plan. This group is being further reviewed as we assess the development of the IJB for 2021/22.

Following discussions between the Chief Officer, Chair and Vice-Chair of the IJB and the Corporate Governance Officer, and supported by the Chief Executives of NHS Dumfries and Galloway and Dumfries and Galloway Council, it was agreed at the IJB on 22nd April 2020 to implement the following temporary governance arrangements, once it was clear that the impact of the Covid-19 crisis could be significant. This included:

- Alternative decision making arrangements to be enacted in that the IJB will delegate authority to the Chief Officer in consultation with the Chair and Vice-Chair of the IJB

- IJB Meetings will only take place on approval by the Chief Officer, Chair and Vice-Chair.
- All other meetings including Committees, Strategic Planning Group and Workshops are to be suspended until the Covid-19 situation improves or we receive guidance from Scottish Government.
- Regular updates will be provided to Board members
- Arrangements will be reviewed in line with any advice or guidance from Scottish Government.

The IJB has three Committees supporting the operation of the Board. These were temporarily paused during 2020/21 as set out in the temporary governance arrangements which were implemented in-year. The Audit and Risk Committee comprises both Voting and Advisory members, and considers, scrutinises and reviews Audit and Risk matters, including these financial statements. The Audit and Risk Committee met twice during 2020/21. At the request of the Chief Finance Officer, the Committee was brought back into operation for its meeting in September 2020 to review the Annual Accounts.

The Clinical and Care Governance Committee (CCGC) provides assurance to the IJB of the quality and safety of the services commissioned via the IJB. The CCGC ensures that quality monitoring and governance arrangements are in place for the range of delegated functions. Due to the temporary governance arrangements, this Committee met only once in 2020/21.

The Performance and Finance Committee monitors in detail financial and performance data including IJB financial savings plans. This Committee also didn't meet during 2020/21 with any relevant business being considered by IJB itself. This meeting has been reestablished and is due to meet in June 2021.

The IJB has developed a range of governance related documents including: Standing Orders, Scheme of Delegation, Complaints Policy, Freedom of Information, and Risk Management Strategy. Through the work of the Audit and Risk Committee, it has been agreed that the Risk Strategy and risk arrangements for the Partnership should be reviewed as these have evolved since the initial risk strategy was developed at the inception of the IJB. This review is still underway.

A Register of Members Interests has been established for IJB Members. IJB Members have also been invited to sign the Code of Conduct for Members of Devolved Public Bodies. The IJB now has its own governance support separate from the NHS and Council following the successful training of an individual to undertake this role on behalf of the IJB.

The four Area Committees have a scrutiny role with regard to the implementation of the locality plans. The performance reporting framework reflects this approach, with regular reports presented to the committees every six months. Whilst these reports were prepared during 2020/21, they were unable to be presented to the Area Committees during due to the Covid-19 pandemic impact on committees.

During 2020/21, work progressed on updating the 3 risks which made up the IJB Corporate Risk Register and an additional risk was added. The current risks are:

1. Sufficiency or stability of resource - to meet needs set out in the Strategic Commissioning Plan.
2. Failure to make progress against the nine National Health and Wellbeing Outcomes.
3. Failure to develop an adequate and effective Strategic Commissioning Plan.
4. Inability to share data between practitioners which may compromise patient/service user care.

The IJB Governance Officer now meets with the risk owners on a quarterly basis to update the risks and these will be added to the DATIX risk management system in due course.

The Chief Officer has considered whether there are any weaknesses in our internal controls which require highlighting for 2020/21 and notes significant improvement in the numbers of delayed discharges was realised in the early part of 2020/21 due to the impact of the Covid-19 pandemic. However, there has been a steady rise in numbers in the latter part of the year. This is as a result of the imbalance of demand and capacity in the care at home market. During 2020/21, the Health and Social Care Partnership developed a Care and Support at Home Plan which sets out a range of actions to be taken forward in 2021/22 to address the challenges in care at home.

Internal Financial Control

The IJB's system of internal controls is based on a framework of regular management information, financial regulations, administrative procedures, management supervision and a system of delegation and accountability. The Board uses the systems of Dumfries and Galloway Council and NHS Dumfries and Galloway to manage its financial records.

Development and maintenance of the systems is undertaken by the NHS Dumfries and Galloway and Dumfries and Galloway Council as part of the operational delivery of the Health and Social Care Partnership. In particular the system includes:

- Comprehensive budgeting systems.
- Setting targets to measure financial and other performance.
- Regular reviews of periodic and annual financial reports which indicate financial performance against forecasts and targets.
- Formal project management disciplines, as appropriate.

The Deputy Director of Finance, NHS Dumfries and Galloway and the Head of Finance and Procurement, Dumfries and Galloway Council have provided assurances that the charges for the services commissioned reflect the income and expenditure recorded in their financial systems and that they are complete and accurate reflecting appropriate charges.

Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud, or breaches of laws or regulations. Accordingly, the Partners of the Integration Board are continually seeking to improve the effectiveness of its systems of internal control.

The main objectives of the IJBs internal control systems are:

- To ensure adherence to policies and directives in order to achieve the organisation's objectives.
- To safeguard assets.
- To ensure the relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records.
- To ensure compliance with statutory requirements.

The system of financial control is reviewed to ensure continued effectiveness by the work of managers in the IJB and by the work of internal and external audit in their annual report and other reports.

Review of Effectiveness

The review of effectiveness of the governance framework including the system of internal controls is informed by the work of the Health and Social Care Governance and Performance Group (H&SCG&P) within the IJB who have responsibility for the development and maintenance of the governance environment, the annual report by the Chief Internal Auditor, and also by reports/comments made by external audit and other review agencies and inspectorates.

The Chief Internal Auditor reports directly to the IJB Audit and Risk Committee on all audit matters with the right of access to the Chief Officer, Chief Finance Officer and the Chair of the Audit and Risk Committee.

In addition to regular reports to the IJB Audit and Risk Committee, the Chief Internal Auditor prepares an annual report for the Audit and Risk Committee. Internal Audit aims to give reasonable assurance on the IJB's systems of internal control using a risk based programme of work.

Assurance

Subject to the above, and on the basis of the assurance provided, we consider that the governance and internal control environment operating during 2020/21 provides reasonable and objective assurance that any significant risk impacting on our principal objectives will be identified and actions taken to avoid or mitigate their impact. Systems are in place to continually review and improve the governance and internal control environment and action plans are in place to address identified areas for improvement.

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Julie White
Chief Officer
Dumfries and Galloway Integration Joint Board

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Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

16th September 2021

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Section 5: Independent Auditors Report

Independent auditor's report to the members of Dumfries and Galloway Integration Joint Board and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

Leave blank for now will be updated following audit process.

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Pending information from Grant Thornton

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Pending information from Grant Thornton

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Pending information from Grant Thornton

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Joanne Brown (for and on behalf of Grant Thornton UK LLP)
110 Queen Street
Glasgow
G1 3BX

Section 6: Comprehensive Income and Expenditure Statement

This statement shows the cost of providing services for the year according to accepted accounting practices.

| 2019/20 £000 | | Note | 2020/21 £000 |
|-----------------|--|------|-----------------|
| | Expenditure | | |
| 388,873 | Health and Social Care | 8 | 442,969 |
| 152 | Operational Costs | 5 | 134 |
| 389,025 | Cost of services | | 443,103 |
| (383,138) | Partners Funding Contributions | 6 | (456,974) |
| 5,887 | (Surplus)/deficit on provision of services and total comprehensive income and expenditure | | 13,871 |

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 required to be provided in these annual accounts.

The in-year overspend was a planned overspend with agreement of the use of reserves confirmed with the partner organisations.

Section 7: Movement in Reserves Statement

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

Movement in Reserves during 2020/21

| | General Fund £000 | Unusable Reserves £000 | Total Reserves £000 |
|--|----------------------|---------------------------|------------------------|
| Opening Balance at 31 March 2020 | 2,540 | | 2,540 |
| Total comprehensive Income and Expenditure | | | |
| Increase or (Decrease) in 2020/21 | 13,871 | | 13,871 |
| Closing Balance at 31 March 2021 | 16,411 | | 16,411 |

Movement in Reserves during 2019/20

| | General Fund £000 | Unusable Reserves £000 | Total Reserves £000 |
|--|----------------------|---------------------------|------------------------|
| Opening Balance at 31 March 2019 | 8,427 | | 8,427 |
| Total comprehensive Income and Expenditure | (5,887) | | (5,887) |
| Increase or (Decrease) in 2019/20 | (5,887) | | (5,887) |
| Closing Balance at 31 March 2020 | 2,540 | | 2,540 |

Section 8: Balance Sheet as at 31 March 2021

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.

| 2019/20 £000 | | Note | 2020/21 £000 |
|-----------------|--|------|-----------------|
| 2,540 | Current Assets Short Term Debtors | 7 | 16,411 |
| 0 | Current Liabilities Short Term Creditors | | 0 |
| 2,540 | Net Assets | | 16,411 |
| 2,540 | Usable Reserves – General Fund | 9 | 16,411 |
| 0 | Unusable Reserves | | 0 |
| 2,540 | Total Reserves | | 16,411 |

.....
 Katy Kerr ACMA
 Chief Finance Officer
 Dumfries and Galloway Integration Joint Board

16th September 2021

Section 9: Notes to the Financial Statements

Note 1: Accounting policies

i. General principles

The Financial Statements summarise the IJB's transactions for the 2020/21 financial year and its position at the year end of 31 March 2021.

The Dumfries and Galloway 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 are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21, 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 historic cost convention has been adopted.

ii. Accruals of expenditure and income

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

- Expenditure is recognised when goods or services are received and their benefits are used by the IJB.
- Income is recognised when the IJB has a right to the income, for instance by meeting any terms and conditions required to earn the income, and receipt of the income is probable.
- Where income and expenditure have been recognised but settlement in cash has not taken place, a debtor or creditor is recorded in the Balance Sheet.
- Where debts may not be received, the balance of debtors is written down.

iii. Funding

The IJB is primarily funded through funding contributions from the statutory funding partners, Dumfries and Galloway Council and NHS Dumfries and Galloway. Expenditure is incurred as the IJB commissions' specified Health and Social Care services from the funding partners for the benefit of service recipients in Dumfries and Galloway.

iv. Cash and cash equivalents

The IJB does not operate a bank account or hold cash. Instead the funding partners utilise, as directed by the IJB, the amount of funding due to the IJB to pay for services. Consequently the IJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The balance of funding due to or from

each funding partner as at 31st March is represented as a debtor or creditor on the IJB's Balance Sheet.

v. Offsetting of Debtors and Creditors

The IJB and the funding partners have 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 and the commissioning expenditure that the IJB is committed to paying the funding partners for. Details of the net balances due to or from the funding partners are disclosed in Note 10: Related Parties.

vi. 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 Board 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 for the Chief Officer and Chief Finance Officer from the employing partner are treated as employee costs.

vii. Provisions, contingent liabilities and contingent assets

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31st March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund.

A contingent liability is a possible liability arising from events on or before 31st March, whose existence will only be confirmed by later events. A provision that cannot be reasonably estimated, or where settlement is not probable, is treated as a contingent liability. A contingent liability is not recognised in the IJB's Balance Sheet, but is disclosed in a note where it is material.

A contingent asset is a possible asset arising from events on or before 31st March, whose existence will only be confirmed by later events. A contingent asset is not recognised in the IJB's Balance Sheet, but is disclosed in a note only if it is probable to arise and can be reliably measured.

viii. Reserves

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

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

ix. Indemnity Insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Dumfries and Galloway and Dumfries and Galloway Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Boards, the IJB does not have any 'shared risk' exposure from participation in CNORIS (The Clinical Negligence and Other Risks Indemnity Scheme). The IJB participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

Known claims are assessed as to the value and probability of settlement. Where it is material the overall expected value of known claims taking probability of settlement into consideration is provided for in the IJB's Balance Sheet.

The likelihood of receipt of an insurance settlement to cover any claims is separately assessed and, where material, presented as either a debtor or disclosed as a contingent asset.

x. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the IJB.

xi. VAT

The IJB is not registered for VAT and as such the VAT is settled or recovered by the partner agencies.

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 the Council is the provider, Income and Expenditure excludes any amounts related to VAT, as all VAT collected is payable to HM Revenues & Customs (HMRC) 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 will seek to recover its full cost as Income from the Commissioning IJB.

Note 2: Accounting Standards issued not adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The IJB considers that there are no such standards that would have a significant impact on the annual accounts.

Note 3: Critical Judgements and Estimation uncertainty

The Financial Statements include some estimated figures and critical judgements. Estimates are made taking into account the best available information, however, actual results could differ from the assumptions and estimates used.

Note 4: Events after the Reporting Period

The Annual Accounts were authorised for issue by the Chief Finance Officer on 30th June 2021 and are due to be signed on the 16th September 2021. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31st March 2021, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Note 5: Expenditure and Income Analysis

| 2019/20 £000 | | 2020/21 £000 |
|-----------------|--|-----------------|
| 66,826 | Services Commissioned from Dumfries and Galloway Council | 69,152 |
| 322,047 | Services Commissioned from NHS Dumfries and Galloway | 373,817 |
| 122 | Employee Benefits Expenditure | 104 |
| 3 | Insurance and Related Expenditure | 3 |
| 27 | Auditor Fee: External Audit Work | 27 |
| (383,138) | Partners Funding Contributions | (456,974) |
| 5,887 | (Surplus)/deficit on the provision of services | (13,871) |

Note 6: Partners Funding Contributions

| 2019/20 £000 | | 2020/21 £000 |
|-----------------|---|-----------------|
| 65,138 | Funding Contribution from Dumfries and Galloway Council | 74,668 |
| 318,000 | Funding Contribution from NHS Dumfries and Galloway | 382,306 |
| 0 | Other Non-ringfenced grants and contributions | 0 |
| 383,138 | Partners Funding Contributions | 456,974 |

The funding contribution from the NHS Board shown above includes no funding for 'set aside' resources relating to Acute hospital and other resources as the NHS has delegated all strategic and operational responsibility to the IJB for all Acute hospital budgets which are included in the funding contributions agreed. The Council contributions shown include Resource Transfer but are net of Social Care Fund spend which transfers from the NHS.

Dumfries and Galloway Integration Joint Board

The funding contributions from the partners shown above include all funding provided to partners from the Social Care Fund and Integrated Care Fund and any specific funding provided to the partner agencies for service provision.

Note 7: Short Term Debtors

| 2019/20 £000 | Debtor | 2020/21 £000 |
|-----------------|---------------------------------|-----------------|
| 246 | NHS Dumfries and Galloway | 8,601 |
| 2,294 | Dumfries and Galloway Council | 7,810 |
| 2,540 | Total Short Term Debtors | 16,411 |

Note 8: Segmental Analysis

Segmental analysis, as required under IFRS has been reported for each service group commissioned by the IJB.

| 2019/20 £000 | Service | 2020/21 £000 |
|-----------------|---|-----------------|
| 15,662 | Adult Social Work, Children & Families, Addictions | 15,756 |
| 224 | Adults with Addiction/Substance Misuse | 224 |
| 90 | Children & Families | 90 |
| 16,908 | Older People | 17,839 |
| 5,830 | People with Physical Disability | 5,437 |
| 24,384 | People with a Learning Disability | 25,485 |
| 1,717 | People with Mental Health Need | 1,941 |
| 2,011 | Strategic Planning | 2,380 |
| 66,826 | Services Commissioned from Dumfries and Galloway Council | 69,152 |
| 122,953 | Acute & Diagnostics Directorate | 132,511 |
| 5,052 | E Health | 6,473 |
| 16,572 | Facilities & Clinical Support | 18,079 |
| 23,139 | Mental Health Directorate | 26,403 |
| 66,011 | Community Health & Social Care (NHS) | 68,724 |
| 47,404 | Primary Care Services | 53,082 |
| 18,587 | Resource Transfer/Social Care Fund/Strategic Planning | 44,512 |
| 22,329 | Women & Children's Directorate | 24,033 |
| 322,047 | Services Commissioned from NHS Dumfries and Galloway | 373,817 |
| 388,873 | Health and Social Care | 442,969 |

Note 9: Movement in reserves

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

- To earmark 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. This reflects the timing of ringfenced allocations which needs to be matched to specific expenditure and release of reserves depends on timing and nature of expenditure which spans financial years.
- 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.

The tables below shows the movements on the General Fund balance, analysed between those elements earmarked for specific planned future expenditure and the amount held as a general contingency.

| Current Year | Balance at 31 March 2020 | Transfers Out | Transfers In | Balance at 31 March 2021 |
|--|---|--------------------------|-------------------------|---|
| | £000 | 2020/21 £000 | 2020/21 £000 | £000 |
| Integrated Care Fund | 0 | | 288 | 288 |
| Primary Care Improvement Fund | 0 | | 380 | 380 |
| Mental Health Strategy – Action 15 | 0 | | 253 | 253 |
| Alcohol and Drug Partnerships | 246 | | 525 | 771 |
| Community Living Change Fund | 0 | | 497 | 497 |
| Covid -19 Funding/Local Mobilisation Plan | 0 | | 7,824 | 7,824 |
| Social Care Fund | 2,294 | | 289 | 2,583 |
| Adult Social Care Winter Planning | 0 | | 3,815 | 3,815 |
| Total Earmarked Contingency | 2,540 | | 13,871 | 16,411 |
| General Fund | 2,540 | | 13,871 | 16,411 |

| Prior Year | Balance at 31 March 2019 | Transfers Out | Transfers In | Balance at 31 March 2020 |
|--|---|--------------------------|-------------------------|---|
| | £000 | 2019/20 £000 | 2019/20 £000 | £000 |
| Integrated Care Fund | 3,158 | (3,158) | 0 | 0 |
| Primary Care Improvement Plans | 659 | (659) | 0 | 0 |
| Action 15 - Mental Health | 124 | (124) | 0 | 0 |
| Alcohol and Drug Partnerships | 504 | (258) | 0 | 246 |
| Social Care Fund | 3,982 | (1,688) | 0 | 2,294 |
| Total Earmarked Contingency | 8,427 | (5,887) | 0 | 2,540 |
| General Fund | 8,427 | (5,887) | 0 | 2,540 |

Note 10: Related parties

The IJB has related party relationships with NHS Dumfries and Galloway and Dumfries and Galloway Council. In particular, the nature of the Partnership means that the IJB may influence, and be influenced by, its partners.

Both the NHS and Local Authority provide a range of services to the IJB for corporate support, including finance, human resources, admin and corporate services. These services are provided free of charge as services in kind. The following tables provide additional information on the related party transactions.

| 2019/20 £000 | Transactions with NHS Dumfries and Galloway | 2020/21 £000 |
|--|--|-----------------|
| (318,000) | Funding Contributions received from the NHS Board | (382,306) |
| 322,047 | Expenditure on Services Provided by the NHS Board | 373,817 |
| 122 | Key Management Personnel: Advisory Board members | 104 |
| 30 | Support Services | 30 |
| 4,199 | Net Transactions with NHS Dumfries and Galloway | (8,355) |
| Notes | | |
| Key Management Personnel: The Advisory Board members employed by the NHS Board and recharged to the IJB include the Chief Officer and the Chief Finance Officer. | | |

| As at 31/03/20 £000 | Balances with NHS Dumfries and Galloway | As at 31/03/21 £000 |
|---------------------------|---|---------------------------|
| 246 | Debtor balances: Amounts due from the NHS Board | 8,601 |
| | Creditor balances: Amounts due to the NHS Board | |
| 246 | Net Balance with NHS Dumfries and Galloway | 8,601 |

| 2019/20 £000 | Transactions with Dumfries and Galloway Council | 2020/21 £000 |
|-----------------|--|-----------------|
| (65,138) | Funding Contributions received from the Council | (74,668) |
| 66,826 | Expenditure on Services Provided by the Council | 69,152 |
| 1,688 | Net Transactions with Dumfries and Galloway Council | (5,516) |

| As at 31/03/20 £000 | Balances with Dumfries and Galloway Council | As at 31/03/21 £000 |
|---------------------------|---|---------------------------|
| 2,294 | Debtor balances: Amounts due from the Council | 7,810 |
| 0 | Creditor balances: Amounts due to the Council | |
| 2,294 | Net Balance with Dumfries and Galloway Council | 7,810 |

Note 11: Contingent Liabilities

A review of potential contingent assets and liabilities has been undertaken for the IJB and none have been identified at 31 March 2021.

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Section 10: Glossary of Terms

While the terminology used in this report is intended to be self-explanatory, it may be useful to provide additional definition and interpretation of the terms used.

A&E

Accident & Emergency

Accounting Period

The period of time covered by the Financial Statements, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

Accruals

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

ACMA

Associate of the Chartered Institute of Management Accountants

Asset

An item having value to the IJB in monetary terms. Assets are categorised as either current or non-current. A current asset will be consumed or cease to have material value within the next financial year (eg. cash and stock). A non-current asset provides benefits to the IJB and to the services it provides for a period of more than one year.

Audit of Financial Statements

An independent examination of the IJB's financial affairs.

Balance Sheet

A statement of the recorded assets, liabilities and other balances at the end of the accounting period.

CCGC

Clinical and Care Governance Committee

CIES

Comprehensive Income and Expenditure Statement

CIPFA

The Chartered Institute of Public Finance and Accountancy.

CNORIS

The Clinical Negligence and Other Risks Indemnity Scheme.

Creditor

Amounts owed by the IJB for work done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

Debtor

Amount owed to the IJB for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

Depreciation

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the IJB's non-current assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other changes.

DGHSCP

Dumfries and Galloway Health and Social Care Partnership

Entity

A body corporate, Partnership, trust, unincorporated association or statutory body that is delivering a service or carrying on a trade or business with or without a view to profit. It should have a separate legal personality and is legally required to prepare its own single entity financial statements.

Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Financial Statements are authorised for issue.

Exceptional Items

Material items which derive from events or transactions that fall within the ordinary activities of the IJB and which need to be disclosed separately by virtue of their size or incidence to give a fair presentation of the financial statements.

GP

General Practice

H&SCSMT

Health and Social Care Senior Management Team

Health and Social Care Partnership

Is the name given to the Parties' service delivery organisation for functions which have been delegated to the IJB.

HMRC

HM Revenue and Customs

IAS

International Accounting Standards.

IFRS

International Financial Reporting Standards.

IJB

Integration Joint Board

IM&T

Information, Management and Technology.

LASAAC

The Local Authority (Scotland) Accounts Advisory Committee.

Liability

A liability is where the IJB owes payment to an individual or another organisation. A current liability is an amount which will become payable or could be called in within the next accounting period eg. creditors or cash overdrawn. A non-current liability is an amount which by arrangement is payable beyond the next year at some point in the future or will be paid off by an annual sum over a period of time.

MSG

Ministerial Strategic Group

PPE

Personal Protective Equipment

Provisions

An amount put aside in the financial statements for future liabilities or losses which are certain or very likely to occur but the amounts or dates of when they will arise are uncertain.

PSIAS

Public Sector Internal Audit Standards 2013

Related Parties

Bodies or individuals that have the potential to control or influence the IJB or to be controlled or influenced by the IJB. For the IJB's purposes, related parties are deemed to include Elected Members, the Chief Executive, the Executive Directors and their close family and household members.

Remuneration

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as these sums are chargeable to UK income tax) and the monetary value of any other benefits received other than in cash.

Reserves

The accumulation of surpluses, deficits and appropriation over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the IJB. Some capital reserves such as Fixed Asset Restatement Account cannot be used to meet current expenditure.

S95 Officer

The Integration Joint Board is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In Dumfries and Galloway Integration Joint Board that officer is the Chief Finance Officer.

SAM

Sustainability and Modernisation Programme

SPG

Strategic Planning Group

The Code

The Code of Practice on Local Authority Accounting in the United Kingdom

Useful Economic Life

The period over which the local authority will derive benefits from the use of a non-current asset.

WHO

World Health Organisation

DRAFT