

DUMFRIES AND GALLOWAY INTEGRATION
JOINT BOARD

Annual Report and Financial Statements

For the Year Ended
31 March 2022



UNAUDITED DRAFT ACCOUNTS
CONSULTATION VERSION

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Section 1: Management Commentary

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 2022. It also provides an indication of the risks and challenges which may impact upon the finances of the IJB in the future.

Update from the Chief Officer

While the Covid-19 Pandemic has been hugely challenging for Dumfries and Galloway Integration Joint Board and our Health and Social Care Partnership, we have undoubtedly seen an amazing response from our workforce, partners, communities and local people.

During 2021/22, we have continued to experience the damage caused by the pandemic, the harms associated with the lockdowns and unprecedented seasonal pressures. As a result, we now have incredibly high numbers of local people waiting longer to access planned care, people presenting to our unscheduled care services with higher levels of acuity and complexity and individuals living with poorer health and wellbeing as a result of their experiences during the pandemic.

On top of this growing demand we have seen a significant exodus of experienced staff through retirement or a desire to pursue alternative careers, which has affected our ability to return to the levels of activity and responsiveness that we were able to deliver prior to the pandemic.

Similarly, our partners in the Third Sector and across Independent Providers have experienced challenges with many staff leaving the Social Care sector and an increasingly difficult operating environment as a result of the exponential rise in energy and fuel prices – a particular challenge when serving geographically diverse and dispersed area.

These challenges have laid bare the complete inter-relatedness of Health and Social Care locally as we have faced significant pressures and increasing delays across our system while we struggle to respond to changing needs, increasing demand and reduced capacity. The impact of these challenges has, of course, been felt most by those who need our support and those who care for them.

It is important that we respond to these challenges on a Partnership-wide basis. I firmly believe that the unique nature of our Integration Model in Dumfries and Galloway will enable us to look differently across the entirety of Health and Social Care in our region and work with local people to plan, develop and deliver service transformation in a way that is right for them.

Throughout the Pandemic, I have been heartened, humbled and amazed in equal measure by the dedication, creativity, ingenuity and resilience demonstrated by our local Health and Social Care workforce and our partners in the Third Sector and Independent Providers. Indeed, this may only have been matched by the real sense

of community spirit, collaboration, good will and selflessness demonstrated by local people in how they have cared for and supported themselves and their neighbours. I am incredibly grateful to you all for everything you have done to support the delivery of Health and Social Care services in the most difficult of circumstances.

And it is to that source of inspiration that we must turn again as we look to modernise and reform our models of service provision to ensure they are accessible, responsive, effective, safe and person-centred for those who need them most, while developing appropriate, viable and sustainable alternatives for those whose needs can be met in other ways.

One of our key achievements in 2021/22 was the development of the IJB's Strategic Commissioning Plan for 2022–25. The new model of care set out within this plan offers the clarity of direction and purpose required for us to focus our collective efforts on transforming local services. And by doing so, ensure they are aligned with the needs and expectations of local people, as well as being well placed to respond to the demand that has developed over the last few years and the challenging economic environment that lies ahead.

We have already taken some key steps on that transformation journey through the creation of our Single Access Point to community Health and Social Care support; the development of alternatives to traditional care and support at home, such as a hot meal provision service; the formation of our fully integrated Community Health and Social Care teams, our Home Teams; the modernisation of our model of Out of Hours GP Service; and significant reductions in our waiting times for Child and Adolescent Mental Health Services.

There is of course, much more to do as we seek to build on these solid foundations in the coming year. We are committed to further integrating and transforming our Community Health and Social Care services, harnessing the full potential of digital opportunities to support independent living and ensuring we have the right services in the right place at the right time to support people home from hospital without delay. This will be vital if we are to ensure people who unexpectedly need access to our specialist services can do so quickly and modernise our planned care services to ensure they are as accessible and responsive as possible.

This will, of course, be challenging but I am confident that by working together as we did in response to the pandemic, we will be able to plan and deliver a safe, effective and sustainable local Health and Social Care System that we can all be proud of and have confidence in.

Introduction

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.

Dumfries and Galloway Integration Joint Board

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 2,481 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 2021/22 is a Health Board Non-Executive and the Vice-Chair a Council nominee.

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

The committee structure and scheme of delegation is currently under review for 2022/23.

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 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 previous relevant period was 2018-21). The Integration Scheme forms a framework designed to deliver the National Health and Wellbeing Outcomes prescribed by the Scottish Ministers in Regulations under Section 5(1) of the above Act.

The previous IJB Strategic Commissioning Plan (SCP) was due to be replaced on 31st March 2021. Having undertaken formal processes, including engagement with the Strategic Planning Group (SPG), on the 18th March 2021, the IJB agreed to an extension to the period of relevance to 31st March 2022. This was necessitated by the Covid-19 pandemic.

Consultation on the development of the SCP took place from 17th May to 29th August 2021, and a new SCP was put in place from 1st April 2022.

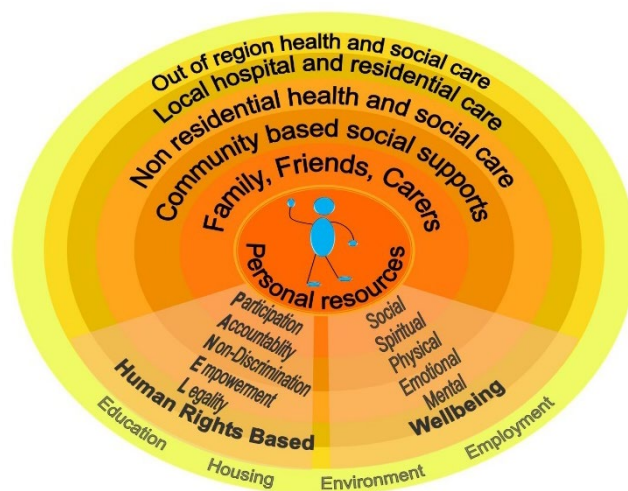
The IJB SCP 2022–2025 sets out the:

- Vision and strategic direction

“People living happier, healthier lives in Dumfries and Galloway”



- Model of Health and Social Care and Support (Model of Care)



- **Personal resources** such as a person’s knowledge and behaviour are central to managing their own health and wellbeing.
 - **Family, friends and unpaid Carers** have an important role in supporting people and where appropriate should be involved in each circle of Health and Social Care and support.
 - **Community based social supports** such as opportunities to connect with other people can enable someone to be involved in their community, reduce social isolation and loneliness and help them to maintain or improve their health and wellbeing.
- Non-residential Health and Social Care** can involve diagnosis, treatment or ongoing support from people with specialised Health and Social Care knowledge. This can happen in people’s homes or communities, supporting them to stay safe, well and avoid them drifting into crisis.

- **Local hospitals and residential care** are required when people have more intensive treatment, care and support needs than can be supported at home. This may be as a result of crisis, trauma or deterioration of an existing condition and can be for a short or longer period of time.
 - **Out of region Health and Social Care** is sometimes necessary to achieve the best outcomes for people, this can be over a short or longer period of time
 - **Education, housing, environment and employment** are wider social factors that can impact on people's health and wellbeing. Working with community planning partners helps to address these
- Strategic Commissioning Intentions (SCIs) that set out IJB ambitions for improving Health and Social Care outcomes over the lifetime of the SCP:
 1. People are supported to live independently at home and avoid crisis
 2. Fewer people experience Health and Social Care inequalities
 3. People and communities are enabled to self manage and supported to be more resilient
 4. People have access to the care and support they need
 5. People's care and support is safe, effective and sustainable
 6. People who deliver care and support, including Carers and volunteers, feel valued, are supported to maintain their wellbeing and enabled to achieve their potential
 7. People's chosen outcomes are improved through available financial resources being allocated in line with the Model of Care and delivering best value
 - Tactical Priorities (TPs) that link the vision, Model of Care and SCIs. These will be used as the basis for the development of Directions from the IJB to NHS Dumfries and Galloway and Dumfries and Galloway Council.

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, governance and business support services to the Partnership. This also incorporates the Sustainability and Modernisation (SAM) Programme Team which was formed during 2020 supporting the Partnership's transformation programme.

2022/23 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 2022/23 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.

Financial Statements

The financial statements for 2021/22 are set out on pages 33-34 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 35-42 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 2021/22

The IJB delivered a balanced financial position for 2021/22, this was after additional non-repayable, non-recurring resource of £12.876m received from Scottish Government to support the NHS Board in-year deficit position. The IJB carried forward ringfenced reserves of £16.4m into 2021/22 relating to the balance of the Social Care Fund and Alcohol and Drug Partnership monies. As at the 31st March 2022, these had increased to £30.8m 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 additional Winter Planning resources has driven the increase. Any reserve allocated for Covid-19 activity will be the first call for use against Covid-19 costs for 2022/23 for the delegated services. 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.

	31/03/21	31/03/22
Social Care Fund	£2.6m	£1.7m
Adults Social Care Winter Planning	£3.8m	£2.3m
Covid-19 Costs/Local Mobilisation Plan	£7.8m	£16.3m
Integrated Care Fund	£0.3m	£0m
Primary Care Improvement Fund	£0.4m	£2.3m
Mental Health Strategy	£0.2m	£0.5m
Community Living Change Fund	£0.5m	£0.5m
Alcohol and Drugs Partnership	£0.8m	£1.6m
Mental Health Recovery and Renewal	£0m	£2.3m
Winter Planning Health and Social Care	£0m	£3.3m
TOTAL	£16.4m	£30.8m

The IJB can retain these reserves for 2022/23, 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 £12.876m 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. The Integration Scheme is currently being redrafted in line with Scottish Government guidance, there is a timeline in place to have this submitted in the Autumn.

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 risks to managing the financial position arises from demographic, activity and inflationary cost 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. During 2021/22 a number of Programme Boards were established to drive forward the Transformation Programme. These cover the following areas Planned Care, Unscheduled Care, Community, Primary Care and Complex Care. 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 2022/23 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 £24.921m based on the resources allocated from the NHS Board and Local Authority, with an opening gap of £15.191m after identifying savings of £9.730m, with a number of significant risks in the position. Savings plans over the last two years have been significantly impacted by the Covid-19 pandemic due to 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 and whilst the IJB holds funding in reserves to support Covid-19 pressures, this doesn't resolve the recurring impact.

The 2022/23 Scottish Government settlement has confirmed additional funding to current budgets nationally of £646m of which £576m will flow through the Council settlement; Dumfries and Galloway's share is currently estimated to be £18.4m. This funding supports the winter pressures initiatives commissioned by Scottish Government for Winter 2021/22 including increasing Care at Home capacity, increasing rates of pay for Adult Social Care staff, measures to reduce delayed discharges and increasing workforce across the Partnership

The Financial Plan at this stage is a one year plan; a longer term position will be developed during 2022/23 as greater certainty emerges around the longer term funding position and work to develop a Financial Recovery Plan to manage both the in-year and longer term funding pressures.

Analysis of Non-Financial Performance

During 2021/22 the pandemic continued to impact on performance delivery. A level of activity was maintained to ensure emergency, cancer and patients deemed as clinically urgent were seen and treated. However, there has been a system wide impact on elective care, with services only 'switched on' as Covid-19 demands have

allowed. Collaborative working with Diagnostics, Radiology, Laboratory and Endoscopy has enabled the reinstatement of outpatient clinics and elective surgery within current capacity as surge allows.

The Board has been achieving the agreed trajectories in the Remobilisation Plan (RMP4) across many areas, however, the 'Omicron' wave of Covid-19 in early 2022 caused further setbacks to the plans. Ongoing communication with Primary Care via the established routes (fortnightly TEAMS meetings with Acute Clinical Directors and GP cluster leads) maintained the dialogue in relation to significant waiting list numbers. The Sustainability and Modernisation (SAM) programme has supported progress in three main areas of redesign within Planned Care; Ophthalmology Glaucoma Shared Care Model, Orthopaedics and Dementia Care.

In Dumfries and Galloway, the main focus of the national Reshaping Urgent Care Programme has been on developing and implementing the Flow Navigation Centre. NHS24 passes on calls to the Flow Navigation Centre where they have determined that people need urgent care. People calling, who need to, can access a senior clinical decision maker and enable the safe scheduling of appointments in our Emergency Departments (EDs) to support effective social distancing. There are typically 120 calls a week, with around 1 in 4 of these given a scheduled appointment. The Emergency Departments typically have 900-1000 attendances per week.

Some key performance elements during 2021/22:

- The number of people meeting the ED 4 hour waiting time standard has steadily fallen over the last 8 months, with 82% of attendances meeting the standard in January 2022. This is attributed in part to the very high occupancy levels being experienced and level of delays within the system.
- The 31 day waiting time standard has been met consistently over the last year. However, the 62 day waiting time standard has been impacted by the national challenges relating to Colorectal and Urological Cancer treatment. In January 2022, 82% of eligible people started their treatment within 62 days.
- From trials of screening Adult Psychology clients at 8 weeks (of being on the waiting list) at the end of 2019, we learned that when we went back to people, between 40-60% did not require Psychological Therapies within Secondary Care. These people were either signposted to other agencies, given resources to self-manage their issues or directed back to Primary Care. This was extended to Child Psychology which in early 2020 had long waiting times for psychological therapy, with similar results.
- The waiting list for Child and Adolescent Mental Health Services (CAMHS) had been stable at around 250 people per month, with 17% of people waiting longer than 18 weeks. At the end of January 2022, there were 125 people, with 5 (4%) waiting longer than 18 weeks.
- The number of delays within the hospitals has steadily increased and this has impacted on the occupancy levels within DGRI. At the end of January 2022,

there were 74 people awaiting care in a more suitable setting, accounting for 2,663 bed days during the month. During October and November 2021, DGRI has had no choice but to double up rooms, in what is meant to be a 100% single occupancy site. Risk assessments were undertaken.

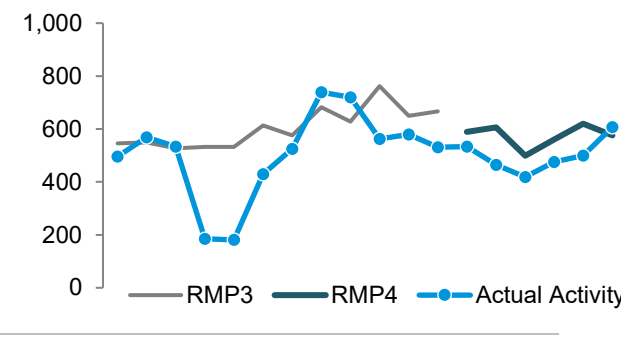
- Of the people experiencing a delay, a substantial proportion awaits support to return to their own homes. Staff who would otherwise be providing intermediate care are currently providing Care at Home for people in the community as the Partnership attempts to address the Care at Home challenges. Additional surge beds in Mountainhall Treatment Centre have been opened to relieve occupancy pressures.
- In Dumfries and Galloway, the rate of emergency admissions and the number of bed days spent in hospital by people admitted as an emergency are higher than the average for Scotland.
- The number of people from deprived communities who successfully quit smoking for at least 12 weeks was the highest in Scotland.
- A higher proportion of people diagnosed with dementia received appropriate dementia support than the average across Scotland, however, this was below the national standard of 100%.

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.

A snapshot of performance against Remobilisation Plan 3 and 4 targets are shown below. Performance against these targets is monitored and reported through the Board and IJB Committee structure on a routine basis.

We are meeting or exceeding the target or the number we compare against	We are within 3% of meeting the target or number we compare against	We are more than 3% away from meeting the target or number we compare against
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1. Treatment Time Guarantee (TTG)		March 2022
Number of people expected to be seen during the month (target trajectory; taken from RMP3,RMP4)		576
Number of people seen during the month (percentage of target trajectory)		608 (106%)
Number of people on waiting lists at the end of the month		2,955



Dumfries and Galloway Integration Joint Board

2. New outpatient appointments (doctor led clinics only)

March 2022

Number of people expected to be seen during the month (target trajectory; taken from RMP3,RMP4)

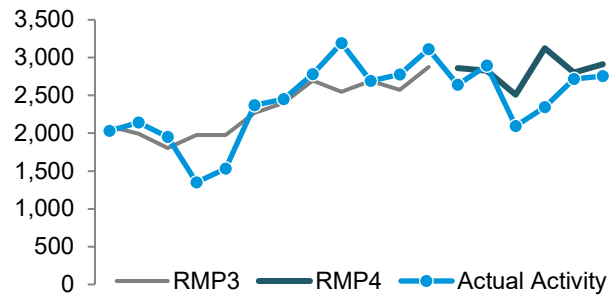
2,912

Number of people seen during the month (percentage of target trajectory)

2,754 (95%)

Number of people on waiting lists at the end of the month

10,959



3. Diagnostic scope services (new patients only; all scope activity)

March 2022

Number of people expected to be seen during the month (target trajectory; taken from RMP3, RMP4)

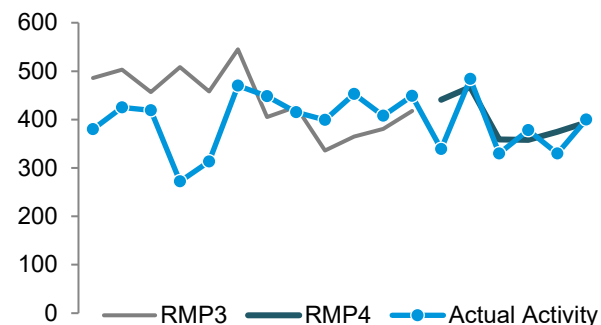
394

Number of people seen during the month (percentage of target trajectory)

400 (102%)

Number of people on waiting lists at the end of the month

389



4. Key diagnostic tests (CT, MRI, Ultrasound) (new patients only)

March 2022

Number of people expected to be seen during the month (target trajectory; taken from RMP3, RMP4)

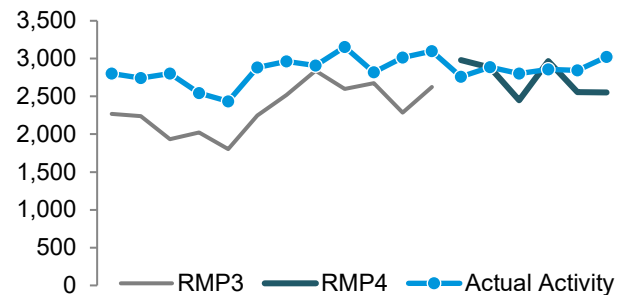
2,553

Number of people seen during the month (percentage of target trajectory)

3,023 (118%)

Number of people on waiting lists at the end of the month

1,732



5. AHP MSK Waits

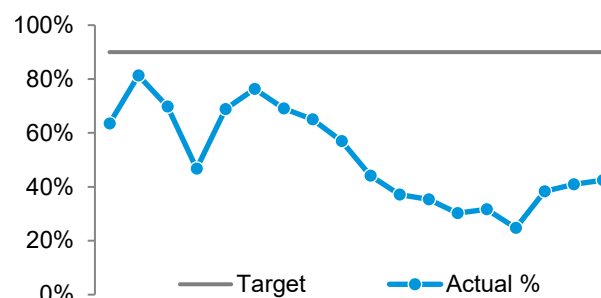
March 2022

Percentage of people who were waiting no longer than 4 weeks from referral to first appointment with the Allied Health Professional (AHP) Musculoskeletal (MSK) service at month end (Target = 90%)

42.5%

Number of people on waiting lists at the end of the month

1,786



6. Cancer

(activity relating to people with a confirmed diagnosis of cancer)

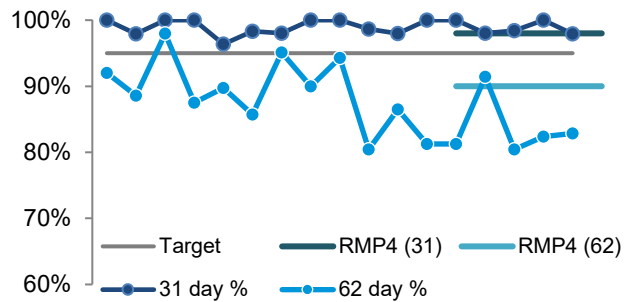
February 2022

Percentage of people who started treatment within 31 days of decision to treat (national standard; target = 95%)

97.9%

Percentage of people who started treatment within 62 days of referral of urgent suspicion (national standard; target = 95%)

82.9%



7. Child and Adolescent Mental Health Services (CAMHS)

March 2022

Number of people expected to be seen during the month (target trajectory; taken from RMP3, RMP4)

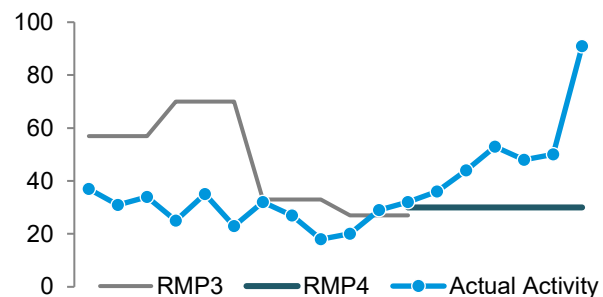
30

Number of people seen during the month (percentage of target trajectory)

91 (303%)

Number of people on waiting lists at the end of the month

160



8. Psychological Therapies

March 2022

Number of people expected to be seen during the month (target trajectory; taken from RMP3, RMP4)

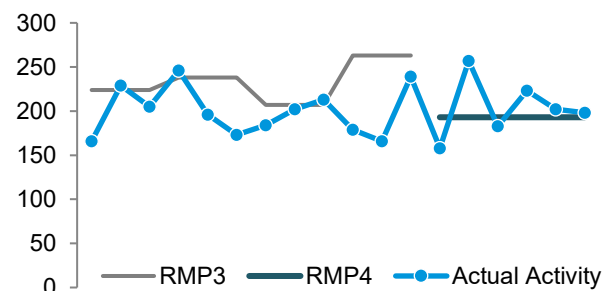
193

Number of people seen during the month (percentage of target trajectory)

198 (103%)

Number of people on waiting lists at the end of the month

900



9a. Emergency Department

March 2022

Number of people expected to attend the Emergency Department (projection from RMP3, RMP4)

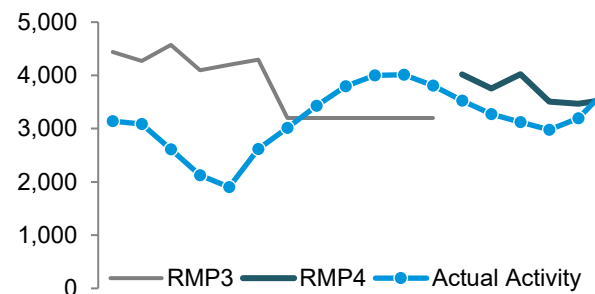
3,547

Number of people who attended the Emergency Department during the month (percentage of projection)

3,760 (106%)

Percentage of people who wait no longer than 4 hours from arriving in Accident and Emergency to admission, discharge or transfer for treatment

79%



Dumfries and Galloway Integration Joint Board

9b. Emergency Department		March 2022	
Percentage of people expected to wait no longer than 4 hours from arriving in Accident and Emergency to admission, discharge or transfer for treatment (RMP4 projection from October)		85%	
Percentage of people who wait no longer than 4 hours from arriving in Accident and Emergency to admission, discharge or transfer for treatment (% of projection)		79% (93%)	

10. Emergency Admissions		March 2022	
Number of people expected to be admitted to hospital in an emergency (projection from RMP3, RMP4)		1,538	
Number of people admitted to hospital in an emergency (percentage of projection)		1,574 (102%)	

11. Emergency Length of Stay		March 2022	
Projected average length of stay for people admitted in an emergency and discharged in given month (projection from RMP3, RMP4)		7.8	
Average length of stay for people admitted in an emergency and discharged in given month (percentage of projection)		6.3 (81%)	

12. Delayed discharges		March 2022	
Total number of bed days lost to delayed discharges across Dumfries and Galloway during the month (all reasons for delay) (Number of people impacted by delays)		2,833 (200)	
Snapshot of the number of people delayed in hospital at the end of the month (excludes hospital transfer delays)	Expected number of people delayed (projection)	70	

Performance information for the Board and The Health and Social Care Partnership can be found on the following websites:

<https://www.nhsdg.co.uk/>
<https://dghscp.co.uk/performance-and-data>

Other performance information is available from the following organisations:

- 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/>
- Public Health Scotland publishes reports on the various activities and performance of NHS Boards throughout the year. You can find up-to-date information on the PHS website at:
<https://www.publichealthscotland.scot/publications/>

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/2022/01/Agenda-Item-8-Appendix-1-Annandale-and-Eskdale.pdf>

Nithsdale Locality Report

<https://dghscp.co.uk/wp-content/uploads/2022/01/Agenda-Item-8-Appendix-2-Nithsdale.pdf>

Stewartry Locality Report

<https://dghscp.co.uk/wp-content/uploads/2022/01/Agenda-Item-8-Appendix-3-Stewartry.pdf>

Wigtownshire Locality Report

<https://dghscp.co.uk/wp-content/uploads/2022/01/Agenda-Item-8-Appendix-4-Wigtownshire.pdf>

In addition, the Interim performance benchmarking report is due to be presented during the Summer of 2022. This report indicates the progress of the Partnership compared to Scotland and the spread of results for all Partnerships (or Boards where Partnership figures are not available).

Julie White
Chief Officer
Dumfries and Galloway Integration Joint Board

Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

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 22nd September 2022.

Signed on behalf of Dumfries and Galloway Integration Joint Board.

Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

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 31st March 2022.

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

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 2021/2022. 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	From 18/11/2021
Councillor Karen Carruthers	Dumfries and Galloway Council	
Councillor Jane Maitland	Dumfries and Galloway Council	
Councillor Elaine Murray	Dumfries and Galloway Council	
Councillor Ronnie Tait	Dumfries and Galloway Council	Until 18/11/2021
Marsali Caig	NHS Dumfries and Galloway	Until 10/03/2022
Lesley Bryce	NHS Dumfries and Galloway	
Grace Cardozo	NHS Dumfries and Galloway	
Laura Douglas	NHS Dumfries and Galloway	
Vicky Keir	NHS Dumfries and Galloway	
Kim Dams	NHS Dumfries and Galloway	From 10/03/2022

From 3rd April 2021, Laura Douglas was appointed as Chair with Jane Maitland appointed as Vice-Chair.

Other changes as outlined above in membership where that Ronnie Tait was replaced as a Local Authority Voting Member from the 18th November 2021 by Ian Carruthers and Marsali Caig was replaced as an NHS Voting Member by Kim Dams.

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 2020/21 £	Senior Employees	Salary, Fees and Allowances £	Other Benefits £	Total 2021/22 £
109,748	Mrs J White Chief Officer	113,487	0	113,487
93,478	Mrs K Kerr <i>(previously Mrs K Lewis)</i> Chief Finance Officer	98,484	0	98,484

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.

Dumfries and Galloway Integration Joint Board

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.

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 31/03/21 £	For Year to 31/03/22 £		Difference From 31/03/21 £000	As at 31/03/22 £000
Mrs J White Chief Officer	14,967	15,548	Pension	3	37
			Lump sum	1	68
Mrs K Kerr (previously Mrs K Lewis) Chief Finance Officer	12,738	13,492	Pension	3	36
			Lump sum	2	79
Total	27,705	29,040	Pension	6	73
			Lump Sum	3	147

Note: The figures in the "Difference from 31/03/21" columns represent the difference between the unrounded pension benefits as at 31 March 2022 and the unrounded pension benefits as at 31 March 2021, rounded to the nearest £1,000. In a small number of cases, basing the calculation on the rounded pension benefits as at 31 March 2022 and as 31 March 2021 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 2020/21	Remuneration Band	Number of Employees in Band 2021/22
1	£90,000 - £94,999	0
0	£95,000 - £99,999	1
0	£100,000 - £104,999	0
1	£105,000 - £109,999	0
0	£110,000 - £114,999	1

Julie White
Chief Officer
Dumfries and Galloway Integration Joint Board

Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

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 2022 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 2022/23.

During the last financial year the IJB voted to implement temporary governance arrangements to cope with the Covid-19 pandemic, however, business returned to normal by the 18th March 2021, when members voted to resume all Committees, the Strategic Planning Group, Integration Partnership Forum, workshops and development sessions.

The IJB agreed to undertake a review of the Scheme of Delegation to Committees and Officers during this year and a Short Life Working Group was formed to progress this looking at the IJB and Committee Structure, it is anticipated that this work will conclude in the Summer of 2022.

The IJB has three Committees supporting the operation of the Board:

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 four times during 2021/22.

The Clinical and Care Governance Committee (CCGC) provides assurance to the IJB on the quality and safety of services commissioned via the IJB. The CCGC met 4 times during the financial year (although one of the meetings was not quorate therefore could not go ahead). Discussion took place at these meetings on the quality agenda including carers, patient feedback, public protection, Realistic Medicine, Alcohol and Drug Partnership and Care Home Oversight Group.

The Performance and Finance Committee is responsible for monitoring financial and performance data for the IJB. The Committee met thrice during 2021/22 and covered Sustainability and Modernisation Programme Updates, Financial Plan, Ministerial Strategic Group Indicators and the Communication and Engagement Plan for the Community Transformation Programme.

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 delegated to them by the Social Work Services Committee with regard to the delivery of services at a locality level. The performance reporting framework reflects this approach, with regular reports presented to the committees every six months. Whilst these reports were prepared for the first half of 2021/22, no reports were prepared during March 2022 for the May 2022 Area Committees as these were cancelled for the elections.

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 2022 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.

During 2021/22, work progressed on updating the 4 risks which currently make up the IJB Corporate Risk Register. 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 which are updated on 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 2021/22. The challenges associated with the imbalance of demand and capacity in the care at home market have continued to impact of our management of delayed discharges. The Health and Social Care Partnership developed a Care and Support at Home Plan during 2020/21 which set out a range of actions to be taken forward in 2021/22 to address the challenges in care at home. This work has been progressed and further developed through the Community Transformation Programme Board, with the ongoing workforce challenges continuing to impact on service sustainability plans.

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 2021/22 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.

Julie White
Chief Officer
Dumfries and Galloway Integration Joint Board

Laura Douglas
Chair
Dumfries and Galloway Integration Joint Board

Section 5: Independent auditor's report to the members of Dumfries and Galloway Integration Joint Board and the Accounts Commission

TO BE ADDED

TO BE ADDED

TO BE ADDED

TO BE ADDED

TO BE ADDED

Joanne E 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.

2020/21 £000		Note	2021/22 £000
	Expenditure		
442,969	Health and Social Care	8	461,099
134	Operational Costs	5	139
443,103 (456,974)	Cost of services Partners Funding Contributions	6	461,238 (475,599)
(13,871)	(Surplus)/deficit on provision of services and total comprehensive income and expenditure		(14,361)

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 2021/22

	General Fund £000	Unusable Reserves £000	Total Reserves £000
Opening Balance at 31 March 2021	16,411	0	16,411
Total comprehensive Income and Expenditure	14,361	0	14,361
Increase or (Decrease) in 2021/22	14,361	0	14,361
Closing Balance at 31 March 2022	30,772	0	30,772

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

Section 8: Balance Sheet as at 31 March 2022

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.

2020/21 £000		Note	2021/22 £000
16,411	Current Assets Short Term Debtors	7	30,772
0	Current Liabilities Short Term Creditors		0
16,411	Net Assets		
16,411	Usable Reserves – General Fund	9	30,772
0	Unusable Reserves		0
16,411	Total Reserves		30,772

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

Section 9: Notes to the Financial Statements

Note 1: Accounting policies

i. General principles

The Financial Statements summarise the IJB's transactions for the 2021/22 financial year and its position at the year end of 31 March 2022.

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 2021/22, 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.

IFRS 16 Leases supersedes IAS 17 Leases and is being applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2022. IFRS 16 introduces a single lessee accounting model that results in a more faithful representation of a lessee's assets and liabilities, and provides enhanced disclosures to improve transparency of reporting on capital employed.

Nil/limited impact is expected on the IJB.

Note 3: Critical Judgements and Estimation uncertainty

Financial Statements can 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. There are no estimates and judgements in the IJB accounts.

Note 4: Events after the Reporting Period

The Annual Accounts were authorised for issue by the Chief Finance Officer on 30th June 2022 and are due to be signed on the 22nd September 2022. 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 2022, 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

2020/21 £000		2021/22 £000
69,152	Services Commissioned from Dumfries and Galloway Council	77,023
373,817	Services Commissioned from NHS Dumfries and Galloway	384,075
104	Operational Expenditure - Employee Benefits	109
3	- Insurance and Related	3
27	- Auditor Fee: External Audit Work	28
(456,974)	Partners Funding Contributions	(475,599)
(13,871)	(Surplus)/deficit on the provision of services	(14,361)

Note 6: Partners Funding Contributions

2020/21 £000		2021/22 £000
74,668	Funding Contribution from Dumfries and Galloway Council	74,901
382,306	Funding Contribution from NHS Dumfries and Galloway	400,698
0	Other Non-ringfenced grants and contributions	
456,974	Partners Funding Contributions	475,599

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.

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

2020/21 £000	Debtor	2021/22 £000
8,601	NHS Dumfries and Galloway	25,084
7,810	Dumfries and Galloway Council	5,688
16,411	Total Short Term Debtors	30,772

Note 8: Segmental Analysis

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

2020/21 £000	Service	2021/22 £000
15,756	Adult Social Work, Children & Families, Addictions	17,009
224	Adults with Addiction/Substance Misuse	224
90	Children & Families	92
17,839	Older People	19,487
5,437	People with Physical Disability	6,691
25,485	People with a Learning Disability	28,392
1,941	People with Mental Health Need	2,709
2,380	Strategic Planning	2,419
69,152	Services Commissioned from Dumfries and Galloway Council	77,023
132,511	Acute & Diagnostics Directorate	145,211
6,473	E Health	6,960
18,079	Facilities & Clinical Support	18,526
26,403	Mental Health Directorate	26,740
68,724	Community Health & Social Care (NHS)	64,566
53,082	Primary Care Services	52,817
44,512	Resource Transfer/Social Care Fund/Strategic Planning	43,711
24,033	Women & Children's Directorate	25,544
373,817	Services Commissioned from NHS Dumfries and Galloway	384,075
442,969	Health and Social Care	461,098

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.

Dumfries and Galloway Integration Joint Board

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 2021	Transfers Out	Transfers In	Balance at 31 March 2022
	£000	2021/22 £000	2021/22 £000	£000
Integrated Care Fund	288	288	0	0
Primary Care Improvement Fund	380		1,882	2,262
Mental Health Strategy – Action 15	253		208	461
Alcohol and Drug Partnerships	771		833	1,604
Community Living Change Fund	497		0	497
Covid-19 Funding/Local Mobilisation Plan	7,824		8,522	16,346
Social Care Fund	2,583	879		1,704
Adult Social Care Winter Planning	3,815	1,612		2,203
Mental Health Recovery & Renewal	0		2,352	2,352
Winter Planning Health & Social Care	0		3,343	3,343
Total Earmarked Contingency	16,411	2,779	17,140	30,772
General Fund	16,411	2,779	17,140	30,772

Prior 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	0	13,871	16,411
General Fund	2,540	0	13,871	16,411

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.

2020/21 £000	Transactions with NHS Dumfries and Galloway	2021/22 £000
(382,306)	Funding Contributions received from the NHS Board	(400,698)
373,817	Expenditure on Services Provided by the NHS Board	384,075
104	Key Management Personnel: Advisory Board members	109
30	Support Services	31
(8,355)	Net Transactions with NHS Dumfries and Galloway	(16,483)
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 31/03/21 £000	Balances with NHS Dumfries and Galloway	As at 31/03/22 £000
8,601	Debtor balances: Amounts due from the NHS Board	25,084
0	Creditor balances: Amounts due to the NHS Board	0
8,601	Net Balance with NHS Dumfries and Galloway	25,084

2020/21 £000	Transactions with Dumfries and Galloway Council	2021/22 £000
(74,668)	Funding Contributions received from the Council	(74,901)
69,152	Expenditure on Services Provided by the Council	77,023
(5,516)	Net Transactions with Dumfries and Galloway Council	2,122
As at 31/03/21 £000	Balances with Dumfries and Galloway Council	As at 31/03/22 £000
7,810	Debtor balances: Amounts due from the Council	5,688
0	Creditor balances: Amounts due to the Council	0
7,810	Net Balance with Dumfries and Galloway Council	5,688

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 2022.

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.

AHP

Allied Health Professional

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.

CAMHS

Child and Adolescent Mental Health Services

CCGC

Clinical and Care Governance Committee

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.

DATIX

Board's Risk Management System

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.

ED

Emergency Department

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

HAI

Health Associated Infections

Health and Social Care Partnership (H&SCP)

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.

MSK

Musculoskeletal

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.

RMP

Remobilisation Plan

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

SCIs

Strategic Commissioning Intentions

SPG

Strategic Planning Group

SCP

Strategic Commissioning Plan

The Code

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

TTG

Treatment Time Guarantee

Useful Economic Life

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