





SECTION 1
MANAGEMENT COMMENTARY

SECTION 2
STATEMENT OF RESPONSIBILITIES

SECTION 3
REMUNERATION REPORT

SECTION 4
ANNUAL GOVERNANCE STATEMENT

SECTION 5
ANNUAL ACCOUNTS

SECTION 6
NOTES TO THE ANNUAL ACCOUNTS

SECTION 7
INDEPENDENT AUDITOR'S REPORT TO
THE MEMBERS OF PERTH AND KINROSS
INTEGRATION JOINT BOARD

SECTION 8
GLOSSARY OF TERMS

SECTION 1: MANAGEMENT COMMENTARY

INTRODUCTION

The purpose of this document is to provide the financial statements of Perth and Kinross Integration Joint Board (IJB) for the year ending 31 March 2024. The Management Commentary also outlines the key messages in relation to the IJB's financial planning and performance for the year, and how this has supported strategic delivery.

ROLE AND REMIT

The IJB is a legal entity with responsibility for strategic planning and commissioning of a broad range of integrated health and social care services within Perth and Kinross.

The functions delegated to the IJB by Perth and Kinross Council and NHS Tayside are detailed in the [Integration Scheme](#) which was given Ministerial approval in November 2022. The Scheme defines the main purpose of integration as follows:

- To improve the wellbeing of people who use health and social care services, in particular those whose needs are complex, and which require support from health and social care at the same time;
- To improve the wellbeing of those for whom it is necessary to provide timely and appropriate support in order to keep them well;
- To promote informed self-management and preventative support to avoid crisis or ill health; and
- To jointly deliver on the national health and wellbeing outcomes.

The IJB sets the strategic direction for delegated services via the preparation and implementation of the [Strategic Commissioning Plan](#) and seeks assurance on the management and delivery of integrated services through appropriate scrutiny, oversight and performance monitoring.

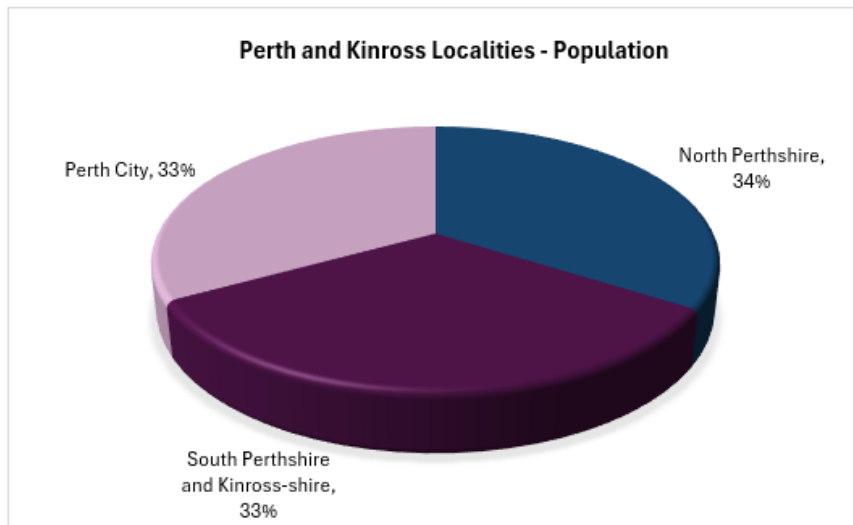
The future direction of health and social care delivery in Perth and Kinross will be set by the IJB in June 2024 when a new Strategic Plan for 2024-2027, based on a revised strategic needs assessment, will be considered for approval.

PERTH AND KINROSS POPULATION CONTEXT

Perth and Kinross is a geographically large Local Authority area with significant rurality and with the total population of 154,000 split evenly across three localities North Perthshire, South Perthshire, and Perth City.

SECTION 1: MANAGEMENT COMMENTARY

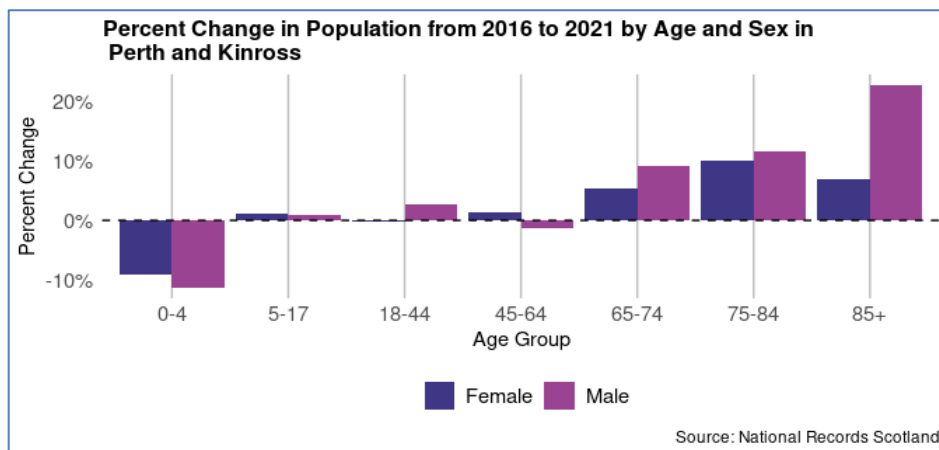
Chart 1



The population of Perth and Kinross is older when compared to Scotland overall with over 24% of people aged 65 or above compared to 19.6% for Scotland. The number of people over 85 is projected to increase by over 100% in the next 20 years.

There has been minimal change in the size of the working population, together these population changes present considerable challenges in the delivery of sustainable and effective Health and Social Care Services.

Chart 2



The Scottish Index of Multiple Deprivation indicates that 23.2% of our population lives in the least deprived quintile and 6% in the most deprived. Perth and Kinross is classified as “Mainly Rural” (Scottish Government - Rural and Environmental Science and Analytical Services) and is the 8th most rural Local Authority area in Scotland. This means that service accessibility is the main contributor to health inequalities. Perth and Kinross is experiencing and will continue to experience the combined challenges of an increasing older population, rurality, reduced availability of working age population, and reduced economies of scale.

Life expectancy in Perth and Kinross is above the Scottish average, 79 years for males and 82.9 years for females compared to 76.8 years and 81 years respectively.

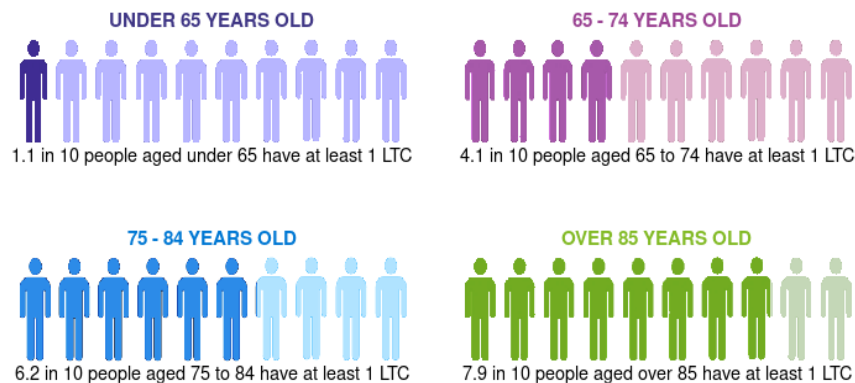
The number of people supported in the treatment of Long-Term Conditions (LTCs) provides some additional context on the health of our population and the consequential

SECTION 1: MANAGEMENT COMMENTARY

need for Health and Social Care support. It is estimated (based on people who had contact with NHS services) that 21.6% of the population have at least one LTC. These include cardiovascular, neurodegenerative, and respiratory conditions, as well as other organ conditions namely liver disease and renal failure, arthritis, cancer, diabetes, and epilepsy.

Chart 3 shows how our population is affected by LTCs overall. We can see that the prevalence of LTCs increases with age and with an increasingly elderly population this increases pressure on Health and Social Care services.

Chart 3



STRATEGIC PLAN AND KEY ACTIVITIES FOR THE YEAR

The current [Strategic Commissioning Plan](#) covering 2020-25 sets out the following priorities and strategic aims of the IJB.

1. Working Together with our communities

Strategic Aim: We want people to have the health and care services they need within their local communities and to empower people to have greater control over their lives and stronger connections in their community.

2. Prevention and early intervention

Strategic Aim: We will aim to intervene early, to support people to remain healthy, active and connected in order to prevent later issues and problems arising.

3. Person-centered health, care and support

Strategic Aim: By embedding the National Health and Care Standards we will put people at the heart of what we do.

4. Reducing inequalities and unequal health outcomes and promoting healthy living

Strategic Aim: Our services and plans will seek to reduce health inequalities, to increase life expectancy, increase people's health and wellbeing and to reduce the personal and social impact of poverty and inequality.

5. Making best use of available facilities, people and other resources

Strategic Aim: We will use our combined health and social care resources efficiently, economically, and effectively to improve health and wellbeing outcomes for the people of Perth and Kinross.

SECTION 1: MANAGEMENT COMMENTARY

To deliver against these priorities and strategic aims, we have established Care Groups to ensure sufficient focus on the needs of our population. To date the IJB has approved Care Group strategic delivery plans for:

- [Community Mental Health and Wellbeing](#)
- [Learning Disabilities and Autism](#)
- [Older People's Services](#)
- [Carers](#)
- [Primary Care](#)
- [Alcohol and Drug Partnership](#)

These plans provide more detail on how we deliver our services and they are underpinned by outcomes focused Performance Management Frameworks which are strongly linked to the [National Health and Wellbeing Outcomes](#).

PRINCIPAL ACTIVITIES, KEY ACHIEVEMENTS IN 2022/23

Community Mental Health and Wellbeing

Activities and Achievements

- There has been a 27% reduction in people waiting for an assessment and all other initial mental health assessments are currently being undertaken within 10 working days.
- Demand for all mental health services is high and teams are collectively working with around 5,000 people (around 3% of the population).
- The Primary Care Mental Health Transformation Programme, launched in March 2024, supports a sustainable longer-term approach to population mental health. This provides an early intervention and prevention role with the ability to offer 240 appointments per week at capacity.
- The first Mental Health Symposium was held in October 2023, in partnership with the Gannochy Trust it was led by 3rd sector organisations focusing on improvements in supporting people with mild/moderate mental health issues and early intervention and prevention.
- Perth and Kinross HSCP were recently awarded Accreditation with Excellence by the Scottish ECT Accreditation Network. Electroconvulsive Therapy (ECT) is a highly specialised, evidence-based treatment intervention delivered by our Therapeutics Team to patients experiencing the most severe, and at times, life threatening mental illness.
- Funding has been secured to develop the Health Hub in the main foyer of Murray Royal Hospital.
- A locations of concern steering group has been established and a suicide awareness and prevention action plan will be developed.
- In 2023 the overall vacancy factor in the mental health workforce was 9%, a reduction of 4.5% from 2022.

Older People Services

Activities and Achievements

- The development of our community-based services continues with the implementation of Clinical Co-ordinators and Assistant Practitioners. These are new roles which are helping to ensure people receive the right care at the right time.

SECTION 1: MANAGEMENT COMMENTARY

- Achieved Age Friendly Accreditation and joined the Age Friendly Network - making us one of three areas in Scotland to have done so.
- A Walking with Strength and Balance Evaluation and Toolkit was produced. The Toolkit has taken all the learning from Perth and Kinross to help support other health boards.
- Secured funding from the Community Led Local Development Fund (CLLD), Scottish Government and working in partnership with Rannoch Community Trust and Dunkeld, Birnam and District Community Development Trust, the Perth and Kinross HSCP and SKS Scotland Community Interest Company (SKS), to develop a model for community-led care.
- Delayed discharges have reduced by over 29% (for those over 75 years of age) and we are now over 35% lower than Scotland as a whole.
- We commissioned external service provision to support our Early Discharge Project to improve rapid discharges over the winter period.
- Unmet need in Care at Home has reduced by 20%.
- The length of time that people wait for Care at Home to start has improved by almost 60%**.
- While there was an increase in over 65-year-old emergency admissions, the rate of emergency bed days reduced, supported also by improved delayed discharge performance. This illustrates the positive impact of the Strategic Delivery Plan to improve capacity and flow through secondary care and shift the balance of care back into the community.
- Considerable success with the implementation of activity workers to support older people to remain mentally and physically active while they are in hospital.
- Within the Perth Royal Infirmary site our dedicated Stroke Unit team deliver integrated acute and rehabilitative care. A clinical improvement group has been established to implement a person-centred multi-disciplinary goal setting approach for stroke rehabilitation, so that patients can work to achieve what matters to them.
- Our Care at Home transformation programme aims to ensure that high-quality care is available for people in the right place at the right time, promoting healthy, independent, and dignified lives. We have been delivering 'Get into Care' courses in Perth College, schools, and employment hub to promote social care as a career and taking part in a national project to identify opportunities for international recruitment. We are also introducing more efficient and effective IT solutions and exploiting their capabilities to allow robust data analysis.

**period of comparison - April 22 to Feb 23 compared to Feb 23 to Mar 24.

Primary Care

Activities and Achievements

- [Primary Care Strategic Delivery Plan](#) and [Premises Strategy](#) approved by the IJB.
- Having expanded Community Care and Treatment Services more than 7,700 appointments are now provided per month.
- First Contact Physiotherapy service successfully treated 75% of people without the need for a further follow-up appointment*.
- Primary Care Mental Health and Wellbeing Nursing Service supported almost 4,000 people during the year.
- 22 projects supported to improve the premises in which we deliver our services. These included the physical and digital infrastructure (digital platform and Medlink which provides for routine online clinical review long term conditions).

SECTION 1: MANAGEMENT COMMENTARY

- We continued community engagement to understand the health and care needs of the Bridge of Earn community. More broadly we created a range of opportunities and methodologies for greater engagement across services, with staff, and with the people that use our services.
 - 100% of our Primary Care Services signed up to Care Opinion to promote feedback from the people that use our services.
- * Jan 23 - Dec 23, 75% of patients were discharged after their first appointment.

Dental

Activities and Achievements

- The Public Dental Service (PDS) continued to reinstate delivery equivalent to pre-pandemic levels. This included clinical care for core PDS patients and a return to full clinical capacity.
- In terms of the Oral Health Improvement Team, fluoride varnish has been reinstated in the most deprived 20% of the population along with toothbrushing in schools and nurseries.
- The Public Dental Service recently reached a care opinion milestone with 100 stories shared. Of the 93 stories told in the 2023-24 financial year, all were responded to by HSCP staff within a mean time of 12 hours. 100% of staff responses were rated helpful.

Podiatry

Activities and Achievements

- The service has a fluid caseload of around 7,000 people generating over 46,000 appointments per year (a rise from the previous twelve months of 38,500) and a rising referral rate of approximately 600 per month.
- Following the success of the community initiative 'Footwise' in Perth City this has been replicated in Angus and more recently in Dundee. The service is exploring similar opportunities with community partners in Blairgowrie.
- Recruitment is a national issue, however the increase in capacity for student placements and improvement of the programme offered is helping to attract future recruits to Tayside.

Learning Disability and Autism

Activities and Achievements

- The development of the Independent Living Panel and the commitment to provide core and cluster models of accommodation has meant more people have been supported to live within their own communities rather than in long stay institutional establishments. Since the start of our Complex Care Transformation Programme, we have seen an increase of 27% in those living in non-residential care from 2018/19 to 2023/24.
- Additional members of staff completed the supported employment qualification in 2023/24. All Employment Support Team members now either hold this qualification or are scheduled to complete it. This is helping to ensure that we can continue to support people with job retention and crisis employer support.
- In 2023/24, 97 people were supported to prepare for, find and maintain paid employment.
- Work commenced on a multi-disciplinary dementia post-diagnostic support pathway to ensure those with a diagnosis of learning disability and dementia are offered post diagnostic support, in line with all other members of the general population.

SECTION 1: MANAGEMENT COMMENTARY

- The Learning Disability Intensive Support Service continues to offer a physical health check to people on their caseload. In the past year 74 checks were undertaken.
- Led by service users we successfully applied to “the angels’ share” and secured funding for improvements to our sensory room, based within Gleneagles Day Centre.
- The Learning Disability Allied Health Professionals team implemented postural care clinics in line with the Postural Care Strategy requirements. This is a multi-disciplinary approach involving Physiotherapy, Occupational Therapy and Speech and Language colleagues. To date 22 people have attended.
- There has been an increase in the use of Day Opportunities and FUN Network of over 10%, highlighting the ongoing need for meaningful activity which is local and within communities.
- SCOPE team has been operational since May 2022, providing a multi-disciplinary approach in delivering support to over 340 people and their carers/families. The team support people in a variety of settings across Perth and Kinross and beyond, ensuring they have the right support at the right time in the right place. The multi-disciplinary approach has enabled people to remain in communities, as result there were no admissions into hospital or institutional care in 2023/24.
- Work has been undertaken with the SCOPE team and Day Opportunities to redesign the service based on the work which was done with service users and their families through collaborative workshops in 2022/23. This led to the implementation of a dedicated transition worker in Day Opportunities and programme of development with four workstreams that commenced in March 2024.
- Established the Hear Us Roar Group - Aim of this group is to ensure people with learning disabilities are heard. They possess a powerful voice, a mighty roar, however, they often encounter mountains to climb, barriers to cross to live life well and struggle to be heard or taken seriously. Led by people with disabilities within Perth and Kinross, the group will come together with leaders and advocates to speak up, and actively shape decisions that directly impact them.
- Technology enabled care - Work has been ongoing to deliver an Overnight Responder service (ONRS) within Perth and Kinross offering an alternative option of overnight care, supporting the promotion of independence within a community setting. A Test of Change commenced on 29 January at the Supported Living Team, St Catherine’s Road for six months with five service users, with the potential to remove one waking night long term. Work has commenced to expand the ONRS within Perth City and Crieff.
- The input from SCOPE’s outreach team was crucial in terms of offering additional support to prevent carer breakdown and providing care at home when there were gaps in care provision, enabling service users to remain within their own home.
- There is a Tayside Annual Health Checks Strategic Group which the Perth and Kinross Learning Disability team and Perth and Kinross Primary Care Managers provide representation on, and this is looking at a Tayside wide approach for implementation and delivery.
- The Tayside Mental Health and Learning Disabilities Whole System Change Programme recommenced in May 2023 with two main workstreams identified in Perth & Kinross, Pathways and Processes, and Workforce for the Future.

Unpaid Carers

Activities and Achievements

- Continued to support the development of integrated teams by revising “Introduction to the Carer (Scotland) Act 2016” training materials to ensure their relevance to differing professionals.

SECTION 1: MANAGEMENT COMMENTARY

- The percentage of people admitted to permanent care due to carer breakdown has remained largely stable (17.3% in 2022/23, 17.5% in 2023/24). This demonstrates the positive impact of having support available for carers and the success of this approach in keeping families together longer, staying at home.
- Promoted and developed peer to peer support networks with 15 groups now having been established.
- The telephone befriending service (provided by the Carers' Centre) increased the number of calls by almost 17% (147 calls per week) with 424 carers registered for the service.
- Day services (delivered via the Carers' Centre) provided over 4,100 spaces against a target of 3,700.

Substance Use

Activities and Achievements

- The first "RecoverMay" took place across Perth and Kinross during May 2023. The purpose is to highlight what recovery means to people with living and lived experience of recovery, their families and carers and people working in support services.
- Development of a new three-year Alcohol and Drug Partnership Strategic Delivery Plan.
- The implementation of [MAT Standards](#) 6 - 10, the expansion of the successful community alcohol detox service and consideration of how to respond to the emerging trend of benzodiazepine and stimulant use, both locally and across Tayside.
- The expansion of the same day prescribing clinic to five days a week.
- The establishment of our first Living Experience Engagement Group.
- The commencement of Tayside Council on Alcohol's Collaborate Routes of Recovery Project which is aimed at providing a wrap-around support for individuals who are contemplating/in the early stages of accessing medically assisted treatment or other forms of substance use support.
- The restarting of Hillcrest Futures young person's service.

Partnership-wide activity

- We have undertaken a substantial review our Strategic Commission Plan and will present for approval a refreshed plan to the IJB in June 2024. This has involved a large number of consultation and engagement events with communities, colleagues and partner organisations and will set the direction for the delivery of HSCP services for the next five years.
- Through our "What Matters to You" programme (Working in partnership with Health and Social Care Alliance Scotland), we are creating a movement to support our ambition in enabling a culture of kindness, compassion and civility. This approach advocates respect, innovation and action to improve outcomes for colleagues and communities.
- Over the year 1500 staff engaged in What Matters to You events culminating in a report in May 2024.
- In the past year, the peer learning programme facilitated learning for 32 students, 11 of which have now qualified and successfully gained employment. A further seven individuals have chosen to return to Perth and Kinross to undertake their dissertation research projects, which in turn are being utilised by our Contracts and Commissioning Team to inform strategic planning and design of services.
- The Community of Practice, peer learning forum facilitated five events in total throughout 2023 and 2024 that included Analysis of Trauma Informed Practice, The National Care

SECTION 1: MANAGEMENT COMMENTARY

Service, Decision Making in Adult Support and Protection, Family Group Decision Making and Human Rights and Advocacy. An event for World Social Work Day was held in March 2024 looking at learning in practice and underpinned by the What Matters to You approach. All events have proven highly popular with attendances of between 50 and 70 people.

PERFORMANCE MANAGEMENT

The IJB has delegated the authority for Performance, Risk and Audit to the Audit and Performance Committee (A&PC) which met six times in 2023/24 and received the following performance reports.

- [Annual Performance Report](#) 2022/23 was approved on 31 July 2023 and provides a detailed overview of how Health and Social Care services were delivered, progress against the IJB's strategic ambitions and the performance achieved. The report describes a period when our services were continuing to recover from the effects of the pandemic when demand for services changed significantly. This presented significant challenges but overall, the performance achieved was good when compared to the previous year and the feedback received from the people that use our services was positive.
- [Key Strategic Performance Report](#) covering the first quarter of 2023/24. This report presented a positive position in terms of strategic performance compared to the previous reporting year with delayed discharges improving in particular.
- [Key Strategic Performance Report](#) covering quarter two of 2023/24. This report presented continued good performance when compared to the previous year and highlights the improvements made with delayed discharge, occupied bed days, and admissions due to a fall.
- [Key Strategic Performance Report](#) covering quarter three of 2023/24. This report presented a sustained level of good performance noting a continuation of improvements in delayed discharge and occupied bed days.
- [Community Mental Health and Wellbeing Strategic Delivery Plan Key Performance Indicator Report](#) covering the period to quarter two. This report describes progress made in delivering the approved outcomes set out within the Community Mental Health and Wellbeing Strategic Plan. In doing so it highlights that performance is very good with three quarters of the related indicators meeting their target.
- [Learning Disability and Autism Key Performance Indicator Report](#) covering the period to the end of quarter three. This report describes progress made in the delivery of the outcomes identified in the Learning Disabilities and Autism Strategic Delivery Plan. Performance in this respect is very good with all indicators meeting or exceeding target.

Latest Performance

Strategic performance is measured against the Core Suite of Integration Indicators (National Indicators) combined with those of Ministerial Steering Group (MSG). The Annual Performance Report for 2023/24 will be considered for approval by the Audit and Performance Committee on the 29 July 2024 and will provide a broader overview of the activities of HSCP services and the performance achieved.

Table 1 below provides a summary of our performance for 2023/24 against these strategic indicators and provides comparisons to last year and to Scotland overall.

SECTION 1: MANAGEMENT COMMENTARY

KPI Number	Indicator Description	22/23 Perth and Kinross	23/24 Perth and Kinross	How we compare to 22/23	Scotland 23/24	How we compare to Scotland
NI-12	Emergency admission rate for adults (18+) (per 100,000 population)	12,526	13,320	6.3%	11,614	14.7%
NI-13	Emergency bed day rate for adults (18+) (per 100,000 population)	121,394	112,585	-7.3%	110,257	2.1%
NI-14	Emergency readmissions to hospital within 28 days of discharge (rate per 1,000 discharges) (18+)	137	146,4687	6.9%	n/a	n/a
NI-15	Proportion of last 6 months of life spent at home or in a community setting	88.7%	88.9%	0.2%	89.2%	-0.2%
NI-16	Falls rate per 1,000 population aged 65+ (Falls which result in a hospital admission)	28	28	-0.1%	23	22.5%
NI-18	Percentage of adults with intensive care needs receiving care at home	67.0%	63.8%	-3.2%	64.8%	-1.0%
NI-19	Number of days people aged 75+ spend in hospital when they are ready to be discharged, per 1,000 population	939	664	-29.2%	902	-26.3%
MSG 1a	Emergency admissions per 100,000 population (all ages in acute hospitals)	11,589	12,328	6.4%	10,629	16.0%
MSG 2a	Number of unscheduled hospital bed days; acute specialties per 100,000 population	82,031	77,732	-5.2%	75,421	3.1%
MSG 3	A&E attendances per 100,000 population (18+)	16,286	15,943	-2.1%	22,012	-27.6%
MSG 4.1	Delayed Discharge bed days per 100,000 population (18+)	19,055	16,213	-14.9%	14,821	9.4%
Please note that all indicators are based on a 12 month rolling rate The data used for this update is unpublished data for Management Information purposes only. It is subject to change and validation as more information becomes available.				Within 3%, of meeting or exceeding the reference period	Between 3% and 6% away from the reference period	More than 6% from the reference period

As our population continues to age and demands for our services grow, we have continued to invest in community-based services to support people in communities and to limit the need for hospital admission.

Our rate of A&E attendances (MSG 3) has improved by 2.1% and is over 27% better than Scotland overall. Where people do require admission to hospital (6.3% increase NI-12) we look to support their recovery as quickly as possible and to expedite their discharge so that they can return safely to their home. We can see that we are being successful in this respect as we have improved the rate that we use emergency beds by (NI-13) 7.3% and improved our rate of delayed discharges for the 75+ population (NI-19) by over 29.2%. Our delayed discharge performance is more than 26% better than Scotland and when we consider all age groups (MSG 4.1) it has improved by over 14.9%.

Emergency Readmissions within 28 days following discharge (NI-14) remain higher than expected (increased by 6.9%). Absolute numbers are known to be relatively low however and we have committed to undertake a clinical review of cases to understand the reasons for readmission and any lessons learned.

As people age and become frailer their risk of falling increases. The characteristics of our population mean that this increasing risk is impacted to a greater extent than in other areas. Implementing early intervention and prevention measures to support those at highest risk of falling is part of our Older People Strategic Delivery Plan and we can see that the rate of falls which result in an admission to hospital (NI-16) has remained stable. Continuing to support people at home as they age can be increasingly challenging, and we can see that the percentage of adults with care needs who receive care at home (NI-18) has declined by 3.2% but remains within 1% of Scotland overall.

At end-of-life people should have the choice over where they are cared for and often this is in their own home or in a community-based setting rather than in hospital. We have improved marginally (0.2%) the proportion of the last six months of life that people spend at home or in a community setting (NI-15). It is acknowledged that this is a slow-moving indicator which is affected by the choices people make and the effectiveness of how their care is planned. Maintaining a rate of almost 90% is evidence of good performance.

SECTION 1: MANAGEMENT COMMENTARY

We use Care Opinion to gather feedback from the people who use our services. We now have 108 services signed up 314 stories were shared within the year. These were viewed 19,808 times and overall feedback is 99% positive.

FINANCIAL OVERVIEW

Financial Performance

The Financial Plan, approved by the IJB in March 2023, projected a break-even position across Health and Social Care after the application of general reserves. The IJBs financial performance compared to the Financial Plan for 2023/24 is summarised in Table 1 below.

Table 1

	2023/24 Financial Plan Position Over/(Under) £m	2023/24 Year-End Out-Turn Over/(Under) £m	Movement from Plan Over/(Under) £m
Health	3.206	2.774	(0.432)
Social Care	0.636	2.040	1.404
Sub-Total	3.842	4.814	0.972
PKIJB General Reserve	(3.842)	(4.814)	(0.972)
Total	-	-	-

Finance updates have been presented to the Audit & Performance Committee throughout 2023/24, reporting on the projected in year position.

The main movements from plan relate to:

- The provision of additional capacity within Older Peoples services mainly in Care at Home, inpatient community hospitals, residential placements, and inpatient wards at PRI due to demographic growth, and increased demand for services. In October 2023, the IJB approved the HSCP Winter Plan which included additional expenditure of £1.1m to support whole system resilience over the winter period through the continued investment in additional surge beds and the extension of the Early Discharge Project.
- GP Prescribing experienced increased prices and volumes throughout 2023-24 which resulted in the final overspend exceeding planned levels. Prescribing continues to be a source of pressure for the Partnership, however measures to tackle the ongoing position have been outlined within the IJB Budget for 2024-25.
- A share of the costs associated with general medical practices in Dundee and Angus, where NHS Tayside is directly managing the practices, has been attributed to P&K in 2023-24. These are known as '2C Practices' and this share of costs was above planned levels. An interim risk share arrangement was reached between the Tayside Partnerships in 2023-24 whilst a revised risk sharing agreement is developed. Work is progressing on this into 2024-25.
- In addition to the core position, the IJB has utilised various earmarked reserves. This has provided additional capacity and ensured resilience across services, whilst the Strategic Delivery Plan actions are being implemented.

SECTION 1: MANAGEMENT COMMENTARY

Reserves

Throughout 2023/24, earmarked reserves held for specific purposes have been either partially or fully utilised or carried forward to 2024/25 for specific use in future years. This has led to a decrease in the value of earmarked reserves held at 31st March 2024. One of the main movements in earmarked reserves relates to the NHST Tayside Earmarked Reserve of £0.650m. This has been fully utilised in 2023/24 following an agreement between the Chief Officers and Chief Finance Officers of Tayside Partnerships and Partner Organisations, and subsequent IJB approval, to contribute towards the overspend in Inpatient Mental Health Services in 2023/24.

The IJB reserves balance as at 31 March 2024 is £8.3m, of this £3.6m is earmarked. The funding has been earmarked to meet Scottish Government priorities, specific projects, and local objectives, as well as balancing the 2024/25 Budget. The balance of un-earmarked (general) reserves remaining is £4.7m. This reserve balance falls slightly below the recommended levels for the IJB to meet its Reserves Policy. The updated IJB reserves policy states a level of contingency of 2% of IJB net expenditure which is recognised as good practice and can provide the IJB with the financial capacity to manage unforeseen financial risks from year to year.

Financial Statements

The 2023/24 Annual Accounts comprise:

(a) Comprehensive Income and Expenditure Statement

This shows a deficit of £8.540m. The underlying operational out-turn is a £4.814m overspend of which Health Services are £2.774m and Social Care £2.040m (Table 1 refers). In line with the Integration Scheme, this deficit has been deducted from the IJB general reserve and reduces the amount available to carry forward into 2024/25. The remaining deficit of £3.726m relates to the net decrease in earmarked reserves. Further detail is provided in section (b) and (c) below and in Note 6 to the financial statements.

(b) Movement in Reserves

In 2023/24 earmarked and general reserves had an opening balance of £16.834m, this has decreased by £8.540m, providing a closing balance of £8.294m. During 2023/24, funding has been received from the Scottish Government to the IJB via NHS Tayside and Perth & Kinross Council to meet specific, earmarked outcomes in relation to the Primary Care Improvement Fund, Alcohol & Drug Partnership and Mental Health Action 15. In addition, earmarked reserves brought forward from 2022/23 have been either partially or fully utilised, and the general overspend of £4.814m has been funded from General Reserves.

(c) Balance Sheet

In terms of routine business, the IJB does not hold assets, however the balance of £8.294m reserves is reflected in the year-end balance sheet.

(d) Notes

Comprising a summary of significant accounting policies, analysis of significant figures within the Annual Accounts and other explanatory information.

The Annual Accounts for 2023/24 do not include a Cash Flow Statement as the IJB does not hold any cash or cash equivalents.

SECTION 1: MANAGEMENT COMMENTARY

FINANCIAL OUTLOOK

In March 2024, the IJB approved a budget for 2024/25 and provisional budgets for 2025/26 and 2026/27. The budget requires the use of reserves (general and earmarked) and Transformation Funding from Perth & Kinross Council to balance in year 1, as well as identifying recurring shortfalls in years 2 and 3.

A range of Transformation Programmes have also commenced and will continue throughout the financial year 2024/25 and beyond. The IJB continues to face significant and increasing financial challenges due to uncertainty around funding, inflation, a growing ageing population and increasing demand and complexities. In setting this budget the IJB remained committed to supporting the Strategic Plan by prioritising and ensuring best use of available resources, underpinned by an ambitious transformation programme.

The IJB understands there are key risks and uncertainties that require to be monitored and managed closely throughout 2024/25 and Budget Review Group meetings have commenced with IJB voting members to keep members involved and aware of any upcoming issues or opportunities.

The IJB will still need to consider additional funding solutions, wider transformation of services and reductions in overall expenditure to ensure the budget can be balanced in future years.

STRATEGIC RISKS AND OUTLOOK FOR FUTURE YEARS

The Strategic Risk Register records the identified risks that may impact on Perth and Kinross IJB's ability to deliver its Strategic Commissioning Plan. The Audit and Performance Committee has delegated responsibility from the IJB for reviewing the adequacy and effectiveness of the systems and processes in place to manage the risks. Strategic Risks are therefore reported to each A&PC meeting. PKHSCP's Executive Management Team (EMT) routinely considers and reviews the IJB's strategic risks to make a collective and balanced assessment of the nature, and extent, of the key risks to which the IJB is exposed and is willing to take in pursuit of its objectives.

The following risks were regularly monitored during 2023-2024:

Risk		Risk Status end March 2024
1	FINANCIAL RESOURCES: There are insufficient financial resources to deliver the objectives of the Strategic Plan.	VERY HIGH
2	WORKFORCE: As a result of our ageing workforce, difficulties in recruiting and retaining sufficient suitably skilled and experienced staff, there is a risk that the Partnership will be unable to maintain its workforce appropriately leading to unsustainable services and ability to deliver key corporate support functions.	VERY HIGH
3	SUSTAINABLE CAPACITY AND FLOW: As a consequence of the demographics of the Perth and Kinross population and increasing frailty there is a risk to the sustainability of 'capacity and flow' within our services resulting an inability of the wider health and care system to meet needs.	HIGH
4	SUSTAINABLE DIGITAL SOLUTIONS: As a result of being insufficiently digitally enabled or integrated there is a risk that the Partnership will not to be able to adapt effectively and efficiently to deliver new models of working.	HIGH
5	VIABILITY OF COMMISSIONED PROVIDERS: As a result of challenging employment conditions, the recession and cost of living crisis, EU Exit, increasing complexity of individuals supported as well as the	VERY HIGH

SECTION 1: MANAGEMENT COMMENTARY

Risk	Risk Status end March 2024
<p>impact of the pandemic there is a risk that our commissioned providers will be unable to meet the increased demands they are facing resulting in reduced viability of providers across our local health and social care sector.</p>	
<p>6 WIDENING HEALTH INEQUALITIES: As a consequence of increasing levels of poverty, deprivation, and significant rurality there is a risk that health inequalities will increase resulting in poorer outcomes for people.</p>	HIGH
<p>7 LEADERSHIP TEAM: Without a new permanent and integrated senior management team there is a risk of instability in leadership within the Health and Social Care Partnership</p>	MEDIUM
<p>8 SUSTAINABLE PRIMARY CARE SERVICES: As a result of an inability to:</p> <ul style="list-style-type: none"> • Reliably recruit, train and retain workforce, • Have appropriate premises to deliver clinical and support services, • Have in place adequate digital systems to support clinical care and communication between teams, patients and across the services, and • address inequalities of access to services in remote and rural areas. • There is a risk we will be unable to deliver safe, effective, high quality, person centred primary care services. This could result in inadequate care, reputational damage and failure to meet legal requirements. 	VERY HIGH
<p>9 PARTNERSHIP PREMISES: As a result of a lack of sustainable and suitable premises within which Health and Social Care Services can be delivered, there is a risk that safe, consistent and effective care to patients will not be able to be delivered which could result in a reduction in service capacity, reduced outcomes for people and a reduction in staff wellbeing.</p>	VERY HIGH
<p>10 WHOLE SYSTEM MENTAL HEALTH & LEARNING DISABILITIES CHANGE PROGRAMME As a consequence of a lack of workforce capacity, access to suitable estates infrastructure, ambiguity in financial framework, ineffective communication and engagement, there is a strategic risk to the delivery of Tayside’s Mental Health Whole System Change Programme, resulting in failure to deliver improved outcomes, patient harm and benefits of the programme.</p>	TBC

SECTION 1: MANAGEMENT COMMENTARY

Signed on behalf of the Perth and Kinross IJB

Councillor Colin Stewart

IJB Chair

Date: 28 October 2024

Jacqueline Pepper

Chief Officer

Date: 28 October 2024

Donna Mitchell

Chief Finance Officer

Date: 28 October 2024

SECTION 2: STATEMENT OF RESPONSIBILITIES

This statement sets out the respective responsibilities of the IJB and the Chief Finance Officer, as the IJB's Section 95 Officer, for the Annual Accounts.

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 secure that the proper officer of the board has responsibility for the administration of those affairs (Section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the Chief Finance Officer;*
- *manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;*
- *ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (Section 12 of the Local Government in Scotland Act 2003);*
- *approve the Annual Accounts.*

I confirm that these Annual Accounts were approved for signature at a meeting of the Integration Joint Board's Audit & Performance Committee on 28 October 2024.

Signed on behalf of the Perth and Kinross IJB

Councillor Colin Stewart
IJB Chair

Date: 28 October 2024

SECTION 2: STATEMENT OF RESPONSIBILITIES

RESPONSIBILITIES OF THE CHIEF FINANCE OFFICER

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

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

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

The Chief Finance Officer has also:

- *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 Perth and Kinross Integration Joint Board as at 31 March 2024 and the transactions for the year then ended.

Donna Mitchell
Chief Finance Officer
Date: 24 June 2024

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 following is subject to external audit. The explanatory text in the Remuneration Report is reviewed by the external auditor to ensure it is consistent with the financial statements.

BOARD MEMBERS

At 31 March 2024, Perth and Kinross IJB had 8 voting members and 12 non-voting members, there was one non-voting position vacant.

However, there were three changes in voting positions on 1st April 2024. This follows the resignation of vice chair and non-executive member Jacquie Jenson. This position has been replaced by Beth Hamilton. Heather Dunk was appointed to the position of non-executive member on 1st April 2024, replacing the position previously held by Beth Hamilton. Finally, Bob Benson vacated his position as non-executive voting member on 1st April 2024 and a successor has yet to be appointed.

One, non-voting, Third Sector Representative position was vacant as at 31st March 2024, this has yet to be appointed to. Dr Lee Robertson, Secondary Practitioner Representative vacated her post on 1st April 2024, replaced by Dr Monica Doyle. The position as at 31st March 2024 was as follows:

Voting Members:

Councillor Colin Stewart (Chair) - from 4th October 2023

Jacquie Jenson (Vice-Chair) - from 4th October 2023

Councillor Sheila McCole

Councillor Michelle Frampton

Councillor David Illingworth

Beth Hamilton (Non-Executive Member)

Martin Black (Non-Executive Member)

Bob Benson (Non-Executive Member) - from 4th October 2023

Non-voting Members:

Jacqueline Pepper (Chief Officer)

Donna Mitchell (Chief Finance Officer)

Dr Lee Robertson (Secondary Practitioner Representative)

Dr Sarah Peterson (GP Representative)

Susie Flowers (Associate Nurse Director) from 27th April 2023

SECTION 3: REMUNERATION REPORT

Maureen Summers (Carer Public Partner)

Sandra Auld (Service User Public Partner)

Ian McCartney (Service User Public Partner)

Lyndsay Hunter (Staff Representative)

Stuart Hope (Staff Representative)

Vacant (previously Sandy Watts, Third Sector Representative)

Dave Henderson (Independent Sector Representative)

Dr Emma Fletcher (Public Health Representative)

During 2023/24, the position of chair was held by Bob Benson who was replaced by Councillor Colin Stewart on 4th October 2024. The position of vice chair, previously held by Councillor Colin Stewart was replaced by Jacquie Jensen on 4th October 2023.

The Chief Social Work Officer position held by Jacqueline Pepper to 14th February 2024 is an advisory position rather than a non-voting position and is therefore excluded from the above list of non-voting members. Arun Singh, Strategic Lead - Children, Families and Justice, was appointed to the position of Chief Social Worker on 14th February 2024.

IJB CHAIR AND VICE-CHAIR

The voting members of the IJB are appointed through nomination by Perth & Kinross Council and NHS Tayside. Nomination of the IJB Chair and Vice-Chair postholders alternates between a Councillor and a Health Board representative.

The IJB does not provide any additional remuneration to the Chair, Vice-Chair or any other board members relating to their role on the IJB. The IJB does not reimburse the relevant partner organisations for any voting board member costs borne by the partner. There were no taxable expenses paid by the IJB to either the Chair or the Vice-Chair in 2023/24.

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.

OFFICERS OF THE IJB

The IJB does not directly employ any staff in its own right; however specific post-holding officers are non-voting members of the Board.

Other Officers

The IJB is required to appoint a proper officer who has responsibility for the administration of its financial affairs in terms of Section 95 of the 1973 Local Government (Scotland) Act. The employing contract for the Chief Finance Officer adheres to the legislative and regulatory governance of the employing partner organisation. The Chief Finance Officer is included in the disclosures below.

SECTION 3: REMUNERATION REPORT

Total	Senior Employees	Salary, Fees & Allowances	Total
2022/23		£	2023/24
127,786	Jacqueline Pepper Chief Officer	135,517	135,517
64,352	Jane Smith Chief Finance Officer (left 12 th January 2023)	27,720	27,720
18,012	Donna Mitchell Chief Finance Officer	85,098	85,098
210,150	Total	248,335	248,335

Donna Mitchell was appointed to the position of Interim Chief Finance Officer on the 23rd December 2022 and to the position of Chief Finance Officer on 1st January 2024. The above costs for Donna Mitchell include a change in salary scale point for the period December 2022 to December 2023.

The previous Chief Finance Officer, Jane Smith, left the organisation on 12th January 2023, however costs associated with a backdated pay award have been incurred in this financial year and disclosed within the table above.

In respect of officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pensions liability reflected on the 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 IJB's funding during the year to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions. Some employees of NHS Scotland have been affected by the 'McCloud' Public Service Pension Remedy rollback. This has the effect of increasing the lump sum and reducing the annual pension benefit presented in this report.

SECTION 3: REMUNERATION REPORT

Senior Employee	In Year Pension Contributions		Accrued Pension Benefits		
	For Year to 31/03/23 £	For Year to 31/03/24 £		Difference from 31/03/23 £	As at 31/03/24 £
Jacqueline Pepper Chief Officer	21,724	23,038	Pension	11,022	54,859
			Lump sum	2,013	35,281
Jane Smith (left 12 th Jan 2023) Chief Finance Officer	13,352	5,493	Pension	-4,643	28,188
			Lump sum	19,192	76,522
Donna Mitchell Chief Finance Officer	3,062	14,467	Pension	5,306	21,138
			Lump sum	2,853	11,077
Total	38,138	42,998	Pension	11,685	104,185
			Lump Sum	24,058	122,880

SECTION 3: REMUNERATION REPORT

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	Remuneration Band	Number of Employees in Band
2022/23		2023/24
1	£60,000 - £64,999	0
0	£85,000 - £89,999	1
1	£125,000 - £129,999	0
0	£135,000 - £139,999	1

EXIT PACKAGES

No exit packages were paid to IJB staff during this period or the previous period.

Councillor Colin Stewart
IJB Chair

Jacqueline Pepper
Chief Officer

Date: 28 October 2024

SECTION 4: ANNUAL GOVERNANCE STATEMENT

SECTION 5: ANNUAL ACCOUNTS

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

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

2022/23		2023/24
Net Expenditure		Net Expenditure
£000		£000
48,495	Community and Hospital Health Services	50,875
28,337	Hosted Health Services	31,205
28,054	GP Prescribing	30,844
51,231	General Medical/Family Health Services	52,787
25,752	Large Hospital Set aside	26,206
309	IJB Operating Costs	359
94,277	Community Care	105,603
276,455	Cost of Services	297,879
(260,040)	Taxation and Non-Specific Grant Income (Note 4)	(289,339)
16,415	(Surplus) or Deficit on Provision of Services	8,540
16,415	Total Comprehensive (Income) and Expenditure (Note 3)	8,540

This statement shows a deficit of £8.540m which includes the balances remaining on various Scottish Government and Partnership funds and constitutes the Movement on Reserves in year. This deficit has been included within reserves at 31st March 2024 (as per Movement in Reserves Statement and Note 6 below).

SECTION 5: ANNUAL ACCOUNTS

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the IJB's reserves. 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 & Expenditure Statement. Consequently, an Expenditure and Funding Analysis is not shown in these annual accounts.

Movements in Reserves During 2023/24	General Fund Balance
	£000
Opening Balance at 1 April 2023	(16,834)
Total Comprehensive Income and Expenditure	8,540
(Increase) or Decrease in 2023/24	8,540
Closing Balance at 31 March 2024	(8,294)

Movements in Reserves During 2022/23	General Fund Balance
	£000
Opening Balance at 1 April 2022	(33,249)
Total Comprehensive Income and Expenditure	16,415
(Increase) or Decrease in 2022/23	16,415
Closing Balance at 31 March 2023	(16,834)

SECTION 5: ANNUAL ACCOUNTS

BALANCE SHEET

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

31 March 2023		Notes	31 March 2024
£000			£000
16,834	Short Term Debtors	5	8,294
16,834	Current Assets		8,294
-	Short-Term Creditors		-
-	Current Liabilities		-
-	Provisions		-
-	Long-Term Liabilities		-
16,834	Net Assets		8,294
(16,834)	Usable Reserve: General Fund	6	(8,294)
(16,834)	Total Reserves		(8,294)

The unaudited annual accounts were issued on 24 June 2024, and the audited annual accounts were authorised for issue on 28 October 2024.

Donna Mitchell

Chief Finance Officer

24 June 2024

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: ACCOUNTING POLICIES

A. GENERAL PRINCIPLES

The Financial Statements summarise the Integration Joint Board's transactions for the 2023/24 financial year and its position at the year-end date of 31 March 2024.

The IJB was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973.

The Financial Statements are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The Chief Finance Officer is responsible for making an annual assessment of whether it is appropriate to prepare the accounts on a going concern basis. In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, an authority's financial statements shall be prepared on a going concern basis; that is, the accounts should be prepared on the assumption that the functions of the authority will continue in operational existence for at least twelve months from the date of approval of the financial statements and it can only be discontinued under statutory prescription.

B. ACCRUALS OF INCOME AND EXPENDITURE

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.

C. FUNDING

The IJB is funded through funding contributions from the statutory funding partners, Perth & Kinross Council and NHS Tayside. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in Perth and Kinross.

D. CASH AND CASH EQUIVALENTS

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partners. Consequently, the IJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The funding balance due to or from each funding

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

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

E. EMPLOYEE BENEFITS

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

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

Charges from funding partners for other staff are treated as administration costs.

F. 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 31 March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund.

A contingent liability is a possible liability arising from events on or before 31 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. Details of contingent liabilities for 2023/24 can be found in note 11 to the accounts.

A contingent asset is a possible asset arising from events on or before 31 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.

G. 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 31 March shows the extent of resources which the IJB can use in later years to support service provision.

H. INDEMNITY INSURANCE

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Tayside and Perth & Kinross 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

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). 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.

I. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

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

The Integration Scheme sets out the process for determining the value of the resources used in Large Hospitals, to be Set-Aside by NHS Tayside and made available to the IJB.

An estimate is used for the expenditure and is based on 2023/24 activity and direct cost per occupied bed day, uplifted for inflation.

The figure of £26.206m for 2023/24 has been agreed with NHS Tayside and will be included in both the NHS Tayside and Perth & Kinross IJB annual accounts. This is consistent with the treatment of Large Hospital Set-Aside in 2022/23 financial statements. Work is progressing at a national and local level to refine the methodology for calculating and planning the value of this in the future.

J. RELATED PARTY TRANSACTIONS

Related parties are organisations that the IJB can control or influence or who can control or influence the IJB. As partners in the Joint Venture of Perth and Kinross Integration Joint Board, both Perth & Kinross Council and NHS Tayside are related parties and material transactions with those bodies are disclosed in Note 8 in line with the requirements of IAS 24 Related Party Disclosures.

K. SUPPORT SERVICES

Support services were not delegated to the IJB and are provided by the Council and the Health Board free of charge as a 'service in kind'. These arrangements were outlined in the report of Corporate Supporting Arrangements to the IJB on 23 March 2016.

NOTE 2: EVENTS AFTER THE REPORTING PERIOD

The Annual Accounts were authorised for issue by the Chief Finance Officer on 28 October 2024. 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 31 March 2024, the figures in the financial statements and notes have been

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

adjusted in all material respects to reflect the impact of this information.

NOTE 3: EXPENDITURE AND INCOME ANALYSIS BY NATURE

2022/23		2023/24
£000		£000
94,277	Services commissioned from Perth and Kinross Council	105,603
181,869	Services commissioned from NHS Tayside	191,917
275	Other IJB Operating Expenditure	323
3	Insurance and Related Expenditure	3
31	External Audit Fee	33
(260,040)	Partner Funding Contributions and Non-Specific Grant Income	(289,339)
16,415	(Surplus) or Deficit on the Provision of Services	8,540

Costs associated with the Chief Officer and Chief Finance Officer are included within “other IJB operating expenditure”. The insurance and related expenditure relates to CNORIS costs (see note 1,H). Auditor fees related to fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor.

NOTE 4: TAXATION AND NON-SPECIFIC GRANT INCOME

2022/23		2023/24
£000		£000
(79,034)	Funding Contribution from Perth and Kinross Council	(83,241)
(181,006)	Funding Contribution from NHS Tayside	(206,098)
(260,040)	Taxation and Non-specific Grant Income	(289,339)

The funding contribution from NHS Tayside shown above includes £26.206m in respect of ‘set aside’ resources relating to acute hospital and other resources. These are provided by the NHS which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: DEBTORS

2022/23		2023/24
£000		£000
7,825	NHS Tayside	3,500
9,009	Perth & Kinross Council	4,794
16,834	Debtors	8,294

Amounts owed by the funding partners are stated on a net basis. Creditor balances relating to expenditure obligations incurred by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the IJB.

NOTE 6: USABLE RESERVE: GENERAL FUND

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

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

As at March 2024, the IJB's Annual Accounts showed that Perth and Kinross IJB had reserves totalling £8.294m. The following table sets out the reserve balances as at 31 March 2024.

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

	Balance as at 1 April 2023	Transfers In/(Out)	Balance as at 31 March 2024
	£000	£000	£000
COVID 19 Fund	642	(642)	0
Winter Resilience Fund	1,084	(1,084)	0
Primary Care : Digital Back scanning	446	(282)	164
Primary Care Improvement Fund	0	18	18
Primary Care Reserve	755	(255)	500
Alcohol and Drug Partnership Fund	1,152	(295)	857
Mental Health Recovery and Renewal Fund	682	(276)	406
Mental Health Action 15 Fund	106	(106)	0
Community Living Change Fund	475	(386)	89
Service Specific Reserve	1,378	233	1,611
Health Reserves Fund (NHS Tayside)	650	(650)	0
Sub-total Earmarked Reserves	7,370	(3,725)	3,645
General Reserves - Health	2,009	(2,009)	0
General Reserves - Social Care	7,455	(2,806)	4,649
Sub-total General Reserves	9,464	(4,815)	4,649
Closing Balance at 31 March 2024	16,834	(8,540)	8,294

The above table shows the remaining balance of each funding stream as at 31 March 2024. The Transfers In/(Out) column represents the movement in funding i.e. the net of budget received and expenditure incurred in 2023-24.

The Primary Care Improvement Fund Reserve included receipts of £5.182m and expenditure of £5.164m, resulting in a closing balance of £0.018m.

NOTE 7: AGENCY INCOME AND EXPENDITURE

On behalf of all IJBs within the NHS Tayside area, Perth and Kinross IJB acts as the lead partner for Public Dental services/Community Dental services, Prison Healthcare and Podiatry.

The IJB directs services on behalf of Dundee and Angus IJBs and reclaims the full costs involved. The payments that are made on behalf of the other IJBs, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the IJB is not acting as principal in these transactions.

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

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

2022/23		2023/24
£000		£000
6,693	Expenditure on Agency Services	7,067
(6,693)	Reimbursement for Agency Services	(7,067)
-	Net Agency Expenditure excluded from the CIES	-

NOTE 8: RELATED PARTY TRANSACTIONS

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

Income - payments for integrated functions

2022/23		2023/24
£000		£000
79,034	Perth and Kinross Council	83,241
181,006	NHS Tayside	206,098
260,040	Total	289,339

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

Expenditure - payments for delivery of integrated functions

2022/23		2023/24
£000		£000
94,311	Perth and Kinross Council	105,639
181,869	NHS Tayside	191,917
275	NHS Tayside: Key Management Personnel Non-Voting Board Members	323
276,455	Total	297,879

This table shows that expenditure within Perth and Kinross Council is £22.398m greater than Perth and Kinross Council funding contributions. This represents IJB funding received from NHS Tayside being directed into Perth and Kinross Council (£19.110m), the PKC contribution towards IJB key management personnel (-£0.161m), the transfer from reserves (£4.215m) included in note 5 and a contribution from Social Care General Reserve towards overspends incurred on partnership health budgets (-£0.766m).

Key Management Personnel: The non-voting board members employed by the NHS Board and Perth and Kinross Council and recharged to the IJB include the Chief Officer and the Chief Finance Officer. Details of the remuneration for these specific post-holders are provided in the Remuneration Report.

Perth and Kinross Council employs the council staff and Chief Social Work Officer representatives on the IJB but there is no discrete charge for this representation. Similarly, NHS Tayside employs the health board representatives and there is also no charge for this.

Balances with Perth and Kinross Council

2022/23		2023/24
£000		£000
9,009	Debtor balances: Amounts due from Perth and Kinross Council	4,794
-	Creditor balances: Amounts due to Perth and Kinross Council	-
9,009	Total	4,794

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

Balances with NHS Tayside

2022/23		2023/24
£000		£000
7,825	Debtor balances: Amounts due from NHS Tayside	3,500
-	Creditor balances: Amounts due to NHS Tayside	-
7,825	Total	3,500

NOTE 9: VAT

The IJB is not VAT registered 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 relating to VAT, as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from it. The Council is not entitled to fully recover VAT paid on a very limited number of items of expenditure and for these items the cost of VAT paid is included within service expenditure to the extent that it is not recoverable from HM Revenue and Customs.

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 10: INPATIENT MENTAL HEALTH

During 2020-21, the Scottish Government actioned the transfer of operational management responsibility for Inpatient Mental Health Services in Tayside from the Integration Joint Boards (previously hosted by Perth and Kinross) to NHS Tayside. This meant that NHS Tayside managed the budget and associated variances in 2020/21 and beyond.

The IJB is responsible for the planning of Inpatient Mental Health Services. This means that £11.698m has been included within the Hosted Services line in the CIES in 2023-24, which constitutes Perth & Kinross IJB's share of Inpatient Mental Health.

SECTION 6: NOTES TO THE FINANCIAL STATEMENTS

2022/23		2023/24
£000		£000
17,508	Share of Hosted Services	19,507
10,829	Share of Inpatient Mental Health	11,698
28,337	Total share of Hosted Services	31,205

NOTE 11: CONTINGENT ASSETS AND LIABILITIES

A review of contingent assets and liabilities has been undertaken on behalf of the IJB by Legal Services, as at 31 March 2024 the following contingent liabilities have been identified:

There is a contingent liability relating to a package of care being delivered by Moray Council and a dispute with Perth and Kinross Council about ordinary residence. In the event of an adverse decision Perth and Kinross IJB would be liable for the costs incurred in the delivery of care to date.

As part of the Agenda for Change pay deal for 2023/24 it was agreed to look at modernisation of staff terms and conditions. Three commitments were made:-

- Implementation of protected learning time
- Review of the working week
- Review of Band 5 nursing profiles

Further details can be found in Scottish Government circulars; PCS(AFC)2024/1 and PCS(AFC)2024/2, issued in March 2024. This confirms protected learning time and review of the working week are effective from 1 April 2024, meaning there is no impact on the 2023/24 financial statements. There is currently no circular for the Band 5 nursing profiles review and as such, no sufficiently reliable estimate can be made of the likely cost, timing and uptake.

NOTE 12: ACCOUNTING STANDARDS ISSUED BUT NOT YET 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. There are no such standards which would have a significant impact on the P&K IJB annual accounts.

**SECTION 7: INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF PERTH AND KINROSSINTEGRATION JOINT BOARD AND THE
ACCOUNTS COMMISSION**

SECTION 8: 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.

Accounting Period

The period of time covered by the Accounts normally a period of twelve months commencing on 1 April each year. 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.

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 (e.g. 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 Accounts

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.

CIPFA

The Chartered Institute of Public Finance and Accountancy.

Consistency

The concept that the accounting treatment of like terms within an accounting period and from one period to the next is the same.

Contingent Asset/Liability

A Contingent Asset/Liability is either:

- *a possible benefit/obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain events not wholly within the IJB's control; or*
- *a present benefit/obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.*

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.

SECTION 8: GLOSSARY OF TERMS

Defined Benefit Pension Scheme

Pension scheme in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

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 accounts.

Post Balance Sheet Events

Post Balance Sheet events are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Annual Accounts 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 accounts.

Government Grants

Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the IJB. These grants may be specific to a particular scheme or may support the revenue spend of the IJB in general.

IAS

International Accounting Standards.

IFRS

International Financial Reporting Standards.

IRAG

Integration Resources Advisory Group

LASAAC

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.

Provisions

An amount put aside in the accounts 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

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

SECTION 8: GLOSSARY OF TERMS

include voting members, the Chief Officer, the Chief Finance Officer, the Heads of Service 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.

Revenue Expenditure

The day-to-day expenses of providing services.

Significant Interest

The reporting authority is actively involved and is influential in the direction of an entity through its participation in policy decisions.

SOLACE

Society of Local Authority Chief Executives.

The Code

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

If you or someone you know would like a copy of this document in another language or format, (on occasion only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000

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الاسم: Customer Service Centre
رقم هاتف للاتصال المباشر: 01738 475000

اگر آپ کو یا آپ کے کسی جاننے والے کو اس دستاویز کی نقل دوسری زبان یا فارمیٹ (بعض دفعہ اس دستاویز کے خلاصہ کا ترجمہ فراہم کیا جائے گا) میں درکار ہے

تو اسکا بندوبست سروس ڈیولپمنٹ Customer Service Centre سے فون نمبر 01738 475000 پر رابطہ کر کے کیا جاسکتا ہے۔

如果你或你的朋友希望得到這文件的其他語言版本或形式 (某些時候，這些文件只會是概要式的翻譯)，請聯絡 Customer Service Centre 01738 475000 來替你安排。

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Nam bu mhath leat fhèin no neach eile as aithne dhut lethbhreac den fhàipear seo ann an cànan no ann an cruth eile (uaireannan cha bhi ach geàrr-iomradh den fhàipear ri fhaotainn ann an eadar-theangachadh), gabhaidh seo a dhèanamh le fios a chur gu Ionad Sheirbheis Theachdaichean air 01738 475000.