



NORTH LANARKSHIRE INTEGRATION JOINT BOARD

ANNUAL ACCOUNTS

2023/24

UNAUDITED



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MANAGEMENT COMMENTARY

Purpose

This publication contains the financial statements of North Lanarkshire Integration Joint Board (IJB) for the year ending 31 March 2024.

The management commentary provides an overview of the key outcomes relating to the objectives and strategy of the IJB. It considers our financial performance for the year 2023/24 and looks forward, outlining our future plans and the challenges and risks that we will face as we strive to meet the needs of the people of North Lanarkshire.

Our Purpose

People of North Lanarkshire will achieve their full potential through:

- living safe, healthy, and independent lives in their communities; and
- receiving the information, support and care they need, efficiently and effectively, at the right time and in the right way.

Faced with continued financial challenges for the foreseeable future, the IJB recognise that we need to respond effectively to the future by exploring new and innovative solutions to support our community. By working with our partners, staff and communities, our services will continue to respond to these challenges by protecting lives and keeping people safe into the future.

University Status for Lanarkshire Health and Social Care Partnerships

Glasgow Caledonian University (GCU) granted university status to both North and South Health and Social Care Partnerships in November 2023. This has only been made possible by the long-standing commitment of delivering innovation, compassionate care and the excellent partnership relationships that have been forged in Lanarkshire over many years.

This also highlights the existing contribution and future opportunities for community health and social care as engine rooms for education, training, research, and innovation. This is an exciting opportunity where our valued staff and partners will have a significant impact on community wellbeing by driving the vision and building on the exemplary care and professionalism that have made this opportunity for collaboration possible.

The IJB and North Lanarkshire University Health and Social Care Partnership (UHSCNL) Senior Management Team would like to express our gratitude for the magnificent work our staff continue to undertake despite the challenges they face on a daily basis, to ensure that service to those in need continue to be delivered safely and effectively.

The Role and Remit of North Lanarkshire Integration Joint Board

North Lanarkshire IJB, formally established on 1 April 2016, has responsibility for the strategic planning and commissioning of a wide range of health and social care services within North Lanarkshire. These functions delegated to the IJB, under the Public Bodies (Joint Working) (Scotland) Act 2014, are detailed in the formal partnership agreement between the two partner organisations, North Lanarkshire Council (NLC) and NHS Lanarkshire (NHSL) referred to as the Integration Scheme.¹

¹ [NL IJB Integration Scheme 2024](#)

The IJBs primary purpose is to set the strategic direction for the delegated functions through its Strategic Commissioning Plan and the UHSCNL is responsible for the operational delivery of those strategic directions which include:

- accident and emergency services provided in a hospital;
- inpatient services related to general, geriatric, rehabilitation, and respiratory medicine;
- palliative care services;
- community health services; and
- social care services.

The IJB comprises of eight voting members, made up of four Elected Members appointed by NLC and four Non-Executive Directors appointed by NHSL. Non-voting members include the Chief Officer, Chief Finance Officer, service professionals, third sector, service users, carers, and staff representatives.

A Profile of North Lanarkshire

There remains significant ongoing pressure in all health and social care systems across Scotland. High demand and patient acuity, coupled with increased winter pressures in recent months has placed even greater demand on our system.

In Lanarkshire, there is a genuine whole-system focus to our resilience response and there has been a tremendous effort across the whole system, including third and independent sectors, communities, carers, and public partners in the continued response to increased pressures and demand.

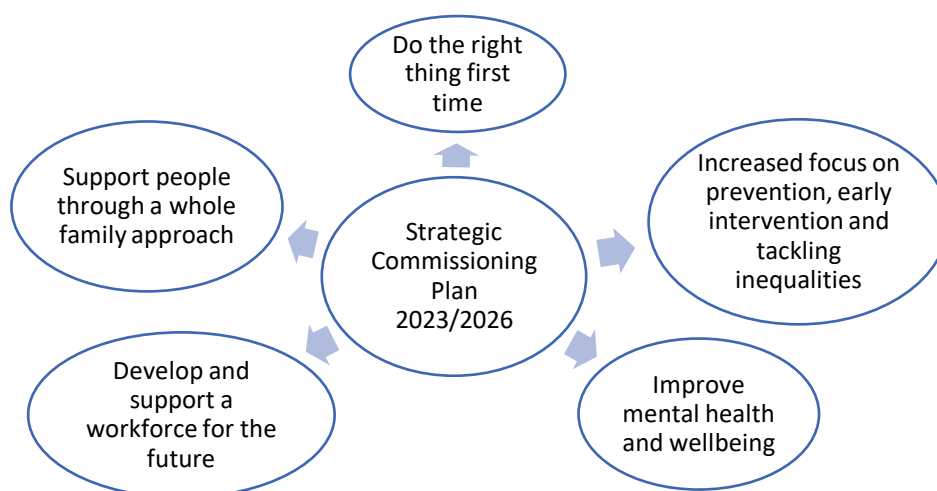
Some of the multi-faceted factors that impact on the demand for health and social care services across North Lanarkshire include:

- North Lanarkshire is the 4th largest area in Scotland. It is also the 4th most populated with a population of 341,400.
- Between 2002 and 2021, the 25 to 44 age group saw the largest percentage decrease (-10.7%), in contrast the 75 and over age group saw the largest percentage increase (+41.6%).
- Although the population is projected to increase by a net 0.3% by 2028, an increase of 21.8% is projected in the age group 75 years and over.
- 34% of North Lanarkshire's data zones are within the 20% most deprived in Scotland, a growth of 2% from Scottish Index of Multiple Deprivations (SIMD) 2016 statistics.
- The number of people income deprived in North Lanarkshire is 50,897, a reduction of 3% from SIMD 2016 data.
- The number of employment deprived working age people has also fallen from 29,585, in SIMD 2016 data to 24,796 in SIMD 2020. Across North Lanarkshire 11% of the working age population is employed deprived.
- There are approximately 14,000 unpaid carers known to carer support services and/or UHSCNL locally. However, the estimated true figure of unpaid carers locally is in the region of 50,000 to 60,000.

Whilst many older people are expected to enjoy better health than their predecessors did at an equivalent age, they will still have significant health needs, living with potentially multiple and complex conditions. The impact of this will be a steadily increasing demand on our health and social care services, including home support, care homes, increases in demand for community-based healthcare, equipment and adaptations and an increased demand for GP services and medication.

IJB Outcomes for the Year and Key Service Priorities and Developments

The Strategic Commissioning Plan 2023-2026² was approved and published in March 2023, sets out five key priorities:



The Programme of Work linked to these priorities, has been compiled following consultation and engagement with stakeholders across the UHSCNL and beyond. It is aligned with the key strategic drivers across both NLC and NHSL, dovetailing with the developments associated with the NHSL Our Health Together and the NLC Plan for North Lanarkshire.

The Programme of Work seeks to include those programmes and activities which are intended to help transform and reshape health, social care and social work services in North Lanarkshire and meet the ongoing and future needs of North Lanarkshire's communities.

During the three-year life of the plan, we will adopt a Learning Management Strategy approach, (often called Human Learning Systems), making learning and experimentation the key driving force of our work. By using our current understanding whilst experimenting with new ways of working, we aim to produce a different pattern of results and better outcomes. This new approach will then be developed and embedded as far as possible within each of the Programmes of Work to ensure we learn from our tests of change.

The progress made by UHSCNL on the key strategic commissioning intentions and the key performance indicators are reported regularly to the IJB. The Annual Performance Report reflects on the improvements made and innovative practices achieved throughout the year. The key achievements are highlighted below:

Hospital at Home

Hospital at Home provides acute care within the clients own home, with a commitment to be in the clients house within an hour of referral. The service provides 72 virtual beds across Lanarkshire and supports on average 265 referrals per month. Average length of stay is around 5 days. We continue to develop the links between the Hospital at Home team, Primary Care and Localities as part of the integrated service offering in North Lanarkshire and are currently working towards extending working hours to allow patient admission to the service to continue until 10pm and further expansion of staff to accommodate a 7-day rostered service.

Healthy Schools

Developed by NHS Lanarkshire's Healthy Lifestyle and Weight Management Service in conjunction with North Lanarkshire Council, as well as input from practitioners and learners, Healthy Schools is an example of health and education services working in partnership to support the future generations of Lanarkshire.

² [Strategic Commissioning Plan 2023-2026](#)

The interactive website written by teachers from North and South Lanarkshire in conjunction with local NHS and UHSCNL staff, support children and their families to look after and improve their health and wellbeing by providing a health education framework which can be used by practitioners and teachers.

Breastfeeding

UHSCNL aim is to make North Lanarkshire a place where breastfeeding is the norm and build a supportive community and environment to encourage more women to feel comfortable breastfeeding for as long as they want, recognising both the short and long-term health benefits of breastfeeding for both mother and baby. UHSCNL support breastfeeding as the optimal infant feeding choice for all parents, in addition, each Community Board area in North Lanarkshire has a breastfeeding champion in place to support our commitment to improving breastfeeding rates.

Community Nursing

Community Nursing is a planned serviced that is delivered in all six localities and provides an at home service of person centred, safe, effective care for clients who cannot attend other care facilities due to disability, effects of long-term care conditions or illness or where being cared for at home is considered the most suitable environment. It provides this service to all age ranges and people can have a one off intervention or be on caseloads for a significant period of time. Anyone can refer into community nursing services including clients and carers. It operates over seven days between the hours of 8am to 10pm. There is a separate overnight nursing service which operates between 10pm and 7am which predominately provides palliative care pain relief and unscheduled care.

Engagement & Participation

Community Boards are the foundation of the community planning process in North Lanarkshire. Nine Community Boards have been established and embedded in North Lanarkshire to support community leadership, involvement, and capacity building by focussing activity through a local outcome and improvement plan (LOIP). The Chief Social Work Officer is a Community Co-ordinator for one of the boards with the Head of Adult Social Work and Head of Planning, Performance and Quality Assurance providing a link to UHSCNL. Senior Social Work Managers also participate in area-based teams and sub-groups which support the delivery of the LOIPs.

Living Well in the Community

This is a multi-professional, cross-sector collaboration of Support Staff, Community Rehabilitation, Nursing, Health Visiting, Mental Health, Care at Home Teams, Equals Advocacy (Third Sector Advocacy Organisation), Frailty Specialists (Secondary Care), Information Technology, Pharmacy, Primary Care and Public Health Scotland. The team has a preventative approach for older adults in the community who are at high risk of deterioration. The overall aim of the approach is to improve outcomes and move away from crisis intervention as the only option for this cohort of patients. This approach is deployed across three Lanarkshire GP practices.

Discharge Without Delay (DWD)

DWD is a whole system approach which supports people to be cared for at home (or as close to home as possible) prevents avoidable admissions to hospital and, where hospital admission is necessary, supports timely discharge. This programme was introduced towards the end of 2021/22 and has continued as a priority for the partnership.

The Home Assessment Team (HAT) was developed as a new team within North Lanarkshire and works collaboratively with hospital discharge hubs and clinical teams to support timely discharge from hospital to enable an assessment of each person's immediate and long-term needs in their own home. This can include anything from signposting, to support from a statutory service and community care assessment.

HAT take a multi-disciplinary approach to person centred care and consists of home support staff, health professionals, clinical responders, and social work staff to embed Home First principles to enable people to be supported to return home for a period of assessment. The team is receiving an increasingly greater volume of referrals, and a Home Assessment Development Plan is in place to streamline and reduce duplication of service from the teams working in this area. The development plan is currently focussed on services to support discharge; however, a second phase is planned to look at the interaction with Hospital at Home and other services placed to support admission prevention and avoidance.

Technology Enabled Care

Additional funding has been allocated directly to UHSCNL to support an increase in the use of Community Equipment and Technology Enabled Care (TEC). A dedicated team has been established to support individuals within their homes and communities with a focus on embedding technology into assessment and planning processes; providing training to all staff groups on technology and its use in care and support, supporting with risk assessments, ensuring technology support advice is embedded in Self Directed Support; and providing high level data on the technology being used within our communities. Our approach is aligned to the national guidance on the promotion of technology that can be an early intervention and helps prevent the need for supporting services to be put in place where a suitable TEC alternative exists. UHSCNL is actively promoting TEC through the team and the TEC flat, which is a demonstrator property for those interested in the potential solutions to meet their needs.

Operation Flow: A New Model of Care

The winter period is a challenging time for UHSCNL services, clients, and staff. In response to this, UHSCNL and our partners developed a clear plan to help redesign and rebuild services with the aim of increasing resilience within the service and the wider system, and also to provide a framework for a whole system improvement programme. Operation Flow was deployed which realised significant improvement across the health and social care system, including improved opportunities to support people to remain well at home, a reduction in hospital occupancy and length of stay and a very significant improvement in 4-hour A&E access, including an important reduction in ambulance waits.

The second phase of this work has since been designed and launched as Operation Flow 2, which is a plan for a sustainable and resilient way forward with a clear focus on improving client and staff experience as well as key performance improvements. The new programme is focused at improving the system across the full client pathway from avoiding hospital admissions through to discharge and beyond.

Community Solutions

Established in 2012, Community Solutions is a successful, UHSCNL cross-sector health and social care investment and improvement programme for North Lanarkshire that is improving people's health, wellbeing, quality of life and equality by investing in community-led initiatives which build community, family and individual strengths and resources, with a focus on prevention and early intervention. Community Solutions ensures a co-ordinated approach throughout North Lanarkshire, promoting local opportunities and solutions for and with people, avoiding the need for more formal services for longer periods of time. Community Solutions is an effective and active example of co-production: a true partnership between people, communities, and services.

The range of achievements via the Community Solutions Programme Approach include significant development through local anchor organisations; Support in the Right Direction; Community Connectors and Improving Cancer Journeys.

Self-Directed Support: Transformational SDS Agenda

SDS was introduced to Scotland in April 2014 following the Social Care Self Directed Support Scotland Act 2013. Its introduction means that people receiving social care support in Scotland have the right of choice, control, and flexibility to meet their personal outcomes. Health and Social Care Partnerships are required to ensure that people are offered a range of choices on how they receive their social care support.

Since implementation, the number of SDS users and their average budgets has been steadily increasing. This is reflected in the rate per 1,000 population of North Lanarkshire SDS users, which has steadily increased each year. A corresponding decrease in the number of care at home users has been observed and this is likely to be the transition from 'traditional' care at home towards SDS. Key priorities for the continued implementation of SDS include enhancing partnership working across the spectrum and an enhanced focus on Technology Enabled Care, in the deployment of assistive technology so that people can be supported at home as independently as possible, for as long as is appropriate, whilst minimising risk and reducing reliance on statutory services.

Alcohol & Drug Partnership

North Lanarkshire Alcohol and Drug Partnership (NLADP) is a multi-agency strategic partnership established in 2019 focusing on understanding and mitigating the impact of problematic alcohol and drug use in the local area. The purpose of ADP is to co-ordinate and lead a collective response to tackle harms and improve the lives of people who use alcohol and drugs and those around them. ADP is made up of key agencies and stakeholders with an interest in tackling harms and improving lives, including agencies that provide treatment and intervention for people experiencing problem alcohol and drug use. The North Lanarkshire ADP Strategy 2021-2024 draws on the successes, challenges and learning from previous activity. The strategy was informed by extensive consultation and engagement with service users, representatives groups and other key stakeholders to understand the needs, challenges, and innovative ideas for change, including many who have been in contact with services for support.

Supporting Unpaid Carers

To develop an alternative to traditional respite or a cash grant, which often had restricted eligibility criteria, a consultation was carried out with carers to put them at the heart of service design when considering alternative and creative ways to provide a short break. Carers fed back that service providers needed to think creatively and address the need for a break that did not only take the form of an annual short break, but that was easily accessible in the community, available on a regular basis and more flexible in terms of availability throughout the day.

From these insights, the concept of the Carer Breather was established and funded projects were set up to offer activities such as art therapy, health and wellness activities, holistic support, and groups supporting people caring for loved ones with learning disabilities or living with long-term conditions. Carers can now access new services across North Lanarkshire that provide breaks from their caring roles and allow them to take some quality time out for themselves.

Key Challenges and Uncertainties

The key challenges and uncertainties below represent some of the areas highlighted in the Medium Term Financial Plan 2023-26, supported by the 10 year Long Term Financial Plan 2024-33:

Recurring Financial Sustainability

North Lanarkshire IJB Medium Term Financial Plan is subject to some non-recurring funding solutions which in the long term is unsustainable as the financial pressures increase year on year. Looking forward and as highlighted by Audit Scotland, the level of volatility, uncertainty and immediate financial pressures make planning and delivering sustainable change more difficult. Recurring funding solutions will require to be identified and implemented to secure recurring financial sustainability whilst ensuring services are delivered efficiently and effectively to our users. In 2024/25, UHSCNL will embark on a two-year programme targeted at service redesign, transformation, and financial management with the aim of releasing recurring funding to ensure future services and commitments remain sustainable.

Demographic Growth and Demand

Health and social care services are experiencing increasing demand due to demographic growth, an ageing population, complexity of care needs, and deprivation with the Feeley Report forecasting a yearly increase on social care demand until 2035 to be between 2.2% and 3.5%. This is an additional pressure which will need to be managed along with an overstretched health and social care service where waiting lists and referrals are continuing to cause some delays for our users.

Staff Recruitment and Retention

The wider health and social care sector have experienced challenges related to the recruitment and retention of staff for some time. The IJB has recognised the need to invest in the workforce through training and development by approving a 'Grow Our Own' staff training academy initiative in acknowledgement of the ongoing challenges in recruitment and retention and a national shortage of key skills.

Receiving university status with GCU will provide opportunities for the younger workforce, adult recruitment, and employability, focusing on building capacity and resilience by supporting wellbeing, training, and development across the existing workforce. Young people will also have the opportunity to access health and social care vocational learning pathways allowing pupils to gain qualifications as well as work related learning experiences which will assist them in gaining employment in health and social care professions.

Inflation and Rising Costs

The volatility of the UK inflation, impacted by the global energy costs, will present a considerable challenge to the IJB for the foreseeable future. Currently inflation is higher than the long-term average of 2.82% and will impact on the sustainability of our external providers who are struggling to cope with the increased costs of goods and services, our service users as they battle with the concept of 'heat' or 'eat' and the IJB directly due to the rising costs from providers and increased demand on all services as we continue to help those most in need.

Global price increases and the number of medicines being prescribed in Lanarkshire is also causing unprecedented pressure on our prescribing budgets. Projections for 2024/25 and beyond expect this pressure to increase and has resulted in a health board-wide efficiency measures coming into force in 2023/24, concentrating on drug switches and prescribing improvement projects.

National Care Service

The independent review of Adult Social Care recommended the creation of a National Care Service (NCS) and a system of care which took a human right based approach with a focus on incorporating the view of those with lived experience about what needs to change to make real and lasting improvements. The aspirations of the NCS represent a progression from the Scottish Government's Health and Social Care Delivery Plan and supports their long-standing desire to shift the balance of care and support from hospital to a community care setting.

The outcome of this review is currently subject to ongoing consultation and will be used to shape and develop the new legislation, with the intention that the NCS will launch in Spring of 2026 with local reform of Integration Authorities during 2028/29. This will impact on the delivery of services and over the next 5 years, proposed changes will have a direct impact on colleagues working in health and social care resulting in uncertainty and increased work challenges as we prepare for the implementation of the NCS.

National Context

Audit Scotland reports highlight IJBs are facing unprecedented challenges as they seek to balance the impact of the remobilisation of services after the pandemic, continuing rising costs and increasing demand. This is against a backdrop of financial uncertainty, workforce pressures, and social care reform. There remains a significant overall and recurrent budget gap across all IJBs in Scotland. Audit Scotland therefore advise that it is essential that IJBs identify significant recurring savings to maintain current levels of service provision at the same time as transforming the way services are delivered.

Measuring Performance Under Integration

Our Annual Performance Report was published in October 2023 and provides an opportunity to reflect on the past year and celebrate the accomplishments of UHSCNL, employees and partners. It acknowledges the ongoing collaborative work undertaken with service users, carers, families, and communities to improve on performance. Moreover, it recognises and acknowledges the existing and future challenges that the partnership faces, many of which are influenced by the long-lasting effects of the pandemic.

Since 2016, Integration Authorities have been required by legislation to report on the Core Suite of Integration Indicators. These indicators were developed to help IJBs review their progress towards achieving each of the National Health and Wellbeing Outcomes, which focus on improving how services are provided and the difference health and social care services should make for people. The most recent reporting period available is mainly 2022; this ensures that the findings are based on the most complete and robust data currently available:

Title	North Lanarkshire	Scotland	UHSCNL Trend	Scotland Trend
Emergency admission rate (per 100,000 population)	14,765	11,155	↓	↓
Emergency bed day rate (per 100,000 Population)	120,073	113,134	↑	↑
Emergency readmissions to hospital within 28 days of discharge (rate per 1,000 discharge)	114	102	↓	↓
Proportion of last 6 months of life spent at home or in a community setting	89%	89%	↓	↓

Title	North Lanarkshire	Scotland	UHSCNL Trend	Scotland Trend
Falls rate per 1,000 population aged 65+	19	22	↓	↓
Premature mortality (per 100,000 population)	580	466	↓	↑
Proportion of care services graded 'good' or better in Care Inspectorate Inspections	77%	75%	↓	↓
Percentage of adults with intensive care needs receiving care at home	71%	64%	↓	↓
Number of days people spend in hospital when they are ready to be discharged (Per 1,000 population)	970	919	↑	↑
Performance is better than previous reporting period				
Performance is worse than previous reporting period				

Summary of Financial Performance

The financial year 2023/24 has brought a fresh set of challenges including continued recovery from the pandemic, the cost of living crisis, a changing demographic profile, pressures attributable to hospital discharges, staffing shortages, rising costs and increased demand for services.

Through regular updates to the board from the Chief Finance Officer (CFO) and by ensuring decisions made throughout 2023/24 were taken to support financial sustainability, the IJB has successfully managed to deliver year on year financial balance. This has been achieved through a combination of actions:

- flexible use of recurring and non-recurring funding;
- creation and use of reserves for specific commitments;
- delivery of approved savings through efficiency measures and redesign;
- focusing on workforce planning and the Strategic Commissioning Plan Programme of Work; and
- effective governance and audit controls.

North Lanarkshire IJB delivers and commissions a range of health and social care services to our local population. This is funded through budgets delegated from both NLC and NHSL. The level of funding available to the IJB is therefore heavily influenced by these organisations grant settlement from Scottish Government.

The combined recurring and non-recurring budgets available to the IJB in 2023/24 to take forward the commissioning intention in line with the Strategic Commissioning Plan, is circa **£821m**. Included within this funding is a 'Large Hospital Service' (Set Aside) budget totalling £74.575m. This budget is in respect of the functions delegated by the Health Board which are carried out in a hospital setting. The Set Aside budget is determined by apportioning the hospital expenditure to individual patient episodes, separating out episodes for services delegated to the IJB from those that are not, and assigning these to the relevant IJB based by postcode.

Also included is £40.641m which represents a number of delegated services which South Lanarkshire IJB acts as the lead host on behalf of North Lanarkshire IJB. The value consumed by North Lanarkshire equates to 52% of South Lanarkshire IJB hosted budget.

Throughout 2023/24 the CFO financial monitoring reports to the IJB projected an underspend, prior to the transfer of year end balances to general and earmarked reserves at the financial year end. This included the transfer of specific ring-fenced monies (including Scottish Government funding for: Mental Health Services, Alcohol & Drug, Hospital at Home, and nursing) in line with Scottish Government guidance.

Care Group	Budget 2023/24 £m	Actual 2023/24 £m	Variance 2023/24 £m
Health Care Services			
Locality and Other Services	67.471	59.671	7.800
Addiction Services	7.551	3.954	3.597
Medical and Nursing Directorate	4.639	4.105	0.534
Prescribing	76.661	78.442	(1.781)
Out of Area Services	4.318	4.585	(0.267)
Area Wide Services	8.054	7.621	0.433
Hosted Services	195.779	190.715	5.063
Family Health Services	126.015	126.015	-
Set-Aside Budget	74.575	74.575	-
Total Health Care Services	565.063	549.684	15.379

Care Group	Budget 2023/24 £m	Actual 2023/24 £m	Variance 2023/24 £m
Social Care Services			
Social Care Services	252.796	249.465	3.331
Housing Services	2.599	2.599	-
Transport Services	0.551	0.551	-
Total Social Care Services	255.946	252.615	3.331

Total Health & Social Care Services	821.009	802.299	18.710
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Note: The figures differ to that in the Comprehensive Income and Expenditure Statement (CIES) due to differences in the presentation of in year adjustments between the partners.

The year end underspend totalled £18.710m. Drawdown of reserves in 2023/24 totalled £41.132m leaving a deficit on the provision of services of £22.422m as shown in the CIES on page 27 and Movement in Reserves on page 28.

North Lanarkshire IJB Financial Outturn	2023/24 £m
Underspend as at 31 March 2024	(18.710)
Drawdown of Reserves	41.132
Deficit on Provision of Services (Page 27) Movement in Reserves (Page 28)	22.422

The following provides a high-level summary of the key pressures and the main reasons why the IJB's final outturn resulted in an underspend against its budget in 2023/24:

Locality and Other Services net underspend of £7.800m is in relation to ongoing challenges in terms of recruitment and retention of staff across all mainstream service areas. This underspend also includes Scottish Government funding of £4.277m allocated to help address the current staffing pressures. This funding will be carried forward into 2024/25 within specific ring-fenced reserves to be used in 2024/25.
North Lanarkshire Hosted Services combined net underspend totalling £5.063m. This is due to additional funding received from Scottish Government (£4.457m) which will be carried forward into 2024/25 and allocated against approved spending plans within Mental Health. The remaining underspend is in relation to vacant posts across the service.
Addiction Services net underspend of £3.597m. The total underspend is in relation to Scottish Government ring-fenced funding which will be carried forward for use in 2025/26.
Social Care Services net underspend of £3.331m is in relation to ongoing challenges in terms of recruitment and retention of staff across all service areas.
Prescribing net overspend of £1.781m is attributable to the continued increase in costs associated with the number of medicines being prescribed.
Medical/Nursing Directorate and Area Wide Services combined net underspend totalling £0.967m is due to additional Scottish Government funding (£1.034m) which will be carried forward into 2024/25 and allocated against approved spending plans within Pharmacy, Frailty and District Nursing.

As demand continues to rise, the costs of providing health and social care services across Lanarkshire have also been increasing year on year. The table below shows the cost of our services incurred over the last three years, as presented in the Comprehensive Income and Expenditure Statement:

North Lanarkshire IJB Services	2021/22 £m	2022/23 £m	2023/24 £m
Social Care Services	202.610	236.972	261.848
Health Care Services	74.073	74.527	78.950
Family Health Services	109.652	115.625	126.015
Delegated Services	2.207	2.437	3.150
Hosted Services	149.126	159.642	189.595
IJB Operating Costs	0.214	0.247	0.308
Prescribing Costs	68.739	71.332	78.442
Covid-19 Costs	13.412	7.072	0.227
Set-Aside	65.164	69.120	74.575
Income	(3.800)	(4.717)	(5.303)
Cost of Services	681.397	732.256	807.807

Reserves Strategy

The IJB has the same legal status as a local authority and is therefore able to hold reserves under section 106 of the Local Government (Scotland) Act 1973. A reserve strategy was developed to provide security against unexpected cost pressures and to aid financial stability.

The IJB Reserves Strategy 2023/24 allows for the flexibility in terms of potential fluctuations. This allows the IJB to increase contingency reserve balances significantly where resources permit providing future financial resilience for those years where the level of resources available to the IJB may be significantly constrained and will require a drawdown from these reserves in order to deliver financial balance.

To protect the financial resilience of the IJB in the context of an increased financial risk profile, the IJB transferred £4.821m from the 2023/24 in year underspend to contingency reserves. This provides a total contingency reserve of 5.2% of our mainstream financial envelope.

The IJB has also committed actions attached to the Strategic Commissioning Plan Programme of Works and funding is therefore earmarked to specific projects to allow spend to be managed in a way that represents best value for the IJB to achieve its national outcomes. It is also important that in year funding available from government priorities are able to be ring-fenced and carried forward into the following financial year. As these funding allocations are to meet specific commitments, they must be carried forward to meet the conditions attached to their receipt. The table below shows the breakdown of the underspend transferred to reserves at year end:

Analysis of Underspend Transfer to IJB Reserves at Year End	2023/24 £m
Ring-Fenced Reserves	13.365
Earmarked Reserves	0.524
Contingency Reserves	4.821
Total Underspend Transferred to Reserves	18.710

Risk Management

The IJB Risk Management Strategy complements the existing risk management processes within each partner by ensuring risk reports form a substantial item of business at all IJB and PFA Committee meetings. There are three main risk registers across the partnership:

- IJB risk register outlining the strategic risks to the IJB;
- Health operational risk register, hosted within the NHS Lanarkshire system; and
- Social Work operational risk register, hosted within North Lanarkshire Council system.

Strong ties have been maintained with the corporate risk managers in both partner organisations and the IJB Risk Management Strategy, has been developed in conjunction with these leads, linking closely to both the NLC and NHSL Risk Management Strategies.

At time of writing, there are currently eighteen open risks identified within our North Lanarkshire IJB Risk Register with two of these risks rated as very high and eight rated as high. The table below shows a summary of these:

Category	Summary of Risk	Current Risk Level
Financial Strategic	Financial Challenges: There are a range of financial challenges which will impact on the IJB's ability to deliver the Strategic Commissioning Plan with the financial envelope available.	Very High
Financial Reputational	Prevention and Detection of Fraud, Bribery and/or Corruption: There is a risk that the IJB is unable to prevent and detect fraud and corruption within services because of inadequate governance arrangements and internal controls.	Low
Financial Strategic	Set-Aside Budget: There is a risk that the resources will not be transferred from Acute Services to the HSCP in line with the shift in the balance of care.	High
Financial Strategic	Hosted Services: There is a risk of dispute between the North and South Lanarkshire IJB in respect of the financial allocations underpinning the Hosted Services budgets.	Medium

Category	Summary of Risk (Continued)	Current Risk Level
Financial Operational	Prescribing Activity and Costs: The risk is cost of prescribing could impact on the availability of medicines, healthcare techniques and technology and in respect of supply of medicines and medical devices, additional checks are now required at ports and EEA before goods can cross the border.	Very High
Financial Operational	Pharmacy Pressures within Prison Service: Pharmacy costs have traditionally been the highest area of non-pay spend nationally in all prisons. There is currently a large overspend for the actual drugs brought associated with the management fees for the contract.	High
Financial Strategic	Third and Voluntary Sector: There is a risk our third sector organisations are vulnerable because of the lack of certainty in respect of long-term funding security.	Low
Financial Strategic	Ineffective Governance Arrangements: There is a risk that the intensity of the required response to Covid-19 could result in a failure of governance impacting on the effectiveness of the IJB decision-making.	Low
Performance	Oversight of Performance Activity: There is a risk the IJB is not provided with adequate or sufficient performance information to enable it to discharge its scrutiny and oversight role.	Low
Performance	Staff Health & Wellbeing: There is a risk to the delivery of the Strategic Commissioning Plan as a result of sustained pressures on staff availability due to additional pressures associated with sickness absence, and redeployment.	High
Performance	Care Homes: Inability of care homes to sustain service due to staffing and cost pressures resulting in closure to new placements and closure of care homes.	Medium
Strategic & Performance	CAMHS: There is a risk that the CAMHS service cannot meet the increasing clinical demands due to a significantly high number of cumulative staff vacancies for both clinical and non-clinical post and challenges recruiting.	Medium
Strategic & Performance	Cost of Living: There is a risk that the IJB's Strategic Commissioning Plan will be unable to be delivered or not have the desired impact due to the cost of living rises being faced by residents across North Lanarkshire.	High
Strategic	National Care Service: There is a risk that the ongoing work around a National Care service could destabilise current service delivery due to significant change activity, time demands around the co-design process, staff uncertainty and partner organisations having to focus on the impact of change.	High
Strategic & Performance	Unscheduled Care: There is a risk that we cannot sustain whole system patient flow through peak winter pressures due to increased front door demand, workforce capacity, delays in onward movement of patients and care at home capacity.	High
Strategic & Performance	Community Alarms: There is a risk that the community alarm system will be destabilised due to the national change from analogue to digital telephony by 2025.	Medium
Performance	Service Sustainability: Due to competing service priorities and workforce and financial challenges, there is a risk that the IJB will be unable to implement the strategic plans.	High
Performance	Workforce Sustainability: It is becoming increasingly difficult to recruit to particular roles across Health and Social Care as gaps in the workforce can result in reduction of service provision, increase in staff workload and inability to deliver the strategic plan.	High

Acknowledgements

We would like to acknowledge the significant effort required to both produce the annual accounts and successfully manage the finances of the IJB and to record our thanks to the Finance teams in both North Lanarkshire Council and NHS Lanarkshire and colleagues in other services for their continued hard work and support.

Cllr Anne McCrory
Chair
Date:

Professor Ross McGuffie
Chief Officer
Date:

Amanda Kilburn FCCA
Chief Finance Officer
Date:

STATEMENT OF RESPONSIBILITIES

Responsibilities of the North Lanarkshire Integration Joint Board

The North Lanarkshire Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure 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 IJB, 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 the 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 North Lanarkshire Integration Joint Board on xx September 2024.

Signed on behalf of the North Lanarkshire Integration Joint Board

Cllr Anne McCrory
Chair

Date:

Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the Integration Joint Board's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (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 these Annual Accounts present a true and fair view of the financial position of the North Lanarkshire Integration Joint Board as at 31 March 2024 and the transactions for the year then ended.

Amanda Kilburn FCCA
Chief Finance Officer

Date:

REMUNERATION REPORT

The Local Authority Accounts (Scotland) Regulations 2014 (SSI No.201/200) require local authorities and IJB's in Scotland to prepare a Remuneration Report as part of the annual statutory accounts.

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

Voting Board Members

Voting IJB members constitute councillors nominated as board members by constituent authorities and NHS representatives nominated by the NHS Board. The voting members of North Lanarkshire IJB were appointed through nomination by North Lanarkshire Council and NHS Lanarkshire.

The regulations require disclosure of remuneration information for 'relevant' persons. A 'relevant' person in relation to the Remuneration Report includes a senior officer holding office with associated authority, whether on a permanent or temporary basis, in the financial year to which that Remuneration Report relates.

The Board Members do not receive remuneration or expenses directly from the IJB. Any remuneration or reimbursement of expenses for voting board members is governed by the relevant IJB partner organisation. 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 member costs by the partner.

The details of the Chair and Vice Chair appointments held during 2023/24 are outlined in the table below:

Name	Post Held	Nominated by
Cllr Ayesah Khan	IJB Chair (1 April 2023 to 30 June 2023)	North Lanarkshire Council
Cllr Martin McCulloch	IJB Chair (1 July 2023 to 20 Jan 2024)	North Lanarkshire Council
Cllr Michael McBride	IJB Chair (21 January 2024 to 31 March 2024)	North Lanarkshire Council
Brian Moore	IJB Vice Chair (1 April 2023 to 31 March 2024)	NHS Lanarkshire

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

There were no exit packages payable during the financial year.

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.

The Chief Officer and the Chief Finance Officer are appointed by the North Lanarkshire IJB and employed by North Lanarkshire Council. Both posts are seconded to the IJB in line with the local arrangements.

The senior officers received the following remuneration in the period:

Total Earnings * 2022/23 £	Name and Post Title*	Total Earnings 2023/24 £
112,098	Ross McGuffie Chief Officer 1 April 2022 to 31 March 2024	124,425
45,844 (FYE 74,370)	Amanda Kilburn Chief Finance Officer 22 August 2022 to 31 March 2024	81,854
3,645 (FYE 38,004)	Marie Moy Chief Finance Officer 1 April 2022 to 6 May 2022	-

*Total Earnings 2022/23: Full Year Estimate includes an estimate of the full year salary for Amanda Kilburn who started as Chief Finance Officer on 22 August 2022 and for Marie Moy who left post on 6 May 2022.

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

Pension Benefits

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 pension liability reflected on the IJB balance sheet for the Chief Officer or the Chief Finance Officer.

The IJB however, has responsibility for funding the employer contributions for the current year in respect of the officer time spent 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 the accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions.

Name and Post Title	In Year Pension Contribution*		Accrued Pension Benefits		
	For Year to 31/03/2023 £	For Year to 31/03/2024 £	Description	As at 31/03/2023 £	As at 31/03/2024 £
Ross McGuffie Chief Officer	21,635	24,014	Pension	12,476	16,236
			Lump Sum	-	-
Amanda Kilburn Chief Finance Officer	8,848	15,798	Pension	14,821	16,902
			Lump Sum	-	-
Marie Moy Chief Finance Officer	365	-	Pension	-	-
			Lump Sum	-	-

*In Year Pension Contribution for Marie Moy relates to 1 April – 6 May 2022.

Cllr Anne McCrory

Chair

Date:

Professor Ross McGuffie

Chief Officer

Date:

ANNUAL GOVERNANCE STATEMENT

The Annual Governance Statement reports on the effectiveness of the IJB's governance arrangements and system of internal control and explains how the IJB complies with the Code of Corporate Governance and meets the requirements of the 'Delivering Good Governance in Local Government' framework developed by CIPFA and SOLACE in 2016.

Scope of Responsibility

The IJB is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively. The IJB also aims to foster a culture of continuous improvement in the performance of the IJB's functions and to make arrangements to secure best value.

To meet this responsibility, the IJB has established arrangements for governance which includes a system of internal controls. The system is intended to manage risk to support the achievement of the IJB's policies, aims and objectives. Reliance is also placed on the NLC and NHSL systems of internal control which support compliance with both organisations' policies and promotes achievement of each organisations aims and objectives, as well as those of the IJB. This system can only provide reasonable and not absolute assurance of effectiveness.

Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the IJB is directed and controlled. It enables the IJB to monitor the achievement of the objectives set out in the IJB's Strategic Commissioning Plan. The governance framework is continually updated to reflect best practises, new legislative requirements, and the expectations of stakeholders.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks in the achievement of the IJB's objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised, and to manage them effectively.

Governance Framework and Internal Control System

The IJB comprises of eight voting members, with one from each partner organisation assuming the role of Chair and Vice Chair. Four are Council Members nominated by NLC and four are Non-Executive Members appointed by NHSL. The term of office is for a period of three years. There are also a number of non-voting professional and stakeholder members on the IJB board. Stakeholder members currently include third sector, carers, staff representatives, service users and professional members including the Chief Officer and Chief Finance Officer. The IJB, via a process of delegation from NLC and NHSL, has responsibility for the planning, resourcing and operational delivery of all delegated health and social care within its geographical area. The main features of the governance framework are:

Principles

- The IJB follows the principles set out in the Convention of Scottish Local Authorities (COSLA) and the Accounts Commission in 1996 Code of Guidance on Funding External Bodies and Following the Public Pound for both resources delegated to the IJB, and resources paid to its Local Authority and Health Service partners.

Formal Frameworks

- The IJB is formally constituted through the Integration Scheme agreed by NLC and NHSL and approved by Scottish Ministers.
- The IJB operates within an established procedural framework. The roles and responsibilities of board members and officers are defined within standing orders, scheme of delegation and financial governance arrangements which are subject to regular review. The IJB Code of Corporate Governance³ was approved by the IJB on 18 July 2017, and is subject to ongoing updates as required. Board members adhere to an established Code of Conduct and are supported by induction and ongoing training and development. Staff 'Personal Development Plan' (PDP) schemes are also in place, the aim of which is to focus on performance and development that contributes towards achieving service objectives.
- UHSCNL has robust structures which are based on service delivery, care and interventions that are person centred, timely, outcome focused, equitable, safe, efficient, and effective. Reports are presented to the IJB throughout the year which provides evidence to demonstrate the delivery of our core components within our framework and the Clinical and Care Governance principles specified by Scottish Government.

Strategic Planning

- The overarching strategic vision and objectives of the IJB are detailed in the IJB Strategic Commissioning Plan which sets out the key outcomes the IJB is committed to delivering with its partners.
- The Strategic Commissioning Plan Board sets out the IJB's approach to engage with stakeholders. Consultations on the future vision and activities of the IJB is undertaken with its Local Authority, Health Service partners and stakeholders. The IJB regularly publishes information regarding its performance.
- The financial plans outline the financial challenges and opportunities the UHSCNL faces in the medium to long term and provides a framework which will support the IJB to remain financially sustainable. It complements the IJB Strategic Commissioning Plan, highlighting how the financial plans will support the delivery of the IJB's strategic objectives and priorities.

Oversight

- Effective scrutiny and service improvement activities are supported by the formal submissions of reports, findings and recommendations by Inspectorates and the appointed Internal Audit Service to the IJB's Senior Management Team, the main IJB board and the Performance, Finance and Audit Committee, as appropriate.
- Performance management, monitoring of service delivery and financial governance is provided by the UHSCNL to the IJB, who are accountable to both the Local Authority and the Health Board. It reviews reports on the effectiveness of the integrated arrangements including the financial management of the integrated budget. This ensures there is a regular scrutiny at senior management, committee, and board level. Information on performance can be found in the Annual Performance Report published on our UHSCNL website⁴.

Risk Management

- In line with the continued and ongoing review of the IJB Risk Register, new and emerging risks or changes in risk level are agreed at each Senior Management Team, IJB and PFA meeting as appropriate. The current risks at time of writing are summarised in the Management Commentary.

³ [IJB Code of Corporate Governance](#)

⁴ [UHSCNL Website](#)

Financial Control

- Responsibility for maintaining and operating an effective system of internal financial control rests with the Chief Finance Officer. The system of internal financial control is based on a framework of regular management information, Financial Regulations and Standing Financial Instructions, administrative procedures, including segregation of duties, and management and supervision including delegation and accountability. Development and maintenance of these systems is undertaken by managers within the UHSCNL supported by NLC and NHSL in relation to the operational delivery of health and social care services.

Transformational Change

- The IJB financial plans and the Strategic Commissioning Plan recognises the need to transform the way in which the UHSCNL delivers services to ensure the sustainability of health and social care services going forward. Together with the IJB Reserves Strategy, these plans are regularly reviewed over their lifespan, and amended as necessary to reflect the current challenges and pressures the partnership face.

Review of Adequacy and Effectiveness

- Due to the nature of the IJB membership, a conflict of interest can arise between individual board and committee members and the responsibilities they have to the IJB. It is the responsibility of board and committee members to declare any potential conflicts of interest, and it is the responsibility of the Chair of the relevant board or committee to ensure sure declarations are appropriately considered and acted upon.
- The IJB has responsibility for conducting an annual review of the effectiveness of the system of internal control and the quality of data used throughout the organisation. The review is informed by the work of the Senior Management Team, who have the responsibility for the development and maintenance of the internal control framework, the work of the internal and external audit teams and other independent inspectorates.
- Internal Audit undertake an annual programme following an assessment of risk completed during the strategic audit planning process. The appointed NHSL Chief Internal Auditor in conjunction with the NLC Chief Officer (Audit and Risk), provide an annual report to the IJB PFA Committee giving an independent opinion of the adequacy and effectiveness of the governance framework, risk management and internal controls.
- Based on the audit work undertaken directly on behalf of the IJB and being informed by internal audit, work undertaken independently by each respective internal audit function within NLC and NHSL, the NHSL Chief Internal Auditor and the NLC Chief Officer (Audit and Risk) are able to conclude that a reasonable level of assurance can be placed upon the adequacy and effectiveness of the IJB's framework of governance, risk management and internal controls.

Roles and Responsibilities

The Chief Officer is the Accountable Officer for the IJB and has day to day operational responsibility to monitor delivery of integrated services, with oversight from the IJB.

The IJB complies with the CIPFA statement on 'The Role of the Chief Finance Officer in Local Government 2014'. The IJB Chief Finance Officer has responsibility for the UHSCNL financial arrangements and is professionally qualified and suitably experienced to lead and advise the IJB finance functions.

The IJB complies with the requirements of the Public Sector Internal Audit Standards and the approved Internal Audit Charter for the IJB. The appointed NHS Chief Internal Auditor has responsibility for the IJB internal audit functions and is professionally qualified and suitably experienced to lead and direct internal audit staff. The Internal Audit Service operates in accordance with the CIPFA 'Public Sector Internal Audit Standards 2017'.

Board members and officers of the IJB are committed to the concept of sound internal control and effective delivery of health and social care services. The IJB PFA Committee operates in accordance with CIPFA 'Audit Committee Principles in Local Authorities in Scotland and Audit Committees Practical Guidance for Local Authorities'. The committee core function is to provide the IJB with independent assurance on the adequacy of the risk management framework, the internal control environment, the integrity of the financial reporting and governance arrangements.

Action Plan

To ensure continual improvement of the IJB's governance arrangements, the following action plan has been agreed. Also included are improvement areas identified by Audit Scotland within their Annual Audit Report. Regular updates on progress of the agreed actions will be presented to and monitored by the IJB PFA.

2022/23 Ref	Improvement Area	Agreed Action	Responsible Person	Date
1	Service Level Agreement (SLA)	To agree an SLA with Children, Families and Justice for future hosting arrangements following the budget disaggregation exercise. Work is currently underway to agree, approve and implement the new SLA in partnership with Children, Families and Justice Services.	Chief Officer	Ongoing
2	National Care Service	To develop a sound understanding of the impact for the UHSCNL of the National Care Service legislation. Paper presented to the IJB in January 24 giving an update on timescales for implementation. Further updates will be presented to the board as details are released.	Chief Officer	Ongoing
2023/24	Improvement Area	Agreed Action	Responsible Person	Date
1	Financial Performance Reports	To ensure that financial performance reports retain a holistic view as a whole and continue to align to the reserves strategy and financial strategy. Additional information added to the IJB financial reports including movement of reserves. Annual and quarterly performance reports include financial performance. Individual detailed reports including priorities and outcomes presented to the IJB via the programme of works reporting cycle.	Chief Finance Officer Performance Manager	Complete
2	Longer Term Financial Plan (LTFP)	To develop a LTFP to demonstrate the longer term financial sustainability and help support longer term planning. LTFP approved by the IJB in March 2023.	Chief Finance Officer	Complete

Internal Audit Opinion

Internal control remains, primarily, a management responsibility to ensure that the partnership conducts its business in a manner that has due regard to the principles of good governance. Overall, the results of work undertaken to provide assurance include reports produced by Audit Scotland and a range of governance reports undertaken jointly with the partner organisations to help to inform an opinion on whether the internal controls for UHSCNL have in place are adequate. The joint internal audit opinion is that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's framework of governance, risk management and internal control.

Conclusion and Opinion on Assurance

It is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's governance arrangements. The IJB has adhered to the stated principles of good governance, acted in the public interest, and been committed to continuous improvement. The scrutiny and oversight of the IJB PFA Committee contributes effectively to these arrangements. There were no significant control weaknesses, issues, or failure in the expected standards for good governance, risk management and internal control.

We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the IJB's principal objectives will be identified and actions taken to avoid or mitigate their impact and are consistent with the recommendations of the CIPFA/SOLACE Framework (2016).

Cllr Anne McCrory
Chair
Date:

Professor Ross McGuffie
Chief Officer
Date:

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

This statement shows the actual cost of providing services in accordance with generally accepted accounting practices. It includes, on an accrual basis, all expenses and related income.

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

2022/23			North Lanarkshire University Health & Social Care Partnership Integration Joint Board	Note	2023/24		
Gross Expenditure	Gross Income	Net Expenditure			Gross Expenditure	Gross Income	Net Expenditure
£m	£m	£m			£m	£m	£m
236.972	(2.280)	234.692	Social Care Services		261.848	(2.153)	259.695
74.527		74.527	Health Care Services		78.950		78.950
115.625		115.625	Family Health Services		126.015		126.015
159.642		159.642	Hosted Services	10	189.595		189.595
1.886	(1.886)	0.000	Housing Services		2.599	(2.599)	0.000
0.551	(0.551)	0.000	Transport Services		0.551	(0.551)	0.000
0.247		0.247	Corporate Services	6	0.308		0.308
71.332		71.332	Prescribing		78.442		78.442
69.120		69.120	Set Aside for Hospital Acute Services		74.575		74.575
7.072		7.072	Covid-19 Costs		0.227		0.227
736.974	(4.717)	732.256	Total Cost of Services		813.110	(5.303)	807.807
	(710.750)	(710.750)	Taxation and Non-Specific Grant Income	5		(785.385)	(785.385)
736.974	(715.467)	21.506	(Surplus) or Deficit on Provisions of Services (Movement in Reserves)		813.110	(790.688)	22.422

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.

North Lanarkshire University Health & Social Care Partnership Integration Joint Board	Total Reserves General Fund
	£m
Movement in Reserves during 2022/23:	
Opening Balance at 1 April 2022	(119.452)
Total Comprehensive Income and Expenditure (Increase) or decrease in 2022/23	21.506
Closing Balance at 31 March 2023	(97.946)
Movement in Reserves during 2023/24:	
Opening Balance at 1 April 2023	(97.946)
Total Comprehensive Income and Expenditure (Increase) or decrease in 2023/24	22.422
Closing Balance at 31 March 2024	(75.524)

BALANCE SHEET AS AT 31 MARCH 2024

The balance sheet shows the value of the IJB's assets and liabilities as at 31 March 2024. The net assets of the IJB (assets less liabilities) are matched by the reserves held by the IJB.

31 March 2023	North Lanarkshire University Health & Social Care Partnership Integration Joint Board	Notes	31 March 2024
£m			£m
97.946	Current Assets Short Term Debtors	7	75.524
-	Current Liabilities Short Term Creditors	7	-
97.946	Net Assets		75.524
97.946	Usable Reserves: General Fund	8	75.524
97.946	Total Reserves		75.524

The Statement of Accounts presents a true and fair view of the financial position of the North Lanarkshire Integration Joint Board as at 31 March 2024 and its income and expenditure for the year then ended.

Notes to the Financial Statements numbers 1 to 14 found on pages 30 - 38, form part of the financial statements.

The unaudited accounts were authorised for issue on 19 June 2024.

Balance Sheet signed by:

Amanda Kilburn FCCA
Chief Finance Officer
Date:

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies

General Principles

The financial statements summarise the transactions of the IJB for the financial year 2023/24 and its position at 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. It is a joint venture between NLC and NHSL.

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 the International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment. Each partner complies with their accounting policies as appropriate.

The accounts are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when 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.

Funding

The IJB is primarily funded through contributions from its statutory funding partners, NLC and NHSL. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in North Lanarkshire and service recipients in South Lanarkshire for services that are delivered under hosted arrangements and on a pan-Lanarkshire basis.

The funding relating to the year under review is recognised as income in the CIES and will normally be income added to the General Fund. There are no statutory or presentation adjustments which affect the IJB's application of the funding received by partners. The movement in General Fund balance is therefore solely due to the transactions shown in the CIES.

Cash and Cash Equivalents

The IJB does not operate a bank account or hold cash. All transactions are settled on behalf of the IJB by the funding partner. Consequently, the IJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet.

There is therefore no requirement for the IJB to produce a cash flow statement. The funding balance due to and from each funding partner as at 31 March 2024 is represented as a debtor or creditor on the IJB's balance sheet.

Employee Benefit

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. A Chief Finance Officer has also been appointed to the IJB. More details on these arrangements are provided in the remuneration report. The charges for the employing partners are treated as employee costs. Where material, the absence entitlement at 31 March is accrued, for example in relation to annual leave earned but not yet taken. In the case of North Lanarkshire IJB any annual leave earned by the Chief Officer and Chief Finance Officer, but not yet taken is not considered to be material.

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 on 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 CIES 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.

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.

Indemnity Insurance / Clinical and Medical Negligence

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding board member and officer responsibilities through the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). NLC and NHSL have responsibility for claims in respect of the services for which 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 IJB participation in the 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 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.

Debtors and Creditors

Financial instruments are recognised in the balance sheet when an obligation is identified and released as that obligation is fulfilled. Debtors are held at fair value and represent funding due from partner bodies that was not utilised in year. There are no creditor balances.

Reserves

A reserve is the accumulation of surpluses, deficits, and appropriation over a number of years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the IJB. Reserves should be split between usable and unusable on the balance sheet. As at 31 March 2024, the usable reserve balance totals £75.524m. There are no unusable reserves.

Specific Service Income

Income may be received from individuals as a contribution towards the cost of their social care service. The amount collected is allocated to the relevant expenditure category and the net cost is reported in the CIES. This is the basis upon which the 2023/24 Annual Accounts have been prepared.

Note 2. Critical Judgements and Estimation Uncertainty

In preparing the 2023/24 financial statements, the IJB has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the annual accounts are:

Hosted Services

Within Lanarkshire, each IJB has operational responsibility for the service which it hosts on behalf of the other IJB. In delivering these services each IJB has primary responsibility for the provision of the services and bears the risk and reward associated with this service delivery in terms of demand and the financial resources required. As such the IJB is considered to be acting as 'principal', and the full costs are reflected within the annual accounts for the services which it hosts. This is the basis on which North Lanarkshire IJB accounts have been prepared.

The relevant share of the pan Lanarkshire and area wide service expenditure is therefore included in the North Lanarkshire IJB on the basis of 52% of the total expenditure, 48% of the services relating to the South Lanarkshire IJB are also included as the North Lanarkshire IJB is acting as the principal for the delivery of these services. In line with the Integrated Resource Advisory Group Guidance, the IJB responsible for the management of the hosted service is also responsible for managing overspends. As a result, these are accounted for within the Annual Accounts of the lead IJB. The same accounting treatment was adopted where an underspend arose in respect of a hosted service.

Note 3. Events After the Balance Sheet Date

The Chief Finance Officer authorised the unaudited annual accounts for issue on 19 June 2024. Events after the balance sheet date are those events that occur between the end of the reporting period and the date when the statements are authorised for issue.

Where events take place before the date of authorisation and provide information about conditions existing as at 31 March 2024, the figures in the financial statements and notes would be adjusted in all material aspects to reflect the impact of this information. There have been no material events since the date of the balance sheet which require revision to the figures in the Annual Accounts.

Note 4. Expenditure and Funding Analysis by Nature

The following table shows the gross expenditure and funding for North Lanarkshire IJB against subjective headings:

Expenditure and Funding Analysis by Nature	2022/23	2023/24
	£m	£m
Social Care Services	236.972	261.848
Health Care Services - Localities	58.422	66.933
Health Care Services - Area Wide	11.189	7.621
Health Care Services - Out of Area	4.917	4.396
Family Health Services	115.625	126.015
Housing Services	1.886	2.599
Transport Services	0.551	0.551
Hosted Services - Led by North IJB	125.402	148.954
Hosted Services - Led by South IJB	34.240	40.641
IJB Operating Costs	0.247	0.308
Prescribing Costs	71.332	78.442
Covid-19 Costs	7.072	0.227
Set Aside	69.120	74.575
Income	(4.717)	(5.303)
Total Cost of Services	732.256	807.807
Partners Funding Contributions and Non-Specific Grant Income	(710.750)	(785.385)
(Surplus)/Deficit on Provision of Services	21.506	22.422

Note 5. Taxation and Non-Specific Grant Income

The following table shows the funding contribution from the two partner organisations:

Taxation and Non-Specific Grant Income	2022/23	2023/24
	£m	£m
Funding Contribution from NHS Lanarkshire	(523.649)	(590.418)
Funding Contribution from North Lanarkshire Council	(187.101)	(194.967)
Total	(710.750)	(785.385)

The funding contribution from the NHS Board shown above includes £74.575m in respect of 'Set Aside' resources relating to acute hospital services. These are provided by NHS Lanarkshire which retains responsibility for managing the costs of providing these services. The IJB however has responsibility for the consumption and level of demand placed on these resources.

Excluded from the funding contribution from the partners above is any specific service income contributions from clients towards the cost of their social care services. In 2023/24 this income totalled £2.153m and is presented as gross income in the Cost of Services within the CIES on page 27.

Note 6. Operating Costs

NLC and NHSL provide a range of support services for the IJB including finance, personnel, planning, audit, payroll, debtor, and creditor services. There is no charge to the IJB for these support services.

The costs associated with running the IJB are shown in the following table:

IJB Operating Costs (Corporate Services)	2022/23	2023/24
	£m	£m
Staff Costs	0.213	0.272
Audit Fees	0.031	0.033
Administration Costs	0.003	0.003
Total	0.247	0.308

Note 7. Short Term Debtors and Creditors

At 31 March 2024, North Lanarkshire IJB had short term debtors of £75.524m relating to the reserves held in the Balance Sheet. There were no short term creditors. Amounts owed by funding partners are stated on a net basis and are classified as short term debtors on the basis that these reserves could be utilised at any time.

Short Term Debtors	2022/23	2023/24
	£m	£m
NHS Lanarkshire	62.180	50.719
North Lanarkshire Council	35.766	24.805
Total	97.946	75.524

Short Term Creditors	2022/23	2023/24
	£m	£m
NHS Lanarkshire	-	-
North Lanarkshire Council	-	-
Total	-	-

Note 8. Usable Reserves: General Fund

The purpose of the General Fund is detailed in the IJB Reserves Policy and summarised below:

- Funding received for a specific purpose and not yet spent will be allocated to a ring-fenced reserve.
- Funding for future expenditure needs and key financial risks will be allocated to earmarked reserves.
- A contingency reserve is required to cushion the impact of unexpected events or emergencies.

At 31 March 2024 the IJB transferred funding to ring-fenced reserves to enable the IJB to deliver on specific Scottish Government funded programmes and earmarked reserves to support the delivery of programme of works. In addition, the contingency reserve has been increased as part of the IJB financial strategy. This will be used to manage the risk of any future unanticipated events and support service provision that may materially impact on the financial position of the IJB in later years.

The following table shows the movement of reserves during 2023/24:

USEABLE RESERVES	Balance as at 31 March 2023	Net Transfers during 2023/24	Balance as at 31 March 2024
	£m	£m	£m
Alcohol and Drug Partnership Funding	3.348	0.249	3.597
Blood-Borne Viruses Services	0.171	0.023	0.194
Children and Adolescent Mental Health Services	4.101	(1.252)	2.849
Community Living Change Fund	1.298	(0.134)	1.164
Long Covid Pathways Funding	0.771	(0.537)	0.234
Hospital at Home Services	0.621	0.341	0.962
Mental Health and Learning Disability Services	11.290	(4.252)	7.038
North Planning Band 2-4 Posts & Pharmacy Training	1.106	1.786	2.892
Nursing Funding	0.376	1.010	1.386
Ring-Fenced Reserves - Other Services	4.495	(0.696)	3.799
Total Ring-Fenced Reserves	27.577	(3.463)	24.114
Adult Social Care Winter Preparedness Fund	1.941	(0.941)	1.000
Carers Act Support	2.643	(0.047)	2.596
Children and Adolescent Mental Health Services	0.346	(0.078)	0.268
Digital and IT Strategy	5.630	(0.377)	5.253
Earmarked Reserves - Other Services	5.263	(2.671)	2.592
Home Support Resilience	3.498	(2.842)	0.656
Integrated Authority Support	4.926	(4.926)	0.000
IJB Financial Plan 2023/2026	8.947	(4.276)	4.671
Long Covid Contingency	1.949	(1.949)	0.000
Minor Repair and Replacement Programme of Works	3.390	(1.579)	1.811
Prescribing Fund	4.361		4.361
Social Care Services	5.216	(4.407)	0.809
Winter Funding Business Case	5.608	(4.289)	1.319
Total Earmarked Reserves	53.718	(28.381)	25.337
Total Contingency Reserve	16.651	9.423	26.074
TOTAL USEABLE RESERVES	97.946	(22.422)	75.524

Note 9. Related Party Transactions

The IJB has related party transactions with NLC and NHSL. In particular the nature of the partnership means that the IJB may influence and be influenced by its partners. Non-voting board members are not directly employed by NHSL however, a contribution of 50% of the cost of the Chief Officer is made by NHSL along with the full cost of the Chief Finance Officer. This payment is included in the IJB Operating Costs (Corporate Services) in the CIES and detailed at Note 6.

The financial information contained in the IJB Annual Accounts excludes any values associated with transactions between each of the partners. This has been removed to prevent double accounting. The following transactions and balances included in the IJB Annual Accounts are presented to provide additional information on related party relationships.

There are elements of expenditure which are shown against NLC but where the resource is provided by NHSL. Resource Transfer which includes the Social Care Fund are therefore part of the NHSL budget but are used to deliver social care services supplied by NLC.

Income Received	2022/23	2023/24
	£m	£m
NHS Lanarkshire	-	-
North Lanarkshire Council	(4.717)	(5.303)
Total	(4.717)	(5.303)

Expenditure on Services Provided	2022/23	2023/24
	£m	£m
NHS Lanarkshire	496.010	547.613
Resource Transfer to North Lanarkshire Council	52.993	54.266
NHS Lanarkshire Total	549.003	601.879
North Lanarkshire Council	240.964	265.497
Resource Transfer from NHS Lanarkshire	(52.993)	(54.266)
North Lanarkshire Council Total	187.971	211.231

Funding Contributions Received	2022/23	2023/24
	£m	£m
NHS Lanarkshire	(523.649)	(590.418)
North Lanarkshire Council	(187.101)	(194.967)
Total	(710.750)	(785.385)

Debtors	2022/23	2023/24
	£m	£m
NHS Lanarkshire	62.180	50.719
North Lanarkshire Council	35.766	24.805
Total	97.946	75.524

Note 10. Hosted Services

North Lanarkshire IJB act as the lead for a number of delegated services on behalf of South Lanarkshire IJB. It therefore commissions services on behalf of South Lanarkshire IJB and reclaims the costs involved. Since North Lanarkshire IJB is acting as 'principal' in these transactions, the total gross expenditure and the consequential reimbursement is included in the CIES even though 48% of the hosted budget is consumed by South Lanarkshire.

Host: North Lanarkshire				
North Lanarkshire Services 2022/23	Consumed by South Lanarkshire 2022/23	Service	North Lanarkshire Services 2023/24	Consumed by South Lanarkshire 2023/24
£m	£m		£m	£m
1.535	0.764	Blood Borne Virus Services	1.667	0.833
11.127	7.193	Children and Adolescents Mental Health Services	13.648	6.975
12.220	6.035	Childrens Services	14.482	6.410
2.452	1.177	Continence Services	3.465	1.187
3.753	1.996	Dietetics Services	4.152	2.115
2.166	1.277	Hospital at Home	3.367	1.773
2.473	0.940	Immunisation Services	5.815	2.721
-	0.278	Integrated Equipment and Adaptation Store	-	0.272
74.366	41.490	Mental Health and Learning Disability Services	84.074	43.706
4.434	2.250	Podiatry Services	4.873	2.405
1.908	0.874	Prisoner Healthcare Services	3.047	0.982
2.974	1.541	Sexual Health Services	3.569	1.661
5.994	3.195	Speech and Language Therapy Services	6.796	3.426
125.402	69.010	Total Services Hosted by North Lanarkshire IJB	148.954	74.466

Similarly, South Lanarkshire IJB acts as the lead for a number of delegated services on behalf of North Lanarkshire IJB. The value consumed by North Lanarkshire equates to 52% of South Lanarkshire IJB hosted budget. As this expenditure is incurred for the residents of North Lanarkshire, it is included in the CIES.

Host: South Lanarkshire				
Consumed by North Lanarkshire 2022/23	South Lanarkshire Services 2022/23	Service	Consumed by North Lanarkshire 2023/24	South Lanarkshire Services 2023/24
£m	£m		£m	£m
4.007	7.081	Community Dental Services	4.288	7.422
1.396	1.856	Brain Injury Unit	1.477	2.773
2.649	5.113	Diabetic Services	2.395	4.633
0.024	0.047	Improving Cancer Journey	-	-
4.350	7.909	Occupational Therapy Services	4.669	8.739
4.806	9.003	Out of Hours Services	5.227	9.991
3.738	7.412	Palliative Care Services	3.941	7.507
5.536	10.427	Physiotherapy Services	6.103	11.581
0.362	0.319	Telehealth	-	-
0.452	0.810	Primary Care Services	0.467	0.790
6.920	10.973	Primary Care Improvement Fund	12.074	23.220
34.240	60.950	Total Services Hosted by South Lanarkshire IJB	40.641	76.656

The table below shows the total of hosted services included in the CIES:

2022/23 £m	Hosted Services	2023/24 £m
125.402	Total Services Hosted by North Lanarkshire IJB	148.954
34.240	Total Services Hosted by South Lanarkshire IJB and Consumed by North	40.641
159.642	Total Included in Comprehensive Income and Expenditure Statement	189.595

Note 11. Additional Council Services Delegated to the IJB

The following table shows the costs of NLC services delegated to the IJB. Under the Public Bodies (Joint Working) (Scotland) Act 2014, the IJB is accountable for these services however, they continue to be delivered by NLC. UHSCNL monitor the delivery of these services on behalf of the IJB.

2022/23 £m	Council Services	2023/24 £m
1.886	Housing Services	2.599
0.551	Transport Services	0.551
2.437	Gross Expenditure	3.150
(2.437)	Income	(3.150)
-	Net Expenditure	-

Note 12. VAT

The IJB is not VAT registered and does not charge or recover VAT on its functions. The VAT treatment of expenditure and income within the accounts depends on which of the partners is providing the service as these bodies are treated differently for VAT purposes:

- Where NLC is the provider, income and expenditure exclude any amounts related to VAT, as collected VAT is payable to HM Revenue & Customs and all VAT paid is recoverable from it. On a very limited number of items that NLC are not entitled to fully recover VAT, expenditure for these specific items will include the full cost to the IJB.
- Where NHSL is the provider, expenditure will include the full cost to the IJB as generally, NHSL cannot recover VAT.

The services provided by the Chief Officer to the IJB are outside the scope of VAT as they are undertaken under a specific legal regime.

Note 13. External Audit Costs

Fees payable to Audit Scotland in respect of external audit services undertaken in accordance with Audit Scotland's Code of Audit Practice in 2023/24 are £33,360. Audit Scotland did not undertake any non-audit services.

Note 14. New Standard 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. The IJB considers that there are no such standards which would have significant impact on its annual accounts.