

Agenda Item 6

Unaudited Accounts



Falkirk Integration Joint Board Audit Committee

17 June 2022

Unaudited Accounts

For Approval

1. Executive Summary

- 1.1 The purpose of this report is to present the 2021-22 unaudited annual accounts of Falkirk IJB to the IJB Audit Committee for consideration.

2. Recommendations

The Audit Committee is asked to:

- 2.1 Consider the unaudited annual accounts;
- 2.2 Note the public inspection period;
- 2.3 Note that the unaudited annual accounts will be submitted to the IJB's External Auditor by the statutory deadline of 30 June 2022.

3. Background

- 3.1 In accordance with the Local Authority Accounts (Scotland) Regulations 2014 ("the regulations"), the IJB must submit the unaudited annual accounts for the financial year ended 31 March 2022 to the External Auditor by the statutory deadline of 30 June 2022.
- 3.2 Under the 2014 Regulations, the IJB, or a Committee of the IJB whose remit includes audit and governance functions, must meet to consider the unaudited annual accounts.

4. Inspection and Publication Arrangements

- 4.1 The Regulations require that the IJB gives public notice of the rights of individuals to inspect the unaudited accounts within a specified 3 week timeframe. During the 3 week period, individuals may lodge an objection to the unaudited accounts, or to any part of the accounts.

- 4.2 Public Notice was given on 27th May and the statutory 3 week public inspection period will commence from 10 June 2022. Note that due to the ongoing impact of the covid-19 pandemic, the accounts are not available for physical public inspection in hard copy. Public inspection will be electronic only.
- 4.3 The unaudited accounts will be published on the Falkirk Health and Social Care Partnership website from noon on 10 June 2021.
- 4.4 The unaudited accounts will be lodged with the External Auditor on 20 June 2022. It is anticipated that the audited accounts will be presented for final approval to IJB Audit Committee on 23 September 2022 (in compliance with the statutory deadline of 30 September 2022).

5. Unaudited Annual Accounts

- 5.1 Note that a management commentary and annual governance statement form part of the accounts. The reporting requirements for the management commentary are prescribed in legislation and should include the following elements:
- An explanation of significant points in the financial statements.
 - A clear and balanced account of the activities and performance of the IJB during the financial year.
 - An explanation of the principal risks and uncertainties that the IJB are concerned about and potential mitigating actions.
- 5.2 The annual governance statement details the key elements of the IJB's governance framework and effectiveness of the systems of internal control.

6. Conclusions

- 6.1 The 2021-22 unaudited annual accounts are presented for consideration by the IJB in line with the Regulations. Following the meeting, the accounts will be lodged with the External Auditor.

Resource Implications

There are no resource implications arising from the report recommendations.

Impact on IJB Outcomes and Priorities

This report does not directly impact on the outcomes and priorities of the IJB.

Directions

A Direction is not required as a result of the recommendations of this report.

Legal & Risk Implications

There are no legal and risk implications arising from the report recommendations.

Consultation

The accounts are subject to public inspection. Both NHS Forth Valley and Falkirk Council have been consulted during the preparation of the accounts.

Equalities Assessment

There are no equality implications arising from the report recommendations.

7. Report Author

7.1 Steven Kirkwood, Interim Chief Finance Officer

8. List of Background Papers

8.1 None

9. Appendices

Appendix 1: Unaudited Accounts 2021/2022



Falkirk
Health and Social Care
Partnership

Falkirk Integration Joint Board

UNAUDITED ANNUAL
ACCOUNTS
2021/22

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Management Commentary

Introduction

This publication presents the financial statements for Falkirk Integration Joint Board (“the IJB”) for the year ended 31 March 2022. The financial statements have been prepared in accordance with the [Local Authority Accounts \(Scotland\) Regulations 2014](#) and the [Code of Practice on Local Authority Accounting in the United Kingdom](#) as per the requirements of section 106 of the Local Government Scotland Act 1973.

The Financial Statements are comprised of:	
1.	A management commentary which provides an overview of operational and financial performance during the course of 2021/2022. The management commentary also considers key issues and challenges for the coming financial year.
2.	A statement of responsibilities in respect of the administration of the IJB’s financial affairs and delivery of best value.
3.	A remuneration report summarising remuneration and associated pension benefits in respect of specified IJB members and staff.
4.	An annual governance statement describing the IJBs corporate governance arrangements and systems of internal control.
5.	A comprehensive income and expenditure statement which reports the overall surplus or deficit arising from the provision of delegated services.
6.	A movement in reserves statement which outlines the position on IJB reserves during the course of the year.
7.	A balance sheet which summarises the assets and liabilities of the IJB as at 31st March 2022.
8.	Notes to the financial statements, including general accounting policies and other explanatory information.

Role and Remit of Falkirk Integration Joint Board

Falkirk IJB was formally established under the Public Bodies (Joint Working) (Scotland) Act 2014 to lead the integration, strategic planning and commissioning of adult health and social care services in the Falkirk area. Integration of health and social care services is a key flagship policy of the Scottish Government which aims to ensure that people receive the care and support they need at the right time, in the right setting and in a more joined up way. All of which should be underpinned by anticipatory and preventative care planning. This supports the IJB’s fundamental purpose ***to enable people in the Falkirk area to live full and positive lives within supportive and inclusive communities.***



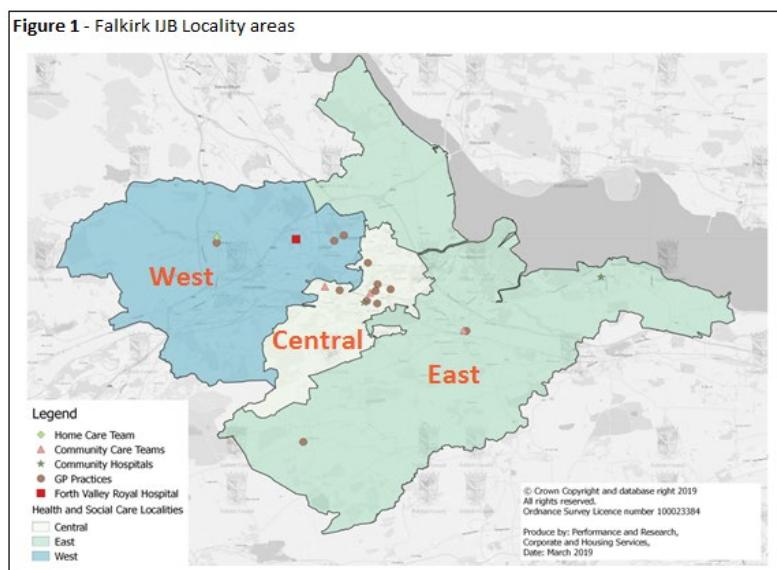
The IJB is a legal entity in its own right established in October 2015 following ministerial approval of the Integration Scheme developed by Falkirk Council and NHS Forth Valley. Membership of the IJB is comprised of 6 voting members (3 elected members nominated from Falkirk Council and 3 Non-Executive Directors nominated from NHS Forth Valley) together with 13 non-voting members. Non-voting members include the Chief Officer, Chief Finance Officer and a wide range of other health and social care professional advisors including third sector, carer and staff side representatives. The Chair and Vice Chair of the IJB are appointed for a 2 year term by Falkirk Council and NHS Forth Valley on a rotational basis. During 2021/22 the IJB was chaired by Michelle McClung as nominated by NHS Forth Valley with Vice Chair Councillor Fiona Collie nominated by Falkirk Council.

The scope of the health and social care services delegated to the IJB is outlined in the *integration scheme* (a legal document, subject to Ministerial approval, which sets out the specific services involved and how they will be planned, resourced and operationally delivered by the IJB). During 2021/22 this included Adult Social Work services, Integrated Learning Disability services, Integrated Mental Health services, District Nursing, Allied Health Professionals, Community Hospitals and Administrative staffing within a healthcare setting. Operational responsibility and strategic planning for all other services referred to in the integration scheme remained with NHS Forth Valley during 2021/22.

Strategic Planning

A key statutory duty of the IJB is to develop a 3 year strategic plan which reflects the national health and wellbeing outcomes framework and delivery of agreed local priorities. As part of this work, the IJB has implemented a locality planning structure, comprised of 3 distinct geographic areas to ensure that the overall strategic plan is accessible and responsive to the needs and unique circumstances of our local communities across East, West and Central Falkirk (see figure 1 below).

Community empowerment and engagement is key in this respect and the IJB works closely with a range of stakeholders including Falkirk Community Planning Partnership to ensure service developments are consistent with their Local Outcomes Improvement Plan (LOIP) and Falkirk Council Housing Services to determine and influence housing requirements at locality level. The IJB also consults and maintains established forums with carers and the third and independent sectors.



The current [strategic plan](#) covering the 3 year period 2019 to 2022 was approved by the IJB on 5 April 2019. The plan has now been extended by a further year, to 2023, recognising the challenges of developing a new 3 year plan during the covid pandemic and the limited scope for community engagement, which sits at the heart of strategic planning. The new plan will also need to address the impact of Covid-19 on service requirements, as implications become clearer. The current plan incorporates a range of policy and legislative developments and describes the transformational change required to improve quality and outcomes for patients, carers, services users and their families whilst making best use of available resources.

The strategic plan is set against a backdrop of the Covid pandemic which has resulted in a significant and rapid change in the configuration of health and social care services across Scotland. The long term impact and unintended consequences arising from the pandemic are becoming clearer and will require development of new services and enhanced support for existing services such as Mental Health and various local community initiatives. At the same time, demand linked to ongoing demographic change, is increasing as people are living longer into old age, often with multiple long term conditions which require more complex multidisciplinary care and support. Similarly the age profile of our workforce is rising (and this is more prominent in certain staff groups e.g. District Nursing) which presents a number of risks in terms of succession planning and our ability to provide sustainable services. This is exacerbated by ongoing recruitment and retention difficulties.

In order to respond to these challenges (combined with the impact of growth in general price inflation and advances in new technology and medical treatments), it is clear that major reform and transformation of health and social care services is essential in order to deliver better care, better health and better value. The IJB's strategic plan supports this triple aim and sets out 4 local priority areas requiring significant change, progress or investment over the period.

The 4 Priority Areas:

A detailed delivery plan has been developed, underpinned by an integrated whole systems approach, which identifies the specific work streams and actions required to progress the 4 strategic priorities referred to above.

The Delivery Plan remains fit for purpose in a post Covid context and remains aligned with our pandemic response in terms of the current remobilisation, recovery and redesign of services. The IJB is confident that the Delivery Plan continues to reflect the appropriate direction of travel for Adult Health and Social Care Services in Falkirk and notwithstanding the

- 1** Deliver local health and social care services, including Primary Care, through enabled communities and workforce
- 2** Ensure carers are supported in their caring role
- 3** Early intervention, prevention and harm reduction that:
 - improve people's mental health and wellbeing
 - improve support for people with substance use issues, their families and communities
 - reduce the impact of health and social inequalities on individuals and communities
- 4** Make better use of technology to support the delivery of health and social care services



operational disruption and financial risks arising from Covid-19, it is recognised that the pandemic presents a unique opportunity to accelerate key elements of our Delivery Plan.

2021/22 Operational Performance

Financial year 2021/22 continued to be dominated by the operational and financial impact of the Covid-19 pandemic. As we emerge from the pandemic, remobilisation plans and recovery are key priorities.

Falkirk Alcohol & Drug Partnership (ADP)

There has been significant Scottish Government investment to support the work of the ADP in 2021/22 including funding to support the Medication Assisted Treatment (MAT) Standards. The MAT standards define what is needed for the consistent delivery of safe and accessible drug treatment and support in Scotland. The standards apply to all services and organisations responsible for the delivery of care in a recovery orientated system.

Primary Care Initial Agreement and Falkirk Community Hospital Masterplan

The Primary Care Initial Agreement and Falkirk Community Hospital Masterplan Strategic Assessment are two major workstreams that have progressed significantly during 2021/22. Both workstreams consider the primary care estate, the latter with a specific focus on the Falkirk Community Hospital and related services. Far from being a like-for-like replacement of community facilities, the projects have considered future service delivery across an integrated health and social care model and considered how the primary care estate can be configured to meet future need. A wide range of stakeholders have contributed to both projects including public / patient representatives, clinical leads, subject matter experts, management and staff. The current stage for both projects will conclude in 2022/23 with outline business case and full business case stages to follow over the next few years.

Locality Working

Falkirk Health and Social Care Partnership (HSCP) has established three localities as part of its commitment to delivering services tailored to the needs of communities. Each locality (East, West and Central) has a Locality Manager who leads a group of managers delivering the range of services which partners have delegated to the Partnership.

Progress and test of change work across the three localities is summarised in the table below:



2021/22 Locality Working:

1. Recruitment remains an ongoing challenge across the health and social care sector. Across all localities, staffing and demand are being reviewed and a working group has been established to support the recruitment and retention of staff, along with our partners in learning and development, the voluntary sector and Department for Work and Pensions (DWP).
2. Monthly locality business meetings provide an opportunity for services to discuss current challenges and success stories. This sharing of information, knowledge and skills promotes a culture of continuous improvement and learning and promotes integration across services. Refurbishment of the former Social Work offices in Grangemouth will provide opportunity for health and social care co-location, integrated working and shared learning across locality services.
3. The West Locality 4 District Nursing Teams previously met virtually, once a week, to discuss any support required in respect of staffing cover and to provide support in relation to complex cases. This meeting now includes Adult Social Work and Home Care representation. GP colleagues, Allied Health Professionals (AHPs) and Strathcarron Specialist Nurses are also invited to attend and meetings now focus on multidisciplinary discussion of complex or ongoing cases which require an integrated approach. This process has seen an improvement in joined up working, benefiting those requiring care and support, and will now be developed across the East and Central localities.
4. The Central Locality is progressing a Home Care Remapping pilot, the aim of which is to free up care at home capacity / hours / visits by making care “runs” more efficient within geographic areas.
5. Homecare remodelling and Care at Home Retender are substantial projects for all localities. The homecare remodelling encompasses 3 main workstreams – reablement & training; maintenance care; and urgent / crisis response. The pilot will inform the remodelling process, as well as the ongoing process for a new care at home retender with our external providers. This remodelling will shape how care at home is provided across Falkirk, as well as specific localities to meet outcomes, but also to ensure and support greater efficiency and streamline care capacity. The Care at Home retender seeks to support a shift to an outcomes based approach for those who required care.
6. Falkirk has joined a cohort of six Scottish HSCPs, with project support from the national Near Me team, to roll out Near Me video appointments to Duty Social Work. Near Me enables individuals to attend appointments from the location of their choice. This can reduce travel, minimise time taken off work, school, or routine activities, and make it easier for people who need carer support. Near Me can enable an interpreter, support worker, or family member to join an appointment remotely and, in this way, will support integrated service delivery. This creates an opportunity for shared decision making, thereby enabling timely person-centric care.



Technology Enabled Care

During the course of the year a Technology Enabled Care (TEC) Programme was established to co-ordinate and accelerate TEC initiatives within the Partnership and strengthen transformation projects through the considered application of modern technologies. As part of this work, it was recognised that the Partnership is already a trail blazer in terms of the Analogue to Digital transition for telecare (including potential to maximise service redesign opportunities by embracing smart sensor technology and consumer devices) and our Living Well Falkirk service, built on the ADL platform, which has potential to increase self-management and access to advice and equipment.

Our newly appointed TEC Development Officer, was instrumental in a range of other projects and activities during the year including:

Falkirk HSCP TEC Programme Activity

Getting started, planning and scoping

- Strategic Context Review
- Liaising with PMO to propose governance structure and approach to identify opportunities to embed TEC into transformation projects
- Researching existing and available TEC in Falkirk
- Engagement with Key Stakeholders and Partners

Designing services to embed digital solutions

- Following a successful bid for £30,000 funding from OSCWA and Scottish Government, the TEC Development Officer is leading a project to rollout Near Me video consultancy to Duty Social Work.
- The Near Me Duty Social Work project is working closely and integrating with Falkirk's Community Led Support Near Me project which was first trialled earlier this year enabling individuals to talk to a link worker via a video call to the Living Well Advice Hub.
- Planning has commenced on an approach to offer individuals on waiting lists support to complete a Living Well Falkirk assessment via a Near Me appointment.



Engage with individuals and build TEC awareness

- A document setting out digital Health and Care resources, NHS-approved apps and links to community support groups available to individuals was shared with HSCP staff. This will be developed into an online resource. (Appendix 2)
- To encourage a broader understanding of Living Well Falkirk, a training session was arranged for Community Led Support workers and an online OLLE course is being developed so that the value of this resource is more widely understood.
- The TEC Development Officer has presented at the Locality Team Meetings, offering support to take forward TEC and digital health and care projects.

Community Led Support (CLS)

Falkirk HSCP and third sector partners have been working together to develop an effective model of community led support. Community Led Support (CLS) refers to services that are designed and delivered in conjunction with people and communities. The principles of community-led support are co-production, community focus, support, and advice to prevent crises, a culture based on trust and empowerment in which people are treated as equals, minimal bureaucracy, and a responsive and proportionate system that delivers positive outcomes.

Partners agreed that a Falkirk HSCP strategy was required to ensure that community led support remains sustainable, coordinated, and effective as our capacity increases to respond to demand on community-based services within localities. The draft strategy has been developed during 2021/2022. Our ambition is to increase the use of community led support to provide alternative models of care and to promote prevention and early intervention in the community. The CLS strategy and action plan is still in draft format and is being finalised with partners.

Community Development & Community Link Workers

The HSCP currently supports three Community Development Workers, one within each locality area. The key role of these workers is to work with people to identify local needs, particularly relating to health and wellbeing, and then support communities and third sector organisations to develop supports to address these needs. Community capacity building is a critical area of work in creating conditions for people to maintain and improve their health and wellbeing without requiring access to formal HSCP services.



Enhanced support in communities is also critical to the expansion of the community link work model. Three Community Link Workers have been supporting GP practices in each of the three locality areas during the past two years. The workers have demonstrated excellent outcomes for people and investment from the Primary Care Investment Fund and Mental Health & Wellbeing in Primary Care will provide scope to enhance the service. This expansion is in line with Scottish Government ambition to have a Link Worker aligned to every GP practice.

The Link Workers have received over 300 referrals from GPs, Mental Health Nurses, and Advanced Nurse Practitioners during the period October 2021 – March 2022. Many of the people referred have a complex range of support needs, which include:

- Carers support
- Financial/Debt/Welfare Benefits
- Housing/Homelessness
- Trauma/Bereavement
- Life skills/self-management/confidence
- Mental Health (including loneliness and isolation)
- Substance Use
- Weight management
- Employment/volunteering
- Learning disability

Living Well Falkirk Concept

At present, there is a Partnership supported webpage that is a simple visual tool designed to help members of the Falkirk community to understand how to shape their progress on their ageing journey. As part of the Falkirk Community Hospital Masterplan stakeholder engagement work, the concept of a “Living Well” hub has emerged. The ongoing discussions about developing and designing Living Well “hubs” in Falkirk, describe a vision where service users, families and carers can access a range of support, advice and signposting while attending a Living Well hub. Supporting and enabling development, community participation and community led support will be crucial in order to meet the needs of residents now, and in the future.

Using Locality Data

As locality working continues to develop, we are making better use of new and current data. An example of this is hospital presentations and admissions data. This highlights some variance across the localities as well as connections between the Scottish Index of Multiple Deprivation and presentation reasons. Further analysis on work, including frequent and moderate attender reasons, could develop locality initiatives around frailty pathways and “Living Well Falkirk” developments.



Primary Care Improvement Plan (PCIP)

A revised timescale, delaying the final implementation of the new General Medical Services (GMS) contract was issued in a joint statement from the Scottish Government and British Medical Association, meaning that 2021/22 was no longer the final year of the PCIP. Work continues nationally to define delivery expectations for the various PCIP workstreams and funding expectations require to be reviewed. Despite the uncertainties of the last year, local progress has continued with implementation of the new contract and it is clear our advanced stage of implementation has been a key factor in our ability to maintain core GMS services during the pandemic.

Performance

The Falkirk Health & Social Care Partnership uses a Forth Valley-wide [Performance Management Framework](#) to monitor its progress. Regular performance updates are provided throughout the year to the Integration Joint Board. The Partnership also publishes an Annual Performance Report as required by the Public Bodies (Joint Working) Regulations 2014.

The Partnership's Annual Performance Report highlights the complex and challenging environment of health and social care. It includes examples of the real impacts and positive outcomes made possible by the efforts of Falkirk's health and care services in the past year, made possible by the commitment, resilience, and professionalism of our workforce and partners, including carers and volunteers.

Scotland's Health and Social Care Partnerships are required to publish annual reports by 31 July each year under the Public Bodies (Joint Working) Regulations 2014. Due to the impacts of the COVID-19 pandemic upon services, the Coronavirus (Scotland) Act 2020 allowed Partnerships to postpone the publication of 2020-21 annual reports until the end of November 2021. The latest (2020/21) report can be accessed [here](#).

2021/22 Financial Performance

The IJB reported total income of £253.983m for financial year 2021/22 (a decrease of £3.387m compared to the previous year) comprised of £222.904m in respect of the integrated budget and £31.079m relating to set aside.

This compares to total expenditure of £234.066m incurred during the year (a decrease of £11.890m relative to 2020/21) comprised of £202.987m in respect of expenditure on integrated services and £31.079m relating to set aside.

As a result, a surplus of £19.917m was reported in the Comprehensive Income and Expenditure Statement as at 31 March 2022. The position reflects the net increase in reserve balances on account of delays in planned expenditure during the course of the year, receipt of late funding allocations and unused Covid funding which required to be carried forward to 2022/23 in line with Scottish Government guidance.



In line with previous years, NHS Forth Valley directly managed the overspend against the set aside budget totalling £0.700m. No risk sharing arrangements were required in respect of the integrated budget.

During the course of the year the following performance issues were reported:

- **Large Hospital Services/Set Aside** – ongoing service pressures within A&E and various inpatient specialties (including general medicine, rehab and mental health) due to increased demand and case mix complexity/ length of stay, together with additional nursing costs in order to maintain safe staffing levels. This is exacerbated by similar short staffing challenges in social care which is impacting on an element of the planned discharge profile from the hospital.
- **Social Care** – significant financial and operational service pressures are being reported in relation to home care. This reflects ongoing demand combined with short staffing issues across both internal and externally provided services (due to Covid self-isolation requirements and vacancies). The number of people currently waiting for packages of care remains extremely high and a number of external Providers are operating under business continuity measures. These pressures are offset by lower costs for Housing Aids & Adaptations, a community mental health underspend, vacancies within the assessment and care planning team and non-recurring savings within respite and day care services.
- **Primary Healthcare** – reflecting pressures within General Medical Services (GMS) and Primary Care Prescribing. Key areas of overspend within GMS relate to locum cover costs in respect of maternity/paternity leave claims from independent GP Practices. With respect to Primary Care Prescribing, note that due to the time taken to process prescription data nationally, only actual costs for April to January are known at this stage. Therefore, estimates have been provided for February and March based on the most recent average cost per item and forecast volumes. Volume growth in the number of items prescribed is higher than original planning assumptions. This reflects ongoing demand together with delays in achieving efficiency savings.
- **Community Healthcare** – the favourable financial position following the temporary closure of wards 1 to 4 at Falkirk Community Hospital (FCH) due to fire risk issues and redeployment of FCH ward staff to vacancies in other service areas, together with staff turnover / vacancy savings across several services both mask significant pressures within JLES, the night nursing service and complex care (due to 2 out of area placements).

A reconciliation of the overall 2021/22 financial position to the Comprehensive Income and Expenditure Statement is presented below:



2021-22 £000s			
Reconciliation to Comprehensive Income & Expenditure Statement (CIES)	Budget	Expenditure	(Underspend)/ Overspend
Large Hospital Services	31,079	31,779	700
Community Healthcare Services	22,284	20,151	(2,133)
Social Care Services	95,146	94,441	(705)
Primary Healthcare Services	79,798	81,413	1,615
Covid	6,528	6,528	0
IJB Running Costs	418	454	36
	235,253	234,766	(487)
Set Aside managed directly by NHS Forth Valley		(700)	(700)
TOTAL	235,253	234,066	(1,187)
Reserve adjustments included in budget figures above			
Covid	14,518	0	(14,518)
Community Healthcare Services transfers to reserves	2,436	0	(2,436)
Primary Healthcare Services transfers to reserves	1,238	0	(1,238)
Social Care transfers to reserves	538	0	(538)
	18,730	0	(18,730)
REVISED TOTAL AS PER CIES	253,983	234,066	(19,917)

Covid-19

During the course of the year the Scottish Government provided £16.338m of funding to meet all additional costs and unachieved savings associated with the pandemic. This reflected the funding originally requested through the IJB's Local Mobilisation Plan submission (£1.820m) together with a further £14.518m confirmed by the Scottish Government in March in respect of ongoing Covid related cost pressures. In addition, the IJB brought forward Scottish Government Covid funding of £6.397m, through reserves, from 2020/21.

Expenditure of £6.470m was incurred during the year, leaving a balance of £16.265m in reserves to meet ongoing costs during 2022/23.

Key areas of Covid related expenditure to date include:

1. Provision of Personal Protective Equipment (PPE) and enhanced infection prevention and control arrangements;
2. Financial sustainability support for external Social Care Providers, particularly in relation to Care Home occupancy and reimbursement of additional costs incurred by all Provider services.
3. Financial support for independent Primary Care Contractors including support to assist with remobilisation and recovery.



4.	Additional temporary staffing costs, including use of agency, staff bank and overtime to meet increased demand and to cover for staff absence due to sickness, shielding or self-isolation requirements.
5.	Funding to offset the loss of income due to the temporary pause in non-residential charges due to the suspension of day.
6.	Provision of additional equipment to support discharge and care of patients at home (e.g. beds, hoists etc via the Joint Loan Equipment Service).
7.	Provision of Intermediate/step down care facilities during 2021/22 to facilitate earlier discharge from Acute hospital beds and to alleviate bed pressures. New contracts were agreed with two providers in 2021/22.

Reserves

A commentary on the key reserve movements is presented below (detailed information is reported under note 8).

Closing reserve balances increased by £19.917m to £37.917m as at 31 March 2022. An increase of this magnitude is unprecedented and reflects a significant number of material allocations that were received late in the financial year which required to be carried forward through reserves, together with the ongoing impact of Covid on planned expenditure relating to a number of projects that are funded through earmarked reserves.

As illustrated in note 9, the vast majority of the £37.917m balance represents earmarked reserves. These balances are held to fund specific projects or earmarked future commitments as part of the IJB's strategic plan and are expected to be fully utilised during 2022/23.

A small sum of £0.946m has been carried forward from the previous financial year and is held as a general / contingency reserve, as approved by the IJB in September 2021. The approved contingency reserve balance was the equivalent to 0.5% of 2020/21 IJB net expenditure (excluding non-discretionary Family Health Services and Covid) and remains relatively low in the context of the scale and magnitude of the services and functions delegated to the IJB.

Forward look 2022/23

It is clear that remobilisation, recovery and redesign of services will continue to be a key feature of financial year 2022/23 as we emerge from the Covid-19 pandemic.

The initial estimate of the potential cost impact of Covid in 2022/23 is in the region of £9.110m (excluding unachieved savings). The Scottish Government has advised that no additional Covid consequential funding has been agreed with the UK Treasury for 2022/23 and IJBs should plan on the basis that no further Covid funding will be issued. Any unused Covid balances carried forward from 2021/22 would therefore require to be used in the first instance to meet ongoing additional costs incurred during 2022/23.



Significant recurring investment was announced last year as part of a national funding package to address winter pressures and support longer term improvement in service capacity across the health and social care system. This funding is designed to increase multidisciplinary team working and capacity, provide a further pay award for all adult social care staff employed in direct care roles, support interim care arrangements and enhance staff wellbeing. In order to address Social Care Provider sustainability challenges, contractual rates for 2022/23 have been increased to include a pay and non-pay inflationary uplift. The rate uplift reflects full implementation of the Scottish Government's adult social care pay policy (whereby staff employed in direct care roles must be paid a minimum of £10.50 per hour) and also provides a contribution towards increased non-pay costs such as business insurance, utilities, and fuel. Whilst this has been welcomed by local providers, there is ongoing concern in relation to the scale of the cost of living and inflationary pressures currently being experienced. The position will be kept under close review.

On-going consideration will require to be given to the recurring cost impact of the pandemic in terms of long Covid and increased demand for mental health services, supported by Scottish Government Mental Health Recovery and Renewal funds. Plans for additional, anticipated funding in respect of mental health and wellbeing in primary care will also progress during 2022/23 while an additional £15m funding is anticipated nationally in respect of the Primary Care Improvement Programme.

The Scottish Government's medium term financial framework and resource spending review is expected to be published in May 2022 and this will inform the revision of the IJB's medium term financial plan, together with wider economic considerations (rising inflation, rising energy costs and labour market challenges).

During 2022/23 work will resume on the day service review for older people, delayed during the Covid pandemic.

A number of other key workstreams and issues for 2022/23 are considered below

1. Financial sustainability - significant recurring savings require to be delivered during 2022/23 (comprised of £4.282m relating to the integrated budget and £0.883m relating to set aside) in order to address the underlying deficit and reduce reliance on non-recurring measures and / or additional one off payments from partners to achieve breakeven. A full programme has been identified with key themes relating to residential care services, community hospitals, procurement and prescribing however just under half of the proposals (48%) are currently considered high risk in terms of deliverability.
2. Workforce planning and capacity – this is a key risk area given current recruitment difficulties which impacts on our ability to continue to deliver safe services and to conduct longer term workforce planning. An interim integrated workforce plan was developed in 2021/22 with further modelling work required to assess service changes/developments across the medium term.
3. Commissioning – the existing Support at Home Services (Home Support and Supported Living) framework contract was due to expire on 31 March



A number of other key workstreams and issues for 2022/23 are considered below

2022 and was subsequently extended to 31 March 2023. This is a substantial contract, valued at c.£30m. Contract strategy and associated tender documents are expected to be approved and issued by October 2022. It is recognised that changes in future market conditions and the financial viability of external Providers is a potential risk in terms of our strategic commissioning plans (particularly in a post Covid operating environment).

4. Legislation is expected in summer 2022 for the introduction of a National Care Service, with implications across the IJB.

Conclusion

2021/22 was another unprecedented year. The impact of Covid 19 continued to have a profound effect across the world forcing us to quickly adapt to different ways of working, learning and connecting with each other. Our Health and Social Care staff have continued to show tremendous resilience in the face of the ongoing pandemic continuing to deliver services to our most vulnerable people, often in difficult and challenging circumstances. This has been recognised by our services users, patients, carers, communities, partners and the IJB Board members and elected members. As we emerge from Covid, recovery and remobilisation plans are a key focus.

It is clear that our local Covid response has reinforced the tangible benefits of integration and collaborative working (particularly in relation to our integrated approach to Care Homes which has been recognised nationally) and we look forward to building on this in 2022/23 and beyond.

Where to Find More Information

If you would like more information please visit our website at: www.falkirkhscp.org

Michele McClung
Chair

17 June 2022

Patricia Cassidy
Chief Officer

17 June 2022

Steven Kirkwood
Interim Chief Finance Officer

17 June 2022



Statement of Responsibilities

Responsibilities of the Integration Joint Board

The Integration Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to 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 Audit Committee on 17 June 2022.

Signed on behalf of the Falkirk IJB

Michele McClung
Chair

17 June 2022



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 accounting 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 Falkirk Integration Joint Board as of 31 March 2022 and the transactions for the year then ended.

Steven Kirkwood
Interim Chief Finance Officer

17 June 2022



Remuneration Report

Introduction

The Remuneration Report discloses information relating to the remuneration and pension benefits of specified IJB members and staff in accordance with the requirements of the Local Authority Accounts (Scotland) Regulations 2014.

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

Voting Membership of the IJB in 2021/22

Membership of the IJB is comprised of 6 voting members (3 elected members nominated from Falkirk Council and 3 Non-Executive Directors nominated from NHS Forth Valley). The Chair and Vice Chair of the IJB are appointed for a 2 year term by the voting members of Falkirk Council and NHS Forth Valley on a rotational basis.

During financial year 2021/22 the IJB voting Membership of the IJB was as follows:

NHS Forth Valley

Gordon Johnstone, Non-Executive Member of Forth Valley NHS Board
Stephen McAllister, Non-Executive Member of Forth Valley NHS Board
Dr Michele McClung, Non-Executive Member of NHS Forth Valley Board (Chair)

Falkirk Council

Councillor Allyson Black * resigned 7 Sept 2021
Councillor Robert Bissett * started 18 March 2022
Councillor Cecil Meiklejohn
Councillor Fiona Collie (Vice Chair)

Remuneration: IJB Chair and Vice Chair

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. Neither the Chair or Vice Chair of the IJB received additional remuneration or taxable expenses.

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



Remuneration: Officers of the IJB

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

Chief Officer

Section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 stipulates that a Chief Officer must be appointed on a formal secondment basis to the IJB through the employing partner (in this case the employing partner is Falkirk Council). The employment contract for the Chief Officer will therefore adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the IJB.

Other Officer

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

Total 2020/21 £	Senior Employee/Full Time Equivalent (FTE)	Salary, Fees & Allowances £	Taxable Expenses £	Total 2021/22 £
112,745	Patricia Cassidy Chief Officer 1.0 FTE	113,345	-	113,345
71,249	Jillian Thomson Chief Finance Officer 1.0 FTE	74,597	-	74,597
183,994	Total	£187,942	-	£187,942

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.

However the IJB is required to fund employer contributions for the current year in respect of the officer time spent on discharging their role on the IJB. The below table presents 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.



Senior Employee	In year Pension Contribution		Accrued pension benefits		
	For the year to 31 March 2021 £	For the year to 31 March 2022 £		As at 31 March 2022 £000s	Difference from March 2021 £000s
Patricia Cassidy Chief Officer 1.0 FTE	25,278	25,503	Pension	39,000	3,000
			Lump Sum	23,000	0
Jillian Thomson Chief Finance Officer 1.0 FTE	14,764	£15,560	Pension	26,000	3,000
			Lump Sum	0	0
Total	40,042	£41,063	Pension	65,000	6,000
			Lump Sum	23,000	0

Disclosure by Pay Bands

Pay information has not been separately disclosed as all relevant details are already included in the information above.

Exit Packages

There were no exit packages in relation to the Falkirk IJB in 2021/22 or the previous financial year.

Michele McClung
Chair

17 June 2022

Patricia Cassidy
Chief Officer

17 June 2022



Annual Governance Statement

As specified in the Local Authority Accounts (Scotland) Regulations 2014, the IJB is required to conduct a review of the effectiveness of its internal control systems at least once in each financial year and must also include an annual governance statement as part of the annual accounts. This is consistent with Code of Practice on Local Authority Accounting in the United Kingdom and guidance developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) entitled “*Delivering Good Governance in Local Government: a framework*”.

Scope of Responsibility

The IJB is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively in order to secure best value.

In discharging these responsibilities, the Chief Officer has established a system of internal control and arrangements for the governance of the IJB’s affairs and the effectiveness of its functions (including risk management). It is recognised that any system of internal control can only provide reasonable and not absolute assurance of effectiveness.

As part of the overall governance arrangements, the Chief Officer also places reliance on the systems of internal control operated by Falkirk Council and NHS Forth Valley (recognising that these systems ensure compliance with both organisations’ policies and procedures and support achievement of each organisation’s aims and objectives, as well as those of the IJB).

The Purpose of the Governance Framework

The governance framework refers to the systems, processes, culture and values by which the IJB is directed and controlled. The governance framework enables the IJB to deliver its strategic objectives and perform effectively whilst maintaining public confidence in IJB processes and decision making. The governance framework is regularly reviewed to ensure it reflects best practice and new legislative requirements, supporting continuous improvement and better outcomes, whilst striking an appropriate balance between quality and cost.

As part of the overall governance framework, the system of internal control is designed to identify, prioritise and manage risk to an acceptable level. This includes evaluation of the risk of failure to achieve the IJB’s policies, aims and objectives, the likelihood of those risks being realised and the impact of those risks should they be realised. The system aims to help manage risks as efficiently, effectively and economically as possible.



The Governance Framework and Internal Control System

The Board of the IJB is comprised of the Chair, Vice-Chair and 4 other voting members. Of the 6 voting members in total, 3 are nominated by NHS Forth Valley and 3 by Falkirk Council. The Board also includes 13 non-voting members, comprised of the Chief Officer, Chief Finance Officer, other Officers appointed by virtue of their professional role including the Chief Social Work Officer, Medical Director and Director of Nursing, as well as employee representatives, service users, carers and third sector representatives. The IJB is the key decision making body in respect of the planning, resourcing and operational delivery of all integrated health and social care services within its geographical boundary area.

The main features of the governance framework in existence during 2021/22	
1.	Strategic decision making was governed by the IJB's key constitutional documents including the Integration Scheme, standing orders, scheme of delegation, financial regulations and reserves policy.
2.	A code of conduct was in place for all IJB Board members, including a register of interests.
3.	The IJB's vision, outcomes and priorities are set out in the IJB's Strategic Plan for 2019-2022, which contributes to the strategic priorities and outcomes contained in the Community Planning Partnership's Local Outcomes Improvement Plan (LOIP) and the national health and well-being outcomes framework.
4.	An Audit Committee was in place with a remit which includes risk management, corporate governance and all matters relating to internal and external audit. Terms of reference are regularly reviewed and an annual workplan agreed.
5.	The Clinical and Care Governance Committee provided assurance to the IJB on the systems in place for delivery of safe, effective, person-centred care in line with the IJB's statutory duty for the quality of health and care services. An annual work plan is in place to ensure all key pieces of work are covered.

System of Internal Control

The governance framework operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. During 2021/22 this included the following:

- Financial regulations and codes of financial practice
- Management information systems and regular monitoring reports, including performance and financial reporting
- Annual assurance statements prepared by each IJB committee to provide assurance that the committee structure supports delivery of IJB strategic priorities and ensures that operational and strategic risks are being managed effectively.
- Comprehensive budgeting systems and a formal budget setting process
- Regular reporting to the Audit Committee including internal audit progress reports



- Regular reporting to Falkirk Council's External Scrutiny Committee and the Community Planning Partnership
- Minutes of IJB meetings are submitted to Falkirk Council and NHS Forth Valley
- Publication of the IJB annual performance report

Review of Adequacy and Effectiveness

The IJB is required to conduct, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the framework is informed by the work of the Chief Officer and Senior Management who have responsibility for development and maintenance of the governance environment together with reports by the Chief Internal Auditor and reports from External Auditors and other review bodies as appropriate.

The IJB operates in accordance with Public Sector Internal Audit Standards (PSIAS) which require the Chief Internal Auditor to deliver an annual opinion and report to inform the IJB's governance statement.

The Chief Internal Auditor reports directly to the Audit Committee on all audit matters, with the right of access to the Chief Officer, Chief Finance Officer and Chair of the Audit Committee on any matter. The Audit Committee agrees a risk based internal audit work plan targeted to the highest risk areas in order to ensure that all proposed audit activity is focussed on key areas and is sufficient in order to provide an appropriate level of assurance.

The annual internal audit assurance report for 2021-22 has been received which confirms that sufficient internal audit activity was undertaken during the year to allow a balanced opinion to be provided. This included work in relation to the IJB's Directions and Resilience and Business Continuity arrangements and also includes other relevant audit work undertaken within Partner organisations including

- Falkirk Council Pension Fund;
- Falkirk Council Detail Head 4999;
- Falkirk Council Payroll Transactional Testing;
- Falkirk Council Fleet Management and Monitoring Arrangements;
- Falkirk Council Continuous Auditing (focussing on Creditors Payments);
- NHS Forth Valley Internal Control Evaluation;
- NHS Forth Valley Resilience Planning;
- NHS Forth Valley Strategic Planning;
- NHS Forth Valley Recovery, Redesign, and Renewal;
- NHS Forth Valley Primary Care Improvement Plan.

The annual internal audit assurance report offers substantial assurance in respect of Falkirk IJB's overall arrangements for risk management, governance, and control for the year to 31 March 2022.



Areas for improvement

The IJB adopts a continuous improvement approach as part of our ongoing effort to enhance our governance arrangements and system of internal control. A number of areas for improvement were identified during 2021/22, including:

- Confirmation of arrangements to conclude the transfer of operational management of all outstanding healthcare services to IJBs (including agreement of hosting arrangements where appropriate).
- Implementation of statutory guidance regarding set aside services in collaboration with NHS Forth Valley and Clackmannanshire and Stirling IJB.
- Implementation of statutory guidance regarding Directions.
- Implementation of various internal and external audit actions and recommendations.
- Review of the systems of internal control in relation to the work of the Central Matching Team and Financial Assessment Officers who transferred from Falkirk Council's corporate services department to Adult Social Care.

A summary of actions taken during 2021/22 to progress these areas is outlined in the table below:

Area Identified for Improvement	Current Status
Completion of the transfer of planning and operational management responsibility for all outstanding healthcare services (including agreement of hosting arrangements where appropriate). This matter was also highlighted in the 2020/21 External Audit which noted that transfer of remaining services will allow the benefits of integration to be achieved.	<p>Recent progress has been made with the transfer of administrative staff based in community healthcare settings and the transfer of Medical Staff for relevant specialities. Primary Care, Mental Health and Health Improvement are the only service areas that have not yet transferred to the IJB. Discussions are ongoing with the Chief Officer and Chief Executive of NHS Forth Valley.</p> <p>In terms of hosting arrangements, further discussion is required to ascertain which services will be hosted and how this will work in practice in terms of each IJB's strategic oversight / planning requirements.</p>
Implementation of statutory guidance regarding set aside services in collaboration with NHS Forth Valley and Clackmannanshire and Stirling IJB.	<p>Delayed. An expert working group was set up during 2019/20 (with dedicated external modelling and statistical support) to progress the set aside arrangements. However further scheduled activity was delayed due to Covid and awaiting the service transfers above. The working group is expected to be reconvened during 2022/23.</p>



Area Identified for Improvement	Current Status
Implementation of the CIPFA Financial Management code	In progress. Self-assessment of IJB financial management arrangements against CIPFA recommended standards is underway. This was expected to be complete by Dec 2021 but timelines have slipped due to capacity challenges. The outcome and associated action plan will be reported and monitored, in 2022/23, via the Audit Committee.
Internal Audit: review of risk management framework and how this is linked to those of partners (including partner resources to support IJB risk management)	An Action Plan has been developed and will be considered at the IJB Senior Leadership meeting in June 2022 before progressing to the Audit Committee in June for approval.
Internal Audit: review of Directions – specifically the extent to which Section 3 (Process for Issuing Directions), Section 4 (Form and Content of Directions) and Section 5 (Process for Issuing and Revising Directions) of the Guidance are being applied.	Final report issued by Internal Audit 23 May 2022. Recommendations to be progressed during 2022/23.
Internal Audit: review of Resilience & Business Continuity arrangements	Draft report issued by Internal Audit on 10 May 2022 and with IJB Senior Management Team for consideration before final report is issued.
External Audit 2018-19 recommendation: The IJB must ensure that key areas of performance are prioritised to deliver constituent improvement and pace. In addition, Partners must agree support service arrangements to provide additional resource and capacity for the IJB to deliver the Strategic Plan.	Provision of corporate support arrangements from both partners will be considered as part of the review of the Integration Scheme.
External Audit 2018-19 recommendation: Board members need to be clear about their corporate responsibilities to the IJB, and demonstrate the leadership needed to deliver the necessary change and make key decisions about the future shape of services.	In progress. Work has recommenced to strengthen collaborative leadership including dedicated organisational development sessions with partners. A new induction programme has been prepared for newly elected members of Falkirk Council and this will be extended to new IJB board members once the nominees are confirmed.



Area Identified for Improvement	Current Status
<p>External Audit 2019-20 recommendation: The IJB must review the 5 Year Financial Plan, and Strategic Plan, to respond to the impact of the global pandemic. This should include an assessment about the appropriateness and achievability of savings moving forward.</p>	<p>The IJB Medium Term Financial Plan is currently being reviewed to reflect the post pandemic operating environment, the forthcoming refresh of the IJB strategic plan and a number of significant policy developments in relation to adult social care. This will also be informed by the forthcoming publication of the Scottish Government's resource spending review and medium term financial framework.</p>
<p>External audit 2019-20 recommendation: Falkirk IJB and partner bodies should take further steps to allow for full integration, in line with the expectation of the MSG and Audit Scotland. The MSG draft improvement plan should be finalised and follow up reports presented to the Board on a regular basis to allow for appropriate governance overview regarding integration.</p>	<p>It is recognised that the overall pace of change has been slow and further work is necessary to achieve full integration of services.</p> <p>Recent progress has been made in relation to compliance with the set aside legislation / statutory guidance and transfer of operational management responsibility of several healthcare services.</p> <p>Further clarity is required in terms of the status of the MSG improvement plan.</p>
<p>External Audit 2019-20 recommendation: The IJB should ensure that risk sharing is embedded into the integration scheme which is due to be formally reviewed by November 2020. This will allow for longer-term financial management.</p>	<p>The Integration Scheme was due to be reviewed by November 2020, however this has been delayed due to Covid. A working group has been reconvened and the following areas in the integration scheme will be prioritised for review:</p> <ol style="list-style-type: none"> 1. Governance – the Council has proposed an increase in the number of voting members from 3 to 4. 2. Operational delivery arrangements and the role of the Chief Officer have to be updated in the scheme to better describe the position and reflect progress made in this area. 3. Finance – key focus will be on risk sharing. However, the opportunity will also be taken to expand on general financial governance arrangements within the scheme.



Area Identified for Improvement	Current Status
	Further work and formal arrangements will be required in relation to how hosting arrangements are included in the scheme.
External Audit 2019-20 recommendation: The IJB should conduct a self-assessment against Best Value guidance to allow it to demonstrate to the Board key requirements are in place. Results can be considered in conjunction with the MSG integration improvement plan to further embed integration with the partnership.	Completed as part of External Audit's wider Falkirk Council Best Value Assurance audit. The assessment is reported within the IJB's 2020/21 annual audit report, published on 1 October 2021.

Emerging Governance Issues

There were no new governance issues during 2021/22. Due to the ongoing impact of the covid-19 pandemic, decision making arrangements, conduct of IJB business and implementation of new policies and procedures continued to be conducted under emergency arrangements as previously agreed.

The IJB deemed the covid-19 outbreak as an emergency under the terms of its Scheme of Delegation and agreed, with effect from 20 March 2020, to:

- suspend all IJB Board and committee meetings until at least 5 June 2020;
- delegate authority to the Chief Officer and/or Chief Finance Officer to deal with urgent business, which would otherwise have normally been determined by the Board, during the period of the Coronavirus outbreak until at least 5 June 2020.

As part of the emergency delegated powers, the Chief Officer and Chief Finance Officer were authorised to take such measures as may be required in emergency situations, subject to:

- reporting to the IJB as soon as possible on any items for which approval would normally be necessary.
- Continuing to act in accordance with any policies and procedures of the IJB when discharging emergency delegated powers.
- Consulting the Chair and Vice Chair where any decision proposed under the use of emergency delegated powers might lead to a budget being exceeded.

These temporary arrangements were reviewed and extended several times, the latest to June 2022.

During the course of 2021/22 a number of decisions were taken by the Chief Officer under the agreed delegation of powers, largely in relation to funding and tendering of



the Hospital to Home Crisis Care Project, funding of Wellbeing for Primary Care Social Care staff, recruitment of 29 healthcare support workers as part of winter funding and provision of a non pay inflationary uplift to providers in light of significant inflationary pressures including energy, fuel and travel costs.

Conclusion and Opinion on Assurance

Subject to the above, and on the basis of the assurances provided, we consider that the internal control environment operating during the reporting period provides reasonable and objective assurance that any significant risks impacting on achievement of the IJBs principal objectives will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to regularly review and improve the internal control environment. These will be supported by action plans going forward.

Michele McClung
Chair

17 June 2022

Patricia Cassidy
Chief Officer

17 June 2022



Comprehensive Income and Expenditure Statement

This statement illustrates the cost of providing services for the year according to accepted accounting practices. Where the impact on the General Fund is amended by statutory adjustments this is shown in the Movement in Reserves Statement.

2020-21			Comprehensive Income & Expenditure Statement	2021-22			Notes
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£'000	£'000	£'000		£'000	£'000	£'000	
29,629	0	29,629	Large Hospital Services	31,079	0	31,079	
132,194	0	132,194	Community Health and Social Care Services	121,059	0	121,059	
83,664	0	83,664	Primary Healthcare Services	81,474	0	81,474	
469	0	469	IJB Running Costs	454	0	454	
245,956	0	245,956	Sub-Total	234,066	0	234,066	
(257,370)	0	(257,370)	Taxation and Non- Specific Grant Income	(253,983)	0	(253,983)	5
(11,414)	0	(11,414)	(Surplus) or Deficit on Provision of Services	(19,917)	0	(19,917)	4
(11,414)	0	(11,414)	Total Comprehensive Income and Expenditure	(19,917)	0	(19,917)	

There are no statutory adjustments which affect the IJBs 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.



Movement in Reserves Statement

This statement presents the movement during the year on the IJB's reserves. The movements which arise due to statutory adjustments which affect the General Fund balance will be separately identified from the movements due to accounting practices, if required.

Movement in Reserves During 2021/22	General Fund Balance £'000	Unusable Reserves £'000	Total Reserves £'000
Opening Balance @ 31 March 2021	(18,000)	0	(18,000)
Total Comprehensive Income and Expenditure	(19,917)	0	(19,917)
Increase in 2021/22	(19,917)	0	(19,917)
Closing Balance @ 31 March 2022	(37,917)	0	(37,917)
Movement in Reserves During 2020/21	General Fund Balance £'000	Unusable Reserves £'000	Total Reserves £'000
Opening Balance @ 31 March 2020	(6,586)	-	(6,586)
Total Comprehensive Income and Expenditure	(11,414)	-	(11,414)
Decrease in 2020/21	(11,414)	-	(11,414)
Closing Balance @ 31 March 2021	(18,000)	-	(18,000)



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. Usable reserves may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. Unusable Reserves include reserves relating to statutory adjustments as shown in the Movement in Reserves Statement.

Balance Sheet as at 31 March 2022			
31 March 2021		31 March 2022	
18,050	Short Term Debtors	38,098	
(50)	Provision for Bad Debts	(181)	
18,000	Current Assets	37,917	
0	Short Term Creditors	0	
0	Current Liabilities	0	
0	Provisions	0	
0	Long-Term Liabilities	0	
18,000	Net Assets	39,917	
(18,000)	Useable Reserves: General Fund	(37,917)	
0	Unuseable Reserves	0	
(18,000)	Total Reserves	(37,917)	

The unaudited accounts were issued on 17 June 2022 and the audited accounts were authorised on 23 September 2022.

Steven Kirkwood
Interim Chief Finance Officer

17 June 2022



Notes to the Financial Statements

1. Significant Accounting Policies

General Principles

The IJB financial statements for 2021/22 have been prepared on a going concern basis. 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. In accordance with the CIPFA Code of Local Government Accounting (2021/22), the IJB is required to prepare its financial statements on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or function to another entity. The accounts are prepared on the assumption that the IJB will continue in operational existence for the foreseeable future.

The IJB's funding from and commissioning of services to partners has been confirmed for 2022/23 and a medium term financial plan has previously been prepared through to 2024/25, with a revised plan expected to align with the next IJB strategic plan.

It is recognised that the IJB has continued to work within the context of the Covid-19 pandemic, an unprecedented global crisis. The Scottish Government provided funding in both 2020/21 and 2021/22 to meet all additional costs and unachieved savings associated with the pandemic. Remaining funds of £6.397m were carried forward from 2020/21 through reserves and have been supplemented by additional Scottish Government Covid funding of £16.338m in 2021/22 (excluding winter planning). After 2021/22 related expenditure of £6.470m, the remaining balance of £16.265m will be carried forward to meet ongoing costs in 2022/23, with no additional Scottish Government funding anticipated in 2022/23. However, ultimately all additional costs will be met by the IJB's partners in line with the Integration Scheme. In practice, the options available within the Integration Scheme in terms of projected budget overspends / additional costs have not been invoked in prior years as a risk sharing arrangement has been agreed on an annual basis to ensure that the relevant Partner makes good any overspends. The updated Integration Scheme will formalise these arrangements into a longer-term risk sharing agreement.

Given all of the above, the IJB considers that there are no material uncertainties in relation to its going concern status.

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 the statutory funding partners, Falkirk Council and NHS Forth Valley. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in Falkirk.

Cash and Cash Equivalents

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partners. Consequently the IJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The funding balance due to or from each funding partner as at 31 March is represented as a debtor or creditor on the IJB's Balance Sheet.

Employee Benefits

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

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

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

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. The IJB has no contingent liabilities.

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 and can be reliably measured. The IJB has no contingent assets.

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.

The IJB has no unusable reserves.

Indemnity Insurance

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

Unlike NHS Boards, the IJB does not have any 'shared risk' exposure from participation in CNORIS. The IJB participation in the CNORIS scheme is therefore similar 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, are 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.

There were no claims or costs incurred during 2021/22 or the previous financial year 2020/21.



VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

The VAT treatment of expenditure in the IJB's accounts depends on which of the partner agencies is providing the service as these agencies are treated differently for VAT purposes.

Where the Council is the provider, income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to H.M. Revenue & 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 irrecoverable from H.M. Revenue and Customs.

Where the NHS is the provider, expenditure incurred will include irrecoverable VAT as generally the NHS cannot recover VAT paid and will seek to recover its full cost as income from the Commissioning IJB.

2. Events After the Reporting Period

In accordance with the requirements of International Accounting Standards 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date that the accounts were certified by the Chief Finance Officer following approval by the Audit Committee.

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified namely:

- Adjusting events: Those that provide evidence of conditions that existed at the end of the reporting period. The Annual Accounts is adjusted to reflect such events.
- Non-adjusting events: Those that are indicative of conditions that arose after the reporting period and the Statements are not adjusted to reflect such events. Where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Whilst the Covid-19 pandemic is not a post balance sheet event, the potential impact from ongoing developments after the 31 March 2022 year end have been considered accordingly for disclosure in the financial statements.



These developments include:

- Ongoing changes to the configuration and delivery of a wide range of health and social care services including alternative modes of service delivery and the temporary suspension of certain services in line with national guidance.
- Additional covid related expenditure of £6.470m incurred during 2021/22 is included in the accounts for the year. This was fully funded by the Scottish Government. As highlighted above, unused Covid funding was transferred to reserves to be carried forward to 2022/23.
- There will continue to be material financial implications during 2022/23, which will apply to next year's financial statements. This will reflect national guidance and the financial impact of all actions currently being taken forward by the IJB as part of the local mobilisation plan to respond and support resilience and recovery during the course of the pandemic.

From our assessment we have not identified any material financial impact on the 31 March 2022 financial position.

3. Critical Judgements and Estimation Uncertainty

The critical judgements made in the Financial Statements relating to complex transactions are outlined below:-

- Both partner organisations have considered their exposure to possible losses and made adequate provision where it is probable that an outflow of resources will be required and the amount of the obligation can be measured reliably. Where it has not been possible to measure the obligation, or it is not probable in the partner organisations' opinion that a transfer of economic benefits will be required, material contingent liabilities have been disclosed (there are none).
- The Annual Accounts contain estimated figures that are based on assumptions made by the IJB about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.
- There are no items in the IJB's Balance Sheet at 31 March 2022 for which there is a significant risk of material adjustment in the forthcoming financial year.



4. Expenditure and Income Analysis by Nature

2020/21 £000		2122
82,154	Services commissioned from Falkirk Council	86,996
163,333	Services commissioned from NHS Forth Valley	146,485
-	Provisions	131
443	Other IJB Operating Expenditure	423
3	Insurance and Related Expenditure	3
23	Auditor Fee: External Audit Work	28
(257,370)	Partners Funding Contributions and Non-Specific Grant Income	(253,983)
(11,414)	(Surplus) or Deficit on the Provision of Services	(19,917)

Other IJB Operating Expenditure relates to shared costs for the Chief Officer, Chief Finance Officer, Senior Service Manager and supporting administration posts plus associated non-pay costs. Equal contributions to these costs are made by the constituent authorities to reflect the costs of running the Integration Authority.

5. Taxation and Non-Specific Grant Income

2020/21 £000		2021/22 £000
68,965	Funding Contribution from Falkirk Council	77,703
188,405	Funding Contribution from NHS Forth Valley	176,280
257,370	Taxation and Non-Specific Grant Income	253,983

The funding contribution from the NHS Board shown above includes £31.079m in respect of 'set aside' resources relating to acute hospital and other resources (£29.629m 2020/21). These are provided by the NHS which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

The funding contributions from the partners shown above exclude any funding which is ring-fenced for the provision of specific services. Such ring-fenced



funding is presented as income in the Cost of Services in the Comprehensive Income and Expenditure Statement.

6. Debtors

31 March 2021 £000		31 March 2022 £000
10,771	Falkirk Council	11,977
7,229	NHS Forth Valley	25,940
18,000	Debtors	37,917

7. Creditors

There are no current year or prior year creditor balances.

8. Provisions

A provision for bad debts in relation to Adult Social Care of £0.181m is included in the 2021/22 accounts and compares with the 2020/21 bad debt provision of £0.050m.

9. Useable 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 element of the IJB's financial risk management framework.

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



Balance at 31 March 2021 £000s	Reserves	TRANSFERS OUT £000s	TRANSFERS IN £000s	Balance at 31 March 2022 £000s
-85	Services for Survivors	10	0	-75
-40	Sensory Strategy	3	0	-37
-361	Dementia Innovation Fund	0	-60	-421
-17	British Sign Language Plan	0	0	-17
-71	Choose Life	0	-22	-93
-494	Capital Grant	18	0	-476
-920	Housing Revenue Account	0	-586	-1,506
-770	Carers Strategy	0	-1,359	-2,129
-63	Self Directed Support	0	-111	-174
-5,610	Covid - adult social care	4,665	-656	-1,601
-1,799	Winter planning - adult social care	742	-100	-1,157
	NEW leadership funds	0	-103	-103
	NEW MHO training	0	-34	-34
	NEW digital exclusion	0	-10	-10
	NEW appropriate adults	0	-14	-14
	NEW MECS fire safety	0	-28	-28
	NEW winter pressures - pay award 1 Dec	1,243	-1,243	0
	NEW winter pressures - interim care placements	0	-1,134	-1,134
	NEW winter pressures - care at home	0	-1,758	-1,758
-2,550	Partnership Funding	4,344	-3,744	-1,950
-500	Innovation/Invest to Save	250	0	-250
	NEW Technology Enabled Care	0	-250	-250
-60	Locality development	0	0	-60
-415	Health & Wellbeing	415	0	0
-415	Reducing Health & Social inequalities	415	0	0
	NEW Health Inequalities & Wellbeing Fund	0	-772	-772
	NEW Staff Health & Wellbeing	0	-174	-174
-92	PC Transformation Funds	0	0	-92
-105	Mental Health Innovation Fund	128	-128	-105
-30	Alcohol & Drugs Partnership/National Mission	667	-1,065	-428
-160	GP Out of Hours Fund	49	-215	-326
-47	GP Sub Committees	0	-6	-53
-6	Action 15 Mental Health Strategy	829	-925	-102
-461	Primary Care Improvement Fund	4,797	-5,290	-954
-120	GMS premises	54	-202	-268
-787	Covid - health	1,805	-1,164	-146
-569	Community Living Change Fund	0	0	-569
-174	Drugs Death Task Force funding	155	-237	-256
-44	Perinatal Mental Health	44	-65	-65
-65	District Nursing	197	-190	-58
	NEW GP Practice Exclusion Incident Audit	0	-12	-12
	NEW GDS Electric Speed Adjusting Hand Pieces	22	-204	-182
	NEW Winter 300 - Gp Practices Sustainability Payment	0	-3	-3
	NEW GDS Ventilation Improvement Allowance	36	-136	-100
	NEW Public Dental Service remobilisation	0	-121	-121
	NEW Emergency Covid Funding For Eating Disorders	29	-128	-99
	NEW winter pressures MDT	0	-567	-567
	NEW winter pressures HCSWs	0	-433	-433
	NEW Mental Health Recovery & Renewal phase 2 PDS	0	-101	-101
	NEW Mental Health Recovery & Renewal Primary Care	0	-49	-49
	NEW FCH underspend to test new community models of care	0	-829	-829
	NEW Mental Health Recovery & Renewal Psych Therapies	0	-256	-256
	NEW Primary care digital improvement	0	-54	-54
	NEW MH support for those hospitalised with covid	16	-40	-24
	NEW additional covid funding	0	-14,518	-14,518
	NEW Mental Health Premises improvement	0	-432	-432
	NEW GP Practice Telephony System Funding	13	-39	-26
	NEW Expansion of Buvidal - National Drug Mission	0	-109	-109
-16,830	Total Earmarked	20,946	-39,676	-35,560
-946	Contingency Reserve			-946
-224	General Reserve		-1,187	-1,411
-1,170	Total general	0	-1,187	-2,357
-18,000	GRAND TOTAL	20,946	-40,863	-37,917



Further information on some of the reserves is provided below:	
Partnership Funding & Leadership Funding	This is funding provided by the Scottish Government previously referred to as Delayed Discharge and/or the Integrated Care Fund.
Capital Grant Council	This is funding received as part of the Falkirk Council financial settlement and is tied to private sector housing grants. It is used to fund aids and adaptations to privately owned houses.
Housing Revenue Account Council	This is funding received as part of the Falkirk Council financial settlement and is derived from council house rents. As such it is ringfenced for aids and adaptations within council house properties.

10. Related Party Transactions

The IJB has related party relationships with NHS Forth Valley and Falkirk 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.

Transactions with NHS Forth Valley

2020/21 £000		2021/22 £000
(188,405)	Funding Contributions received from NHS Forth Valley	(176,280)
163,333	Expenditure on Services Provided by the NHS Board	146,485
23,112	Integration Funding passed through Falkirk Council	10,862
222	Key Management Personnel: Non-Voting Board Members	222
(1,738)	Net (surplus)/deficit on transactions with NHS Forth Valley	(18,711)



Balances with NHS Forth Valley

31 March 2021 £000		31 March 2022 £000
7,229	Debtor balances: Amounts due from the NHS Board	25,940
0	Creditor Balances: Amounts due to the NHS Board	0
7,229	Net Balance with NHS Forth Valley	25,940

Key Management Personnel: The Chief Officer is employed by Falkirk Council and the Chief Finance Officer by NHS Forth Valley. The cost of the posts are recharged to the IJB and funded via equal contributions from the constituent authorities based on voting shares. Details of the remuneration for the Chief Officer and the Chief Finance Officer are provided in the Remuneration Report.

Support services were not delegated to the IJB through the Integration Scheme and are instead provided free of charge as a 'service in kind'. The support services provided by NHS Forth Valley mainly consist of performance management, human resources, financial management, risk management, information services, information technology and payroll.

Transactions with Falkirk Council

2020/21 £000		2021/22 £000
(68,956)	Funding Contributions received from Falkirk Council	(77,703)
82,154	Expenditure on Services Provided by Falkirk Council	87,127
(23,112)	Integration Funding passed through Falkirk Council	(10,862)
247	Key Management Personnel: Non-Voting Board Members	232
(9,676)	Net (surplus)/deficit on transactions with Falkirk Council	(1,206)



Balances with Falkirk Council

31 March 2021 £000		31 March 2022 £000
10,821	Debtor balances: Amounts due from Falkirk Council	12,158
10,821	Net Balance with Falkirk Council	12,158

Support services were not delegated to the IJB through the Integration Scheme and are instead provided free of charge as a 'service in kind'. The support services provided by Falkirk Council mainly consist of governance services, human resources, financial management, information services, risk management, information technology and payroll.



Independent Auditor's report to the members of Falkirk Integration Joint Board and the Accounts Commission

Reporting on the audit of the financial statements



Glossary

While much of the terminology used in this document is intended to be self explanatory, the following additional definitions and interpretation of terms may be of assistance.

Accounting Period	The period of time covered by the accounts, which is normally a period of 12 months commencing on 1 April.
Assets	An asset is 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 will provide benefit for a period of more than one year. The Falkirk Integration Joint Board is not allowed to hold non current assets.
Balance Sheet	This represents the overall financial position of the Falkirk Integration Joint Board at the end of the year. All inter-company balances between the Board and its constituent bodies have been eliminated in preparation of the balance sheet.
Comprehensive Income & Expenditure Statement (CIES)	This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices (IFRS).
Constituent Authorities	The Falkirk Integration Joint Board has two constituent authorities which both fund the Board's activities and provide services to the Board. These are NHS Forth Valley and Falkirk Council.
Creditor	Amounts owed by the Falkirk Integration Joint Board 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 Falkirk Integration Joint Board 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.
Events after the Reporting Period	<p>Events after the Reporting Period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Should such events occur it may or may not be necessary to adjust the accounts. Guidelines are in place to determine whether an adjustment should be made to the accounts.</p> <p>Events taking place after the accounts have been authorised are not reflected in the financial statements or notes.</p>



Accounting Period	The period of time covered by the accounts, which is normally a period of 12 months commencing on 1 April.
General Fund	The General Fund encompasses all services areas and is funded mainly by the constituent bodies or the Scottish Government.
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 Falkirk Integration Joint Board. These grants may be specific to a particular scheme or may support the revenue spend of the Falkirk Integration Joint Board.
Gross Expenditure	This includes all expenditure attributable to the service and activity including employee costs, expenditure relating to premises and transport, supplies and services, third party payments, support services and capital charges.
Gross Income	This includes grant income and all charges to individuals and organisations for the direct use of the Board's services.
Liability	A liability is where the Falkirk Integration Joint Board 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 e.g. creditors. A long term liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.
Movement in Reserves Statement	This statement shows the movement in the year on the different reserves held by the Board, analysed into usable reserves (i.e. those that can be applied to fund expenditure) and unusable reserves.
Net Expenditure	This relates to gross expenditure less gross income and is the amount that needs to be funded by the constituent bodies and the Scottish Government.
Notes to the Core Financial Statements	These are intended to give the reader further information which is not separately detailed in the financial statements.
Provision	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 or when they will arise are uncertain.
Related Parties	These are entities or individuals that have the potential to control or influence the Falkirk Integration Joint Board, or to be controlled or influenced by the Board.



Accounting Period	The period of time covered by the accounts, which is normally a period of 12 months commencing on 1 April.
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 money value of any other benefits received other than in cash.
Reserves	The accumulation of surpluses, deficits and appropriations over past years. Reserves can be either usable or unusable. Usable reserves can be used to fund expenditure. Unusable reserves are accounting adjustments which enable a true and fair view to be determined. Unusable reserves cannot be used to fund expenditure. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Board.
Revenue Expenditure	The day-to-day running costs associated with the provision of services.





Falkirk
Health and Social Care
Partnership