



AGENDA ITEM NO 15

REPORT NO IJB 87/24

ANGUS INTEGRATION JOINT BOARD

18 DECEMBER 2024

AUDIT SCOTLAND – INTEGRATION JOINT BOARDS FINANCE AND PERFORMANCE 2024

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

1. ABSTRACT

In July 2024, Audit Scotland issued their latest report regarding the finance and performance of IJBs in Scotland. This report to the IJB shares that report and highlights some responses already agreed with respect to the report.

2. ALIGNMENT TO THE STRATEGIC PLAN

This report contributes to the following strategic enablers in the Angus IJB Strategic

Commissioning Plan: -

Deliver financial sustainability; and

Seeking to achieve best value and cost effectiveness.

3. RECOMMENDATIONS

It is recommended that the Integration Joint Board: -

(i) Consider and note the Audit Scotland report; and

(ii) Support the action plan as agreed at the IJB's Audit Committee in October 2024.

4. BACKGROUND

In 2022 and 2023, Audit Scotland published bulletins setting out the financial position of the 30 Scottish IJBs. The latest similar Audit Scotland report "Integration Joint Board Finance and Performance 2024" expands on those reports and provides a high-level independent analysis of IJBs alongside a series of recommendations. This report has already been shared with IJB Board members in July 2024 and in October 2024 Audit Committee members considered the specific recommendation of the report and agreed a series of actions in response to this (appendix 1).

The Audit Scotland report is available [here](#). The report includes a series of key messages (pages 3-5) and recommendations (page 6).

5. CURRENT POSITION

Finance Reporting

From a financial perspective, the attached report captures info to March 2023 (rather than March 2024) but does sets out a well-recognised picture of increasing levels of financial overspend, reductions in IJB reserves (only partly attributable to COVID issues) and financial sustainability challenges.

With regard to Angus, information for 2022/23 is referenced in: -

Exhibit 3 – showing Angus at the higher end of 22/23 operational surpluses.

Exhibit 5 – Showing Angus at the upper end of reserves as percentage of overall costs at March 2023.

Exhibit 6 – Angus at the lower end of 23/24 projected shortfalls as percentage of overall costs.

Performance Reporting

From a Performance perspective, the attached report does not detail individual IJB performance but does comment on national trends. This information and commentary has been shared with the Angus Performance Steering Group. Many of the trends referenced are already reflected in Angus IJB performance reporting (e.g. in terms of national benchmarks).

Audit Scotland Recommendations

The report includes a series of recommendation on page 6. These have been considered by the IJB's Management Team and a series of planned responses have now been approved through the Audit Committee. These are attached at appendix 1. The progress with these actions will be monitored through the Audit Committee alongside monitoring of other outstanding governance Actions. It is important to note that there are already capacity constraints within the IJB's Management Team as it addresses ongoing service management issues, considers resource challenges and seeks to improve governance.

It has been agreed for some of the recommendations in the report, that the IJB is already taking these issues forward in a proportionate way and no additional action is required.

As this report has now been widely circulated in the IJB and HSCP, it can be used to help inform future planning alongside all other local and regional information that informs planning processes and decisions.

6. FINANCIAL IMPLICATIONS

There are no direct additional financial implications arising from the recommendations of this report.

7. PUBLIC HEALTH IMPLICATIONS

There are no direct public health implications arising from the recommendations of this report.

8. CLIMATE SUSTAINABILITY IMPLICATIONS

There are no direct environmental implications arising from the recommendations of this report.

9. EQUALITY IMPACT ASSESSMENT, CHILDREN'S RIGHTS AND FAIRER SCOTLAND DUTY

Due to the content of this report, an Equalities Impact Assessment is not required.

10. COMMUNICATION AND ENGAGEMENT

Not Applicable.

11. DIRECTIONS

The Integration Joint Board requires a mechanism to action its strategic commissioning plans, and this is provided for in Section 26 to 28 of the Public Bodies (Joint Working) (Scotland) Act 2014. This mechanism takes the form of binding directions from the Integration Joint Board to one or both of Angus Council and NHS Tayside.

Direction Required to:	
No Direction Required	X
Angus Council	
NHS Tayside	
Angus Council and NHS Tayside	

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Appendix 1: Audit Scotland Report Recommendations and Angus IJB Position

Recommendation	Angus IJB Position
<p>ensure that their Medium-Term Financial Plans are up to date and reflect all current known and foreseeable costs to reflect short and longer-term financial sustainability challenges</p>	<p>a) Angus IJB’s SFP last updated in April 2024. Content considered again by IJB in August 2024, with a scheduled update for about December 2024. These reports do reflect all known costs and foreseeable costs where that is practical with a general allowance for risks.</p> <p>Next Steps – No further action required.</p>
<p>ensure that the annual budgets and proposed savings are achievable and sustainable. The budget process should involve collaboration and clear conversations with IJB partners, workforce, people who use services and other stakeholders around the difficult choices required to achieve financial sustainability</p>	<p>a) The IJB has reviewed budgets regularly, but we know some budgets are out of step with spend levels – E.g. Disabilities, Older People, GMS and Prescribing. In due course, and with appropriate broader solutions, it will be helpful to reset some budgets as part of developing overall management responses to financial challenges.</p> <p>Next Steps – To be reviewed as part of 2025/26 Strategic Financial Plan. (Lead – Chief Finance Officer, by February 2025).</p>
	<p>b) All savings were reviewed at the start of 2024.</p> <p>Next Steps – No further action required.</p>
	<p>c) The IJB’s budgeting process reflects the current Strategic Commissioning Plan (SCP) and Strategic Delivery Plan. All individual plans will be progressed via Partner processes for likes of consultation and engagement.</p> <p>Next Steps – Broader consideration to be taken forward as part of development of the 2026/27 SCP from Spring/Summer 2025. (Lead Chief Finance Officer/ Strategic Planning Lead, by August 2025)</p>
<p>work collaboratively with other IJBs and partners to systematically share learning to identify and develop:</p> <ul style="list-style-type: none"> a) service redesign focused on early intervention and prevention b) approaches focused on improving the recruitment and retention of the workforce 	<p>a) The IJB already shares knowledge in a number of forums (e.g. Tayside PMG, Planned Care, Unscheduled Care, Mental Health, NHS Tayside and Angus Council Leadership Team and Lead Partner).</p> <p>Next Steps – IJB to consider further dialogue with Dundee IJB regarding Prevention. (Lead – Programme Manager – Prevention and Proactive Care, by December 2024)</p> <p>b) The IJB already works collaboratively with other IJBs and partners to address workforce challenges. For example, AHSCP is part of the Tayside Mental Health Workforce Group focussing on reviewing and planning for workforce contingencies. The AHSCP Workforce Steering group is also a forum where workforce issues are addressed collaboratively with partners. The HSCP works directly with both employing organisations and organisations delivering employment support to improve recruitment and the HSCP takes part in national recruitment events to share learning and identify alternative approaches to workforce challenges.</p> <p>The HSCP is also part of the Tayside Corporate Workforce Planning Forum which enables Angus HSCP to contribute to workforce planning across Tayside.</p> <p>Next Steps – Given the current collaborative working, no further additional steps are planned.</p>
<p>work collaboratively with other IJBs and partners to understand what data is available and how it can be developed and used to fully understand and improve</p>	<p>a) The IJB agrees the benefit of regional performance frameworks and core regional KPIs may be useful alongside existing NIs and local KPIs. However, noting</p>

<p>outcomes for those using IJB commissioned services. This should include a consideration of gaps in data. It should also include consideration of measures to understand the impact of preventative approaches</p>	<p>the co-ordination and resource challenges with developing this, the IJB is most supportive of developing regional KPIs where regional groups with a common interest in a service/issue already exist.</p> <p>Next Steps – Through the Performance Steering group, the IJB will consider which relevant regional groups could consider the development of regional KPIs and then will consider how to take steps regarding progressing this work across Tayside. (Lead - Chief Finance Officer to develop discussions via Angus PSG with a view to progress by March 2025).</p> <p>Note – This issue may be resource intensive and may prove challenging without active engagement from other IJBs. Should this be the case, then the IJB's position may one where this issue is not progressed.</p>
<p>evaluate whether the local commissioning of care and support services, and the contracting of these services, adheres to the ethical commissioning and procurement principles, improving outcomes for people</p>	<p>a) This type of issue is routinely considered at the HSCPs 3PP (Third Party Provider) meeting. This report has been shared with 3PP meeting attendees.</p> <p>Next Steps – No further action required.</p>