

**DUNDEE CITY  
INTEGRATION JOINT BOARD**

**ANNUAL ACCOUNTS  
2020-21**

**Audited**

**Dundee City Integration Joint Board**  
**Annual Accounts 2020-21**  
**Contents**

	Page Number
Management Commentary	3
Statement of Responsibilities	21
Remuneration Report	23
Annual Governance Statement	26
The Financial Statements:	
Comprehensive Income and Expenditure Statement	34
Movement in Reserves Statement	35
Balance Sheet	36
Notes to the Financial Statements	37
Independent Auditor's Report	45

## Introduction

The Public Bodies (Joint Working) (Scotland) Act 2014 was passed by the Scottish Parliament on 25 February 2014 and received Royal Assent in April 2014. This established the framework for the integration of health and adult social care in Scotland, to be governed by Integration Joint Boards with responsibility for the strategic planning of the functions delegated to it and for ensuring the delivery of its functions through the locally agreed operational arrangements.

Following approval from Dundee City Council and NHS Tayside, the Dundee Integration Scheme, the formal legal partnership agreement between the two parent organisations, was submitted to the Scottish Ministers in August 2015. On 3 October 2015 Scottish Ministers legally established Dundee's Integration Joint Board as a body corporate by virtue of the Public Bodies (Joint Working) (Integration Joint Board) (Scotland) Amendment (No 3) Order 2015. The Integration Scheme was subsequently amended and approved by the Scottish Government with effect from 3<sup>rd</sup> April 2018 to take account of The Carers (Scotland) Act 2016.

Dundee City Integration Joint Board (IJB) formally became responsible for the operational governance and oversight of delegated health and social care functions with effect from 1 April 2016 and through the Chief Officer is responsible for the operational management of integrated services excluding delegated acute services. The Integration Joint Board directs Dundee City Council and NHS Tayside to deliver these services in accordance with the Strategic Plan through Dundee Health and Social Care Partnership. The services delegated to Dundee City IJB by NHS Tayside and Dundee City Council are listed in the [Dundee Integration Scheme](#).

This publication contains the financial statements for Dundee City Integration Joint Board for the year ended 31 March 2021. The Management Commentary highlights the key activities carried out to date and looks forward, outlining the anticipated financial outlook for the future and the challenges and risks facing health and social care services over the medium term.

## Role and Remit of Dundee City Integration Joint Board

Dundee City Integration Joint Board has responsibility for planning and providing defined health care and social care services for the residents of Dundee encompassing an area of 60 square kilometres and a population of around 149,000. These services are provided in line with the Integration Joint Board's Strategic and Commissioning Plan 2019-2022 which can be found here:

[https://www.dundeehscp.com/sites/default/files/publications/dhscp\\_strategic\\_plan\\_2019-2022.pdf](https://www.dundeehscp.com/sites/default/files/publications/dhscp_strategic_plan_2019-2022.pdf).

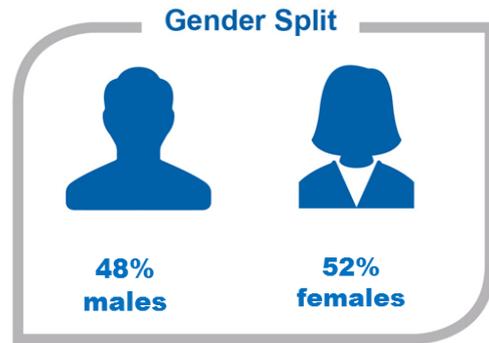
Population, health and deprivation impact directly on demand for health and social care services and can often result in higher support levels being required. Dundee has high levels of inequalities within the city with significant variances across locality areas, driven by high levels of deprivation and resultant impact on higher prevalence levels of health and multiple long-term conditions. In addition to frailty and ill health which is prevalent in the ageing population, many younger adults in Dundee are experiencing health conditions earlier in life as a result of deprivation and associated impact of substance misuse and mental health issues. These factors highlight the scale of the challenges Dundee City Integration Joint Board faces over the coming years.

A full profile of Dundee City is set out in the [Strategic Needs Assessment](#). Some of the key characteristics are presented below. All these characteristics have an impact on the demand for services commissioned by the Dundee City IJB, both now and in the future.

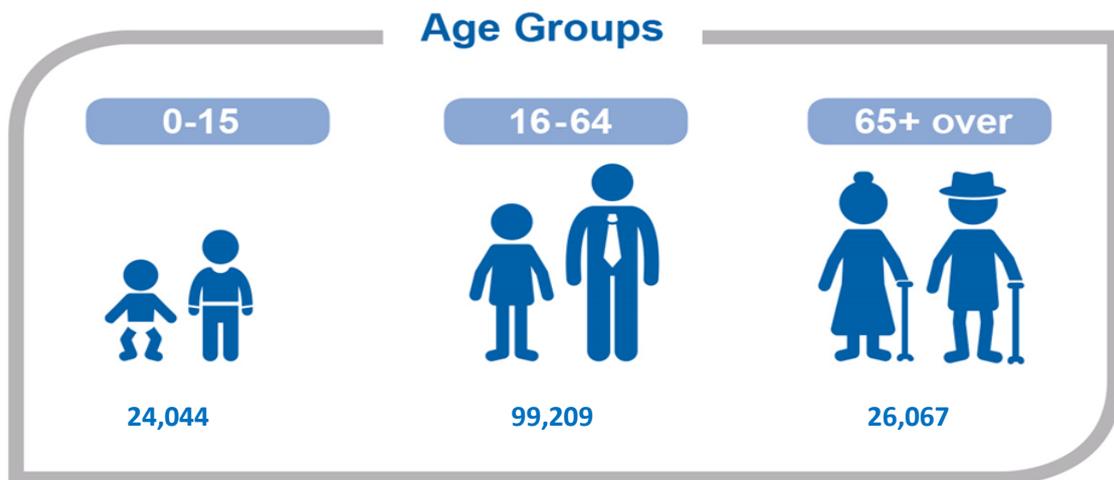
## POPULATION PROFILE AND PROJECTIONS



(Source: [National Records of Scotland](#), 2019)



(Source: [National Records of Scotland](#), 2019)



(Source: [National Records of Scotland](#), 2019)

### Projected Population

Like other parts of Scotland, Dundee is expected to see a significant rise in the number of older people with an increase of **38%** in those over 75 anticipated over the next 20 years.



## Life Expectancy

Dundee males have the **second lowest** life expectancy in Scotland and Dundee females have the **third lowest** life expectancy in Scotland, with factors such as prevalence of substance misuse, mental health problems, smoking, and obesity all contributing to the reduced life expectancy.



**Female Life Expectancy at Birth – 79 years**  
(compared to 81 for a Scottish female, a difference of 2 years)

**Male Life Expectancy at Birth – 74.0**  
(compared to 77.0 years for a Scottish male, a difference of 3 years)

(Source: [NRS Life Expectancy for areas within Scotland 2017-19](#))

## Deprivation

Dundee is the **5th** most deprived local authority area in Scotland with just over **36.6%** of the Dundee population living in the **20%** most deprived areas of Scotland.



In Dundee, **six out of eight Dundee LCPP areas** are above the Scottish average of **19.5%** and are also above the Dundee average of **36.6%**

(Source: Scottish Index of Multiple Deprivation 2020, Scottish Government)

## Drug Misuse



Dundee has the **4th** highest prevalence of drug misuse in Scotland. There are an estimated 2,300 problem drug users (ages 15–64) in Dundee.

**1,600** (70%) male and  
**700** (30%) are female

(Source: [Estimating the Prevalence of Problem Drug Use in Scotland 2015-16, PHS \(published 05/03/2019\)](#))

## Homelessness



**1,010** households assessed as homeless in 2019/20

**58%** of households have at least one identified support need

(Source: [Homelessness in Scotland 2019 to 2020, Scottish Government](#))

## Learning Disability



Dundee has the **highest proportion** of adults with a learning disability in Scotland.

In 2019, there were **8.8** adults per **1,000** population of adults in Dundee with a learning disability, compared to **5.2** adults per **1,000** population in Scotland.

(Source: [Learning Disability Statistics Scotland, 2019](#))

## Physical Disability



**10,590** people in Dundee identified themselves as having a physical disability.

**7%** of Dundee's population.

(Source: [Census 2011, scotlandscensus.gov.uk](#))

## Membership of Dundee City Integration Joint Board

The voting membership of Dundee City Integration Joint Board is drawn from three elected members nominated by the Council and three non-executive members nominated by the Health Board.

The table below notes the membership of Dundee City Integration Joint Board in 2020/21:

### Voting Members:

Role	Member
<b>Nominated by Tayside Health Board</b>	Trudy McLeay
<b>Nominated by Tayside Health Board</b>	Jenny Alexander (until 23/06/2021 but remains as Proxy Member) Anne Buchanan (from 23/06/2021)
<b>Nominated by Tayside Health Board</b>	Donald McPherson Norman Pratt (Proxy Member)
<b>Councillor Nominated by Dundee City Council</b>	Councillor Ken Lynn
<b>Councillor Nominated by Dundee City Council</b>	Bailie Helen Wright
<b>Councillor Nominated by Dundee City Council</b>	Councillor Roisin Smith (until 22/02/2021) Councillor Lynne Short (from 22/02/2021) Councillor Steven Rome (Proxy Member from 22/02/2021)

### Non-voting members:

Role	Member
<b>Chief Social Work Officer</b>	Diane McCulloch (Dundee City Council)
<b>Chief Officer</b>	Vicky Irons
<b>Proper Officer Appointed under section 95 (Chief Finance Officer)</b>	Dave Berry
<b>Registered medical practitioner whose name is included in the list of primary medical performers prepared by the Health Board</b>	Vacant
<b>Registered nurse who is employed by the Health Board</b>	Kathryn Brechin (until 29/06/2020) Wendy Reid (from 29/06/2020)
<b>Registered medical practitioner employed by the Health Board and not providing primary medical services</b>	James Cotton

# MANAGEMENT COMMENTARY

<b>Staff of the constituent authorities engaged in the provision of services provided under integration functions</b>	Raymond Marshall (NHS Tayside Staff Side Representative)  Jim McFarlane (Dundee City Council Trade Union Representative)
<b>Director of Public Health</b>	Drew Walker (NHS Tayside) (until 18/10/2020) Emma Fletcher (NHS Tayside) (from 19/10/2020)
<b>Third Sector Representative</b>	Eric Knox
<b>Service user residing in the area of the local authority</b>	Linda Gray
<b>Persons providing unpaid care in the area of the local authority</b>	Martyn Sloan

The Chair of Dundee City Integration Joint Board rotates on a two-yearly basis with the Chairs position transferring in October 2020 to Councillor Ken Lynn with Trudy McLeay, non-executive member of NHS Tayside Board acting as Vice Chair.

There was a change to the position of Registered nurse who is employed by the Health Board with effect from 29 June 2020 following the appointment of Wendy Reid with Kathryn Brechin stepping down from the role. In addition, Emma Fletcher replaced Drew Walker as Director of Public Health following his retirement and became an IJB member in that role from the 19<sup>th</sup> October 2020.

The Chief Officer provides the strategic leadership and direction to Dundee City Integration Joint Board. The Chief Officer is supported by the Head of Finance and Strategic Planning (as Chief Finance Officer). In relation to the Chief Officer's role as Executive Director of Dundee Health and Social Care Partnership, they are also supported by the Head of Finance and Strategic Planning in addition to two Heads of Service of Health and Social Care Services following the creation of an additional Head of Service Post at the end of 2020/21 to enhance senior management capacity.

## Impact of the COVID-19 PANDEMIC

The COVID-19 pandemic has been the biggest public health challenge facing society, including our health and social care system, in our lifetimes. Daily life has been significantly restricted, particularly following the imposition of lockdown arrangements by the UK Government on 26 March 2020. On 17 March 2020 the Cabinet Secretary for Health placed NHS Scotland on an emergency footing as a direct consequence of substantial and sustained transmission of COVID-19, with non-urgent elective operations and routine care suspended.

The impact of the COVID-19 pandemic on the health and social care needs of the population, how supports and services are delivered, on health inequalities and on the health and wellbeing of the health and social care workforce and of unpaid carers has been substantial and wide ranging.

Services delegated to Dundee Integration Joint Board as delivered through Dundee Health and Social Care Partnership (DHSCP) form a critical part of the overall health and social care system, particularly the wide range of community-based health, social care and social work supports and services. Partnership services have not only supported efforts to rapidly increase the availability of beds in the acute sector to respond to COVID-19 positive patients

requiring hospital admission, but have also been integral to providing responses to COVID-19 positive people in the community, both within their own homes and within residential settings such as care homes. As well as working to establish new COVID-19 pathways and responses, a range of services and supports have been the subject of rapid redesign to enable continued operation in the context of social distancing regulations and public health advice. This has included significant mobilisation and redeployment of the workforce across partner bodies such as Dundee City Council, NHS Tayside and the Voluntary Sector. Emerging issues such as securing adequate supplies of PPE and the provision of COVID-19 testing facilities have required a response from DHSCP. DHSCP has been integral to the provision of support and advice to care homes and other care providers including establishing a regular care provider information and advice bulletin and a system of financial sustainability payments in line with national guidance.

A range of essential, non-Covid services have also continued to be delivered, including face-to-face contact on a risk assessed basis to ensure the most vulnerable in the city continue to receive the support they need. In addition, the Partnership has made a significant contribution to wider Dundee Community Planning Partnership efforts to respond to community support needs, such as responses to shielded people requirements, food distribution and a range of public protection responses. These have had to be provided against a context of an instant change in the traditional working environment with the closure of most office bases and a move to home working for large parts of the workforce.

Changes to operational arrangements have been overseen and supported by a rapidly established incident control structure overseen by DHSCP's Silver Command which interfaces with associated response structures developed within NHS Tayside, Dundee City Council and the Tayside Local Resilience Partnership.

The IJB's governance arrangements were disrupted from March 2020 through the need to stand down formal meetings during the height of the crisis with the introduction of the Essential Business Procedure providing delegated authority to the Chief Officer and Chair of the IJB. A virtual weekly IJB voting members briefing meeting has been established in the interim period to provide an update on the major issues throughout the emergency period. Formal IJB meetings re-commenced in August 2020 with the Performance and Audit Committee reinstating meetings from September 2020. Due to the continued COVID-19 restrictions, these have been held via video conference.

In recognition of the additional demands experienced by Health and Social Care Partnership's across the country, the Scottish Government has made available additional funding to support additional costs incurred as a response to the COVID-19 crisis. During 2020/21, DHSCP was provided with additional funding of £11.9m to fully cover all known additional pandemic response costs and provision for unanticipated costs. This funding has resulted in the creation of an earmarked COVID-19 reserve within the IJB's balance sheet at the year end in line with the Scottish Government's expectations which must be utilised to offset any additional pandemic response costs incurred during 2021/22 before further funding will be released by the Scottish Government.

During 2021/22, DHSCP will continue to respond to the challenges of COVID-19 through the development and implementation of its recovery plan which will require new approaches to providing health and social care services in the context of increasing demand for services.

A key element of the Integration Joint Board's longer term recovery planning is to understand the legacy impact of COVID-19 on the health and care needs of the population, including demand for post COVID-19 recovery and rehabilitation services, the increasing prevalence of mental health and substance misuse issues and the impact of increased poverty and health

inequalities. The Integration Joint Board is currently reviewing the impact of these on the delivery of the Strategic and Commissioning Plan including carrying out an updated Strategic Needs Assessment of the population needs.

The future delivery of health and social care services will not only be directed by this revised plan but will build on new ways of working which have been required to be implemented as part of the COVID-19 response, such as increased use of technology to carry out virtual consultations, a blended approach to home and office working, more outreach working and greater opportunities for mobile working.

## Operations for the Year

As highlighted in the previous section, the impact of the COVID-19 crisis has dominated the operations of Dundee City Integration Joint Board over the entire 2020/21 financial year. The service landscape was subject to rapid change with the enforced closure of a range of services such as day care, changes to the way in which service users and patients were supported through the use of new technology, the intensive focus on supporting care homes and the expansion of other services such as care at home. However despite the emergency nature of the response, these services continued to be underpinned by principles of the Dundee City Integration Joint Board's [Strategic and Commissioning Plan 2019-2022](#). This sets out the context within which integrated services in Dundee operate and is shaped around the Health and Social Care Partnership's vision that "Each Citizen of Dundee will have access to the information and support that they need to live a fulfilled life."

This Strategic and Commissioning Plan focusses on the four strategic priorities of tackling health inequalities, early intervention and prevention, localities and engaging with communities and developing models of support / pathways of care. These priorities are supported by ensuring services provided embed a focus on carers, build capacity, provide person centred care and support and resources are managed effectively.

The priorities in the 2019-2022 Strategic Commissioning Plan are consistent with and support the Scottish Government's nine National Health and Wellbeing Outcomes which apply across all health and social care services. These are:

**Table 1 National Outcomes**

<b>Outcome 1. Healthier Living</b>	People are able to look after and improve their own health and wellbeing and live in good health for longer
<b>Outcome 2. Independent Living</b>	People, including those with disabilities, long term, conditions, or who are frail, are able to live as far as reasonably practicable, independently at home or in a homely setting in their community.
<b>Outcome 3. Positive Experiences and Outcomes</b>	People who use health and social care services have positive experiences of those services and have their dignity respected.
<b>Outcome 4. Quality of Life</b>	Health and social care services are centred on helping to maintain or improve the quality of life of service users.

# MANAGEMENT COMMENTARY

<b>Outcome 5. Reduce Health Inequalities</b>	Health and social care services contribute to reducing health inequalities.
<b>Outcome 6. Carers are Supported</b>	People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and wellbeing.
<b>Outcome 7. People are Safe</b>	People who use health and social care services are safe from harm.
<b>Outcome 8. Engaged Workforce</b>	People who work in health and social care services feel engaged with the work they do, are supported to continuously improve the information, support, care and treatment they provide
<b>Outcome 9. Resources are used Efficiently and Effectively</b>	Resources are used effectively and efficiently in the provision of health and social care services

Over the course of 2021/22, Dundee City Integration Joint Board will continue to monitor the impact of the COVID-19 crisis on the Strategic and Commissioning Plan and will review and amend it accordingly if necessary.

## Operational Delivery Model

During 2020/21, Dundee Health and Social Care Partnership's operational delivery model continued to embed a model of fully integrated health and social care services to support the delivery of the Dundee City Integration Joint Board's strategic priorities. Service managers have responsibility for both council and NHS services as part of their portfolios with a specific focus on service user categories (e.g. older people, mental health). In order to ensure Dundee Health and Social Care Partnership is able to respond effectively to a range of strategic challenges, including tackling Dundee's substance misuse problem and prevalence of poor mental health, the service has enhanced its senior management team capacity through the establishment of an additional Head of Operational Services post. This has resulted in the overall responsibility for the delivery of operational services to be split into two with one Head of Service focussing on primarily Older People's pathways with the other post's focus on Adult services, including mental health and substance misuse services. Further restructuring of services below this level will be progressed over the course of 2021/22. This structure is based around the eight Local Community Planning Partnership (LCPP) areas within the city as noted below.

## Map of Eight Local Community Planning Partnership Areas



## Scrutiny and Performance

The Integration Joint Board's Performance and Audit Committee (PAC) provides the opportunity for committee members to better understand the needs of communities and to monitor and scrutinise performance of delegated services against delivering the strategic priorities through a range of performance indicators and benchmarking. Throughout 2020/21, the Integration Joint Board's Performance and Audit Committee received performance reports which quantified Dundee's health and social care challenges in relation to the baseline data against a range of performance indicators, designed to capture the progress made under integration over time. This includes nationally and locally set indicators, a number of which are reflected at locality level to assist the Dundee City Integration Joint Board in determining the areas of greatest need and to inform the targeting of resources. Dundee's 2020/21 performance against a range of national indicators is reflected in **Table 2**. Further information regarding the performance of Dundee Integration Joint Board can be found within the 2020/21 Annual Performance Report. <https://www.dundeehscp.com/publications/all>

**Table 2**

National Indicator	Dundee 15/16 (Baseline Year)	Dundee 2019/20	Dundee 2020*	Scotland 2020*
Emergency admissions rate to hospital per 100,000 people aged 18+	12,168	12,520	11,823	11,100
Emergency bed days rate per 100,000 people aged 18+	146,192	119,246	97,449	101,852
Readmissions to acute hospital within 28 days of discharge rate per 1,000 population	122	127	146	114
Falls rate per 1,000 population aged 65+	25	31	31	22

<b>Number of days people spend in hospital when they are ready to be discharged, per 1,000 population (Delayed Discharge bed days)</b>	832	443	324**	488**
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**Notes:**

\* awaiting published financial year 2020/21 data from Public Health Scotland

\*\* 2020/21 financial year data

## Transforming Services

Transforming services is key to the Dundee City Integration Joint Board continuing to improve outcomes for service users and performance and service redesign opportunities connected to the overarching strategic priorities. While some of these transformation plans were put on hold during 2020/21 due to the challenges of responding to the COVID-19 pandemic, this response also required some services to change at a quicker pace than under normal circumstances. This included increased use of mobile working practices with the adoption of new digital technology and applications such as Near Me to enable non-contact consultations for health professionals. The continued expansion of community supports under the Reshaping Non Acute Care Programme enabled a sustained reduction in required care home beds leading to the closure of Craigie House and a remodelling of how intermediate care is provided with subsequent resource release for further investment. Progress continues to be made in relation to more efficient and effective prescribing which has seen GP prescribing expenditure for Dundee reduce to below the Scottish average per weighted patient. The challenge for the Dundee City IJB is to be able to continually develop and sustain levels of change at scale and pace to meet the growing demographic needs with continuing financial restrictions.

Through delivery of the Dundee City Integration Joint Boards Strategic and Commissioning Plan, Dundee Health and Social Care Partnership continues to reduce the number of hospital beds used by the population as evidenced by a sustained reduction in the number of emergency bed days used by the Dundee population through the acute hospital sector. The bed base is part of the overall description within the legislation around health and social care integration known as the large hospital set aside, with the Dundee City Integration Joint Board being responsible for the planning of acute services that are delegated with NHS Tayside responsible for the operational oversight and management of these services. The sustained progress made by DHSCP in reducing the number of emergency bed days has resulted in NHS Tayside committing to the release of £1 million of financial resources to DHSCP on a recurring basis from 2020/21.

Although impacted on due to the COVID-19 pandemic, a programme of service development and change is underway in relation to the provision of substance misuse services and supports to respond to the recommendations of the Dundee Drugs Commission Report “Responding to Drug Use with Kindness, Compassion and Hope” (published in August 2019).

Following the publication of the final report of the Independent Inquiry into Mental Health Services in Tayside, “Trust and Respect” (published in February 2020), agreement was reached that the operational management of in-patient mental health services in Tayside transferred from the Tayside Integration Joint Boards, hosted by Perth & Kinross IJB, to NHS Tayside. The Tayside IJBs remain critical to the response to the recommendations of the inquiry through the redesign of community based mental health services as set out in the Tayside Mental Health and Wellbeing Strategy. A follow up report by Dr David Strang

published in July 2021 (Independent Inquiry into Mental Health Services in Tayside Progress Report) highlighted the importance of Tayside having realistic timescales with regard to the scale of the task ahead with work now underway to better prioritise the required developments in response to this.

A summary of the key achievements over 2020/21 is as follows:

- Progress continues to be made in relation to more efficient and effective prescribing which has seen GP prescribing expenditure for Dundee reduce to below the Scottish average per weighted patient.
- The success of the 'Discharge to Assess' model which promotes discharge prior to major assessment decisions being made. The aim of this is to reduce the numbers of patients moving directly to a care home from hospital, and therefore reduces the demand for guardianship applications under the Adults with Incapacity legislation.
- Frailty assessment is now fully embedded within the Surgical and Orthopaedic inpatient pathways which is contributing to reduced length of stay
- Increased the number of people receiving a Self Directed Support Direct payment by 17%
- Supported the organisation and development of the local Vaccination Centres to ensure vulnerable care groups are supported when they attend their appointment
- Developed innovative and creative services for people with learning disabilities and mental health problems, including the use of safe open spaces, where it was not possible to engage remotely and activity resources for people to use at home.
- Further developed the use of digital technology in order to provide safe and city-wide services during the Pandemic.
- Enhanced support to homeless people through the ASPEN project, the Safe Zone Bus, the Positive Steps Assertive Outreach service, Social Prescribing, Keep Well / Health and Homeless Outreach Team supporting hotels and presence at food distribution points, The Gendered Services Project
- Increased the availability of the Take Home Naloxone in Dundee, with more organisations issuing naloxone kits to individuals
- Continued to adapt services to respond to the challenges of the Covid19 pandemic

## Dundee Adult Psychological Therapies Services - Case Study Example

Mrs A was a 50+ year old lady referred to the Dundee Adult Psychological Therapies Service by her GP for anxiety. Mrs A was diagnosed with social anxiety and low self-esteem and she often had thoughts such as “I am stupid” and “others will be judgemental”. Having recently retired she had become increasingly withdrawn and avoided social situations. Mrs A had tried psychological therapy 5 years ago but struggled to engage and she was offered a place at the virtual Building Confidence Group. The group includes 10 weekly 2 hour sessions with a follow up 7 weeks after. It uses a Cognitive Behaviour Therapy approach and is hosted on a virtual platform – ‘The National Video Conferencing Service’. Initially Mrs A was reluctant to attend due to anxiety and was apprehensive about using the technology. However, she actually found the system really easy to use and although initially she only wanted to have part of her head visible on camera and talked only occasionally: over time this became easier. Mrs A began to feel more confident to contribute to the exercises, was able to show her face on camera, provided advice to other group members, made jokes and chatted during the break. Mrs A was also able to attend the group even after she was contacted by Track and Trace when she had to self isolate for 10 days. At the end of the group Mrs A said “I would not have attended if this was in person, I’m happy I got this opportunity”. At the follow up, group members were planning a social meet up once Covid-19 restrictions lifted.

## Analysis of Financial Statements 2020/21

The Annual Accounts report the financial performance of Dundee City Integration Joint Board. Its main purpose is to demonstrate the stewardship of the public funds which have been entrusted to the Dundee City Integration Joint Board for the delivery of its vision and its core objectives. The requirements governing the format and content of local authorities’ annual accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code 2020/21). The 2020/21 Accounts have been prepared in accordance with this Code.

Integration Joint Boards need to account for their spending and income in a way which complies with our legislative responsibilities and supplementary Local Authority (Scotland) Accounts Advisory Committee (LASAAC) guidance.

The 2020/21 Annual Accounts comprise: -

- a) Comprehensive Income and Expenditure Statement – This statement shows that Dundee City Integration Joint Board made an overall surplus of £13,337k in 2020/21 (deficit of £2,274k in 2019/20) on the total income of £305,957k (£273,803k in 2019/20).
- b) Movement in Reserves – Dundee City Integration Joint Board has year-end reserves of £13,829k (£492k in 2019/20), of which £2,094k is General Reserve (£nil 2019/20). These are held in line with the Dundee City Integration Joint Board’s reserves policy. Reserves were applied during the year to cover outstanding liabilities to Dundee City Council, NHS Tayside and the activities of the Integration Joint Board. Dundee Integration Joint Board reserves have been increased due to significant levels of additional funding received at the year end.

- c) Balance Sheet – In terms of routine business Dundee City Integration Joint Board does not hold non-current assets.
- d) Notes - Comprising a summary of significant accounting policies, analysis of significant figures within the Annual Accounts and other explanatory information.

The Annual Accounts for 2020/21 do not include a Cash Flow Statement as Dundee City Integration Joint Board does not hold any cash or cash equivalents.

## Financial Position at the End of March 2021

The IJB's delegated budget from Dundee City Council and NHS Tayside developed over the financial year as follows:

	NHS Tayside Funding	Dundee City Council Funding
	£000	£000
Initial Agreed Funding	121,433	80,078
PCIF / Action 15 Mental Health / ADP Adjustments	3,070	1,090
Hospital & Community Health Services	5,133	
Family Health Services Drugs Prescribing	-3,874	
General Medical Services	27,367	
Family Health Services – Cash and Non Cash Limited	21,021	
Net Effect of Hosted Services	7,210	
Large Hospital Set Aside	17,608	
Additional DCC Funding – Pension Adjustment		4,179
Miscellaneous Additional Funding		128
20/21 Scottish Government COVID19	3,522	6,749
Impact of Transfer of SG Allocation Funding	14,028	-14,028
Carried Forward as Committed Reserves	5,054	6,189
Revised Partners Funding Contribution	221,572	84,385

The IJB reported a year end underlying underspend of £2,094k for 2020/21, arising from an underlying deficit of £1,388k in social care budgets and an underlying underspend of £3,482k in health budgets. This net underspend has been utilised to create the Uncommitted Reserve within the Balance Sheet.

The Integration Joint Board approved at its budget meeting reported in August 2020 the investment of additional ring-fenced Scottish Government funding in relation to Primary Care Improvement Plan of £1,629k and Action 15 Mental Health funding of £207k in line with the Scottish Government's expectations.

## MANAGEMENT COMMENTARY

Within the Dundee City Council overspend position, high demographic demand for community based social care services led to an overspend in services provided by third and independent sector care providers of £1,731k across budgeted provision, with a significant increase in care at home services in particular. A bad debt provision made by Dundee City Council of £335k mainly contributed to an overspend in supplies and services of £137k.

The NHS underspend position is mainly due to underspends within the overall GP and other prescribing budget of £1,398k. During 2020/21, the operational financial management of In-Patient Mental Health services transferred from Perth and Kinross Integration Joint Board to NHS Tayside. This has removed a significant financial risk from Dundee City Integration Joint Board's financial position.

During 2020/21, the IJB has received £16,355k and utilised £10,271k of the additional COVID-19 funding which was allocated by Scottish Government to fully cover all known additional pandemic response costs and provision for unanticipated costs. A breakdown of this expenditure is detailed below:-

<b>Expenditure Area</b>	<b>COVID-19 Additional Expenditure 2020/21</b> £000
Additional Bed Capacity (Royal Victoria / Kingsway Care Centre)	336
PPE	157
Additional Staff Cover / Temporary Staff	2,817
Provider Sustainability Payments	4,379
Additional Support to Vulnerable People	9
IT / Telephony	50
Additional GP Practice Costs	678
Loss of Charging Income	1,350
Increased Equipment & Supplies	189
Increased Transport Costs	64
Rehab & Recovery Costs	41
<b>Total Additional Expenditure</b>	<b>10,071</b>
Underachievement of Savings	200
<b>Total Mobilisation Cost</b>	<b>10,271</b>
NHS Tayside Spend	3,522
Dundee City Council Spend	6,749

During 2020/21, the IJB also received £9,319k from Scottish Government and other sources relating to other priorities, and utilised £4,160k in relation to these priorities.

The impact of the overall financial position for integrated services in Dundee for 2020/21 has resulted in the level of reserves held by Dundee City Integration Joint Board increasing to £13,829k at the year ended 31 March 2021 (as against £492k at the year ended 31 March 2020). This is reflected in the Movement in Reserves Statement.

	Opening Committed Reserves	Closing Committed Reserves @ 31/3/21
	£k	£k
Primary Care	175	2,424
MH Action 15	36	527
ADP	281	358
Service Specific Projects	0	129
Community Living Change Fund	0	613
COVID-19	0	6,084
NHST - shifting balance of care	0	1,600
<b>Total Committed Reserves</b>	<b>492</b>	<b>11,735</b>
Plus Uncommitted Reserves	0	2,094
<b>Total Reserves</b>	<b>492</b>	<b>13,829</b>

The reserve balance of £13,829k at the year ended 31 March 2021 is greater than the planned level of reserve of 2% of the Dundee City Integration Joint Board's net expenditure as set out within its reserves policy however it is acknowledged that the majority of these reserves are committed for specific initiatives linked to the funding streams detailed in the above table.

Achieving long-term financial sustainability and making best use of resources is critical to delivering the Dundee City Integration Joint Board's Strategic and Commissioning Plan's priorities. In response to the growing demand for health and social care and financial constraints, the Dundee City IJB recognises that continuous service redesign and further integration of services is critical.

## Key Risks and Uncertainties

The impact of the COVID-19 pandemic on the delivery of community-based health and social care services over the course of the last year has been significant. Services have had to adapt and change the way essential services to the most vulnerable citizens are delivered while ensuring staff and service users are protected. The lessons learned from the crisis are being assessed by DHSCP and have been reflected in the Remobilisation plan to inform the nature of the longer-term response to living with COVID-19 on a longer-term basis. Key risks have been identified with mitigation plans developed to reduce those risks in a range of areas including a reduction in the workforce due to illness, access to appropriate PPE, the risk of services becoming overwhelmed, lack of access to clinical space and the impact on the welfare of staff. These have been reflected in the IJB's risk register. Information continues to be gathered in relation to the legacy impact of the outbreak on the health of the population with anticipated higher demand for mental health and substance misuse services, health inequalities and other factors relating to increased levels of deprivation. This will assist in informing the IJB of the scale of the new challenge it faces as part of its remobilisation plan and in shaping its future Strategic and Commissioning Plan priorities.

There is also further considerable uncertainty as to the impact of the COVID-19 pandemic on public finances. The consequences of potential further restrictions to public funding against an already challenging financial environment, including the implications of the UK's withdrawal

from the EU, would likely to be significant for the IJB's delegated budget. If "post COVID-19" demand levels increase there is a risk that the Dundee City Integration Joint Board will not have sufficient longer term financial resilience to meet these demands without additional funding being made available. While the IJB has developed a five year financial framework which projects a potential funding gap of around £18m over the period 2021/22 to 2025/26, the current uncertainty around funding and demand means this estimate will require to be re-set in line with the most current predictions as they become available. There is the potential this is an underestimate.

With the focus of DHSCP over the course of 2020/21 being a response to the COVID-19 pandemic, much of the planned transformation of services was put on hold. This has impacted on the IJB's budget planning process with the 2021/22 savings programme consisting almost entirely of non-recurring savings. As DHSCP takes forward its remobilisation plan throughout 2021/22, this will need to take into consideration significant changes in service delivery. There is a risk that this transformation will not be sufficiently progressed to support the 2022/23 savings programme which is likely to include the recurring 2021/22 deficit and anticipated funding shortfall in 2022/23.

The Scottish Government has provided additional funding to IJB's to support the response to the COVID-19 pandemic and to recognise the additional costs incurred by health and social care, including the third and private sector in delivering essential front-line services and ensuring financial sustainability through local re-mobilisation plans. There is a risk that over the course of 2021/22, the cost of delivering the re-mobilisation plan will be greater than the funding the Scottish Government provides by the end of the financial year leading to an additional funding pressure.

There are financial sustainability risks with third and independent sector contractual arrangements with care providers across the country who provide services on our behalf highlighting contractual payment levels which are insufficient for them to meet their running and business costs. While the implementation of a national approach to uplifts to contract values to ensure payment of the living wage in 2020/21 and 2021/22 has provided some level of stability, these local challenges will continue to be monitored and responded to through the contract monitoring process accordingly.

Progress in implementing the IJB's Primary Care Improvement Plan has also been impacted on by the COVID-19 pandemic, however, challenges still exist in relation to the ability of DHSCP to recruit or develop the workforce to deliver all the expectations of the plan through the introduction of new multi-disciplinary community-based support teams. There are also financial challenges in meeting the Scottish Government's and GP's expectations with the resources provided with potential funding shortfalls identified in future years.

During 2019/20 the IJB received the outcome of two significant publications which involve services delegated to the IJB. The Dundee Drugs Commission Review "Responding to Drug Use with Kindness, Compassion and Hope" and the Independent Inquiry into Mental Health Services in Tayside "Trust and Respect" both contained significant recommendations which the IJB as a partner organisation has developed plans to respond to and resource effectively in order to ensure improvements to services and ultimately outcomes for service users are made in line with these recommendations. While the impact of the COVID-19 pandemic resulted in challenges in making progress with these improvement plans over the course of 2020/21, work continues to implement the necessary changes which will be monitored by the IJB and partner organisations through regular update reporting.

The Independent Review of Adult Social Care was published in January 2021 and has been endorsed by the Scottish Government. The review contains 53 individual recommendations

across 8 key themes designed to improve adult social care, primarily in terms of the outcomes achieved by and with people who use services, their carers and families, and the experience of people who work in adult social care. One of the key areas for consideration in the report is the proposed redesign of the system with proposals for a National Care Service, given an equal footing with NHS Scotland and reformed IJB's with a strengthened role. This is envisaged to include IJB's having full responsibility for the commissioning and procurement of adult social care support locally, accountable directly to the Scottish Government as part of the National Care Service. Local Authorities would no longer be responsible for commissioning and procuring adult social care support but can continue to provide social care services procured by reformed IJBs. While the extent of implementation of the recommendations and associated timescales will become clearer over the coming months, the impact of the review on the IJB and its partners will be significant and will change the service delivery and governance landscape for adult social care.

Regular identification and assessment of risk such as those uncertainties noted above is part of the Dundee City IJB's risk management strategy with appropriate actions to eliminate or reduce the impact of such risks set out in the Dundee City IJB's risk register when and where necessary.

## Conclusion

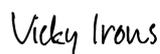
We are pleased to present the annual accounts for the year ended 31 March 2021 for Dundee City Integration Joint Board. The accounts show that Dundee City Integration Joint Board has had to continue to deliver its operational services within an increasingly challenging environment of limited funding and demographic-driven growth in demand for services. While the impact of this environment over recent years has resulted in a considerable reduction in the Dundee City IJB's level of available reserves, the receipt of additional Scottish Government funding during 2020/21 to support the integrated health and social care service's COVID-19 pandemic response, in addition to the reprioritising of service delivery as result of the pandemic, has led to a considerable increase in the IJB's financial reserves. While this is welcome, much of this resource is committed to delivering on local and national priorities and the continued response throughout 2021/22 to the pandemic.

Going forward, Dundee City Integration Joint Board has a significant financial challenge ahead to deliver the Strategic & Commissioning Plan in this climate of growing demand and limited resources. Furthermore, the uncertainty caused by the COVID-19 pandemic in relation to how services can be safely delivered, the impact of increased demand for mental health and substance misuse services and for those recovering from COVID-19 as well as the impact on public sector funding will provide further challenges. In order to meet these challenges, we must ensure the IJB's resources are used effectively, identifying, testing and implementing innovative ways to deliver more personalised and well-co-ordinated services, building the resilience of people and their communities and reducing unnecessary hospital admissions and delayed discharges from hospital. This will require the confidence of professionals and the public to further shift resources from intensive, high cost services to a focus on more preventative service provision to ensure best value for public funds.



**Dave Berry CPFA**  
Chief Finance Officer  
Dundee City  
Integration Joint Board

Date: 24 November 2021



**Vicky Irons**  
Chief Officer  
Dundee City  
Integration Joint Board

Date: 24 November 2021



**Ken Lynn**  
Chair  
Dundee City  
Integration Joint Board

Date: 24 November 2021

# STATEMENT OF RESPONSIBILITIES

## Responsibilities of the Dundee City Integration Joint Board

The Dundee City 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). For this Board, that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014, the Coronavirus (Scotland) Act 2020) 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 Performance and Audit Committee on 24 November 2021.

Signed on behalf of the Dundee City Integration Joint Board



**Ken Lynn**  
Chair  
Dundee City Integration Joint Board

Date: 24 November 2021

# STATEMENT OF RESPONSIBILITIES

## Responsibilities of the Chief Finance Officer

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

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

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

The Chief Finance Officer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the Dundee City Integration Joint Board as at 31 March 2021 and the transactions for the year then ended.



**Dave Berry CPFA**  
Chief Finance Officer  
Dundee City Integration Joint Board

Date: 24 November 2021

## Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It discloses information relating to the remuneration and pension benefits of specified Integration Joint Board members and staff.

The information in the tables on the following page 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.

## Remuneration: Integration Joint Board Chair and Vice Chair

The voting members of Dundee City Integration Joint Board are appointed through nomination by Dundee City Council and Tayside NHS Board. Nomination of the Integration Joint Board Chair and Vice Chair post holders alternates between a Councillor and a Health Board representative. The details of the Chair and Vice Chair appointments are shown below:

Name	Post(s) held	Nominated by
K Lynn	Vice Chair From 30 October 2018 to 27 October 2020 Chair From 27 October 2020	Dundee City Council
T McLeay	Chair From 30 October 2018 to 27 October 2020 Vice Chair From 27 October 2020	NHS Tayside

Dundee City Integration Joint Board does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the Integration Joint Board. The Chair and Vice Chair are remunerated by their relevant Integration Joint Board partner organisation. Dundee City Integration Joint Board does not reimburse the relevant partner organisations for any voting board member costs borne by the partner. No taxable expenses were paid to the Chair or Vice Chair of the Integration Joint Board in 2020/21.

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

## Remuneration: Officers of Dundee City Integration Joint Board

Dundee City Integration Joint Board does not directly employ any staff in its own right, however specific post-holding officers are non-voting members of the Board.

## Senior Employees

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the Integration Joint Board has to be appointed and the employing partner has to formally second the officer to the Integration Joint Board. The employment contract for the Chief Officer will 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 Dundee City

# REMUNERATION REPORT

Integration Joint Board. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below.

Total Salary, Fees & Allowances 2019/20 £	Post	Senior Employees	Total Salary, Fees & Allowances 2020/21 £
16,539 (FYE 99,234)	Chief Officer	Vicky Irons From 3/2/2020 to date	109,961
89,056	Chief Finance Officer	Dave Berry	95,828
<b>105,595</b>		<b>Total</b>	<b>205,789</b>

FYE = Full Year Equivalent

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 Dundee City Integration Joint Board balance sheet for the Chief Officer or any other officers. The Chief Officer (with effect from 2 February 2021) and Chief Finance Officer are members of the Tayside Pension Fund which is a Local Government Pension Scheme (LGPS). The LGPS is a defined benefit statutory scheme, administered in accordance with the Local Government Scheme Regulations 2014. The Chief Officer was previously a member of the NHS Pension Scheme (Scotland) (until 1 February 2021). The scheme is an unfunded multi-employer defined benefit scheme. Details of the LGPS can be found in Dundee City Council's accounts and details of the NHS pension scheme can be found in NHS Tayside's accounts. Both documents are available on their respective websites.

Dundee City Integration Joint Board however has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the Integration Joint Board. The following table shows the Dundee City Integration Joint Board'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.

# REMUNERATION REPORT

Senior Employee	In Year Pension Contributions		Accrued Pension Benefits		
	For Year to 31/03/20 £	For Year to 31/03/21 £		Difference from 31/03/20 £000	As at 31/03/21 £000
V Irons From 3/2/2020 to date Chief Officer	3,441	22,080	Pension	0	36
			Lump Sum	(7)	73
D Berry Chief Finance Officer	15,139	16,291	Pension	5	40
			Lump sum	4	60
<b>Total</b>	<b>18,580</b>	<b>38,371</b>	<b>Pension</b>	<b>5</b>	<b>76</b>
			<b>Lump Sum</b>	<b>(3)</b>	<b>133</b>

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

## Exit Packages

There were no exit packages payable during the financial year.



**Ken Lynn**  
Chair  
Dundee City Integration Joint Board

**Date:** 24 November 2021



**Vicky Irons**  
Chief Officer  
Dundee City Integration Joint Board

**Date:** 24 November 2021

## Introduction

The Annual Governance Statement explains Dundee City Integration Joint Board's governance arrangements and reports on the effectiveness of the Integration Joint Board's system of internal control.

## Scope of Responsibility

Dundee City Integration Joint Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

To meet this responsibility, the Integration Joint Board has established arrangements for governance which includes a system of internal control. The system is intended to manage risk to support the achievement of the Integration Joint Board's policies, aims and objectives. Reliance is also placed on the NHS Tayside (NHST) and Dundee City Council (DCC) systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the Integration Joint Board. Reliance is similarly placed on Angus IJB and Perth & Kinross IJB with respect to Hosted Services.

The system can only provide reasonable and not absolute assurance of effectiveness.



## The Governance Framework and Internal Control System

Dundee City Integration Joint Board comprises six voting members, three nominated by Dundee City Council and three nominated by Tayside NHS Board, as well as non-voting members including a Chief Officer and Chief Finance Officer appointed by the Integration Joint Board. As a result of the Covid19 pandemic, all formal IJB governance committees were stood down over the first few months of the 2020/21 financial year in line with DCC and NHST governance arrangements with the essential business procedure implemented to ensure decisions could continue to be made through the IJB Chair, Vice Chair and Chief Officer as required.

The main features of the governance framework in existence during 2020/21 were:

- Regular IJB voting members briefing meetings to provide updates on the Health and Social Care Partnership's (HSCP's) response to the Covid19 pandemic
- Establishment of a silver command group within the HSCP to coordinate the health and social care response to the pandemic with frequency of meetings stepped up or down depending on the stage of the pandemic. HSCP Senior Management participation in corresponding DCC and NHST command structure responses.

# ANNUAL GOVERNANCE STATEMENT

- Implementation of essential business procedure to ensure continuation of IJB decision making as required
- A virtual IJB session was held in June 2020 to enable IJB members to formally sign off a number of reports with formal meetings, using a digital meetings platform, reinstated from August 2020.
- Consideration by the IJB of the impact of the Covid19 pandemic on the delivery of the Strategic and Commissioning Plan through instructing the IJB's Strategic Planning Advisory Group to assess the situation and report back accordingly.
- The Integration Scheme as the overarching agreement between the Integration Joint Board, NHS Tayside and Dundee City Council as to how the planning for and delivery of delegated health and social care services is to be achieved reflecting a range of governance arrangements required to support this arrangement.
- The senior leadership team of the Health and Social Care Partnership consisting of the Chief Officer, Head of Finance and Strategic Planning (Chief Finance Officer) and two Head of Service of Health and Social Care Services (following the creation of an additional Head of Service post at the end of 2020/21). The Chief Finance Officer has overall responsibility for the Integration Joint Board's financial arrangements and is professionally qualified and suitably experienced to lead the Integration Joint Board's finance function and to direct staff accordingly.
- Formal regular meetings of the senior leadership team including professional advisers.
- Standing Orders, Financial Regulations and a Code of Conduct including the publication of Register of Member's Interests and the nomination of the Clerk to the Integration Joint Board as Standards Officer were all in place during 2020/21.
- The Integration Joint Board met remotely on five occasions throughout the year to consider its business. Three development sessions were also held remotely as part of the 2021/22 budget development process.
- The Integration Joint Board's Performance and Audit Committee met remotely on three occasions throughout the year to enhance scrutiny of the performance of the Integration Joint Board and audit arrangements in line with regulations and good governance standards in the public sector. This is the minimum number of meetings required in line with the Terms of Reference. While further meetings had been timetabled, these were cancelled as there was no outstanding business which could not be dealt with at a later date.
- Internal Audit arrangements for 2020/21 were approved at the Performance and Audit Committee meeting held on the 26 May 2021 including the appointment of the Chief Internal Auditor of FTF Internal Audit and Management Services to the role of Chief Internal Auditor of the Integration Joint Board supported by Dundee City Council's Internal Audit Service. An Internal Audit Plan for 2020/21 was approved drawing on resources from both organisations.
- The assurances provided from internal audit through their independent review work of the Integration Joint Board's internal control systems.
- Assurances were provided to the Performance and Audit Committee in relation to Clinical, Care and Professional Governance through the presentation of a Chairs assurance Report from the Clinical, Care and Professional Governance Group
- The Chief Finance Officer complied fully with the five principles of the role of the Chief Finance Officer, as set out in CIPFA guidance.

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. During 2020/21 this included the following:

- A continued focus on considering risk in decision making through the clear identification of risks in relation to Integration Joint Board decisions reflected in reports presented to the Integration Joint Board and Performance and Audit Committee.

# ANNUAL GOVERNANCE STATEMENT

- The approval and adoption of a revised Tayside IJB's Risk Management Framework at the meeting of the IJB held on the 21<sup>st</sup> April 2021.
- The approval and progressing in year of the Annual Internal Audit Plan with the presentation of Internal Audit reports and follow up action plans as appropriate. Update reports on progress of the Internal Audit Plan provided at each Performance and Audit Committee.
- The presentation of the IJB's Annual Performance Report
- Continued development of the performance management framework with a range of performance reports published and scrutinised by the Performance and Audit Committee throughout the year, including more detailed reviews of specific areas of concern as requested by the committee such as discharge management and the impact of repeat elective activity on readmission rates.
- A process of formal regular reporting of financial performance and monitoring to the Integration Joint Board was in place throughout 2020/21.
- The provision of regular budget development reports for 2021/22 to the Integration Joint Board.
- The provision of an assurance report from the chair of the Performance and Audit Committee outlining the key issues raised at the previous Performance and Audit Committee meeting to the following Integration Joint Board meeting.
- Reporting on issues relating to the Clinical, Care and Professional Governance Group in the form of the group's Chairs Assurance Report to each meeting of the Performance and Audit Committee in line with the overarching strategy: Getting It Right for Everyone – A Clinical, Care and Professional Governance Framework with no major issues reported.
- Embedding the issuing of directions to NHS Tayside and Dundee City Council reflected in Integration Joint Board reports during the year as appropriate.
- Regular reporting to the Performance & Audit Committee of external scrutiny reports relating to delegated services from scrutiny bodies such as the Care Inspectorate and supporting subsequent action plans.
- Provision of a Governance Action Plan progress report to monitor progress of previous recommended areas of improvement provided to each meeting of the Performance and Audit Committee.
- Assurance provided around the quality of Social Work Services through the Chief Social Work Officer Governance Framework and annual Chief Social Work Officer's Annual Report
- Reporting of Complaints in relation to delegated Health and Social Care services
- Assurances on the procedures, processes and systems of NHS Tayside and Dundee City Council as advised through the partner bodies Annual Governance Statements and Annual Internal Audit Reports and relevant internal and external audit reporting

## Review of Adequacy and Effectiveness

Dundee City Integration Joint Board is required to conduct, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

The review is informed by the work of the HSCP's Senior Management Team (who have responsibility for the development and maintenance of the internal control framework environment), the work of the internal auditors and the Chief Internal Auditor's annual report, and reports from external auditors and other review agencies and inspectorates.

The review of Dundee City Integration Joint Board's governance framework is supported by a process of self-assessment and assurance certification by the Chief Officer. The Chief Officer completes a "Self-assessment Checklist" as evidence of review of key areas of the Integration Joint Board's internal control framework. The Senior Management Team has input to this

# ANNUAL GOVERNANCE STATEMENT

process through the Chief Finance Officer. There were no significant internal control issues identified by the self-assessment review.

In addition, the review of the effectiveness of the governance arrangements and systems of internal control within the Health Board and Local Authority partners places reliance upon the individual bodies' management assurances in relation to the soundness of their systems of internal control.

In preparing the Annual Governance Statement, the Integration Joint Board gave consideration to both NHS Tayside and Dundee City Council's Annual Governance Statements. There were no issues arising which require any further disclosure in the Integration Joint Board's Governance Statement.

Throughout the year, the Performance and Audit Committee has considered a range of issues which cover its core responsibilities in providing the Integration Joint Board with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance arrangements. Assurances are provided through the internal audit reviews undertaken throughout the financial year and presented to the Performance and Audit Committee. During 2020/21 the number of carried forward days from previous annual audit plans has been a significant factor causing changes to target dates for reporting. The complexity of the control environment for IJBs, the demand on IJB management time to feed into the audit process; as well as the time taken to clear reports with the range of parties involved means some audits planned for 2020/21 were not reported by year-end. Fieldwork on these audits was either substantially completed by the end of May 2021, or a risk assessment process for inclusion in the 2021/22 internal audit plan carried out. The Chief Internal Auditor has assured the Performance and Audit Committee that the work completed at year end on the governance checklist and annual internal audit report is sufficient to allow them to provide robust assurance for the governance statement.

The IJB's Performance and Audit Committee was presented with three substantive internal audit reports during 2020/21 (Finance, Governance Mapping, Information Governance and Technology as Enablers), each of which concluded there was limited assurance. A small number of actions were recommended for the HSCP and partner bodies to take forward to enhance systems and processes which are being progressed and reported to each Performance and Audit Committee as part of the Governance Action Plan.

It is recognised that progress in delivering a number of actions from previous internal and external audit recommendations has been slower than originally planned, mainly due to lack of capacity within Dundee Health and Social Care Partnership to take these actions forward at the expected pace. This was a theme within the findings of the three substantive audit reports presented during the year. Plans to enhance capacity throughout 2020/21 to mitigate this risk in future years were superseded by the work required in response to the pandemic. This issue was escalated by the Performance and Audit Committee to the Integration Joint Board with the presentation of an update report to the October 2020 meeting of the Integration Joint Board. Senior management capacity has now been enhanced with the temporary appointment to an additional Head of Service role within operational services appointed in April 2021. A holistic review of these outstanding actions has now been undertaken which included consideration of those actions no longer deemed a priority due to the Covid19 pandemic, duplicate actions or those now superseded by other actions. A revised Governance Action Plan was presented to the September 2021 meeting of the Performance and Audit Committee with progress on actions in the plan now recorded on Dundee City Council's Pentana Risk Management system to allow for real time updates. In the context of the other controls in place and progress made, this is not deemed to undermine the systems of governance and control within the IJB.

# ANNUAL GOVERNANCE STATEMENT

The IJB approved and adopted the Tayside IJB's Risk Management Framework at its meeting of 21<sup>st</sup> April 2021. This updated the previous framework taking into consideration the experience of integration since the original framework was introduced and included providing clarity on roles and responsibilities for risk management across the IJB and its partner bodies.

The Chair of the Performance and Audit Committee provides an update to the next available Integration Joint Board meeting on the issues raised and any areas of concern which the Integration Joint Board should be made aware of through the Chairs Assurance Report.

Dundee City Integration Joint Board complies in full with "The Role of the Head of Internal Audit in Public Organisations" (CIPFA) and operates in accordance with "Public Sector Internal Audit Standards" (CIPFA). The Head of Internal Audit reports directly to the Performance and Audit Committee with the right of access to the Chief Finance Officer, Chief Officer and Chair of the Performance and Audit Committee on any matter. The annual programme of internal audit work is based on a strategic risk assessment, and is approved by the Performance & Audit Committee.

The Chief Internal Auditor has carried out his review of the adequacy and effectiveness of the Integration Joint Board's framework of governance, risk management and control. The findings of this review are reflected in the Annual Internal Audit Report 2020/21 presented to the IJB meeting of the 23 June 2021 which supports the outcome of Dundee City IJB's self-assessment process noted above and concludes that although some areas for improvement have been identified these do not impact on the level of assurance provided and reliance can be placed on the Integration Joint Board's governance arrangements and systems of control for 2020/21. A management response, actions and planned completion dates in relation to these areas of improvement have been developed with the progress of these actions monitored through the Performance and Audit Committee as part of the Governance Action Plan update report.

## Continuous Improvement

The following areas for improvement have been identified through the self-assessment process and Annual Internal Audit Report. Progress against these will be monitored by the Performance and Audit Committee during 2021/22.

Area for improvement	Lead Officer	Target Completion Date
Under Clinical and Care Governance, review of remits needs to consider information and data sets to be agreed and presented to the Getting it Right for Everyone Group to support the governance of Hosted Services	Lead Allied Health Professional/ Head of service Health & Community Care	Sept-2021
Reporting on workforce issues including the Workforce and Organisational Development Strategy as well as the partnership forum.	Chief Officer	March-2022

# ANNUAL GOVERNANCE STATEMENT

Development of Large Hospital Set Aside arrangements in conjunction with the Scottish Government, NHS Tayside and Angus and Perth and Kinross Integration Joint Boards.	Chief Finance Officer	March-2022
Development of improved Hosted Services arrangements around risk and performance management for hosted services.	Chief Finance Officer	March-2022
Further develop the Integration Joint Board's local Code of Governance.	Chief Finance Officer	March-2022
Further develop performance report information into a delivery plan framework to ensure IJB fulfils its remit in delivering the direction of travel within the Strategic Commissioning Plan.	Chief Finance Officer	Dec-2021
Liaise with partner organisations to ensure an agreed budget is approved prior to the start of the year.	Chief Finance Officer	March-2022
Combine financial and performance reporting to members.	Chief Finance Officer	Dec-2021
Review reserves to ensure they are adequate	Chief Finance Officer	June-2021
Implementation of and reporting on all outstanding recommendations arising from the Ministerial Steering Group report on Health & Social Care Integration	Chief Officer	March-2022
Further development of governance arrangements considering agreed governance principles and updated advice from the Scottish Government Health & Social care Division	Chief Officer	March-2022
Regularly report on the position on the achievement of savings proposals and transformation to members. The impact from Covid-19 and delivering pandemic remobilisation plans will also need to be considered.	Chief Finance Officer	March-2022
Embed a programme of development and training opportunities for Board members.	Chief Officer	March-2022
Escalate to NHS Tayside that the IJB has not had professional input from a 'registered medical practitioner whose name is included in the list of primary medical services performers' for a number of years and request NHS Tayside appoint to this non-voting role	Chief Finance Officer/Clerk to the Board	June-2021

# ANNUAL GOVERNANCE STATEMENT

Update the Board and PAC on progress in delivering against the remaining actions in the risk maturity action plan following adoption of Tayside IJB's Risk Management Framework.	Chief Finance Officer	March-2022
Work to fully implement the actions in the Workforce and Organisational Development Strategy. Strive towards ensuring that the DH&SCP culture becomes fully embedded. Engage staff in developing and maintaining the partnership culture as well as sharing and embedding the guiding principles.	Lead Allied Health Professional/ Head of service Health & Community Care / Chief Finance Officer	March-2022
Clarification of deputising arrangements for the Chief Officer to be presented to the IJB.	Chief Officer	March-2022
Review attendance at groups based on agreed principles. Attendance at partner groups should be based on a consideration of whether this is necessary to provide assurance to allow the partner body to fulfil their agreed responsibilities in line with their accountabilities	Chief Officer, Dundee HSCP	March-2022
Develop a best practice guidance document to ensure the operation of all groups conforms to the various principles detailed in the Governance Mapping report.	Head of Finance & Strategic Planning,	March-2022
Review the strategic risk in relation to Increased Bureaucracy.	Head of Finance and Strategic Planning,	March-2022
Develop a formal Service Level Agreement (SLA) detailing all key corporate support services to be provided to the DH&SCP by Dundee City Council and NHS Tayside	Chief Finance Officer	March-2022

## Conclusion and Opinion on Assurance

While recognising that improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of Dundee City Integration Joint Board's governance arrangements.

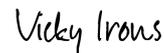
We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the Integration Joint Board's principal objectives will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to regularly review and improve the internal control environment.



**Ken Lynn**  
Chair  
Dundee City Integration Joint Board

Date: 24 November 2021



**Vicky Irons**  
Chief Officer  
Dundee City Integration Joint Board

Date: 24 November 2021

# THE FINANCIAL STATEMENTS

## COMPREHENSIVE INCOME & EXPENDITURE STATEMENT

The Comprehensive Income and Expenditure Statement shows the cost of providing services which are funded by budget requisitions from the partners for the year according to accepted accounting practices.

2019/20		2020/21
Net Expenditure (Income) £000		Net Expenditure (Income) £000
78,085	Older People Services	85,756
21,062	Mental Health	22,761
35,448	Learning Disability	37,401
8,672	Physical Disability	8,133
5,256	Substance Misuse	6,825
15,128	Community Nurse Services / AHP* / Other Adult Services	17,351
10,776	Community Services (Hosted)**	11,842
4,875	Other Services / Support / Management	3,251
32,406	Prescribing	31,053
26,687	General Medical Services (FHS**)	28,136
19,216	FHS – Cash limited & Non-Cash Limited	22,174
<b>257,611</b>	<b>Net Cost of Operational Services during the Year</b>	<b>274,683</b>
294	IJB Operational Costs	329
18,172	Large Hospital Set Aside	17,608
<b>276,077</b>	<b>Total Cost of Services</b>	<b>292,620</b>
(273,803)	Taxation and Non- Specific Grant Income (Note 5)	(305,957)
<b>2,274</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>(13,337)</b>
<b>2,274</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>(13,337)</b>

### Notes

\* AHP – Allied Health Professionals

\*\* FHS – Family Health Services

\*\*\* Reflects the impact of hosted services not attributable to specific client groups

Dundee City Integration Joint Board's Comprehensive Income and Expenditure Statement shows the net commissioning expenditure provided to partners to support services. It does not separately detail income received from service users as this remains the statutory responsibility of the partners.

# THE FINANCIAL STATEMENTS

## MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the Dundee City Integration Joint Board's reserves.

Total Reserves 2019/20 £000	Movements in Reserves	General Fund Balance Total Reserves £000
<b>2,766</b>	<b>Opening Balance at 31 March 2020</b>	<b>492</b>
(2,274)	Total Comprehensive Income and Expenditure	13,337
<b>(2,274)</b>	<b>Increase/(Decrease)</b>	<b>13,337</b>
<b>492</b>	<b>Closing Balance at 31 March 2021</b>	<b>13,829</b>

# THE FINANCIAL STATEMENTS

## BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by Dundee City Integration Joint Board.

31 March 2020 £000		Notes	31 March 2021 £000
5,600	Short Term Debtors	Note 6	13,886
5,600	<b>Current Assets</b>		<b>13,886</b>
(5,108)	Short Term Creditors	Note 7	(57)
(5,108)	<b>Current Liabilities</b>		<b>(57)</b>
492	<b>Net Assets</b>		<b>13,829</b>
492	Usable Reserve: General Fund	Note 8	13,829
492	<b>Total Reserves</b>		<b>13,829</b>

The unaudited accounts were issued on 23 June 2021 and the audited accounts were authorised for issue on the date noted below



**Dave Berry, CPFA**  
Chief Finance Officer  
Dundee City Integration Joint Board

Date: 24 November 2021

## 1. Significant Accounting Policies

### General Principles

The Financial Statements summarise Dundee City Integration Joint Board's transactions for the 2020/21 financial year and its position at the year-end of 31 March 2021. The Dundee City Integration Joint Board was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973.

The Financial Statements are prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21, supported by International Financial Reporting Standards (IFRS), and statutory guidance issued under Section 12 of the Local Government in Scotland Act 2003.

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

### Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when settlement occurs. In particular:

- Expenditure is recognised when goods or services are received and their benefits are used by the Dundee City Integration Joint Board.
- Income is recognised when the Dundee City Integration Joint Board 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 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

Dundee City Integration Joint Board is primarily funded through funding contributions from the statutory funding partners, Dundee City Council and NHS Tayside. Expenditure is incurred as the Integration Joint Board commission's specified health and social care services from the funding partners for the benefit of service recipients in the Dundee City Integration Joint Board area.

### Cash and Cash Equivalents

Dundee City Integration Joint Board does not operate a bank account or hold cash. Transactions are settled on behalf of Dundee City Integration Joint Board by the funding partners. Consequently, Dundee City Integration Joint Board 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 Dundee City Integration Joint Board's Balance Sheet.

## Employee Benefits

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

## Reserves

The Dundee City Integration Joint Board's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March 2021 shows the extent of resources which the Dundee City IJB can use in later years to support service provision.

## Indemnity Insurance

Dundee City Integration Joint Board has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Tayside and Dundee City Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide. Unlike NHS Boards, Dundee City Integration Joint Board does not have any 'shared risk' exposure from participation in Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). Dundee City Integration Joint Board participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

The Dundee City IJB currently has no known or potential claims against it.

## **2. Critical Judgements and Estimation Uncertainty**

### Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Dundee City Integration Joint Board has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts are:

The value of the Large Hospital "set aside" expenditure reported within the total Integration Joint Board expenditure is £17.608m. This figure for 2020/21 has been agreed with NHS Tayside and will be included in both the NHS Tayside and Dundee City IJB annual accounts. The figure is calculated on the basis of activity and costs extracted from local datasets, previous national data sets not available due to Covid-19. In line with national guidance issued, bed day rates were adjusted to reflect a direct cost per occupied bed day, uplifted for inflation. As such, the sum set aside included in the accounts will not reflect actual hospital usage in 2020/21. This is a transitional arrangement for 2020/21 agreed locally between NHS Tayside and the three Tayside Integration Joint Boards and with the Scottish Government. Work is progressing at a national and local level to refine the methodology for calculating and planning the value of this in the future.

On behalf of all IJBs within the NHS Tayside area, Dundee City IJB acts as the lead partner under hosting arrangements for a range of services including Palliative Care, Brain Injury, Dietetics, Sexual and Reproductive Health and Psychology. It commissions services on behalf of the three Tayside IJB's and is responsible for the strategic planning and operational budget of those hosted services. The Dundee City IJB reclaims the cost of these services using an agreed methodology based around population shares from the other IJB's. Dundee City IJB

# NOTES TO THE FINANCIAL STATEMENTS

is not responsible for covering the full cost of any overspends in these areas, nor do they retain the benefits of any underspends. The Dundee City IJB will also receive a corresponding charge from the other Tayside IJB's for the services they host on Dundee's behalf. This arrangement is treated as an agency arrangement.

The Scottish Government has issued guidance on accounting for PPE and COVID-19 testing kits. In accordance with this guidance and based on the judgement that the IJB is acting as an agent, the income and expenditure relating to PPE has been excluded for the IJB Annual Accounts 2020/21.

## Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Annual Accounts contain estimated figures that are based on assumptions made by the Dundee City Integration Joint Board about the future or that which 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.

### 3. Events after the Reporting Period

It is considered that there have been no events occurring between 1 April 2021 and the date the accounts were authorised for issue that would have an impact on the 2020/2021 financial statements.

### 4. Expenditure and Income Analysis by Nature

2019/20 £000	Description	2020/21 £000
166,641	Services commissioned from NHS Tayside	177,123
109,142	Services commissioned from Dundee City Council	115,168
266	Other IJB Operating Expenditure	300
28	Auditor Fee: External Audit Work	29
(190,228)	Partners Funding Contributions – NHS Tayside	(221,572)
(83,575)	Partners Funding Contributions – Dundee City Council	(84,385)
<b>2,274</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>(13,337)</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 5. Taxation and Non-Specific Grant Income

2019/20 £000	Description	2020/21 £000
(190,228)	Funding Contribution from NHS Tayside	(221,572)
(83,575)	Funding Contribution from Dundee City Council	(84,385)
<b>(273,803)</b>	<b>Taxation and Non-Specific Grant Income</b>	<b>(305,957)</b>

The funding contribution from the NHS Board shown above includes £17.608m in respect of 'set aside' resources relating to acute hospital and other resources (Large Hospital Set Aside). Dundee City Integration Joint Board has responsibility for the strategic planning of the amount set aside based on the local population's consumption of these resources. NHS Tayside has the responsibility to manage the costs of providing these services. The value of the set aside noted above is based on activity information provided by NHS Scotland's Information Services Division, set against direct expenditure figures provided by NHS Tayside. The methodology of calculating future values of the Large Hospital Set Aside is being developed locally and nationally.

## 6. Debtors

2019/20 £000	Description	2020/21 £000
4,298	NHS Tayside	5,265
1,302	Dundee City Council	8,621
<b>5,600</b>	<b>Total Debtors</b>	<b>13,886</b>

## 7. Creditors

2019/20 £000	Description	2020/21 £000
3	NHS Tayside	16
28	Other Bodies	41
5,077	Dundee City Council	0
<b>5,108</b>	<b>Total Creditors</b>	<b>57</b>

## 8. Usable Reserve: General Fund

Dundee City Integration Joint Board holds a general reserve balance in line with its reserves policy for two main purposes:

- To commit, 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 with resources to be used in line with the delivery of the IJB's Strategic and Commissioning Plan.

## NOTES TO THE FINANCIAL STATEMENTS

- To provide a contingency fund to cushion the impact of unexpected events or emergencies. This is regarded as a key part of the Dundee City Integration Joint Board's risk management framework.

As stated in the IJB's reserves policy, in light of the size and scale of the Integration Joint Board's operations, over the longer term it is considered that it would be an aspiration to achieve a level of general reserves which represent approximately 2% of net expenditure. The value of reserves must be reviewed annually as part of the Integration Joint Board's Budget and Strategic and Commissioning Plan and in light of the financial environment at that time.

Under the IJB's reserves policy, committed reserves relate to specific funds for specific purposes and will only be used for these purposes, often spanning multiple years. Whilst these reserves are fully committed and therefore not free to use, these are regularly monitored. Any change of use, or decisions relating to residual balance will require the approval of the IJB.

The movement reflects the impact of funding for specific initiatives carried forward to 2021/22. The reserves balance of £11,735k has been committed by the Dundee City Integration Joint Board through the planned reinvestment of Scottish Government ring fenced funding in line with the conditions of this funding for Primary Care Improvement Plan, Action 15 Mental Health Strategy and Alcohol and Drug Partnership, as well as COVID-19 additional expenditure.

Committed reserves relate to reserves that have been earmarked for specific purposes. At the 31 March 2021, the IJB reserves are reporting a number of committed reserves that have increased in size. The Scottish Government has allocated funding that has led to the creation of new reserves. In addition the Scottish Government has agreed that any unused Scottish Government Covid 19 funds held by IJBs at the year-end should be retained for future application. A detailed breakdown of these reserves are noted below:

Committed Reserves	Balance At 01-Apr-19 £000	Movement 2019/20 £000	Balance At 01-Apr-20 £000	Movement 2020/21 £000	Balance at 31-Mar-21 £000
Primary Care Transformation Fund	58	0	58	0	58
Mental Health Action 15	0	36	36	491	527
Primary Care Improvement Fund	0	28	28	2,145	2,173
GP Premises Improvement	0	90	90	103	193
Dietetics – Healthy Weight	0	0	0	63	63
District Nursing	0	0	0	66	66
Community Living Fund	0	0	0	613	613
NHST - Shifting Balance of Care	0	0	0	1,600	1,600
ADP	0	280	280	78	358

# NOTES TO THE FINANCIAL STATEMENTS

Covid 19	0	0	0	6,084	6,084
IJB Transformation	2,147	(2,147)	0	0	0
<b>Total Committed Reserves</b>	<b>2,205</b>	<b>(1,713)</b>	<b>492</b>	<b>11,243</b>	<b>11,735</b>
<b>Total Uncommitted Reserves</b>	<b>561</b>	<b>(561)</b>	<b>0</b>	<b>2,094</b>	<b>2,094</b>
<b>Total - General Fund Balances</b>	<b>2,766</b>	<b>(2,274)</b>	<b>492</b>	<b>13,337</b>	<b>13,829</b>

## 9. Related Party Transactions

The Dundee City Integration Joint Board has related party relationships with NHS Tayside and Dundee City Council. In particular the nature of the partnership means that the Dundee City Integration Joint Board may influence, or be influenced by, its partners. The following transactions and balances included in Dundee City Integration Joint Board's accounts are presented to provide additional information on the relationships. Dundee City Integration Joint Board is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence Dundee City Integration Joint Board or to be controlled or influenced by Dundee City Integration Joint Board. Related party relationships require to be disclosed where control exists, irrespective of whether there have been transactions between the related parties. Disclosure of these transactions allows readers to assess the extent to which the Dundee City Integration Joint Board may have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with Dundee City Integration Joint Board.

### Dundee City Integration Joint Board Members

Board members of Dundee City Integration Joint Board have direct control over the Board's financial and operating policies. The Dundee City Integration Joint Board membership is detailed on page 6 of these statements. Board members have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that directly or indirectly may influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, board members with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties.

### Officers

Senior Officers have control over Dundee City Integration Joint Board's financial and operating policies. The total remuneration paid to senior officers is shown in the Remuneration Report. Officers have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that directly or indirectly may influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, officers with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties.

# NOTES TO THE FINANCIAL STATEMENTS

## Key Management Personnel

The Non-Voting Board members employed by Dundee City Council and recharged to the Dundee City Integration Joint Board include the Chief Officer and the Chief Finance Officer. Details of the remuneration for these post-holders is provided in the Remuneration Report.

## Transactions with NHS Tayside

2019/20 £000	Description	2020/21 £000
190,228	Funding Contributions received from the NHS Tayside Board	221,572
(166,641)	Net Expenditure on Services Provided by the NHS Tayside Board	(177,123)
<b>23,587</b>	<b>Net Transactions with NHS Tayside</b>	<b>44,449</b>

NHS Tayside did not charge for any support services provided in the year ended 31 March 2021 (2020: nil)

## Balances with NHS Tayside

2019/20 £000	Description	2020/21 £000
4,298	Debtor balances: Amounts due from the NHS Board	5,265
(3)	Creditor balances: Amounts due to the NHS Board	(16)
<b>4,295</b>	<b>Net Balance with the NHS Board</b>	<b>5,249</b>

## Transactions with Dundee City Council

2019/20 £000	Description	2020/21 £000
83,575	Funding Contributions received from Dundee City Council	84,385
(109,436)	Net Expenditure on Services Provided by Dundee City Council	(115,497)
<b>(25,861)</b>	<b>Net Transactions with Dundee City Council</b>	<b>(31,112)</b>

Dundee City Council did not charge for any support services provided in the year ended 31 March 2021 (2020: nil).

The Net Expenditure on Services Provided by Dundee City Council figure includes IJB Operating Expenditure of £329k.

## Balances with Dundee City Council

2019/20 £000	Description	2020/21 £000
1,302	Debtor balances: Amounts due from Dundee City Council	8,621
(5,077)	Creditor balances: Amounts due to Dundee City Council	0
<b>(3,775)</b>	<b>Net Balance with Dundee City Council</b>	<b>8,621</b>

## 10. Value Added Tax (VAT)

Dundee City IJB is not a taxable person and does not charge or recover VAT on its functions. The VAT treatment of expenditure in the Dundee City IJB's accounts depends on which of the partner agencies is providing the service as these are treated differently for VAT purposes. The services provided to Dundee City IJB by the Chief Officer are outside the scope of VAT as they are undertaken under a special legal regime.

## 11. Agency Income and Expenditure

On behalf of all Integration Joint Boards within the NHS Tayside area, the Dundee City Integration Joint Board acts as the lead manager for a variety of Community, Older People, Physical Disability, Mental Health and Learning Disability Services. It commissions services on behalf of the other Integration Joint Boards (Perth & Kinross and Angus) and reclaims the costs involved. The payments that are made on behalf of the other Integration Joint Boards, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the Dundee City Integration Joint Board is not acting as principal in these transactions.

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

2019/20 (£000)	Description	2020/21 (£000)
11,904	Expenditure on Agency Services	13,079
(11,904)	Reimbursement for Agency Services	(13,079)
<b>0</b>	<b>Net Agency Expenditure Excluded from CIES</b>	<b>0</b>

## 12. Provisions

Dundee City Integration Joint Board has currently made no provisions. This does not prohibit Dundee City Integration Joint Board making provisions in the future and will where necessary consider the needs for a provision based on the merits of the incumbent circumstances at a relevant future point.

## 13. Accounting Standards that have been issued but not adopted

There were no relevant accounting standards that have been issued but are not yet adopted in the 2021/22 Code of Practice on Local Authority Accounts in the United Kingdom.

## Independent Auditor's Report

### Independent auditor's report to the members of Dundee City Integration Joint Board and the Accounts Commission

#### Reporting on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Dundee City Integration Joint Board for the year ended 31 March 2021 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the 2020/21 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2020/21 Code of the state of affairs of the body as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 April 2017. The period of total uninterrupted appointment is five years. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

## **Risks of material misstatement**

I report in a separate Annual Audit Report, available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my judgements thereon.

## **Responsibilities of the Chief Finance Officer and Performance and Audit Committee for the financial statements**

As explained more fully in the Statement of Responsibilities, the Chief Finance Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Performance and Audit Committee is responsible for overseeing the financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions,

misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### **Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report**

I have audited the part of the Remuneration Report described as audited. In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### **Statutory other information**

The Chief Finance Officer is responsible for the statutory other information in the annual accounts. The statutory other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

My responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this statutory other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the statutory other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on Management Commentary and Annual Governance Statement**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

## Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

## Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

## Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

*Fiona Mitchell-Knight*

Fiona Mitchell-Knight

Audit Director

Audit Scotland

8 Nelson Mandela Place

Glasgow

G2 1BT

Date: 24 November 2021