

Falkirk
Health and Social Care
Partnership

Falkirk Integration Joint Board

**AUDITED ANNUAL
ACCOUNTS
2020/21**

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Management Commentary

Introduction

This publication presents the financial statements for Falkirk Integration Joint Board (“the IJB”) for the year ended 31 March 2021. The financial statements have been prepared in accordance with the [Local Authority Accounts \(Scotland\) Regulations 2014](#) and the [Code of Practice on Local Authority Accounting in the United Kingdom](#) as per the requirements of section 106 of the Local Government Scotland Act 1973.

The Financial Statements are comprised of:

1. A management commentary which provides an overview of operational and financial performance during the course of 2020/21. The management commentary also considers key issues and challenges for the coming financial year.
2. A statement of responsibilities in respect of the administration of the IJB’s financial affairs and delivery of best value.
3. A remuneration report summarising remuneration and associated pension benefits in respect of specified IJB members and staff.
4. An annual governance statement describing the IJBs corporate governance arrangements and systems of internal control.
5. A comprehensive income and expenditure statement which reports the overall surplus or deficit arising from the provision of delegated services.
6. A movement in reserves statement which outlines the position on IJB reserves during the course of the year.
7. A balance sheet which summarises the assets and liabilities of the IJB as at 31st March 2021.
8. Notes to the financial statements, including general accounting policies and other explanatory information.

Role and Remit of Falkirk Integration Joint Board

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



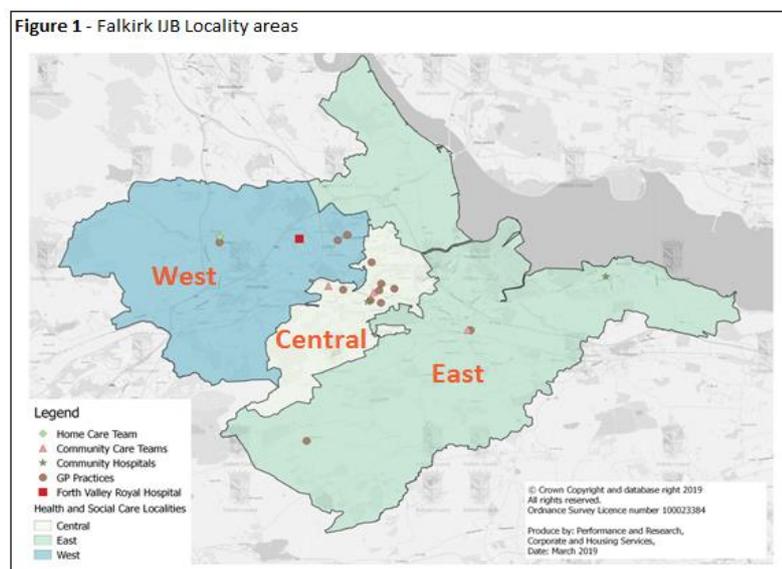
The IJB is a legal entity in its own right established in October 2015 following ministerial approval of the Integration Scheme developed by Falkirk Council and NHS Forth Valley. Membership of the IJB is comprised of 6 voting members (3 elected members nominated from Falkirk Council and 3 Non-Executive Directors nominated from NHS Forth Valley) together with 13 non-voting members. Non-voting members include the Chief Officer, Chief Finance Officer and a wide range of other health and social care professional advisors including third sector, carer and staff side representatives. The Chair and Vice Chair of the IJB are appointed for a 2 year term by Falkirk Council and NHS Forth Valley on a rotational basis. During 2020-21 the IJB was chaired by Councillor Fiona Collie as nominated by Falkirk Council with Vice Chair Michele McClung nominated by NHS Forth Valley.

The scope of the health and social care services delegated to the IJB is outlined in the *integration scheme* (a legal document, subject to Ministerial approval, which sets out the specific services involved and how they will be planned, resourced and operationally delivered by the IJB). During 2020/21 this included Adult Social Work services, Integrated Learning Disability services, Integrated Mental Health services, District Nursing, Allied Health Professionals and Community Hospitals. Operational responsibility and strategic planning for all other services referred to in the integration scheme remained with NHS Forth Valley during 2020/21.

Strategic Planning

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

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



The current [strategic plan](#) covering the 3 year period 2019 to 2022 was approved by the IJB on 5 April 2019. The plan incorporates a range of policy and legislative developments and describes the transformational change required to improve quality and outcomes for patients, carers, services users and their families whilst making best use of available resources.

The strategic plan is now set against a backdrop of the Covid pandemic which has resulted in a significant and rapid change in the configuration of health and social care services across Scotland. It is recognised that the long term impact and unintended consequences arising from the pandemic are uncertain and may require development of new services and enhanced support for existing services such as Mental Health and various local community initiatives. At the same time, demand linked to ongoing demographic change, is increasing as people are living longer into old age, often with multiple long term conditions which require more complex multidisciplinary care and support. Similarly the age profile of our workforce is also rising (and this is more prominent in certain staff groups e.g. District Nursing) which presents a number of risks in terms of succession planning and our ability to provide sustainable services. This is also exacerbated by ongoing recruitment and retention difficulties particularly in relation to Social Work services (where staff turnover is in the region of 7.9%).

In order to respond to these challenges (combined with the impact of growth in general price inflation and advances in new technology and medical treatments), it is clear that major reform and transformation of health and social care services is essential in order to deliver better care, better health and better value. The IJB's strategic plan supports this triple aim and sets out 4 local priority areas requiring significant change, progress or investment in the next 3 years.

The 4 Priority Areas:

A detailed delivery plan has been developed, underpinned by an integrated whole systems approach, which identifies the specific work streams and actions required to progress the 4 strategic priorities referred to above. The Delivery Plan has recently been reviewed to ensure it is fit for purpose in a post Covid context and remains aligned with our pandemic response in terms of the current remobilisation, recovery and redesign of services.

The IJB is confident that the Delivery Plan continues to reflect the appropriate direction of travel for Adult Health and Social Care Services in Falkirk and notwithstanding the operational disruption and financial risks arising from Covid-19, it is recognised that the pandemic presents a unique opportunity to accelerate key elements of our Delivery Plan.

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



2020/21 Operational Performance

Financial year 2020-21 was dominated by the operational and financial impact of the Covid-19 pandemic. A number of services were temporarily suspended during the initial stages of the pandemic to enable frontline staff to focus on urgent Covid-19 priorities and provide additional health and social care capacity in line with national guidance.

A range of immediate local actions were implemented to support resilience including:

1. Increased Home First capacity across acute and community hospital sites
2. Redeployment of Allied Health Professionals (AHPs) to Bo'ness Community Hospital
3. Increased Mobile Emergency Care Service (MECS) staff to bolster overnight rapid response teams
4. Development of the Enhanced Community Team/Hospital at Home service
5. Establishment of an enhanced care home assurance system (including local clinical and professional care oversight of care homes)
6. Development of staff welfare initiatives including web-based information, access to support and psychological services, regular 'wobble bulletins' and virtual staff chats and activities.

Significant service redesign was undertaken in response to ongoing social distancing requirements, enhanced infection prevention and control procedures and new ways of working as lockdown restrictions were gradually eased during the course of the year. This included increased use of technology enabled care and provision of alternative support mechanisms, particularly in relation to day care services which were suspended for the vast majority of the year in line with national guidance. Key operational issues are described in more detail below.

Mobilisation Centre

As part of the initial response to the pandemic, the IJB formed an Incident Management Team (IMT) and local mobilisation control centre. Reporting to the Forth Valley Covid-19 Control Centre and Falkirk Council's Core Team, the IMT were able to respond to emerging challenges, review business continuity plans, interpret developing national guidance/evidence and support local resilience. The IMT and mobilisation centre worked well over the period of the crisis, initially operating on a daily basis to enable core services such as care at home, the community care team, community nursing and mental health officers, care homes and MECS to be maintained safely.



Care Home Assessment Review Team

Care homes have been a key focus throughout the pandemic. A multidisciplinary Care Home Assessment Review Team (CHART) was established as a pilot to support residents and staff working within care homes. CHART provided a crucial role in gathering and monitoring intelligence from the 32 care homes across Falkirk through the Safety Huddle tool and local daily engagement processes. This information was vital to support decision making within an operational and strategic setting and was pivotal in understanding the support needs of the Care Home and managing potential emerging risks. The work of CHART and the enhanced monitoring system in place has been recognised nationally and used to inform best practice guidance published by the Scottish Government. The key work of CHART during the course of the year included assurance visits (unannounced), back to basics contacts (including review and assessment of residents social care needs and outcomes), support in terms of compliance with national reporting requirements (via TURAS data submissions), provision of risk assessments, staff testing and vaccination.

Technology Enabled Care

The current analogue Public Switched Telephone Network (PSTN) is gradually being replaced by a fully digital network which operates through Voice over Internet Protocol (VoIP) via a broadband connection. The UK wide replacement programme will be complete by 2025 at which time the analogue PSTN will permanently close. The transition is relatively straightforward in respect of landline telephone services, however there are implications for other services which rely on PSTN lines including telecare alarms operated as part of the Mobile Emergency Care Service (MECS).

MECS provides telecare services to around 4000 local residents, supporting them to live independently at home by supplying household alarms and sensors that can be deployed in an emergency situation with a dedicated a 24/7 response team. MECS have been preparing for the analogue to digital transition for some time and have successfully completed the digital switch over – the first telecare provider in Scotland to do so. This achievement was marked with a Silver Digital Telecare Implementation Award from the Scottish Government in January in recognition of the significant progress made. Work is now underway to migrate all service users to the new digital service by the end of 2021.

In addition, Near Me was rolled out at pace across a number of key services including all GP Practices during the course of the year. Hosted as part of the attend anywhere platform, Near Me is a web based video consultation service that enables people to attend appointments from home or wherever is convenient. This minimised physical interactions and helped to reduce the spread of Covid-19 whilst maintaining access to vital health and social care services.



Enhanced Community Team/Hospital at Home

Three full time Consultant Geriatricians were redeployed to the Enhanced Community Team (ECT) on a temporary basis to provide a 7 day assessment, management and care service to frail elderly people across Forth Valley. The newly expanded team supported assessment of all referrals to the Rapid Access Frailty Clinic, assessment and management of residents in care homes, provided education and training to ECT nursing staff, step up care to community hospitals and offered an alternative to admission to Forth Valley Royal Hospital. This significantly improved patient outcomes and enabled direct admission for step up care into Falkirk Community Hospital for the first time. Further work is underway in conjunction with Clackmannanshire and Stirling IJB, the Director of Acute Services and the Clinical Director for Aging and Health to bring forward proposals to continue the provision of Geriatrician expertise in the community through the development of a hospital at home service model. This will enable us to support the development of the Urgent Care Flow Centre, diverting people from attending the emergency department, and possible admission to hospital, by supporting them and providing a high level of care at home.

Primary Care Improvement Plan

A revised timescale, delaying the final implementation of the new General Medical Services (GMS) contract from 31 March 2021 to 31 March 2024 was issued in a joint statement from the Scottish Government and British Medical Association in November. Despite the challenges of the last year, local progress to implement the new contract remained broadly on track and it was clear that our advanced stage of implementation was a key factor in our ability to maintain core GMS services during the pandemic. It also enabled GPs to be released to staff the Triage Hub and Community Assessment Centres (CAC) and engage with the significant work to identify and support patients in shielded categories.

As 31 March 2021 all 25 Falkirk GP practices had a level of additional multidisciplinary supports in place in line with the GMS contract requirements and our agreed Primary Care Improvement Plan. A revised Memorandum of Understanding is expected to be issued in due course which will confirm the contractual arrangements in relation to the new extended 2023/24 GMS contract implementation timeline.

Performance Indicators

The IJB is subject to a wide range of national and local key performance indicators (KPIs) which are directly aligned to our strategic plan outcomes (the relationship between the KPIs and our strategic plan is summarised in a [strategy map](#)). Progress against all KPIs is routinely monitored on a quarterly basis and is formally reported and communicated through the publication of an annual performance report.



The annual performance report is a statutory requirement which describes the IJB's contribution towards the national health and wellbeing outcomes, together with specific progress against the core suite of associated national integration indicators. At the time of writing, the 2020-21 performance report has not been published as yet (expected Sept 2021). In the meantime, the 2019-20 performance report can be accessed [here](#).

2020/21 Financial Performance

The IJB reported total income of £257.370m for financial year 2020/21 (an increase of £22.733m compared to the previous year) comprised of £227.741m in respect of the integrated budget and £29.629m relating to set aside.

This compares to total expenditure of £245.956m incurred during the year (an increase of £10.967m relative to 2019-20) comprised of £216.327m in respect of expenditure on integrated services and £29.629m relating to set aside.

As a result, a surplus of £11.414m was reported in the Comprehensive Income and Expenditure Statement as at 31 March 2021. The position reflects the net increase in reserve balances on account of delays in planned expenditure during the course of the year, receipt of late funding allocations and unused Covid funding which required to be carried forward to 2021/22 in line with Scottish Government guidance.

Note that the overall surplus position masks a number of financial pressures against key service budgets which resulted in an initial overspend, before the application of risk sharing arrangements, totalling £1.860m as summarised below:

2020-21 outturn before application of risk sharing	(Underspend)/ Overspend £000s
Large Hospital Services	1,489
Community Healthcare Services	(1,000)
Social Care Services	(207)
Primary Healthcare Services	1,578
Net overspend	1,860

In line with previous years, a risk sharing agreement was reached whereby Falkirk Council and NHS Forth Valley agreed to make an additional payment to the IJB in order to deliver an overall breakeven position on the specific services delegated to them. An additional payment of £0.579m was required from NHS Forth Valley. In addition NHS Forth Valley directly managed the overspend against the set aside budget totalling £1.489m.



A number of specific performance issues contributed to the overspend position including:

- **Large Hospital Services/Set Aside** – ongoing pay pressures within A&E and various inpatient specialties (including geriatrics and mental health) reflecting ongoing use of locums and agency staff to cover key vacancies. This position was offset by a favourable variance in non-pay costs (e.g. surgical sundries, lab supplies and drugs) linked to lower overall hospital activity levels as a result of Covid-19.
- **Social Care** – ongoing pressures within home care resulting in a 10% increase in costs compared to the previous year. This was offset by savings reported against residential care services (reflecting continued low occupancy rates compared to pre-Covid levels), respite services, housing aids and adaptations and the assessment and care planning team due to delays in recruitment to vacancies.
- **Primary Healthcare** – reflecting pressures within General Medical Services (GMS) and Primary Care Prescribing. Key areas of overspend within GMS related to Golden Hello payments and reimbursement of locum cover costs in respect of non-Covid related sickness absence and maternity/paternity leave claims from independent GP Practices. With respect to Primary Care Prescribing, increased concession prices in respect of drugs in short supply combined with delays in delivering efficiency savings (in terms of both local savings initiatives and agreed national tariff reductions) contributed to the overspend position.
- **Community Healthcare** – continued pay pressures within Falkirk Community Hospital relating to unfunded posts and use of temporary staffing to cover non-Covid related sickness absence and maternity leave. In addition, the impact of high cost out of area care packages within the complex care service remains a significant risk. These pressures were offset by fortuitous savings in other budget areas arising from vacancies within several services (including Community AHPs, Mental Health, Palliative Care and Health Promotion).



A reconciliation of the overall 2020/21 financial position to the Comprehensive Income and Expenditure Statement is presented below:

Reconciliation to Comprehensive Income & Expenditure Statement (CIES)	2020-21 £000s		
	Budget	Expenditure	(Underspend)/ Overspend
Large Hospital Services	29,629	31,118	1,489
Community Healthcare Services	37,208	36,208	(1,000)
Social Care Services	88,779	88,563	(216)
Primary Healthcare Services	80,805	82,383	1,578
Covid	8,704	8,704	0
IJB Running Costs	460	469	9
	245,585	247,445	1,860
Set Aside managed directly by NHS Forth Valley	0	(1,489)	(1,489)
Additional payment Falkirk Council	0	0	0
Additional payment NHS Forth Valley	579	0	(579)
	579	(1,489)	(2,068)
TOTAL	246,164	245,956	(208)
Reserve adjustments included in budget figures above			
Covid	6,397	0	(6,397)
Winter planning	1,799	0	(1,799)
Community Healthcare Services transfers to reserves	640	0	(640)
Primary Healthcare Services transfers to reserves	309	0	(309)
Social Care transfers to reserves	2,061	0	(2,061)
	11,206	0	(11,206)
REVISED TOTAL AS PER CIES	257,370	245,956	(11,414)

Covid-19

During the course of the year the Scottish Government provided £16.900m of funding to meet all additional costs and unachieved savings associated with the pandemic (including winter planning). This reflected the funding originally requested through the IJB's Local Mobilisation Plan submission (£13.660m) together with a further £3.240m confirmed by the Scottish Government in February in respect of ongoing winter planning and Covid related cost pressures.

Expenditure of £8.704m was incurred during the year, leaving a balance of £8.196m to be transferred to reserves (£6.397m in relation to Covid plus £1.799m for winter planning) to meet ongoing costs during 2021-22.



Key areas of Covid related expenditure to date include:

1. Provision of Personal Protective Equipment (PPE) and enhanced infection prevention and control arrangements;
2. Financial sustainability support for external Social Care Providers, particularly relation to Care Home occupancy and reimbursement of additional costs incurred by all Provider services.
3. Financial support for independent Primary Care Contractors (which enabled GPs and Community Pharmacists to remain open during the Easter and May public holidays and to offset additional Covid related costs incurred by these Contractor groups).
4. Additional temporary staffing costs, including use of agency, staff bank and overtime to meet increased demand and to cover for staff absence due to sickness, shielding or self-isolation requirements. This included advanced recruitment of student nurses to create additional capacity.
5. Funding to offset the loss of income due to the temporary pause in non-residential charges due to the suspension of day services and non-personal care and support.
6. Provision of additional equipment to support discharge and care of patients at home (e.g. beds, hoists etc via the Joint Loan Equipment Service).

Reserves

A summary of the key reserve movements is presented below (detailed information is reported under note 8):

Closing reserve balances increased by £11.414m to £18.000m as at 31 March 2021. An increase of this magnitude is unprecedented and reflects the impact of Covid on planned expenditure during the course of the year combined with the requirement to carry forward all unused Covid and winter planning funding for use in 2021-22. In addition, a significant number of late allocations, linked to a range of new and/or enhanced policy commitments, were received during February and March which also required to be carried forward through reserves.

As illustrated in note 9, the vast majority of the £18.000m

2020-21 movement in reserve balances	£000s
<u>Late Allocations</u>	
Covid	2,825
Winter planning	881
Community Living Change Fund	569
Drugs Death Task Force	174
Perinatal Mental Health	44
District Nursing Workforce planning	64
	4,557
<u>Delays in planned expenditure</u>	
Covid	3,572
Primary Care Improvement Plan	172
Winter planning	918
Carers	771
Housing aids & adaptations	1,144
Dementia Innovation Fund	73
	6,650
Underspend on Adult Social Care	207
Net movement in reserves	11,414



balance represents earmarked reserves. These balances are held to fund specific projects or earmarked future commitments as part of the IJB's strategic plan and are expected to be fully utilised during 2021-22.

A small sum of £0.946m is also held as a general/contingency reserve (an increase of £0.630m compared to the previous year following realignment of historic reserve balances approved by the IJB in September 2021). The contingency reserve balance is equivalent to 0.5% of 2020/21 IJB net expenditure (excluding non-discretionary Family Health Services and Covid) and remains relatively low in the context of the scale and magnitude of the services and functions delegated to the IJB.

Forward look 2021-22

It is clear that remobilisation, recovery and redesign of services will continue to be a key feature of financial year 2021-22 as we work to suppress Covid-19 through sustainable Public Health measures (such as “test and protect”, surveillance and response) combined with an effective national vaccination programme.

The initial estimate of the potential cost impact of Covid in 2021-22 is in the region of £6.750m (excluding unachieved savings). In line with the previous year, we will continue to work closely with the Scottish Government to refine our local cost estimates and associated funding requirements. In the meantime, the current financial planning assumption is that all additional Covid related costs will be fully funded in 2021-22 via a combination of earmarked Covid reserves and additional Scottish Government funding. As part of the forthcoming review of the IJB's Medium Term Financial Plan consideration will require to be given to the potential recurring cost impact of the pandemic in terms of long Covid, increased demand for mental health services and the longer term implications for the wider economy in terms of the impact on future funding settlements.

During 2021-22 work is expected to resume on a number key projects that were unable to proceed due to Covid including implementation of the day services review for older people, renewal of the Service Level Agreement (SLA) for the provision of specialist palliative care services with Strathcarron Hospice, conclusion of the options appraisal to inform the future development of the Joint Loan Equipment Service and the Carers Collaborative Project in conjunction with Carers Scotland and the Coalition of Carers to support carer engagement and involvement.

A number of other key workstreams and issues for 2021-22 are considered below

1. financial sustainability - significant recurring savings require to be delivered during 2021-22 (comprised of £4.656m relating to the integrated budget and £1.435m relating to set aside) in order to address the underlying deficit and reduce reliance on non-recurring measures and/or additional one off payments from partners to achieve breakeven. To date savings totalling £5.090m have been identified in relation to the integrated budget. Further work is required in relation to set aside. Given the ongoing level of



A number of other key workstreams and issues for 2021-22 are considered below

	uncertainty due to the pandemic and potential 3 rd wave, there is an element of risk attached to the achievement of the savings plan.
2.	Workforce planning and capacity – this is a key risk area given current recruitment difficulties which impacts on our ability to continue to deliver safe services and to conduct longer term workforce planning. An interim integrated workforce plan for 2021-22 has been developed with further modelling work required to assess service changes/developments across the medium term.
3.	Commissioning – the existing Support at Home Services (Home Support and Supported Living) framework contract is due to expire on 31 March 2022. This is a substantial contract, valued at c£30m. Contract strategy and associated tender documents are expected to be approved and issued by October 2021. It is recognised that changes in future market conditions and the financial viability of external Providers is a potential risk in terms of our strategic commissioning plans (particularly in a post Covid operating environment).
4.	National policy commitments – specifically in relation to the funding implications of the Scottish Living Wage, new GMS contract/Primary Care Improvement Plan, Mental Health recovery and renewal and the outcome of the Independent Review of Adult Social Care Services.

Conclusion

2020/21 was unprecedented year. The impact of Covid 19 had a profound effect across the world resulting in restrictions to our daily life and forcing us to quickly adapt to different ways of working, learning and connecting with each other. Our Health and Social Care staff have shown tremendous resilience in the face of the ongoing pandemic continuing to deliver services to our most vulnerable people, often in difficult and challenging circumstances. This has been recognised by our services users, patients, carers, communities, partners and the IJB Board members and elected members.

It is clear that our local Covid response has reinforced the tangible benefits of integration and collaborative working (particularly in relation to our integrated approach to Care Homes which has been recognised nationally) and we look forward to building on this in 2021-22 and beyond.

Where to Find More Information

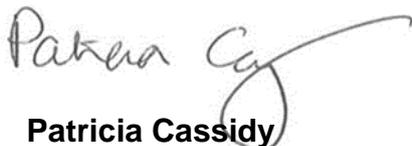
If you would like more information please visit our website at: www.falkirkhscp.org





Michele McClung
Chair

01 October 2021



Patricia Cassidy
Chief Officer

01 October 2021



Jillian Thomson
Chief Finance Officer

01 October 2021



Statement of Responsibilities

Responsibilities of the Integration Joint Board

The Integration Joint Board is required to:

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

I confirm that these Annual Accounts were approved for signature at a meeting of the Integration Joint Board Audit Committee on 24 September 2021.

Signed on behalf of the Falkirk IJB



Michele McClung
Chair

01 October 2021



Responsibilities of the Chief Finance Officer

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

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

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

The Chief Finance Officer has also:

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

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



Jillian Thomson
Chief Finance Officer

01 October 2021



Remuneration Report

Introduction

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

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

Voting Membership of the IJB in 2020/21

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

During financial year 2020-21 the IJB voting Membership of the IJB was as follows:

NHS Forth Valley

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

Falkirk Council

Councillor Allyson Black
Councillor Cecil Meiklejohn
Councillor Fiona Collie (Chair)

Remuneration: IJB Chair and Vice Chair

The IJB does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the IJB. The IJB does not reimburse the relevant partner organisations for any voting board member costs borne by the partner. Neither the Chair or Vice Chair of the IJB received additional remuneration or taxable expenses.

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



Remuneration: Officers of the IJB

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

Chief Officer

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

Other Officer

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

Total 2019/20 £	Senior Employee/Full Time Equivalent (FTE)	Salary, Fees & Allowances £	Taxable Expenses £	Total 2020/21 £
109,073	Patricia Cassidy Chief Officer 1.0 FTE	112,745	-	112,745
60,233	Amanda Templeman* Chief Finance Officer 0.8 FTE	8,917	-	8,917
N/A	Jillian Thomson** Chief Finance Officer 1.0 FTE	71,249	-	71,249
169,306	Total	192,911	-	192,911

* Left 30 April 2020 ** Started 20 April 2020

In respect of officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pensions liability reflected on the IJB balance sheet for the Chief Officer or any other officers.

However the IJB is required to fund employer contributions for the current year in respect of the officer time spent on discharging their role on the IJB. The below table presents the IJB's funding during the year to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include



benefits earned in other employment positions and from each officer's own contributions.

Senior Employee	In year Pension Contribution		Accrued pension benefits		
	For the year to 31 March 2020 £	For the year to 31 March 2021 £		As at 31 March 2021 £000s	Difference from March 2020 £000s
Patricia Cassidy Chief Officer 1.0 FTE	24,541	25,278	Pension	36,000	3,000
			Lump Sum	23,000	1,000
Amanda Templeman* Chief Finance Officer 0.8 FTE	13,552	1,374	Pension	15,000	0
			Lump Sum	14,000	0
Jillian Thomson** Chief Finance Officer 1.0 FTE	N/A	14,764	Pension	23,000	6,000
			Lump Sum	0	0
Total	38,096	41,416	Pension	74,000	9,000
			Lump Sum	37,000	1,000

* Left 30 April 2020 ** Started 20 April 2020

Disclosure by Pay Bands

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

Exit Packages

There were no exit packages in relation to the Falkirk IJB in 2020/21 or the previous financial year.



Michele McClung
Chair

01 October 2021



Patricia Cassidy
Chief Officer

01 October 2021



Annual Governance Statement

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

Scope of Responsibility

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

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

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

The Purpose of the Governance Framework

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

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



The Governance Framework and Internal Control System

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

The main features of the governance framework in existence during 2020/21	
1.	Strategic decision making was governed by the IJB's key constitutional documents including the Integration Scheme, standing orders, scheme of delegation, financial regulations and reserves policy.
2.	A code of conduct was in place for all IJB Board members, including a register of interests.
3.	The IJB's vision, outcomes and priorities are set out in the IJB's Strategic Plan for 2019-2022, which contributes to the strategic priorities and outcomes contained in the Community Planning Partnership's Local Outcomes Improvement Plan (LOIP) and the national health and well-being outcomes framework.
4.	An Audit Committee was in place with a remit which includes risk management, corporate governance and all matters relating to internal and external audit. Terms of reference are regularly reviewed and an annual workplan agreed.
5.	The Clinical and Care Governance Committee provided assurance to the IJB on the systems in place for delivery of safe, effective, person-centred care in line with the IJB's statutory duty for the quality of health and care services. An annual work plan is in place to ensure all key pieces of work are covered.
6.	Enhanced systems of assurance and oversight were implemented during 2021-22 in respect of Care Homes in line with Scottish Government advice.

System of Internal Control

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

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



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

Review of Adequacy and Effectiveness

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

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

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

The annual internal audit assurance report for 2020-21 has been received which confirms that sufficient internal audit activity was undertaken during the year to allow a balanced opinion to be provided. This included work in relation to the IJB's risk management framework and also includes other relevant audit work undertaken within Partner organisations including

- Falkirk Council Pension Fund;
- Falkirk Council Staff Wellbeing and Support Arrangements;
- Falkirk Council Continuous Auditing (focussing on Creditors Payments);
- NHS Forth Valley internal control evaluation;
- NHS Forth Valley policies and procedures;
- NHS Forth Valley eHealth strategic planning and governance.

The annual internal audit assurance report offers substantial assurance in respect of Falkirk IJB's overall arrangements for risk management, governance, and control for the year to 31 March 2021.



Areas for improvement

The IJB adopts a continuous improvement approach as part of our ongoing effort to enhance our governance arrangements and system of internal control. A number of areas for improvement were identified during 20/21, including:

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

A summary of actions taken during 2020/21 to progress these areas is outlined in the table below:

Area Identified for Improvement	Current Status
<p>Completion of the transfer of planning and operational management responsibility for all outstanding healthcare services (including agreement of hosting arrangements where appropriate).</p>	<p>In progress. Primary Care is the only service area that has not yet transferred to the IJB, discussions are ongoing with the Chief Officer and Chief Executive of NHS Forth Valley.</p> <p>In terms of hosting arrangements, a pan Forth Valley wide finance group was set up during 2020-21 to review area wide health services and consider hosting arrangements in conjunction with Clackmannanshire and Stirling IJB.</p>
<p>Implementation of statutory guidance published in January 2020 in respect of Directions.</p>	<p>Complete. A new format and layout for Directions was approved by the IJB in September 2020 followed by formal Directions policy in March 2021.</p>
<p>Implementation of statutory guidance regarding set aside services in collaboration with NHS Forth Valley and Clackmannanshire and Stirling IJB.</p>	<p>Delayed. An expert working group was set up during 2019/20 (with dedicated external modelling and statistical support) to progress the set aside arrangements. However further activity scheduled for 2020/21 to conclude this work was delayed due to Covid. The working group is expected to be reconvened during 2021-22.</p>



Area Identified for Improvement	Current Status
<p>Implementation of the CIPFA Financial Management code</p>	<p>In progress. Self-assessment of IJB financial management arrangements against CIPFA recommended standards is underway and is expected to be complete by Dec 2021. The outcome and associated action plan will be reported and monitored via the Audit Committee.</p>
<p>Internal Audit: review of risk management framework and how this is linked to those of partners (including partner resources to support IJB risk management)</p>	<p>In progress. The review of the IJB's risk management arrangements forms part of the 2020/21 Internal Audit Plan as agreed by the Audit Committee on 6 March 2020. The field work is complete and expected to report back in early 2021-22.</p>
<p>Internal Audit: review of Directions – specifically the extent to which Section 3 (Process for Issuing Directions), Section 4 (Form and Content of Directions) and Section 5 (Process for Issuing and Revising Directions) of the Guidance are being applied.</p>	<p>Delayed. The review of compliance with statutory guidance on Directions forms part of the 2020-21 Internal Audit workplan agreed by the Audit Committee on 6 March 2020. The field work was originally scheduled for late 2020-21 but has been delayed due to Covid and will be carried forward to 2021-22.</p>
<p>External Audit 2018-19 recommendation: The IJB must satisfy itself that risk management support is sufficient from both partners, and that mitigation arrangements for key strategic risks are prioritised and appropriate.</p>	<p>Complete. The ability to successfully incorporate risk management policies and procedures across the IJB is reliant on the provision of specific support from both Partners in line with the requirements of the Integration scheme. This is now facilitated by Falkirk Council's Corporate Risk Co-ordinator and NHS Forth Valley's newly appointed Corporate Risk Manager.</p>
<p>External Audit 2018-19 recommendation: The IJB should review the processes in place to produce the Annual Performance Report to ensure that it provides sufficient information to allow users to assess whether the IJB is achieving Best Value.</p>	<p>Complete. The planned review and publication of the 2019/20 Annual Performance Report was delayed due to the impact of Covid-19 (published Nov 2020).</p>



Area Identified for Improvement	Current Status
<p>External Audit 2018-19 recommendation: The IJB must ensure that key areas of performance are prioritised to deliver constituent improvement and pace. In addition, Partners must agree support service arrangements to provide additional resource and capacity for the IJB to deliver the Strategic Plan.</p>	<p>In progress. Implementation of the integrated management structure and recruitment of key posts progressed well during 2020-21 (including appointment to the Business Management Coordinator, Policy & Research Officer and PMO Coordinator posts). Provision of corporate support arrangements will be considered as part of the review of the Integration Scheme which will be undertaken during 2021-22.</p>
<p>External Audit 2018-19 recommendation: Board members need to be clear about their corporate responsibilities to the IJB, and demonstrate the leadership needed to deliver the necessary change and make key decisions about the future shape of services.</p>	<p>In progress. To date, three externally facilitated collaborative leadership sessions have taken place in a bid to develop how the IJB and its constituent authorities can work together to accelerate integration and deliver the MSG Improvement Plan. Further work is required and a series of follow up sessions have been arranged for 2021/22.</p>
<p>External Audit 2019-20 recommendation: The IJB must review the 5 Year Financial Plan, and Strategic Plan, to respond to the impact of the global pandemic. This should include an assessment about the appropriateness and achievability of savings moving forward.</p>	<p>In progress. The IJB's Medium Term Financial Plan was approved in December 2019. It will be revised during 2021-22 to reflect new financial planning assumptions, the refresh of the strategic plan and the recurring cost impact of Covid.</p>
<p>External audit 2019-20 recommendation: Falkirk IJB and partner bodies should take further steps to allow for full integration, in line with the expectation of the MSG and Audit Scotland. The MSG draft improvement plan should be finalised and follow up reports presented to the Board on a regular basis to allow for appropriate governance overview regarding integration.</p>	<p>In progress. Improvement was made in a number of key areas during 2020-21. However it is recognised that the overall pace of change remains slow and further work is necessary to achieve full integration.</p>



Area Identified for Improvement	Current Status
<p>External Audit 2019-20 recommendation: The IJB should ensure that risk sharing is embedded into the integration scheme which is due to be formally reviewed by November 2020. This will allow for longer-term financial management.</p>	<p>Delayed. The Integration Scheme was due to be reviewed by November 2020 in line with legislative requirements. However this was delayed to Covid. A working group has now been established to take his forward and is expected to be complete by September 2021.</p>
<p>External Audit 2019-20 recommendation: The IJB should conduct a self-assessment against Best Value guidance to allow it to demonstrate to the Board key requirements are in place. Results can be considered in conjunction with the MSG integration improvement plan to further embed integration with the partnership.</p>	<p>In progress. Work in this area will be undertaken during 2021-22 supported by External Audit.</p>

Emerging Governance Issues

A number of new governance issues arose during 2020-21 as a direct result of the covid-19 pandemic in terms of decision making arrangements, conduct of IJB business and implementation of new policies and procedures.

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

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

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

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



These temporary arrangements were reviewed and extended until the end of the financial year.

During the course of 2020-21 a number of decisions were taken by the Chief Officer under the agreed delegation of powers, largely in relation approval of funding for various ongoing projects, increased hours for the Independent Sector Lead post, dedicated resource to lead specific debrief exercises and establishments of a Service Level Agreement with a care home to provide intermediate and step down care beds to support hospital discharge as part of winter planning and Covid 2nd wave contingency arrangements.

Enhanced systems of governance and assurance were also implemented in early 2020-21 in response to the Scottish Government's directive requiring Health and Social Care Partnerships to assume direct responsibility for all Care Home clinical and care oversight. In order to fulfil this role, the following governance structure was introduced:

- A new Care Home Strategy and Planning Group (CHSPG) was established in conjunction with NHS Forth Valley and Clackmannanshire and Stirling IJB. Reporting to the Scottish Government, the CHSPG oversees a range of comprehensive professional clinical and care support arrangements, combined with testing and outbreak management for all care homes in Forth Valley.
- A new Forth Valley Strategic Oversight Assurance Group was also established (comprised of NHS Forth Valley's Director of Public Health, Medical Director, Executive Director of Nursing, Falkirk Council's Chief Social Work Officer and the Chief Officer of the IJB). The remit of the group is to seek assurance regarding the professional support and quality of care being provided to care homes (ensuring national reporting requirements and the operational framework delivered by the CHSPG meets Scottish Government requirements).
- As previously reported, a Care Home Assessment Review Team (CHART) was created to support the CHSPG, ensuring accurate real time information is available in relation to all 32 care homes across Falkirk. The Team works collaboratively with other clinical health and social care teams to support care home reviews, workforce development, adult support and protection (legislation and early indicators of concern input), monitoring of care home intelligence and the development of appropriate supports (with escalation as appropriate).

Conclusion and Opinion on Assurance

Subject to the above, and on the basis of the assurances provided, we consider that the internal control environment operating during the reporting period provides reasonable and objective assurance that any significant risks impacting on



achievement of the IJBs principal objectives will be identified and actions taken to avoid or mitigate their impact.

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



Michele McClung
Chair

01 October 2021



Patricia Cassidy
Chief Officer

01 October 2021



Comprehensive Income and Expenditure Statement

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

2019-20			Comprehensive Income & Expenditure Statement	2020-21			Notes
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	
27,741	0	27,741	Large Hospital Services	29,629	0	29,629	
124,863	0	124,863	Community Health and Social Care Services	132,194	0	132,194	
81,941	0	81,941	Primary Healthcare Services	83,664	0	83,664	
444	0	444	IJB Running Costs	469	0	469	
234,989	0	234,989	Sub-Total	245,956	0	245,956	
(234,637)	0	(234,637)	Taxation and Non-Specific Grant Income	(257,370)	0	(257,370)	5
352	0	352	(Surplus) or Deficit on Provision of Services	(11,414)	0	(11,414)	4
352	0	352	Total Comprehensive Income and Expenditure	(11,414)	0	(11,414)	

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



Movement in Reserves Statement

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

Movement in Reserves During 2020/21	General Fund Balance	Unusable Reserves	Total Reserves
	£'000	£'000	£'000
Opening Balance @ 31 March 2020	(6,586)	-	(6,586)
Total Comprehensive Income and Expenditure	(11,414)	-	(11,414)
Increase in 2020/21	(11,414)	-	(11,414)
Closing Balance @ 31 March 2021	(18,000)	-	(18,000)
Movement in Reserves During 2019/20	General Fund Balance	Unusable Reserves	Total Reserves
	£'000	£'000	£'000
Opening Balance @ 31 March 2019	(6,938)	-	(6,938)
Total Comprehensive Income and Expenditure	352	-	352
Decrease in 2019/20	352	-	352
Closing Balance @ 31 March 2020	(6,586)	0	(6,586)



Balance Sheet

The Balance Sheet shows the value of the IJB's assets and liabilities as at the balance sheet date. The net assets of the IJB (assets less liabilities) are matched by the reserves held by the IJB. Usable reserves may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. Unusable Reserves include reserves relating to statutory adjustments as shown in the Movement in Reserves Statement.

Balance Sheet as at 31 March 2021		
31 March 2020		31 March 2021
6,636	Short Term Debtors	18,050
(50)	Provision for Bad Debts	(50)
6,586	Current Assets	18,000
0	Short Term Creditors	0
0	Current Liabilities	0
0	Provisions	0
0	Long-Term Liabilities	0
6,586	Net Assets	18,000
(6,586)	Useable Reserves: General Fund	(18,000)
0	Unuseable Reserves	0
(6,586)	Total Reserves	(18,000)

The unaudited accounts were issued on 18 June 2021 and the audited accounts were authorised on 24 September 2021.



Jillian Thomson
Chief Finance Officer

01 October 2021



Notes to the Financial Statements

1. Significant Accounting Policies

General Principles

The IJB financial statements for 2020/21 have been prepared on a going concern basis. The IJB was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973. In accordance with the CIPFA Code of Local Government Accounting (2020/21), the IJB is required to prepare its financial statements on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or function to another entity. This has been reinforced by the most recent CIPFA guidance bulletin 09 (closure of the 2020/21 financial statements) which states that while there is likely to be a significant impact of Covid-19 on local authority financial sustainability, the rationale for the going concern basis of reporting has not changed. The accounts are prepared on the assumption that the IJB will continue in operational existence for the foreseeable future.

The IJB's funding from and commissioning of services to partners has been confirmed for 2021/22 and a medium term financial plan has been prepared through to 2024/25. However it is recognised that the IJB is now working within the context of the Covid-19 pandemic, an unprecedented global crisis. The Scottish Government provided £14.989m of funding to meet all additional costs and unachieved savings associated with the pandemic during 2020/21 (excluding winter planning). A total of £8.592m was utilised in year, with the remaining balance of £6.397m carried forward through reserves to meet ongoing costs in 2021/22. However, ultimately all additional costs will be met by the IJB's partners in line with the integration scheme. In practice, the options available within the Integration Scheme in terms of projected budget overspends/additional costs have not been invoked in prior years as a risk sharing arrangement has been agreed on an annual basis to ensure that the relevant Partner makes good any overspends. The updated Integration Scheme will formalise these arrangements into a longer-term risk sharing agreement. Therefore, the IJB has revised the forecasts for the period to 1 October 2021 and considers that there are no material uncertainties in relation to its going concern status.

Accruals of Income and Expenditure

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

- Expenditure is recognised when goods or services are received and their benefits are used by the IJB.
- Income is recognised when the IJB has a right to the income, for instance by meeting any terms and conditions required to earn the income, and receipt of the income is probable.



- Where income and expenditure have been recognised but settlement in cash has not taken place, a debtor or creditor is recorded in the Balance Sheet.
- Where debts may not be received, the balance of debtors is written down.

Funding

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

Cash and Cash Equivalents

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

Employee Benefits

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

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

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

Provisions, Contingent Liabilities and Contingent Assets

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31 March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund.

A contingent liability is a possible liability arising from events on or before 31 March, whose existence will only be confirmed by later events. A provision that cannot be reasonably estimated, or where settlement is not probable, is treated as a contingent liability. A contingent liability is not recognised in the IJB's Balance Sheet, but is disclosed in a note where it is material. The IJB has no contingent liabilities.



A contingent asset is a possible asset arising from events on or before 31 March, whose existence will only be confirmed by later events. A contingent asset is not recognised in the IJB's Balance Sheet, but is disclosed in a note only if it is probable and can be reliably measured. The IJB has no contingent assets.

Reserves

The IJB's reserves are classified as either Usable or Unusable Reserves.

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

The IJB has no unusable reserves.

Indemnity Insurance

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

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

Known claims are assessed as to the value and probability of settlement. Where it is material the overall expected value of known claims, taking probability of settlement into consideration, are provided for in the IJB's Balance Sheet.

The likelihood of receipt of an insurance settlement to cover any claims is separately assessed and, where material, presented as either a debtor or disclosed as a contingent asset.

There were no claims or costs incurred during 2020/21 or the previous financial year 2019/20.

VAT

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

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



Where the Council is the provider, income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to H.M. Revenue & Customs and all VAT paid is recoverable from it. The Council is not entitled to fully recover VAT paid on a very limited number of items of expenditure and for these items the cost of VAT paid is included within service expenditure to the extent that it is irrecoverable from H.M. Revenue and Customs.

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

2. Events After the Reporting Period

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

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

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

Whilst the Covid-19 pandemic is not a post balance sheet event, the potential impact from ongoing developments after the 31 March 2021 year end have been considered accordingly for disclosure in the financial statements.

These developments include:

- Ongoing changes to the configuration and delivery of a wide range of health and social care services including alternative modes of service delivery and the temporary suspension of certain services in line with national guidance.
- The expansion of community testing arrangements and vaccination centres.



- Additional covid related expenditure of £8.592m incurred during 2020/21 is included in the accounts for the year. This was fully funded by the Scottish Government. As highlighted above, unused Covid funding was transferred to reserves to be carried forward to 2021-22.
- There will continue to be material financial implications during 2021/22, which will apply to next year's financial statements. This will reflect national guidance and the financial impact of all actions currently being taken forward by the IJB as part of the local mobilisation plan to respond and support resilience and recovery during the course of the pandemic.

From our assessment we have not identified any material financial impact on the 31 March 2021 financial position.

3. Critical Judgements and Estimation Uncertainty

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

- Both partner organisations have considered their exposure to possible losses and made adequate provision where it is probable that an outflow of resources will be required and the amount of the obligation can be measured reliably. Where it has not been possible to measure the obligation, or it is not probable in the partner organisations' opinion that a transfer of economic benefits will be required, material contingent liabilities have been disclosed (there are none).
- The Annual Accounts contain estimated figures that are based on assumptions made by the IJB about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.
- There are no items in the IJB's Balance Sheet at 31 March 2021 for which there is a significant risk of material adjustment in the forthcoming financial year



4. Expenditure and Income Analysis by Nature

2019/20 £000		2020/21 £000
76,489	Services commissioned from Falkirk Council	82,154
158,056	Services commissioned from NHS Forth Valley	163,333
-	Provisions	-
404	Other IJB Operating Expenditure	443
3	Insurance and Related Expenditure	3
37	Auditor Fee: External Audit Work	23
(234,637)	Partners Funding Contributions and Non-Specific Grant Income	(257,370)
352 (Surplus) or Deficit on the Provision of Services		(11,414)

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

5. Taxation and Non-Specific Grant Income

2019/20 £000		2020/21 £000
66,763	Funding Contribution from Falkirk Council	68,965
167,874	Funding Contribution from NHS Forth Valley	188,405
234,637	Taxation and Non-Specific Grant Income	257,370

The funding contribution from the NHS Board shown above includes £26.929m in respect of 'set aside' resources relating to acute hospital and other resources (£27.741m 2019/20). These are provided by the NHS which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.



The funding contributions from the partners shown above exclude any funding which is ring-fenced for the provision of specific services. Such ring-fenced funding is presented as income in the Cost of Services in the Comprehensive Income and Expenditure Statement.

6. Debtors

31 March 2020 £000		31 March 2021 £000
1,095	Falkirk Council	10,771
5,491	NHS Forth Valley	7,229
6,586 Debtors		18,000

7. Creditors

There are no current year or prior year creditor balances.

8. Provisions

A provision for bad debts in relation to Adult Social Care of £50,000 is included in the 2020/21 accounts.

9. Useable Reserve: General Fund

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

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

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



Balance at 31 March 2020 £000s	Reserves	TRANSFERS OUT £000s	TRANSFERS IN £000s	Balance at 31 March 2021 £000s
-630	Integration Funding	630		0
-2,739	Partnership Funding	3,582	-3,393	-2,550
-1,390	Leadership Funding	2,732	-1,342	0
0	Innovation/Invest to Save		-500	-500
0	Locality development		-60	-60
0	Health & Wellbeing		-415	-415
0	Reducing Health & Social inequalities		-415	-415
-105	PC Transformation Funds	13		-92
-100	Services for Survivors	15		-85
-41	Sensory Strategy	1		-40
-287	Dementia Innovation Fund		-74	-361
-128	Mental Health Innovation Fund	87	-64	-105
-35	Alcohol & Drugs Partnership	35	-30	-30
-17	British Sign Language Plan			-17
-47	Choose Life		-24	-71
-66	GP Out of Hours Fund	50	-144	-160
-24	GP Sub Committees		-23	-47
0	Action 15 Mental Health Strategy		-6	-6
-289	Primary Care Improvement Fund	289	-461	-461
-86	GMS premises	9	-43	-120
-145	Capital Grant		-349	-494
-141	Housing Revenue Account		-796	-937
0	Carers Strategy		-771	-771
0	Self Directed Support		-63	-63
0	Covid - adult social care	5,277	-10,887	-5,610
0	Winter planning - adult social care	112	-1,911	-1,799
0	Covid - health		-787	-787
0	Community Living Change Fund		-569	-569
0	Additional Drugs Death funding	1	-175	-174
0	Perinatal Mental Health	8	-52	-44
0	District Nursing		-64	-64
-6,270	Total Earmarked	12,841	-23,418	-16,847
-316	Contingency Reserve		-630	-946
0	General Reserve		-207	-207
-316	Total general	0	-837	-1,153
-6,586	GRAND TOTAL	12,841	-24,255	-18,000



Further information on some of the reserves is provided below:

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

10. Related Party Transactions

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

Transactions with NHS Forth Valley

2019/20		2020/21
£000		£000
(167,874)	Funding Contributions received from NHS Forth Valley	(188,405)
158,056	Expenditure on Services Provided by the NHS Board	163,333
10,055	Integration Funding passed through Falkirk Council	23,112
218	Key Management Personnel: Non-Voting Board Members	222
455	Net (surplus)/deficit on transactions with NHS Forth Valley	(1,738)



Balances with NHS Forth Valley

31 March 2020 £000		31 March 2021 £000
5,491	Debtor balances: Amounts due from the NHS Board	7,229
	- Creditor Balances: Amounts due to the NHS Board	-
5,491	Net Balance with NHS Forth Valley	7,229

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

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

Transactions with Falkirk Council

2019/20 £000		2020/21 £000
(66,763)	Funding Contributions received from Falkirk Council	(68,956)
76,489	Expenditure on Services Provided by Falkirk Council	82,154
(10,055)	Integration Funding passed through Falkirk Council	(23,112)
226	Key Management Personnel: Non-Voting Board Members	247
(103)	Net (surplus)/deficit on transactions with Falkirk Council	(9,676)



Balances with Falkirk Council

31 March 2020 £000		31 March 2021 £000
1,145	Debtor balances: Amounts due from Falkirk Council	10,821
1,145	Net Balance with Falkirk Council	10,821

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



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

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of Falkirk Integration Joint Board ("the 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 our 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 Falkirk Integration Joint Board 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

We conducted our 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. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 31 May 2016. The period of total uninterrupted appointment is five years. We are independent of the Integration Joint Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Integration Joint Board. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We 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 we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Integration Joint Board'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

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

Responsibilities of the Chief Finance Officer and Falkirk Integration Joint Board 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 Integration Joint Board'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 Integration Joint Board's Audit Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our 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 our 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. We design procedures in line with our 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 Integration Joint Board is complying with that framework;
- identifying which laws and regulations are significant in the context of the Integration Joint Board;
- 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 our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Integration Joint Board'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. This description forms part of our auditor's report.

Reporting on other requirements

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

We have audited the part of the Remuneration Report described as audited. In our 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.

Our 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 our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this statutory other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the statutory other information and we 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 our 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 we are required to report by exception

We are required by the Accounts Commission to report to you if, in our 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
- we have not received all the information and explanations we require for our audit; or
- there has been a failure to achieve a prescribed financial objective.



We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of our 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, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.



Stephen Reid, *for and on behalf of Ernst & Young LLP*

Ernst & Young LLP

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01 October 2021



Glossary

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

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



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



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





Falkirk
Health and Social Care
Partnership