

Health and Social Care Partnership
Integration Joint Board (IJB)
Unaudited Accounts
2024/25

Greenock Ocean Terminal, Inverclyde's new cruise ship visitor centre and community facility was officially opened on 25 August 2023. The project, led by Inverclyde Council, is part of the £1 billion Glasgow City Region City Deal funded by the Scottish and UK governments, with contributions from Peel Ports and the George Wyllie Foundation via Dunard Fund. The facility features an arrivals and departures hall, Scott's restaurant and bar, and the Wyllieum, an exhibition and gallery space due to open in 2025, paying tribute to famous artist George Wyllie who worked in Greenock and lived in Gourrock.

Photo: David Barbour Photography

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This document can be made available in other languages, large print, and audio format upon request.

Arabic

هذه الوثيقة متاحة أيضا بلغات أخرى والأحرف الطباعية الكبيرة وبطريقة سمعية عند الطلب.

Cantonese

本文件也可應要求，製作成其他語文或特大字體版本，也可製作成錄音帶。

Gaelic

Tha an sgrìobhainn seo cuideachd ri fhaotainn ann an cànanan eile, clò nas motha agus air teip ma tha sibh ga iarraidh.

Hindi

अनुरोध पर यह दस्तावेज़ अन्य भाषाओं में, बड़े अक्षरों की छपाई और सुनने वाले माध्यम पर भी उपलब्ध है

Kurdisch

Li ser daxwazê ev belge dikare bi zimanên din, çapa mezin, û formata dengî peyda bibe.

Mandarin

本文件也可应要求，制作成其它语文或特大字体版本，也可制作成录音带。

Polish

Dokument ten jest na życzenie udostępniany także w innych wersjach językowych, w dużym druku lub w formie audio.

Punjabi

ਇਹ ਦਸਤਾਵੇਜ਼ ਹੋਰ ਭਾਸ਼ਾਵਾਂ ਵਿਚ, ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ ਅਤੇ ਆਡੀਓ ਟੇਪ 'ਤੇ ਰਿਕਾਰਡ ਹੋਇਆ ਵੀ ਮੰਗ ਕੇ ਲਿਆ ਜਾ ਸਕਦਾ ਹੈ।

Soraini

ئەم بەلگەنامەیە دەتوانرێت بە زمانەکانی تر و چاپی گەورە و فۆرماتێکی دەنگی لەسەر داواکاری بەردەست بکەیت.

Tigrinya

እዚ ሰነድ እዚ ብኸልእ ቋንቋታት፡ ብዓቢ ፊደላትን ብድምጺ ቅርጽን ምስ ዝሕተት ክቕርብ ይኽእል።

Urdu

درخواست پر یہ دستاویز دیگر زبانوں میں، بڑے حروف کی چھپائی اور سننے والے ذرائع پر بھی میسر ہے۔

Ukrainian

За запитом цей документ може бути доступний іншими мовами, великим шрифтом та аудіоформатом.



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Introduction

This publication contains the financial statements for the Inverclyde Integration Joint Board (IJB) for the year ended 31st March 2025.

The Management Commentary outlines the key messages in relation to the IJB's financial planning and performance for the year 2024/25 and how this has supported delivery of the IJB's core objectives. This commentary also looks forward, outlining the future financial plans for the organisation and the challenges and risks which we will face as we strive to meet the needs of the people of Inverclyde.

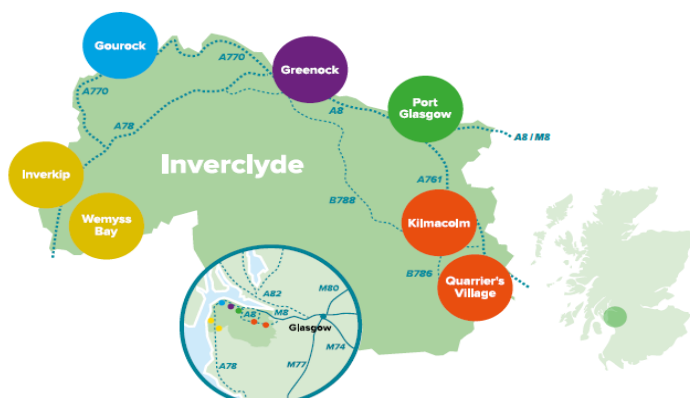
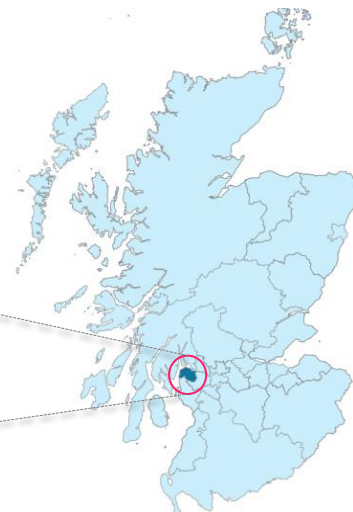
Management Commentary

Inverclyde IJB

Inverclyde is in West Central Scotland, along the south bank of the River Clyde. It is amongst the smallest local authority areas in Scotland, being home to 78,330 people. This amounts to only 1.4% of Scotland overall population. Inverclyde's population continues to fall and is expected to decrease by a 3.2% over the next four years. Within this decrease we are witnessing a shift in the local age structure, decreases in younger people and working age adults being offset by an increase in the population of those aged 65 and over.

Women account for 51.8% of Inverclyde's population, with men accounting for 48.2%. Women account for a greater proportion of the population of Inverclyde compared to Scotland, with women accounting for 51.4% nationally.

Pop. 78,330
(1.43% of Scotland)



Population Estimates for 2022

Age Group	% Inverclyde	% Scotland
0 to 17	17.5%	18.5%
18 to 64	59.7%	61.2%
65 plus	22.8%	20.3%

Source: NRS population projections for Scottish Areas June 2022

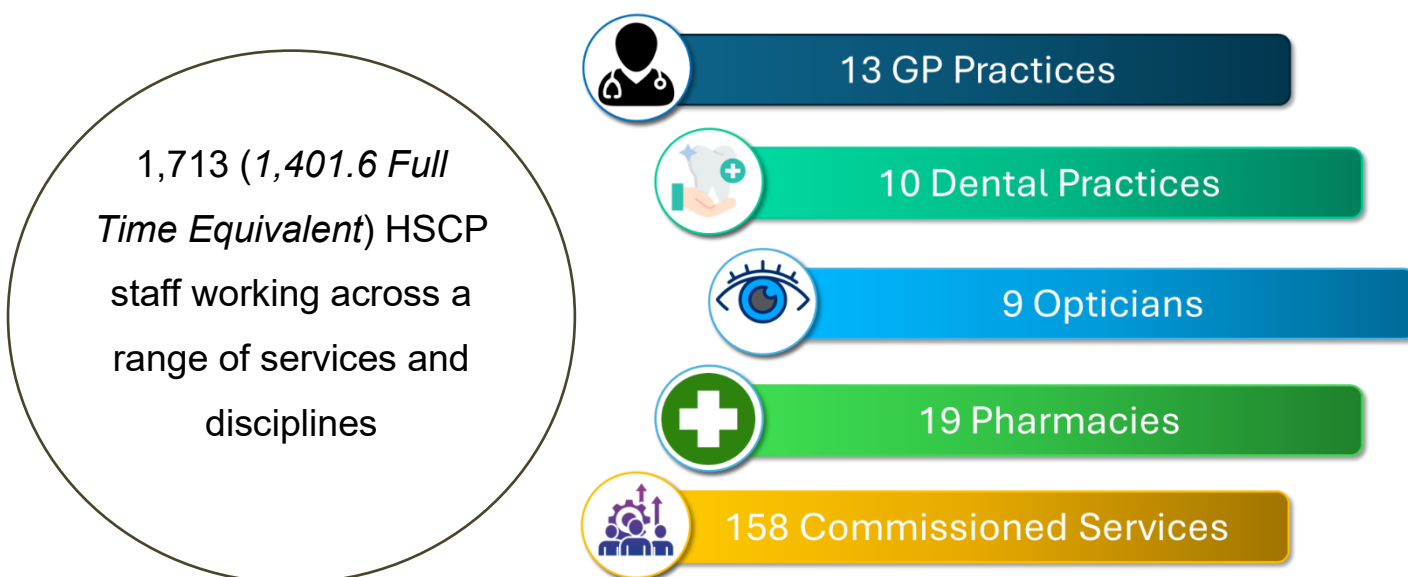
The Inverclyde IJB was established by parliamentary order on 27th June 2015 following approval of the Inverclyde Integration Scheme by the Scottish Ministers. From 1st April 2016, the IJB took formal delegated responsibility from the NHS Greater Glasgow and Clyde (NHSGGC) and Inverclyde Council for the delivery and/or planning of local health and social care services.

For some services this delegation of responsibility means the IJB taking full responsibility for planning, management, and delivery of service provision, while for others, notably hospital-based services, this means planning with partners who continue to manage and deliver the services as part of wider structures (e.g., the Greater Glasgow and Clyde Acute Sector).

The Inverclyde IJB has responsibility for the strategic commissioning (either planning or direct service delivery, or both) of the full range of health and social care services; population health and wellbeing, statutory health and social work/ social care services for children, adults, older people, homelessness and people in the community justice system. The IJB discharges this responsibility through its operational delivery arm, which is the Inverclyde Health and Social Care Partnership (HSCP).

Our Resources

The HSCP has responsibility for, and delivers, an extensive range of services across primary care, health and social care and through several commissioned services.



In May 2024, the Integration Joint Board approved a new 3-year strategic commissioning plan. Our Strategic Partnership Plan, 'People and Partnerships, Making a Difference' identifies four strategic priorities for delivery. These priorities focus on early intervention, supporting mental health, wellbeing and recovery, strengthening our communities and providing greater support to families and carers.

The IJB Strategic Partnership Plan is supported by a variety of service strategies, investment and management plans which aid day to day service delivery. These plans and strategies identify what the IJB wants to achieve, how it will deliver it and the resources required to secure the desired outcomes. The Strategic Plan also works in support of the Inverclyde Community Planning Partnership's Local Outcome Improvement Plan and the Greater Glasgow and Clyde Health Board Local Delivery Plan. It is vital to ensure that our limited resources are targeted in a way that makes a significant contribution to our objectives.

The Strategic Plan and other key documents can be accessed online at:

<https://www.inverclyde.gov.uk/health-and-social-care>

The operational HSCP Structure responsible for delivering services in 2024/25 is illustrated below.

HSCP Operational Structure



The Annual Accounts 2024/25

The Annual Accounts report the financial performance of the IJB. Its main purpose is to demonstrate the stewardship of the public funds which have been entrusted to us for the delivery of the IJB's vision and its core objectives. The requirements governing the format and content of local authorities' annual accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The 2024/25 Accounts have been prepared in accordance with this Code.

The Financial Plan

As reported at period 11, the IJB budgeted to deliver Partnership Services at a cost of £221.358m, including £37.670m of notional budget for Set Aside, and £5.431m of spend was anticipated through Earmarked Reserves.

As a result of funding adjustments and an increase in the Set Aside actual spend was £224.980m, including Set Aside of £37.055m. Funding moved from a budgeted £221.381m at Period 11 to £224.854m at year-end. In the main this movement related additional budget uplifts in Family Health Services.

The final position generated a deficit for the year of £2.126m, which is reflected in IJB reserves in line with its reserves policy. Analysis of the outturn position, the deficit and of the movement from the projected position at Period 11 are detailed in the table on pages 9 and 10.

On 24 March 2025 the IJB agreed a one-year budget for the 2025/26 financial year, utilising one off funds from reserves held to meet a funding gap of £0.373m. The agreed budget included savings and efficiency measures of £2.3m for the year. Several workstreams are in place, ensuring a focussed approach towards achieving the agreed measures and progress on their achievement will be reported to the IJB and the IJB Audit Committee and in the 2025/26 Annual Performance Report.

Also presented to the IJB was the updated 5-year financial plan, which identified a budget gap of £11.191m up to the financial year 2029/30. This considers a range of pressures and uncertainties such as:

- forecast demand for services
- inflationary pressures
- pay awards
- assumptions on funding from partners.

Performance

The IJB and HSCP tracks change in need and demand, and delivery of the nine National Health and Wellbeing Outcomes through its performance management arrangements. Every service is subject to a quarterly service review (QSR), chaired by the relevant Head of Service. Service use, waiting times and any other pressures are closely reviewed alongside progress against the service's key objectives and delivery of outcomes. Any divergence from the agreed targets is quickly identified and steps are put in place to support improvement. Throughout 2024-25, review work has been undertaken with service to review the key performance information now required for QSR meetings. Performance is still reviewed regularly within each service and any notable differences between service performance and identified aims are reported to the Senior Management Team, where remedial actions are considered.'

National Integration Indicators

The legislation requires that IJBs follow a prescribed format of annual performance reporting against the nine outcomes, based on 23 national indicators and a requirement to publish an annual performance report by the 31st July each year. There are 23 National Integration Indicators against which the performance of all HSCPs in Scotland is measured, the data for these is provided by Public Health Scotland (PHS) on behalf of the Scottish Government. These indicators are grouped into two types of complementary measures: outcome indicators based on survey feedback, and indicators derived from organisational or system data.

Inverclyde's summary 2024/25 will be published in line with agreed national revised timelines and approved at the September 2025 IJB meeting.

The IJB's 2024/25 Performance against the 23 National Indicators is shown below. Indicators 1 to 9 are taken from the 2024/25 biennial Health and Care Experience Survey.

Of the 19 currently reported measures we are at or better than the Scottish average in 9 (green), similar to in 3 (amber) and behind in 7 (red).

In 2 measures we have seen an improving trend (green arrow), maintaining our performance in 6 (amber arrows) and reducing performance in 7 (red arrow). This trend analysis is based upon the 5 most recent reporting years. Note, no trend analysis has been provided against indicator 20, as the data has not been updated since 2020.

Inverclyde is an area of social-economic deprivation which directly correlates to long term chronic disease and risk factors e.g. diet, tobacco, alcohol and drug use, obesity. This results in higher premature mortality rates, higher emergency admissions and longer-term bed use in the acute system, which is indicated at measures 11, 12 and 13.

The convention for comparing performance in relation to the Scottish average are as follows:

Green	Performance is equal or better than the Scottish average	↑ ↓	Trend is improving (moving in the right direction)
Amber	Performance is close to the Scottish average	→ ←	Trend is static – no significant change (less than 3% change)
Red	Performance is below the Scottish average	↑ ↓	Trend is declining (moving in the wrong direction)

PHS are still developing 4 of the 23 National Integration Indicators so these have not been included in the report. These are: -

10	Percentage of staff who say they would recommend their workplace as a good place to work
21	Percentage of people admitted to hospital from home during the year, who are discharged to a care home
22	Percentage of people who are discharged from hospital within 72 hours of being ready
23	Expenditure on end-of-life care, cost in last 6 months per death

Outcome Indicators

The Health and Care Experience survey is sent to a random sample of patients who are registered with a GP practice in Scotland. Questionnaires were sent out in November 2023 asking about people's experiences during the previous 12 months.

The results for 2024/25 were published in July 2025 with local level results available via interactive dashboards on the PHS website.

National Integration Indicator		Time Period	Inverclyde HSCP	Scottish Average	Change from previous period	Inverclyde Long-term Trend	Scottish Long-term Trend
1	Percentage of adults able to look after their health very well or quite well	2024/25	88.9%	90.7%	→←	→←	↓
2	Percentage of adults supported at home who agreed that they are supported to live as independently as possible	2024/25	75.9%	72.4%	↓	↓	↓
3	Percentage of adults supported at home who agreed that they had a say in how their help, care, or support was provided	2024/25	67.8%	59.6%	→←	↓	↓

4	Percentage of adults supported at home who agreed that their health and social care services seemed to be well co-ordinated	2024/25	68.7%	61.4%	↔	↓	↓
5	Total % of adults receiving any care or support who rated it as excellent or good	2024/25	70.7%	70.0%	↓	↔	↓
6	Percentage of people with positive experience of the care provided by their GP practice	2024/25	65.0%	68.5%	↓	↓	↓
7	Percentage of adults supported at home who agree that their services and support had an impact on improving or maintaining their quality of life	2024/25	73.6%	69.8%	↓	↓	↓
8	Total combined percentage of carers who feel supported to continue in their caring role	2024/25	31.9%	31.2%	↑	↓	↓
9	Percentage of adults supported at home who agreed they felt safe	2024/25	72.7%	72.7%	↓	↔	↓

Data indicators

The primary source of data for these indicators are Scottish Morbidity Records (SMRs) which are nationally collected discharge-based hospital records. The data presented here is the most up to date provided by Public Health Scotland (PHS) and communicated to all Health and Social Care Partnerships. The figures will be subject to review and data completeness and, therefore, likely to change in subsequent releases. PHS recommend that Integration Authorities do not report any period for indicator 20 beyond 2019/2020 within their 2021/2022 APRs as NHS Boards were not able to provide detailed cost information for 2020/2021 due to changes in service delivery during the pandemic. The most recent data for this indicator is presented, but no trend information has been provided.

National Integration Indicator		Time Period	Inverclyde HSCP	Scottish Average	Change from previous period	Inverclyde Long-term Trend	Scottish Long-term Trend
11	Premature mortality rate per 100,000 persons	2022	542	442	↑	↔	↔
12	Emergency admission rate (per 100,000 population)	2023	12689	11707	↔	↔	↔
13	Emergency bed day rate (per 100,000 population)	2023	148349.8	112882.8	↓	↔	↔
14	Readmission to hospital within 28 days (per 1,000 population)	2023	79.2	103.9	↑	↓	↓
15	Proportion of last 6 months of life spent at home or in a community setting	2023	87.7%	89.1%	↔	↓	↔
16	Falls rate per 1,000 population aged 65+	2023	25.7	23.0	↑	↑	↔
17	Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	2024/25	80.6%	77.0%	↔	↓	↓
18	Percentage of adults with intensive care needs receiving care at home	2023	67.4%	64.8%	↔	↑	↔
19	Number of days people spend in hospital when they are ready to be discharged (per 1,000 population) (age 75+)	2024/25	554	902	↑	↑	↑
20	Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency	2019/20	25.3%	24.0%	↔	NA	NA

2024/25 represents the first year for our new Strategic Partnership Plan, 'People and Partnerships, Making a Difference'. This plan refocused the partnership away from the previous 6 Big Actions to 4 strategic priorities. These priorities will help shape the activity and direction of the HSCP over the next three years.

- Over the first year of the Strategic Partnership Plan, some of our key achievements include:
- Continued to perform well in the area of delayed discharges, with Inverclyde often reporting the lowest rates of delayed discharges across GG&C.
- We commenced the redesign of our front doors in adult services. This will represent a significant change to how people will access health and social care services, with the creation of an integrated, modern and accessible front door that ensures people get the right service at the right time.
- We have continued our service redesign in our Children and Families Service, providing greater focus on early intervention and family support models to support families avoid crisis and the need for statutory intervention.
- We continue to make strong progress in reducing unscheduled care episodes, by embedding preventative, community-based approaches.
- Initiated a redesign of our Housing Options and Homelessness Service. Which will focus on providing greater community-based support to those at risk of, or experiencing homelessness.
- A review of Primary Care Mental Health Team, in line with a board wide review saw a strengthening of local clinical expertise in the team, ensuring it is fully able to support those with more complex MH cases.
- The appointment of a new Service Manager in Mental Health Services has led to significant service improvements, including improving compliance with statutory reporting and legal and professional standards.
- Developed a new Alcohol Recovery Pathway, developed through out Alcohol and Drug Recovery Service. This model is rooted in the MAT Standards designed to ensure safe, effective, and person-centred care for individuals affected by alcohol use.
- Following the appointment of a specialised Long-Term Conditions nurse, we have begun a project to support those at risk of diabetes through early identification and intervention.
- We saw improvements in the length of time children remained on the CP Register. During the year, 65% of children on the register were de-registered within 6 months, indicating better support for families.
- Employing digital innovation to better support families with children in the early years, including HENRY App. Providing parents meaningful information and advice.
- The development of a new local carers and young carers strategy in partnership with Carers Gateway.

Financial Performance

This section summarises the main elements of our financial performance for 2024/25.

(a) Partnership Revenue Expenditure 2024/25

The Partnership was underspent by £0.051m in 2024/25 at the financial year end.

At the start of the year the HSCP had a smoothing reserves balance of £4.408m. This is to facilitate managing services of a volatile nature and a contingency for any pay award deficits. During the year a total of £1.101m has been drawn down for these purposes together with transfers of £1.310m into these reserves. This leaves a total smoothing reserve balance of £4,617m available for use in 2025/26 onwards in addition to our savings plan.

The IJB holds an Innovation Fund for the purposes of funding projects and activities which will realise future efficiencies for the Partnership. In 2024/25 an opening balance of £1.326m was held, £0.271m of net expenditure was incurred in year. A closing balance of £1.055m is recorded.

Reserves are held for Winter Pressures/Planning amounting to £1.210m across various workstreams. £0.722m net expenditure was incurred in 2024/25 financial year, with the remaining £0.488m to be utilised to ease pressure on care services in 2025/26.

Reserves of £3.073m were held as of 1 April 2024 in relation to refugee schemes income, which funds future years expenditure. During 2024/25, grant income was received in relation to both New Scots Ukraine and Afghan arrivals as well as some previous scheme ongoing commitments. After funding in year spend, the remaining balance was added to reserves giving a final earmarked reserve of £3.754m held to fund future years expenditure including:

New to Scotland team employee costs, Health and Social care staff pressures, Unaccompanied Asylum-Seeking Children, third party support and support for ongoing accommodation costs.

The partnership holds General Reserves of £1.066m.

Overall opening reserves of £19.287m were held at 1 April 2024. During the year £6.020m of Earmarked Reserves were used to fund specific spend and projects. An additional £3.894m was added to Earmarked Reserves. This led to a final net deficit of £2.126m, with total reserves of £17.161m held at the year end. As is usual during budget monitoring processes, a number of areas of specific underspend have been added to earmarked reserves for use in future years, and approval has been requested as part of the annual accounts covering report. These specific areas totalling £1.120m are as follows:

Final transfers to Earmarked Reserves	£000s
Staff Learning & Development Fund	23
- Grow your Own Social Workers	
LD Hub fixtures and fittings	27
Temporary Posts funding for 2025/26	136
Residential & Nursing Placements	99
Severance Costs contingency for future years	154
Refugee Schemes	681
- final in-year balance to reserve for future years planned spend	
Total earmarking request	1,120

Following earmarking of these specific items, a revenue underspend of £0.051m remains. A further request has been made as part of the annual accounts covering report to transfer this to the General reserve as follows:

Transfer to Reserves for final underspend	£000s
General Reserve	(51)
Total	(51)

An analysis of earmarked reserves is set out in Note 8 to the Financial Statements on Page 31.

Financial Position at 31 March 2025

The Comprehensive Income and Expenditure Statement (see page 21) describes income and expenditure by care group across the IJB and shows that a deficit of £2.126m was generated in 2024/25. This is comprised of:

- An underspend on Social Care services of £0.051m, transferred to the General reserve.
- New and net increased reserves of £3.843m as agreed by the IJB
- Further use of reserves of £6.020m being planned spend during the year against balances held.

More detailed analysis of the contributions to the overall deficit is shown in the following table:

Analysis of Outturn	£000
Revenue Pressures	
Children and Families external residential placements, fostering, adoption & kinship and homecare pressures due to demand and cost	(3,957)
Prescribing pressures due to increased costs, volumes and availability	(1,453)
Mental Health In Patient staffing pressures	(295)
Continued pressure on Learning Disability client package spend due to demand and cost	(322)
Increased demand for Homelessness Services	(233)
Smaller over/underspends throughout services	(89)
Revenue Underspends	
Underspend of non-recurring pension monies	3,109
Underspend in Health Employee Costs (excluding Mental Health In patients) due to vacancies and staff turnover	1,241
Health supplies and services underspend - areas other than prescribing	507
Underspend in Residential & Nursing Care beds due to both lower bed numbers and increased financial assessments	541
External Care at Home underspend following commencement of new contract	250
Underspends in client packages for other Adult Services areas	397
Underspend as a result of additional income recoveries across Adult Services	355
Net Underspend against IJB funding received for 2024/25	51
Use of Reserves	
Use of Winter Planning reserves - MDT, Health Care Support Workers, Care at Home	(721)
Use of general reserves towards 2024/25 budget	(709)
Contribution to Partner Capital Projects - LD Hub	(500)
Net use of Severance costs contingency reserve	(463)
Use of Primary Care Support Reserve	(304)
Use of Homelessness and Rapid Rehousing Transition Plan reserves	(297)
Use of Innovation Fund	(271)
Additions to Reserves	
Net increase to reserve for Refugee schemes	681
Addition to Prescribing reserve	359
Various other movements in existing reserves during 2024/25	48
Net Use of Reserves in 2024/25	(2,177)
Deficit on Provision of Services per Income and Expenditure Statement	(2,126)

Period 11 vs Final Outturn

An overspend of £0.027m in Social Care core budgets was projected in the period 11 budget monitoring report. The main projected variances were linked to client commitment overspends in Learning Disabilities and Children's services (external residential placements, fostering adoption & kinship and homecare), together with a projected overspend on Children's services employee costs.

These overspends were offset by underspends in employee costs throughout other services, residential & nursing care home beds, external care at home packages, physical & sensory client commitments and non-recurring pension monies.

The projected outturn for Health services at period 11 was reported as an underspend of £0.050m. The main areas of overspend were prescribing and the mental health in-patients service with projected overspends of £1.362m and £0.505m respectively. The prescribing projected overspend was linked to factors including drug prices, volumes and availability.

These overspends were offset by underspends totalling £1.315m on employee costs spread throughout all services other than mental health in-patients, which are included in the overspend position noted above.

The final position reported is an underspend of £0.051m, with the main movements since Period 11 in relation to additional income offset by additional client package costs.

Revised Budget	Budget Area	Projected Outturn @ P11	Outturn	P11 vs Actual Outturn
91,447	Health Funding	89,360	91,447	2,087
91,447	Health Spend	89,310	91,447	2,137
0	Health Contribution	50	0	(50)
73,262	Social Care Funding	74,397	74,397	0
73,262	Social Care Spend	74,424	74,346	(78)
0	Social Care Contribution	(27)	51	78
19,955	Resource Transfer Funding	19,954	19,955	1
19,955	Resource Transfer Spend	19,954	19,955	1
0	Resource Transfer Contribution	0	0	0
37,055	Set Aside Funding	37,670	37,055	(615)
37,055	Set Aside Spend	37,670	37,055	(615)
0	Set Aside Contribution	0	0	0
0 Surplus against IJB funding received		23	51	28

Revised Budget	P11 vs Final Outturn	Projected Outturn @ P11	Outturn	P11 vs Actual Outturn
221,719	IJB Funding	221,381	222,854	1,473
221,719	IJB Expenditure	221,358	222,803	1,445
0 Surplus against IJB funding received		23	51	28

(b) The Balance Sheet

The Balance Sheet (see page 23) summarises the IJB's assets and liabilities as of 31 March 2025, with explanatory notes included in the financial statements.

Financial Outlook, Risks and Plans for the Future

Pressure on public finances is unlikely to improve in the foreseeable future. The Scottish Government Medium Term Financial Plan (2023/28) highlights any cash and real term increases over 2024/28 are likely to be outstripped by increased spending resulting in further budget cuts. The Scottish Government has delayed the publication of the Medium-Term Financial Plan at this time. For Inverclyde, with its on-going depopulation, future funding reductions may be significant. This allied to the significant levels of inflation and the cost pressures currently experienced in relation to pay and commissioned services means the IJB potentially faces very difficult financial decisions in the short/medium term.

A medium-term financial projection (2025-2030) highlights the HSCP's financial gap over the next 5 years taking account of forecast demand for services, inflationary pressures, pay awards and assumptions on funding from partners. The estimated funding gap is £11.191 million.

In March 2025 the IJB agreed a 1-year balanced budget for 2025/26. Included were savings initiatives of £2.3m, with a further £0.373m approved Use of Reserves to close the funding gap. The savings initiatives will be progressed into 2025/26 with an overall Savings Workgroup being set up to monitor progress. This progress will be reported back to the IJB on a regular basis.

Inverclyde IJB's current reserves position including various smoothing reserves puts the IJB in a strong position to be able to address the effect of these risks. Robust budget monitoring and financial planning will ensure that we are able to continue to take decisions as required to address any emerging issues.

2024/25 was the first year of the HSCPs new Strategic Partnership Plan, "People and Partnerships, Making a Difference" (2024-27). This new plan introduced a revised strategic vision, and four new strategic priorities. Our revised vision is that:

Inverclyde is a compassionate community, working together to ensure people live active, healthy and fulfilling lives.

It is called our Strategic 'Partnership' Plan to reflect that the HSCP can not achieve our vision for Inverclyde on our own. It is only through our established and effective working relationships with our local partners, that we can work together to make a difference to the health and wellbeing of local people.

Strategic Priorities

To achieve our vision, our activity and developments over the three-year life of the plan will be informed by our four strategic priorities, these are:

Provide Early
Help and
Intervention

Improve Support
for Mental
Health, Wellbeing
& Recovery

Support Inclusive,
Safe and Resilient
Communities

Strengthen
Support to
Families and
Carers

Each priority is supported by a range of key strategic actions that will be progressed over the life of the plan.

Further information on how we are progressing towards our four strategic priorities can be found in our Annual Performance Report on our website.

Conclusion

2024/25 continued to be a challenging operating environment, in which the IJB successfully oversaw the delivery of core services, the setting of a new 1-year budget and the approval of a new Strategic Partnership Plan. During this period, the IJB continued to review its change programme designed to provide a more person-centred model of care, deliver on early intervention and prevention ambitions.

Where to Find More Information

If you would like more information, please visit our IJB website at:
<https://www.inverclyde.gov.uk/health-and-social-care>

Kate Rocks

Chief Officer

Craig Given

Chief Financial Officer

David Gould

IJB Chair

Statement of Responsibilities

Responsibilities of the IJB

The IJB is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that the proper officer of the board has the responsibility for the administration of those affairs. In this IJB, the proper officer is the Chief Financial 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 Statement of Accounts.

Signed on behalf of the Inverclyde IJB

David Gould

IJB Chair

Responsibilities of the Chief Financial Officer

The Chief Financial 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 these annual accounts, the Chief Financial Officer has:

- Selected appropriate accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with legislation;
- Complied with the local authority Code (in so far as it is compatible with legislation)

The Chief Financial 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 Inverclyde IJB as at 31 March 2025 and the transactions for the year then ended.

Craig Given

Chief Financial Officer

Remuneration Report

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

The information 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.

1 Integration Joint Board

The voting members of the IJB are appointed through nomination by the NHS Board and Council.

2 Senior officers

The IJB does not directly employ any staff. All HSCP officers are employed through either the NHS Board or Council and remuneration for senior staff is reported through those bodies. Specific post-holding officers are non-voting members of the Board

Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the IJB must be appointed and the employing partner must formally second the officer to the IJB. During 2024/25 the Chief Officer, Kate Rocks was in post for the full financial year. The statutory responsibility for employer pension liabilities sits with Inverclyde Council as the employing partner organisation. There is therefore no pension liability reflected on the Inverclyde IJB balance sheet for the IJB's Chief Officer. The remuneration terms of the Chief Officer's employment are approved by the IJB.

Chief Financial Officer

Craig Given is the Chief Financial Officer of the IJB. He is employed by NHS and the Council and NHS Board share his salary cost and those of all other senior officer remunerations.

Other officers

No other staff are appointed by the IJB under a similar legal regime. There are no other non-voting board members who meet the criteria for disclosure and require to be included in the disclosure below.

Salary, Fees & Allowances (£) 2023/24	Name and Post Title	Salary, Fees & Allowances (£) 2024/25
131,633	Kate Rocks Chief Officer	135,563
94,345	Craig Given Chief Financial Officer	99,534

3 Remuneration: IJB Chair, Vice Chair and Voting Members

The voting members of the IJB are appointed through nomination by Inverclyde Council and NHS Greater Glasgow and Clyde. Nomination of the IJB Chair and Vice Chair post holders alternates between a Councillor and NHS Board representative.

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. The details of the Chair, Vice Chair and other IJB voting member appointments and any taxable expenses paid by the IJB are shown below.

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 voting members.

Voting IJB Members Remuneration Table

Name	Post(s) Held	Nominated By
David Gould	IJB Member IJB Vice-Chair (from 1/7/24 until 26/1/25) IJB Chair (from 27/1/25) Audit Committee Member Audit Committee Vice-Chair (until 25/6/23) Audit Committee Chair (from 26/6/23 until 26/1/25)	NHS GG&C
Councillor Robert Moran	IJB Member (until 26/1/25) IJB Vice-Chair (until 26/6/23) IJB Chair (from 27/6/23 until 26/1/25)	Inverclyde Council
Alan Cowan	IJB Member IJB Chair (until 25/6/23) IJB Vice-Chair (from 26/6/23 until 30/6/24) Audit committee member (from 25/9/23 until 30/6/24)	NHS GG&C
Councillor Francesca Brennan	IJB Member (from 18/11/24) IJB Vice Chair (from 27/1/25)	Inverclyde Council
Councillor Lynne Quinn	IJB Member (from 26/6/23) Audit Committee Member Audit Committee Chair (from 27/1/25) Audit Committee Vice Chair (from 26/6/23 until 26/1/25)	Inverclyde Council
Councillor Sandra Reynolds	IJB Member (from 26/6/23) Audit Committee Member (from 26/6/23)	Inverclyde Council
Councillor Colin Jackson	IJB Member (from 27/1/25)	Inverclyde Council
Dr Becky Metcalfe	IJB Member from 1/9/23 Audit Committee Member (from 9/9/24) Audit Committee Vice Chair (from 27/1/25)	NHS GG&C
Dr Paul Ryan	IJB Member (from 9/9/24)	NHS GG&C
Karen Turner	IJB Member (from 9/9/24) Audit Committee Member (from 27/1/25)	NHS GG&C
Councillor Martin McCluskey	IJB Member (until 4/9/24)	Inverclyde Council
Ann Cameron-Burns	IJB Member (until 30/6/24)	NHS GG&C
Simon Carr	IJB Member (until 31/8/23) Audit Committee Member (until 31/8/23)	NHS GG&C
Councillor Elizabeth Robertson	IJB Member (until 26/6/23) Audit Committee Member (until 26/6/23)	Inverclyde Council

There were no Inverclyde IJB specific expenses recorded for voting members of the IJB during 2024/25. Any expenses claimed by voting members are paid through the relevant IJB partner organisation.

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.

The IJB however has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the IJB. The following table shows the IJB's funding during the year to support officers' pension benefits.

The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions.

Senior Employee	In Year Pension Contributions (£)		Accrued Pension Benefits (£000s)		
	For Year to 31/03/24	For Year to 31/03/25		Difference from 31/03/24	As at 31/03/25
Kate Rocks Chief Officer	25,405	8,863	Pension	3	8
			Lump Sum	0	0
Craig Given Chief Financial Officer	19,718	22,395	Pension	5	30
			Lump Sum	0	73

Disclosure by Pay Bands

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

Kate Rocks

Chief Officer

David Gould

IJB Chair

Annual Governance Statement

The Annual Governance Statement explains the IJB's governance arrangements and reports on the effectiveness of the IJB's system of internal control.

Scope of Responsibility

The Inverclyde Integration Joint Board (IJB) was established by parliamentary order on 27 June 2015 following approval of the Inverclyde Integration Scheme by the Scottish Ministers. The integration scheme is currently being reviewed by all 6 HSCPs in the Greater Glasgow and Clyde area with a view to approving the final Integration Schemes through local governance structures and to the NHS Greater Glasgow and Clyde by Summer 2025.

Inverclyde IJB is a body corporate, a legal entity, but it relies on support from officers employed by Inverclyde Council and NHS Greater Glasgow and Clyde in relation to the conduct of its business. It is subject to the Public Bodies (Joint Working) (Scotland) Act 2014 and secondary legislation directly relating to the integration of health and social care services, and indirectly in relation to regulatory regimes affecting devolved public bodies in Scotland. The main features of the IJB's governance arrangements are described in the Local Code but are summarised below.

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

In discharging these responsibilities, the Chief Officer has a reliance on the NHS and Local Authority's systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB.

The IJB has adopted governance arrangements consistent where appropriate with the six principles of CIPFA and the Society of Local Authority Chief Executives (SOLACE) framework "Delivering Good Governance in Local Government". This statement explains how the IJB has complied with the governance arrangements and meets the requirements of the Code of Practice on Local Authority Accounting in the UK, which details the requirement for an Annual Governance Statement.

Purpose of the Governance Framework

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

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

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

Governance Framework

The Board of the IJB comprises voting members, nominated by either Inverclyde Council or NHS Greater Glasgow and Clyde, as well as non-voting members including a Chief Officer appointed by the Board. The IJB, via a process of delegation from NHS Greater Glasgow and Clyde and Inverclyde Council, and its Chief Officer have responsibility for the planning, resourcing and operational delivery of all integrated health and social care within its geographical area.

The main features of the IJB's governance arrangements are described in the Local Code but are summarised below:

- The IJB is the key decision-making body. The IJB's membership (voting and non-voting), as set by statutory instrument, is fully established. An Audit Committee with detailed remit and powers and clearly defined membership considers all matters in relation to Internal and External Audit and Risk Management.
- Strategic decision-making is governed by the IJB's key constitutional documents including the Integration Scheme, Standing Orders, and Financial Regulations.
- The IJB's purpose and vision are outlined in the IJB Strategic Plan which links closely to the vision of the Inverclyde Community Planning Partnership and the Single Outcome Agreement and is underpinned by an annual action plan and national statutory performance indicators.
- The HSCP has a performance management system, Pentana, which is utilised for all planning actions, key performance indicators and risk management. This will support the culture of performance management and the delivery of improved outcomes. The Annual performance Report is submitted to the IJB annually with formal six-monthly reporting.
- The IJB has a Code of Conduct based on the Model Code of Conduct for Integration Joint Boards. The code of conduct was revised and updated during 2021/22. A register of members' interests is published and made available for inspection.
- Two Locality Planning Groups for Inverclyde HSCP have been established (East and West) with representation from a range of partners and community representatives. These groups have been further developed during 2024/25 and are a key mechanism to support future strategic planning.
- Inverclyde IJB were found by the Equality and Human Rights Commission (EHRC) to not be fully compliant with the Public Sector Equality Duty (PSED). Full compliance with the PSED was achieved in 2024/25.

The governance framework set out was in place throughout 2024/25.

System of Internal Control

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. Development and maintenance of these systems is undertaken by the NHS Board and Council as part of the operational delivery of the Health and Social Care Partnership (HSCP). During 2024/25 this included the following:

- Financial regulations and codes of financial practice;
- Comprehensive budgeting systems;
- Regular reviews of periodic and annual financial reports that indicate financial performance against budget and forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital expenditure guidelines;

- Formal project management disciplines.

With regard to the entries taken from the NHS Board and Council Accounts, the IJB is not aware of any weaknesses within their internal control systems and has placed reliance on the individual Annual Governance Statements where appropriate.

Compliance with Best Practice

The IJB complies with the CIPFA Statement on “The Role of the Chief Financial Officer in Local Government 2016” and the CIFA Financial Management Code. The IJB’s Chief Finance Officer has overall responsibility for the IJB’s financial arrangements and is professionally qualified and suitably experienced to lead the IJB’s finance function and to direct finance staff.

The IJB complies with the requirements of the CIPFA Statement on “The Role of the Head of Internal Audit in Public Organisations 2019”. The Chief Internal Auditors reports directly to the IJB Audit Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair of the Audit Committee on any matter. It has been confirmed that the Internal Audit Services comply with the requirements of the Public Sector Internal Audit Standards and considers that the Council’s internal audit service aligns with the intent of the new Global Internal Audit Standards as detailed in the report to Inverclyde Council Audit Committee in May 2025 – **May 2025 Inverclyde Council Audit Committee – item No.04 Global Internal Audit Standards - Update.**

The annual programme of internal audit work is based on a strategic risk assessment and is approved by the Audit Committee.

Review of Adequacy and Effectiveness

The IJB has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review is informed by the work of the Senior Management Team (who have responsibility for development and maintenance of the governance environment), the work of the Internal Auditors, the Chief Internal Auditors annual reports, and reports from External Auditors and other review agencies and inspectorates.

The review of the IJB’s governance framework is supported by processes within Inverclyde Council and NHS Greater Glasgow and Clyde. Within Inverclyde Council a self-assessment governance questionnaire and certificate of assurance is completed by SMT on an annual basis. The responses to these are considered as part of the review of Inverclyde Council’s governance framework. A similar process is in operation within NHS Greater Glasgow and Clyde where Senior Managers are provided with a “Self-Assessment Checklist” to complete and return as evidence of review of key areas of the internal control framework. The Senior Management Team then consider the completed evaluations and provide a Certificate of Assurance for their services.

Due to the nature of IJB Board Membership, a conflict of interest can arise between an IJB Board Member’s responsibilities to the IJB and other responsibilities that they may have. The IJB has arrangements in place to deal with any conflicts of interest that may arise. It is the responsibility of Board and Committee Members to declare any potential conflicts of interest, and it is the responsibility of the Chair of the relevant Board or Committee to ensure such declarations are appropriately considered and acted upon in line with the IJB’s Code of Conduct, which adheres to the updated Model Code of Conduct prepared by the Scottish Government and published on the Standards Commission website.

The arrangements continue to be regarded as fit for purpose in accordance with the governance framework, as confirmed in the Chief Internal Auditors’ annual reports, which

include assurance statements containing a view on the adequacy and effectiveness of the systems of internal control.

Significant Governance Issues during 2024/25

The IJB has confirmed that there are no new significant governance issues that require to be reported specific to the IJB for 2024/25, taking into consideration the views of the Chief Internal Auditors and other assurance checks which are completed.

Future Activity

At the close of 2024/25 the National Care Service Bill had completed Stage 2 of its legislative progress and has undergone significant amendments, including the removal of Part 1 of the Bill which aimed to establish the NCS and included reform of Integration Authorities. The Bill has now been renamed as the Care Reform Bill. The governance framework put in place to drive activity in relation to the NCS has been stood down due to the significant changes to the Bill however the IJB and HSCP continue monitor ongoing developments closely, in particular the establishment of a National Social Work Agency and the Scottish Government proposal to establish a non-statutory Advisory Board.

Internal Audit Opinion

Internal Audit has completed the majority of the fieldwork set out in the 2024/25 annual audit plans. Based on the fieldwork undertaken to date there have been no unsatisfactory opinions for the HSCP.

The Internal Audit Annual Report for 2024/25 concludes that the majority of the IJB's established internal control procedures operated as intended to meet management's control requirements for each area reviewed by Internal Audit. The overall audit opinion is **Satisfactory** and reasonable assurance can be placed on the adequacy and effectiveness of the IJB's governance, risk management and controls in the year to 31 March 2025.

Certification

Subject to the above, and on the basis of assurances provided, we consider that the internal control environment operating during the reporting period provides reasonable and objective assurance that any significant risks impacting upon the achievement of our principal objectives will be identified and actions taken to avoid or mitigate their impact. Systems are in place to continually review and improve the internal control environment and action plans are in place to identify areas for improvement

Kate Rocks

Chief Officer

David Gould

IJB Chair

The Financial Statements

Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

This statement shows the cost of providing services for the year according to accepted accounting practices. It includes, on an accruals basis, all expenses and related income.

2023/24				2024/25		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
4,822	(2,041)	2,781	Strategy & Support Services	4,435	(1,948)	2,487
37,907	(997)	36,910	Older Persons	39,029	(1,200)	37,829
16,112	(187)	15,925	Learning Disabilities	17,405	(377)	17,028
8,261	(214)	8,047	Mental Health – Communities	8,476	(62)	8,414
13,211	(435)	12,776	Mental Health – Inpatients	12,937	(491)	12,446
22,548	(1,096)	21,452	Children & Families	23,162	(1,254)	21,908
4,553	(264)	4,289	Physical & Sensory	4,725	(56)	4,669
5,295	(844)	4,451	Addiction/Substance Misuse	5,168	(229)	4,939
15,472	(837)	14,635	Assessment & Care Management / Health & Community Care	15,792	(607)	15,185
9,593	(1,825)	7,768	Support / Management / Admin	6,462	(1,137)	5,325
2,384	(2,317)	67	Criminal Justice / Prison Service	5,488	(2,862)	2,626
2,751	(509)	2,242	Homelessness	2,617	(687)	1,930
29,892	(1,016)	28,876	Family Health Services	31,945	(1,309)	30,636
22,030	(409)	21,621	Prescribing	22,125	(1)	22,124
402	(0)	402	IJB Operational Costs (see note 4)	379	0	379
195,233	(12,991)	182,242	Cost of Services Directly Managed by Inverclyde IJB	200,145	(12,220)	187,925
37,670	0	37,670	Set Aside	37,055	0	37,055
232,903	(12,991)	219,912	Total Cost of Services to Inverclyde IJB	237,200	(12,220)	224,980
0	(214,937)	(214,937)	Taxation and Non-Specific Grant Income (Note 2)	0	(222,854)	(222,854)
232,903	(227,928)	4,975	Surplus on Provision of Services	237,200	(235,074)	2,126
		4,975	Total Comprehensive Income and Expenditure			2,126

There are no statutory or presentation adjustments which affect the IJB's application of 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 as it is not required to provide a true and fair view of the IJB's finance.

Movement in Reserves Statement

This statement shows the movement in the year on the IJB's reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices.

Movements in Reserves	General Reserves	Earmarked Reserves £000	Total Reserves £000
Opening Balance at 31 March 2023	(1,635)	(22,627)	(24,262)
Total Comprehensive Income and Expenditure 2023/24	74	4,901	4,975
Decrease in 2023/24	74	4,901	4,975
Balance at 31 March 2024	(1,561)	(17,726)	(19,287)
Total Comprehensive Income and Expenditure 2024/25	495	1,631	2,126
Decrease in 2024/25	495	1,631	2,126
Closing Balance at 31 March 2025	(1,066)	(16,095)	(17,161)

Balance Sheet as at 31 March 2025

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

31 March 2024			31 March 2025
£000		Notes	£000
19,309	Short term debtors	5	17,184
	Current Assets		17,184
(22)	Short term creditors	6	(23)
	Current Liabilities		(23)
19,287	Net Assets		17,161
19,287	Reserves	8	17,161
19,287	Total Reserves		17,161

The Annual Accounts present a true and fair view of the financial position of the Integration Joint Board as of 31 March 2025 and its income and expenditure for the year then ended.

The unaudited financial statements were authorised for issue on 23 June 2025.

Craig Given

Craig Given

Chief Financial Officer _____

Notes to the Financial Statements

1. Significant Accounting Policies

1.1 General principles

The Financial Statements summarise the transactions of Inverclyde Integration Joint Board ('IJB') for the 2024/25 financial year and its position at 31 March 2025.

The IJB financial statements 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. The concept of a going concern assumes that an entity's functions and services will continue in operational existence for the foreseeable future. In accordance with the CIPFA Code of Local Government Accounting (2024/25), the IJB is required to prepare its financial statements on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or function to another entity. The accounts are prepared on the basis that the IJB will continue in operational existence for the foreseeable future.

1.2 Accruals of expenditure and income

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 or 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.

1.3 Funding

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

1.4 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. This has resulted in there being no requirement for the IJB to produce a cash flow statement. The funding balance due to or from each funding partner as of 31 March is represented as a debtor or creditor in the IJB Balance Sheet.

1.5 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. Where material the Chief Officer's absence entitlement as of 31 March is accrued, for example in relation to annual leave earned but not yet taken.

1.6 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 of 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.

A contingent asset is a possible asset arising from events on or before 31 March, whose existence will only be confirmed by later events. A contingent asset is not recognised in the IJB's Balance Sheet but is disclosed in a note only if it is probable to arise and can be reliably measured.

1.7 Events After the Balance Sheet Date

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 statement of accounts is authorised for issue. Two types of events may be identified:

- *Adjusting events*: those that provide evidence of conditions that existed at the end of the reporting period – the Financial Statements are adjusted to reflect such events.
- *Non-adjusting events*: those that are indicative of conditions that arose after the reporting period – the Financial Statements are not adjusted to reflect such events, but where this would have a material effect, the nature and estimated financial impact of such events is disclosed in the notes.

1.8 Events After the Reporting Period

The Unaudited Annual Accounts were authorised for issue by the Chief Finance Officer on 23 June 2025. Events taking place after this date are not reflected in the financial statements notes.

Where events taking place before this date provided information about conditions existing at 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

1.9 Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the IJB's financial performance.

1.10 Related Party Transactions

As parties to the Inverclyde Integration Scheme both Inverclyde Council and NHS Greater Glasgow and Clyde are related parties and material transactions with those bodies are disclosed in Note 3 in line with the requirements of IAS 24.

1.11 Support services

Support services were not delegated to the IJB through the Integration Scheme and are instead provided by the NHS Board and Council free of charge as a 'service in kind'. The support services provided are mainly comprised of provision of human resources, financial

management, legal, committee services, ICT, payroll, internal audit and the provision of the Chief Internal Auditor.

1.12 Indemnity Insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. The NHS Greater Glasgow and Clyde and Inverclyde Council have responsibility for claims in respect of services 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 CNORIS is therefore, analogous to normal insurance arrangements.

Known claims are assessed as to the value and probability of settlement. Where it is material the overall value of known claims, taking probability of settlement into consideration, is 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.

1.13 Reserves

Reserves are created by appropriating amounts out of revenue balances. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year so and included within the Income and Expenditure Statement. Movements in reserves are reported in the Movement in Reserves Statement. Reserves are classified as either general or earmarked reserves.

1.14 VAT

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 HMRC 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 HMRC.

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.

1.15 Prior period adjustments, changes in accounting policies and estimates and errors

Prior period adjustments may arise because of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively i.e. In the current or future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of the transactions, other events and conditions on the IJB’s financial position or performance. Where a change is made, it is applied retrospectively (when material) by adjusting opening balances and comparative amounts for the prior period as if the new policy had been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

2. Taxation and Non-Specific Grant Income

31 March 2024		31 March 2025
£000	Taxation and Non-Specific Grant Income	£000
144,851	NHS Greater Glasgow and Clyde	148,457
70,086	Inverclyde Council	74,397
214,937	Total	222,854

NHS Greater Glasgow and Clyde Contribution

The funding contribution from the NHS above includes £37.055m in respect of 'Set Aside' resources relating to hospital services. 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 the 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.

3. Related Party Transactions

The IJB has related party relationships with NHS Greater Glasgow and Clyde and Inverclyde Council. The nature of the partnership means that the IJB may influence, and be influenced by, its partners. The tables below show the transactions and balances included in the IJB's accounts and are presented to provide additional information on the relationships.

Key Management Personnel: The non-voting Board members employed by the NHS Board or Council and recharged to the IJB include the Chief Officer, Chief Financial Officer, Chief Social Work Officer, representatives of primary care, nursing and non-primary services, and staff representatives. Details of remuneration for some specific post holders are provided in the Remuneration Report.

31 March 2024		31 March 2025
£000		£000
Transactions with NHS Greater Glasgow & Clyde		
(144,852)	Funding Contributions received	(148,457)
(3,842)	Service Income received	(2,990)
128,978	Expenditure on Services Provided	131,491
(19,716)	Net Transactions with the NHS Board	(19,955)
Transactions with Inverclyde Council		
(70,086)	Funding Contributions received	(74,397)
(9,150)	Service Income received	(9,230)
103,928	Expenditure on Services Provided	105,708
24,691	Net Transactions with the Council	22,081

31 March 2024 £000		31 March 2025 £000
Balance with NHS Greater Glasgow & Clyde		
0	Debtor balances: amounts due to the NHS Board	0
0	Creditor balances: amounts due from the NHS Board	0
0	Net balance with the NHS Board	0
Balance with Inverclyde Council		
(22)	Debtor balances: amounts due to the Council	(23)
19,309	Creditor balances: amounts due from the Council	17,184
(19,287)	Net balance with the Council	(17,161)

4. IJB Operational Costs

31 March 2024 £000	Core and Democratic Core Services	31 March 2025 £000
302	Staff costs	297
66	Administrative costs	47
33	Audit fees	34
402	Total	379

The costs associated with running the IJB have been met in full by NHS Greater Glasgow and Clyde and Inverclyde Council.

5. Short-Term Debtors

31 March 2024 £000	Short Term Debtors	31 March 2025 £000
19,309	Other local authorities	17,184
19,309	Total	17,184

Amounts owed by the funding partners are stated on a net basis.

6. Short Term Creditors

31 March 2024 £000	Short Term Creditors	31 March 2025 £000
(22)	Other local authorities	(23)
(22)	Total	(23)

7. Critical Judgements and Estimation Uncertainty

In applying the accounting policies set out above, the IJB has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts include:

- That the set aside budget is an estimate provided by NHS Greater Glasgow and Clyde as an estimate of costs incurred by the Inverclyde IJB as opposed to actual judgement figures.

The set aside resource for delegated services provided in acute hospitals is determined by analysis of hospital activity and actual spend for that year and while these are provided by the NHS Board which retains responsibility for managing the costs of providing the service, the IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

- Within Greater Glasgow and Clyde, each IJB has responsibility for services which it hosts on behalf of the other IJB's. In delivering these services the IJB has primary responsibility for the provision of the services and bears the risk and reward associated with this service delivery in terms of demand and the financial resources required. As such the IJB is acting as 'principal', and the full costs should be reflected within the financial statements for the services which it hosts and is based on the Code of Practice.

The services which are hosted by Inverclyde IJB are identified in the table below, which also shows expenditure in 2024/25, and the value consumed by other IJB's within Greater Glasgow and Clyde.

Host	Service	Net Expenditure 2024/25 £000	Consumed by Other IJBs £000
Inverclyde	General Psychiatry	7,930	734
Inverclyde	Old Age Psychiatry	4,516	110
Total		12,446	844

The services which are hosted by other IJB's on behalf of the other IJB's including Inverclyde are identified in the table on page 30, which also shows expenditure in 2024/25, and the value consumed by Inverclyde IJB.

Host	Service	Net Expenditure 2024/25 £000	Consumed by Inverclyde IJB £000
East Dunbartonshire	Oral Health	12,469	787
East Dunbartonshire	Specialist Children's Service	44,747	3,185
	Total	57,216	3,972
East Renfrewshire	Augmentative & Alternative Communication	303	15
East Renfrewshire	Learning Disability	11,177	385
	Total	11,480	400
Glasgow	Continence	6,450	463
Glasgow	Sexual Health	12,608	486
Glasgow	MH Central Services	9,692	839
Glasgow	MH Specialist Services	18,673	1,086
Glasgow	Alcohol and Drugs Hosted	12,310	1,015
Glasgow	Prison Healthcare	10,541	813
Glasgow	HC in Police Custody	2,790	200
Glasgow	Old Age Psychiatry	19,198	65
Glasgow	General Psychiatry	59,576	0
	Total	151,838	4,967
Renfrewshire	Podiatry	7,742	1,059
Renfrewshire	Primary Care Support	4,620	270
Renfrewshire	General Psychiatry	11,690	172
Renfrewshire	Old Age Psychiatry	9,507	15
	Total	33,559	1,516
West Dunbartonshire	MSK Physio	8,108	648
West Dunbartonshire	Retinal Screening	865	54
West Dunbartonshire	Old Age Psychiatry	2,424	0
	Total	11,397	702
Grand Total		265,490	11,557

8. Movement in Reserves

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

Balance at 31 March 2024 £000		Transfers In £000	Transfers Out £000	Balance at 31 March 2025 £000
17,726	Earmarked	3,680	5,311	16,095
1,561	General Reserve	214	709	1,066
19,287	Total Reserves	3,894	6,020	17,161

The table on page 31 provides details of the earmarked funds held.

2023/24		2024/25		
Balance at 31 March 2024 £000	Reserves Statement for accounts	Transfers Out 2024/25 £000	Transfers In 2024/25 £000	Balance at 31 March 2025 £000
Scottish Government Funding				
116	Mental Health Action 15	0	204	320
502	Alcohol & Drug Partnerships	133	0	369
101	Covid Comnty Living Change	101	0	0
134	WP MDT	87	0	47
331	WP HSCW	276	0	55
88	Care Home Oversight	12	5	81
360	MH Recovery & Renewal	78	39	321
64	LD Health Checks	0	0	64
745	Winter Pressures Care at Home	359	0	386
254	Carers	16	36	274
Existing Projects / Commitments				
671	Primary Care Support	341	37	367
165	Swift	0	250	415
1,099	Contribution to Partner Capital Projects	500	0	599
347	Staff Learning & Development Fund	18	73	402
256	Homelessness	222	0	34
87	CORRA Residential Rehab	0	0	87
108	Integrated Care Fund	24	0	84
50	Delayed Discharge	19	0	31
106	Welfare	68	0	38
75	Rapid Rehousing Transition Plan (RRTP)	75	0	0
500	LD Redesign	0	27	527
3,073	Refugee Scheme	629	1,310	3,754
229	Tier 2 Counselling	61	0	168
123	Autism Friendly	44	0	79
766	Whole Family Wellbeing	89	0	677
506	Temporary Posts	454	265	317
103	ADRS fixed term posts	0	0	103
32	The Lens project	39	62	55
50	National Trauma Training	50	0	0
Transformation Projects				
1,326	Innovation Fund	271	0	1,055
272	Addictions Review	3	0	269
477	Mental Health Transformation	96	0	381
202	Digital Strategy	145	62	119
Budget Smoothing				
563	Prescribing	0	359	922
466	Adoption/Fostering/Residential Childcare	0	0	466
267	Continuing Care	0	0	267
432	Residential & Nursing Placements	0	99	531
382	LD Client Commitments	0	0	382
392	Pay Contingency	0	0	392
1,492	Severance Costs contingency	1,101	638	1,029
414	Client Commitments - general	0	214	628
17,726	Total Earmarked Reserves	5,311	3,680	16,095
Un-Earmarked Reserves				
1,561	General	709	214	1,066
1,561	Un-Earmarked Reserves	709	214	1,066
19,287	General Fund	6,020	3,894	17,161

9. Expenditure and Analysis by Nature

31 March 2024		31 March 2025
£000	Inverclyde Integration Joint Board	£000
Health Services		
32,384	Employee Costs	34,092
82	Property Costs	165
6,943	Supplies & Services	6,145
28,882	Family Health Service	30,640
21,441	Prescribing	21,937
37,670	Set Aside	37,055
(2,417)	Income	(1,680)
Social Care Services		
40,032	Employee Costs	38,096
1,800	Property Costs	2,057
1,805	Supplies & Services	1,385
361	Transport	437
925	Administration	841
58,751	Payments to Other Bodies	62,661
(9,149)	Income	(9,230)
Corporate & Democratic Core / IJB Costs		
302	Employee Costs	297
66	Administration	47
33	Audit Fee	34
219,912	Total Net Expenditure	224,980
(214,937)	Grant Income	(222,854)
4,975	Deficit on Provision of Services	2,126

10. External Audit Costs

For 2024/25, external audit services fees, payable to KPMG LLP and undertaken in accordance with Audit Scotland's Code of Audit Practice, are £34,000 (2023/24 £33,360). There were no fees paid to KPMG LLP in respect of any other services.

11. Post balance sheet events

These are events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. An adjustment is made to the financial statements where there is evidence that the event relates to the reporting period; otherwise, the financial statements are not adjusted, and where the amount is material, a disclosure is made in the notes.

The Chief Financial Officer issued the Unaudited Statement of Accounts on 23 June 2025. There have been no material events after the balance sheet date which necessitate revision of figures in the financial statements or notes thereto including contingent assets or liabilities.

12. Contingent assets and liabilities

There are no equal pay claims to our knowledge pending against both the Council and NHS Board. Since the IJB is not the employer for any of the staff in question it is not financially liable for any amounts due.

13. New standards issued but not yet adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The IJB considers that there are no such standards which would have significant impact on its annual accounts.

Independent Auditor's Report

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