

South Ayrshire Integration Joint Board

Proposed 2023/24 Annual Audit Report



 AUDIT SCOTLAND

Prepared for South Ayrshire Integration Joint Board and the Controller of Audit

September 2024

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Key messages

2023/24 Annual Accounts

1. Our audit opinions on the Annual Accounts of the South Ayrshire Integration Joint Board (the IJB) are unmodified. The financial statements give a true and fair view of the financial position of the IJB.

Financial management and sustainability

2. The IJB's 2023/24 budget was underspent by £7.292 million primarily due to unfilled vacancies and lower than budgeted demand for Children's Services.
3. At 31 March 2024 reserves total £17.468 million (£19.829 million in 2022/23).
4. The 2024/25 budget is balanced. The IJB has in place a medium-term financial plan, providing a transparent forecast of its challenging financial position over the medium-term to 2027/28. This shows a cumulative gap of £20 million. Given the reducing levels of reserves held, future savings must be made through the transformation of services to bridge this gap.
5. The IJB recognises the importance of effective transformation to its long-term financial sustainability and has so far committed over £3 million to transformation projects.

Vision, leadership and governance

6. The IJB has a clear strategic vision that is supported by its partners.
7. A review of the Integration Scheme remains ongoing, and the final revised scheme is scheduled for consideration by the partners in 2024/25.
8. Governance arrangements are appropriate and operating effectively.

Use of resources to improve outcomes

9. Performance management arrangements are effective with indicators and targets kept under review. These arrangements contribute to the IJB's Best Value duty. Performance in relation to the ministerial group national measures on health and community care shows results against 2023/24 targets have largely been achieved. However, for most of the indicators, there is a worsening position when compared to 2022/23.

Introduction

1. I, Fiona Mitchell-Knight (Audit Director), have been appointed by the Accounts Commission as auditor of South Ayrshire Integration Joint Board for the period from 2022/23 until 2026/27. The 2023/24 financial year was the second of my five-year appointment. My appointment coincided with the new Code of Audit Practice which was introduced for financial years commencing on or after 1 April 2022.

2. My team and I would like to thank members, senior management, and other staff, particularly those in finance, for their cooperation and assistance in this year.

3. This report summarises the findings arising from our 2023/24 audit of South Ayrshire Integration Joint Board (the IJB). The scope of the audit was set out in our [2023/24 Annual Audit Plan](#) presented to the Performance and Audit Committee on 20 February 2024. This Annual Audit Report comprises:

- significant matters arising from an audit of the IJB's Annual Accounts
- conclusions on the following wider scope areas that frame public audit as set out in the [Code of Audit Practice 2021](#):
 - Financial Management
 - Financial Sustainability
 - Vision, Leadership, and Governance
 - Use of Resources to Improve Outcomes.
- a review of the arrangements put in place by the IJB to secure Best Value.

4. This report is addressed to the Board of the IJB and the Controller of Audit and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

Responsibilities and reporting

5. The IJB has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing Annual Accounts that are in accordance with proper accounting practices. The IJB is also responsible for compliance with legislation and putting arrangements in place for governance and propriety that enable it to successfully deliver its objectives.

6. The responsibilities of the independent auditor are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice 2021](#), and supplementary guidance and International Standards on Auditing in the UK.

7. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management of the IJB from its responsibility to address the issues we raise and to maintain adequate systems of control.

8. This report contains an agreed action plan at [Appendix 1](#). It sets out specific recommendations, the responsible officers, and dates for implementation.

Communication of fraud or suspected fraud

9. In line with ISA (UK) 240 (*The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*), in presenting this report to the Performance and Audit Committee (P&AC) we seek confirmation from those charged with governance of any instances of actual, suspected, or alleged fraud that should be brought to our attention. Should members have any such knowledge or concerns relating to the risk of fraud within the IJB, we invite them to communicate this to the appointed auditor for consideration prior to the Annual Accounts being certified.

Auditor Independence

10. We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services, therefore the 2023/24 audit fee of £33,360 as set out in our 2023/24 Annual Audit Plan remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

11. We add value to the IJB by:

- identifying and providing insight on significant risks, and making clear and relevant recommendations
- providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance, arrangements to ensure the best use of resources and financial sustainability
- sharing intelligence and good practice identified.

1. Audit of 2023/24 Annual Accounts

The IJB is required to prepare Annual Accounts comprising financial statements and other related reports. These are the principal means of accounting for the stewardship of public funds.

Main judgements

Our audit opinions on the Annual Accounts of the South Ayrshire Integration Joint Board (the IJB) are unmodified.

The audited part of the Management Commentary, Annual Governance Statement and Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the relevant regulations and guidance.

Key risks arising from the audit of the IJB's Annual Accounts were presented to the Performance and Audit Committee (P&AC) on 20 February 2024 in our Annual Audit Plan. There are no significant matters from that work to draw to the attention of members.

Our audit opinions on the Annual Accounts of the IJB are unmodified.

12. The IJB's Annual Accounts for the year ended 31 March 2024 were approved by the IJB on 11 September 2024. As reported in the independent auditor's report:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- the audited part of the Management Commentary, Annual Governance Statement and Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the relevant regulations and guidance.

13. We concluded that there were no matters upon which we are required to report, by exception, to the Accounts Commission.

The unaudited Annual Accounts were received in line with the agreed audit timetable.

14. The unaudited Annual Accounts were received in line with our agreed audit timetable on 10 June 2024. The Annual Accounts submitted for audit were of a good standard and supporting working papers were reasonable. IJB staff provided good support to the audit team which helped ensure the final accounts audit process ran smoothly.

Our audit testing reflected the calculated materiality level.

15. Broadly, the concept of materiality is applied by auditors to determine whether misstatements identified during the audit could reasonably be expected to influence the economic decisions of users of the financial statements, and hence impact their opinion set out in the independent auditor's report. Auditors set a monetary threshold when considering materiality, although some issues may be considered material by their nature. It is ultimately a matter of the auditor's professional judgement.

16. Our initial assessment of materiality was carried out during the risk assessment and planning phase of the audit. This was reviewed on receipt of the unaudited Annual Accounts and is summarised [exhibit 1](#).

Exhibit 1 Materiality levels

Materiality level	Amount
Overall materiality: This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 2% of gross expenditure as at 31 March 2024.	£5.755 million
Performance materiality: This acts as a trigger point. If the aggregate of errors identified during the financial statements' audit exceeds performance materiality this would indicate that further audit procedures should be considered. We have assessed performance materiality at 70% of overall materiality.	£4.030 million
Reporting threshold: We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.	£0.285 million

Source: Audit Scotland

We have no significant findings to report on the Annual Accounts.

17. Under ISA (UK) 260 (*Communication with Those Charged with Governance*), we communicate significant findings from the audit to the IJB, including our view about the qualitative aspects of the IJB's accounting practices.

18. The Code of Audit Practice also requires all auditors to communicate key audit matters within the Annual Audit Report under ISA (UK) 701 (*Communicating key audit matters in the Independent Auditor's Report*). These are matters that we judged to be of most significance in our audit of the financial statements.

19. We have no issues to report from the audit.

20. The qualitative aspects of the IJB's accounting practices, accounting policies, accounting estimates and accounts disclosures are satisfactory and appropriate.

21. In accordance with normal audit practice, a few presentational and disclosure amendments were discussed and agreed with management. The disclosure changes were satisfactory.

No misstatements were identified.

22. It is our responsibility to request that all misstatements, other than those below our reporting threshold are corrected, although the final decision on making the correction lies with those charged with governance.

23. There were no identified misstatements within the Annual Accounts above our reporting threshold. In addition, we have no unadjusted misstatements to report.

Our audit work responded to the risk of material misstatement we identified in the Annual Accounts.

24. We have obtained audit assurances over the identified significant risk of material misstatement in the Annual Accounts. [Exhibit 2](#) sets out the significant risk of material misstatement to the financial statements we identified in our 2023/24 Annual Audit Plan. It also summarises the further audit procedures we performed during the year to obtain assurances over this risk and the conclusions from the work completed.

Exhibit 2
Significant risk of material misstatement in the Annual Accounts

Audit risk	Assurance procedures planned	Results and conclusion
<p>1. Risk of material misstatement due to fraud caused by the management override of controls</p> <p>As stated in ISA (UK) 240 (<i>The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements</i>), management is in a unique position to perpetrate fraud because of their ability to override controls that otherwise appear to be operating effectively.</p>	<p>Assurances to be obtained from the auditors of NHS Ayrshire and Arran and South Ayrshire Council on the completeness, accuracy and allocation of income and expenditure.</p> <p>Evaluate any significant unusual transactions outside the normal course of business.</p>	<p>Results: We obtained assurances from the auditors of NHS Ayrshire and Arran and South Ayrshire Council over the completeness, accuracy and allocation of income and expenditure.</p> <p>We evaluated any significant unusual transactions outside the normal course of business.</p> <p>Conclusion: We did not identify any incidents of management override of controls through our audit testing.</p>

Source: Audit Scotland

The audited part of the Management Commentary, Annual Governance Statement and Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the relevant regulations and guidance.

25. The Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 requires IJBs to prepare and publish, along with the financial statements, a Management Commentary, Annual Governance Statement, and a Remuneration Report, which are consistent with the disclosures made in the financial statements.

26. Our audit work established that these were consistent with the financial statements and prepared in accordance with relevant regulations and guidance.

2. Financial management and sustainability

Financial management means having sound budgetary processes, and the ability to understand the financial environment and whether internal controls are operating effectively. Financial sustainability means being able to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Main judgements

The IJB has appropriate financial management arrangements in place.

The IJB's 2023/24 budget was underspent by £7.292 million primarily due to unfilled vacancies and lower than budgeted demand for Children's Services.

At 31 March 2024 reserves total £17.468 million (£19.829 million in 2022/23).

The 2024/25 budget is balanced. The IJB has in place a medium-term financial plan, providing a transparent forecast of its challenging financial position over the medium-term to 2027/28. This shows a cumulative gap of £20 million. Given the reducing levels of reserves held, future savings must be made through the transformation of services to bridge this gap.

The IJB recognises the importance of effective transformation to its long-term financial sustainability and has so far committed over £3 million to transformation projects.

The IJB has appropriate financial management arrangements in place.

27. Comprehensive budget monitoring reports are presented to each meeting of the IJB. These contain detail on the year-to-date financial position, forecast outturn for the year and, progress in delivering savings and update on financial risks of the in-year financial plan. The information is provided at timely intervals throughout the year which enables scrutiny from members.

The IJB's 2023/24 budget was underspent by £7.292 million primarily due to unfilled vacancies and lower than budgeted demand for Children's Services.

28. The Annual Accounts show a budget underspend of £7.292 million for 2023/24 (£5.273 million underspend in social care services and £2.019 million in health services). Of the total underspend, £5.172 million was earmarked for future budgets and £2.120 million was transferred to the IJB's unallocated (contingency) fund.

29. The main factors for the underspend were the continued workforce challenges and a lower than budgeted demand for foster and kinship carers. As is the case nationally, the IJB struggled to recruit health and social care professionals which resulted in underspends in both in-house and purchased frontline health and care services. The IJB's and its partners' ability to meet the rising demand for their services and maintain service quality, is weakened by unfilled vacancies.

There was a net reduction of £2.361 million in total reserves.

30. The IJB holds a general fund reserve, which is used to smooth financial variations over the years. At 31 March 2024, the general fund balance amounted to £17.468 million compared to £19.829 million at 31 March 2023.

31. The main movements arose from the 2023/24 underspend, resulting in £7.292 million being transferred into the reserve in year. This was split between earmarked (£5.172 million) and unallocated (£2.120 million).

32. However, this increase in reserves was offset by the use of £9.161 million of earmarked reserves to support the in-year budget. There was a net reduction of £3.030 million in the unallocated (contingency) reserve, with £2 million of this being transferred to the earmarked Improvement and Innovation Fund. [Exhibit 3](#) below sets out the reserve balances of the IJB between 2021/22 to 2023/24.

Exhibit 3

IJB reserves 2021/22 to 2023/24

General Fund	2021/22	2022/23	2023/24
	£m	£m	£ m
Earmarked	23.198	12.532	13.231
Unallocated (contingency)	5.506	7.297	4.237
Total reserves	28.704	19.829	17.468

Source: South Ayrshire IJB Annual Accounts 2023/24

33. Given the level of funds held in reserve, it is essential that the IJB has a clear plan on how and when monies will be spent. The Medium-Term Financial Forecast (MTFF) approved by the IJB in May 2023, led to the creation of an Improvement and Innovation Fund. The purpose of this reserve is to set aside a specific sum of money from current uncommitted reserves to be used to improve services to ensure future financial sustainability. The funding will be allocated to specific projects and investments on a non-recurring basis and in line with IJB's current strategic objectives.

34. At the time of approval of the 2024/25 budget in March 2024, the IJB carried out its annual review of its reserves. Its Reserves Strategy recommends that the IJB will aspire to hold at least 2% of its annual budgeted expenditure as an uncommitted reserve. The uncommitted reserve balance as at 31 March 2024 of £4.237 million, represents 2% of the IJB'S 2024/25 budget of £207.768 million (excluding the set aside budget of £30.626 million).

The 2024/25 budget is balanced.

35. The 2024/25 budget of £238.394 million (inclusive of the estimated set aside budget of £30.626 million) was approved by the IJB in March 2024. There was a total delegated funding increase for 2024/25 of £6.665 million. However, pressures of £10.736 million were estimated. The resulted in a funding gap of £4.071 million.

36. The budget identified achievable savings to cover the £2.571 million of the funding gap. In addition, £1.500 million of uncommitted reserves will be utilised in 2024/25 to fund the transition to a smaller number of beds at Biggart Hospital. This non-recurring funding is needed for the transition period until the beds close and costs can be reduced from use of additional bank staff.

37. The IJB's Improvement and Innovation Fund aims to improve services and contribute to the financial sustainability of the organisation through non-recurring investment in specific projects. To date, £3.167 million has been committed to over thirty projects and a further £2 million is earmarked for future investment.

38. The budget proposals were developed with Board member involvement. This included the IJB Budget Working Group who scrutinised the pressures and savings proposals prior to the presentation and approval of the budget at the IJB meeting in March.

Good practice

The narrative that supports the 2024/25 budget provides a transparent account of the approach taken by the IJB to set its budget. This includes details on identified savings together with a risk rating for the likely achievement of these. Additionally, the budget makes use of robust evidence-based assumptions.

The 2024/25 budget is balanced. The IJB has in place a medium-term financial plan, providing a transparent forecast of its challenging financial position over the medium-term to 2027/28. Given the reducing levels of reserves held, future savings need to be made through the transformation of services.

39. In our Annual Audit Plan, we identified the IJB's financial sustainability as a significant wider scope audit risk. Financial sustainability looks forward to the medium-term to consider whether the organisation is planning effectively to continue to deliver its services or the way in which they should be delivered. It is acknowledged that medium-term planning was difficult during the pandemic and during the current period of financial uncertainty. One-year funding settlements exacerbate this. The immediate priority continues to be responding to the current and emerging service challenges. In particular, the Accounts Commission's July 2024 report on [Integration Joint Boards: Finance and Performance 2024](#) notes that there is a growing level of unmet and more complex needs, deepening challenges in sustaining the workforce, alongside increasing funding pressures. The uncertainty around the direction of the plans for a National Care Service has also contributed to the difficult context for planning and delivering effective services.

40. The IJB Chief Officer, Chief Financial Officer and both partners are committed to ensuring the IJB has a clear financial and operational strategy underpinning its service priorities. In May 2023, the IJB approved its Medium-Term Financial Forecast (MTFF) covering the period 2024/25 to 2027/28.

41. The purpose of the MTFF is to provide a clear direction on how the IJB will manage its financial resources in the short to medium-term to ensure they are deployed effectively to achieve its priorities and objectives. The plan provides members with a fuller picture of the likely challenges the IJB will face in the coming years which should help to focus attention and inform decisions on improvement and savings projects for the years ahead.

42. The document presented to members was clear, comprehensive, and outlined a transparent forecast of the IJB's financial position for the years ahead. The plan considers a range of scenarios and assesses the impact of known pressures on the IJB's finances such as, inflation, pay awards, the challenging economic climate, the impact of the National Care Service and workforce challenges.

43. The plan outlined an anticipated financial position covering best, mid, and worst-case scenarios ([exhibit 4](#)). Over the course of the 4 years, the budget position shows a best case £2.650 million in total to invest or worst case £23.357 million of savings to deliver.

Exhibit 4**MTFF - 2024/25 - 2027/28**

Scenario	2024/25 £'million	2025/26 £'million	2026/27 £'million	2027/28 £'million	Cumulative total £'million
Best case	1.854	2.181	(0.688)	(0.697)	2.650
Mid case	(1.935)	(1.064)	(1.046)	(1.063)	(5.108)
Worst case	(6.059)	(5.997)	(5.584)	(5.717)	(23.357)

Source: SAIJB Medium Term Financial Forecast 2024-2028

44. As part of the 2024/25 budget setting process, management presented an update to the MTFF. The position to 2027/28 was revised based on the assumption of flat cash settlements in future years (in line with the flat-cash budget settlement for 2024/25). As a result, the financial gap over the 4-year period was reported as £19.969 million. The budget for 2024/25 is balanced, this then leaves £15.898 million of savings to be achieved over the next three years to ensure financial sustainability. Management have confirmed that further work will be undertaken during 2024/25 to develop a three-year savings plan together with a refresh of the medium-term financial forecast.

The IJB recognises the importance of effective transformation to its long-term financial sustainability and has so far committed over £3 million to transformation projects.

45. The Accounts Commission's July 2024 report on [Integration Joint Boards: Finance and Performance 2024](#) emphasised the need for a more significant transformation of services to achieve financial sustainability. This is becoming increasingly important as recurring savings get more difficult to identify and achieve.

46. The IJB has recognised that the challenging financial environment it is operating in will likely continue for some years to come. The IJB established an earmarked Transformation and Improvement Fund in June 2023. Initially, this had £4 million allocated to it. The fund aims to support the IJB's financial sustainability through the redesign of services and investments in new technologies. These funds are allocated on a non-recurring basis.

47. To date there is just over £3 million worth of projects that have been identified and funding committed to. All projects are linked to the IJB's strategic priorities and detail the anticipated improvement of the investment. Examples of the projects include:

- Funding of £0.187 million to extend the Board's 2023/24 stroke rehabilitation pilot.

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- £0.450 million is to be invested in the Racecourse Road Intermediate Care Unit. This unit was set up in December 2022 to reduce delayed transfers of care. This funding will ensure the unit can continue.
- £0.500 million to support the implementation of the Board's Digital Strategy.

48. Projects are at various stages of implementation and will cross over financial years. The June 2024 update to the IJB noted an anticipated programme spend of £1.795 million during 2024/25. The main challenge to most of the projects is the ability to recruit staff given the short-term non-recurring nature of the projects. The IJB recognises that it may have to offer permanent posts to progress the projects. It will then manage its establishment through the natural turnover of staff over the medium-term.

49. There has been reporting of the Improvement and Innovation Fund during 2023/24 but at the June 2024 Board meeting members agreed to regular reporting on the projects within the programme. This will be reported alongside the budget monitoring reports. This reporting will provide an update on the total committed funds to date together with the spend and projected spend in the financial year. The status of each project is also monitored through a red/amber/green (RAG) rating. All projects include what strategic priorities the investment and subsequent improvement is seeking to achieve. This approach will ensure there is appropriate organisational oversight and scrutiny of the Improvement and Innovation Fund.

Financial systems of internal control operated effectively.

50. The IJB is reliant on the systems of its partner bodies, NHS Ayrshire and Arran and South Ayrshire Council, for its key financial systems including ledger and payroll. All IJB transactions are processed through the respective partners' systems and all controls over those systems are within the partner bodies rather than the IJB.

51. As part of our audit approach, we sought assurances from the external auditors of NHS Ayrshire and Arran and South Ayrshire Council. These assurances confirmed there were no significant weaknesses in the systems of internal control for either the health board or the council that could result in a risk of material misstatements to the Annual Accounts of the IJB.

Standards of conduct and arrangements for the prevention and detection of fraud and error were appropriate.

52. The IJB does not maintain its own policies relating to the prevention and detection of fraud and error but instead depends on those in place at its partner bodies. We reviewed the arrangements in place at NHS Ayrshire and Arran and South Ayrshire Council through consideration of the work by partner body auditors and found them to be adequate. The IJB has a Code of Conduct in place to which members subscribe and the Members' Registers of Interest are publicly available on the websites of the partner bodies.

53. Appropriate arrangements are in place for the prevention and detection of fraud and error. We are not aware of any specific issues we require to bring to your attention.

3. Vision, leadership and governance

The IJB must have a clear vision and strategy and set priorities for improvement within this vision and strategy.

Main Judgements

The IJB has a clear strategic vision that is supported by its partners.

A review of the Integration Scheme remains ongoing, and the final revised scheme is scheduled for consideration by the partners in 2024/25.

Governance arrangements are appropriate and are operating effectively.

The IJB has a clear strategic vision that is supported by its partners.

54. The Public Bodies (Joint Working) (Scotland) Act 2014 requires the IJB to prepare a strategic plan that sets out the arrangements in place to carry out the integration functions over the period of the plan. The Act also requires that the plan set out how those arrangements are intended to achieve, or contribute to achieving, the national health and wellbeing outcomes.

55. To support the IJB in achieving these responsibilities, it has established a clear strategic vision as set out in its Strategic Plan 2021-2031. The plan contains seven strategic objectives to improve outcomes over the next ten years.

- We focus on early intervention and tackling inequality.
- We nurture and are part of communities that care for each other.
- We work together to give you the right care in the right place.
- We help to build communities where people are safe.
- We are an ambitious and effective partnership.
- We are transparent and listen to you.
- We make a positive impact beyond the services we deliver.

56. The IJB provides services as set out in its Integration Scheme. The Strategic Plan objectives aim to give direction to the services provided and commissioned by the IJB and are based on its engagement with its partners and other key stakeholders together with consideration of national outcomes.

57. The IJB is required to refresh its Strategic Plan every three years to ensure it is relevant and up to date. The review of the Strategic Plan is now underway. This includes the development of a new action plan together with a refresh of the main document to bring this in line with the current landscape. The updated document will be presented to the Board following the summer recess and will be published in September 2024. The new action plan will be monitored by the P&AC.

A review of the Integration Scheme remains ongoing, and the final revised scheme is scheduled for consideration by the partners in 2024/25.

58. The Public Bodies (Joint Working) (Scotland) Act 2014 places a legal duty on councils and health boards to review the Integration Schemes at least every 5 years to consider whether any changes are necessary or desirable. The Integration Scheme for the IJB was last updated in 2019. The other Councils (North and East Ayrshire) aligned with NHS Ayrshire and Arran had carried out their reviews in the preceding year.

59. The IJB and its partners have agreed on a timetable for the review of the Integration Scheme. This will allow South Ayrshire Council to re-align itself with the other Councils which have Integration Schemes with NHS Ayrshire and Arran. Officers from the IJB and its partners are working closely with colleagues in North and East Ayrshire Councils and with NHS Ayrshire and Arran to undertake the review. This will ensure a consistent pan-Ayrshire approach for the Integration Schemes. The review is ongoing.

60. Five sub-groups were set up relating to specific workstreams:

- scope of services delegated
- resources
- governance and legal
- care governance
- communication and engagement.

61. The output from the sub-groups and any subsequent change to the Integration Schemes will be considered by the partners, NHS Ayrshire and Arran and South Ayrshire Council, during 2024/5.

Governance arrangements are appropriate and operating effectively.

62. There continues to be an increasing focus on demonstrating the best use of public money. Openness and transparency in how a body operates and makes decisions is key to supporting understanding and scrutiny. Transparency means that the public has access to understandable, relevant, and timely information about how the body is taking decisions and using resources.

63. For 2023/24 the IJB held its meetings in person. All P&AC meetings continued to be held remotely. The meeting papers and minutes are available on the IJB's website. Following our recommendation last year, the IJB has improved the administrative support for meetings and has put in place arrangements for members of the public to be able to observe the live online meetings of the P&AC or attend meetings of the of the IJB.

64. We consider that governance arrangements are appropriate and generally support effective scrutiny, challenge and decision making. We welcome the actions taken by management to improve the administrative support to the IJB and its members.

4. Use of resources to improve outcomes

The IJB needs to make best use of its resources to meet stated outcomes and improvement objectives, through effective planning and working with strategic partners and communities.

Main Judgements

Performance management arrangements are effective with indicators and targets kept under review. These arrangements contribute to the IJB's Best Value duty.

Performance in relation to the ministerial group national measures on health and community care shows results against 2023/24 targets have largely been achieved. However, for most of the indicators, there is a worsening position when compared to 2022/23.

Performance management arrangements are effective with indicators and targets kept under review. These arrangements contribute to the IJB's Best Value duty.

65. Integration Joint Boards have a statutory duty to have arrangements to secure Best Value. To achieve this, IJBs should have effective processes for scrutinising performance, monitoring progress towards their strategic objectives, and holding partners to account.

66. We have not undertaken any specific Best Value work in 2023/24. However, based on our findings in this report, we consider that the IJB has arrangements in place to secure Best Value. This is evidenced through:

- a clear strategy (Strategic Plan 2021-31) and performance reporting, including its framework for continuous improvement.
- established governance and decision-making arrangements.
- recognition that strategic priorities must be delivered within the financial and workforce resources available.

67. The Public Bodies (Joint Working) (Scotland) Act 2014 requires the IJB to produce an annual performance report covering areas such as assessing performance in relation to national health and wellbeing outcomes, financial

performance, and best value, reporting on localities, and the inspection of services.

68. The Annual Performance Report 2023/24 was presented to the P&AC in August 2024. The report is informative and transparent. It details in a balanced way the IJB's performance in the year, including its financial performance.

69. The IJB has effective arrangements in place for managing and reviewing performance.

Performance in relation to the ministerial group national measures on health and community care shows results against 2023/24 targets have largely been achieved. However, for most of the indicators, there is a worsening position when compared to 2022/23.

70. When assessing the performance of the IJB, we have considered the Ministerial Strategic Group for Health and Community Care (MSGHCC) measures that are used to track performance in Integration Authorities. [Exhibit 5](#) sets out the IJB's results against these measures for 2023/24.

Exhibit 5
National performance measures (age 18+)

Measures	23/24 performance and (target)	Improving from 22/23
Unplanned admissions	● 13,374 (15,927)	No
Emergency department attendances	● 22,819 (28,328)	No
Unplanned bed days (acute)	● 134,750 (119,328)	No
Emergency bed days (mental health)	● 16,686 (28,122)	No
Emergency bed days geriatric long-stay)	● 8,750 (4,362)	Yes
Delayed transfers of care (all reasons)	● 36,909 (23,533)	Yes
End of life care	● 87.5% (87.5%)	Yes
Balance of spend	● 95.5% (95.1%)	*N/A

*Data for the balance of spend across institutional and community services was not reported nationally in 2022/23.

Source: [South Ayrshire IJB - Annual Performance Report 2022/23 and 2023-24](#)

4. Use of resources to improve outcomes | 22

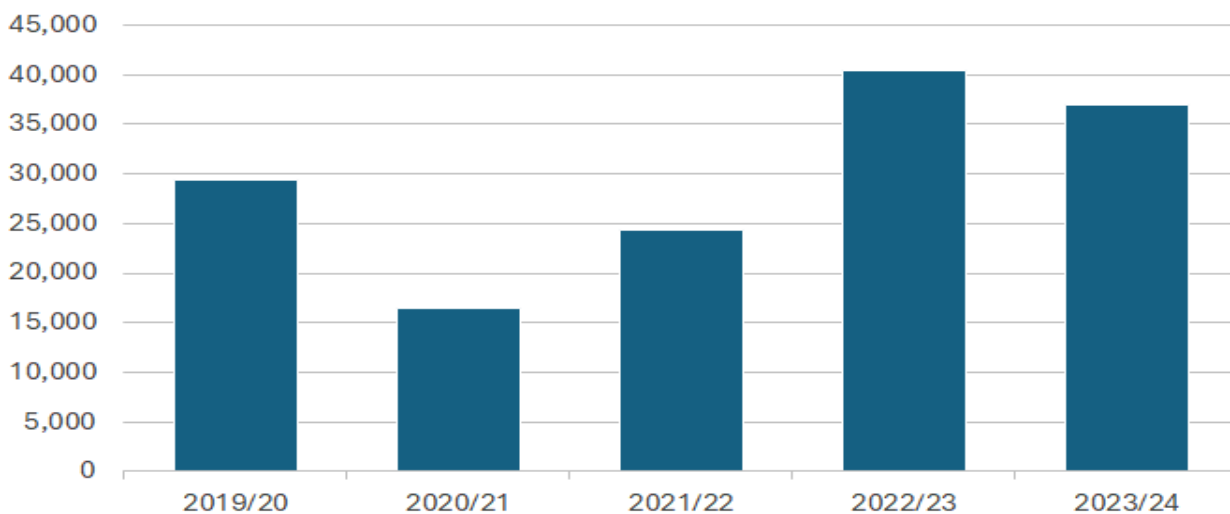
71. We reported in our [2022/23 Annual Audit Report](#) on the ongoing challenges the IJB and its partners were having with the number of delayed transfers of care. The 2022 results were poor. The IJB and its partners implemented several actions to address this.

72. The most recent data from MSGHCC and the IJB's Annual Performance Report 2023-24 ([exhibit 6](#)) confirms that these arrangements are having an impact, with an 8.6% reduction in delayed discharges. The rate is still one of the highest in Scotland, but the IJB and its partners are committed to improving this position going forward.

73. Whilst there is a need for caution when drawing conclusion from national comparisons, the Accounts Commission's [Integration Joint Boards: Finance and Performance 2024](#) report makes it clear that IJB's need to make best use of available data. This needs to include effective data sharing between partners and key stakeholders. To that end, it is important that members and management of South Ayrshire IJB satisfy themselves that the performance results of it are fully assessed on a continual basis and that these results are used to effectively inform how to improve outcomes for people who use its services.

Exhibit 6

Number of bed days occupied by delayed transfers of care (all reasons)



Source: [South Ayrshire IJB 2023/24 Annual Performance Report](#)

Appendix 1. Action Plan

Follow-up of 2022/23 recommendation

Issue/Recommendation	Update on agreed management action / timing
<p>b/f 1. Public access to meetings</p> <p>It is not clear from the IJB's website and meeting papers if members of the public are able to observe/attend the live online meetings of the IJB. Additionally, from review of its website, there are no on demand recordings of the IJB meetings which limits public access further.</p> <p>The IJB should review its arrangements to allow members of the public easier access to IJB meetings through webcasting, whether live or access to on demand recordings.</p>	<p>Implemented</p> <p>For 2023/24 the IJB held its meeting in person. All Performance and Audit Committee (P&AC) meetings continued to be held remotely. The meeting papers and minutes are available on the IJB's website. Following our recommendation last year, the IJB has improved the administrative support for meetings and has put in place arrangements for members of the public to be able to observe the live online meetings of the P&AC or attend meetings of the of the IJB.</p> <p>See paragraph 63.</p>

South Ayrshire Integration Joint Board

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