

Glasgow Integration Joint Board

[Provisional]

Annual Audit Report
Year Ended 31 March 2024

11 September 2024

EY

Building a better
working world

This report

This report has been prepared in accordance with Terms of Appointment Letter, through which Audit Scotland and the Accounts Commission have appointed us as external auditor Glasgow Integration Joint Board for financial years 2023/24 to 2026/27.

This report is for the benefit of the Board and is made available to the Audit Scotland and the Accounts Commission (together “the Recipients”). This report has not been designed to be of benefit to anyone except the Recipients. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Recipients, even though we may have been aware that others might read this report.

Any party other than the Recipients that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Recipient's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, Ernst & Young LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Recipients.

Accessibility

Our report will be available on Audit Scotland's website and we have therefore taken steps to comply with the Public Sector Bodies Accessibility Regulations 2018. Compliance is the responsibility of the individual body.



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1. Key messages

Financial statements



Financial statements

Our assessment: Green

[We have concluded our audit of the financial statements of Glasgow City Integration Joint Board for the year ended 31 March 2024.]

The draft financial statements and supporting working papers were of a good quality and we identified [no] adjusted or unadjusted differences arising from the audit which require to be reflected within the financial statements. A number of minor disclosure amendments were processed within the financial statements as part of the audit process.

Overall, we were satisfied that the Annual Governance Statement, reflects the requirements of CIPFA's updated *Delivering Good Governance Framework*.



Going concern

Our assessment: Green

In accordance with the CIPFA Code of Practice on Local Government Accounting, the IJB prepares its financial statements on a going concern basis unless informed by the Scottish Government of the intention for dissolution without transfer of services or function to another entity.

Under auditing standard ISA 570, we are required to undertake greater challenge of management's assessment of going concern, including testing of the adequacy of the supporting evidence we obtained. The IJB has concluded that there are no material uncertainties around its going concern status, however it has disclosed the nature of significant financial risks within the going concern period. The Integration Scheme sets out the responsibilities of the IJB's partners, Glasgow City Council and NHS Greater Glasgow and Clyde, in the event that the IJB has insufficient general reserves to respond to additional financial pressures. [We have no matters to report in respect of our work around going concern or the conclusions reached by the Board.]

- Our auditor judgements are RAG rated based on our assessment of the adequacy of the IJB's arrangements throughout the year, as well as the overall pace of improvement and future risk associated with each area. This takes account of both external risks not within the IJB's control and internal risks which can be managed by the Board, as well as control and process observations made through our audit work.

Wider scope



Financial management

Financial management means having sound budgetary processes. Audited bodies require the ability to understand the financial environment and whether internal controls are operating effectively.

Our assessment: Green

The IJB recorded a net overspend in 2023/24 of £18.8 million. As in 2022/23, the IJB met the cost of operational overspends from general reserves but this is no longer sustainable. The Board and the IJB's partners were kept informed about a significant financial risk relating to homelessness, including the impact of increased Home Office decisions for asylum seekers. As a result, the IJB's partner, Glasgow City Council, has agreed to meet the costs of additional pressure from asylum decisions in 2024/25.

The IJB successfully delivered savings of over £21.5 million in 2023/24, and enacted further recovery actions (delivering £5.3 million) to limit the level of overspend below projections reported to the Board during the financial year.



Financial sustainability

Financial sustainability looks forward to the medium and longer term to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered.

Our assessment: Red

The IJB's financial strategy outlines an increasing financial challenge. A funding gap of £116 million has been identified over the three years of the plan to 2026/27, including a £36 million gap in 2024/25. Current assumptions are that there will be no uplift in funding from the IJB's partners to bridge the gap.

The IJB's General Reserve was significantly depleted in 2023/24, as a result of planned use of £17.2 million reserves, alongside a further operational overspend of £1.6 million. General Reserves have fallen to £8.4 million, or 0.5% of net expenditure, against the Board's target of 2%. The IJB has plans in place to rebuild reserves, but further cost and demand pressures may put this at risk.



Vision, leadership & governance

The effectiveness of scrutiny and governance arrangements, leadership and decision making, and transparent reporting of financial and performance information.

Our assessment: Green

Governance arrangements worked well throughout 2023/24. The Board conducted a review of its own effectiveness and issued a Training Needs Analysis to support the development of a training programme for members. The IJB's partners made progress to update the Integration Scheme, including a consultation with key stakeholders. The Integration Scheme is expected to be approved by Scottish Ministers later in 2024.

The IJB continued to highlight weaknesses in relation to ICT security and service delivered by Glasgow City Council's provider, where some remediation work is ongoing. This impacts social work services.



Use of resources

The IJB's approach to demonstrating economy, efficiency, and effectiveness through the use of resources and reporting outcomes.

Our assessment: Green

The IJB has a well-developed approach in place to monitor and report on progress against strategic priorities and was able to demonstrate key areas of improvement in 2023/24. Overall performance remains mixed, and the IJB continues to highlight significant and ongoing financial risks within its risk registers that may undermine the delivery of the Strategic Plan.

Best value



Best Value

All local government bodies have a duty to make arrangements to secure best value.

The IJB's performance management and financial reporting arrangements allow the Board to demonstrate the delivery of Best Value. The Annual Performance Report describes the key achievements and areas for improvement against the priorities within the Strategic Plan 2023-2026.

The financial outlook for the IJB has continued to weaken. General reserves have fallen to unsustainable levels, and service demands exceed assumptions in relation to funding. Inflationary pressures and pay uplifts make it increasingly difficult to sustain services at the current level. As a result, the IJB has commenced a service reset exercise to identify the services that are sustainable both to meet the demands of the population of Glasgow, but also be affordable within the resources available.

The IJB and its partners therefore face very difficult decisions ahead to secure a sustainable future.

2. Introduction

Purpose of our report

The Accounts Commission for Scotland appointed EY as the external auditor of Glasgow City Integration Joint Board ('IJB' or 'the Board') for the five year period to 2026/27.

We undertake our audit in accordance with the Code of Audit Practice (June 2021); Auditing Standards and guidance issued by the Financial Reporting Council; relevant legislation; and other relevant guidance issued by Audit Scotland.

This Annual Audit Report is designed to summarise the key findings and conclusions from our audit work. It is addressed to both members of the IJB and the Accounts Commission, and presented to those charged with governance. This report is provided to Audit Scotland and is published on their website.

A key objective of audit reporting is to add value by supporting the improvement of the use of public money. We aim to achieve this through sharing our insights from our audit work, our observations around where the Board employs best practice and where practices can be improved, and how risks facing the IJB can be mitigated. We use these insights to form audit recommendations to support the Board.

Such areas we have identified are highlighted throughout this report together with our judgements and conclusions regarding arrangements, and where relevant recommendations and actions agreed with management. We also report on the progress made by management in implementing previously agreed recommendations.

We draw your attention to the fact that our audit was not designed to identify all matters that may be relevant to the IJB. Our views on internal control and governance arrangements have been based solely on the audit procedures performed in respect of the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

Our independence

We confirm that we have undertaken client and engagement continuance procedures, which include our assessment of our continuing independence to act as external auditor. Further information is available in Appendix B.

Scope and responsibilities

The Code sets out the responsibilities of both the Board and the auditor (summarised in Appendix A). We outlined these in our Annual Audit Plan which was presented to the Board's Finance, Audit and Scrutiny Committee on 7 February 2024. There have been no material changes to the plan.

Our review and assessment of materiality

Our updated assessment of materiality resulted in a small change to the level reported within our Annual Audit Plan. The assessment raised materiality from £18 million to £19 million based on the 2023/24 levels of income and expenditure.

Financial Statements audit

We are responsible for conducting an audit of the Board's financial statements. We provide an opinion as to:

- ▶ Whether they give a true and fair view of the state of the affairs of the IJB as at 31 March 2024 and of its income and expenditure for the year then ended
- ▶ Have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Code.
- ▶ Whether they have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

We also review and report on the consistency of the other information prepared and published along with the financial statements.

We outlined the significant risks and other focus areas for the 2023/24 audit in our Annual Audit Plan, which was presented to the Finance, Audit and Scrutiny Committee on 7 February 2024.

One significant risk was identified in relation to the risk of fraud in expenditure recognition, which includes the risk of management override of controls. We consider this risk to manifest itself through the manipulation of expenditure recognition. In addition, we continued to place increased focus on management's assertion regarding the going concern basis of preparation in the financial statements. Our findings are summarised in Section 3 of this report.

Exhibit 1: Updated materiality assessment in 2023/24 assessment

Our Annual Audit Plan explained that our audit procedures would be performed using a materiality of £18 million. We have considered whether any change to our materiality was required in light of the income and expenditure in 2023/24 and raised the materiality level to reflect the updated assessment following receipt of the unaudited accounts.



**Overall
materiality**



**Performance
materiality**



**Reporting
materiality**

We apply a lower level of materiality to the audited section of the Remuneration Report. We also apply professional judgement to consider the materiality of Related Party Transactions to both parties.

| Wider scope and best value

Under the Code of Audit Practice, our responsibilities extend beyond the audit of the financial statements. Due to the nature of the IJB, our wider scope work requires significant allocation of resources in the audit. The Code requires auditors to provide judgements and conclusions on the four dimensions of wider scope public audit:

- ▶ The Board's arrangements to secure sound financial management.
- ▶ The regard shown to financial sustainability.
- ▶ Clarity of plans to implement the vision, strategy and priorities of the Board, and the effectiveness of governance arrangements for delivery.
- ▶ The use of resources to improve outcomes.

Our Annual Audit Plan identified one area of significant risk in relation to the wider scope dimensions, regarding the development of sustainable and achievable medium term financial plans. Our findings are summarised in Section 4 of this report. Our annual assessment of the IJB's arrangements to secure best value is integrated within our wider scope annual audit work.

3. Financial Statements

Introduction

The annual financial statements allow the IJB to demonstrate accountability for the resources that it has the power to direct, and report on its overall performance in the application of those resources during the year.

This section of our report summarises the audit work undertaken to support our audit opinion, including our conclusions in response to the significant and other risks identified in our Annual Audit Plan.

The plan highlighted one area that we identified as a fraud risk relating to the presumed risk of fraud in revenue and expenditure recognition, including through management override of controls. For the IJB, we consider this risk to manifest itself as an expenditure recognition risk.

Compliance with regulations

As part of our oversight of the IJB's financial reporting process we report on our consideration of the quality of working papers and supporting documentation prepared, predominantly by the finance team, to support the audit.

The financial statements were prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting 2023/24.

The draft financial statements and supporting working papers were submitted for audit by 30th June 2024, in line with requirements. The financial statements and working papers were of a good quality.

We were satisfied that the IJB made the financial statements available for public inspection in accordance with Regulation 9 of The Local Authority Accounts (Scotland) Regulations 2014.

Audit outcomes

We identified no adjusted or unadjusted differences arising from the audit which require to be reflected within the financial statements. Our overall audit opinion is summarised on the following page.

As part of the audit, we reviewed the financial statements and made several comments aimed at improving the compliance with the Code of Accounting Practice, or to enhance the understanding of the financial statements. We worked with management to make amendments as appropriate and will continue to discuss good practice going forward.

Audit status

Our audit is substantially complete, subject to the following outstanding areas:

- Receipt and review of finalised financial statements;
- Remuneration report including payroll workings from NHS Greater Glasgow and Clyde for key management personnel; and
- Updated confirmation that there have been no subsequent events in the period to date of signing.]

Audit approach

We adopted a substantive approach to the audit as we have concluded this is the most efficient way to obtain the level of audit assurance required to conclude that the financial statements are not materially misstated.

During our planning procedures, we determine which accounts, disclosures and relevant assertions could contain risks of material misstatement.

Our audit involves:

- ▶ Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud, error or design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the IJB's internal control.
- ▶ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Concluding on the appropriateness of management's use of the going concern basis of accounting. Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtaining sufficient appropriate audit evidence to express an opinion on the financial statements.
- ▶ Reading other information contained in the financial statements to form assessment, including that the annual report is fair, balanced and understandable.
- ▶ Ensuring that reporting to the Finance, Audit and Scrutiny Committee appropriately addresses matters communicated by us and whether it is materially inconsistent with our understanding and the financial statements.
- ▶ We rigorously maintain auditor independence (refer to Appendix B).

Exhibit 2: Our Audit Opinion

Element of our opinion	Basis of our opinion	Conclusions
Financial statements ▶ Truth and fairness of the state of affairs of the IJB at 31 March 2024 and its expenditure and income for the year then ended. ▶ Financial statements in accordance with the relevant financial reporting framework and relevant legislation.	▶ We report on the outcomes of our audit procedures to respond to the most significant assessed risks of material misstatement that we have identified, including our judgements within this section of our report. We did not identify any areas of material misstatement. ▶ We are satisfied that accounting policies are appropriate and estimates are reasonable. ▶ We have considered the financial statements against Code requirements, and additional guidance issued by CIPFA and Audit Scotland.	[We have issued an unqualified audit opinion on the 2023/24 financial statements for the IJB.]
Going concern ▶ We are required to conclude on the appropriateness of the use of the going concern basis of accounting.	▶ We conduct core financial statements audit work, including review and challenge of management's assessment of the appropriateness of the going concern basis. ▶ Wider scope procedures including the forecasts are considered as part of our work on financial sustainability.	[In accordance with the work reported on page 15, we have not identified any material uncertainties.]
Other information ▶ We are required to consider whether the other information in the financial statements is materially inconsistent with other knowledge obtained during the audit.	▶ The Chief Financial Officer is responsible for other information included in the financial statements. ▶ We conduct a range of substantive procedures on the financial statements and our conclusion draws upon review of committee and board minutes and papers, regular discussions with management, our understanding of the IJB and the wider sector.	We are satisfied that the Annual Report meets the core requirements set out in the Code of Practice on Local Authority Accounting.

Exhibit 2: Our audit opinion (continued)

Element of our opinion	Basis of our opinion	Conclusions
Matters prescribed by the Accounts Commission ▶ Audited part of remuneration report has been properly prepared. ▶ Management commentary / annual governance statement are consistent with the financial statements and have been properly prepared.	Our procedures include: ▶ Reviewing the content of narrative disclosures to information known to us. ▶ Our assessment of the Annual Governance Statement against the requirements of the CIPFA Delivering Good Governance Code.	[We issued an unqualified opinion.]
Matters on which we are required to report by exception	We are required to report on whether: ▶ Adequate accounting records have been kept. ▶ Financial statements and the audited part of the remuneration report are not in agreement with the accounting records. ▶ We have not received the information or explanations we require.	[We have no matters to report.]

Our response to significant and fraud audit risks

We identified one significant risk within our 2023/24 Annual Audit Plan:

- ▶ Risk of fraud in expenditure recognition, including through management override of control (key audit matter).

What is the risk?

As we outlined in our Annual Audit Plan, ISA (UK) 240 requires us to assume that fraud risk from income recognition is a significant risk. In the public sector, we extend our consideration to the risk of material misstatement by manipulation of expenditure.

As there is no material judgement associated with the recognition of the IJB's funding from Glasgow City Council and NHS Greater Glasgow and Clyde, we have determined that the risk of revenue recognition does not materialise. We therefore consider this risk to be most prevalent in the following expenditure balances:

- ▶ Cost of services: £1,907 million; and
- ▶ Cost of services prior year comparator: £1,799 million).

Refer to accounting policies B, C and F (pages 69-70) and notes 4, 8 and 10 of the Financial Statements.

What judgements are we focused on?

For expenditure we focus on the risk in relation to the existence and occurrence of expenditure incurred by the IJB in commissioning services from the partners.

There may be judgement in the timing of the recognition of expenditure.

What did we do?

We undertake specific, additional procedures for income and expenditure streams where we identified a fraud risk. For 2023/24 our work included:

- ▶ We challenged management on how the IJB gains assurance over the expenditure it incurs and the basis of payments it makes to its partner bodies to deliver commissioned services.
- ▶ We reviewed the financial information that management present to the IJB that clarifies the source of information provided by each of the IJB partners. Reports to the IJB at the year end also made clear that the year end outturn represented the approval by the IJB of the final expenditure incurred in commissioning services from Glasgow City Council and NHS Greater Glasgow and Clyde.
- ▶ Review of additional revenue streams and cut-off testing for additional income received.
- ▶ As part of the year end process, we obtained written confirmation statements from the Director of Finance at NHS Greater Glasgow and Clyde and the Section 95 Officer at Glasgow City Council of the spend by the respective bodies on delivering services, and therefore their request for payment from the IJB to cover those costs. We obtained a copy of those confirmations and agreed figures within the financial statement to source documentation.
- ▶ [We obtained independent confirmation from the appointed auditor at both the Council and NHS Greater Glasgow and Clyde of the income and expenditure transactions recorded at their respective audited bodies. The confirmations agreed the income and expenditure amounts transacted in the year.]

| Risk of management override

Our Annual Audit Plan recognises that under ISA (UK) 240, management is considered to be in a unique position to perpetrate fraud in financial reporting because of its ability to manipulate accounting records directly or indirectly by overriding controls that otherwise appear to be operating effectively. We respond to this risk on every engagement.

| Risk of fraud

We considered the risk of fraud, enquired with management about their assessment of the risks of fraud and the controls to address those risks. We also developed our understanding of the oversight of those charged with governance over management's processes over fraud.

| Testing on journal entries

We tested the appropriateness of manual journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements. We obtained all journals posted by management to record the transactions of the IJB, which are hosted on the Glasgow City Council financial ledger. All of the journals for the IJB's transactions were posted at the year end and we reviewed all transactions in the course of our work.

| Judgements and estimates

Management identified one significant estimate within the financial statements, relating to hosted services where, for example, Glasgow IJB provides services for other IJBs. Following our prior year audit recommendation to formally implement agreed arrangements to address operational responsibilities for hosted services, the IJB worked with its partners and other IJBs within the NHS Greater Glasgow and Clyde area to update the documentation of arrangements for hosted services within the draft Integration Schemes.

We reviewed supporting documentation on the basis for the assessment of consumption of hosted services, agreed hosting arrangements for each service back to the integration scheme and reperformed calculations as appropriate. As a result of this work, we have not identified any audit adjustments.

We confirmed the process for ensuring that there were no claims applicable to the IJB that required provision to be made in relation to the CNORIS (Clinical Negligence & Other Risks Indemnity Scheme).

| Accounting policies

We considered the consistency and application of accounting policies, and the overall presentation of financial information. We consider the accounting policies adopted by the IJB to be appropriate and there were no significant accounting practices which materially depart from the Code.



Our conclusions

- ▶ Our testing has not identified any material misstatements relating to revenue and expenditure recognition.
- ▶ We have not identified any material weaknesses in the design and implementation of controls around journal processing. We did not identify any instances of evidence of management override of controls.
- ▶ There was no disagreement during the course of the audit over any accounting treatment or disclosure and we encountered no significant difficulties in the audit.

Going concern

Audit requirements

International Auditing Standard 570 Going Concern, as applied by Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom, requires auditors to undertake sufficient and appropriate audit procedures to consider whether there is a material uncertainty on going concern that requires reporting by management within the financial statements, and within the auditor's report.

Under ISA (UK) 570, we are required to undertake challenge of management's assessment of going concern, including testing of the adequacy of the supporting evidence we obtained. In light of the unprecedented nature of the scale of financial challenges facing IJBs, including inflationary and demand pressures, we place increased focus on management's assertion regarding the going concern basis of preparation in the financial statements, and particularly the need to report on the impact of financial pressures on the Board and its financial sustainability.

Management's going concern assessment and associated disclosures cover the period following approval of the financial statements, to 31 March 2026.

After completing its going concern assessment in line with the information and support provided through earlier discussions in the audit process, the IJB has concluded that there are no material uncertainties around its going concern status. We have outlined our consideration of the Board's financial position going forward in the financial sustainability section of this report. We considered this in conjunction with management's assessment on going concern, focusing on:

- ▶ The completeness of factors considered in management's going concern assessment.
- ▶ The completeness of disclosures in the financial statements in relation to going concern and future financial pressures and how savings challenges in the short and medium term will be addressed.



Our conclusions

- ▶ We reviewed and challenged the going concern assessment provided by management. We verified the assessment to supporting information, including key reports to the IJB and financial plans.
- ▶ While we concur with management's assessment that there are no material uncertainties in relation to the going concern of the IJB, we note the increasingly challenging financial position facing both the IJB and the wider sector. The Accounts Commission reported that 5 of the 31 IJBs across Scotland have no general reserves available to meet future unexpected cost pressures. There remains significant risk around the IJB's intention to increase general reserves during the period. Areas of overspend would result in recovery planning and possibly the necessity for additional contributions from the IJB's partners, Glasgow City Council and NHS Greater Glasgow and Clyde.

4. Best Value and Wider Scope audit

Introduction

In June 2021, Audit Scotland and the Accounts Commission published a revised Code of Audit Practice. This establishes the expectations for public sector auditors in Scotland for the term of the current appointment.

Risk assessment and approach

The Code sets out the four dimensions that comprise the wider scope audit for public sector in Scotland:

- ▶ Financial management.
- ▶ Financial sustainability.
- ▶ Vision, Leadership and Governance.
- ▶ The use of resources to improve outcomes.

We apply our professional judgement to risk assess and focus our work on each of the wider scope areas. In doing so, we draw upon conclusions expressed by other bodies including the IJB's internal auditors

and the Care Inspectorate, along with national reports and guidance from regulators and Audit Scotland.

For each of the dimensions, we have applied a RAG rating, which represents our assessment on the adequacy of the IJB's arrangements throughout the year, as well as the overall pace of improvement and future risk associated with each dimension.

Best Value

The Code explains the arrangements for the audit of Best Value in Integration Joint Boards. The changes to IJBs anticipated from the Scottish Parliament's National Care Service Reports mean that the Accounts Commission will no longer require the Controller of Audit to report to the Commission on each IJB's performance on its Best Value duty.

As a result, the findings from our wider scope work have informed our assessment on Best Value themes in 2023/24.

Exhibit 4: Our RAG ratings



Red

Amber

Green

Our auditor judgements are RAG rated based on our assessment of the adequacy of the IJB's arrangements throughout the year, as well as the overall pace of improvement and future risk associated with each area.

This takes account of both external risks not within the IJB's control and internal risks which can be managed by the Board, as well as control and process observations made through our audit work.

Financial Management



Our overall assessment: Green

The IJB recorded a net overspend in 2023/24 of £18.8 million. As in 2022/23, the IJB met the cost of operational overspends from general reserves but this is no longer sustainable. The Board and the IJB's partners were kept informed about a significant financial risk relating to homelessness, including the impact of increased Home Office decisions for asylum seekers. As a result, the IJB's partner, Glasgow City Council, has agreed to meet the costs of additional pressure from asylum decisions in 2024/25.

The IJB successfully delivered savings of over £21.5 million in 2023/24, and enacted further recovery actions (delivering £5.3 million) to limit the level of overspend below projections reported to the Board during the financial year.

2023/24 budget

The 2023/24 budget was set in March 2023 and relied upon the use of £17.2 million of unearmarked General Reserves to meet the IJB's statutory responsibility to set a balanced budget.

The budget recognised that 2023/24 represented a further step change in the level of financial pressure facing the IJB. Pressures identified within the budget totalled £62.3 million and included:

- ▶ The element of the 2022/23 pay settlement for social care staff for which there was no corresponding increase in partner funding from Glasgow City Council. The estimated recurring impact in 2023/24 is £9.9 million.
- ▶ Further pay inflation in 2023/24 for both Council and NHS workers (£12.8 million).
- ▶ The estimated impact of the Scottish Living Wage and National Care Home Contract costs (£11.3 million).
- ▶ The ongoing increase in the cost and volume of prescriptions (totalling £15 million). Prices increased by 10.2% in 2023/24; and
- ▶ Continuing significant increases in homelessness presentations, where there is insufficient supply of local accommodation. The estimated cost pressure in 2023/24 was £8.6 million.

The IJB's partners made additional contributions totalling £10.6 million, and new monies from the Scottish Government to support the additional investment in social care meant that additional funding totalling £20.5 million was available. This resulted in a final funding gap for 2023/24 of £41.7 million. The remaining gap was met via:

- ▶ The approval of significant savings proposals of £21.6 million;
- ▶ The use of unearmarked reserves totalling £17.2 million; and
- ▶ A further of £3 million of costs to be managed within existing budgets through savings or service reductions.

The financial pressures identified within the budget outlined further areas of risk. In a number of key areas, including the provision of criminal justice social work services, allocations from government have not kept pace with inflationary pressures. In addition, the budget highlighted the specific risks associated with homelessness services and prescribing, where demand is difficult to predict or control.

Financial outturn

Despite the significant measures put in place within the budget, the IJB's financial outturn in 2023/24 records a net overspend in operational service delivery of £18.8 million (2022/23: overspend of £5.1 million).

Additional pressures within operational service delivery in 2023/24 included:

- ▶ An overspend of £11.2 million within Mental Health inpatient staffing as a result of increased spend on bank and agency nursing.
- ▶ Further increases in the cost and volume of prescriptions (£9.1 million). Prices increased by 10.2% in 2023/24, reflecting the volatile global market and is difficult for the IJB to predict or manage; and
- ▶ The impact of a national decision to accelerate decision making by the Home Office in relation to asylum claims. The increase in demand for temporary homelessness accommodation resulted in an overspend of £12 million beyond the cost pressure of £8.6 million that was recognised in the budget.

The level of operational overspends totalled £45.9 million, but were offset by areas of underspend, including continuing high levels of vacancies and staff turnover (£18.5 million) and additional income recovery of £4.2 million, including financially assessed client contributions.

| Impact of homelessness during 2023/24

In September 2023, the IJB highlighted a significant worsening of the financial position as a result of the UK Government's announcement of a streamlined asylum process to address the significant backlog of asylum decisions.

The streamlined process applies to households from countries who are more likely to receive a positive asylum decision. Any household that has received leave to

remain in the UK can seek assistance to the local authority under homelessness legislation.

In October to November 2023 reporting to both the IJB and its partner, Glasgow City Council, highlighted that there are limited accommodation options to deal with further expected decisions from the Home Office. The Council convened an Emergency Committee in October 2023, noting that the decision could have full year implications of £53.4 million in 2024/25.

While the level of approved cases in the period to March 2024 was not as high as the worst-case outcome predicted, the level of additional claims in 2023/24 accounted for £12 million of the overspend in 2023/24.

Glasgow City Council's Executive Director of Finance has provided assurances that any overspend relating to asylum decisions will be met by additional Council funding in 2024/25. The last UK Government confirmed that they would not provide any financial support to local authorities to respond to these pressures.

| Budget monitoring reports were transparent and addressed key areas of risk

The IJB has an established process for reporting on the progress against budget at each Board meeting.

Exhibit 4 outlines the impact of emerging pressures throughout the financial year. In September 2023, the level of projected overspend triggered the requirement, under the IJB's Integration Scheme, to enact a recovery plan to balance the overspends within the budget.

The recovery plan that was approved in September 2023 identified savings of £4.2 million in year. The IJB delivered higher savings from recovery planning as a result of additional actions to freeze recruitment and manage bank and agency staffing.

As a result, as Exhibit 4 highlights, the final outturn was lower than predicted during the financial year. However, the overspend exceeded the planned drawdown from General Reserve balances. As a result, the General Reserve has been significantly depleted and now stands at £8.442 million, which is 0.50% of net expenditure, against a target set at 2%.

From January 2024, the IJB's budget monitoring reports documented the risk implications of the level of overspend, including specific commentary on the homelessness emergency. In addition, the reports describe the financial recovery implications for each of its partners, as set out within the Integration Scheme.

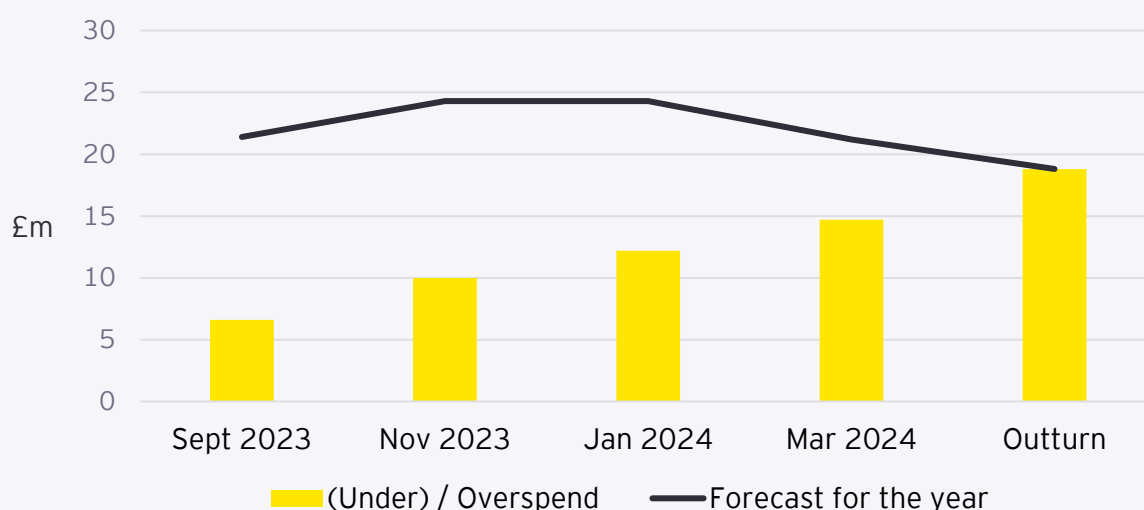
The IJB achieved savings in 2023/24

In 2023/24, the IJB identified planned savings to be delivered of £21.5 million. In addition, the IJB hoped to close a £0.6 million gap of unachieved savings that were identified but not delivered in prior years.

The Integration Transformation Board monitored the progress of this significant savings programme, which included reductions in staff numbers across a number of services.

Reporting to the Board noted that 99.6% of the 2023/24 savings were delivered. Overall, £0.4 million of the savings requirement from previous years were not achieved, primarily relating to transport costs. Undelivered savings will continue to represent an added financial pressure for the IJB to be achieved in future years.

Exhibit 4: Budget monitoring to the Board during the financial year outlined the impact of demand and staffing pressures



| Arrangements for hosted services were clarified during 2023/24

In 2022/23, we noted that Glasgow IJB hosts a number of services on behalf of other IJBs within the NHS Greater Glasgow and Clyde area. As part of our initial audit year, we noted that in practice there were no arrangements in place to document and review operational responsibilities for the hosted services.

Throughout 2023/24, the IJB worked with its partners and other IJBs within the NHS Greater Glasgow and Clyde area to update the Integration Scheme. Arrangements for hosted services were considered as part of the overall review, and changes have been agreed to describe the requirement to account for the activity and associated costs for all hosted services across their population using an appropriate methodology agreed by all partner Integration Joint Boards. As the approval of the Integration Scheme is beyond the control of the IJB, a paper was taken to the Chief Officers group of the six IJBs to confirm the revised operational and strategic arrangements in place.

Financial Sustainability



Our overall assessment: Red

The IJB's financial strategy outlines an increasing financial challenge. A funding gap of £116 million has been identified over the three years of the plan to 2026/27, including a £36 million gap in 2024/25. Current assumptions are that there will be no uplift in funding from the IJB's partners to bridge the gap.

The IJB's General Reserve was significantly depleted in 2023/24, as a result of planned use of £17.2 million reserves, alongside a further operational overspend of £1.6 million. General Reserves have fallen to £8.4 million, or 0.5% of net expenditure, against the Board's target of 2%. The IJB has plans in place to rebuild reserves, but further cost and demand pressures may put this at risk.

The Accounts Commission recently highlighted that the current delivery and funding of IJB services is unsustainable

The Accounts Commission published its annual report on Integration Joint Boards: Finance and Performance in July 2024. They found that IJBs across Scotland face a complex landscape of unprecedented pressures, challenges and uncertainties.

The health inequality gap is widening, there is an increased demand for services and a growing level of unmet and more complex needs.

The financial outlook for IJBs continues to weaken. Pressures arising from inflation, pay uplifts and Covid-19 legacy costs are making it increasingly difficult to sustain services at their current level. Real terms funding to IJBs decreased in 2022/23 and IJBs have had to achieve savings as part of their partner funding allocations for several years.

The projected funding gap for 2023/24 almost tripled from reported figures in 2022/23 and IJBs are increasingly having to make unsustainable savings through, for example, not filling staff vacancies and using financial reserves. This is not a sustainable approach to balancing budgets.

The Commission highlight that a whole system approach is needed to meet the scale of the challenges facing IJBs. They note that uncertainty in the direction of plans for a National Care Service has contributed to the difficult context for planning and delivering effective services. A revised timescale has indicated that local reform will now start in 2028/29.

The IJB's reserves have fallen to an unsustainable level

Across the sector, IJB reserves almost halved in 2022/23, decreasing by £560 million (including a reduction of £93 million in Glasgow City IJB). The decrease in the overall reserves balance was largely the result of a reduction in the reserves of funding that the Scottish Government specifically provided for the response to the Covid-19 pandemic.

After excluding the Covid-19 reserves (see Exhibit 5), the IJB's reserves have fallen by £42.9 million since 2021/22. The reserves comprise of two elements. The first relates to earmarked and ringfenced funding that the IJB carries forward to meet expenditure where, for example, funding for specific purposes has not yet been used.

During 2023/24, the IJB drew down £11 million of balances held in these reserves but this was offset by new earmarked and ring-fenced funding totalling £14.3 million.

Earmarked reserves therefore increased by £3 million in 2023/24 to £58.5 million. We do, however note that the IJB anticipates that £36.6 million of earmarked reserve balances will be used in 2024/25.

Overall, as Exhibit 5 demonstrates, the IJB’s reserves fell by £15.5 million as a result of the significant overspend in operational services.

The IJB has set a target for its uncommitted General Reserve of 2% of net expenditure. At 31 March 2024, the IJB’s uncommitted reserve had fallen to £8.4 million, representing around 0.5% of net expenditure (2022/23: 1.95% of expenditure).

The scale of the financial volatility facing the IJB, including homelessness (beyond the asylum decisions process), prescribing and pay inflation, mean that adequate general reserves are essential to manage the level of risk.

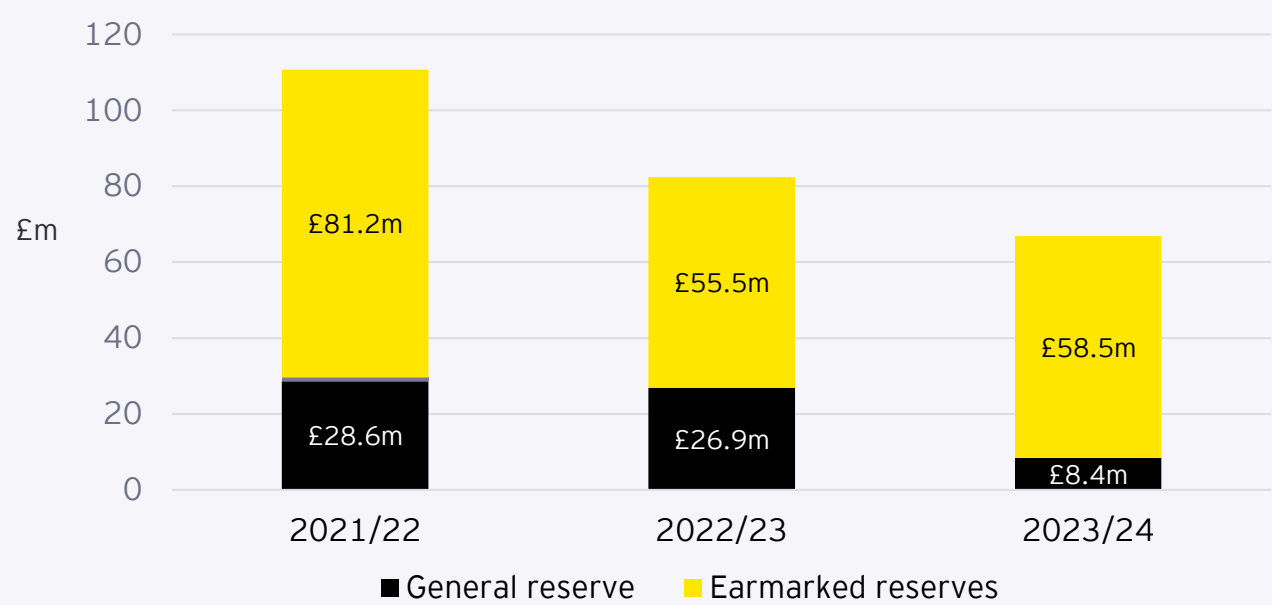
The IJB has updated its financial outlook for the period to 2026/27

The IJB considered its annual update to the medium term financial outlook in March 2024, alongside the 2024/25 annual budget. The Board’s Financial Strategy is based on four components to deliver transformational change:

- ▶ Efficiency and Income Maximisation;
- ▶ Service Reform;
- ▶ Service Prioritisation and reduction; and
- ▶ Management within existing budgets.

The outlook identifies a funding gap of £116 million over the three years of the plan to 2027, including a £36 million gap in 2024/25. Current assumptions are that there will be no corresponding uplift in funding from the IJB’s partners over the three financial years.

Exhibit 5: Reserves balances fell by £15.5 million (19%) during 2023/24 as a result of the overspend in operational services



Note: For comparability purposes, this chart excludes the Covid reserves held by the IJB in 2021/22, which totalled £65.6 million.

Efficiency measures of £9.99 million have been identified in 2024/25, and a further £5.9 million is expected to be saved via service reform and innovation.

However, in light of the scale of the challenge ahead, the IJB has recognised that there needs to be a fundamental change to the services that are offered, reflecting the stark messages within the Accounts Commission report on the sector.

The IJB has agreed to the development of a service reset to identify the services that are sustainable both in terms of meeting the demands of the population of Glasgow City but also be affordable within the financial envelope which is available.

The IJB has therefore prioritised services within the financial strategy to protect core services, measures that support prevention and services that deliver evidenced impact in improving the health and wellbeing of those who access the service.

Service reductions totalling £14 million have been identified in 2024/25, and a further £13 million will be required in each of the next two financial years.

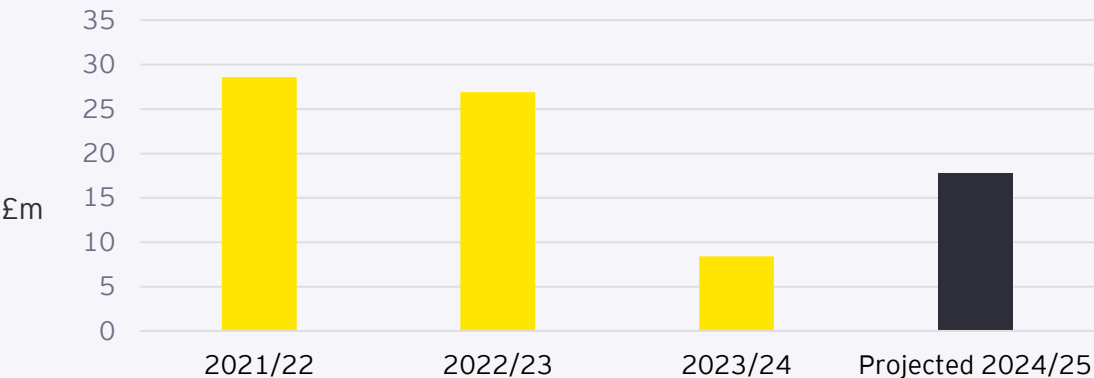
The IJB's Budget Strategy aims to replenish General Reserves in 2024/25

The strategy recognises that, like all local government bodies, the IJB will benefit from a reduction in employers superannuation costs in 2024/25 and 2025/26 as a result of current surpluses within the Strathclyde Pension Fund local government pension scheme.

The employer contribution rates will fall from 19.3% in 2023/24 to 6.5% for two years, before returning to 17.5% in 2026/27. This results in a “windfall” where costs are lower than prior years, estimated at £25 million in 2024/25.

The budget strategy outlines plans to take advantage of the opportunity presented by the reduced pension rates to deliver an underspend of £9.3 million in 2024/25. If this is secured during 2024/25, Exhibit 6 highlights that general reserves would increase to £17.7 million, (1.1% of net expenditure) to support budget smoothing ahead of the planned increase in superannuation rates in 2026/27.

Exhibit 6: The IJB's budget strategy anticipates that General Reserves will rise to £17.7 million by March 2025. A current service overspend puts this at risk.



The budget strategy assumes that £15.8 million of pressures will require to be managed within existing budgets in 2024/25, primarily via the managing of vacancies and further reductions in the use of bank and agency staffing in mental health services.

The IJB FASC considered the current financial position for 2024/25 in September 2024, which underlines the continuing volatility of spend and demand. The monitoring report highlights that the position at the end of the first quarter (June 2024) is an operational overspend of £4.1 million.

The Integration Transformation Board continues to monitor the achievement of the IJB's savings targets. At June 2024, the Board anticipates that £21.2 million of savings will be delivered, or 75% of target. Unachieved savings will place further pressure on the IJB's General Reserves balances.

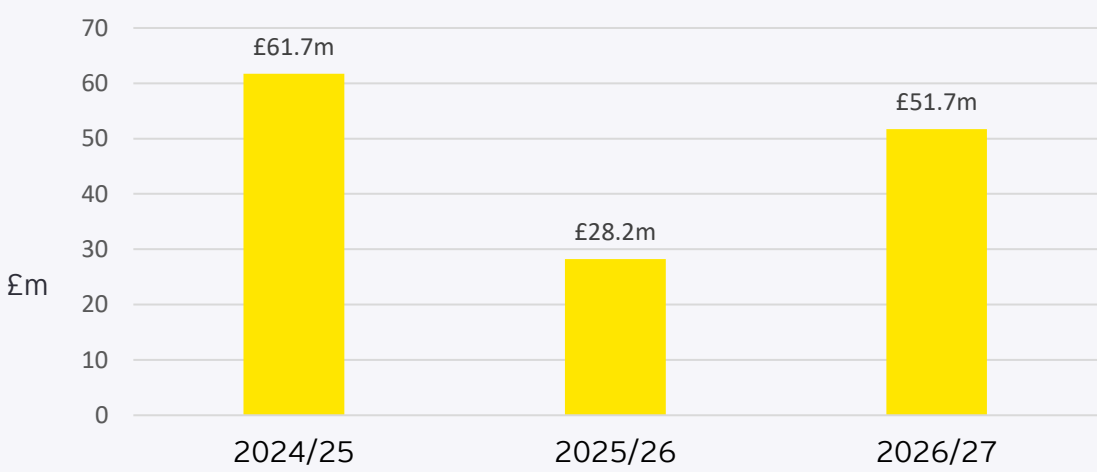
While Glasgow City Council has provided assurances in relation to the costs associated with asylum decision

homelessness cases, there is not an agreement in place with partners to respond to other sources of demand and inflationary pressures.

As a result of the level of overspend at June 2024, the current General Reserve has fallen to £6.7 million at 30 June 2024. Any further use of the General Reserves will make achieving the statutory requirement of setting a balanced budget increasingly difficult, particularly in 2026/27 and beyond, when employer contribution rates return to normal levels (Exhibit 7). While a plan is in place to replenish reserves in 2024/25, the ability to respond to areas of operational overspend is increasingly challenging for the IJB to manage alone.

Recommendation 1: The IJB must ensure that financial management arrangements prioritise increasing General Reserve balances to target levels. Further use of reserves to meet cost pressures is unsustainable.

Exhibit 7: The projected budget gap will increase in 2026/27 as a result of local government pension contributions returning to normal levels.



Vision, Leadership and Governance



Our overall assessment: Green

Governance arrangements functioned in line with expectations throughout 2023/24. The Board conducted a review of its own effectiveness and issued a Training Needs Analysis to support the development of a training programme for members. The IJB's partners made progress to update the Integration Scheme, including a consultation with key stakeholders. The Integration Scheme is expected to be approved by Scottish Ministers later in 2024.

The IJB continued to highlight weaknesses in relation to ICT security and service delivered by Glasgow City Council's provider, where some remediation work is ongoing. This impacts social work services.

The Annual Governance Statement demonstrates that it has the key requirements for good governance in place

The key aspects of the IJB's governance arrangements are required to be disclosed in the Annual Governance Statement within the financial statements. The Board concluded that they have obtained assurance that the system of internal control was operating effectively during the year.

We reviewed the governance statement against the requirements outlined in the CIPFA framework for *Delivering Good Governance in Local Government*, and against our understanding of the Board's arrangements in the period to 31 March 2024.

We were satisfied that it was consistent with both the governance framework, key findings from relevant audit activity and management's assessment of its own compliance with the CIPFA framework.

Through our audit of the financial statements, we consider the design and implementation of key controls related to areas of significant risk to the financial statements. This work has included documenting the key internal financial controls and performing walkthroughs to ensure controls are implemented as designed.

We undertook an assessment of the financial control environment as part of our planning work, and updated our understanding as part of the year end audit. For the IJB, this required us to assess the systems across partner organisations.

Our work did not identify any significant weaknesses in the systems of internal control relevant to the preparation of the IJB's financial statements.

We have attended each of the Finance and Audit Scrutiny Committees ("FASC") during the year and we were satisfied that there was an appropriate level of challenge and scrutiny at meetings, and that management's assessment of compliance is consistent with matters arising at the committee.

The IJB's Finance and Audit Scrutiny Committee considered its own effectiveness during the year

In 2022/23, we noted that the FASC considered its own arrangement based on updated good practice guidance for local authority audit committees. As a result, a short action plan was developed to ensure that the guidance is implemented as far as is practicable. This included the development of a committee training programme and an annual training plan for individual Members of FASC.

In 2022/23 we noted that due to the relative size of the IJB, the Board has elected to merge the audit and scrutiny functions within the FASC. As a result, training and development sessions need to be tailored to the additional expectations of the committee.

During 2023/24, new members joined the committee following the rotation of responsibility for the Chair and Vice Chair of the IJB. A Training Needs Analysis survey was conducted for all members in April 2024. Respondents were asked for specific training requirement relating to their role on the FASC. Comments made included understanding the role of the Committee and the approach to reviewing performance.

The IJB also surveyed all Board members on the effectiveness of the committees that they serve on. None of the respondents identified themselves as being on the FASC, limiting the IJB's ability to isolate comments relevant to the committee. As a result, management have proposed that a future effectiveness assessment will be conducted in a development session led by an external facilitator or a member of the Organisational Development team to lead a reflective practice session that seeks to define effectiveness and how to measure it.

A key theme from the review of effectiveness was in relation to the volume of papers, limiting the time available to consider each in advance of the IJB.

| The IJB's Chief Internal Auditor identified no unsatisfactory or limited assurance opinions during 2023/24

The IJB's Chief Internal Auditor presented his annual report to the Finance, Audit and Scrutiny Committee in June 2024. He noted that the audit plan was completed, subject to ongoing fieldwork, as expected and that in 2023/24 there were no unsatisfactory audit opinions issued.

Internal audit allocated 40 days to fieldwork directly addressing the IJB, covering three reviews:

- ▶ Provider sustainability;
- ▶ Directions and Interactions; and
- ▶ Financial Management.

The IJB has, however, disclosed one issue within the Annual Governance Statement. The Chief Internal Auditor highlighted the results of follow up work in relation to an unsatisfactory audit opinion relating to ICT security and service delivered via the Council's provider.

The improvements required were outwith the control of the HSCP and were being progressed by the Council through an agreed action plan. Whilst a number of higher risk areas are now mostly mitigated, there are other areas where remediation is still ongoing and the internal auditors therefore concluded that the Council Group, including Social Work Services, remained exposed to significant risk in this area during 2023/24.

The IJB has also disclosed the ongoing work to develop a revised Integration Scheme and reported on the progress of a lessons learned exercise, conducted by the Council and its ICT provider, to prevent any recurrence of the SAP outage that was reported in 2022/23. Internal Audit is currently reviewing the work undertaken and findings will be reported to the FASC.

The internal auditors conduct follow up on all previous recommendations twice per year. As at 31 March 2024, the IJB had one outstanding internal audit recommendation which was assessed as low risk (2023: 4 assessed as medium risk). The status, and updated target completion dates were reported to the Finance, Audit and Scrutiny Committee (FASC) in April 2024, and the next follow up is due in December 2024.

The IJB's Chief Officer role was filled by interim arrangements in May 2024

The Accounts Commission highlight the instability of leadership across IJBs in Scotland, as there has been a notable turnover of senior leadership positions since the start of health and social care integration. Half of all IJBs experienced turnover in either their chief officer and/or chief finance officer posts in the last two years.

In May 2024, Glasgow City IJB established interim arrangements following the appointment of the previous Chief Officer to the role of Chief Executive of Glasgow City Council.

The Accounts Commission note that instability in leadership teams has the potential to disrupt strategic planning and relationships across partners at a time when difficult and significant decisions need to be made.

The IJB has consulted on a revised Integration Scheme

We reported in 2022/23 that under the legislation that created IJBs, the Integration Scheme requires to be reviewed at least every five years. The review was delayed significantly by the COVID-19 pandemic.

During 2023/24, significant progress was made by Glasgow City Council and NHS Greater Glasgow and Clyde (NHSGGC) to update the current Integration Scheme. The changes proposed include:

- ▶ an increase in the term of the Chair and Vice Chair of the Integration Joint Board from one year to two years, in line with the other HSCPs in the Greater Glasgow and Clyde area
- ▶ Sections that referred to actions that have been completed since they were committed to in the original Scheme, or outdated terminology, such as the name of specific groups or structures
- ▶ Changes in legislation since the original Scheme, including the Carers Act and General Data Protection Regulation (GDPR); and
- ▶ Revised arrangements for services that are hosted by one IJB on behalf of one or more of the six within the Greater Glasgow and Clyde area.

A consultation exercise for the public and key stakeholders was in place from November 2023 until January 2024. The Integration Scheme must now be approved by Scottish Ministers.

Use of resources



Our overall assessment: Green

The IJB has a well-developed approach in place to monitor and report on progress against strategic priorities and was able to demonstrate key areas of improvement in 2023/24.

Overall performance remains mixed, and the IJB continues to highlight significant and ongoing financial risks within its risk registers that may undermine the delivery of the Strategic Plan.

The IJB regularly reports on its performance

A comprehensive Performance Framework is in place both operationally within the HSCP, and for scrutiny by the Finance, Audit and Scrutiny Committee (FASC) and the IJB. The Board has agreed a range of Key Performance Indicators (KPIs) to report on progress against the aims of the Strategic Plan and allow the IJB to provide exception reporting on any areas of service under-performance.

Quarterly Performance Reports are produced for both internal scrutiny within locality management teams, and for wider scrutiny at the FASC. The reports include performance outcomes in relation to Health and Social Work KPIs and provide information on how services are responding to areas of under-performance.

We also note that the FASC consider presentations from individual service areas at each of their meetings to allow a deeper understanding of the performance and challenges. Areas of scrutiny in 2023/24 included:

- ▶ Hosted services;
- ▶ Children's Services
- ▶ Primary care services;
- ▶ Welfare Rights and Money Advice;
- ▶ Adult Services; and
- ▶ Older People, Carers and Unscheduled Care.

The Committee also considered the results of Care Inspectorate activity, including:

- ▶ Older People's residential and day care services;
- ▶ Care at Home and Housing Support Services; and
- ▶ 13 inspections of the city's 19 children's residential homes.

The reports included details of any action plans to respond to areas for improvement. The committee also receive regular reports on the IJB's risk management arrangements and quarterly strategic risk register, and routine reporting is provided on attendance management issues including managing sickness absence.

The Annual Performance Report highlights key achievements and challenges across each Strategic Priority area

The IJB published its Annual Performance Report in July 2024, in line with statutory requirements. The report is structured around the Strategic Priorities from the Strategic Plan 2023-2026.

The IJB report on performance against target, but also highlight the direction of travel for each indicator, and plans for improvement where performance is lower than expected. Case studies and direct feedback are also used to provide examples of the impact of the work across the partnership.

Areas where performance has shown the greatest improvement in 2023/24 include:

- ▶ The percentage of people who started Psychological Therapies treatment within 18 weeks of referral (75.3%-93.4% across the localities);
- ▶ The proportion of service users who chose the direct payment option to receive their personalised budget increased from 21% to 23%, including 76% of children with disabilities;
- ▶ The percentage of service users who receive reablement service from hospital (73.9%) and from the community (88.4%); and
- ▶ The number of households reassessed as Homeless/Potentially Homeless Within 12 months fell from 406 in 2022/23 to 312 in 2023/24.

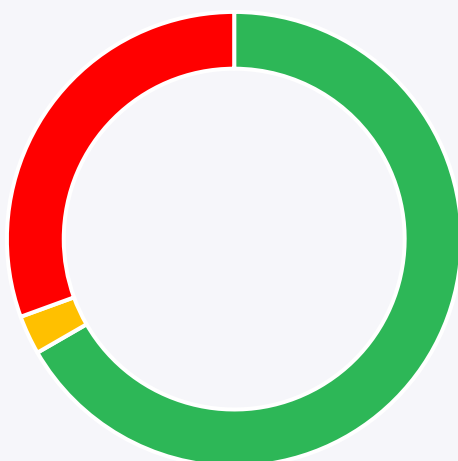
Exhibit 8 highlights that the IJB delivered most of the targets that it set for 2023/24. Areas of continuing challenge include:

- ▶ The uptake of Mumps, Measles and Rubella (MMR) vaccinations at 24 months (90.2% against a target of 95%).

- ▶ Access to psychological therapies within 18 weeks of referral, where the north east (75.3%) and south (81.4%) localities continued to fail to meet the target of 90%.
- ▶ The total number of Acute Delays and Bed Days lost to delays which continue to exceed target. This has been impacted by the lack of availability of care home places, the complexity of cases and significant staffing pressures; and
- ▶ A rise in Adult mental health delays (45 against a target of 20), as a result of more complex patients.

The partnership use sickness absence rates to assess its performance against the Strategic Priority "A healthy, valued and supported workforce." However, both the NHS (7.66%) and social care (11.5%) sickness absence rates continued to rise in 2023/24 and are now around double the targets set for the year.

Exhibit 8: The IJB achieved two-thirds of its targets in 2023/24



Definition within the Annual Performance Report

- Missed target by 5% or more (n = 11)
- Within 2.5% to 4.99% of target (n = 1)
- Within 2.49% of target (n = 24)

| The Accounts Commission highlight that data quality and availability is insufficient to assess the overall performance of IJBs

The Accounts Commission's July 2024 report (Integration Joint Boards: Finance and Performance) notes that there are gaps in the completeness of national performance information, including the national integration indicators that the IJB report within its Annual Performance Report.

The report notes that there are a range of challenges around the data that is currently collected, including:

- The current data does not provide good evidence on how the performance of one part of the system impacts on either other parts of the social care system or the system as a whole. This means the current performance data is of limited use in helping to inform system changes which might improve performance and deliver better long-term outcomes.
- There is too much emphasis on data that is used by individual organisations for

their governance and operational purposes rather than the collective partnership focus on its priorities; and

- Current arrangements do not reflect a 'whole-systems' approach to performance management and reporting.

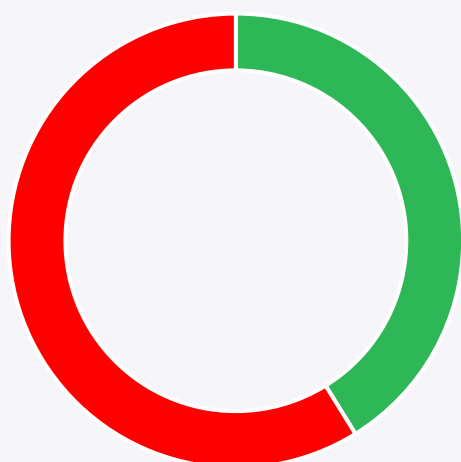
Exhibit 9 highlights that Glasgow IJB reported performance against 17 of the 23 national integration indicators. Of the indicators reported, over 40% were above the national average, and therefore assessed as "green" within the Annual Performance Report.

| The IJB continues to highlight significant and ongoing financial risks within its risk registers

The FASC receives a quarterly update on risk management, encompassing both strategic risks, and the key operational risks being managed by the Health and Social Care Partnership.

Eight risks were scored as "very high" at 31 March 2024, a rise of four since 2023, and of these, six directly relate to the Board's financial position.

Exhibit 9: The IJB performed above the Scottish average for over 40% of national integration indicators reported.



Definition within the Annual Performance Report



Below the Scottish average (n = 10)

Above the Scottish average (n = 7)

The “very high” risks within the Strategic Risk Register include:

- ▶ Achievement of the level of savings required to be delivered annually;
- ▶ The impact of the budget and spending review on future expenditure;
- ▶ The impact of expenditure on prescribing
- ▶ Homelessness and asylum pressures; and
- ▶ The legacy impact of the lack of funding of the 2022/23 local government pay award, which was not matched by funding from Glasgow City Council.

The Board has also highlighted the risk that the financial position places on the ability to deliver the Strategic Plan within the resources available.

Best Value



The IJB's performance management and financial reporting arrangements allow the Board to demonstrate the delivery of Best Value. The Annual Performance Report describes the key achievements and areas for improvement against the priorities within the Strategic Plan 2023-2026.

The financial outlook for the IJB has continued to weaken. General reserves have fallen to unsustainable levels, and service demands exceed assumptions in relation to funding. Inflationary pressures and pay uplifts make it increasingly difficult to sustain services at the current level. As a result, the IJB has commenced a service reset exercise to identify the services that are sustainable both to meet the demands of the population of Glasgow, but also be affordable within the resources available. The IJB and its partners therefore face very difficult decisions ahead to secure a sustainable future.

Basis for our assessment

As auditor to the IJB, we are required to comment on how effectively, in our view, the IJB demonstrates that it meets its Best Value responsibilities.

As we noted in our Annual Audit Plan, the conclusions that we reach on the wider scope areas contribute to this consideration. We expect to develop our understanding of how the IJB meets its Best Value responsibilities over the course of our appointment.

Our assessment in 2023/24 therefore reflects the work conducted to support our wider scope responsibilities, and specifically:

- ▶ Documentation review and discussions with senior officers;
- ▶ Updating our understanding of key sector developments and reporting;
- ▶ Our consideration of the IJB's financial planning processes including the most recent Medium Term Financial Outlook (March 2024);
- ▶ Governance arrangements, including monitoring and scrutiny reports and the Board's review of its own effectiveness;

- ▶ Our assessment of performance reporting to the Board; and
- ▶ The IJB's reporting against its Strategic Priorities within the Annual Performance Report 2023/24.

The IJB can demonstrate that it has the key elements needed to deliver Best Value in place

The IJB reported on progress against its Strategic Plan 2023-26 for the first time within the Annual Performance Report. Performance against key performance indicators is mixed, reflecting the increased complexity and demand pressures for services provided by the IJB. The IJB recognised in 2023/24 that the delivery of the Strategic Plan with the resources available is now a "very high" risk. In recognition of the scale of the challenge ahead, the IJB agreed to the development of a service reset which is intended to identify the services which are sustainable.

The IJB has been successful in delivering significant savings and recovery actions in 2023/24 but very difficult decisions lie ahead for the IJB and its partners in implementing the service reset.

| Appendices

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Code of audit practice:
Responsibilities

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Required communications with
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Additional audit information

Audited body responsibilities

Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives. The features of proper financial stewardship include the following:

Corporate governance

Each body, through its chief executive or accountable officer, is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Audited bodies should involve those charged with governance (including audit committees or equivalent) in monitoring these arrangements.

Financial statements and related reports

Audited bodies must prepare annual accounts comprising financial statements and other related reports. They have responsibility for:

- ▶ Preparing financial statements which give a true and fair view of their financial position and their expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation.
- ▶ Maintaining accounting records and working papers that have been prepared to an acceptable professional standard and that support their accounts and related reports disclosures.
- ▶ Ensuring the regularity of transactions, by putting in place systems of internal control to ensure that they are in accordance with the appropriate authority.

- ▶ Preparing and publishing, along with their financial statements, related reports such as an annual governance statement, management commentary (or equivalent) and a remuneration report in accordance with prescribed requirements.
- ▶ Ensuring that the management commentary (or equivalent) is fair, balanced and understandable.

It is the responsibility of management of an audited body, with the oversight of those charged with governance, to communicate relevant information to users about the entity and its financial performance, including providing adequate disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely.

Audited bodies are responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of their objectives and safeguard and secure value for money from the public funds at their disposal. They are also responsible for establishing effective and appropriate internal audit and risk-management functions.

Standards of conduct for prevention and detection of fraud and error

Audited bodies are responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery and corruption and to ensure that their affairs are managed in accordance with proper standards of conduct by putting proper arrangements in place.

A

Code of audit practice: Responsibilities (cont.)

Maintaining a sound financial position

Audited bodies are responsible for putting in place proper arrangements to ensure that their financial position is soundly based having regard to:

- ▶ Such financial monitoring and reporting arrangements as may be specified.
- ▶ Compliance with any statutory financial requirements and achievement of financial targets.
- ▶ Balances and reserves, including strategies about levels and their future use.
- ▶ How they Report to deal with uncertainty in the medium and longer term.
- ▶ The impact of reporting future policies and foreseeable developments on their financial position.

Responsibilities for best value, community reporting and performance

Local government bodies have a duty to make arrangements to secure best value. best value is defined as continuous improvement in the performance of the body's functions. In securing best value, the local government body is required to maintain an appropriate balance among:

- ▶ The quality of its performance of its functions.
- ▶ The cost to the body of that performance.
- ▶ The cost to persons of any service provided by it for them on a wholly or partly rechargeable basis.

In maintaining that balance, the local government body shall have regard to:

- ▶ Efficiency.
- ▶ Effectiveness.
- ▶ Economy.
- ▶ The need to meet the equal opportunity requirements.

The local government body shall discharge its duties under this section in a way which contributes to the achievement of sustainable development.

In measuring the improvement of the performance of a local government body's functions for the purposes of this section, regard shall be had to the extent to which the outcomes of that performance have improved.

The Scottish Government's Statutory Guidance on best value (2020) requires bodies to demonstrate that they are delivering best value in respect of seven themes:

1. Vision and leadership
2. Governance and accountability
3. Effective use of resources
4. Partnerships and collaborative working
5. Working with communities
6. Sustainability
7. Fairness and equality

The Community Empowerment (Scotland) Act 2015 is designed to help empower community bodies through the ownership or control of land and buildings, and by strengthening their voices in decisions about public services.

Specified audited bodies are required to prepare and publish performance information in accordance with Directions issued by the Accounts Commission.

Internal audit

Public sector bodies are required to establish an internal audit function as a support to management in maintaining effective systems of control and performance. With the exception of less complex public bodies the internal audit programme of work is expected to comply with the Public Sector Internal Audit Standards.

Internal audit and external audit have differing roles and responsibilities. External auditors may seek to rely on the work of internal audit as appropriate.

Appointed auditors' responsibilities

Appointed auditors' statutory duties for local government bodies are contained within Part VII of the Local Government (Scotland) Act 1973, as amended.

These are to:

- ▶ Audit the accounts and place a certificate (i.e., an independent auditor's report) on the accounts stating that the audit has been conducted in accordance with Part VII of the Act.
- ▶ Satisfy themselves, by examination of the accounts and otherwise, that:
 - ▶ The accounts have been prepared in accordance with all applicable statutory requirements.
 - ▶ Proper accounting practices have been observed in the preparation of the accounts.
- ▶ The body has made proper arrangements for securing best value and is complying with its community reporting duties.
- ▶ Hear any objection to the financial statements lodged by an interested person.

Appointed auditors should also be familiar with the statutory reporting responsibilities in section 102 of the Local Government (Scotland) Act 1973, including those relating to the audit of the accounts of a local government body.

B Independence report

Introduction

The FRC Ethical Standard and ISA (UK) 260 'Communication of audit matters with those charged with governance', requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard, requires that we communicate formally both at the reporting stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest. During the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We ensure that the total amount of fees that EY charged to you for the provision of services during the period, analysed in appropriate categories, are disclosed.

Required Communications

Planning Stage

- ▶ The principal threats, if any, to objectivity and independence identified by EY including consideration of all relationships between you, your directors and us.
- ▶ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review.
- ▶ The overall assessment of threats and safeguards.
- ▶ Information about the general policies and process within EY to maintain objectivity and independence.

Final Stage

- ▶ To allow you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed.
- ▶ Details of non-audit/additional services provided and the fees charged in relation thereto.
- ▶ Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us.
- ▶ Details of all breaches of the IESBA Code of Ethics, the FRC Ethical Standard and professional standards, and of any safeguards applied and actions taken by EY to address any threats to independence.
- ▶ Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy.
- ▶ An opportunity to discuss auditor independence issues.

We confirm that we have undertaken client and engagement continuance procedures, including our assessment of our independence to act as your external auditor. We have identified no relationships that impact the audit of Glasgow City IJB. We confirm that, in our professional judgment, EY is independent, our integrity and objectivity is not compromised and we have complied with the FRC Ethical Standard.



Required communications

We have detailed below the communications that we must provide to the Board.

Our reporting to you

Required communications	What is reported?	When and where
Terms of engagement	Confirmation by the Finance, Audit and Scrutiny Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.	Audit Scotland Terms of Appointment letter (December 2022) - audit to be undertaken in accordance with the Code of Audit Practice.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter.	Annual Audit Plan - February 2024
Reporting and audit approach	Communication of the reporting scope and timing of the audit, any limitations and the significant risks identified. When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.	Annual Audit Plan - February 2024
Significant findings from the audit	▶ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures. ▶ Significant difficulties, if any, encountered during the audit. ▶ Significant matters, if any, arising from the audit that were discussed with management. ▶ Written representations that we are seeking. ▶ Expected modifications to the audit report. ▶ Other matters if any, significant to the oversight of the financial reporting process. ▶ Findings and issues regarding the opening balance on initial audits.	This Annual Audit Report - September 2024.

C Required communications (cont.)

		Our reporting to you
Required communications	What is reported?	When and where
Going concern	Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: ▶ Whether the events or conditions constitute a material uncertainty ▶ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▶ The adequacy of related disclosures in the financial statements	This Annual Audit Report - September 2024.
Misstatements	▶ Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation. ▶ The effect of uncorrected misstatements related to prior periods. ▶ A request that any uncorrected misstatement be corrected. ▶ Corrected misstatements that are significant. ▶ Material misstatements corrected by management.	This Annual Audit Report - September 2024.
Fraud	▶ Enquiries of the audit committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity. ▶ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist. ▶ A discussion of any other matters related to fraud.	This Annual Audit Report - September 2024.
Internal controls	Significant deficiencies in internal controls identified during the audit.	This Annual Audit Report - September 2024.

C

Required communications (cont.)

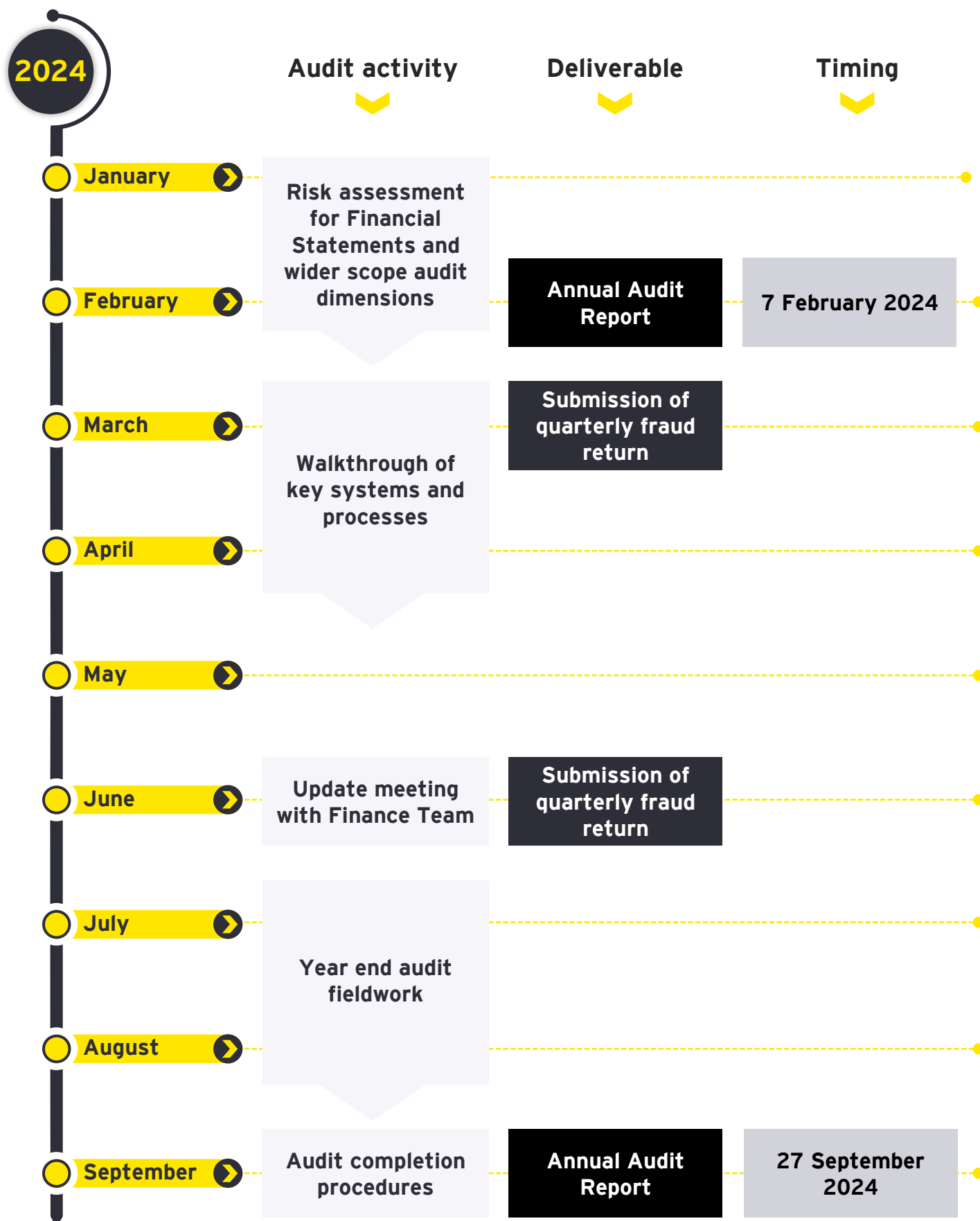
		Our reporting to you
Required communications	What is reported?	When and where
Related parties	Significant matters arising during the audit in connection with the entity's related parties including, when applicable: ▶ Non-disclosure by management ▶ Inappropriate authorisation and approval of transactions ▶ Disagreement over disclosures ▶ Non-compliance with laws and regulations ▶ Difficulty in identifying the party that ultimately controls the entity	This Annual Audit Report - September 2024.
Independence	Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence. Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as: ▶ The principal threats ▶ Safeguards adopted and their effectiveness ▶ An overall assessment of threats and safeguards ▶ Information about the general policies and process within the firm to maintain objectivity and independence	Annual Audit Plan and this Annual Audit Report.
External confirmations	▶ Management's refusal for us to request confirmations. ▶ Inability to obtain relevant and reliable audit evidence from other procedures.	This Annual Audit Report - September 2024.
Representations	Written representations we are requesting from management and/or those charged with governance.	This Annual Audit Report - September 2024.

C

Required communications (cont.)

		Our reporting to you
Required communications	What is reported?	When and where
Consideration of laws and regulations	▶ Audit findings regarding non-compliance where the non-compliance is material and believed to be intentional. This communication is subject to compliance with legislation on tipping off. ▶ Enquiry of the Finance, Audit and Scrutiny Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Finance, Audit and Scrutiny Committee may be aware of.	This Annual Audit Report - September 2024.
Material inconsistencies and misstatements	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise.	This Annual Audit Report - September 2024.
Auditors report	Any circumstances identified that affect the form and content of our auditor's report.	This Annual Audit Report - September 2024.
Best value and wider scope judgements and conclusions	Our reporting will include a clear narrative that explains what we found and the auditor's judgement in respect of the effectiveness and appropriateness of the arrangements that audited bodies have in place regarding the wider-scope audit.	This Annual Audit Report - September 2024.
Key audit matters	The requirement for auditors to communicate key audit matters, which apply to listed companies and entities which have adopted the UK Corporate Governance Code in the private sector, applies to annual audit reports prepared under the Code.	This Annual Audit Report - September 2024.

D Timeline of communication and deliverables



E Action Plan

We include an action plan to summarise specific recommendations included elsewhere within this Annual Audit Report. We grade these findings according to our consideration of their priority for the Board or management to action.

Classification of recommendations

Grade 1: Key risks and / or significant deficiencies which are critical to the achievement of strategic objectives. Consequently management needs to address and seek resolution urgently.

Grade 2: Risks or potential weaknesses which impact on individual objectives, or impact the operation of a single process, and so require prompt but not immediate action by management.

Grade 3: Less significant issues and / or areas for improvement which we consider merit attention but do not require to be prioritised by management.

No.	Findings and / or risk	Recommendation / grading	Management response / Implementation timeframe
1.	General Reserves The IJB has set a target for its uncommitted General Reserve of 2% of net expenditure. At 31 March 2024, the IJB's uncommitted reserve had fallen to £8.4 million, representing around 0.5% of net expenditure. The scale of the financial volatility facing the IJB, including homelessness (beyond the asylum decisions process), prescribing and pay inflation, mean that adequate general reserves are essential to manage the level of risk. The IJB's budget strategy aims to increase General Reserves by £9.3 million, but financial recovery measures will be necessary in 2024/25 to deliver financial balance.	The IJB must ensure that financial management arrangements prioritise General Reserve balances to work towards target levels. Further use of reserves to meet cost pressures is unsustainable. Grade 1	Response: The IJB has plans in place to increase General Reserves as part of the budget agreed for 2024/25. This will be prioritised as part of financial management arrangements during 2024/25. Responsible officer: Chief Financial Officer Implementation date: 30th May 2025

F Audit Fees

2023/24 Fees

The Board's audit fee is determined in line with Audit Scotland's fee setting arrangements. Audit Scotland will notify auditors about the expected fees each year following submission of Audit Scotland's budget to the Scottish Commission for Public Audit, normally in December. The remuneration rate used to calculate fees is increased annually based on Audit Scotland's scale uplift.

	2023/24	2022/23
Component of fee:		
▶ Auditor remuneration - expected fee	£35,420	£33,960
Audit Scotland fixed charges:		
▶ Performance audit and best value	£7,560	£6,460
▶ Audit support costs	£1,290	£1,290
Sectoral price cap	(£10,910)	(£10,240)
Total fee	£33,360	£31,470

As we outlined in our audit planning report, the expected fee for auditor remuneration, set by Audit Scotland, is based on a risk assessment of publicly available information from the 2021 tender exercise. It assumes that the IJB has well-functioning controls, an effective internal audit service, and an average risk profile for its sector across a range of areas for consideration, including financial, operational and governance risks. This is the basis for the estimated level of time and skill mix involvement by auditors.

Throughout the course of their work, auditors may identify new, developing or otherwise enhanced areas of risk that are required to be addressed to deliver an audit to the quality standards expected, and in line with the requirements of the Audit Scotland Code of Practice.

G Follow up of prior year recommendations

This appendix sets out the recommendations that were made in 2022/23, along with our assessment of progress.

Prior year recommendations

No.	Recommendation	Management response	Our assessment of progress
1.	Hosted Services Glasgow IJB hosts a number of services on behalf of other IJBs within the NHS Greater Glasgow and Clyde area. We noted that in practice there are no arrangements in place to document and maintain review of operational responsibilities. The IJB should ensure that operational arrangements are documented and maintained for hosted services. Grade 2	Response: Agreed. This work will be undertaken in conjunction with the other five IJB's across Greater Glasgow and Clyde. Responsible officer: Chief Finance Officer Implementation date: 31 March 2024	Complete: As we note on page [19], the IJB worked with its partners and other IJBs within the NHS Greater Glasgow and Clyde area to update the documentation of arrangements for hosted services within the draft Integration Scheme. Changes have been agreed to describe the requirement to account for the activity and associated costs for all hosted services across their population using an appropriate methodology agreed by all partner Integration Joint Boards. A paper was taken to the Chief Officers group of the six IJBs to confirm the revised operational and strategic arrangements in place.

Follow up of prior year recommendations continued

Prior year recommendations

No.	Recommendation	Management response	Our assessment of progress
2	Medium Term Financial Plan The IJB has historically met any overspend by drawing on General Reserve balances. We note that under the level of current financial pressures, there is a risk that the IJB's General Reserves will be exhausted in the short term. There is therefore a need to work with partners to develop a sustainable funding position. The IJB should work with partners to ensure that the medium term financial plan is realistic and sustainable. This should include an assessment about the appropriateness and achievability of savings and the risk sharing arrangements for key areas of overspend. Grade 1	Response: The IJB will continue to engage with Partner Bodies in relation to annual funding and medium term financial planning to ensure that the medium term financial plan is realistic and sustainable. The MTFP will be revised to reflect the recent announcement in relation to a reduction in employer contributions to Strathclyde Pension Fund. This will improve the IJB's position over the medium term. Routine budget monitoring will continue to monitor areas of overspend and deliverability of savings. Discussions with Partner Bodies will take place where relevant. Responsible officer: Chief Finance Officer Implementation date: Ongoing	Ongoing: The IJB has received assurances from Glasgow City Council that it will meet the homelessness costs associated with additional asylum decisions in 2024/25. However, funding from partners is not expected to keep pace with cost and demand pressures over the three year period of the medium term financial plan. Recommendation 1 highlights the need to replenish General Reserves to support financial sustainability.

H Additional audit information

Introduction

In addition to the key areas of audit focus outlined within the plan, we have to perform other procedures as required by auditing, ethical and independence standards and other regulations. We outline the procedures below that we will undertake during the course of our audit.

Our responsibilities under auditing standards

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the going concern basis of accounting.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Read other information contained in the financial statements, the Finance, Audit and Scrutiny Committee reporting appropriately addresses matters

communicated by us to the Committee and reporting whether it is materially inconsistent with our understanding and the financial statements.

- ▶ Maintaining auditor independence.

Purpose and evaluation of materiality

- ▶ For the purposes of determining whether the accounts are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements. Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.
- ▶ Materiality determines the locations at which we conduct audit procedures and the level of work performed on individual account balances and financial statement disclosures.
- ▶ The amount we consider material at the end of the audit may differ from our initial determination. At this stage it is not feasible to anticipate all of the circumstances that may ultimately influence our judgement about materiality. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the accounts, including the total effect of the audit misstatements we identify, and our evaluation of materiality at that date.

Audit Quality Framework/Annual Audit Quality Report

- ▶ Audit Scotland are responsible for applying the Audit Quality Framework across all audits. This covers the quality of audit work undertaken by Audit Scotland staff and appointed firms. The team responsible are independent of audit delivery and provide assurance on audit quality to the Auditor General and the Accounts Commission.
- ▶ We support reporting on audit quality by providing additional information including the results of internal quality reviews undertaken on our public sector audits. The most recent audit quality report can be found at: [Quality of public audit in Scotland: Annual report 2023/24 | Audit Scotland](#)
- ▶ EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details can be found in our annual Transparency Report: https://www.ey.com/en_uk/about-us/transparency-report

This report

This report has been prepared in accordance with Terms of Appointment Letter from Audit Scotland through which the Accounts Commission has appointed us as external auditor of Glasgow Integration Joint Board for financial years 2023/24 to 2026/27.

This report is for the benefit of the Board and is made available to the Accounts Commission and Audit Scotland (together the Recipients).

This report has not been designed to be of benefit to anyone except the Recipients. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Recipients, even though we may have been aware that others might read this report.

Any party other than the Recipients that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Recipient's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, Ernst & Young LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Recipients.

Complaints

If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with Stephen Reid who is our partner responsible for services under appointment by Audit Scotland, telephone 0131 777 2839, email sreid2@uk.ey.com. If you prefer an alternative route, please contact Hywel Ball, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you.

Should you remain dissatisfied with any aspect of our service, or with how your complaint has been handled, you can refer the matter to Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN. Alternatively you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

EY | Building a better working world

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