



Item No. 7

Meeting Date

Wednesday 11th September 2024

**Glasgow City
Integration Joint Board
Finance, Audit and Scrutiny Committee**

Report By: Sharon Wearing, Chief Officer, Finance and Resources

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Audit Scotland Report: Integration Joint Boards, Finance and Performance 2024

Purpose of Report:

The purpose of this report is to advise of the key findings of the Audit Scotland report on Integration Joint Boards (IJBs) Finance and Performance 2024 and the key recommendations where there is relevant to Glasgow City IJB.

Background/Engagement:

In 2022 and 2023 the Accounts Commission published a bulletin setting out the financial position of the 30 Scottish IJBs. This year's report expands on this and provides a high-level independent analysis of IJBs, commenting on:

- the financial performance of IJBs in 2022/23 and the financial outlook for IJBs in 2023/24 and beyond.
- performance against national health and wellbeing outcomes and targets alongside other publicly available performance information.
- a 'spotlight' focus on commissioning and procurement of social care.

This report focuses solely on IJBs. While it comments on how they interact and perform within the wider system, the work does not comment on the work of councils, NHS boards or the Scottish Government or make recommendations to these bodies. In future reports Audit Scotland will expand the scope to include these public bodies. This will support consideration of community health and social care as a whole system and look at how different parts work together when planning and delivering services.

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	The full report and accompanying supplements are available at https://audit.scot/publications/integration-joint-boards-finance-and-performance-2024#main-report
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Governance Route:	<p>The matters contained within this paper have been previously considered by the following group(s) as part of its development.</p> <p>HSCP Senior Management Team <input type="checkbox"/></p> <p>Council Corporate Management Team <input type="checkbox"/></p> <p>Health Board Corporate Management Team <input type="checkbox"/></p> <p>Council Committee <input type="checkbox"/></p> <p>Update requested by IJB <input type="checkbox"/></p> <p>Other <input type="checkbox"/></p> <p>Not Applicable <input checked="" type="checkbox"/></p>
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Recommendations:	<p>The IJB Finance, Audit and Scrutiny Committee is asked to:</p> <p>a) note the contents of this report; and</p> <p>b) note Glasgow City IJB's position in relation to the recommendations and approve the actions outlined in section 4.2.</p>
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Relevance to Integration Joint Board Strategic Plan:	
This report considers the national performance of IJBs both in terms of financial performance and performance against national health and wellbeing outcomes and a review of recommendations and current plans and actions will support delivery of the Integration Joint Board Strategic Plan 2023-26.	

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	This report provides an update on national performance against the national health and wellbeing outcomes for 2022-23.
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Personnel:	The report highlights the pressure placed on the workforce across Scotland in health and social care services and the difficulties in recruiting and retaining a skilled workforce.
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Carers:	The report comments on the increasing national reliance on unpaid carers as part of the health and social care system and also the fact that they are also disproportionately affected by the increased cost-of-living.
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Provider Organisations:	The report notes that current arrangements are heavily reliant on a stable provider market and workforce but there are exacerbating financial and workforce issues facing providers, risking the viability of some.
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Equalities:	No EQIA carried out as this report does not represent a new or revised plan, policy, service or strategy.
Fairer Scotland Compliance:	The report states that health inequality gap is widening nationally, there is an increased demand for services and a growing level of unmet and more complex needs. There is also variability in how much choice and control people who use services feel they have.
Financial:	The report highlights the scale of the financial challenge being experienced nationally across IJBs and the impact this has on sustaining services at their current level.
Legal:	Not applicable at this time.
Economic Impact:	Not applicable at this time.
Sustainability:	External auditors have identified financial sustainability risks for 80% of IJBs as part of their 2022/23 audits. Findings suggested that there was a reliance on non-recurring savings and sources of income to achieve financial balance.
Sustainable Procurement and Article 19:	The report highlights that current commissioning and procurement practices across Scotland are driven largely by budgets, competition, and cost rather than outcomes for people. They are not always delivering improved outcomes and are a risk for the sustainability of services. Improvement to commissioning and procurement arrangements has been slow to progress but is developing.
Risk Implications:	<p>The report highlights a number of significant and growing challenges and uncertainties for IJB's which are impacting financial sustainability and service provision, including:</p> <ul style="list-style-type: none">• uncertainty around the level and terms of future funding settlements and funding allocations for specific initiatives• significant recruitment and retention challenges, both with the IJB and partner bodies and with external providers in the sector• rising demand and increasing complexity of care arising from the demographic challenges of an ageing population• cost-of-living crisis and inflationary cost pressures, including prescribing costs, making it more expensive to maintain the same level of services.• ongoing legacy cost impacts of Covid-19, including vaccination programmes, testing and Personal Protective Equipment costs.

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Implications for Glasgow City Council:	None.
Implications for NHS Greater Glasgow & Clyde:	None.

1. Purpose

- 1.1. The purpose of this report is to advise of the key findings of the Audit Scotland report on Integration Joint Boards (IJBs) Finance and Performance 2024 and the key recommendations where there is relevant to Glasgow City IJB.

2. Background

- 2.1. In 2022 and 2023 the Accounts Commission published a bulletin setting out the financial position of the 30 Scottish IJBs. This year's report expands on this and provides a high-level independent analysis of IJBs, commenting on:

- the financial performance of IJBs in 2022/23 and the financial outlook for IJBs in 2023/24 and beyond.
- performance against national health and wellbeing outcomes and targets alongside other publicly available performance information.
- a 'spotlight' focus on commissioning and procurement of social care.

- 2.2 This report focuses solely on IJBs. While it comments on how they interact and perform within the wider system, the work does not comment on the work of councils, NHS boards or the Scottish Government or make recommendations to these bodies. In future reports, Audit Scotland will expand the scope to include these public bodies. This will support consideration of community health and social care as a whole system and look at how different parts work together when planning and delivering services.

- 2.3 The full report and accompanying supplements are available at [Audit Scotland IJBs Finance and Performance Main Report](#). This includes an IJB member's question supplement which is a tool designed to provide IJB members with examples of questions they may wish to use to consider the IJB's financial and performance position.

3. Key Messages

- 3.1 The key messages from the report are highlighted below:

1. Integration Joint Boards (IJBs) face a complex landscape of unprecedented pressures, challenges and uncertainties. These are not easy to resolve and are worsening, despite a driven and committed workforce. The health inequality gap is widening, there is an increased demand for services and a growing level of unmet and more complex needs. There is also variability in how much choice and control people who use services feel they have, deepening challenges in sustaining the workforce, alongside increasing funding pressures.

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2. We have not seen significant evidence of the shift in the balance of care from hospitals to the community intended by the creation of IJBs. They operate within complex governance systems that can make planning and decision making difficult. They cannot address the issues across the sector alone. Whole system collaborative working is needed as part of a clear national strategy for health and social care that will promote improved outcomes across Scotland but reflects the need to respond to local priorities.
3. The workforce is under immense pressure reflecting the wider pressures in the health and social care system. Across the community health and social care sector there are difficulties in recruiting and retaining a skilled workforce. The Covid-19 pandemic, the cost-of-living crisis and the impact of the withdrawal from the European Union have deepened existing pressures. Unpaid carers are increasingly relied on as part of the system but are also disproportionately affected by the increased cost-of-living. Without significant changes in how services are provided and organised, these issues will get worse as demand continues to increase and the workforce pool continues to contract.
4. Uncertainty around the direction of the plans for a National Care Service and continued instability of leadership in IJBs have also contributed to the difficult context for planning and delivering effective services. We are seeing examples of IJBs trying to work in new and different ways, but there is a lack of collaboration and systematic shared learning on improvement activities.
5. The financial outlook for IJBs continues to weaken with indications of more challenging times ahead.
 - In common with other public sector bodies, financial pressures arising from rising inflation, pay uplifts and Covid-19 legacy costs are making it difficult to sustain services at their current level and, collaborative, preventative and person-centred working is shrinking at a time when it is most needed.
 - The financial outlook makes it more important than ever that the budget process involves clear and open conversations with IJB partners, workforce, people who use services and other stakeholders around the difficult choices required to achieve financial sustainability.
 - Overall funding to IJBs in 2022/23 decreased by nine per cent in real terms or by one per cent in real terms once Covid-19 funding is excluded. The total reserves held by IJBs almost halved in 2022/23, largely due to the use and return of Covid-related reserves. The majority of IJBs reported notable savings, but these were largely arising on a non-recurring basis from unfilled vacancies.
 - IJBs have had to achieve savings as part of their partner funding allocations for several years. The projected funding gap for 2023/24 has almost tripled, in comparison to the previous year, with over a third anticipated to be bridged by non-recurring savings, with a

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quarter of the gap bridged using reserves. This is not a sustainable approach to balancing budgets.

6. Data quality and availability is insufficient to fully assess the performance of IJBs and inform how to improve outcomes for people who use services with a lack of joined up data sharing. However, available national indicators show a general decline in performance and outcomes.
7. Current commissioning and procurement practices are driven largely by budgets, competition, and cost rather than outcomes for people. They are not always delivering improved outcomes and are a risk for the sustainability of services. Improvement to commissioning and procurement arrangements has been slow to progress but is developing. There are some positive examples of where more ethical and collaborative commissioning models are being adopted.

4. Audit Scotland Recommendations

- 4.1 Although the report identifies specific recommendations for IJBs, it does recognise that IJBs cannot address the crisis in the sector alone. Audit Scotland plan the next iteration of this annual report will be produced jointly with the Auditor General for Scotland and will take a whole system approach and will make recommendations to the Scottish Government, councils, NHS boards as well as IJBs, as appropriate.
- 4.2 The table below identifies the recommendations for IJBs from this report including Glasgow City IJBs position and any actions which are recommended.

Recommendation	Glasgow City IJB Position
Ensure that their Medium-Term Financial Plans are up to date and reflect all current known and foreseeable costs to reflect short and longer-term financial sustainability challenges.	The medium-term financial outlook is updated and presented to the IJB on an annual basis. This financial outlook provides an update reflecting all known and foreseeable costs to provide the IJB with an accurate picture of the financial sustainability challenges ahead.
Ensure that the annual budgets and proposed savings are achievable and sustainable. The budget process should involve collaboration and clear conversations with IJB partners, workforce, people who use services and other stakeholders around the difficult choices required to achieve financial sustainability.	<p>The Chief Finance Officer has a professional responsibility to ensure that annual budgets and proposed savings are achievable and sustainable for the IJB based on the information which is available at budget setting time. Monitoring arrangements are in place to track performance against budget and delivery of savings, and this is used to secure sustainable financial planning for the IJB.</p> <p>There are a range of actions in place to support collaboration and clear conversations with a range of stakeholders both during the budget process and as part of context setting:</p> <ul style="list-style-type: none">• Strategic plan includes details of financial context in which we operate including

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	<p>need to be realistic about what can be delivered given the scale of the challenge.</p> <ul style="list-style-type: none">• Detailed budget discussions take place with IJB partners in relation to the financial context and the decisions required to support funding decisions.• Trade Unions and Staffside are represented on the IJB and receive regular updates on budget forecasts and savings proposals and contribute to their development.• Where relevant consultation with service users and patients is undertaken to inform service proposals.• Regular sessions undertaken with a range of staff within the organisation to both update them on the financial context but also provide them with an opportunity to contribute to development of plans.• Regular communication with staff across the Partnership on the financial challenges faced by the IJB.
<p>Work collaboratively with other IJBs and partners to systematically share learning to identify and develop:</p> <ul style="list-style-type: none">• service redesign focused on early intervention and prevention.	<p>The IJB currently works with other IJBs and partners to systematically share learning to identify and develop service redesign focused on early intervention and prevention. Some examples include:</p> <ul style="list-style-type: none">• The Mental Health Strategy requires the six GG&C NHS board wide HSCPs to work together to deliver transformational change and shift the balance of care from inpatient services to community. Developments have included the introduction of a matched stepped care approach to Borderline Personality Disorder to ensure that individuals receive lower intensity therapies within community settings with access to more specialist therapy when required, to reduce hospital admissions.• Within the vaccination programme we have recently established a joint board wide communication and engagement group to help diversify the way we communicate with communities and to ensure consistent messaging. We also have ongoing work to support the uptake of vaccinations for people from under-represented communities both via the Peer Worker programme and via targeted work by the Childhood Immunisation Team.

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<ul style="list-style-type: none">• approaches focused on improving the recruitment and retention of the workforce.	<ul style="list-style-type: none">• The Unscheduled Care Design and Delivery Plan was developed and designed across the six IJBs in Greater Glasgow and Clyde, sharing lessons from across the system which has resulted in a range of activities focused on prevention and early intervention including home first response service, fall prevention and management activity and anticipatory care planning. <p>Glasgow City HSCP Workforce Plan 2022 – 2025 and Action Plan is attached with the annual update provided to IJB in November 2023. Updated actions to improve the recruitment and retention of the workforce are detailed below:</p> <ul style="list-style-type: none">• Utilising the 'Recruitment and Retention' payment clause in council terms and conditions to recruit and retain MHOs. A net increase of 13 new MHOs since the implementation of this payment in January 2024.• Targeted bespoke social media campaigns used to attract candidates e.g., Consultant Psychiatrists, and use of GCHSCP Social Media accounts to promote "job of the week" for hard to fill roles.• A successful programme of Health and Care Skilled Worker visa sponsorships has supported the recruitment and retention of 70 staff (5 years sponsorship) with a further 13 pending, mainly in Care Services.• Targeted local community-based recruitment events successful in recruiting local people to work within their own areas and communities in Homecare and Older People's Residential Services.• Large-scale recruitment of social workers across the service commenced early 2024, 88 Social Workers were recruited, including a significant amount of newly qualified workers.• An annual recruitment process for Newly Qualified Nurses (NQNs) within Mental Health and Primary Care.• Mental health nursing has accessed the support of the NHSGGC Healthcare Academy to train candidates for the role of Health Care Support Worker within mental health inpatient settings.• Trainee Nurse opportunities - Band 4 'Mental Health (OU) Assistant Practitioner staff. From August 2024 staff are
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	supported to undertake the Open University qualification to become trained Mental Health Nurses and be aligned to a vacant role within their service area.
Work collaboratively with other IJBs and partners to understand what data is available and how it can be developed and used to fully understand and improve outcomes for those using IJB commissioned services. This should include a consideration of gaps in data. It should also include consideration of measures to understand the impact of preventative approaches.	<p>Glasgow City HSCP engage with colleagues at a national level through the Strategic Planning and Performance Officers Group to discuss and share approaches to using data to inform planning commissioning of services to meet the outcomes of individuals through commissioned services. This includes the identification of where gaps in data hinders the ability of the HSCP to demonstrate impact on citizens and deliver its strategic priorities and the national health and wellbeing indicators.</p> <p>The HSCP uses data to inform the development of its strategic plan through its Population and Needs Profile. The Strategic Plan informs the Market Facilitation Plan that sets out the vision, objectives and actions which will direct and govern Commissioning and Procurement activities for social care services to achieve improved outcomes and experiences for our citizens.</p> <p>The HSCP has a robust performance framework which measures performance against a range of key performance indicators using data from a variety of internal and external sources and is scrutinized by the IJB's Finance, Audit and Scrutiny Committee. The HSCPs performance informs the needs analysis that determines the commissioning and procurement priorities for the strategic planning cycle as set out in the Market Facilitation Plan and the Social Care Planned Procurement and Service Commissioning Plan.</p>
Evaluate whether the local commissioning of care and support services, and the contracting of these services, adheres to the ethical commissioning and procurement principles, improving outcomes for people.	<p>Glasgow HSCP proactively supports and promotes the 8 ethical commissioning and procurement principles. The annual Social Care Development Improvement plan is predicated on the 8 principles and is reported on annually to the IJB along with the following years planned procurement activity.</p> <p>https://glasgowcity.hscp.scot/sites/default/files/publications/Item%20No%2014%20-%20Social%20Care%20Planned%20Procurement%202024-25%20and%20Commissioning%20Development%20Plan.pdf.</p>

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	<p>Now in its third year each plan is approved by the IJB with progress reports submitted to the HSCP Senior Management Team on a quarterly basis. This ensures that our adherence and promotion to ethical commissioning is assessed by our key governance bodies along with any identified actions or recommendations.</p> <p>The principles are embedded throughout all stages of the commissioning cycle and each tender is subject to evaluation and feedback as part of a lessons learned and continuous improvement culture with commissioning.</p> <p>Recent evaluation through the national Procurement & Commercial Improvement Programme (PCIP), undertaken jointly with Corporate Procurement Unit, achieved an assessment of advanced practice in all of the key areas which included some aspects of the ethical commissioning principles.</p> <p>Whilst a formal evaluation has not yet taken place a methodology for this is being developed at a national level. This work is led by the Scottish Government and Senior managers from our HSCP are involved in.</p>
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5. Recommendations

5.1 The IJB Finance, Audit and Scrutiny is asked to:

- a) note the contents of this report; and
- b) note Glasgow City IJB's position in relation to the recommendations and approve the actions outlined in section 4.2.

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