

Audit scope

# Integration Joint Boards

Financial bulletin 2025/26

ACCOUNTS COMMISSION 

Prepared by Audit Scotland  
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## Background

Integration Joint Boards (IJBs) are responsible for the strategic planning and commissioning of a wide range of social care and community health services. They work with a range of partners including Scotland's councils and territorial NHS boards. In 2024/25, IJBs oversaw the spending of £12.9 billion of health and social care resources.

Increasing demand, rising costs and a growing number of people with long-term complex needs are placing mounting financial pressures on IJBs.

In our IJB Financial bulletin 2024/25 published in February 2026, we found that:

- Financial pressures on IJBs continue to grow despite a 2.3 per cent real-terms increase in funding in 2024/25
- The level of reserves held by IJBs continue to fall and almost half of all IJBs no longer hold any contingency reserves

- Overspends were reported by most IJBs and offset by additional contributions from NHS and Local Authority partners, but IJBs may not be able to rely on this support in the future
- Most planned savings were achieved by IJBs in 2024/25, but it is unclear what proportion of total savings were recurring in nature.

## Why this audit is important

IJBs have reached a critical point. The funding gap for IJB's was £449 million in 2025/26 and the cost of delivering services is rising faster than available funding.

Tackling this challenge may include making difficult decisions about redesigning or reducing services, and whether new or additional charges need to be made.

The purpose of this audit is to provide an updated assessment of the financial health of IJBs at the end of the 2025/26 financial year, and the medium-term financial outlook.

Our findings will also be important as IJBs and funding partners consider the potential impact of the Scottish Government's public sector reform proposals on the role and structure of IJBs and their financial capacity to deliver social care services.

## What this audit will look at

This audit aims to assess the financial performance of IJBs in 2025/26 and build upon findings from previous reports to assess how performance has impacted on the financial health of IJBs. We will also assess what action IJBs and their partners are taking to address financial challenges, by answering the following audit questions:

- What was the financial performance of IJBs in 2025/26?
- How effective were financial management arrangements in 2025/26?
- What is the medium-term outlook for IJBs and what action are IJBs taking to ensure that service provision is sustainable?

Our upcoming [Sustainability of Adult Social Care](#) report will take a more detailed look at a core service commissioned and overseen by IJBs, and action being taken to meet demand.

## How we will carry out this audit

We will undertake a review of audited accounts for all 30 of Scotland's IJBs, and the associated Annual Audit reports published by IJB's appointed auditors.

We will also review IJB budget papers, and IJB outturn reports published on IJB websites, as well as IJBs' published medium term financial plans and other financial recovery plans that set out how IJBs plan to

continue delivering services in a way that is financially sustainable.

We will speak to IJB Senior Officers and stakeholders to identify the key financial risks that are impacting on the provision of IJB delegated services, and the questions that are posed by public sector reform and Scottish Government commitments to reform social care.

## What we want to happen as a result

We want this audit to provide assurance to the Accounts Commission, the public and other stakeholders by increasing transparency and enabling greater scrutiny of IJBs' finances.

The main audience for this output is IJB board members, chief officers and chief finance officers, as well as the leaders of their partner councils and local NHS Boards.

Data published in our report will support scrutiny of 2027/28 budgets, assist financial planning, and inform discussions on the potential impact of planned public sector reform on how community health and social care services are delivered.

## Timetable

We plan to publish the report on behalf of the Accounts Commission in February 2027.

## Contact

If you have questions about this audit, please contact our communications team on [media@audit.scot](mailto:media@audit.scot).

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