



West Lothian Integration Joint Board Unaudited Annual Accounts 2025/26

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Accounts of West Lothian Integration Joint Board (IJB) for the period to 31 March 2026, prepared pursuant to Section 105 of the Local Government (Scotland) Act 1973 and in accordance with the terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

Annual Accounts

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MANAGEMENT COMMENTARY

Introduction

The Management Commentary provides an overview of the activities undertaken by the IJB to advance its strategic priorities during the financial year 2025/26 and describes the IJB's financial performance during the same period. The commentary also looks forward, outlining the strategic plan, 2026/27 budget and two-year financial outlook. It also considers the risks and issues which may impact upon delivery of IJB strategic priorities and financial performance in the future.

The Role and Remit of the IJB

The Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) established the legal framework for integrating health and social care in Scotland. Integration of health and social care services aims to improve overall health and wellbeing through effective, efficient and seamless delivery of services.

The West Lothian Integration Joint Board (IJB) was established as a body corporate by order of Scottish Ministers on 21 September 2015 and is a separate and distinct legal entity from West Lothian Council and NHS Lothian. The Act requires Local Authorities and Health Boards to integrate the strategic planning of health and social care. The services that have been delegated to the IJB by West Lothian Council and NHS Lothian are as follows:

- Adult Social Care
- Primary Care Services (GP Practices, Community Dentists, Community Pharmacies and Community Opticians)
- Mental Health Services
- Physical and Learning Disabilities Services
- Community Health Services
- Community Hospital Services
- Unscheduled Care Services (services that are generally delivered from St John's Hospital, the Royal Infirmary of Edinburgh and the Western General Hospital).

The IJB sets the direction for these services through its Strategic Plan and issues directions to West Lothian Council and NHS Lothian on how services should be delivered and funded. It brings together the planning, funding and oversight of most adult health and social care services in West Lothian, helping services work better together and focus on prevention, wellbeing and reducing inequalities.

This arrangement recognises that the IJB does not employ any staff directly delivering services or procure services from third parties and does not hold cash resources or operate a bank account of its own.

Membership of West Lothian IJB

The IJB met seven times during the 2025/26 financial year, meetings were held both in person and virtually. The IJB comprises eight voting members, made up of four elected members appointed by West Lothian Council and four NHS Lothian non-executive directors appointed by NHS Lothian. The members of the IJB at 31 March 2026 were as follows:

Member	Role
John Innes	Voting Member, Chair
Tom Conn	Voting Member, Vice Chair
Tony Boyle	Voting Member
Mary Dickson	Voting Member
Damian Doran-Timson	Voting Member
George Gordon	Voting Member
Amjad Khan	Voting Member
Peter Knight	Voting Member
Lesley Cunningham	Non-Voting Member – Staffing Representative
Steven Dunn	Non-Voting Member – Staffing Representative
Hamish Hamilton	Non-Voting Member – Chief Finance Officer
David Huddlestone	Non-Voting Member – Stakeholder Representative
Jo MacPherson	Non-Voting Member – Professional Advisor
Alan McCloskey	Non-Voting Member – Stakeholder Representative
Douglas McGown	Non-Voting Member – Professional Advisor
Donald Noble	Non-Voting Member – Professional Advisor
Ann Pike	Non-Voting Member – Stakeholder Representative
Alison White	Non-Voting Member – Chief Officer
Linda Yule	Non-Voting Member – Professional Advisor

Note on changes during 2025/26:

- Tom Conn rotated to Vice Chair of the IJB as of 21 September 2025.
- NHS Lothian appointed John Innes as Chair of the IJB as of 21 September 2025.
- West Lothian Council appointed Mary Dickson as a voting member of the Board on 22 November 2025, replacing Andrew Maguire whose term on the Board had concluded.
- NHS Lothian appointed Peter Knight as a voting member of the Board as of 1 January 2026, replacing Martin Connor whose term on the NHS Lothian board had concluded.

Strategic Plan 2023-2028

The Strategic Plan for 2023–2028 builds on the foundations of the previous plan and sets out the Board's priorities for the continued improvement of health and social care services in West Lothian. It describes how the IJB will pursue its vision of:

"Working in partnership to improve wellbeing and reduce health inequalities across all communities in West Lothian"

West Lothian's population is growing and getting older. By 2028, the number of people aged 65 to 74 is expected to rise by 19%, and those aged 75 and over by 39%. This is higher than the Scottish average, where the equivalent increases are 14.4% and 25.4%.

Nearly 20% of people in West Lothian report having a long-term health condition that affects daily life. More people are also providing unpaid care. Health outcomes are not equal across the area, with life expectancy between the most and least deprived communities differing by 8 to 10 years.

The Strategic Plan recognises that both West Lothian Council and NHS Lothian are required to achieve significant savings. The Strategic Plan focuses on achieving a sustainable health and social care system for West Lothian. This will require transformational change over time to improve health and wellbeing outcomes and support the transition to the future model of care. The seven strategic aims of the plan are to:

1. Take a 'Home First' approach with coordinated care, support and treatment as close to home as it can be.
2. Deliver planned care wherever possible.
3. Enable access to timely information, advice and support enabling people to make decisions about their own wellbeing.
4. Take a rights-based approach which places people at the centre.
5. Involve citizens, communities, staff, carers and other stakeholders as experts.
6. Improve outcomes for people through seamless partnership working.
7. Drive improvement in service delivery through transformation.

To achieve these aims the IJB agreed three strategic priorities for the duration of the plan:



To make this happen, resources need to move from traditional services to new ways of providing care. The Strategic Plan explains how progress will be tracked and governed. Delivery plans are in place for each priority, supported by an updated 2-year financial outlook approved by the IJB in March.

The full Strategic Plan can be found on the IJB website:

https://westlothianhscp.org.uk/media/57687/IJB-Strategic-Plan-2023-2028/pdf/2023-07-18_UPDATED_West_Lothian_Integration_Joint_Board_Strategic_Plan_2023-28.pdf?m=1689681360843

Operational Overview

The IJB delivers its Strategic Plan by issuing directions to West Lothian Council and NHS Lothian. These directions set out the services to be provided and the resources available to deliver them. Directions for 2025/26 were approved on 25 March 2025.

IJB services fall under three key headings:

- **Core Services** which are local health and social care services within West Lothian. These are managed by West Lothian Health and Social Care Partnership (HSCP) which works across West Lothian Council and NHS Lothian. The HSCP includes Core West Lothian Health and Adult Social Care.
- **Pan Lothian Hosted Services** are delegated services that are managed by business units within NHS Lothian on behalf of IJBs, for example sexual health services provided at Chalmers.
- **Acute Set Aside Services** are primarily hospital based and are managed within the acute business unit within NHS Lothian on behalf of IJBs.

Details of the services that have been delegated to the IJB by NHS Lothian and West Lothian Council are detailed on page 2 under the role and remit of the IJB.

The West Lothian IJB Annual Performance Report covering the financial year 2025/26 will be presented to the IJB in June. The Annual Performance Report will assess progress against the IJB Strategic Priorities as well as providing an overview of service delivery and key achievements in the year. Significant developments in support of the Strategic Plan have been made within each of the IJB service headings during 2025/26 and these are summarised below:

Core Services (West Lothian HSCP)

Home First & Intermediate Care

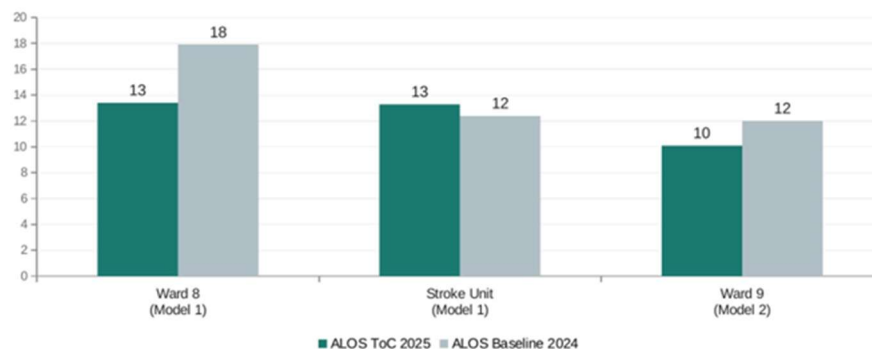
Embedding the MDT Locality Model: During 2025/26, the new multidisciplinary locality model was fully implemented, following learning from the Broxburn test of change. Two locality teams — East and West — now bring together social work, district nursing, community rehabilitation and occupational therapy, enabling faster decision-making and more coordinated support. The model has reduced duplication, improved referral handling and strengthened person-centred planning, with regular joint meetings ensuring continuous improvement.

Integrated Access Point (IAP): The Integrated Access Point continued to expand as the single-entry route for adult health and social care. By offering telephone, email and 24-hour online access, the IAP ensures people receive timely advice and are connected quickly to the right service. The multidisciplinary triage model has reduced waiting times, supported earlier intervention and helped prevent unnecessary hospital attendance.

Hospital Discharge – Test of Change (Nov–Dec 2025): A six-week test of change moved discharge planning from a central hub into inpatient wards. Two models were tested, embedding Home First staff within ward MDTs. The results were very positive:

Average Length of Stay – ToC vs Baseline

Source: Tableau | ToC: Nov–Dec 2025 | Baseline: Nov–Dec 2024



- Ward 8: 25% reduction in length of stay (4.5 fewer days).
- Ward 9: 16% reduction in length of stay.
- 64% fewer changes to planned discharge dates.
- Most patients returned home with existing support restarted.
- The hybrid model has been approved for wider rollout and is cost-neutral.

Primary & Community Care

GP Frailty Review Project: A multidisciplinary frailty review model supported 148 housebound patients, ensuring proactive care planning, medication review and early conversations about future wishes. Key outcomes included:

- 119 medicines stopped or reduced
- 35 anticholinergic medicines removed, reducing falls risk
- £6,500 annual savings
- All patients now have updated Key Information Summaries (KIS) and DNACPR documentation

This approach strengthened shared decision-making and improved patient and staff experience.

Xcite Wellbeing Programme: The Wellbeing Programme received 3,085 referrals (27% increase). New evidence-based programmes, including Escape Pain, were introduced in partnership with Musculoskeletal teams. Volunteers — many former participants — now support delivery.

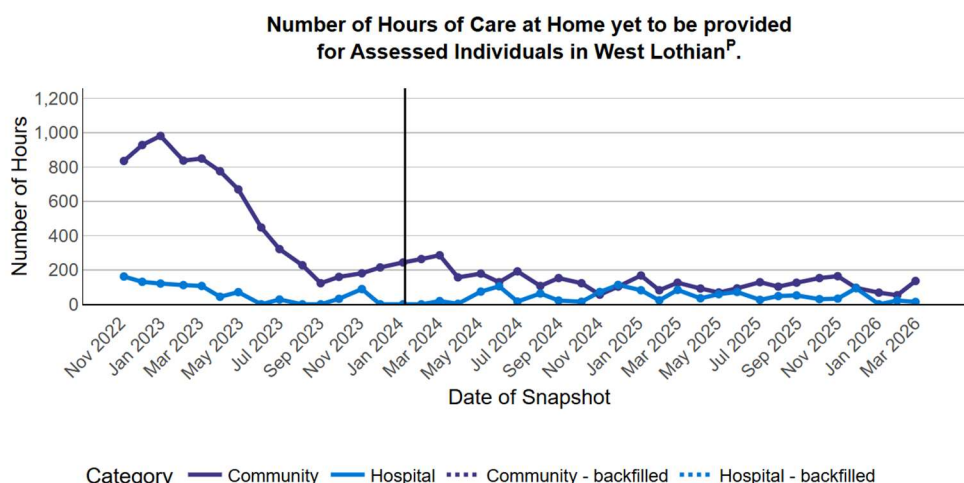
Falls Prevention Programme: Launched in May 2025, the programme received 326 referrals, with 60% engagement. Participants reported statistically significant improvements in quality of life, pain and anxiety. Participant quote: *“After attending these classes, I can get out more and feel more confident. I’ve been signed off from physio and no longer need injections.”*

Ageing Well Programme: Ageing Well delivered 40+ weekly activities, supporting physical activity and social connection. New groups were established in Blackburn and Stoneyburn, and work began to improve access for ethnic minority communities.

Participant voices: *“This group has changed my week but also changed my life.” “Exercise has helped my mobility and reduced my anxiety.”*

Care at Home (Older People)

Care at Home continued to deliver high-quality, person-centred support, maintaining **very low levels of unmet need** throughout 2025/26. A strengthened contract framework, introduced in 2023, has improved quality assurance through electronic call monitoring, quarterly performance monitoring and risk-based provider scoring. A multidisciplinary group continues to meet regularly to analyse care at home data and drive forward improvement.



Learning Disabilities

West Lothian Council Learning Disability Day Services and Borders College continued their Skills Accreditation Programme in 2025/26, providing flexible, accredited learning that supports independence, confidence and employability for people with learning disabilities. Delivered in familiar day service settings, the programme uses trained in-house assessors and Borders College certification. During the year, 10 people achieved awards in areas including travel, community access, health and safety, cooking, gardening, photography and digital skills. Three additional staff were trained as assessors, increasing capacity and extending the programme to people with profound and multiple learning disabilities. The programme continues to strengthen inclusion, widen opportunities and support positive outcomes.

Carers

Carers Rights Day 2025: The annual event attracted 93 attendees, up from 60 the previous year. Twenty-one stallholders provided information on financial advice, equipment, legal support, vaccinations and community services. On-site flu vaccinations were offered for the first time and were well received.

Carers of West Lothian: expanded support for unpaid carers, responding to rising demand and increasingly complex caring roles. Key developments included the launch of the Wee Carers project for children aged 5–8, wider locality-based support, growth in counselling provision, and enhanced support for parent carers. Activity increased markedly, with more

newly registered carers, support contacts, engagement activity and vouchers distributed. On average, 135 new people accessed support each month, and £163,000 of Time to Live funding was distributed to help carers take short breaks from caring.

Medication Assisted Treatment Standards

West Lothian achieved strong performance across the Medication Assisted Treatment Standards:

- **Green:** MAT 1, 6–10
- **Blue:** MAT 2–5

Engagement included lived-experience forums, a large trauma-informed practice event (87 attendees) and a Charter of Rights study day (53 attendees). Work is underway to strengthen pathways for housing and financial advice.

Suicide Prevention Action Plan (2025–28)

A new three-year plan was developed following extensive consultation with over 200 community members and workforce representatives. Targeted engagement with carers, ADP partners and the voluntary sector shaped the final priorities. The vision is that *every person thinking about suicide receives the help, support and compassion they need, when they need it.*

Adult Support & Protection Awareness Day

West Lothian marked the national campaign with a social media programme and an online learning event attended by **68 practitioners**. Guest speakers covered trauma-informed practice, learning from national reviews and the role of the Care Home Collaborative Team. **100%** of respondents said the session met learning objectives.

Pan Lothian Hosted Services

Podiatry

The Podiatry Service (hosted by West Lothian HSCP) improved shared decision-making for new patients by replacing signed consent forms with a structured discussion of benefits, risks, alternatives and the consequences of no treatment. Supported by the Realistic Medicine Team, the service used the validated CollaboRATE tool to measure how involved patients felt in decisions about their care. Early results matched or exceeded NHS Lothian scores, giving confidence that the new approach is strengthening patient involvement and supporting more person-centred care.

Learning Disabilities

Inpatient Learning Disabilities services are hosted by the Royal Edinburgh and Associated Services (REAS) on behalf of the four Lothian IJBs. The IJB continues to support the redesign of Inpatient Learning Disabilities services with a focus on a reduction in inpatient

Learning Disabilities beds as commissioned by the IJB. This has been enabled by new community developments. It is anticipated that the IJB will reduce inpatient bed usage by a further 3 beds early in 2026/27 which will see individuals move into tenancies in their local communities.

Set Aside Services (Acute Services)

Pressures remain at St John's Hospital, West Lothian's main acute hospital. Ongoing workforce challenges (particularly with nursing and medical roles) continue to place strain on the site budget. The management team continues to lead on the Home First programme, with work focussed on reducing Emergency Department attendances, avoiding admissions where appropriate and supporting timely discharge.

During 2025/26, the HSCP and St John's Hospital developed a new partnership approach to strengthen intermediate care at the hospital front door. A multi-disciplinary project group involving acute, community, frailty, nursing and social care staff worked together to understand demand, identify gaps and design a more joined-up model of support. This collaborative work highlighted opportunities to improve bed flow, reduce avoidable admissions, support the 4-hour A&E standard and strengthen access to community pathways. A key achievement during the year was agreement on a shared "Home First" model, focused on earlier conversations with people and families, better coordination at the front door, and timely access to community-based support to help people remain independent at home where appropriate. The work laid the foundations for implementation from April 2026 through a single access point for the new Home First at the Front Door approach.

Financial Overview 2025/26

IJB financial performance against the approved budget is shown below:

Budget Outturn 2025/26	Variance £'000
<i>Operational Outturn:</i>	
Adult Social Care	1,878
Health	2,254
Sub Total - Operational (Surplus)/Deficit	4,132
One-off support from West Lothian Council	(1,451)
One-off support from NHS Lothian	(254)
Drawdown from uncommitted IJB Reserves	(2,427)
Total IJB	0

The overall IJB "in year" position was break even in 2025/26. Health and Social Care budgets were once again significantly overspent; a break-even position was only achieved because of:

- An additional one-off allocation from NHS Lothian of £0.25m
- An additional one-off allocation from West Lothian Council of £1.45m
- Drawing down £2.4m from Reserves

The recovery plan to achieve break-even was approved by the Board when it became clear breakeven was not going to be deliverable due. The Board agreed the recovery plan at its meeting in December 2025: <https://coins.westlothian.gov.uk/Agenda.asp?meetingid=10342>

The deficit for 2025/26 shown in the Comprehensive Income and Expenditure Statement differs from the performance against the approved budget described above because of the IJB incurring expenditure against its reserves and how this is accounted for between financial years.

Budget Pressures and Savings Delivery

Whilst the IJB was able to achieve break-even in 2025/26 this was only after receiving additional one-off allocations from both Partners and drawing down the remaining IJB uncommitted reserves to support overspends within Adult Social Care and Acute Set Aside budgets. IJB financial pressures throughout 2025/26 included:

- **GP Prescribing** costs were again higher than predicted due to high spend on diabetes medicines. West Lothian has a significantly higher proportion of people with pre-diabetes and type 2 diabetes than the rest of Lothian. The HSCP prescribing budget overspent by £2.1m
- **Learning Disabilities** budgets within Adult Social Care were overspent by £2m due to an increase in complexity across several packages of care. High-cost residential pressures remain.
- **Set Aside** budgets relate to Acute Services within NHS Lothian and are managed on behalf of the four Lothian IJBs. Ongoing pressures within these areas include:
 - General Medicine budgets were £0.8m overspent because of gaps in medical rotas as well as continued use of supplementary staffing to cover vacancies and sickness absence in nursing
 - Emergency Department budgets were £0.7m overspent due to high levels of activity throughout the year meaning additional staffing and supplies costs were incurred.

These pressures were again offset largely by a high level of vacancies within HSCP and Hosted services. The IJB delivered 91% of planned savings in 2025/26. Savings delivery for 2025/26 is shown below:

Savings Delivery 2025/26	Planned £'000	Achieved £'000	Under/(Over) Achieved £'000
Adult Social Care	4,793	4,143	650
Core West Lothian Health Services	3,279	3,228	51
Share of Pan Lothian Hosted Services	358	221	137
Acute Set Aside Services	427	459	(32)
Total IJB	8,857	8,050	807

The IJB was £4.1m overspent in 2025/26 against its operational budget and was only able to achieve a breakeven position because of additional one-off funding from Partners and drawing down from uncommitted reserves which are also one-off funding. Having to rely on one-off funding from partners is a significant concern and the IJB now has no contingency reserves. A balanced budget has been agreed for 2026/27, and full delivery of savings will be crucial if the IJB is to remain financially sustainable. The IJB financial position also remains completely reliant on being able to deliver underspends in Core and Hosted Health Services thanks to high levels of vacancies.

Reserves

The IJB reserve balance at the end of 2025/26 is £2.5m, which is entirely earmarked. The IJB now has no general contingency reserve for the first time since 2019/20. The minimum recommended level of general contingency reserve is £2m per the agreed IJB reserve policy. This represents a material reduction in the Board's financial resilience. The absence of reserves means the IJB can no longer absorb in-year financial shocks, manage volatility, or respond to emerging pressures without immediate recourse to in-year savings or additional contributions from partner bodies. While the Reserves Policy remains in place, the target level of £2m is not achievable in the short term given the financial environment. The drawdown of earmarked reserves during the year primarily relates to delivering a breakeven position per the agreed recovery plan, £2.4m of reserves were utilised to offset expenditure on core service provision. The material movements in the IJB reserve position are summarised below and the full position is included in note 8 to the accounts:

	Opening £'000	Movement £'000	Closing £'000
Earmarked Reserves			
Unscheduled Care Fund	1,346	713	2,059
Transformation Fund	176	(176)	0
Inflation & Risk Fund	409	(409)	0
Other Earmarked Reserves*	204	235	439
Uncommitted Reserves			
General Reserve	2,000	0	0
Total	4,135	363	2,498

Key points to note regarding earmarked reserves in 2025/26 are:

- Unscheduled Care Fund - is managed on a pan Lothian basis. Where money hasn't been spent in the financial year it has been carried in IJB earmarked reserves. In 2026/27 it is anticipated that the funding that has been carried forward will be drawn down in full to support the Unscheduled Care programme.
- The drawdown against the Inflation & Risk Fund and Transformation fund was to offset core service expenditure. This allowed the Board to achieve breakeven.

Earmarked reserves are in the main ringfenced for specific projects and the IJB will be encouraging the partners to progress these in 2026/27.

Looking Forward

Strategic Plan 2023-28: Delivery Plans

There has been steady progress made in implementing the Board's Strategic Plan during 2025/26. Delivery plans are in place against each of the three strategic priorities: Improving Health Inequalities in Partnership, A 'Home First Approach', Enabling High Quality Care, Support and Treatment and each plan details:

- Programmes and projects that sit within it.
- Accompanying actions, lead officers and timescales.
- Progress and performance measures.
- Details of relevant National Health and Wellbeing Outcomes.

The delivery plans show how the IJB will deliver the nine national health and wellbeing outcomes through its strategic priorities and transformation programmes, within a context of demographic and financial pressures. They are aligned with the Community Planning Partnership Local Outcome Improvement Plan and build on partnership working to reduce inequalities and improve health outcomes across West Lothian. Each plan has its own priority areas:

Improving Health Inequalities in Partnership	A 'Home First' Approach	Enabling High Quality Care, Support and Treatment
• Prevention and self-management. • Supporting people to make informed choices. • Working with communities in partnership with others to maximise impact. • Local priorities and alignment with Local Outcome Improvement Plan. • Wider determinants.	• Early intervention and prevention. • Human-rights based approach. • Supporting self management. • Care and treatment as close to home as possible. • Planned care not crisis care where possible. • Specialist care in the right place.	• Supporting the workforce to deliver high quality effective care. • Improvement through transformation including through digital transformation. • Support for unpaid carers. • Managing financial resources effectively. • Sustainable services.

During 2025/26, the Integration Joint Board maintained regular oversight of progress against the Strategic Plan 2023–2028, with delivery plan performance formally reported to the Board on a biannual basis.

Delivery plans aligned to the three strategic priorities are now fully established and embedded within governance and commissioning arrangements. As of December 2025, progress reporting indicated that most actions are advancing, with 57% of delivery areas on track and a further 25% progressing with some delay but remaining achievable.

Strong progress has been made in delivering high quality care and in progressing the “Home First” approach, including implementation of the locality-based community model and

development of intermediate care services. Progress in addressing health inequalities is more variable, reflecting pressures in mental health and increasing demand. Across all priorities, delivery continues within a challenging financial environment, impacting the pace and scale of transformation.

2026/27 Budget and Two-year Financial Outlook

The IJB approved an updated budget plan and two-year financial outlook in March 2026. The 2026/27 budget offers from Partners were agreed as part of the updated budget plan and Directions were subsequently issued to Partners. The IJB was able to agree a balanced budget position for 2026/27 after agreeing savings of £7.839m for the year ahead. The Board also agreed savings totalling £5.224m for 2027/28, noting the importance of medium-term financial planning and the requirement to continue to transform services to remain financially sustainable.

The budget contribution from West Lothian Council for 2026/27 includes £2.9m of funding for recurring IJB budget pressures as well as additional Scottish Government funding for payment of the living wage and free personal and nursing care uplift. NHS Lothian's budget contribution includes full pass through of the 2% uplift on baseline budgets for NHS territorial boards. Spend forecasts include costs relating to:

- Assumed pay cost increases for council employed staff.
- Assumed pay cost increases for NHS employed staff.
- Increased number of people requiring care due to the increasing elderly population.
- Inflationary increases in commissioned services, and supplies and services.
- Cost and volume increases in drugs and prescribing.
- Increased care demands due to increased acuity and complexity of care.

The Accounts Commission expects all local government bodies to have a long-term financial strategy supported by detailed financial plans. This is also a requirement of the CIPFA Financial Management Code. The updated two-year financial outlook was presented to the IJB in March 2026 and shows an estimated gap of £15.2m to the end of 2027/28.

Two Year Financial Outlook	26/27 £m	27/28 £m	Total £m
<u>Social Care Services</u>			
Baseline Pressures	2.9	0.0	2.9
Gross Expenditure Increases	10.2	8.8	19.0
Additional Funding & Income	(10.4)	(5.0)	(15.4)
Social Care Budget Gap	2.7	3.8	6.6
Care Home Commitment	0.4	0.3	0.7
Social Care Budget Gap	3.1	4.1	7.2
<u>Health Services</u>			
Baseline Pressures	3.0	(0.0)	3.0
Gross Expenditure Increases	7.1	6.5	13.6
Additional Funding	(5.4)	(3.3)	(8.6)
Health Budget Gap	4.7	3.3	8.0
Total IJB Budget Gap	7.8	7.4	15.2

Given the scale of the financial sustainability challenge it is imperative that the Board focus on the medium-term savings programme required to ensure the ongoing financial sustainability of the IJB.

As part of developing the updated budget plan the IJB completed a public consultation during Autumn 2025. The full findings of the consultation were reported to the Board on 4 February 2026. A total of 369 responses were received, and key feedback was identified which has been taken account of when developing savings measures. For example, responses strongly opposed any measures reducing adult day services and as a result no measures were proposed in this area. Proposals were developed around the following themes:

- Efficiency - Reducing cost of inputs e.g. supplementary staffing, medicines and equipment.
- Transformation - Reducing cost of outputs e.g. care at home, cost per bed day, intermediate care.
- Difficult Choices – Reducing or stopping services.

All saving measures for the next two years have been prepared to try and maintain service delivery capacity wherever possible. As in prior years some of the specific saving measures are definitively around improving service provision and quality, for example the stoma care redesign is expected to improve service performance by reducing unwarranted variation, waste, and prescribing errors through regular specialist reviews and strengthened governance. A summary of the saving measures for 2026-2028 is shown in the tables below, split IJB by saving themes:

Saving Measures 2026-28	2026/27 £'000	2027/28 £'000	Two-year Total £'000
Efficiency	3,801	2,506	6,307
Transformation	933	908	1,841
Difficult Choices	1,617	1,564	3,181
Subtotal West Lothian HSCP	6,351	4,978	11,329
Pan Lothian Hosted Services	1,216	210	1,426
Acute Set Aside Services	272	36	308
Total Savings	7,839	5,224	13,063

Savings totalling £7.8m for 2026/27 compares to a budget gap of £7.8m. The IJB was able to agree a balanced budget for 2026/27 as set out below.

Budget Gap after Saving Measures	2026/27 £'000	2027/28 £'000	Two-year Total £'000
Social Care Savings	(3,132)	(3,478)	(6,610)
Social Care Budget Gap	3,132	4,083	7,215
Remaining Social Care Budget Gap	0	605	605
Health Savings	(4,707)	(1,746)	(6,453)

Health Budget Gap	4,707	3,276	7,983
Remaining Health Budget Gap	0	1,530	1,530
Remaining IJB Budget Gap	0	2,135	2,135

The IJB set a balanced budget for 2026/27 after factoring in agreed saving measures. Due to the remaining £2.1m budget gap in 2027/28 the HSCP management team continue to work on additional saving measures. Discussing emerging savings schemes will be a key theme of Board development sessions throughout 2026/27 as will the development of a long term Budget Strategy which was agreed as part of the Budget Plan. Further consultation with staff, service users and the Wider West Lothian public and stakeholders will be undertaken as required when taking forward new saving measures. There are several financial risks which require close monitoring and reporting to the Board:

- **Pay awards** – negotiations on several 2026/27 pay settlements are ongoing, creating a risk that final award costs will exceed the funding provided.
- **Vacancies** – cost estimates for the year ahead assume several vacancies, particularly in core health services. If vacancy levels improve significantly, additional savings may be required. This is monitored regularly and posts remain subject to vacancy control.
- **Prescribing** – prescribing costs remain volatile due to global economic conditions and demographic pressures in West Lothian. The budget plan assumes prescribing expenditure will rise by 5.5% in 2026/27.
- **Demographic growth** – West Lothian's ageing population creates a risk that demand and cost increases will exceed budgeted levels. As residents age, they are more likely to experience complex, interrelated health needs. Increasing complexity, particularly in adult social care, has been a key driver of overspends over the past several years.
- **Service demand** – rising demand may outstrip capacity across services, while recruitment to key care roles remains challenging.
- **Inflation** – ongoing cost of living and inflationary pressures continue to affect all services, particularly commissioned services.
- **Acute Set Aside Services** – comparing recurring 2025/26 pressures with the 2026/27 budget contribution, there remains a significant funding shortfall. Close collaboration with NHS Lothian and the other Lothian IJBs will be needed to manage these pressures.
- **Savings** – the 2026/27 savings requirement is once again significant and delivery will need scrutiny.

IJB Risk Management

In accordance with the Risk Management Strategy approved by the IJB, all agreed risks are reported to the HSCP Senior Management Team every two months, to the IJB Audit, Risk and Governance Committee every 6 months, and to the IJB annually. In addition, the Audit, Risk and Governance Committee reviews the IJB's risks and high risks at alternate meetings.

Key aspects used in the reporting of IJB risks are the internal controls in place to reduce the level of risk and updates on risk action measures which are intended to further reduce the

level of risk. The IJB has eight risks and there are a further two operational risks owned by West Lothian Council which are also reported to the Board. In total there are ten risks.

Conclusion

Health and social care in West Lothian continued to face significant pressure during 2025/26, driven by population growth, an ageing population and sustained inflationary pressures, particularly in commissioned services. Despite this challenging context, the IJB has continued to maintain and improve key services for the people of West Lothian. Positive service developments in 2025/26 included: the successful embedding of the MDT locality model across West Lothian and the Hospital Discharge pilot which was significant reductions in lengths of stay. The care at home framework continues to maintain extremely low levels of unmet care at home need including minimal numbers of people delayed in hospital who required a care at home care package.

The Strategic Delivery Boards continue to lead delivery of the three Strategic Plan priorities, supported by a monitoring and governance framework that enables the Board to scrutinise progress. Public finances remain under extreme pressure and in the medium-term public sector financial restraint and reform appears likely. The cost-of-living crisis persists and creates further uncertainty for our staff, carers and the people of West Lothian.

The IJB faces a significant challenge around increasing demand for services as the population of West Lothian grows and ages and during a period of constrained financial resources and when recruitment and retention remain challenging. Looking forward, workforce challenges will only be exacerbated by reduced university intakes to key professions, the retirement profile and legislative changes. The new workforce plan covering 2025-2028 aims to address this challenge head on by supporting and developing a sustainable, skilled and resilient workforce to deliver service transformation and meet rising demand. Delivering the Strategic Plan and a sustainable budget will require the IJB to accelerate transformation and continue reshaping services to meet changing needs in West Lothian.

The IJB will continue to work in partnership with local communities, staff, carers and other key stakeholders to improve health outcomes and reduce health inequalities across West Lothian. The IJB would like to express its sincere thanks to all health and social care staff for their continued commitment, professionalism and hard work. It also records its gratitude to the many care providers, third sector organisations and individuals across West Lothian whose support and dedication play an essential role in meeting the needs of patients, service users and carers.

West Lothian IJB Chair:

Chief Officer:

Chief Finance Officer:

23 September 2026

STATEMENT OF RESPONSIBILITIES

Responsibilities of the Integration Joint Board

The Integration Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the board has responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the Chief Finance Officer
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003)
- Approve the Annual Accounts

Signed on Behalf of West Lothian Integration Joint Board

Chair of West Lothian Integration Board
23 September 2026

Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the Integration Joint Board's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code).

In preparing the Annual Accounts, the Chief Finance officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with legislation
- complied with the local authority Code (in so far as it is compatible with legislation)

The Chief Finance Officer has also:

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities

I certify that the financial statements give a true and fair view of the financial position of the West Lothian Integration Joint Board as at 31 March 2026 and the transactions for the year then ended.

Chief Finance Officer
23 September 2026

REMUNERATION REPORT

Introduction

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

The information in the tables below is subject to external audit and all other sections of the Remuneration Report will be reviewed by Audit Scotland and any apparent material inconsistencies with the audited financial statements will be considered as part of their audit report.

Remuneration: IJB Chair and Vice Chair

The voting members of the IJB are appointed through nomination by West Lothian Council and NHS Lothian. Nomination of the IJB Chair and Vice Chair post holders alternates between a Councillor and a Health Board representative.

The IJB does not provide any additional remuneration to the Chair, Vice Chair or any other Board members relating to their role on the IJB. The IJB does not reimburse the relevant Partner organisations for any voting board member costs borne by the Partner.

The details of the Chair and Vice Chair appointments are shown below.

Name	Post(s) Held	Nominated by
Tom Conn	Chair 01/04/25 to 21/09/25	West Lothian Council
Martin Connor	Vice Chair 01/04/25 to 21/09/25	NHS Lothian
John Innes	Chair 21/09/25 to 31/03/26	NHS Lothian
Tom Conn	Vice Chair 21/09/25 to 31/03/26	West Lothian Council

NHS Lothian remunerates its non-executive members on a notional day basis. That is, they are paid a fixed annual amount which is considered to represent payment for one day per week. Those non-executive members of the NHS Lothian Board who serve as voting members of the IJBs, particularly those who undertake the Vice Chair or Chair roles, may receive additional remuneration from NHS Lothian to reflect their additional time commitments. This is a matter for the NHS Lothian Board to determine, based on the range of duties and responsibilities undertaken by its non-executive board members.

John Innes, as a non-executive member of NHS Lothian Board who is the Chair of West Lothian IJB receives no additional remuneration for his role as Chair. Martin Connor, who as a non-executive member of NHS Lothian Board was the Vice Chair of West Lothian IJB received no additional remuneration for his role as Vice Chair.

No specific additional remuneration is provided by the council for Councillors holding the IJB Chair or Vice Chair role.

There were no IJB specific expenses recorded for voting members of the IJB during 2025/26 (2024/25 Nil). Any expenses claimed by voting members are paid through the relevant IJB Partner organisation.

The IJB does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting IJB members. Therefore, no pension rights disclosures are provided for the Chair or Vice Chair.

Remuneration: Officers of the IJB

The IJB does not directly employ any staff, however specific post-holding officers are non-voting members of the board. The remuneration of the Chief Officer is set by the employing body. In line with the Public Bodies (Joint Working) (Scotland) Act 2014, the Chief Officer and the Chief Finance Officer are regarded as employees of the Integration Joint Board when undertaking duties for the Board in relation to delegated functions. The Chief Officer and Chief Finance officer also have operational roles within NHS Lothian and / or West Lothian Council and it is estimated that approximately 50% of their time is associated with IJB duties. For the IJB remuneration report, 50% of their full year or full year equivalent remuneration has been shown.

Total 2024/25 £'000	Senior Employees	Salary, Fees & Allowances £'000	Loss of Office Payments £'000	Total 2025/26 £'000
74	Alison White, Chief Officer	77	Nil	77
42	Hamish Hamilton, Chief Finance Officer	46	Nil	46
116	Total	123	Nil	123

In respect of officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing Partner organisation. On this basis there is no pensions liability reflected on the IJB balance sheet for the Chief Officer or any other officers. The IJB has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the IJB. The following table shows IJB's funding during the year to support 50% of officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions

Senior Employee	In Year Pension Contributions			Accrued Pension Benefits	
	For Year to 31/03/25 £	For Year to 31/03/26 £		As at 31/03/26 £'000	Difference from 31/03/25 £'000
Alison White, Chief Officer	12,940	13,627	Pension Lump sum	49 16	5 1
Hamish Hamilton, Chief Finance Officer	9,453	10,437	Pension Lump sum	20 0	3 0
Total	22,393	24,063	Total	85	9

Disclosure by Pay Bands

As required by the regulations, the following table shows the number of persons whose remuneration for the year was £50,000 or above, in bands of £5,000.

Number of Employees in Band 2024/25	Remuneration Band	Number of Employees in Band 2025/26
0	£55,000 - £59,999	0
0	£60,000 - £64,999	0
0	£65,000 - £69,999	0
1	£70,000 - £74,999	0
0	£75,000 - £79,999	1

Exit Packages

The IJB did not support, nor did it direct to be supported by its partners, any exit packages during 2025/26 (2024/25 Nil).

Chief Officer
23 September 2026

Chair
23 September 2026

ANNUAL GOVERNANCE STATEMENT

Introduction, summary and conclusion

The Annual Governance Statement explains the Integration Joint Boards (IJB) governance and internal control arrangements, and how the IJB complies with the CIPFA and SOLACE framework “Delivering Good Governance in Local Government” which details the requirement for an Annual Governance Statement.

The statutory Integration Scheme (‘the Scheme’) is the agreement reached between the council and the health board underpinning the establishment of the IJB. The Scheme is reviewed by the council and the health board at least every five years. Changes require a formal statutory review process. The current Scheme became effective from May 2023. Legislation requires that the IJB, council and health board comply with the Scheme.

The IJB’s governance framework is comprised of: corporate documents, policies, procedures and controls. Those documents set out standards and principles for the IJB to undertake its business in accordance with the law and to ensure public money is safeguarded and used economically, efficiently and effectively, to secure best value.

The conclusion drawn in this Statement is that the IJB and the West Lothian community can be assured that the IJB’s corporate governance standards have been substantially met in 2025/26.

Structure and powers

The IJB is a statutory body. It: -

- is responsible for the social work, social care and health care functions delegated to it by the council and the health board.
- makes a strategic plan for delivery of the health and social care services through which the integrated functions are delivered.
- receives financial contributions from the council and health board.
- directs the council and the health board in how they should deliver the integrated functions on its behalf and allocates financial resources.

The IJB has established committees and other groups:

- The Appointments Committee to fill the posts of Chief Finance Officer, Internal Auditor, Standards Officer and Data Protection Officer.
- The Audit Risk & Governance Committee (the committee) with scrutiny powers in relation to risk management, corporate governance and internal and external audit reports. It meets quarterly. The public has access to its meetings and meeting papers. The external auditor attends its meetings.
- The Strategic Planning Group (SPG), in accordance with legislation and guidance in relation to development, review and progressing the strategic plan.
- The Health and Clinical Care Governance Group, chaired by the Chief Nurse. It provides a focus for clinical and social care issues and concerns and to advise the IJB where appropriate of concerns and problems.

All of the IJB's activities are undertaken within the terms of the Scheme. Its decision-making is undertaken under Standing Orders, which are reviewed on a three-year cycle, comprised of:-

- Standing Orders, governing the way IJB and committee meetings are conducted
- Remits and procedural rules for committees, working groups and Planning & Commissioning Boards
- Scheme of Delegation to Officers setting out the responsibilities and powers allocated to senior officers
- Members' Role Descriptions and members' induction and training support
- Financial Regulations which set the rules and procedures for financial, budget and treasury management
- Strategic Plan and its accompanying Annual Financial Statement

Standing Orders, the Scheme of Delegations and Committee remits were last reviewed and approved by the IJB in June 2025. Financial Regulations were reviewed and approved by the IJB in February 2025.

In 2022 the IJB determined that the structure and framework of strategic commissioning plans would be retained as the means to develop a replacement five-year strategic plan. A review of the SPG arrangements was completed and reported in 2024/25.

The IJB publish a statutory performance report every year. It provides information on council and the health board performance as specified in Directions. Annual and interim performance reports are considered by the IJB. Ad hoc reports are brought for the IJB's information and scrutiny as required.

Financial Regulations require quarterly budget monitoring reports to be presented to the IJB. Periodic budget and financial assurance reports are provided to the IJB to enable; the implementation of the budget, publication of the annual financial statement, and the issuing of Directions.

The IJB has a Risk Management Strategy under which risks are proactively identified, assessed, and mitigated. At alternate quarterly meetings the committee receives reports on high risks, and on the whole the risk register. The risk register is reported to the IJB annually, the most recent in September 2025. The Risk Management Annual Report is considered in June each year by the committee.

The IJB

IJB decisions are made by eight voting members, four from each of the council and the health board. The IJB's non-voting members are senior council or health board professionals, representatives of the users and providers of health and social care services, and council and health board staff representatives. Members roles and responsibilities were last reviewed in 2024.

In accordance with the Scheme and Standing Orders, the chair and vice-chair positions of the IJB and the committee switch every two years. The IJB is currently chaired by a health board member, the committee by a council member. The vice-chair positions are the opposite way around.

The IJB meets in public, except in defined circumstances, approximately every six weeks. Meetings take place under a mix of physical and online arrangements. It maintains a work plan and a schedule of periodic/cyclical reporting, reviewed at every meeting. The IJB's work is assisted by a series of member development sessions which aid discussion about issues of growing or particular concern and the long-term plans for the IJB and its work. They are not used for decision-making. These sessions are also used for delivery of training or briefing sessions.

The IJB is represented on the Community Planning Partnership Board by the Chief Officer. The IJB contribute, through the partnership's thematic forums and locality planning groups, to the development of the Local Outcomes Improvement Plan (LOIP). Work continues on the partnership's locality plans which support the LOIP.

The IJB participates in the Lothian Integrated Care Forum, which has representatives from the health board and the four Lothians integration joint boards. It ensures a co-operative and consistent approach to the delivery of health and care services across the Lothians.

The Chief Finance Officer participates in the Lothian Finance Forum established amongst Finance Officers of IJBs, councils and health boards. The Chief Officer also participates in the pan Lothian Chief Officers group which meets monthly to collaborate on best practice and common issues facing each HSCP.

The IJB receives an annual report on partnership working. Chief Officer reports are standing items on the agendas for IJB meetings. Those reports include updates on partnership working to inform members of developments, reports on numbers of complaints, and the number of freedom of information requests received.

Officers

Legally, the IJB only has one member of staff – its Chief Officer. They:-

- head the joint management team.
- lead the health board and council staff responsible for delivering the integrated services in accordance with IJB directions.
- are accountable to the IJB, and also to the Chief Executives of the council and the health board.

The powers and responsibilities of the post are set out in the IJB's Scheme of Delegations. The Chief Officer is a non-voting member of the IJB.

Legislation requires the IJB to appoint a Chief Finance Officer. The following applies to that post:-

- the role is to be performed in accordance with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).
- the holder should be professionally qualified.

The Chief Finance Officer is a non-voting member whose powers and responsibilities are set out in the IJB's Scheme of Delegations.

The Chief Finance Officer maintains the IJB's Best Value Framework, to include a report each year to the IJB on its compliance with its statutory best value duty. That report informs the Internal Auditor's review of the system of internal control and the annual governance statement.

The IJB operates an internal audit service in accordance with Global Internal Audit Standards 'GIAS'. In the UK public sector these are applied alongside the Application Note: Global Internal Audit Standards in the UK Public Sector issued by the Relevant Internal Audit Standard Setters (RIASS), including the Chartered Institute of Public Finance and Accountancy (CIPFA). The council's Audit Risk & Counter Fraud Manager is the "chief audit executive". Internal audit is an independent function which examines and evaluates the IJBs systems of financial and non-financial control. An annual audit plan is approved by the committee in March each year. The IJB's Internal Audit Charter was approved in December 2021. There is annual reporting to the committee of internal audit activities. There is a co-operative relationship with the internal audit services for council and health board. The IJB is able to draw assurance from the internal audit work of its partner bodies.

Risk management is overseen by the Internal Auditor. The Risk Management Strategy and Policy was approved in August 2023. The senior management team monitors, assesses and mitigates risk at service level. The IJB's risk register is reported regularly to the committee and to the IJB. There are co-operation arrangements in place amongst IJB, council and health board to enable mutual understanding and assurance. The annual report will be presented to the committee in June 2026, confirming the continuing suitability of the IJB's risk management arrangements.

The Standards Officer is responsible for ensuring that the IJB and its members meet their obligations under ethical standards legislation and the Members' Code of Conduct. The IJB has appointed the council's Governance Manager to that role. They are responsible for maintaining members' Register of Interests and advising on Code of Conduct issues and concerns. The Members' Code of Conduct became effective in July 2022. An annual report is presented to the IJB in November or January each year to ensure members are aware of developments around the ethical standards regime and their duties. Training sessions are delivered yearly. The Standards Officer supports the IJB in meeting its expected and adopted standards of good corporate governance. They prepare the annual governance statement and report to the IJB on governance matters, including compliance with the IJB's adopted Local Code of Corporate Governance. The external audit report for 2024/25 concluded that governance arrangements remain appropriate and operate effectively.

The council must appoint a senior officer with social work qualifications and experience to the statutory role of Chief Social Work Officer. That post has responsibility for statutory delivery of social work and care services. It has the statutory right to direct access to the council's senior management and its elected members. The Chief Social Work Officer is a non-voting member of the IJB. The IJB's Standing Orders ensure a similar right of access to the IJB and IJB members in relation to areas of professional concern.

The health board has appointed a Clinical Director, and a Chief Nurse, who hold similar posts in relation to health care. The holders of those posts are also non-voting members of the IJB. The IJB's Standing Orders give a right of access to the IJB and IJB members

The Chief Social Work Officer, the Clinical Director, and the Chief Nurse each deliver an annual report to the IJB in connection with the discharge of their duties in relation to health and social care governance and statutory compliance.

Audit Risk & Governance Committee

The committee monitors the internal audit service provided under the supervision of the IJB's Internal Auditor. It:-

- is given periodic assurance in relation to both internal audit and non-internal audit functions in its remit through the internal audit manager of another council.
- approves an annual audit plan and receives reports about its completion.
- considers reports brought forward in relation to internal audit work, both programmed and reactive.
- approves the annual governance statement on behalf of the IJB prior to its consideration as part of the unaudited annual accounts.

Its remit and powers were subject to review in 2025.

The committee undertakes an annual survey of its members to help ensure its effective operation and to identify areas where improvements may be made.

The committee considers:

- internal Audit reports for information and scrutiny which contain a finding as to soundness of control and whether controls are satisfactory. Reports set out improvement actions as agreed with officers. Implementation of actions and committee recommendations are the responsibility of the Chief Officer. Concerns regarding completion of agreed actions are reported back to the committee.
- the external auditor's Annual Plan and the external audit annual report and audited accounts prior to their consideration and approval by the IJB.
- external reports in relation to finance and governance matters, such as those by the Accounts Commission or Audit Scotland in relation to finance and funding of integration joint boards, councils and health boards.
- annual reports on corporate governance, including the annual governance statement for approval.
- reports on progress on the governance issues identified for attention in annual governance statements and from other sources during the year.

The Internal Audit Annual Report for 2025/26, reported to committee in June 2026, provides details of the risk-based audits undertaken for the IJB, and the conclusions arising from that work. Reports with recommendations and agreed actions have been submitted to the committee in the course of the year.

System of internal control

The IJB governance framework contains a system of internal control. It:-

- is designed to identify risks to the achievement of the IJB's objectives; to evaluate the likelihood of those risks occurring; to consider the potential impact of the risks; and to manage them effectively.

- Is developed and managed by officers who support the IJB and approved where required by the IJB or the committee.

The system of internal financial control:-

- is designed to provide assurance on the effectiveness and efficiency of operations and the reliability of financial reporting.
- is based on a control framework (which includes financial regulations and a system of management supervision, delegation and accountability) supported by regular management information, administrative procedures and segregation of duties.
- has key elements which include a documented internal control framework relating to financial processes, procedures and regulations; a comprehensive budgeting and monitoring framework; scrutiny of periodic and annual financial and operational performance reports; performance management information; risk management; and project management disciplines.

The IJB conducts a periodic review of its system of internal control annually, through the committee, as part of its consideration of the Internal Audit Annual Report. The Internal Auditor provides an assessment and an opinion to the committee on the system's adequacy and effectiveness. That review precedes and informs the statutory annual governance statement which requires approval by the IJB and incorporation into the annual accounts.

The Internal Auditor identifies areas where improvements are required. The committee is informed of agreed actions and deadlines for completion. The Internal Auditor undertakes to follow up and report on agreed recommendations. Committee seeks assurances from responsible officers on progress through follow-up reports. Following the review for 2025/26, the Internal Auditor's conclusion, as reported to the committee in June 2026, is that the IJB has a sound framework of governance, risk management and control.

Best Value Framework

The Best Value Framework was reviewed and updated in March 2024. It:-

- provides the IJB with the assurance that it requires on the extent of its compliance with its statutory best value duty.
- includes an assessment of compliance with seven elements of best value and best practice (vision and leadership, governance and accountability, effective use of resources, partnership and collaborative working, working with communities, sustainable development, and fairness and equality).

The IJB should have effective processes for scrutinising best value performance, monitoring progress towards its strategic objectives, and holding partners to account. The external auditor noted in its annual report for 2025/26 that the IJB has effective arrangements in place for managing and monitoring performance and appropriate arrangements are in place for securing Best Value.

The Chief Finance Officer's assessment and assurance were reported in the compliance statement presented to the committee in June 2026. Along with the Internal Auditor's review of the system of internal control and the Local Code of Corporate Governance it informs and underpins the annual governance statement. The Chief Finance Officer has concluded and

will certify that the IJB has demonstrated substantial compliance with its best value duties in 2025/26.

Local Code of Corporate Governance

The IJB's governance arrangements are assessed each year and reported in accordance with statutory requirements under a Framework document called "Delivering Good Governance in Local Government". The IJB has a Local Code of Corporate Governance, developed and adopted under that Framework. The Code is reviewed annually and presented to the committee each June for discussion and agreement. An internal audit report on governance arrangements in 2022/23 found arrangements to be satisfactory.

The Code adopts the seven over-arching principles from the Framework. Each of those principles is broken down into sub-principles and then separate elements to allow a focused approach to the components of each. A list of sources of evidence is included and the IJBs actions and performance are assessed to determine where it exceeds, meets or fails to meet the required standards. Areas of concern are identified and reported through the annual reporting process. Actions are identified and allocated and progress monitored through reporting to the IJB and committee. The Code is used to inform the approval of the annual governance statement.

The Code was reported to committee in June 2026 with no changes being noted. Officers consider that the Code and the way it operates remain compliant and fit for purpose. Substantial compliance with the Code's standards has been maintained. The committee accepted that assurance in June 2026. 96% of the standards are rated as green. There are only 5 red standards which are of significant concern and where the evidence indicates that work is required to secure improvement. They are all related to the outstanding work on ensuring full compliance with the GDPR and Data Protection Act 2018. Work is ongoing with delivery expected in 2026/27.

Past and present governance issues

Governance reporting identifies areas of concern and issues to be addressed by officers and members. Issues carried forward from previous years are amalgamated with new issues arising to show how issues have been dealt with where they cross the end of reporting years.

The most recent update was considered by the committee in June 2026 as part of the end of year reporting in the governance cycle. Substantial progress has been made in tackling the governance issues identified.

The most significant remaining issue is ensuring appropriate procedures and safeguards are in place in relation to information management and governance. The council, following a full review of its own arrangements, adopted revised Information Governance policies and designated a Data Protection Officer. It has agreed to support the IJB. The Scheme of Delegations was reviewed in 2025 and a role description and delegations for the post of Data Protection Officer inserted. A permanent appointment of Data Protection Officer has been made. A full report on legal requirements, risks and governance arrangements will be made to the IJB in June 2026 to ensure that all outstanding work and associated actions are identified to address compliance with the GDPR and Data Protection Act 2018. The issue is

fully understood. The risk presented by any non-compliance is not considered to threaten or materially affect the operations or finances of the IJB while this issue is fully addressed

Issues to be addressed in 2026/27

These are the issues of concern that the IJB is recommended to address in 2026/27:-

- Complete the measures required to ensure full compliance with data protection legislation (see 9.3, above).
- The Strategic Plan was approved in March 2023. It requires to be reviewed every five years. Work will begin in 2026/27. The Participation and Engagement Strategy 2023/26 approved in September 2023 to be refreshed and presented to the IJB in 2026 to outline the approach that will be taken in relation to engagement to support the development of the new strategic plan.
- The Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Amendment Order 2025 amends the Public Bodies (Joint Working) (Scotland) Act 2014 so that third sector, unpaid carer and service user representative members have voting rights. The Order will come into force on 1 September 2026. The IJB will need to determine the amendments required to the Scheme, Standing Orders, and Code of Conduct to give effect to the Order.
- At its meeting on 24 March 2026 the IJB agreed that officers commence a review of the implications of demographic change across all health and social care services as part of the IJB's longer term budget strategy. Review to be undertaken and findings reported to the IJB.
- The Best Value Framework to be reviewed during 2026/27 and the outcome of that review will be presented to the Board for approval prior to the Annual Accounts process for 2026/27.

Progress will be tracked through senior management team meetings and interim reports to committee. The committee has the power to call for stand-alone reports on individual issues causing particular concern.

Conclusion and assurance

The conclusion and assurance is based on:-

- The Internal Auditor's opinion on the effectiveness of the IJB's system of governance, risk management and internal control.
- The Best Value Assurance Statement by the Chief Finance Officer.
- The Local Code of Corporate Governance.
- Progress made on tackling governance areas of concern.
- The conclusions reached in the external auditor's report for 2024/25 and reported to the IJB in September 2025.

There are inevitably issues to be addressed and improvements that can be made. However, based on the governance framework described in this statement the IJB and the West Lothian community can be assured that the IJB's corporate governance standards have been substantially met in 2025/26.

Chief Officer
23 September 2026

Chair
23 September 2026

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the cost of providing services for the year according to accepted accounting practices.

The comprehensive income and expenditure statement below takes account of all relevant accounting entries to reflect the year end income and expenditure recorded in the ledgers for NHS Lothian and West Lothian Council in respect of West Lothian IJB functions for 2025/26.

The figures have been prepared in line with appropriate accounting policies required to provide a true and fair view in accordance with annual accounts requirements.

2024/25 Net Position £'000		Notes	Gross Expenditure £'000	2025/26 Gross Income £'000	Net Position £'000
254,344	Health Functions	3	267,895	0	267,895
99,112	Social Care Functions	3	104,857	0	104,857
37	Corporate Expenditure	4	38	0	38
353,493	Cost of Services		372,790	0	372,790
(348,820)	Taxation & Non-Specific Grant Income		0	(371,153)	(371,153)
4,673	(Surplus) or Deficit on Provision of Services		372,790	(371,153)	1,637

MOVEMENT IN RESERVES STATEMENT

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

Movement in Reserves During 2025/26

	General Fund Balance £'000
Opening Reserve Balance at 1 April 2025	4,135
Drawdown of Reserve Balance During Year	(4,135)
Addition to Reserves During Year	2,498
(Decrease) or Increase in Reserves in 2025/26	(1,637)
Closing Reserve Balance at 31 March 2026	2,498

Movement in Reserves During 2024/25

	General Fund Balance £'000
Opening Reserve Balance at 1 April 2024	8,808
Drawdown of Reserve Balance During Year	(6,019)
Addition to Reserves During Year	1,346
(Decrease) or Increase in Reserves in 2024/25	(4,673)
Closing Reserve Balance at 31 March 2025	4,135

BALANCE SHEET

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

31 March 2025 £'000		Notes	31 March 2026 £'000
4,135	Short term Debtors	6	2,498
4,135	Current Assets		2,498
0	Short term Creditors	7	0
0	Current Liabilities		0
0	Provisions	3	0
0	Long-term Liabilities		0
4,135	Net Assets		2,498
2,135	Earmarked Reserves: General Fund	4	2,498
2,000	General Reserves	4	0
4,135	Total Reserves		2,498

The unaudited accounts will be issued on 30 June 2026 and the audited accounts are due to be authorised for issue on 23 September 2026.

Chief Finance Officer

NOTES TO THE ANNUAL ACCOUNTS

1. ACCOUNTING POLICIES

1.1 General Principles

The West Lothian Integration Joint Board is formed under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a joint venture between West Lothian Council and NHS Lothian.

Integration Joint Boards (IJBs) are specified as section 106 bodies under the Local Government (Scotland) Act 1973 and as such are required to prepare their Annual Accounts in compliance with the Code of Practice on Accounting for Local Authorities in the United Kingdom. The Statement of Accounts present a true and fair view of the financial position of 2025/26.

The Annual Accounts summarise the Integration Joint Boards transactions for the 2025/26 financial year and its position at the year end of 31 March 2026.

1.2 Going Concern

The IJB financial statements for 2025/26 have been prepared on a going concern basis. The IJB was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973. The concept of a going concern assumes that an authority's functions and services will continue in operational existence for the foreseeable future. In accordance with the CIPFA Code of Local Government Accounting, the IJB is required to prepare its financial statements on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or function to another entity. The accounts are prepared on the assumption that the IJB will continue in operational existence for the foreseeable future.

The IJB's funding from and commissioning of services to partners has been confirmed for 2026/27, and a medium-term financial outlook covers up until 2027/28.

1.3 Accounting Convention

The accounts are prepared on a historical cost basis.

1.4 Funding

The Integration Joint Board receives contributions from its funding Partners namely West Lothian Council and NHS Lothian to fund its services. Expenditure is incurred in the form of charges for services provided to the IJB by these Partners.

1.5 Material Items of Income and Expense

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

1.6 Indemnity Insurance

The IJB is a member of the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) which protects the Board against financial losses. The scheme provides cost-effective risk pooling and claims management arrangements for those providing health and social care services across Scotland. The level of indemnity cover provided by CNORIS to member organisations relates to employer's liability, public / product liability and professional indemnity type risks. CNORIS also provides cover in relation to Clinical Negligence. There are several exclusions, where CNORIS does not provide cover, such as for travel, property insurance, personal accidents and income generating activities.

In terms of the IJB, the key risk covered by CNORIS is Directors and Officers (Members and Officials) cover. In becoming Members of the IJB, Board members remain employees or elected representatives of the partner organisations (NHS Lothian and West Lothian Council), and as such they may at any point be asked to do something or make a decision that goes against their partner organisations normal business. The cover would step in at that point to cover any decisions of this nature that they have made.

1.7 Support Services

Support services were not delegated to the IJB and are provided by the Council and the Health Board free of charge as a 'service in kind'. This is consistent with VAT advice and means that support services to the IJB are outside the scope of VAT. This arrangement was set out in a report to the IJB on 16 February 2016. The list of support services provided to the IJB by West Lothian Council and NHS Lothian is summarised as follows:

- Human Resources
- Internal Audit and Risk Management
- Information Technology
- Buildings Accommodation
- Property / Facilities Management
- Learning and Development
- Health and Safety
- Committee Services
- Procurement Services
- Financial Services
- Corporate Communications
- Legal Services

1.8 Accruals of expenditure and income

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- All known specific and material sums payable to the IJB have been brought into account.
- Suppliers are recorded as expenditure when they are consumed. Expenses in relation to services received are recorded as expenditure when the service is received rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet.

Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

1.9 Provisions, Contingent Liabilities and Contingent Assets

Provisions are made where an event has taken place that gives the IJB a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of obligation.

Provisions are charged as an expense to the appropriate service line in the Income and Expenditure Statement in the year that the IJB becomes aware of the obligation and measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision held in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

A contingent asset or liability arises where an event has taken place that gives the IJB a possible obligation or benefit whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the IJB. Contingent liabilities or assets also arise in circumstances where a provision would otherwise be made but, either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent assets and liabilities are not recognised in the Balance Sheet but disclosed in a note to the Accounts where they are deemed material.

1.10 Post Balance Sheet Events

In accordance with the requirements of International Accounting Standards 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date that the accounts were certified by the Chief Finance Officer following approval by the Board.

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified.

- Adjusting events: Those that provide evidence of conditions that existed at the end of the reporting period. The Annual Accounts is adjusted to reflect such events.
- Non-adjusting events: Those that are indicative of conditions that arose after the reporting period and the Statements are not adjusted to reflect such events. Where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

In terms of 2025/26, no financial impact on the 31 March 2026 financial position has been identified.

1.11 Related Party Transactions

Related parties are organisations the IJB can control or influence or who can control or influence the IJB. As Partners in the Joint Venture of West Lothian IJB, both West Lothian Council and NHS Lothian are related parties and material transactions with those bodies are shown in line with the requirements of IAS 24 Related Party Disclosures.

1.12 VAT

The IJB is not VAT registered. The VAT treatment of expenditure in the IJB's accounts depends on which of the Partner agencies is providing the service as these agencies are treated differently for VAT purposes.

Where the Council is the provider, income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to H.M. Revenue & Customs and all VAT paid is recoverable from it. The Council is not entitled to fully recover VAT paid on a very limited number of items of expenditure and for these items the cost of VAT paid is included within service expenditure to the extent that it is irrecoverable from H.M. Revenue and Customs.

Where the NHS is the provider, expenditure incurred will include irrecoverable VAT as generally the NHS cannot recover VAT paid as input tax and will seek to recover its full cost as income from the Commissioning IJB.

2. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

The critical judgements made in the Financial Statements relating to complex transactions are:

- The partner organisations have considered their exposure to possible losses and made adequate provision where it is probable that an outflow of resources will be required and the amount of the obligation can be measured reliably. Where it has not been possible to measure the obligation, or it is not probable in the partner organisations' options that a transfer of economic benefits will be required, material contingent liabilities have been disclosed (there are none).
- The Annual Accounts contain estimated figures that are based on assumptions made by the IJB about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.
- There are no items in the IJB's Balance Sheet at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming year.

3. PARTNER EXPENDITURE ANALYSIS

The following analysis sets out the 2025/26 expenditure incurred across IJB delegated functions. Information is provided to the Board throughout the year to enable them to review the financial performance of delegated functions.

Health Services	2025/26 Expenditure £'000	2024/25 Expenditure £'000
Core West Lothian Health Services		
Community Hospitals	2,248	2,129
District Nursing	5,985	4,874
General Medical Services (GMS)	40,632	38,011
Mental Health	24,481	22,702
Other	20,774	21,699
Prescribing	41,588	42,054
Resource Transfer	18,742	18,742
Therapy Services	9,248	7,945
Sub Total Core West Lothian Health Services	163,697	158,156
Share of Pan Lothian Hosted Services		
General Medical Services (GMS)	3,731	3,382
Learning Disabilities	2,885	2,868
Lothian Unscheduled Care Services	3,398	3,177
Oral Health Services	1,988	1,759
Other	3,065	2,825
Psychology Service	3,147	3,114
Rehabilitation Medicine	1,647	1,857
Sexual Health	2,063	2,026
Substance Misuse	1,153	1,060
Therapy Services	3,698	3,473
UNPAC	1,522	1,392
Sub Total Share of Pan Lothian Hosted Services	28,298	26,933
Non-Cash Limited Services		
Dental	16,491	15,184
Ophthalmic	4,836	4,445
Pharmacy	9,748	9,097
Sub Total Non-Cash Limited Services	31,075	28,726
Acute Set Aside Services		
ED & Minor Injuries	9,886	8,848
General Medicine	16,010	14,442
Geriatric Medicine	8,175	7,665
Other	6,683	6,053
Respiratory Medicine	4,071	3,521
Sub Total Acute Set Aside Services	44,825	40,529

Total Health Services	267,895	254,344
Social Care Services		
Adult Social Care Services		
Learning Disabilities	35,313	33,149
Physical Disabilities	8,920	8,418
Mental Health	7,123	7,132
Older People Assess & Care	53,934	49,422
Care Homes & Housing with Care	7,163	9,293
Contracts & Commissioning Support	2,163	3,057
Other Social Care Services	(9,721)	(11,322)
Sub Total Adult Social Care Services	104,895	99,149
Total Social Care Services	104,895	99,149
Total IJB Expenditure	372,790	353,493

4. CORPORATE EXPENDITURE

	2025/26 £'000	2024/25 £'000
Audit Fee	35	34
CNORIS Fee	3	3
Total	38	37

5. SHORT TERM DEBTORS

	2025/26 £'000	2024/25 £'000
West Lothian Council	0	585
NHS Lothian	2,498	3,550
Total	2,498	4,135

6. SHORT TERM CREDITORS

	2025/26 £'000	2024/25 £'000
Central Government Bodies	0	0
Other Local Authorities	0	0
Total	0	0

7. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

A review of potential provisions and contingent assets and liabilities has been undertaken for the IJB and none have been identified at 31 March 2026.

8. RESERVES

The IJB holds a balance on the General Fund for two main reasons:

- To earmark or build up funds which are to be used for specific purposes in the future, to meet known or predicted liabilities or commitments.
- To create an uncommitted reserve contingency to cushion the impact of unexpected events or emergencies. The IJB's approved reserves policy has set a target minimum level of uncommitted general reserves of £2 million.

The table below shows the movements on the General Fund balance, analysed between those elements earmarked for specific purposes and the amount of uncommitted reserves.

	2025/26 £'000	2024/25 £'000
Earmarked Reserves		
Unscheduled Care Fund	2,059	1,346
Alcohol & Drugs Partnership	116	46
Mental Health	278	0
Workforce Wellbeing	0	8
GP Premises Improvement	0	117
Dementia Post Diagnostic Support	45	33
Inflation & Risk Fund	0	409
Transformation Fund	0	176
Uncommitted Reserves		
General Reserve	0	2,000
Total	2,498	4,135

9. RELATED PARTY TRANSACTIONS

In the 2025/26 financial year the following transactions were made with NHS Lothian and West Lothian Council relating to integrated health and social care functions.

Income – payments for integrated functions	2025/26 £'000	2024/25 £'000
NHS Lothian	(266,843)	(250,842)
West Lothian Council	(104,310)	(97,978)
Total	(371,153)	(348,820)

Expenditure – payments for delivery of integrated functions	2025/26 £'000	2024/25 £'000
NHS Lothian	267,895	254,344
West Lothian Council	104,895	99,149
Total	372,790	353,493

Details of debtor balances with partner bodies are set out in Note 5 to the accounts.

Support services were not delegated to the IJB and are provided by the Council and the Health Board free of charge as a 'service in kind' – see note 1.7.