

<b>Meeting:</b>	NHS Grampian Board Meeting
<b>Meeting date:</b>	11 June 2026
<b>Item Number:</b>	11.2
<b>Title:</b>	Integration Joint Boards (IJBs) Finance Report
<b>Responsible Executive:</b>	Alex Stephen (Director of Finance)
<b>Report Author:</b>	Grant Burt (Senior Finance Manager)

## 1 Purpose and recommendations

### **This is presented to the Board for:**

- Assurance

### **Recommendation:**

The Board is requested to:

- **Discuss and note** the update on the Integration Joint Boards' revenue financial position for 2025/26.

### **This report relates to:**

- NHS Grampian Strategy: Plan for the Future
- NHS Grampian's Medium Term Financial Framework
- Financial Sustainability

### **This aligns to the following NHS Scotland quality ambition(s):**

- Safe
- Effective
- Person Centred

### **This subject matter of this report is relevant to the mitigation of the following strategic risks (further information provided in the Risk section below)**

- Inability to achieve the aspirations set out in Plan for the Future due to financial resource constraints and inefficiencies.

## **2 Report summary**

### **2.1 Situation**

The purpose of this report is to provide:

1. An overview of the Integration Joint Boards' financial position for the financial year 2025/26.

### **2.2 Background**

Aberdeen City Council, Aberdeenshire Council, Moray Council, and NHS Grampian collectively provide a significant level of financial resource to the Integration Joint Boards (IJBs) under the Integration Scheme. In 2025/26, the total contribution from NHS Grampian amounted to approximately £1.1 billion.

Once delegated, these resources are pooled and lose their individual identity as Local Authority or NHS funding. This enables each IJB to exercise full discretion in developing and approving financial plans that allocate resources suited to delivering delegated services effectively, meeting local needs.

A significant level of funding is delegated to the Integration Joint Boards (IJBs) and baseline budgets are substantial, the ability to influence expenditure within certain areas remains limited. A considerable proportion of resources is committed to supporting the nationally agreed General Medical Services (GMS) contract and community prescribing costs, both of which are driven by external factors. These include prevailing economic conditions and the health profile of the local population.

The Integration Schemes set out the arrangements should an IJB overspend in any given financial year. An overspend remaining after the use of available reserves is split between the relevant Local Authority and NHS Grampian based on the level of funding passed through by the end of the financial year.

In the 2024/25 financial year all three Integration Joint Boards required additional financial support from NHS Grampian and their respective Local Authority. This resulted in NHS Grampian providing a net deficit contribution of £22 million.

### **2.3 Assessment**

For Aberdeen City and Aberdeenshire IJB there was an improvement in actuals from their quarter three forecasts. As Moray IJB has not yet formally reported its position, the Quarter 3 forecast has been included in this report.

This improvement was driven by driven by a number of factors including vacancies, reduced high-cost packages, one-off funding, unspent earmarked funding, and wider service underspends within City IJB and Aberdeenshire IJB.

The reported outturns, (which remain subject to audit) show an improvement across Aberdeen City and Aberdeenshire IJBs in the final quarter of the 2025/26 financial year and are summarised below in table 1:

**Table 1: Integration Joint Board Outturn and NHS Grampian contribution**

<b>IJB</b>	<b>Date Reported to IJB</b>	<b>2025/26 IJB Deficit Support Agreed*</b>	<b>2025/26 IJB Underlying deficit**</b>	<b>2025/26 NHSG Contribution to IJBs</b>
Aberdeenshire	27 <sup>th</sup> May 2026	£17.2m	£3.1m	£9.8m
Aberdeen City	12 <sup>th</sup> May 2026	£10.9m	£3.2m	£6.7m
Moray	25 <sup>th</sup> June 2026	£0m	£8.2m	£3.9m
<b>Total</b>		<b>£28.1m</b>	<b>£14.5m</b>	<b>£20.4m</b>

\*Deficit support agreed at the start of the 2025/26 Financial Year

\*\* Underlying deficit excludes partner contributions applied through budget setting and adjustments relating to the creation of earmarked reserves. Moray Integration Joint Board is expected to report on 25 June 2026. Quarter 3 forecast figures used for comparison.

The level of deficit support funding provided to the IJBs in 2025/26 is expected to be £20.4 million, as outlined in table 1 above. This was a £2.6 million reduction from the £23 million included in previously indicated in the February 2026 forecast. It is expected that two of the three IJBs will be able to hold a general reserve at the end of 2025/26, which will provide mitigation to financial risk in the 2026/27 financial year.

Additional funding has been allocated to the IJBs in relation to the delivery of the Unscheduled Care Operational Improvement plan, including costs with Firebreaks taken forward under the operational improvement plan. This funding will be held within earmarked reserves in accordance with IJB accounting requirements for meeting the ongoing financial commitments arising from the delivery of the Unscheduled Care Improvement plan and related, agreed actions. The allocation of this funding is set out below in table 2:

**Table 2: Integration Joint Board Unscheduled Care allocations incl. Firebreaks**

<b>IJB</b>	<b>USC Reserve</b>	<b>Firebreak Reserve</b>	<b>Total IJB USC Earmarked Reserves</b>
Aberdeenshire	£1.2m	£2.5m	£3.7m
Aberdeen City	£2.3m	£0.0m	£2.3m
Moray*	-	-	-
<b>Total</b>	<b>£3.5m</b>	<b>£2.5m</b>	<b>£6m</b>

\* Moray IJB is expected to report on 25 June 2026.

Further information on the financial performance is provided in the Appendices to this report along with links to the respective IJBs papers.

The board continues to monitor and evaluate the risk and mitigating actions in place for the IJBs' financial position. The latest assessment and mitigations is summarised below in table 3.

**Table 3: Risk Evaluation & Mitigating Actions of IJBs' financial positions**

Risk	Risk Level	Mitigation(s)
There is provision in the Board's financial plan for a Contribution to any overspends incurred by three IJBs however there remains a risk should IJBs overspend beyond level.	<b>High</b>	<p>Regular review of IJB positions.</p> <p>Monthly meetings discussing IJB financial positions in place with IJB Chief Finance Officers and NHSG Director of Finance.</p> <p>Regular meetings between the IJB Chief Officers and NHSG Chief Executive.</p> <p>Enhanced monitoring to NHSG Board.</p>

### 2.3.1 Quality / Patient Care

Each IJB is required to consider the impact of their decisions on quality and patient care.

### 2.3.2 Workforce

Each IJB is required to consider the impact of their decision on the workforce, having due regard to the policies for the IJB.

### 2.3.3 Financial

The financial position and risk is highlighted throughout this report.

### 2.3.4 Risk Assessment / Management

- Relates to Corporate Risk 3130: An Inability to achieve the aspirations set out in Plan for the Future due to financial resource constraints and inefficiencies.
  - o There is a requirement to recover the financial position by redesigning services and implementing cost control measures to achieve savings.
  - o Failure to do so may result in:
    - Further escalation on the Scottish Government's performance framework.
    - Inability to financially support current levels of service provision and workforce size.
    - Inability to meet financial targets and resources prioritised to deal with operational pressures at the expense of delivering the annual delivery programme.
    - Impact on the delivery of programmes and patient care.

- Inability to create the conditions for sustainable change.
- Exacerbating health inequalities and population health outcomes.
- This risk is recognised as a high risk on the NHS Grampian risk register and was formally reviewed at the Performance, Assurance, Finance and Infrastructure Committee in September.

### **2.3.5 Equality and Diversity, including health inequalities**

Each IJB is required to consider any equality, diversity and health inequalities implications when making decisions.

### **2.3.6 Other impacts**

All are outlined above.

### **2.3.7 Communication, involvement, engagement and consultation**

Each IJB is responsible for considering communication, involvement, and engagement and consultation requirements of its decisions.

### **2.3.8 Route to the Meeting**

Regular information is exchanged between the IJBs and the Councils / NHS Grampian at quarterly and monthly meetings.

## **2.4 Recommendation(s)**

The Board is asked to:

- **Note and discuss –**
  - the update on the Integration Joint Boards' revenue financial position for 2025/26.

## **3. Appendix/List of appendices**

The following appendix/appendices are included with this report:

- Appendix 1 – Aberdeenshire IJB
- Appendix 2 – Aberdeen City IJB
- Appendix 3 – Moray IJB (Q3 Reported Position)

## Appendix 1 Aberdeenshire IJB

The Aberdeenshire Integration Joint Board considered the draft 2025/26 outturn and financial position on 27 May 2026. The Board noted a materially improved year-end position, the main drivers of variance, reserve movements and approved budget virements, together with the implications for financial sustainability and future planning.

### Performance & Forecast Outturn

The IJB reported a £14.0 million underspend for the year ended 31 March 2026 against the revised budget. This was delivered alongside £3.1 million of deficit support funding, materially below the level assumed in the approved budget, and indicates a stronger year-end position than previously anticipated. The outturn also includes transfers of £3.7 million to earmarked reserves and £8.0 million of additional one-off NHS funding to the General Reserve, strengthening resilience going into 2026/27.

Table 1 summarises the final outturn by service line for the IJB.

**Table 1: Quarter 4 Outturn for Aberdeenshire IJB**

Area	Quarter 4 Outturn		
	Budget £'000	Actual spend £'000	Outturn £'000
Alcohol & Drugs Partnership	3,582	3,340	242
Aberdeenshire Drug and Alcohol Service	2,512	2,539	(-27)
Allied Health Professionals	10,121	10,687	(-566)
Frailty Pathway	839	349	490
Aberdeenshire Pharmacy Service	1,246	1,216	30
Joint Equipment Service	1,073	1,170	(-97)
Community Hospitals	21,382	22,166	(-784)
Inverurie HUB Project	1,689	1,509	180
Dental	3,047	3,237	(-190)
District Nursing	7,749	7,906	(-157)
Health Centres Management	-322	-494	172
Health Visiting	6,629	6,735	(-106)
Other Direct Patient care	1,013	1,121	(-108)
Public Health	712	612	100
Specialist Nursing	938	1,016	(-78)
Support services	4,784	4,457	327
Primary Care	54,145	51,932	2,213
Prescribing	58,444	53,016	5,428
Community Mental Health	11,867	11,881	(-14)
Aberdeenshire Share of Hosted Services	20,781	21,059	(-278)
Services Hosted by Aberdeenshire	0	0	0
Out of Area	2,977	3,259	(-282)
<b>Subtotal - NHS Core Services</b>	<b>215,208</b>	<b>208,713</b>	<b>6,495</b>

Area	Budget £'000	Actual spend £'000	Outturn £'000
Headquarters	5,148	3,648	1,500
Business Services	2,546	2,286	260
Out of Hours service	294	310	(-16)
Criminal Justice Service - Grant Funded Service	76	65	11
Criminal Justice Service - Prison Social Work	5	-20	25
Adult Services - Community Care	63,994	63,088	906
Adult Services - Day Care	5,270	5,841	(-571)
Adult Services - Residential Care	3,665	3,125	540
Adult Services - Mental Health	6,863	6,228	635
Adult Services - Substance Misuse	2,168	1,868	300
Physical Disabilities - Community Occupational Therapy Service	5,628	5,280	348
Physical Disabilities - Joint Equipment Service	-335	-49	(-286)
Specialist Services & Strategy	2,156	2,043	113
Adult Support Network	605	611	(-6)
Older people - Day Care	140	370	(-230)
Older People - Care management	85,330	79,585	5,745
Integrated Care Fund /Participatory Budgeting	-25	-94	69
Older People - Home care	15,555	16,732	(-1,177)
Older People - Residential care	8,436	10,687	(-2,251)
Older People - Very Sheltered Housing	6,136	5,931	205
<b>Subtotal – IJB Costs</b>	<b>213,655</b>	<b>207,535</b>	<b>6,120</b>
Area	Budget £'000	Actual spend £'000	Outturn £'000
Learning Disability Health Check Funding	87	26	61
Mental health access fund	150	141	9
Mental health innovation fund	88	3	85
Mental health Action 15	1,588	1,352	236
Mental health ACT	168	79	89
Psychological Therapies (Outcomes Framework) funding (complex cases)	448	398	50
Mental Health Outcomes Framework funding	2,528	2,000	528
Integrated Care Fund	470	494	(-24)
Delayed Discharge District Nursing Funding	-	0	0
Primary Care Improvement fund – Scottish Government funding	8,747	8,747	0
Primary Care Improvement fund – locally added funding	357	-159	516

Area	Budget £'000	Actual spend £'000	Outturn £'000
Mental Health Facilities Improvement (Recovery and Renewal) funding	-	0	0
NESTRANS funded Greenways	-	15	(-15)
New Scots (Asylum Seekers) funding	-	-4	4
Scottish Care Home funding	477	430	47
GP/Primary Care Out of Hours funding	-	0	0
Shire Winter Pressure allocation for MDTs	-	13	(-13)
GP Premises Funding	-	18	(-18)
Workforce Wellbeing Funding	-	0	0
Covid-19	-	-11	11
Stonehaven Dental Practice funding	-	0	0
Psychological Therapies (dementia post diagnostic support) funding (earmarked)	152	103	49
USC Improvement Plan -N44030 Enhanced Step-Down Pathway to Community Hospitals	-	0	0
USC Improvement Plan - Establish Aberdeenshire Discharge to Assess (D2A)	1,327	116	1,211
USC Improvement Plan Rapid Transfer of Patients to Most Appropriate Care Location -Firebreak 1	1,373	86	1,287
USC Improvement Plan -N44115 Rapid Transfer of Patients to Most Appropriate Care Location -Firebreak 2	1,443	220	1,223
Covid and Extended Flu Vaccination Funding	3,027	2,706	321
<b>Subtotal - Funds</b>	<b>22,430</b>	<b>16,773</b>	<b>5,657</b>
Set Aside Budget	54,160	54,160	0
<b>Total</b>	<b>505,925</b>	<b>485,183</b>	<b>17,742</b>

Overall, Health and Social Care services underspent against budget, with actual spend of around £485.2 million against a budget of £502.9 million, delivering a favourable variance of approximately £17.7 million. The strongest contributions came from Primary Care and Prescribing, Older People services, and a number of earmarked funding streams where expenditure was lower than planned in-year.

Beneath that overall position, service performance was mixed. Pressures remained in Community Hospitals, Allied Health Professionals, Dental and District Nursing, while these were more than offset by underspends in areas including Primary Care, Prescribing, Public Health, Support Services and parts of the Older People pathway. A significant element of the

underspend also reflects slippage or delayed deployment within earmarked and national funding programmes, resulting in resources being carried forward to support delivery in future years rather than representing recurrent headroom.

## **2026/27 Savings**

As part of the 2026/27 budget and Medium-Term Financial Strategy, the IJB approved a programme to deliver £5.7 million of recurring savings in 2026/27. The programme is intended to support a more sustainable financial position while maintaining alignment with strategic priorities.

The programme is underpinned by service redesign, tighter financial management and integrated impact assessment. It focuses on reducing unwarranted variation, improving productivity across community, hospital and corporate services, and making best use of existing resources.

Key measures include prescribing savings, workforce optimisation, estate rationalisation and service transformation. Collectively, these are intended to support prevention, reablement and independence while improving affordability over the medium term. Further detail is set out in Appendix 4 of the IJB paper considered on 27 May 2026.

## **Budget setting and Medium-Term Financial Strategy (MTFS)**

The Integration Joint Board approved its MTFS and 2026/27 budget at its March meeting. The financial planning assumptions are necessarily cautious, reflecting a one-year funding settlement from partners and the continuing uncertainty in the wider system.

The two funding partners have taken different approaches in their medium-term planning. NHS Grampian has confirmed full funding for 2026/27, with later years to be determined through wider system decisions. The Aberdeenshire Council contribution for 2026/27 has been built into the approved budget, with indicative future requirements reflected in medium-term planning assumptions for the following four years. Future year allocations will remain subject to the Council's annual budget-setting process and may vary as forecast requirements change.

The MTFS is based on the current cost of delivering services to a growing population with increasingly complex needs. It provides the baseline for assessing the scale of savings, redesign and transformation required, with future iterations to be refined through stronger demand intelligence and modelling, including the impact of high-cost packages moving through the system.

Taken together, 2026/27 is positioned as a critical year for strengthening financial grip, improving demand insight and testing the assumptions that will underpin longer-term sustainability. Achieving that sustainability will require sustained delivery of savings, service redesign and, ultimately, decisions on the future shape and level of provision.

Further information can be found in the links to the full budget monitoring report presented to Aberdeenshire IJB on 27<sup>th</sup> May 2026:

[Aberdeenshire Integration Joint Board \(2026\), Revenue Budget Update – 27 May 2026](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 1 Budget Direction – 27 May 2026](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 2 - Financial Position by Service – 27 May 2026](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 3 Variance Explanations – 27 May 2026](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 4 - Savings Schedule – 27 May 2026](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 5 - IIA Commissioning for Outcomes – 27 May 2026](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 6 – Older Adult and Physical Disability Care Management Savings](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 7 – IIA – GPs with Special Interest \(GPSI\) Service](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 8 – GPs with Special Interest Direction](#)

[Aberdeenshire Integration Joint Board \(2026\), Appendix 9 – IIA – Implementation of Resource Allocation System \(RAS\) across Mental Health \(MH\) and Learning Disability \(LD\)](#)

## Appendix 2 Aberdeen City IJB

The Integration Joint Board for the IJB considered the draft 2025/26 outturn and financial position on the 12<sup>th</sup> May 2026. The Board noted the overall underspend, key drivers of variance, reserve movements and approved budget virements, and the implications for financial sustainability and future planning.

### Performance & Outturn

The IJB delivered an £11.2 million underspend for the year ended 31 March 2026 against the revised budget. This outturn was achieved alongside £10.9 million of in-year partner funding, which supported delivery of a balanced position and provided additional headroom to manage demand-led pressures. This resulted in the earmarking of £3.5 million reserves, and a £7.7 million general reserve.

Table 1 summarises the final outturn by service line for the IJB.

**Table 1: Quarter 4 Outturn for Aberdeen City IJB**

Area	Quarter 4		
	Budget £'000	Spend £'000	Outturn £'000
Criminal Justice	431	328	103
Adult Social Care	1,466	2,124	(658)
Learning Disabilities	54,791	51,489	3,302
Mental Health & Addictions	34,549	33,906	643
Older People & Physical & Sensory Disabilities	105,123	109,700	(4,577)
Strategy & Transformation	3,166	3,660	(494)
Transformation Projects	134	278	(144)
Housing (Set Aside)	1,771	1,771	–
Community Health Services	50,680	53,797	(3,117)
Aberdeen City Share of Hosted Services	34,088	36,341	(2,253)
Primary Care Prescribing	47,998	48,388	(390)
Primary Care	61,168	62,364	(1,196)
Out of Area Treatments	3,738	2,750	988
Set Aside Budget	62,588	62,588	–
City Vaccinations	2,423	2,637	(214)
Integration & Change	–	(3,225)	(3,225)
<b>Total</b>	<b>464,114</b>	<b>468,896</b>	<b>(11,232)</b>

Cost pressures during the year were primarily driven by demand and complexity across key service areas, notably within Learning Disabilities, where increasing numbers of high-cost and complex care packages and transition costs are adding significant financial pressure. In addition, pressures were experienced within Out of Area Treatments, reflecting higher-than-anticipated costs associated with patient placements, and Mental Health and Addictions, due to staffing gaps, with a continued reliance on agency cover which contributed to increased expenditure.

The improvement in the year-end position was driven by a combination of operational and funding factors, reflecting both recurring and non-recurring benefits within services. This included staffing underspends from delayed recruitment and vacancies, alongside reductions in high-cost care packages and service reconfigurations, within Older People, Community Health, and hosted services. There was also a favourable one-off benefit from partner funding requested at budget setting not being fully utilised by year-end contributing to the overall underspend position.

These improvements were supported by active financial management, through vacancy control and allocation of additional funding to manage demand-led pressures, although they were partly offset by ongoing cost pressures in areas such as Learning Disabilities, Mental Health and Out of Area Treatments. A proportion of the underspend has been transferred to reserves as a mixture of general and earmarked to support future financial sustainability and support planned transformation activity as part of the IJB returning to financial balance and delivery of the unscheduled care improvement plan.

### **2026/27 Budget setting**

Public consultation on the 2026/27 budget proposals generated strong engagement, with feedback informing the refinement of savings options and Integrated Impact Assessments, this included the amendment or withdrawal of several proposals. These refinements were incorporated into the budget for the 2026/27 financial year.

The IJB Board received and considered the 2026/27 budget and associated Medium Term Financial Framework (MTFF) at its meeting on 17 March 2026. This sets out the requirement to deliver a balanced financial position through £14.5 million of savings and managing the withdrawal of £10.9 million of one-off partner funding. This is whilst addressing significant ongoing inflationary and demand-led cost pressures within a challenging and uncertain environment that requires sustained transformation and efficiency measures.

While the IJB reported an underspend and strengthened reserve position at 31 March 2026, this is supported by non-recurring partner funding and emphasises the need for continued robust financial management, with the retention of reserves intended to provide resilience and support transformation activity, while addressing underlying pressures.

Further information can be found in the link to the full budget monitoring report and budget setting papers presented to Aberdeen City IJB Board meeting on 17<sup>th</sup> March 2026 and 12<sup>th</sup> May 2026:

[Aberdeen City Integration Joint Board \(2026\) Budget 2026/27 and Medium-Term Financial Framework 2026/27 to 2030/31 \(17 March 2026\).](#)

[Aberdeen City Integration Joint Board \(2026\) Financial Position update - 2025/26 Year-end report \(period ended 31 March 2026\) \(12 May 2026\).](#)

## Appendix 3 Moray IJB

The Integration Joint Board (IJB) is due to consider the draft outturn at its next meeting in June 2026. This appendix includes the Quarter 3 forecast and summary position for information. The IJB previously reviewed the financial position to December 2025, including the forecast outturn for 2025/26, emerging in-year pressures, and progress against the Recovery Plan, at its meeting on 29 January 2026.

### Performance & Forecast Outturn

The IJB has delivered a year to date overspend of £5.1 million as of 31 December 2025, compared to the approved budget. The revised year-end forecast is now projecting a £8.23 million deficit against its budget, representing an improvement of £0.55 million compared to the quarter 2 forecast. Based on the improved forecast, £8.23 million is expected to be required from partners with NHS Grampian expected to contribute £4 million.

Figure 1 summarises the forecast outturn by service line for the IJB.

**Table 1: Quarter 3 Forecast and Outturn for Moray IJB**

Area	Quarter 3		
	Budget £'000	Forecast spend £'000	Outturn £'000
Community Hospitals	7,351	7,353	(2)
Community Nursing	6,227	6,425	(198)
Learning Disabilities	20,827	21,669	(842)
Mental Health	12,287	12,776	(489)
Addictions	1,919	1,950	(31)
Adult Protection & Improvement	279	277	2
Care Services provided in-house	24,692	25,013	(321)
Older People & PSD Services	28,130	29,805	(1,675)
Intermediate Care & OT	1,882	2,045	(164)
Care Services provided by external contractors	2,035	2,065	(30)
Other Community Services	10,031	10,294	(263)
Admin & Management	1,769	2,185	(416)
Other Operational Services	1,486	1,322	164
Primary Care Prescribing	21,392	21,392	(0)
Primary Care Services	22,682	22,944	(262)
Hosted Services	6,419	6,458	(39)
Out of Area	1,780	1,682	98
Improvement Grants	1,060	910	150
Children & Justice Services	21,256	22,216	(960)
Other non-recurring Strategic Funds in the ledger	6,157	6,078	78
Other resources not included in ledger under Core and Strategic	(1,239)	1,795	(3,033)
<b>Total</b>	<b>198,422</b>	<b>206,654</b>	<b>(8,233)</b>

The IJB continues to experience significant financial pressures across operational areas. Mental Health services report a year-to-date overspend of £0.32 million, mainly due to ongoing reliance on locum medical staffing, Mental Health Act-related activity, and higher Assessment and Care package costs, with a forecast year-end overspend of £0.489 million.

Older People and Physical Sensory Disability services show a year-to-date overspend of £1.657 million, driven by increased nursing-level care home placements and growth in

externally commissioned care at home and short-break services; the position is forecast to increase to £1.675 million by year-end reflecting continuing demand pressure.

Intermediate Care & Occupational Therapy is forecast to be overspent by £0.167 million, largely due to increased equipment costs linked to rising complexity of need. Other Community Services report a £0.262 million, primarily due to AHP staffing pressures.

Children's, Families & Justice Services present a year-to-date overspend of £0.567 million, driven by out-of-area placements, transport, self-directed support and continuing care pressures, with a projected year-end overspend of £0.960 million.

## Delivery of Savings

As part of the 2025/26 budget-setting process, the IJB approved an efficiencies programme totalling £9.46 million, across a range of initiatives monitored by the Budget Savings Oversight Group chaired by the Chief Officer and members of the senior management team. These are summarised below in Table 2.

**Table 2 – Summary of Savings for Moray IJB.**

Efficiencies	Full Year Target £'000	Savings expected progress at 30 Sept 2025 £'000	Savings actual progress at 31 Dec 2025 £'000	Reduction in overspend expected at 31 Dec 2025 £'000
Building Resilience	2,626	680	560	1,290
Home first	1,445	358	208	726
Partners in Care	1,821	641	526	725
Already implemented	3,577	2,645	2,495	38
<b>Total</b>	<b>9,469</b>	<b>4,324</b>	<b>3,789</b>	<b>2,779</b>

Against the full-year plan of £9.469 million, £3.789 million of savings and a £1million reduction in overspend has been achieved by 31 December 2025, with full year forecast to be achieved of £6.3 million. Progress has been made in many areas but some projects that have been risk assessed as red have slipped. The risk of non-delivery has increased, with £3.133 million of savings now confirmed as unachievable in 2025/26.

The Budget Savings Oversight Group continued to meet regularly to support delivery of the IJB's financial recovery plan, providing strengthened governance and project oversight. Grip and control measures remain in place, including weekly financial recovery meetings with senior management and leads and the review of high-cost packages supported by the Resource Management Group.

Further information can be found in the links to the full budget monitoring report presented to Moray IJB Board on 29th January 2026:

[Moray Integration Joint Board \(2026\) Revenue Budget Monitoring Quarter 3 for 2025/26 \(29 January\).](#)