



NHS Grampian Finance Report

January 2025



Update from the Director of Finance



This report provides an update on the financial position for the first ten months of the financial year. As highlighted throughout the year, NHS Grampian continue to manage a challenging financial position and efforts remain focused across the system to ensure the delivery of a deficit no greater than £45 million in 2025/26.

January reported an improved position than that seen in December, with a £1.2 million operational overspend reported in month. An element of this improvement is due to a one-off review of outstanding PECOS orders. Deep dives have been undertaken for areas reporting deterioration in December with detail provided on page 17 of this report.

The year to date overspend is made up of a £27.4 million operational overspend and a £11.5 million gap in centrally held reserves. This gap in part results from the Board being unable to set balanced budgets for the last four financial years along with expected deficit support funding for Integration Joint Boards which remains a significant pressure for the Board. These pressures are partially offset by £24.3 million in non-recurring sustainability funding received from the Scottish Government in 2025/26.

Our final detailed forecast of the year has been prepared based on the January position. Despite the ongoing operational pressures continuing to affect the system and the extreme weather experienced at the start of January, the projected deficit has reduced from the level previously reported with a £42.8 million overspend now anticipated. The forecast shows we remain within the maximum level of deficit support funding for the 2025/26 financial year. Work continues to ensure the delivery of savings with forecast savings remaining at £61.9 million, in line with that reported in December. This continued improvement in the financial position is welcomed and reflects the hard work and efforts of colleagues across the system throughout this year. It is vital we continue to support the delivery of savings and control of new costs to ensure NHS Grampian is best placed to continue its financial recovery as we move into the 2026/27 financial year.

The forecast position still includes provision for increased spend during the final two months of

the year, with ongoing pressure anticipated across the system which may result in additional spend. The forecast also includes anticipated additional non pay spend relating to the Planned Care improvement plan. A £8 million risk provision remains for IJBs ensuring the Board is best placed to manage the risk of additional costs within our IJB partners.

We have made strong progress against the financial and savings plan for the year. We remain confident we will deliver against both the financial and savings plan for 2025/26 and it is important we take a moment to acknowledge this achievement. The Board does remain in a hugely challenging financial position, with one of the highest anticipated deficits in Scotland. The current year position is also supported by £24 million of non-recurring sustainability funding, which is anticipated to reduce over the next three years. As such it is vital that the Board continue to build on the progress reported to date, supported through the Value and Sustainability programme to reduce costs within our system and support an ongoing improved financial trajectory.

Financial planning is well underway for 2026/27 with the draft financial plan submitted to Scottish Government at the start of February. It outlines an anticipated deficit before the delivery of savings of £76 million. Savings totalling £40 million will be required to ensure a deficit not exceeding £36 million, which is the maximum level of deficit support funding to be provided to NHS Grampian in the 2026/27 financial year. £24 million of savings opportunities were included within the draft financial plan. The Value and Sustainability Programme continues to work with colleagues across the system to increase the deliverability of current savings programmes and develop new savings options for the 2026/27 financial plan to bridge the £16 million saving gap.

I would like to express my gratitude to all colleagues for their continued support and efforts to support the ongoing financial recovery of NHS Grampian.

Alex Stephen

Director of Finance

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Executive Summary



**Plan
for the
Future**

NHS
Grampian

Background

NHS Grampian continues to face a significant financial challenge and has been escalated to Stage 4 of the NHS Scotland Support and Intervention Framework due to concerns regarding its financial sustainability. Over the past two years, the Board has received £90 million in brokerage support from the Scottish Government, which is repayable upon return to financial balance. This support has enabled the Board to meet its statutory duty to remain within its revenue resource limit.

For 2025/26, the Scottish Government has confirmed non-recurring deficit support funding of up to £45 million. Combined with non-recurring sustainability funding, the total additional financial support provided to NHS Grampian from the Scottish Government in 2025/26 will amount to £69.3 million. This underlines the scale of financial gap within NHS Grampian. It is essential that NHS Grampian delivers on its Financial Recovery Plan and continues to identify and implement recurring savings across the system to support long-term financial sustainability.

The Grampian region continues to face challenging economic conditions, driven by a contraction in the energy sector and growing pressure on public sector funding. Economic growth is expected to remain subdued in the coming years. Additionally, the region is facing population stagnation and an ageing demographic, with a growing proportion of residents aged over 65. These factors are placing increasing demand on public services delivered by NHS Grampian and the three Integration Joint Boards.

The Board also continues to manage ongoing recruitment challenges leading to the use of higher cost supplementary staffing and inflationary pressures impacting on non pay costs such as energy and medical supplies.

Context of this report

This report provides an update on NHS Grampian's financial position for the ten months to the end of January 2026. The report includes details of:

- The revenue position at January 2026.
- The forecast outturn for 2025/26 as produced based on January outturn including an update on the Integrated Joint Board financial positions.
- Further information on the financial position in key portfolios.
- Further information on forecast movements.
- An update on NHS Grampian's savings programme for 2025/26.
- An update on the infrastructure and backlog maintenance programme at January 2026.
- Financial risks

Executive Summary



Summary of Findings

The revenue results to the end of January 2026 show an overspend of £38.9 million with a £1.8 million overspend reported in month. The table below shows the breakdown of the financial position for December and January along with the YTD position.

2025/26 Outturn	December	January	10 months to January
Operational Deficit	£4.0m	£1.2m	£27.4m
Reserves Deficit	(£0.3m)	£0.7m	£12.6m
Sustainability Funding	(£2.0m)	(£2.0m)	(£20.2m)
Outturn (non delegated services)	£1.7m	(£0.1m)	£19.8m
Provision for IJB overspends	(£0.1m)	£1.9m	£19.1m
NHS Grampian Outturn	£1.6m	£1.8m	£38.9m

The year-to-date financial position reflects assumed deficit support funding of £23 million for Integration Joint Boards (IJBs). The latest forecasts indicates that expected deficit support funding may reduce further below the £17 million highlighted in the December report. A risk provision of £8 million has been retained noting the potential for additional pressure as we move through the winter period. NHS Grampian continues to work closely with IJB partners to monitor financial performance.

The final detailed forecast of the financial year has been completed based on the January outturn, which highlights an overspend of £42.8 million for the 2025/26 financial year. This projection includes

some provision for additional expenditure relating to Operational Pressures over the winter period. The forecast shows an improvement from the December forecast, in part due to lower than anticipated spend during January. The Board's anticipated deficit remains within the level of Scottish Government deficit support funding.

January reported a reduction in the operational deficit reported from December predominantly due to a reduction in non-pay spend, with some elements of this improvement one-off in nature. The key issues to highlight for January are:

- We have seen a continued increase in substantive nursing staff driven by recruitment to vacant posts following the rebasing of nursing budgets. January pay spend, and hence the January overspend, has increased due to public holiday payments. Despite the impact of the public holiday payments, bank nursing spend has reduced in January along with agency nursing spend.
- We have seen further costs associated with non-compliant rotas in January. This is in part due to monitoring outcomes feeding into payroll and in part due to arrears payments relating to the resident doctor pay awards being paid in January, which has increased the level of overspend.
- The reported overspend on non pay spend reduced in January. An element of this was due to a review of outstanding PECOS orders, which has provided a one-off benefit of circa £0.5 million to the financial position. Non pay actual spend was reduced within medical supplies and equipment, which is expected to be linked to the impact of extreme weather in early January on planned care activity.

NHS Grampian's 2025/26 Infrastructure and Backlog Maintenance Programme has total funding of £110.8 million. The increase reported in January is due to the transfer of the Mortuary from Aberdeen City Council at a valuation of £34.7 million. Spend against the programme at January is £67.4 million.

Further detail on NHS Grampian's financial performance can be found in the remainder of this report.

2025/26 Forecast



2025/26 Financial Plan	Original Financial Plan	Financial Recovery Plan	Forecast outturn 2025/26 (at Jan)
Projected overspend before savings	£93.7m	£89.3m	£89.3m
Savings, other cost reductions and technical adjustments	(£39.0m)	(£46.0m)	(£51.2m)
New pressures			£6.0m
Forecast overspend as per 2025/26 Financial Plan	£54.7m	£43.3m	£44.1m
Sustainability Funding	(£24.3m)	(£24.3m)	(£24.3m)
Outturn (non delegated services)	£30.4m	£19.0m	£19.8m
Anticipated funding provided to Integration Joint Boards	£38.0m	£26.0m	£23.0m
NHS Grampian 2025/26 Outturn	£68.4m	£45.0m	£42.8m
Maximum Level of Deficit Support Funding			£45.0m

Staff

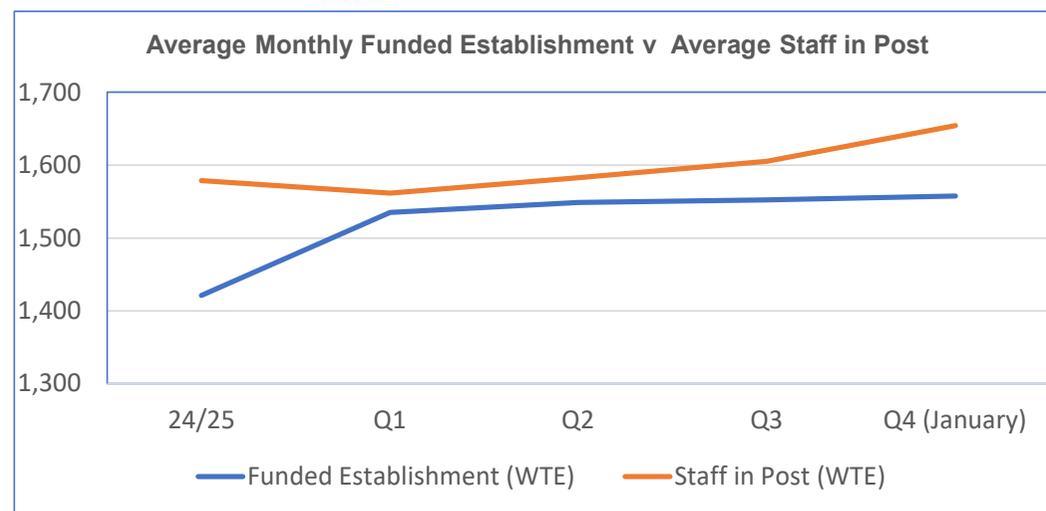
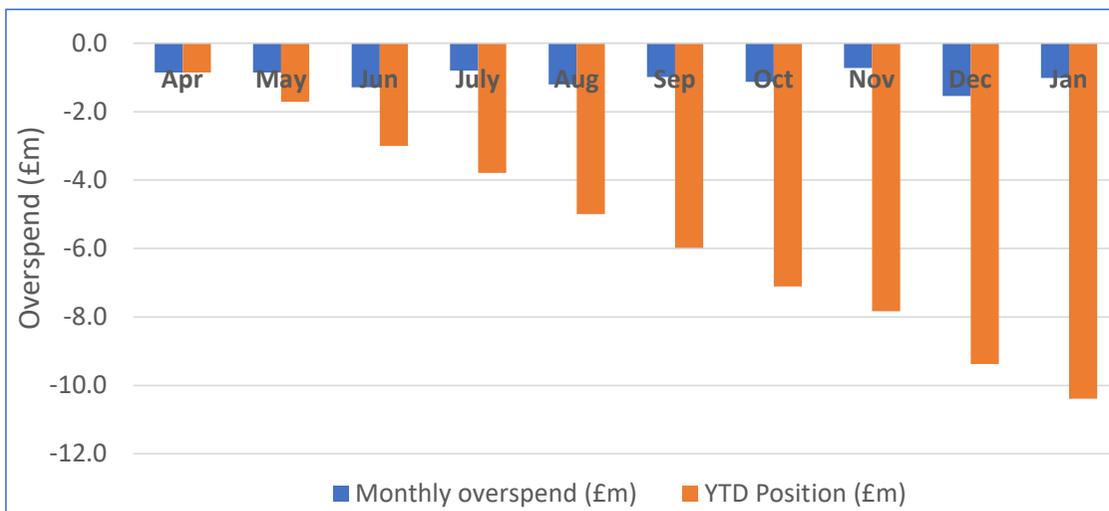


	Quarter 1			Quarter 2			Quarter 3			Quarter 4 (January)		
	Funded Est (WTE)	Staff in Post (WTE)	Variance (WTE)	Funded Est (WTE)	Staff in Post (WTE)	Variance (WTE)	Funded Est (WTE)	Staff in Post (WTE)	Variance (WTE)	Funded Est (WTE)	Staff in Post (WTE)	Variance (WTE)
Medical	1,719	1,687	32	1,779	1,730	49	1,804	1,736	68	1,808	1,744	64
Nursing	6,507	6,747	(240)	6,535	6,708	(173)	6,569	6,775	(206)	6,592	6,810	(218)
Administrative Services	2,260	2,176	84	2,277	2,163	114	2,265	2,147	118	2,274	2,139	135
AHPs	1,199	1,125	74	1,204	1,127	77	1,221	1,120	101	1,226	1,106	120
Health Scientists	498	484	14	504	496	8	509	504	5	511	506	5
Management	34	36	(2)	34	33	1	35	35	-	36	35	1
Support Services	1,736	1,656	80	1,733	1,663	70	1,740	1,672	68	1,730	1,682	48
Medical & Dental Support	276	277	(1)	271	270	1	274	268	6	273	272	1
Other Therapeutic	555	570	(15)	567	571	(4)	582	575	7	600	584	16
Personal & Social Care	62	59	3	63	60	3	64	57	7	64	57	7
Total	14,846	14,817	29	14,967	14,821	146	15,063	14,889	174	15,114	14,935	179

Overall NHS Grampian remain under funded establishment levels with vacancies in non-clinical services offsetting nursing staffing use beyond funded establishment. Total staffing budgets have increased through the year. This is in part due to seasonal programmes including the vaccination programme, and in part due to new funding provided to the Board to support improvement in both Planned and Unscheduled Care.

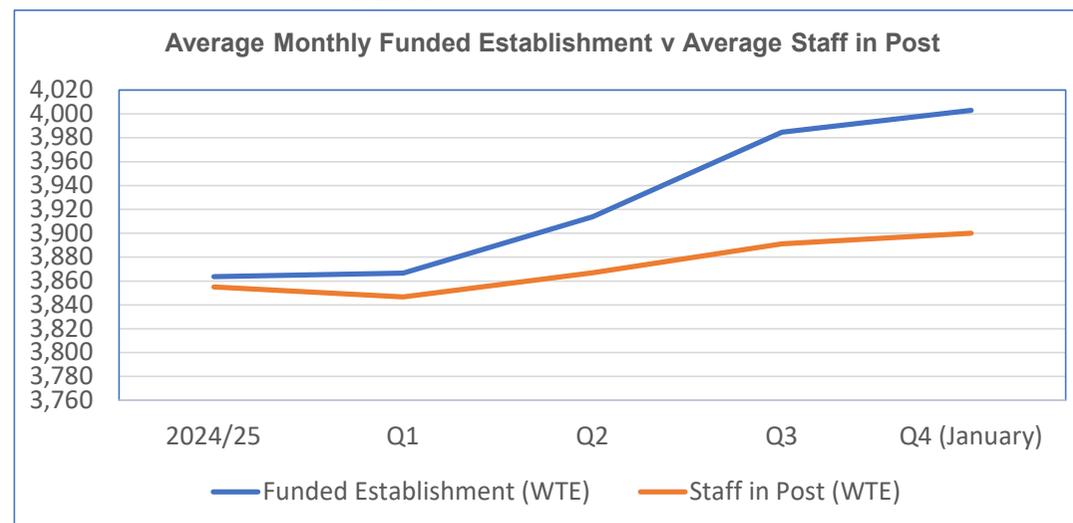
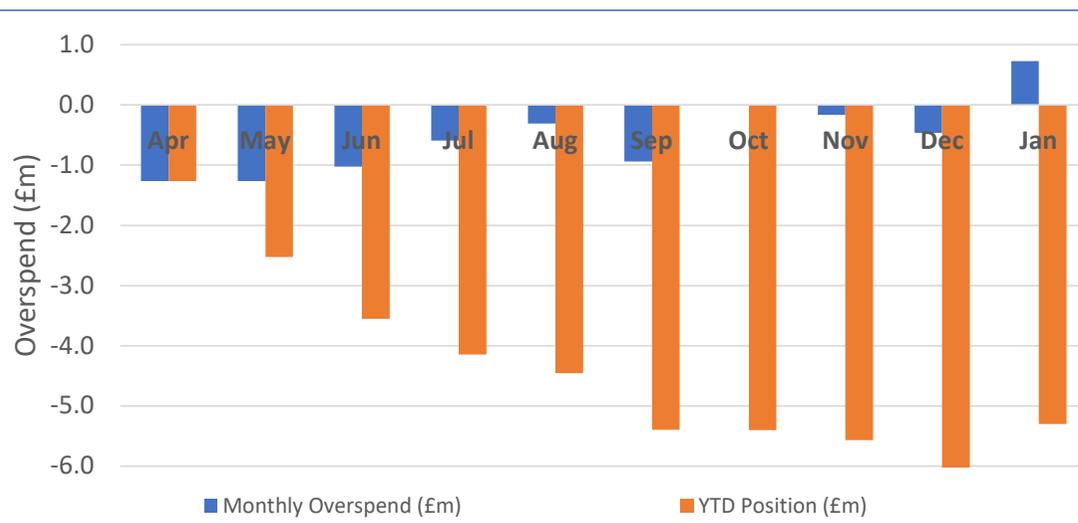
Nursing budgets have been rebased for the Medicine and Unscheduled Care Portfolio, inpatient mental Health services and Dr Grays Hospital to reflect the output of the common staffing methodology. This has improved grip and control and supported a reduction in unregistered nursing use, whilst ensuring clinical safety is not compromised. The Board have recruited newly graduated nurses beyond funded establishment levels to ensure the Board is best placed to manage the further 1 hour reduction in the working week in April 2026. These nurses will feature in reported staffing numbers, resulting in the nursing position reporting an increasing variance until backfill funding is allocated from April 2026.

Medicine and Unscheduled Care – Acute Triumvirate



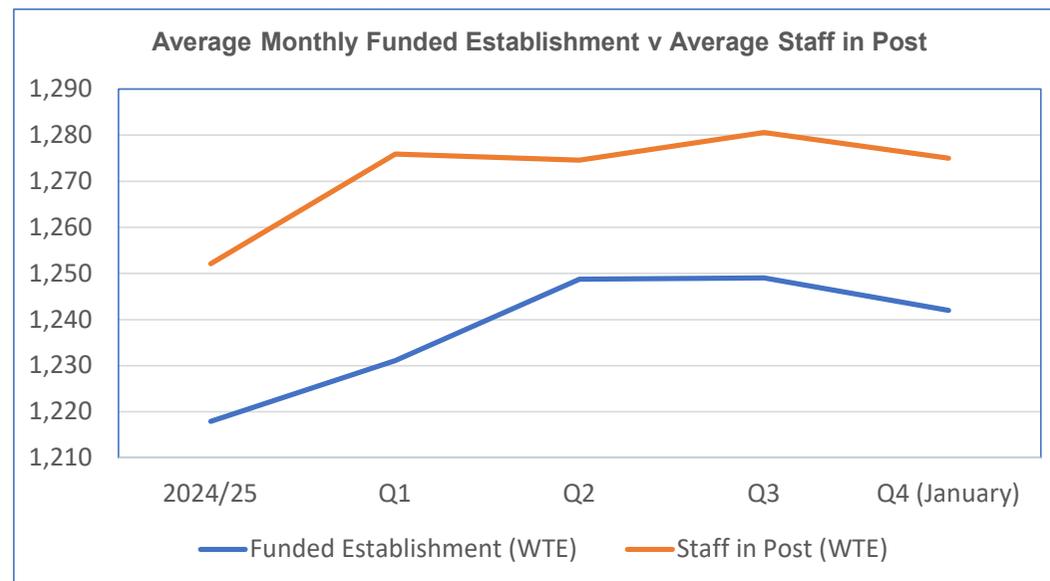
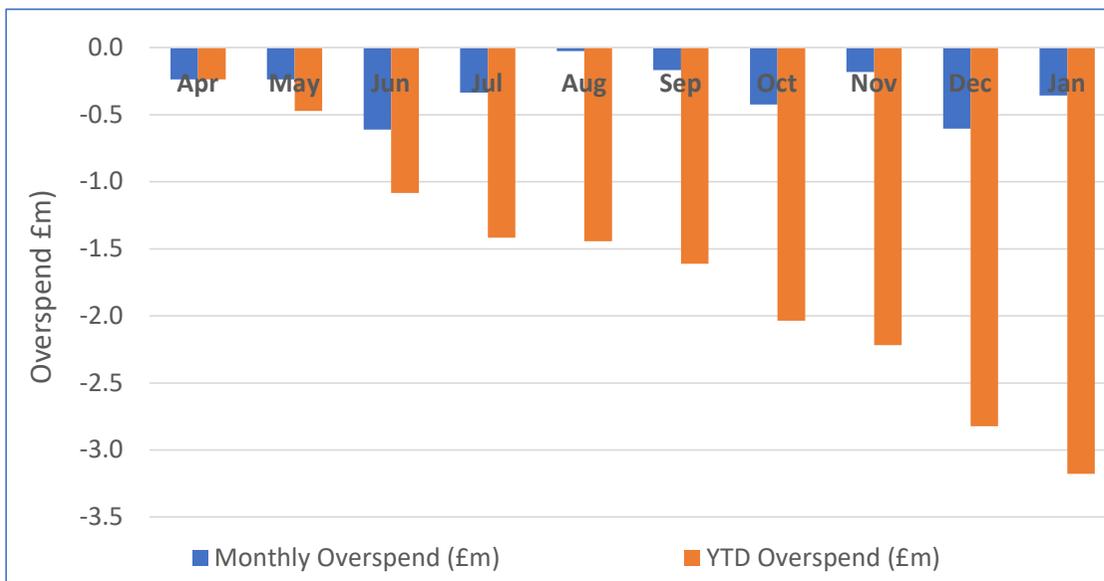
- The portfolio is reporting a year to date overspend of £10.34 million.
- The forecast year end overspend for the portfolio is £13.00 million which represents a £0.4 million improvement from that reported in December.
- The portfolio continue to report significant overspends on medical and nursing pay:
 - Medical pay is overspent by £3.1 million due to costs associated with the unfunded Boarder Locums impacting in the second half of the year and rota non-compliance costs.
 - Nursing pay is overspent by £2.0m after the allocation of £4.8 million of funding to rebase nursing budgets. This overspend will be driven by the impact of non standard bed use and the over-recruitment of newly graduated nurses. This over recruitment was agreed via the Chief Executive Team to support the further reduction in the working week from April 2026 noting this would result in a short-term cost pressure in 2025/26.
- Non pay budgets are also reporting pressure with a £4.2m overspend reported in the position to January including £1.4m of pressure on medical supplies budgets and £0.5m of an overspend on drugs budgets. Efforts continue to ensure all generic or biosimilar opportunities are maximised.
- A deep dive was carried out on the Medicine and Unscheduled Care portfolio based on the December position with information on this outlined on page 17.

Integrated Specialist Care Services - Acute Triumvirate



- The portfolio is reporting a year-to-date overspend of £5.30 million.
- In January, the portfolio reported an underspend of £0.7 million driven by a reduction in drug spend and a one-off benefit following a review of outstanding PECOS orders. The extreme weather experienced in early January is also expected to have impacted on planned care activity resulting in lower non pay costs. An increase in spend on medical pay was reported in month, with resident doctors pay arrears paid in January. This has resulted in an increased overspend, linked to the impact of pay arrears relating to unfunded non-complaint rota costs.
- The year-to-date position includes an underspend against drugs budget totalling £2.6m with growth remaining below that anticipated at the start of the year particularly within cancer services.
- The forecast year end overspend for the portfolio is £10.9 million, a £2.2 million improvement from the previous forecast largely driven by the improved January reported position. The forecast continues to make provision for additional costs in the final two months of the year, for spend associated with winter pressures such as increased Laboratory testing, alongside spend associated with the Planned Care improvement plan.

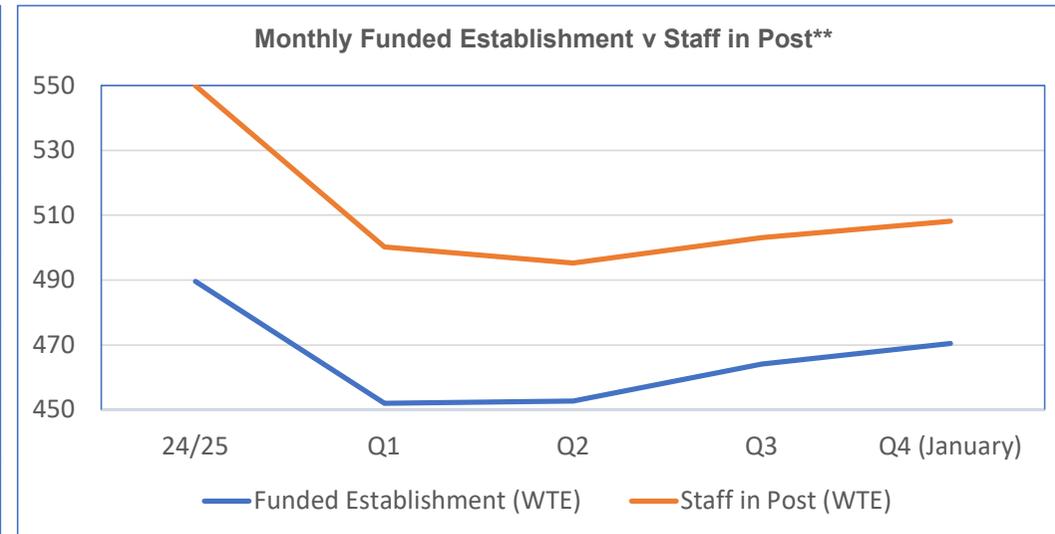
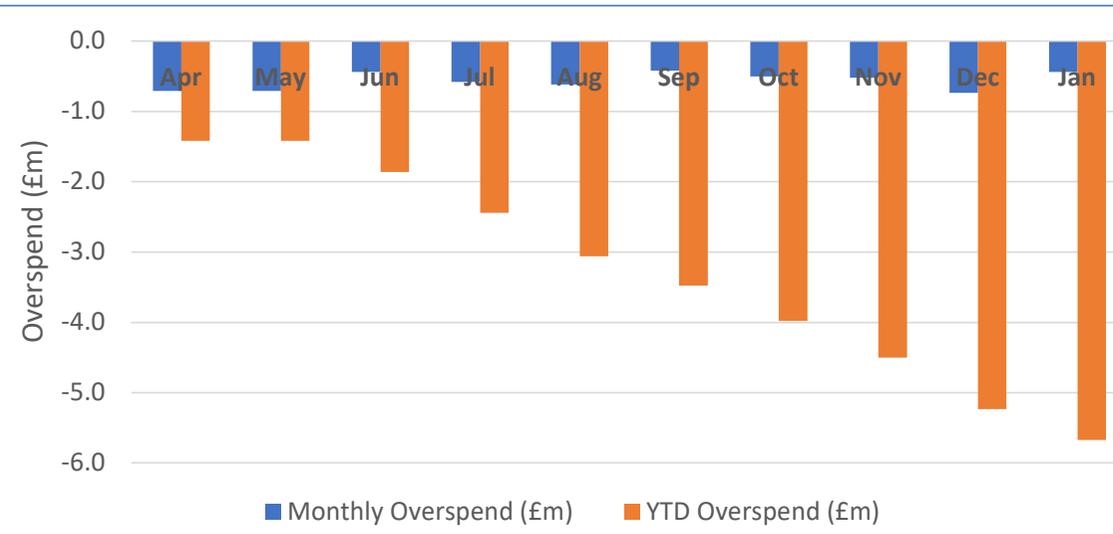
Family Portfolio - Acute Triumvirate



- The portfolio is reporting a year to date overspend of £3.18 million with an in month overspend of £0.4 million reported in January. This is below the overspend reported in December, although increased drug spend in Paediatric Oncology continues into January.
- The forecast year end overspend for the portfolio is £3.75 million which is in line with the forecast produced in December. A deep dive was carried out on the Integrated Family portfolio based on the December position with information on this outlined on page 17.
- The underlying overspend within the portfolio is driven by nursing and midwifery staff in post exceeding funded establishment, unachieved historical savings and overspends on medical supplies.

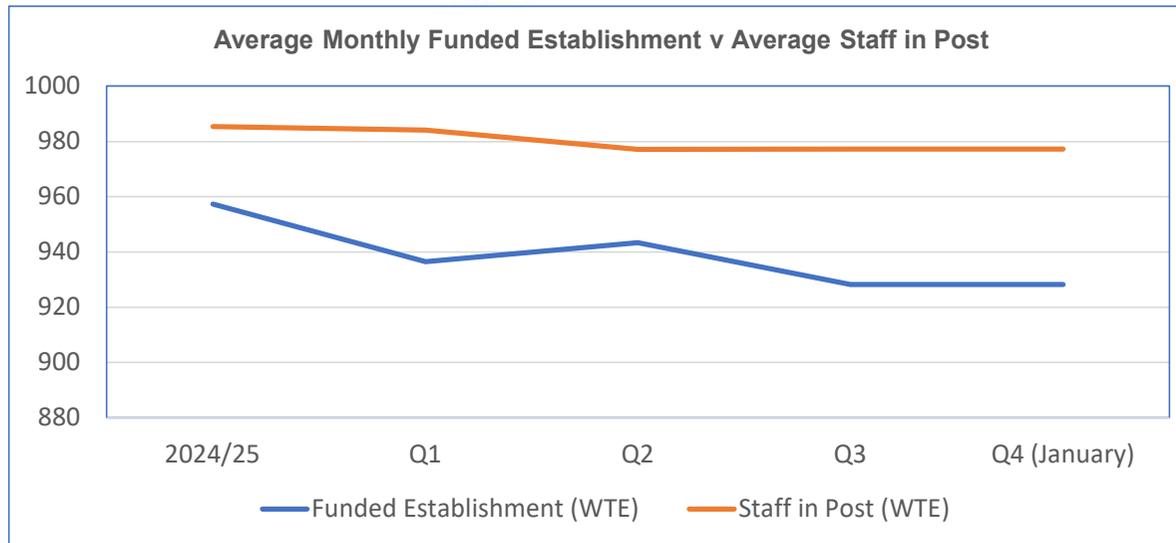


Dr Grays Hospital - Acute Triumvirate



- The portfolio is reporting a year to date overspend of £5.67 million with a £0.4 million overspend reported in January.
- The forecast year end overspend is £6.92 million, a £0.4 million improvement from the forecast reported in December.
- The forecast overspend for 2025/26 reflects an improvement from the 2024/25 overspend which totalled £9.9 million, driven by targeted actions to reduce the cost of agency medical locums through the use of Direct Engagement, reduced on call rates and increased rates challenge. A number of services remain reliant on medical agency locums for service delivery. A move to sustainable workforce models for Dr Grays Hospital is essential to deliver service and financial improvement.
- Pressure remains on medical pay budgets, driven by the reliance on medical agency locums for service delivery and rota non compliance within a number of rotas.
- Nursing staff in post during January was higher than the average use seen year to date, albeit this will be due to the over-recruitment of newly graduated nurses and the extreme weather experienced in January. Nursing staff in post remain over funded levels, following the rebasing of nursing budgets, with an element of this due to the Emergency Department with the budget yet to be rebased. Dr Grays Hospital continues to manage significant operational pressures.

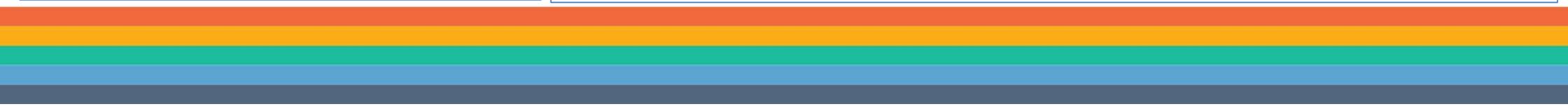
Mental Health – Chief Officer, Aberdeen City IJB



Nursing budgets were rebased in August with £2.2 million of additional funding allocated to nursing budgets to reflect the output of the common staffing methodology. Alongside actions to control spend and reduce costs, this budget rebasing has reduced the monthly overspend reported since August.

Royal Cornhill Hospital occupancy remains at very high levels with admitting wards occupancy also at very high levels.

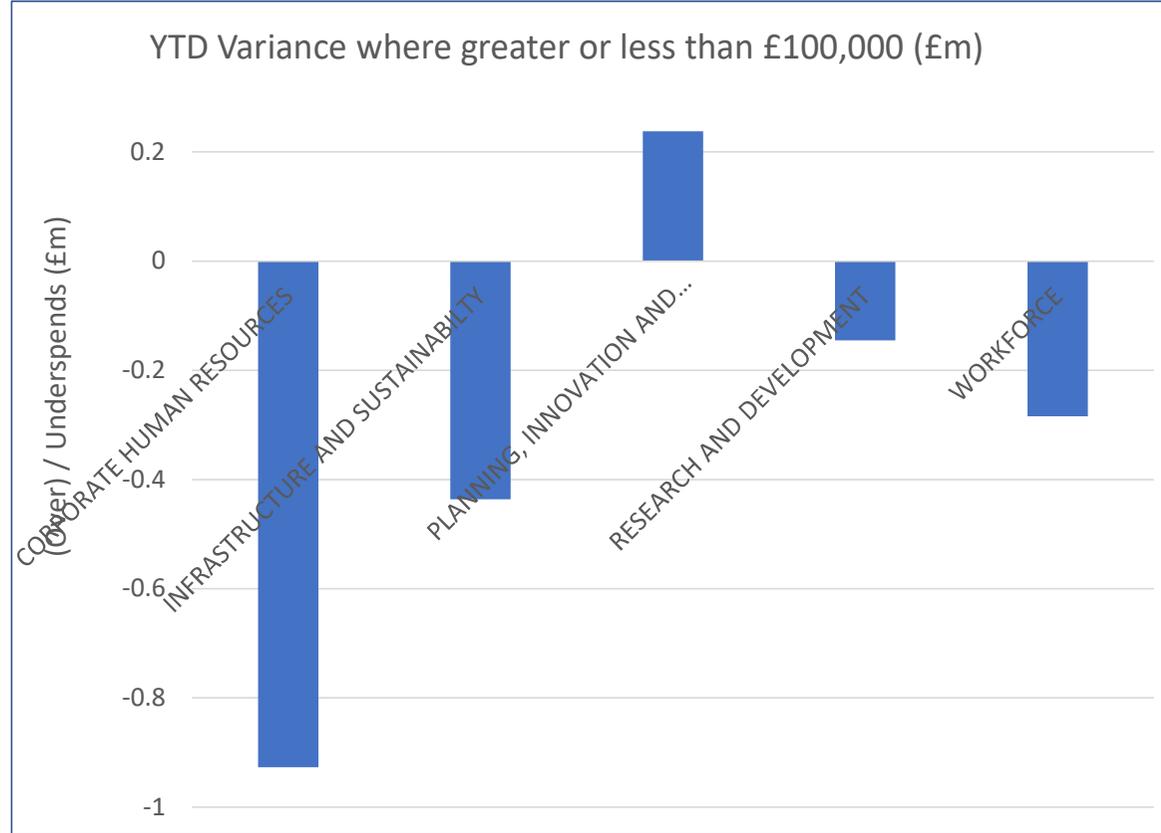
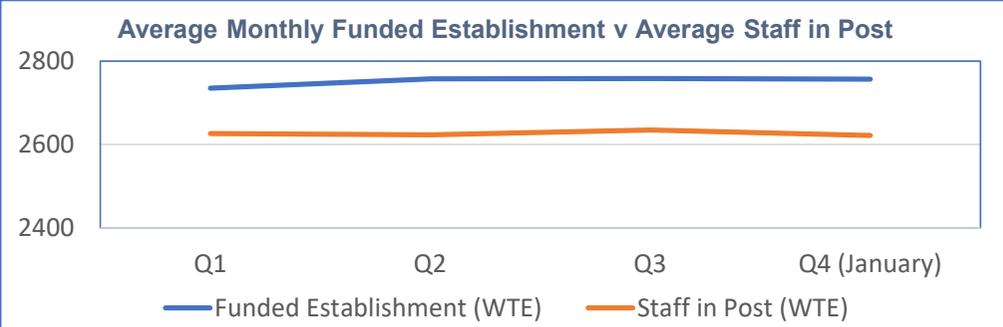
- Non delegated Mental Health services are reporting an overspend of £3.37 million at the end of January 2026.
- The forecast year end overspend is £4.78 million, a deterioration from the prior months forecast.
- The service are reporting a deterioration from the 2024/25 outturn, which is largely driven by increased costs associated with the provision of the Medium Secure Unit and continued nursing use in excess of funded establishment levels.
- Nursing budgets have been rebased to match the output of the Common Staffing Methodology however nursing staff in post continue to exceed funded establishment by an average of 44 wte over the last four months. An element will be due to the over-recruitment of newly graduated nurses agreed via CET with the on-boarding of new Health Care Support Workers also resulting in some double running costs. It is vital that efforts continue to ensure nursing staffing use remains within funded establishment levels.



Non Clinical Services



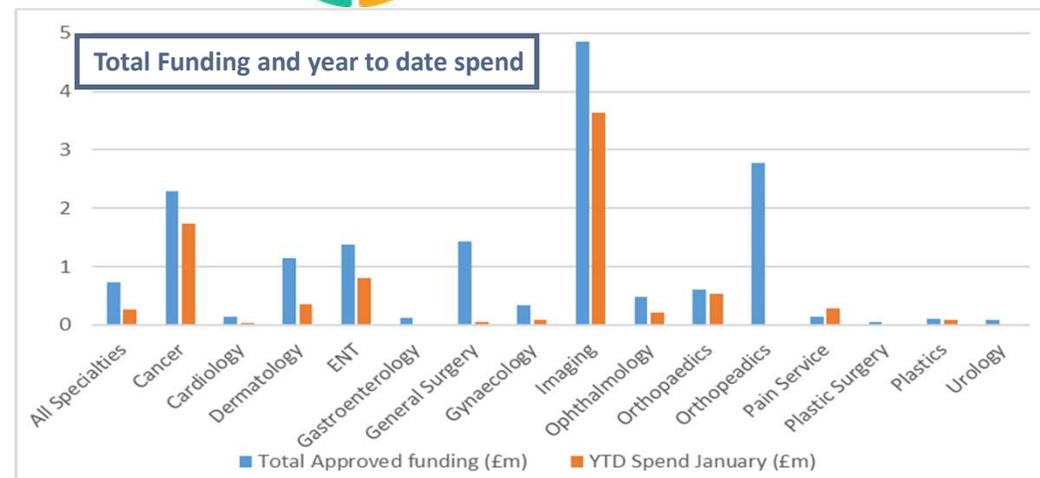
- Non Clinical Services are reporting a year to date overspend of £1.44 million.
- The forecast year end overspend for non clinical services is £2.01 million which reflects a £0.3 million deterioration from the extrapolated January position. The forecast has improved by £0.4 million from previous forecast.
- Non clinical services continue to hold a number of posts in line with current vacancy controls. On average staff in post are 129 wte below funded establishment levels. Significant vacancies remain within the Infrastructure and Sustainability directorate, partly offsetting cost pressures on non pay budgets within the directorate.
- The largest areas of overspend within non clinical services continue to be Corporate HR, due to increasing costs associated with disclosure checks, removal expenses and visa costs managed on behalf of the organisation, Workforce due to unfunded costs managed by the directorate along with unachieved historical savings, and Infrastructure and Sustainability, driven by non pay inflation and growth.



Planned Care Improvement Plan



Specialty	2025/26 additional activity funded			Activity Delivered at January		
	OP Activity	TTG Activity	Diagnostic Activity	OP Activity	TTG Activity	Diagnostic Activity
All Specialties	1,625	32	-	1,156	8	-
Cancer	2,265	200	-	1,656	102	-
Cardiology	284	-	-	207	-	-
Dermatology	1,800	1,984	-	263	565	-
ENT	2,000	630	-	1,880	206	-
Gastroenterology	234	-	-	-	-	-
General Surgery	2,580	627	-	1,221	39	-
Gynaecology	2,700	52	-	1,808	-	-
Imaging	-	-	79,650	-	-	59,999
Ophthalmology	2,160	483	-	378	192	-
Orthopaedics	1,400	1,026	-	1,020	205	-
Pain Service	-	5	-	-	4	-
Plastics	288	72	-	240	8	-
Urology	-	34	-	-	-	-
Total	17,336	5,145	79,650	9,829	1,329	59,999



Scottish Government have provided NHS Grampian with additional funding totalling £16.69 million to deliver additional treatment time guarantee (TTG), outpatient (OP), diagnostic and cancer activity. Included within this figure is £4 million of additional funding provided by Scottish Government to deliver planned care activity in the final quarter of 2025/26. This funding is additional to the baselined planned care funding of £17.25 million which has been invested to improve planned care performance.

NHS Grampian have reported spend to the end of January totalling £8.10 million. There remains risk of slippage against the additional £4 million funding due to delays in contract agreement. The Board will continue to work closely with Scottish Government to deliver improvement in planned care.

Unscheduled Care Improvement Plan



NHS Grampian submitted an Unscheduled Care Improvement (USC) Plan to Scottish Government which aims to support delivery of high impact actions to improve system flow and patient access. In September 2025, Scottish Government confirmed total funding of £9.177 million including £5.976 million of new funding for improving flow, discharge without delay and frailty services. Core USC Funding of £3.2 million is committed against current activity to deliver improvements in the USC pathways.

Spend against the additional funding allocation to the end of January was £1.27 million including spend on short term actions funded from slippage to deliver improvement in Unscheduled Care performance. The current forecast assumes £3.65 million of spend against the £5.976 million in year funding.

The NHS Grampian financial plan assumes all recurring costs relating to the USC plan are fully funded by Scottish Government.

Objective	Actions	Full Year Funding	Spend to January	Forecast Spend
Reduce inflow to Acute Services.	Strengthening of Flow Navigation Centre and Frailty at the Front Door.	£0.97m	£0.23m	£0.52m
Redesign Services to optimise length of stay.	Expansion of rapid access assessment clinic and same day emergency care to support zero day length of stay.	£0.84m	£0.11m	£0.17m
Increase pace of flow through Acute settings and increase weekend discharges.	Flow enabler support, increased AHP provision, enhanced pharmacy coverage, increased discharge lounge hours and integrated discharge hub.	£0.82m	£0.26m	£0.51m
Expedite flow from Acute into community settings.	Enhanced step down pathways to community hospitals, home assessment service, discharge to assess service and rapid transfer of patients to appropriate care location.	£0.83m	£0.08m	£0.56m
Rebalance Care - increase downstream capacity to sustain system flow	Hospital at home, enhanced home assessment and interim care home beds.	£1.54m	£0.44m	£0.95m
Contingency and Slippage Bids	A number of short term actions agreed with SG to provide improvement funded from slippage in the programme.	£0.98m	£0.15m	£0.94m
Total		£5.98m	£1.27m	£3.65m

Focus on areas with deteriorating positions - December



Medicine and Unscheduled Care Portfolio

Deterioration has been driven by three key areas:

- (1). Increased drugs costs in both Long Term Conditions and Urgent and Unscheduled Care pathways.
- (2). Increased nursing spend in Acute Medicine and Emergency Department due to enduring pressures within the Emergency pathway.
- (3). Increased medical costs in Acute Medicine.

The portfolio continue to focus on targeted actions to improve system flow and patient access as part of the Unscheduled Care Improvement plan. The Value and Sustainability Programme are working closely with the Portfolio to understand opportunities for cost reductions in 2026/27, whilst ensuring clinical safety, that may arise as the improvement actions impact on the system.

Integrated Family Portfolio

The deterioration reported in December was driven by:

- (1). Increased drugs costs reported in month, within the Paediatric Oncology service.
- (2). Increased costs of medical supplies reported in December, with both Neonatal and Prosthetics reporting the highest increases.

The portfolio continue to focus on actions to improve the financial position:

- Vacancy controls remain in place.
- Work to maintain resident doctor compliance is ongoing.
- Controls are in place to ensure decisions to use expensive drugs are robustly scrutinised by clinical and service management to support decision making.

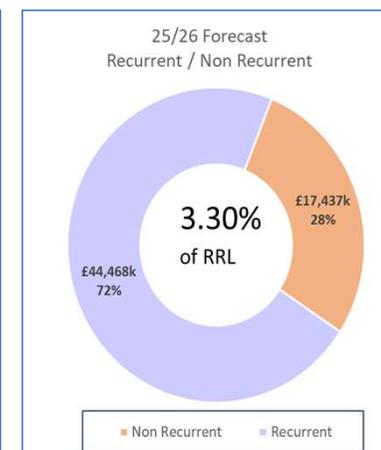
Focus on areas with material movements in positions



	2024/25 Overspend adjusted for new funding	2025/26 Forecast overspend (December)	2025/26 Forecast overspend (January)	Movement from December
Medicine and Unscheduled Care Portfolio	£10.9m	£13.4m	£13.0m	£0.4 million improvement
Integrated Specialist Care (Planned Care)	£12.5m	£10.9m	£8.7m	£2.2 million improvement
Family	£4.1m	£3.8m	£3.8m	No change
Dr Grays	£9.9m	£7.3m	£6.9m	£0.4 million improvement
Mental Health	£2.2m	£4.5m	£4.8m	£0.3 million deterioration
Non Clinical Services	£1.7m	£2.4m	£2.0m	£0.4 million improvement

The January forecast positions have shown improvements or minor deteriorations for all services and as such no deep dives will be undertaken based on the January forecast outturn. Focus will continue on ensuring the delivery of a deficit not exceeding £45 million in 2025/26 and the identification of savings totalling £40 million to support the 2026/27 financial plan.

Value and Sustainability Programme



The savings delivered to date have been updated at January, with £43.68 million of savings delivered against planned savings of £41.91m. Forecast savings delivery remain in line with the December forecast with £61.9 million of savings anticipated against the target of £61.8 million. £44.5m of these savings are expected to be delivered on a recurring basis. This represents total recurring savings of 3.3%, which exceeds the Scottish Government target of 3% recurring savings.

A significant value of savings are anticipated in the final month of the year. We remain assured that these savings will deliver with the savings recognised as medium or low risk.

Infrastructure and Backlog Maintenance Programme



NHS Grampian has a total programme of £110.8 million, with an increased programme due to the transfer of the Mortuary building and equipment from the Aberdeen City Council at a valuation of £34.7m.

- £8.9 million relating to medical equipment, £1.2 million relating to IT hardware and networks and £2.8 million regarding facilities and estates equipment.
- £15.6 million relating to backlog maintenance and ensuring compliance with statutory and environmental standards.
- £1.4 million on sustainability projects aimed to reduce energy use.
- £44.7 million on major hospital schemes related to the construction of the Baird Family Hospital and Anchor Centre.
- £0.2 million relating to primary care premises grants
- £1.3 million of capital contingency funding and other minor items.

The majority of this funding comes from Scottish Government with £14.1 million of core capital resource limit in addition to additional targeted funding and charitable funding.

Total spend year to date is £67.4 million predominantly due to spend on the Baird Family Hospital and Anchor Centre and the Mortuary building.

	Funding £m	Spend to January £m	Remaining Spend £m
Medical equipment	8.9	2.3	6.6
IT equipment	1.2	0.4	0.8
Other equipment	2.8	0.8	2.0
Backlog maintenance and statutory standards	15.6	6.6	9.0
Sustainability	1.4	-	1.4
Major hospital schemes	44.7	21.6	23.1
New Mortuary (Asset Transfer)	34.7	34.7	-
Primary and community care	0.2	-	0.2
Other	1.3	1.0	0.3
Total Programme	110.8	67.4	43.4

Significant Financial Risks



Risk	Description of the Risk	Controls
Controlling the Rate of Overspending	Service pressures and other unplanned cost increases drive the underlying operational overspend to a higher level. The financial recovery plan leaves the Board with no flexibility to manage in-year movements and any new cost pressures will require to be managed through the delivery of additional savings.	Enhancements to financial monitoring and reporting in place. This includes review of deteriorating positions to inform causes of deterioration and mitigating actions. Finance Recovery Board providing enhanced scrutiny of the financial position. Focus continues on financial management across the system. Provision for increased spend in January and February, driven by winter pressures and planned care activity remains in the forecast.
Savings achievement	The 2025/26 financial plan includes an ambitious savings target. The level of cumulative savings delivered within the system is significant and there is a high risk we will not be able to achieve the planned level of savings within the 2025/26 year. There has been slippage in the commencement of some schemes and some schemes are assessed as having a high risk of not delivering the full level of planned savings.	Value and Sustainability Programme Board in place to enhance governance over the V&S programme. Savings tracker in place to provide high level information to support achievement of value and sustainability programme. Latest forecast indicates savings delivery of £61.9 million in line with savings plan. Savings proposals for 2026/27 identified and work continuing to close the gap to the £40 million of required savings. Quality Impact Assessment panels meeting to assess savings options.
Integration Joint Boards	There is provision in the Board’s financial plan for deficit support funding for the three IJBs however there remains a risk should IJBs positions report an outturn beyond this level. We will continue to work closely with Chief Officers and Chief Finance Officers to monitor and manage the positions of IJBs throughout the year.	Regular review of IJB positions. Meetings to discuss IJB financial positions set up with Chief Executive, IJB Chief Officers, IJB Chief Finance Officers and the Director of Finance including monthly review of forecast. Enhanced reporting to NHS Grampian Board on IJB positions in place. Further detail on IJB positions presented to January Financial Recovery Board. A second whole system planning meeting was held on the 13th February to ensure planning is taken forward on a system wide basis. £8m risk provision retained in forecast to mitigate for any unplanned cost increases.