

Board Meeting
19.03.26
Open Session
Item 8.2.2



**Plan
for the
Future**

NHS
Grampian

Value & Sustainability Plan 2026/27 – 2028/29

Summary Draft Plan



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Key Messages

Our commitment



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- This plan sets out NHS Grampian's three-year Value and Sustainability savings plan to enhance quality of care, patient safety and experience and to improve operational performance leading to an improvement in the Health Board's financial position.
- This is an ambitious and realistic plan which has been developed with and agreed by clinical and operational teams across the organisation and is endorsed by the Health Board. Through this plan, NHS Grampian reaffirms its commitment to transforming the quality of its services; patient and staff engagement and moving towards financial sustainability in the medium-term.
- The Board accepts a return to financial balance will require a mix of driving short-term internal efficiencies as well as longer-term system benefits derived through a reconfiguration of clinical and non-clinical services in collaboration with system partners. The establishment of the North-East System Transformation Group from March 2026 will be the vehicle by which we, and our partners, progress system transformation locally. Our active participation and role in sub-national planning and other national meetings will ensure NHS Grampian has a voice in developing and benefiting from national programmes.
- NHS Grampian has developed an organisation-wide communications strategy to continue to maximise engagement. This is a critical precursor to delivery.
- The 2025/26 financial plan is forecast to deliver £61.9m of savings (3.3% of revenue resource limit) to achieve a forecast deficit position of £42.8m, an improvement on the agreed position with Scottish Government. This year, the Health Board will receive a maximum of £45m in deficit support funding to ensure compliance with the statutory duty to breakeven.
- The 2026/27 financial plan sets a requirement to deliver a minimum of £40m of savings to meet the maximum deficit level agreed by Scottish Government. Coupled with anticipated savings from our three partner Integration Joint Boards (IJBs) this will ensure the Board delivers 3% savings in line with Scottish Government requirements. NHS Grampian must achieve a deficit no greater than £36m, which is the maximum level of deficit support funding in 2026/27.
- The plan is strengthened by a dedicated Value & Sustainability Team focused on implementing the well-defined governance structure to monitor, report and assure against the 14 workstreams and to deliver the associated quality and financial benefits set out in the plan.

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Background

Introduction



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- NHS Grampian provides health and social care services to a population of around 600,000 people living in Aberdeen, Aberdeenshire and Moray through the dedicated efforts of circa 17,000 directly employed staff working in our acute hospitals and across Health and Social Care Partnerships (HSCPs) and other community settings.
- Acute specialist services are provided in Aberdeen Royal Infirmary (ARI) and Dr Gray's Hospital (DGH) in Elgin with the totality of tertiary, secondary, primary and community services at over 100 locations and where possible, in people's homes.
- This Value & Sustainability plan has been developed with patients in mind and from engaging with staff across NHS Grampian and our Integration Joint Boards (IJBs) of Aberdeen City, Aberdeenshire and Moray.
- NHS Grampian continue to manage significant financial and operational pressures. The Board remain fully committed to achieving its medium-term financial plan to return to financial balance by 2029/30. This plan forms part of that improvement journey.
- In May 2025, NHS Grampian was escalated to Level 4 of the NHS Scotland Support & Intervention Framework due to concerns related to concerns about financial sustainability, the deteriorations of the Health Board's financial position and

- leadership and governance. An external review was commissioned by Scottish Government and published in October 2025 that set out recommendations to inform NHS Grampian's path to de-escalation with a focus on:
1. A review of leadership and governance arrangements
 2. Further analysis on the main causes of the financial deficit
 3. Identify opportunities for cost savings and optimising current services
- The Health Board fully endorsed the review and is currently implementing its recommendations as a component part of Scottish Government's overall assessment of progress to determine if NHS Grampian can move to Level 3 escalation, expected to take place no earlier than Quarter 3 of 2026/27.
 - Value & Sustainability forms one of the Health Board's five organisational priorities for 2026/27 along with People, Leadership and Governance, Prevention; Planned Care; and Unscheduled Care that reflect the granular focus being applied to improve patient safety and the quality of services offered, improve staff engagement and culture and to operate within the financial resources as set out in the financial plan.

Background

Approach to developing the plan



- The Board has a strong track record of achieving productivity and efficiency savings having delivered £54.5m in 2024/25 and £61.9m in 2025/26 and in both years meeting the Scottish Government requirement to deliver above 3% of its revenue resource limit (RRL).
- At this stage, we have worked up a programme of savings across 14 workstreams that total £41.9m of which £34.6m has been approved for implementation through our Quality Impact Assessment (QIA) Panel and £7.3m is pending QIA Panel approval during March 2026. Our current assessment is that £34.1m is forecast recurrent and will achieve the 3% RRL requirement.
- A pipeline of additional opportunities is being progressed through the operational Delivery Group which we anticipate will create additional savings throughout the year to help de-risk the programme.
- Benchmarked data has been used, where relevant, including analysis from an external review completed in October 2025 by professional services firm KPMG, the Scottish Government Finance Delivery Unit (FDU) and the national 15-box grid on efficiency opportunities. This has enabled us to compare to best practice or top quartile performance.
- Each workstream has a named executive lead, workstream lead and clinical lead supported by finance and workforce input.
- Workstreams have met either weekly or fortnightly during the development phase to draft robust and credible written savings plans with explanatory narrative, detailed milestones, financial phasing and key risks.
- All schemes are subject to a quality impact assessment (QIA). The process is led by our three clinical executives and ensures that each saving opportunity is carefully considered against our 'finding balance' principles to ensure clinical safety, patient experience and staff well-being are safeguarded from harm.
- We have a well-established Value & Sustainability Team in place and have recently strengthened the governance framework across the whole programme. A suite of standardised reporting documents has been introduced aligned to NHS best practice. These are detailed within the Governance section.
- This plan sets out key themes for savings opportunities in 2027/28 and 2028/29. Through the North-East System Transformation Group, NHS Grampian with its three partner IJBs and Councils will explore pan-Grampian benefits through greater integration across the local system. Through engagement with the sub-national planning work, we will seek out opportunities to improve outcomes and financial savings from a move to the East of Scotland sub-national structure.

Background

Engagement and communications



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- A clear communication and engagement strategy is critical to ensuring staff are properly engaged to deliver the Value & Sustainability Programme.
- NHS Grampian has a well-developed approach to communicating with all staff through a variety of means including:
 - **Daily Briefs** – a daily all-staff electronic communication that communicates key messages to all staff and includes updates on the financial position and celebrates examples of cost-saving measures.
 - **Monthly All Staff Briefing** – presented by the Chief Executive Officer and members of the Executive team to staff on key matters and priorities including the financial position.
 - **Quarterly Value & Sustainability Bulletin** – an electronic bulletin that provides detailed updates on savings achieved, celebrates delivery success of workstreams and promotes ways in which staff can engage with the programme including submitting new savings ideas.
- **Team Briefs and Information sharing** – Attendance at key meetings to update on the programme, general progress and to solicit feedback. Meetings include Grampian Area Partnership Forum, Senior Leadership Team and Area Clinical Forum. External briefings occur fortnightly with Scottish Government via the Assurance Board as well as a monthly briefing with local Members of Parliament and Members of Scottish Parliament.

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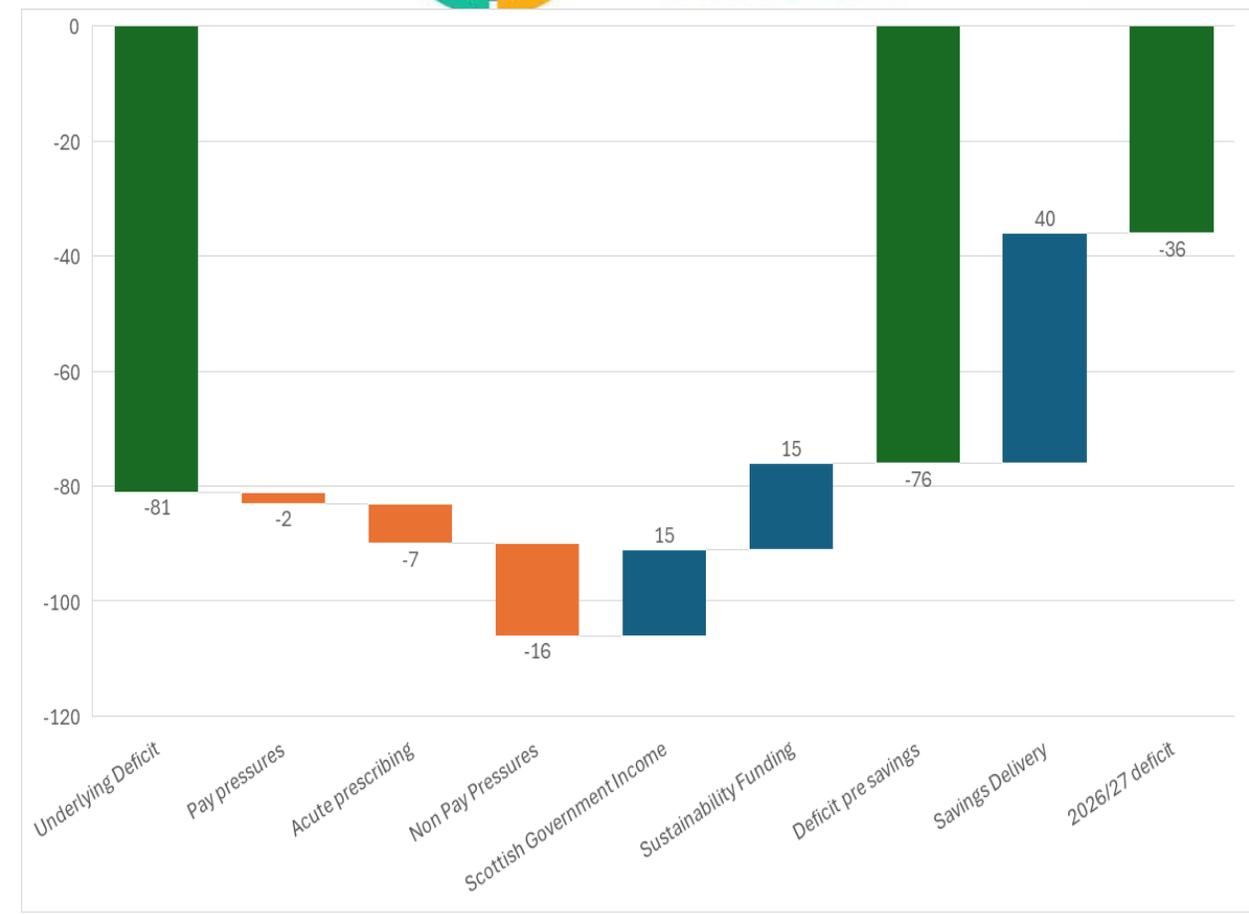
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Financial Baseline

2026/27 Financial Plan

- NHS Grampian has a clear plan to reporting a deficit within the level of deficit support funding agreed for the Board which is outlined in the Financial Plan submitted to Scottish Government in March 2026.
- We have assumed £2m of pay pressures after pay awards, with the assumption these will be fully funded, £7m of acute prescribing pressure and £16m of non pay pressures including provision for inflation, rates and the Business Systems Transformation Programme.
- These new costs are offset by £30m of new income including £11m of national resource allocation (NRAC) parity funding, £15m in non-recurring sustainability funding and the impact of the 2% baseline uplift on non pay budgets.
- The deficit pre savings totals £76m, and £40m of savings are included in the financial plan to return to the £36m maximum allowable deficit.



Financial Baseline

Delegated Services



- NHS Grampian pass c40% of the budget to the three Integration Joint Boards who undertake financial planning for their respective IJBs. The IJBs are expected to deliver 3% recurring savings on delegated baseline budgets, although the reality is that savings can be delivered in either side of the partnership.
- NHS Grampian created a provision for IJB deficit support in 2025/26 totalling £26m. Latest information on IJB financial plans for 2026/27 indicate that this provision can reduce from £26m to £13m in 2026/27 which would deliver a £13m saving.
- The financial plan does not include any risk provision for Integration Joint Boards in 2026/27, with each Integration Joint Board ensuring robust arrangements are in place to ensure delivery of savings and achievement of their financial plan.
- We will continue to work closely as partners and fully transparently to collectively support financial improvement.

HSCP	Risk Share Percentage	Anticipated Deficit £m	Deficit Support funding
Aberdeen City HSCP	61%	0	0
Aberdeenshire HSCP	56%	14	8
Moray HSCP	53%	9	5
Total		23	13

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Value and Sustainability Plans

Summary and sensitised position

- A deliverability assessment has been undertaken to test the sensitivity of this programme drawing on discussions with workstream teams, current analysis of productivity gains and known barriers (i.e. hard to recruit vacancies).
- There is inherent risk in our programme and we have taken a prudent and honest view of both worst case and best case scenarios in the plan.
- This is an already ambitious plan following a total of £116.4m savings being delivered by NHS Grampian from 2024/25 – 2025/26.

Worst case scenario

- We have applied sensitivities totaling £4.2m as follows:
 1. £1m of operational efficiencies given grip and control measures are becoming more limited.
 2. £1.3m within Pharmacy linked to risk of medicines not switching to low-cost generic prices.
 3. £800k across nursing and medical workforce due to challenges in ensuring appointments to substantive posts as planned.
 4. £500k from underperformance within procurement from national contract benefits.
 5. £600k from general risk concerns across a range of schemes.



Workstream	Worst	Likely	Best
Integration Joint Boards	13,000	13,000	13,000
Operational Improvement	3,000	4,000	4,000
Corporate - Finance	3,500	3,500	3,500
Corporate - Other	850	1,057	1,200
Pharmacy	3,300	4,600	4,600
Estates & Facilities	600	698	698
Nursing, Midwifery & AHPs	2,400	2,900	2,900
Acute Medical Workforce	2,900	3,200	3,200
Procurement	2,300	2,800	3,000
Mental Health & Learning Disabilities	1,157	1,157	1,157
Acute Sector	1,250	1,592	1,592
Digital Directorate	210	210	210
Infrastructure & Sustainability	235	235	235
Public Health	23	23	23
Development of Efficiency Schemes	3,000	3,000	3,500
Total	37,725	41,971	42,815

Value and Sustainability Plans

Summary and sensitised position



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Best case scenario

- We have also reviewed potential upside opportunities and assumed additional savings of £0.9m as follows:
 1. £500k from additional efficiency savings linked to reducing supplementary staffing as patient flow improves.
 2. £200k within procurement from additional benefits through management of the invoice register £600k from general risk concerns across a range of schemes.
 3. £170k from general over-delivery across a range of schemes.

Mitigations

- Pipeline schemes that will be identified and developed through the remainder of the year as part of an on-going engagement strategy.
- Pan-Grampian system benefits resulting from collaborative working with partners through the North-East System Transformation Group.
- The ability to bring forward schemes developed for the 2026/27 programme into Quarter Four, thereby yielding early gains.

Value and Sustainability Plans

Savings phased by month

- The table below sets out the monthly phasing of workstream savings currently approved for delivery or subject to approval for delivery. Detailed plans for each scheme are held by the Value & Sustainability Team.



Workstreams	Target	April	May	June	July	August	September	October	November	December	January	February	March
Integration Joint Boards	13,000	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333
Operational Improvement	4,000	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333
Corporate - Finance	3,500	0	0	0	0	0	0		0		1,166,667	1,166,667	1,166,667
Corporate - Other	1,057	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088	88,088
Pharmacy	4,600	383,333	383,333	383,333	383,333	383,333	383,333	383,333	383,333	383,333	383,333	383,333	383,333
Estates & Facilities	698	59,167	14,167	14,167	51,111	51,111	51,111	76,111	76,111	76,111	76,111	76,111	76,111
Nursing, Midwifery & AHP's	2,900	241,667	241,667	241,667	241,667	241,667	241,667	241,667	241,667	241,667	241,667	241,667	241,667
Acute Medical Workforce	3,200	234,667	234,667	234,667	234,667	234,667	234,667	234,667	234,667	356,667	500,667	234,667	230,667
Procurement	2,800	208,333	208,333	208,333	208,333	208,333	358,333	208,333	208,333	208,333	208,333	208,333	358,333
Mental Health & Learning Disabilities	1,157	93,617	93,617	93,617	93,617	93,617	93,617	99,150	99,150	99,150	99,150	99,150	99,152
Acute Sector	1,592	86,833	86,833	86,833	86,833	149,333	149,333	157,667	157,667	157,667	157,667	157,667	157,667
Digital Directorate	210	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500
Infrastructure & Sustainability	235	12,500	12,500	12,500	12,500	12,500	12,500	26,667	26,667	26,667	26,667	26,667	26,667
Public Health	23	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917	1,917
Development of Efficiency Schemes	3,000	0	0	0	167,000	167,000	167,000	414,000	417,000	417,000	417,000	417,000	417,000
Total	41,971	2,844,288	2,799,288	2,799,288	3,003,232	3,065,732	3,215,732	3,365,765	3,368,765	3,490,765	4,801,432	4,535,432	4,681,434

Value and Sustainability Plans

Grip and control measures

- The Board has implemented several grip and control measures to ensure effective day to day management of spend.



Resourcing Controls	Description of controls in action
Non-Pay Control Panel	Daily review of PECOS spend to implement restrictions on non-pay expenditure. Policy and protocol created to manage all requests to ensure efficiency, cost effectiveness and alignment with NHS Grampian’s operational goals and sustainability commitment.
Rationalisation of non-pay catalogue	Review of non-pay catalogue to eliminate non-essential non-pay items and to rationalise product offering to most cost-effective option. Includes a complete freeze on items such as furniture and office equipment and use of WARP-IT to identify surplus equipment for re-use.
Efficiency Protocols – Conferences, Seminars, Hospitality, Travel, Lease Hire	Restrictions placed on non-pay spend to ensure consistent approach in relation to conferences, seminars, travel, training, stationery and lease hire equipment.
Vacancy Control Panel	Weekly vacancy control panel in place led by interim Director of Improvement, Deputy Director of Finance and Interim Head of People & Change to determine options to reduce headcount expenditure in agreement with service managers.
Additional Hours (Excess and Overtime Hours) Policy	Revised framework introduced in 2024 to provide guidance to managers authorising excess or overtime claims. Authorisation of excess or overtime hours take place in line with local processes. Additional hours justified in circumstances where essential to the delivery of safe services / mitigation of risk.
Medical Agency Approval Process	All requests for agency medical progressed as Direct Engagement and Framework as default. If cover not secured deviation from DE and framework rates must be presented to the Medical Director for approval.
Additional Hours Rate for Medical Staff	Aligned Consultant medical staff additional hours to MSG rate in line with national practice. Phased approach where previously booked hours honoured until April 2026 and staffing models redesigned for areas with high reliance on additional hours through early 2026/27.

Value and Sustainability Plans

Grip and control measures



Resourcing Controls	How we control it
Workforce Planning and Establishment Setting via Common Staffing Method	Setting Establishments through Common Staffing Method (CSM) with rebasing of budgets (where required) by Finance Directorate. Improved sign-off of roster templates to ensure alignment with rebased budgets. Creation and implementation of a robust framework for managing establishment setting through CSM. Review of CSM outputs for each Division (underway).
Staffing Above Agreed Roster Templates	Additional Duty controls implemented when adding additional shifts above agreed roster levels. NHS Grampian Enhanced Care Policy (under review). Increased validation of real time staffing assessments and compliance with enhanced observation policy (co-dependent with review of policy).
Rostering Performance	NHS Grampian Nursing and Midwifery Rostering Policy reviewed (currently at GAPF Policy Sub-Group for consultation) with strengthened controls relating to second level approval (authority increased to Nurse Manager (NM)); improved standards for AL planning and Management; and reduction in Maximum AL to align with NHSG guidance. Additional Duty controls implemented where establishments have been set (increased NM authority when additional duties above the agreed staffing level are added). Real Time Staffing (RTS) process in place to ensure rosters are reviewed continuously for next 72 hours.
Agency Use	Robust automated multi-level agency sign off by Chief Nurse (CN) and Nurse Director (ND). Maximum lead time for ad hoc requests (72 hours) in place. Authorisation of block booking requests requires CN, ND, Portfolio Executive Lead (PEL) and Executive Nurse Director (END) to ensure robust review of exit strategies Maintain no off-framework agency use. Negotiate with framework agency for block bookings with specialist skill sets as required with END authorisation. Maintain compliance with all Scottish Supplementary Staffing Task and Finish Group (SSTFG) controls.



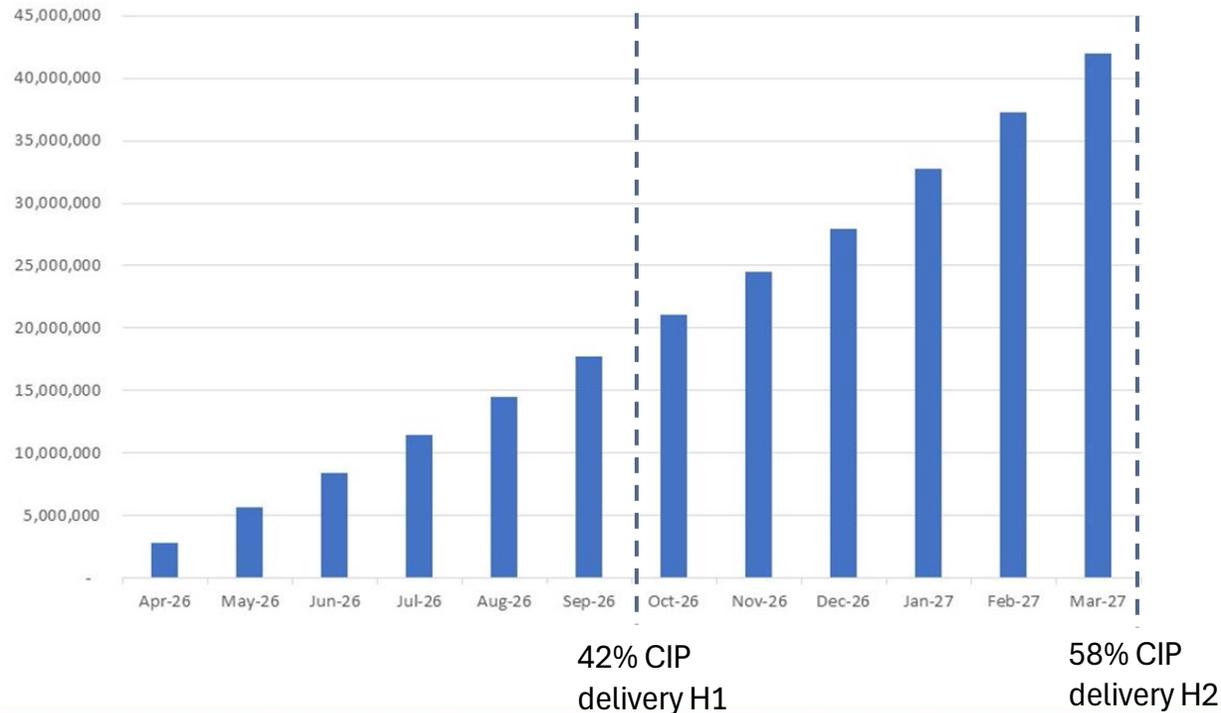
Value and Sustainability Plans

Workstream breakdown



Workstream phasing – cumulative

- The graph below shows the cumulative effect of the 2026/27 savings programme with a forecast 58% delivered in the second half of the financial year compared to 42% in the first six months. This reflects, in part, the lead in time to enact some of the operational changes the organisation is pursuing.



Workstream by recurrency

- At present, the plan assumes £34.1M (82%) of the savings are recurrent with £7.8m (18%) as non-recurrent. This balance is expected to shift through the year as more definition is provided around schemes.
- Our modelling assumes 75% recurrency across each of the following workstreams:
 - Procurement (£2.8m) – based on historical performance.
 - Operational Improvement (£4m) – acknowledges impact of pauses applied to both vacant posts as well as delayed non-pay ordering.
 - Development of efficiency schemes (£3m) – in line with last years overall recurrent performance.
 - Already identified non-recurrent schemes – (£0.5m).
- In 2025/26, NHS Grampian delivered c76% recurrent savings placing in the top quartile nationally. We anticipate a similar outcome with the focus on identifying permanent cost reductions.

Value and Sustainability Plans

Workstream breakdown

Workstream breakdown by pay category

- The table overleaf presents the breakdown of savings by workstream and pay category. While there will be some variation through-out the year, we anticipate:
 - £30.9m (74%) of savings to be via non-pay; and
 - £11m (26%) of savings to be pay reductions
- In line with national staffing policy, there will be no redundancies resulting from our plan, nor any offers of mutually agreed resignation schemes (MARS). The majority of workforce gains will be from continuing efforts to reduce high-cost agency usage and other forms of supplemental high-cost staffing solutions across medical and nursing staff groups through substantive recruitment.



Type	Workstream	£'000
Non-Pay	Integration Joint Boards	13,000
	Corporate - Finance	3,500
	Corporate - Other	20
	Pharmacy	4,600
	Estates & Facilities	698
	Procurement	2,800
	Mental Health & Learning Disabilities	292
	Acute Sector	1,592
	Digital Directorate	210
	Infrastructure & Sustainability	235
	Operational Improvement	2,000
	Development of Efficiency Schemes	2,000
	30,947	
Pay	Corporate - Other	1,037
	Nursing, Midwifery & AHPs	2,900
	Acute Medical Workforce	3,200
	Mental Health & Learning Disabilities	865
	Public Health	23
	Operational Improvement	2,000
	Development of Efficiency Schemes	1,000
	11,025	
Total		41,971

Value and Sustainability Plans

2027/2028 and 2028/29 opportunities (Years 2 & 3)



- We will invest in internal transformation capacity in 2026/27 to progress productivity and redesign opportunities in Years 2 & 3.
- Working with local system partners via the North-East System Transformation Group we will aim to streamline and optimise agreed services to better meet the needs of our communities.
- As we engage, lead and contribute to the sub-national agenda, we will ensure Grampian has a strong voice in shaping the future of healthcare for the East of Scotland.

	2026/27	2027/28	2028/29
Total Savings requirement	(£40m)	(£38m)	(£33m)
From Transactional Savings	£42.1m	£18m	£13m
From Material Transformational Savings	£0m	£20m	£20m

Assumptions

Savings identified through continued internal efficiencies across pay and non-pay categories with no gains anticipated at present from significant service or system redesign.

Work to prioritise and model transformational savings in 2026/27 to realise benefits from 2027/28 onwards.

Transformational areas of focus to include:

1. Operational redesign and improvement across select clinical and non-clinical services
2. Outputs from Integrated Service Planning across clinical specialties
3. Workforce redesign opportunities including consultant job planning
4. Pan-Grampian system opportunities in partnership with IJB and Council Partners
5. Operational gains via sub-national planning workstreams of Orthopaedic waiting times and Emergency Healthcare Services
6. Digital gains via sub-national planning workstreams of Digital Front Door and alignment of business systems

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Financial impact of savings

Medium Term Financial Framework



- Our Medium Term Financial Framework, highlights our path to financial balance. This is ambitious and will require the close control of new costs, no commitments beyond those provided for within the 2026/27 financial plan and the delivery of significant savings both in the non-delegated and delegated services over the period of the plan.
- Deficit support funding has been confirmed for years 2 and 3 of the plan, and it is assumed that the sustainability funding will cease by the end of 2028/29. We anticipate reporting a small deficit in year 4 of the plan returning to balance in year 5. This assumes no new pressures without a funding source, such as new national services or new high-cost drugs. There remains significant risk over this assumption.

	2026/27	2027/28	2028/29	2029/30	2030/31
Brought forward Deficit	£45m	£36m	£25m	£15m	£0m
Add back Non-Recurring Adjustments					
- Savings and other one off adjustments	£12m	£6m	£6m	£5m	£5m
- Reduction in Sustainability Funding	£10m	£5m	£5m	£5m	£0m
Inflation and growth	£24m	£20m	£16m	£13m	£33m
Income from SG	(£15m)	(£4m)	(£4m)	(£5m)	(£5m)
Savings Requirement:					
- Reduction in IJB deficit support funding	(£13m)	(£3m)	(£3m)	(£3m)	(£3m)
- Value and Sustainability Savings further savings	(£27m)	(£35m)	(£30m)	(£30m)	(£30m)
Total Savings requirement	(£40m)	(£38m)	(£33m)	(£33m)	(£33m)
NHS Grampian Deficit	£36m	£25m	£15m	£0m	£0m
Maximum Deficit Support Funding	£36m	£25m	£15m		

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Programme Governance

Introduction

- This plan has been developed over a 20-week timeframe that commenced in October 2025. It has involved executive, divisional (clinical and operational) and corporate teams across its component 13 workstreams. We have worked closely with our three IJB partners to secure confidence in the deliverability of their respective contributions (the fourteenth workstream).
- We have utilised regional and national benchmarking information to inform how we scoped opportunities drawing from an external review commissioned last year and published in October 2025; support from the Scottish Government Financial Delivery Unit (FDU) and participating in comparative analysis made available through the national '15-box grid' documentation. This supports the Health Boards ambition to be a high-performing organisation.
- Increased clinical ownership has formed a core part of the development phase including clinical sign-off of schemes that have a direct impact on clinical staffing, patient pathways or patient care. This level of engagement will continue through the implementation phase to ensure we do not unintentionally deteriorate current quality, safety and performance standards.
- Significant steps have been taken to strengthen the governance of the programme from operational engagement and leadership to enhanced Board level oversight and scrutiny. Reporting progress against plans has been integrated into the weekly Executive Team Meeting to ensure it retains the appropriate level of executive oversight.



- The final plan will be approved in line with each partners internal governance processes.
- The Value & Sustainability Team has a clear remit to support this programme that includes:
 1. Provide and co-ordinate dedicated resource to support delivery of the programme and underpinning work stream teams
 2. Embed in the organisation a strong programme management culture and an accountability and governance framework
 3. Provide independent challenge and support workstream leads to manage execution and delivery risk
 4. Monitor the delivery of individual plans, manage programme level risks and interdependencies through standardised reporting tools and escalate issues that hinder delivery
 5. Be the central repository in the organisation and co-ordinating function for all plans and reporting documentation
 6. Engage the organisation in the generation of new ideas through engagement events and other forums
 7. Provide timely evidenced based assurance of progress and variance against plan to relevant committees.

Programme Governance

Reporting Structure

- This diagram depicts the governance and accountability arrangements for the savings programme and how NHS Grampian is readying itself to shift focus toward more complex transformational opportunities. The Value & Sustainability Team will provide reports into all relevant committees to ensure compliance with good governance.



Meeting	Description	Frequency	Chair
Programme Board	Accountable for development and delivery of overall programme, resource and risk management.	Monthly	Director of Finance
Delivery Group	Responsible for operational development of ideas into robust, credible plans.	Monthly	Lead for Value & Sustainability
QIA Panel	To assess the impact of schemes against the domains set by the Scottish Government to safeguard clinical outcomes, patient care and staff well-being.	Monthly	Executive Medical Director / Executive Nurse Director, Director of Public Health
Workstreams	Clinical and operational leads with wider staff engagement to identify opportunities and to define and agree opportunities for improvement	Various	As defined by workstreams

Programme Governance

Resourcing and ownership



- We have identified named individuals to deliver each workstream with defined role descriptions so staff understand their responsibilities as well as the value of their contribution.
- NHS Grampian recognise the importance of strong engagement through the development phase and has consulted widely with teams across the organisation.
- Support from Finance, People & Culture and the Value & Sustainability Teams enable additional validation of financial and staffing metrics.

Workstream	Executive Lead	Clinical Lead	Workstream Lead	V&S Lead	Finance Lead
Integration Joint Boards	Chief Officers - IJB	IJB Clinical Directors	Within each IJB	Within each IJB	Within each IJB
Operational Improvement	Alex Stephen	Paul Bachoo	Sarah Irvine	Phil Tydeman	Grant Burt
Corporate - Finance	Alex Stephen	N/A	Sarah Irvine	Phil Tydeman	Sarah Irvine
Corporate - Other	Alex Stephen	N/A	Phil Tydeman	Carmen Gillies	Grant Burt
Pharmacy	Hugh Farrow Bishop	David Pflieger	David Pflieger	Carmen Gillies	Grant Burt
Estates & Facilities	Alan Wilson	N/A	Gavin Payne	Mary Agnew	Eve Bain
Nursing, Midwifery & AHPs	June Brown	June Barnard	Jane Ewen	Leigh Ewen	Alison Tennant
Acute Medical Workforce	Paul Bachoo	Div. Medical Directors	Cathy Young	Carmen Gillies	Grant Burt
Procurement	Alex Stephen	Clinical Directors	Jennifer Yeomans	Carmen Gillies	Sarah Irvine
Mental Health & Learning Disabilities	Fiona Mitchelhill	Alastair Palin	Judith McLenan	Carmen Gillies	Nanret Ogala
Acute Sector	Geraldine Fraser	Paul Bachoo	Divisional GMs	Carmen Gillies	Grant Burt
Digital Directorate	Stuart Humphreys	Stephen Baguley	H. Binns/ J. Eilbeck	Mary Agnew	Eve Bain
Infrastructure & Sustainability	Alan Wilson	N/A	Gary Kidd	Mary Agnew	Eve Bain
Public Health	Shantini Paranjothy	Chris LittleJohn	Kim Penman	Mary Agnew	Grant Burt

Programme Governance

Documentation

- A suite of standardised documents have been introduced to support effective monitoring of the programme. These include:
 - Savings tracker
 - Scheme workbooks
 - Quality Impact Assessments
 - Integrated Impact Assessments
 - Risk and quality risk log
- The savings tracker holds all information for each scheme including owners, phasing by month, RAG status, recurrency and plan and actual savings. This is the source document to generate timely and accurate reports to relevant meetings.
- A workbook for each individual scheme or workstream has been used to provide assurance of delivery against plan. The tracker will capture the following information for presentation to the Operational Delivery Group:
 - Milestones due in each reporting period RAG rated with commentary to support milestones at risk
 - Financial performance against plan
 - WTE performance against plan
 - KPI performance against plan



- As we move to implementation, templates will be enacted to monitor progress of each workstream through the monthly Delivery Group allowing escalation of delayed milestones, financial slippage and deterioration of KPI metrics. Early escalation will also be facilitated through fortnightly workstream meetings.

Standardised Workbook

A screenshot of a complex spreadsheet or workbook. The top right corner features logos for 'Plan for the Future' and 'NHS Grampian'. The spreadsheet contains multiple columns and rows of data, with some cells highlighted in red and yellow, indicating areas of concern or risk. The data appears to be organized into sections, possibly representing different workstreams or milestones.

Programme Governance

Resourcing



- There is a well-established Value & Sustainability Team in place to support delivery of the programme. A new strengthened programme approach has been implemented this year with the additional resource of an Interim Director of Improvement.
- A review of project and programme resource across the organisation is being conducted to ready the Health Board to move into a more resource-dependent transformational phase through 2026/27 and the outputs of this work will conclude in April 2026 to enable the development of Year 2 and Year 3 schemes, fully supported by indirect programme support from operational and corporate teams.

Direct Programme Support	WTE
Interim Director of Improvement (until June 2026)	1.0
Lead for Value & Sustainability	1.0
Programme Manager	1.0
Senior Project Manager	2.0
Project Support Officer	1.0
Total	6.0

Indirect Programme Support	Resource
Acute Sector & Corporate Directorates	To drive implementation of respective workstreams through clinical and operational managers and realise savings.
Finance Department	To provide detailed financial analysis and validation of stated savings including phasing and recurrency. To actively monitor and report an evidence base for savings being realised.
People & Culture	To support delivery of WTE reductions - vacancy control panels and skill mix changes.
Information and Performance	To provide analytical support to validate impact of existing schemes against operational KPI's including data related to Quality Impact Assessments (QIA).
Communications Team	To facilitate communication of the programme to staff and stakeholders on a regular basis to maintain engagement and celebrate success.

Programme Governance

Key risks

- Key risks to each of the workstreams have been identified in the individual plans and will be monitored regularly. Mitigating actions are also clearly defined in the plans. The key themes emerging at the moment are presented in the table below. These will be monitored and managed by the Programme Board.



Objective	ID#	Risk	Mitigation
1.0 Develop robust plans to deliver a minimum of £40m in-year savings and 3% of revenue resource limit (RRL)	1.1	Daily and short-term operational pressures lead to a loss of focus on longer-term strategic goals	Value & Sustainability is one of three operational priorities so extensive Board level support and oversight. Strengthened governance through regular workstream meetings, enhanced Delivery Group and Programme Board as well as a newly established Finance Recovery Board. Reporting into weekly Executive Team enables immediate escalation of risk. Interim Director of Improvement in place to June 2026. Level 4 escalation funding to support other priorities programmes.
	1.2	Insufficient rigour and controls in place to effectively monitor delivery resulting in slippage and financial loss	Substantive Value & Sustainability team in place with 5.0 WTE staff. Clear governance structure in place with weekly or fortnightly workstreams and clear escalation routes. Pay and non-pay controls now firmly embedded in the organisation.
2.0 Deliver savings without adversely impacting on Quality, Safety or Performance	2.1	Savings in one part of the system may lead to an adverse impact on safe clinical services, a healthy workforce and maintaining current performance levels in another part of the system.	Savings across NHS Grampian and IJB's discussed at two whole system financial planning meetings. In-depth review and discussion held with Chief Executive Team on all partner schemes. IJB presentations to NHS Grampian Finance Recovery Board. A North-East System Transformation Group is being established to assess 'Once for Grampian' opportunities inclusive of three Councils and three IJB partners. All savings proposals will be considered via the Board's Quality Impact Assessment process to ensure the impact on four elements of finding balance: Finance, Prevention, Clinical and People is carefully considered prior to decision to implement. Monitoring of KPI's to determine if savings are reason for any worsening of metrics.

Programme Governance

Key risks



Objective	ID#	Risk	Mitigation
3.0 To manage the AfC pay deal & other cost pressures within the deficit control position	3.1	The update of Band 5 to 6 increase may exceed the funding level available and other unknown cost pressures may exceed what can be managed within resource envelope.	NHS Grampian have processes in place to prioritise AfC backfill funding for the reduced working week to high-risk areas, which will reduce the potential cost of this policy directive. The Executive Team have set out clear processes for the escalation of cost pressures and are actively managing additional asks through a strong grip and control process. Additional saving opportunities to be identified through-out the year to help mitigate additional costs.
4.0 Opportunities to transform services yield savings required to return to financial balance	4.1	Transformational change will not realise the financial benefits required due to lack of opportunity or continued operational pressures that limit ability to reduce demand and take cost out.	NHS Grampian has an Unscheduled Care Improvement Plan that aims to improve flow through an enhanced frailty service; reduced delayed discharges and a bed-base review. Focus will commence from Quarter 1 2026/27 on internal service redesign opportunities. A North-East System Transformation Group is being established from March 2026 to look at pan-Grampian system benefits in conjunction with IJB and Council partners. The Health Board is actively engaging with sub-national planning workstreams and any benefits to be derived are expected within the medium-term.
5.0 Strong clinical & organisation engagement & resources	5.1	Lack of awareness among wider staff in organisation leads to disengagement and lack of belief in the programme.	Communications strategy to be rolled out through existing channels. Celebrating success campaign to be continued as well as positive news stories through monthly All-Staff Briefing. Value & Sustainability Team to provide capacity so that delivery is manageable for operational and clinical colleagues. An assessment of resource being completed in March 2026 to identify any capacity gaps. Strong executive leadership to motivate local teams.

Programme Governance

Quality Impact Assessment



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- Maintaining the safety and quality of services alongside the delivery of savings is a core requirement of the programme.
- Ultimately the Board must determine how to deploy its resources within a scheme and is responsible for preparing a plan which is deliverable but not detrimental to the quality of patient care or staff health and well-being. This plan will deliver within this context.
- All schemes will be subject to a full QIA and are considered against four principles of finding balance:
 1. Clinical
 2. Finance
 3. Workforce
 4. Prevention
- The QIA will include metrics that will be monitored on an ongoing basis to provide assurance that the scheme does not impact on safety or quality. These include local and national performance metrics.
- All QIA's will be completed by the Clinical Lead for each work stream and reviewed by a panel consisting of the Executive Medical Director, Executive Nurse Director, Director of Public Health and Employee Director.

- The QIA Panel will work on the following principles:
 - a) Be clinically led and provide a solid basis for peer review
 - b) Facilitate an informed picture based on facts, and soft intelligence
 - c) Ensure an exploration of the relationship between schemes
 - d) Offer a transparent and timely process for the validation of schemes
 - e) Constructively challenge the efficacy of schemes in the context of unintended or adverse consequences for patient care
 - f) Embolden the finding balance approach
 - g) Provide a reliable audit trail for decisions
- Schemes will only commence implementation once approved by the Panel to safeguard against adverse impacts on staff, clinical delivery and patient care.
- The monitoring of the quality impact of the savings will be maintained throughout the year as part of operational and quality performance. Where there is a deterioration in key performance indicators, teams will review whether the deterioration can be attributed to the implementation of a savings scheme. Where a correlation is expected, a decision to amend or cease a scheme will be taken by the panel.
- A final written report from the QIA panel will be submitted to the Clinical Governance Committee in May 2026 with bi-annual reports thereafter.

Programme Governance

Integrated Impact Assessment

- Alongside QIA's, NHS Grampian use Integrated Impacts Assessments (IIAs) to help consider how decisions can contribute to achieving equality, human rights and other socio-economic factors and that those decisions are being made in a fair, transparent and accountable manner that aptly considers the needs and the rights of different members of our community. This is a legal duty for all Health Boards across Scotland.
- NHS Grampian has a standardised form and process that will be applied to this programme.
- The IIA will be completed by the individual responsible for implementing the scheme and will be subject to review and approval prior to the scheme moving into implementation.
- All IIA forms will be initially reviewed by a Level 1 Assessor. We have recently invested in training four additional Level 1 Assessors to provide capacity to support the quantum of schemes. The Responsible Officer will sign off the IIA as part of the final review alongside our Equality and Diversity Team.
- The outputs of this work will be included within the wider Quality paper to be submitted to the Clinical Governance Committee in May 2026.



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- As a public sector body, NHS Grampian will publish final integrated impact assessments to comply with equalities legislation.
- All integrated impact assessments (IIAs) will be periodically monitored and reviewed to ensure any issues identified are addressed.

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Next Steps

Continuing our commitment to delivery of the plan



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The Board is clear this financial plan represents a continuation of its journey to enhance quality of care, patient safety and experience and improve operational performance. It also acknowledges the work to be undertaken in the medium-term to return to financial balance. A series of further actions are required to deliver the plan and support achievement of the Board's financial ambition.

- Work with corporate and divisional teams to progress £7.7m of in-development schemes through the QIA process in March and into implementation.
- Continue to identify and progress pipeline schemes through-out the year to mitigate risk within the existing programme.
- Work with our IJB and Council partners to develop 'Once for Grampian' system benefits through the North-East System Transformation Group.
- Engage, input and help shape the East of Scotland sub-national structure and the four national workstreams.
- Further embed the governance framework to monitor, report and assure delivery of the 2026/27 Value & Sustainability programme.
- Design a framework and resource plan to support the identification and development of Year 2 and Year 3 transformation schemes.
- Review and management of risks and quality key performance indicators as set out in each workstream.

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Key Messages

Our commitment



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- This plan sets out NHS Grampian's three-year Value and Sustainability savings plan to enhance quality of care, patient safety and experience and to improve operational performance leading to an improvement in the Health Board's financial position.
- This is an ambitious and realistic plan which has been developed with and agreed by clinical and operational teams across the organisation and is endorsed by the Health Board. Through this plan, NHS Grampian reaffirms its commitment to transforming the quality of its services; patient and staff engagement and moving towards financial sustainability in the medium-term.
- The Board accepts a return to financial balance will require a mix of driving short-term internal efficiencies as well as longer-term system benefits derived through a reconfiguration of clinical and non-clinical services in collaboration with system partners. The establishment of the North-East System Transformation Group from March 2026 will be the vehicle by which we, and our partners, progress system transformation locally. Our active participation and role in sub-national planning and other national meetings will ensure NHS Grampian has a voice in developing and benefiting from national programmes.
- NHS Grampian has developed an organisation-wide communications strategy to continue to maximise engagement. This is a critical precursor to delivery.
- The 2025/26 financial plan is forecast to deliver £61.9m of savings (3.3% of our revenue resource limit) to achieve a forecast deficit position of £42.8m, an improvement on the agreed position with Scottish Government. This year, the Health Board will receive a maximum of £45m in deficit support funding to ensure compliance with the statutory duty to breakeven.
- The 2026/27 financial plan sets a requirement to deliver a minimum of £40m of savings to meet the maximum deficit level agreed by Scottish Government. Coupled with anticipated savings from our three partner Integration Joint Boards (IJBs) this will ensure the Board delivers 3% savings in line with Scottish Government requirements. NHS Grampian must achieve a deficit no greater than £36m, which is the maximum level of deficit support funding in 2026/27.
- The plan is strengthened by a dedicated Value & Sustainability Team focused on implementing the well-defined governance structure to monitor, report and assure against the 14 workstreams and to deliver the associated quality and financial benefits set out in the plan.

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Appendices

Workstream summaries



- The following slides set out the summary sheets for each workstream plan. Full workstream plans are available through the Value & Sustainability Team.

- Integration Joint Boards
- Operational Improvement
- Corporate – Finance
- Corporate – Other
- Pharmacy
- Estates & Facilities
- Nursing, Midwifery & AHPs
- Acute Medical Workforce
- Procurement
- Mental Health & Learning Disabilities
- Acute Sector
- Digital Directorate
- Infrastructure & Sustainability
- Public Health
- Development of Efficiency Schemes (*)

** Represents schemes subject to Quality Impact Assessment Panel review and not a specific workstream. Savings will be attributed to the respective workstreams once approved during March 2026*

Integration Joint Boards - Summary



Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Chief Officers - IJB	IJB Clinical Directors	Within each IJB	Within each IJB	Within IJB

Background: Provision of £20 million has been made to reflect the potential contribution required from NHS Grampian towards overspends within the three Grampian Integration Joint Boards. With a significant reduction reported from the provisions held in 2025/26, it is anticipated a £13.0 million reduction in the level of deficit support required therefore returning £13.0 million as a saving for NHS Grampian.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	IJB reduction contribution	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	1,083.3	13,000
Total		1,083.3	13,000											

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
There is a risk that the IJBs do not deliver on their savings targets for 2026/27 worsening their financial position and NHS Grampian's contribution.	3	4	12	High	<ul style="list-style-type: none"> Dependencies and risks will be actively managed through established governance at local and whole system level, including North-East System Transformation Group to explore system wide savings opportunities. 	9
Significant risk continues across Health and Social Care Partnerships driven by the rising cost of social care, increased activity and spend, contributing to operational overspend.	4	3	12	High	<ul style="list-style-type: none"> IJBs to maintain and deliver a credible in year financial plan with regular progress reporting to partners 	9



Operational Improvement - Summary



Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Alex Stephen	Paul Bachoo	Sarah Irvine	Grant Burt	Phil Tydeman

Background: With Value and Sustainability identified as one of the organisations three priority change programmes efforts are continuing across the system to support cost control, cost avoidance and the delivery of savings. These savings can be seen in the reducing operational overspend reported as we have moved through 2025/26. This saving will continue to be delivered in 2026/27 as budget holders continue to take decisions daily to ensure the effective stewardship of the Boards funding. Examples of the work undertaken that will support this saving include vacancy controls, efficiency protocols, overtime protocol.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Operational Improvement	333.3	333.3	333.3	333.3	333.3	333.3	333.3	333.3	333.3	333.3	333.3	333.3	4,000.0
Total		333.3	4,000.0											

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
With services continuing to experience significant pressures there remains a risk that the Board may need to incur additional costs to manage these pressures impacting on the ability to deliver this saving.	3	4	12	High	<ul style="list-style-type: none"> Monthly oversight through financial reporting to PAFIC supports early escalation and corrective measures to protect savings trajectory. 	9
Risk of double counting against other schemes identified within the programme.	2	4	8	Medium	<ul style="list-style-type: none"> Central oversight with financial validation on monthly savings to reduce errors and duplication of savings. 	6



Corporate Finance - Summary



Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Alex Stephen	N/A	Sarah Irvine	Sarah Irvine	Phil Tydeman

Background: Schemes in development will aim to deliver recurrent savings across the system, with active focus on identifying and progressing further opportunities in Quarter One.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	HMRC rebate - VAT	-	-	-	-	-	-	-	-	-	1,166.7	1,166.7	1,166.7	3,500.0
Total											1,166.7	1,166.7	1,166.7	3,500.0

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
HMRC rebate - VAT: risk of a delay in VAT rebate as expected.	2	4	8	Medium	• Prioritisation of VAT rebate to ensure timelines are met.	4



Corporate – Other - Summary

Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Alex Stephen	N/A	Phil Tydeman	Grant Burt	Carmen Gillies

Background: Savings opportunities focus on delivering recurrent efficiencies through workforce and contract optimisation. Participation in the green car salary sacrifice scheme will deliver recurrent payroll efficiencies for the organisation alongside staff benefits.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Workforce Redesign	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	1,000.0
2	PIP savings	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	37.0
3	Green Car Salary Sacrifice Scheme (New)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	10.0
4	Social Media licence	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.05
2 schemes to be taken through QIA Panel 16 th and 27 th March 2026														10.0
Total		87.4	87.5	87.5	87.5	1,057.05								

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Workforce Redesign: carries the risk of staff resistance, skills gaps and service disruption, potentially delaying savings delivery and impacting patient care and patient experience.	3	4	12	High	<ul style="list-style-type: none"> Dependencies and risks will be actively managed through Workforce Commission led by Interim Director of People and Culture including partnership representation. Oversight workforce findings are shared with wider teams to address accuracies and concerns. 	9
Green Car Salary Sacrifice Scheme: Lack of uptake by NHS Grampian employees will reduce the realisation of savings.	3	2	6	Medium	<ul style="list-style-type: none"> Establish robust timeframes for launch of the scheme and proactively communicate the benefits with the wider organisation. 	4

Pharmacy - Summary



Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Hugh Farrow Bishop	David Pflieger	David Pflieger	Grant Burt	Carmen Gillies

Background: Ensuring medicine switches are implemented as soon as possible once the originator medicine has lost exclusivity and a generic/biosimilar alternative is clinically appropriate and provides more value for money.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Medicines switches	275.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0	3,300.0
2	Further Medicines switches	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	1,300.0
Total		383.3	4,600.0											

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Patient reluctant to switch, slowing uptake and undermining savings.	3	4	12	High	<ul style="list-style-type: none"> Robust and successful switch programme in place with clear clinical guidance from Director of Pharmacy and General Practitioners to build confidence and acceptance for patients. 	8
Biosimilar supply disruption leading to treatment interruption or forces to re-switch.	3	4	12	High	<ul style="list-style-type: none"> Pre-switch supply risk assessment with multiple approved suppliers and local contingency plans for rapid revisions if needed. 	8



Estates & Facilities - Summary



Executive Lead	Clinical Lead	Work stream Lead	Finance Lead	Value and Sustainability Lead
Alan Wilson	N/A	Gavin Payne	Eve Bain	Mary Agnew

Background: Savings opportunities are being progressed to address ongoing financial pressures while maintaining safe, compliant and sustainable services. The focus is on optimising contracts, reducing avoidable waste, improving energy efficiency and ensuring services are aligned to actual demand.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Catering staff reductions from RCH kitchen re-organisation.	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	150.0
2	VITAL contract management.	-	-	-	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	100.0
3	Advance water payment.	45.0	-	-	-	-	-	-	-	-	-	-	-	45.0
7 schemes to be taken through QIA Panel 16 th and 27 th March 2026														402.5
Total		57.5	12.5	12.5	23.6	697.5								

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
VITAL contract management: Financial risk associated with the upfront costs to upskill staff.	3	4	12	High	<ul style="list-style-type: none"> Upskilling of staff will provide expertise in managing the plant and maximise the contract "guaranteed savings clauses" to optimise energy costs. 	9
Catering staff reductions from RCH kitchen re-organisation: Risk associated with managing change across the service including workload distribution and staffing model.	3	3	9	High	<ul style="list-style-type: none"> Application of Organisational Change Policy to align resources more appropriately (with national comparators & local workload). Periodic review of patient day activity data to validate staffing ratios following implementation. 	6
Advance water payment: Financial risk associated with upfront costs to government-backed company (makes the risk of financial loss very low). If agreement not made, then Board would continue to overpay for water.	2	3	6	Medium	<ul style="list-style-type: none"> An Options Appraisal was conducted to balance the benefit of the discount against the financial risk of paying upfront. 	3

Nursing, Midwifery & Allied Health Professionals - Summary

Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
June Brown	June Barnard	Jane Ewen	Alison Tennant	Leigh Ewen

Background: This is a continuation of the previous years' work of the V&S Sustainable Nursing Workforce Project to safely reduce registered and unregistered nursing expenditure through a programme of efficiency measures, improved governance and appropriate establishment setting in line with the requirements under the Health and Care (Staffing) (Scotland) Act 2019 (HCSA).

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
	2 schemes to be taken through QIA Panel 16 th and 27 th March 2026													2,900.0
	Total													2,900.0

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Reduced Working Week (RWW) impact from 1st April 2026	5	4	20	Very High	<ul style="list-style-type: none"> Common Staffing Method (CSM) process for identification and management of establishment risks resulting from RWW Established process for RWW for requesting backfill Over recruitment of New Nurse Graduates (NGNs) for 2026/27 within savings plan 	Very High
Increased vacancies due to registered staffing pipeline availability	4	5	20	Very High	<ul style="list-style-type: none"> International Recruitment NGN over recruitment Workforce redesign Operating Department Practitioner (ODP) course provision for Theatres staff Retention initiatives (retire and return, MAGNET etc.) 	High
System pressures, continued use of non-standard bed spaces and surge areas	4	4	16	High	<ul style="list-style-type: none"> Agreed unfunded wards excluded from financial saving targets Unscheduled Care and Planned Care Programme Board Delivery 	High
SCN leadership capacity	4	3	12	High	<ul style="list-style-type: none"> Improved substantive staffing through CSM will support protected leadership time 	High

Acute Medical Workforce - Summary



Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Paul Bachoo	Divisional Medical Directors	Cathy Young	Grant Burt	Phil Tydeman / Carmen Gillies

Background: This is a continuation from 2025/26 savings programme to reduce the use of agency locums expenditure through substantive recruitment, staff banks and rate controls while ensuring the use of direct engagement. Further focus will continue to address the number of non compliant rotas to support safe sustainable working.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
	7 schemes to be taken through QIA Panel 16 th and 27 th March 2026													3,200.0
	Total													3,200.0

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Non-compliance in rotas risk excess duty hours, fatigue related safety issues and additional banding payments that impedes on the delivery of savings.	3	4	12	High	• Medical leadership supporting teams to take breaks for staff wellbeing and patient safety. Monitoring team in place to avoid breaches.	9
With services under significant pressures the Board may incur additional locum costs to manage demand, impacting on the ability to deliver savings.	3	3	9	Medium	• Enhanced monitoring through Medical pay control panel to ensure best value and exit plans for high risk spend.	6



Procurement - Summary

Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Alex Stephen	Clinical Directors	Jennifer Yeomans	Sarah Irvine	Phil Tydeman

Background: Focus on delivering recurrent, non-clinical savings through more efficient use of invoice register, while supporting services through robust contract review and management to ensure best value. Focus will continue on budget holders to take decisions on a daily basis to ensure the effective stewardship of the Boards funding.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Contract and spend review (inc. stock management)	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	1,000.0
2	Invoice Register	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	83.4	1,000.0
3	Further contract and spend reviews	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	500.0
4	Discretionary spend and Purchase Order (POP) reviews	-	-	-	-	-	150.0	-	-	-	-	-	150.0	300.0
Total		208.5	208.5	208.5	208.5	208.5	358.5	208.5	208.5	208.5	208.5	208.5	358.5	2,800.0

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Managing a reduction in stock levels across the organisation, if poorly managed may risk shortages that could disrupt patient flow/treatment timeliness. Any use of alternatives will require clinical agreement on suitability causing further risk to patients.	2	3	6	Medium	<ul style="list-style-type: none"> Clinical risk assessments are undertaken prior to implementation whilst following governance routes for approval. Targeted approach to reviewing stock levels regularly through ward managers undertaking structured reviews in collaboration with Procurement and clinical/ward nursing teams. 	4
There is a risk that resource constraints within Procurement prevent full savings delivery.	3	2	6	Medium	<ul style="list-style-type: none"> Implement prioritisation processes to ensure Procurement resources are allocated to highest-value and highest-risk savings programmes first. Request progressed for additional staff resource to deliver savings. Optimise use of digital tools and automation where appropriate. 	4

MHLD - Summary

Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Fiona Mitchelhill	Alasdair Palin	Judith Mclenan	Nanret Ogala	Carmen Gillies

Background: Savings opportunities focus on delivering recurrent efficiencies through improved asset management, reduced reliance on supplementary staffing and service redesign. Collectively, the work streams aim to reduce avoidable expenditure, strengthen financial governance, and improve long-term sustainability while maintaining clinical safety, service continuity, and workforce resilience.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Operational Improvements	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	750.0
2	Adult mental health rehabilitation ACERT & CRT merger	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	161.0
3	Polmuir Rd – non pay costs	-	-	-	-	-	-	5.5	5.5	5.5	5.5	5.5	5.5	33.2
4	Admin and clerical reduction	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	60.0
5	Psychotherapy redesign	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	55.0
6	Polmuir Rd - cessation of supplementary staffing	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	38.8
7	Removal of 0.1 WTE Psychologist	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	6.2
2 schemes to be taken through QIA Panel 16 th and 27 th March 2026														52.4
Total		89.2	89.2	89.2	89.2	89.2	89.2	94.7	94.7	94.7	94.7	94.7	94.7	1,156.6

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Adult mental health rehabilitation merge: The risk to service redesign could temporarily disrupt service delivery during testing phase.	2	3	6	Medium	<ul style="list-style-type: none"> Focused evaluation during test of change to identify areas of risk to delivering safe and effective services ensuring no harm to patients or staff. 	4
Admin and Clerical Reduction: Any further reduction in business support administration will impact on effectiveness of service.	3	2	6	Medium	<ul style="list-style-type: none"> Review was concluded to determine minimum admin and clerical staffing requirements to support specialist MHLD workforce. This staffing compliment will now be maintained. 	4

Acute Sector - Summary



Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Geraldine Fraser	Paul Bachoo	Divisional GM's	Grant Burt	Carmen Gillies

Background: Focus on delivering recurrent, clinical savings through more efficient use of resources and increase performance measures supporting NHS Grampian's priority programmes for planned and unscheduled care.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Planned Care: Cessation of paediatric elective surgery on public holidays	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	44.0
11 schemes to be taken through QIA Panel 16 th and 27 th March 2026														1,548.0
Total		3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	1,592

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
With services continuing to experience significant pressures impacting on waiting times, there remains a risk that the Board may need to incur additional costs to provide elective surgery on public holidays, impacting on the ability to deliver this saving.	5	3	15	High	<ul style="list-style-type: none"> Elective surgery is planned and scheduled based on patient prioritisation. Tracking performance impacts to ensure no disproportionate impact on protected groups. 	12
Delay in waiting times may lead to worse health outcomes even for non-emergency cases becoming critical.	3	4	12	High	<ul style="list-style-type: none"> This change affects 5 public holidays therefore minimal impact on patients as elective surgery is planned and scheduled based on patient prioritisation. 	8



Digital Directorate – Workstream Summary

Executive Lead	Clinical Lead	Workstream Lead	Finance Lead	Value and Sustainability Lead
Stuart Humphreys	Stephen Baguley	Heather Binns, Jon Eilbeck	Eve Bain	Mary Agnew

Background: Savings opportunities focus on delivering recurrent efficiencies through improved asset management, contract optimisation, and reduced reliance on legacy paper-based and infrastructure-heavy processes. Collectively, the work streams aim to reduce avoidable expenditure, strengthen digital governance, and improve long-term sustainability while maintaining clinical safety, service continuity, and workforce resilience.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	Desktop/ Laptop rationalisation.	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	100
2	Printer rationalisation/ contract renewal.	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	50
3	Rationalisation of IT data circuits.	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	8
4	Telephone system maintenance contract re-negotiation.	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	37
5	Software Licence savings.	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	5
6	Mobile phone contracts review.	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	10
3 schemes to QIA Panel 16 & 27 March 2026														-
Total		17.5	210											

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Competing national and local priorities, constrained resources, and sustained system pressures may impact the pace, scope and sustainability of Digital programme delivery.	4	4	16	High	<ul style="list-style-type: none"> Dependencies and risks will be actively managed through established governance at local and system level. Prioritisation will be aligned to Board and system objectives with regular review of scope, timelines and capacity to ensure delivery remains achievable within the prevailing operating environment. 	9
The scale and timings of savings will depend on business analysis, validation of scope, dependencies, feasibility and resources.	3	4	12	High	<ul style="list-style-type: none"> Savings assumptions will be tested through robust business case development, phased delivery and regular review through agreed governance and benefits tracking. 	6
Risk of double count with schemes identified at individual service level for which Digital are an “enabler”.	3	3	9	Medium	<ul style="list-style-type: none"> Central oversight of all schemes and continual review of new schemes added to the tracker. Project Managers with each Service will flag any areas of concern e.g. identify duplication, with issues escalated as required. 	4

Infrastructure & Sustainability - Summary



Executive Lead	Clinical Lead	Work stream Lead	Finance Lead	Value and Sustainability Lead
Alan Wilson	N/A	Gary Kidd	Eve Bain	Mary Agnew

Background: Focus on delivering recurrent, non-clinical savings through more efficient use of the estate and reduced energy consumption, while supporting NHS Grampian's sustainability and decarbonisation objectives.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1	LED (Light emitting diode) lighting and sensor control schemes.	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	100
2	PV (Photovoltaic) schemes and other energy initiatives.	-	-	-	-	-	-	14.2	14.2	14.2	14.2	14.2	14.2	85
3	Estate rationalisation (operational running costs).	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	50
Total		13	13	13	13	13	13	27	27	27	27	27	27	235

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Estate rationalisation (operational running costs): Release and approval of the "opportunities currently being considered". Disposals and closures depend on service agreement that properties are no longer required; the buildings being closed are generally small and already under utilised, so the saving are minimal.	5	3	15	High	<ul style="list-style-type: none"> Robust governance process via Board's Asset Management Group and inclusion in associated Estate Rationalisation Plan. 	9
LED (Light emitting diode) lighting and sensor control schemes & PV (Photovoltaic) schemes and other energy initiatives: The ability to deliver LED and PV schemes are dependent on securing capital funding (e.g. bids to Scottish Government).	3	4	12	High	<ul style="list-style-type: none"> Funding secured for 2026-27 planned schemes. 	8



Public Health - Summary



Executive Lead	Clinical Lead	Work stream Lead	Finance Lead	Value and Sustainability Lead
Shantini Paranjothy	Chris Littlejohn	Kim Penman	Grant Burt	Mary Agnew

Background: A series of staffing / service reviews have taken place in the past 18 months to ensure efficient and effective staffing skill mix - including health protection, sexual health & Blood Borne Viruses (BBV), Business support. This has identified a Business Support Hub - salary reduction and a budget reduction North of Scotland (NoS) Public Health Network.

Ref	Scheme Name	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total (£'000)
1.	Business support hub salary reduction.	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	13.0
2.	Budget reduction North of Scotland (NOS) Public Health network.	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	10.0
Total		1.9	23.0											

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
Specialist Public Health (PH) workforce required to undertake increased administrative and business functions reducing their capacity to lead programme and service delivery.	3	2	6	High	<ul style="list-style-type: none"> Review was concluded to determine minimum business and admin staffing requirements to support specialist PH workforce. This staffing compliment will now be maintained. 	4
Any further reduction in business support administration will impact on effectiveness of service.	3	2	6	High	<ul style="list-style-type: none"> The staffing compliment will now be maintained and used as basis for future vacancy approval. 	4



Appendices

Glossary



AfC	Agenda for Change
ARI	Aberdeen Royal Infirmary
CEO	Chief Executive Officer
CSM	Common Staffing Method
DE	Direct Engagement
DGH	Dr Gray's Hospital
FDU	Finance Delivery Unit
HSCP	Health and Social Care Partnership
HCSA	Health and Care Staffing Act
IIA	Integrated Impact Assessment
IJB	Integration Joint Board
MARS	Mutually Agreed Resignation Scheme
MTFF	Medium Term Financial Framework

NHS	National Health Service
NEST-G	North-East System Transformation Group
NHSG	NHS Grampian
NoS	North of Scotland
NRAC	National Resource Allocation
PAFIC	Performance Assurance, Finance and Infrastructure Committee
PH	Public Health
PIP	Planning, Innovation & Programmes
RCH	Royal Aberdeen Children's Hospital
RWW	Reduced Working Week
QIA	Quality Impact Assessment
WTE	Whole Time Equivalent