

NHS Highland



NHS
Highland
na Gàidhealtachd

Meeting:

Meeting date:

Title:

Responsible Executive/Non-Executive:

Report Author:

Board Meeting

30 September 2025

Finance Report – Month 4 2025/2026

Heledd Cooper, Director of Finance

Elaine Ward, Deputy Director of Finance

Report Recommendation:

The Board is asked to **Examine** and **Consider** the content of the report and take **Limited Assurance**.

1 Purpose

This is presented to the NHS Highland Board for:

- Assurance

This report relates to a:

- Annual Operating Plan

This report will align to the following NHSScotland quality ambition(s):

Safe, Effective and Person Centred

This report relates to the following Strategic Outcome(s)

Start Well		Thrive Well		Stay Well		Anchor Well	
Grow Well		Listen Well		Nurture Well		Plan Well	
Care Well		Live Well		Respond Well		Treat Well	
Journey Well		Age Well		End Well		Value Well	
Perform well	X	Progress well		All Well Themes			

2 Report summary

2.1 Situation

This report is presented to enable discussion on the NHS Highland financial position at Month 4 (July) 2025/2026.

2.2 Background

NHS Highland submitted a financial plan to Scottish Government for the 2025/2026 financial year in March 2025. This plan presented an initial budget gap of £115.596m. When cost reductions/ improvements were factored in the net position was a gap of £55.723m. The Board received feedback on the draft Financial Plan which requested submission of a revised plan with a net deficit of no more that £40m. A revised plan was submitted in line with this request in June 2025 and this revised plan has been accepted by Scottish Government.

The Board continues to be escalated at level 3 within the NHS Scotland Escalation Framework. Work continues internally and with the support of SG to improve the financial position by identifying opportunities and implementing new ways of working which will support a move to financial balance.

2.3 Assessment

At the end of July 2025 (Month 4) an overspend of £22.665m is reported with this forecast to increase to £40.005m by the end of the financial year. The forecast position is predicated on the assumption that further work will enable delivery of a breakeven position within ASC by 31 March 2026. This currently presents a risk of £19.838m to the Board.

2.4 Proposed level of Assurance

Substantial	<div></div>	Moderate	<div></div>
Limited	<div>X</div>	None	<div></div>

Comment on the level of assurance

It is only possible to give limited assurance at this time. The position reported aligns with the Scottish Government expected position but still presents a position with is significantly adrift from financial balance.

3 Impact Analysis

3.1 Quality/ Patient Care

The impact of quality of care and delivery of services is assessed at an individual scheme level using a Quality Impact Assessment tool. All savings are assessed using a Quality Impact Assessment (QIA).

3.2 Workforce

There is both a direct and indirect link between the financial position and staff resourcing and health and wellbeing. Through utilisation of the QIA tool, where appropriate, the impact of savings on these areas is assessed.

3.3 Financial

Scottish Government has recognised the financial challenge on all Boards for 2024/2025 and beyond and are continuing to provide additional support to develop initiatives to reduce the cost base both nationally and within individual Boards. NHS Highland continues to be escalated at level 3 in respect of finance.

3.4 Risk Assessment/Management

There is a risk associated with the delivery of the Value & Efficiency programme. The Board are developing further plans to generate cost reductions/improvements. There is an emerging risk associated with allocations – this has been reflected in the forecast year end position.

3.5 Data Protection

There are no Data Protection risks associated with this report.

3.6 Equality and Diversity, including health inequalities

An impact assessment has not been completed because it is not applicable

3.7 Other impacts

None

3.8 Communication, involvement, engagement and consultation

The Board has carried out its duties to involve and engage both internal and external stakeholders where appropriate through the following meetings:

- Executive Directors Group – via monthly updates and exception reporting
- Monthly financial reporting to Scottish Government

3.9 Route to the Meeting

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- EDG
- FRPC

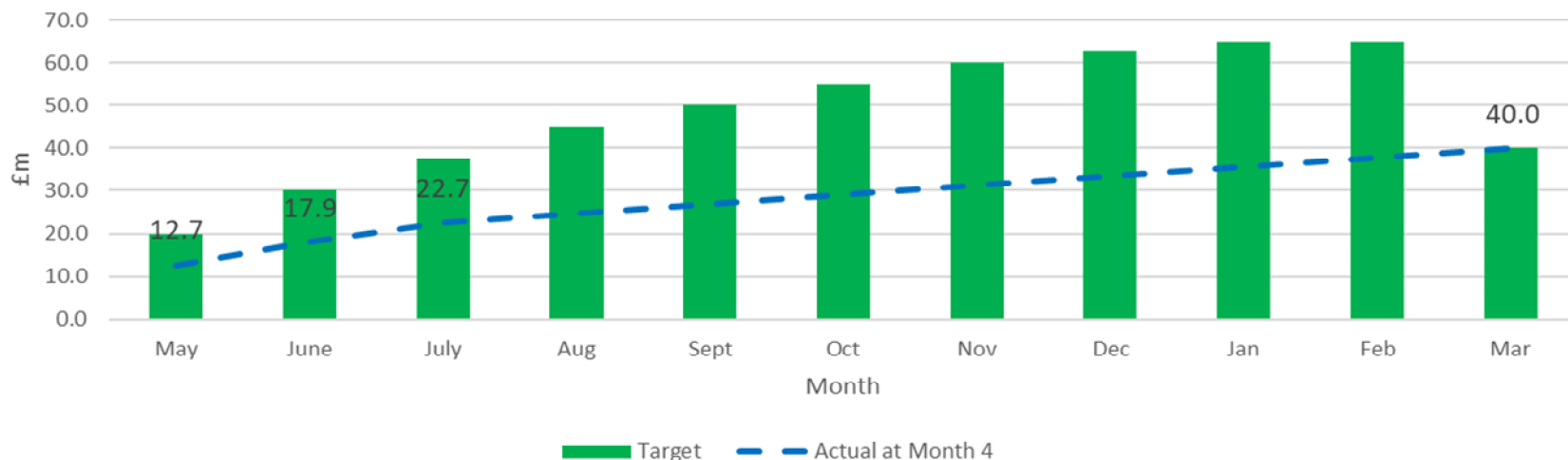
4.1 List of appendices

Finance Report – Month 4 (July) 2025/2026

Finance Report –Month 4 (July) 2025/2026

MONTH 4 2025/2026 – JULY 2025

Actual v Planned Financial Performance



Target	YTD £m	YE Position £m
Delivery against Revenue Resource Limit (RRL) DEFICIT/ SURPLUS	22.7	40.0
Deliver against plan DEFICIT/ SURPLUS	14.8	0.0

- No brokerage available in 2025/2026
- SG requested plan with a deficit no greater than £40m
- SG have confirmed that an allocation of £40m (non-repayable) will be made to cover the planned overspend – if the actual position is higher that this no further funding will be made available
- Current forecast is £40m worse than RRL but in line with SG request and revised plan submitted to SG in June 2025

MONTH 4 2025/2026 – JULY 2025

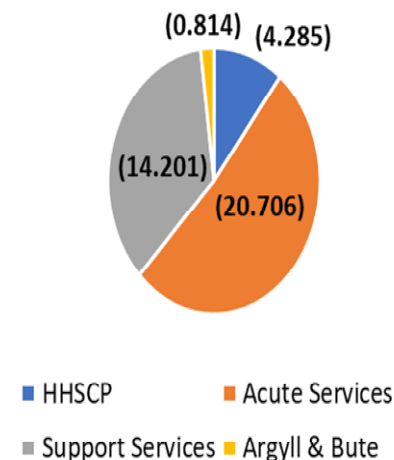


Current Plan £m	Summary Funding & Expenditure	Plan To Date £m	Actual To Date £m	Variance To Date £m	Forecast Outturn £m	Forecast Variance £m
1,336.372	Total Funding	425.907	425.907	-	1,336.372	-
	Expenditure					
503.153	HHSCP	165.983	178.725	(12.742)	527.275	(24.123)
	ASC Position to breakeven				(19.838)	19.838
	Revised HHSCP				507.437	(4.285)
339.432	Acute Services	112.264	121.147	(8.883)	360.137	(20.706)
192.372	Support Services	54.398	55.112	(0.714)	206.572	(14.201)
1,034.956	Sub Total	332.645	354.984	(22.340)	1,074.147	(39.191)
301.416	Argyll & Bute	93.263	93.588	(0.325)	302.230	(0.814)
1,336.372	Total Expenditure	425.907	448.572	(22.665)	1,376.377	(40.005)

MONTH 4 2025/2026 SUMMARY

- Overspend of £22.665m reported with this forecast to increase to £40.005m by the end of the financial year
- This is in line with the revised financial plan submitted to Scottish Government at the beginning of June 2025
- High risk assumption that ASC will deliver a breakeven position at the end of the financial year

Forecast Deficit by Operational Area



MONTH 4 2025/2026 – JULY 2025

KEY RISKS



- ASC – At this stage there is no agreed plan in place to deliver breakeven by the end of the financial year
- Delivery of the Value & Efficiency Cost Reduction/Improvement programme
- Supplementary staffing – ongoing reliance due to system pressures and recruitment challenges
- ASC pressures – suppliers continuing to face sustainability challenges, NI impact on independent sector providers
- Health & Care staffing
- Financial impact of Agenda for Change pay award from 2023
- Price increases in excess of inflationary assumptions
- Potential impact associated with the cost of new drugs
- Financial impact of fragile services
- Potential impact of any trade tariffs
- SLA Uplift
- Allocations less than anticipated

MITIGATIONS



- Ongoing robust governance structures around agency nursing utilisation
- Sustainability funding received from SG
- Additional funding for AfC non pay element of 2023/2024 pay award
- Funding anticipated from Highland Council in respect of NI rate increase – amount to be agreed
- SG have confirmed a £40m allocation will be available to enable delivery of a breakeven position at year end – based on delivery of a position in line with the financial plan

MONTH 4 2025/2026 – JULY 2025



Summary Funding & Expenditure	Current Plan £m
RRL Funding - SGHSCD	
Baseline Funding	977.911
Baseline Funding GMS	5.291
FHS GMS Allocation	79.514
Supplemental Allocations	34.431
Non Core Funding	-
Total Confirmed SGHSCD Funding	1,097.147
Anticipated funding	
Non Core allocations	76.204
Core allocations	32.481
Total Anticipated Allocations	108.686
Total SGHSCD RRL Funding	1,205.833
Integrated Care Funding	
Adult Services Quantum from THC	141.522
Childrens Services Quantum to THC	(10.983)
Total Integrated care	130.539
Total NHS Highland Funding	1,336.372

FUNDING

- £1,336.372m of funding confirmed at end of Month 4
- Pay award allocation of £8.812m received – further allocation will follow on settlement of other uplifts

MONTH 4 2025/2026 – JULY 2025



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m
	HHSCP					
293.552	NH Communities	97.573	101.819	(4.246)	306.108	(12.557)
62.341	Mental Health Services	20.421	21.250	(0.830)	62.796	(0.455)
170.541	Primary Care	56.436	57.263	(0.827)	172.161	(1.620)
(23.281)	ASC Other includes ASC Income	(8.447)	(1.607)	(6.840)	(13.790)	(9.491)
503.153	Total HHSCP	165.983	178.725	(12.742)	527.275	(24.123)
	HHSCP					
320.797	Health	105.707	108.667	(2.960)	325.081	(4.285)
182.356	Social Care	60.275	70.058	(9.782)	202.194	(19.838)
503.153	Total HHSCP	165.983	178.725	(12.742)	527.275	(24.123)

Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
Locum	425	1,542
Agency (Nursing)	322	846
Bank	890	3,546
Agency (exclu Med & Nurs)	163	848
Total	1,801	6,783

HHSCP

- YTD overspend of £12.742m reported with this forecast to increase to £24.123m by the end of the financial year
- ASC overspend forecast at £19.838 – this assumes delivery of £6.192m of V&E cost reductions/improvements
- Drugs/ prescribing pressure forecast at £0.813m
- Locum costs of £0.863m contributing to overspend within Primary Care
- Supplementary staffing costs of £6.783m incurred to date
- High cost out of area placements continue to impact on the Mental Health position

MONTH 4 2025/2026 – ADULT SOCIAL CARE



Services Category	Annual Budget £000's	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Outturn £000's	YE Variance £000's
Total Older People - Residential/Non Residential Care	65.316	21.776	21.284	0.492	63.179	2.137
Total Older People - Care at Home	40.188	13.413	14.907	(1.494)	44.687	(4.500)
Total People with a Learning Disability	53.377	17.833	20.069	(2.236)	61.144	(7.767)
Total People with a Mental Illness	11.628	3.878	3.474	0.404	10.192	1.436
Total People with a Physical Disability	10.260	3.431	3.829	(0.398)	11.352	(1.092)
Total Other Community Care	13.731	4.577	4.085	0.491	13.167	0.564
Total Support Services	(12.144)	(4.633)	2.186	(6.818)	(1.944)	(10.200)
Care Home Support/Sustainability Payments	-	-	0.224	(0.224)	0.417	(0.417)
Total Adult Social Care Services	182.356	60.275	70.058	(9.782)	202.194	(19.838)

ADULT SOCIAL CARE

- YTD an overspend of £9.782m is reported with this forecast to increase to £19.838m by the end of the financial
- Forecast assumes delivery of £6.192m of V&E cost reductions/ improvements
- The overall financial position for the Board assumes that ASC will deliver a breakeven position by the end of the financial year
- £1.639m of supplementary staffing costs within in-house care homes are included within the year to date position

MONTH 4 2025/2026 – ADULT SOCIAL CARE



NHSH Care Homes Supplementary Staffing

Care Home	Month 4		Total YTD £000's
	Agency £000's	Bank £000's	
Ach an Eas	2	24	99
An Acarsaid	-	14	60
Bayview House	-	25	105
Caladh Sona	-	-	-
Dail Mhor House	-	-	-
Grant House	- 68	16	73
Home Farm	108	10	350
Invernevis	7	25	127
Lochbroom	-	18	68
Mackintosh Centre	-	4	8
Mains House	40	4	181
Moss Park	79	10	246
Melvich	2	5	22
Pulteney	-	23	105
Seaforth	-	26	96
Strathburn	-	-	-
Telford	-	12	52
Wade Centre	-	15	57
Total	169	231	1,649

- Ongoing reliance on agency/ bank staffing within Home Farm and Mains House
- Accelerating spend within Moss Park

MONTH 4 2025/2026 – JULY 2025



Current Plan £000	Division	Plan to Date £000	Actual to Date £000	Variance to Date £000	Forecast Outturn £000	Forecast Variance £000
91.673	Medical Division	30.298	35.199	(4.901)	103.608	(11.935)
27.298	Cancer Services	8.459	9.178	(0.719)	28.794	(1.497)
77.486	Surgical Specialties	26.094	28.115	(2.020)	82.107	(4.621)
41.730	Woman and Child	14.226	14.119	0.108	42.289	(0.560)
49.673	Clinical Support Division	16.400	17.149	(0.749)	50.330	(0.657)
(8.218)	Raigmore Senior Mgt & Central Cost	(3.023)	(3.029)	0.006	(8.147)	(0.070)
28.451	NTC Highland	9.311	9.301	0.009	28.100	0.352
308.094	Sub Total - Raigmore	101.765	110.031	(8.266)	327.081	(18.988)
15.204	Belford	5.083	5.193	(0.110)	15.835	(0.632)
16.134	CGH	5.416	5.923	(0.507)	17.221	(1.086)
339.432	Total for Acute	112.264	121.147	(8.883)	360.137	(20.706)

Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
Locum	1,028	4,230
Agency (Nursing)	186	458
Bank	726	3,131
Agency (exclu Med & N)	128	487
Total	2,069	8,306

ACUTE

- £8.883m overspend reported year to date
- Forecast that this will increase to £20.706m by the end of the financial year
- Main drivers for overspend continue to be supplementary staffing costs
- Drugs costs appear to be stabilising across most areas
- £0.624m built into forecast in respect of non compliant junior doctor rotas
- £8.306m ytd spend on supplementary staffing

MONTH 4 2025/2026 – JULY 2025



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m	Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
	Support Services								
5.979	Central Services	7.391	9.039	(1.648)	5.979	-	Locum	2	9
39.721	Central Reserves	-	-	-	53.324	(13.603)	Agency (Nursing)	-	(55)
45.604	Corporate Services	14.777	13.628	1.149	43.637	1.967	Bank	281	721
54.877	Estates Facilities & Capital Planning	16.771	16.078	0.693	54.653	0.223	Agency (exclu Med & Nurs)	71	62
16.894	eHealth	5.694	5.833	(0.139)	17.993	(1.099)			
29.297	Tertiary	9.766	10.535	(0.770)	30.987	(1.690)			
192.372	Total	54.398	55.112	(0.714)	206.572	(14.200)	Total	353	736

SUPPORT SERVICES

- YTD overspend of £0.714m reported with this forecast to increase to £14.200m by the end of the financial year
- With Estates, Facilities and Capital Planning the cost of provisions continues to be ahead of budget. This is being mitigated due to vacancies in a number for the estates and facilities teams
- Within eHealth further increases in the costs of service contracts is the main driver for the overspend
- Out of Area Forensic Psychiatry costs, TAVI procedures, rheumatology drugs continue to drive the overspend within Tertiary
- Vaccination costs are now included within HHSCP

MONTH 4 2025/2026 – JULY 2025



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m
	Argyll & Bute - Health					
159.221	Hospital & Community Services	53.200	54.012	(0.813)	161.274	(2.053)
21.095	Acute & Complex Care	6.967	6.947	0.019	20.783	0.312
12.170	Children & Families	4.087	4.315	(0.228)	12.485	(0.315)
42.468	Primary Care inc NCL	14.448	14.394	0.054	43.302	(0.834)
24.717	Prescribing	7.916	7.643	0.272	24.499	0.218
11.790	Estates	3.900	3.963	(0.063)	11.790	-
7.880	Management Services	2.644	2.484	0.160	7.698	0.182
24.254	Central/Public health	0.827	(0.171)	0.998	21.400	2.854
(2.178)	Central Held Savings	(0.726)	-	(0.726)	(1.000)	(1.178)
301.416	Total Argyll & Bute	93.263	93.588	(0.325)	302.230	(0.814)

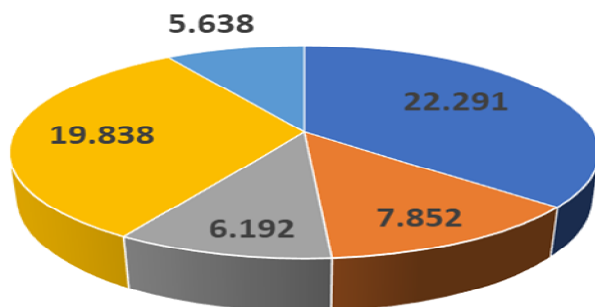
Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
Locum	538	2,117
Agency (Nursing)	122	392
Bank	262	1,117
Agency (exclu Med & Nurs)	71	257
Total	995	3,882

ARGYLL & BUTE

- Year to date overspend of £0.325m reported with this forecast to increase to £0.814m by the end of the financial year
- Supplementary staff continues to be a significant driver for the position
- Out of Board cost per case charges and out of area long stay patient treatments continue to impact on the position
- Vacancies within a number of areas is mitigating slippage against cost reductions/ improvements of £1.466m and other areas of overspend

MONTH 4 2025/2026 – JULY 2025

**Cost Reduction/ Improvement Target
£m**



■ NH Value & Efficiency ■ A&B Value & Efficiency ■ ASC Value & Efficiency
■ ASC Transformation ■ Other Action

COST REDUCTON/ IMPROVEMENT

- NHS Highland submitted a financial plan to Scottish Government in March 2025 detailing a cost reduction/ improvement programme of £54.235m
- Whilst a further submission was made in June with a revised net financial gap of £40.005m the savings programme within the March submission remained unchanged

Area of Cost Reduction/ Improvement	Target £000s
NH Value & Efficiency	22.291
A&B Value & Efficiency	7.852
ASC Value & Efficiency	6.192
ASC Transformation	19.838
Other Action	5.638
Follow up actions post March Fin Plan Submission	10.180
Total Cost Reduction/ Improvement Target	71.991

2025/2026 FINANCIAL PLAN - Targets

	Target £000s
Acute	9.688
HHSCP	6.760
Deputy Chief Exec (excluding eHealth)	0.037
People & culture	0.476
Public Health	0.609
Finance	0.389
Medical	0.141
Nursing	0.130
Tertiar	1.094
Estates & Facilities	2.201
eHealth	0.639
Strategy & Transformation	0.127
TOTAL	22.291

Acute target increased to reflect Cath Lab and Private Patient pressure which cannot be mitigated at this time

- Targets based on combination of budget and type of V&E scheme
- Targets will be within devolved budgets from start of year rather than held centrally and reallocated when plans are in place/ cost reductions or improvements delivered
- Work with Finance and Strategy & Transformation to develop more detailed plans to support delivery of 3% recurring reductions

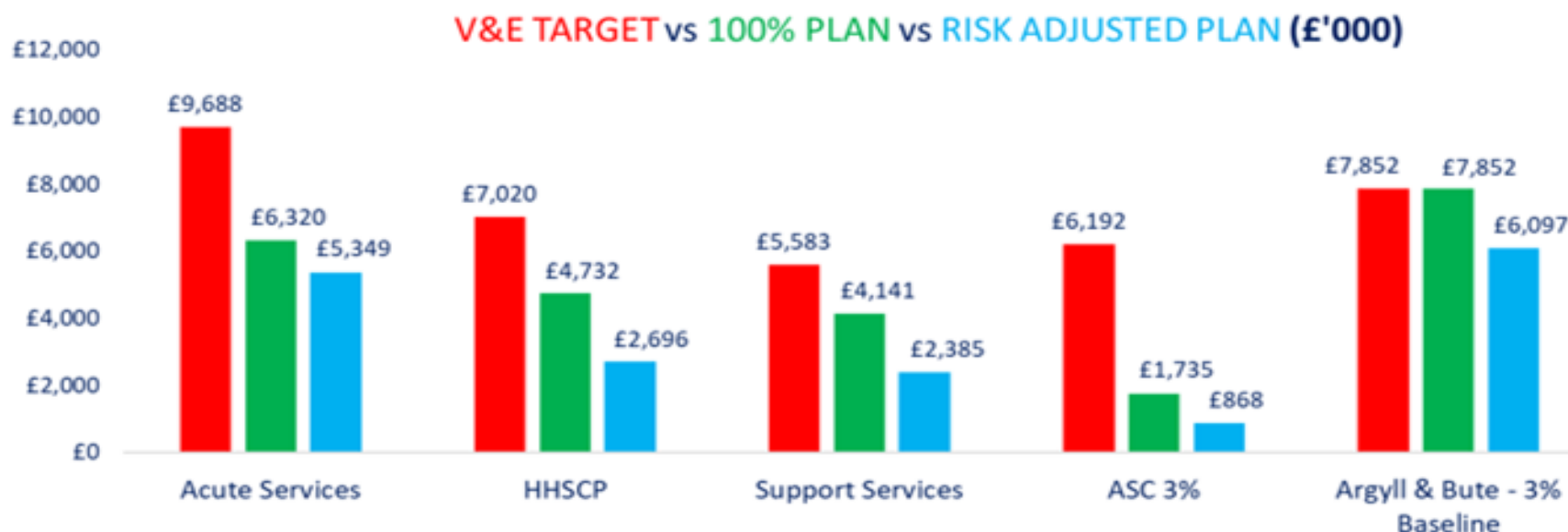
MONTH 4 2025/2026 – VALUE & EFFICIENCY



In the 2025–26 financial year, savings are reported on a risk-adjusted basis. This approach factors in the probability of risks impacting the achievement of the financial plan. The framework categorises risks into five types: Idea, Opportunity, Plans in Progress, Fully Developed, and Moved to Delivery.

2025-26 Value & Efficiency Plan (£'000)										
Reduction Programmes	100%			Risk Adjusted Forecast (RAF)			Savings Achieved			
	Allocated Target	Current Plan	Plan GAP	Allocated Target	Risk Adjusted Forecast (RAF)	Risk Adjusted Plan GAP	Allocated Target	Budget Savings Achieved	Cost Reductions Achieved	Current Savings GAP
Value & Efficiency - North Highland	22,291	15,194	-7,097	22,291	10,431	-11,860	22,291	1,546	804	-19,941
Value & Efficiency - Argyll & Bute	7,852	7,852	0	7,852	6,097	-1,755	7,852	3,353	0	-4,499
Total Value & Efficiency	30,143	23,046	-7,097	30,143	16,528	-13,615	30,143	4,899	804	-24,440
Value & Efficiency - ASC	6,192	1,735	-4,457	6,192	868	-5,325	6,192	0	25	-6,167
Total Value & Efficiency incl ASC	36,335	24,781	-11,554	36,335	17,395	-18,940	36,335	4,899	829	-30,607

MONTH 4 2025/2026 – VALUE & EFFICIENCY – TARGET, PLAN & RISK ADJUSTED PLAN BY AREA



Note: Due to hierarchy move HHSCP's savings target has increased to £7.020m (M3: £6.760m) and Support Services target has decreased to £5.583m (M3: £5.843m) (Vaccination Service Scheme)

MONTH 4 2025/2026 – VALUE & EFFICIENCY RECURRING/ NON-RECURRING BREAKDOWN

2025-26 Value & Efficiency Plan (£'000)										
Reduction Programmes as per Area and Recurrence	Value at 100%			Risk Adjusted Forecast (RAF)			Savings Achieved			
	Current Plan	Recurrent	Non-Recurrent	Risk Adjusted Forecast (RAF)	Recurrent	Non-Recurrent	Allocated Target	Recurrent	Non-Recurrent	Current Savings GAP
% of the Plan	% Rec/Non-Rec vs Curr Plan	73%	27%	% Rec/Non-Rec vs RAF	66%	34%	% Achieved vs Target	11%	5%	
Value & Efficiency - North Highland	15,194	11,551	3,643	10,431	8,349	2,082	22,291	1,986	363	-19,941
Value & Efficiency - Argyll & Bute	7,852	5,302	2,550	6,097	2,547	3,550	7,852	1,953	1,400	-4,499
Value & Efficiency (North Highland)	23,046	16,853	6,193	16,528	10,896	5,632	30,143	3,939	1,763	-24,440
Value & Efficiency - ASC	1,735	1,135	600	968	568	300	6,192	25	0	-6,167
Total Value & Efficiency incl ASC	24,781	17,988	6,793	17,395	11,463	5,932	36,335	3,964	1,763	-30,607

The total planned savings (100% plan) are £24,781m with £17,988m expected to be recurrent.

After adjusting for risk, the total expected savings drop to £17,395m with £11,463m being recurrent.

The savings plans from North Highland currently make up the largest contribution across all areas.

MONTH 4 2025/2026 – VALUE & EFFICIENCY – HHSCP

Reduction Programmes	Target Allocated	Value & Efficiency Plan as per Scheme			Savings Achieved (All budget savings recorded on the ledger and YTD cost reductions)		
		Current Plan @ 100%	Risk Adjusted Forecast	GAP (Target less Risk Adj Forecast)	Savings Achieved	Recurrent	Non-Recurrent
HHSCP							
AHP Direct Engagement		50	25		0	0	0
Dental Redesign		851	851		851	851	0
HHSCP - Clinical Stores		5	3		0	0	0
HHSCP - Postages		10	1		0	0	0
HHSCP - Unfunded Posts		100	50		0	0	0
HHSCP Travel		59	6		0	0	0
MHLD Discharge Pathway		50	5		0	0	0
MHLD Notes Retrieval		5	0		0	0	0
MHLD Reduction in Costs / Out of Area Placements		425	193		0	0	0
MHLD Reduction in Drug Costs		10	5		0	0	0
MHLD Reduction in Travel and Transport (inc taxis and pool cars)		50	28		5	5	0
New Craigs Hospital - Supplementary Nursing Staff		410	205		0	0	0
Oral Nutritional Supplements (ONS) Direct Supply		5	3		0	0	0
Police Custody/ SARC/ Forensic Medical Examiner (FME)		100	100		28	28	0
Prescribing - Highland - HHSCP		1,179	992		430	430	0
Prescribing - Sustainable - HHSCP		0	0		0	0	0
Supplementary Staffing - Medical - MH -SUPP REDUCTION IN LOCUM COSTS		50	34		18	18	0
Supplementary Staffing - Nursing - HHSCP (Community Hospitals)		579	58		0	0	0
Supplementary Staffing Primary Care 2C		0	0		0	0	0
TARA HHSCP		144	14		0	0	0
Time to Care		500	50		0	0	0
Total HHSCP	7,020	4,582	2,621	-4,398	1,332	1,332	0

MONTH 4 2025/2026 – VALUE & EFFICIENCY – ACUTE SERVICES



Reduction Programmes	Target Allocated	Value & Efficiency Plan as per Scheme			Savings Achieved (All budget savings recorded on the ledger and YTD cost reductions)		
		Current Plan @ 100%	Risk Adjusted Forecast	GAP (Target less Risk Adj Forecast)	Savings Achieved	Recurrent	Non-Recurrent
ACUTE SERVICES							
ACUTE - Junior Doctors Compliance		424	329		42	0	42
ACUTE - W&C - MyoSure		0	0		0	0	0
ACUTE - Women & Children -Test of change - Mrg		10	10		5	0	5
Acute Management Structure Review		66	66		66	66	0
Acute Medical Directorate 3%		479	238		0	0	0
Acute Surgical Directorate		401	112		0	0	0
ACUTE Theatres Optimisation and PLCV		25	2		0	0	0
Child Health Record Storage		3	2		0	0	0
Diagnostics - (Primary and Secondary Care)		0	0		0	0	0
Ferinject & PrAMS project		11	0		0	0	0
IT Equipment		2	1		0	0	0
Outpatient (Women's & Childrens) inductions		0	0		0	0	0
Prescribing - Acute Services		1,027	773		151	151	0
RGHs Contracts		237	237		125	125	0
Supplementary Staffing - Nursing - Acute		1,541	1,541		0	0	0
Supplementary Staffing Medical Locum - Acute		2,027	2,027		0	0	0
TARA Acute		0	0		0	0	0
Travel and Accommodation		20	10		0	0	0
Total ACUTE SERVICES	9,688	6,272	5,349	-4,339	389	342	47

MONTH 4 2025/2026 – VALUE & EFFICIENCY – SUPPORT SERVICES



Reduction Programmes	Target Allocated	Value & Efficiency Plan as per Scheme			Savings Achieved (All budget savings recorded on the ledger and YTD cost reductions)		
		Current Plan @ 100%	Risk Adjusted Forecast	GAP (Target less Risk Adj Forecast)	Savings Achieved	Recurrent	Non-Recurrent
SUPPORT SERVICES							
Building Lease Review		295	295		295	295	0
Corporate Teams		0	0		0	0	0
Direcotrate Savings Schemes - Corporate Services: Clinical Governance		0	0		0	0	0
Direcotrate Savings Schemes - Corporate Services: NMAHP		0	0		0	0	0
Direcotrate Savings Schemes - Corporate Services: People and Culture		0	0		0	0	0
Direcotrate Savings Schemes - Corporate Services: Pharmacy		0	0		0	0	0
Directorate Savings - Corporate Services - S&T		0	0		0	0	0
Directorate Savings - Corporate Services - sHealth		0	0		0	0	0
Directorate Savings - Estates, Facilities & Capital Planning		316	316		316	0	316
Directorate Savings: Finance		0	0		0	0	0
Energy Procurement		1,000	100		0	0	0
Fleet and Travel		314	267		0	0	0
NMAHP Corporate		100	79		17	17	0
Printing & Telephony		16	0		0	0	0
Printing, mail and communication services		0	0		0	0	0
Procurement Consolidation and Efficiency		1,570	1,178		0	0	0
Public Health Savings		250	25		0	0	0
SLA / Clinical Pathways expenditure review		0	0		0	0	0
SLA Income Review		0	0		0	0	0
TARA Corporate		0	0		0	0	0
Vaccination Service		150	75		0	0	0
Warehousing/Stores Optimisation		78	1		0	0	0
Waste Management		250	125		0	0	0
Total SUPPORT SERVICES	5,583	4,339	2,460	-3,122	628	312	316

MONTH 4 2025/2026 – JULY 2025

SUPPLEMENTARY STAFFING



	2025/2026 YTD £'000	2024/2025 YTD £'000	Inc/ (Dec) YTD £'000
HHSCP	6,704	7,081	(377)
Estates & Facilities	457	579	(122)
E Health	1	5.70	(5)
Corporate	252	278	(27)
Central	105	7	97
Acute	8,306	7,996	310
Tertiary	-	-	-
Argyll & Bute	3,882	4,302	(419)
TOTAL	19,707	20,250	(543)

Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	Pay			
138.150	Medical & Dental	46.291	48.138	(1.846)
8.157	Medical & Dental Support	2.519	3.139	(0.621)
241.545	Nursing & Midwifery	80.208	79.727	0.481
46.479	Allied Health Professionals	15.343	14.348	0.996
18.758	Healthcare Sciences	6.151	6.060	0.090
25.339	Other Therapeutic	8.239	8.370	(0.130)
51.273	Support Services	16.958	16.099	0.859
94.963	Admin & Clerical	31.453	29.958	1.495
3.490	Senior Managers	1.188	1.094	0.094
66.228	Social Care	22.014	19.650	2.364
(2.168)	Vacancy factor/pay savings	(4.269)	(2.540)	(1.729)
692.214	Total Pay	226.095	224.041	2.054

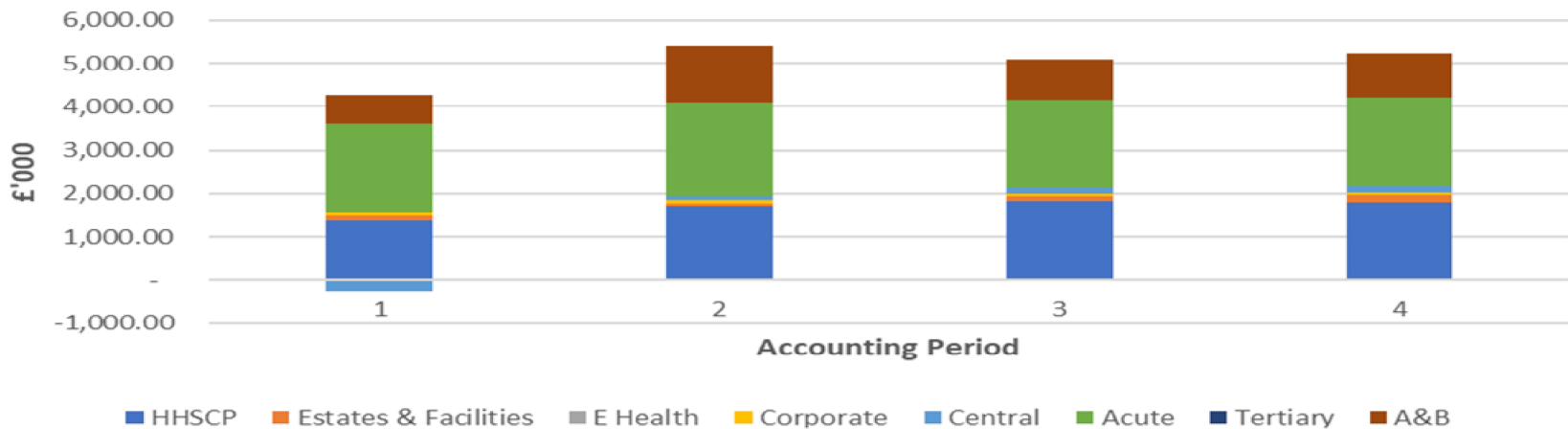
SUPPLEMENTARY STAFFING

- Recorded spend at end of Month 4 is £0.543m lower than at same point in 2024/2025
- Pay underspend of £2.054m reported at the end of month 4

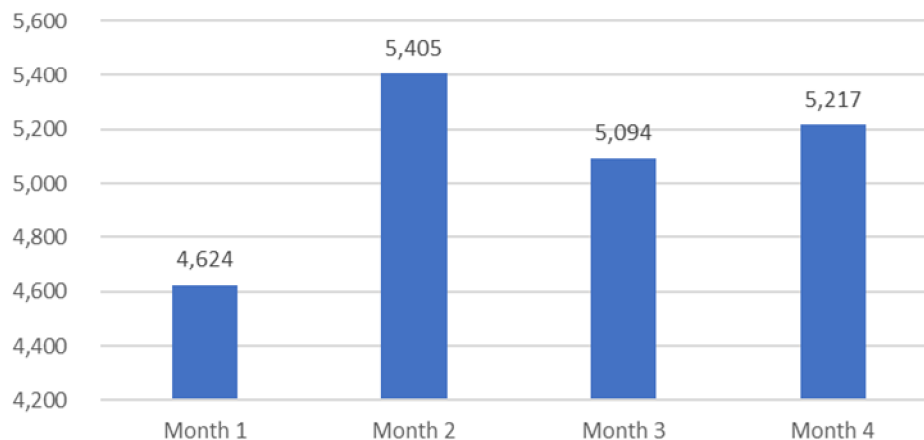
MONTH 4 2025/2026 – JULY 2025

SUPPLEMENTARY STAFFING

Supplementary Staffing Apr 25 - Jul 25



Supplementary Staffing Total Spend 2025/2026

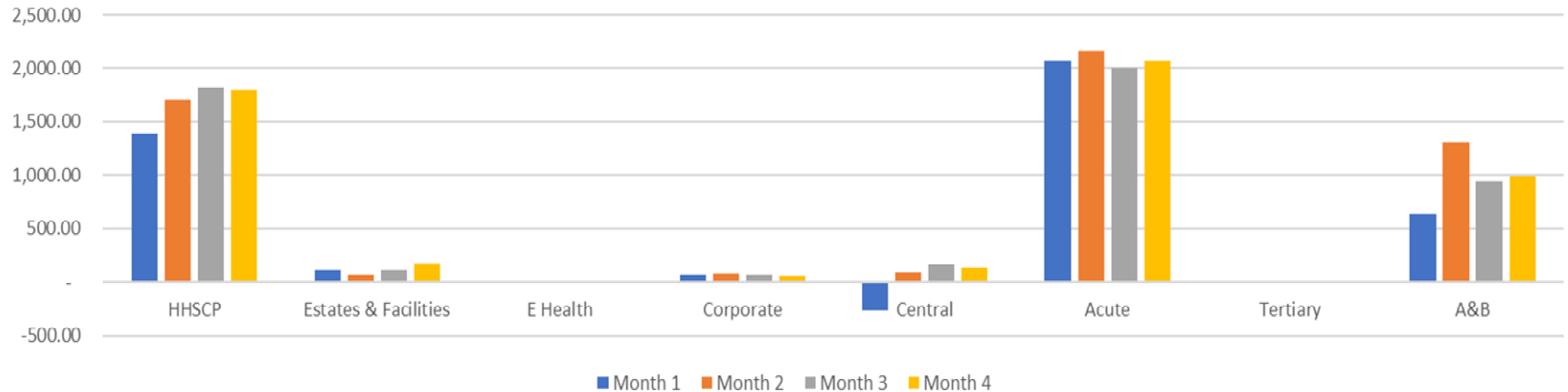


- Month 4 spend is £0.123m higher than Month 3
- Reductions across all areas except the HHSCP – this reflects increasing supplementary staffing use within Moss Park Care Home

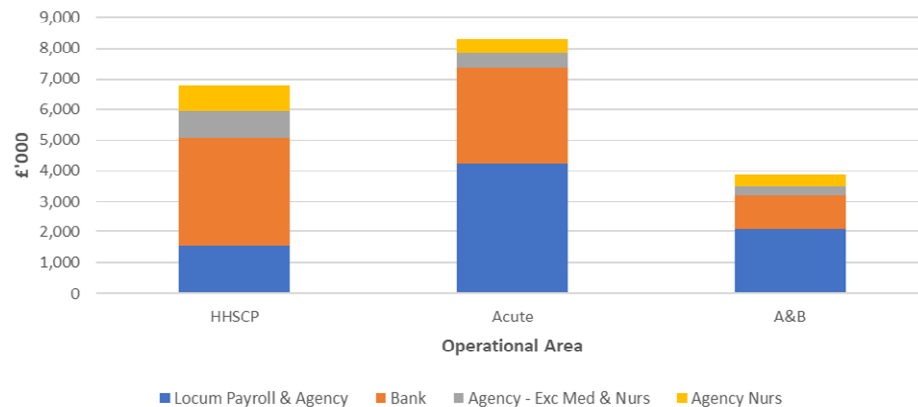
MONTH 4 2025/2026 – JULY 2025

SUPPLEMENTARY STAFFING

Supplementary Staffing - Monthly Run Rate



Operational Area Supplementary Staffing Spend by Type
Month 4 - July 2025



- Month 4 reported spend is higher than Month 3 in Estates & Facilities, Acute and Argyll & Bute

MONTH 4 2025/2026 – JULY 2025

Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	Expenditure by Subjective spend			
692.214	Pay	226.095	224.041	2.054
141.404	Drugs and prescribing	46.102	46.407	(0.304)
60.518	Property Costs	18.531	18.341	0.190
42.144	General Non Pay	14.189	14.822	(0.633)
56.298	Clinical Non pay	19.168	21.707	(2.538)
160.668	Health care - SLA and out of area	60.657	63.050	(2.393)
140.167	Social Care ISC	46.851	51.587	(4.736)
120.850	FHS	40.272	40.173	0.099

Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	Drugs and prescribing			
55.956	Hospital drugs	18.171	18.560	(0.389)
85.448	Prescribing	27.931	27.847	0.084
141.404	Total	46.102	46.407	(0.304)

SUBJECTIVE ANALYSIS

- Pressures continue to be seen within most spend categories
- Vacancies across all staff groups continues to mitigate the high level of spend on supplementary staffing
- Drugs and prescribing expenditure showing a pressure of £0.304m at the end of month 4

MONTH 4 2025/2026 – CAPITAL

Budget (£000)	Scheme	Actual (£000)	Variance (£000)
	FORMULA		
500	Contingency	(20)	520
1,036	eHealth	38	998
1,786	EPAG	475	1,311
1,972	Estates	137	1,835
1,000	Fire Compliance	-	1,000
500	PFI - Mid Argyll	130	370
500	PFI - Easter Ross	116	384
7,294	Total	877	6,417
	PROJECT SPECIFIC FUNDING		
2,000	Esates - Lochaber	373	1,627
1,291	EPAG - NIB	-	1,291
888	EV Chargers	-	888
400	Raigmore LV infrastructure	-	400
400	CGH Internal Drainage	-	400
80	CGH electrical Infrastructure	-	80
1,700	Raigmore Fire Compliance	-	1,700
400	LIDGH Fire Compliance	-	400
80	Islay Fire Compliance	-	80
-	CGH Cladding	-	-
-	ACT Accommodation	24	(24)
3,000	New Craigs Buy Back	3,000	-
10,239	Total	3,396	6,843
17,533	Total	4,273	13,260

CAPITAL

- Formula Capital of £7.294m confirmed
- Following submission of the BCP further funding has also been confirmed (but not yet received) by SG
- At this stage in the financial year expenditure is low but as expected
- Main areas of spend are on equipment and the Lochaber Redesign project
- Transfer of New Craigs reflected in position