

NHS Greater Glasgow and Clyde	Paper No. 25/159
Meeting:	NHSGGC Board Meeting
Meeting Date:	18 December 2025
Title:	Finance Report at 31 October 2025 (Month 7)
Sponsoring Director:	Michael Breen, Director of Finance
Report Author:	Fiona McEwan, Assistant Director of Finance-Financial Planning & Performance

1. Purpose

The purpose of this covering report is to:

Provide the NHS GGC Board Finance with a summary update on the monthly finance position as at 31 October 2025 (Month 7), noting the full Month 7 Finance Report is attached as Appendix 1 to this report.

This report covers:

- 1) The Month 7 Revenue Position (Appendix 1, Pages 3-4)
- 2) The Month 7 Additional Information (Appendix 1, Pages 5-8)
- 3) The Month 7 Sustainability and Value Programme (Appendix 1, Pages 9-12)
- 4) The Month 7 Capital Expenditure Position (Appendix 1, Pages 13-17)
- 5) 2025-26 Forecast Year End position (Appendix 1, Pages 18-19)
- 6) Conclusion (Pages 20-21)

2. Executive Summary

The paper can be summarised as follows:

1) 2025-26 Month 7 Revenue Position

As at the 31 October 2025 (Month 7), NHSGGC's financial ledger highlights an overspend of £45.0m (£46.5m overspend at Month 6)

BOARD OFFICIAL

Unachieved S&V programme savings account for £45.9m. The Acute Division is overspent by £15.7m and Corporate Departments are underspent by a combined £12.1m. HSCPs as a total have a combined pay and non-pay underspend of £4.5m.

2) Month 7 Additional Information

Additional information has been included covering some of the key cost areas which have been under rolling review.

These include:

- Additional Planned Care allocation of £38.9m consisting of £28.6m to support delivery of 52 week wait patients by 31st March 2026, £10m for outsourcing activity and £0.3m allocated for plastics. The year-to-date expenditure is £11.3m which has delivered 32,629 of activity.
- Unscheduled Care Funding of £21 m to support delivery of high impact actions to improve flow and patient access and Hospital @ Home funding of £2.6m. The ledger spend of £1.63m in the first seven months of the year is mainly due to the timing of confirmation of the allocations and lead in time for the projects to embed e.g. staff recruitment.

3) Sustainability and Value Programme

On an in-year basis, £123.5m or 56.70% of the £217.8m overall financial challenge has been delivered as of Month 7 and on a recurring basis £26.8m or 28.63% of the £93.7m recurring target has been achieved.

Based on the position to Month 7, the current rate of project identification and pipeline growth will not be sufficient to address the required levels of 2025-26 savings and as such other non-recurring initiatives will be required to meet the agreed Financial Plan position of break-even.

4) Capital Expenditure

Total capital expenditure incurred to 31 October 2025 is £27.3m, this amounts to 30% of the overall capital budget (of c.£90.0m) leaving a balance of £62.7m to be incurred to the 31 March 2026.

At Month 7, £60.9m (62%) of the total capital allocation has been committed either through incurred spend or firm orders which is in line with the expectations set for this time of the year.

There is £29.1m of the capital allocation profiled to future months from Business Continuity Plan priorities and of this sum £4.8m requires reallocation due to slippage or timing from original assumptions. The reallocations will be taken through and agreed by the Capital Planning Group.

5) 2025-26 Forecast Year End Position

The overall financial challenge for NHSGGC per the agreed 2025-26 Financial Plan is £217.8m. This is based on a recurring structural deficit carried forward from 2024-25 of £162.8m with further net pressures in 2025-26 of £55.1m.

To balance the 2025-26 Financial Plan the mitigations agreed were recognition of a £55.1m SG non-recurring sustainability payment, a recurring savings target of £93.7m and a non-recurring target of £69.0m.

The financial position for NHSGGC is continually reviewed and based on the results at 30 June 2025 (Quarter 1) the 2025-26 forecast to 31 March 2026 was assessed as a projected deficit of £45m. The £45m projected deficit continued to be NHSGGCs year end assessment from Month 3 through to Month 6.

A further review has taken place at Month 7 and due largely to additional income expected in 2025-26 from the SLAs with other NHS Scotland Boards and further financial management work the 2025-26 forecast to 31 March 2026 has been reduced down to a projected deficit of £39.6m (positive movement of £5.4m).

3. Recommendations

The Board is asked to consider the following recommendations:

- Note the Revenue position at 31 October 2025 (Month 7)
- Note the additional information provided
- Note the Sustainability and Value Position at 31 October 2025 (Month 7)
- Note the Capital Expenditure Position at 31 October 2025 (Month 7)
- Note the 2025-26 Forecast Year End Position at 31 October 2025 (Month 7).

4. Response Required

This paper is presented for the purpose of Assurance.

5. Impact Assessment

The impact of this paper on NHSGGC's corporate aims, approach to equality and diversity and environmental impact are assessed as follows:

- | | |
|------------------------|------------------------|
| • Better Health | <u>Positive</u> impact |
| • Better Care | <u>Positive</u> impact |
| • Better Value | <u>Positive</u> impact |
| • Better Workplace | <u>Positive</u> impact |
| • Equality & Diversity | <u>Positive</u> impact |
| • Environment | <u>Positive</u> impact |

6. Engagement & Communications

The issues addressed in this paper were subject to the following engagement and communications activity:

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The Monthly Finance position is reviewed and scrutinised by the Corporate Management Team.

7. Governance Route

This paper has been previously considered by the following groups as part of its development:

Corporate Management Team – 8 December 2025

Finance Planning and Performance Committee – 11 December 2025

8. Date Prepared & Issued

Date prepared: 26 November 2025

Date issued: 10 December 2025

Attached:

Appendix 1: Finance Report at 31 October 2025 (Month 7)

Finance Report 31 October 2025 (Month 7)

NHSGGC Board Meeting

18 December 2025



Purpose and Format



The purpose of this report is to provide the Board with the monthly finance position, including the position of the Sustainability and Value and Capital Programmes for 2025/26

The format of the report covers;

- i) The Month 7 Revenue position (pages 3-4)
- ii) The Month 7 Additional Information (pages 5-8)
- iii) The Month 7 Sustainability and Value position for 25/26 (pages 9-12)
- iv) The Month 7 Capital position (pages 13-17)
- v) 2025/26 year end position (pages 18-19)
- vi) Conclusion (pages 20-21)

Members are asked to :

- i) Note the Month 7 revenue position
- ii) Note the Month 7 position re additional information
- iii) Note the Month 7 position for Sustainability and Value and progress for 25/26
- iv) Note the capital position at Month 7; and
- v) Note the 2025/26 position.

Month 7 Revenue Position

Month 7 - Overall Position

Financial Performance – Month 7

This section of the report provides analysis of the financial position as at 31st October 2025.

Area	Annual Budget	Pays, Non Pays Position	Unachieved Savings	Final Reported Position	% of Annual Budget
	£m	£m	£m	£m	%
Acute	2,097.5	(15.7)	(36.8)	(52.5)	(2.5%)
Partnerships	1,782.1	4.5	(4.5)	(0.0)	(0.0%)
Corporate Departments	717.2	12.1	(4.6)	7.5	1.1%
Financial Position at 31st October 2025	4,596.8	0.9	(45.9)	(45.0)	(1.0%)

As outlined above, the Board recorded a deficit of £45.0m at 31st October (£46.5m at month 6).

The deficit is made up of the following:-

- Pay and non-pay underspend of £0.9m. Acute is overspent by £15.7m and Corporate areas are underspent by £12.1m. Partnerships has a pay and non pay underspend of £4.5m.
- Unachieved savings at month 7 amount to £45.9m.

Month 7 Additional Information

Planned Care Funding
Unscheduled Care Funding



Additional Planned Care Funding Allocation 2025/26

NHSGGC has received £38.9m of funding to support delivery of 52 week wait patients by 31st March 2026. The original allocation was for £28.6m was allocated across a range of specialties with the longest waits greater than 52 weeks with a further £0.3m allocated for plastics and £10m allocated to deliver activity through outsourcing. The funding is dependant on delivery of the activity and a monthly monitoring return is submitted to SG capturing the spend to date and the activity delivered. The first tranche was received in October.

For the period April to October £11.3m has been incurred and total activity of 32,629 has been delivered, 2,191 of this activity has been delivered through outsourcing. Diagnostic imaging accounts for 41% of spend and 41% of activity.

Specialty	Funding Approved 2025 £m	YTD Funding October 25 £m	YTD spend October 25 £m	Slippage October 25 £m	Forecast To March £m	Year end Slippage £m	YTD OP October Activity	YTD IP/DC October Activity	Diagnostics (Imaging & Endoscopy) October Activity
Ophthalmology	0.75	0.25	0.21	0.04	0.79	(0.05)	1,654	247	
Gynaecology	5.04	1.50	1.36	0.14	4.50	0.54	4,622	150	
ENT	1.60	0.50	0.36	0.14	1.67	(0.07)	2,017	80	
General surgery, including Breast	3.60	0.85	0.98	(0.13)	3.67	(0.07)	3,207	184	
Plastics	1.80	0.57	0.38	0.19	1.54	0.26	337	223	
Orthopaedics	11.30	3.49	2.07	1.42	9.67	1.63	1,700	726	
Urology	1.73	0.81	0.54	0.27	1.58	0.15	2,868	94	
Endoscopy	1.57	0.78	0.70	0.08	1.24	0.33			1,224
Diagnostics	10.19	5.62	4.68	0.94	9.59	0.60			13,296
Neuro Spinal	1.02	0.02	0.02	0.00	1.02	0.00			
Clinical Validation	0.25	0.00	0.00	0.00	0.25	0.00			
	38.86	14.4	11.30	3.1	35.5	3.3	16,405	1,704	14,520

Additional Urgent Unscheduled Care Funding 2025/26



Additional funding confirmed by SG of £21.0m to support delivery of high impact actions to improve flow and patient access. A range of actions are in place with quarterly reporting to SG on delivery of the agreed performance metrics and monthly reporting to SG of the spend incurred against the confirmed funding.

It is not expected any funding will be received until November which will be based on outcomes. A breakdown of the funding can be seen in the tables below. Work continues to firm up actions and review delivery timescales and outcomes.

It should be noted that further funding of £2.6m has been confirmed for Hospital @ Home and work is underway to create a governance framework and priority actions.

Table 1: Funding allocation by objective

Objective	Actions	Full year £m	YTD Funding October £m	Spend YTD October £m	YTD Funding Slippage £m	Forecast Spend to March 2026 £m
Create an interface Division, supporting the whole system structure	Director, Chief of Medicine and Chief nurse appointed.	5.59	3.26	0.12	3.14	1.53
Virtual Hospital	OPAT expansion, Doclare software, enhanced AHP provision, expand traditional H@H	4.31	2.52	0.00	2.52	1.00
Admission avoidance	Home First Response , Frailty at the front door	2.20	1.28	0.00	1.28	0.76
Supporting discharge	Intermediate care beds	2.53	1.48	0.40	1.08	1.39
Supporting discharge	Additional social worker support	0.19	0.11	0.02	0.09	0.10
Supporting discharge	Reduce LoS for AWI patients	0.70	0.42	0.00	0.42	0.30
Supporting Discharge- complex patients	30 additional care home beds	3.60	2.10	0.95	1.15	2.59
Reducing hospital admissions	Rapid Assessment Care model	1.10	0.63	0.00	0.63	0.00
Support redirection of patients	eTriage	0.50	0.29	0.00	0.29	0.15
	Acute additional projects			0.14	-0.14	4.01
	Uncommitted	0.24	0.14	0.00	0.14	0.00
Total		20.95	12.21	1.63	10.58	11.83

Additional Urgent Unscheduled Care Funding 2025/26

Table 2 below shows the split of the allocations and spend by owner. Due to the timing of the confirmation only £1.62m of the funding has been spent up to 31st October 2025. £11.84m is forecast to be spent by year end.

Table 2: Funding allocation by owner

Allocation by Owner	Full year £m	YTD Funding October £m	Spend YTD October £m	YTD Funding Slippage £m	Forecast Spend to March 2026 £m
Wider GGC actions	0.98	0.57	0.00	0.57	0.25
Interface including virtual Hospital, Raac and Digital Triage	10.19	5.94	0.12	5.82	2.26
Acute	1.92	1.11	0.14	0.97	4.65
Glasgow City HSCP	5.67	3.31	1.19	2.12	3.72
Inverclyde HSCP	0.61	0.35	0.00	0.35	0.23
Renfrewshire HSCP	0.56	0.33	0.06	0.26	0.25
East Dumbartonshire HSCP	0.31	0.18	0.05	0.13	0.12
West Dumbartonshire HSCP	0.59	0.34	0.02	0.32	0.26
East Renfrewshire HSCP	0.13	0.07	0.04	0.03	0.10
	20.95	12.21	1.63	10.58	11.83

Sustainability and Value

Sustainability and Value Programme

Month 7 Position

The position as of Month 7 shows that, on a recurring basis, £26.8m or 28.6% of the £93.7m target has been achieved. On an in-year basis, £123.5m or 56.7% of the £217.8m overall financial challenge has been delivered as of Month 7.

There was minimal movement across most sectors and directorates with the recurring position remaining of significant concern. The Estates and Facilities Directorate was the only area of significant movement within Month 7. It should also be noted that the in-year achievement of £10.7m was comprised of a further £8.1m of monies released from the financial plan.

The required pace of savings remains a concern with the recurring savings being broadly static when comparing Month 7 to Month 6.

Table 1 Month 7 position

Area	CYE Target £m	CYE £m	CYE Gap £m	FYE Target £m	FYE £m	FYE Gap £m
Acute	73.9	11.0	(62.9)	73.9	7.0	(67.0)
Corporate	23.0	10.4	(12.5)	23.0	4.0	(19.0)
	96.9	21.4	(75.5)	96.9	11.0	(85.9)
Financial Plan	120.9	102.1	(18.9)	(3.2)	15.9	19.0
Total	217.8	123.5	(94.3)	93.7	26.8	(66.9)
% achieved		56.7%			28.6%	

Sustainability and Value Programme

2025/26 Month 7 forecast

The Month 7 forecast has been updated to reflect the current levels of risk within the programme. On a recurring basis, the forecast is £53m (57%) and on a non-recurring in-year basis, £146.7m (67%).

Work has been ongoing within Month 7 to refine the levels of risk and adjust the forecast for projects that will no longer be delivered within this year. Further anticipated increases in the levels of income have been the main areas of improvement within the forecast.

Table 3 Month 7 Forecast

Area	Total Planned CYE (£m)	Total Planned FYE (£m)	Comments
Sectors/ Directorate plans (Month 7 pipeline)	130.4	38.8	
SLA Income	18.7	18.7	Expected Quarter 3
WGACH	0.0	1.0	Quarter 4- dependant on remaining areas vacating building
Further Corporate savings	0.2	0.3	Throughout the year
Total	149.3	58.9	
High Risk Schemes	(2.6)	(5.9)	Reported Month 7 risk
Total less high risk	146.7	53.0	
% identified	67%	57%	
Financial Challenge	217.8	93.7	
Gap (after adjusting for high risk)	(71.1)	(40.7)	

The HSCPs are also forecasting savings of £33.2m in the current year of which £31.9m is recurring, which are not included in the figures above.

Sustainability and Value Programme

Month 7 S&V Summary and next steps

As of Month 7, the Board continues to face a significant challenge in meeting its financial targets for 2025/26. The Month 7 in-year forecast position of £146.7m represents 67% of the total financial challenge (£217.8m) for the year, while the forecast against the recurring financial target is £53m or 57% of the £93.7m challenge.

The expansion of the 2025/27 pipeline of savings has broadly stalled as of Month 7 and the overall levels of savings achieved remains behind the required levels for the Board to achieve its required levels of savings. There remains a gap of £71.1m against the overall financial challenge for the year.

The S&V Board continues to review and scrutinise all plans with ongoing focus on the Acute sector plans, specifically the requirement to increase in year savings. Further work is ongoing on the mitigation of wider risk and the identification of an additional monies, medicines and medicines management being one area where expansion is anticipated.

The Board continues discussions with the SG Finance Delivery Unit and is awaiting feedback in relation to the Q2 self-assessment.

Planning is underway for 2026/27 with the initial call for plans and projects to be returned by the 28 of November 2025.

Capital Position



Capital Position

Capital Expenditure – 31st October 2025

- Total Gross Capital Expenditure to date : £27.3m (30% of plan)
- Annual Capital Budget at 30/10/25 : £90.0m
- Balance of Budgeted Cap. Ex. to be incurred : £62.7m (70%)
- Total Expenditure Committed at Month 7 : £60.9m (68%)
- Expenditure commitments profiled months 8-12 : £29.1m (32%)

* Committed [Expenditure incurred + Orders placed]

Total gross capital expenditure incurred to 31st October 2025 is £27.3m amounting to 30% of the annual plan (of £90.0m, which has been fully allocated via the Business Continuity Plan process). This leaves a balance of £62.7m (70%) of expenditure to be incurred by 31st March 2026. At month 7, £60.9m (68%) of the total capital allocation has firm orders or incurred spend which is in line with expectations for this point of the year.

There is £29.1m of the capital allocation which is profiled to future months, from Business Continuity Plan priorities and of this sum £4.8m requires reallocation due to slippage or timing from original assumptions and this will allow re-allocation to the Business Continuity Plan priority headings through the normal governance routes.

Capital Funding increased this month by £0.4m – due to NSD Medical Equipment Funding £0.2m and Net Book Value of Disposals £0.2m.

The total forecasted Core Capital Resource Limit (CRL) is £87.8m as at 31st October 2025 of which £26.7m (30%) has been achieved.

Capital Position

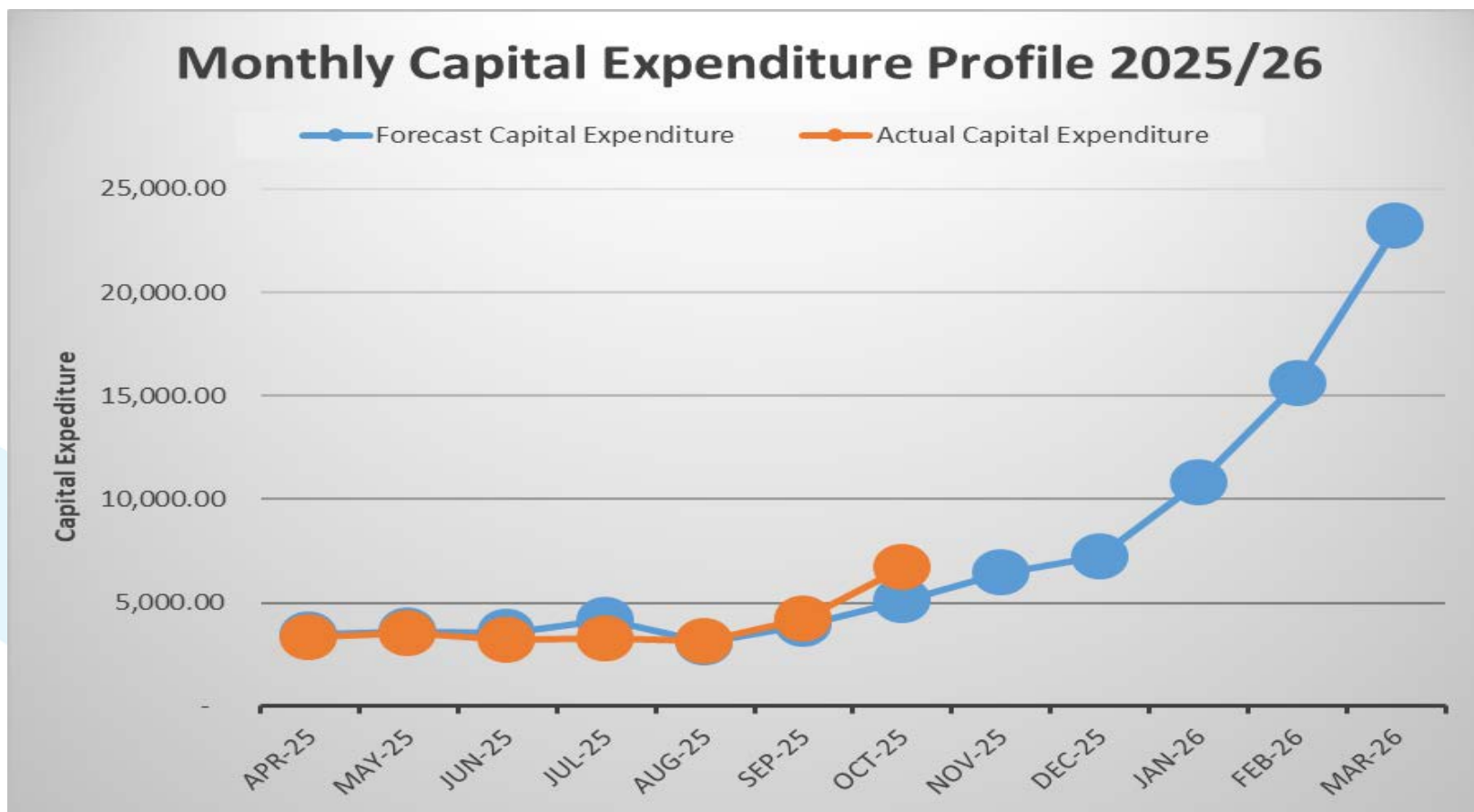
Capital Expenditure – to 31st October 2025 : £27.3m

Main areas of Expenditure as below:

- £6.3m : New build Radionuclide Dispensary
- £1.6m : New build Glasgow North East Health & Social Care Centre.
- £3.3m : Rectification Works QEUH Atrium
- £2.1m : Rectification Works QEUH Manifold
- £0.5m : Rectification Works QEUH Fire Doors
- £0.2m : RERP
- £0.2m : LIMS
- £0.7m : RAH Maternity Brickwork
- £0.8m : Clyde TSSU Air Handling Units
- £0.4m : GRI Filtration Plant
- £0.7m : INS Ward 68 Upgrade
- £0.3m : High Risk Maintenance Projects
- £0.6m : Relocation of WGACH Services
- £0.5m : Reduced Ligature Works
- £1.6m : New build Bishopton Health Centre
- £1.0m : Bishopbriggs Treatment Rooms
- £0.1m : RAH ED Redesign
- £4.1m : Medical Equipment
- £0.2M : Non-Clinical Equipment
- £0.6m : eHealth
- £0.1m : FNC+
- £0.4m : GP Loans

Capital Position

- Increase in November is due to anticipated delivery of a CT Simulator and other equipment
- Increase in March reflects the £1.6m unallocated budget and the £7.7m funding received in May for medical equipment that will not be delivered until later in the year.



Capital Position

Capital Disposals

Forecast Sales : (NBV provides Capital Funding)

Asset	Est Year	Est Receipt	NBV
Complete			
Hardgate Clinic * Sold Nov 2025	2025/26	£0.20m	£0.15m
Early stages			
Netherton Clinic	2026/27	£0.28m	£0.62m*
Dumbarton Cottage Hospital	2026/27	£0.03m	£0.03m
Cathcart Centre Greenock	2026/27	£0.14m	£0.25m*
Woodilee Cottage	2026/27	Not available	£-

* Impairment to be carried out in 2025/26

Future Years

Stoneyetts Phase 2	Not available	£ -
Lennox Castle Land Phase 2	£ 2.00m	£0.35m
Lennox Castle Phases 3 & 4	Not available	£1.55m
Yorkhill : Queen Mother's Hospital	Not available	£0.23m
Yorkhill : RHC Land	Not available	£2.58m

NBV net of Revaluation Reserve

2025/26 Position

2025/26 Position

The 3 year financial plan was approved by the Board on the 29th of April 2025. The financial plan highlights a balanced position for 2025/26 with the overall financial challenge for 2025/26 of £217.8m. This is based on a recurring deficit carried forward from 2024/25 of £162.8m. The assumption is that there is the non-recurring sustainability payment from SG of £55.1m, a recurring savings target of £93.7m and a non-recurring target of £69.0m to derive a balanced position.

A national target has been set that 3% recurring savings should be achieved against baseline funding, with the remaining savings requirement to reach financial balance to be delivered through further choices and further actions. The total savings requirement for the Board is the full amount of the deficit and for NHSGGC this is £217.8m.

The financial position is continually reviewed and based on the position at Quarter 1 the decision was taken to revise the current forecast to show a deficit of £45m. This position was mainly due to the current operational pressures NHSGGC is facing and a slow uptake on the Sustainability and Value programme. A further review has taken place at month 7 and due to additional income from the SLAs and additional financial management work offset by further acute pressures the forecast has been reduced to a **deficit of £39.6m**.

Board Finance Plan	Fin Plan April 25	Month 3	Month 4	Month 5	Month 6	Month 7	Movement Fin Plan v Month 7
	£m's	£m's	£m's	£m's	£m's	£m's	£m's
Core (Deficit)/Surplus	0.0	(45.0)	(45.0)	(45.0)	(45.0)	(39.6)	(39.6)
Total Deficit	0.0	(45.0)	(45.0)	(45.0)	(45.0)	(39.6)	(39.6)

The forecast position will continually be reviewed throughout the year as will the progress of the Sustainability and Value programme. It is extremely important that all sectors and directorates continue to increase and identify savings against their targets and that CMT progress with the plans that were identified.

The IJB's all have approved financial plans showing a break-even position, however they are facing a number of pressures and high value of savings plans. This area will continue to be closely monitored.

Conclusion

Conclusion



As at the 31st October 2025 NHSGGC's financial ledger highlights an overspend of £45.0m (£46.5m at month 6) of which £45.9m relates to unachieved savings and there is a pay and non-pay overspend of £0.9m. Acute is overspent by £15.7m and Corporate areas are underspent by £12.1m for pay and non-pay. Partnerships has a pay and non pay underspend of £4.5m.

The Board is still facing a number of pressures at Month 7 and although some progress can be seen, every effort needs to be made to reduce these pressures going forward. The financial position is continually being reviewed and based on the position at month 7, the decision has been taken to reduce the current forecast to a **deficit of £39.6m**. Significant reduction in overspends and improvement in delivery of savings is required to achieve this forecast.

In terms of Sustainability and Value, £26.8m has been achieved on a full year recurring basis. On an in-year basis (recurring and non-recurring) £123.5m has been achieved. The recurring forecast is £53m which is significantly short of the recurring target of £93.7m. The pace of both delivery and identification of savings will have to increase if the Boards targets are to be achieved.

Total capital expenditure incurred to 31st October 2025 is £27.3m, this amounts to 30% of the capital budget (of £90.0m) leaving a balance of £62.7m to be incurred to the 31st of March 2026. At month 7, £60.9m (62%) of the total capital allocation has firm orders or incurred spend which is in line with expectations for this time of the year. There is £29.1m uncommitted across specific projects across the business continuity project. £4.8m of the uncommitted balance is unallocated however this relates to specific projects across the Business Continuity Plan headings and this will be progressed through the normal governance.

In summary, Members are asked to :

- i) Note the revenue position at Month 7
- ii) Note the Month 7 position re additional information
- iii) Note the Month 7 position for Sustainability and Value and progress for 25/26
- iv) Note the capital position at Month 7;
- v) Note the 2025/26 position.