



Item No. 6

Meeting Date: Wednesday 21st October 2026

**Glasgow City
Integration Joint Board
Finance, Audit and Scrutiny Committee**

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**Glasgow City Integration Joint Board Budget Monitoring for
Month 5 and Period 5 2026/27**

Purpose of Report:

This report outlines the financial position of the Glasgow City Integration Joint Board as at 21st August 2026 for Council and 31st August 2026 for Health and highlights any areas of budget pressures and actions to mitigate these pressures.

Background/Engagement:

The financial position of Glasgow City Integration Joint Board is monitored on an ongoing basis throughout the financial year and reported to each meeting of the Board.

Governance Route:

The matters contained within this paper have been previously considered by the following group(s) as part of its development.

- HSCP Senior Management Team ☐
Council Corporate Management Team ☐
Health Board Corporate Management Team ☐
Council Committee ☐
Update requested by IJB ☐
Other ☐
Not Applicable ☒

Recommendations:

The IJB Finance, Audit and Scrutiny Committee is asked to:
a) Note the contents of this report; and
b) Approve the budget changes noted in Section 3.

Relevance to Integration Joint Board Strategic Plan:

This report outlines expenditure against budget in delivery of the range of health and social care services described within the Integration Joint Board Strategic Plan 2023-28.

Implications for Health and Social Care Partnership:**Reference to National Health & Wellbeing Outcome:**

Not applicable at this time.

Personnel:

Not applicable at this time.

Carers:

Expenditure in relation to carer's services is included within this report.

Provider Organisations:

Expenditure on services delivered to clients by provider organisations is included within this report.

Equalities:

Not applicable at this time.

Fairer Scotland Compliance:

The expenditure on services supports the delivery a Fairer Scotland.

Financial:

All financial consequences are detailed within this report.

Legal:

Not applicable at this time.

Economic Impact:

Not applicable at this time.

Sustainability:

Not applicable at this time.

Sustainable Procurement and Article 19:

Not applicable at this time.

Risk Implications:

The volatility of the drugs supply market, demand for services, cost of living crisis, the ongoing impact of the homelessness crisis and inflation continue to represent a significant financial risk to the IJB. This level of risk will require the IJB to keep its financial strategy under review to ensure services are delivered within the funding available. This financial risk will be monitored during 2026/27 and reported through the financial performance reports to the IJB and IJB Finance, Audit and Scrutiny Committee.

	The IJB is required to hold a contingency which is sufficient to enable the IJB to respond to unforeseen events and emergency situations and continue to remain financially viable. The IJB started 2026/27 with a general reserve of £33.108 million which is 1.8% of net expenditure and below the target set at 2%.
Implications for Glasgow City Council:	The Integration Scheme clearly outlines the responsibilities of Partners and the IJB if spending exceeds budget plans. Partners will be kept updated on financial performance during the year. The net cost of Homelessness to date is £22.657 million. The Council has provided the IJB with a commitment that the net pressure arising from homelessness costs will be fully funded. This report builds in the funding from the Council.
Implications for NHS Greater Glasgow & Clyde:	The Integration Scheme clearly outlines the responsibilities of Partners and the IJB if spending exceeds budget plans. Partners will be kept updated on financial performance during the year.

1. Purpose

- 1.1 This report outlines the financial position of the Glasgow City Integration Joint Board as at 21st August 2026 for Council and 31st August 2026 for Health and highlights any areas of budget pressures and actions to mitigate these pressures.
- 1.2 It is based on information contained in the respective financial systems and includes accruals and adjustments in line with its financial policies.

2. Summary Position

- 2.1 Net expenditure is £2.852 million higher than budget to date. Appendix 1 shows the current budget variance by both care group and subjective analysis.

3. Budget Changes

- 3.1 Throughout the financial year, adjustments are made to the original approved budget as a result of additional funding allocations and service developments. Since last reported the net expenditure budget has increased by £0.371 million. The changes to the gross expenditure and income budgets are analysed in the table below.

Explanation	Changes to Expenditure Budget (£'000)	Changes to Income Budget (£'000)	Net Expenditure Budget Change (£'000)
NHSGGC: Post Diagnostic Support Dementia (Older People)	403	0	403
NHSGGC: Children and Young People Crisis Intervention (Health Improvement)	107	0	107
NHSGGC: Health and Wellbeing Survey (Health Improvement)	(223)	0	(223)
Scottish Government: Funding for Enhanced Services Within Community Learning Disability Services	84	0	84
NHSGGC: Funding for Research and Development Posts (Older People)	94	(94)	0
NES: Funding for Trauma Training	63	(63)	0
Other Miscellaneous Adjustments	70	(70)	0
Total	598	(227)	371

4. Transformation Programme and STEP Forward

- 4.1 The Integration Transformation Board continues to meet to secure the delivery of in-year savings. The savings target for 2026/27 (excluding STEP Forward) is £3.806 million. At this stage of the year, it is anticipated that actual savings realised will be £3.185 million, representing 84% of the target. Part-year implementation will impact on in-year savings and will be reflected within future forecasts. The Integration Transformation Board continues to monitor delivery of these savings and agrees to take actions to ensure delivery of the proposals agreed by the IJB.

The reported monitoring position includes the year-to-date position in relation to the STEP Forward programme, which, at the start of the financial year was forecast to deliver £10 million in-year savings. In addition to this, the 2026/27 budget strategy included a drawdown from reserves of £10 million to reflect that a further £10 million in STEP Forward savings would be in place by 1 April 2027. To date, no financial savings have been realised from the programme. The drawdown of reserves to bridge the gap in further savings being realised has been phased in on a pro-rata basis up to Period 5.

- 4.2 The unachieved transformation savings target from prior years is £3.912 million. At this stage of the year, 12% (£0.460 million) has been achieved.
- 4.3 The savings realised are reflected in the overall financial position reported in this monitoring statement.

- 4.4 The Integration Transformation Board continues to monitor the transformation agenda to support in year delivery and assist future year budget planning.

5. Reasons for Major Budget Variances

5.1 Children and Families

- 5.1.1 Net expenditure is overspent by £1.266 million.
- 5.1.2 This position is primarily driven by overspends on employee and placement costs. This includes residential unit staffing (£0.849 million), residential schools purchased placements (£0.504 million), purchased placements (£0.416 million) and personalisation (£0.322 million). Consistent with the previous months, the position is partly offset by underspends due to staff vacancies across immunisation, school nursing and the Family Nurse Partnership.

5.2 Adult Services

- 5.2.1 Net expenditure is overspent by £0.994 million.
- 5.2.2 The position reflects demand-led pressures within Learning Disability purchased services, particularly Self-Directed Support Options 2 and 3 and Residential Care (£1.213 million). Mental health inpatient staffing also incurred significant bank usage over the period due to absence and the peak annual leave period (£1.314 million). These are partly offset by underspends arising from vacancies across Alcohol and Drug Recovery Services, Learning Disability, Sexual Health, and Specialist Mental Health Services (£1.307 million). It should be noted that investment of £4 million has been reflected in the Adults Mental Health budget and profiled appropriately in line with the 2026/27 budget strategy.

5.3 Older People

- 5.3.1 Net expenditure is overspent by £0.470 million.
- 5.3.2 The position reflects significant pressures within elderly mental health inpatient services, primarily the cost of bank usage (£2.875 million). This is partly offset by underspends across Self-Directed Support and Supported Living (£1.498 million), carers short breaks (£0.201 million), aids and adaptations (£0.256 million) and Physical Disability services (£0.423 million).

5.4 Resources

- 5.4.1 Net expenditure is overspent by £0.745 million.

5.4.2 Consistent with the previous period, the position reflects the impact of unachieved STEP Forward savings (£4.159 million), partly mitigated by the assumed pro-rated drawdown from the £10.580 million reserves allocation (£3.846 million). There are also overspends in purchased services and premises costs relating to repairs and ongoing works on refurbishment projects.

5.5 Operations and Governance

5.5.1 Net expenditure is underspent by £0.028 million.

5.5.2 Whilst there is a significant homelessness-related overspend (including Bed and Breakfast expenditure, property rent and repairs costs), these pressures are offset by Home Office and Glasgow City Council funding totalling £24.381 million.

5.6 Primary Care

5.6.1 Net expenditure is underspent by £0.754 million.

5.6.2 Prescribing is currently reporting an underspend of £0.363 million. There is a continuing trend of prescribing volumes being lower than anticipated in the first part of the year, however projected volume growth forecasts have been held at 2.6% for the full year. Volumes, pricing and the impact of rebates on the full year forecast remain under review in advance of full year outturn forecasting. The underlying position includes a Family Health Services pressure (£0.739 million), partly offset by vacancies within Health Improvement (£0.436 million) and surplus Scottish Government Long Covid funding from 2025/26 (£0.533 million).

6. Reserve Balances

6.1 On 1 April 2026 the IJB had a balance of £33.108 million in general reserves. The 2026-27 budget strategy plans to deliver savings of £13.806 million in year, with a further £10 million secured by 31 March 2027, in order to end the year in financial balance. Current projections forecast a balance of £23.108 million in general reserves at the end of the financial year. A hybrid approach has been adopted to meet the funding gap identified, including:

- In year savings from the first tranches of STEP Forward reviews;
- Use of general unearmarked reserves to allow time for additional STEP Forward savings to take effect through the year;
- The specific savings proposals referenced above relating to the Transformation Programme; and
- Pressures which will require to be managed within existing budgets.

7. Conclusion

7.1 Net expenditure is £2.852 million greater than budget to date.

8. Recommendations

8.1 The IJB Finance, Audit and Scrutiny Committee is asked to:

- a) Note the contents of this report; and
- b) Approve the budget changes noted in Section 3.

Glasgow City Integration Joint Board

Budget Monitoring Statement to End August/ Period 5 2026/27

1. Budget Variance by Care Group

Annual Net Expenditure Budget £000		Actual Net Expenditure to Date £000	Budgeted Net Expenditure to Date £000	Variance to Date £000
180,682	Children & Families	72,725	71,459	1,266
354,362	Adult Services	144,806	143,812	994
275,415	Older People	102,319	101,849	470
139,491	Care Service	52,646	52,487	159
74,253	Resources	33,192	32,447	745
91,345	Operations & Governance	54,148	54,176	-28
471,032	Primary Care	199,519	200,273	-754
1,586,580	Total	659,355	656,503	2,852
	Funded By :-			
604,574	Glasgow City Council	226,967	226,967	0
969,963	NHS Greater Glasgow & Clyde	425,690	425,690	0
1,463	Drawdown of Earmarked Reserves	563	563	0
1,576,000		653,220	653,220	0
-10,580	Transfer +to/-from Reserves	-6,135	-3,283	-2,852
0	Net Balance	0	0	0

2. Reserve Position at End August /Period 5 2026/27

	Balance at 01.04.26 £000	Drawdown to Date/+Upload £000	Balance End of Aug/ P5 £000
General Reserves	33,108	-6,135	26,973
Earmarked Reserves	55,964	-563	55,401

3. Forecasted Reserve Position at 31st March 2027

	Balance at 01.04.26 £000	Net Forecasted -Drawdown/ Upload £000	Forecasted Balance at 31.03.27 £000
General Reserves	33,108	-10,580	22,528
Earmarked Reserves	55,964	-22,779	33,185

4. Budget Variance by Subjective Analysis

Annual Budget £000		Actual to Date £000	Budget to Date £000	Variance to Date £000
	Expenditure			
701,629	Employee costs	290,079	286,486	3,593
33,363	Premises Costs	7,199	5,485	1,714
6,205	Transport Costs	2,633	2,339	294
48,533	Supplies and Services	21,857	22,530	-673
472,810	Third party Costs	181,349	176,072	5,277
71,555	Transfer Payments	47,517	51,891	-4,374
486	Capital Financing Costs	0	0	0
159,287	Prescribing	64,411	64,777	-366
282,661	Family Health Services	124,787	124,047	740
1,776,529	Total Expenditure	739,832	733,627	6,205
189,949	Income	80,477	77,124	3,353
1,586,580	Net Expenditure	659,355	656,503	2,852