

**Moray Integration Joint Board
Audited Annual Accounts**
For the year ended 31 March 2025



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اگر آپ کو مورے کونسل سے کسی دیگر زبان یا صورت میں معلومات درکار ہوں مثلاً "بریلے، آڈیو ٹیپ یا بڑے حروف، تو مہربانی فرما کر رابطہ فرمائیں:



Chief Finance Officer to the Moray Integration Joint Board, High Street, Elgin, IV30 1BX



accountancy.support@moray.gov.uk

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MORAY INTEGRATION JOINT BOARD MEMBERS 2024/25

Voting Members

Dennis Robertson (Chair)	Grampian Health Board
Tracy Colyer (Chair)	Moray Council (Resigned 26/09/2024)
Elaine Kirby (Chair)	Moray Council (21/11/2024 to 31/07/2025)
Bridget Mustard (Vice-Chair)	Moray Council (Joined 1/08/2025)
Sandy Riddell	Grampian Health Board
Derick Murray	Grampian Health Board
Alex Stephen	Grampian Health Board (Joined 1/7/2024)
Cllr. Peter Bloomfield	Moray Council
Cllr. Scott Lawrence	Moray Council
Cllr Ben Williams	Moray Council

Non-Voting Members

Simon Bokor-Ingram	Chief Officer (left 31/5/2024)
Judith Proctor	Chief Officer (Joined 15/7/2024)
Jim Lyon	Interim Chief Social Work Officer (Joined 3/6/2024)
Tracey Stephen	Chief Social Work Officer (left 17/6/2024)
Jane Ewen	Lead Nurse
Professor Duff Bruce	Non Primary Medical Service Lead
Dr Robert Lockhart	GP Lead
Dr Malcolm Simmons	GP Lead (left 31/3/2025)
Janette Topp	Third Sector Stakeholder (19/4/2024 – 11/2/2025)
Sheila Brumby	Service User Rep. (Joined 19/4/2024)
Ivan Augustus	Carer Representative
Kevin Todd	Moray Council Staff Representative
Elizabeth Robinson	Public Health Representative
Deirdre McIntyre	Grampian Health Board Staff Partnership

MORAY INTEGRATION JOINT BOARD MEMBERS 2024/25 Continued

Co-opted Members

Sean Coady	Head of Service and Deputy Chief Officer
Deborah O'Shea	Chief Finance Officer
Adam Coldwells	Interim Chief Executive Grampian Health Board
Roddy Burns	Chief Executive, Moray Council (retired 31/5/2024)
John Mundell	Interim Chief Executive, Moray Council (2/4/2024 – 14/3/2025)
Karen Greaves	Chief Executive, Moray Council (Joined 17/3/2025)
Sonya Duncan	Interim Corporate Manager

MANAGEMENT COMMENTARY

The Role and Remit of the Moray Integration Joint Board

The Public Bodies (Joint Working) (Scotland) Act 2014 required that Moray Council and Grampian Health Board prepared an Integration Scheme for the area of the local authority detailing the governance arrangements for the integration of health and social care services. This legislation resulted in the establishment of the Moray Integration Joint Board (MIJB) that became operational from 1 April 2016. Moray Council and Grampian Health Board, as the parties to the Integration Scheme, each nominate voting members to the MIJB, currently, four elected members from Moray Council and four Grampian Health Board members.

Under the Public Bodies (Joint Working) (Scotland) Act 2014, a range of health and social care functions have been delegated from Moray Council and Grampian Health Board to the MIJB who has assumed responsibility for the planning and operational oversight of delivery of integrated services. MIJB also has a role to play in the strategic planning of unscheduled acute hospital based services provided by Grampian Health Board as part of the 'set aside' arrangements.

Hosted services also form part of the MIJB budget. There are a number of services which are hosted by one of the three IJB's within Grampian Health Board area on behalf of all the IJBs. Responsibilities include the planning and operational oversight of delivery of services managed by one IJB on a day to day basis. MIJB has responsibility for hosting services relating to Primary Care Contracts and the Grampian Medical Emergency Department (GMED) Primary Care Out of Hours service.

MANAGEMENT COMMENTARY (continued)

Key Purpose and Strategy

Following review and consultation, the refreshed Strategic Plan (2022-2032) is a continuation of the 2019 Strategic Plan. The current plan emphasises the strength of integration and in addition to our two main Partners – Moray Council and Grampian Health Board - the MIJB recognises the importance of the Third and Independent Sectors and Unpaid Carers, in facilitating the successful operation of the partnership of Health & Social Care Moray. As with all health and social care systems Moray is facing increasing demand for services at the same time as resources – both funding and workforce availability - are under pressure. These challenges will intensify in the coming years as our population ages and more people with increasing complex needs require support to meet their health and care needs. The MIJB sets the direction and strategic intent through the development and implementation of the Strategic Plan and seeks assurance on the management and delivery of services through Board level performance reporting which ensures an appropriate level of scrutiny and challenge. The Strategic Plan identifies priority areas to support strategic direction and vision.

WE ARE PARTNERS IN CARE

OUR VISION: “We come together as equal and valued partners in care to achieve the best health and wellbeing possible for everyone in Moray throughout their lives.”

OUR VALUES: Dignity and respect; person-led; care and compassion; safe, effective and responsive

OUTCOMES: Lives are healthier – People live more independently – Experiences of services are positive – Quality of life is maintained/improved – Health inequalities are reduced – Carers are supported – People are safe – The workforce continually improves – Resources are used effectively and efficiently

STRATEGIC PLAN KEY THEMES

BUILDING RESILIENCE – Taking greater responsibility for our health and wellbeing

HOME FIRST – Being supported at home or in a homely setting as far as possible

PARTNERS IN CARE – Supporting citizens to make choices and take control of their care and support

The Plan purposefully places an emphasis on prevention and early intervention activities and seeks to prioritise these activities as a long term goal, actively pursuing good health and wellbeing for the population, with increased investment in this area of work. It highlights the Home First approach and the rationale for this is to assist people in understanding that “hospital is not always the best place for people”, a statement frequently used and in particular if you are frail and elderly can be counter intuitive to a successful recovery.

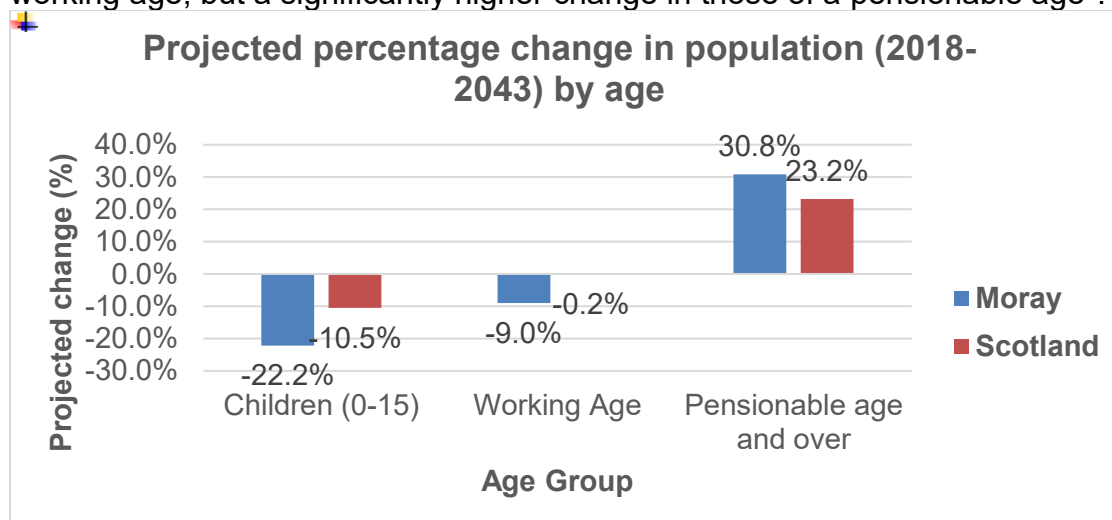
Initiatives to transform services in response to high levels of demand continue. The Moray Strategic Plan was refreshed in 2022 and along with the associated delivery plan, which was updated in May 2025, highlights key priorities for transformation.

Population

Moray is a largely rural area covering a land mass of 2,238 sq. km. It has a long coastline on the Moray Firth with harbours, fishing villages and world-class beaches. From the 2022 census, the area’s population is 93,400¹, which is an increase of 0.1% since 2011. The population growth in Moray is slowing and it is projected that the population in Moray will start to decline by 2030. This trend is forecast to continue.

The main centre of population is Elgin, which is home to more than one quarter of the people living in Moray. Other towns of population between 4,000 and 10,000 are Forres, Buckie, Lossiemouth and Keith.

The table below sets out projected population growth based on the 2022 baseline, which has not changed from the 2018 publication. Across Scotland there is a projected reduction in those in the 0-15 age group, limited change in the working age population, but significant growth in adults of pensionable age. By comparison it is projected that Moray will have a greater decrease in children, a marked decrease in those of a working age, but a significantly higher change in those of a pensionable age².



¹ [Scotland's Census 2022 - Rounded population estimates - data | Scotland's Census](#)

² [Population Projections for Scottish Areas 2018-based - National Records of Scotland \(NRS\)](#)

MANAGEMENT COMMENTARY (continued)

Performance Reporting

Performance is reported quarterly to the Audit, Performance and Risk Committee of the MIJB. In addition to the quarterly reporting, there is a requirement under the Public Sector (Joint Working) (Scotland) Act 2014 for the MIJB to produce and publish an Annual Performance Report setting out an assessment of performance in planning and carrying out the delegated functions for which they are responsible. The Annual Performance Report is due to be published by 31 July this year and will be published on the Health & Social Care Moray website, once approved by the MIJB.

One of the major aims of integration and a key measurable target for MIJB is to reduce the number of Moray residents that are ready to be sent home from hospital but have been delayed in this process. This is referred to as a 'delayed discharge'. Delayed discharge can occur due to many reasons but quite often involves the onward provision of social care which can be complex in nature and/or finite in its availability. Figures 1 and 2, below, notes Moray's performance over a six-year period showing the number of delayed discharge bed days occupied varying significantly and with minimal seasonal pattern up to March 2025.

Delayed discharges reduced during the COVID pandemic and the lock down periods, as people stayed in their own homes as per advice at the time and there was more availability of family members to support care needs. Notably, delayed discharges began to rise in Moray and across the country in March 2022 and work commenced across the three partnerships in Grampian to address the issue. Results in this activity can be seen from March 2023 onwards. However, winter 2023 saw delayed discharges increasing, in Moray and across the country and continues at an increased level.

Number of Bed Days Occupied by Delayed Discharges 18+ at Census Date				
Fin Year/Month	Jun	Sep	Dec	Mar
2019/20	768	751	971	1208
2020/21	242	803	672	496
2021/22	592	784	1142	1294
2022/23	1207	1197	1063	751
2023/24	732	845	1162	1501
2024/25	922	1115	981	1149

Figure 1

MANAGEMENT COMMENTARY (continued)

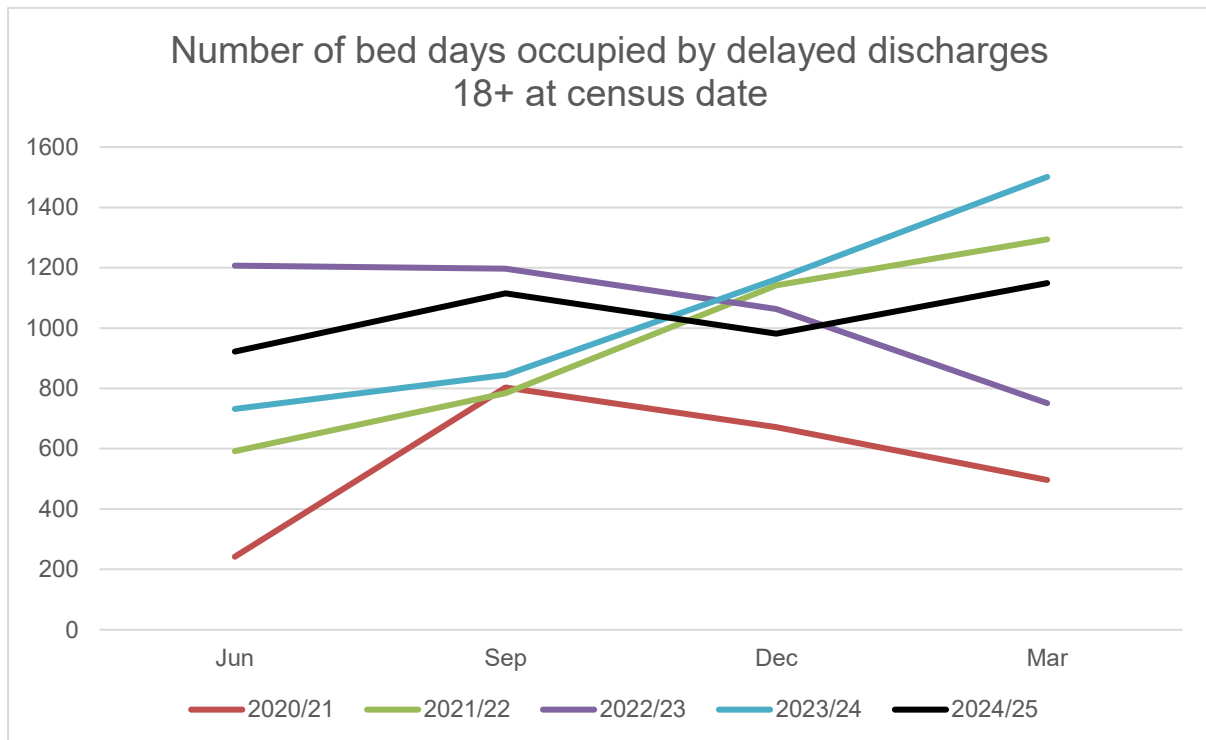


Figure 2

There continues to be a focus on ensuring people are getting home quickly and can maintain their independence. In figures 3 and 4, below, the rate of emergency occupied bed days for over 65 years of age per 1000 population has increased since 2021/22 with a slow decrease since March 2023.

With an ageing population the number of people delayed at any one time could increase again unless viable, sustainable alternative community provision is developed. Presentations to hospital from an older population have more acuity and complexity, exacerbating the issue of delays. The Scottish Government have now set targets for delayed discharges per 100,000 and for Moray the target is 26. This presents a challenge, but efforts continue to review and streamline processes and improve flow across the system.

The importance of integration across the system is key to making progress, and over the year teams have enhanced communication and decision making as a Moray system. There has been further redesign of pathways and dedicated resource assigned to supporting critical decision making in social care. This has all supported the steady progress that is evident from the national comparisons of Moray's performance.

MANAGEMENT COMMENTARY (continued)

Rate of Emergency Occupied Bed Days for over 65s per 1000 Population				
Fin Year/Month	Jun	Sep	Dec	Mar
2019/20	2067	2039	2082	2170
2020/21	2037	1994	1881	1773
2021/22	1859	1934	2045	2140
2022/23	2320	2469	2547	2749
2023/24	2699	2628	2598	2509
2024/25	2606	2603	2604	2412

Figure 3

The figures for 2019/20 and 2020/21 have been restated as these figures are subject to change as more patients are discharged from hospital and when there is a annual mid year population estimate. The figures now included are accurate and in line with reports elsewhere.

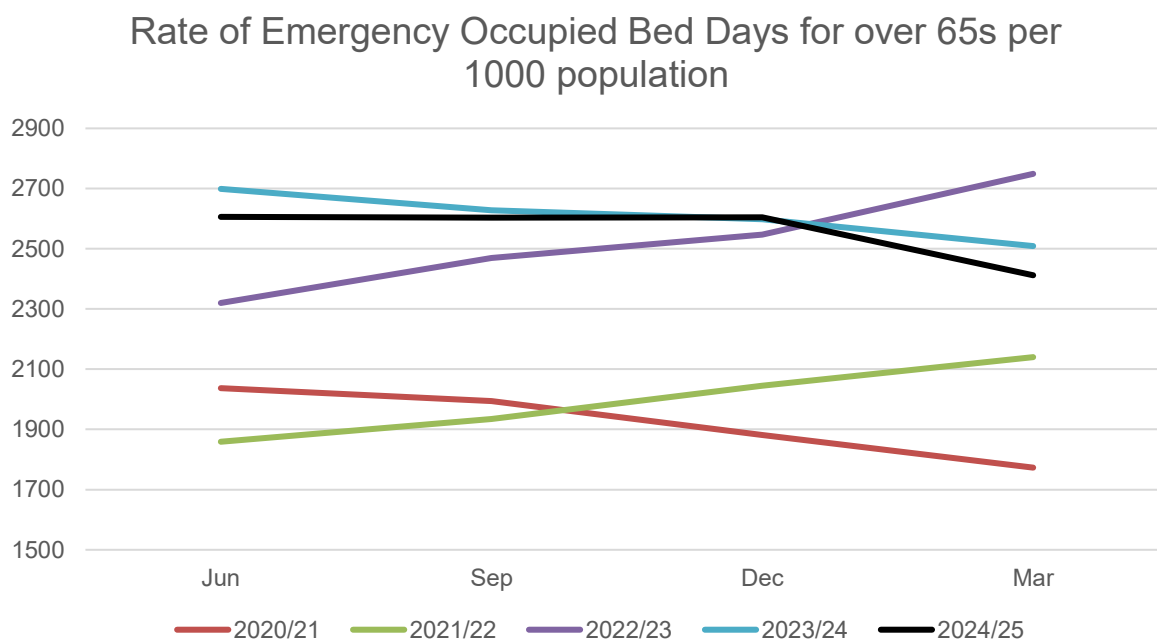


Figure 4

MANAGEMENT COMMENTARY (continued)

Moray Integration Joint Board (MIJB)

The MIJB has scrutinised and directed the delivery of services in line with the Integration Scheme and Strategic Plan while recognising that the cost base has to change as the level of available budget in real terms is reducing. Both funding partners (Moray Council and NHS Grampian) have significant savings to achieve, and against this backdrop the MIJB directed a series of workshops during the year to support officers in their work. The focus has continued to be on achieving the highest quality and safety possible within a diminished budget, while being most efficient, and achieving the best possible outcomes for our residents. The Strategic Plan aspires to increasing spend on preventative work, “upstream” to tackle issues earlier, preventing crises where possible and reducing demand. However, a key challenge going forwards will be to continue that focus at a time when budgets are under so much pressure and people are presenting with increasingly complex needs.

Performance

The MIJB, its committees and the Health and Social Care Partnership Senior Management Team receive regular assurance reports and updates on how the Strategic Plan commitments are being progressed through work streams and individual service plans, as well as detailed financial and performance updates.

The strategic risk register was reviewed by the Moray Integration Joint Board and Senior Management Team. It was approved in May 2025 and will form part of a robust risk monitoring framework in order to identify, assess and prioritise risks related to the delivery of services, particularly any which are likely to affect the delivery of the Strategic Plan.

The inherent risks being faced by the MIJB, together with a current assessment on the level of the risks and mitigating actions being taken to reduce the impact of the risks, is reported to biannually to the Audit Performance and Risk Committee for oversight and assurance.

Management teams and the Care and Clinical Governance Group review and respond to any reports produced by Audit Scotland, Healthcare Improvement Scotland, the Care Inspectorate, and the Mental Welfare Commission for Scotland.

Quarterly performance reports are produced for Health and Social Care Moray (HSCM) management to review performance and to determine actions required to address areas for concern or to highlight areas showing improvement. This information is further scrutinised by the Senior Management team and then reported to the MIJB’s Audit, Performance and Risk Committee.

There are many initiatives and ongoing projects being undertaken by HSCM that are seeking to reduce the delays in hospitals and to meet unmet needs. For example,

ensuring the provision of care at home is maximised within available budget is a key aspect of the Strategic Care at Home workstream.

MANAGEMENT COMMENTARY (continued)

Research into the type of equipment, benefits and impacts is being undertaken by the Digital Health Institute as part of the Growth Deal which will inform our Technology Enabled Care and Digital strategy which will provide other options for supporting people to live independently in their own homes. The collaborative initiative Discharge Without Delays being undertaken by partners across NHS Grampian, is aiming to reduce delays currently experienced by people who are medically fit to return home and is being facilitated by Health Intelligence Scotland. Whole system outcomes have been determined which will be incorporated into the revised performance report to this committee for 2025/26.

The integration of Children & families and Justice services into Health & Social Care Moray under the direction of the MIJB is not yet reflected in the Board's Strategic Plan. Work is ongoing to ensure appropriate governance of performance reporting so that it can be included in future MIJB Annual Performance Reports.

Strategy and Plans

The MIJB is required to review its Strategic Plan every three years as per the legislation. The Strategic Plan 2022-2032 places an emphasis on prevention and early intervention with the aim of building resilience for individuals and communities. The Plan identified key aims of the MIJB and directed HSCM to work closely with communities and key partners to reform the system of health and social care in Moray. It was also recognised that progress has been made against the three strategic themes and the review of the Plan focused on what already has been achieved the long-term strategic objectives make room for adapting to challenges and developments in health and social care over the coming years.

The current [Strategic Plan](#) sets out the 3 key themes and the objectives;

- **Building Resilience** – supporting people to take greater responsibility for their health and wellbeing.
- **Home First** – supporting people at home or in a homely setting as far as possible.
- **Partners in Care** – supporting citizens to make choices and take control of their care and support.

MANAGEMENT COMMENTARY (continued)

Staff Wellbeing

Health & Social Care Moray's Health Improvement Team has achieved the Paths for All Walk at Work Award for its innovative efforts to promote physical activity in the workplace and encourage colleagues to boost their health and wellbeing through daily walking.

Morgan McKay, Health Walk Coordinator, led the team in developing initiatives to get colleagues moving more. She carried out a travel survey to identify how staff travel to and from work and used the data to develop a plan to increase workplace activity.

The team mapped convenient walking routes from two key work locations in Elgin – the Moray Council Annexe and Dr Gray's Hospital – offering both 30-minute and 15-minute options. To encourage staff to keep walking no matter the weather, Morgan arranged for umbrellas to be available for borrowing and designated areas for drying wet outdoor gear.

Staff engagement was further boosted through participation in the Paths for All step count challenge, a twice-yearly walking initiative that connects Scottish workplaces in friendly competition.

The Walk Moray project supports a network of trained volunteers to deliver a variety of weekly low-level, accessible and friendly health walks in communities across Moray which are a great way to increase your activity levels.



Promoting Health and Wellbeing

Health & Social Care Moray (HSCM) teamed up with community partners to highlight the importance of eating well and staying hydrated during Nutrition and Hydration Week. The national campaign aims to highlight how proper food and drink intake plays a vital role in overall health, particularly for people in care settings such as hospitals and care homes. Malnutrition and dehydration are often overlooked but can have serious consequences, leading to hospital admissions, longer hospital stays, delayed recovery, and a decline in overall wellbeing.

HSCM is tackling this issue head-on with an exciting lineup of activities designed to educate, engage, and inspire action by colleagues and the wider public. Throughout the week, HSCM's Health Improvement Team has been helping local partners host a variety of activities including information stands; launch of new food and drink initiatives; daily themed food days; poster displays; themed drinks trollies; and tea parties.

MANAGEMENT COMMENTARY (continued)

Service Delivery/Business as Usual

HSCM continues to invest in the delivery of high-quality services through commissioning activity across mental health, advocacy, and primary care.

Following a competitive procurement process, Scottish mental health charity SAMH (Scottish Action for Mental Health) has been awarded contracts to deliver adult mental health community support services in Moray until 2029. SAMH will provide two key services: an intensive recovery service for individuals with higher-level mental health needs, and a new community support service, which includes delivery of the Distress Brief Intervention (DBI) programme.

The intensive recovery service will continue to support people receiving care from hospital or community mental health teams, offering enhanced, community-based outreach to promote recovery and independent living. The new community support service will provide short-term, practical assistance to help individuals access appropriate support and tackle factors affecting their mental wellbeing. DBI will offer a rapid response to individuals in emotional distress, particularly those presenting to emergency or crisis services.

As part of ongoing efforts to support people to have their voices heard, HSCM has commissioned VoiceAbility as its new independent advocacy service provider. Launched in October 2024, this free and confidential service is available to adults accessing social care services in Moray, including those with mental health conditions, learning disabilities, autism, dementia, physical and sensory disabilities, as well as unpaid carers. VoiceAbility's trained advocates support individuals to understand their rights, express their views, and take an active role in decisions affecting their health and wellbeing.

A new contract has also been awarded to secure the future of GP services in Aberlour Medical Practice, with Speyside Medical Group appointed as the new provider from April 2025. The experienced partnership of eight GPs currently operates Grantown-on-Spey and Glenlivet Medical Practices and will bring its expertise to serve the 3,000 patients in Aberlour. The practice had been under interim management by HSCM and NHS Grampian since February 2024, following the withdrawal of the previous sole GP contractor.



MANAGEMENT COMMENTARY (continued)

The aim of a Community Appointment Day (CAD) is to create the right conditions to allow clinicians to support people with their condition and beyond, lean into the local community services, embed personalised care and focus on prevention. With the intention of addressing increasing waiting lists by trialling a new model of care, NHS Grampian delivered their first CAD in Moray for MSK Physiotherapy and Podiatry patients. This was a new way of working, moving away from treatment led health and delivering services differently by strengthening local partnerships, particularly with communities, to enhance both patient and practitioner experience. There were 210 patients on the waiting list who were all invited, with 162 opted to attend and 120 attending on the day. Patients were linked their own online Personal Health Passport, which was completed by them as they moved around the zones. Patients received a one-to-one consultation with the appropriate clinician and were encouraged to have meaningful conversations about what matters most to them.



The CAD followed Realistic medicine principles, focusing on personalised and values-based care. The voice of lived experience was heard throughout the planning process by involving the local Versus Arthritis Chronic Pain Group who offered valuable feedback and guidance.

19 community groups and partner services were in attendance to provide information about the support available within the local community. Bringing health and community organisations together under one roof, allowed people's health and wellbeing to

be viewed in full totality.

Preliminary Feedback was largely positive, indicating that patients felt the day had been 'enlightening', benefited greatly from having services available in one place and found out about what is available in communities.

MANAGEMENT COMMENTARY (continued)

Longer Term Changes to Strategies and Plans

Moray Community Justice Partnership

The Moray Community Justice Partnership has formally launched its new improvement plan, which will bring together local agencies and communities to strengthen efforts to make Moray a safer place to live and work.

The five-year plan focuses on rehabilitation and public safety. It builds on existing work to reduce reoffending and minimise the number of victims by offering individuals who have offended support to make positive life changes.

The local priorities for improving justice outcomes were identified through engagement with community justice stakeholders and residents, and a strategic assessment of Moray's strengths and needs.



By 2029, the Moray Community Justice Partnership aims to:

- Strengthen engagement with communities to reduce stigma, increase understanding and support for community justice, and embed lived experience within its work;
- Improve access to support for individuals leaving prison to aid reintegration;
- Expand access to employability skills and employment opportunities for those with convictions;
- Enhance support for individuals in police custody;
- Develop more community-based restorative justice options.

Significant progress in reducing drug and alcohol-related harms and improving lives across communities has been achieved through the work of the Moray Alcohol and Drug Partnership (ADP).

Moray ADP has made notable progress in implementing the national Medication Assisted Treatment (MAT) standards, which are a key part of Scotland's response to the ongoing drug related deaths crisis. The standards provide a framework ensuring treatment is safe, person-centred and effective.

Improved referral pathways, delivered through a third sector direct access service, have reduced waiting times for people and enabled faster access to support. Feedback from lived experience groups has shaped pathways into and through

MANAGEMENT COMMENTARY (continued)

services to better reflect the realities of people's lives, leading to improved outcomes, while frontline staff have benefitted from continued training on rights awareness, trauma informed practice and crisis response.

Strategic Delivery Plan

A revised Strategic Delivery Plan for 2025 to 2028 was approved in draft by MIJB in March 2025 and final version in May 2025. This plan incorporates the developments required to enhance our ability to meet predicted future demands for services, whilst undertaking reviews of existing models of care to ensure that the services provided are sustainable and fit for purpose. There are also projects to implement more efficient ways of working, to aid in meeting the financial challenge that is impacting on all public sector organisations. A robust governance framework will be essential to ensure that projects can be delivered within available resources and have a clear focus on outcomes

Joint Inspection

Moray's multi-agency Public Protection Partnership has evidenced substantial improvement in supporting and protecting adults at risk of harm

The positive impact achieved by local authority, health and police colleagues in their work to keep people safe, has been acknowledged with publication in October 2024 of the Joint Inspection of Adult Support and Protection in Moray. The progress review by the Care Inspectorate and its scrutiny partners was a follow-up to a joint inspection carried out in 2022. On their return, inspectors found significant progress had been achieved across all seven priority areas identified for improvement.



Mental Health Strategic Delivery Plan

The Moray Mental Health and Wellbeing Delivery Plan 2024-2026 was approved by the MIJB in September 2024 and was updated in May 2025, which underpins the work required to progress the Moray Mental Health and Wellbeing Strategy 2016-2026. Scotland is currently facing a growing mental health crisis, with challenges including rising demand for services, increased complexity of cases, and persistent inequalities in access and support. While there is a focus on developing and expanding services, significant workforce challenges, and funding shortfalls continue to hinder progress. Many of these challenges are amplified in Moray due to the rural nature of many of our communities, difficulties in the recruitment and retention of staff, and access to specialist tertiary services.

MANAGEMENT COMMENTARY (continued)

The Moray Adult Mental Health and Wellbeing Strategic group aim to ensure that the collective voice of lived and living experience influences the way that we design services and responses to address the challenges facing individuals and families affected by mental health in Moray. The group work closely with Moray Wellbeing Hub, Making Recovery Real Partnership and tsiMoray to achieve this; for example, the involvement of lived experience in service development, commissioning, implementation and evaluation of the recently commissioned SAMH projects.

The alignment of Children's Services and Adults Services mental health strategic planning and delivery is essential. Within Moray there is currently a Children's Mental Health and Wellbeing Partnership and there is the Moray Mental Health and Wellbeing Strategic Group. There is a degree of cross representation between both groups to ensure shared planning however, there remains the medium term vision for there to be a single strategic group for children and adult mental health services in Moray.

Financial Review and Performance

Financial performance forms part of the regular reporting cycle to the MIJB. Throughout the year the Board, through the reports it receives, is asked to consider the financial position at a given point and any management action deemed as necessary to ensure delivery of services within the designated financial framework. From the first quarter in the financial year, the Board was presented with financial information that included a forecast position to the end of the year. In November 2024 the Board received a financial report which forecast an expected overspend to the end of the financial year of £5.58m. This forecast remained consistent throughout the remainder of the year and in January 2025, MIJB were forecasting an overspend to the end of the year of £5.51m, the MIJB actually out turned at £4.26m overspent. Both partners in line with the Integration Scheme, put in additional funding to cover this overspend, so with the use of ear marked reserves totalling £0.536m, this leaves a balance of £1.45m in ear marked reserves to be carried forward into 2025/26. In May 2024, the MIJB agreed a savings plan of £8.297m, with a mixture of recurring savings and recurring reductions in spend. At the end of the financial year, this had been achieved in part, with recurring savings of £2.302m and £2.331m reduction in overspend.

Given the uncertainties associated with funding and the emerging overspend position at the early stage of the financial year, it was necessary to update the Board regularly on the emerging financial position. This was done formally through MIJB meetings and informally through development sessions.

MANAGEMENT COMMENTARY (continued)

Service Area	Budget £000's	Actual £000's	Variance (Over)/ under spend £000's	Note
Community Hospitals & Services	7,701	8,329	(628)	
Community Nursing	5,979	6,166	(187)	
Learning Disabilities	17,702	19,975	(2,273)	1
Mental Health	12,140	12,055	85	
Addictions	1,907	1,763	144	
Adult Protection & Health Improvement	249	273	(24)	
Care Services Provided In-House	24,743	22,754	1,989	2
Older People Services & Physical & Sensory Disability	24,775	27,034	(2,259)	3
Intermediate Care & OT	1,771	1,972	(201)	
Care Services Provided by External Contractors	1,836	1,817	19	
Other Community Services	10,383	10,280	103	
Administration & Management	3,333	3,152	181	
Other Operational Services	1,377	1,535	(158)	
Primary Care Prescribing	18,748	21,937	(3,189)	4
Primary Care Services	21,427	21,331	96	
Hosted Services	5,713	5,665	48	
Out of Area Placements	720	1,971	(1,251)	5
Improvement Grants	1,207	1,021	186	
Children's & Justice Services	19,524	19,626	(102)	
Total Core Services	181,235	188,656	(7,421)	
Strategic Funds & Other Resources	14,891	6,020	8,871	6
TOTALS (before set aside)	196,126	194,676	1,450	
Set Aside	15,639	15,639	-	
TOTAL	211,765	210,315	1,450	

The table above summarises the financial performance of the MIJB by comparing budget against actual performance for the year.

MANAGEMENT COMMENTARY (continued)

Significant variances against the budget were notably:

Note 1 Learning Disabilities (LD) – The LD service is overspent by £2,272,694 at the year-end. The overspend is essentially due to the purchase of care for people with complex needs which resulted in an overspend of £2,806,801 and client transport of £13,781. This is offset by more income received than expected of £524,800 (income due from another authority and Change Fund funds from NHS) and other small underspends of £18,619 which primarily relate to property costs. There was a minor underspend of £4,469 in other Learning Disabilities clinical services. This budget has been under pressure for a number of years due to demographic pressures, transitions from Children’s services and people living longer and getting frailer whilst staying at home. The biggest overspends was for services provided to individuals in their own homes to support their daily living needs which enables people to stay living at home or in a homely setting for as long as possible and day care which provides activities during the day in the community.

Note 2 Care Services Provided In-House – This budget is underspent by £1,988,757 at the end of the year. This relates to underspend in staffing across all the services in this budget totalling £2,291,755 and other minor underspends of £8,275 which is being reduced by overspends relating to transport costs £97,970; insurance costs £29,047, utility costs £62,430 and less income than expected £121,826. Unfilled vacancies have been the main reason for the underspend throughout the year, and the issue of recruitment has been an ongoing problem.

Note 3 Older People Services and Physical & Sensory Disability - This budget is overspent by £2,259,056 at the end of the year. This primarily relates to overspends for home care in the area teams £539,818, permanent care £1,766,157 due to the increase in the number of clients receiving nursing care rather than residential care and respite care £105,776 this is being reduced by an underspend for day care £152,695. The variances within this overall budget heading reflect the shift in the balance of care to enable people to remain in their homes for longer. The ageing population requiring more complex care and local demographics also contributes to this overspend as well as the correlation between the recruitment and retention of the internal home care service provision.

Note 4 Primary Care Prescribing - The primary care prescribing budget is reporting an over spend of £3,189,386 for the twelve months to 31 March 2025. The overall average price has remained relatively consistent and includes cost reduction savings identified by Pharmacy implemented countered by the impact of short supply causing an increase in costs. This is spread across a range of products and is ongoing. This overall volume increase at 3.5% is less than previously anticipated.

Note 5 Out of Area Placements – This budget is overspent by £1,250,899 at the year end. This is due to the continuing number of high cost individual specialised NHS placements.

MANAGEMENT COMMENTARY (continued)

Note 6 Strategic Funds and Other Resources – This budget is underspent by £8,871,064 as it relates to savings achieved during the year, any unallocated funding and reserves balances.

MIJB's financial performance is presented in the comprehensive income and expenditure statement (CIES), which can be seen on page 44. At 31 March 2025 there were ear marked reserves of £1.45m available to the MIJB, compared to £1.986m at 31 March 2024. These remaining reserves of £1.45m are for various purposes as described below:

Earmarked Reserves	Amount £000's
GP Premises	39
National Drugs MAT	250
OOH Winter Pressure funding	172
Moray Cervical screening	35
Moray hospital at home	5
Moray Psychological	315
MHO Funding	138
Adult protection funding for CA	18
Adult Disability payment	45
National Trauma Training services	62
Moray School Nurse	32
Moray Winter Fund HCSW & MDT	182
LD Annual Health Checks	69
Community Planning partnership	2
Moray District Nurses	56
OOH Dev Fellowship scheme	30
Total Earmarked	1,450
General Reserves	0
TOTAL Earmarked & General	1,450

MANAGEMENT COMMENTARY (continued)

GP Premises – balance of funding for improvement grants including the making of premises improvement grants to GP contractors. The continued digitalisation of paper GP records. Modifications for the purposes of improving ventilation and increase to the space available in NHS owned or leased premises for primary care multi-disciplinary teams.

National Drugs Medication Assisted Treatment (MAT) for embedding and implementation of the standards will be overseen by the MAT implementation support team (MIST).

National Drugs Mission Moray – balance of funding for range of activities including: drug deaths, taskforce funding, priorities of national mission, residential rehabilitation, whole family approach, outreach, bear fatal overdose pathways and lived and living experience.

Out of Hours Winter Pressure funding – balance of funding to sustain GO out of hours and to support resilience to explore operational solutions.

Moray Cervical Screening – balance of funding for smear test catch up campaign.

Moray Hospital at home – development of Hospital at Home provides Acute hospital level care delivered by healthcare professionals, in a home context for a condition that would otherwise require acute hospital inpatient care.

Moray Psychological – funding streams for mental health, psychological wellbeing, facilities, post diagnostic support and psychological therapies.

Mental Health Officer (MHO) funding – funding to support additional mental health officer capacity.

Adult protection funding for care at home – balance of funding to build capacity in care at home community based services.

Adult Disability payment – funding to assist with the implementation of the adult disability payments.

National Trauma Training services – training for dealing with people affected by trauma and adversity.

Moray School nurse – funding to support NHS Grampian to retain school nurse posts.

Moray Winter Fund Health Care Social Workers (HCSW) – additional funding for further HCSW in both the IJB and Emergency department.

Moray Winter fund Multi Disciplinary Team – additional funding for service pressures includes Discharge to Assess, Home First Frailty team and volunteer development.

MANAGEMENT COMMENTARY (continued)

Learning Disability Annual Health Checks – to implement the annual health checks.

Community Planning Partnership – funding towards community planning partnership.

Moray District Nurses – allocation to support recruitment and training of District Nurses

Out of Hours (OOH) Development Fellowship Scheme – scheme to keep GPs within clinical practice, increase GP's confidence and competence in OOHs work.

All reserves are expected to be utilised for their intended purpose during 2025/26.

Set Aside – Excluded from the financial performance table above on page 16 but included within the Comprehensive Income & Expenditure Account is £15.639m for Set Aside services. Set Aside is an amount representing resource consumption for large hospital services that are managed on a day to day basis by the NHS Grampian. MIJB has a responsibility for the strategic planning of these services in partnership with the Acute Sector.

Set Aside services include:

- Accident and emergency services at Aberdeen Royal Infirmary and Dr Gray's inpatient and outpatient departments;
- Inpatient hospital services relating to general medicine, geriatric medicine, rehabilitation medicine, respiratory medicine, learning disabilities, old age psychiatry and general psychiatry; and
- Palliative care services provided at Roxburgh House Aberdeen and The Oaks Elgin.

The budget allocated to Moray is designed to represent the consumption of these services by the Moray population.

The figures for 2024/25 have been derived by uplifting 2019/20 figures by baseline funding uplift in 2020/21 (3.00%), 2021/22 (3.36%), 2022/23 (6.70%), and 2023/24 (5.35%) and 2024/25 (6.64%):

	2024/25	2023/24	2022/23	2021/22	2020/21
Budget	15.639m	14.665m	13.92m	13.04m	12.62m

MANAGEMENT COMMENTARY (continued)

Risks, Uncertainties and Future Developments

The MIJB Chief Officer has a responsibility to maintain a risk strategy and risk reporting framework. Risks inherent within the MIJB are monitored, managed and reported at Audit, Performance and Risk Committee. In addition, a risk action log is monitored and managed by the Senior Management Team.

The key strategic risks of the MIJB classed as 'High' and 'Very High' are presented below, the risk number relates to the MIJB internal risk numbering:

VERY HIGH

Risk 2 - The MIJB must operate within the resources allocated to it by the partner bodies and it is good financial practice to set a balanced budget at the start of each financial year. There is a risk that financial pressures being experienced by the funding partners will directly impact the MIJB's strategic planning of services and its decision-making.

Managing the risk – current controls in place –

1. Medium Term Financial Framework (MTFF) approved by MIJB on 27 March 2025.
2. Additional resource to support services a Programme Management Office agreed until September 2025.
3. Tri-partite partnership performance meetings with partner CEOs, Finance Directors and Chair/Vice Chair of MIJB.
4. Operational financial monitoring undertaken by Chief Finance Officer (CFO), Heads of Service (HOS) and Budget Managers.
5. Budget Savings Oversight Group chaired by Chief Officer, attended by HOS, CFO and Service Managers as appropriate.
6. Review of MIJB Strategic Delivery Plan ensuring all projects are aligned with savings plans.

Assurances:

Quarterly Budget monitoring reporting to APR and MIJB.

Financial Reporting through MIJB, NHS Grampian and Moray Council.

The Project Management Office will support the Financial Recovery Savings presented as part of the budget setting for 2025/26.

Financial Development Sessions with MIJB members.

Internal Audit quarterly reporting to APR.

External Audits presented to MIJB/ Committees as appropriate.

Six weekly Tri-partite partnership performance meetings with partner CEOs, Finance Directors and regular meetings with the Chair/Vice Chair of MIJB.

MANAGEMENT COMMENTARY (continued)

HIGH

Risk 3 - There is a risk that the MIJB's workforce strategy is not delivered impacting the quality of paid and unpaid Health & Social Care.

Managing the risk – Current controls in place

1. Management structure currently under review.
2. Moray Council are aware of the housing issues and are conducting an assessment of needs, including people working in the Health and Care sector.
3. Staff wellbeing is a key focus and there are many initiatives across both parent organisations offering information, support and access to activities.
4. Collaborative approaches with educational institutions e.g. intakes and programmes for future workforce development.
5. Professional Development and retention programmes; Incentives have been secured to attract additional NHS dentists and dental practices to Moray. The Scottish Dental Access Initiative includes Moray, with grants of £50,000 and above available to allow dental practices to be established or extended– provided there is a seven-year commitment to providing NHS treatment. A recruitment and retention bonus is also being offered to eligible new dentists in Moray
6. GP sustainability Group and Primary Care Vision for the Future Groups now progressing across Grampian.
7. iMatter reports are used to develop actions plans for teams.

Assurances:

Operational oversight by Moray Workforce Forum.

The HSCM Response Group continues to focus on leadership around emerging issues and resolving them, including staffing.

Risk 5 - There is a risk that the MIJB does not comply with the necessary legislative and regulatory requirements in which it operates.

Managing the risk – Current controls in place:

1. NHS Grampian Resilience Standards Action Plan approved (3 year). New standards are being drafted by Scottish Government, and these are expected in 2025 and will replace the current standards.
2. Continuous emergency preparedness awareness with partners under GLRP – including exercises and debriefs.
3. Learning from Inspection Reports, Adverse Events, Complaints – action plans and performance measures monitored by OMT with oversight by SMT.
4. HSCM Civil Contingencies group review specific risks and action plans to mitigate, developing plans and testing arrangements in partnership with NHSG and Council.
5. Annual review of internal resilience and emergency processes with Senior Managers on Call.

MANAGEMENT COMMENTARY (continued)

HIGH (continued)

Assurances:

Quarterly reporting to Clinical and Care Governance and Audit, Performance and Risk Committees.

Annual Performance Report – published September 2024.

Chief Social Work Officers Report.

Internal and External Audits.

Senior Management Meetings fortnightly.

Joint meeting of MIJB Chief Officer with two Partner Body Chief Executives.

Annual report on MIJB activity developed and reported to Moray Council and NHSG

Risk 6 - There is a risk that the MIJB's strategic aspirations are not transformative and as a result, we are unable to deliver outcomes for people in a sustainable way.

Managing the risk – Current controls in place:

1. Clinical and Care Governance (CCG) Committee. Clinical Risk Management and Practice Governance group has oversight of their respective professional standards and links into Clinical and Care Governance Group, which escalates to CCG Committee as necessary.
2. High and Very High operational health service risks are reviewed by HSCM Clinical Risk Management (CRM) Group and also NHS Grampian CRM Group.
3. Annual Performance Reports.
4. Internal and External Audit.
5. Internal/External Inspection reports are scrutinised by appropriate operational groups and by exception to SLT for subsequent reporting to CCG or APR Committee as appropriate.
6. Care Home Collaborative Support Group meets to oversee and manage risks in care homes.
7. Children and Adult Protection services report to their respective committees. Governance Structure and Process (Senior Leadership Team meetings, Operational Team Meetings, Daily Huddles).

Assurances:

Audit, Performance and Risk and Clinical and Care Governance Sub-Committees oversight and scrutiny.

The Clinical and Care Governance Framework was refreshed and presented to CCG Committee in November 2023

MANAGEMENT COMMENTARY (continued)

HIGH (continued)

Risk 7 - There is a risk that the MIJB is unable to exert influence on services delegated but hosted within another organisation.

Managing the risk – Current controls in place:

1. Chief Officer regularly meets with Chief Officers of Aberdeen City Health and Social Care Partnership and Aberdeenshire Health and Social Care Partnership.
2. Significant changes to service delivery are discussed across all three HSCP's.
3. Agreement that proposals regard significant service changes are presented to all three MIJB's for approval.
4. Internal Audit of MIJB Hosted Services.

Assurances:

These largely come from the systems, process and procedures put in place by NHS Grampian, which are still being operated, along with any new processes which are put in place by the lead MIJB.

North East System Wide Transformation Group (Officers only) led by the 4 pan-Grampian chief executives. The aim of the group is to develop real top-level leadership to drive forward the change agenda, especially relating to the delegated hospital-based services.

Both the CEO group and the Chairs & Vice Chairs group meet quarterly. The meetings are evenly staggered between groups, giving some six weeks between them, allowing progressive work / iterative work to be timely between the forums. The Portfolio approach and wider system approach demonstrates closer joint working across the three Health and Social Care Partnerships and the Acute Sector.

Development Aims for 2025/26

Discharge without Delay & Frailty at the Front Door

Health and Social Care Moray is taking part, supported by the MIJB, in the National Collaborative to support Discharge without Delay. This approach supports us in undertaking mapping and self-assessment work and understanding where the application of best practice and learning from other areas can help us improve locally and get people home from an acute setting as quickly and safely as possible. By taking part in this collaborative, we aim to reduce further the number of people delayed in our system and to ensure we apply optimum practice across acute and community setting to do so.

MANAGEMENT COMMENTARY (continued)

Realignment of Organisational Structures

Since its inception the MIJB has sought to ensure the most effective and efficient structures are in place to support the delivery of its strategic aims and overall strategic plan. Over the course of 2025/26 a review of the HSCM organisational structure will take place that will support these aims and ensure that both HSCM and the MIJB have the right resources in place, and the right operational structure to enact our plans, deliver the best outcomes for people and operate sustainably within the current challenging financial conditions. Our organisational structure supports how we deliver our ambitions in our communities and directly with people and is a key enabler in driving progress against our priorities.

Strengthening Integration and Oversight of Children, Families and Justice within our system

Children, Families and Justice Services were delegated formally to the MIJB in 2023/24 under the integration scheme and there is now reporting of these services within the Clinical and Care Governance structures in place. Moray Council and Councillors retain statutory responsibilities for outcomes for Children and also remain Corporate Parents in respect of those Children and Young People who are cared for or accommodated out with their families. MIJB is committed to ensuring robust reporting across the system that ensures all partners can fulfil their statutory obligations while focussing on improving outcomes for our young people. A review of current reporting arrangements will take place to reduce any duplication in reporting whilst strengthening oversight of performance and delivery.

Strengthening Performance Oversight

The MIJB approved its Strategic Delivery Plan at its meeting in May 2025, and this now provides a clear line of sight from Strategic Plan to the impact of the programmes, services and initiatives in place to deliver it. Over the course of this year, we aim to further strengthen this line of sight, aligned to the Board's Risk Appetite Statement, to ensure that our programmes of work are effective in achieving their objectives and represent value for money.

MANAGEMENT COMMENTARY (continued)

In addition, we will seek to:

- Maintain our focus on early intervention and prevention, reducing demand and supporting the resilience of people and communities. We'll undertake learning from the successful Community Appointment Day which took place in Elgin as a possible model to support this;
- Continue to develop how we care for our staff well-being, with staff our most valuable asset;
- Provide leadership and participation as key partners in the NHS Grampian led Strategic Change Programme and ensure we explore effective joint working;
- Focus our budget setting efforts in the context of the Medium Term Financial Strategy and longer term sustainability.

Dennis Robertson

Judith Proctor

Deborah O'Shea

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Dennis Robertson

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Judith Proctor

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Deborah O'Shea

Chair of Moray IJB

Chief Officer

Chief Financial Officer

03 November 2025

31 October 2025

30 October 2025

STATEMENT OF RESPONSIBILITIES

Responsibilities of the MIJB

- To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In Moray Integration Joint Board, that officer is the Chief Financial Officer;
- To manage its affairs to achieve best value in the use of its resources and safeguard its assets;
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014) and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- To approve the Annual Accounts.

Signed on behalf of the Moray Integration Joint Board

Dennis Robertson

Dennis Robertson

Chair of Moray IJB

03 November 2025

STATEMENT OF RESPONSIBILITIES (continued)

Responsibilities of the Chief Financial Officer

The Chief Financial Officer is responsible for the preparation of the Moray Integration Joint Board's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code) 2024/25.

In preparing the Annual Accounts the Chief Financial Officer has:

- Selected suitable accounting policies and applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with legislation; and
- Complied with the local authority code (in so far as it is compatible with legislation).

The Chief Financial Officer has also:

- Kept proper accounting records that were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the Moray Integration Joint Board as at 31 March 2025 and the transactions for the year then ended.

Deborah O'Shea

Deborah O'Shea FCCA

Chief Financial Officer

30 October 2025

REMUNERATION REPORT

Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014 (SSI2014/200) as part of the MIJB annual accounts. This report discloses information relating to the remuneration and pension benefits of specified MIJB members.

All information disclosed in the tables is subject to external audit. Other sections within the Remuneration Report will be reviewed for consistency with the financial statements.

Moray Integration Joint Board

The voting members of MIJB are appointed through nomination by Moray Council and Grampian Health Board. There is provision within the Order to identify a suitably experienced proxy or deputy member for both the voting and non-voting membership to ensure that business is not disrupted by lack of attendance by any individual.

MIJB Chair and Vice-Chair

Nomination of the MIJB Chair and Vice-Chair post holders alternates every 18 months between a Councillor and a Health Board non-executive member.

The MIJB does not provide any additional remuneration to the Chair, Vice-Chair or any other board members relating to their role on the MIJB. The MIJB does not reimburse the relevant partner organisations for any voting member costs borne by the partner.

The MIJB does not have responsibilities in either the current or in future years for funding any pension entitlements of voting MIJB members. Therefore, no pension rights disclosures are provided for the Chair or Vice-Chair.

Taxable Expenses 2023/24	Name	Position Held	Nomination By	Taxable Expenses 2024/25
£				£
-	Dennis Robertson	Vice-Chair 01/04/24 – 26/09/24; 01/04/2025 to date Chair 27/09/24 to 31/03/25	Grampian Health Board	-
-	Cllr Tracy Colyer	Chair 01/04/24 – 26/09/24	Moray Council	-
-	Cllr Elaine Kirby	Vice-Chair 21/11/24 – 31/03/25 Chair 1/04/25 to date	Moray Council	-

REMUNERATION REPORT (continued)

Officers of the MIJB

The MIJB does not directly employ any staff in its own right; however specific post-holding officers are non-voting members of the Board.

Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the integration joint board has to be appointed and the employing partner has to formally second the officer to the Board. The employment contract for the Chief Officer will adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the Board.

Other Officers

No other staff are appointed by the MIJB under a similar legal regime. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below.

Total 2023/24	Senior Employees	Salary, Fees & Allowances	Total 2024/25
£		£	£
122,460	Simon Bokor-Ingram Chief Officer (1/04/24-31/05/24)	20,268	20,268
-	Judith Proctor (from 25/07/24)	95,673	95,673
83,476	Deborah O'Shea Chief Financial Officer	90,729	90,729

In respect of officers' pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pensions liability reflected on the MIJB balance sheet for the Chief Officer or any other officers.

The MIJB however has a responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the MIJB. The following table shows the MIJB's funding during the year to support the officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions.

REMUNERATION REPORT (continued)

NOTE: no bonuses, expenses allowances, compensation for loss of office or any taxable benefits were made in 2024/25

	In Year Pension Contributions		Accrued Pension Benefits		
	Year to 31/03/24	Year to 31/03/25		As at 31/03/2025	Difference from 31/03/2024
	£	£		£ 000's	£ 000's
Simon Bokor-Ingram, Chief Officer (*)	24,346	4,378	Pension	40	(6)
			Lump Sum	101	(22)
Judith Proctor, Chief Officer	-	21,526	Pension	36	9
			Lump Sum	99	19
Deborah O'Shea Chief Financial Officer	7,179	20,339	Pension	9	(19)
			Lump Sum	31	-

(*) Simon Bokor-Ingram figures included in the table above, relate to the full year and employment after Chief Officer, as figures are unable to be apportioned.

REMUNERATION REPORT (continued)

Disclosure by Pay bands

As required by the regulations, the following table shows the number of persons whose remuneration for the year was £50,000 or above, in bands of £5,000.

Number of Employees in Band 2023/24	Remuneration Band	Number of Employees in Band 2024/25
1	£80,000 - £84,999	-
-	£85,000 - £89,999	1
1	£120,000 - £124,999	-
	£130,000 - £134,999	1

Exit Packages

There were no exit packages agreed by the MIJB during 2024/25 financial year, or in the preceding year.

Dennis Robertson

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Dennis Robertson

Chair of Moray IJB

03 November 2025

Judith Proctor

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Judith Proctor

Chief Officer

31 October 2025

ANNUAL GOVERNANCE STATEMENT

The Annual Governance Statement describes the Moray Integration Joint Board's (MIJB) governance arrangements and reports on the effectiveness of the MIJB's system of internal control.

Scope of Responsibility

The MIJB is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, and that public money is safeguarded and used efficiently and effectively in pursuit of best value.

In discharging its responsibilities, the MIJB has established arrangements for its governance which includes the system of internal control. This system is intended to manage risk and support the achievement of the MIJB's policies, aims and objectives. The system provides reasonable but not absolute assurance of effectiveness.

The MIJB places reliance on the systems of internal control of NHS Grampian systems and Moray Council, which supports organisational compliance of policies and procedures in addition to those of the MIJB. Assurances are required on the effectiveness of the governance arrangements of all three organisations, meaning a significant failure in one of the three Partners may require to be disclosed in the annual accounts of all three Partners.

The Governance Framework

The CIPFA/SOLACE framework for 'Delivering Good Governance in Local Government' last updated in 2016 remains current and provides a structured approach in defining seven principles that underpin effective governance arrangements. Whilst the framework is written specifically for Local Government, the principles apply equally to integration authorities, and while the MIJB continues to evolve as an entity in its own right. It continues to draw on the governance assurances of NHS Grampian and Moray Council as its principal funding partners.

Given the scope of responsibility within the MIJB and the complexities surrounding the assurance arrangements, a Local Code of Corporate Governance was developed and the MIJB assesses the effectiveness of its governance arrangements against the principles set out in the document. The Code outlines the seven governance principles from the CIPFA/SOLACE guidance (as referenced below) and provides the sources of assurance for assessing compliance relative to the MIJB, Moray Council and NHS Grampian. These assurances include referencing the governance arrangements of NHS Grampian and Moray Council which are summarised annually and published in their respective Annual Governance Statements which form part of the annual accounts of each organisation. The respective governance statements can be found on the individual organisations websites: Moray Council: [Annual Accounts - Moray Council](#) and NHS Grampian: <https://www.nhsgrampian.org/about-us/annual-accounts/>.

ANNUAL GOVERNANCE STATEMENT (continued)

Key Governance Arrangements

All of the scheduled Audit Performance and Risk and Clinical Care Governance Committee meetings were held as timetabled during 2024/25.

Health and Social Care Moray (HSCM) established an emergency response group that has been operational since the end of March 2020, this has now transformed into a Daily Response meeting. Representation on the response groups of the Partner organisations is provided by HSCM staff, ensuring the necessary links and flow of information to ensure a co-ordinated response on a pan Grampian basis and locally within Moray.

There continues to be governance standards and collaborative working across the whole system, both across the NHS Portfolios and Grampian wide system. The use of a Grampian Operation Performance Escalation System (GOPES) was established to enable senior leaders to have oversight of where pressures were located in the system and to direct responses accordingly. This development has also strengthened the identification of key metric thresholds to inform the levels for escalation.

Evaluation of the Effectiveness of Governance

Governance Principle 1 – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

Assessment of Effectiveness

- The activities of the MIJB are governed by a Board comprising both voting and non-voting members, drawn from a diverse range of backgrounds to ensure broad representation. The Board meets bi-monthly and is supported by regular development sessions that allow for in depth exploration of key strategic and operational issues. Governance is further strengthened through the work of two committees: the Audit, Performance and Risk Committee, and a Clinical and Care Governance Committee, each with clearly defined remits to support effective governance and assurance.

The MIJB operates in accordance with Standing Orders, which set out the rules governing the proceedings of the Board and its Committees. These include the Scheme of Administration which defines the structure and remit of the Board's committees, ensuring clarity and consistency in governance arrangements.

- To uphold high standards of ethical conduct, the MIJB has appointed a Standards Officer. This role supports compliance with the Ethical Standards in Public Life etc. (Scotland) Act 2000, which requires members of devolved public bodies to comply with Codes of Conduct approved by Scottish Ministers. The Standards Officer also ensures alignment with guidance issued by the Standards Commission for Scotland, reinforcing the Board's commitment to integrity, accountability, and ethical governance.

ANNUAL GOVERNANCE STATEMENT (continued)

Governance Principle 2 – Ensuring openness and comprehensive stakeholder engagement

Assessment of Effectiveness

- MIJB's Standing Orders provide for public and press access to meetings and reports, supporting transparency and accountability. In response to positive feedback and to enhance accessibility, hybrid meetings continued throughout 2024/25. A dedicated website was developed for Health and Social Care Moray and is continuously monitored for improvement, and about to transition to a new platform to further improve the accessibility and quality of information. Agendas, reports and minutes for all committees can be accessed via Moray Council website, alongside links to all relevant strategies of the MIJB.
- Both the voting and non-voting membership arrangements of the MIJB are in line with the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. There are eight voting members, four are elected members appointed by Moray Council and four are non-executive members of NHS Grampian Board. The non-voting membership comprises six professional members and five stakeholder members representing: staff, third sector bodies carrying out activities in relation to health and social care, service users and unpaid carers, and six additional non-voting members which include the Chief Executives of Moray Council and NHS Grampian in an Ex-officio capacity. The broad membership of the MIJB ensures valued input and engagement from a wide range of stakeholders.
- The Community Empowerment (Scotland) Act 2015 places a statutory duty on MIJB and its Community Planning Partners to engage with communities on the planning and delivery of services and securing local outcomes. The MIJB has an approved Communications and Engagement Strategy which recognises and promotes the active and meaningful engagement with all stakeholders.

Governance Principle 3 – Defining outcomes in terms of sustainable economic, social and environmental benefits

Assessment of Effectiveness

- The MIJB Strategic Plan 2022-2032 building on the foundations of the 2019 plan, sets out long-term strategic objectives that are flexible and responsive to emerging challenges and developments in health. To support the delivery of these objectives a 3 year delivery plan was approved by MIJB in May 2025, underpinned by a medium-term financial framework.
- The strategic plan is supported by a comprehensive suite of documents, including a performance framework, workforce plan, and a communications, engagement and participation plan. These documents are currently under review, with a focus on enabling service transformation within existing financial constraints.
- These documents collectively provide a structured approach to defining and achieving outcomes, with a clear focus on medium term priorities. The outcomes are directly aligned with the delivery of health and social care services and are aimed at driving measurable improvements for the population of Moray.

ANNUAL GOVERNANCE STATEMENT (continued)

- In support of environmental sustainability, a climate change duties report is compiled and submitted annually on behalf of the MIJB, demonstrating the Board's commitment to meeting its statutory environmental responsibilities

Governance Principle 4 – Determining the interventions necessary to optimise the achievement of intended outcomes

Assessment of Effectiveness

- The MIJB's decision making processes are designed to ensure that Board members receive clear, objective and comprehensive analysis of available options. Each proposal outlines how intended outcomes will be achieved, supported by detailed assessments of associated risks and opportunities.
- Board papers reflect the broad range of strategic and operational matters under consideration. These include regular updates from the Chief Officer on current developments, as well as agenda items covering both opportunities and challenges, particularly those arising from reconfiguration and transformation of services.
- The MIJB recognises the importance of sound financial governance and has adopted the Financial Management Code promoted by CIPFA as a guiding framework for effective financial administration. A Medium-Term Financial Strategy, approved in March 2025, supports this approach and will be reviewed regularly to ensure alignment with the Strategic Plan, Delivery Plan and the integration of delegated children's services.

Governance Principle 5 – Developing the entity's capacity, including the capability of its leadership and the individuals within it

Assessment of Effectiveness

- The Senior Management Team (SMT) and Officers and have developed a programme of Development sessions with Board members with a focus on the challenging financial position and exploring opportunities for service transformation. Officers present a range of proposals aimed at delivering the MIJB's strategic objectives whilst also contributing to the necessary financial savings for the upcoming year.
- The MIJB continues to prioritise leadership development and collaborative working through the regular development sessions with Officers. These sessions provide valuable opportunities for shared learning, strategic dialogue, and constructive challenge, helping to strengthen leadership capabilities and organisational resilience.

ANNUAL GOVERNANCE STATEMENT (continued)

Governance Principle 6 – Managing risk and performance through robust internal control and strong public financial management

Assessment of Effectiveness

- As part of a robust risk monitoring framework the Strategic Risk Register was co-developed with Board members during a dedicated development session in October 2024 and was formally approved by the Board in May 2025. This updated register will be reviewed monthly by the Senior Management Team and updated and presented biannually to Audit, Performance and Risk Committee, and annually to MIJB. A related action log was created for monitoring purposes and is owned and monitored by the Senior Management Team. The committee agreed in October that the register would be presented biannually with the caveat that any emerging or increasing risks would be presented as required.
- The Performance Management Framework has currently under review. Performance reporting falls within the scope of the Audit, Performance and Risk Committee and reporting is quarterly. This now includes reporting by the delegated Children's & Families Services.
- The internal control system is closely aligned with those of MIJB's Partner organisations, reflecting their operational responsibility for service delivery under direction of the MIJB. The Audit, Performance and Risk committee through its consideration of reports monitors the effectiveness of internal control procedures. The MIJB Chief Internal Auditor undertakes an annual review of the adequacy of internal controls and the opinion is included within this statement.
- The MIJB benefits from the oversight of an independent S95 Officer, who is a member of the Board. This Officer provides expert advice on all financial matters and ensure timely preparation and reporting of budget estimates, monitoring reports and annual accounts.
- Governance arrangements have been developed and maintained to comply with the core functions of various good framework guidelines including Code of Practice on Managing the Risk of Fraud and Corruption, Public Sector Internal Audit Standards (incorporating the principles of the Role of the Head of Internal Audit), Audit Committees: Practical Guidance for Local Authorities and Police. These frameworks support the MIJB's commitment to strong financial stewardship and effective internal control.

ANNUAL GOVERNANCE STATEMENT (continued)

Governance Principle 7 – Implementing good practices in transparency, reporting and audit to deliver effective accountability

Assessment of Effectiveness

- MIJB business is conducted through an approved cycle of Board meetings. To promote openness and accessibility, recordings of Board meetings are made available to the public. In addition, agendas, reports and minutes are published and accessible for the public to inspect. There is a standardised reporting format in place to ensure consistency, clarify and transparency in decision making processes.
- The MIJB demonstrates its commitment to accountability through publication of both its Annual Accounts and Annual Performance Report. Following formal approval by the Board.
- The Chief Internal Auditor reports independently to the Audit, Performance and Risk committee with direct access to the Chief Officer, Chief Financial Officer and Chair of the Audit, Performance and Risk committee on any matter of concern. Throughout 2024/25, the Chief Internal Auditor has continued to provide regular reports to the Committee, supporting effective oversight of internal accounts and assurance processes.

Review of Adequacy and Effectiveness

The MIJB has a responsibility for conducting, at least annually, a review of the effectiveness of the governance arrangements, including the system of internal control. The review is informed by the work of the Senior Management Team (which has responsibility for the development and maintenance of the internal control framework environment), the work of the Internal Auditors and the Chief Internal Auditor's annual report and the reports from the External Auditor and other review agencies and inspectorates.

Internal Audit Opinion

Moray Council's Internal Audit Section delivers the Internal Audit Service for the Moray Integration Joint Board (MIJB), and the Council's Audit and Risk Manager holds the Chief Internal Auditor appointment to the MIJB until the 31st of March 2026. The Council's Internal Audit Section has adopted the Public Sector Internal Audit Standards (PSIAS), which requires the Chief Internal Auditor to deliver an annual internal audit opinion and report, which has also been used to inform this governance statement.

The Chief Internal Auditor's evaluation of the adequacy and effectiveness of the MIJB framework of governance, risk management and internal control includes consideration of the findings from the audit work undertaken by the Chief Internal Auditor in his role as the Audit and Risk Manager for the Moray Council. Assurance is also sought from the Internal Audit Service Provider for NHS Grampian of the governance processes adopted by that organisation. This includes the Chief Internal Auditor now being provided with internal audit reports by the Internal Audit Service Provider for NHS Grampian of interest to the MIJB. In addition, reports issued by other

ANNUAL GOVERNANCE STATEMENT (continued)

external review agencies are considered in the opinion provided by the Chief Internal Auditor.

Internal Audit operates independently within the organisation, with no management-imposed limitations on the scope of audit work performed. In accordance with PSIAS, the Chief Internal Auditor prepares a risk-based Audit Plan for the MIJB, considering the internal audit arrangements of both Moray Council and NHS Grampian functions.

The Annual Audit Plan for 2024/25 agreed to the following audits to be undertaken:

- **Out of Area Placements-** A review of the systems and procedures of people receiving adult social care services who are out of the Moray area.
- **Residential Care-** A review to assess the adequacy of procedures and administrative arrangements for third-party suppliers that provide care home services. The audit also included testing to verify the accuracy of financial assessments and the charging of residential care for both respite and permanent care residents.
- **Fostering and Kinship-** An audit to review fostering and kinship payments of fees and allowances, ensuring they comply with agreed policies and procedures.

The audit review of out of area placements identified significant concerns regarding the progress in determining the ordinary residence status of individuals receiving adult social care services, contractual arrangements with care providers, and budgetary control arrangements. A review of residential care highlighted the need for improved administrative processes and the potential for further digitalisation. The fostering and kinship payments audit was found to be well managed within the scope of the review, though some administrative control improvements were noted.

In addition to the projects outlined in the Audit Plan, governance arrangements were reviewed to prevent fraud and corruption. The audit found that further improvements are needed to enhance the effectiveness of counter fraud measures.

Internal Audit has also undertaken follow-up reviews to evidence the implementation of recommendations from previously issued audit reports. The follow-up audits undertaken of Self-Directed Support and the Moray Integrated Community Store found several recommendations where revised timescales for implementing recommendations were required. A previous review of social care information governance noted a need for a single case recording system. The Service is seeking a replacement for the current arrangements for recording social care information, but there is a need for this to be progressed in a timely manner. Implementation of recommendations is a key element in determining the adequacy and effectiveness of governance and internal control systems. If recommendations are not implemented in a timely manner, then weaknesses in control and governance frameworks will remain.

ANNUAL GOVERNANCE STATEMENT (continued)

The Chief Internal Auditor, after considering the results of the work carried out by Internal Audit, together with other sources of assurance, has provided limited assurance that the Moray Integration Joint Board had adequate systems of governance and internal control for the year ended 31 March 2025.

There is now a process in place within both the Senior Management Team (SMT) and Operational Management Teams (OMT) that tracks all audit actions. SMT has a regular discussion on these and a focus on those that are due completion or open and overdue. There is ongoing discussion with the Internal Audit Team in relation to the planned audits and in relation to agreeing audit actions to ensure improved accuracy of agreeing feasible closure dates. Supporting all of this is an action plan overseen by SMT.

Prior Year Governance Issues

The Annual Governance Statement for 2023/24 highlighted a number of areas for development in looking to secure continuous improvement. An assessment of progress is provided below:

Area for Improvement Identified in 2023/24	Action Undertaken / Progress Made in 2024/25
GP visioning programme to deliver resilience and sustainability.	Progress within the agreed priority workstreams has been made across the year and there have been regular updates to the IJB on the programme. A Visioning refresh event was held in March 2025 and further work to strengthen the programme deliverables will be taken forward from that into the next financial year.
Financial Sustainability with best value and outcomes.	The Chief Officer has put in place a Budget Savings Oversight Group (BSOG) which supports oversight of the delivery of the savings programme on a monthly basis. A Programme Management Office (PMO) has been established to support this work and our senior responsible officers for each savings programme. In addition, regular tripartite meetings between the Chief Officer, Chief Finance Officer and the Director and Head of Finance in NHS Grampian and Moray Council take place to ensure shared visibility on financial matters for all partners.

ANNUAL GOVERNANCE STATEMENT (continued)

Area for Improvement Identified in 2023/24	Action Undertaken / Progress Made in 2024/25
<p>Assurance and reporting for Children’s Social Work and Justice Services.</p> <p>Improvement in compliance with audit recommendations.</p>	<p>Assurance and reporting for CF&J continues to take place in both the IJB and its committees and within Moray Council Structures. Resource has now been secured to support a review of this across 2025/26 to ensure robust and proportionate reporting that is cognisant of the statutory roles of partner organisations.</p> <p>Improvements continue to be made in this area with a process now in place to review audit actions in both the Operational Management Team (OMT) and within the Chief Officer’s Senior Management Team (SMT). This provides visibility on the delivery of actions within agreed timescales and on those actions that remain open and overdue so that a focus can be put upon those and ensure their closure.</p> <p>Improvement on progress has been evidenced; however, this area of improvement requires further development and will be included for developments in 2025/26.</p>

Further Developments

Following consideration of the review of adequacy and effectiveness, the following action plan has been established to ensure continual improvement of the MIJB’s governance arrangements and progress against the implementation of these issues will be assessed as part of the next annual review.

Areas of focus for 2025/26	
1.	Developing further our approaches to frailty and Discharge without Delay.
2.	Realigning our organisational structure to ensure effective delivery of strategy and transformation.
3.	Integration of Children’s Social Work and Justice Services governance and oversight within the IJB.
4.	Further strengthen performance oversight of the Board’s key strategies and priorities.
5	Continue to improve on the progress for compliance with audit recommendations.

ANNUAL GOVERNANCE STATEMENT (continued)

Key Governance challenges going forward will involve:

- Providing capacity to meet statutory obligations and ambitions to transform services, whilst managing expectations, increasing complexity and rising demand for services and the wider societal economic challenges now presented that also potentially drive demand.
- As a Board, difficult decisions will be required in balancing how we meet the needs of our community whilst operating within the available resource envelope, this will be supported by our approach to risk as set out in our risk appetite statement.
- Continuing to address our work force challenges in respect of recruitment and retention and where persistent vacancies will necessitate the need for redesign of roles and/or services.
- Continuing to work closely with NHS Grampian, Moray Council and Moray Community Planning Partnership to build on existing relationships and establishing collaborative leadership, and to maximise the opportunities from an expanded health and social care remit within the revised Portfolio approach, including Dr Grays hospital, and how the IJB contributes to the wider community planning agenda in Moray and the North East.
- Continuing to implement the recommendations of internal and external audit, including learning from national reviews.
- Continuing work with teams to provide assurance to MIJB as we develop the governance structures for Children's Social Work and Criminal Justice Services that support decision making on how best to tackle poverty and inequalities.
- There have been no significant events up to the authorised for issue date.

ANNUAL GOVERNANCE STATEMENT (continued)

Statement

In our respective roles as Chair and Chief Officer of the MIJB, we are committed to ensuring good governance and recognise the contribution it makes to securing delivery of service outcomes in an effective and efficient manner. This annual governance statement summarises the MIJB's current governance arrangements and affirms our commitment to ensuring they are regularly reviewed, developed and fit for purpose. Whilst recognising that improvements are required, as detailed earlier in the statement, it is our opinion that a reasonable level of assurance can be placed upon the adequacy and effectiveness of the MIJB's governance arrangements.

The ongoing challenge will be to meet all operational demands and pressures as we continue to operate within the legacy of the Covid 19 pandemic and global financial pressures, both of which have impacted at a socioeconomic level on our region and the community. Pressure on financial settlements is increasing for all partners, and we will continue to engage with them, the Scottish Government and the wider community to agree plans and outcomes that are both sustainable and achievable within this context. Taking that forward will be challenging as we aim to fulfil the nine Health and Wellbeing national health and well-being outcomes, and the strategic priorities identified and detailed in our Strategic Plan. Good governance remains an essential focus in delivering services in a way that both meets the needs of communities and discharges statutory best value responsibilities.

These were arrangements in place for 2024/25 and up to the date of authorised for issue.

Dennis Robertson
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Dennis Robertson
Chair of Moray IJB

03 November 2025

Judith Proctor
.....

Judith Proctor
Chief Officer

31 October 2025

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the cost of providing services for the year ended 31 March 2025 according to generally accepted accounting practices.

2023/24		2024/25
Net Expenditure		Net Expenditure
£ 000		£ 000
7,942	Community Hospitals	8,329
5,702	Community Nursing	6,166
18,366	Learning Disabilities	19,975
11,506	Mental Health	12,055
1,726	Addictions	1,763
213	Adult Protection & Health Improvement	273
23,044	Care Services Provided In-House	22,754
25,191	Older People & Physical & Sensory Disability Services	27,034
1,881	Intermediate Care and Occupational Therapy	1,972
1,808	Care Services Provided by External Providers	1,817
10,012	Other Community Services	10,280
2,828	Administration & Management	3,152
1,299	Other Operational services	1,535
21,339	Primary Care Prescribing	21,937
19,939	Primary Care Services	21,331
5,936	Hosted Services	5,665
1,777	Out of Area Placements	1,971
949	Improvement Grants	1,021
19,762	Children & Justice Services	19,626
6,898	Strategic Funds & Other Resources	6,020
14,665	Set Aside	15,639
202,783	Cost of Services	210,315
(200,086)	Taxation and Non-Specific Grant Income (note 5)	(209,779)
2,697	Deficit on provision of Services	536
2,697	Total Comprehensive Income and Expenditure	536

There are no statutory or presentational adjustments which reflect the MIJB's application of the funding received from partners. The movement in the General Fund balance is therefore solely due to the transactions shown in the Comprehensive Income and Expenditure Statement. Consequently, an Expenditure and Funding Analysis is not provided in these annual accounts.

Children & Justice Services were integrated into the MIJB from 2023/24, with the first year being the shadow year meaning all financial responsibilities remained with the Council but from 2024/25 the MIJB has full control over the finances.

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the Moray Integration Joint Boards (MIJB) reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices. Additional detail included within note 7 on page 51.

Movement of Reserves During 2024/25	General Fund Balance £000
Opening Balance at 1 April 2024	(1,986)
Total Comprehensive Income and Expenditure	536
<hr/>	
(Increase) in 2024/25	536
<hr/>	
Closing Balance at 31 March 2025	(1,450)
<hr/>	
Movement of Reserves During 2023/24	General Fund Balance £000
Opening Balance at 1 April 2023	(4,683)
Total Comprehensive Income and Expenditure	2,697
<hr/>	
Decrease in 2023/24	2,697
<hr/>	
Closing Balance at 31 March 2024	(1,986)
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BALANCE SHEET

The Balance Sheet shows the value of the Moray Integration Joint Board's (MIJB) assets and liabilities as at the balance sheet date. The net assets of the MIJB (assets less liabilities) are matched by the reserves held by the MIJB.

31 March 2024 £000		Notes	31 March 2025 £000
1,986	Short Term Debtors Current Assets	6	1,450
-	Short Term Creditors Current Liabilities		-
-	Provisions Long Term Liabilities		-
1,986	Net Assets		1,450
1,986	Usable Reserve General Fund	7	1,450
1,986	Total Reserves		1,450

The unaudited annual accounts were issued on 19 June 2025 and the audited annual accounts were authorised for issue on 30 October 2025.

The Annual Accounts present a true and fair view of the financial position of the MIJB as at 31 March 2025 and its income and expenditure for the year then ended.

Deborah O'Shea

Deborah O'Shea FCCA

Chief Financial Officer

30 October 2025

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Significant Accounting Policies

General Principles

The Financial Statements summarise the Moray Integration Joint Board's (MIJB) transactions for the 2024/25 financial year and its position at the year-end of 31 March 2025.

The MIJB was established under the requirements of the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973.

The Financial Statements are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The accounts are prepared on a going concern basis, which assumes that the MIJB will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when settlement in cash occurs. In particular:

- Expenditure is recognised when goods or services are received, and their benefits are used by the MIJB.
- Income is recognised when the MIJB has a right to the income, for instance by meeting any terms and conditions required to earn the income, and receipt of the income is probable.
- Where income and expenditure have been recognised but settlement in cash has not taken place, a debtor or creditor is recorded in the Balance Sheet.
- Where debts may not be received, the balance of debtors is written down.

Funding

The MIJB is primarily funded through funding contributions from the statutory funding partners, Moray Council and Grampian Health Board. Expenditure is incurred as the MIJB commissions' specified health and social care services from the funding partners for the benefit of service recipients in Moray area.

Cash and Cash Equivalents

The MIJB does not operate a bank account or hold cash. Transactions are settled on behalf of the MIJB by the funding partners. Consequently, the MIJB does not present a 'Cash and Cash Equivalent' figure on the balance sheet. The funding balance due to or from each funding partner as at 31 March is represented as a debtor or creditor on the MIJB's Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 Significant Accounting Policies (continued)

Employee Benefits

The MIJB does not directly employ staff. Staff are formally employed by the funding partners who retain the liability for pension benefits payable in the future. The MIJB therefore does not present a Pensions Liability on its Balance Sheet.

The MIJB has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report. The charges from the employing partner are treated as employee costs. Where material the Chief Officer's absence entitlement as at 31 March is accrued, for example in relation to annual leave earned but not yet taken.

Charges from funding partners for other staff are treated as administration costs.

Reserves

The MIJB's reserves are classified as either Usable or Unusable Reserves.

The MIJB's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March shows the extent of resources which the MIJB can use in later years to support service provision.

Indemnity Insurance

The MIJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board members. Grampian Health Board and Moray Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Boards, the MIJB does not have any 'shared risk' exposure from participation in the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). The MIJB participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

Note 2 Critical Judgements and Estimation Uncertainty

In applying the accounting policies, the MIJB has had to make certain judgements about complex transactions or those involving uncertainty about future events. There are no material critical judgements or estimation uncertainty.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 3 Events after the Reporting Period

The unaudited accounts were issued by Deborah O'Shea, Chief Financial Officer on 19 June 2025 and the audited accounts were authorised for issue on 30 October 2025. Events taking place after this date are not reflected in the financial statements or notes.

Note 4 Expenditure and Income Analysis by Nature

2023/24		2024/25
£000		£000
95,500	Services commissioned from Moray Council	98,217
107,247	Services commissioned from Grampian Health Board	112,061
36	Auditor Fee: External Audit Work	37
202,783	Total Expenditure	210,315
(200,086)	Partners Funding Contributions and Non-Specific Grant Income	(209,779)
2,697	Deficit on the Provision of Services	536

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 5 Taxation and Non-Specific Grant Income

2023/24		2024/25
£000		£000
84,615	Funding Contribution from Moray Council	88,441
115,471	Funding Contribution from Grampian Health Board	121,338
200,086	Taxation and Non-specific Grant Income	209,779

The funding contribution from Grampian Health Board shown above includes £15.639m in respect of 'set aside' resources relating to acute hospital and other resources. These are provided by Grampian Health Board who retains responsibility for managing the costs of providing the services. The MIJB however has responsibility for the consumption of, and level of demand placed on, these resources.

Note 6 Debtors

31 March 2024		31 March 2025
£000		£000
1,723	Grampian Health Board	1,187
263	Moray Council	263
1,986	Debtors	1,450

Amounts owed by the funding partners are stated on a net basis. Creditor balances relating to expenditure obligations incurred by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the MIJB.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 Usable Reserve: General Fund

The MIJB holds a balance on the General Fund for two main purposes:

- To earmark, or build up, funds which are to be used for specific purposes in the future, such as known or predicted future expenditure needs. This supports strategic financial management.
- To provide a contingency fund to cushion the impact of unexpected events or emergencies. This is regarded as a key part of the MIJB's risk management framework.

The table below shows the movements on the General Fund balance:

	General Reserves	Earmarked Reserves		Total
		PCIP Action 15	& Other Earmarked	
	£000	£000	£000	£000
Balance at 1 April 2023	-	937	3,746	4,683
Transfers (out) 2023/24	-	(904)	(1,793)	(2,697)
Balance at 31 March 2024	-	33	1,953	1,986
Transfer (out) 2024/25	-	(33)	(503)	(536)
Balance at 31 March 2025	-	-	1,450	1,450

Primary Care Improvement Fund (PCIP) - The purpose of this fund is to ring fence funding received from the Scottish Government as part of its Primary Care Transformation Plan; this includes Action 15 funding as part of this plan.

Other earmarked reserves are noted in detail on pages 18 to 20.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 Agency Income and Expenditure

On behalf of all IJB's within Grampian Health Board, the MIJB acts as the lead manager for Grampian Medical Emergency Department (GMED) and Primary Care Contracts. It commissions services on behalf of the other IJBs and reclaims the costs involved. The payments that are made on behalf of the other IJBs, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the MIJB is not acting as principal in these transactions.

The amount of expenditure and income relating to the agency arrangement is shown below:

2023/24		2024/25
£000		£000
10,615	Expenditure on Agency Services	10,680
(10,615)	Reimbursement for Agency Services	(10,680)
-	Net Agency Expenditure excluded from the CIES	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 Related Party Transactions

The MIJB has related party relationships with Grampian Health Board and Moray Council. In particular the nature of the partnership means that the MIJB may influence, and be influenced by, its partners. The following transactions and balances included in the MIJB's accounts are presented to provide additional information on the relationships.

Transactions with Grampian Health Board

2023/24		2024/25
£000		£000
(115,471)	Funding Contributions received from the NHS Board	(121,338)
107,064	Expenditure on Services Provided by the NHS Board	111,864
183	Key Management Personnel: Non-Voting Board Members	197
(8,224)	Net Transactions with Grampian Health Board	(9,227)

Key Management Personnel: The Chief Officer and Chief Financial Officer are non-voting Board members and are both employed by Grampian Health Board and recharged to the MIJB. Details of the remuneration of both officers are provided in the Remuneration Report. The Chief Officer is a joint appointment made by Moray Council and Grampian Health Board and is jointly accountable to the Chief Executives of both organisations, as such this post is jointly funded. The Chief Financial Officer, whilst a Board appointment, does not share this arrangement of funding.

Balances with Grampian Health Board

31 March 2024		31 March 2025
£000		£000
1,723	Debtor balances: Amounts due from Grampian Health Board	1,187
1,723	Net Balance due from Grampian Health Board	1,187

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 Related Party Transactions (continued)

Transactions with Moray Council

2023/24		2024/25
£000		£000
(84,615)	Funding Contributions received from the Council	(88,441)
95,455	Expenditure on Services Provided by the Council	98,179
81	Key Management Personnel: Non-Voting Board Members	75
10,921	Net Transactions with Moray Council	9,813

Balances with Moray Council

31 March		31 March
2024		2025
£000		£000
263	Debtor balances: Amounts due from Moray Council	263
263	Net Balance due from Moray Council	263

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 10 VAT

The MIJB is not registered for VAT and as such VAT is settled or recovered by the partners. The VAT treatment of expenditure in the MIJB accounts depends on which of the partners is providing the services as each of these partners are treated differently for VAT purposes.

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

Note 11 Accounting Standards That Have Been Issued but Have Yet To Be Adopted

The Code requires the MIJB to identify any accounting standards that have been issued but have yet to be adopted and could have material impact on the accounts. This applies to the adoption of the following new or amended standards within the 2024/25 Code:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023;
- IFRS 17 Insurance Contracts issued in May 2017; and
- Changes to the measurement of non-investment assets within the 2025 to 2026 Code include adaptations and interpretations of IAS16 Property, Plant and Equipment, and IAS 38 Intangible Assets.

The Code requires implementation from 1 April 2025 and there is, therefore, no impact on the 2024/25 financial statements.

The above amendments are not anticipated to have a material impact on the information provided in the financial statements.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Moray Integration Joint Board and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of Moray Integration Joint Board for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 2024/25 Code).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the Board as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Board. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT (Continued)

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Board's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the Board's current or future financial sustainability. However, we report on the Board's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Chief Financial Officer and Moray Integration Joint Board for the financial statements

As explained more fully in the Statement of Responsibilities, the Chief Financial Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the Board's operations.

The Moray Integration Joint Board is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement

INDEPENDENT AUDITOR'S REPORT (Continued)

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the Board;
- inquiring of the Chief Financial Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the Board;
- inquiring of the Chief Financial Officer concerning the Board's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Board's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (Continued)

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

We have audited the parts of the Remuneration Report described as audited. In our opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Other information

The Chief Financial Officer is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

INDEPENDENT AUDITOR'S REPORT (Continued)

Matters on which we are required to report by exception

We are required by the Accounts Commission to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Angela Pieri

Angela Pieri, (for and on behalf of Grant Thornton UK LLP),

120 Bothwell Street, Glasgow, G2 7JS

Date: 03 November 2025

