Moray Integration Joint Board

UNAUDITED ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2026

If you need information from the Moray Council in a different language or format, such as Braille, audio tape or large print, please contact:

إذا كنتم في حاجة إلى معلومات من قبل مجلس موراي وتكون بلغة مختلفة أوعلى شكل مختلف مثل البراي، أسطوانة أوديو أو أن تكون مطبوعة باستعمال حروف غليظة فالرّجاء الإتّصال ب

Jei pageidaujate tarnybos Moray tarybos teikiamą informaciją gauti kitokiu formatu, pvz., Brailio raštu, garso įrašu ar stambiu šriftu, kreipkitės:

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Ja Jums vajadzīga informācija no Marejas domes (*Moray Council*) citā valodā vai formātā, piemēram, Braila rakstā, audio lentā vai lielā drukā, sazinieties ar:

اگرآپ 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 2025/26

Voting Members

Dennis Robertson (Chair)	Grampian Health Board (Vice Chair 01/04/2025 to 30/09/2025. Chair from 01/10/2025)
Cllr. Elaine Kirby (Chair)	Moray Council (21/11/2024 to 31/07/2025)
Cllr. Bridget Mustard (Vice-Chair)	Moray Council (Chair 1/08/2025 to 30/09/2025. Vice Chair from 01/10/2025)
Sandy Riddell	Grampian Health Board
Derick Murray	Grampian Health Board
Alex Stephen	Grampian Health Board
Cllr. Peter Bloomfield	Moray Council
Cllr. Scott Lawrence	Moray Council
Cllr Ben Williams	Moray Council (Left 27/03/2026)
Cllr John Divers	Moray Council (Joined 27/03/2026)

Non-Voting Members

Judith Proctor	Chief Officer
Jim Lyon	Interim Chief Social Work Officer
Jane Ewen	Lead Nurse
Professor Duff Bruce	Non-Primary Medical Service Lead
Dr Robert Lockhart	GP Lead
Sheila Brumby	People Receiving Services Representative.
Ivan Augustus	Carer Representative (left 27/11/2025)
Kevin Todd	Moray Council Staff Representative (left 19/05/2025)
Elizabeth Robinson	Public Health Representative
Deirdre McIntyre	Grampian Health Board Staff Partnership (left 19/06/2025)
Michael Ritchie	Grampian Health Board Staff Partnership (Joined 16/07/2025)

MORAY INTEGRATION JOINT BOARD MEMBERS 2025/26 Continued

Miriam Connor	Unpaid Carer Representative (Joined 28/11/2025)
Christine Stevens	Unpaid Carer Representative (Joined 28/11/2025)
Aimee McIntosh	Third Sector Representative (joined 01/10/2025)

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 (Left 01/10/2025)
Laura Skaife-Knight	Chief Executive Grampian Health Board (Joined 01/10/2025)
Karen Greaves	Chief Executive, Moray Council
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.

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MANAGEMENT COMMENTARY (continued)

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.

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 Moray Health & Social Care Partnership (Moray HSCP). 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

MANAGEMENT COMMENTARY (continued)

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

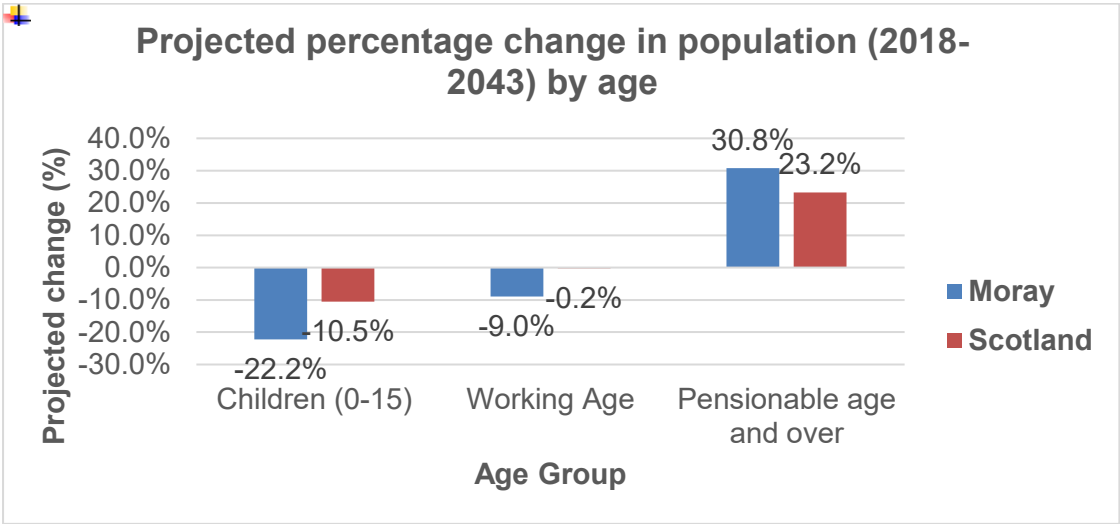
Moray is a largely rural area covering a land mass of 2,238 sq. km. It has a long coastline on the Moray Firth with harbours, fishing villages and world-class beaches. From the 2022 census, the area's population is 93,400[1], which is an increase of 0.1% since 2011. The population growth in Moray is 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 age[2].

[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 Moray HSCP website, once approved by the MIJB.

There is continued focus on one of the major aims of integration and a key measurable target for MIJB, 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.

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.MSG indicator 4 – Number of Delayed Discharge Bed Days[3]

Year	Q1	Q2	Q3	Q4
2021/22	592	784	1,142	1,294
2022/23	1,207	1,197	1,063	751
2023/24	732	845	1,162	1,501
2024/25	922	1,115	981	1,149
2025/26	1,015	1,217	1,141	1,004

[3] https://publichealthscotland.scot/publications/delayed-discharges-in-nhsscotland-annual/delayed-discharges-in-nhsscotland-annual-annual-summary-of-occupied-bed-days-and-census-figures-data-to-march-2025/
About this release - Delayed discharges in NHS Scotland monthly - Figures for April 2026 - Delayed d…

Table 1

MANAGEMENT COMMENTARY (continued)

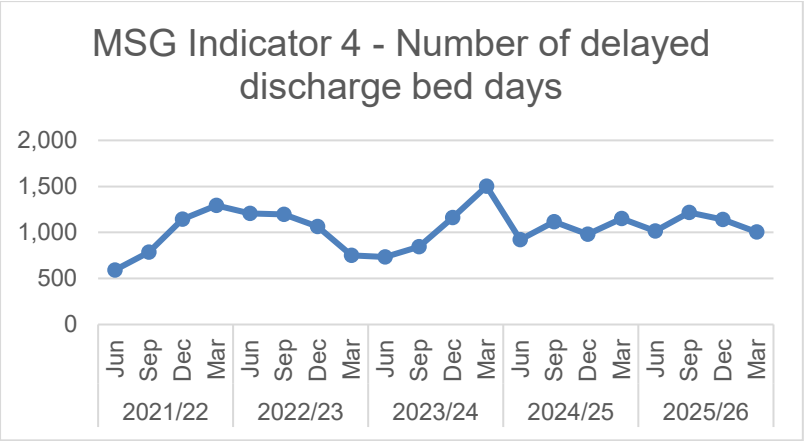

Figure 1

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 set targets for delayed discharges per 100,000 and for Moray the target is 26. This is a continuing challenge, but focussed efforts to review and streamline processes and improve flow across the system are being undertaken through the "Home Assessment Pathway" project, utilising Scottish Government additional funding to reduce unscheduled care.

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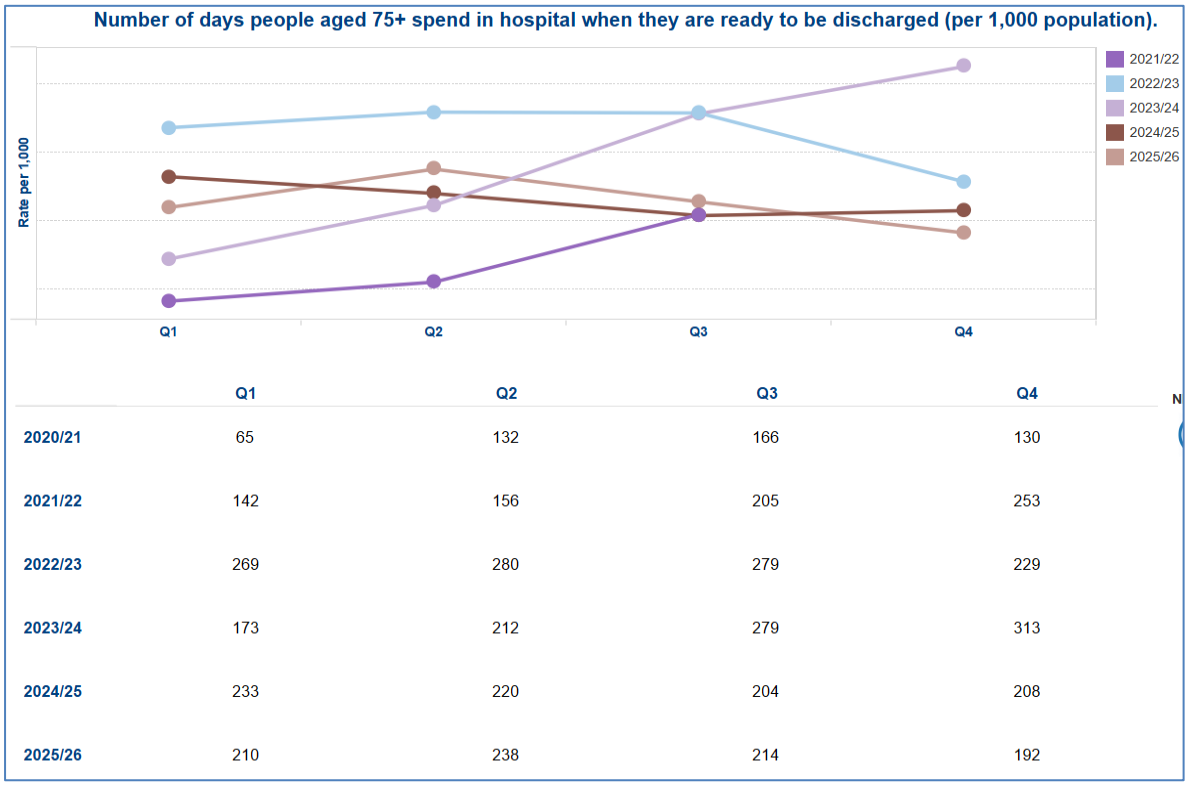
Delayed Discharges

National Indicator 19 - Number of days people spend in hospital when they are ready to be discharged (per 1,000 population).

Figure 2 below shows Moray's performance over a five-year period showing the number of delayed discharge bed days, which fluctuates through the year, however during the last two quarters of 2025/26 there has been a sustained reduction, resulting in the lowest number of days at Q4 in the five-year period. The ongoing scrutiny of delays to find solutions, progress of projects to improve efficient use of care and support resources and embedding of the Self Direct Support (SDS) framework will be contributing to this reduction.

MANAGEMENT COMMENTARY (continued)



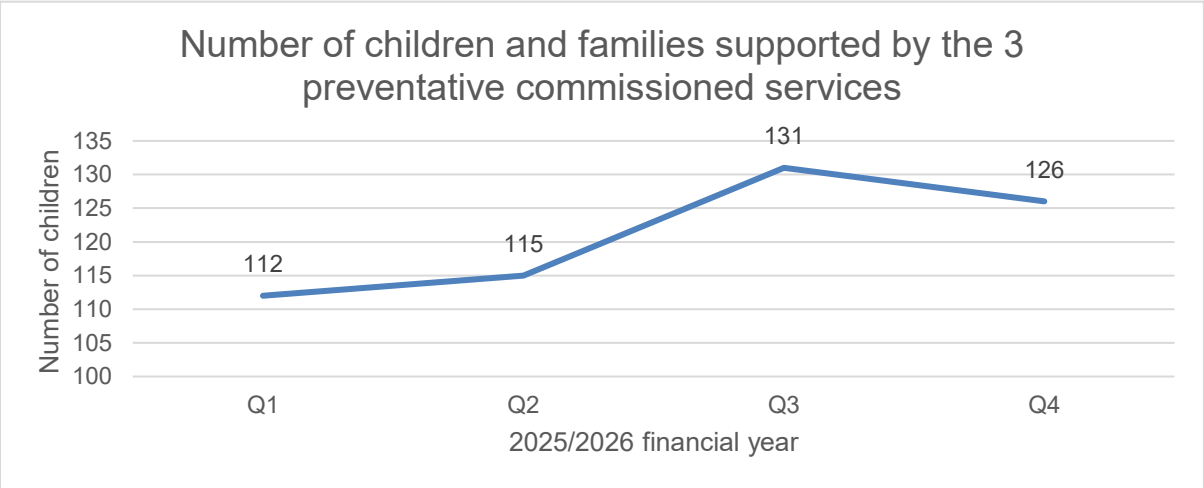
	Q1	Q2	Q3	Q4
2020/21	65	132	166	130
2021/22	142	156	205	253
2022/23	269	280	279	229
2023/24	173	212	279	313
2024/25	233	220	204	208
2025/26	210	238	214	192

Figure 2

Within Children and Families and Justice Social Work, there is a continued focus on the provision of early family support, aiming to keep children in their families, when that is safe to do so. Amongst the supports and actions working towards this outcome is the provision of commissioned services deigned to deliver early and preventative support.

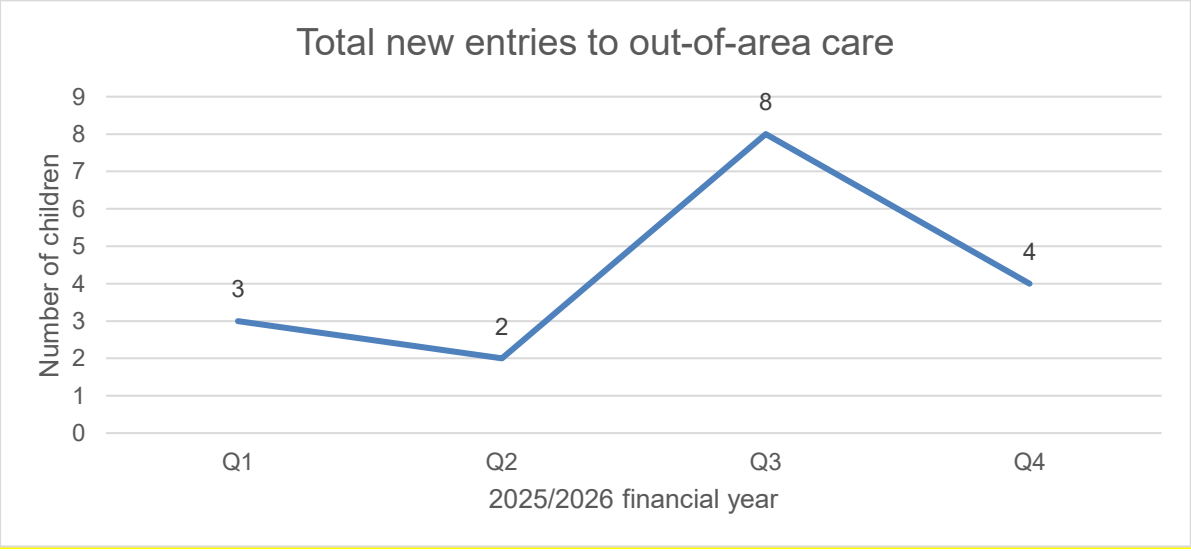
The three commissioned prevention and early intervention services—Aberlour Youth Point, Families Together, and Functional Family Therapy—provided support to numerous families in the 2025/2026 financial year, as noted in the graph below. The supports provided included one to one and group sessions, family centred money advice service, practical assistance, family group decision making and functional family therapy focusing on improving communication and relationships. The impact of these supports is evidenced via regular contract monitoring mechanisms.

MANAGEMENT COMMENTARY (continued)



Another area of focus is to reduce the number of children in care and specifically in out-of-area care. This financial year showed a continuation of the longer-term direction of travel towards safely reducing reliance on care with the number of children looked after away from or at home reducing from 167 in October 2025 to 164 at the end of March 2026.

However, this improvement is somewhat offset by a significant pressure point: a higher proportion of newly accommodated children required out-of-area care, increasing both operational complexity and financial pressure. Whilst the overall number of children entering out-of-area care can be considered low against the total number of looked after children, by the end of the financial year, this kind of care accounted for 63% of commissioned services spend, up from 53% at the start of the financial year.



The Service continues to work towards the reduction of the overall number of children entering care, inclusive of the following actions planned for the next financial year:

- Exploration of intensive family support service,
- Services commissioned to provide early and preventative support,
- The development of the Early Pathway and the refresh of GIRFEC in Moray.

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 must 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 forward 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 MIJB and Senior Management Team (SMT). It was approved in March 2026 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 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 Moray HSCP 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 Moray HSCP 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. Funding has also been

provided to NHS Grampian to support improvement in Unscheduled care across Grampian. Moray HSCP secured £1.38m to develop a Home Assessment Pathway (HAP) which focusses on prevention of admission to acute hospital and supported, timely discharge to assess. The programme was fully launched in May 2026 and as well as reporting through the HSCP and IJB structures, reports into the pan Grampian Unscheduled Care Delivery Board.

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. In addition to the Home Assessment Pathway work, the HSCP is also engaged with the collaborative initiative Discharge Without Delays which is also a Grampian wide initiative. This programme aims to reduce delays 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. This will also inform and contribute to the development of the Home Assessment Pathway work.

The integration of Children & Families and Justice services into Moray HSCP 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 and the refresh of the Strategic Plan which will take place across 2026/27 will include these delegated services.

Strategy and Plans

The MIJB is required to review its Strategic Plan every three years as per the legislation and this is now planned to take place over 2026/27. 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 Moray HSCP 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

Moray HSCP, in partnership with Third Sector organisation Moray Wellbeing Hub, launched a new initiative designed to reduce barriers to accessing mental health support for the health and social care workforce.

Funded through NHS Grampian Charity, the digital tools project offered one-to-one personal support sessions to help individuals manage and improve their wellbeing, as well as team awareness talks to build skills in peer support and colleague signposting.

Through improving digital skills and fostering peer-led approaches, the initiative aimed to promote inclusion and resilience, challenge the stigma associated with accessing help, and create a more connected and supportive working environment.

Promoting Health and Wellbeing

Moray HSCP's commitment to promoting healthy and independent ageing was recognised on an international stage in July 2025, when Alice Illingworth, Realistic Medicine Wellbeing Co-ordinator with the Health Improvement Team, was invited to present at the End Pyjama (PJ) Paralysis global online summit.

The two-day conference brought together health and care professionals from across the world who are working to reduce immobility, muscle deconditioning, and dependency in care settings, whilst protecting cognitive function, social interaction, and dignity. Alice presented on the Ageing Well work being undertaken in Moray as part of the partnership's wider focus on preventing deconditioning – the decline in physical function experienced during periods of inactivity, which is of particular concern for less mobile older people and those experiencing extended hospital stays.

Central to the presentation was the Moray Ageing Well Tool, an innovative digital self-check resource developed as part of the Making Every Opportunity Count (MeOC) programme. The tool supports older people to take control of their own health and wellbeing by encouraging individual reflection on personal needs and priorities, completing a health assessment, and connecting with relevant local services and support networks. The tool is currently in use across a range of settings, including GP practices, hospitals, social care, and the wider community.

Building on the success of the initial Community Appointment Day (CAD) model piloted for musculoskeletal (MSK) Physiotherapy and Podiatry patients in Moray, the partnership and NHS Grampian continued to develop this innovative approach to service delivery during 2025/26.

In October, we partnered with the Digital Health & Care Innovation Centre's (DHI) Rural Centre for Excellence to deliver an Occupational Therapy (OT) Community Appointment Day in Elgin. The event provided attendees, including those awaiting an OT assessment, with the opportunity to explore AskSARA, an online self-management tool offering personalised advice on equipment and home adaptations. Participants

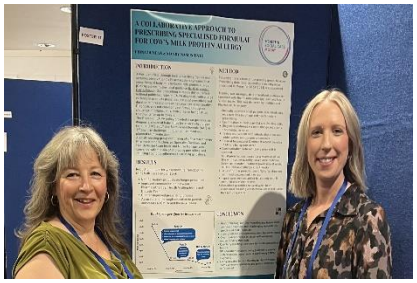
received hands-on support from Moray HSCP's Occupational Therapy Team to navigate the tool and review practical recommendations for remaining safe and independent at home.

In July 2025, the Moray Be Active Life Long (BALL) wellbeing groups which are supported by Moray HSCP, marked a significant milestone. A celebration of their 20th anniversary brought together nearly 300 community members at a special event in Hopeman. The event recognised two decades of friendship, physical activity, and support for healthy ageing across Moray.

BALL groups were developed following extensive community engagement with older people, who identified a need for greater opportunities to stay physically active and socially connected later in life. From an initial group of ten participants in 2005, the programme – which is unique to Moray – has grown into a network of 18 user-led groups welcoming more than 1,000 attendees each week.

Our collaborative approach to prescribing improvement was showcased at the annual Scottish Practice Pharmacy and Prescribing Advisers (SP3A) conference in Glasgow, where Fiona Duncan, Primary Care Advanced Pharmacist, and Mandy Nascimento, Specialist Pharmacy Technician, presented on a significant joint initiative.

Working in partnership, Pharmacy, Dietetics, and Health Visiting teams undertook a review of baby milk prescribing, with the aim of improving practice and reducing spend through consistent adherence to established clinical guidelines.



Through targeted training, improved data sharing, and a refreshed rollout of guidance, the initiative has improved education for parents and carers on the appropriate use of baby milks and the milk ladder, supporting better clinical outcomes and more consistent practice across primary care, as well as achieving financial benefits.

In June 2025, Moray HSCP launched a pilot project in partnership with Elgin Health Centre, aimed at proactively identifying unpaid carers and connecting them with appropriate support.

It is estimated that approximately 16,200 adults and children in Moray provide some form of unpaid care; however, only around 13% are currently in contact with the Quarriers Carer Support Service, which is commissioned by the partnership to support adult and young carers across the area.

A significant barrier to accessing support is identification – both by professionals and by carers themselves, many of whom do not recognise the care they provide as placing them in the role of a carer.

The Unpaid Carers Team, working alongside Elgin Health Centre, is addressing this through staff training in carer identification and signposting to services, including Quarriers and Moray HSCP teams. The project establishes a clear carer pathway within GP practice settings, promotes annual health checks, and supports contingency planning to ensure carers receive timely information and support. The model is now being extended to other GP practices and education settings across Moray.

In partnership with a range of statutory, community, and Third Sector organisations, Moray HSCP has continued to develop a Whole Systems Approach to improving healthy weight across Moray.

Recognised as a key priority within Scotland's Population Health Framework and the Board's Strategic Plan, this collaborative model looks beyond individual choice to address the wider environmental, social, and economic factors that shape health outcomes.

During the year, three interactive workshops brought together partners from across health, local authority, environmental health, children's services, transport, education, community, and Third Sector organisations. These workshops produced a shared understanding of the causes and drivers of unhealthy weight in Moray, mapped existing provision, identified gaps and priorities for action, and generated a draft vision statement and systems map. A local action plan will be launched in 2026/27.

Service Delivery/Business as Usual

Moray HSCP has continued to invest in improving digital services and infrastructure for the benefit of citizens and staff. The partnership website has been migrated to a new platform, delivering improvements in accessibility, security, and user experience.

The new multi-agency website, Getting It Right for Every Child (GIRFEC) in Moray (www.girfecinmoray.co.uk), was also launched as a central information resource for families, young people, and practitioners. Developed in partnership with NHS Grampian, Moray Council, and Third Sector organisations, the site includes dedicated sections on GIRFEC, the Child's Plan, children's rights, and a range of support services, as well as a local events calendar.

Content was co-produced with local families and young people, with engaging graphics designed by a former pupil of Speyside High School during a digital media placement with Children's Services.

Moray HSCP has achieved significant milestones in the national programme to transition community alarm and telecare services from analogue to digital technology, ahead of the UK-wide switchover deadline in January 2027.

MANAGEMENT COMMENTARY (continued)

With approximately 1,500 community alarm and telecare devices in use by Moray residents, the Analogue to Digital Telecare (A2DT) programme represents one of our most significant transformation workstreams.

Moray HSCP has been awarded both the Gold Level One and Gold Level Two Digital Telecare Implementation Awards from Digital Telecare for Scottish Local Government. The Gold Level Two award, which recognises partnerships that have delivered a live digital service to at least half of their users with a minimum of six weeks of safe, reliable operation, reflects the substantial progress achieved. At the time of the award, 56% of Moray's telecare devices were digital-ready

Moray Community Justice Partnership hosted the local launch of Upside, a Scotland-wide service funded by the Scottish Government to support individuals as they leave prison and return to community life. Delivered in Moray by Turning Point Scotland, as part of a national partnership of eight leading charities, Upside provides support with housing, health, finances, substance use, and the rebuilding of family connections, with a focus on developing trusting relationships and connecting individuals with local services.

The launch event also highlighted the work of Moray HSCP's Voluntary Throughcare Service, which provides up to twelve months of support for individuals released from prison who are not subject to licence conditions. The service assists with accommodation, benefits, mental health support, addiction recovery, employment, and rebuilding family relationships, with the aim of empowering individuals to make positive and lasting change.

In November 2025, Moray Council and MIJB hosted a civic reception to honour local foster carers, recognising their dedication, compassion, and the life-changing impact of their commitment to children and young people in Moray.

The event brought together foster carers, elected members, board members, and officers to celebrate the remarkable contribution foster carers make to the lives of children and to communities across the area.

The occasion also served to raise awareness of fostering and encourage those in Moray who may be able to offer a safe, stable, and nurturing home to a child or young person to come forward.

Over the past year, Moray HSCP has made progress in strengthening and stabilising mental health services, although recognising the need for greater urgency in delivering meaningful improvements for people who have experienced long-standing gaps in support.

Gaps have placed sustained pressure on GP practices, where clinicians have been supporting adults and children with complex mental health needs without consistent access to specialist services. It is acknowledged that individuals and families have waited too long for services that fully meet their needs.

A number of key developments have helped improve service resilience. These include the appointment of a new Clinical Director for Moray Mental Health Services (Adult and Older Adult), the stabilisation of Consultant Psychiatry cover across Moray, the introduction of a dedicated email advice service enabling GPs to access psychiatric expertise, enhanced out-of-hours on-call arrangements through support from Royal Cornhill Hospital in Aberdeen, and an increased Community Mental Health Team presence within primary care settings. In addition, three Scottish Action for Mental Health (SAMH)-delivered services – the Distress Brief Intervention Service, Intensive Recovery and Community Support Service, and Suicide Prevention Service – are now fully staffed and operational across Moray.

Mental Health and Wellbeing Practitioners based in GP practices also continue to strengthen early intervention, providing 255 appointments during August 2025 and supporting improved triage and faster responses for patients.

Performance has improved in some areas of the Psychological Service, with 100% of Secondary Care referrals meeting national waiting time targets in September 2025. However, significant challenges remain within the Primary Care Psychological Service, where only 15% of referrals met the national standard and this will be prioritised for improvement.

Longer Term Changes to Strategies and Plans

A new initiative to strengthen and protect the ongoing relationships at the heart of care for young people leaving the care system has been launched in Moray. Care-experienced young people and practitioners co-designed the Maintaining Relationships Project to ensure that vital connections – with social workers, teachers, residential staff, and others – can be maintained safely and respectfully even after formal care arrangements have ended.

The project responds directly to the experiences of young people who have described feeling “forgotten” or “abandoned” following transitions out of care. Members of the Moray Champions Board called on Moray HSCP to develop guidance enabling staff to maintain these important relationships in a way that places young people’s wishes at the centre.

Launched ahead of Care Leavers Month, the project reflects Moray’s commitment to the national Promise – ensuring all of Scotland’s children and young people grow up loved, safe, and respected. The project is already attracting national interest and has the potential to provide a model for other areas across Scotland.

Positive progress continues to be made in the delivery of the Children’s Services Plan 2023–2026. The annual report highlighted the difference being made by community planning partners – including Moray HSCP, Moray Council, NHS Grampian, and Third Sector organisations – working together and with local communities to safeguard, support, and promote child and family wellbeing. The next Children’s Services Plan is under development.

Good progress has also been achieved in delivering the Moray Unpaid Carers Strategy, with a range of developments helping to strengthen support and improve the experiences of unpaid carers across Moray.

The Strategy, which runs until 2028, is built around three strategic priorities – recognising, valuing, and supporting carers – and is underpinned by a delivery plan supported by annual Carer Act funding.

Moray Alcohol and Drug Partnership (ADP) has continued to make significant progress in reducing drug and alcohol-related harms and improving outcomes for individuals and communities across Moray.

Notable progress has been achieved during the year in implementing the national Medication Assisted Treatment (MAT) standards, which form a key part of Scotland's response to the ongoing drug-related deaths crisis. The standards provide a framework for ensuring that treatment is safe, person-centred, and effective.

Improved referral pathways, delivered through a third sector direct access service, have reduced waiting times and enabled faster access to support, whilst frontline staff have continued to benefit from training in rights awareness, trauma-informed practice, and crisis response.

In August 2025, a Recovery Together community event was held in Lossiemouth, marking International Overdose Awareness Day. The event provided an opportunity to remember those lost to substance use, support those still affected, and celebrate the strength and resilience found in recovery. The Rose Remembrance Walk and programme of activities reinforced the community's commitment to tackling stigma and promoting open conversation around recovery.

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 2025 the Board received a financial report which forecast an expected overspend to the end of the financial year of £8.78m. This forecast remained fairly consistent throughout the remainder of the year and in January 2026, MIJB were forecasting an overspend to the end of the year of £8.23m, the MIJB actually out turned at £7.20m overspent. Both partners in line with the Integration Scheme, put in additional funding to cover this overspend. There was the use of ear marked reserves totalling £0.14m during the year, with new ear marked reserves totalling £1.70m leaving a balance of £3.01m in ear marked reserves to be carried forward into 2026/27. In March 2025, the MIJB agreed a savings plan of £9.47m, 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 £3.66m, £0.68m non-recurring savings and £1.03m 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	8,033	7,932	101	
Community Nursing	6,244	6,670	(426)	1
Learning Disabilities	20,913	21,230	(317)	2
Mental Health	12,227	12,881	(654)	3
Addictions	1,871	1,817	54	
Adult Protection & Health Improvement	278	279	(1)	
Care Services Provided In-House	25,190	25,495	(305)	
Older People Services & Physical & Sensory Disability	28,090	30,023	(1,933)	4
Intermediate Care & OT	1,845	2,039	(194)	
Care Services Provided by External Contractors	2,084	2,072	12	
Other Community Services	10,117	10,310	(193)	
Administration & Management	2,056	3,086	(1,030)	5
Other Operational Services	1,413	1,351	62	
Primary Care Prescribing	21,441	21,312	129	
Primary Care Services	22,830	22,954	(124)	
Hosted Services	6,131	5,987	144	
Out of Area Placements	1,780	1,834	(54)	
Improvement Grants	1,060	889	171	
Children's & Justice Services	21,256	22,050	(794)	6
Total Core Services	**194,859**	**200,211**	**(5,352)**	
Strategic Funds & Other Resources	14,367	6,005	8,362	7
TOTALS (before set aside)	**209,226**	**206,216**	**3,010**	
Set Aside	20,092	20,092	-	
TOTAL	**229,318**	**226,308**	**3,010**	

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 Community Nursing - This budget is overspent by £425,978 at the year end. This is predominantly due to staffing, with overspends in District nurses £431,715 (including Acute nursing at Varis, Forres and Buckie), £102,136 overspend in Health visitors, which is being reduced by an underspend in Maryhill of £107,873. The overspend is largely due to staffing as detailed above. District nurses had a budget realignment in 2025/26 of £313,982 and savings of £121,095, this was not achieved due to recruitment being successful for vacant posts that have been vacant for a significant time during which time bank staff have had to be used as well as the regrading of nurses from a band 6 to a band 7. Health visitors were expected to come in on budget after realignment and savings however the school nurses were regraded in the last quarter of the year resulting in an overspend in the budget.

Note 2 Learning Disabilities (LD) – The Learning Disability (LD) service is overspent by £316,736 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 £428,087, client and staff transport of £25,640 and property cost overspend of £23,588. This is offset by underspend of £100,173 for clinical, nursing and other services relating to consultant and management psychiatry staffing vacancies, more income received than expected of £34,358 and other small underspends of £1,239. 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. Work continues to progress savings plans across the LD service; however, this is being offset by ongoing demand pressures. In particular, more individuals with complex needs moving through transitions from children to adult services and also people moving into the area who require high-cost packages of care, which is impacting on the overall financial position.

Note 3 Mental Health – This budget is overspent by £654,343 at the year end. This is due to overspends in clinical, nursing and other services as a result of ongoing use of agency locums of £302,457; purchase of care £195,385 relating to purchase of care in care homes and care at home; £144,810 relating to unachieved savings and £11,691 other minor overspends. This budget is currently under pressure due to the recruitment issue for consultants and an increase in demand for services, including out of area packages as there is a lack of resource locally especially around autism and neurodiversity. Work is currently ongoing reviewing out of area packages to repatriate them to Moray.

Note 4 Older People Services and Physical & Sensory Disability - This budget is overspent by £1,933,488 at the end of the year. This primarily relates to overspends for home care in the area teams £575,752, permanent care £1,328,598 due to the increase in the number of clients receiving nursing care rather than residential care, short breaks £242,362 and self-directed support of £260,758. Bad debt provision for unpaid fees was £117,582 overspent, which is particularly high this year and other

minor overspends of £18,000. This is being reduced by income received during the year above budget by £609,564. 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, when people are living longer with more complex care needs. Due to the increase in need and complexity along with increasing levels of growth and demand are having an impact on this budget. There are increases in permanent care which is seeing the move to nursing placements rather than residential placements. The demographics are showing we have an increasing elderly population who are living longer and requiring more complex care.

Note 5 Admin and Management - This budget is overspent by £1,029,617 at the year end. This is due to interim staffing arrangements and the vacancy target for the Council side not being met by £933,334. There was a non-recurring increase in target for 2025/26 of £750,000 that was not achievable.

Note 6 Children, Families and Justice Services – This budget is overspent by £793,663 at the year end. This is due to overspends in residential continuing care placements £418,127, external fostering placements £495,610, out of area residential placements £297,272, home to school taxis £28,201, no recourse to public funds costs £15,600 and self-directed support payments of £68,245. This overspend is being reduced by an underspend on mental health & wellbeing £156,041, trauma informed training £30,517, refund on Intensive Family Support contract £31,492, Criminal Justice £64,759, an overachievement of £246,097 against the vacancy target and minor underspends of £486. These overspends are related to the number of children requiring to be accommodated through the Children's Hearing system, family breakdown, and the need to keep children safe from familial harm while living at home. The costs of care have been rising significantly, availability of the correct care provision is a national challenge, and the market is under scrutiny with consultation for possible legislation on excessive profiteering. A long and immediate term strategy has been approved by the IJB to address: the need to reduce the flow-into care, develop small group family living models in Moray with support from Housing Services, strengthen early support, prevention and diversion, and have a more local provision in the Northeast across the three Grampian local authority areas, which can more effectively contribute to the flow-out of care.

Note 7 Strategic Funds and Other Resources – This budget is underspent by £8.362m 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 45. At 31 March 2026 there were ear marked reserves of £3.01m available to the MIJB, compared to £1.45m at 31 March 2025. These remaining reserves of £3.01m are for various purposes as described below:

MANAGEMENT COMMENTARY (continued)

Earmarked Reserves	Amount £000's
GP Premises	21
National Drugs MAT	250
OOH Winter Pressure funding	172
Moray Cervical screening	36
Moray hospital at home	4
Moray Psychological	275
MHO Funding	138
Adult protection funding for CA	72
National Trauma Training services	53
Moray School Nurse	32
Moray Winter Fund HCSW & MDT	182
LD Annual Health Checks	69
Community Planning partnership	2
Moray District Nurses	111
Moray Alcohol & Drug Partnership	48
GP Walk-in Service	165
Moray Unscheduled Care Improvement Plan	1,380
Total Earmarked	3,010
General Reserves	0
TOTAL Earmarked & General	**3,010**

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 he be overseen by the MAT implementation support team (MIST).

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.

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.

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.

Moray Alcohol & Drug Partnership -funding to support local alcohol and drug issues.

GP Walk-in Service – Scottish Government funding to expand walk-in GP services.

Moray Unscheduled Care Improvement Plan – funding to enhance the delivery of unscheduled care services.

All reserves are expected to be utilised for their intended purpose during 2026/27.

Set Aside – Excluded from the financial performance table above on page 18 but included within the Comprehensive Income & Expenditure Account is £20.092m 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 and Mental Health Service.

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 MIJB integration scheme outlines that the method of establishing the set aside budget will take account of hospital activity data and cost information. Hospital activity data will reflect actual occupied bed day and admissions information, together with any planned changes in activity and case mix.

This information was originally provided by Information Services Division, although this information hasn't been updated since 2019/20. In the absence of updated information from Information Services Division, uplifts based on the baseline uplift was applied to the set aside budget calculation on an annual basis throughout the period up to 2024/25.

During 2025/26 it was accepted that this did not provide an accurate reflection of the consumption by Moray residents within the Unplanned Care pathways and work was undertaken to update the set aside calculation.

The updated set aside budget has been calculated using hospital activity data and cost information. The hospital activity data is taken from the SMR01 dataset for general/acute inpatient and day case and reflects inpatient stays and day case and outpatient activity. Costs are taken from the 2023/24 NHS Grampian cost book and uplifted by the baseline uplift amounts for 2024/25 and 2025/26 to reflect pay award

and inflationary uplifts since 23/24. The set aside budget is the total of IJB activity multiplied by unit cost.

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

	2025/26	2024/25	2023/24	2022/23	2021/22
Budget	20.092m	15.639m	14.665m	13.92m	13.04m

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:

MANAGEMENT COMMENTARY (continued)

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 26 March 2026.
2. Additional resource to support the Budget Savings Delivery has been extended until March 2026.
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. Monitoring of MIJB Strategic Delivery Plan ensuring all projects are aligned with savings plans.
7. Extended Resource Management Group – including financial recovery action plan.
8. SMT are actively monitoring and responding to the grip and control measures as they arise, ensuring robust oversight and challenge, ensuring that no critical issues are overlooked.
9. Financial pressures have been escalated to the Chief Executives of Moray Council and NHS Grampian, discussions continue as per the tri-partite arrangements.

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 2026/27 onwards.
- Ongoing 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.
- Strategic Delivery Plan (approved June 2025) incorporates the work being driven across all areas of the MIJB's Strategic Plan priorities and will be reported regularly to AP&R Committee.
- Finance workshops took place with Board members in December 2025 and February 2026.
- Risk 2 presented to MIJB in January 2026 with Q3 report.

Development Aims for 2026/27

Unscheduled Care Improvement

Building on the work done on the National Collaborative to support Discharge without Delay and the wider Grampian performance challenges around Unscheduled Care, the IJB will maintain its focus on ensuring the services delegated to it deliver agreed targets. This will be done under the current actions in the delivery plan, and these will be refreshed as part of the development of the new Strategic Plan. Included in this work is the Home Assessment Pathway programme which will be reviewed across the year in relation to its contribution to achieving and sustaining agreed outcomes.

Implementation 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 was undertaken. This was a collaborative piece work and engaged and involved staff. A consultation took place and, following this, the focus will be on implementing the new structure and realising the opportunities and benefits set out in the initial proposals.

Developing further our Children, Families and Justice priorities and strategy

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 it plans and commissions services that are appropriate to meet the growing demand and which focus as far as practicable on early intervention and prevention and which reduce the need for a crisis response and costly out of area placements. The IJB agreed a strategic direction in November 2025 and this, under the direction of the new, permanent Head of Service and Chief Social Work Officer (starting August 2026) will be a focus for delivery over the course of the year.

MANAGEMENT COMMENTARY (continued)

Strategic Plan Review

The MIJB approved its Strategic Delivery Plan at its meeting in May 2025, and this now provided a refresh of delivery under the current 10-year Strategy. However, recognising the need to ensure all services delegated to it are reflected in the Strategic Plan, and that it needs to reflect the financial reality set out in the Medium-Term Financial Framework, we plan to undertake a review of the Strategic Plan by the end of the financial year.

In addition, we will seek to:

- Continue to develop how we care for our staff well-being, with staff our most valuable asset, through the development of our Workforce Plan;
- Set out clear ambitions under a Digital and TECH programme;
- Provide leadership and participation as key partners in the pan Grampian North East Strategic Transformation Group (NESTG);
- 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**
Chair of Moray IJB	**Chief Officer**	**Chief Financial Officer**

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

Chair of Moray IJB

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) 2025/26.

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 2026 and the transactions for the year then ended.

Deborah O'Shea FCCA

Chief Financial Officer

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 2024/25	Name	Position Held	Nomination By	Taxable Expenses 2025/26
£				£
-	Dennis Robertson	Vice-Chair 01/04/25 – 30/09/25; Chair 01/10/25 to date	Grampian Health Board	-
-	Cllr Tracy Colyer	Chair 01/04/24 – 26/09/24	Moray Council	-
-	Cllr Elaine Kirby	Chair 1/04/25 – 31/07/25	Moray Council	-
-	Cllr Bridget Mustard	Chair 1/08/25 – 30/09/25 Vice Chair 1/10/25 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 2024/25	Senior Employees	Salary, Fees & Allowances	Total 2025/26
£		£	£
20,268	Simon Bokor-Ingram Chief Officer (1/04/24-31/05/24)	-	-
95,673	Judith Proctor (from 25/07/24)	140,031	140,031
90,729	Deborah O'Shea Chief Financial Officer	95,135	95,135

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 2025/26.

	In Year Pension Contributions		Accrued Pension Benefits		
	Year to 31/03/25	Year to 31/03/26		As at 31/03/2026	Difference from 31/03/2025
	£	£		£ 000's	£ 000's
Simon Bokor-Ingram, Chief Officer (*)	4,378	0	Pension	-	-
			Lump Sum	-	-
Judith Proctor, Chief Officer	21,526	31,507	Pension	43	5
			Lump Sum	111	8
Deborah O'Shea Chief Financial Officer	20,339	21,309	Pension	4	2
			Lump Sum	31	-

(*) Simon Bokor-Ingram figures included in the table above, relate to the full year 2024/25 including 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 2024/25	Remuneration Band	Number of Employees in Band 2025/25
1	£85,000 - £89,999	-
-	£90,000 - £94,999	1
1	£130,000 - £134,999	-
-	£135,000 - £139,999	1

Exit Packages

There were no exit packages agreed by the MIJB during 2025/26 financial year, or in the preceding year.

…….. ……

Dennis Robertson **Judith Proctor**

Chair of Moray IJB **Chief Officer**

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 of 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 scheduled meetings of the Audit Performance and Risk Committee and the Clinical Care Governance Committee were held as timetabled during 2025/26.

Moray HSCP established an emergency response group in March 2020, which has since transitioned into a Daily Response meeting. Representation from partner organisations continues through Moray HSCP staff, maintaining effective links and information flow to support a co-ordinated response across Grampian and within Moray.

Governance standards and collaborative working continue to operate across the wider system, including NHS Grampian Directorates and pan Grampian partnership arrangements. The Grampian Operation Performance Escalation System (GOPES) supports senior leaders to have oversight of system pressures and coordinate responses. This has strengthened the use of defined performance thresholds escalation levels and decision making.

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 support inclusive and informed decision making. The Board meets bi-monthly and is supported by regular development sessions, providing dedicated time 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 the Clinical and Care Governance Committee, each operating with clearly defined remits to provide assurance and support effective scrutiny. • The MIJB operates in accordance with Standing Orders, which set out the rules governing the proceedings of the Board and its Committees. These are supported by the Scheme of Administration, which defines the structure and remit of the Board's committees, ensuring clarity, consistency and transparency 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 adhere to 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, ethical governance and supporting members to maintain high standards of conduct in decision making.

ANNUAL GOVERNANCE STATEMENT (continued)

Governance Principle 2 – Ensuring openness and comprehensive stakeholder engagement

Assessment of Effectiveness

- The MIJB's Standing Orders provide for public and press access to meetings and reports, supporting transparency and accountability. Hybrid meeting arrangements continued throughout 2025/26 in response to positive feedback and to enhance accessibility for members and the public.
- A dedicated Moray HSCP website supports access to Board information, including key strategies and supporting documentation and is subject to ongoing review and improvement. Agendas, reports and minutes for all committees are publicly available via the Moray Council website.
- 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. The Board comprises eight voting members, with equal representation from Moray Council and NHS Grampian Board, alongside a range of non-voting members including professional advisors and stakeholder representatives. These arrangements ensure input from key stakeholder groups, including staff, third sector partners, people who use services and unpaid carers, supporting inclusive engagement and a broad range of perspectives in decision making.
- 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's approved Communications and Engagement Strategy supports active and meaningful engagement with all stakeholders and communities, ensuring that their views inform planning, delivery and continuous improvement of services.

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 designed to be flexible and responsive to emerging challenges across health and social care.
- To support delivery of a 3-year Delivery Plan was approved by MIJB in May 2025, underpinned by a medium-term financial framework. Together these provide a structured approach to translating strategic priorities into deliverable actions, aligned to available resources and focused on sustainable service delivery.
- The strategic plan is supported by a comprehensive suite of documents, including a performance framework, workforce plan, and a communications, engagement and participation plan. The strategic plan and supporting documents will be prioritised for a refresh during 2026/27.
- Collectively, these arrangements provide a clear and structured approach to defining, monitoring and delivering outcomes, with a clear focus on medium term priorities and measurable improvement. The outcomes are aligned to the

delivery of integrated health and social care services and are intended to improve population health, wellbeing and service sustainability within Moray.

- In support of environmental sustainability, a Climate Change Duties report is prepared and submitted annually on behalf of the MIJB, demonstrating compliance with statutory environmental responsibilities and supporting continued progress against natural climate change objectives.

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. Proposals set out how intended outcomes will be delivered, supported by proportionate assessment of risks, opportunities and implications. This supports informed and transparent decision making and enables the Board to determine appropriate interventions aligned to strategic priorities.
- Board papers reflect the broad range of strategic and operational pressures under consideration. These include regular updates on current developments, alongside agenda items addressing opportunities and challenges, particularly those associated with transformation.
- The MIJB recognises the importance of strong financial governance and has adopted the CIPFA Financial Management Code as a guiding framework for effective financial management. A Medium-Term Financial Strategy, approved in March 2026, supports this approach and is subject to regular review to ensure alignment with the Strategic Plan, Delivery Plan and the integration of delegated children's services. These arrangements have operated effectively during the year, supporting the Board to determine and implement appropriate interventions and respond to emerging challenges.

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 established a programme of development sessions with Board members, with a focus on the challenging financial position and opportunities for service transformation. These sessions provide a structured forum to explore strategic challenges, consider options and support collective understanding of priorities.
- Officers present a range of proposals through this process aimed at delivering the MIJB's strategic objectives whilst contributing to the achievement of required financial efficiencies.
- The MIJB continues to prioritise leadership development and collaborative working through regular development sessions involving Board members and h Officers. These sessions enable shared learning, strategic dialogue, and constructive challenge, supporting continuous development of leadership capability across the organisation.

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 formally approved by the Board in May 2025. This updated register is reviewed monthly by the Senior Management Team and updated and presented at least biannually to Audit, Performance and Risk Committee, and annually to MIJB. The Committee agreed that emerging or escalating risks would be reported in line with business need. A further Board development session to review and refresh the register is planned for November 2026.
- The operational Performance Management Framework has been reviewed and is nearing completion. A key improvement has been the focus to shift towards more integrated reporting across all delegated services, rather than individual service level reports, to provide a more cohesive view of system performance. Reporting is presented three times per year to the Audit, Performance and Risk Committee.
- The system of internal control system remains 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 continues to receive assurance through regular reporting on the effectiveness of internal control arrangements.
- During 2025/26, targeted improvement work has been undertaken in partnership with Internal Audit and the Operational Management team to strengthen arrangements for audit planning, coordination and delivery. This has included improving oversight of the full audit plan, clarifying ownership of actions, and strengthening processes to support the timely and consistent implementation of audit recommendations. This work has provided greater visibility of progress, supported more effective management control, and is beginning to address a number of legacy actions, some of which require review to ensure continued relevance within the current operating context.
- The MIJB Chief Internal Auditor undertakes an annual review of the adequacy and effectiveness of internal controls, with the opinion incorporated 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 continue to reflect recognised good practice frameworks, including the 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) and 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 and Committee 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 scrutinise. There is a standardised reporting format in place to ensure consistency, clarity and transparency how information is presented and decision-making processes.
- The MIJB demonstrates its commitment to accountability through publication of its Annual Accounts and Annual Performance Report, both of which are subject to formal Board approval. These reports provide a clear account of financial stewardship, performance and progress against strategic priorities.
- The Chief Internal Auditor reports independently to the Audit, Performance and Risk committee and has direct access to the Chief Officer, Chief Financial Officer and Chair of the Audit, Performance and Risk committee on any matter of concern. Throughout 2025/26, regular reporting has supported effective scrutiny of internal control arrangements, risk management and the delivery of the internal audit plan, strengthening overall assurance to the Board.

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). The Council's Service Manager Internal Audit and Risk (Chief Audit Executive (CAE)) has recently been re-appointed as the Chief Internal Auditor to the MIJB until 31 March 2028. The Internal Audit Section has adopted the Global Internal Audit Standards (GIAS), which requires the Chief Internal Auditor to deliver an annual internal audit opinion and report. This report has been used to inform this governance statement.

The Chief Internal Auditor's evaluation of the adequacy and effectiveness of governance, risk management and the internal control framework is informed by the findings of audits undertaken on services operating under the direction of the MIJB. Additional assurance is obtained from the Internal Audit Service Provider for NHS Grampian regarding governance processes within that organisation. This includes the provision of relevant internal audit reports to the Chief Internal Auditor. In addition, reports issued by other external review agencies are considered as part of the overall assurance assessment.

ANNUAL GOVERNANCE STATEMENT (continued)

Internal Audit operates independently within the organisation, with no management-imposed limitations on the scope of work undertaken. In accordance with GIAS, the Chief Internal Auditor prepares a risk-based Audit Plan for the MIJB.

The Annual Audit Plan for 2025/26 included the following reviews:

- **Complex and Challenging Behaviour Services**– A review of systems and procedures within Complex and Challenging Behaviour Services.
- **Social Care (Short Breaks)–** A review of the governance, administrative and financial arrangements supporting the delivery of Social Care (Short Breaks), with particular regard to eligibility determination, record-keeping and financial control processes.
- **Non-Payroll Expenditure**–A review of non-payroll expenditure to test compliance with Financial Regulations, procurement requirements and payment-processing procedures.

The audit of the Complex and Challenging Behaviour Service highlighted sustained levels of overtime worked by some officers, which, while demonstrating strong commitment, raises concerns about long-term service sustainability. Management has established a short-life working group to address these staffing pressures. The audit review of Social Care (Short Breaks) identified a need to consider the development of a charging policy for accommodated respite short breaks. This reflects findings from another audit review, which also suggested exploring charging arrangements for non-residential care services. The review of payments made through the Council's Financial Management System identified instances where financial controls were not operating effectively, resulting in transaction processing errors and the need to recover expenditure from a service provider. While the majority of transactions tested were compliant and appropriately authorised, these findings, together with those from the Complex and Challenging Behaviour Service, highlight the need for improved compliance with Financial Regulations to ensure effective financial management, safeguard resources, and maintain robust governance.

Follow-up reviews undertaken by the Internal Audit Section identified that several previously agreed recommendations remain outstanding, with revised implementation timescales required. Timely implementation of audit recommendations is critical to strengthening internal controls; delays increase the risk that control weaknesses persist.

However, the MIJB has made notable progress in strengthening governance arrangements. Improvements include regular reporting on the implementation of audit recommendations to Senior Management and the Practice Governance Board, as well as more structured engagement with the Internal Audit Section. This includes attendance by the Chief Internal Auditor at Senior Management Team meetings to support the decision-making framework and the timely resolution of audit findings.

ANNUAL GOVERNANCE STATEMENT (continued)

It was also noted that a replacement for the existing social work and social care case management system has been approved, with implementation planned by March 2027. As this system is the core database for highly sensitive social work information and supports the administrative and financial management of social care packages, its replacement represents a significant step towards strengthening information governance, improving operational resilience and enhancing overall service assurance.

While progress has been made in strengthening governance and internal control arrangements within the MIJB, the outcomes of the audit work undertaken identified significant findings. In addition, several recommendations from previous reviews remain outstanding. After careful consideration of these factors, the Chief Internal Auditor has provided limited assurance that the MIJB had adequate systems of governance and internal control in place for the year ended 31 March 2026.

Prior Year Governance Issues

The Annual Governance Statement for 2024/25 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 2024/2	Action Undertaken / Progress Made in 2025/26
Developing further our approaches to frailty and Discharge without Delay.	Progress has been made across the year in relation to improving the Partnership's Delayed Discharge (DD) performance. Central to this has been the development of the Home Assessment Pathway (HAP) and its Discharge to Assess and Discharge without Delay Principles. The IJB retains a target of 26 DDs and, through the Grampian wide Unscheduled Care Programme, a target of no more than 5 delays in Dr Gray's. Whilst overall DDs have reduced over the course of the year and we have, at times achieved the target, this has not yet been sustained. Work is ongoing to deliver that sustained improvement.
Realigning our organisational structure to ensure effective delivery of strategy and transformation.	Significant progress has been made in developing the organisational restructure. This has been a highly collaborative process with our teams. The structure will be implemented over 2026/27.

Area for Improvement Identified in 2024/2	Action Undertaken / Progress Made in 2025/26
Integration of Children's Social Work and Justice Services governance and oversight within the IJB.	Governance arrangements in these services have been set out and reporting is in place. In addition, a review of governance of the joint (IJB and Moray Council) Whole Family Wellbeing Fund (WFWF) took place and was agreed by partners, giving greater clarity on the oversight, decision making and reporting of this fund.
Further strengthen performance oversight of the Board's key strategies and priorities.	An agreed performance structure is in place for the MIJB and has operated over the year. In addition, Moray HSCP has set out a revised structure for governance of the delivery plan and key strategic change, as well as in relation to Budget Savings Delivery.
Continue to improve on the progress for compliance with audit recommendations.	Progress has been made in strengthening arrangements. A dashboard of all audits and actions has been developed that enables a new Corporate IA Group to track progress and report / escalate issues. IA reports to the Moray HSCP every month and this enables positive dialogue with the Chief Internal Auditor.

ANNUAL GOVERNANCE STATEMENT (continued)

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 2026/27
1.	Review of the IJB's Strategic Plan.
2.	Implement new arrangements for lived experience members' voting rights and support them in this transition.
3.	Continue to implement strengthened arrangements for implementing Internal Audit actions.
4.	Continued focus on budget savings delivery and medium-term financial challenge.

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 a pan Grampian approach and contribute to the emerging work of the North East Strategic Transformation Group (NESTG).

- Continuing to implement the recommendations of internal and external audit, including learning from national reviews.

- 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 2025/26 and up to the date of authorised for issue.

…… ……

Dennis Robertson
Chair of Moray IJB

Judith Proctor
Chief Officer

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the cost of providing services for the year ended 31 March 2026 according to generally accepted accounting practices.

2024/25 Net Expenditure		2025/26 Net Expenditure
£ 000		£ 000
8,329	Community Hospitals	7,932
6,166	Community Nursing	6,670
19,975	Learning Disabilities	21,230
12,055	Mental Health	12,881
1,763	Addictions	1,817
273	Adult Protection & Health Improvement	279
22,754	Care Services Provided In-House	25,495
27,034	Older People & Physical & Sensory Disability Services	30,023
1,972	Intermediate Care and Occupational Therapy	2,039
1,817	Care Services Provided by External Providers	2,072
10,280	Other Community Services	10,310
3,152	Administration & Management	3,086
1,535	Other Operational services	1,351
21,937	Primary Care Prescribing	21,312
21,331	Primary Care Services	22,954
5,665	Hosted Services	5,987
1,971	Out of Area Placements	1,834
1,021	Improvement Grants	889
19,626	Children & Justice Services	22,050
6,020	Strategic Funds & Other Resources	6,005
15,639	Set Aside	20,092
210,315	**Cost of Services**	**226,308**
(209,779)	Taxation and Non-Specific Grant Income (note 5)	(227,868)
536	**Deficit/(Surplus) on provision of Services**	**(1,560)**
536	**Total Comprehensive Income and Expenditure**	**(1,560)**

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.

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the MIJB's 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 52.

Movement of Reserves During 2025/26	**General Fund Balance £000**
Opening Balance at 1 April 2025	**(1,450)**
Total Comprehensive Income and Expenditure	(1,560)
(Increase) in 2025/26	**(1,560)**
Closing Balance at 31 March 2026	**(3,010)**

Movement of Reserves During 2024/25	**General Fund Balance £000**
Opening Balance at 1 April 2024	**(1,986)**
Total Comprehensive Income and Expenditure	536
Decrease in 2024/25	**536**
Closing Balance at 31 March 2025	**(1,450)**

BALANCE SHEET

The Balance Sheet shows the value of the MIJB's 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 2025 £000		Notes	31 March 2026 £000
1,450	Short Term Debtors	6	3,010
	Current Assets		
-	Short Term Creditors		-
	Current Liabilities		
-	Provisions		-
	Long Term Liabilities		
1,450	**Net Assets**		**3,010**
1,450	Usable Reserve General Fund	7	3,010
1,450	**Total Reserves**		**3,010**

The unaudited annual accounts were issued on 25 June 2026.

The Annual Accounts present a true and fair view of the financial position of the MIJB as at 31 March 2026 and its income and expenditure for the year then ended.

Deborah O'Shea FCCA

Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Significant Accounting Policies

General Principles

The Financial Statements summarise the MIJB's transactions for the 2025/26 financial year and its position at the year-end of 31 March 2026.

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 2025/26, 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 25 June 2026. Events taking place after this date are not reflected in the financial statements or notes.

Note 4 Expenditure and Income Analysis by Nature

2024/25		2025/26
£000		£000
98,217	Services commissioned from Moray Council	106,355
112,061	Services commissioned from Grampian Health Board	119,918
37	Auditor Fee: External Audit Work	35
210,315	**Total Expenditure**	**226,308**
(209,779)	Partners Funding Contributions and Non-Specific Grant Income	(227,868)
536	**Deficit on the Provision of Services**	**(1,560)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 5 Taxation and Non-Specific Grant Income

2024/25		2025/26
£000		£000
88,441	Funding Contribution from Moray Council	94,522
121,338	Funding Contribution from Grampian Health Board	133,346
209,779	**Taxation and Non-specific Grant Income**	**227,868**

The funding contribution from Grampian Health Board shown above includes £20.092m 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 2025		31 March 2026
£000		£000
1,187	Grampian Health Board	2,747
263	Moray Council	263
1,450	**Debtors**	**3,010**

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:

		Earmarked Reserves		
	General Reserves	**PCIP & Action 15**	**Other Earmarked**	**Total**
	£000	**£000**	**£000**	**£000**
Balance at 1 April 2024	-	33	1,953	1,986
Transfers (out) 2024/25	-	(33)	(503)	(536)
Balance at 31 March 2025	**-**	**-**	**1,450**	**1,450**
Transfer in/(out) 2025/26	-	-	1,560	1,560
Balance at 31 March 2026	**-**	**-**	**3,010**	**3,010**

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. This reserve is now depleted.

Other earmarked reserves are noted in detail on pages 21 to 23.

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:

2024/25		**2025/26**
£000		£000
10,680	Expenditure on Agency Services	11,266
(10,680)	Reimbursement for Agency Services	(11,266)
-	**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

2024/25		2025/26
£000		£000
(121,338)	Funding Contributions received from the NHS Board	(133,346)
111,864	Expenditure on Services Provided by the NHS Board	119,691
197	Key Management Personnel: Non-Voting Board Members	227
(9,227)	**Net Transactions with Grampian Health Board**	**(13,428)**

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 2025		31 March 2026
£000		£000
1,187	Debtor balances: Amounts due from Grampian Health Board	2,747
1,187	**Net Balance due from Grampian Health Board**	**2,747**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 Related Party Transactions (continued)

Transactions with Moray Council

2024/25		2025/26
£000		£000
(88,441)	Funding Contributions received from the Council	(94,522)
98,179	Expenditure on Services Provided by the Council	106,294
75	Key Management Personnel: Non-Voting Board Members	96
9,813	**Net Transactions with Moray Council**	**11,868**

Balances with Moray Council

31 March 2025		31 March 2026
£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 2026/27 Code:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024;
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024;
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024; and
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) issued in December 2024.

The Code requires implementation from 1 April 2026 and there is, therefore, no impact on the 2025/26 financial statements.

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


moray
council
NHS
Grampian
Moray
HSCP
Moray Health
& Social Care
Partnership