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NHS Board Chief Executives  
NHS Board Chairs  
HSCP Chief Officers

Cc. Directors of Finance  
HSCP Chief Finance Officers

By email only

27 February 2026

## **NHS Scotland Financial Improvement – Refreshed 2026-27 15 Box Grid**

Dear all,

I am writing to set out our refreshed 15 Box Grid (the 'Grid') for 2026-27 together with the underlying actions I expect each Board to take forward to help improve financial and service sustainability across NHS Scotland.

NHS Scotland's financial challenge remains significant. Despite ambitious savings targets, NHS Boards are forecasting an increased net deficit in 2026-27 compared to prior year, and we must continue our focus to increase the delivery of recurring savings. Through your collective efforts, NHS Scotland is on course to deliver record recurring savings in 2025-26 and it is important we continue this momentum to improve financial sustainability.

The recurring savings target set by Scottish Government of 3% against baseline funding will continue into 2026-27. The Grid has become a well-established financial improvement tool and will remain central to helping Boards achieve recurring savings through collaboration and sharing best practice. The Grid collates savings opportunities and provides robust benchmarking data to allow NHS Boards to assess their performance and highlight areas of opportunity.

The Grid has been refreshed for 2026-27 to align with national priorities on reform and to continue to provide targeted opportunities in 2026-27. The 2026-27 Grid is provided below, and a detailed list of requirements is provided in the Annex.

15 Box Grid				
Service Sustainability	Reform Priorities	Prevention	Workforce	Financial Management
1. Theatre optimisation	4. Shifting the balance of care	7. Budget tagging	10. Supplementary staffing	13. Contract Management
2. Length of Stay	5. Digital programmes	8. Tests of change	11. Business Services	14. Transport
3. Prescribing optimisation	6. PLICS	9. Value Based Health and Care	12. Attendance Promotion	15. Estates and facilities

### Format

A refreshed format enables alignment between financial improvement and the Population Health Framework, Service Renewal Framework, and the Operational Improvement Plan. Digital innovation is also a key focus of the Grid in 2026-27, and features throughout the requirements included in the Annex.

### Sub-national planning

Improved financial sustainability is a key requirement of [DL\(2025\)25](#) requiring NHS Boards to collaborate through sub-national structures. The 2026-27 Grid should be considered within sub-national planning, targeting unwarranted variation within sub-national structures to achieve financial savings. The NHS Scotland Finance Delivery Unit (FDU) will continue to provide national benchmarking on the Grid which can be factored into sub-national planning.

### Capacity building

the FDU use PowerBI software to provide significant insight into each Board's performance across key areas. It is important local teams have the skillset to interact with the software and can identify opportunities for improvement. The FDU will provide teach-in sessions on using the Grid benchmarking pack; please ensure these are attended by teams if required.

### Benchmarking

The Grid is intended to supplement, not replace, local cost improvement programmes, which should also continue to deliver against savings targets. The FDU will continue to provide benchmarking in 2026-27 supplemented by self-assessments which will identify areas of opportunity within your own NHS Board. This will be shared quarterly with finance teams over the course of the financial year.

The Grid will remain a key focus of quarterly finance reviews and a recurring agenda item at key forums including Directors of Finance, and Corporate Finance Network.

Yours sincerely,



**Caroline Lamb**

**Chief Executive of NHS Scotland and Director General Health and Social Care**

## Annex – 15 Box Grid Requirements in 2026-27

Service sustainability		
	Action required	More information
1	<p><b>Theatre optimisation</b></p> <p>1. Ensure all aspects of the CfSD Framework for Perioperative Services in NHS Scotland have been fully implemented, including guidance on High-Flow surgery to maximise theatre time, Scheduling and Pre-Op assessment.</p> <p>2. Review specialties with highest theatre unproductive hours at appropriate local meetings and set an action plan to improve.</p> <p>3. Continue with implementation of the theatre digital scheduling tool (and where available digital pre-op assessment), with a focus on realising benefits through regular review of the data with operational teams.</p>	<p>The Framework for Perioperative Services is available here: <a href="#">a-framework-for-perioperative-services-in-scotland.pdf</a> and there is an accompanying self-assessment to support implementation.</p> <p>National Theatre Information Group (NTIG) data is available via NHS Discovery and should be reviewed regularly including scrutiny of the 'productive theatre time' metric, along with measures of throughput (e.g. numbers of operations per list).</p>
2	<p><b>Length of stay</b></p> <p>1. Review specialties with the highest lengths of stay and understand from service managers what action can be taken to reduce length of stay and release financial efficiencies and productive opportunities.</p> <p>2. Implement and expand Discharge without Delay principles to minimise avoidable delays, reduce cost pressures associated with extended admissions, and maximise the efficient use of hospital beds.</p>	<p>More information can be found on Discovery and will be shared via 15 Box Grid benchmarking packs.</p> <p>As well as the financial benefits, these activities align with the priorities set out in the OIP around improving access and flow through our health and social care systems. Boards should report progress against local targets and improvement goals.</p>
3	<p><b>Prescribing optimisation</b></p> <p>1. Implement pathway development to increase and mainstream polypharmacy reviews (including care homes) in line with findings from <a href="#">iSIMPATY</a> and revised polypharmacy guidance published in February 2026.</p> <p><u>Primary Care Prescribing</u></p> <p>2. Optimisation of asthma care through implementation of BTS/NICE/SIGN asthma guidance (SIGN 245, Nov 24). Demonstrated</p>	<p>Polypharmacy reviews must be consistently coded in line with guidance. Pre and review polypharmacy proformas will be provided to clinicians through a common toolbar in 2026-27.</p> <p>Boards should continue to implement Medicines of Low &amp; Limited Clinical Value guidance, spend on Medicines of Low and Limited Clinical Value will be tracked on a quarterly basis.</p> <p>Available switches are outlined in the quarterly NSS Medicines procurement</p>

	<p>by adoption of AIR/MART therapy and reduction in SABA use.</p> <p><u>Secondary Care Prescribing</u></p> <p>3. To review medicines wastage metrics within your Board and share best practice proactively across NHS Scotland.</p> <p>4. Ensure medicine switches are implemented as soon as possible once the originator medicine has lost exclusivity and a generic/biosimilar alternative is clinically appropriate and provides more value for money.</p>	<p>Newsletter and National update of medicines switches are monitored by National Procurement.</p> <p>Data on non-medicine spend and volume will be available in 2026/27, this will cover products including diabetes sundries, stoma, and wound care.</p>
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### Reform priorities

	Action required	More information
4	<p><b>Shifting the balance of care</b></p> <p>1. Increase Hospital at Home capacity to allow more patients to be treated through a lower cost model of care compared with inpatient admissions.</p> <p>2. Continue adopting digital first options to deliver care, with an emphasis on enhancing productivity and reducing costs. E.g. increasing uptake of national services such as video consulting systems and Near Me to reduce unnecessary and/or lengthy travel, working with social care services and primary care to utilise remote monitoring services, and supporting roll out and enhanced functionality of MyCare.scot.</p> <p>3. Share areas of success with shifting the balance of care through self-assessments which can be cascaded across other NHS Scotland Boards.</p>	<p>More information is due to be published on Discovery and will be shared via the 15 Box Grid Benchmarking packs when available.</p> <p>National strategy aims to expand Hospital at Home to 2,000 beds by December 2026, backed by OIP investment, establishing it as Scotland's largest "hospital." To standardise and strengthen clinical pathways, please consult the Hospital at Home guiding principles.</p> <p>In alignment with other areas of the 15 Box Grid, the expansion of Hospital at Home can be supported by digital-first and remote-monitoring approaches. Hospital at Home also aligns with Realistic Medicine, the Operational Improvement Plan, and the Health &amp; Social Care Service Renewal Framework.</p> <p>Services for Older Adults have demonstrated lower cost per episode and reduced subsequent healthcare usage, creating sustainable long term financial and system benefits.</p>
5	<p><b>Digital programmes</b></p> <p>1. Adhere to all national timelines for implementation of Digital Front Door, to</p>	<p>The FDU will liaise with Digital colleagues to share information and benchmarking, where appropriate, on uptake of Digital Front Door.</p>

	<p>ensure cash releasing benefits are realised as per the business case.</p> <p>2. Review options to continue to reduce postage, paper, and printing costs through, for example, increasing take up of e-payslips, sending letters digitally and using automation to reduce manual time.</p>	<p>Benchmarking on e-payslips will be available in the 15 Box Grid benchmarking pack.</p>
6	<p><b>Patient Level Information and Costing System (PLICS)</b></p> <p>1. Adhere to all national timelines set by the FDU.</p> <p>2. Boards with PLICS implemented must use the PLICS system for Costs Book submissions from 2026–27 onwards.</p> <p>3. Boards should use PLICS data to identify and prioritise efficiency opportunities by analysing patient-level costs, highlighting variation, and informing improvement plans.</p>	<p>Guidance and information can be provided by the FDU.</p> <p>Boards should ensure active participation and appropriate representation at all national working group meetings and actively contribute to the development and refinement of national standards.</p>
<b>Prevention</b>		
	<b>Action required</b>	<b>More information</b>
7	<p><b>Budget tagging</b></p> <p>1. Boards participating in the preventative spend budget-tagging pilot are expected to adhere to the established timelines (April 2026). Continued engagement will be required with subsequent plans to develop this approach into a system of ongoing measurement of preventative spend across the full Scottish Budget.</p>	<p>A series of pilots are ongoing to test a consistent approach to tracking preventative spend across the Scottish Government and the wider public sector. Using jointly agreed financial guidance in selected Health Board service areas, the pilots will improve understanding of current preventative spend, inform future budget guidance, and support wider discussions on prioritising prevention.</p> <p>Guidance and information can be provided by the FDU.</p>
8	<p><b>Tests of change</b></p> <p>1. Actively seek out prevention opportunities and share best practice across finance communities, ensuring prevention spend is not targeted for savings schemes without consideration of the wider public sector budget benefits.</p>	<p>Boards should share tests of change through FIN or other relevant forums.</p> <p>Examples of good practice include NHS Forth Valley – <a href="#">Population Health &amp; Care Strategy 2025 – 2035</a>.</p>

	2. Develop and implement targeted improvement actions to reduce unwarranted variation and monitor their impact over time.	
9	<p><b>Value Based Health and Care (VBHC)</b></p> <p>1. Continue to embed person-centred care within services, through implementation of Value Based Health and Care action plan, to ensure we deliver the outcomes that matter to the people we care for.</p> <p>2. Optimise the use of resources through evidence-based practice, by implementing the National Referral Protocol, ACRT, PIR, CfSD best practice pathways and resources, Demand Optimisation Atlas, and best practice case studies set out the Realistic Medicine Casebook to drive efficiencies and release savings.</p> <p>3. Ensure the adoption of Patient Focused Booking (PFB) wherever possible to establish patient centred approaches to outpatient care and reduce did-not-attends.</p> <p>4. Use available data, including Discovery, PHS publications and PLICS (where available), to identify areas of significant variation across priority clinical pathways, working with clinical and costing teams to understand whether observed variation is warranted or unwarranted.</p>	<p>A full list of CfSD <a href="#">pathways</a> and <a href="#">resources</a> are available from the Centre for Sustainable Delivery and Right Decision Service.</p> <p>Although there will be some appropriate exceptions and exclusions, Patient Focused Booking should be considered the default for new outpatients and may also be appropriate for some groups of urgent patients. Wherever systems allow, Boards should explore the use of PFB to support return patient pathways too. Further information and support available from: <a href="mailto:cfsdmppp@nhs.scot">cfsdmppp@nhs.scot</a></p> <p><a href="#">Realistic Medicine Casebook</a></p> <p>Resources to identify areas of significant variation across priority clinical pathways:</p> <p>Discovery - <a href="#">Discovery Home Page</a>  PHS - <a href="#">Health intelligence and data management - Resources and tools - Public Health Scotland</a></p>

## Workforce

	Action required	More information
10	<p><b>Supplementary staffing</b></p> <p>1. Ensure availability of bank facilities and optimise staff bank attraction, ensuring best practice checklists are used.</p> <p>2. Boards should closely monitor agency usage (including off-framework) and ensure control frameworks are observed.</p>	<p>Benchmarking will be provided by FDU.</p> <p>Bank and agency usage will be regularly monitored and will form part of quarterly finance reviews.</p> <p>Staff bank practice checklists can be shared by the FDU. Staff Bank National Marketing Materials are available on TURAS.</p>

	<p>3. Boards should engage in effective workforce planning in line with SG guidance and share success across NHS Scotland.</p> <p>4. Boards should ensure they are using direct engagement.</p> <p>5. Boards must monitor the impact of the reduced working week requirement to reduce the working week by 1 hour. The impact on supplementary staffing should be minimised where possible, and timely feedback given to Scottish Government on the impact.</p>	
11	<p><b>Business services</b></p> <p>1. Adhere to national timelines in relation to the Business Systems Transformation Project.</p> <p>2. Implement a plan to review and rationalise where appropriate WTE in job families relating to business systems. The plan must work within NHS Scotland's employment terms and conditions and consider:</p> <ul style="list-style-type: none"> <li>• Effective vacancy panels;</li> <li>• Skills mix and grade profile;</li> <li>• Opportunities to increase standardisation, reduce duplication, automate tasks and increased use of AI tools; and</li> <li>• Sharing of services between Boards.</li> </ul>	<p>The <a href="#">Public Sector Reform Strategy</a> sets out an overarching commitment to reduce the annualised Scottish Government and public body corporate costs by £1 billion, representing around 20% of the identified public body corporate and core government operating costs.</p> <p>The FDU will provide frequent updates through the 15 Box Grid benchmarking pack.</p> <p>Central functions should align with the definition found on TURAS.</p>
12	<p><b>Attendance promotion</b></p> <p>1. Continue compliance with the Once for Scotland absence management policies by employers. Boards must ensure adherence to policies and compliance with the Staff Governance Standard.</p> <p>2. Ensure regular reporting on areas of concern on sickness absence are discussed at Board meetings with improvement plans agreed and set into action.</p> <p>3. Share best practice in any sustained reduction in sickness absence achieved locally.</p>	<p><a href="#">SSTS Absence Analysis Report</a> is available on TURAS.</p> <p>The FDU will share benchmarking on sickness absence to allow regular review and monitoring.</p>

**Financial management**

	Action required	More information
13	<p><b>Contract management</b></p> <p>1. Perform reviews of high value contracts in quarter 1 with a view to:</p> <ul style="list-style-type: none"> <li>• Reduce contract leakage, for example, identifying supplier overcharges against contractual rates, and agreeing credits for services not provided in line with the contract terms and conditions.</li> <li>• Review contract end dates and engage with NSS for contract renewal support.</li> </ul>	<p>Guidance and support can be provided by the FDU and NSS.</p>
14	<p><b>Transport</b></p> <p>1. Review current patient transport costs within your NHS Board and understand any opportunities for reduced spend. For example, through a transport hub, working with the Scottish Ambulance Service and third sector organisations differently, aiming to achieve more co-ordinated transport routes.</p> <p>2. Review lease car arrangements and fleet utilisation to ensure value for money.</p> <p>3. Share examples of successfully reducing transport expenditure across NHS Scotland, including taxi, logistical movements, and expenses.</p>	<p>The Scottish Government <a href="#">Transport to health: delivery plan</a> was published in October 2024, setting out 20 commitments across health and transport in Scotland, to improve transport to health and social care through cross-portfolio action.</p> <p>Guidance and support can be provided by the FDU.</p>
15	<p><b>Estates</b></p> <p>1. Work closely with estates teams for options to rationalise estates footprint both within local Boards but also on a sub-national and national basis, including clinical and non-clinical sites. Boards should report against their local plans for asset management/reduction.</p> <p>2. Continue to work closely with NHS Assure on PFI financial arrangements and refinancing where relevant.</p> <p>3. Consider energy efficiency opportunities, contributing to net zero objectives and potential financial efficiencies.</p>	<p>Review the National Green Theatres programme <a href="#">Actions for Implementation</a> for ideas to consider regarding energy efficiency opportunities.</p> <p>Guidance and support should be sought from local estates teams and NHS Assure.</p>

	<p>4. Set multi-year targets and progress work to deliver sustained and meaningful reduction in the total weight of clinical waste (yellow and orange). NHS Boards should be actively reviewing waste data for opportunities.</p>	
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