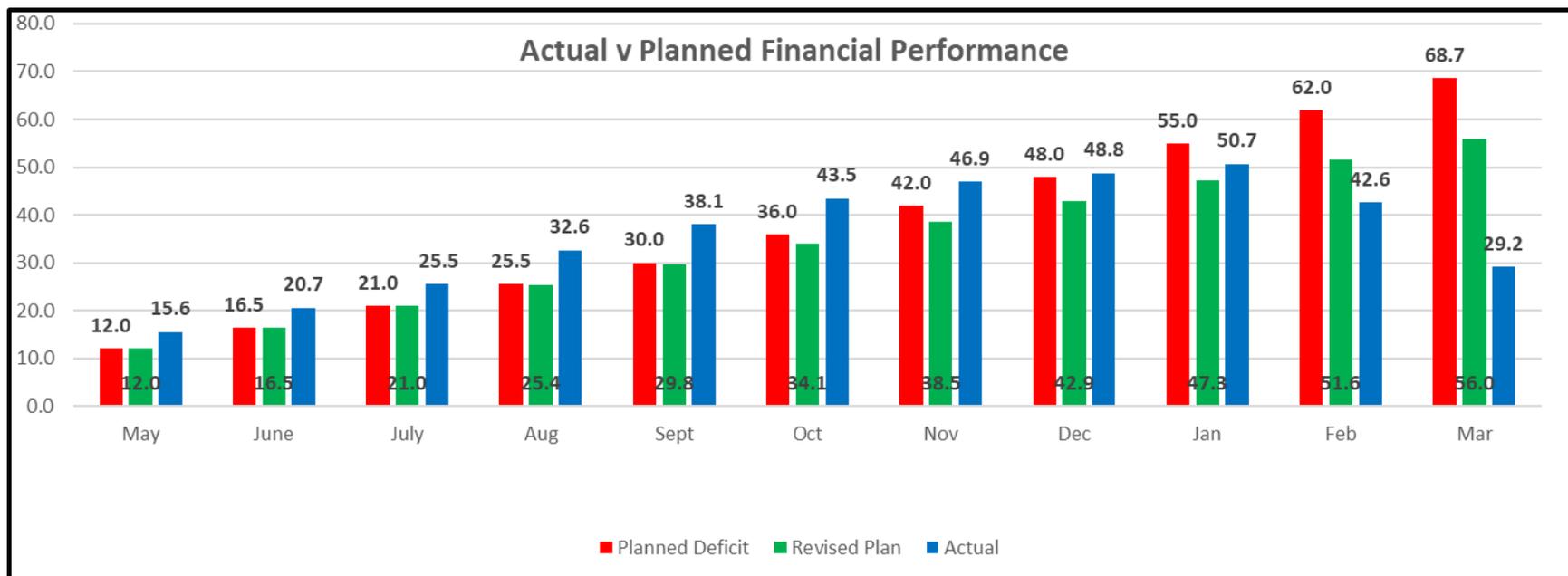


# HHSCC Finance Report – 2023/2024 Year End

---

# NHS HIGHLAND 2023/2024 YEAR END



Target	YE Position £m
Delivery against Revenue Resource Limit (RRL) DEFICIT/ SURPLUS	29.2
Delivery against Financial Plan DEFICIT/ SURPLUS	39.5
Deliver against Cost Improvement target DEFICIT/ SURPLUS	15.9

- Year end deficit of £29.2m
- Slippage against CIP £15.9m
- Position £39.5m better than initial plan

# NHS HIGHLAND 2023/2024 YEAR END



	£m	£m
<b>Financial Plan submission to Scottish Government - initial gap</b>		<b>98.172</b>
Cost Reductions/ Cost Improvements achieved in year		13.572
<b>Additional Funding</b>		
Sustainability funding - June 2023	8.030	
ASC Pay Award - June 2023	3.883	
New Medicines Fund - June 2023	6.590	
Supplementary Pay	6.088	
Return of 2022/2023 Year End Surplus - March 2024	0.383	
Health Consequentials/ Sustainability Funding - March 2024	9.885	
		34.859
Reduction in top slices for national costs		0.390
Financial Flexibility		2.050
Short term cost reductions & allocation slippage		18.070
<b>Year End Outturn</b>		<b>29.235</b>

- Financial Plan submitted to SG in March 2023 with an opening gap of £68.672m
- Additional allocations, a reduction in top-sliced costs, use of financial flexibility and an element of slippage on allocations together with short term cost reductions mainly due to recruitment difficulties has brought this initial gap down to £29.235m by financial year end

# NHS HIGHLAND 2023/2024 YEAR END

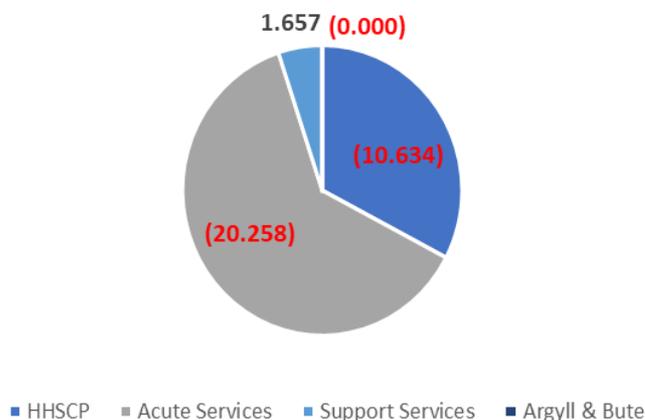


Current Plan £m	Current Budget £m	Summary Funding & Expenditure	Plan to Date £m	Actual to Date £m	Variance to Date £m
1,190.766	1,190.766	<b>Total Funding</b>	1,190.766	1,190.766	-
		<b>Expenditure</b>			
450.867	460.205	HHSCP	460.205	470.839	(10.634)
310.154	296.594	Acute Services	296.594	316.852	(20.258)
214.031	173.142	Support Services	173.142	171.485	1.657
<b>975.052</b>	<b>929.940</b>	<b>Sub Total</b>	<b>929.940</b>	<b>959.176</b>	<b>(29.235)</b>
263.375	<b>260.826</b>	Argyll & Bute	<b>260.826</b>	<b>260.826</b>	-
<b>1,238.426</b>	<b>1,190.766</b>	<b>Total Expenditure</b>	<b>1,190.766</b>	<b>1,220.002</b>	<b>(29.235)</b>
(68.672)	-	<b>Planned Deficit</b>	-	-	-
<b>1,190.766</b>		<b>Total Expenditure</b>			

## 2023/2024 YEAR END

- Overspend of £29.235m reported
- Position includes slippage against the CIP of £15.928m
- Cost improvements of £13.572m included within operational position
- Forecast is £39.527m better than that presented within the financial plan

Deficit by Operational Area



# HHSCP 2023/2024 YEAR END



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	<b>HHSCP</b>			
254.114	NH Communities	254.114	262.988	(8.874)
51.864	Mental Health Services	51.864	58.163	(6.299)
155.000	Primary Care	155.000	156.926	(1.926)
(0.773)	ASC Other includes ASC Income	(0.773)	(7.238)	6.465
<b>460.205</b>	<b>Total HHSCP</b>	<b>460.205</b>	<b>470.839</b>	<b>(10.634)</b>
	<b>HHSCP</b>			
281.717	Health	281.717	292.540	(10.823)
178.488	Social Care	178.488	178.299	0.188
<b>460.205</b>	<b>Total HHSCP</b>	<b>460.205</b>	<b>470.839</b>	<b>(10.634)</b>

	In Month £'000	YTD £'000
<b>Locum</b>	705	8,407
<b>Agency</b>	516	6,685
<b>Bank</b>	820	9,287
<b>Total</b>	<b>2,042</b>	<b>24,378</b>

## HHSCP

- Overspend of £10.634m reported
- Slippage of £7.175mm against the CIP reported
- Most significant pressures during the year have been agency nursing, medical locums and prescribing
- There are still a number of services which require to realign service provision with the available funding envelope
- Additional allocations in respect of ASC costs and application of reserves has enabled delivery of a balanced ASC position, excluding estates costs

# HHSCP 2023/2024 YEAR END



Services Category	Annual Budget £000's	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's
Total Older People - Residential/Non Residential Care	58,359	58,359	57,375	984
Total Older People - Care at Home	34,674	34,674	36,843	(2,168)
Total People with a Learning Disability	41,778	41,778	45,446	(3,668)
Total People with a Mental Illness	8,276	8,276	8,373	(97)
Total People with a Physical Disability	8,334	8,334	8,650	(316)
Total Other Community Care	18,441	18,441	18,247	194
Total Support Services	9,150	9,150	4,733	4,417
Care Home Support/Sustainability Payments	-	-	(655)	655
<b>Total Adult Social Care Services</b>	<b>179,011</b>	<b>179,011</b>	<b>179,011</b>	<b>-</b>

## ADULT SOCIAL CARE

- A balance position has been delivered within ASC following receipt of allocations which had been assumed to be non-recurring and the use of reserves held by Highland Council on behalf of NHS Highland.

# HHSCP 2023/2024 YEAR END



Current Plan £000	Detail	Plan to Date £000	Actual to Date £000	Variance to Date £000
74.254	Inverness & Nairn	74.254	77.257	(3.002)
53.720	Ross-shire & B&S	53.720	55.623	(1.902)
46.946	Caithness & Sutherland	46.946	48.508	(1.562)
55.097	Lochaber, SL & WR	55.097	56.284	(1.186)
11.054	Management	11.054	12.384	(1.331)
7.172	Community Other AHP	7.172	6.626	0.546
5.870	Hosted Services	5.870	6.306	(0.435)
<b>254.114</b>	<b>Total NH Communities</b>	<b>254.114</b>	<b>262.988</b>	<b>(8.874)</b>

## NORTH HIGHLAND COMMUNITIES

- Ongoing pressures within Enhanced Community Services & Chronic Pain Services have contributed to the overspend and services are working to realign service provision to the funding envelope.
- ASC accounts for £6.758m of this overspend but the budget needs to be realigned for 2024/2025 to reflect recurring funding allocations.

# HHSCP 2023/2024 YEAR END



Current Plan £m's	Summary Funding & Expenditure	Plan to Date £m's	Actual to Date £m's	Variance to Date £m's
	<b>Mental Health Services</b>			
23.932	Adult Mental Health	23.932	28.004	(4.072)
14.255	CMHT	14.255	13.886	0.369
7.154	LD	7.154	9.154	(1.999)
6.522	D&A	6.522	7.119	(0.597)
<b>51.864</b>	<b>Total Mental Health Services</b>	<b>51.864</b>	<b>58.163</b>	<b>(6.299)</b>

## MENTAL HEALTH SERVICES

- Medical locums and agency nursing costs have driven the overspend reported with ongoing use throughout the year to cover vacancies. Out of area costs have also contributed to the Learning Disabilities position

# HHSCP 2023/2024 YEAR END



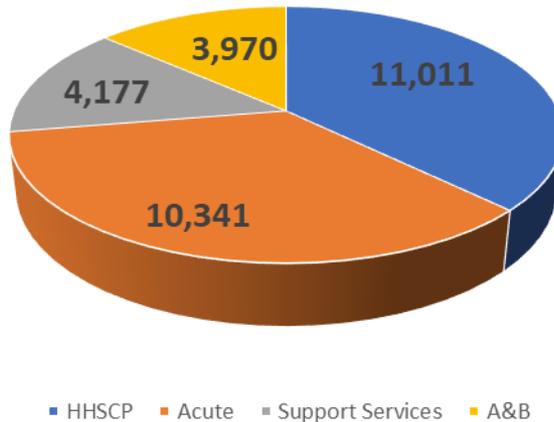
Current Plan £m's	Detail	Plan to Date £m's	Actual to Date £m's	Variance to Date £m's
	<b>Primary Care</b>			
57.849	GMS	57.849	58.553	(0.704)
<b>64.732</b>	GPS	64.732	67.900	<b>(3.168)</b>
<b>22.703</b>	GDS	22.703	21.429	1.274
5.438	GOS	5.438	5.441	(0.004)
4.278	PC Management	4.278	3.602	0.675
<b>155.000</b>	<b>Total Primary Care</b>	<b>155.000</b>	<b>156.926</b>	<b>(1.926)</b>

## PRIMARY CARE

- Medical locums within 2C practices has remained the main driver for the overspend within GMS
- An increase in the number of scripts being filled and the costs of drugs has significantly impacted the GPS overspend
- Vacancies within the dental service have continued throughout the year resulting in an underspend within this area

# 2023/2024 YEAR END

Cost Improvement Plan £000s



## COST IMPROVEMENT

- £29.500m CIP programme was planned
- At the end of the financial year slippage of £15.928m against the CIP is reported
- Cost improvements of £13.572m contributed to the year end position

	Target £000s	Forecast Savings £000s	Variance £000s
HHSCP	11,011	3,836	(7,175)
Acute	10,341	4,156	(6,186)
Support Services	4,177	2,644	(1,533)
A&B	3,970	2,936	(1,034)
<b>Total Forecast Savings</b>	<b>29,500</b>	<b>13,572</b>	<b>(15,928)</b>

# 2024/2025 ASC ESTIMATE



## 2024/2025 Estimate

Estimated Expenditure	178.491	Quantum	131.729	Emerging Gap	23.422
		NHS Highland/SG	32.612		
Inflation	9.273			Offset by 2021/2022 YE Flexibility	-
less NR Support Payments (offset by PRA in 2324)					
plus pressure				<b>Adjusted Gap</b>	<b>23.422</b>
	<u>187.764</u>		<u>164.341</u>		

- £23.422m funding gap identified
- Cost Reduction/ Cost Improvement programme in development sitting alongside a transformation programme
- Working with Highland Council to develop proposals

## 2024/2025 DRAFT BUDGET



	£m	£m
<b>Financial Gap</b>		112.491
Maximum Brokerage		28.400
<b>COST REDUCTIONS/ IMPROVEMENTS TO BE IDENTIFIED</b>		<b>84.091</b>
<i><b>Cost Improvement/ Reduction Programmes</b></i>		
Value & Efficiency 3%	21.711	
A&B Savings - identified	6.217	
ASC	23.252	
		51.180
Choices/ Actions		
A&B	2.717	
NH	30.194	
		32.911
<b>Potential opportunities</b>		<b>84.091</b>