

NHS Highland



Meeting: NHS Highland Board Meeting

Meeting date: 28 January 2025

Title: Finance Report – Month 8 2024/2025

Responsible Executive/Non-Executive: Heledd Cooper, Director of Finance

Report Author: Elaine Ward, Deputy Director of Finance

1 Purpose

This is presented to the NHS Highland Board Meeting for:

- Discussion

This report relates to a:

- Annual Operation Plan

This report will align to the following NHSScotland quality ambition(s):

Effective

This report relates to the following Strategic Outcome(s)

Start Well		Thrive Well		Stay Well		Anchor Well	
Grow Well		Listen Well		Nurture Well		Plan Well	
Care Well		Live Well		Respond Well		Treat Well	
Journey Well		Age Well		End Well		Value Well	
Perform well	X	Progress well					

2 Report summary

2.1 Situation

This report is presented to enable discussion on the NHS Highland financial position at Month 8 (November) 2024/2025.

2.2 Background

NHS Highland submitted a financial plan to Scottish Government for the 2024/2025 financial year in March 2023. This plan presented an initial budget gap of £112.491m. With a brokerage cap of £28.400m this meant cost reductions/ improvements of

£84.091m were required. The Board received feedback on the draft Financial Plan 2024-27 on the 4 April 2024 which recognised that “the development of the implementation plans to support the above savings options is still ongoing” and therefore the plan was still considered to be draft at this point. The feedback also acknowledged “the significant progress that has been made in identifying savings options and establishing the appropriate oversight and governance arrangements”.

Since the submission and feedback from the draft Financial Plan confirmation has been received that the cost of CAR-T, included within the pressures, will be funded nationally.

There has also been a notification of an additional allocation of £50m nationally on a recurring basis, specifically to protect planned care performance. The NHS Highland share on an NRAC basis is £3.3 million. This funding will enable NHS Highland to maintain the current planned care performance whilst reducing the distance from the brokerage limit in 2024/25.

Additionally, Argyll & Bute IJB has confirmed its ability to deliver financial balance through the use of reserves.

A paper was taken to the NHS Highland Board on 28 February recommending that the Board agree a proposed budget with a £22.204m gap from the brokerage limit of £28.400m – this was agreed and will be reflected in monitoring reports presented to the Finance, Resources & Performance Committee and the NHS Highland Board.

2.3 Assessment

Financial position 2024-25

For the period to end November 2024 (Month 8) an overspend of £49.889m is reported with an overspend of £49.697m for the full financial year. The current forecast assumes that further action will be taken to deliver a breakeven ASC position. This forecast is £21.297m worse than the initial brokerage limit set by Scottish Government.

Brokerage 2024-25

Following the Board’s quarter 2 review with Scottish Government a letter has recently been received setting out a revised brokerage position (Appendix 1). For the 2024/2025 financial year £49.7m of brokerage will now be made available. Based on current forecasts this will enable delivery of a breakeven position at financial year end subject to the delivery of a break-even position for Adult Social Care.

This update will be reflected in month 9 reporting.

Budget Setting 2025-28

The initial draft of the Financial plan for 2025-28 is due to be submitted on the 27th January. There is a clear expectation within the Scottish Government that NHS Boards financial plans for 2025-26 will present:

- a clear programme of work and supporting actions to achieve 3% recurring savings on baseline budgets over the three year period,
- an improved forecast outturn position in 2025-26 compared to the forecast outturn position reported at the start of 2024-25, with improvements in the financial position being achieved in each of the years to 2027-28 for those Boards not in financial balance, and
- trajectories for improvement in the financial position supported by detailed plans as to how this would be achieved and the arrangements that will be implemented by the Board to oversee delivery.

No brokerage will be made available in 2025-26.

The focus of the draft plan is to establish the opening financial position of the Board and to set an initial recurrent savings target. Work will then continue through to mid-March for the final submission deadline with focus on aligning the finance plan with the ADP; refining the Value & Efficiency programmes, and including any new schemes being identified through the finance clinics being held between the Chief Executive, Director of Finance and each Executive Director; STAG programmes; and any non-recurrent benefits that can be realised in the year.

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Substantial	<input type="checkbox"/>	Moderate	<input type="checkbox"/>
Limited	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>

It is only possible to give limited assurance at this time due to the gap from Scottish Government expectations.

3 Impact Analysis

3.1 Quality/ Patient Care

The impact of quality of care and delivery of services is assessed at an individual scheme level using a Quality Impact Assessment tool. All savings are assessed using a Quality Impact Assessment (QIA).

3.2 Workforce

There is both a direct and indirect link between the financial position and staff resourcing and health and wellbeing. Through utilisation of the QIA tool, where appropriate, the impact of savings on these areas is assessed.

3.3 Financial

Scottish Government has recognised the financial challenge on all Boards for 2024/2025 and beyond and are continuing to provide additional support to develop initiatives to reduce the cost base both nationally and within individual Boards. NHS Highland continues to be escalated at level 3 in respect of finance.

3.4 Risk Assessment/Management

There is a risk associated with the delivery of the Value & Efficiency programme. The Board are developing further plans to generate cost reductions/ improvements. There is an emerging risk associated with allocations – this has been reflected in the forecast year end position.

3.5 Equality and Diversity, including health inequalities

An impact assessment has not been completed because it is not applicable

3.6 Other impacts

None

3.7 Communication, involvement, engagement and consultation

The Board has carried out its duties to involve and engage both internal and external stakeholders where appropriate through the following meetings:

- Executive Directors Group – via monthly updates and exception reporting
- Efficiency Transformation Group
- Monthly financial reporting to Scottish Government

3.8 Route to the Meeting

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- EDG
- FRPC

4 Recommendation

Discussion – Examine and consider the implications of the matter.

4.1 List of appendices

The following appendices are included with this report:

Appendix 1 – 2024-25 Financial Position and Brokerage Cap Response

E: DGHSC@gov.scot

Fiona Davies
Chief Executive
NHS Highland

Cc:
Sarah Compton-Bishop, Chair NHS Highland
Heledd Cooper, Director of Finance

Dear Fiona,

NHS Highland – 2024-25 Financial Position and Brokerage Cap Response

Thank you for your letter of 19 December setting out NHS Highland's financial position in 2024-25 and improvement work which is taking place. I understand NHS Highland will be unable to meet its brokerage cap of £28.4 million and will require financial support in excess of this amount to meet the statutory responsibility to break even.

The Month 8 position shows a full year deficit of £49.7 million, therefore currently requiring brokerage of c. £21.3 million in excess of your cap. While this is at an unsustainable level going forward, I do note the improvement work which has been ongoing during 2024-25 and the increased confidence reported by my finance teams, particularly with regards to the focus on value and efficiency workstreams and medium-term planning and sustainability work. I note there have been a number of unavoidable service pressures facing NHS Highland during this financial year particularly in regards to social care provision.

For 2024-25, I can therefore confirm a maximum amount of repayable brokerage will be available up to £49.7 million, inclusive of the brokerage cap. This will add to prior years' cumulative brokerage of £56.8 million, repayable when the Board returns to financial balance.

For 2025-26 onwards, a clear message was given in the budget letter on 4 December that brokerage will no longer be available, and all Boards must work towards a trajectory of break even over their three-year plans. My team will review your draft submission once received on the 27 January and provide feedback prior to submission of your final plan.

Please continue to liaise with your Board Support Lead, Iona Mayhew, and my team shall be happy to respond to any queries you may have in respect of this letter.

Yours sincerely

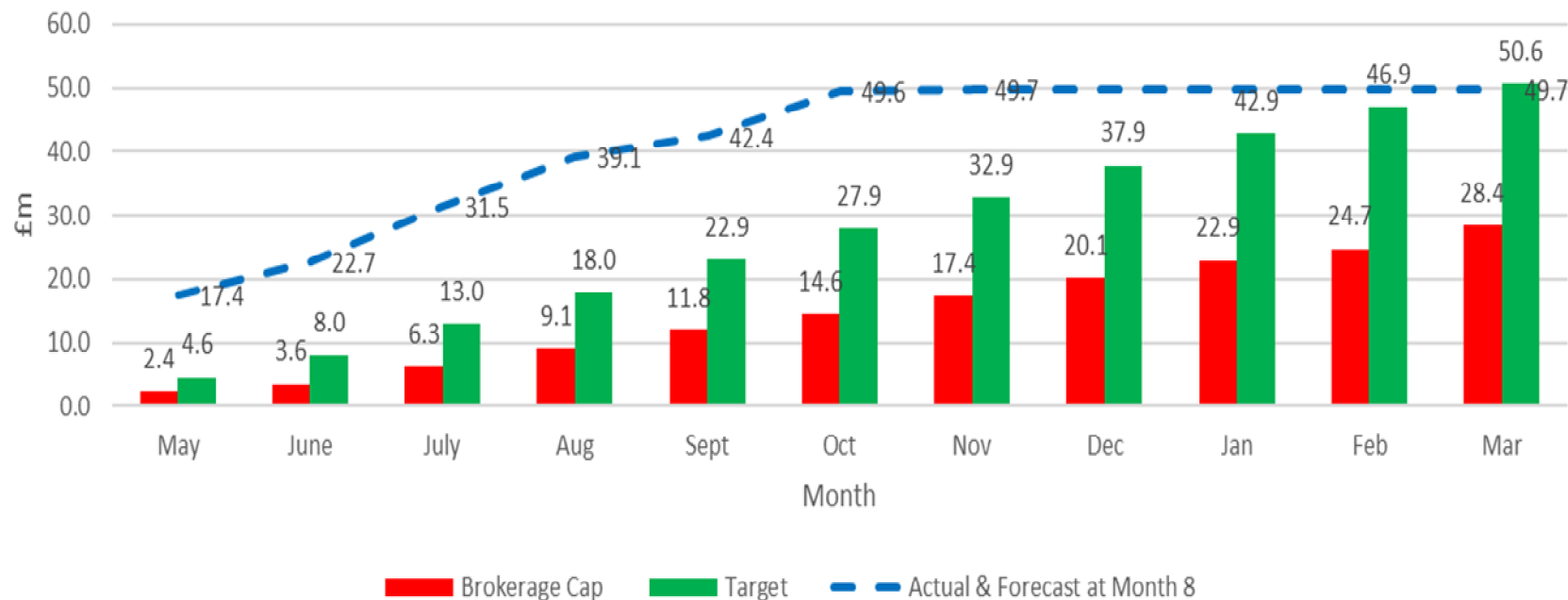


Caroline Lamb
Chief Executive of NHS Scotland and Director General for Health & Social Care.

Finance Report –Month 8 (November) 2024/2025

MONTH 8 2024/2025 – NOVEMBER 2024

Actual v Planned Financial Performance

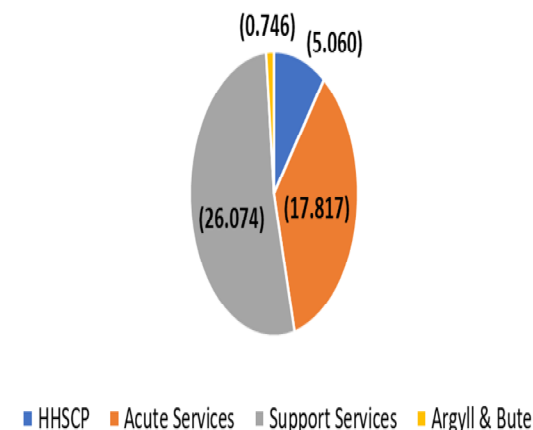


Target	YTD £m	YE Position £m	
Delivery against Revenue Resource Limit (RRL) DEFICIT/ SURPLUS	49.7	49.7	<ul style="list-style-type: none"> Forecast year end deficit £49.7m – assuming additional action is taken to deliver breakeven ASC position £21.3m adrift from brokerage limit £0.9m better than target agreed with Board May 2024
Delivery against Brokerage Cap DEFICIT/ SURPLUS	32.3	21.3	
Deliver against Target agreed with Board YTD DEFICIT/ SURPLUS	16.8	0.9	

MONTH 8 2024/2025 –NOVEMBER 2024

Current Plan £m	Summary Funding & Expenditure	FY Plan £m	FY Actual £m	FY Variance £m	Forecast Outturn £m	Forecast Variance £m
1,236.221	Total Funding	777.045	777.045	-	1,236.221	-
	Expenditure					
471.937	HHSCP	311.911	329.682	(17.771)	494.634	(22.697)
	ASC Position to breakeven				(17.637)	17.637
	Revised HHSCP				476.996	(5.060)
317.121	Acute Services	209.648	221.945	(12.296)	334.938	(17.817)
169.509	Support Services	78.582	97.965	(19.383)	195.583	(26.074)
958.567	Sub Total	600.141	649.592	(49.450)	1,007.518	(48.951)
277.654	Argyll & Bute	176.904	177.343	(0.439)	278.400	(0.746)
1,236.221	Total Expenditure	777.045	826.934	(49.889)	1,285.917	(49.697)

Forecast Deficit by Operational Area



MONTH 8 2024/2025 SUMMARY

- Overspend of £49.889m reported at end of Month 8
- Overspend forecast at £49.697m by the end of the financial year – assuming further action will deliver a breakeven ASC position
- Forecast is £21.297m worse than the brokerage limit set by Scottish Government and £0.900m better than the target agreed with the Board in May 2024

MONTH 8 2024/2025 – NOVEMBER 2024

KEY RISKS



- ASC– work ongoing to deliver a breakeven position but not yet confirmed
- Supplementary staffing – potential that spend could increase over winter period
- Prescribing & drugs costs – increases in both volume and cost
- Increasing ASC pressures – suppliers continuing to face sustainability challenges
- Health & Care staffing
- Ability to delivery Value & Efficiency Cost Reduction/ Improvement Targets
- AfC non pay impact – uncertainty around costs in 2024/2025 and ongoing funding position
- SLA Uplift
- Allocations less than anticipated

MITIGATIONS



- Adult Social Care funding from SG confirmed as higher than anticipated
- Development of robust governance structures around agency nursing utilisation
- Additional New Medicines funding
- Financial flexibility / balance sheet adjustments
- MDT funding reinstated following positive discussion with SG

MONTH 8 2024/2025 – NOVEMBER 2024



Summary Funding & Expenditure	Current Plan £m
RRL Funding - SGHSCD	
Baseline Funding	901.859
Baseline Funding GMS	5.291
FHS GMS Allocation	73.949
Supplemental Allocations	43.763
Non Core Funding	-
Total Confirmed SGHSCD Funding	1,024.863
Anticipated funding	
Non Core allocations	78.902
Core allocations	5.737
Total Anticipated Allocations	84.640
Total SGHSCD RRL Funding	1,109.502
Integrated Care Funding	
Adult Services Quantum from THC	137.701
Childrens Services Quantum to THC	(10.983)
Total Integrated care	126.718
Total NHS Highland Funding	1,236.221

FUNDING

- £11.105m of funding confirmed in Month 8 – MDT funding now received and further pay award funding confirmed

MONTH 8 2024/2025 – NOVEMBER 2024



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m
	HHSCP					
273.846	NH Communities	181.303	185.361	(4.058)	282.317	(8.471)
56.944	Mental Health Services	37.879	39.200	(1.321)	58.686	(1.741)
159.823	Primary Care	106.969	108.873	(1.904)	163.238	(3.414)
(18.677)	ASC Other includes ASC Income	(14.240)	(3.753)	(10.488)	(9.606)	(9.071)
471.937	Total HHSCP	311.911	329.682	(17.771)	494.634	(22.697)
	HHSCP					
296.182	Health	197.447	200.841	(3.394)	301.388	(5.207)
175.755	Social Care	114.464	128.841	(14.377)	193.245	(17.490)
471.937	Total HHSCP	311.911	329.682	(17.771)	494.634	(22.697)
	Delivering ASC to Breakeven				(17.637)	17.637
471.937	Revised Total HHSCP	311.911	329.682	(17.771)	476.996	(5.060)

Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
Locum	478	4,198
Agency (Nursing)	292	2,130
Bank	743	6,446
Agency (exclu Med & Nurs)	192	1,267
Total	1,704	14,042

HHSCP

- Year to date overspend of £17.771m reported
- Forecast that this will decrease to £5.060m by FYE based on the assumption that further action will enable delivery of a breakeven ASC position
- Prescribing & Drugs continuing to be a pressure with £2.819m overspend built into forecast.
- Assuming delivery of £2.319m of ASC V&E cost reductions/ improvements in forecast – high risk
- Supplementary staffing costs continue to drive an overspend position – £2.237m pressure within the forecast
- £1.500m has been built into the forecast in respect of out of area placements

MONTH 8 2024/2025 – ADULT SOCIAL CARE



Services Category	Annual Budget £000's	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Forecast Outturn £000's	Forecast YE Variance £000's
Total Older People - Residential/Non Residential Care	59.641	40.238	38.097	2.141	57.289	2.352
Total Older People - Care at Home	38.088	25.401	27.556	(2.155)	41.217	(3.129)
Total People with a Learning Disability	49.935	33.365	36.207	(2.843)	55.892	(5.957)
Total People with a Mental Illness	10.370	6.920	6.277	0.643	9.609	0.760
Total People with a Physical Disability	9.352	6.255	6.689	(0.433)	10.372	(1.020)
Total Other Community Care	13.225	8.820	8.974	(0.153)	13.546	(0.321)
Total Support Services	(4.856)	(6.535)	4.060	(10.596)	4.212	(9.069)
Care Home Support/Sustainability Payments	-	-	0.981	(0.981)	1.108	(1.108)
Total Adult Social Care Services	175.755	114.464	128.841	(14.377)	193.245	(17.490)
Estates	0.530	0.353	0.408	(0.054)	0.677	(0.147)
Delivering ASC to Breakeven					(17.637)	17.637

ADULT SOCIAL CARE

- A forecast overspend of £17.490m is reported. At this stage it is assumed that a position will be reached which will enable delivery of a breakeven position at FYE.
- Further action is required to close the ASC gap of £17.637m (when ASC related property costs are included) and deliver a breakeven position with ASC at financial year end
- The position has deteriorated due to an adjustment to reflect potential non-recovery of debt – previously this was all held centrally but has been split out to the areas where recovery is a risk
- Assuming delivery £2.319m of cost reductions/ improvements against the target of £5.710m
- £2.666m of supplementary staffing costs within in-house care homes are included within the year to date position

MONTH 8 2024/2025 – ADULT SOCIAL CARE



NHSH Care Homes Supplementary Staffing

Care Home	Month 8		Total YTD £000's
	Agency £000's	Bank £000's	
Ach an Eas	1	15	143
An Acarsaid	-	11	75
Bayview House	-	20	141
Caladh Sona	-	-	8
Dail Mhor House	-	-	1
Grant House	5	21	153
Home Farm	117	15	880
Invernevis	6	10	91
Lochbroom	-	27	143
Mackintosh Centre	-	-	2
Mains House	49	6	434
Melvich	-	8	47
Pulteney	-	18	192
Seaforth	-	29	192
Strathburn	-	1	71
Telford	5	1	27
Wade Centre	-	11	65
Total	183	193	2,666

- Ongoing reliance on agency/ bank staffing within Home Farm and Mains House
- Extensive recruitment underway in most areas

MONTH 8 2024/2025 – NOVEMBER 2024



Current Plan £000	Division	Plan to Date £000	Actual to Date £000	Variance to Date £000	Forecast Outturn £000	Forecast Variance £000
85.657	Medical Division	57.076	64.895	(7.819)	96.829	(11.172)
22.672	Cancer Services	15.122	16.058	(0.936)	24.174	(1.502)
71.220	Surgical Specialties	47.422	50.436	(3.014)	75.404	(4.184)
39.807	Woman and Child	26.730	26.141	0.589	39.448	0.359
46.481	Clinical Support Division	30.765	30.919	(0.153)	46.274	0.206
(6.413)	Raigmore Senior Mgt & Central Cost	(5.599)	(5.182)	(0.417)	(5.743)	(0.670)
26.099	NTC Highland	17.049	16.390	0.659	25.258	0.841
285.521	Sub Total - Raigmore	188.564	199.657	(11.092)	301.644	(16.122)
15.198	Belford	10.145	10.607	(0.462)	15.844	(0.646)
16.402	CGH	10.939	11.681	(0.742)	17.450	(1.049)
317.121	Total for Acute	209.648	221.945	(12.296)	334.938	(17.817)

Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
Locum	1,017	7,572
Agency (Nursing)	261	2,431
Bank	750	5,425
Agency (exclu Med & Nurs)	100	936
Total	2,128	16,365

ACUTE

- £12.296m ytd overspend reported with this forecast to increase to £17.817m by the end of the financial year
- Main drivers for overspend continue to be supplementary staffing and drug costs
- Non compliant junior doctor rotas estimated to costs £1.075m through to year end – this is a significant increase from month 7 reflecting recent monitoring
- £3.287m of pressure within the forecast in respect of unfunded services.

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Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m	Locum/ Agency & Bank Spend	In Month £'000	YTD £'000
(24.673)	Support Services	(17.976)	2.074	(20.049)	0.478	(25.151)	Locum	17	47
44.478	Central Services	-	-	-	46.560	(2.082)	Agency (Nursing)	-	4
49.562	Central Reserves	32.593	30.557	2.035	47.011	2.551	Bank	718	2,385
56.109	Corporate Services	35.056	34.946	0.110	55.565	0.544	Agency (exclu Med & Nurs)	46	275
16.363	Estates Facilities & Capital Planning	10.462	10.630	(0.167)	16.637	(0.274)			
27.670	eHealth	18.447	19.759	(1.312)	29.333	(1.662)			
	Tertiary								
169.509	Total	78.582	97.965	(19.383)	195.583	(26.074)	Total	781	2,711

SUPPORT SERVICES

- YTD overspend of £19.383m reported and this is forecast to increase to £26.074m by fye – risk of non achievement of cost reduction/ improvement target continues to sit within this area
- Vacancies within the Estates and Facilities teams and income / rebates in respect of the New Craigs PFI are mitigating pressures in provisions, leases, postage and additional cleaning costs.
- Within eHealth significant increases in the costs of service contracts and IT contractor usage are driving the overspend
- Out of Area Forensic Psychiatry costs, TAVI procedures, rheumatology drugs continue to contribute towards the overspend within Tertiary. Increased SLA costs brought forward from previous years is also impacting. The 2024/2025 uplift for SLAs has yet to be agreed and represents a risk to the organisation

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Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m
	Argyll & Bute - Health					
128.601	Hospital & Community Services	85.874	86.183	(0.309)	128.975	(0.374)
40.925	Acute & Complex Care	27.448	28.885	(1.437)	43.025	(2.100)
10.781	Children & Families	7.198	7.245	(0.047)	10.781	-
40.671	Primary Care inc NCL	27.531	27.611	(0.080)	41.320	(0.649)
24.792	Prescribing	16.373	16.506	(0.133)	24.956	(0.164)
11.227	Estates	7.352	7.476	(0.123)	11.271	(0.044)
6.065	Management Services	3.692	3.430	0.262	5.807	0.258
14.593	Central/Public health	1.436	0.007	1.429	12.266	2.327
277.654	Total Argyll & Bute	176.904	177.343	(0.439)	278.400	(0.746)

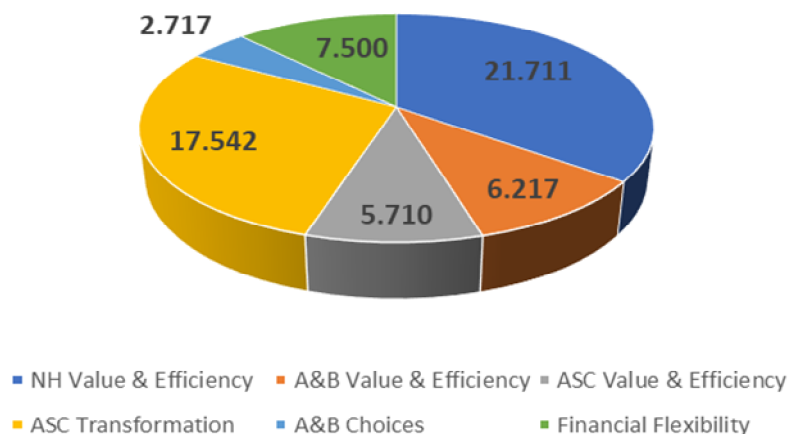
Locum/ Agency &	In Month	YTD
Bank Spend	£'000	£'000
Locum	575	4,395
Agency (Nursing)	206	1,646
Bank	335	2,094
Agency (exclu Med & Nu	27	464
Total	1,143	8,600

ARGYLL & BUTE

- YTD overspend of £0.439m reported with this forecast to increase to £0.746m by fye
- The use of supplementary staffing continues to adversely impact on the financial position
- Significant vacancies and slippage within reserves are mitigating existing cost pressures
- The YTD position is masking slippage on cost reductions/improvements of £0.587m

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Cost Reduction/ Improvement Target (£m)



COST REDUCTON/ IMPROVEMENT

- At the NHS Highland Board Meeting on 28 May the Board agreed to a proposed budget with a £22.204m gap from the brokerage cap
- Current forecasts suggest that year end out-turn will be £0.907m better than previously presented
- It should be noted that there is a risk around delivery of this position and recovery plan actions previously presented to FRPC will mitigate this position
- In addition there is an assumption that further activity will enable delivery of a breakeven position within ASC – this is a high risk assumption and we are working with Highland Council to progress.

Board agreed plan	
	Target £000s
Opening Gap	112.001
Closing the Gap	
NH Value & Efficiency	21.711
A&B Value & Efficiency	6.217
ASC Value & Efficiency	5.710
ASC Transformation	17.542
A&B Choices	2.717
Financial Flexibility	7.500
GAP after improvement activity	50.604
GAP from Brokerage limit	22.204

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Value & Efficiency Planned Savings as at 12/12/2024

Planned Value of 24-25 Efficiency of **£22.846** (14/11/2024 £22.477m), is the value of the schemes currently listed on the Savings Tracker and is part of the total savings goal for the NH and A&B of **£51.180m**

	12/12/2024	28/11/2024
Target:	£51.180m	£51.180m
Currently achieved:	£18.523m	(£18.128m)
Forecast still to be delivered:	£2.962m	(£2.987m)
Total achieved & forecasted :	£21.484m	£21.116m
GAP:	£29.696m	(£30.064m)
Change in GAP:	£368k	

46% of efficiencies are currently forecasted to be delivered via Value & Efficiency Programme.
This excludes ASC.

42% of efficiencies are currently forecasted to be delivered inclusive of ASC Target and savings plan.

Reduction Programmes	V&E Plan				V&E Current Plan Fy 2024-25				Next Year
	2024-25 Original Target (£'000)	Total Achieved & Forecasted	GAP	% of In Delivery vs Target	2024-25 Current Target/Plan (£'000)	2024-25 Plan Achieved (£'000)	2024-25 Plan Forecasted (£'000)	GAP	2025-26 Plan Achieved (£'000)
Value & Efficiency - North Highland	21,711	7,318	-14,393	34%	8,545	6,565	754	-1,227	2,005
Value & Efficiency - Argyll & Bute	6,217	5,535	-682	89%	5,670	5,336	199	-135	0
Total Value & Efficiency	27,928	12,853	-15,075	46%	14,215	11,901	953	-1,362	2,005
Value & Efficiency - ASC	23,252	8,631	-14,621	37%	8,631	6,622	2,009	0	6,622
Total Value & Efficiency incl ASC	51,180	21,484	-29,696	42%	22,846	18,523	2,962	-1,362	8,627

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2024-25 Efficiency Plan vs In Delivery & Forecast

Cost Improvement Programme	Original Financial Plan 2024-25	Value of Efficiency in Delivery	Forecasted Value Still to be Delivered	In Delivery + Forecast	GAP
Accommodation staff/Agency	300	0	0	0	-300
Bed Capacity Planning	0	0	0	0	0
Corporate Teams Consolidation	100	357	49	406	306
Delayed Discharge and Length of Stay	0	0	0	0	0
Diagnostics	0	0	0	0	0
District Redesign	100	0	0	0	-100
External Room Hire	300	0	0	0	-300
Income Generation	1,500	67	0	67	-1,433
Integrated Service Planning	0	0	0	0	0
Leases & Agile Working	200	55	0	55	-145
Morse & TEC	0	0	0	0	0
On Call Rotas and Jnr Dr Compliance	600	0	0	0	-600
OOH	1,000	0	0	0	-1,000
Operational Digitisation Project	0	0	0	0	0
Oxygen Service	0	0	0	0	0
Patient Hub	0	0	0	0	0
Pelvic Health Pathway	0	0	0	0	0
People Review	0	0	0	0	0
Police Custody and SARC	200	0	0	0	-200
Prescribing	6,500	1,904	314	2,218	-4,282
Printing Devices	0	0	0	0	0
Procurement Consolidation and Efficiency	100	632	0	632	532
Rates Review Rebates (Historic)	0	695	0	695	695
Remote Outpatients & Virtual Capacity	0	25	0	25	25
Service Level Agreements	310	283	0	283	-27
Shared Services	0	0	0	0	0
Stock Management Review	0	0	0	0	0
Stores, Logistics and Fleet	0	0	0	0	0
Supplementary Staffing	8,500	2,547	391	2,938	-5,562
Telephony	0	0	0	0	0
Theatre Optimisation & PLCV	0	0	0	0	0
Transformation and Resilience of Admin	1,000	0	0	0	-1,000
Travel	1,000	0	0	0	-1,000
Vacancy Panel	0	0	0	0	0
Vaccination Service	0	0	0	0	0
Waste Management / Infection Prevention & Control	0	0	0	0	0
Total North Highland	21,710	6,565	754	7,318	-14,392
Argyll & Bute Schemes	6,218	5,336	199	5,535	-683
Total North Highland & Argyll & Bute	27,928	11,901	953	12,853	-15,075
Adult Social Care Schemes	23,252	6,622	2,009	8,631	-14,621
Total North Highland, Argyll & Bute & ASC	51,180	18,523	2,962	21,484	-29,696

MONTH 8 2024/2025 – NOVEMBER 2024



	PLAN		POSITION AT M6	
	£m	£m	£m	£m
Financial Gap		112.000		112.000
Maximum Brokerage		28.400		28.400
COST REDUCTIONS/ IMPROVEMENTS TO BE IDENTIFIED		83.600		83.600
Delivered through:				
Value & Efficiency 3%	21.711		6.416	
A&B Savings - identified	8.934		5.535	
ASC	23.252		23.252	
Financial Flexibility	7.500		7.500	
Gap from brokerage cap agreed with NHS Highland Board (May 2024)	22.204		22.204	
		83.600		64.907
Slippage		-		18.693
Actions to mitigate slippage				
Balance Sheet Actions				7.261
Allocation Slippage				5.800
Argyll & Bute actions to deliver breakeven				3.399
Improvement in operational forecasts/ additional delivery against V&E target				2.233
				18.693

MITIGATING SLIPPAGE ON V&E TARGET

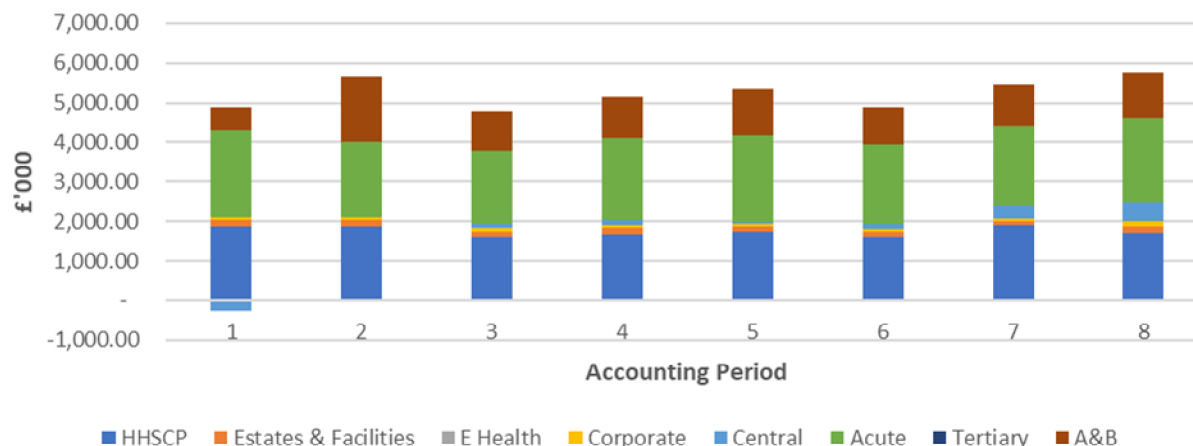
- These mitigating actions were presented to FRPC in the month 6 report
- At this stage a number of balance sheet actions and anticipated slippage on allocations have been reflected in the year to date & forecast position
- All actions are reviewed monthly and reflected where and when appropriate

MONTH 8 2024/2025 – NOVEMBER 2024



	2024/2025 YTD £'000	2023/2024 YTD £'000	Inc/ (Dec) YTD £'000	Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
HHSCP	14,042	16,572	(2,530)	120.082	Pay	79.142	85.647	(6.505)
Estates & Facilities	1,127	1,091	36	7.017	Medical & Dental	4.684	5.914	(1.230)
E Health	7	7.74	(0)	219.015	Medical & Dental Support	143.050	144.357	(1.307)
Corporate	606	821	(215)	42.756	Nursing & Midwifery	28.312	26.555	1.758
Central	970	93	877	17.412	Allied Health Professionals	11.310	11.486	(0.175)
Acute	16,364	19,676	(3,312)	23.542	Healthcare Sciences	15.628	15.371	0.257
Tertiary	0	1	-	47.728	Other Therapeutic	31.650	30.784	0.866
Argyll & Bute	8,600	8,510	90	87.172	Support Services	57.540	56.042	1.499
				3.270	Admin & Clerical	2.187	1.914	0.273
				60.955	Senior Managers	40.384	37.982	2.402
				22.129	Social Care	(0.502)	(0.745)	0.242
					Vacancy factor/pay savings			
TOTAL	41,716	46,771	(5,054)	651.079	Total Pay	413.386	415.306	(1.921)

Supplementary Staffing Apr 24 - Mar 25

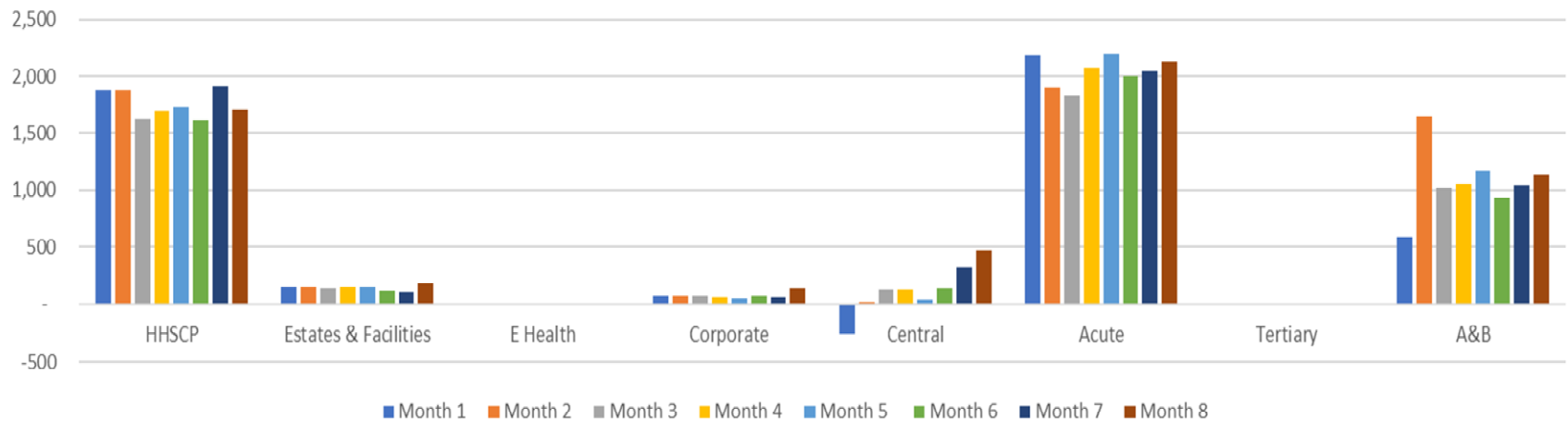


SUPPLEMENTARY STAFFING

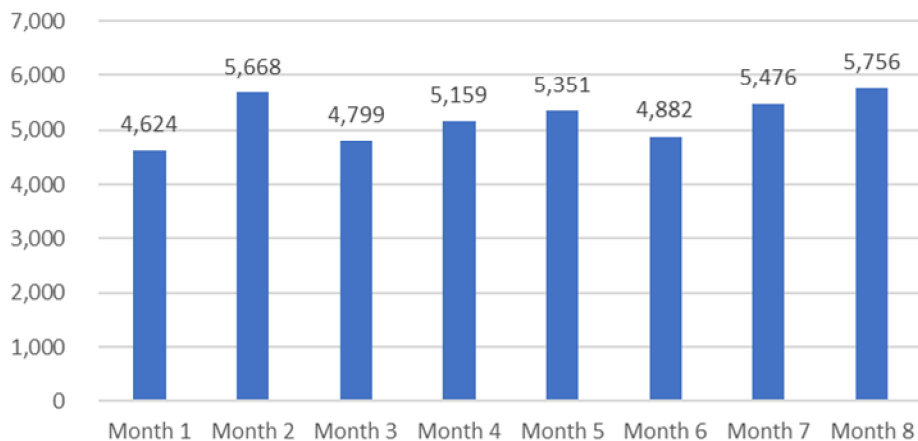
- Total spend at end of Month 8 is £5.054m lower than at the same point in 2023/2024.
- There is an overspend of £1.921m on pay related costs at the end of Month 8

MONTH 8 2024/2025 – NOVEMBER 2024

Supplementary Staffing - Monthly Run Rate



Supplementary Staffing Total Spend 2024/2025



- Month 8 spend is £0.280m higher than Month 7

MONTH 8 2024/2025 – NOVEMBER 2024



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	Expenditure by Subjective spend			
651.079	Pay	413.386	415.306	(1.921)
130.489	Drugs and prescribing	87.022	89.460	(2.438)
62.233	Property Costs	39.292	40.074	(0.782)
44.014	General Non Pay	27.502	30.289	(2.788)
53.769	Clinical Non pay	35.264	41.133	(5.870)
141.740	Health care - SLA and out of area	95.936	99.837	(3.901)
134.007	Social Care ISC	89.670	96.339	(6.669)
115.803	FHS	79.528	77.455	2.073

Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	Drugs and prescribing			
51.800	Hospital drugs	34.808	35.115	(0.307)
78.689	Prescribing	52.214	54.345	(2.131)
130.489	Total	87.022	89.460	(2.438)

SUBJECTIVE ANALYSIS

- Pressures continued within all expenditure categories
- Supplementary staffing costs are driving the overspend within Pay but overall this is being mitigated by vacancies
- Drugs and prescribing expenditure is currently overspent by £2.438m

MONTH 8 2024/2025 – NOVEMBER 2024



BUDGET (£000)	SCHEME	ACTUALS (£000)	BALANCE TO SPEND (£000)
	FORMULARY ALLOCATION		
-	HISTORIC COSTS	638	-
1,819	EPAG	523	1,296
1,207	eHEALTH	134	1,073
2,504	ESTATES	579	1,925
417	CONTINGENCY	61	356
500	ERPCC LIFE CYCLE ADDITIONS	217	283
500	MID ARGYLL PFI	270	230
-	OTHER	3	-
6,947	FORMULA TOTAL	2,424	5,164
	PROJECT SPECIFIC FUNDING		
450	ACT ACCOMMODATION PROJECT	9	441
500	GRANTOWN HEALTH CENTRE REFURB	323	177
777	EV CHARGERS	210	567
80	BELFORD DISTRIBUTION BOARDS REPLACEMENT	-	80
100	SSD STERILISER REPLACEMENT	-	100
1,907	PROJECT TOTAL	542	1,365
8,854	TOTAL	2,967	6,528

CAPITAL

- Funding of £7.126m confirmed for this financial year – formula + distribution board + SSD steriliser
- Allocations anticipated in respect of ongoing PFI costs and project specific funding – expected to be confirmed in month 12
- Spend continues to remain low and is being monitored via Capital Asset Management Group
- Confirmation being sought from SG on other allocations