

NHS Highland



Meeting: NHS Highland Board
Meeting date: 28 November 2023
Title: Finance Report – Month 6 2023/2024
Responsible Executive/Non-Executive: Heledd Cooper, Director of Finance
Report Author: Elaine Ward, Deputy Director of Finance

1 Purpose

This is presented to the Board 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 6 2023/2024 (September 2023).

2.2 Background

NHS Highland submitted a financial plan to Scottish Government for the 2023/2024 financial year in March 2023. An initial budget gap of £98.172m was presented with a Cost Improvement Programme of £29.500m proposed, leaving a residual gap of

£68.672m; work is ongoing, within the Board and nationally to look at options and schemes to close this gap. Scottish Government provided additional funding and the Board is now looking to deliver a financial deficit of no more than £55.800m. This report summarises the position at Month 6, provides a forecast through to the end of the financial year and highlights the current and ongoing service pressures.

2.3 Assessment

For the period to end September 2023 (Month 6) an overspend of £38.109m is reported. This overspend is forecast to increase to £55.975m by the end of the financial year. The improvement on the residual gap in the plan is due to the additional funding allocations from Scottish Government. The current forecast assumes full delivery of the savings in Acute, Support Services and the HHSCP, and the significant majority of A&B IJB's target will be achieved.

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 current progress on savings delivery and the ongoing utilisation of locums and agency staff. During this ongoing period of financial challenge the development of a robust recovery plan is required to increase the level of assurance – this is currently being developed at pace with oversight and support from Scottish Government in line with their “tailored support”.

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 2023/2024 and beyond and are providing additional support to develop initiatives to reduce the cost base both nationally and within individual Boards. NHS Highland is receiving dedicated tailored support to assist in response to the size of the financial challenge.

3.4 Risk Assessment/Management

There is a risk that NHS Highland will overspend on its 2023/2024 revenue budget by more than the current forecast of £55.975m. The forecast assumes slippage against the CIP of £11.771m – there is a risk associated with CIP delivery at this level. The forecast is also dependent on assumptions around funding and expenditure. The Board continues to look for opportunities both locally and nationally to bring the recurrent cost base down.

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
- Finance, Resources & Performance Committee

4 Recommendation

Discussion – Examine and consider the implications of the matter.

4.1 List of appendices

The following appendices are included with this report:

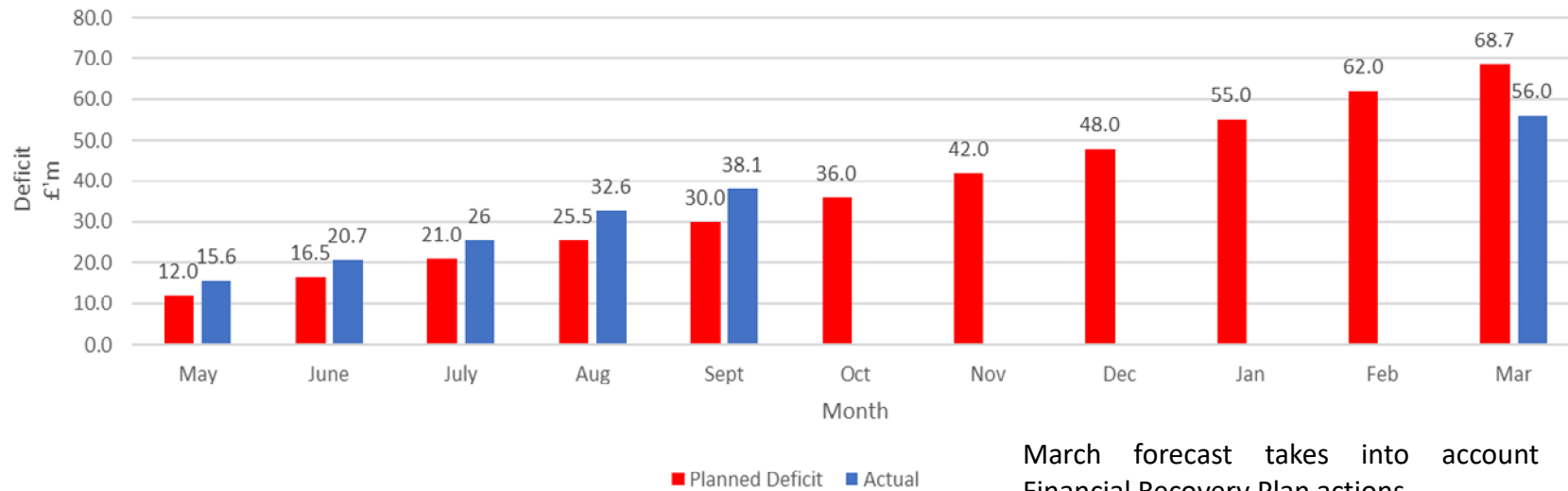
No appendices accompany this report

Finance Report – Month 6 (September 2023)

MONTH 6 2023/2024 – SEPTEMBER 2023



Actual v Planned Financial Performance



Target	YTD £m	Forecast £m
Delivery against Revenue Resource Limit (RRL) DEFICIT/ (SURPLUS)	38.109	55.975
Delivery against Financial Plan DEFICIT/ (SURPLUS)	8.100	12.697
Delivery against Savings Target DEFICIT/ (SURPLUS)	9.529	11.771

Forecast year end deficit of £55.975m
Forecast slippage against CIP £11.771m

MONTH 6 2023/2024 – SEPTEMBER 2023

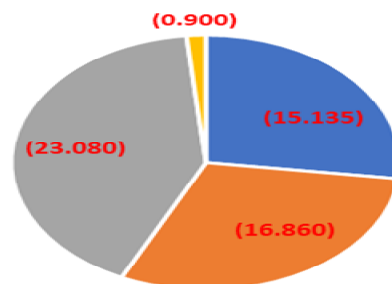


Current Plan £m	Current Budget £m	Summary Funding & Expenditure	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m
1,154.399	1,154.399	Total Funding	556.695	556.695	-	1,154.399	-
		Expenditure					
450.867	445.818	HHSCP	221.628	229.149	(7.521)	460.952	(15.135)
310.154	294.671	Acute Services	145.254	156.567	(11.313)	311.530	(16.860)
198.676	150.536	Support Services	63.674	82.314	(18.641)	173.616	(23.080)
959.696	891.024	Sub Total	430.555	468.031	(37.475)	946.099	(55.075)
263.375	263.375	Argyll & Bute	126.140	126.773	(0.634)	264.275	(0.900)
1,223.071	1,154.399	Total Expenditure	556.695	594.804	(38.109)	1,210.374	(55.975)
(68.672)	-	Planned Deficit	-	-	-	-	-
1,154.399		Total Expenditure			(38.109)	55.975	(55.975)

MONTH 6 2023/2024 SUMMARY

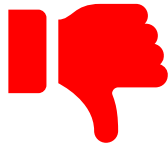
- YTD overspend of £38.109m reported
- Forecast to increase to £55.975m at end of the 2023/2024 FY
- YTD position includes slippage against the CIP of £9.529m
- Cost improvements of £18.268m included within operational year end forecasts
- Forecast is £12.697m better than that presented within the financial plan. This reflects additional funding received from SG in respect of Sustainability & NRAC Parity (£8.030m recurring) and additional New Medicines Funding (£6.590m non-recurring)
- Forecast assumes delivery of actions within Financial Recovery Plan

Forecast Deficit by Operational Area



■ HHSCP ■ Acute Services ■ Support Services ■ Argyll & Bute

KEY RISKS



- Supplementary staffing – ongoing pressures although have seen a reduction in run rate within Acute
- Prescribing & drugs costs – ongoing issues with prescribing information provision.
- Adult Social Care pressures
- Continuing impact of high inflation rate
- Mental Health Out of Area placements
- SLA uplifts
- Delivery of savings

MITIGATIONS



- Reduced support/ sustainability packages
- Reduction in planned spend (review of business cases/ pressures)
- Non-recurrent VAT rebates
- Additional SG Funding – Sustainability & NRAC Parity and New Medicines Funding
- Financial Recovery Plan

MONTH 6 2023/2024 – SEPTEMBER 2023



Summary Funding & Expenditure	Current Plan £m
RRL Funding - SGHSCD	
Baseline Funding	809.525
FHS GMS Allocation	79.886
Supplemental Allocations	52.540
Non Core Funding	-
Total Confirmed SGHSCD Funding	941.951
Anticipated funding	
Non Core allocations	69.957
Core allocations	21.529
Total Anticipated Allocations	91.486
Total SGHSCD RRL Funding	1,033.437
Integrated Care Funding	
Adult Services Quantum from THC	131.729
Childrens Services Quantum to THC	(10.767)
Total Integrated care	120.962
Total NHS Highland Funding	1,154.399

FUNDING

- Current funding £1,154.399m (increase of £5.688m from Month 5)
- £91.486m of allocations anticipated but not yet confirmed by Scottish Government
- £84.299m of allocations received in Month 6 - £2.088m of which is non-recurring (£79.886M GMS allocation)
- Current funding is £22.318m higher than at the close of the 2022/2023 financial year

MONTH 6 2023/2024 – SEPTEMBER 2023



Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m	Forecast Outturn £m	Forecast Variance £m
	HHSCP					
252.503	NH Communities	126.568	129.806	(3.239)	260.751	(8.248)
50.386	Mental Health Services	25.177	29.087	(3.910)	55.702	(5.316)
147.606	Primary Care	73.795	74.587	(0.792)	150.013	(2.407)
(4.677)	ASC Other includes ASC Income	(3.912)	(4.331)	0.420	(5.513)	0.836
445.818	Total HHSCP	221.628	229.149	(7.521)	460.952	(15.135)
	HHSCP					
271.604	Health	135.787	142.293	(6.506)	283.801	(12.197)
174.213	Social Care	85.841	86.856	(1.015)	177.151	(2.938)
445.818	Total HHSCP	221.628	229.149	(7.521)	460.952	(15.135)

	In Month £'000	YTD £'000
Locum	1,038	4,118
Agency	577	3,373
Bank	760	4,681
Total	2,374	12,171

HHSCP

- YTD overspend of £7.521m reported
- Forecast that this will increase to £15.135m by financial year end
- Slippage of £4.311m against the CIP reported in the YTD position with £6.585m of slippage built into the year end forecast
- Continuing pressure with agency nursing and locum usage within Mental Health and in-house Care Homes and 2C practices - £12.171m incurred YTD
- A £1.600m prescribing pressure is forecast due to an increase in both the cost of drugs and volume of scripts being issued
- Previously reported pressures in Enhanced Community Services and Chronic Pain are continuing but at a lower cost base that reported in 2022/2023 work continues to review the service to bring costs within the available funding envelope

MONTH 6 2023/2024 – SEPTEMBER 2023



Services Category	Annual Budget £000's	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Outturn £000's	YE Variance £000's
Older People - Residential/Non Residential Care	58,931	29,353	28,911	442	57,720	1,211
Older People - Care at Home	34,537	17,259	17,878	(619)	35,868	(1,331)
People with a Learning Disability	41,332	20,751	21,029	(278)	43,889	(2,557)
People with a Mental Illness	8,258	4,125	4,172	(47)	8,062	196
People with a Physical Disability	8,258	4,158	4,289	(131)	8,756	(498)
Other Community Care	17,789	8,942	8,934	7	17,920	(131)
Support Services	5,631	1,515	2,261	(746)	5,807	(176)
Care Home Support/Sustainability Payments	-	-	(236)	236	(86)	86
Total Adult Social Care Services	174,736	86,103	87,238	(1,135)	177,936	(3,199)
Total ASC less Estates	174,213	85,840	86,856	(1,015)	177,152	(2,939)

Sum of YTD Actual	
Care Home	Total
Ach-an-eas	20,233
Bayview House	23,563
Caladh Sona	12,318
Home Farm Portree	500,600
Mackintosh Centre	738
Mains House Care Home	149,691
Melvich Centre	3,543
Strathburn House	23,490
Telford Centre	16,853
Grand Total	751,030

ADULT SOCIAL CARE

- Significant deterioration from previously reported position
- Previous forecasts had assumed delivery of the ASC element of the CIP in full. This has now been reviewed and it is now estimated that there will be slippage of £2.326m
- £0.751m expenditure on agency nursing incurred to date within NHS Highland care homes
- £1.305m forecast full year spend on sustainability packages to ensure continuity of service provision
- Position assumes funding held by Highland Council from the 2021/2022 financial year will be drawn down in full – £9.734m

MONTH 6 2023/2024 – SEPTEMBER 2023



Current Plan £000	Division	Plan to Date £000	Actual to Date £000	Variance to Date £000	Forecast Outturn £000	Forecast Variance £000
78.384	Medical Division	38.818	43.243	(4.425)	83.390	(5.006)
20.864	Cancer Services	10.370	10.777	(0.408)	21.907	(1.044)
65.455	Surgical Specialties	32.526	34.758	(2.232)	68.153	(2.698)
34.103	Woman and Child	17.526	16.554	0.972	32.818	1.286
45.125	Clinical Support Division	22.319	21.952	0.367	44.503	0.622
(3.353)	Raigmore Senior Mgt & Central Cost	(2.377)	2.910	(5.286)	6.202	(9.555)
24.682	NTC Highland	11.452	11.190	0.262	24.117	0.565
265.261	Sub Total - Raigmore	130.635	141.384	(10.750)	281.090	(15.829)
14.138	Belford	7.019	7.239	(0.220)	14.424	(0.287)
15.272	CGH	7.601	7.944	(0.344)	16.016	(0.744)
294.671	Total for Acute	145.254	156.567	(11.313)	311.530	(16.860)

	In Month £'000	YTD £'000
Locum	749	5,197
Agency	808	6,027
Bank	640	3,526
Total	2,198	14,750

ACUTE

- £11.313m overspend reported year to date
- Forecast that this will increase to £16.860m by financial year end
- £2.832m slippage against CIP reported in YTD position – slippage of £1.754m included within the year end forecast
- A pressure of £0.322m is forecast within drugs
- The forecast includes approx. £10.211m of costs likely to be incurred as a result of patients not being within the correct care setting

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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
	Support Services					
11.634	Central Services	(4.727)	12.607	(17.333)	31.914	(20.280)
45.392	Corporate Services	21.526	20.817	0.709	44.026	1.366
52.388	Estates Facilities & Capital Planning	25.342	26.096	(0.754)	54.072	(1.685)
15.858	eHealth	8.900	8.952	(0.052)	16.008	(0.150)
25.264	Tertiary	12.632	13.842	(1.210)	27.596	(2.332)
150.536	Total	63.674	82.314	(18.641)	173.616	(23.080)

	In Month £'000	YTD £'000
Locum	2	38
Agency	82	384
Bank	225	966
Total	310	1,389

SUPPORT SERVICES

- £18.641m overspend reported year to date with this forecast to increase to £23.080m by financial year end – this reflects the funding gap built into the initial plan submitted to SG in March 2023
- This is a significantly improved position from Month 5 as the benefits anticipated from the Financial Recovery Plan are captured here
- Within Corporate Services vacancies within a number of teams and additional Medical Education funding is driving the underspend
- Within Tertiary pressures within the main SLA with Lothian, Rheumatology, Cardiac and Forensic Psychiatry services provided out of area continue to drive the forecast overspend
- Estates continue to see pressures in utility & food costs, additional maintenance, additional pay costs at New Craigs due to facilities staff being aligned to Agenda for Change uplifts and increased cleaning across a number of sites

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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					
125.447	Hospital & Community Services	62.769	62.724	0.046	125.794	(0.347)
38.927	Acute & Complex Care	19.477	19.881	(0.403)	39.847	(0.920)
10.126	Children & Families	5.064	4.955	0.109	9.926	0.200
38.065	Primary Care inc NCL	18.678	18.608	0.070	37.965	0.100
21.970	Prescribing	10.941	12.555	(1.614)	24.470	(2.500)
10.748	Estates	5.228	5.263	(0.035)	10.848	(0.100)
6.162	Management Services	2.835	2.794	0.042	6.145	0.017
11.930	Central/Public health	1.147	(0.005)	1.152	9.280	2.650
263.375	Total Argyll & Bute	126.140	126.773	(0.634)	264.275	(0.900)

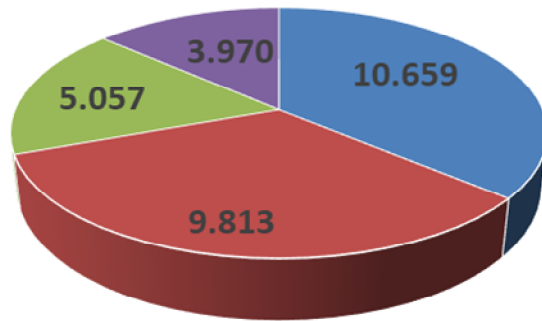
	In Month £'000	YTD £'000
Locum	621	2,974
Agency	369	1,988
Bank	184	1,360
Total	1,174	6,322

ARGYLL & BUTE

- YTD overspend of £0.634m reported with this forecast to increase to £0.900m by financial year end
- The YTD position includes £0.749m of slippage against the CIP.
- It is anticipated that cost improvements/ reductions of £3.331m will be delivered in year – slippage of £0.639m
- £2.500m of a pressure relating to prescribing and £2.240m of agency staffing have been built into the forecast position

MONTH 6 2023/2024 – SEPTEMBER 2023

£29.500m Cost Improvement Programme



■ HHSCP ■ Acute ■ Support Services ■ A&B

	Target £000s	Forecast Savings £000s	Variance £000s
HHSCP	10,659	4,075	(6,585)
Acute	9,813	8,060	(1,754)
Support Services	5,057	2,264	(2,793)
A&B	3,970	3,331	(639)
Total Forecast Savings	29,500	17,729	(11,771)

COST IMPROVEMENT

- £29.500M CIP programme planned
- At the end of Month 6 slippage of £9.529m against the CIP is reported
- Cost improvements of £17.729m are built into the year end forecast for operational areas
- There is an ongoing risk around non delivery of cost improvements/reductions
- The savings position has been reviewed in detail during Month 6 and operational areas are currently forecasting slippage of £11.771m against the CIP
- Mitigating actions are being taken to support delivery of the overall financial forecast and additional schemes will be progressed

MONTH 6 2023/2024 – SEPTEMBER 2023



Assurance of Progress

	Target	Value of Schemes In Delivery (YTD + Forecast)	% of Target Achieved (YTD Forecast)	Value of Schemes In Planning Stage (In Year Estimate)	Total	Gap (Target) - (In Delivery + In Planning)	% of Target Achieved (In Delivery + In Planning)	Count of Schemes with No Value	Total Count of Schemes	% of Schemes With No Value
Acute										
Medical	2,565	2,568	100%	279	2,847	282	111%	6	14	43%
Surgical	2,164	2,314	107%	-146	2,168	4	100%	3	8	38%
Women & Child	1,112	535	48%	253	788	-324	71%	0	2	0%
Rural General Hospitals	961	260	27%	383	643	-318	67%	0	1	0%
Clinical Support	1,464	466	32%	458	925	-539	63%	2	14	14%
NTC	860	480	56%	0	480	-380	56%	1	2	50%
Cancer	688	-	0%	100	100	-588	15%	4	5	80%
Acute Central	0	110	0%	0	110	110	0%	0	1	0%
Sub-Total	9,813	6,733	69%	1,327	8,060	-1,754	82%	16	47	34%
HHSCP										
Mental Health	930	600	65%	87	687	-243	74%	0	9	0%
N. Highland Community Services & Primary Care	5,617	1,360	24%	215	1,575	-4,042	28%	6	22	27%
Adult social care	4113	820	20%	1,680	2,500	-1,613	61%	3	9	33%
Sub-Total	10,660	2,780	26%	1,982	4,762	-5,898	45%	9	40	23%
Support Services										
Corporate Services - Deputy Chief Exec	87	84	97%	0	84	-3	97%	0	1	0%
Corporate Services - People & Culture	169	71	42%	7	78	-91	46%	0	3	0%
Corporate Services - Public Health	196	16	8%	0	16	-180	8%	2	3	67%
Corporate Services - Finance	130	407	313%	0	407	277	313%	0	2	0%
Corporate Services - Medical	41	0	0%	0	0	-41	0%	0	0	0%
Corporate Services - Nursing	57	0	0%	0	0	-57	0%	0	0	0%
Tertiary	1,380	0	0%	0	0	-1,380	0%	0	0	0%
Estates and Facilities	709	508	72%	101	609	-100	86%	0	14	0%
E-Health	176	30	17%	50	80	-96	46%	13	16	81%
Central	794	794	100%	0	794	0	100%	0	1	0%
Sub-Total	3,739	1,910	51%	158	2,068	-1,671	55%	15	40	38%
A&B IJB	3970	3,237	82%	99	3,336	-634	84%	0	42	0%
Sub-Total	3970	3,237	82%	99	3,336	-634	84%	0	42	0%
Unallocated Savings	1,318									
Grand Total	29,500	14,659	50%	3,566	18,226	-9,957	62%	40	169	24%

3 HORIZONS/ SAVINGS TRACKER

- Efficiency and Transformation Governance Group is now meeting formally on a fortnightly basis with operational and support areas reporting back on plans and providing updates on delivery
- Workforce, Prescribing and Digital working groups have been established to focus on cost improvements and reductions in these areas across all areas of the Board
- The Assurance of Progress table shows a breakdown of the targets and delivery position for each operational area
- 153 schemes are currently recorded with 39 still in planning with no estimated value of savings at this time
- Horizon 2 schemes are being reviewed to ensure delivery of benefits as early as possible in the 2024/2025 financial year

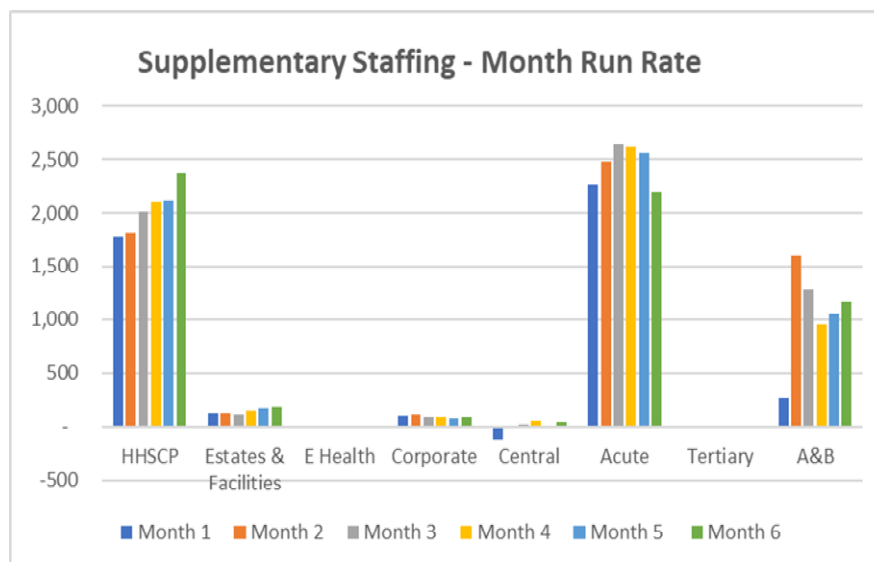
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	2023/2024 YTD £'000	2022/2023 YTD £'000	Inc/ (Dec) YTD £'000
HHSCP	12,171	8,900	3,271
Estates & Facilities	837	842	(6)
E Health	8	0.97	7
Corporate	548	630	(81)
Central	(5)	(355)	350
Acute	14,750	13,213	1,536
Tertiary	1	1	-
Argyll & Bute	6,322	5,069	1,253
TOTAL	34,632	28,302	6,330

SUPPLEMENTARY STAFFING

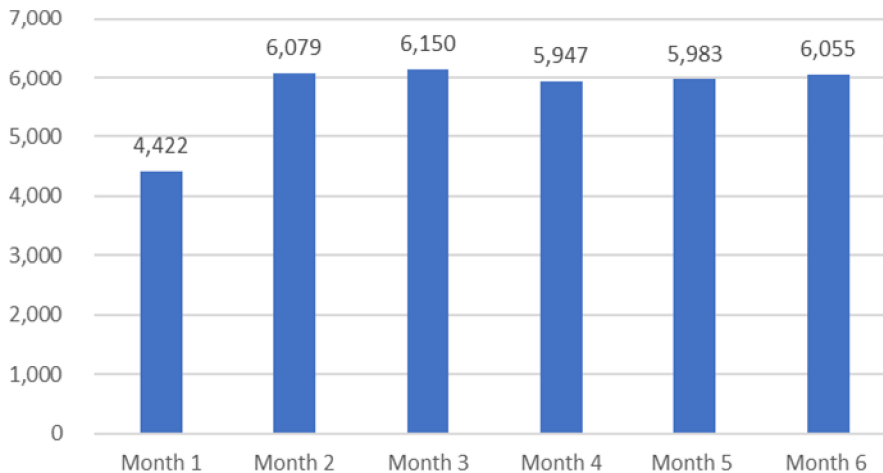
- Total spend on Supplementary Staffing at Month 6 is £34.632Mm – overspend on pay costs at Month 6 is £2.691m
- Run rate significantly reduced in Acute – review of actions taken to deliver this reduction is ongoing to establish if these can be replicated in other areas.



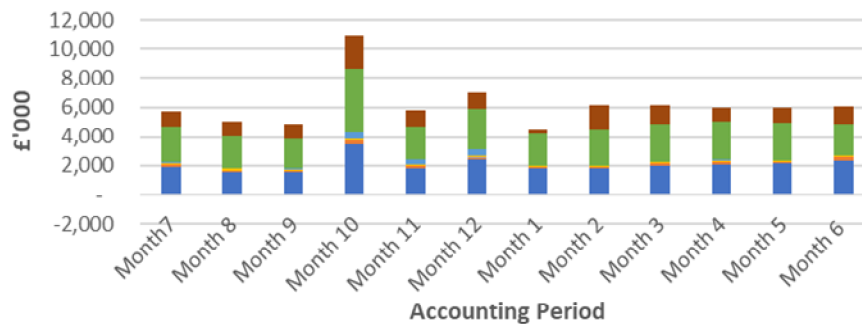
Current Plan £m	Detail	Plan to Date £m	Actual to Date £m	Variance to Date £m
	Pay			
117.464	Medical & Dental	55.883	59.048	(3.165)
6.767	Medical & Dental Support	3.269	4.034	(0.764)
209.060	Nursing & Midwifery	104.294	107.309	(3.015)
39.710	Allied Health Professionals	19.942	19.166	0.775
16.348	Healthcare Sciences	8.057	8.171	(0.114)
21.889	Other Therapeutic	11.187	10.261	0.926
44.262	Support Services	22.325	21.459	0.866
82.814	Admin & Clerical	41.528	40.714	0.814
3.551	Senior Managers	1.781	1.391	0.389
54.517	Social Care	27.653	26.062	1.591
(1.976)	Vacancy factor/pay savings	(1.522)	(0.526)	(0.995)
594.407	Total Pay	294.398	297.089	(2.691)

MONTH 6 2023/2024 – SEPTEMBER 2023

Supplementary Staffing Total Spend 2023/2024



Supplementary Staffing Oct 22 - Sept 23



■ HHSCP ■ Estates & Facilities ■ E Health ■ Corporate
■ Central ■ Acute ■ Tertiary ■ A&B

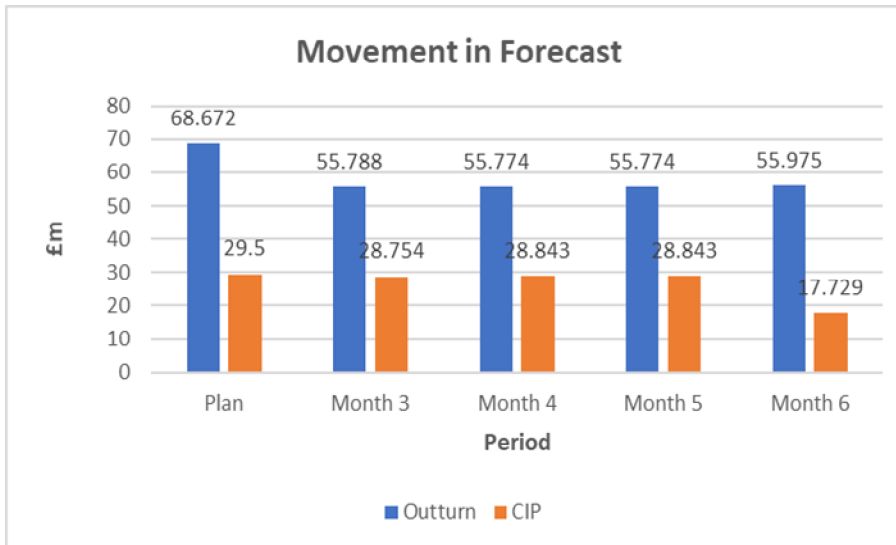
SUPPLEMENTARY STAFFING

- Total Spend in Month 6 is £0.072m higher than Month 5. However, significant reduction within Acute.
- Month 10 in 2022/2023 is an outlier due to system and reporting issues experienced at that time. Month 10 includes an element of costs which would routinely have been reported in Month 9, 10 or 11
- The rolling 12 month position highlights spend in 2023/2024 is continuing to track slightly ahead of the latter part of 2022/2023.
- Acute cancelled out by increases within other areas

MONTH 6 2023/2024 – SEPTEMBER 2023



	Operational Delivery	Savings Delivered	Forecast Position
Best Case	(73 .704)	17.729	(55 .975)
Worst Case	(92 .175)	13.357	(78 .818)
Likely	(83 .795)	17.700	(66 .095)



FORECAST POSITION

- The current year end forecast of £55.975m is based on a number of assumptions which are relevant at this point in time
- Delivery of this position is reliant on all actions within the Financial Recovery Plan being achieved
- Progress against the CIP continues to present a risk to delivery of this position.
- The forecast reported is considered the best case scenario.
- Should no further savings be delivered this FY there is the potential that NHS Highland would be overspent by £78.818m by financial year end
- The likely position is assuming savings are delivered as per best case, no change to the expenditure run rate other than through the actions taken to deliver costs improvements/reductions which are built into the savings projection and the Financial Recovery Plan will deliver 50% of its target
- There have been no significant movements in the projection to year end during Month 5 with the reduction in savings forecast being mitigated by the actions of the Financial Recovery Plan

MONTH 6 2023/2024 – SEPTEMBER 2023

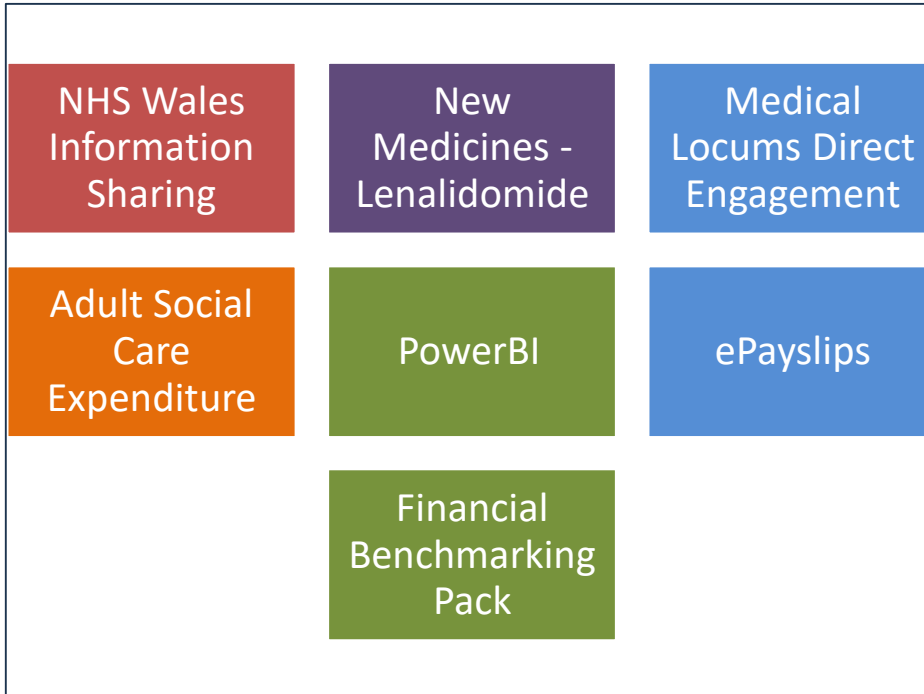


	TOTAL £m	Target £m	Reduction Required £m	RAG Rating
Period 5 Year End Forecast	(55.774)	(55.800)		
Adjust based on current savings position	(66.929)	(55.800)	11.129	
Actions to bring forecast into line with FP submission				
Additional savings - further reduction in locum/ agency spend			(4.000)	Red
Release of Annual Leave Accrual			(4.926)	Yellow
Additional Depreciation Cover			(1.587)	Yellow
Argyll & Bute management actions to achieve financial balance			(0.900)	Green
REVISED YEAR END FORECAST SHOULD ALL ACTIONS BE DELIVERABLE		(55.516)		

FINANCIAL RECOVERY PLAN

- A Financial Recovery Plan has been submitted to Scottish Government
- The basis for the plan was to deliver a year end position no worse than the revised Financial Plan
- This revision took account of Sustainability, NRAC Parity and additional New Medicines Funding
- The revised deficit is £55.800m
- The actions within the plan have been RAG rated and at this stage full delivery has been built into the year end forecast position of £55.975m

MONTH 6 2023/2024 – SEPTEMBER 2023



FINANCIAL IMPROVEMENT GROUP

- FIG continues to be a forum to generate and share ideas about where efficiencies can potentially be generated
- Recent input on prescribing and polypharmacy

SUSTAINABILITY & VALUE

- The September Financial Improvement Group Newsletter focussed on 7 themes.
- NHS Wales Information Sharing is developing relationships at a Board level to review how each other tackles the financial challenge
- New Medicines – provides information on Lenalidomide drug switch uptakes
- Medical Locum Direct Engagement provides a summary of savings which could be generated by moving to a full Direct Engagement model
- Adult Social Care Expenditure provided some benchmarking information
- ePayslips focussed on savings that could be generated by reducing the level of printed payslips
- Power BI and the Financial Benchmarking Pack provides further data to support financial analysis

MONTH 6 2023/2024 – SEPTEMBER 2023



Plan £000's	Funding Received £000's	Summary Funding & Expenditure	Actual to Date £000	Bal to Spend £000
		Project Specific Schemes		
880		Radiotherapy Equipment	-	880
500		NTC (H)	540	(40)
2,400		Belford Hospital replacement	524	1,876
1,500		Caithness redesign project	698	802
2,500		Grantown HC upgrade	330	2,170
2,820		Broadford HC extension	-	2,820
		Other Centrally Provided Capital Funding		
2,650		Raigmore Maternity capacity	271	2,379
60		Cowal Community Hospital GP relocation	(2)	62
1,350		Raigmore car park project	1,039	311
500		Laundry Water Filtration Equip	12	488
50		Raigmore oncology unit	-	50
0		Campbeltown boiler replace	12	(12)
860	860	EV charging points - NHSH wide	276	584
1,250		Backlog maintenance additional funding	980	270
783	783	National Infrastructure Equipment Funding (NIB)	-	783
18,103	1,643		4,681	13,422
		Formula Allocation		
827	827	PFI Lifecycle Costs	426	401
2,010	2,010	Equipment Purchase Advisory Group (EPAG)	980	1,030
2,350	2,350	Estates Capital Allocation	2,524	(174)
1,500	1,500	eHealth Capital Allocation	526	974
260	260	Minor Capital Group	-	260
-		Other	(22)	22
6,947	6,947		4,434	2,513
25,050	8,590	Capital Expenditure	9,115	15,936

CAPITAL

- Capital programme of £25.050m planned
- Only formula funding received – further allocation anticipated in September
- Main areas of spend to date are

Project	Spend to end Sept 2023
National Treatment Centre – Highland	£0.540m
Estates Backlog Maintenance	£3.504m
Equipment Purchase	£0.980m
Raigmore Car Park	£1.039m