



NHS Scotland 2018-19 Consolidated Financial Reporting to 28 February 2019 (Month 11)

Purpose

This paper summarises the financial position for NHS Scotland for the reporting year 2018-19. It builds on the information already published since May 2018, and sets out the updated position at month 11.

The information contained in this report is a consolidation of the financial position as reported by all 22 NHS Boards. All NHS Boards report regularly and publicly on local financial performance and this information is available through individual NHS Board websites.

Consolidated Financial Position

Based on the eleven months of the year to date (April 2018 – February 2019), a balanced year end position is forecast for the Health and Sport portfolio for both resource and capital budgets.

At month 11, NHS Boards are reporting a year-to-date adverse variance of £63.1 million and are forecasting a consolidated year-end adverse variance against budget of £70.1 million (6.5% decrease from month 10). The decrease in projected variance from month 10 – to within the anticipated brokerage position – represents delivery of saving measures and increased certainty over expenditure. Cost pressures highlighted by Boards include pay and drugs costs, which represent the most significant proportion of Boards’ budgets.

At month 11, four NHS Boards are anticipating a requirement for financial support in the form of brokerage in 2018-19. The indicative level of brokerage required is estimated at £70.3 million across the following Boards: NHS Tayside (£22.3 million); NHS Ayrshire and Arran (£20.0 million); NHS Highland (£18.0 million); and NHS Borders (£10.0 million). This compares with the actual total level of brokerage required in 2017-18 of £50.7 million.

The indicative level of brokerage for 2018-19 is within the planning assumptions of the portfolio, and is not therefore expected to create a risk to delivering a balanced overall portfolio outturn position. This overall portfolio forecast requires that all other Boards will deliver a balanced financial position, and therefore there is expected to be continued reduction in the adverse forecast in the final month of the year.

Table 1 below summarises the financial position at 28 February 2019, with further analysis by NHS Board at Table 2.

Table 1: Summary of forecast outturn and indicative brokerage required

	2018-19 Forecast Outturn				Indicative brokerage required £m
	Forecast Outturn	Budget	Variance		
	£m	£m	£m	%	
Resource Allocation					
Health and Sport Portfolio	13,132.5	13,132.5	0.0	0.0	-
<i>Included within:</i>					
NHS Boards	12,118.5	12,048.4	(70.1)	(0.6)	70.3
Capital Allocation					
Health and Sport Portfolio	351.2	351.2	0.0	0.0	-
<i>Included within:</i>					
NHS Boards	142.4	142.4	0.0	0.0	-

Table 2: Detailed financial position by NHS Board

	Revenue								Capital				
	Year to Date Position				2018-19 Forecast Outturn				Indicative Brokerage Required	Budget	Forecast Outturn	Variance	
	Budget	Actual	Variance		Budget	Actual	Variance					£m	£m
	£m	£m	£m	%	£m	£m	£m	%	£m	£m	£m	%	
NHS Ayrshire and Arran	698.3	717.4	(19.2)	(2.7)	778.2	798.2	(20.0)	(2.6)	20.0	8.3	8.3	-	-
NHS Borders	215.6	224.3	(8.7)	(4.0)	228.6	238.7	(10.1)	(4.4)	10.0	2.4	2.4	-	-
NHS Dumfries and Galloway	302.7	302.8	(0.1)	-	343.2	343.2	-	-	-	3.5	3.5	-	-
NHS Fife	645.0	648.1	(3.1)	(0.5)	707.1	709.6	(2.5)	(0.4)	-	7.4	7.4	-	-
NHS Forth Valley	506.5	506.7	(0.2)	-	569.5	569.5	-	-	-	6.1	6.1	-	-
NHS Grampian	927.2	927.4	(0.2)	-	1,035.2	1,035.2	-	-	-	12.8	12.8	-	-
NHS Greater Glasgow and Clyde	2,222.8	2,225.3	(2.5)	(0.1)	2,407.4	2,407.4	-	-	-	37.4	37.4	-	-
NHS Highland	625.8	641.6	(15.8)	(2.5)	697.0	713.9	(16.9)	(2.4)	18.0	6.6	6.6	-	-
NHS Lanarkshire	1,146.7	1,146.9	(0.1)	-	1,272.2	1,272.2	-	-	-	12.4	12.4	-	-
NHS Lothian	1,374.8	1,375.7	(0.8)	(0.1)	1,556.0	1,554.7	1.3	0.1	-	23.5	23.5	-	-
NHS Orkney	52.9	53.0	(0.1)	(0.3)	58.8	58.8	-	-	-	1.0	1.0	-	-
NHS Shetland	53.2	53.7	(0.5)	(1.0)	59.5	59.5	-	-	-	1.0	1.0	-	-
NHS Tayside	735.6	751.4	(15.8)	(2.2)	833.3	855.6	(22.3)	(2.7)	22.3 ¹	9.5	9.5	-	-
NHS Western Isles	77.7	80.5	(2.8)	(3.6)	88.1	88.6	(0.5)	(0.6)	-	1.2	1.2	-	-
NHS National Services Scotland	434.1	432.7	1.4	0.3	479.0	479.0	-	-	-	3.4	3.4	-	-
Scottish Ambulance Service	228.4	228.6	(0.2)	(0.1)	252.1	252.1	-	-	-	1.8	1.8	-	-
NHS Education for Scotland	421.7	416.5	5.2	1.2	465.3	465.3	-	-	-	0.5	0.5	-	-
NHS 24	58.5	58.1	0.4	0.6	65.2	64.9	0.3	0.5	-	0.3	0.3	-	-
National Waiting Times Centre	63.1	63.1	-	-	70.7	70.7	-	-	-	2.7	2.7	-	-
The State Hospitals Board for Scotland	29.8	30.0	(0.2)	(0.6)	32.8	32.8	-	-	-	0.3	0.3	-	-
NHS Health Scotland	17.6	17.2	0.3	1.9	19.6	19.3	0.3	1.7	-	0.1	0.1	-	-
Healthcare Improvement Scotland	26.1	26.0	-	0.2	29.9	29.6	0.3	1.0	-	0.2	0.2	-	-
Total NHSScotland	10,863.9	10,927.0	(63.1)	(0.6)	12,048.4	12,118.5	(70.1)	(0.6)	70.3	142.4	142.4	-	-

¹ NHS Tayside's reported brokerage requirement includes £3.6 million to reflect that the endowment fund repayment has now been made. This has already been included in the planning assumptions of the Health Portfolio and does not therefore impact on the outturn position.