

SUBJECT: FINANCE REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2023

1. PURPOSE

This paper is coming to Board Members:

For approval	<input type="checkbox"/> For endorsement	<input type="checkbox"/> To note	<input checked="" type="checkbox"/>
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2. ROUTE TO THE BOARD

As agreed, this report comes straight to the Board from the Director of Finance. The Acute Governance Committee and Health and Social Care Partnership Management Teams receive financial reports for their own area.

3. SUMMARY OF KEY ISSUES

A further £6.149m of funding for new medicines was received in the February 2023 allocation letter, our share of a further £50m of national PPRS receipts. Combined with other movements in month including essential backlog maintenance and a reduction in the corporate surplus, this takes the forecast deficit for 2022/23 to £0.202m. The benefit is being played in over the final 2 months, reducing the month 11 overspend to £7.307m before a further reduction in month 12. We have now received notification of funding (£45.5m) for the excess costs of the Agenda for Change and Medical & Dental pay deals including the percentage by which inter Board SLAs have to be increased. The pay modelling carried out confirms the funding is sufficient to cover these costs. The risk level therefore is considered to be low and there is now confidence that the Board will be able to breakeven. The means by which the gap was narrowed are predominantly one off leaving a substantial gap to be filled next year.

The Month 11 £7.307m overspend to date (excluding the £0.147m of excess cost against funding attributed to Test and Protect for which we anticipate funding) is a combination of the opening predicted gap, an over spend within the Acute Division of £15.637m and the impact of energy price rises offset by the non-recurring savings and additional income. This is forecast to improve in the final month of 2022/23 as the newly confirmed funding is played through.

As the capital forecast stands, the Board's capital budget would end up £0.436m overcommitted if it were to action the previously planned £0.780m. However there is still the potential for some slippage in March 2023, so the position will be reviewed at the end of March. Being able to transfer more than £0.344m, would reduce the small forecast revenue deficit which already accounts for the cost of the revenue maintenance schemes that the transfer is intended to cover.

4. STRATEGIC CONTEXT

This paper links to the following:

Corporate objectives	<input checked="" type="checkbox"/>	LDP	<input checked="" type="checkbox"/>	Government policy	<input type="checkbox"/>
Government directive	<input checked="" type="checkbox"/>	Statutory requirement	<input checked="" type="checkbox"/>	AHF/local policy	<input type="checkbox"/>
Urgent operational issue	<input type="checkbox"/>	Other	<input type="checkbox"/>		

5. CONTRIBUTION TO QUALITY

This paper aligns to the following elements of safety and quality improvement:

Three Quality Ambitions:

Safe	<input type="checkbox"/>	Effective	<input checked="" type="checkbox"/>	Person Centred	<input type="checkbox"/>
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Six Quality Outcomes:

Everyone has the best start in life and is able to live longer healthier lives; (Effective)	<input type="checkbox"/>
People are able to live well at home or in the community; (Person Centred)	<input type="checkbox"/>
Everyone has a positive experience of healthcare; (Person Centred)	<input type="checkbox"/>
Staff feel supported and engaged; (Effective)	<input type="checkbox"/>
Healthcare is safe for every person, every time; (Safe)	<input type="checkbox"/>
Best use is made of available resources. (Effective)	<input checked="" type="checkbox"/>

6. MEASURES FOR IMPROVEMENT

Achievement of AOP agreed position for revenue resource limit, capital resource limit and efficiency target.

7. FINANCIAL IMPLICATIONS

As set out in the paper.

8. RISK ASSESSMENT/MANAGEMENT IMPLICATIONS

Based on the information at month 11 Risk ID 2123 (that there is a significant risk that NHS Lanarkshire will be unable to realise required savings for year 2022/23 and deliver a balanced budget whilst maintaining essential services, meeting legislative requirement whilst being responsive to strategic change) could be expressed as low. This reduction from its previous high rating reflects the additional income announced in March 2023 as well as the reassurance that the pay award funding is adequate to cover 2022/23 costs.

9. FIT WITH BEST VALUE CRITERIA

This paper aligns to the following best value criteria:

Vision and leadership	<input type="checkbox"/>	Effective partnerships	<input type="checkbox"/>	Governance and accountability	<input checked="" type="checkbox"/>
Use of resources	<input checked="" type="checkbox"/>	Performance management	<input checked="" type="checkbox"/>	Equality	<input type="checkbox"/>
Sustainability Management	<input checked="" type="checkbox"/>				

10. EQUALITY AND DIVERSITY IMPACT ASSESSMENT

An E&D Impact Assessment has not been completed

Yes
No

This is a factual position report prepared from information in the financial ledger. It contains no proposals with an equality and diversity impact.

11. CONSULTATION AND ENGAGEMENT

This is a largely factual position report prepared from information in the financial ledger. The investment proposals are linked back to previous Board strategic priorities, action plans or business cases and have been checked for suitability with the officers of the IJB.

12. ACTIONS FOR THE BOARD

The Board is asked to note the contents of the report.

Approve	<input type="checkbox"/>	Accept the assurance provided	<input checked="" type="checkbox"/>	Note the information provided	<input checked="" type="checkbox"/>
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13. FURTHER INFORMATION

For further information about any aspect of this paper, please contact *Laura Ace, Director of Finance*
Telephone: 01698 752774.

Laura Ace
Director of Finance
22 March 2023

NHS LANARKSHIRE

FINANCE REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2023

1. Introduction

- 1.1. This paper sets out the revenue and capital expenditure to the end of February 2023, and provides an update on the 2022/23 forecast.

2. Overview

- 2.1. In March 2022 the Board approved an opening 2022/23 financial plan which set out a £38.223m gap between projected costs and income. Excluding the HSCPs, £5.669m of efficiency savings could reasonably be assumed, leaving the means with which to close the remaining £32.554m gap still to be identified. Annex C tracks the progress in reducing this gap, mapping out areas such as energy and supplies where costs increased by more than originally forecast and the additional income, savings or financial management opportunities which reduced it to £0.202m.
- 2.2. In Months 9 and 10 additional funding was announced by SG such as the retention of the national insurance allocations, increased cover for new medicines and reduction in central charges for CNORIS. Combined with additional funding from the IJBs for unscheduled care this made significant inroads to the residual forecast year end deficit which sat at £4.010m. In Month 11 a further £6.149m of funding for new medicines was received in the February 2023 allocation letter, our share of a further £50m of national PPRS receipts. This, combined with a reduction in the Corporate surplus and additional supplies costs including essential backlog maintenance has reduced the gap to £0.202m. The risk level therefore is considered to be low and there is now confidence that the Board will be able to breakeven.
- 2.3. We have now received notification of funding (£45.5m) for the excess costs of the Agenda for Change and Medical & Dental pay deals including the percentage by which inter Board SLAs have to be increased to include the pay deals. The pay modelling carried out confirms the funding is sufficient to cover these costs in 2022/23.
- 2.4. The narratives and figures above apply to the budgets directly managed by the NHS Board. The IJBs face a different cost and income profile. The absence of a carried forward recurring gap, the presence of reserves and a degree of insulation from some of the higher cost items such as hospital drugs and energy meant initially breakeven was predicted. Although they are seeing a faster increase in prescribing costs than had been forecast which will be a growing problem moving into 2023/24, their forecast year end position is a surplus.
- 2.5. The table 1 below gives the summary by Division at the end of February 2023. Sections 4 to 7 provide more detail on each area. The table below does not include the Covid-19 costs which are summarised in table 8 in section 10.

Table 1 - Summary Financial Position 2022/23

	YTD Budget £M	YTD Actual £M	YTD Variance £M
Acute Operating Division	428.454	444.091	(15.637)
North Lanarkshire Health & Social Care Partnership	308.380	295.741	12.639
South Lanarkshire Health & Social Care Partnership	438.689	431.536	7.153
Estates, E health and Other Corporate Functions	171.809	169.831	1.978
Service Level Agreements / Other Healthcare Providers	202.800	201.528	1.272
NHSL - wide	(104.340)	(109.420)	5.080
Underlying net operating cost	1,445.792	1,433.307	12.485
Remove IJB Position	(747.069)	(727.277)	(19.792)
Revised underlying net operating cost	698.723	706.030	(7.307)

2.6. At the start of the year the demands for capital far exceeded income and the approach agreed with the Board was to continue to work up projects to establish realistic timelines while allowing more advanced priority items to proceed. The Board had been successful in 3 bids for National Infrastructure Board funds resolving the gap. At the February local Capital investment Group, a request for further funding to create more space in the Wishaw emergency department was approved given its immediate high service priority even though that overcommitted the capital plan. If the current £0.436m over commitment cannot be resolved by any other means we will have to reduce our request for a capital to revenue transfer, which will reduce the revenue funding for backlog maintenance projects under way. The level of financial risk in this is manageable.

3. Revenue Resources

- 3.1. At the end of February 2023, the Core Revenue Resource Limit (RRL) for NHS Lanarkshire was £1,591.836m, details of which are noted in Annex A.
- 3.2. The February 2023 Core Revenue Resource Limit includes notification of funding (£45.5m) for the excess costs of the Agenda for Change and Medical & Dental pay deals including the percentage by which inter Board SLAs have to be increased to include the pay deals. The pay modelling carried out confirms the funding is sufficient to cover these costs for 2022/23.
- 3.3. The Board also received a further £6.149m for New Medicines in the February 2023 allocation letter our share of a further £50m in PPRS receipts. This takes our total to £24.437m from the £200m available nationally in 2022/23 and is £12.324m more than initial financial plan expectations.
- 3.4. The February 2023 Core Revenue Resource Limit includes a further £0.346m for the recruitment of additional Nursing, Midwifery and Allied Health Professionals by April 2023.
- 3.5. The February 2023 Core Revenue Resource Limit also includes the following confirmed resources for Health and Social Care Partnerships; £0.100m for Neurodevelopmental Pathway Pilots, £0.150m for Childhood Obesity, £0.107m for Community Perinatal Mental Health, £0.184m for Primary Care Out of Hours

(Tranche 2), £0.322m for Dementia Post Diagnostic support, £1.022m for Alcohol and Drug Partnerships (tranche 2), £0.103m for the Pre-registration Pharmacy Technician scheme, £3.930m for Action 15 Mental Health Strategy. £3.377m was issued for Mental Health Outcomes Framework which is £0.998m more than we were expecting and is a one off for 2022/23.

- 3.6. The National Distribution Centre acts as the central distribution point consolidating many supplies and deliveries for the NHS in order to gain better prices. NHS Boards are top-sliced to fund this and £1.286m (£0.045m more than last year) was deducted from the Board's allocation.
- 3.7. We are also anticipating at least an additional £22m of specific allocations, the largest component of which would be approximately £12m in standard primary care allocations.

4. Acute Division

- 4.1. The Acute Division is reporting an underlying over spend of £15.637m for the period to the end of February 2023, as detailed in Table 2. The over spend is £12.717m more than at the same point in the previous year due to a steep increase in agency nursing alongside bank use, unfunded medical posts, higher laboratory supplies costs and expanded use of new higher cost drugs. Budget from the Covid-19 funding envelope has been released to match the £7.874m of costs up to the end of February so it does not contribute to the over spend. This funding ends this year so any residual Covid-19 costs will form part of the 2023/24 deficit.

	Budgeted Operating Costs 28/02/2023 £M	Actual Operating Costs 28/02/2023 £M	Actual saving / (excess) 28/02/2023 £M
Pay	348.611	360.174	(11.563)
Non Pay	115.915	119.987	(4.072)
Healthcare Purchases	5.912	5.914	(0.002)
Gross operating costs	470.438	486.075	(15.637)
Less: miscellaneous income	(41.984)	(41.984)	0.000
Underlying Net operating cost	428.454	444.091	(15.637)
Covid-19 Spend	7.874	7.874	0.000
Revised Net operating cost	436.328	451.965	(15.637)

- 4.2. The estimated overspend is driven by pay costs in excess of budget (nursing £7.221m and medical and dental £5.045m). Non pay costs are also overspent (drugs £0.595m, equipment £0.738m, property and hotel services £0.518m and laboratory supplies £2.053m).
- 4.3. The total nursing spend in excess of budget for the 11 months to February is £12.767m of which £5.546m has been covered from the Covid-19 funding envelope leaving £7.221m within the Acute deficit. The factors influencing this are covering for high sickness absence levels and the continued use of agency workers to complement other supplementary staffing solutions. Nurse agency spend continues to be much higher than pre-pandemic levels and totals £22.362m for the 11 months of the year. This compares with an Agency spend for the comparable period last year of £11.063m and a total spend in 2018/19 of £1.936m.

- 4.4. The expenditure on laboratory and theatres supplies in the 11 months of 2022/23, at £36.559m is £6.945m (23.5%) more than in the 11 months of the previous year as more services continue to open up after the lifting of Covid-19 restrictions.
- 4.5. At £62.475m, the 11 month's Lanarkshire hospitals drug spend is 8.6% more than at the same point last year, 33% more than the same point in 2020/21 and 26% more than pre-pandemic levels. The 9 month's expenditure for out of area drugs (excluding oncology which is 6 months) is now known which, combined with eleven months' information from the Lanarkshire acute hospitals, leads to a forecast that the rise in hospital drugs costs could leave us requiring all of the drug reserve set aside in the financial plan.

5. Health and Social Care Partnerships

- 5.1. Across the Health and Social Care Partnerships, there is an under spend of £19.792m for the period to the end of February 2023 (North IJB - £12.639m under spent; South IJB - £7.153m under spent). Budget has been released from IJB reserves previously carried forward to match the costs attributed to Covid-19 (North IJB - £5.231m; South IJB - £3.762m) up to the end of February.
- 5.2. The opening prescribing budget received the general 2% allocation uplift. The growth in numbers of items dispensed is accelerating and now sits at 2.9% more by month 8 than in the same period last year (up from a 2.4% increase in the first 6 months). The average price is increasing month by month and is 2% higher than expected when looking at last year's average adjusted for the drug tariff deduction. The volume increase and average price is higher in South than in North but both are now showing an overspend which is forecast to grow over the remaining months of the year. Although both HSCPS have saving schemes in place only North deducted the identified savings (£1.068m) from budget as it looked safe to do so at the start of the year whereas South kept the rollover budget given the overspend position.
- 5.3. Tables 3 and 4 show the position in each partnership. Both have pay underspends due to vacancies across locality community services, hosted services and areas where recruitment is still progressing against new funding such as addictions.

	Budgeted Operating Costs 28/02/2023 £M	Actual Operating Costs 28/02/2023 £M	Actual saving / (excess) 28/02/2023 £M
Pay	150.742	141.678	9.064
Non Pay	89.009	84.898	4.111
Prescribing	63.784	64.784	(1.000)
Sub Total	303.535	291.360	12.175
Primary Care Improvement Fund	0.000	0.000	0.000
Share of Primary Care Other Services	10.076	9.612	0.464
Family Health Services	0.000	0.000	0.000
Net operating cost	313.611	300.972	12.639
Less: Covid-19 spend	(5.231)	(5.231)	0.000
Revised net operating cost	308.380	295.741	12.639

	Budgeted Operating Costs 28/02/2023 £M	Actual Operating Costs 28/02/2023 £M	Actual saving / (excess) 28/02/2023 £M
Pay	86.276	79.940	6.336
Non Pay	67.153	65.031	2.122
Prescribing	61.986	64.986	(3.000)
Sub Total	215.415	209.957	5.458
Primary Care Improvement Fund	10.765	9.514	1.251
Share of Primary Care Other Services	9.680	9.236	0.444
Family Health Services	206.591	206.591	0.000
Net operating cost	442.451	435.298	7.153
Less: Covid-19 spend	(3.762)	(3.762)	0.000
Revised net operating cost	438.689	431.536	7.153

6. Estates, e-Health and Other Corporate Functions

- 6.1. Estates, e-Health and Other Corporate functions are reporting an underlying under spend of £1.978m for the period to the end of February 2023, as detailed in Table 5. Budget from the Covid-19 funding envelope has been released to match the £11.006m of costs up to the end of February. Budget of £1.635m from the Test and Protect envelope has also been released against costs of £1.782m. Full funding for Test and Protect is anticipated so this position should improve when the final tranche of allocation is issued.
- 6.2. The costs of Test and Protect, the Vaccination programme, community testing and enhanced cleaning across all of NHS Lanarkshire are being reflected in the Corporate section of the ledger rather than spread across the Divisions.

	Budgeted Operating Costs 28/02/2023 £M	Actual Operating Costs 28/02/2023 £M	Actual saving / (excess) 28/02/2023 £M
Pay	74.549	73.568	0.981
Non Pay	105.890	104.893	0.997
Gross operating costs	180.439	178.461	1.978
Less: miscellaneous income	(8.630)	(8.630)	0.000
Underlying Net operating cost	171.809	169.831	1.978
Covid-19 Spend	12.641	12.788	(0.147)
Revised Net operating cost	184.450	182.619	1.831

- 6.3. The estimated under spend is spread across Property and Support Services (£0.371m), Other Corporate Functions (£0.971m) and the remaining under spend (£0.636m) sits within Occupational Health (SALUS) whose income generating activities are pre-planned to make a contribution to other Board overheads.

7. Service Level Agreements/Other Healthcare Providers

- 7.1. Service Level Agreements and Other Healthcare Providers are reporting an under spend of £1.272m for the period to the end of February 2023, as detailed in table 6.

	Budgeted Operating Costs 28/02/2023 £M	Actual Operating Costs 28/02/2023 £M	Actual saving / (excess) 28/02/2023 £M
Service Level Agreements	175.133	173.942	1.191
Unpacs and Oats	27.322	27.351	(0.029)
Independent Sector	0.345	0.235	0.110
Net operating cost	202.800	201.528	1.272

- 7.2. The under spend of £1.191m being reported against service level agreements is based on the continuation of the 2021/22 position. Apart from Glasgow who operate two years in arrears, most Boards would have been expected to revise their charges based on a three year rolling average of activity to 2021/22. There is widespread agreement however that the previous two years' activity was so atypical due to Covid-19 that the previous 3 year rolling average will be retained.
- 7.3. National discussions on how inter Board SLA's should be calculated has now taken place and a further proposal was put forward to Directors of Finance. An initial proposal was to apply a 3.23% uplift comprising of passing on the allocation uplift (2%), funding provided to cover the 1.25% increase in employer's national insurance (0.6%) and a further 0.63% to cover provider Boards for excess energy costs. The revised proposal is to add a further 3.47% for the impact of the new pay deal for Agenda for Change and Medical & Dental staff taking the proposed uplift to 6.7% effective from April 2022. The proposal also confirms the 0.63% for the impact of excess energy costs is non-recurring.

8. CRES/Efficiency

- 8.1. The financial plan was prepared on the basis of historic budgets and agreed developments. It was assumed any additional Covid-19 costs would be funded. Taking account of the opening gap of £24.254m and modelling the pay and supplies price increases and the previous trend on high cost drugs produced a cost increase £38.223m greater than the income increase. To balance this the Board would have needed to release £38.223m of cash from budgets through efficiency savings (CRES). At the time of submitting the financial plan the Board had only identified proposals for £5.669m of this total.
- 8.2. A comprehensive overview of all financial management opportunities has been undertaken resulting in £23.473m being recognised as savings and a further £14.083m of funding held by SG on Lanarkshire's behalf being utilised this year. All but £3.454m of this is one off, so utilising these sources now largely exhausts these opportunities.

- 8.3. The January allocation letter provided the Board with £6.175m of additional funding from the New Medicines Fund and confirmation of a reduction of £1.220m to our charge for CNORIS. A further £6.149m of additional funding from the New Medicines Fund was received in the February allocation letter. These are beyond our financial planning expectations and further reduces the gap. In total £0.202m of savings (or additional income) would now be needed to break even.
- 8.4. The month 11 Covid-19 forecasts showed £21.0m of potential cost against a £20.8m funding envelope to meet Covid-19 and Remobilisation costs in 2022/23, leaving a potential gap of £0.2m with work ongoing to close the gap.
- 8.5. Table 7 gives a provisional assessment of month 11 efficiency performance against the opening financial plan submission. Savings to date include rebates on drug list prices, small property or equipment savings.

Financial Plan description	Annual Operating Plan £m	Revised Annual Plan £m	Plan to date £m	Actual to Date £m
Service redesign	-	-	-	-
Drugs & prescribing	0.500	0.600	0.460	0.460
Workforce	-	-	-	-
Procurement	4.500	8.500	8.500	8.592
Infrastructure	0.669	4.287	2.359	2.359
Other	-	-	-	-
Financial Management / Corporate Initiatives	-	37.556	35.600	35.600
Unidentified Savings	32.554	0.202	-	-
Total Core NHS Board Savings	38.223	51.145	46.918	47.011
Savings delegated to Integration Authorities	4.132	5.414	1.720	2.170
Total Savings Required	42.355	56.559	48.638	49.181

9. Capital

- 9.1 The initial plan presented to the Board in March 2022 reflected the £13.012m formula allocation, an anticipated £13.156m towards the Monklands replacement business case and an estimated £0.551m of funding from revenue sources and other sources. Since then the main change to income has been as a result of a successful bids to the National Infrastructure Board for £2.163m funding for higher value equipment replacements, £3m backlog maintenance funding and £0.6m to cover the laundry equipment on the request of other West of Scotland Boards who would like to cover their 50% contribution this way. We have anticipated attracting £0.942m funding for fleet decarbonisation to be supplemented by £1m of funding under the IFRS 16 technical implementation arrangements.
- 9.2 As is often the case, the list of requests for capital far exceeded known income at the start of the year. The board in March 2022 was asked only to approve £5.120m of priority projects either already in progress or needing to start soon. The local

capital investment group has been working through the lists of projects under development or equipment requests, assessing priority and deliverability.

- 9.3 At the end of October, the forecast capital position was £0.780m less than anticipated income and we had applied for a transfer of funding of £0.780m from capital to revenue for maintenance schemes which will be accounted for as revenue rather than capital. In light of the high immediate service priority, the February Capital Investment Group approved proposals to advance work to expand space in the Wishaw Emergency Department even though that overcommitted the plan by £0.324m. The over commitment at Month 11 sits at £0.436m. There are a number of options for managing this risk including reducing our request for a capital to revenue transfer and then managing the revenue consequences.
- 9.4 Expenditure to the value of £18.760m has been incurred in the eleven months as detailed in Annex B.

10. Development and Approvals

- 10.1 Covid-19 expenditure continues to be incurred as detailed in Table 8. Although there is now a funding strategy for 2022/ there will be no further funding in 2023/24 apart from the vaccination programme and some public health costs.

Area	Budgeted Operating Costs 28/02/2023 £m	Actual Operating Costs 28/02/2023 £m	Actual saving / (excess) 28/02/2023 £m
Acute Operating Division	7.874	7.874	0.000
Estates, E-health and Other Corporate Functions	12.641	12.788	(0.147)
Total Board	20.515	20.662	(0.147)
North Lanarkshire Health & Social Care Partnership	5.231	5.231	0.000
South Lanarkshire Health & Social Care Partnership	3.762	3.762	0.000
Total Health & Social Care Partnership	8.993	8.993	0.000
Total Board and Health & Social Care Partnership	29.508	29.655	(0.147)

- 10.2 Annex D sets out the current forecast for Covid-19 related expenditure. Test and Protect is being funded separately.

11. Risk Assessment

As a result of the additional income notified for month 11, Risk ID 2123 (that there is a significant risk that NHS Lanarkshire will be unable to realise required savings for year 2022/23 and deliver a balanced budget whilst maintaining essential services, meeting legislative requirement whilst being responsive to strategic change) could be reduced from high to low.

The one off nature of many of the gains mean there has been no improvement in the forecasts for 2023/24.

12. Conclusion

The Board is asked to note:

- the actual revenue over spend of £7.307m as at 28 February 2023 that will reduce further in month 12 as the additional benefit notified on month 11 is phased in;
- the predicted year-end gap has been closed to £0.202m and there is confidence breakeven is looking more realistic;
- the risk assessment in section 11 that Board is now likely to be able to breakeven;
- that there is a £0.436 over commitment against the capital plans but it is expected to be able to resolve this.

LAURA ACE
DIRECTOR OF FINANCE
22 March 2023

REVENUE RESOURCE LIMIT 2022/23				
	Baseline Recurring £M	Earmarked Recurring £M	Non Recurring £M	Total £M
Core Revenue Resource Limit as at 31 January 2023	1,347.338	170.725	14.053	1,532.116
February Adjustments to Allocations Confirmed:				
Neurodevelopmental Pathway Pilots	0.000	0.000	0.100	0.100
Childhood Obesity - Early Years project	0.000	0.000	0.150	0.150
Staffing costs for REACH Transplant programme	0.000	0.003	0.000	0.003
Recruitment of 802 NMAHPs by April 2023	0.000	0.000	0.346	0.346
Small hot food appliances for doctors in training	0.000	0.000	0.001	0.001
Community Perinatal Mental Health, Infant Mental Health and Maternity / Neonatal Psychological Interv	0.000	0.107	0.000	0.107
NDC Logistic service charge	0.000	(1.286)	0.000	(1.286)
Community Pharmacy Practitioner Champions	0.000	0.000	0.036	0.036
Hearing Aids	0.000	0.000	0.003	0.003
National Boards Out of Hours - Tranche 2	0.000	0.000	0.184	0.184
Shortened Midwifery course at ENU backfill - 2022 and 2023	0.000	0.000	0.005	0.005
Dementia Post Diagnostic Support funds to IJBs	0.000	0.000	0.322	0.322
ADP tranche 2 allocation of National Mission	0.000	0.000	1.022	1.022
Cardiac Physiology Cohort 1 - 2022-23	0.000	0.000	0.066	0.066
New Medicines Funding - additional funding	0.000	0.000	6.149	6.149
Action 15 - Mental Health Strategy	0.000	3.930	0.000	3.930
Mental Health Outcomes Framework 2022/23	0.000	3.377	0.000	3.377
Foundation Training Year funding for NES	0.000	(0.414)	0.000	(0.414)
CSO support for NRS Infrastructure - pay uplift	0.000	0.000	0.016	0.016
Pay Awards 22-23	0.000	0.000	45.500	45.500
Pre-Registration Pharmacy Technician Scheme 2022-23	0.000	0.000	0.103	0.103
Core Revenue Resource Limit as at 28 February 2023	1,347.338	176.442	68.056	1,591.836
Non Core Revenue Resource Limit as at 31 January 2023	0.000	0.000	0.000	0.000
	0.000	0.000	0.000	0.000
Non Core Revenue Resource Limit as at 28 February 2023	0.000	0.000	0.000	0.000
Total Revenue Resource Limit as at 28 February 2023	1,347.338	176.442	68.056	1,591.836

NHS LANARKSHIRE			
CAPITAL EXPENDITURE TO 28th February 2023			
	2022/23 A.O.P £M	2022/23 Forecast £M	Actual £M
Initial Capital Formula Allocation:	13.012	13.012	8.701
Capital Resource Limit Adjustments:			
NES Funding - Cytology	0.000	0.030	0.030
Bronchoscopy simulators	0.000	0.058	0.058
ADJUSTED NET CAPITAL ALLOCATION	£13.012	£13.100	£8.789
Anticipated Capital Resource Limit Adjustments:			
Monklands Replacement Project	13.156	12.156	9.807
GP Sustainability Loans	0.000	1.354	0.043
National Treatment Centre - Cumbernauld	0.000	0.193	
National Infrastructure Board - Equipment	0.000	2.163	
National Infrastructure Board - Backlog Maintenance	0.000	3.600	
National Infrastructure Board - AAA Ultrasounds	0.000	0.093	
Transfer Trolleys	0.000	0.051	
Capital to Revenue Transfer	0.513	-0.780	
Decarbonisation Funding	0.000	0.812	0.121
Leases (IFRS 16)	0.000	1.134	
	£13.669	£20.776	£9.971
Other Income Adjustments:			
Other Income	0.018	0.018	
Property Disposals	0.020	0.048	
	£0.038	£0.066	£0.000
	£26.719	£33.942	£18.760
CAPITAL EXPENDITURE:			
Business Cases			
Monklands Replacement Project	13.156	12.156	9.807
Monklands General Business Continuity	2.267	4.945	3.091
Acute Property Works including Brain Injury	1.737	3.831	1.749
CAMHS South Lanarkshire Base	0.316	0.654	0.632
Kylepark	0.000	0.597	0.000
GP Sustainability Loans	0.000	1.354	0.043
National Treatment Centre - Cumbernauld	0.000	0.193	0.000
Other	0.000	0.335	0.167
	17.476	24.065	15.489
Medical Equipment	0.500	4.628	2.034
	0.500	4.628	2.034
Other Expenditure			
General Estates Work	0.000	1.768	0.213
West of Scotland Laundry - Replacement	0.000	0.600	0.000
Fleet Decarbonisation	0.000	1.866	0.121
	0.000	4.234	0.334
	0.300	1.451	0.903
	0.300	5.685	1.237
TOTAL CAPITAL EXPENDITURE	£18.276	£34.378	£18.760
(OVER) / UNDER COMMITTED	£8.443	-£0.436	£0.000

Forecast Outturn 2022/23			
	2022/23		
	Rec	Non rec	Total
	£m	£m	£m
Gap between cost and income growth as assessed March 2022	-42.792	4.569	-38.223
Identified Efficiency Schemes March 2022		5.669	5.669
Net Position March 2022	-42.792	10.238	-32.554
<u>Improvements:</u>			
Savings identified through finance recovery group	0.339	0.684	1.023
Additional corporate/pssd savings		0.503	0.503
Additional national savings	0.299	4.500	4.799
Slippage on financial planning estimates		2.911	2.911
Financial Management Options	6.672	23.887	30.559
Forecast corporate surplus based on Month 11		2.555	2.555
NIC benefit	5.895	-4.289	1.605
CNORIS (reduction from risk share of £70m to £60m)		1.220	1.220
New Medicines Fund (share of increase in national PPRS receipts from £100m to £200m)		12.324	12.324
	-29.588	54.532	24.945
Forecast acute deficit (including additional winter surge and operation flow)	-15.300	-1.739	-17.039
Expected Acute deficit per financial plan	3.600		3.600
Shortfall in covid -19 funding per December report	-7.730	7.530	-0.200
Forecast service level agreements / other healthcare providers deficit		-0.518	-0.518
Increase in winter plan commitments		-0.749	-0.749
Increase in energy costs	-1.953	-3.206	-5.159
Increase in supplies costs	-3.147	-1.853	-5.000
Other (including additional Public Holiday)	-0.295	0.214	-0.081
Revised Forecast	-54.413	54.211	-0.202

Covid-19 - Forecast year end expenditure for Health Services		
Revenue - Forecast Expenditure £000s	Forecast 2022-23	2021-22 Out-turn
Scale up of Public Health Measures	677	623
Flu Vaccination & Covid-19 Vaccination (FVCV)	11,593	16,725
Additional Bed Capacity/Change in Usage	1,130	1,407
Additional Staff Costs (Contracted staff)	575	0
Additional Staff Costs (Non-contracted staff)	5,413	9,840
Drug Related Costs	217	0
Additional Equipment and Maintenance	410	0
Additional Infection Prevention and Control Costs	0	1,927
Additional PPE	0	11
Digital & IT costs	190	0
Loss of Income	0	234
Other	271	1,791
Payments to Third Parties	0	331
Staff Wellbeing	214	
Patient Transport	309	0
Total Covid-19 Costs	21,000	32,889
Unachievable Savings	0	9,000
Remobilisation Costs	0	685
Test and Protect Costs	3,159	8,156
Grand Total	24,159	50,730