

NHS LANARKSHIRE FINANCE REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

1. Introduction

- 1.1. This paper sets out the revenue and capital expenditure to the end of September 2023 and provides an update on the 2023/24 forecast.

2. Overview

- 2.1. The estimated deficit at month 6 is £8.539m with a forecast year end position of £18.469m over budget. This is higher than the £13.160m deficit that would have been expected if the only changes to the opening plan had been the additional SG income (£14.933m in additional sustainability funding and £12.312m non recurring funding for new medicines) and the SG agreement for the Board to increase its expenditure by £5.9m to support improvements to unscheduled care performance through Operation Flow. The main reason for this is a worsening overspend in the Acute division
- 2.2. The £18.469m gap is made up of a recurring gap of £68.694m, offset by over £50m of income or measures to reduce the gap classed as non recurring.
- 2.3. The target issued by SGHSCD to all Boards is for 3% recurring savings which would equate to c £42.7m for NHS Lanarkshire spread across all budgets including those delegated to the Integration Joint Boards (IJBs). The recurring impact of the identified savings schemes in 2024/25 is currently estimated at £4.536m for the NHS Board and £5.6m for the IJBS. Work continues to identify options to narrow the gap.
- 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 mean there is more confidence the health budgets within the IJBs could breakeven in year. However, a continued increase in the volume of items dispensed and the average cost per item is outstripping the 2% allocation increase to the GP prescribing budget. Information is now 5 months in arrears due to a national problem moving to a new system with estimates subject to a high level of uncertainty. Taking a mid-point guess on previous years trends the overspend at 30 September is £6.984m though this is after North Lanarkshire IJB has played part of a prescribing contingency reserve into budget. North HSCP has more resilience in its budgets and reserves to absorb the pressure in 2023/24 than South.

- 2.5. The table below gives the summary by Division at the end of September 2023. Sections 4 to 7 provide more detail on each area.

	YTD Budget £M	YTD Actual £M	YTD Variance £M
Acute Operating Division	249.689	264.664	(14.975)
North Lanarkshire Health & Social Care Partnership	177.225	177.221	0.004
South Lanarkshire Health & Social Care Partnership	247.298	248.064	(0.766)
Estates, E-health and Other Corporate Functions	112.717	111.954	0.763
Service Level Agreements / Other Healthcare Providers	119.445	118.920	0.525
NHSL - wide	(37.667)	(42.815)	5.148
Net operating cost	868.707	878.008	(9.301)
Remove IJB Position	(424.523)	(425.285)	0.762
Revised Net operating cost	444.184	452.723	(8.539)

- 2.6. The requests for capital funding in 2023/24 currently exceed the budget available by £5.14m. This is an improvement on the project gap of over £8m at the end of August and reflects agreement with North IJB for the release of specific Mental health premises funding and recognition that some projects could benefit from a longer planning period or could move to 24/25 without service impact. A proposed management plan to avoid the remaining gap is under active discussion.

3. Revenue Resources

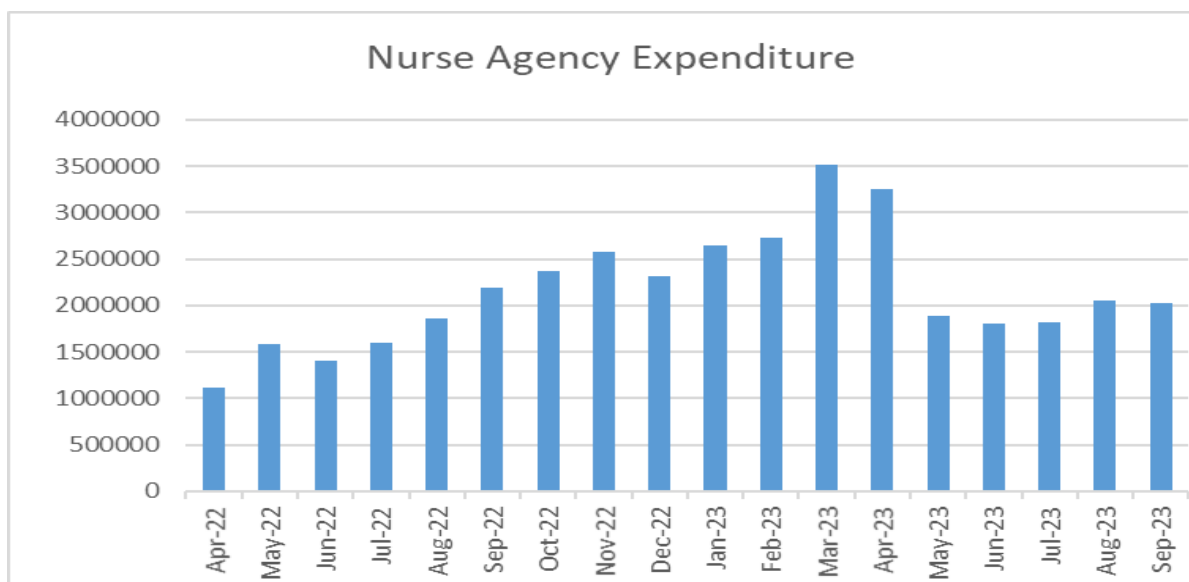
- 3.1. At the end of September 2023, the Core Revenue Resource Limit (RRL) for NHS Lanarkshire was £1,703.159m, details of which are noted in Annex A.
- 3.2. The September 2023 Core Revenue Resource Limit includes the following confirmed resources for Health and Social Care Partnerships; £1.610m being tranche 1 (70%) for Family Nurse Partnerships, £117.179m for Primary Medical Services, £0.126m for the delivery of veteran specific mental health support and £0.172m for annual health checks for People with a Learning Disability. These are as expected and are a continuation of earlier years' allocations. The £0.111m for Digital Therapy posts is new and to be used to expand local digital therapy teams across NHS territorial Boards.
- 3.3. The Board also received £1.085m for core Health Board research and £4.089m for Urgent and Unscheduled Care funding targeted towards interventions which will support delivery of the Four Hour Emergency Access Standard, reduce delays and improve patient care including the Flow Navigation Centre.
- 3.4. We are anticipating at least an additional £29m of specific allocations, the largest component of which would be the standard Health and Social Care Partnership allocations. We expect to receive funding to cover the costs of the medical and dental pay deals in excess of 2%.

4. Acute Division

4.1. The Acute Division is reporting an over spend of £14.975m for the period to the end of September 2023, as detailed in Table 2.

	Budgeted Operating Costs 30/09/2023 £M	Actual Operating Costs 30/09/2023 £M	Actual saving / (excess) 30/09/2023 £M
Pay	202.848	214.193	(11.345)
Non Pay	68.180	71.808	(3.628)
Healthcare Purchases	2.476	2.478	(0.002)
Gross operating costs	273.504	288.479	(14.975)
Less: miscellaneous income	(23.815)	(23.815)	0.000
Net operating cost	249.689	264.664	(14.975)

- 4.2. The raw overspend to compare with previous figures would have been £17.475m had the Board not agreed in May 23 to convert £5m of the emergency department pay overspend to substantive budget. As the NHS Board itself did not have the £5m, allocating this budget to the Acute was mirrored exactly by a £5m recurring deterioration in the core Board deficit. A non recurring funding solution, bringing in funding from IJB reserves established for unscheduled care, has been identified for this in 2023/24.
- 4.3. The estimated overspend is driven by pay costs in excess of budget (nursing £7.854m, medical £3.490m and healthcare scientists £0.664m). Non pay costs are also overspent (drugs £2.558m, hotel services £0.464m, equipment £0.392m, other therapeutic supplies £0.203m and other admin supplies £0.132m).
- 4.4. Supernumerary posts and rota compliance are contributing to the medical overspend. The remit of the Sustainability and Value (S & V) Group established to look at Medical locum costs has been widened to review the medical staffing pressures. Based on the first 6 months the overspend against the medical budget could be over £6.6m versus the £5.205m overspend in 2022/23.
- 4.5. The total nursing spend in excess of budget for the 6 months to September is £7.854m. The factors influencing this are cover for high sickness absence levels and the continued use of agency workers to complement other supplementary staffing solutions for vacancies including supernumerary health care support workers. Nurse agency spend continues to be much higher than pre-pandemic levels and totals £12.849m for the first 6 months of the year. This compares with an agency spend for the comparable period last year of £9.745m and a total spend in 2019/20 of £2.810m. There is a concentrated focus on reducing agency spend with considerable success in reducing off framework use. When the newly qualified nursing cohort starts in October 2023, the improvement in substantive staff in post should suppress the need for agency and the intention is to combine this with support in rostering, absence management and new role development to make the best use of our available workforce. There is however a historic national trend of agency use to increasing in the final quarter of the year.



- 4.6. In 2022/23 £6.980m of the £12.702m total Acute Division pays overspend sat in the Emergency Departments and the supporting admission units. Despite the injection of £5m of additional budget to support that overspend, the month 6 position is a £4.319m, a significant deterioration on last year. The conversion of posts to substantive and the additional operation flow investment to support a new target operating model have not yet been enacted. The better staffing configuration that should result from this needs to translate to more effective working and remove the excess costs of reactive and ad hoc supplementary staffing.
- 4.7. The expenditure on laboratory and theatres supplies in the first 6 months of 2023/24, at £20.350m is £1.157m (6%) more than in the first 6 months of the previous year. This is a combination of price and activity increases as we stand up more services.
- 4.8. At £39.565m, the first 6 months' Lanarkshire hospitals drug spend is 16% more than at the same point last year (49% more than in the 6 months to July 2019). The financial plan predicted an 8% rise and added £5.488m on to the opening budget to take it to £74.227m. Even on a straight line basis this rate of spend would result in a £4.9m overspend but the expectation would be for the increase to be greater in the latter part of the year as new, higher cost drugs are introduced. The biggest area of growth is in hospital prescribed drugs provided through healthcare at home with the numbers of patients increasing and a range of new drugs being added through the Glasgow clinics. The most favourable hypothesis is that Glasgow is switching delivery route for some drugs and when we receive the separate invoices for those delivered through the hospital we will see a compensating offset in the out of area spend. Due to staffing shortages in the Glasgow finance department, the information about what Glasgow has dispensed in 2023/24 is very limited. This has been escalated as the uncertainty presents NHS Lanarkshire with a material financial risk that it cannot reliably quantify.
- 4.9. The S & V Group looking at prescribing has identified drug switches potentially releasing £0.873m in year with an estimated £0.134m to date. This saving had been assumed to reduce the opening deficit.

5. Health and Social Care Partnerships

- 5.1. Across the Health and Social Care Partnerships, there is an over spend of £0.762m for the period to the end of September 2023 (North IJB - £0.004m under; South IJB - £0.766m over).
- 5.2. In 2022/23 both IJBs ended the year with a prescribing overspend, (North £1.750m and South £3.750m). The budget had received the 2% allocation uplift in 2022/23 but the numbers of items dispensed had increased by 3.44% and the price per item had increased by 3% from an average of £9.64 per item to £9.93. The budget received a further 2% uplift on April 2023 and based on the first month's figures, the estimated month 6 overspend is £4.554m for North and £2.340m for South. Both IJBs have set a target reduction through efficiency of £2.7m. As of 1 August 2023, initiatives that would generate £2.895m, split £1.676m North and £1.219m South have been identified. New opportunities are being identified each month so this figure could be expected to rise by the end of the year, though given the impact would be over fewer months this alone would not close any gap.
- 5.3. The prescribing overspend is the single biggest threat to the HSCPs financial plans. In North, where one off funding from a prescribing reserve has been released to budget, the underspend on pay costs is still almost sufficient to cover this. In South the general underspend against other budgets falls £2.504m short of covering the prescribing excess. At this stage it is assumed a combination of savings and reserves will allow the HSCPS to balance in year and initial plans have been sketched out with the IJB Chief Finance Officers but this will require close monitoring and management. The Head of Health and the Head of Health Finance in South have met with budget holders to discuss the management action needed to offset this prescribing cost increase.
- 5.4. Tables 3 and 4 show the position in each partnership.

	Budgeted Operating Costs 30/09/2023 £M	Actual Operating Costs 30/09/2023 £M	Actual saving / (excess) 30/09/2023 £M
Pay	89.484	86.051	3.433
Non Pay	47.295	48.612	(1.317)
Prescribing	36.903	39.243	(2.340)
Sub Total	173.682	173.906	(0.224)
Primary Care Transformational Fund	0.000	0.000	0.000
Share of Primary Care Other Services	3.543	3.315	0.228
Family Health Services	0.000	0.000	0.000
Net operating cost	177.225	177.221	0.004

Table 4 - South Lanarkshire Health & Social Care Partnership 2023/24

	Budgeted Operating Costs 30/09/2023 £M	Actual Operating Costs 30/09/2023 £M	Actual saving / (excess) 30/09/2023 £M
Pay	47.978	45.709	2.269
Non Pay	36.707	36.936	(0.229)
Prescribing	34.389	38.933	(4.544)
Sub Total	119.074	121.578	(2.504)
Primary Care Transformational Fund	11.940	10.412	1.528
Share of Primary Care Other Services	3.270	3.060	0.210
Family Health Services	113.014	113.014	0.000
Net operating cost	247.298	248.064	(0.766)

6. Estates, e–Health and Other Corporate Functions

- 6.1. Estates, e-Health and Other Corporate functions are reporting an under spend of £0.763m for the period to the end of September 2023, as detailed in Table 5.

Table 5 - Estates, E Health and Other Corporate Functions 2023/24

	Budgeted Operating Costs 30/09/2023 £M	Actual Operating Costs 30/09/2023 £M	Actual saving / (excess) 30/09/2023 £M
Pay	51.340	50.149	1.191
Non Pay	66.602	67.030	(0.428)
Gross operating costs	117.942	117.179	0.763
Less: miscellaneous income	(5.225)	(5.225)	0.000
Net operating cost	112.717	111.954	0.763

- 6.2. The under spend is spread across Corporate Departments (£0.372m) and Property and Support Services (£0.057m). The remaining under spend (£0.334m) sits within Occupational Health (SALUS) whose income generating activities are pre-planned to make a contribution to other Board overheads. This has been included in the efficiency table at 8.4 though and will need reassessed each month given the potential vulnerability of commercial income to loss of contracts.

7. Service Level Agreements/Other Healthcare Providers

- 7.1. Service Level Agreements and Other Healthcare Providers are reporting an under spend of £0.525m for the period to the end of September 2023, as detailed in table 6.

Table 6 - Service Agreements / Other Healthcare Providers 2023/24

	Budgeted Operating Costs 30/09/2023 £M	Actual Operating Costs 30/09/2023 £M	Actual saving / (excess) 30/09/2023 £M
Service Level Agreements	101.047	100.612	0.435
Unpacs and Oats	18.210	18.141	0.069
Independent Sector	0.188	0.167	0.021
Net operating cost	119.445	118.920	0.525

- 7.2. The under spend of £0.435m being reported against service level agreements is based on the continuation of the 2022/23 position. National discussions on how inter Board SLA's should be calculated have yet to take place. 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 2022/23. There is widespread agreement however that 2020/21 and 2021/22 were so atypical due to Covid-19 that they cannot be used. It is likely payments based on previous levels will be maintained but is becoming of increasing importance that a new basis for quantifying cross boundary flow is agreed. NHS Lothian has recently communicated its intention to use a new methodology. There is general agreement in the West of Scotland that the SLA model with NHS Greater Glasgow and Clyde needs rebuilt but regional work has not commenced and the change is not expected to impact until 2024/25. The 2022/23 SLA value with NHS GG&C was over £174m.
- 7.3. It is expected, as well as passing on the allocation uplift, any specific uplift provided for the pay deal beyond (2%) will be factored in to the SLAs. If SLAs are uplifted for other pressures this will become a cost pressure on the Board.

8. CRES/Efficiency

- 8.1. At £22.264m the Board has almost reached the £22.373m set out in the opening plan for savings, though there is a far greater reliance on non-recurring gains.
- 8.2. The financial plan was prepared on the basis of historic budgets and agreed developments. It forecast that costs would exceed income by £56.505m. Balancing in year would require efficiencies that either reduced costs or increased income. At the time of submitting the financial plan to Scottish Government the Board estimated it could expect £22.373m of savings leaving a gap at that time of £34.132m. Since that assessment, changes such as the release of c £27m additional funding from SG, SG approval to add £5.9m to the deficit for Operation Flow and the increase in acute division overspend have impacted on the gap which is now assessed at £18.469m. Appendix B sets the movement out in more detail. The £18.469m gap is after assuming the Board will achieve £22.264m of savings and the IJBs, £8.396m.
- 8.3. Table 7 below gives a provisional assessment of month 6 performance against the opening financial plan submission. There have been no new schemes identified in month for the NHS Board. The IJBs have identified some further prescribing savings.

Table 7				
Financial Plan description	Annual Operating Plan £m	Extant Plans £m	Forecast Savings Achieved £m	Plan to date £m
Service Redesign	-	-	-	-
Drugs & Prescribing	1.000	0.873	0.134	0.182
Workforce	5.250	0.017	-	0.006
Procurement	6.000	6.229	2.817	2.784
Estates & Infrastructure	2.385	2.707	2.293	2.293
Non-Pay (Other)	1.738	1.321	0.334	0.334
Financial Management / Corporate Initiatives	6.000	11.117	5.752	5.559
Identified Savings	22.373	22.264	11.330	11.157
Further savings to be identified to breakeven in year	34.132	18.469		
Total Core NHS Board Savings Required	56.505	40.733	11.330	11.157
Savings delegated to Integration Authorities	10.455	8.396	2.236	2.545
Total Savings Required	66.960	49.129	13.566	13.702

- 8.4. Savings to date include rebates on drug list prices, drugs & prescribing, procurement savings and estates & infrastructure projects. Of the £22.264m of NHS Board savings identified only £1.295m are recurring (though will generate c £2m more in full year effect). It is assumed the £2.895m of IJB prescribing savings are recurring. The total of these falls far short of the SG 3% target (c £42.7m).
- 8.5. The Board has set up a Sustainability and Value programme with 10 separate groups which segment expenditure into cohesive areas so opportunities for cost reduction can be explored in depth. These cover medicines, nursing agency, medical locums, procurement, estates, energy and waste and income generation. 3 wider groups have also been established looking for opportunities from workforce optimisation, redesign and reform and digital and innovation. To date the programme has identified £5.928m of deliverable savings in year of which £3.064m relate to the Health and Social Care Partnerships prescribing efficiency initiative. A further £24.732m of opportunities, largely one off, have been identified outside the S & V Programme split £5.101m in the IJBs and £19.631m in the rest of the NHS.
- 8.6. In addition to these there is a pipeline of project at an earlier stage of development. It is not believed that the pipeline projects would be able to deliver sufficient in 2023/24 to close the remaining gap.
- 8.7. The £5.250m workforce savings in the original plan were largely an estimate of what might be a realistic net saving through reducing reliance on nursing agencies. As the graph in 4.4 shows there has been success in reducing expenditure from its March 2023 peak and September 2023 is lower than September 2022. However, as the total expenditure is in excess of the same period last year, we are not yet able to enter a net saving apart from a small amount planned to come from accelerating recruitment. There is a dedicated S & V Group looking at this and controls were tightened further in July 2023.

- 8.8. The Medical Locums group has widened its scope to look at supernumerary post and rota compliance and can demonstrate success in reducing the number of doctors working in non-compliant rotas that attract a higher banding. This is important for cost avoidance but as the overall medical overspend is increasing from last year's level however this hasn't been quantified as a net saving.
- 8.9. The work of the redesign and reform group is still in the pipeline stage.
- 8.10. A national Financial Improvement Group has been established and it is increasingly active in sharing ideas for potential savings and following up Board's progress with them. We have established a process where each idea is distributed to the relevant director who returns a structured assessment of the potential this gives and what will be done. These are reviewed by the directors corporately at the monthly S & V meeting to ensure we are taking all available opportunities.

9. Capital

- 9.1 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. At the end of September 2023 the commitments made to date had been brought within budget, largely due to financial support from the IJBs for specific mental health projects. A management action plan for the remaining demands is at an advanced stage, with the less ready or urgent proposed for April 2024 to stay within the Capital Resource limit in 2023/24. At this stage the plan seeks to identify c £1.5m additional income rather than defer other purchases but that may need reassessed if not feasible.
- 9.2 The local Capital investment group approved a phased plan for replacing the converged IT infrastructure which reaches end of support in March 2025. An option appraisal had been carried out and replacing on site capacity was the more affordable option with a view to migrating to the cloud at the next replacement point. The capital purchases are being accommodated by reprioritising the proposed IT capital spend and phasing over more than one year. The enhanced requirements for cyber security measures and annual support costs bring an increased revenue cost from 24/25. This was discussed by the corporate management team and was agreed as unavoidable. The additional costs, estimated at £0.505m recurringly have no identified funding source and will be incorporated in the next update to the 3-year financial plan.
- 9.3 To date £13.904m of expenditure has been recorded to date with £7.232m relating to MRP and £2.792m relating to the new shared facility in Northern Corridor. Although we have been making contributions as the project progressed the accounting treatment previously agreed for our contribution to the North Lanarkshire Council led Chryston facility was that on us taking over our part of the leased building the entire capital value would be recorded.

10. Development and Approvals

- 10.1 The Endoscopy Reporting System is nearing end of support and a national agreement was reached to procure a single platform for Boards to use. A paper setting out the various options was considered by the corporate management team and it was agreed both that the replacement was unavoidable and that implementing the national platform was the

best option. There is SG support for the purchase but the revenue costs fall to the Board. It is estimated the recurring annual increased revenue costs will be £0.065m from 2024/25 with c £0.080m of local implementation costs starting in 2023/24 and straddling the year end. The 2023/24 costs can be covered from another underspend but the ongoing costs will impact the financial plan from 2024/25 onwards.

- 10.2 A "Star Chamber" approach has been established to reviewing the priority investments for Operation FLOW, ensuring they are clearly linked to improving performance, are coherent with existing services and other initiatives and are deliverable. Further approvals for a new operating model in the emergency departments (REACT), for administrative support to the discharge process and for frailty pathways were given on 3 October 2023 and these are now being recruited to. Table 8 below reflects commitments to date, with estimates of time to recruit informing the 2023/24 projections which will be refreshed monthly. The tail of non-recurring initiatives going into 2024/25 pushes the expenditure over the £5.9m envelope in that year. The tentative proposal for managing that is to pre-commit available winter funding to those initiatives in 2024/25.

Table 8					
	Fixed Term WTE	Perm. WTE	Part year 23/24	24/25	25/26
			£000s	£000s	£000s
Core Group (1)					
HR Support	3.00		86	43	-
3 Pas for Consultant Clinical leads	0.30		19	27	-
Service Improvement managers		2.00	72	138	138
Project Manager		0.40	12	30	30
Business Support Analyst	1.00	1.00	54	91	45
Pre Hospital/ Avoiding Admission (2)					
Hospital at Home - Expansion for winter	12.30		254	-	-
Expansion of Flow Navigation Centre		8.37	239	722	722
Front door redesign pan Lanarkshire (3)					
OPAT		13.40	234	794	794
OPAT funding		-	234	-	-
REACT		7.38	265	1,046	1,046
UHW ED Minors		14.00	278	705	705
Revenue Equipment for minors area		-	60	-	-
Ward and System Flow (4)					
ANP support for Boarders	4.50		124	187	-
Discharge Lounge extension	6.00		72	245	-
Heads of Patient Flow	2.00		111	157	-
Medical Cover for Boarding UHM		2.00	68	300	300
Site Flow Capacity Managers		9.00	211	827	827
Ward Admin Support for Discharge	21.76		175	402	-
Clinical champion for each site	3.00		67	135	-
Frailty (5)					
Frailty Interface team	10.50		175	595	-
Frailty Network		2.60	89	199	199
Frailty Offsite bed support	3.00		50	171	-
Digital Equipment			50	-	-
	67.36	60.15	2532	6815	4807
Supplementary Initiatives					
Additional winter costs			680		
Hospital at Home Expansion Clydesdale			326	326	326
Hospital at Home funding			-326	-300	
			3212	6841	5133

- 10.3 The STAR chamber also considered the draft proposal for converting £5m of the previous emergency department pay overspend to substantive staffing. This had been agreed at

the May 2023 Board on the premise that permanently filling posts would provide consistent and better quality care and reduce the use of ad hoc premium cost supplementary staffing, potentially reducing the overspend from £6.980m to £5m. The Star Chamber asked for further work to be carried out on the proposal to demonstrate how this will lead to more cost effective use of staffing and help contain the escalating overspend described in para. 4.6.

11. Risk Assessment

- 11.1 Based on the information at month 6 Risk ID 2197 remains very high. (There is a significant risk that NHSL will be unable to identify and release the savings needed, on current income and expenditure projections, to meet the Scottish Governments requirement to deliver a balanced budget for the period of 2023/24 – 2025/26).
- 11.2 Although the additional income was a welcome development the level of recurring savings identified by the Sustainability and Value Programme are far below the level needed to secure recurring balance as described in 8.5. To breakeven in year a further £18.469m savings, slippage or additional income would have to be identified. The above assumes the additional sustainability money would be retained by the NHS Board. It also assumes both IJBS will be able to cover the GP prescribing forecast overspend by in year measures and reserves which is not certain at this stage.
- 11.3 Delays in receiving information about GP prescribing and Out of Area hospital drugs are exacerbating uncertainties in forecasting and the extent of corrective action therefore needed. For GP prescribing the trends over the previous 10 years have been reviewed so that sensitivity analysis on the potential variation from extrapolating from early data can be assessed but it gives a potential £15m range between best case and worst case. A mid-point estimate has been used. We are reaching out to both the pharmacy and Finance department in Glasgow to try and get information on high cost hospital drugs dispensed for Lanarkshire residents. We estimate the range of uncertainty in this to be c £5m and it will require further escalation soon.

12. Conclusion

The Board is asked to note:

- the actual revenue over spend of £8.539m as at 30 September 2023;
- the revised forecast with a predicted year end gap now sitting at £18.469m;
- the initial assessment that month 6 is behind trajectory and the risk assessment in section 11 that the risk of not breaking even over 3 years remains very high.
- That a plan to bring the capital programme within available resources for the year, involving additional income, prioritising and phasing is well advanced and should be achievable.

LAURA ACE
DIRECTOR OF FINANCE
19 October 2023

REVENUE RESOURCE LIMIT 2023/24				
	Baseline Recurring £M	Earmarked Recurring £M	Non Recurring £M	Total £M
Core Revenue Resource Limit as at 31 August 2023	1,496.552	29.614	52.551	1,578.717
September Adjustments to Allocations Confirmed:				
Family Nurse Partnership SLA - Tranche 1 (70%)	0.000	0.000	1.610	1.610
Optimal Lung Cancer Diagnostic	0.000	0.000	0.028	0.028
Primary Medical Services	0.000	117.179	0.000	117.179
CSO support for NRS Infrastructure	0.000	0.000	1.085	1.085
Shortened Midwifery course at ENU backfill - 2023	0.000	0.000	0.015	0.015
Hospitals at Home	0.000	0.000	0.028	0.028
Delivery of veteran specific mental health support	0.000	0.000	0.126	0.126
Digital therapy posts	0.000	0.111	0.000	0.111
Annual Health Checks for People with a Learning Disability	0.000	0.172	0.000	0.172
Multi-Disciplinary Teams - Reverse ref 110	0.000	0.000	(4.008)	(4.008)
Multi-Disciplinary Teams	0.000	4.008	0.000	4.008
Urgent and Unscheduled Care	0.000	0.000	4.089	4.089
Core Revenue Resource Limit as at 30 September 2023	1,496.552	151.083	55.524	1,703.159
Non Core Revenue Resource Limit as at 31 August 2023	0.000	0.000	0.000	0.000
	0.000	0.000	0.000	0.000
Non Core Revenue Resource Limit as at 30 September 2023	0.000	0.000	0.000	0.000
Total Revenue Resource Limit as at 30 September 2023	1,496.552	151.083	55.524	1,703.159

Forecast Out-turn 2023/24			
	2023/24		Total
	Rec	Non rec	
	£m	£m	£m
Gap between cost and income growth as assessed March 2023	-68.485	11.980	-56.505
Efficiency Schemes Identified as at 30 September 2023	1.295	20.970	22.264
Net Postion 30 September 2023	-67.190	32.949	-34.241
Improvements:			
Additional Sustainability & NRAC Parity Adjustment	14.933	0.000	14.933
New Medicines Fund (better than expected)	0.000	12.493	12.493
Slippage on financial planning estimates	0.000	3.722	3.722
Forecast corporate surplus	0.000	1.518	1.518
	-52.257	50.682	-1.575
Increased Costs:			
Operation Flow Investment	-5.900	0.000	-5.900
Forecast Acute deficit	-10.807	0.000	-10.807
National Payroll Modernisation	0.000	-0.066	-0.066
Increased Waste Bin Collection	0.000	-0.121	-0.121
Forecast surplus/ (deficit) 2023/24	-68.964	50.495	-18.469

NHS LANARKSHIRE			
CAPITAL EXPENDITURE TO 30th September 2023			
	2023/24	2023/24	
	A.O.P	Forecast	Actual
	£M	£M	£M
Initial Capital Formula Allocation:	13.012	13.012	5.916
Capital Resource limit adjustments:			
Decarbonisation Funding	0.400	0.812	0.022
National Infrastructure Board Equipment	0.000	0.675	
GP Sustainability Loan	1.311	0.735	0.735
ADJUSTED NET ALLOCATION	£14.723	£15.233	£6.672
Anticipated Capital Resource Limit Adjustments :			
Monklands Replacement Project	22.853	22.853	7.232
WoS Brain Injury Service	0.000	0.641	
Revenue to Capital Transfer - IJB Support	3.638	2.073	
Diagnostic and Elective Centre, Cumbernauld	0.300	0.000	
Leases (IFRS 16)	0.000	0.000	
	£26.791	£25.567	£7.232
Other Income Adjustments:			
Other Income	0.017	0.069	
	£0.017	£0.069	£0.000
Disposal Programme:			
Property Disposals	0.068	0.054	
	£0.068	£0.054	£0.000
	£41.599	£40.923	£13.904
CAPITAL EXPENDITURE:			
Business Cases			
Monklands Replacement Project	22.853	22.853	7.232
Monklands general business continuity	5.918	3.629	0.648
Acute Property Works	3.771	2.140	0.816
	32.542	28.622	8.696
Medical Equipment	2.700	1.885	0.861
	2.700	1.885	0.861
Other Service Developments			
Chryston Community Facility	2.450	3.650	2.792
Clydesdale Primary Care Practice	0.480	0.000	0.000
Diagnostic and Elective Centre, Cumbernauld	0.300	0.000	0.062
Mental Health and CAMHS	1.302	0.000	0.000
Kylepark	1.254	1.444	0.737
	5.786	5.094	3.591
Other Expenditure			
Other	0.000	0.338	0.000
General Estates Works	0.000	0.000	0.000
West of Scotland Laundry - Replacement	0.000	0.250	0.000
Fleet Decarbonisation	0.400	0.812	0.022
GP Sustainability Loan	1.311	0.735	0.735
Leases (IFRS 16)	0.671	0.000	0.000
<i>subtotal</i>	2.382	2.135	0.756
I.M.&T Projects	3.525	2.264	0.000
	5.907	4.399	0.756
TOTAL CAPITAL EXPENDITURE	£46.935	£40.000	£13.904
(OVER) / UNDER COMMITTED	-£5.336	£0.923	£0.000