



NHS Scotland 2020-21 Consolidated Financial Reporting to 31 December 2020 (Month 9)

Purpose

This paper summarises the financial position for NHS Scotland for the reporting year 2020-21. It sets out the year to date position and the forecast position for the year end. 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.

Context

The Health and Sport Portfolio resource budget following the 2020-21 Autumn Budget Revision is £16.9 billion. As part of the budget approved by the Scottish Parliament, the 14 Territorial and 8 National Boards account for the majority of that spend, with the remainder administered directly by the Scottish Government. The NHS Board resource budget covers spending on operating costs such as pay, drugs and supplies.

In addition to the Budgets allocated at the outset of the year to NHS Boards, £2.8 billion is managed centrally by the Scottish Government Health and Social Care Directorates; the majority of which is allocated to NHS Boards over the course of the year. This includes total funding of £1.8 billion for the four professional groups of independent sub-contractors - medicine, pharmacy, dentistry and optometry.

The capital budget is £438 million in 2020-21 and funds investment in the NHS estate, equipment and maintenance.

Consolidated Financial Position

Based on the first nine months of the year (April-December 2020), the Health and Sport Portfolio is working to deliver a balanced financial position for both resource and capital budgets.

NHS Boards have identified an initial savings requirement of circa £430 million which is required in order to deliver financial balance. All savings generated are retained locally by Boards and plans are continually developed throughout the year.

At month 9, NHS Boards are reporting a projected variance of £44.4 million. This is prior to the full receipt of Covid funding from the Scottish Government and further delivery of savings schemes. Given the exceptional nature of this year, and consistent with the pausing of the NHS Board performance escalation framework, further Covid-19 funding ensures that all NHS Boards can deliver a balanced financial position in 2020-21. All funding for 2020-21 is provided on a non-repayable basis. After assumed additional funding and delivery of savings, all Boards are forecasting delivery of breakeven.

Table 1 below summarises the financial position at 31 December 2020, with further analysis by NHS Board at Table 2.



Table 1: Summary of forecast outturn and indicative financial support required

| | 2020-21 Forecast Outturn | | | | Indicative financial support required |
|-----------------------------------|--------------------------|-----------------|----------|-------|---------------------------------------|
| | Forecast Outturn | Budget | Variance | | |
| | £m | £m | £m | % | £m |
| Resource Allocation | | | | | |
| Health and Sport Portfolio | 16,942.6 | 16,942.6 | - | - | - |
| <i>Included within:</i> | | | | | |
| Territorial NHS Boards | 12,732.5 | 12,685.7 | (46.8) | (0.4) | - |
| National NHS Boards | 2,246.6 | 2,249.0 | 2.4 | 0.1 | - |
| Capital Allocation | | | | | |
| Health and Sport Portfolio | 305.6 | 305.6 | - | - | - |
| <i>Included within:</i> | | | | | |
| Territorial NHS Boards | 268.5 | 268.5 | - | - | - |
| National NHS Boards | 37.2 | 37.2 | - | - | - |

**Health and Sport Portfolio Budget based on 2020-21 Autumn Budget Revision.*

Capital

Capital allocations made to NHS Boards to date total £307 million, this funding is the Boards' baseline capital funding, a further breakdown by Board is provided at Table 2. The remaining budget is to be allocated to NHS Boards throughout the remainder of this financial year to support further projects such as the Elective Centre Programme and the Baird and ANCHOR project.

Key Developments

This report represents an indication of the financial position on NHS Boards. Key movements will be reported in future reports as the position becomes more refined.



Table 2: Detailed financial position by NHS Board

| | Revenue | | | | | | | | Capital | | | |
|--|-----------------------|-----------------|---------------|--------------|--------------------------|-----------------|---------------|--------------|--------------|------------------|----------|---|
| | Year to Date Position | | | | 2020-21 Forecast Outturn | | | | Budget | Forecast Outturn | Variance | |
| | Budget | Actual | Variance | | Budget | Actual | Variance | | | | | |
| | £m | £m | £m | % | £m | £m | £m | % | £m | £m | £m | % |
| NHS Ayrshire and Arran | 641.9 | 645.9 | (3.9) | (0.6) | 911.7 | 911.7 | - | - | 15.3 | 15.3 | - | - |
| NHS Borders | 194.2 | 199.2 | (4.9) | (2.5) | 275.2 | 275.0 | 0.3 | 0.1 | 2.4 | 2.4 | - | - |
| NHS Dumfries and Galloway | 276.4 | 284.2 | (7.8) | (2.8) | 399.2 | 399.2 | - | - | 7.9 | 7.9 | - | - |
| NHS Fife | 585.4 | 588.2 | (2.8) | (0.5) | 825.0 | 825.0 | - | - | 11.2 | 11.2 | - | - |
| NHS Forth Valley | 472.0 | 472.0 | (0.1) | (0.0) | 686.0 | 686.0 | - | - | 12.3 | 12.3 | - | - |
| NHS Grampian | 863.4 | 864.1 | (0.7) | (0.1) | 1,220.6 | 1,220.6 | - | - | 30.5 | 30.5 | - | - |
| NHS Greater Glasgow and Clyde | 2,038.5 | 2,080.9 | (42.5) | (2.1) | 2,960.9 | 2,997.4 | (36.6) | (1.2) | 50.9 | 50.9 | - | - |
| NHS Highland | 587.0 | 599.4 | (12.3) | (2.1) | 829.1 | 829.1 | - | - | 51.0 | 51.0 | - | - |
| NHS Lanarkshire | 1,064.3 | 1,061.1 | 3.2 | 0.3 | 1,480.7 | 1,480.7 | - | - | 16.4 | 16.4 | - | - |
| NHS Lothian | 1,279.1 | 1,286.4 | (7.3) | (0.6) | 1,894.2 | 1,895.8 | (1.6) | (0.1) | 36.1 | 36.1 | - | - |
| NHS Orkney | 48.4 | 54.5 | (6.1) | (12.6) | 66.9 | 74.2 | (7.3) | (10.9) | 1.0 | 1.0 | - | - |
| NHS Shetland | 50.4 | 52.4 | (2.1) | (4.1) | 73.4 | 73.4 | - | - | 2.8 | 2.8 | - | - |
| NHS Tayside | 698.2 | 695.8 | 2.4 | 0.3 | 969.2 | 969.2 | - | - | 29.2 | 29.2 | - | - |
| NHS Western Isles | 70.0 | 70.0 | (0.0) | (0.0) | 93.6 | 95.2 | (1.6) | (1.7) | 1.4 | 1.4 | - | - |
| NHS National Services Scotland | 769.8 | 761.7 | 8.1 | 1.0 | 1,066.9 | 1,066.9 | - | - | 9.9 | 9.9 | - | - |
| Scottish Ambulance Service | 232.7 | 233.0 | (0.3) | (0.1) | 323.5 | 323.5 | - | - | 20.0 | 20.0 | - | - |
| NHS Education for Scotland | 396.6 | 394.1 | 2.5 | 0.6 | 535.5 | 535.2 | 0.3 | 0.1 | 0.4 | 0.4 | - | - |
| NHS 24 | 63.3 | 63.3 | 0.0 | 0.0 | 88.0 | 88.0 | - | - | 0.8 | 0.8 | - | - |
| National Waiting Times Centre | 58.6 | 58.4 | 0.2 | 0.3 | 88.0 | 88.0 | (0.0) | (0.0) | 4.3 | 4.3 | - | - |
| The State Hospitals Board for Scotland | 26.6 | 26.1 | 0.4 | 1.7 | 36.9 | 36.9 | - | - | - | - | - | - |
| NHS Public Health Scotland | 49.4 | 49.2 | 0.2 | 0.3 | 76.3 | 76.3 | - | - | 1.1 | 1.1 | - | - |
| Healthcare Improvement Scotland | 24.9 | 23.2 | 1.7 | 6.8 | 33.9 | 31.8 | 2.1 | 6.2 | 0.6 | 0.6 | - | - |
| Total NHSScotland | 10,491.1 | 10,563.2 | (72.2) | (0.7) | 14,934.7 | 14,979.1 | (44.4) | (0.3) | 305.6 | 305.6 | - | - |