



NHS Scotland 2018-19 Consolidated Financial Reporting to 31 August 2018 (Month 5)

Purpose

This paper summarises the financial position for NHS Scotland for the reporting year 2018-19. It builds on the information published since May 2018, and sets out the updated position at Month 5.

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 first five months of the year (April-August 2018), a balanced year end position is forecast for the Health and Sport portfolio for both resource and capital budgets.

At Month 5, NHS Boards are reporting a year-to-date adverse variance of £70.8 million and are forecasting a consolidated year-end adverse variance against budget of £107.0 million (a reduction from £127.1 million at Month 4). The consolidated position is expected to continue to improve through the year as further savings are identified and delivered. In-year pressures highlighted by NHS Boards at Month 5 include pay and drugs costs, which represent the most significant proportion of Boards' budgets.

At Month 5, there are four NHS Boards that require a two to three year timeframe to return to financial balance and are consequently anticipating a requirement for financial support in the form of brokerage in 2018-19. The indicative level of brokerage required is estimated at £67.7 million across the following Boards: NHS Tayside (£18.7 million); NHS Ayrshire and Arran (£20.0 million); NHS Highland (£19.0 million); and NHS Borders (£10.0 million). This compares with the actual total level of brokerage requirement 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 a reduction in the adverse forecast over the course of the remaining 7 months of the year.

Table 1 below summarises the financial position at 31 August 2018, 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
	Forecast Outturn	Budget	Variance		
	£m	£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	12,006.3	11,899.3	(107.0)	(0.9)	67.7
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	313.0	326.5	(13.5)	(4.3)	772.1	794.5	(22.4)	(2.9)	20.0	8.3	8.3	-	-
NHS Borders	95.4	101.7	(6.3)	(6.6)	225.1	235.1	(10.0)	(4.4)	10.0	2.4	2.4	-	-
NHS Dumfries and Galloway	133.0	134.7	(1.7)	(1.3)	341.0	341.0	-	-	-	3.5	3.5	-	-
NHS Fife	285.1	286.9	(1.8)	(0.6)	699.5	699.5	-	-	-	7.4	7.4	-	-
NHS Forth Valley	223.4	224.4	(1.0)	(0.4)	562.8	563.7	(0.9)	(0.2)	-	6.1	6.1	-	-
NHS Grampian	411.0	412.3	(1.3)	(0.3)	1,035.7	1,035.7	-	-	-	12.8	12.8	-	-
NHS Greater Glasgow and Clyde	993.7	1,010.0	(16.3)	(1.6)	2,336.9	2,361.9	(25.0)	(1.1)	-	37.4	37.4	-	-
NHS Highland	275.5	286.3	(10.8)	(3.9)	691.4	714.0	(22.6)	(3.3)	19.0	6.6	6.6	-	-
NHS Lanarkshire	501.7	503.3	(1.6)	(0.3)	1,262.6	1,262.6	-	-	-	12.4	12.4	-	-
NHS Lothian	583.5	587.7	(4.2)	(0.7)	1,557.1	1,558.6	(1.5)	(0.1)	-	23.5	23.5	-	-
NHS Orkney	22.2	22.8	(0.6)	(2.7)	55.8	58.1	(2.3)	(4.1)	-	1.0	1.0	-	-
NHS Shetland	22.7	24.5	(1.8)	(7.9)	57.6	60.6	(3.0)	(5.2)	-	1.0	1.0	-	-
NHS Tayside	328.7	337.0	(8.3)	(2.5)	819.9	838.6	(18.7)	(2.3)	18.7	9.5	9.5	-	-
NHS Western Isles	33.5	34.2	(0.7)	(2.1)	87.4	88.0	(0.6)	(0.7)	-	1.2	1.2	-	-
NHS National Services Scotland	166.2	166.0	0.2	0.1	465.3	465.3	-	-	-	3.4	3.4	-	-
Scottish Ambulance Service	101.0	102.9	(1.9)	(1.9)	248.8	248.8	-	-	-	1.8	1.8	-	-
NHS Education for Scotland	180.5	180.0	0.5	0.3	459.8	459.8	-	-	-	0.5	0.5	-	-
NHS 24	26.0	26.0	(0.0)	(0.1)	66.6	66.6	-	-	-	0.3	0.3	-	-
National Waiting Times Centre	27.7	27.0	0.7	2.5	71.7	71.7	-	-	-	2.7	2.7	-	-
The State Hospitals Board for Scotland	13.3	13.7	(0.4)	(3.0)	32.3	32.3	-	-	-	0.3	0.3	-	-
NHS Health Scotland	7.3	7.1	0.2	2.7	19.9	19.9	-	-	-	0.1	0.1	-	-
Healthcare Improvement Scotland	11.5	11.6	(0.1)	(0.9)	30.1	30.1	-	-	-	0.2	0.2	-	-
Total	4,755.9	4,826.6	(70.7)	(1.5)	11,899.4	12,006.4	(107.0)	(0.9)	67.7	142.4	142.4	-	-