

NHS Greater Glasgow and Clyde	Paper No. 23/108
Meeting:	Board
Meeting Date:	19th December 2023
Title:	Finance Report
Sponsoring Director:	Colin Neil, Director of Finance
Report Author:	Fiona McEwan, Assistant Director of Finance- Financial Planning & Performance

1. Purpose

The purpose of this report is to: The purpose of this report is to provide the Board with the monthly finance position, including the position of the Sustainability and Value and Capital Programme for 2023/24

The format of the report covers;

- i) Executive Summary (page 3)
- ii) The Month 7 revenue position (pages 4-5)
- iii) The Month 7 Sustainability and Value position and progress for 23/24 (pages 6-9)
- iv) The Month 7 capital position (pages 10-12)
- v) 2023/24 Forecast (pages 13-17)
- vi) Conclusion (pages 18-19)

2. Executive Summary

The paper can be summarised as follows:

Month 7 Position

At 31st October 2023 the Board's financial ledger highlights an overspend of £37.91m attributed to unachieved savings of £31.41m and a pay and non-pay overspend of £6.5m. Acute pay and non-pay is overspent by £20.09m and Corporate pay and non-pay areas are underspent by £13.32m. Partnerships has a pay and non-pay underspend of £0.26m, albeit it should be recognised that utilisation of reserves is required to achieve this position.

Sustainability and Value

In terms of Sustainability and Value, £29.7m has been achieved on a recurring basis as at month 7. On an in year basis (recurring and non-recurring) £131.2m has been achieved which is behind the trajectory as to where we need to be after the first 7 months of the year. As at month 7 there are forecast savings of £52.0m (69%) against the £75m target.

Capital Expenditure

Total capital expenditure incurred to 31st October 2023 is £45.2m. This amounts to 46% of the plan (of £98.7m) leaving a balance of £53.5m to be incurred by 31st March 2024. At month 7, 78% of the total capital allocation has firm orders or incurred spend and this will be kept under close review over the next few months. There is £1.6m of the plan which remains to be formally allocated and this will be actioned in the coming months.

2023/24 Forecast

The Boards financial position projection has reduced from a deficit of £71.1m which was approved by the Board on the 25th of April 2023 to a deficit of **£38.2m**. This is a reduction of £32.9m which predominantly is a result of additional sustainability funding, new medicines and legal fees funding received from Scottish Government and a PFI adjustment, offset by current levels of pressures. This position is also based on a break-even outturn across all IJBs, which will require close review to the financial year end.

3. Recommendations

The Board is asked to consider the following recommendations:

- i) Note the revenue position at Month 7
- ii) Note the Month 7 position for Sustainability and Value and progress for 23/24
- iii) Note the capital position at Month 7; and
- iv) Note the 2023/24 projected position

4. Response Required

This paper is presented for assurance.

5. Impact Assessment

The impact of this paper on NHSGGC's corporate aims, approach to equality and diversity and environmental impact are assessed as follows:

OFFICIAL SENSITIVE

- **Better Health** **Positive impact**
- **Better Care** **Positive impact**
- **Better Value** **Positive impact**
- **Better Workplace** **Positive impact**
- **Equality & Diversity** **Positive impact**
- **Environment** **Positive impact**

6. Engagement & Communications

The issues addressed in this paper were subject to the following engagement and communications activity:

This report has been previously presented and scrutinised by the Corporate Management Team and the Finance, Planning & Performance Committee.

7. Governance Route

This paper has been previously considered by the following groups as part of its development: As above.

8. Date Prepared & Issued

8th December 2023