

<p>NHS 24 BOARD</p> <p style="text-align: center;"><b>FINANCIAL PERFORMANCE REPORT TO 30 JUNE 2021</b></p>	
<b>Executive Sponsor</b>	Director of Finance
<b>Lead Officer/Author</b>	Head of Financial Planning and Reporting
<b>Action Required</b>	The report is presented to the Board for assurance
<b>Key Points for this Committee to consider</b>	<p>This paper informs the Board of the financial performance for the period April 2021 to June 2021.</p> <ul style="list-style-type: none"> <li>• Against the June allocation letter, NHS 24 is reporting a year to date overspend of £1.9m.</li> <li>• However, the ledger currently anticipates allocations per the Finance Plan that have been received in recent years and are fully expected this year. Spend incurred against these at the end of month 3, totals £1.9m. This is deemed low risk as they mainly relate to Mental Health which SG colleagues have verbally confirmed.</li> <li>• Covid-19 related expenditure of £1.0m has been incurred year to date and fully funded.</li> <li>• As such, the ledger is currently reporting an underspend of £2k.</li> <li>• The full year forecast is assuming a breakeven position. This assumes that SGHSCD will fund all outstanding anticipated allocations.</li> <li>•</li> </ul>
<b>Governance process</b>	This presents the June 2021 Finance report, previously submitted and discussed at EMT and PPC.
<b>Strategic alignment and link to overarching NHS Scotland priorities and strategies</b>	This paper demonstrates progress against the NHS 24 organisational priority of meeting its financial targets and delivering best value through resource allocation.
<b>Key Risks</b>	The key operational risk relates to achieving in-year financial balance while Anticipated Allocations funding remain outstanding.
<b>Financial Implications</b>	The paper details the financial position of NHS 24 and is for assurance.
<b>Equality and Diversity</b>	Financial management across NHS 24 reflects the financial plan and annual operating plan objectives which have all been assessed in line with the appropriate requirements in relation to equality and diversity.

**1. Recommendation**

1.1 The Board are asked to review and take assurance from this report on the NHS 24 financial performance at 30 June 2021.

**2. Introduction**

2.1 Scrutiny of all resource plans, revenue and capital, and the associated financial monitoring is considered by the Executive Management Team, the Planning & Performance Committee and the Board. This report summarises the revenue and capital position at 30 June 2021.

**3. Revenue Resource Limit**

3.1 In relation to the revenue resource limit, NHS 24 is overspent by £1.9 million at June 2021 against its SGHSCD allocation letter.

3.2 This overspend is offset by anticipated allocations to give a reported ledger underspend of £2k at month 3.

3.3 As NHS 24 has received indicative confirmation for Mental Health funding, the reported position in the ledger includes these allocations in our YTD position, matching spend incurred to date. Discussions will progress with SG colleagues to secure other additional allocations.

3.4 Year to date Covid-19 related expenditure is £1.0m. Anticipated Covid-19 expenditure is expected to be £4.9m. Funding for 50% of the anticipated Covid-19 expenditure and the full anticipated Redesign of Urgent Care amount has already been received by NHS 24.

3.5 The anticipated full year budget is expected to be £107.9 million. This is baseline funding plus anticipated allocations less National Boards Saving contributions for 2021/22.

3.7 A year end breakeven position for the financial year 2021/22 is forecast in anticipation of outstanding allocations being received.

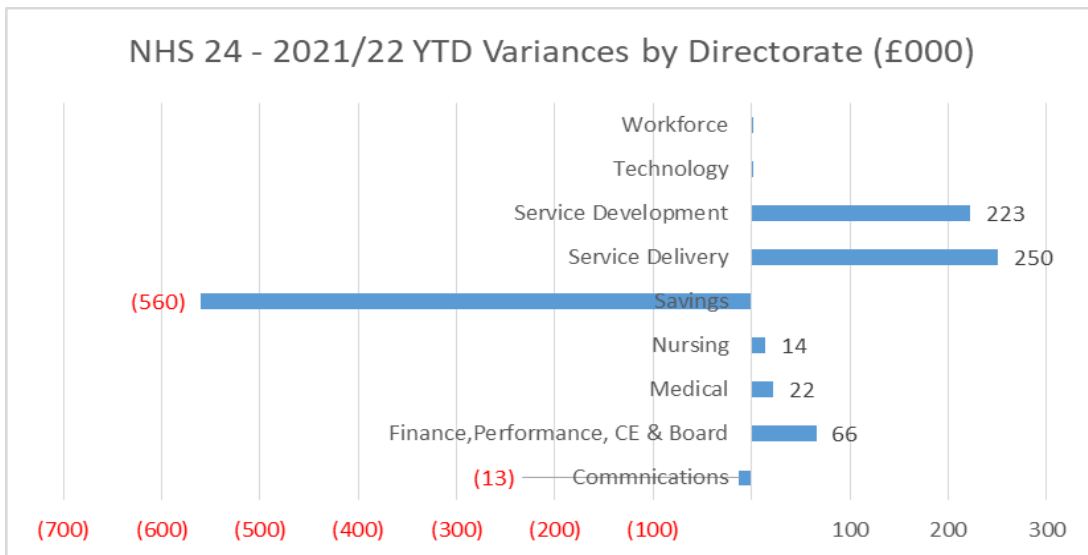
3.8 Summary position:

	<b>Full Year Budget 2021/22 £m</b>	<b>Budget to 30 Jun £m</b>	<b>Expend to 30 Jun £m</b>	<b>Variance to 30 Jun (Over) / Under £m</b>
RRL (exc Covid/RUC)	£76.2	£17.4	£19.3	(£1.9)
Covid/RUC Received	£15.7	£3.4	£3.4	£0.0
<b>RRL letter</b>	<b>£91.9</b>	<b>£20.8</b>	<b>£22.7</b>	<b>(£1.9)</b>
Antic'd Allocations	£16.0	£1.9	£0.0	£1.9
<b>Financial Position</b>	<b>£107.9</b>	<b>£22.7</b>	<b>£22.7</b>	<b>£0.0</b>

3.9 The Year to Date position shows an underspend in pays due to vacancies, and an underspend in goods and services. Savings targets have not been allocated to directorates yet and are shown separately in the table.

Type	Ann Bud £'m	YTD Bud £'m	YTD Act £'m	YTD Var £'m
Income	(£107.9)	(£22.7)	(£22.7)	£0.0
Pay	£68.1	£15.3	£14.9	£0.4
Non Pay	£24.1	£4.6	£4.4	£0.2
Savings	(£2.2)	(£0.6)	£0.0	(£0.6)
<b>Total</b>	<b>(£17.9)</b>	<b>(£3.4)</b>	<b>(£3.4)</b>	<b>£0.0</b>
Covid-19/RUC	£17.9	£3.4	£3.4	£0.0
<b>Grand Total</b>	<b>£0.0</b>	<b>£0.0</b>	<b>£0.0</b>	<b>£0.0</b>

3.10 The graph below shows the year to date variance.



**4. Additional Allocations**

- 4.1 NHS 24 engage frequently with SG Sponsors and SGHSCD Finance with a view to securing all expected additional allocations.
- 4.2 The total additional Anticipated Allocations NHS 24 is expecting to receive in 2021/22 is £31.8m, including funding that SGHSCD have indicated will be given on a recurring basis. To date, NHS 24 has received £15.8m. Of the remaining £16.0m, Mental Health allocations account for £12.5m, which SG colleagues have verbally confirmed.
- 4.3 The following table shows the breakdown of the total funding expected by NHS 24:

**NHS 24**

**Summary of Total Funding Position as at 30 June 2021**

<b>Description</b>	<b>Budget</b>
Initial Baseline Allocation	73,820,000
Agenda for change uplift	2,220,000
<b>Total Recurring Funding</b>	<b>76,040,000</b>
<b>Allocations Received</b>	
Redesign of Urgent Care	13,000,000
Covid Funding (50%)	2,268,000
Covid and Flu Vaccinations	400,000
6 Essential Actions - Building on Firm Foundations	150,000
<b>Total Additional Allocations Received</b>	<b>15,818,000</b>
<b>Revenue Resource Limit Per June 2021 Allocation Letter</b>	<b>91,858,000</b>
<b>Allocations to be Received</b>	
Additional for winter planning	150,000
Easter & Winter Marketing	80,000
Easter & Winter Marketing	85,000
Supporting better value healthcare	40,000
Mental Health Programme Lead	100,000
The Health and Care (Staffing) (Scotland) Bill	32,729
Implementation of Excellence in Care	30,000
Open University Nursing Students	13,100
Excellence in Care (EiC)	9,750
NHS Living Life	200,000
Breathing Space	825,000
Mental Health Hub - Breathing Space	745,000
Breathing Space Transformation	587,000
Primary Care Projects (PCDS)	305,000
Mental Health Hub	1,968,000
Expansion of Mental Health	2,600,000
Enhanced Mental Health Care Pathway Project	724,680
Health & Wellbeing Helpline	280,000
Additional Mental Health	4,026,000
Advanced Clinical Support	1,000,000
eHealth	128,877
Adastra	46,000
cCBT	470,000
Covid Funding (remaining 50%)	2,268,000
National Board Savings Target	(750,000)
NHS Inform Capacity	30,000
<b>Total Additional Allocations to be Received</b>	<b>15,994,136</b>
<b>Anticipated Allocations</b>	<b>107,852,136</b>

**5. COVID-19 Related Expenditure**

- 5.1 It is anticipated that SG will continue to fund Covid-19 expenditure in 2021/22 as NHS 24 continues to provide the National Covid-19 Pathway.
- 5.2 NHS 24 are currently forecasting that Covid-19 related expenditure will be in the region of £4.9m in 2021/22. The majority of costs are in relation to the Coronavirus helpline, staffing and estates costs.
- 5.3 Year to date expenditure to the end of June 21 for Covid-19 expenditure is £1.0m.
- 5.4 The breakdown of Covid-19 expenditure is as follows:

<b>Covid-19 Expenditure</b>	<b>YTD Costs (£)</b>	<b>Forecast Costs (£)</b>
Staff Costs	469,493	1,579,373
Coronavirus Helpline	367,333	1,734,500
ICT Costs	56,567	99,826
Estates Costs	76,920	1,122,301
Vaccinations	-	400,000
<b>Total Covid Costs</b>	<b>970,313</b>	<b>4,936,000</b>
Remobilisation Costs	2,425,478	13,000,000
<b>TOTAL COSTS</b>	<b>3,395,791</b>	<b>17,936,000</b>

**6. Capital Resource Limit**

- 6.1 The anticipated capital resource limit as at 30 June 2021 is detailed below.

	<b>Full Year Budget 2021/22 £m</b>	<b>Budget to 30 Jun £m</b>	<b>Expend to 30 Jun £m</b>	<b>Variance to 30 Jun (Over) / Under £m</b>
<b>Capital Resource Limit</b>	2.2	0.00	0.00	0.00

- 6.2 The capital plan for 2021/22 currently consists of the NHS 24 formula capital allocation, totalling £0.27 million, plus £0.7 million for the Clydebank relocation and a further £1.2million for anticipated costs in Dundee.

**7. Efficiency Savings**

- 7.1 In line with the national planning guidance, annual efficiency savings targets are set and a phasing or trajectory is agreed with SGH&SCD, this forms part of the AOP. For 2021/22, NHS 24 is required to identify efficiency savings in order to achieve breakeven as follows:

<b>Savings Category</b>	<b>Savings Annual Target</b>	<b>Risk Rating</b>
	<b>£000s</b>	
Recurring Savings	1,154	Medium
Non Recurring Savings	1,206	Medium
National Board Savings	760	Medium
<b>Total Savings Target</b>	<b>3,120</b>	

- 7.2 Savings targets are currently sitting under Corporate but shall be delegated out to Directorates for month 4 reporting in line with the recently approved EMT Savings paper. Detail on progress shall then be included in this report on a recurring and non-recurring basis to inform Board members on achievement.