



NHS Scotland 2021-22 Consolidated Financial Reporting to 30 June 2021 (Quarter 1)

Purpose

This paper summarises the financial position for NHS Scotland at the end of first quarter of the reporting year by presenting the year to date and full year forecast position for 2021-22. The information contained in this report is a consolidation of the financial position 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 Social Care Portfolio resource budget in the 2021-22 Scottish Budget is circa £16.3 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 Boards' resource budget covers expenditure on operating costs such as pay, drugs and supplies.

In addition to the Budgets allocated at the outset of the year to NHS Boards, £4.1 billion is managed centrally by the Scottish Government Health and Social Care Directorates; the majority of which will be allocated to NHS Boards over the course of the year. This includes total funding of £1.9 billion for the four professional groups of independent sub-contractors - medicine, pharmacy, dentistry and optometry.

Within the opening 2021-22 budget, circa £1.1 billion of support for Scotland's Covid-19 efforts has been included for the Health and Social Care portfolio. This funding is being used to support the Health and Social Care Covid-19 financial pressures reported by NHS Boards, Integration Authorities and Local Government Bodies throughout this financial year.

The capital budget is £529 million in 2021-22 and funds investment in the NHS estate, equipment and maintenance.

Consolidated Financial Position

Based on the first 3 months of the year (April – June 2021), the Health and Social Care 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 £475 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 3, NHS Boards are reporting a projected variance of £138.0 million. This position presents the receipt of additional funding from the Scottish Government to meet the reported pressures presented by the NHS Boards in response to Covid-19. Given the exceptional nature of this year, and consistent with the pausing of the NHS Board performance escalation framework, further Covid-19 funding will ensure that all NHS Boards deliver a balanced financial position in 2021-22. All funding for 2021-22 is provided on a non-repayable basis.

Table 1 below summarises the financial position at 30 June 2021, with further analysis by NHS Board at Table 2.



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

	2021-22 Forecast Outturn			
	Budget	Forecast Outturn	Variance	
Resource Allocation	£m	£m	£m	%
Health and Social Care Portfolio	16,326.5	16,326.5	0.0	0.0%
<i>Including:</i>				
Territorial NHS Board	12,607.6	12,745.6	(138.0)	-1.1%
National NHS Board	2,163.9	2,163.9	(0.0)	0.0%
Capital Allocation				
Health and Social Care Portfolio	529.0	529.0	0.0	0.0%
<i>Including</i>				
Territorial NHS Board	424.2	424.2	0.0	0.0%
National NHS Board	87.8	87.8	0.0	0.0%

**Health and Social Care Portfolio Budget based on 2021-22 Scottish Budget.*

Capital

Capital allocations made to NHS Boards to date total £157 million. This funding is the Boards' baseline capital funding, a further breakdown of the full year forecast position by Board is provided at Table 2. The remaining budget will 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				2021-22 Forecast Outturn				2021-22 Forecast Outturn			
	Budget	Actual	Variance		Budget	Actual	Variance		Budget	Forecast	Variance	
	£m	£m	£m	%	£m	£m	£m	%	£m	£m	£m	%
NHS Ayrshire & Arran	207.5	210.1	(2.6)	(1.2)	919.8	931.8	(12.0)	(1.3)	34.5	34.5	0.0	0.0
NHS Borders	55.1	58.4	(3.4)	(6.1)	244.5	253.0	(8.5)	(3.5)	4.6	4.6	0.0	0.0
NHS Dumfries & Galloway	83.5	87.5	(4.0)	(4.8)	384.5	400.9	(16.4)	(4.3)	6.6	6.6	0.0	0.0
NHS Fife	199.3	205.4	(6.1)	(3.1)	829.2	848.9	(19.7)	(2.4)	29.2	29.2	0.0	0.0
NHS Forth Valley	159.9	160.4	(0.5)	(0.3)	689.0	689.0	0.0	0.0	18.2	18.2	0.0	0.0
NHS Grampian	295.2	296.7	(1.5)	(0.5)	1,173.5	1,173.5	0.0	0.0	73.0	73.0	0.0	0.0
NHS Greater Glasgow & Clyde	657.7	693.5	(35.8)	(5.5)	2,923.5	2,949.3	(25.8)	(0.9)	53.6	53.6	0.0	0.0
NHS Highland	200.1	206.0	(5.9)	(2.9)	818.6	835.1	(16.6)	(2.0)	73.6	73.6	0.0	0.0
NHS Lanarkshire	353.4	358.3	(4.8)	(1.4)	1,459.9	1,459.9	0.0	0.0	22.1	22.1	0.0	0.0
NHS Lothian	365.6	370.3	(4.7)	(1.3)	1,897.7	1,931.6	(34.0)	(1.8)	76.9	76.9	0.0	0.0
NHS Orkney	14.6	15.9	(1.2)	(8.5)	69.4	74.4	(5.1)	(7.3)	0.9	0.9	0.0	0.0
NHS Shetland	17.2	17.9	(0.7)	(4.2)	74.9	74.9	0.0	0.0	2.4	2.4	0.0	0.0
NHS Tayside	239.9	241.0	(1.1)	(0.5)	1,025.7	1,025.7	0.0	0.0	26.9	26.9	0.0	0.0
NHS Western Isles	21.2	20.8	0.4	1.9	97.6	97.6	0.0	0.0	1.6	1.6	0.0	0.0
NHS National Services Scotland	196.4	196.4	0.0	0.0	823.8	823.8	0.0	0.0	12.9	12.9	0.0	0.0
Scottish Ambulance Service	90.3	91.2	(0.9)	(1.0)	397.0	397.0	0.0	0.0	29.2	29.2	0.0	0.0
NHS Education for Scotland	129.7	128.5	1.2	0.9	566.7	566.7	0.0	0.0	2.3	2.3	0.0	0.0
NHS 24	22.6	22.6	0.0	0.0	107.5	107.5	0.0	0.0	2.2	2.2	0.0	0.0
NHS Golden Jubilee	25.4	25.1	0.3	1.2	108.4	108.4	0.0	0.0	35.7	35.7	0.0	0.0
The State Hospital	8.8	8.8	(0.0)	(0.5)	36.8	36.8	0.0	0.0	0.3	0.3	0.0	0.0
Public Health Scotland	21.0	18.2	2.9	13.6	88.1	88.1	(0.0)	(0.0)	3.4	3.4	0.0	0.0
Healthcare Improvement Scotland	7.1	7.7	(0.6)	(8.5)	35.7	35.7	0.0	0.0	2.0	2.0	0.0	0.0
Total NHSScotland	3,371.6	3,440.8	(69.2)	(2.1)	14,771.6	14,909.5	(138.0)	(0.9)	512.0	512.0	0.0	0.0