

NHS

Grampian

FINANCIAL SUMMARY

NINE MONTHS ENDED 31 DECEMBER 2024



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FINANCIAL YEAR 2024/25



Financial Performance Report December 2024

This report covers the financial results for the first nine months of the financial year.

In January the Board was escalated to level 3 of the Scottish Government's Support & Intervention Framework based on the deterioration in the financial position of the Board during 2024-25 and the recommendation of the National Planning and Performance Oversight Group. Level 3 is a more formal approach with enhanced support and scrutiny. For the moment we don't have detail on what this will mean for us as a Board but continue to work with colleagues at Scottish Government to ensure any support package agreed helps the Board move towards financial sustainability. Based on the November financial position, NHS Grampian still has the highest projected deficit of any Scottish Board (and are fourth highest in % terms).

We have seen an improvement in our forecast overspend in December with a reported £67.5 million forecast overspend. Benefits totalling £17 million have been fed into the position. £5 million of additional funding was received from Scottish Government, £2m of an improvement relating to a reduction in the cost of national risk share arrangements and £10m regarding an underspend against the Agenda for Change non pay reform funding now reflected in our forecast position. This benefit has been offset by £7 million of adverse movements made up of £6.3 million due to a deterioration in the Aberdeen City IJB position, with a contribution now anticipated to be required towards the IJB overspend, and a further £0.6 million of spend linked to additional capacity as agreed at the December Board meeting.

Our financial plan submitted to the Scottish Government in March projected a deficit in the region of £59 million for the year after assuming achievement of savings of £35 million. The financial plan did not make any provision for contributions towards IJB overspends. Scottish Government expect NHS Grampian to take all reasonable steps to achieve a maximum level of overspend of no more than £59 million and to improve on this towards the £15.3 million brokerage target if at all possible. We have not had brokerage agreed for 2024-25 with ongoing discussions taking place with Scottish Government regarding brokerage for the Board.

The forecast overspend for NHS Grampian non-delegated services has now moved below the level outlined in the Financial Plan to Scottish Government, with a £43.2 million overspend reported on non-delegated services. This is a significant improvement in month driven by the factors outlined above. The inclusion of contributions to meet overspends on IJB budgets totalling £24.3 million, for which there was no provision in our Financial Plan, takes the overall forecast above the Scottish Government target. We will need to continue with all reasonable measures between now and the end of the financial year to improve the financial position.

The Board's financial performance has continued to show a gradual improvement compared to the final months of the last financial year when monthly overspends of well over £5 million a month were being incurred. This trend has continued in December with an operational overspend for the month of £4.89 million recorded, despite ongoing significant operational

pressures and the impact of backdated junior doctor non-compliance reporting in the position. Actions agreed by the Board to manage expenditure in the areas of supplementary staffing, drugs and other non-pay spend are now embedded and are supporting the Board in maintaining its financial position despite significant financial pressure.

For December an operational deficit of £4.89 million was recorded for the month, which is attributable to Portfolios and other departments. A further £1 million overspend required to be recognised in month to reflect the unbalanced revenue position of the board. This takes the year to date overspend after nine months to £49.86 million. In December we saw significant pressure on medical budgets, with junior doctor non-compliance costs relating to recent monitoring increasing the operational overspend. We have seen a decrease in the overall number of non-compliant rotas and work is ongoing to support further reductions. We saw a continued reduction in the nursing overspend driven by the impact of newly graduated nurses and the drugs position improved, with savings delivered on generic and biosimilar drugs.

In summary, the financial position for non-delegated services continues to show signs of improvement despite the operational pressures we have experienced during December. This improvement has required a number of challenging decisions to reduce expenditure and pause planned commitments. We are managing a number of significant financial risks, including significant overspends with our three IJBs, which means the overall financial position of the Board is remains challenging.

Our focus remains on developing our financial plan for 2025-26 with a significant budget gap identified. This is not unexpected with significant operational pressures continuing to drive financial overspends, IJBs continuing to experience significant pressure predominantly on social care budgets, inflation continuing to impact non pay budgets and activity growth impacting many of our services. I expect 2025-26 to be even more challenging than what we have experienced this financial year and work is progressing to identify options to close the budget gap.

Alex Stephen
Director of Finance
21 January 2024



Key Points

- **NHS Grampian was not able to set a balanced revenue budget for this financial year** as given the need to Find Balance between key clinical, workforce and financial standards alongside prevention priorities a number of proposals which would have provided financial savings were not taken forward due to their likely significant impact on planned care and unscheduled care services. Our financial plan submitted to Scottish Government projects a financial gap of £59 million after achievement of Value & Sustainability savings of £35 million. The Scottish Government has indicated that it expects the Board not to exceed an overspend level of £59 million and to improve on this if at all possible. It has also set the Board a brokerage limit target of £15.3 million. Brokerage is short term repayable financial support. We do not yet have brokerage agreed with Scottish Government. Any deficit above the agreed brokerage level will need to be shown as an overspend in the Board's Annual Accounts for 2024-25.
- **Revenue results to the end of December show an overspend of £49.86 million.** The level of monthly operational overspend remained below £5 million.
- **All of the main Portfolios remain significantly overspent.** This highlights the size of the financial challenge facing the Board, in that even though the position has stabilised we remain a very long way from operating within our revenue budget.
- **NHS Grampian will need to make a funding contribution to meet overspends on all three of its aligned IJB budgets.** The IJBs are experiencing similar levels of financial pressures to the Board with Aberdeen City highlighting a deterioration of their financial position. £6.27 million has now been built into the revenue forecast to reflect the level of the expected contribution to the Aberdeen City Overspend. The total expected contributions required to meet IJB overspends is £24.3 million. We will work closely with IJB colleagues to agree actions to mitigate IJB overspends for the remainder of the year, although there is a risk that IJB financial positions could deteriorate in the remainder of the year.

Overview

These results cover the nine month period to 31st December 2024.

The results continue to cover services which are directly managed by NHS Grampian. They therefore exclude the services which are delegated to the three Integration Joint Boards. This means that the financial results in this report focus on those services which NHS Grampian still has direct control of. These are principally on the Foresterhill site, Dr Gray's in Elgin, Inpatient Mental Health & Learning Disabilities, non-clinical departments and the Public Health Directorate.

The financial performance of the IJBs is monitored each quarter at meetings between the Chief Executive, Director of Finance, Chief Officers and Chief Finance Officers to assess any potential risks to the NHS Grampian position from overspends against IJB budgets. As noted above, NHS Grampian will be required to make funding contributions in 2024-25 to meet overspends for all three IJBs. We have reflected the Board's share of predicted IJB overspends into the forecast for the year, with an increase in the required funding contributions reflected in the December forecast due to a deterioration of the Aberdeen City IJB position.

The Board's Financial Plan for 2024-25 was submitted to the Scottish Government in March 2024. The Plan did not set a balanced financial position and projected a deficit for the year of

£59 million. This level of deficit is based on the assumption that savings of around £35 million can be achieved during the year through the Value & Sustainability Programme.

Financial performance is reported against a revenue break even position.

Key points to note from performance to the end of December are:-

- The results highlight the continued and significant service pressures being experienced by many areas, which have continued into 2024-25 from the final quarter of the previous financial year. These service pressures in areas like patient flow, planned care and staffing availability translate into financial overspends. As a result, an overspend of £49.86 million has been recorded against the revenue budget after nine months. The level of monthly overspend remains below the levels seen at the end of the 2023/24 financial year, indicating that the Board's financial position has stabilised to a degree.
- Pay budgets are overspent by £29.75 million (5.6%). Funding has continued to be added to budgets to meet the costs of the additional overtime and bank pay relating to the Agenda for Change non-pay reforms. Funding has been received from Scottish Government to cover costs associated with the AFC, Medical and Senior Management pay award, and has been allocated to budgets in line with costs. Medical pay awards have been paid in December, with arrears expected to be paid in January. Senior Management pay awards and arrears have been paid in December.
- A significant area of pressure on pay is Nurse staffing with an overspend of £12.7 million (6.7%) recorded after nine months. The monthly overspend on nursing in December was the second lowest seen throughout the 2024-25 financial year although the impact of amended payroll dates for the festive period may be impacting on reported spend. We are continuing to see an increase in substantive registered nursing as newly graduated nurses started roles with NHS Grampian in the final months of 2024. The reduction in Nurse agency costs compared to last year has been maintained with costs reduced by 44% (£4.73 million) compared to the same period in 2023-24. Reductions continue to be seen across Medicine & Unscheduled Care, Integrated Specialist Care and Dr Gray's. However, the financial benefit of the agency nursing reduction continues to be more than offset by increasing bank and permanent nursing costs as a result of increased staff numbers being used, noting that some of this is due to additional bed capacity being opened at Aberdeen Royal Infirmary and also to surge and corridor care capacity being used in a number of areas given ongoing significant system pressure. Comparing actual Nurse staffing numbers for non-delegated services for the first nine months of 2024-25 compared to the same period in 2023-24 shows that:
 - Agency nursing has reduced by 62 WTE (a 40% reduction).
 - Bank nursing has increased by 80 WTE (a 17% increase)
 - Permanent nursing has increased by 207 WTE (a 6% increase)
 - Overall nursing numbers have increased by 225 WTE (a 5% increase)

Further national controls on the use of agency nursing have been introduced from the start of October, with a reduction in agency use continuing to be seen despite the use of agency nursing to support additional capacity.

- Medical staffing costs also continue to be a pressure area with an overspend of £11.43 million (7.8%) recorded after nine months. The overspend on medical staffing has increased in December due to costs relating to non-compliance of resident doctor rotas with partial costs relating to the recent monitoring outcomes now reflected in the year to date position. We had reflected this risk in our forecast, with the forecast continuing to

reflect the cost associated with monitoring outcomes where this has not yet been paid. Encouragingly a further reduction in locum spend has been reported in December, driven by an increase in Direct Engagement and the reduction of on call rates. Agency locum costs are now showing a 16% reduction on the same period in 2023/24 (£9.26 million spend to date). Reductions have been recorded in the Family Portfolio, Medicine and Unscheduled Care, Clinical Support Services and Dr Gray's Hospital.

- Hospital drug budgets were rebased at the start of the financial year in line with the Budget Setting Forward Look paper produced by Pharmacy and Finance colleagues. Drug costs continued at a reduced level in December, in part due to the delivery of generic and biosimilar switches in some services. Overall hospital drug budgets are now showing an underspend of £0.24 million (0.3%).
- There are also continuing pressures on medical supplies budgets and maintenance & service contract costs which have continued from previous years, with an £13.0 million overspend after nine months. Increasing activity levels for planned care and the delayed impact of high levels of inflation on contract prices is continuing to have an impact on non-pay costs. December is often not a typical month in financial terms with services operating at reduced capacity over the festive period which can lead to lower than normal expenditure levels. This was not the case in 2024 with medical supplies and equipment costs remaining at a high level.
- Income budgets are over recovered by £4.3 million. This is mainly due to recoveries of VAT and increased activity on some cross boundary agreements.
- Areas that have recorded the largest overspends after the first nine months of the year are:-
 - Medicine & Unscheduled Care Portfolio - £14.842 million year to date. The main areas driving the overspend are nursing numbers in excess of funded establishment (by 17%), continued agency nursing costs (average of 33 WTE a month) and locum use, junior medical banding payments, continued high activity in the TAVI Cardiology service and unachieved historical efficiency savings.
 - Integrated Specialist Care Services Portfolio - £12.688 million year to date. The overspend is mainly due to pressure on medical supplies budgets, agency nursing spend (average of 31 WTE a month) and medical locum use, junior medical banding payments and unachieved historical efficiency savings.
 - Corporate Reserves - £6.62 million year to date, reflecting the over commitment of resources that has been built into NHS Grampian's opening budget position.
 - Dr Gray's - £7.836 million year to date. Overspends mainly on medical and nurse staffing. Agency locum spend remains high with continuing vacancies in General Medicine, Anaesthetics and A&E although there is a continued reduction in agency locum spend with a 12% reduction reported from the same period in 2023-24.
- Costs for non-pay aspects of the Agenda for Change pay award have been £4.08 million for the year to date. These comprise of transitional overtime payments and an increase in the bank hourly rate resulting from the Reduced Working Week and include the impact of the 2024-25 pay award. Costs to date have been covered from funding provided by the Scottish Government. The level of costs have reduced each month as more areas have successfully implemented the 30 minute reduction in the working week for this year.

Savings Programme

The Scottish Government requested that NHS Boards plan to achieve a minimum of 3% recurring efficiency savings for this year. The Value & Sustainability Programme has put in place a number of savings schemes aimed at reducing expenditure by £34.9 million this year. Progress to the end of December is shown in the table below:

	£m	Recurring £m	Non Rec £m	Achieved To Date Rec (£m)	Achieved To Date Non Rec (£m)	RAG Status
Savings Measures:-						
Taking More Risk on Reserves	5.9	5.9		4.0	7.2	Green
No Carry Forward of Earmarked Slippage	10.5		10.5		7.9	Green
Hospital Drugs (Medicines Bulletin)	2.3	2.3		1.8		Green
Agency Nursing (£300k per month)	3.6	3.6		4.0		Green
Medical Locums (£200k per month)	2.4	2.4		2.2		Green
Junior Doctor Bandings (30% saving)	2.0	2.0		0.7		Green
Catering Income Uplift / Reduced Snacks & Over Order	0.8	0.8		0.3		Green
Targetted Vacancy Freeze	1.0	0.6	0.4	0.4	0.3	Green
Stocktakes / Old POP Orders	2.0		2.0		2.3	Green
Taxi Spend / Renal Transport	0.5	0.5				Red
HCSW Over Establishment	1.0	1.0		0.5		Red
Moray Maternity (SAS Costs)	0.5	0.5				Green
Overtime Reduction	0.3	0.3		1.6		Green
Planned Care Reductions (WLIs & Agency)	1.5	1.5		1.1		Green
e-Payslips	0.1	0.1		0.1		Green
Desk Top Printers & MFDs	0.5	0.5				Red
Total Savings - NHSG Non Delegated Budgets	34.9	22.0	12.9	16.7	17.7	

At the end of December we estimate that we have achieved savings of £34.4 million against a target of £25.30 million. Of the savings achieved, £16.7 million have been made on a recurring basis and £17.7 million are non-recurring.

The main savings achieved to date have been in the areas of:-

- No carry forward of slippage on earmarked funding from the 2023/24 financial year (£7.9 million).
- Freeing up of Board Reserves (£11.2 million). Reserves in this context are budgets not issued or attributed to any Department and can include legacy Deficits, allocations received from Scottish Government not yet issued to services and budget set aside in the Revenue Plan for a specific purpose but not yet spent.
- Agency nursing reduction compared with spend in 2023/24 (£4.0 million).
- Savings on agency medical locums delivered by Direct Engagement, a reduction in on call commission, provision or rota gaps and rates challenge (£2.2 million)
- Overtime reduction (£1.6 million)
- Targetted vacancy control (£0.75 million).
- Reduction in payments for non-compliant junior medical rotas (£0.75m). This saving has reduced following the outcome of resident doctor monitoring, with additional costs relating to the rota banding payments reflected in both the December position and the forecast out-turn for 2024-25.
- Savings within Healthcare Support Workers linked to the on-boarding on newly graduated nursing (£0.5 million).

The areas of the Value & Sustainability Programme where savings have not yet been evidenced are:-

- Taxi spend.

- Reduction in the number of desk top printers and MFDs.

Risks

There are a number of potential uncovered financial risks that are not fully reflected in our financial plan. They will continue to be monitored and managed as the year progresses. The top ones are:-

- IJB Overspends – as already noted, the Board will now need to contribute to overspends in all three IJBs with a deteriorating position highlighted within the Aberdeen City IJB. We will continue to work closely with Chief Officers and Chief Finance Officers to agree actions that can mitigate the level of overspending. Despite an increase in the anticipate contribution for IJB overspends recognised in month there remains a risk that IJB financial performance will deteriorate in the remainder of the year leading to overspends above the levels currently projected.
- Controlling the Rate of Overspending – our financial plan assumes a rate of overspend at Portfolio level of £5 million a month (£60m for the year). A provision has been made in our forecast for additional costs associated with additional bed capacity highlighted at the December board meeting based on the current additional capacity agreed for the system. Our system remains under significant pressure and there remains a risk that service pressures during the remainder of the 2024-25 financial year and other unplanned cost increases may drive the monthly overspend to a higher level.
- Pay award funding – We have now received funding from Scottish Government to cover costs associated with the 2024-25 pay award. Work is ongoing to determine if the funding provided meets the cost of the pay award and further discussion will take place with Scottish Government if a shortfall is identified.

We had previously highlighted a risk relating to the funding of Agenda for Change Non Pay Reforms. We are in the early stages of implementing the AfC Non Pay Reforms (Reduced Working Week, Regrading of Band 5 Nurses and Protected Learning Time) with £19.6 million of non-recurring funding provided by Scottish Government to cover the cost of the reforms in 2024-25. We do not yet have an accurate estimate of what the eventual costs of the reforms will be. We anticipate that most of the costs will relate to the Regrading of Band 5 Nurses workstream however there remains a low number of applications for regrading in NHS Grampian, which is consistent with the picture across NHS Scotland.

As such we have assessed this risk to have reduced for the 2024-25 financial year, and we have reflected a benefit of £10 million in our forecast from the £19.6m non-recurring AFC Non Pay funding received in 2024-25. A provision remains in our forecast to cover the anticipated impact of applications submitted in 2024-25 however there is a risk that the number of applications would increase prior to finalisation of our 2024-25 annual accounts which could impact on our forecast out-turn. Risk does remain for 2025-26 and future years with £14.6 million recurring funding provided to NHS Grampian to cover the cost of the non-pay reforms.

Infrastructure & Backlog Maintenance Programme

The total programme for 2024-25 is £92.7 million which is an increase of £1.6 million from the November figure due to additional funding received from Scottish Government for equipment replacement and backlog maintenance.

The main capital allocation is £13.4 million but we also have additional sources of capital funding from specific Government funding for the Baird & Anchor project (£68.4million),

Radiotherapy Equipment (£3.8 million) and a range of other smaller funding sources (£7.2 million).

Significant planned commitments for 2024-25 are £68.4 million on the Baird Family Hospital & Anchor Centre, £10.9 million on medical and other equipment, £3.5 million for Linac and PET scanner replacements, £1.7 million for Link Building backlog maintenance at ARI, £1 million for fire compliance work, £1 million for forensic unit and CDU improvements and £5.3 million on backlog maintenance projects.

£49.1 million of expenditure has been incurred during the first nine months of the year. Most of this has been on the Baird & Anchor project (£38.8 million) with the remainder spread across all aspects of the Infrastructure programme.

NHS GRAMPIAN DIRECTLY CONTROLLED FINANCIAL POSITION : EXECUTIVE SUMMARY



Overspend of £49.864m for the nine months ended December 2024.

Pay overspend of £29.743m



Non-pay budgets overspend of £24.484m

FHS reporting £17k overspend.

Over-recovery on income of £4.346m



Major overspending areas are MUSC Portfolio (£14.84m), Dr Grays (Moray Portfolio) (£7.84m), ISCS Portfolio (£12.688m), Family Portfolio (£3.434m) and Infrastructure and Sustainability (£0.991m).



Capital spend of £49.066m against the 2024/25 total programme of £92.719m

FINANCIAL PERFORMANCE NOVEMBER 2024

INCOME & EXPENDITURE ACCOUNT FOR THE NINE MONTHS ENDED 31 DECEMBER 2024

	DECEMBER			FINANCIAL YEAR			REVISED ANNUAL BUDGET £'000	FULL YEAR FOREC'T £'000
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE		
	£'000	£'000	£'000	£'000	£'000	£'000		
NHS Directly Controlled								
Pay	60,222	63,988	(3,766)	528,498	558,241	(29,743)	717,560	747,800
Non - Pay	26,247	28,379	(2,132)	228,358	252,842	(24,484)	343,740	356,700
FHS Expenditure	7,135	7,124	11	69,803	69,786	17	94,021	94,021
Other Income	(13,179)	(13,172)	(7)	(106,979)	(111,325)	4,346	(174,680)	(174,680)
Total Costs	80,425	86,319	(5,894)	719,680	769,544	(49,864)	980,641	1,023,841
H&SCP Delegated Budgets								
Pay	20,932	20,932		186,324	186,324		248,182	265,192
Non - Pay	7,228	7,228		99,870	99,870		125,970	133,260
FHS Expenditure	19,740	19,740		177,109	177,109		235,849	235,849
Other Income	(981)	(981)		(18,556)	(18,556)		(20,827)	(20,827)
Total Costs	46,919	46,919		444,747	444,747		589,174	613,474
Total Resources								
SEHD Allocation	(131,255)	(131,255)		(1,177,361)	(1,177,361)		(1,569,815)	(1,569,815)
Net Surplus / (Deficit)	(3,911)	1,983	(5,894)	(12,934)	36,930	(49,864)		(67,500)

See narrative report for explanation of budget variances

NHS GRAMPIAN
SECTOR FINANCIAL POSITIONS FOR THE NINE MONTHS ENDED 31 DECEMBER 2024

INCOME & EXPENDITURE ACCOUNT FOR THE NINE MONTHS ENDED 31 DECEMBER 2024	TOTAL ANNUAL BUDGET	OTHER INCOME			EXPENDITURE						TOTAL		TOTAL	TOTAL
	£000	Budget £000	Actual £000	Variance £000	Pay Budget	Pay Actual	Pay Variance	Non-Pay Budget	Non-Pay Actual	Non-Pay Variance	Total Variance £000	Variance as % of Spend Budget %	Prior Month Variance 2024/25 £000	Improvement / (Deterioration) £000
					£000	£000	£000	£000	£000	£000				
NHS DIRECTLY CONTROLLED														
INTEGRATED FAMILY PORTFOLIO	91,321	(6,281)	(6,186)	(95)	68,038	69,581	(1,543)	8,663	10,459	(1,796)	(3,434)	(4.5%)	(2,813)	(621)
INTEGRATED SPECIALIST CARE SERVICES PORTFOLIO	349,187	(25,297)	(26,480)	1,183	203,385	208,488	(5,103)	85,139	93,907	(8,768)	(12,688)	(4.4%)	(11,639)	(1,049)
MEDICINE & UNSCHEDULED CARE PORTFOLIO	144,670	(9,321)	(9,089)	(232)	78,553	88,205	(9,652)	38,220	43,178	(4,958)	(14,842)	(12.7%)	(13,296)	(1,546)
DR GRAYS (MORAY PORTFOLIO)	40,467	(1,359)	(1,384)	25	25,894	33,257	(7,363)	5,267	5,765	(498)	(7,836)	(25.1%)	(6,919)	(917)
MENTAL HEALTH & LEARNING DISAB	54,139	(5,303)	(6,105)	802	42,390	45,925	(3,535)	3,132	3,412	(280)	(3,013)	(6.6%)	(2,820)	(193)
PHARMACY SERVICES	34,806	(1,694)	(1,665)	(29)	2,566	2,279	287	24,812	24,767	45	303	1.1%	295	8
PUBLIC HEALTH	10,725	(491)	(476)	(15)	7,985	7,688	297	616	540	76	358	4.2%	320	38
CENTRALLY MANAGED DENTAL SERVS	40,049	(6,590)	(6,596)	6	1,081	993	88	35,850	35,845	5	99	0.3%	57	42
NON CLINICAL SERVICES Less Disposals (NOTE 2)	146,468	(13,758)	(15,720)	1,962	102,373	101,105	1,268	46,820	53,274	(6,454)	(3,224)	(2.2%)	(2,845)	(379)
NHS RETAINED PRIMARY CARE (NOTE 1)	14,220					4	(4)	9,746	9,751	(5)	(9)	(0.1%)	(13)	4
SERVICE PURCHASING	(20,063)	(34,388)	(35,105)	717				19,186	19,726	(540)	177	0.9%	358	(181)
AME PROVISIONS	7,278							38	38			0.0%		
CORPORATE RESERVES	28,500				(4,664)		(4,664)	(1,998)		(1,998)	(6,662)	100.0%	(5,614)	(1,048)
NHSG CAPITAL CHARGES	35,228							25,656	25,656			0.0%		
OPERATIONAL PROVISIONS	3,644	(2,496)	(2,521)	25	895	714	181	(2,984)	(3,690)	706	912	(43.7%)	958	(46)
TOTAL NHS DIRECTLY CONTROLLED	980,639	(106,978)	(111,327)	4,349	528,496	558,239	(29,743)	298,163	322,628	(24,465)	(49,859)	(6.0%)	(43,971)	(5,888)
H&SCP DELEGATED BUDGETS														
ABERDEEN CITY H&SCP	242,384	(12,783)	(12,783)		77,223	77,223		120,192	120,192					
ABERDEENSHIRE IJB	244,008	(2,835)	(2,835)		67,181	67,181		119,288	119,288					
MORAY INTEGRATED JOINT BOARD	102,782	(2,133)	(2,133)		40,763	40,763		37,851	37,851					
TOTAL H&SCP DELEGATED BUDGETS	589,174	(17,751)	(17,751)		185,167	185,167		277,331	277,331			0.0%		
Total NHS Grampian	1,569,813	(124,729)	(129,078)	4,349	713,663	743,406	(29,743)	575,494	599,959	(24,465)	(49,859)	(3.9%)	(43,971)	(5,888)

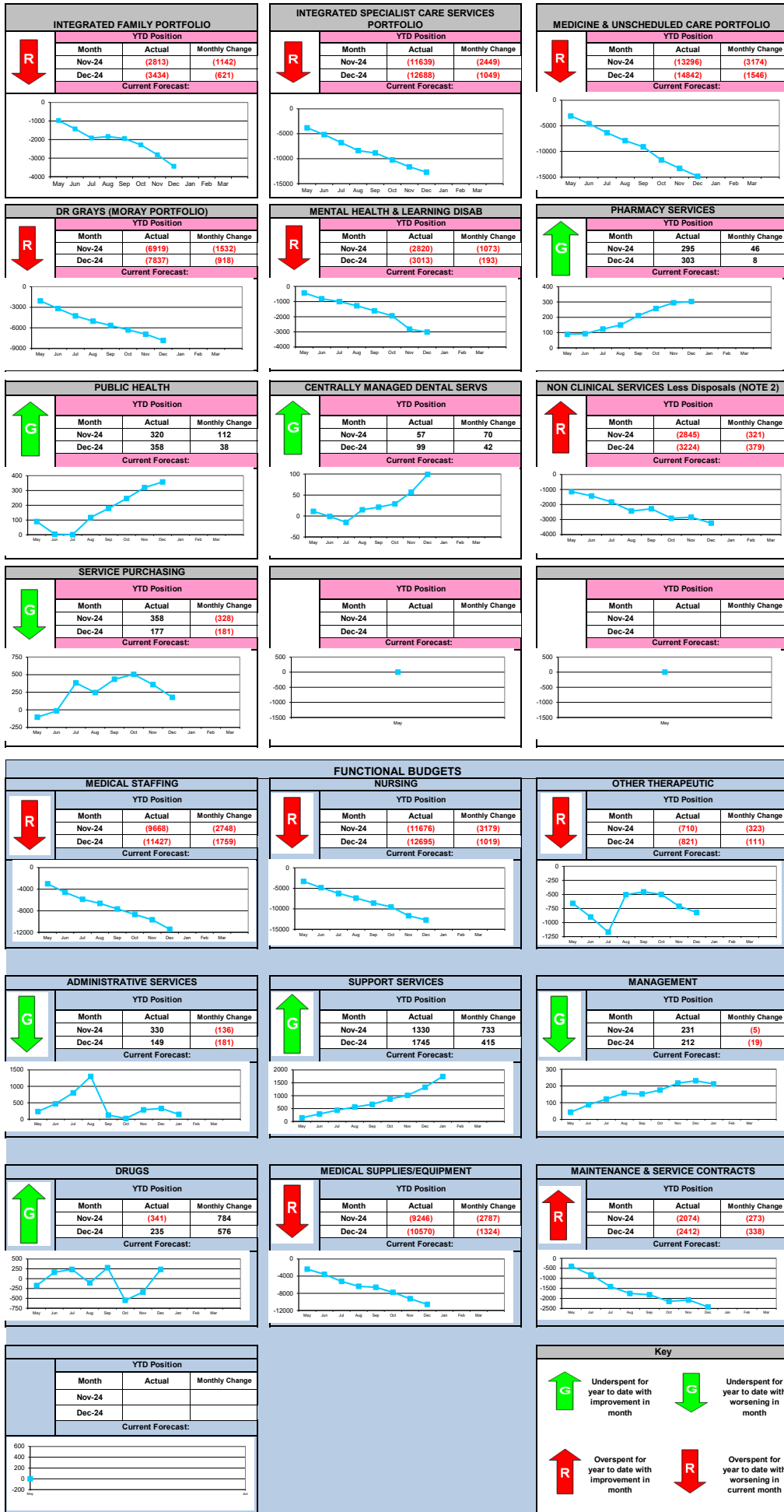
Note 1: These FHS funding streams are largely non-cash limited.

Note 2: Departmental variances are as follows :- Infrastructure and Sustainability £0.991m overspend; R&D £218k overspend; Finance, Performance and Procurement £284k underspend; Digital Directorate £883k overspend; Corporate Communications £20k overspend; Chief Executive £144k underspend; Workforce £556k overspend; Planning, Innovation and Programmes £199k underspend; Corporate Admin Services £47k underspend; Corporate HR £697k overspend; Medical Management £24k underspend; NMAHP Directorate £170k underspend; Corporate Finance £742k overspend.

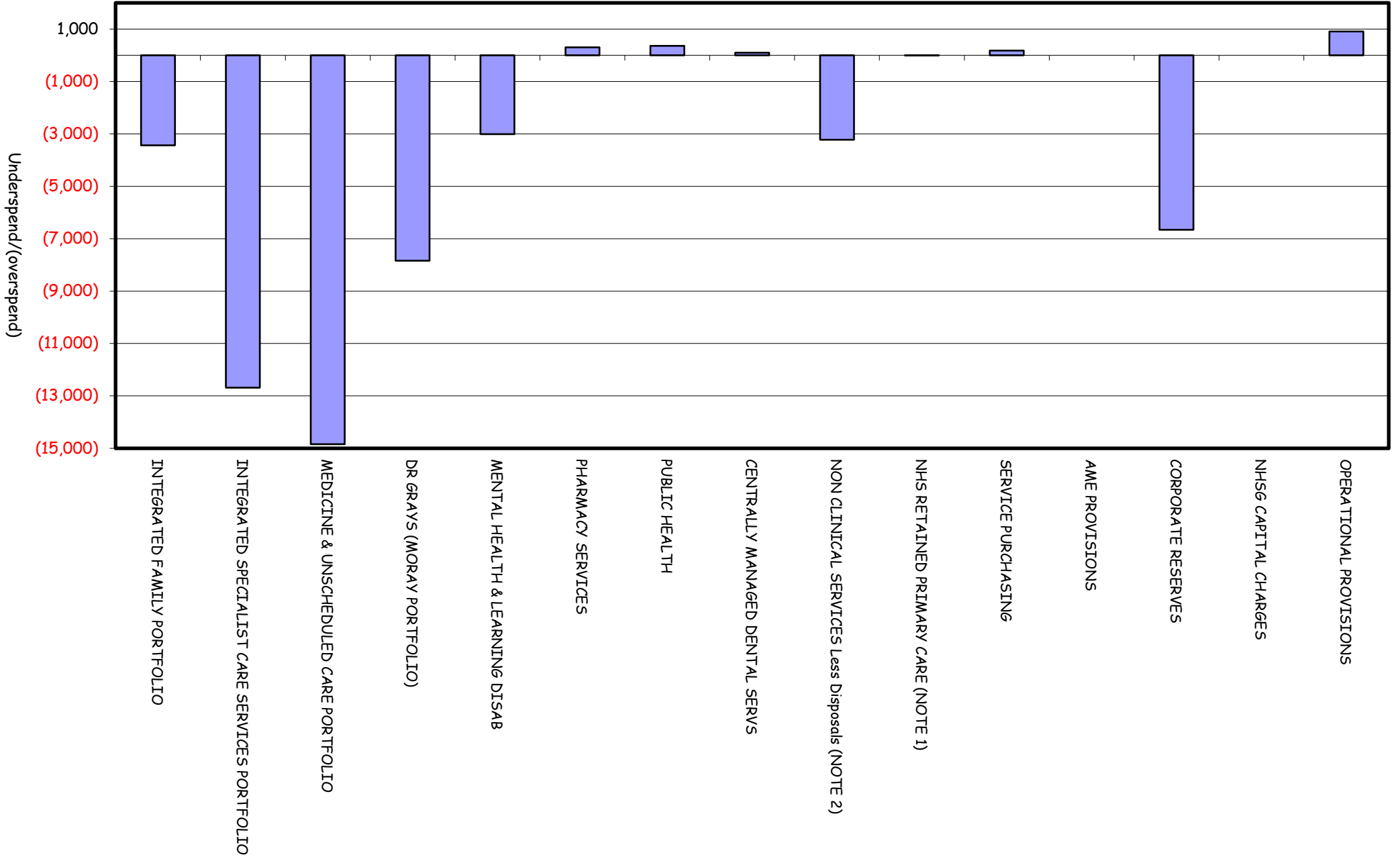
See narrative report for explanation of budget variances

NHS GRAMPIAN DIRECTLY CONTROLLED AT A GLANCE SUMMARY - DECEMBER 2024

Achieving Financial Balance



NHS GRAMPIAN
 CUMULATIVE EXPENDITURE VARIANCES TO DATE
 NINE MONTHS ENDED 31 DECEMBER 2024



**NHS GRAMPIAN DIRECTLY CONTROLLED
EXPENDITURE BY FUNCTIONAL AREA
NINE MONTHS ENDED 31 DECEMBER 2024**

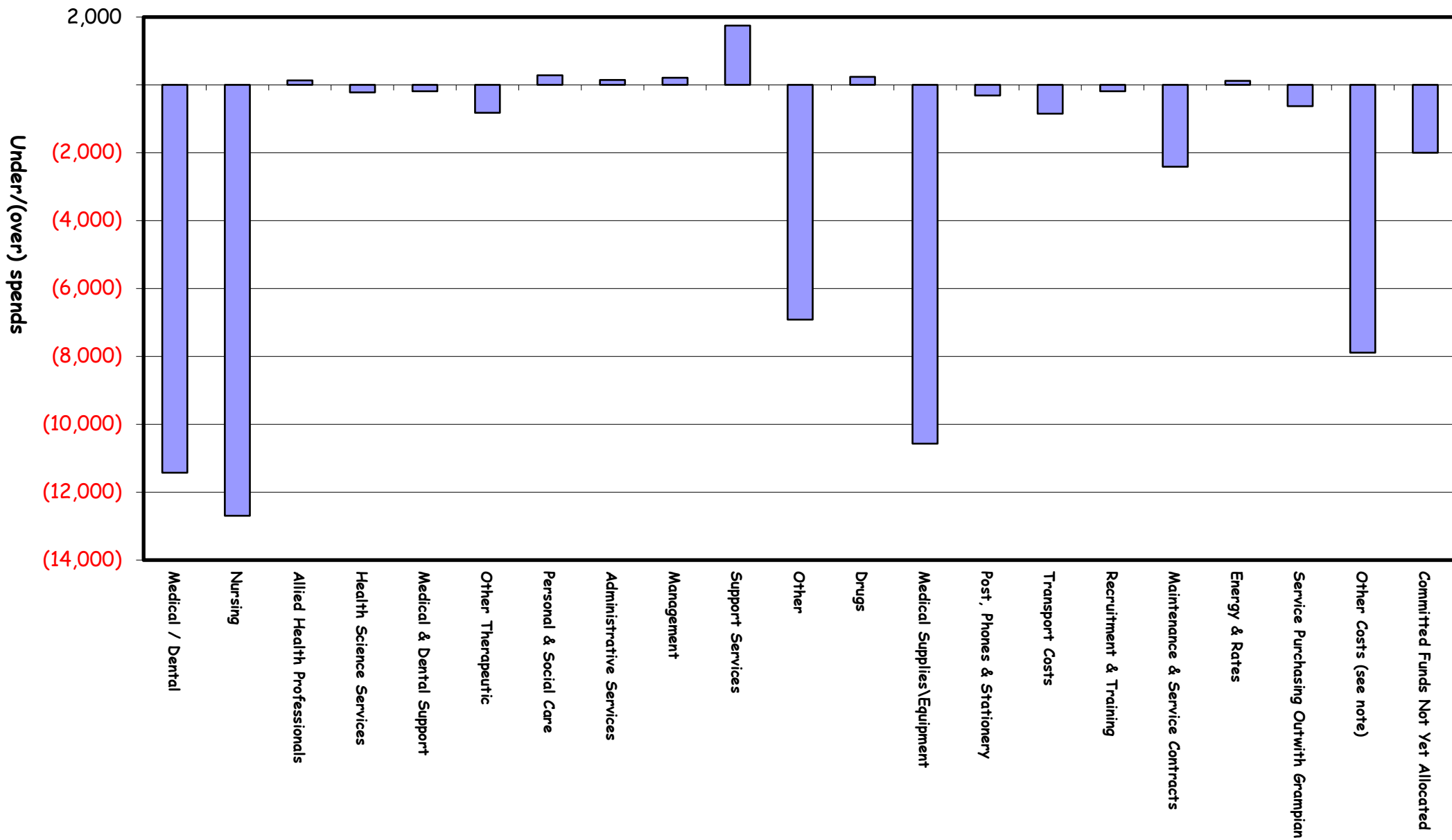
	Annual Budget				Variance %
	£000	Budget £000	Actual £000	Variance £000	
Pay Expenditure					
Medical / Dental	210,072	145,712	157,139	(11,427)	-7.8%
Nursing	249,709	188,767	201,462	(12,695)	-6.7%
Allied Health Professionals	33,782	25,502	25,371	131	0.5%
Health Science Services	30,022	22,727	22,949	(222)	-1.0%
Medical & Dental Support	9,441	7,296	7,482	(186)	-2.5%
Other Therapeutic	24,752	19,019	19,840	(821)	-4.3%
Personal & Social Care	2,688	2,033	1,747	286	14.1%
Administrative Services	90,315	68,324	68,175	149	0.2%
Management	3,188	2,429	2,217	212	8.7%
Support Services	70,897	53,321	51,576	1,745	3.3%
Other	(7,305)	(6,634)	283	(6,917)	104.3%
Total Pay	717,561	528,496	558,241	(29,745)	-5.6%
Non-pay expenditure					
Drugs	94,692	79,340	79,105	235	0.3%
Medical Supplies/Equipment	64,684	49,227	59,797	(10,570)	-21.5%
Post, Phones & Stationery	2,777	2,086	2,400	(314)	-15.1%
Transport Costs	3,735	2,856	3,704	(848)	-29.7%
Recruitment & Training	8,871	6,935	7,120	(185)	-2.7%
Maintenance & Service Contracts	16,145	12,805	15,217	(2,412)	-18.8%
Energy & Rates	24,645	21,715	21,597	118	0.5%
Service Purchasing Outwith Grampian	31,870	17,739	18,362	(623)	-3.5%
Other Costs (see note)	21,079	11,987	19,876	(7,889)	-65.8%
Committed Funds Not Yet Allocated	33,164	(1,998)		(1,998)	100.0%
Total non-pay	301,662	202,692	227,178	(24,486)	-12.1%
Capital Charges	42,068	25,656	25,656		0.0%
FHS Expenditure	94,021	69,803	69,786	17	0.0%
Total NHS Grampian	1,155,312	826,647	880,861	(54,214)	-6.6%

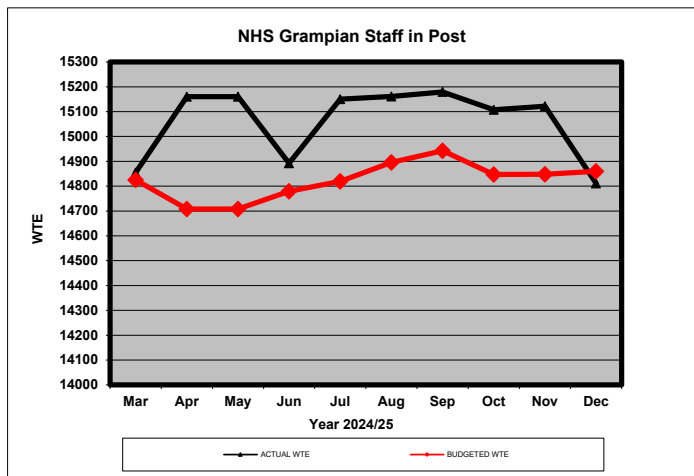
See narrative report for explanation of budget variances

Note: Functional headings include a proportionate share of CRES & underspend targets.

**Other costs include items such as catering, cleaning, & laundry supplies:
professional fees: insurance costs; negligence costs and uniforms**

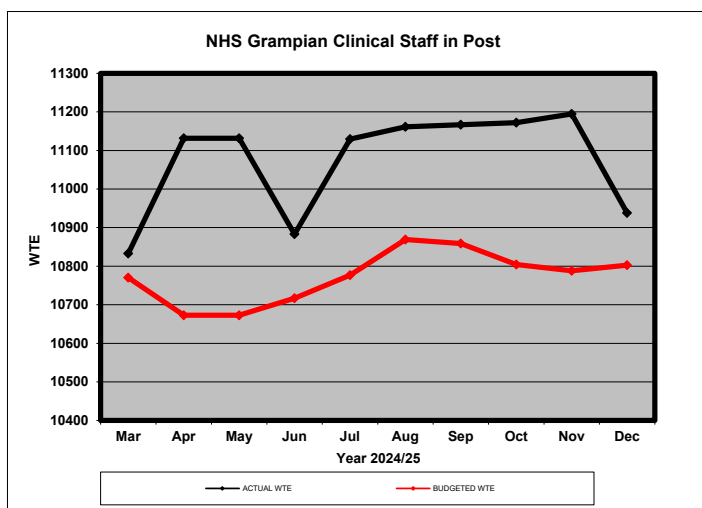
**NHS GRAMPIAN DIRECTLY CONTROLLED
CUMULATIVE EXPENDITURE VARIANCES TO DATE
NINE MONTHS ENDED 31 DECEMBER 2024**





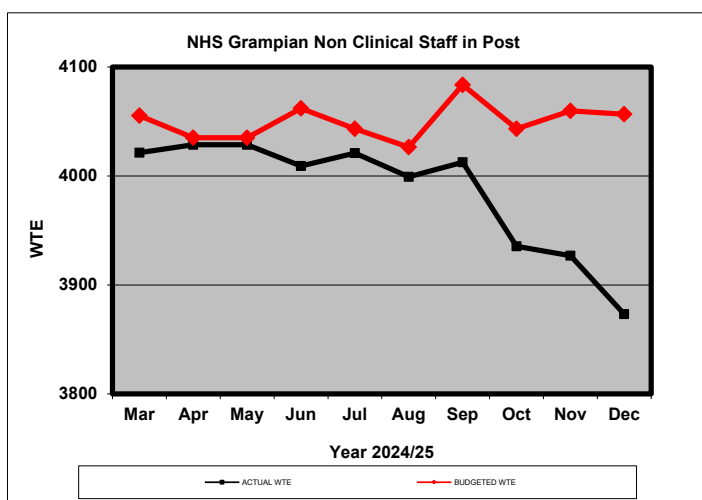
Month	Staff In Post	Net Funded Establishment	Variance
Mar	14,854	14,826	(29)
Apr	15,160	14,708	(452)
May	15,160	14,708	(452)
Jun	14,892	14,779	(113)
Jul	15,151	14,820	(331)
Aug	15,161	14,896	(265)
Sept	15,179	14,943	(237)
Oct	15,107	14,847	(260)
Nov	15,122	14,848	(273)
Dec	14,811	14,859	48
Jan	0	0	0
Feb	0	0	0
Mar	0	0	0

() = Excess over funded establishment



Month	Staff In Post	Net Funded Establishment	Variance
Mar	10,833	10,770	(63)
Apr	11,132	10,673	(459)
May	11,132	10,673	(459)
Jun	10,883	10,717	(166)
Jul	11,130	10,776	(353)
Aug	11,162	10,869	(292)
Sept	11,167	10,859	(308)
Oct	11,172	10,804	(368)
Nov	11,195	10,788	(406)
Dec	10,938	10,803	(136)
Jan	0	0	0
Feb	0	0	0
Mar	0	0	0

() = Excess over funded establishment



Month	Staff In Post	Net Funded Establishment	Variance
Mar	4,021	4,055	34
Apr	4,029	4,035	6
May	4,029	4,035	6
Jun	4,009	4,062	53
Jul	4,021	4,043	22
Aug	3,999	4,026	27
Sept	4,013	4,084	71
Oct	3,935	4,043	108
Nov	3,927	4,060	133
Dec	3,873	4,057	184
Jan	0	0	0
Feb	0	0	0
Mar	0	0	0

() = Excess over funded establishment

NOTE :- Figures for WTE include amounts taken from NHSG payroll plus bank and agency nursing and locum / agency medical staff.

BUDGETED WTE VERSUS ACTUAL WTE

AS AT 31 DECEMBER 2024

BY OPERATIONAL AREA

Area	Budgeted Average YTD WTE	Actual Average YTD WTE	Variance Average YTD WTE
Family Portfolio	1,218	1,249	(32)
Surgery, CSS & Performance Portfolio	3,837	3,827	10
Unscheduled Care & Medicine Portfolio	1,407	1,577	(170)
Dr Grays & Moray Portfolio (Exc. Moray IJB)	494	551	(57)
Mental Health & Learning Disab	956	992	(37)
Non Clinical Services	2,753	2,691	62
Public Health	152	147	5
Primary Care	34	29	5
Pharmacy Services	50	46	4
Centrally Managed Dental Servs	22	17	5
NHS Retained Primary Care	0	0	0
Total NHS Directly Controlled	10,922	11,128	(205)
Aberdeen City H&SCP	1,643	1,692	(50)
Aberdeenshire H&SCP	1,484	1,458	26
Moray H&SCP	786	805	(19)
Total H&SCP Delegated Budgets	3,912	3,955	(43)
Total	14,835	15,083	(248)

Budgeted Dec WTE	Actual Dec WTE	Variance Dec WTE
1,221	1,273	(52)
3,846	3,799	47
1,416	1,548	(132)
493	528	(35)
961	946	15
2,773	2,643	129
157	145	12
34	27	7
47	39	8
22	13	9
0	0	0
10,970	10,962	8
1,627	1,659	(32)
1,489	1,407	82
774	784	(10)
3,890	3,850	40
14,859	14,811	48

BY STAFF GROUP

Staff Group	Budgeted Average YTD WTE	Actual Average YTD WTE	Variance Average YTD WTE
Medical	1,703	1,684	20
Nursing	6,452	6,857	(405)
Administrative Services	2,266	2,250	16
AHPs	1,188	1,129	59
Health Scientists	506	499	7
Medical & Dental Support	285	291	(6)
Other Therapeutic	588	585	3
Personal & Social Care	57	55	2
Management	38	37	1
Support Services	1,773	1,689	84
Other	(21)	8	(28)
Total	14,835	15,083	(248)

Budgeted Dec WTE	Actual Dec WTE	Variance Dec WTE
1,714	1,686	28
6,445	6,677	(232)
2,278	2,199	79
1,184	1,134	51
509	503	6
289	290	(0)
601	591	10
60	57	3
37	37	0
1,766	1,636	130
(24)	3	(27)
14,859	14,811	48

NHS GRAMPIAN
INFRASTRUCTURE AND BACKLOG MAINTENANCE PROGRAMME SUMMARY
CAPITAL REPORT TO 31ST DECEMBER 2024

	REVISED BUDGET	SPEND YEAR TO DATE	BALANCE REMAINING	
	£000	£000	£000	
MEDICAL EQUIPMENT	11,042	4,830	6,212	Replacement Medical Equipment
IT	1,233	528	705	Hardware & Networks
OTHER EQUIPMENT	2,189	789	1,400	Facilities & Estates Equipment inc Vehicles
BACKLOG MAINTENANCE & STATUTORY STANDARDS	8,763	4,001	4,762	Investment in a wide range of Backlog Maintenance, Statutory and Environmental Standards
MAJOR HOSPITAL SCHEMES	68,400	38,816	29,584	Baird Family Hospital/Anchor Centre
PRIMARY AND COMMUNITY CARE	318	280	38	Denburn Security & Primary Care Premises Grants
OTHER	774	(178)	952	Greenspace Project, Capital Programme Contingency & Staffing Resource
TOTAL CORE PROGRAMME	92,719	49,066	43,653	
GP LOANS (NON CORE SG FUNDING)				
GRAND TOTAL CORE AND NON CORE	92,719	49,066	43,653	

The total funding available for 2024/25 is £92.7M, which represents an increase of £1.6M on the previous month and is due to additional funding received from Scottish Government for Equipment replacement and Backlog Maintenance

The £92.7M resource consists of the following: Core Capital Resource Limit from SG of £13.4M and specific SG funding for the following; Baird/Anchor project of £68.4M, Radiotherapy Equipment £3.8M, Slippage in 23/24 of £4.25M returned from SG, LIMS System £0.65M and additional SG funding for Equipment and Backlog Maintenance £1.6M. In addition there are estimated charitable donations of £0.5M.

Key commitments for 2024/25 include; Baird & Anchor Project £68.4M, Link Building Backlog Maintenance £1.7M, Linear Accelerator replacement £3.5M, Medical and other equipment £10.9M, Estates Backlog Maintenance Projects £5.3M, Fire compliance work £1M and Forensic Unit Improvements £0.5M.

Expenditure for the 9 months to the end of November totals £49.1M across all aspects of the Infrastructure Programme.

NHS GRAMPIAN

COMMITMENTS AGAINST CONTINGENCY FUND

Item	Month Agreed	Amount £k	Spend Incurred To Date (£k)
Initial Balance of Fund		3,752	
<u>Agreed Commitments</u>			
Child Health Home Care Patient	May	1,844	1,319
Legal Fees	May	50	
Chief Executive Group	May	18	
Provision of Sanitary Products	May	179	32
Corporate Induction	May	11	
Chemocare	May	100	78
eRostering	May	261	261
Ophthalmology Consultant	May	70	70
Out of area Patients	June	700	
DDiT resource	June	300	116
Enzalutamide Posts	June	57	57
Scottish Ambulance Service SLA	May	467	467
Neurodevelopment ACC	May	56	56
PEL support	May	78	78
Clinical Care Review	June	76	76
Total Committed		4,267	2,610
Remaining Balance/(Over Commitment)		(515)	

NHS GRAMPIAN WAITING TIMES ACTION PLAN

FINANCIAL POSITION FOR THE NINE MONTHS ENDED 31 DECEMBER 2024

	Revised Plan 2024/25 £k	Actual Outturn YTD £k	Forecast Outturn £k
Funding Sources			
Prior years recurring funding 2005 - 2024	42,343	31,757	42,343
Scottish Govt Non Rec Allocation Various Sources 2024-25	8,254	6,191	8,254
Total Funding Sources	50,597	37,948	50,597
Expenditure			
Recurring cost of posts / supplies re ongoing projects where costs are definite and not liable to fluctuation.	42,343	31,757	42,343
2024-25 Access Support Plan	8,254	6,191	8,254
Total Expenditure	50,597	37,948	50,597
Surplus/(Shortfall) on Waiting Times Budget	0	0	0

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Movement in Actual Positions & Projections

