

NHS 24
BOARD MEETING
27 FEBRUARY 2025
ITEM NO: 10.2
FOR ASSURANCE

FINANCE PERFORMANCE REPORT – M10

Executive Sponsor:
John Gebbie, Director of Finance

Lead Officer/Author:
Neil Logan, Head of Financial Planning and Reporting

Action Required:
The Board is asked to take assurance from the M10 Finance Report which shows the financial position of NHS 24 as at January 2025.

Key Points for the Board/Committee/EMT to consider:

- Year to date underspend of £120k reported at month 10.
- This is reliant on anticipated allocations totalling £5.1m being received.
- Savings plans on target, however, are reporting a pressure. This is offset by current underspends and will reduce when the savings are actioned following appropriate review.

Governance process:
The finance report is produced for the Executive Management Team of NHS 24 prior to being reported to the Planning and Performance Committee and NHS 24 Board.

Strategic alignment and link to overarching NHS Scotland priorities and strategies:
This paper demonstrates how the NHS 24 is on track to meet its statutory financial goals.

Strategic alignment and link to Corporate Delivery Plan activity:
This paper demonstrates how the NHS 24 is on track to meet its statutory financial goals.

Key Risks:
There is a risk that not all anticipated allocations are received, however this is deemed small due to ongoing discussions with SGHSCD finance colleagues.

Financial Implications:
This paper details the financial position of NHS 24 and that it is on track to meet its financial objectives for 2024/25.

Equality and Diversity:
The services NHS 24 provide are in line with its operating plan which have all been assessed in line with the appropriate requirements in relation to equality and diversity.

FINANCE PERFORMANCE REPORT

Month 10

JANUARY 2025



Month 10 Financial Overview

Revenue Position

£0.120m underspend

Key Points

Financial Position

- Full year allocation in 2024/25 is forecast to be £124.3m
- NHS 24 is showing a slight underspend of £120k at Month 10 of financial year 2024/25.
- The financial outlook for NHS Scotland is expected to remain extremely challenging in 2024/25, however NHS 24 are forecasting a year-end breakeven position.

Capital Expenditure

£0.015m

Capital Expenditure

- The Capital Formula Allocation is £0.269m as per previous years. In addition, Scottish Government have made a further £0.250m available this financial year to progress Estates sustainability work.
- There has been minimal capital expenditure to date in 2024/25, however plans are in place to complete the works by March 2025.

Efficiency Savings Achieved

£5.322m

Efficiency Savings

- Savings of £5.32m have been achieved by M10. This amount includes the achievement of the full recurring target for 2024/25.

Allocations

Description	Budget (£)
Initial Baseline Allocation	106,930,700
AfC Pay Award 24/25	5,444,000
Pension Increases	2,340,000
Mental Health	2,203,000
Enhanced Mental Health Care Pathway	1,369,382
Improvements to Forensic Medical Services	316,465
NHS Inform	200,000
Consultant Pay Awards 24/25	96,000
Executive and Senior Management Pay Award 24/25	70,000
Realistic Medicine Clinical Lead and PM	50,000
Nursing - Implementation of Health Staffing Act	44,325
Nursing - Implementation of excellence in care	44,406
SHBBV Action Plan	18,360
Nursing - OU Students	40,000
Total Received as at 31 January 2025	119,166,638
Redesign of Urgent Care	4,002,210
ICT - e-health strategic allocation	125,011
ICT - Primary Care Projects (PCDS)	75,000
Digital - GP.Scot	219,720
Estates Depreciation	289,000
Depreciation	397,086
Total Anticipated by 31 March 2025	124,274,665

Forecast RRL

£124.3m

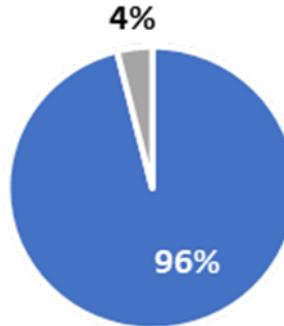
Received to Date

£119.2m

Anticipated

£5.1m

Allocation Status £m



■ Received ■ Anticipated

Allocation Letter

The first allocation letter was received at the start of June. It confirmed the initial baseline allocation for NHS 24 of £106.9m which included £4.7m for Mental Health which was baselined in February 2024. A further £2.2m of Mental Health funding was added to the baseline funding in August 2024, taking the total baseline funding for core Mental Health Services to £12.7m.

Funding for the pay award for Agenda for Change staff was added to the Baseline in the October letter and for Medic and Senior Managers in November.

Scottish Government have confirmed the remainder of funding for Redesign of Urgent Care (RUC) which is likely to be received in February.

Month 10 Financial Position

Pay	£0.147m underspend
Non Pay	£0.180m underspend
Efficiency Savings	£0.207m overspend

Key Points

- Number of vacancies across NHS 24. However, this will be offset when some efficiencies have gone through the appropriate process and are realised.
- For M10, non pay expenditure is largely progressing in line with budget, with underspends in some of the areas targeted for savings in the 25/26 finance plan.
- To date, efficiency targets of £5.05m have been phased in year to date with £4.84m of this being achieved. The balance will be reduced in the final two months as more non-recurring vacancies are taken to savings .

Financial position as at 31 January 2025

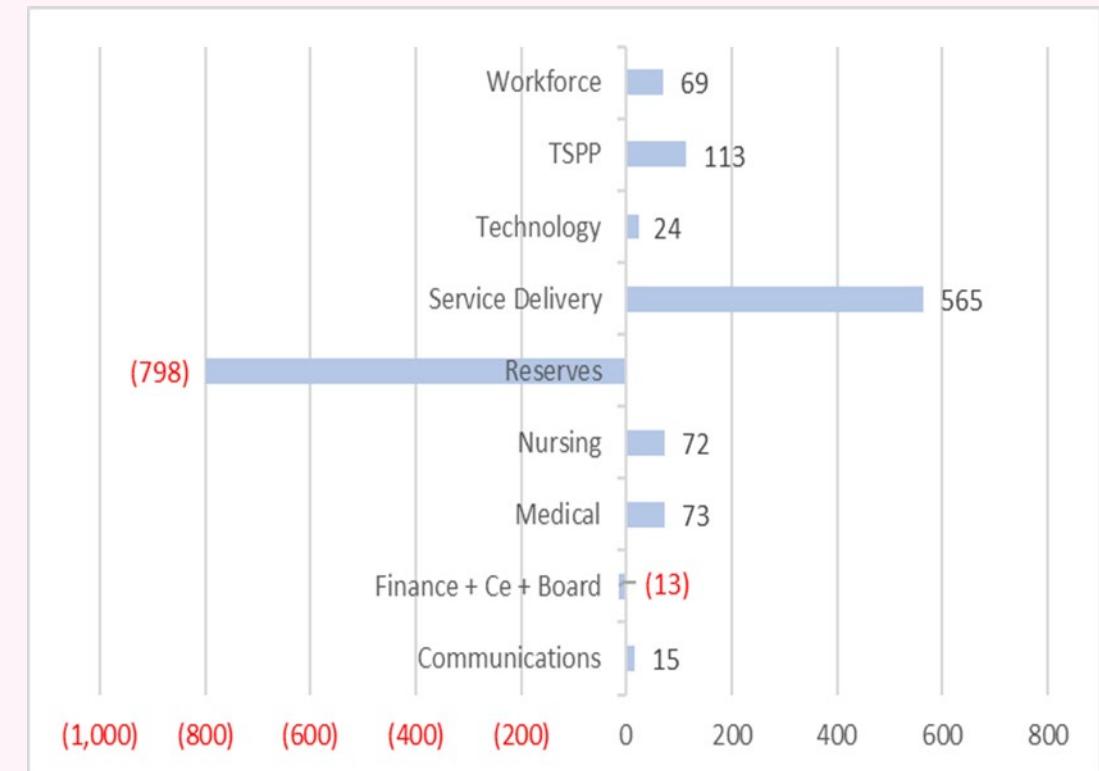
Type	Annual Budget (£m)	YTD Budget (£m)	YTD Actual (£m)	YTD Variance (£m)
SG Income	124.27	99.65	99.65	0.00
Pay	98.79	79.81	79.66	0.15
Non Pay	26.10	20.05	19.87	0.18
Efficiencies	(0.61)	(0.21)	0.00	(0.21)
Total	0.00	0.00	0.12	0.12

Financial Position Per Directorate

MAIN POINTS

- The graph shows the year to date variances per directorate for financial year 2024/25 with a small underspend overall.
- There are a number of vacancies across directorates, attributing to most being underspent. Efficiencies have to be actioned in a number of these areas to realise the savings from vacancies.
- The Reserves Directorate holds the savings target balance which is showing as an overspend until allocated out. This is partially offset by any budgets that relate to efficiency savings that are held in reserves.

Year to Date (April 24 – Jan 25) Variances Per Directorate (£000)

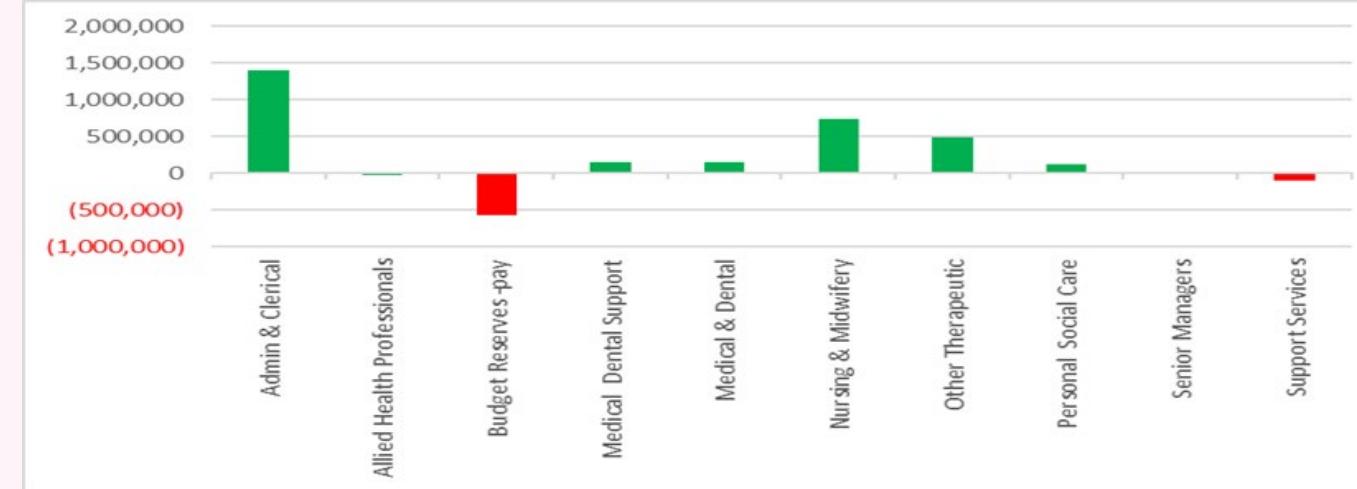


Cost Analysis

PAY

- Pays are showing an underspend of £0.15m.
- The table to the side shows the variance by job family prior to the vacancy factor (YTD £2.2m), which is mainly being achieved via admin & clerical, nurse and pharmacist vacancies.
- The Support Services costs include secondee costs which are offset by vacancy savings in the Medical & Dental category.

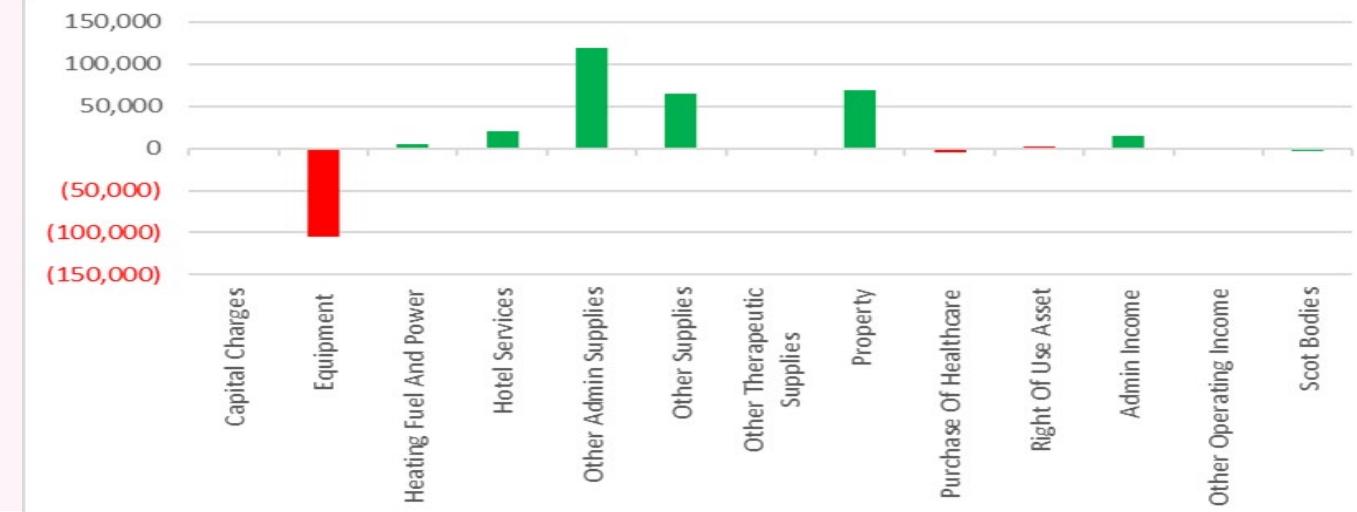
Year to Date Pay Variances Per Staffing Category



NON PAY

- Non pays are slightly underspent £0.18m year to date.
- Equipment overspends relate to one off spend items that were approved.
- Areas of underspend include travel and call charges – both areas targeted for 25/26 efficiencies with plans starting to come to fruition.

Year to Date Non Pay Variances Per Category



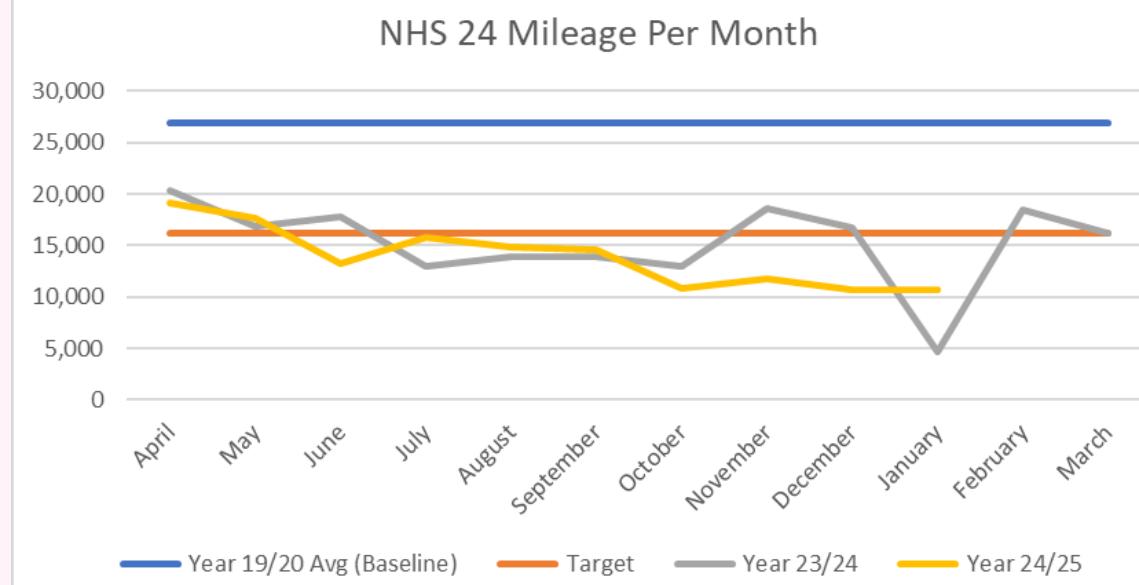
Sustainability & Value - Mileage Analysis

TARGET

- The Sustainability & Values group calculated a target by taking the 2019/20 mileage as a baseline and applying a 40% reduction.
- The target is 16,181 miles per month, totalling 194k miles for the financial year.

PROGRESS

- The graph below shows the mileage for financial year 2023/24 and 2024/25 to date against the target.
- In 2023/24 a total of 183k miles were claimed. In 2024/25, year to date the average is 13,933 miles per month, which is an improvement on the previous year and 48% reduction achievement.



Efficiency Savings

EFFICIENCY TARGETS

In order to break-even in 2024/25, NHS 24 are required to make savings of £4.8m.

In addition, recurring savings have been made from remodelling the FME service and absorbing the Protected Learning Time requirements within existing resource.

A further £1m target was added in November to assist financial planning for the Digital Transformation Programme.

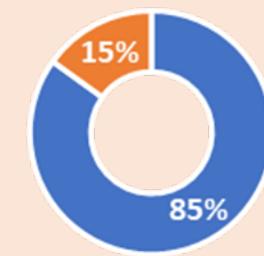
PROGRESS AGAINST TARGETS

To date, a number of savings have been achieved, accounting for 85% of the overall target.

Opportunities to achieve the remaining 15% are assessed on an on-going basis and actioned when appropriate.

	Current Year Effect (CYE)	Full Year Effect (FYE)
	£	£
Target	(4,805,359)	(2,392,000)
Additional - DTP	(1,000,000)	0
Additional - FME	(148,832)	(148,832)
Additional - PLT	(312,591)	(312,591)
Total Target	(6,266,782)	(2,853,423)
Anticipated non recurring savings	945,150	0
Total - Anticipated	945,150	0
Achieved		
Vacancy factor	2,110,380	0
In year slippage on programmes	357,829	0
Shift Review	835,103	835,103
Virtual Queue call cost reduction	93,592	93,592
Service Redesign/Dept restructures	505,176	505,176
Training Modules	152,066	152,066
12 Month Vacancy Savings	505,186	505,186
Licence review	162,366	162,366
FME	148,832	148,832
Practice Learning Time	312,591	312,591
Travel Review	43,296	43,296
Contract Review	95,215	95,215
Total Achieved	5,321,632	2,853,423
(Under)/Over Achievement Savings	0	0

PROGRESS AGAINST EFFICIENCY TARGETS



■ Achieved ■ In Progress