# GJF LogoBoard Meeting: 9 May 2019

**Subject:** Finance Report –March 2019

**Recommendation:** Members are asked to:

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| Discuss and Note | X |
| Discuss and Approve |  |
| Note for Information only |  |

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#### Introduction/Key Issues

The month twelve year to date (YTD) results reflect a small £3k surplus position on core funding which is reflected in the following Income and Expenditure out-turn:

* Income – above target by £1,915k YTD;
* Core Expenditure – overspend of (£1,913k) YTD

Non-core expenditure reflects an under-spend position of £116k due to depreciation as a result of delay in capital spend for a number of planned projects for new items which have now been moved to the plan for 2019/20.

Therefore the board has achieved our core 2018/19 financial plan and planned forecast trajectory target as agreed with the Scottish Government Health and Social Care Directorate (SGHSCD). The information contained in this report is still subject to external audit at year-end and may be subject to variation.

1. **Three year Financial Plan**

The Boards draft three year financial plan for 2019/20 to 2021/22 and supporting Scottish Government financial plan templates were approved by the Board on the 4th April 2019 these have been submitted to the Scottish Government in line with the 29th March deadline.

This will now form the basis of our three year financial plan, trajectories and monitoring of financial targets.

Submission to Scottish Government of the 2019/20 Annual Operational Plan comprising of both the three year financial plan and performance document and supporting financial plan templates was achieved by the 29 March 2019 deadline.

Following feedback from Scottish Government, the plan will be formally presented to the Board for final approval.

1. **Three Year Budget setting / Efficiency Savings**

Budget setting and efficiency savings meeting are in progress with all budget Managers and Divisional Management Teams, with any outstanding meetings and second stage meetings to further update Service/Divisional budget for agreed changes, cost pressures and developments) will take place as planned during April 2019 with the final budgets planned to be agreed by the end of May, in line with our reporting cycle.

Efficiency savings continue to reflect a gap against the required £4.806m of circa £1.1m; however significant work is in progress to meet with budget managers to develop further schemes during April and into May.

If schemes have not been agreed by September then the formal escalation process as described in the financial plan will be put in place. This will include:

* further support from the Efficiency and Productivity Group
* finance led workshops across the Board
* Weekly progress updates to Executive Team and
* A more detailed review of all costs and developments
* 1-1 meetings with key budget holders
* Specific focus at the Performance and Planning Committee, Audit and Risk Committee and the Board.
1. **Efficiency Savings**

At month twelve, efficiency savings delivered were £4.267m against a Local Delivery Plan (LDP) target of £4.206m, reporting a small over achievement of £61k at financial year end.

The savings achieved for financial year 2018/19 are split with recurring efficiency savings achieved of £2.776m and non recurring savings of £1.491m; this is in line with similar trends in previous years.

1. **Conclusion**

Members are asked to note the finance report for the period ended 31 March 2019.

## Julie Carter

**Director of Finance**

**17 April 2019**

(Lily Bryson, Assistant Director of Finance – Governance and Financial Accounting)

(Elizabeth O’Brien, Assistant Director of Finance – Financial Management)