Board Meeting: 4 April 2019
Subject: Finance Report – January 2019

Recommendation: Members are asked to:

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1. Introduction/Key Issues

The month 10 year to date results shows a total surplus on core funding of £4k, which is made up of the following:

- Income – above target by £2,120k;
- Core Expenditure – overspend of (£2,115k)

Non-core expenditure reflects an overall breakeven position.

This therefore reflects a £4k surplus on total core/non-core position and aligns with our financial plan from month 10 and our forecast trajectory.

It is therefore anticipated that the Board will achieve the breakeven target agreed with the Scottish Government Health and Social Care Directorates (SGHSCD).

2. Three-Year Financial Planning

The draft three-year financial plan for 2019/20 to 2021/22 is due to be submitted to Scottish Government by 29 March 2019 pending Board approval in April. Key pressures and issues have been identified in the financial planning paper presented to the Senior Management Team in January. These have been incorporated into the three-year plan. The early indications are forecasting an efficiency target in the region of 3.3% with a balanced financial plan forecast over the three-year period. This will be presented in detail to the March Senior Management Team and Board thereafter.

3. 2018/19 Year-end

As in prior years, managers are requested to ensure that all non-routine goods have been ordered and are receipted prior to 22 March to enable all expenditure related to the year to be accounted for by 31 March 2019.
The last payment date for the year for Bank Automated Credit System (BACS) processing will be 25 March 2019. This is to ensure that all payments are processed by the end of the year.

4. Efficiency Savings

At month 10, efficiency savings delivered were £3.430m against an Annual Operational (AOP) target of £3.330m, reporting a surplus of £100k at this stage. This is in the main due to phasing movement in some projects with no risk in delivery of the 2018/19 target.

The savings achieved to date are split with recurring efficiency savings achieved of £2.207m and non-recurring savings of £1.223m.

5. Conclusion

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

Julie Carter
Director of Finance
25 February 2019

(Lily Bryson, Assistant Director of Finance – Governance and Financial Accounting)
(Elizabeth O’Brien, Assistant Director of Finance – Financial Management)