

Meeting of
Lanarkshire NHS Board
25 June 2008

Lanarkshire NHS Board
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SUBJECT: FINANCE REPORT FOR THE PERIOD ENDED 31 MAY 2008

1. PURPOSE

The attached report provides the NHS Board with an update on the financial position for the two months ended 31 May 2008.

2. CONTENT / SUMMARY OF KEY ISSUES

The five year Financial Plan 2008/09 – 2012/13 was approved by the NHS Board in March 2008, with an amendment in April 2008 to reflect changes to the level of NRAC funding assumed from 2009/10 onward; an increase to the CRES target required from 2010/11 onwards; and the funding profile of the revenue consequences of the capital investment programme. The Financial Plan sets a target in year surplus for 2008/09 of £3.1m, reflecting an underlying forecast recurring surplus of £3.7m as at 31 March 2009, offset by a non recurring overspend during the year of £0.6m. Taking account of the cumulative surplus of £11.785m carried forward from previous years, this sets a revised forecast cumulative surplus as at 31 March 2008 of £14.8m.

The actual position to 31 May 2008 reflects an underspend of £0.5m, against the full year forecast of £3.1m. This is largely the result of underspends against mental health pay budgets within the North CHP.

Work is already underway to further develop a non recurring plan for the year, recognising the potential slippage against approved financial plan commitments; emerging cost pressures within the system; and the remaining balance of the programme of general refurbishment and premises investment which commenced in the previous financial year. This will be an ongoing piece of work and an initial update will be provided to the Corporate Management Team by the end of July, with a formal update to the NHS Board in August 2008.

4. CONCLUSION

The NHS Board are asked to note the contents of the report.

5. FURTHER INFORMATION

For further information or clarification of any issues in this paper, please contact Carol Potter, Deputy Director of Finance, 01698 206355.

Susan Goldsmith
Director of Finance
19 June 2008