

Meeting of
Lanarkshire NHS Board
24th March 2010

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NHS LANARKSHIRE

SUBJECT: FINANCIAL PLAN 2010/11 to 2014/15

1. Purpose of Paper

The attached paper presents to the Board revenue and capital plans for 2010/11 which, subject to confirming plans for a small residual element, satisfy all three financial targets. The paper also sets out the projections for the following 4 years.

The Board is asked to

- agree the financial plan for 2010/11, noting the continued efforts to close the £0.6m residual gap between income and expenditure
- endorse the financial framework for 2011-2015 as an outline for planning
- approve the 2010/11 capital plan
- note the potential capital schemes for 2011-2015 as a basis for further discussion

2. Content / Summary of Key Issues

The Scottish Budget partially sheltered the Health Service from the full impact of the reduction in public sector finances. All Boards received a 2.15% uplift and NHS Lanarkshire received an additional £3m towards its fair share under the NRAC formula. This gives the Board £19.678m of additional resources for 2010/11.

When the estimates of unavoidable growth in our cost base are combined with previous service commitments the Board faces a £15.6m gap between income and expenditure. Savings plans have been drawn up which if fully delivered would cover £15m of this gap in 2010/11 and yield £ 18.963m in 2011/12.

Work continues on identifying how to bridge the £0.6m gap this leaves. A number of potential strategies are being explored and, if all other plans hold, we are optimistic this can be achieved.

A capital plan committing £37.992 m for 2010/11 has been supported by the Scottish Government Health Department allowing us to proceed with the Airdrie Health Centre. Formal allocations are still to be announced.

2010/11 is the final year of the current Spending Review and given the difficult economic conditions and the forthcoming general election, plans beyond 2011 for both capital and revenue are, by necessity, indicative only.

3. Conclusion

The NHS Lanarkshire Board is asked to approve the Financial Plan 2010/11 to 2014/15

4. Further Information

Further information or clarification of any issues in this paper please contact:

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