

# NHS Ayrshire & Arran



<b>Meeting:</b>	<b>Ayrshire and Arran NHS Board</b>
<b>Meeting date:</b>	<b>Monday 6 October 2025</b>
<b>Title:</b>	<b>Financial Management Report for the five months to 31 August 2025</b>
<b>Responsible Director:</b>	<b>Derek Lindsay – Executive Director of Finance</b>
<b>Report Author:</b>	<b>Rob Whiteford – Assistant Director of Finance</b>

## 1. Purpose

This is presented for:

- Discussion

This paper relates to:

- Annual Operational Plan

This aligns to the following NHS Scotland quality ambition:

- Effective

## 2. Report summary

### 2.1 Situation

The Board is at level 3 of the Scottish Government Performance Framework and delivering against 2025/26 financial targets without compromising patient safety is of the utmost importance.

The Board must deliver a deficit no larger than £25 million in 2025/26 and has overspent by £15.4 million excluding Health and Social Care Partnerships at the end of August 2025.

### 2.2 Background

The revenue plan for 2025/2026 was approved at the Board meeting on the 31 March 2025. This projected a deficit of £33.1 million. This plan was not accepted by Scottish Government who have stipulated that the Board must not exceed a financial deficit of £25.0 million in 2025/2026.

## **2.3 Assessment**

### **REVENUE**

The key points from the Board finance report are:

- The Board will not meet its statutory requirement to break even in 2025/26.
- The Board is £15.4 million overspent after five months excluding Health and Social Care Partnerships.
- Health and Social Care Partnerships are £0.4 million underspent in aggregate.
- Cash releasing efficiency savings (CRES) are profiled aligned to delivery plans. The CRES programme is therefore significantly back loaded, particularly in acute services.

### **CRES**

- Scottish Government require the Board to achieve 3% recurring CRES on their baseline funding. The recurrent target is £30.2 million. Currently almost all acute savings are non-recurring cost reductions.
- There is an additional non-recurring plan for cost reduction of £6.5 million. £1.5 million of this relates to a property sale which is currently on hold.
- £11.2 million of savings were delivered by the end of month five, which was £0.2 million behind target.

#### **2.3.1 Quality/patient care**

Financial resources contribute directly to quality of patient care.

#### **2.3.2 Workforce**

Annex B provides further information on workforce numbers and agency spend.

#### **2.3.3 Financial**

The Board will not meet its statutory requirement to break even in this financial year.

#### **2.3.4 Risk assessment/management**

Corporate Risk 703: Failure to deliver sufficient efficiency savings to live within financial allocation may lead to an inability to balance the budget resulting in an adverse impact on the delivery of services and reputational damage to the NHS Board. This could result in the Board being moved from level 3 to level 4 on the ladder of escalation.

#### **2.3.5 Equality and diversity, including health inequalities**

This report does not require an equality and diversity impact assessment.

#### **2.3.6 Other impacts**

This report reflects the best value principles of governance and accountability in respect of use of resources.

### **2.3.7 Communication, involvement, engagement and consultation**

The Board has carried out its duties to involve and engage external stakeholders where appropriate.

## **2.4 Recommendation**

For discussion. Members are asked to:

- Review the financial position for the year.
- Evaluate financial performance against the key Scottish Government targets.
- Discuss actions to improve the financial position

## **3. List of appendices**

The following appendices are included with this report:

**Appendix A: Finance Report – Month 5**

## Appendix A

### NHS Ayrshire and Arran – Finance Report August 2025

#### 1. Overall Financial Position

- 1.1 The Board is £15.4 million overspent after five months of the 2025/26 financial year, excluding Health and Social Care Partnerships.

#### Summary Financial Position

Department	Annual Budget £000	YTD Budget £000	YTD Spend £000	Variance £000
Acute	490,199	204,164	217,093	(12,929)
Acute Legacy Cres	(2,294)	(956)	0	(956)
New Medicine Fund	15,674	6,531	9,653	(3,122)
Pharmacy	13,133	5,565	5,752	(187)
UNPACs	1,500	625	249	376
<b>Acute and Clinical Services</b>	<b>518,212</b>	<b>215,929</b>	<b>232,747</b>	<b>(16,818)</b>
ISS (Operational)	73,782	30,668	29,362	1,306
ISS (Corporate)	54,811	20,206	20,302	(96)
Corporate Services	45,165	18,607	16,424	2,183
<b>Non Clinical Support Services</b>	<b>173,758</b>	<b>69,481</b>	<b>66,088</b>	<b>3,393</b>
Centrally Managed Resources	4,559	855	776	79
Reserves	12,885	(2,036)	0	(2,036)
<b>Centrally Managed Resources</b>	<b>17,444</b>	<b>(1,181)</b>	<b>776</b>	<b>(1,957)</b>
<b>NHS A&amp;A Health Board Total</b>	<b>709,414</b>	<b>284,229</b>	<b>299,611</b>	<b>(15,382)</b>
East Hscp	254,803	106,495	105,904	591
North Hscp	200,743	82,151	82,607	(456)
South Hscp	113,558	47,629	47,360	269
<b>NHS A&amp;A Total inc HSCPs</b>	<b>1,278,518</b>	<b>520,504</b>	<b>535,482</b>	<b>(14,978)</b>

#### Performance against key Scottish Government targets

The Board will not meet the statutory requirement to breakeven. Scottish Government require a deficit not exceeding £25.0 million.

Cumulative brokerage due to be repaid to Scottish Government is £129.9 million at the end of 2024/05. This comprises brokerage of £14.7 million from 2019/20, £25.4 million from 2022/23, £38.4 million from 2023/24 and £51.4 million from 2024/25.

The Board is required to deliver recurring efficiency savings of £30.2 million - 3% of baseline recurring funding.

## 1.2 Scottish Government Allocations

The table below shows allocations received at the end of August 2025.

Description	Baseline Recurring £000	Non- recurring £000	Earmarked Recurring £000
Baseline Allocation	1,006,572	0	0
Recurring Allocation from 24/25	23,607	0	0
Allocations at 31 July 2025	24,614	22,732	86,358
Alcohol & Drug Partnerships Tranche 2	0	0	509
£20m tariff adjustment - prescribing	(1,524)	0	0
Core Golden Jubilee activity	(1,630)	0	0
New medicine	0	18,121	0
<b>Allocations at 31 August 2025</b>	<b>1,051,640</b>	<b>40,853</b>	<b>86,867</b>

£18.1 million was received for the New Medicines Fund, whilst deductions for Primary Care Medicines and activity at the Golden Jubilee National Hospital were as expected.

Not included above is £8.9 million of funding for planned care or £7.7 million of funding for urgent and unscheduled care. These funds will be reimbursed on delivery of agreed activity and outcomes.

## 2. Acute Services – analysis by cost category

2.1 The annual budget for Acute Services is £490.2 million. The directorate is overspent by £12.9 million against its year-to-date budget.

M5 Category	Annual Budget £000	YTD Budget £000	YTD Actual £000	Variance £000
Pay	369,000	151,658	158,507	(6,848)
Non Pay	76,548	31,597	35,124	(3,527)
Purchase of Healthcare	95,664	39,579	39,759	(181)
Hch Income	(38,502)	(15,745)	(16,096)	351
Other Operating Income	(485)	(205)	(201)	(4)
Savings	(12,027)	(2,721)	0	(2,721)
<b>Total</b>	<b>490,198</b>	<b>204,163</b>	<b>217,093</b>	<b>(12,930)</b>

2.2 Pay is £6.8 million overspent:

- Nursing pay is £4.2 million overspent. Within this is £2.9m on unfunded acute wards which remain open.

Unfunded ward	YTD Overspend at Month 5 £000	Month 5 Overspend £000	Month 4 Overspend £000
Ward 5D	923	184	184
Ward 3F	482	91	94
Station 3	700	173	120
Station 12	405	87	121
Station 8	406	97	79
<b>Total</b>	<b>2,916</b>	<b>633</b>	<b>599</b>

The Director of Acute Services has advised of mitigating actions which include:

1. Supplementary Nursing Spend Assurance Group

Co-chaired by the Director of Nursing and Director of Acute Services, this forum provides structured challenge to senior nursing leaders on their use of supplementary staffing. By holding divisions to account and supporting workforce optimisation, the group is enabling better use of data to target reductions. Early impacts include improved Key Performance Indicators and reduced reliance on premium agency usage through informed, localised action.

2. Targeted Recruitment Strategy

A clear baseline of establishment, staff in post, and vacancy levels has been established, enabling NHS Ayrshire & Arran to link overspend directly to vacancy gaps. Monthly tracking informs a recruitment plan including Health Care Assistant open days and Newly Qualified Nurses pipelines, ensuring recruitment activity is purposeful and aligned to where cost pressures sit.

3. Confirm and Support Meetings

Through the phased rollout of e-Rostering, roster leaders now attend “confirm and support” clinics to improve roster quality and compliance. These sessions have improved adherence to headroom assumptions, increased transparency of staff utilisation, and supported the reduction of expensive and discretionary shift types such as enhancements and overtime.

4. Mental Health Review

Mental Health services have seen sustained pressure due to high acuity and observation demands, leading to costly short-notice agency use. A dedicated review is now underway to assess observation models, internal pathway resilience, and escalation procedures, with recommendations to reduce dependency on agency input and better absorb peaks within core staffing.

- Medical pay is £3.2 million overspent. This is mainly driven by the excess costs of consultant medical agency, and by excess payments to junior doctors for non-compliant rotas.

2.3 Supplies and services are £3.5 million overspent:

- Medicines are £0.15 million under budget.

- Surgical Sundries are £0.8 million overspent, and by £0.5 million in month 5. £0.34 million of this is on insulin pumps, with orthopaedic theatre issues accounting for a further £0.15 million.
- Diagnostic Supplies are £0.6 million overspent due to volume increases in managed service contracts and higher charges from NHS Greater Glasgow and Clyde.
- Equipment is £0.8 million overspent.
- Taxi services and private ambulance provision are £0.5 million overspent. A proposal to utilise the Scottish Ambulance Service instead of private ambulances for discharge of patients is being pursued.
- Other Therapeutic Supplies are £0.1 million overspent
- The overspend on Purchase of Healthcare is due to radiology and pathology outsourcing.

## 2.4 Acute Service – analysis by department

M5 Directorate	Annual Budget £000	YTD Budget £000	YTD Actual £000	Variance £000
Medicine	87,637	36,502	42,269	(5,767)
Emergency Crosshouse	43,508	18,275	20,874	(2,599)
Emergency Ayr	17,983	7,606	9,353	(1,747)
Surgery	134,892	56,781	58,078	(1,298)
Labs & Diagnostics	47,890	20,075	21,572	(1,497)
Women and Children	49,308	20,635	21,692	(1,057)
Other	108,981	44,290	43,255	1,036
<b>Total</b>	<b>490,199</b>	<b>204,164</b>	<b>217,093</b>	<b>(12,929)</b>

- 2.5 Medicine are overspent by £5.7 million. The “active wards” occupied by delayed discharge patients are not funded and wards intended to only be open in winter have been open as listed in paragraph 2.2. Owing to lack of Allied Health Professional input and lack of capacity in community provision patients in the “active wards” are increasing in acuity and length of stay. This is reflected in the increased in month costs at Station 3 in Ayr.
- 2.6 Annex C shows graphs on delayed discharges which demonstrate the rising numbers in our hospitals. During July 2025, there were 7,885 delayed discharges (all reasons including < 14 days). This is the highest level for many years and represents a monthly financial cost of £2.2 million. The targeted use of additional funding for urgent and unscheduled care is intended to reduce this.
- 2.7 Patients awaiting a guardianship court process are part of these. £0.4 million of the urgent and unscheduled care additional funding has been earmarked for additional mental health officer capacity to support guardianship in North Ayrshire. All Ayrshire citizens should be encouraged to have in place a legal power of attorney covering welfare and financial matters.

- 2.8 Emergency Care was overspent by £4.3 million - £1.7 million at University Hospital Ayr and £2.6 million at University Hospital Crosshouse. Ward 5A which was unfunded last year is funded in 2025/26, however orthopaedic trauma wards are overspent by £0.7 million. A&E and CAUs have additional medical and nursing staff resulting in an overspend of £1.8 million
- 2.9 Surgery are £1.3 million overspent. This is driven by medical staffing and elective orthopaedic supplies overspends
- 2.10 Labs and Diagnostics are £1.5 million overspent, partly caused by overspends on the managed service contract for diagnostic supplies. The volume of tests has increased, and the realistic medicine programme is attempting to mitigate this. External capacity for pathology and radiology was initiated at a time of consultant vacancies but has continued despite recruitment.
- 2.11 Women and Children are £1.0 million overspent, with £0.7 million on pay. A “Best Start” community-based midwifery service is in place however national funding has now ceased.

#### **New Medicines Fund (NMF)**

- 2.12 The New Medicines Fund is overspent by £3.1 million after 5 months. This is due to the cost of new medicines approved by the Scottish Medicines Consortium being higher than the funding provided by Scottish Government. Cystic Fibrosis medicines have been charged to the NMF for many years, however this year they are charged to acute divisions. Therefore a corresponding budget transfer has been made.

#### **Infrastructure and Support Services (I&SS)**

- 2.13 Infrastructure and Support Services budgets are separated between those which are operational service provision (such as estates, hotel services and digital services), and those which are corporate in nature, such as capital charges, energy and private finance initiative (PFI) costs. They have an aggregate annual budget of £128.6 million and are £1.2 million underspent after 5 months.

#### **Corporate Services**

- 2.14 Corporate services have budgets of £45.1 million and comprise Public Health, the Nursing Directorate, the Medical Directorate, Human Resources and Organisational Development, Finance, Transformation and Sustainability and the Chief Executive’s office. These are underspent in aggregate by £2.2 million after 5 months with Public Health having the largest underspend.

#### **Centrally Managed Resources**

- 2.15 Centrally Managed Resources are budgets not owned by any of our Directorates. Examples include CNORIS, insurances, VAT recoveries, excess travel, compensation payments and resources “top sliced” from NHS Ayrshire & Arran to provide services through National Services Division. These are £0.1 million underspent at Month 5.

#### **Reserves**

- 2.16 Reserves are budgets not issued or attributed to any Department. Such budgets can be:
- Legacy Deficits.
  - Allocations received from Scottish Government not yet issued to services.



- Budget set aside in the Revenue Plan for a specific purpose but not yet spent.

Reserves are overcommitted due to deficit budgets set and a £2.0 million overspend is included in the Month 5 position.

### Health and Social Care Partnerships (HSCPs)

2.17 IJBs financial reserves are depleted, and it is likely any health overspends will require to be covered by the Heath Board.

### 2.18 East HSCP

East HSCP is underspent by £0.6 million after five months.

#### East Hscp

	<b>Annual Budget</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Variance</b>
Ahps East	£9,109,089	£3,795,454	£4,101,746	(£306,292)
And Com Nursing	£988,444	£411,851	£422,515	(£10,663)
East Business Support	£2,802,960	£1,162,774	£972,858	£189,917
East H + C Care	£14,125,261	£5,901,907	£6,020,775	(£118,869)
East Hosted Services	£11,899,629	£4,946,011	£4,716,048	£229,963
East Hscp Apprenticeship Levy	£294,393	£122,664	£114,421	£8,243
East Hscp Children	£4,983,119	£2,076,299	£2,050,847	£25,453
East Hscp Recharge/misc Posts	£0	£0	£0	£0
East Local Authority Payments	£22,200,953	£9,142,454	£9,124,283	£18,171
East Mental Health	£5,385,852	£2,244,105	£1,983,182	£260,923
East Partnership Management	£422,636	£176,098	£285,261	(£109,163)
East Primary Care	£48,139,726	£20,058,219	£20,049,877	£8,342
East Turnover Allocation	(£500,000)	(£208,333)	£0	(£208,333)
Ehscp Flat Cash Settlement	£1,123,767	£326,420	£0	£326,420
Primary Care	£133,827,471	£56,338,901	£56,061,916	£276,985
	<b>£254,803,297</b>	<b>£106,494,824</b>	<b>£105,903,730</b>	<b>£591,095</b>

The underspend in East is driven by Primary Care Services on which they lead for Ayrshire, together with underspends on AHPs hosted on behalf of Ayrshire. Local Community Mental Health services are also materially underspent. Local East AHPs are overspent by £0.3 million following recruitment to alleviate service pressures, and turnover savings targets are also causing overspends.

### 2.19 North HSCP

North HSCP is overspent by £0.5 million after five months.

## North Hscp

	<b>Annual Budget</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Variance</b>
Ahps North	£11,956,259	£4,987,773	£4,787,329	£200,444
Mental Health Services	£72,721,335	£29,218,175	£29,223,544	(£5,368)
Nhscp Flat Cash Settlement	£1,229,863	£541,379	£436,000	£105,379
North Apprenticeship Levy	£401,421	£167,259	£160,813	£6,446
North Business Support	£1,017,275	£420,624	£405,930	£14,695
North Gp Stakeholder	£53,442	£22,268	£27,464	(£5,197)
North H + C Care	£21,870,331	£8,790,852	£9,815,334	(£1,024,482)
North Hosted Services	£608,512	£253,546	£227,286	£26,260
North Hscp Children	£5,329,392	£2,173,186	£2,228,945	(£55,759)
North Local Authority Payments	£24,239,033	£10,025,720	£10,025,720	(£0)
North Mental Health	£5,973,143	£2,490,416	£2,200,835	£289,581
North Partnership Management	£622,284	£259,285	£276,676	(£17,391)
North Primary Care	£54,721,184	£22,800,493	£22,791,160	£9,334
North Retained Profit	£0	£0	(£0)	£0
	<b>£200,743,474</b>	<b>£82,150,977</b>	<b>£82,607,036</b>	<b>(£456,058)</b>

The North HSCP have a payroll turnover target of £1.567m which is recorded under Hospital and Community Services. At month 5 this makes this area look overspent but this target is projected to over achieve by £0.300m. The turnover to achieve this is generated across all non lead partnership services including those recorded outwith Hospital and Community Services e.g. AHP services, local MH and LD services and long term conditions.

The main areas of overspend are UNPACs external placements £0.4m, specialist rehab wards (Douglas Grant and Redburn) and Ward 1 and 2 at Woodland View.

Improvements in the month included the receipt of £0.25 million of rebates for the substitute prescribing medicine Buvidal.

## 2.20 South HSCP

South HSCP is underspent by £0.3 million after five months.

## South Hscp

	Annual Budget	YTD Budget	YTD Actuals	YTD Variance
Ahps	£10,985,154	£4,560,796	£4,335,007	£225,789
Int Care + Rehab Moc South	£1,548,800	£645,333	£630,614	£14,720
South Business Support	£3,082,525	£1,279,920	£1,231,817	£48,103
South Covid 19	£0	£0	£35	(£35)
South H + C Care	£14,507,399	£6,056,939	£6,252,418	(£195,479)
South Hosted Services	£4,579,648	£1,886,853	£2,048,187	(£161,334)
South Hscp Children	£3,624,914	£1,510,381	£1,425,949	£84,431
South Hscp Management	£1,192,894	£457,094	£389,040	£68,054
South Local Authority Payments	£20,412,132	£8,982,213	£8,982,213	(£0)
South Mental Health	£6,004,609	£2,408,032	£2,231,126	£176,906
South Primary Care	£47,619,491	£19,841,454	£19,833,698	£7,757
South Retained Profit	£0	£0	£0	£0
	<b>£113,557,564</b>	<b>£47,629,015</b>	<b>£47,360,104</b>	<b>£268,911</b>

The underspend in South is across most services and particularly in AHPs and Mental Health. Areas of overspend include the Community Equipment Loan Store hosted on behalf of Ayrshire and nursing at Biggart and Girvan hospitals.

## Efficiency and Transformation Programme

- 2.21 The Cash Releasing Efficiency Savings (CRES) programme for 2025/26 approved by the Board as part of the Revenue Plan is £36.7 million.

### 2025/26 – delivery against the CRES target

Area	Annual Target £000	Annual Forecast £000	Forecast Variance £000	Forecast Recurring £000	Forecast Non-Recurring £000	YTD Plan M5 £000	YTD Achieved M5 £000	YTD Variance £000
Medicine	3,000	1,107	(1,893)	0	1,107	1,264	403	(861)
Women and Children	1,400	854	(546)	14	840	336	348	12
Surgery	4,300	2,501	(1,799)	276	2,225	125	1,390	1,265
Emergency & Trauma	2,000	1,527	(473)	0	1,527	708	565	(143)
Clinical Support Services	2,350	1,059	(1,291)	673	386	278	272	(6)
Workforce Nursing	2,100	1,559	(541)	0	1,559	594	519	(75)
Workforce Transformation	630	1,412	782	0	1,412	251	571	320
Workforce Medical	1,250	1,250	0	0	1,250	520	886	366
Procurement	1,400	1,005	(395)	1,003	2	442	49	(393)
Corporate	3,270	3,195	(75)	2,690	505	1,594	1,236	(358)
Primary Care Prescribing	2,000	2,000	0	2,000	0	770	770	0
Acute Prescribing	2,000	2,000	0	2,000	0	956	702	(254)
Infrastructure & Support Services - Corporate	1,950	1,957	7	1,857	100	794	794	0
Infrastructure & Support Services - Operational	900	900	0	900	0	276	276	0
Infrastructure & Support Services - Commercial	1,500	0	(1,500)	0	0	0	0	0
East HSCP	2,445	1,934	(511)	1,669	265	910	680	(230)
North HSCP	2,170	2,216	46	1,916	300	740	923	183
South HSCP	2,015	2,015	0	2,015	0	840	840	0
<b>Total NHS Ayrshire and Arran</b>	<b>36,680</b>	<b>28,491</b>	<b>(8,189)</b>	<b>17,013</b>	<b>11,478</b>	<b>11,398</b>	<b>11,224</b>	<b>(174)</b>

- 2.22 Achievement is £0.2 million behind target after five months. Recognising the lead time in embedding the program the trajectory is significantly back loaded, which introduces risk as the year progresses. In order to achieve the planned deficit of £33.1 million or the revised target of £25.0 million it is essential the efficiency programme delivers in full. There is a shortfall in the projected annual achievement of £8.2 million (month 4 £6.7 million) representing the value of savings targets with

no plan for delivery at month five. New savings are being identified however an assessment of likely savings delivery is being undertaken.

- 2.23 Viridian Associates are currently commissioned to support the Acute Services and associated workforce improvement programme for 2025/26. This does not include the Boards wider efficiency programme and recovery plan. The acute efficiency target has been devolved to divisions for 25/26 and totals £17 million. Most of the savings identified for acute are non-recurring cost reductions.
- 2.24 The acute CRES forecast for 25/26 currently stands at £11.3 million (month 4 £13.1 million) leaving a gap of £5.7 million savings to find. This is driven by Medicine (£1.9 million), Clinical Support Services (£1.6 million) and Surgery (£1.8 million). Notwithstanding the back loaded trajectory of savings in aggregate acute CRES is £0.9 million ahead of plan at Month 5. This is mainly due to the phasing of surgery savings in the plan, but also because of over performance on workforce transformation and medical workforce savings.

	Annual Target	Annual Forecast	Forecast Variance	Forecast Recurring	Forecast Non-Recurring	YTD Plan M5	YTD Achieved M5	YTD Variance
Area	£000	£000	£000	£000	£000	£000	£000	£000
Medicine	3,000	1,107	(1,893)	0	1,107	1,264	403	(861)
Women and Children	1,400	854	(546)	14	840	336	348	12
Surgery	4,300	2,501	(1,799)	276	2,225	125	1,390	1,265
Emergency & Trauma	2,000	1,527	(473)	0	1,527	708	565	(143)
Clinical Support Services	2,350	1,059	(1,291)	673	386	278	272	(6)
Workforce Nursing	2,100	1,559	(541)	0	1,559	594	519	(75)
Workforce Transformation	630	1,412	782	0	1,412	251	571	320
Workforce Medical	1,250	1,250	0	0	1,250	520	886	366
<b>Total Acute</b>	<b>17,030</b>	<b>11,269</b>	<b>(5,761)</b>	<b>963</b>	<b>10,306</b>	<b>4,076</b>	<b>4,954</b>	<b>878</b>

## 2.25 RISKS

The high number of delayed discharges in acute hospitals requires extra beds to be opened leading to overspends. Whole system planning is needed to mitigate this. The urgent and unscheduled care investment funding is an opportunity to reduce these.

IJBs may overspend health budgets and require Health Board support. Recovery plans are in place.

Primary Care Prescribing is historically volatile and may overspend despite additional investment. The trend will become clearer as further months information are received. Information received covering April to June suggests this risk is minimal at this stage.

Operational pressure and patient care/safety may preclude parts of the efficiency programme delivery during Winter.

The majority of acute savings are non-recurring and need service redesign to deliver recurring savings.

The CRES trajectory is heavily back loaded.

The Board may not be able to recover the full £2.3 million impaired in 2024/25 from councils for learning disability patients in Woodland View.

Expenditure on urgent and unscheduled care or planned care requires to be incurred in advance with funding only being received if outcomes are achieved.

## 2.27 **CONCLUSION**

The Board is £15.4 million overspent after 5 months. It is essential the Board takes all appropriate available actions to reduce spend to minimise the deficit.

## Annex A

### Annex A Savings Programme

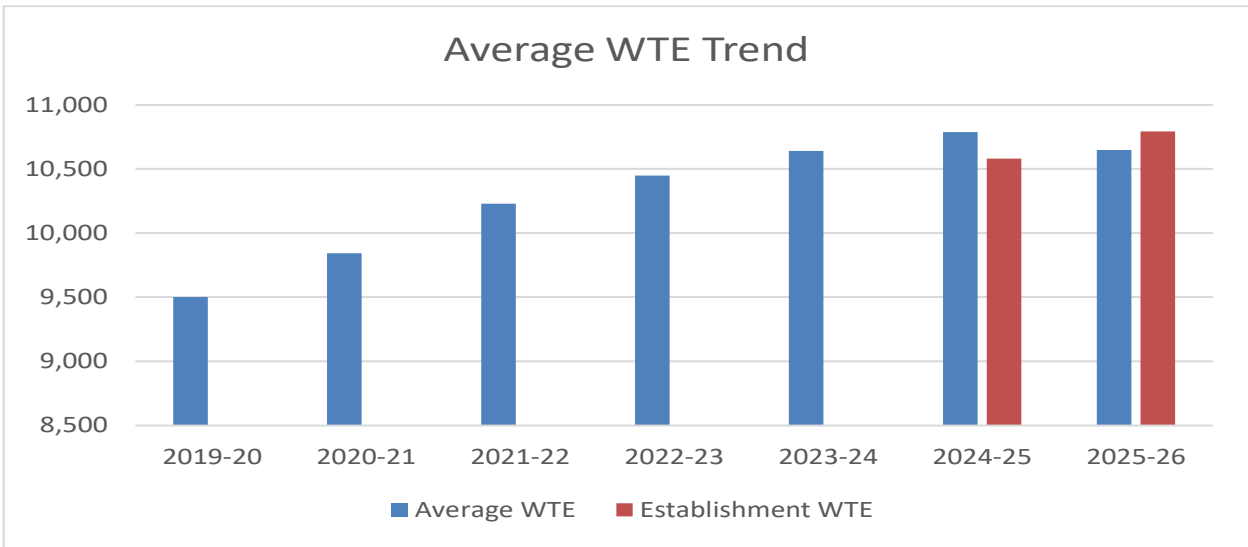
Workstream	Year to Date R/NR (M5)			Annual Forecast Against Plan				Recurrent Position						
	Plan	Actual	Variance	Original Plan	Current Schemes Identified	Forecast R/NR CY	Variance to Annual Plan	Annual Plan	Plan YTD	Actual YTD	Variance YTD	Rest of year forecast	Plan Forecast	Variance (Annual Plan to Plan Forecast )
Medicine	1.264	0.403	-0.860	3.000	3.000	1.107	-1.893	3.000	0.000	0.000	0.000	0.000	0.000	-3.000
Women and Children	0.337	0.348	0.011	1.400	1.214	0.854	-0.546	1.400	0.048	0.008	-0.040	0.006	0.014	-1.386
Surgery	0.126	1.390	1.263	4.300	2.039	2.501	-1.799	4.000	0.000	0.054	0.054	0.222	0.276	-3.724
Emergency & Trauma	0.708	0.565	-0.143	2.000	2.010	1.527	-0.473	2.000	0.000	0.000	0.000	0.000	0.000	-2.000
Clinical Support Services	0.276	0.271	-0.005	2.350	0.995	1.059	-1.291	2.100	0.148	0.197	0.049	0.476	0.673	-1.427
Workforce Nursing	0.594	0.519	-0.075	2.100	1.623	1.559	-0.541	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total</b>	<b>3.304</b>	<b>3.497</b>	<b>0.192</b>	<b>15.150</b>	<b>10.881</b>	<b>8.607</b>	<b>-6.543</b>	<b>12.500</b>	<b>0.197</b>	<b>0.259</b>	<b>0.063</b>	<b>0.704</b>	<b>0.963</b>	<b>-11.537</b>
Workforce Transformation	0.251	0.571	0.320	0.630	1.092	1.412	0.782	0.130	0.000	0.000	0.000	0.000	0.000	-0.130
Workforce Medical	0.521	0.888	0.367	1.250	1.250	1.250	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Procurement	0.443	0.048	-0.395	1.400	1.400	1.005	-0.395	1.400	0.441	0.046	-0.395	0.956	1.002	-0.398
Infrastructure & Support Services - Corporate	0.000	0.000	0.000	1.500	1.500	0.000	-1.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Infrastructure & Support Services - Primary Care Prescribing	1.593	1.235	-0.357	3.270	3.170	3.195	-0.075	2.790	1.113	1.113	0.000	1.578	2.691	-0.099
Infrastructure & Support Services - Acute Prescribing	0.793	0.793	0.000	1.950	1.953	1.957	0.007	1.850	0.763	0.763	0.000	1.093	1.856	0.006
Infrastructure & Support Services - Total	0.770	0.770	0.000	2.000	2.000	2.000	0.000	2.000	0.770	0.770	0.000	1.230	2.000	0.000
East HSCP	0.956	0.700	-0.256	2.000	1.871	2.000	0.000	2.000	0.956	0.700	-0.256	1.300	2.000	0.000
North HSCP	0.278	0.278	0.000	0.900	0.900	0.900	0.000	0.900	0.278	0.278	0.000	0.623	0.900	0.000
South HSCP	0.278	0.278	0.000	0.900	0.900	0.900	0.000	0.900	0.278	0.278	0.000	0.623	0.900	0.000
<b>Total</b>	<b>5.605</b>	<b>5.284</b>	<b>-0.321</b>	<b>14.900</b>	<b>15.136</b>	<b>13.719</b>	<b>-1.181</b>	<b>11.070</b>	<b>4.321</b>	<b>3.670</b>	<b>-0.651</b>	<b>6.780</b>	<b>10.449</b>	<b>-0.621</b>
East HSCP	0.909	0.679	-0.230	2.445	2.181	1.934	-0.511	2.445	0.798	0.569	-0.230	1.101	1.670	-0.775
North HSCP	0.741	0.923	0.182	2.170	1.776	2.216	0.046	2.170	0.741	0.798	0.057	1.118	1.916	-0.254
South HSCP	0.840	0.840	0.000	2.015	2.015	2.015	0.000	2.015	0.840	0.840	0.000	1.176	2.016	0.001
<b>Total</b>	<b>2.489</b>	<b>2.442</b>	<b>-0.047</b>	<b>6.630</b>	<b>5.972</b>	<b>6.165</b>	<b>-0.465</b>	<b>6.630</b>	<b>2.379</b>	<b>2.207</b>	<b>-0.172</b>	<b>3.395</b>	<b>5.602</b>	<b>-1.028</b>
<b>Grand Total</b>	<b>11.399</b>	<b>11.222</b>	<b>-0.176</b>	<b>36.680</b>	<b>31.989</b>	<b>28.491</b>	<b>-8.189</b>	<b>30.200</b>	<b>6.896</b>	<b>6.136</b>	<b>-0.761</b>	<b>10.879</b>	<b>17.014</b>	<b>-13.186</b>

## Annex B - Workforce and Performance Information

### Annex B: Key workforce data

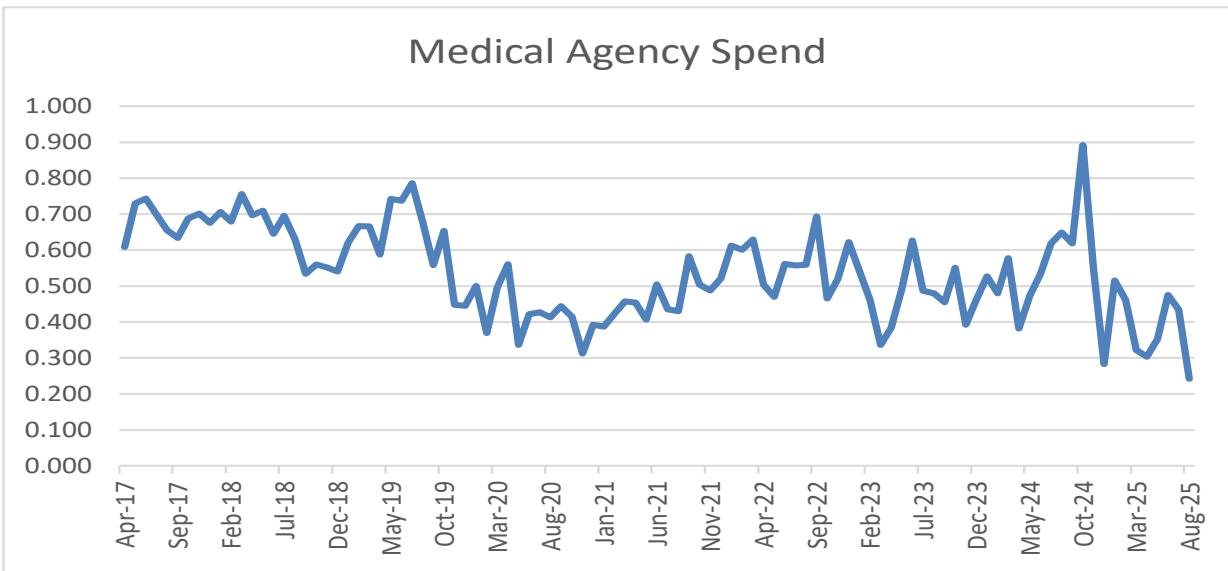
#### Key points:

- There has been a sustained increase in staffing since 2020/2021.
- Medical agency spend has been broadly static since April 2021.
- Nursing agency spend has been on an overall upward trend since April 2020.
- Significant increase in agency and bank nursing staffing reflects national trends



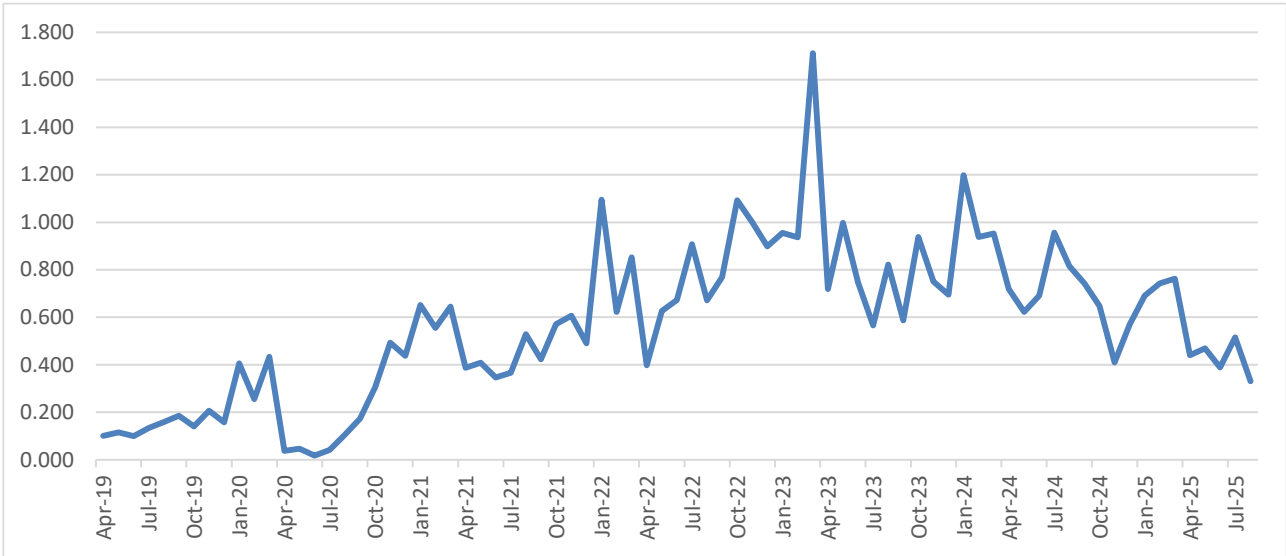
#### Medical Agency Trend

Agency medical costs are mainly for Consultants. They were £1.8 million in the first five months of 2025/26 which is a reduction of £0.8 million on the first five months of last year.

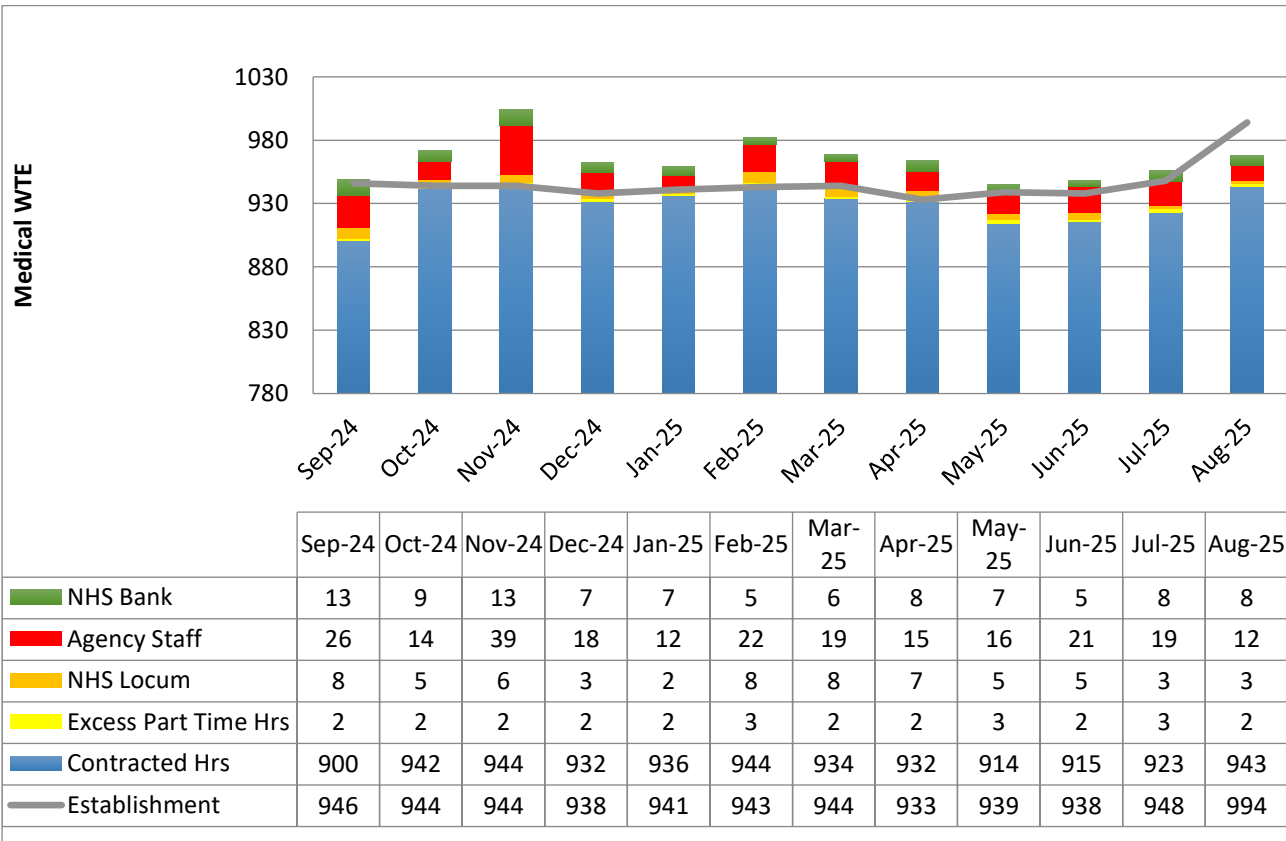


Nusing Agency Trend

Agency Nurse costs have reduced by £1.6 million in the first five months of 2025/26 compared with the first five months of 2024/25. However bank nursing costs have risen to offset this. Almost half of the entire nursing agency spend is in Crosshouse A&E, CAU and the Orthopaedic Trauma Wards.

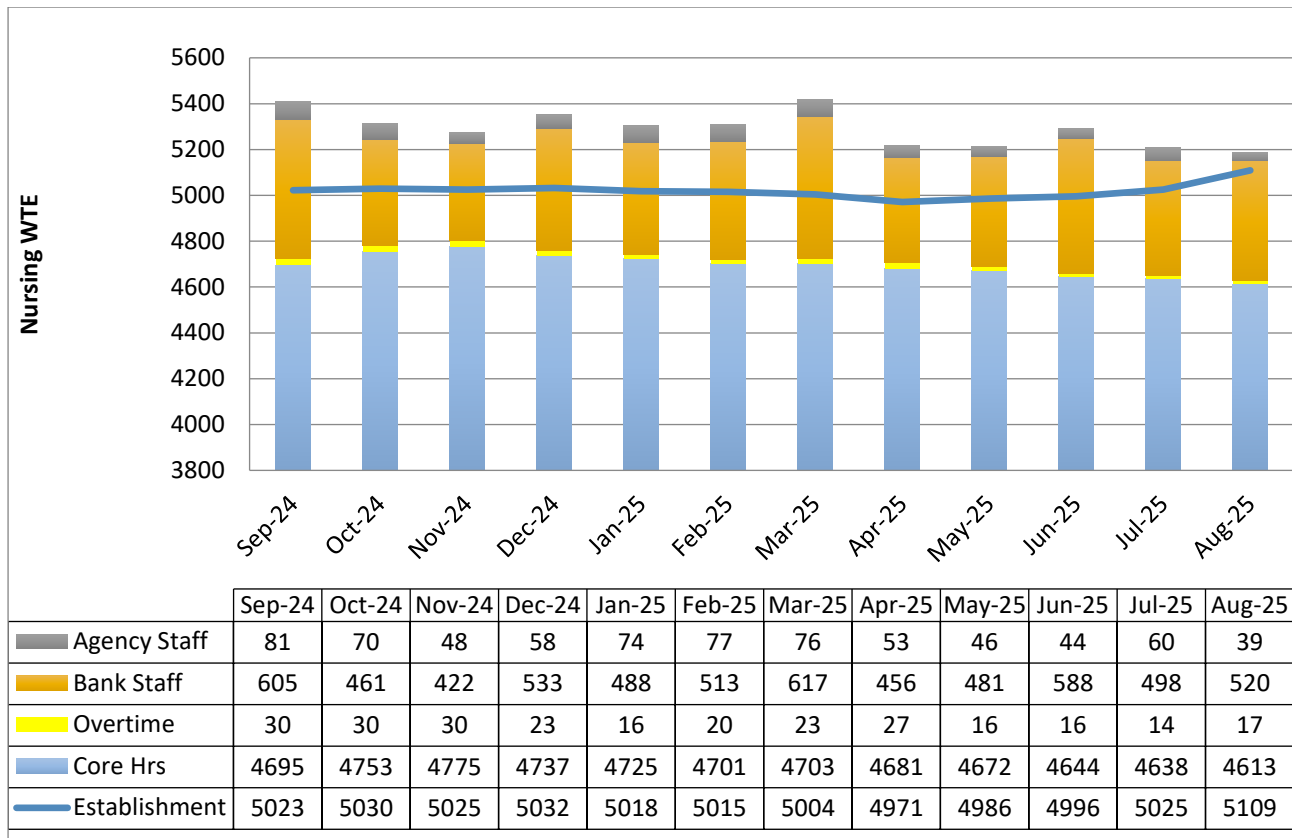


Medical Staffing breakdown



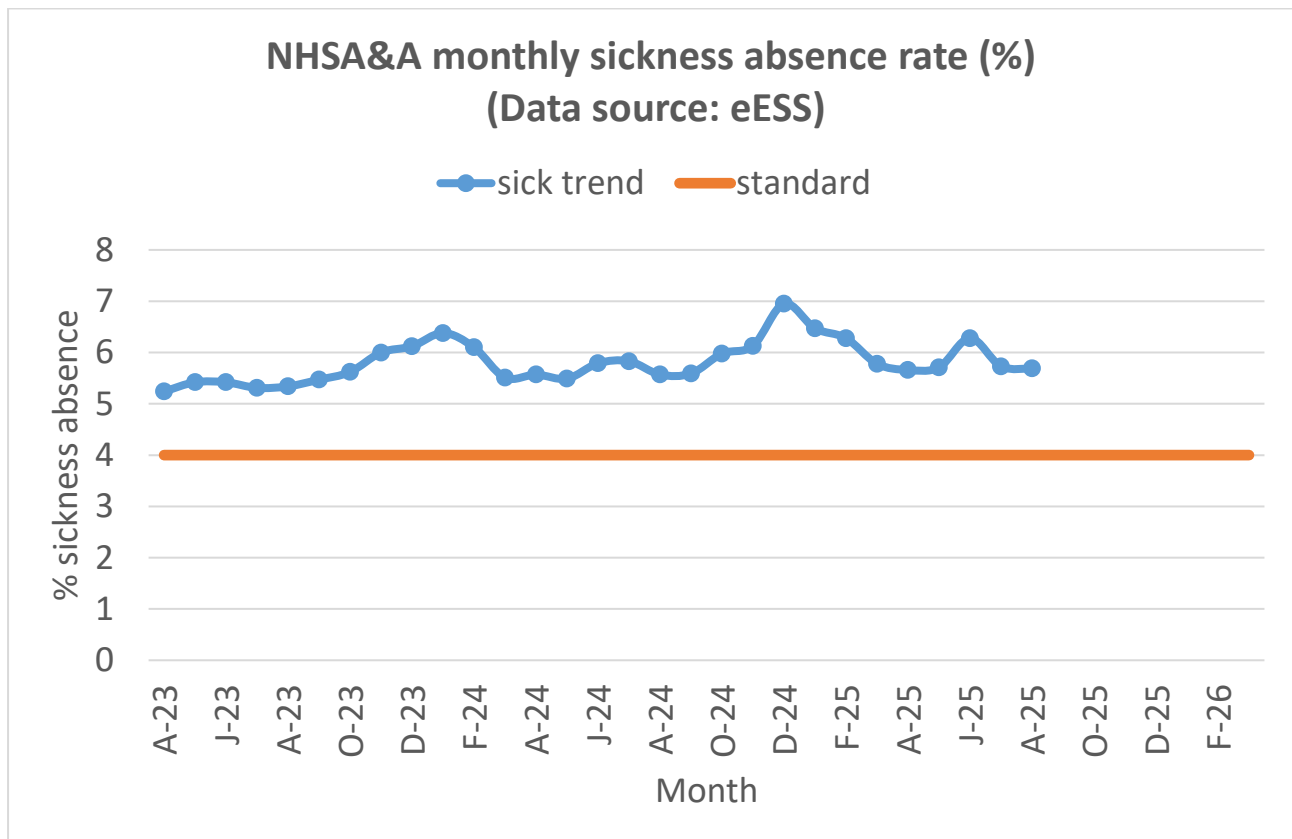


## Nursing Staff breakdown



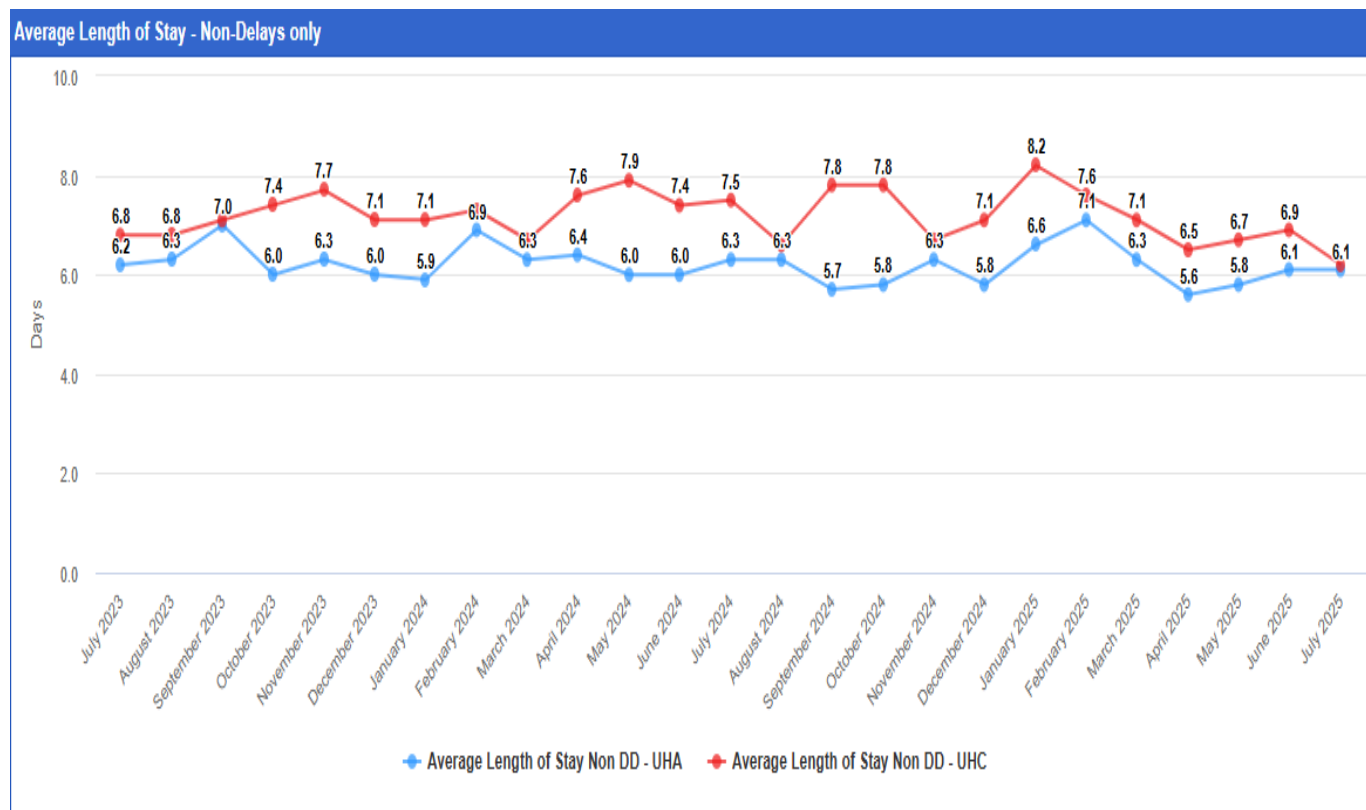
## Sickness Absence

The local target level of sickness absence is 5.15% for the year. We have averaged 5.8% over the first five months.

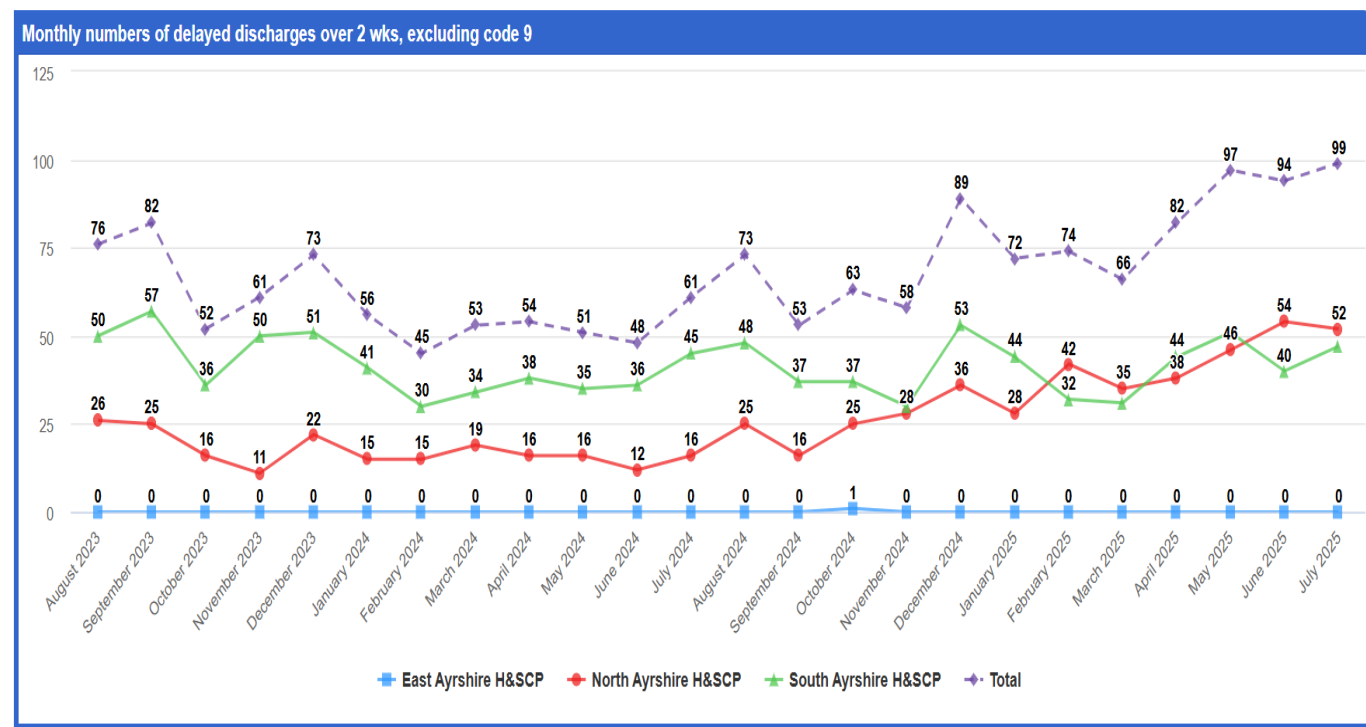


## Annex C: Selected Performance Indicators

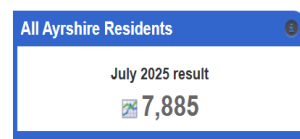
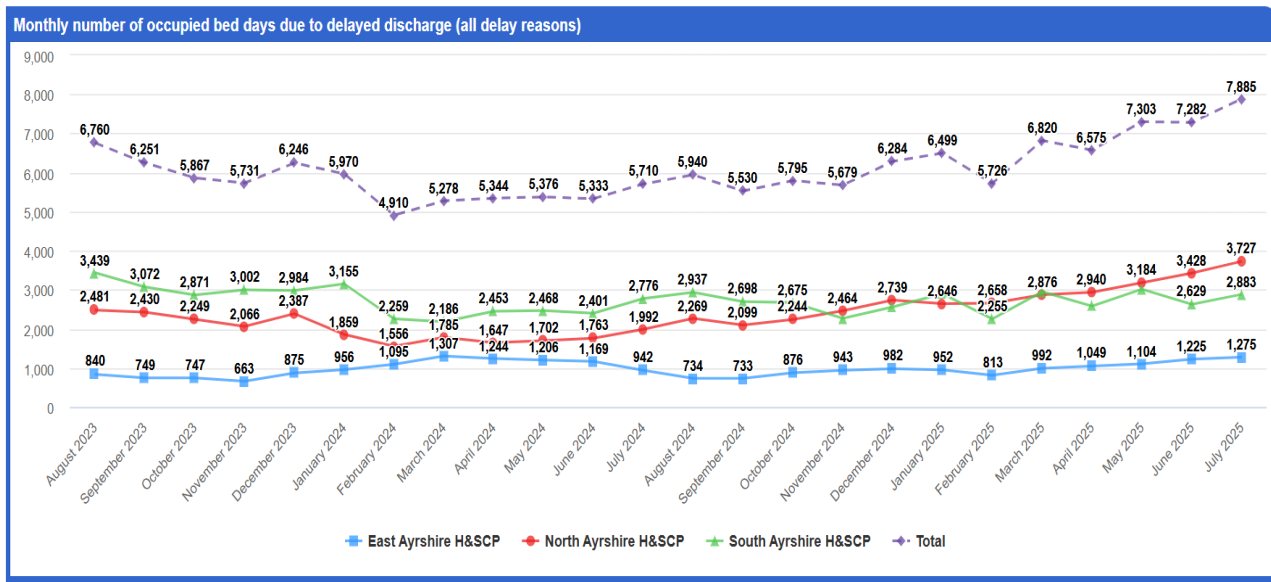
The ALOS for Non-Delayed patients fell in 3 consecutive months from January 2025 at both sites but rose in April, May and June, falling again in July particularly at UHC.



The number of delayed discharges rose steeply in April and May following reductions from January to March 2025. July saw a small increase and we are now at the highest level in the period covered by this information.



In July there was a large increase (603 – 7.6% of the total) in the number of bed days occupied by Delayed Discharges, which are at their highest level in 2 years.



At a variable bed day cost of £275 per day the 29,145 bed days lost to delayed discharges from April to July cost £8.0 million.