

Greater Glasgow NHS Board

Board Meeting

20th August 2002

Board Paper No. 02/54

Director of Finance

Financial Monitoring 2001/02

Recommendation:

Members are asked to note:

- 1 The final out-turn for Trusts for the year to March 2002, based on Audited Annual Accounts.
- 2 The cumulative Income and Expenditure Surplus/(Deficit) position for Trusts and the Board.

Trust out-turn

The following table shows for each Trust and in total, the final financial out-turn for the year to March 2002. The information is an extract from the Trusts' Audited Annual Accounts. A comparison with the previous forecast is also shown.

Table 1

	North Glasgow	South Glasgow	Yorkhill	PCT	Trust Total
	£'000	£'000	£'000	£'000	£'000
Income	429,091	197,959	86,815	471,843	1,185,708
Expenditure	412,906	190,705	83,618	466,117	1,153,346
Surplus before Interest	16,185	7,254	3,197	5,726	32,362
Interest Receivable	627	257	184	494	1,562
Dividends on PDC	-16,727	-7,409	-3,180	-5,636	-32,952
Break-even (Operational)	85	102	201	584	972
Profit/(Loss) on Disposal of land and Buildings	-30	0	-9	161	122
Break-even (Total)	55	102	192	745	1,094
Previous Forecast	-24	0	255	810	1,041

The Trusts in total achieved a surplus of £972K against the break-even (operational) target and after accounting for profits/(loss) on sale of Land and Buildings, the final out-turn was £1,094K in surplus. This compares with the previous forecast out-turn of £1,041K.

Given the level of funding available to NHS Greater Glasgow, this represents a remarkably good outcome to a difficult financial year. In achieving this result, the Board acknowledges the open and constructive co-operation that has been a feature of working with the Trusts during the year.

Cumulative Position

The following table shows the cumulative Income and Expenditure to March 2002 for the Trusts and the Board. Having received £13.6m from the SEHD during 2001/02 to fund the accumulated deficits at the North and South Glasgow Trusts, the Trusts are now £7.8m in surplus. The Board shows an accumulated £10.1m deficit. The Opening Cumulative deficit for the Board of £10.7m includes the provision of £6.7m for Legal Claims (mainly medical negligence). As this relates to claims for incidents which took place before Trusts were established the balance should reduce over time when the claims settle.

Before the introduction of RAB the cash allocation was used as a proxy for I&E Income. In order to achieve the Board's Cash Target it was inevitable that an I&E overspend would arise. There is therefore no requirement to include within our revenue plans actions to eliminate this technical deficit.

Table 2

Greater Glasgow	Opening Cumulative I&E Surplus / (Deficit) £'000	Non Recurring Deficit Funding £'000	Primare Care Adjustment (GP Prescribing Savings) £'000	Revaluation Reserve Adjustment £'000	Real In- Year I&E Surplus / (Deficit) £'000	Closing Cumulative I&E Surplus/ (Deficit) £'000
North Glasgow Acute	(9,491)	9,491		2,629	55	2,684
South Glasgow Acute	(4,092)	4,092			102	102
Yorkhill	2,362				192	2,554
Primary Care	5,684		(4,000)		745	2,429
Total Trust	(5,537)	13,583	(4,000)	2,629	1,094	7,769
Board	(10,665)				503	(10,162)
Total Glasgow	(16,202)	13,583	(4,000)	2,629	1,597	(2,393)

This table is an update of the information presented at the Accountability Review.