

**NHS Forth Valley**  
**Health, Social Care & Sport Committee**  
**21 March 2023**

## **1. Finance Sustainability and Value 2022/23 to 2025/26**

The NHS Forth Valley draft financial plan 2023/24 to 2025/26 (see below) incorporates the indicative funding settlement advised by the Scottish Government and is aligned with our NHS Board aims of the Sustainability and Value Framework (i.e., to deliver better value care, to optimise capacity, to make effective use of resources and to be environmentally and socially sustainable). The draft plan also reflects the post Covid operating environment which carries a significant level of financial risk, particularly in relation to ongoing capacity, workforce pressures and delayed discharge profile which are driving increased use of temporary staffing and contingency beds. A number of other key financial pressure areas include the cost impact of advances in new technology and medical treatments (including uptake of expensive new drugs in both hospital and primary care settings), the cumulative impact of a range of national policy developments together with other mandatory compliance/legislative requirements and high levels of price inflation (primarily in relation to energy costs and PFI/PPP contracts which are linked to the Retail Price Index).

The scale of the financial challenge is unprecedented, and our assessment of the position indicates that it is unlikely that recurring financial balance will be delivered during the 3-year timeframe of the financial plan. Sustainability and value plans focusing on medicines, workforce, digital and procurement have been developed, with supporting infrastructure, however these measures are not sufficient to meet the projected gap, which is expected to total approximately £10m - £15m in 2023/24 after applying savings. Ongoing work continues to support and inform the financial position.

The Capital budget position is equally challenged over the next 3 years and will require careful management to ensure all infrastructure, digital and medical equipment priorities can be met within available funding including statutory health and safety and other compliance requirements.



NHS Forth Valley  
Draft Financial Plan

## **2. Psychological Therapies**

Achieving the LDP Standard of 90% of patients starting psychological therapy within 18 weeks of referral continues to be challenging. Staffing to date has been a significant limiting factor, however our ability to recruit has moved our staffing levels to within the national average. Our focus is on those patients waiting the longest whilst striving to maintain our current performance. In addition, the service is progressing a comprehensive improvement plan, and is engaging regularly with the enhanced support offered by the Scottish Government and has demonstrated a significant (19.7%) reduction in the number of patients waiting over 52 weeks.

In the period July to September 2022 all patients on the Adult Psychological Therapies waiting list (1000+) were offered an assessment appointment with a clinician. This allowed all patients to be matched to the appropriate type of intervention (digital, group, individual) without unnecessary waits, and provided valuable information about the type of demand presenting to the service. This has supported more effective service planning to better match type of demand to capacity e.g. offering an increased number of Emotional Resource Groups, trialling a specific group for people with NDD traits.

**Figure 1:** Key Performance Data.

	Q1 (Apr-Jun)	Q2 (Jul-Sep)	Q3 (Oct-Dec)	Current
RTT	66.3%	58.7%*	70.4%	69.2% (Jan 2023)
Patients waiting over 18 weeks	1068	1007	947	951 (6 Feb 2023)
Patients waiting over 52 weeks	488	476	419	392 (6 Feb 2023)

\*The reduction in RTT in Q2 was a direct result of improvement work, whereby all patients on the Adult Psychological Therapies waiting list were seen for an initial assessment appointment.

### **3. Elective Waiting Times**

#### **Scottish Government target:**

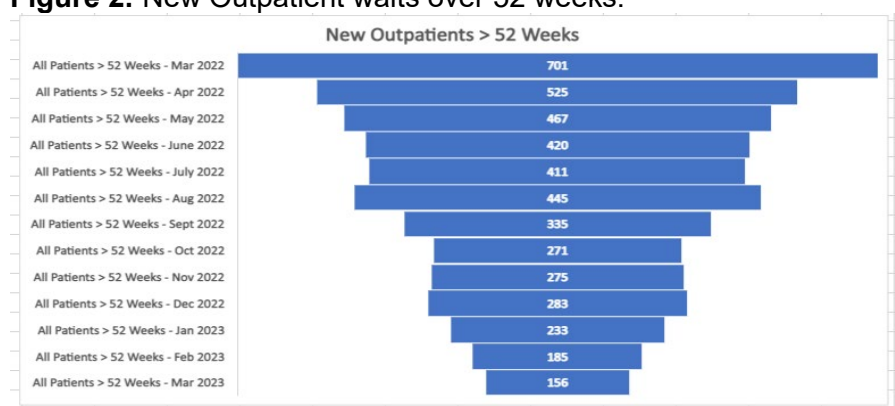
- 0 outpatient waits > 52 weeks by 31 March 2023.

#### **NHS Forth Valley position as of 1 March 2023:**

- 156 outpatient waits > 52 weeks.

110 Respiratory patients on list with plans in place to ensure patients are seen by the end of March (there is a small number of patients unavailable who will be seen in early April 2023). The majority of remaining services will have 0 outpatient waits > 52 weeks by 31<sup>st</sup> March 2023.

**Figure 2: New Outpatient waits over 52 weeks.**



#### **Scottish Government targets:**

- 0 inpatients & daycase waits > 78 weeks by 30 September 2023.

#### **NHS Forth Valley position as of 1 March 2023:**

- 221 inpatients & daycase waits > 52 weeks.

General Surgery (55 patients), Gynaecology (50 patients), Orthopaedics (61 patients) and Urology (43 patients) have the biggest percentage of this number of waits. This will reduce and remaining services will have 0 IPDC waits >52 weeks by 31<sup>st</sup> March. This is 18 months ahead of the target for September 2024. Total number of patients waiting as of 1<sup>st</sup> March 2023 - 4,271 with 2,372 waiting over 12 weeks.

### **4. Workforce**

#### **Recruitment & Retention**

NHS Forth Valley has made 1831 offers of employment across all job facilities during 2022/23 with 1820 accepting the offer. 22,000 applications have been received and our current waiting time from advert to appointment is 15 weeks, with our expected KPI being 14 weeks. These appointments include 37 Consultant all of whom will commence between now and August 2023. We have successfully appointed to one Consultant Respiratory post (commences May 23), 1 Emergency Medicine and 5 Psychiatry post. All these candidates will commence before August 2023. In addition, we have been successful in attracting 7 Radiology Consultants who will all take up post in 2024. Recruitment is ongoing and NHS Forth Valley is currently advertising 10 Consultant posts.

NHS Forth Valley recently approved and published its Workforce Plan. See link below:

[NHS-Forth-Valley-Workforce-Plan-2022-2025.pdf \(nhsforthvalley.com\)](https://www.nhs.uk/forthvalley/wp-content/uploads/2022/12/NHS-Forth-Valley-Workforce-Plan-2022-2025.pdf)

**Figure 3: Turnover Trends**

Year	%
2022/23	12.5% (10 months)
2021/22	13.5%

## **5. Culture & Governance**

NHS Forth Valley takes bullying and harassment claims very seriously. This is evidenced by the immediate response to Staff Side concerns regarding the Emergency Department. The Chief Executive commissioned an external review which was published in August 2021. An Improvement Plan was developed in partnership with Staff Side and implemented. The Human Resources Department is currently (10 March 2023) supporting 17 live bullying and harassment investigations.

### *Whistleblowing*

The NHS Board as part of its ongoing commitment to Whistleblowing will establish a Whistleblowing Network during April, the Network is intended to create a community of support for lead investigators and confidential contacts. In addition the NHS Board has committed to the number of confidential contacts to support reporters. We have trained 873 staff, with a renewed focus on line management staff.

### *Speak Up*

The Speak Up service was launched in December 2021 as a confidential, impartial service delivered by trained advocates and ambassadors. It provides a listening ear and signposting to support staff with concerns. It operates alongside the Whistleblowing Standards, where the Speak Up Ambassadors serve as confidential contacts. The service has 5 trained advocates and 2 Ambassadors. A Speak Up toolkit has also been developed. The Speak Up Service has had 34 enquires in total since its introduction.

### *Exit Interviews*

NHS Forth Valley has implemented a new Exit Interview & Feedback procedure in February 2022. The purpose of the exit interview process was designed to provide assurance that the employee voice has been heard and where appropriate provide non-identifiable thematic feedback to the organisation to allow learning and continual improvement. After its introduction 12 months ago 13% of those who have left have completed the on-line national eESS Exit Questionnaire with 24 of those individuals requesting a 1:1 meeting with their line manager or an independent person. Themes have been analysed and include the following information: 18% Better Career Progression, 17% Other, 13% Organisation Reasons, 12% Retirement and 8% Better Job Satisfaction. Work is ongoing in partnership to better understand this data, including understanding the 17% "Other" figure and trying to understand and encourage any blocks that may be present to completing the questionnaire.

### *Compassionate Leadership and Culture Change Programme*

NHS Forth Valley in its commitment to investing in 'Compassionate Leadership' has held a series of staff events which focussed on Compassionate Leadership and work is underway to develop a cultural change and compassionate leadership programme which will be rolled out organisationally over the next year. Escalation to Stage 4 of the NHS Scotland Performance Escalation Framework for concerns relating to governance, leadership and culture has heightened the importance of a leadership and culture programme.

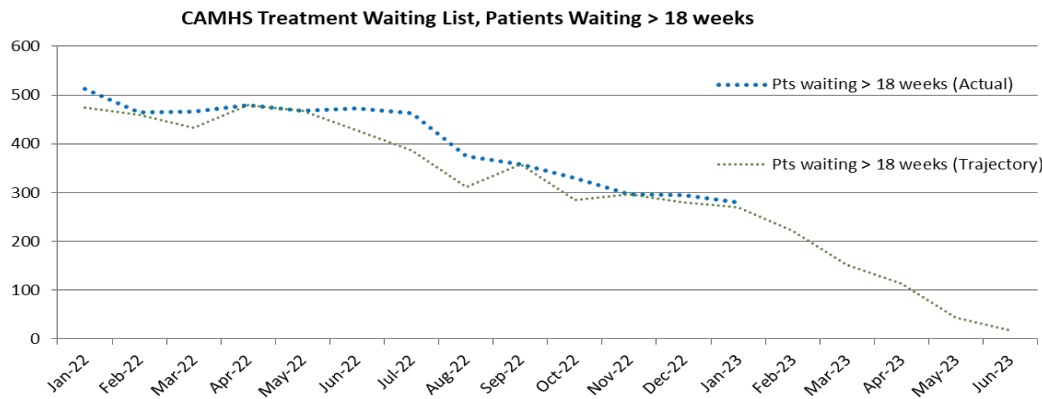
## **6. Child & Adolescent Mental Health Services**

Achievement of the LDP RTT Standard of 90% is predicted to be achieved during quarter 1 (April-June 2023).

- Assessment waiting list continues to reduce.

- No child is waiting over 36 weeks. 14 children were waiting over 19 weeks for initial assessment (at 9/2/2023).
- The average wait on the assessment waiting list has reduced from 45.7 weeks at the start of Choice and Partnership Approach,, (introduced at the end of January 2022), to 8.8 weeks at the end of January 2023.
- 18 week RTT for January 2023 is 37.3% as the service prioritises treating those waiting over 18 weeks.
- The service received a higher than expected referral rate in November and December, leading to remodelling of performance projections.
- The Board is on track to achieve the LDP RTT Standard during quarter 1 of 2023.

**Figure 4: CAMHS Treatment Waiting List**



## **7. Respiratory Services**

Ongoing redesign of the services continues and we have recruited an additional experienced substantive consultant respiratory physician from Guys and St Thomas's with an interest in lung cancer and TB who will start in May 2023. Working with neighbouring Health Boards, support has been provided to our outpatient service. In addition, we have an experienced locum in place and have managed to reduce the outpatient waiting list. It is anticipated that there will be no patients waiting more than a year by the end of March 2023 and no respiratory outpatients waiting more than 12 weeks by the summer. An advanced clinical nurse specialist has been trained to run independent lung cancer clinics and support oncology inpatients. Redesign work is underway with the respiratory physiologists to design an advanced practice led sleep service. The core team is providing a high-quality inpatient service and support the community outreach respiratory service. To facilitate this, the Team is not on the general medical on call rota.

## **8. Key Issues**

NHS Forth Valley having been escalated to Stage 4 of the NHS Scotland Performance Escalation Framework has re-committed to its vision - ['to be a great place to work and an outstanding place to receive care'](#) by championing prevention and inequalities through its 'anchor' work, transformation through its 'sustainability and value' work and creating a workforce and leadership culture that invests in staff career progression - e.g., investment in advanced practice roles and upgrading/upskilling Band 2 to 3 posts (over 800 staff). The 4-hr Emergency Access Standard (system measure) illustrates the challenges e.g., service capacity and ongoing underlying workforce gaps across our health and care system. Capacity challenges on the acute hospital site continues to impact negatively on this Standard and with Scottish Government support the Board with Local Authority partners has built strong foundations to improve our overall performance going forward.

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# NHS Forth Valley

## Draft Financial Plan 2023/24 – 2025/26

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### Executive Summary

This paper provides an overview of the draft financial plan for the 3-year period 2023/24 to 2025/26. The draft plan incorporates the indicative funding settlement advised by the Scottish Government on 15 December 2022 and is aligned with the four aims of the Sustainability and Value Framework (i.e. to deliver better value care, to optimise capacity, to make effective use of resources and to be environmentally and socially sustainable).

The draft plan also reflects the post Covid operating environment and therefore carries a significant level of financial risk, particularly in relation to ongoing capacity and workforce pressures which are driving increased use of temporary staffing and contingency beds. A number of other key financial pressure areas include the cost impact of advances in new technology and medical treatments (including uptake of expensive new drugs in both hospital and primary care settings), the cumulative impact of a range of unfunded national policy developments together with other mandatory compliance/legislative requirements and general price inflation (primarily in relation to energy costs and PFI/PPP contracts which are linked to the Retail Price Index).

The scale of the financial challenge is unprecedented and given the nature of the current financial environment and operating context, our assessment of the position based on known factors and planning assumptions suggest it is unlikely that financial balance will be delivered during the 3-year timeframe of the plan.

The 3-year financial plan is a live document and will continue to be reviewed and updated as detailed information on the financial planning assumptions becomes available. A final iteration of the plan will be presented to the NHS Board for approval in March, aligned to a submission to the Scottish Government.

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# Funding

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The 2023/24 indicative funding settlement announced by the Scottish Government on 15 December 2022 confirmed a 2% baseline budget uplift with additional sums relating to NRAC parity and an estimate of the recurring impact of the 2022/23 pay award, taking our base Revenue Resource Limit (RRL) to £631.1m as summarised in exhibit 1 below.

<b>Exhibit 1</b>	
<b>NHS Board Initial Revenue Allocation 2023/24</b>	
	£ million
<b>Closing baseline budget 2022/23</b>	<b>618.101</b>
2.0% Core uplift	<b>12.362</b>
NRAC Funding	<b>0.600</b>
<b>Opening baseline budget 2023/24</b>	<b><u>631.063</u></b>

Further anticipated allocations totaling £106.8m are also expected to be added to the RRL during the course of the year relating to Family Health Services, Mental Health, Elective and Unscheduled Care, the New Medicines Fund, Covid Vaccinations and the National Treatment Centre. Note that the Scottish Government has committed to provide early confirmation of this funding and to bundle and baseline allocations where appropriate. This is a welcome development which provides more flexibility, recognising that late and/or non-recurring allocations are unhelpful in delivering effective workforce and service planning.

We have already received confirmation that the waiting times improvement fund allocation (£5.6m excluding Cancer) will be issued on a recurring basis in 2023/24 (and baselined in 2024/25 which will attract an uplift in future years). Similarly, the Scottish Government have also advised that funding relating to the additional National Insurance levy initially allocated in 2022-23 will remain with NHS Boards despite the reversal of this policy by the UK Government. This funding (£3.2m) is not ring fenced and NHS Boards are free to determine how this resource will be utilised. It is proposed that this is used in 2023/24 to support cost pressures and existing investment requirements including information security and workforce developments.

Note that funding for Covid-19 legacy costs will only be provided in relation to the vaccination programme, regional testing facilities, PPE and a small number of Public Health Measures. Covid-19 related costs outwith these categories will therefore require

to be met from baseline funding and all NHS Boards are expected to continue to drive these costs down as far as possible.



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# Costs

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The 2023/24 financial plan is predicated on a number of cost inflation assumptions as summarised in exhibit 2 below. These estimates have been benchmarked nationally through the Peer Review sub-group of the Corporate Finance Network and amended to reflect local circumstances and risk.

**Exhibit 2**  
**Cost Inflation Projections 2023/24**

<b>Category</b>	<b>% on base</b>
General Pay Inflation (aggregate)	<b>2.00</b>
Unitary Charge Inflation	<b>12.00</b>
Energy	<b>30.00</b>
Rates	<b>34.20</b>
Voluntary Bodies / other providers	<b>2.00</b>
Cross Boundary Flow	<b>2.50</b>
Prescribing – community	<b>5.50</b>
Hospital Drugs	<b>10.00</b>

With respect to pay costs, the 2023/24 pay award is currently under negotiation and in the absence of a confirmed Scottish Public Sector Pay Policy, a 2% pay increase is assumed at this stage. Workforce costs account for around half of our operating expenditure and in light of the current cost of living crisis and ongoing threat of industrial action, this is a key financial risk area. It is assumed that any pay increase above 2%, will be funded in full by the Scottish Government.

Significant inflationary pressures are also anticipated in relation to energy costs and a range of contracts which are linked to RPI, notably our 3 PFI/PPP contracts. Our current estimate of the likely RPI is 12% which equates to a £5.7m increase in unitary charge payments during 2023/24 (the comparable average RPI rate pre Brexit and pre Covid was c3.4% equivalent to £1.5m).

Further increases in medicines costs are expected in 2023/24, currently estimated at 5.5% for drugs prescribed by Primary Care Clinicians and dispensed via the Community Pharmacy network, with 10% growth estimated in relation to hospital drugs. Further horizon scanning work is underway to refine these estimates.

With respect to rates, recent correspondence from the Cabinet Secretary has confirmed that any financial benefit associated with successful appeals in respect of non-domestic rates rating valuations will no longer be permitted to be retained by NHS Boards. This is a concern given the significant level of rebates that have previously been negotiated in this area. We will participate in work being led by the NHS Scottish Property Advisory Group (SPAG) to pre-agree rates in advance of 1 April 2023 with the Scottish Assessors Association (SAA) as part of a 'right first time' approach to ensure an appropriate rates assessment from the outset. Early indications suggest there may be significant increases in rates payments for 2023-24 in the region of 40% for primary care premises and 25% for hospital sites. However, by engaging and challenging the SAA in advance of the new Rateable Values going live from 1 April 2023, the aim is to minimise the level of increase as far as possible. We are currently assuming a 34% increase in rates payments for 2023/24.

Note that no funding increases have been assumed in respect of contractual uplifts for independent Family Health Service (FHS) Contractors at this stage. This remains subject to national negotiation between the Scottish Government and the respective professional bodies and is expected to be fully funded via the Primary Medical Services and FHS non-discretionary allocations.

# Integration Authority Budgets

The Scottish Government has advised that payments to Integration Joint Boards (IJBs) in respect of delegated health functions during 2023/24 must deliver an uplift of 2% to 2022-23 recurring budgets and make appropriate provision for the full year effect of the 2022-23 pay award. Exhibit 3 below sets out the proposed initial payment to both IJBs in respect of the 2% uplift.

In line with previous years, further funding will also be transferred from the health portfolio to Local Government to support integration, including additional recurring pay commitments in relation to the real living wage and an increase to free personal nursing care rates (the total transfer is £95m for 2023/24).

## Exhibit 3 Proposed Integration Authority Budgets 2023/24

Category	Falkirk £ million	Clacks/ Stirling £ million
<u>Baseline budget: 2022/23 Revenue Allocation</u>		
Set Aside	36.256	28.644
Operational budgets	50.882	39.196
Universal budgets (Prescribing / Family Health Services)	32.573	34.340
Integration Funding (Pass Through)	10.410	9.122
Transformation Funding	1.450	3.338
	<b>131.571</b>	<b>114.640</b>
2.0% Core Uplift	2.631	2.293
Universal Funding outwith recurrent baseline	45.970	49.300
<b>Total Initial Budget 2023/24</b>	<b>180.173</b>	<b>166.233</b>

*22/23 A4C budget uplift outstanding pending receipt of the allocation*

IJB budgets will be increased throughout the year as additional funding is confirmed for various delegated Health and Social Care policy developments and other relevant ring-fenced areas which are subject to national negotiation and/or Scottish Government approval (for example agreed uplifts for Family Health Service contractors and pay awards). The funding to reflect the full year effect of the 2022/23 will be included in the revised baseline figures.

The funding position presented in exhibit 3 is broadly consistent with the funding assumptions outlined in the 2023/24 business cases prepared by both IJBs (see appendix 1 and 2). The business cases are a key requirement of the Integration Scheme and form the basis of initial negotiations with Partner organisations to determine the level of payments for 2023/24.

Both business cases identify significant financial gaps and recognise that whole systems redesign is required to deliver financial balance on a sustainable footing. This will require difficult decisions to be taken on priorities and disinvestment going forward. Further engagement with both IJB CFOs is planned for the coming weeks to streamline planning assumptions, finalise the payments for 2023/24 and seek early agreement of risk sharing arrangements.

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# Savings Plans

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Based on the financial planning assumptions referred to above, together with the impact of recurring pressures and unachieved recurring savings carried forward from 2022/23, a funding shortfall of £34.8m (5.5% of our £631m baseline budget) has been identified for 2023-24 with similar levels estimated in 2024/25 and 2025/26.

A local Sustainability and Value Programme Board has been established to drive improvements in financial and service sustainability by providing co-ordination and oversight of cost and value improvement plans, aligned to the national Sustainability and Value workstreams and priorities. The Scottish Government's clear expectation is that savings from sustainability and value initiatives are expected to generate 3% savings.

As part of this work a number of cost improvement plans and efficiency initiatives are being developed to mitigate the £34.8m funding shortfall referred to above. At this stage, total planned savings for 2023/24 are estimated at £25.0m (see exhibit 4 below), leaving a residual funding gap of £9.8m still to be addressed (equivalent to 1.3% of our core RRL).

**Exhibit 4**  
**Savings plans 2023/24**

Savings Theme	Indicative Target £m
Income generation	£0.3m
Prescribing / Medicines	£6.2m
Workforce	£2.1m
Digital opportunities	£0.3m
Infrastructure & Estates	£0.6m
Financial Management, Non-Pay, Procurement	£15.5m
<b>Total</b>	<b>£25.0m</b>
<b>Budget Gap</b>	<b>£34.8m</b>
<b>Unidentified Savings/Residual Budget Gap</b>	<b>£9.8m</b>

Of the £25m total planned savings delivery, £10.0m (40%) are expected to be recurring, with the balance of £15.0m relating to various non-recurring measures and one off funding sources. It is recognised that the ongoing reliance on non-recurring savings is a key risk and increases the financial challenge and recurring savings requirement for future years.

Hence the reason we have planned on the basis of a reducing balance of non-recurring measures over the period of the 3 year plan (albeit this assumption remains high risk given the level of unidentified savings at this stage).

Key themes emerging from the cost improvement plans to date relate to environmental sustainability, targeted reductions in nurse bank and agency spend aligned to ongoing reduction in contingency beds and planned improvements in staff absence rates, prescribing savings across both primary and secondary care services, and a focus on digital opportunities.

Financial planning and cost improvement meetings are in progress with Directorates and Partnerships to continue to explore savings opportunities and efficiency plans which require to be prioritised and delivered alongside other key performance delivery and patient safety measures.

Addressing the longer-term financial sustainability risk will require whole system redesign and reform with a clear strategic direction for the future delivery of safe and effective health and care services within available resources. Financial sustainability will be a key theme embedded within the refresh of our healthcare strategy and will underpin our associated future workforce and digital health strategies.

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# Financial Risks

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In light of the scale of the potential funding gap and ongoing uncertainty linked to the current economic climate and post Covid operating environment, financial sustainability continues to be reported as *very high risk* in our strategic risk register.

Specific risks associated with the financial plan include:

- Our collective ability to fully identify the level of recurring savings plans required in 2023/24 and beyond to address the underlying deficit and reduce the reliance on non-recurring measures to achieve breakeven.
- Potential delays in delivering efficiency savings due to the lead in time necessary to develop and implement the associated project plans, coupled with the limited availability of key staff to drive progress as they continue to be required to focus on immediate front-line service and capacity pressures.
- Recruitment and retention challenges may impact on our ability to successfully implement our workforce plan and service delivery plan.
- Failure to implement Covid exit strategies and step down of various local Covid measures to ensure costs cease at 31 March 2023 and are not carried forward into 2023/24.
- Whole-system capacity and workforce pressures across the health and social care sector may continue to require additional temporary supplementary beds and staff beyond budgeted levels.
- Potential for price inflation rates to continue to increase beyond the current planned levels which will have a direct impact on the cost of goods and services and a significant impact on PFI/PPP expenditure commitments.
- Affordability challenges regarding the introduction of new drugs and therapies leading to increased treatment costs and demand over and above initial planning assumptions.
- Financial pressures associated with the disproportionately high prison population in Forth Valley (awaiting response from the Scottish Government to the business case previously submitted).
- The recurring funding gap associated with full implementation of the Primary Care Improvement Plan (PCIP) is not addressed by the Scottish Government.

- Cost pressures associated with Integration Joint Boards, particularly relating to requests for additional payments beyond funded baselines as part of risk share arrangements.
- Lack of funding to progress major capital investment priorities including the redevelopment and modernisation of our Primary Care estate and Falkirk Community Hospital.



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# Capital Plans

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The Capital budget position is equally challenged over the next 3 years and will require careful management to ensure all infrastructure, digital and medical equipment priorities can be met within available funding (including statutory health and safety and other compliance requirements). A balanced capital plan covering the next 5 year period is presented in Appendix 4.

## **Funding**

The core Capital formula allocation is estimated at £6.4m pa for the duration of the plan and is expected to be supplemented by additional anticipated allocations relating to property sales and return of banked monies from prior years as detailed in Appendix 4).

## **Expenditure**

In line with previous years key areas of capital expenditure relate to:

- Information Management & Technology: to support the priorities in the approved eHealth Strategy including software replacement and upgrades, new systems and digital developments.
- Medical Equipment: as advised by the Medical Devices Group in relation to new and replacement medical equipment.
- Facilities and Infrastructure: note that the refresh of our property and assessment management strategy is currently on hold pending further information from the Scottish Government regarding the new whole system planning approach to capital investment. Similarly, the planned redevelopment and modernisation of our Primary Care estate and reprovisioning of Falkirk Community Hospital are both currently being rephased in light of national capital funding constraints.

### 3 Year Revenue Financial Plan

Feb-23

	Year 1 (2023/24)		Year 2 (2024/25)		Year 3 (2025/26)	
	%	Total £m	%	Total £m	%	Total £m
<b>Summary of Costs</b>						
<b>Funding</b>						
Base Uplift	2.00%	12.362	2.00%	12.838	2.00%	13.095
NRAC	0.10%	0.600				
Elective Capacity Development SEU-FV		10.873		11.745		11.745
Access Targets (recurring allocation from 2023/24)		5.630				
New Medicines Fund		8.205		8.205		8.205
Vaccination Staffing & Delivery (assumed recurring from 2023/24)		5.200				
<b>Total Resource Increase</b>		<b>42.870</b>		<b>32.788</b>		<b>33.045</b>
<b>Costs</b>						
Brought forward pressures		18.171		21.291		16.499
<b>Pay &amp; Prices Inflation</b>						
Pay Inflation - Agenda for Change	2.00%	5.010	2.00%	5.110	2.00%	5.212
Pay Inflation - Medical	2.00%	1.448	2.00%	1.477	2.00%	1.506
Pay Inflation - Senior Managers	2.00%	0.044	2.00%	0.045	2.00%	0.046
Pay Inflation - Other	2.00%	0.060	2.00%	0.062	2.00%	0.063
General Price Inflation	2.00%	0.644	4.13%	1.357	4.05%	1.384
Unitary Charge Inflation	12.00%	5.241	10.00%	4.892	7.50%	4.036
Energy	30.00%	1.707	15.00%	1.110	10.00%	0.851
Rates	34.20%	2.112	7.50%	0.622	5.00%	0.445
Resource Transfer	2.00%	0.451	2.00%	0.460	2.00%	0.469
Voluntary Bodies / other providers	2.00%	0.062	2.00%	0.064	2.00%	0.065
External CBF Outflow	2.48%	1.406	2.00%	1.164	2.00%	1.187
External CBF Inflow	2.50%	(0.310)	2.00%	(0.254)	2.00%	(0.259)
Prescribing - Community	5.50%	3.301	5.50%	3.482	5.50%	3.674
Hospital Drugs	10.00%	4.190	10.00%	4.609	10.00%	5.070
Other Pay & Prices incl offsets		3.197		(2.232)		(2.309)
COVID incl Vaccination Staffing & Delivery		8.730		0.174		0.177
Drugs and Medicines		3.205		8.205		8.205
Demographic Change		0.000		3.000		3.500
Non Demographic Growth		0.000		2.250		2.750
eHealth		0.625		0.215		0.076
Property		0.000		0.000		0.000
Capacity & Flow (SEU-FV and WT)		16.503		11.745		11.745
Local Developments/ Investments/ Initiatives		1.390		1.036		0.889
Regional Issues		0.077		0.001		0.001
National Strategy/ Policy Impact		0.398		0.160		(0.004)
<b>Total cost increase</b>		<b>77.663</b>		<b>70.042</b>		<b>65.279</b>
<b>Net Savings Requirement</b>		<b>(34.793)</b>		<b>(37.254)</b>		<b>(32.233)</b>
<b>Estimated Savings Delivery</b>		<b>25.000</b>		<b>30.000</b>		<b>30.000</b>
<b>Net Gap</b>		<b>(9.793)</b>		<b>(7.254)</b>		<b>(2.233)</b>

**NHS Forth Valley**  
**5 Year Capital Plan**  
**2022/23 to 2026/27**

	2022/23	2023/24	2024/25	2025/26	2026/27
<b>SOURCES OF GENERAL FUNDING</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Scottish Government General Allocation	6.389	6.389	6.389	6.389	6.389
SGHD - Improving Access to Elective Care	6.413	2.000			
SGHD - Covid Allocations	0.000	0.000			
SGHD - NIB Funding	2.017				
SGHD - Backlog Maintenance	2.100				
SGHD - Switched on Fleet	0.053				
SGHD - Energy Efficiency	0.527				
SGHD - AAA Screening	0.000	0.047			
SGHD - Greenspace	0.275				
SGHD - LIMS Implementation	0.000	0.102	0.102		
SGHD - PCIP Enabling Support		0.300	0.300		
SGHD - Return of Banked Funding	0.000	4.518	-1.000	1.000	
SGHD - Indirect Capital Exp. Charged to Revenue	-2.400	-1.300	-1.300	-1.100	-0.600
SGHD - Asset Sales Retained	1.139	0.760	1.500	0.000	0.000
<b>Total Net Core Capital Resource Limit</b>	<b>16.513</b>	<b>12.816</b>	<b>5.991</b>	<b>6.289</b>	<b>5.789</b>
<b>PLANNED CAPITAL EXPENDITURE</b>	<b>Budget Manager</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Elective Care	G Morton	6.413	2.000		
Information Management & Technology	J Procter	2.932	2.514	2.514	2.000
Medical Equipment	A Murray	4.367	2.047	2.000	2.000
Facilities & Infrastructure	J Procter	4.016	3.919	2.601	3.085
NHS Board	S Urquhart	1.185	3.636	0.176	0.304
Capital Grants & Capital to Revenue	S Urquhart	-2.400	-1.300	-1.300	-1.100
<b>Total Capital Expenditure</b>		<b>16.513</b>	<b>12.816</b>	<b>5.991</b>	<b>6.289</b>
<b>Balance Available / (Required)</b>		<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

<b>Memorandum - Forecast Property Sales</b>	2022/23	2023/24	2024/25	2025/26	2026/27
Westbank Clinic	0.185				
Bellsdyke Land	0.954	0.500			
Barnton Street		0.140			
Graham Avenue, Larbert, Garages Land		0.070			
Bracklinn Road, Callander		0.050			
Surplus Stirling Royal Infirmary Site Land			1.500		
<b>Total Forecast property Sales</b>	<b>1.139</b>	<b>0.760</b>	<b>1.500</b>	<b>0.000</b>	<b>0.000</b>