

Lothian NHS Board

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By Email Only
Letter to Chief Officer & Chief Finance
Officer of Midlothian IJB

Date 6 April 2023
Your Ref
Our Ref

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Dear Colleagues,

MIDLOTHIAN IJB – UPLIFT FOR 2023/24

I write further to my letter of the 28th February and the subsequent approval of the NHS Lothian Financial Plan by the Board of NHS Lothian on the 5th of April. At this stage, NHS Lothian cannot provide assurance on the achievement of a breakeven outturn for the health board next year.

The underlying gap of £52m reported in the Financial Plan assumes that each of the IJBs will agree the application of additional resource against cost pressures which feature across NHS Lothian delegated functions.

This letter sets out the current position relating to uplift to be allocated to Midlothian IJB by NHS Lothian in 2023/24. The figures shared with you are now based on the final Plan that has been agreed, however an outstanding element is the final SG uplift settlement in relation to the recurring pay uplift for 22/23.

Based on the 2% uplift communicated to Boards from the Scottish Government in its letter of December 15th, NHS Lothian's uplift allocation against baseline for 2023/24 equates to £33.9m. As agreed and per previous years, we will pass through the full share of this settlement to each IJB, based on budget shares.

Midlothian IJB recurring budget is £92.7m. The total proportionate share of the uplift to be passed through to Midlothian IJB has been calculated at £1.5m based on 2%.



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Chair Professor John Connaghan CBE
Chief Executive Calum Campbell
*Lothian NHS Board is the common
name of Lothian Health Board*

The Financial Plan for Midlothian IJB shows the following share of resource requirements

Pay Uplift (@2%)	£ 0.8m
Balance of Uplift	<u>£ 0.7m</u>
Total Uplift	£1.5m

In addition to the above uplift, there is £0.7m of resources made recurring in 23/24 bringing the total IJB recurring budget for 23/24 to £94.9m.

We will continue to update you on any further changes to your budget offer, relating to additional funding expected into your base as a result of the 2022/23 pay agreement and the 2023/24 pay offer.

Given that our financial planning indicates that the level of uplift is insufficient to meet all cost pressures in the system, I am keen to understand from Midlothian IJB as early as possible how its Directions will shape the delivery of efficiency savings in 2023/24 and the application of resources in support of financial balance.

I would be happy to have further discussion with your IJB on the application of health resources in 2023/24.

Yours sincerely

CRAIG MARRIOTT
Director of Finance