Scottish Ambulance Service

Working in Partnership with Universities

NHS SCOTLAND

PUBLIC BOARD MEETING	29 July 2026 Item 10

THIS PAPER IS FOR DISCUSSION

SUMMARY FINANCIAL PERFORMANCE TO 30 JUNE 2026

Lead Director **Author**	Julie Carter, Director of Finance, Logistics and Strategy Maria McFeat, Deputy Director of Finance
Action required	The Board is asked to **discuss and note**: • The financial position to the end of June 2026 • Detailed analysis on overtime performance, noting this is a high cost for the Service and has increased in this month from previous years. This is also a key efficiency programme within the finance plan • A section on post winter system pressures that are currently being incurred by the Service without associated funding • The impact of the efficiency savings position to the end of June 2026
Key points	1. The financial position at the end of Month 3 is reporting a deficit of £3.774 million. 2. Detailed analyses of the key drivers of Overtime costs, as a significant cost pressure in this period, are included in this paper. 3. Total costs of £0.43 million are being incurred to support system pressures post winter and linked to high turnaround times. 4. In relation to the agreed £13.7 million efficiency savings target, to date £1.25 million has been delivered against a year-to-date target of £3.43 million. 5. A full year deficit of £3.55 million is forecast which assumes full funding for, Agenda for Change Reform pay costs and full delivery of the 3% efficiency savings targets. An updated full year forecast position will be reviewed from July 2026. 6. The current agreed agenda for change reform funding (RWW) is being offset against the additional overtime cost and this will be reported separately from month 4 onwards.
Timing	During the financial year the Board will be provided with monthly updates on the financial position and from August 2026 the final year end forecast position will also be reported.
Associated Corporate Risk Identification	Risk ID 5602 – failure to achieve financial target

Link to Corporate Ambitions	This paper relates to: We will • Work collaboratively with citizens and our partners to create healthier and safer communities • Innovate to continuously improve our care and enhance the resilience and sustainability of our services • Improve population health and tackle the impact of inequalities • Deliver our net zero climate targets • Provide the people of Scotland with compassionate, safe and effective care when and where they need it • Be a great place to work, focusing on staff experience, health and wellbeing
Benefit to Patients	Efficient and effective use of resources enables the Service to provide the best level of safe and effective care to patients as it can within the resources available.

SCOTTISH AMBULANCE SERVICE BOARD

FINANCIAL PERFORMANCE TO 30 JUNE 2026

JULIE CARTER, DIRECTOR OF FINANCE, LOGISTICS & STRATEGY

This paper sets out the financial position at 30 June 2026 for the Scottish Ambulance Service.

The financial plan projects a deficit position of £3.55 million for the year. As described within the plan this deficit assumes full funding for Agenda for Change reform pay costs (Reduced Working Week), and recurring savings delivered against the full £13.7 million efficiency savings target.

The Board is asked to note the reporting against:

- The overall financial position for the 3 months to June 2026
- Progress against the delivery of the £13.7 million in-year savings target
- Specific reference to overtime costs assumed within the £13.7 million efficiency plans and the increased cost in this period for extended winter pressure costs that are unfunded
- An update on the additional costs of the Reduced Working week and funding assumptions.

The financial position to June 2026, reporting a deficit position to date, consists of:

- Income – this is reporting a breakeven position
- Core Expenditure – a deficit position of £3.774 million against a trajectory deficit of £1.4 million to June 2026
- Agenda for Change reform additional costs as a result of the reduced working week, of £3.97 million, have been incurred and are assumed fully funded. Funding is anticipated but not yet received for the reduction from 37 hours to 36 hours currently being implemented across the Service. Given the financial funding assumption, this will be reported separately within this finance report during this year.
- Efficiency savings target for the financial year is £13.7 million. To date, £1.25 million of savings has been achieved against a target to date of £3.43 million.

Key messages

- A deficit position of £3.774 million as at 30 June 2026 (this includes both core and non-core expenditure, and income), this is compared with the financial plan trajectory deficit of £1.4 million at the end of June 2026
- The deficit position of £3.774 million to June 2026 is driven by the following:
    - Deficit Pay position of £0.31 million, the main driver is overtime £2.8 million over budget, which is partially absorbed by Underspend of £2.3 million in Basic Pay. Overtime drivers include RWW impact, abstractions and staffing gaps. This position reflects an increase in OT hours and costs from the same period last year and reflects the requirement to cover the gaps arising from RWW, pending recruitment of posts, through overtime. RWW funding of £3.972 million has been funded year to date
    - An overspend in pay costs of £0.43 million resulting from post winter system pressures that have been extended into the first 3 months of the year.
    - Overspend in non-pay and asset disposal costs of £0.37 million with offsetting lines already showing early pressures include Air Ambulance, Legal and Medical costs.
    - Underachievement of the YTD Efficiency Savings Target by £2.18 million, work is progressing to finalise local efficiency plans and accelerate national best value programmes

As mentioned above, the main drivers of the deficit position are:

- Against our efficiency savings target of £13.7 million, the target for the 3 months to June 2026 was £3.43 million of which £1.25 million was achieved. The trajectory has been phased to recognise savings equally throughout the year to avoid inconsistent target peaks and troughs. Follow-up work with budget holders and Best Value leads has commenced.
- Continued high overtime costs, and this will remain to be a key driver in the delivery of the 2026/27 £13.7 million savings plan. OT hours for these first three months have been consistently higher than the same period last year, which is to be expected due to the additional RWW contracted hours. This will continue to be closely monitored as the vacancies for the RWW gaps are confirmed and recruited to.

Key actions agreed in this period

The key focus of the financial plan, throughout this year and the next two years will be the delivery of the Back to Balance action plan.

1. Delivery of the full 3% efficiency savings and best value programme, focusing on improvement and reform
2. Reducing our overspend and high spend areas through cost control, stability and understanding impact
3. Making an impact across the wider system through our continued role in delivery service value and improvements across the wider health and care system

1. Delivery of our Efficiency Savings Target and best value programmes

The challenging savings target for 2026/27 has been set at £13.7 million. Work is progressing in identifying new areas to bridge the gap whilst feeding into the 2026/27 financial plan. In this period savings of £1.25 million have been achieved against a trajectory of £3.42 million. This slow start is as we have seen in previous years and will be closely monitored as we go through the first quarter of this new financial year.

ACTION: The Service will continue to focus on the agreed savings programmes and the SG revised 15 Box Grid. , The priorities remaining on the high spend areas, service improvements that deliver financial and productivity efficiencies while balancing workforce, service delivery and performance.

The achievement of the £13.7 million efficiency plans continues to be challenging and we continue to build upon our methodology, governance and action focus to develop programmes that can be agreed and implemented in this financial year. The focus on delivery of recurring savings is crucial for the ongoing sustainability of the plan.

The existing governance structures continue into 2026/27 with the following key areas agreed via the SAS Best Value Programme, focusing on a service improvement and change management approach aiming to develop and deliver plans that

- Reduce costs
- Improve productivity
- Increase capacity
- Reduce demand
- Avoid additional costs
- Demonstrate added value either within SAS or across the wider system

mandates for these key areas have been completed and it is assumed that £10.3 million of the £13.7 million target can be attributed to these plans. In addition, budget holders are being asked to finalise their local efficiency plans for submission by end of July 2026.

If there is no improvement following the submission date for plans, further escalation measures through the Executive team will be put in place.

2. Overtime Costs

Given their significance, reducing overtime costs remains a key focus within the 2026/27 financial plan and is on one of our key efficiency programmes. However, costs for the first two months of the year are higher than the same period last year, and using the detailed dashboards significant work has been actioned to critically review the key drivers of this and to take corrective action.

ACTION: Detailed real time reports have been developed and are being actively used by the budget holders. This is primarily driven by RWW gaps. Work is finalising in the approving of the additional recurring posts which should be mirrored by a reduction in overtime. The increase in costs is in addition to the ongoing pressures in hospital through turnaround times and shift overruns overtime. Further work has commenced using the overtime dashboards to undertake a deep dive into the increases. In addition an overtime monthly meeting with Finance and Operations are taking place within the regions to agree corrective actions. **Post winter ongoing system pressures**

A number of winter initiatives were put in place by SAS to manage the increased demand over winter 2025/26. These were funded by non recurring unscheduled care monies approved by Scottish Government. The non recurring funding ceased at the end of March 2026 however pressures in some specific areas remain and the costs of these winter initiatives have continued post March.

ACTION: Following a review of impact and performance the Executive team have reviewed the unfunded initiatives, and a range of regional management actions have been agreed to reduce some of these. Two key initiatives remain and there is a meeting with Scottish Government unscheduled care team to review the costs and performance impact if they were to be ceased. These will continue to be closely monitored and reported through the finance updates.

Financial Risk considerations noted in the period.

The key financial risks are detailed below with mitigating actions also described.

Delivery of Efficiency Savings Target including Best Value

The requirement to ensure the delivery of efficiency savings remains a continued focus for the Service. A well established governance process is in place and has been reviewed and updated for 2026/27. The financial plan identified a number of programmes and significant focus is currently on implementing, tracking and reporting on these. It is also recognised that delivery of financial savings, both recurring and non recurring becomes a greater risk in each additional year, as the ability to deliver these becomes more challenging so the focus also remains on identifying medium to long-term opportunities. Specific work is also in place to focus on increasing the recurring savings and reduce reliance on non recurring savings.

Delivery of our financial targets continues to be highlighted as a very high risk in our corporate risk register and is monitored in line with this risk profile.

Action – A number of actions are in place:

- agreed Program Management Office (PMO) support aligned to the best value programmes to ensure additional capacity to deliver the plans
- Executive leads and finance support for each programme have been identified and agreed and included within Executive Director objectives
- Reporting progress through the Best Value Steering Group meeting every month, with regular reporting to Executive Team, Performance and Planning Steering Group and Audit and Risk Committee
- Governance policies and procedures updated and approved with clear escalation plans identified
- Linking our programmes to our 2030 strategy ambition, through the annual delivery plan and financial plan and to our 5 portfolio boards for oversight, prioritisation and Board reporting.
- Monthly highlight reports completed to report on progress and project mandates completed for all programmes.

- Implementation of our ideas box to ensure all staff can identify and contribute to new ideas. This will be reviewed and updated in line with the culture action plan agreed by the Board
- A fortnightly Executive Director meeting to discuss and resolve barriers to delivery and issues identified.
- Development of station level dashboards – building upon the work done on 2025/26 dashboards and providing more focus on integrated data and immediate action
- The implementation during 2026/27 of a fully automated individual post-level budget tracking model
- Development of patient level costings, which will link data with associated activities, both within and out with SAS

In addition, the Service will continue to work closely with the NHS Scotland Finance Delivery Unit (FDU) as well as the newly reestablished Financial Improvement Network (FIN). The requirement to look at local, regional and national opportunities to move towards balance has never been greater.

Post Winter Operational Pressures

The financial plan identified the risk of whole system operational pressures impacting on the delivery of the Board financial plan. These pressures include hospital turnaround times. Funding has been received on a recurring basis for the impact on turnaround times and this is now embedded within SAS budgets. However, in addition to this there are winter initiatives, that were separately funded on a recurring basis, that have had to be continued post March without ongoing winter funding.

A range of operational actions are in place to mitigate these however there are some specific initiatives that are resulting in a significant impact in the financial position within this reporting period.

Action

A review of the impact of these on performance is ongoing and a meeting with Scottish Government has been scheduled to review these pressures. Regional Directors are also closely engaged with the relevant Health Boards to secure funding.

Reduction in the Working Week

As part of the Agenda for Change pay deal in 2023/24, it was agreed that the working week would reduce from 37.5 hours to 36 hours from April 2026. The implementation of this meant costs to the service to continue to provide roster cover which were incurred throughout 2024/25 continued into 2025/26. Funding of £6.8 million was received recurringly to fund the additional costs of the initial 30 minute reduction in working hours to 37 hours

The additional costs of moving all Agenda for Change staff to a 36 hour week from 1 April 2026 has been calculated at circa £19.2 million (this includes additional recurring funding requirement of £12.4 million). The detailed monitoring processes for this have been put in place. A SAS finance guidance note describing the cost control actions for SAS budget holders has been implemented. The final rosters have been agreed and a consolidation of the full year and recurring cost impact is being collated.

Action

Scottish Government have acknowledged that additional posts required to be put in place and it is anticipated that the funding will be received on a recurring basis for financial year 2026/27. This was clearly described within the Board approved financial plan.

To date, costs of £3.97 million have been incurred against the funding.

The final cost impact of the change to new rosters for staff as they move to a 36 hour week is being collated as the new rosters are implemented and will be reported from month 4 onwards. This includes the approval and tracking of additional recurring posts which should then be offset with a reduction in overtime costs.

Finance outturn position as at June 2026

Introduction

This section of the paper provides details of the financial results for the period ending June 2026

For the purpose of understanding the financial data tabled within this report, the following guidelines are provided:

- All Income budget and actual figures are presented as credit values (in brackets), a positive variance value against income reflects an improved performance against income plan whereas a negative variance is reflective of an underperformance contrary to income plan.
- All Expenditure budget and actual values are shown as positive figures; a positive variance value against expenditure reflects a favourable under-spend against budget plan whereas a negative variance is reflected of an adverse performance on budget plan.

SUMMARY OF YEAR TO DATE POSITION

Table 1 reports that the revenue position for the financial year to the end of June 2026 is a deficit of £3.774 million, made up of the following:

- Income - breakeven
- Expenditure Pay – over budget by £0.31 million
- Expenditure Supplies – over budget by £0.37 million
- Savings – short of target by £2.18 million
- Expenditure Non-core – break even
- This position includes funded Agenda for Change reform expenditure of £3.97 million

Pay costs as noted above are primarily driven by an increase in overtime costs and unfunded post winter system pressures.

Although non pay expenditure is only slightly over budget, there are some overspent expenditure lines such as Air Ambulance, Legal Fees, Medical Costs, and Rent and Rates which will be closely monitored, and these are being offset by underspends in ICT, Comms (focus for Best Value savings) and Property running costs. Property running costs are underspent, driven by lower than anticipated Heat, Light and Power costs in Months 1 and 2 due to price reductions, but Month 3 sees an increase in prices again. There is also an efficiency programme associated with estates and the impact of this is being collated. Property maintenance costs also reflect program of estate works already underway.

Fuel costs are being closely monitored and described in more detail within the paper.

Table 1 – Scottish Ambulance Service high-level overview

SCOTTISH AMBULANCE SERVICE BOARD
REVENUE RESOURCE ANALYSIS
YEAR TO DATE 30 JUNE 2026

	Full Year Budget £'000	Year to Date			Current Month		
		Budget £'000	Actual £'000	Variance £'000	Budget £'000	Actual £'000	Variance £'000
Income							
Revenue Allocation	534,245	143,336	143,336		40,292	40,292	
Health Board	6,296	1,995	1,997	2	671	698	27
Other Healthcare	591	150	153	3	52	47	(5)
Fleet	16	16	16	0	5	5	0
Staff Car Deductions	210	41	38	(3)	15	13	(2)
Other Operating	1,201	1,037	1,000	(37)	784	771	(13)
Total Income	542,559	146,575	146,540	(35)	41,819	41,826	7
Expenditure							
Accident & Emergency	339,074	89,175	90,635	(1,460)	30,513	30,845	(332)
Non Emergency Service	35,118	9,182	9,273	(91)	3,203	3,156	47
Air Ambulance	25,962	5,930	6,246	(316)	2,063	2,218	(155)
Overheads	117,185	17,068	18,940	(1,872)	6,040	6,036	4
Total Expenditure	517,339	121,355	125,094	(3,739)	41,819	42,255	(436)
Core Expenditure Variance				(3,774)			(429)

Table 2 – Income and Expenditure

Table 2 provides the year-to-date position between service and support directorates.

SCOTTISH AMBULANCE SERVICE BOARD

INCOME AND EXPENDITURE SUMMARY

YEAR TO DATE 30 JUNE 2026

		Cumulative to Date				Current Period			
		Budget £'000	Actual £'000	Variance £'000	Variance %	Budget £'000	Actual £'000	Variance £'000	Variance %
Service Delivery Directorate	Income	(2,476)	(2,482)	6	0%	(946)	(971)	25	3%
	Salaries	97,150	97,285	(135)	0%	33,373	32,524	849	-3%
	Supplies	12,243	12,532	(289)	2%	4,163	4,260	(97)	2%
	Sav Target	(1,213)	0	(1,213)	0%	(404)	0	(404)	0%
	Sav Realised	0	0	0	0%	0	0	0	0%
				(1,631)				373	
Support Services Directorates	Income	(762)	(721)	(41)	-5%	(578)	(560)	(18)	-3%
	Salaries	9,226	9,402	(176)	2%	3,048	3,129	(81)	3%
	Supplies	10,857	10,932	(75)	1%	3,834	4,096	(262)	7%
	Sav Target	(2,212)	0	(2,212)	0%	(738)	0	(738)	0%
	Sav Realised	1,249	0	1,249	0%	593	0	593	0%
	Reserves	(888)	0	(888)		(296)	0	(296)	
				(2,143)				(802)	
SCOTTISH AMBULANCE SERVICE	Income	(3,238)	(3,203)	(35)	-1%	(1,524)	(1,531)	7	0%
	Salaries	106,376	106,687	(311)	0%	36,421	35,653	768	2%
	Supplies	23,103	23,467	(364)	-2%	7,997	8,356	(359)	-4%
	Sav Target	(3,425)	0	(3,425)		(1,142)	0	(1,142)	
	Sav Realised	1,249	0	1,249		593	0	593	
	Reserves	(888)	0	(888)		(296)	0	(296)	
				(3,774)				(429)	

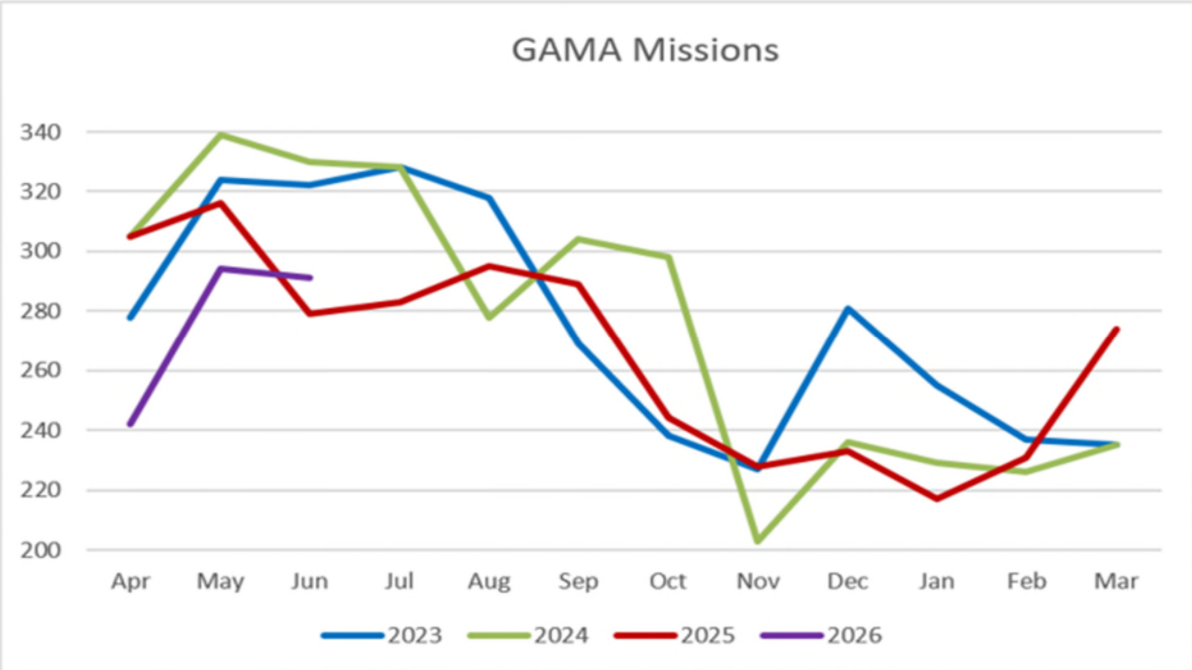
Table 3 – Service Delivery

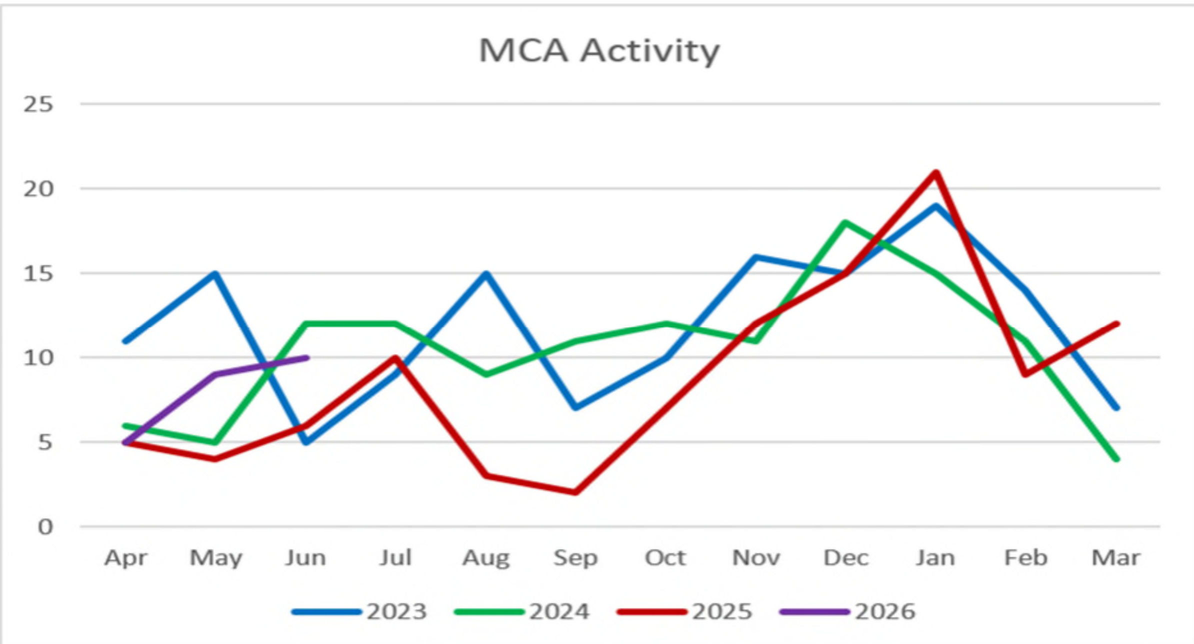
SCOTTISH AMBULANCE SERVICE BOARD
INCOME AND EXPENDITURE BY DIRECTORATE
YEAR TO DATE 30 JUNE 2026

Directorate		Cumulative to Date				Current Period			
		Budget £'000	Actual £'000	Variance £'000	Variance %	Budget £'000	Actual £'000	Variance £'000	Variance %
NORTH REGION	Income	(315)	(315)	0	0%	(105)	(105)	0	0%
	Salaries	16,475	16,508	(33)	0%	5,506	5,589	(82)	1%
	Supplies	1,036	987	49	-5%	333	355	(23)	7%
	Sav Target	(173)	0	(173)		(58)	0	(58)	
	Sav Realised	0	0	0		0	0	0	
				(157)				(163)	
EAST REGION	Income	(470)	(475)	5	1%	(195)	(201)	6	3%
	Salaries	26,073	25,676	397	-2%	8,885	8,579	306	-3%
	Supplies	1,694	1,720	(26)	2%	573	522	51	-9%
	Sav Target	(206)	0	(206)		(68)	0	(68)	
	Sav Realised	0	0	0		0	0	0	
				170				295	
WEST REGION	Income	(1,383)	(1,382)	(1)	0%	(579)	(578)	(1)	0%
	Salaries	35,738	36,116	(378)	1%	12,165	12,064	100	-1%
	Supplies	2,216	2,364	(148)	7%	723	730	(7)	1%
	Sav Target	(453)	0	(453)		(151)	0	(151)	
	Sav Realised	0	0	0		0	0	0	
				(980)				(59)	
NATIONAL OPS	Income	(308)	(310)	2	1%	(67)	(87)	20	30%
	Salaries	18,491	18,658	(167)	1%	6,683	6,182	501	-7%
	Supplies	7,280	7,457	(177)	2%	2,529	2,649	(120)	5%
	Sav Target	(369)	0	(369)		(123)	0	(123)	
	Sav Realised	0	0	0		0	0	0	
				(711)				277	
BUSINESS INTELLIGENCE	Salaries	373	327	46	-12%	134	110	24	-18%
	Supplies	17	4	13	-76%	5	4	1	-20%
	Sav Target	(12)	0	(12)		(4)	0	(4)	
	Sav Realised	0	0	0		0	0	0	
				47				21	
TOTAL SERVICE DELIVERY	Income	(2,476)	(2,482)	6	0%	(946)	(971)	25	3%
	Salaries	97,150	97,285	(135)	0%	33,373	32,524	849	-3%
	Supplies	12,243	12,532	(289)	2%	4,163	4,260	(97)	2%
	Sav Target	(1,213)	0	(1,213)		(404)	0	(404)	
	Sav Realised	0	0	0		0	0	0	
				(1,631)				373	

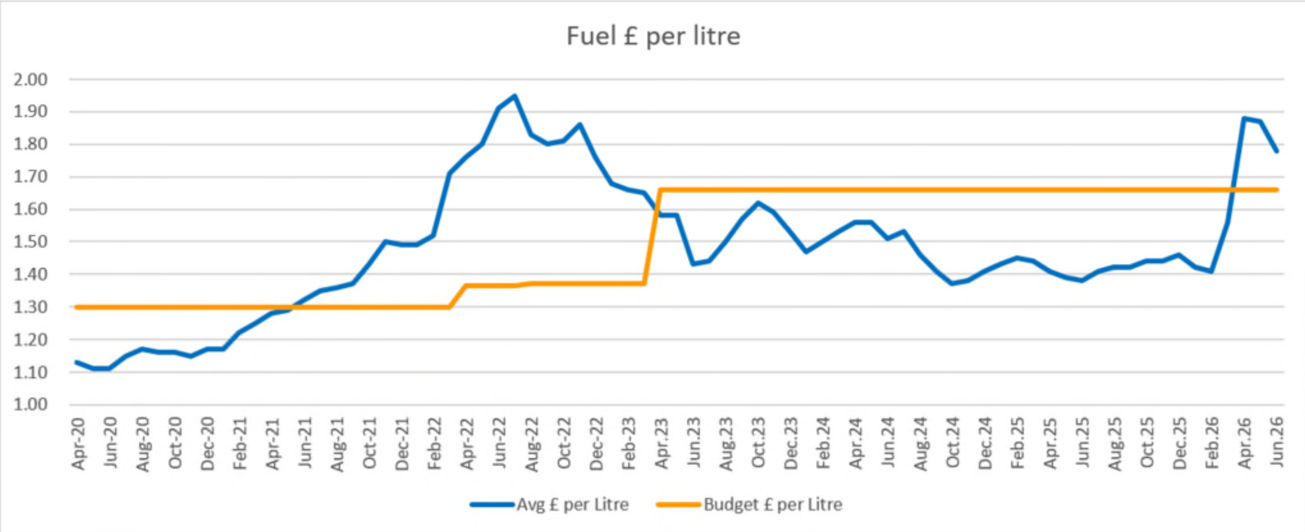
Service delivery outturn is over budget by £1.6 million at 30 June 2026. Pay costs are reporting an overspend of £0.14 million over all service areas, however it should be noted that this is driven by Overtime costs.

Air Ambulance Costs have reported a 8.1% decrease in the number of GAMA missions in these three months from the same period last year, offset by an increase in Maritime and Coast Guard Agency (MCGA) chargeable missions (9) over this period against the same period last year. 45.5% of the chargeable MCGA missions occurred because of bariatric patient transfer/weather conditions. Funding had been included to cover the last few months of the final extension of the existing contract as we move to the new contract at the end of July, for operational delivery from August onwards. The local management team have undertaken a detailed review of the increase in MCA and this review provides assurance that the existing controls remain in place and the MCA support is based on clinical need following clinical triage.





For Diesel, which funding assumes £1.66 per litre, the average unit price was at its lowest in June 2025, prices have increased gradually through 2025 but generally levelling out at £1.41 to the end of February. Against the backdrop of global political tensions, prices reached an average of £1.56 in March 2026. These last couple of months have continued to see price increases with an average in April and May 2026 of £1.88 and £1.87 respectively, but with the market tensions easing, this average has fallen to £1.78 for June 2026. This is being very closely monitored and highlighted, particularly if this cost pressure increases.



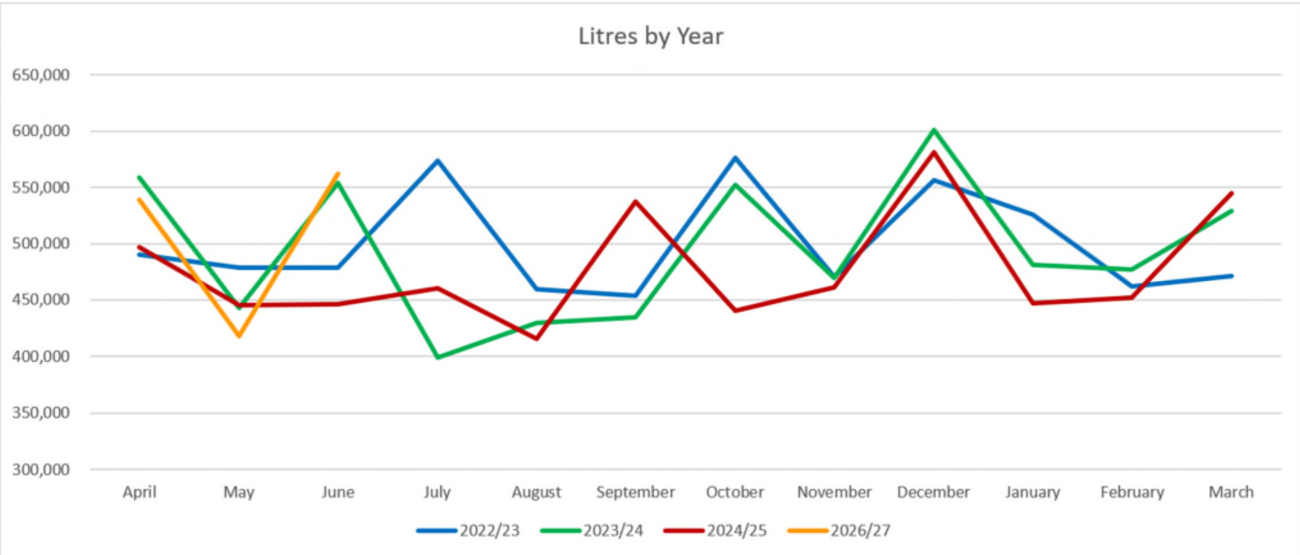


Table 4 – Support Services Directorates

Support services are being reported as £2.1 million over budget. The main driver of this is due to the Finance, Logistics and Strategy Division hosting the Service’s central cost centre, General National, which holds the savings targets for all the Best Value Programmes (2026/27 target £7.8 million). The deficit impact is also held within this central cost centre. This aside, all areas are broadly in line with budget.

SCOTTISH AMBULANCE SERVICE BOARD
INCOME AND EXPENDITURE BY DIRECTORATE
YEAR TO DATE 30 JUNE 2026

		Cumulative to Date				Current Period			
		Budget £'000	Actual £'000	Variance £'000	Variance %	Budget £'000	Actual £'000	Variance £'000	Variance %
BOARD AND CHIEF EXECUTIVE	Income	(6)	(6)	0	0%	(5)	(5)	0	
	Salaries	769	741	28	-4%	233	211	22	-9%
	Supplies	35	43	(8)	23%	14	14	0	0%
	Sav Target	(23)	0	(23)		(7)	0	(7)	
	Sav Realised	0	0	0		0	0	0	
				(3)				15	
FINANCE AND LOGISTICS	Income	(743)	(698)	(45)	-6%	(569)	(546)	(23)	-4%
	Salaries	4,186	4,530	(344)	8%	1,500	1,559	(59)	4%
	Supplies	10,066	10,105	(39)	0%	3,606	3,875	(269)	7%
	Sav Target	(2,106)	0	(2,106)		(703)	0	(703)	
	Sav Realised	1,249	0	1,249		593	0	593	
	Reserves	(888)	0	(888)		(296)	0	(296)	
				(2,173)				(757)	
HUMAN RESOURCES	Income	(9)	(13)	4	44%	(3)	(7)	4	
	Salaries	867	899	(32)	4%	283	280	3	-1%
	Supplies	251	228	23	-9%	86	70	16	-19%
	Sav Target	(43)	0	(43)		(14)	0	(14)	
	Sav Realised	0	0	0		0	0	0	
				(48)				9	
MEDICAL	Income	(1)	(1)	0	0%	0	0	0	
	Salaries	1,353	1,330	23	-2%	467	450	17	-4%
	Supplies	241	328	(87)	36%	80	108	(28)	35%
	Sav Target	(15)	0	(15)		(5)	0	(5)	
	Sav Realised	0	0	0		0	0	0	
				(79)				(16)	
CARE QUALITY AND PROF DEVELOPMENT	Income	(3)	(3)	0	0%	(1)	(2)	1	
	Salaries	2,051	1,902	149	-7%	565	629	(64)	11%
	Supplies	264	228	36	-14%	48	29	19	-40%
	Sav Target	(25)	0	(25)		(9)	0	(9)	
	Sav Realised	0	0	0		0	0	0	
				160				(53)	
TOTAL SUPPORT SERVICES	Income	(762)	(721)	(41)	-5%	(578)	(560)	(18)	-3%
	Salaries	9,226	9,402	(176)	2%	3,048	3,129	(81)	3%
	Supplies	10,857	10,932	(75)	1%	3,834	4,096	(262)	7%
	Sav Target	(2,212)	0	(2,212)		(738)	0	(738)	
	Sav Realised	1,249	0	1,249		593	0	593	
	Reserves	(888)	0	(888)		(296)	0	(296)	
				(2,143)				(802)	

Table 5 – Detailed Income Analysis

Details of the financial performance analysed into specific income and funding sources are noted in the table below. This includes scrutiny of the key movements and pressure areas.

SCOTTISH AMBULANCE SERVICE BOARD
INCOME INCLUDING ALLOCATIONS
YEAR TO DATE 30 JUNE 2026

	Full Year Budget £'000	Year to Date Budget £'000	Year to Date Actual £'000	Year to Date Variance £'000
Income				
Revenue Allocation	534,245			
Baseline Allocations	518,213			
Recurring Allocations	8,422			
Non-Recurring Allocations	7,610			
Fleet Income	16	16	16	0
Health Board	6,296	1,995	1,997	2
Other Healthcare	591	150	153	3
Other Operating	1,201	1,037	1,000	(37)
Staff Car Deductions	210	41	38	(3)
Total Income	542,559	3,239	3,204	(35)

Total income (including funding) to date is breakeven against budget.

The original financial plan assumed revenue funding allocations of £472 million. The above includes funding for COVID legacy, AfC Reform RWW and Enhanced Mental Health allocations. Adjustments are made on a monthly basis to the budget to include any additional allocations as these are notified to the Boards from Scottish Government and other NHS Boards.

Detailed Pay analysis

The pay overspends of £0.31 million is driven primarily from Overtime cost overspend of £2.8 million offset by Basic Pay underspend of £2.3 million. Overtime remains higher than prior year levels with an 8.5% increase in activity which is broadly anticipated in line with additionality due to RWW. Abstractions average for 2026 has reduced by 1.3% from same prior year period, with NQPs joining the workforce as 36-hour rosters are implemented. Post winter system pressures are being absorbed at £0.43 million year to date.

A workforce dashboard is in operation to provide supporting data behind the basic pay overspend and this continues to be used proactively by finance and operations

As referenced previously, reducing overtime is one of the workstreams contributing towards achieving the £13.7 million savings.

The graphs below highlight overtime hours for these 3 months against prior years back to 2018 pre-covid, the current trend is, higher than 2025/26

Period	2018	2019	2020	2021	2022	2023	2024	2025	2026
1	56,631	50,609	62,572	68,680	71,877	56,885	57,245	49,130	54,373
2	47,371	45,054	57,653	50,878	62,359	45,319	50,842	42,052	47,132
3	46,631	47,427	49,411	53,077	60,789	51,612	49,881	48,901	50,450
4	47,818	45,736	50,227	54,238	59,410	47,987	49,252	46,530	
5	52,572	53,823	54,642	55,432	63,022	51,386	53,593	52,643	
6	47,376	51,937	51,052	55,411	59,410	55,506	51,835	53,265	
7	47,445	49,333	51,555	56,797	63,328	53,910	52,363	49,779	
8	49,694	53,179	58,903	65,633	64,869	58,297	47,801	54,877	
9	40,671	45,667	58,538	64,509	56,144	51,704	41,346	48,809	
10	39,617	43,269	58,065	54,384	54,496	51,170	45,148	47,383	
11	47,509	50,676	65,637	63,840	56,682	57,400	49,255	49,128	
12	43,493	50,239	62,341	62,377	52,114	55,786	44,915	48,053	
Total	**566,829**	**586,950**	**680,596**	**705,255**	**724,501**	**636,962**	**593,476**	**590,550**	**151,955**

The high level reports below show the monthly trend year on year comparison for the whole service, which breaks down the OT hours into the different drivers, plus shift cover %, abstraction % and sickness %.

These reports were available on the Overtime Dashboard that is now being revamped which we will start including from next month.

- The total OT hours are 8.48% higher than the same period last year
- The adjusted OT hours paid are 28.25% higher than the same period last year
- Shift cover monthly average has decreased by 1.38/%
- Abstractions YTD average has decreased by 1.3%

The data in the Overtime Dashboard provides users with the trends for total OT hours, total OT paid, shift cover and abstractions. The total overtime (both hours and payments) is broken down into different categories such as paid-as-if-at-work (PAIAW), Advanced Paramedics, shift overruns, HTAT (both C3 and cohorting crews), event cover, TOIL and RWW. This then leaves what we categorise as BAU OT. From this data we can see that from a YTD position:

Directorate, Region, Division, Sub Region, Dis...

All

YTD Summary

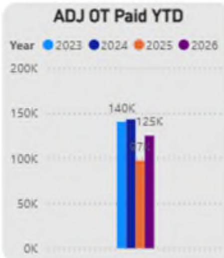
There are new and changing pressures in year, to allow for a fairer comparison year on year, we have added the ADJ hours and ADJ paid figures which exclude HTAT, RWW and 2024/25 Pay . M7 onwards).

Total Overtime Hours

Report Name	2025	2026	Mvmt	Mvmt%	£ Mvmt
East Region	33,345	34,904	1,559	4.67%	135,045
National Ops Directorate	14,360	18,506	4,146	28.88%	180,864
North Region	29,072	29,272	200	0.69%	86,401
Other	2,183	2,096	-88	-4.02%	-950
West Region	61,123	67,177	6,054	9.91%	373,392
Total	**140,083**	**151,955**	**11,872**	**8.48%**	**774,751**

ADJ Overtime Hours (Excl RWW & HTAT)

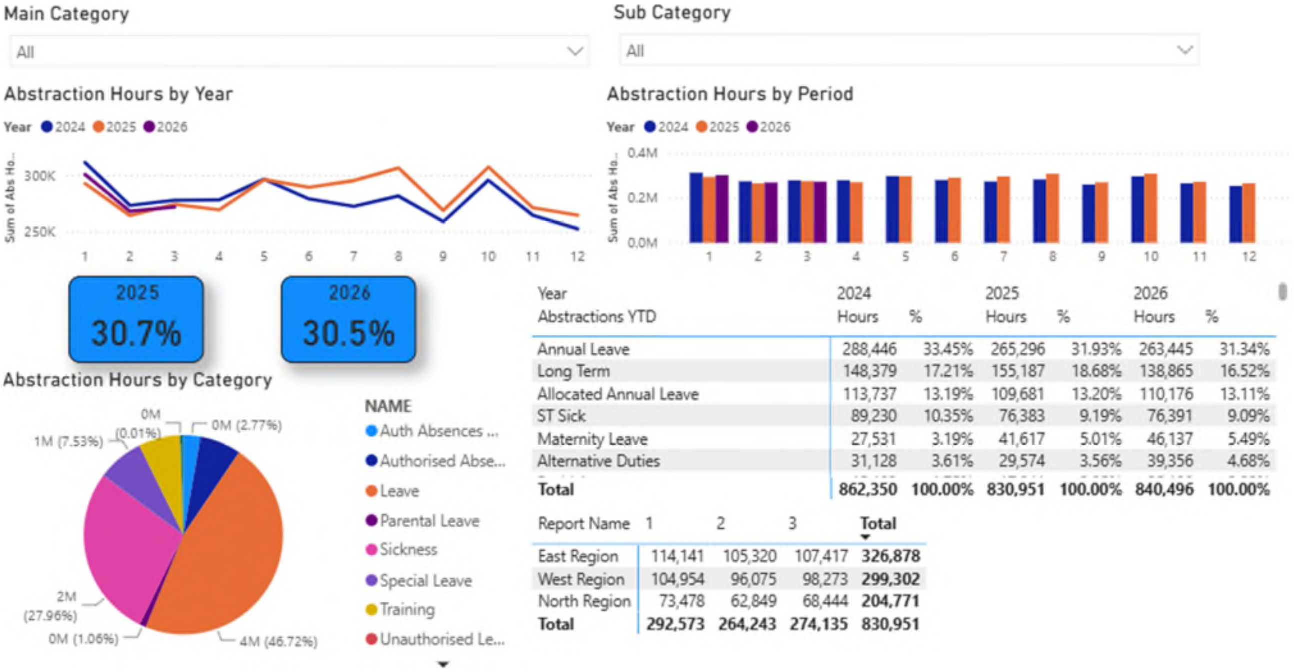
Report Name	2025	2026	Mvmt	Mvmt%	£ Mvmt
		-14	-14	-Infinity	817
East Region	22,414	28,400	5,986	26.71%	214,190
National Ops Directorate	10,298	16,336	6,038	58.63%	242,741
North Region	19,161	22,911	3,750	19.57%	163,014
Other	2,055	2,034	-21	-1.01%	5,379
West Region	43,318	55,053	11,734	27.09%	543,458
Total	**97,247**	**124,721**	**27,474**	**28.25%**	**1,171,098**



Total OT Hours	Total OT Paid	ADJ OT Hours	ADJ OT Paid
151,955	5,192,690	124,721	4,247,321
2025: 140,083 (-8.48%)	2025: 4,417,939 (-17.54%)	2025: 97,247 (-28.25%)	2025: 3,076,222 (-38.07%)

BAU Hours	AP Hours	HTAT Hours	PAIAW Hours	SO Hours	Event Hours
84,013	5,589	16,856	17,039	12,524	4,915
2025: 58,162 (-44.45%)	2025: 6,562 (+14.82%)	2025: 15,339 (-9.89%)	2025: 17,127 (+0.52%)	2025: 10,834 (-15.6%)	2025: 4,107 (-19.66%)

The charts above show, briefly, the main categories driving the OT pressure. The abstraction data provides a breakdown of the main categories and now allows budget holders to delve into the subcategories showing dates/shift times/shift length/pay number. The table below shows an extract of the abstraction data that is now being presented to budget holders. This allows for greater focus on ‘planned’ and controllable abstractions.

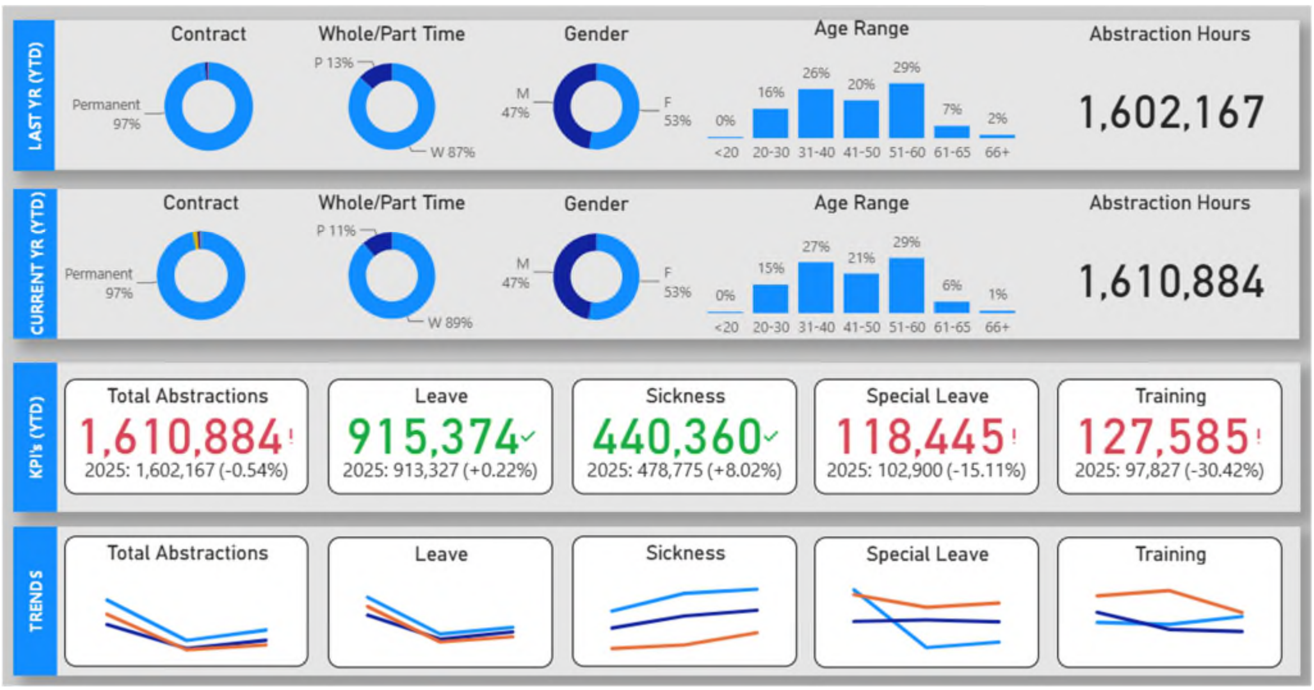


Year	2024		2025		2026	
Abstractions YTD	Hours	%	Hours	%	Hours	%
Annual Leave	288,446	33.45%	265,296	31.93%	263,445	31.34%
Long Term	148,379	17.21%	155,187	18.68%	138,865	16.52%
Allocated Annual Leave	113,737	13.19%	109,681	13.20%	110,176	13.11%
ST Sick	89,230	10.35%	76,383	9.19%	76,391	9.09%
Maternity Leave	27,531	3.19%	41,617	5.01%	46,137	5.49%
Alternative Duties	31,128	3.61%	29,574	3.56%	39,356	4.68%
Total	**862,350**	**100.00%**	**830,951**	**100.00%**	**840,496**	**100.00%**

Report Name	1	2	3	Total
East Region	114,141	105,320	107,417	**326,878**
West Region	104,954	96,075	98,273	**299,302**
North Region	73,478	62,849	68,444	**204,771**
Total	**292,573**	**264,243**	**274,135**	**830,951**

The new abstraction dashboard also allows budget holders to further analyse abstractions to a much more granular level. With drill through functions all the way down to specific days, shift times and age ranges etc.

Whilst the % increase of abstractions is relatively low and the hours associated with this increase in summary is small against a total of 1.6 million hours at just under 9,000 hours, however when reviewing in more detail the totality of the increase in hours is mainly attributed to high training hours (34,000 hours – key drivers are buddying and Other training), special leave (15,000 hours) and alternative duties (11,000 hours), off set by decreases in long term sickness abstractions (-36,000) hours.



Abstractions continue to be a significant operational pressure and a key driver of overtime use. Up to Month 3 the abstraction rate peaked at 38.1% on 6 April 2026, compared with a prior year 37.94% on the 10 April 2025. This daily rate hasn't been exceeded but the monthly average has increased slightly in M3 to 31.2% from previous monthly averages this year of around 29.1%.

While the Service reports abstraction performance as a monthly average, the impact on overtime is driven by daily fluctuations, particularly during periods of high sickness, annual leave peaks, maternity leave growth and training activity. Meeting the abstraction target day-to-day, rather than retrospectively within the monthly means it is essential to maintaining relief availability and preventing pressure shifting directly into overtime. This reinforces the importance of close operational management of abstractions, daily relief planning and alignment of NQP deployment with emerging vacancies to minimise avoidable overtime demand. All of this data is supported through dashboards to maximise budget holder's efficient and effective decision making.

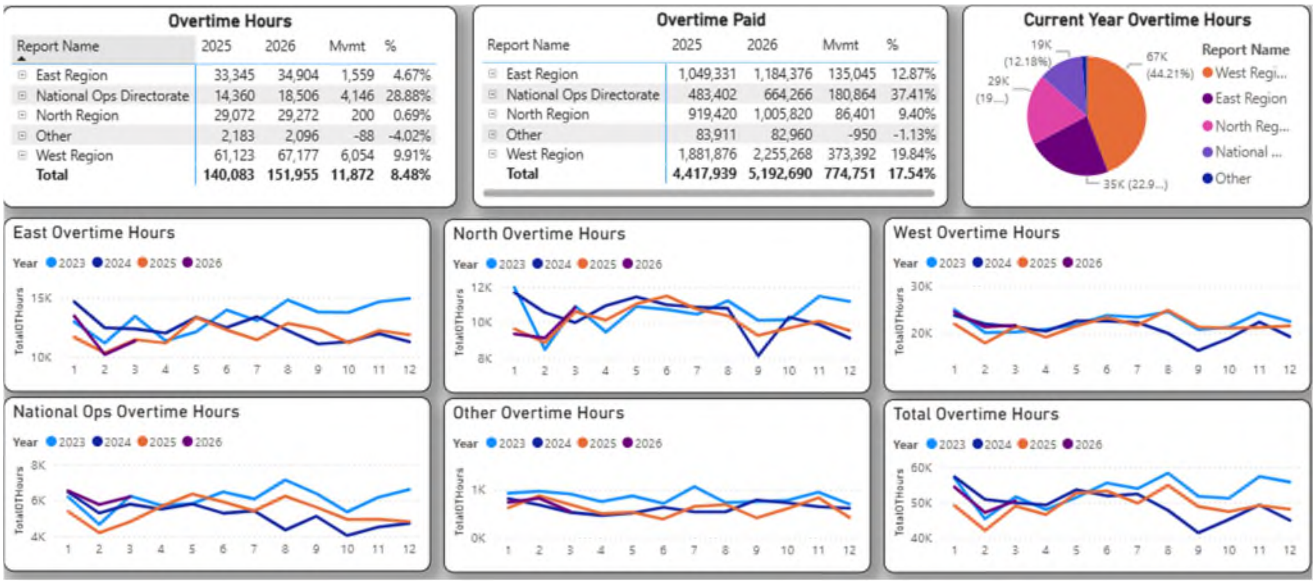
The table below is a snapshot of the data available within the abstraction dashboard to guide budget holders in reviewing this data and flagging days to focus on.

Stations/Dept	23 June 2026	24 June 2026	25 June 2026	26 June 2026	27 June 2026	28 June 2026	29 June 2026	30 June 2026	Total
Dalkeith - Pts	52.7%	49.2%	50.4%	65.6%			59.6%	54.4%	28.2%
Dalmellington - A&e	37.8%				37.8%				25.2%
Dingwall - A&e	29.3%	11.0%	17.1%	49.2%	36.6%	36.6%	22.0%	22.0%	20.2%
Dingwall - Pts									3.8%
Douglas - A&e				18.0%	18.0%	18.0%	10.8%	10.8%	20.8%
Douglas - Pts	70.9%	70.9%	70.9%	70.9%					40.2%
Dreghorn A&e (sfrs)	38.9%	38.9%	38.9%	24.9%			58.4%	38.9%	29.4%
Dufftown - A&e	16.2%	37.3%	16.2%	38.5%	23.9%	44.3%	30.2%	65.1%	28.8%
Dumfries - A&e	48.8%	57.0%	57.0%	40.4%	4.9%	4.9%	21.0%	23.6%	34.1%
Dumfries +gall.adv Paramedics		75.7%		113.5%	113.5%	113.5%			47.9%
Dundee - A&e	38.2%	30.9%	30.9%	18.0%	21.6%	26.9%	19.6%	24.7%	26.2%
Dundee - Pts	30.4%	45.2%	41.8%	31.1%	5.3%	3.3%	18.4%	29.0%	24.2%
Dunfermline - A&e	46.0%	23.1%	22.7%	38.3%	32.4%	32.4%	41.3%	27.2%	34.1%
Dunfermline - Pts	15.3%		52.0%	43.8%	15.3%		25.0%	68.3%	27.2%
Dunoon - A&e	22.0%	22.0%	22.0%	59.9%	28.8%	28.4%	22.0%	43.6%	26.1%
Dunoon - Pts	70.9%	70.9%	70.9%	70.9%			70.9%	70.9%	33.1%
Dunvegan - A&e	60.5%	22.7%	22.7%	22.7%	20.5%		53.6%	37.8%	22.1%
East Kilbride - A&e	33.2%	37.9%	37.9%	48.1%	22.0%	24.7%	35.6%	43.6%	32.4%
East Kilbride - Pts	27.9%	13.0%	16.4%	17.7%	7.4%	7.2%	18.6%	22.8%	17.5%
East Region Headquarters	37.7%	32.5%	44.4%	36.8%	5.4%		18.7%	39.1%	26.1%
East Scheduled Care	59.2%	54.6%	63.2%	67.2%	10.3%		45.9%	47.3%	40.5%
Edin East Mid Adv Paramedics	43.3%	57.3%	57.3%	22.4%	14.0%	14.0%	22.4%	41.6%	31.6%
Total	**35.9%**	**35.4%**	**36.2%**	**35.3%**	**23.7%**	**21.8%**	**34.4%**	**37.6%**	**31.2%**

Given the fragility of this, and acknowledging the continued operational pressures, the scrutiny on the improved controls will continue.

Current specific actions being progressed are

- Management and workforce planning guidance for the updated overtime policy
- A deep dive on increases particularly in stations and relating to buddying and staff inductions to ensure this is being controlled effectively
- Other unusual spikes are being investigated
- Efficiencies on Overtime implementation/controls
- This is all in addition to the work on mapping over the RWW gaps against recruitment of additional posts and overtime costs



Overtime Hours

Report Name	2025	2026	Mvmt	%
East Region	33,345	34,904	1,559	4.67%
National Ops Directorate	14,360	18,506	4,146	28.88%
North Region	29,072	29,272	200	0.69%
Other	2,183	2,096	-88	-4.02%
West Region	61,123	67,177	6,054	9.91%
Total	**140,083**	**151,955**	**11,872**	**8.48%**

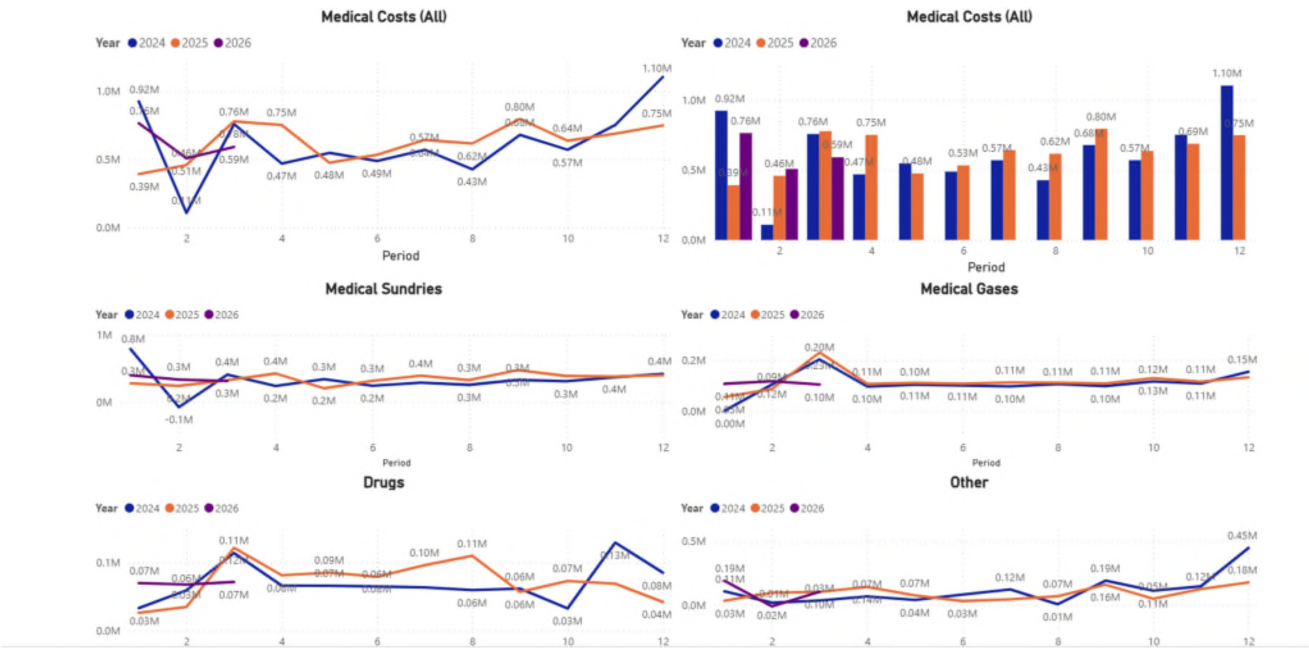
Overtime Paid

Report Name	2025	2026	Mvmt	%
East Region	1,049,331	1,184,376	135,045	12.87%
National Ops Directorate	483,402	664,266	180,864	37.41%
North Region	919,420	1,005,820	86,401	9.40%
Other	83,911	82,960	-950	-1.13%
West Region	1,881,876	2,255,268	373,392	19.84%
Total	**4,417,939**	**5,192,690**	**774,751**	**17.54%**

Non-pay

The non-pay overspend at £0.37 million represents the combined effect of Air Ambulance, Legal Fees and Medical costs at £0.196 million, £0.098 million and £0.173 million overspends despite additional investment in all these cost lines. Legal fees are seeing costs resulting from new FAI cases and Medical gases seeing higher costs, with Air Ambulance seeing increased SAR costs continuing to show a pressure at Month 3. Underspent lines offsetting these pressured lines include Comms and ICT (and Property running costs £0.048 million underspent, driven specifically by Electricity and Gas wholesale prices down in the first couple of months but creeping back up in month 3. Further detail is shown below:

- Air Ambulance Costs have reported an 8.1% decrease in the number of missions in these three months from the same period last year, offset by an increase in Maritime and Coast Guard Agency (MCGA) chargeable missions (9) over this period against the same period last year. 45.5% of the chargeable MCGA missions occurred because of bariatric patient transfer/weather conditions. Funding has been dropped in to cover these last few months of the final extension of the existing contract as we move to the new contract at the end of this month, to be fully operational in August. We expect MCA reliance to reduce due to increased operational fuel range and load bearing capabilities of the new aircraft. The local management team continue to ensure that all requests for MCA support is based on clinical need, and this is supported by ScotSTAR clinical (Consultant level) top cover. Reduced reliance on MCA in line with the enhanced capability was a key element of the Air Ambulance improvement programme this is being monitored by the local management team.
- Medical costs have in the last couple of years been an area of pressure, and although additional funding has been provided, there is still a small pressure. However, as can be seen from the graphs below, costs have been fairly consistent. The creation of the stock hubs for controlling medical supplies has been a factor in this. A deep dive review in the last two years reflects the higher costs, likely inflationary rather than usage, can be seen by the following graphs:



We will continue to review all areas of cost pressures on a monthly basis through discussions with Budget holders.

Efficiency Savings

As described within the financial plan, the savings target for 2026/27 is £13.7 million. The plan assumes full delivery of the 3% efficiency savings target in order to meet the £3.55 million deficit.

A detailed tracking of efficiency savings plans and delivery is presented to the Best Value Steering Group, the Performance and Planning Steering Group and the Audit and Risk Committee. Currently, work is ongoing across the Service in identifying savings for 2026/27, and budget holders are being asked to submit their plans by the end of July 2026.

Best Value programmes for 2026/27 will be categories into the 6 headings below, which reflect the wider reform programmes:

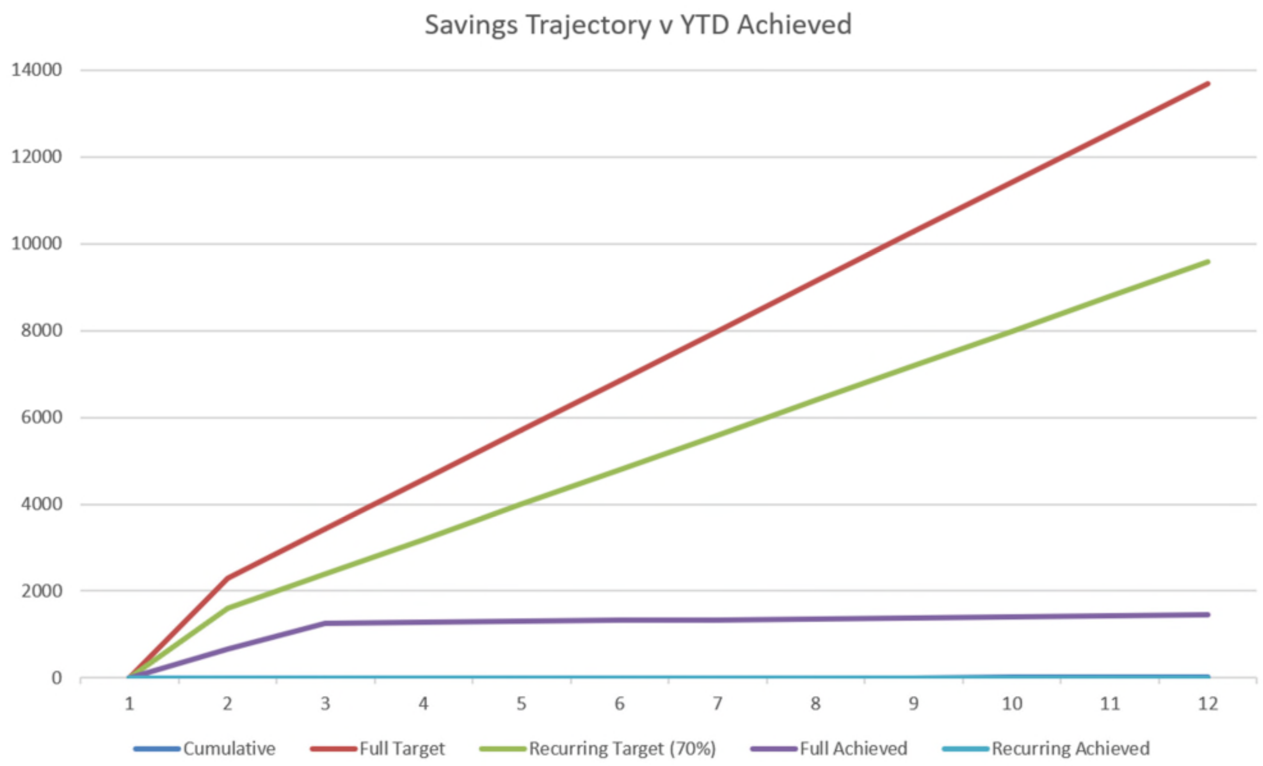
- Workforce
- Prevention
- Digital
- Change to Service Models
- One for Scotland
- Community Focussed Care

As mentioned earlier in the paper, the existing governance structures will therefore continue into 2026/27 with the following key areas agreed via the SAS Best Value Programme, focusing on a service improvement and change management approach aiming to develop and deliver plans that

- Reduce costs
- Improve productivity
- Increase capacity
- Reduce demand
- Avoid additional costs and/or
- Demonstrate added value either within SAS or across the wider system

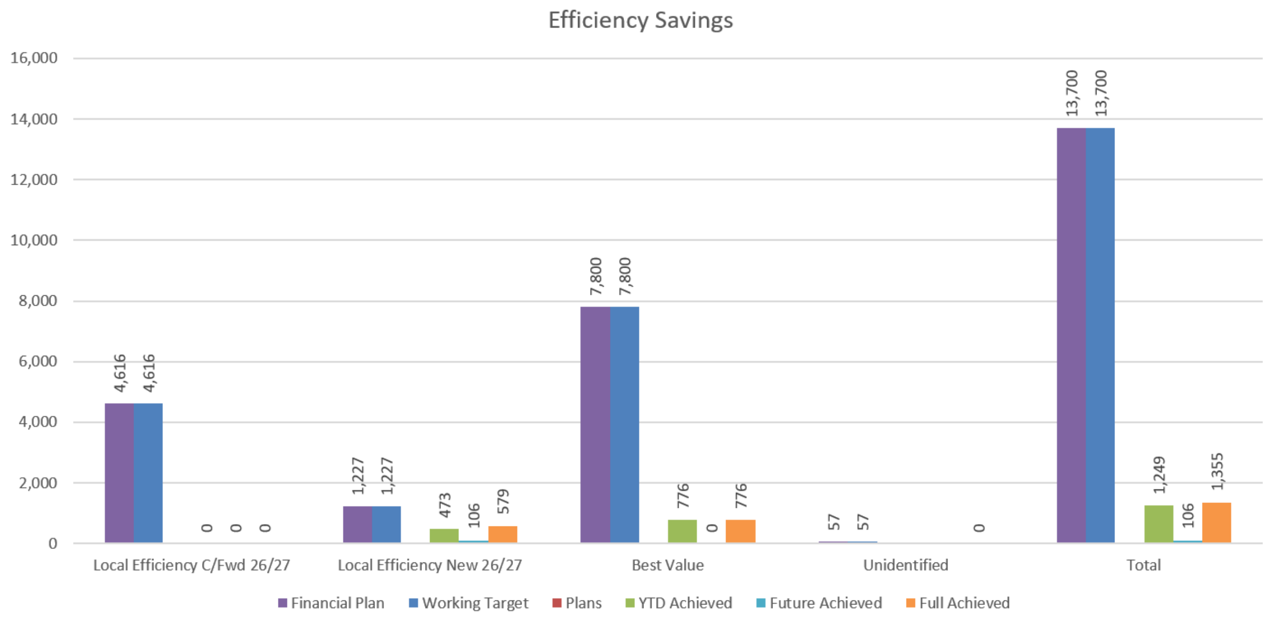
Mandates have been completed and the focus now is on the implementation and tracking of the savings.

The chart below shows the savings trajectory over this new financial year, which accommodates a more consistent pace as the year progresses. Also showing is our recurring savings achieved against a 70% marker.



Delivery of our financial targets is highlighted as a very high risk in our corporate risk register and is monitored in line with this risk profile.

Savings of £1.25 million has been achieved to date, with £0.47 million within local efficiencies and £0.78 million within BV schemes, as detailed in the graph below:



The local savings delivered have largely been delivered in the Finance Directorate within Comms, ICT and Estates. Final plans are due to be submitted from the other operational and support services. As mentioned earlier, the final deadline for savings plans to be submitted is the end of July 2026,.

Current progress as at month 3 is as detailed in the table below

Table 7

Efficiency Savings Schemes	Financial Plan £m	Updated Forecast at Month 3			
		26/27 Assumed Forecast £m	FY Efficiencies Delivered £m	% Achieved	Actions Update
Local Efficiency	5.84	5.84	0.58	10%	Budget holders are working through local expenditure plans to identify all other efficiency gains including productivity and cost avoidance
Best Value Scheme	7.80	7.80	0.78	10%	Best Value Schemes spread over a number of programs covering Workforce, Service Redesign and Reform, Estates Infrastructure and Non-Pay & Other Measures
Unidentified	0.06	0.06	0.00	0%	To be identified (assumed non recurring at the moment)
	13.70	**13.70**	**1.35**	**10%**	

Post winter ongoing system pressures

A number of winter initiatives were put in place by SAS to manage the increased demand over winter 2025/26, these were funded by non recurring funding from Scottish Government. This non recurring funding has ceased since end of March 2026 however some cost pressures have continued post March, in relation to ongoing delivery of the service, as per the extract below.

Health Board	Cost pressures YTD
Ayrshire & Arran	17,144
Grampian	205,122
Highlands	19,123
Flow Navigation Centres	183,984
Grand Total	**425,373**

The Executive team have reviewed these pressures and have agreed actions. In addition there is a meeting being scheduled with Scottish Government unscheduled care team to discuss potential funding sources. Work is also in progress looking at impact of these initiatives. Regional Directors are also engaging locally with Health Boards.

2026/27 YTD CAPITAL POSITION AS AT MONTH 3 (30/06/2026)

2026/27 Capital Budget

The Service's is anticipating a full year capital budget of £29 million made up of the following elements

	£m
Formula Capital	1.88
Earmarked Allocations	26.49
NCCC Refurbishment Funding	0.13
Energy Saving & Decarbonisation Funding	0.09
EV Charging Infrastructure	0.49
Total Capital Funding	**29.08**

The Service is provided with formula capital to fund all capital projects that are not subject to approval by the SG Capital Investment Group (CIG) or has not received a separate earmarked allocation. This will primarily be utilised to fund Vehicle Accidents, ICT and Property projects during 2026/27.

The Service receives earmarked allocations for Business Cases that have been approved by the CIG. In 2026/27 the following earmarked allocations are anticipated:

- Fleet Replacement Programme £26.24m
- Scotstar Equipment Replacement £ 0.25m

In addition, the Service has been successful in applying for funding from the Scottish Government to fund electric vehicle infrastructure with £0.49 million anticipated for 2026/27, and further approval has been granted for additional LED lighting upgrades totalling £0.09 million. The service has also been allocated £0.13 million for refurbishment of the NCCC.

YTD Capital Position as at Month 3

The YTD capital position is shown in the table below. Year to date expenditure totals £1.3 million. Most capital expenditure occurs in Quarter 3 and 4 of the financial year

The unallocated budget excluding anticipated projects of £0.99 million is expected to be fully utilised during 2026/27.

On disposal of assets, the Service can receive a capital receipt which it can utilise as additional funding during the year. There have been no capital receipts to date.

It is anticipated that the Capital Budget will break-even at year-end.

SCOTTISH AMBULANCE SERVICE
CAPITAL REPORT 2026-27
As at 30 June 2026

PROJECT	**Approved Budget £**	**YTD Actuals £**	**Notes**
Formula Capital Projects			
eHealth and ICT	27,994	(13,102)	
Property and Special Projects	455,339	1,755	
Vehicle Accidents	650,000	0	
	1,133,333	**(11,347)**	
Earmarked Allocations			
Scotstar	250,000	0	
Vehicles including Transport Scotland	26,729,000	1,324,480	
	26,979,000	**1,324,480**	
Unallocated Budget	994,771		
Capital Receipts	0	0	Gain on sale of vehicles & property
TOTAL	**29,107,104**	**1,313,133**	

Approved and Anticipated Projects

The following table shows details of all projects that have had a mini business case approved and funding allocated.

SCOTTISH AMBULANCE SERVICE
CAPITAL PLAN 2026-27
As at 30 June 2026

ALLOCATION	
Received	
Anticipated	
Core Allocation	1,883,700
ScotSTAR project	250,000
EV Infrastructure	485,000
Energy Saving & Decarbonisation Funding	94,000
Fleet Replacement	26,244,000
NCCC Refurbishment	125,000
Total Capital Allocation	**29,081,700**
Capital Receipts	0.00
Capital to Revenue Transfer	25,404
Total Available Capital Budget	**29,107,104**
EXPENDITURE	
Approved Projects	
Project	**BUDGET**
eHealth and IT	
TerraPACE3 – APUPC Medicine Prescribe / Supply Page	27,994
Total - eHealth and IT	**27,994**
Special Projects	
Radiation Simulators	25,404
Total - Special Projects	**25,404**
Property	
Energy Saving & Decarbonisation Funding	94,000
Physical Condition Works	335,935
Total Property	**429,935**
Operations	

Vehicles	26,244,000
EV Infrastructure	485,000
Scotstar Equipment	250,000
Vehicle Accidents	0
Total - Operations	**26,979,000**
Total Approved Projects	**27,462,333**
Unallocated Budget	**1,644,771**
Anticipated Projects	
Vehicle Accidents	650,000
NCCC Refurbishment	125,000
Crieff Works	161,460
Glasgow South Works	119,729
CCRP Phase 3	
Stirling Logistics Hub Access Road	
Total - Anticipated Projects	**1,056,189**
Revised Unallocated Budget	**588,582**

CONCLUSION

Recognising this is early in the financial year a number of actions are in place to recover the current position. This is primarily driven by a shortfall in savings, also not unexpected at this early stage in the year and has been similar to previous years.

Work is progressing to finalise the RWW impact and agree sustainable posts and funding with detailed monitoring of overtime costs and impact.

There are also number of non pay pressure areas that are being identified at this stage in the financial year with corrective actions as necessary.

A financial forecast is being completed and will be reported from month 4 onwards.

The financial plan position remains as our current trajectory.

Julie Carter
Director of Finance, Strategy and Logistics
July 2026