Scottish Ambulance Service
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NHS SCOTLAND

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PUBLIC BOARD MEETING	**28 May 2025** **Item 11**
THIS PAPER IS FOR DISCUSSION	
SUMMARY FINANCIAL PERFORMANCE TO 31 MARCH 2025	

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 March 2025 • The final updated position on the funding relating to post COVID/system pressures to the end of March 2025 • The final year end position on overtime performance given the best value savings assumptions within the financial plan • The impact of the overall efficiency savings position to the end of March 2025
Key points	1. The financial position at the end of month 12 is reporting a breakeven position, 2. Impact of ongoing post COVID/system pressures of £9.02 million have been incurred over this period and has been offset against the £9.0 million full year funding received. 3. In relation to the £12.0 million efficiency savings target, £12.0 million has been delivered, of which £4.24 million has been achieved again local savings and £7.76 against Best Value savings. Of the £12 million savings, £7.2 million of these are recurring and £4.8 million as non-recurring. 4. The agenda for change reform funding received has been offset against the reduced working week additional costs.
Timing	During the financial year the Board has been provided with monthly updates on the financial position with now the final year end position reported. Finance reports will commence in 2025-26 in line with the approved financial plan.
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.

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SCOTTISH AMBULANCE SERVICE BOARD

FINANCIAL PERFORMANCE TO 31 MARCH 2025

JULIE CARTER, DIRECTOR OF FINANCE, LOGISTICS & STRATEGY

This paper sets out the financial position as at 31 March 2025 for the Scottish Ambulance Service.

The financial plan initially projected a deficit position of £18.35 million for the year, revised to a deficit position of £17.0 million during the year. As described within the original plan this deficit includes post COVID related pressures of £9.0 million, ongoing unfunded operational commitments of £3.1 million, air ambulance contract extension costs of £4.2 million, with the balance of £2.0 million relating to non-pay pressures, all offset by the delivery of £12.0 million efficiency savings.

The Board is asked to note the reporting against this plan:

- The overall financial position for the financial year 2024/25 at March 2025
- The post-COVID and operational commitments offset against the additional £5.0 million recurring funds received at the end of Q1 and the £9.0 million for COVID/system pressures non-recurring funds received during Q3,
- Progress on the delivery of the £12.0 million in-year savings target
- Specific reference to overtime costs in relation to the £3.5 million reduction assumed within the £12.0 million efficiency plans
- The additional costs of the AfC Reform including the impact of the Reduced Working Week and note the funding now received
- An update on the revised full year forecast outturn of a breakeven financial position.

The financial position to March 2025, reporting a break-even position to date, consists of:

- Income – this is reporting a breakeven position
- Core Expenditure – a small surplus position of £0.004 million against a trajectory deficit of £17.0 million to March 2025. Note that the trajectory assumed no additional funding would be received, phasing of savings implementation and cost pressures.
- The financial impact of post COVID-19 pressures represents expenditure of £9.02 million in the period against a full year pressure of £9.0 million. This is broadly in line with the financial plan. £9.0 million funding was received during Q3. This has now been received on a recurring basis.

- Efficiency savings target for the financial year was £12.0 million. A total of 12.0 million of savings have been delivered in the year to 31 March 2025.

Key messages

- A small surplus position of £0.004 million as at 31 March 2025 (this includes both core and non-core expenditure, and income) against the updated financial plan trajectory deficit of £17.0 million at the end of March 2025.
- This deficit position to March 2025 is driven by the following:
  - Surplus Pay position of £4.25 million, of which Overtime is £3.33 million over budget showing a reduction of 2.50% in costs from the same period last year.
  - Non-pay and non-core pressures of £4.17 million, this is after additional full year budget of £9.55 million
  - We can report a full achievement of the Efficiency Savings Target of £12.0 million
  - Ongoing COVID legacy pressures of £9.02 million that have been identified over the financial year. This is in line with the plans in this financial year
  - Continued overtime cost pressures. These were a key driver in the delivery of the £12.0 million efficiency plan. Although Overtime hours incurred YTD are lower than previous YTD hours by 6.83%, costs have reduced by only 2.5% reflecting the increased pay award. In addition, YTD shift coverage has been higher than last year. This is reflective of a number of improved control actions put in place during the financial year.

Key actions agreed in this period

The key focus of the financial plan, throughout this year is the delivery of the Back to Balance action plan. This included the following 3 key areas:

1. Delivery of the efficiency savings and best value programme
2. Focus on reduction in overspend and high spend areas
3. Recognition through funding of wider system pressures (post COVID and committed operational pressures).

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

The challenging savings target for 2024/25 has been set at £12.0 million. Work was ongoing throughout the year in identifying new areas to bridge the gap and to also feed into the 2025/26 financial plan. Whilst the focus continued to ensure actions and plans are in place to deliver the £12.0 million (3%) efficiency target, the forecast outturn balanced budget also ensures the focus is on measuring and reporting on the impact of these plans. As reported previously the forecast throughout the year aimed to fully deliver the £12.0 million savings target, albeit noting there was likely to be a higher than planned level of non-recurring savings assumed.

In this financial year, total savings of £12.0 million have been achieved against a full year trajectory of £12.0 million. £7.2 million of these are recurring savings and £4.8 million non-recurring savings.

ACTION: The Best Value Programme continues to operate effectively with project mandates completed for all of the programmes and agreed by the Best Value Steering Group. The focus throughout the year was on delivering the actions defined in the plans. Budgets have been allocated and agreed with budget holders, with improved budget management guidance and detailed local efficiency plans continually being developed and reviewed on a monthly basis. An updated governance process has also been agreed by the Best Value Steering Group with clear escalation plans also in place.

In response to a slower start to the year in efficiency plans delivery, a weekly executive led oversight group and operational group has been established with the primary focus on overtime controls and operational impacts, acceleration of best value savings plans and reducing high spend areas. This weekly oversight group includes the Executive Team and the operational group is represented by senior operational managers. It is intended the focus of this Exec led group will continue into 2025/26 as the challenge of delivering recurring efficiency saving continues.

2. Overtime Costs

Overtime costs were a key focus within the 2024/25 financial plan with rising costs continuing post COVID and an agreed reduction of £3.5 million was assumed to be delivered in this financial year and included within the £12 million efficiency savings. With additional controls in place and OT hours down from last year by 6.83%, costs for the first 8 months of the year were slightly higher than previous year, primarily driven by higher shift cover to meet higher demand pressures and additional costs of pay awards. Through continual monitoring and focus in the remaining four months, overtime hours and costs have dropped further for YTD costs to be 2.50% lower than prior YTD costs.

It is important to note that if the additional controls had not been put in place the financial impact could have been much more significant. Significant work remains in progress moving into 2025-26 to continue to critically review the other key drivers of overtime and to take corrective action to continue to reduce this further to nearer pre COVID levels.

ACTION: Detailed real time reports have been developed and being actively used by the budget holders on a weekly basis. The analysis of the overtime costs are focused on aiming to reduce the gap that generates the overtime. The overtime is generated by a range of issues including annual leave, sick leave, training and vacancies. The overtime dashboard that has been developed which enables detailed scrutiny, decision making and provides assurance that actions being progressed effectively at a local level.

To support budget holders there are regular meetings with operational leads to agree common approaches, share best practice, agree variations and reduce unfunded shifts. In addition, the weekly Executive meetings reviews and approves outputs from the weekly meeting and works to put in place more sustainable solutions to deliver the plan. A number of specific actions have been agreed including

- Understanding the operational impact of reduced shift cover scenarios with supporting guidance been issued
- Areas of actions to support the reduction in sickness absence, as a key driver for gaps in the service and
- Actions to implement the new overtime policy that is being finalised

3. (a) Post COVID pressures

The impact of COVID-19 system pressures on our financial position has been reported since March 2020. Our financial plan estimated this impact for 2024/25 to be £9.0 million for the year. Very positive discussions had progressed with Scottish Government throughout the year describing the positive impact of these actions across the wider system. Funding for these pressures in 2024/25 has now been received, and for 2025/26 this has been confirmed on a recurring basis in line with the approved financial plan.

ACTION: There are a range of actions being undertaken within the Service to continually review and monitor these costs, while balancing operational service impact. Specifically, this includes benchmarking, a further review of staffing against demand projections and an improvement programme supporting the timed admissions development. These costs will continue to be monitored into 2025/26.

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 key focus for the Service. A well-established governance process remains in place. The financial plan identified a number of programmes with focus 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. The focus also remains on identifying medium to long-term opportunities.

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 as noted below are in place:

- focussed Program Management Office (PMO) support aligned to the high impact high priority schemes to provide additional focus and capacity, this has been strengthened on specific efficiency programmes including Air Ambulance and Medical Gases
- Executive leads and finance support for each programme have been identified and agreed and included within Executive Director objectives, this also includes the implementation of a budget contract process in 2024/25
- Reporting of Progress and scrutiny 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
- Updated Governance policies and procedures are in place with agreed with clear escalation plans identified.
- Linking our programmes to our 2030 strategy ambitions and 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, with corrective action discussed at the weekly finance executive meeting and the best value steering group
- Implementation of our ideas box to ensure all staff can identify and contribute to new ideas, and then translated into project mandates
- Ongoing communication of the financial challenges through the Service, the issues coming up and the role that everyone has to play.

- A weekly Executive finance team meeting discussing and resolving challenges and issues supported by a weekly operational finance group
- A detailed performance measurement framework highlighting the progress and identifying quickly if further action is required.

Securing Funding in 2024/25 for post COVID pressures and recurring in future years

The 2024/25 financial plan assumed expenditure relating to post COVID related pressures and unfunded operational commitments. During the first quarter, an additional £5 million recurring funding was received by the Service, this will offset unfunded operational commitments as described in the financial plan.

Post COVID pressures remained unfunded in the first half of this financial year, and following positive discussions with Scottish Government the funding for the full year post COVID pressures was received Month 7 October 2024.

Action

The back to balance plan aims to continue to describe the significant system impact on these service pressure areas across the wider NHS system and importantly the impact on patient care if these were to be ceased. In addition, the Service continues to review the costs and impact of these areas with specific work taking place on reviewing demand assumptions, action plans in place to reduce hospital turnaround times and an improvement plan for timed admissions.

Agenda for Change Reform - Reduction in the Working Week (RWW), Band 5 to Band 6 Nursing and Protected Learning

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, with the reduction from 37.5 hours to 37 hours from April 2024. The implementation of this has commenced and an assessment of the additional costs for 2024/25 has been presented to Scottish Government and funding received.

This RWW is being implemented through accrued hours and backfilled through overtime. The monitoring processes for this are in place. The full year actual costs for the SAS agenda for change reform in 2024/25 have been finalised at £5.60 million, and Scottish Government confirmed provision of the funding in month 6. Noting that whilst this is received as non-recurring funding, Scottish Government have acknowledged that the additional posts required to be put in place will be recurring and it is assumed the funding will be received on a recurring basis for financial year 2025/26.

Action

The costing model had been shared with SG Finance and funding of £6.8 million was subsequently received. The full allocation was not required in 2024/25 primarily due to slippage in the recruitment of additional staff, with actual outturn at £5.60 million. Scottish Government were aware and advised that slippage can be retained to fund additional pressures non recurringly.

We await final confirmation of the RWW funding allocation for 2025/26 but are planning on the basis that this remains at £6.8 million to offset the 2025/26 costs which include a further £1.3 million spend committed for 2025/26, which will result in the full allocation being utilised next year.

Work has also commenced in estimating the full year cost for 26/27 with the reduction to 36 hours.

Finance outturn position as at March 2025

Introduction

This section of the paper provides details of the financial results for the period ending March 2025.

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 March 2025 is a small surplus of £0.004 million, made up of the following:

- Income - breakeven
- Expenditure Pay – under budget by £4.25 million
- Expenditure Supplies and asset disposal – over budget by £4.17 million
- Savings – achieved target
- Expenditure Non-core – break even
- This position includes now funded legacy COVID expenditure of £9.02 million

This position includes £4.17 million of new non pay pressures beyond the already budgeted increase of £9.55 million which is described further in the paper, after offsetting underspends in Vehicle Running (inc. Diesel) costs £1.03 million.

Table 1 – Scottish Ambulance Service high-level overview

SCOTTISH AMBULANCE SERVICE BOARD
REVENUE RESOURCE ANALYSIS
YEAR TO 31 MAR 2025

	Full Year Budget £'000	Year to Date Budget £'000	Year to Date Actual £'000	Year to Date Variance £'000	Current Month Budget £'000	Current Month Actual £'000	Current Month Variance £'000
Income							
Revenue Allocation	460,952	460,952	460,952		39,670	39,670	
Health Board	7,691	7,691	7,652	(39)	291	252	(39)
Other Healthcare	4,667	4,667	4,644	(23)	4,082	4,069	(13)
Fleet	30	30	30	0	2	2	0
Staff Car Deductions	142	142	133	(9)	9	10	1
Other Operating	4,329	4,329	4,326	(3)	649	626	(23)
Total Income	477,811	477,811	477,737	(74)	44,703	44,629	(75)
Expenditure							
Accident & Emergency	313,624	313,624	316,197	(2,573)	25,332	27,366	(2,034)
Non Emergency Service	34,842	34,842	31,082	3,760	2,866	2,655	211
Air Ambulance	19,831	19,831	20,937	(1,106)	1,180	1,910	(730)
Overheads	83,788	83,788	83,791	(3)	11,114	8,029	3,085
Total Expenditure	452,085	452,085	452,007	78	40,492	39,960	532
Core Expenditure Variance				4			457
Non Core Expenditure							
Depreciation (DEL)	21,220	21,220	21,220	0	1,991	1,991	0
Depreciation (Donated)	52	52	52	0	3	3	0
AME Provision	4,236	4,236	4,236	0	4,236	4,236	0
AME Impairments	218	218	218	0	218	218	0
Non Cash (DEL)	0	0	0	0			
Total Non Core Expenditure	25,726	25,726	25,726	0	6,448	6,448	0
Surplus / (Deficit)				4			457

Table 2 – Income and Expenditure

Table 2 provides the year-to-date position between service and support directorates. COVID-19 expenditure and unfunded operational commitments are included within these figures.

SCOTTISH AMBULANCE SERVICE BOARD

INCOME AND EXPENDITURE SUMMARY

YEAR TO 31 MAR 2025

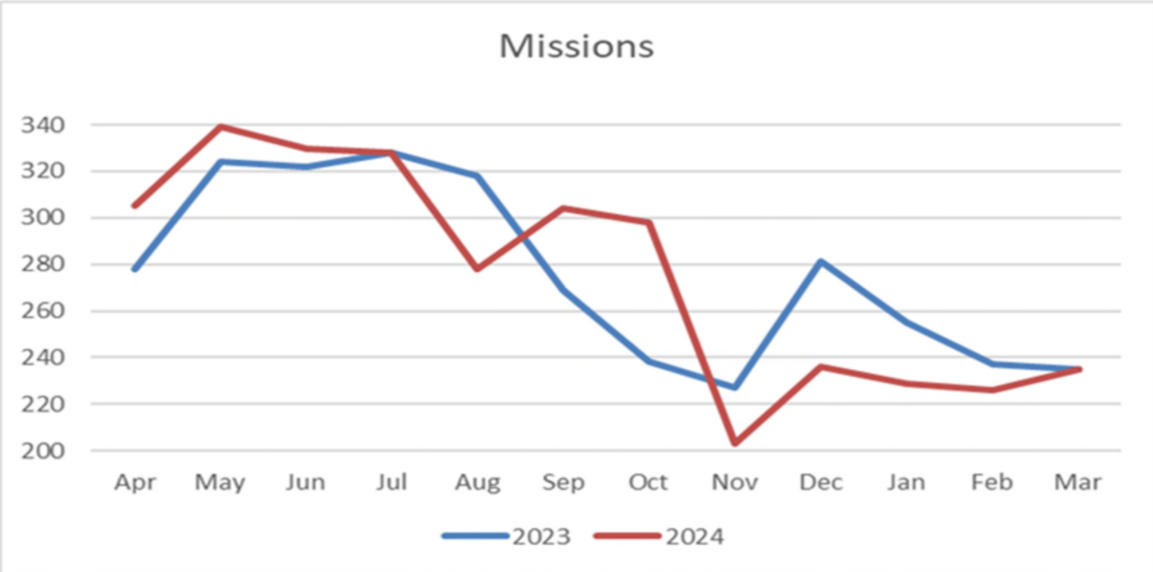
		Cumulative to Date				Current Period			
		Budget £'000	Actual £'000	Variance £'000	Variance %	Budget £'000	Actual £'000	Variance £'000	Variance %
Service Delivery Directorate	Income	(9,459)	(9,482)	23	0%	(541)	(523)	(18)	-3%
	Salaries	340,204	334,446	5,758	-2%	26,742	28,490	(1,748)	7%
	Supplies	39,328	41,144	(1,816)	5%	3,403	4,615	(1,212)	36%
	Sav Target	(3,247)	0	(3,247)	0%	(404)	0	(404)	0%
	Sav Realised	3,090	0	3,090	0%	1,823	0	1,823	0%
				3,808				(1,559)	
Support Services Directorates	Income	(7,399)	(7,301)	(98)	-1%	(4,489)	(4,432)	(57)	-1%
	Salaries	33,889	35,400	(1,511)	4%	3,425	2,132	1,293	-38%
	Supplies	64,388	66,742	(2,354)	4%	11,628	11,171	457	-4%
	Sav Target	(8,752)	0	(8,752)	0%	(1,094)	0	(1,094)	0%
	Sav Realised	8,911	0	8,911	0%	423	0	423	0%
	Reserves	0	0	0		996	0	996	
				(3,804)				2,018	
SCOTTISH AMBULANCE SERVICE	Income	(16,858)	(16,783)	(75)	0%	(5,030)	(4,955)	(75)	-1%
	Salaries	374,093	369,846	4,247	1%	30,167	30,622	(455)	-2%
	Supplies	103,716	107,886	(4,170)	-4%	15,031	15,786	(755)	-5%
	Sav Target	(11,999)	0	(11,999)		(1,498)	0	(1,498)	
	Sav Realised	12,001	0	12,001		2,246	0	2,246	
	Reserves	0	0	0		996	0	997	
				4				460	

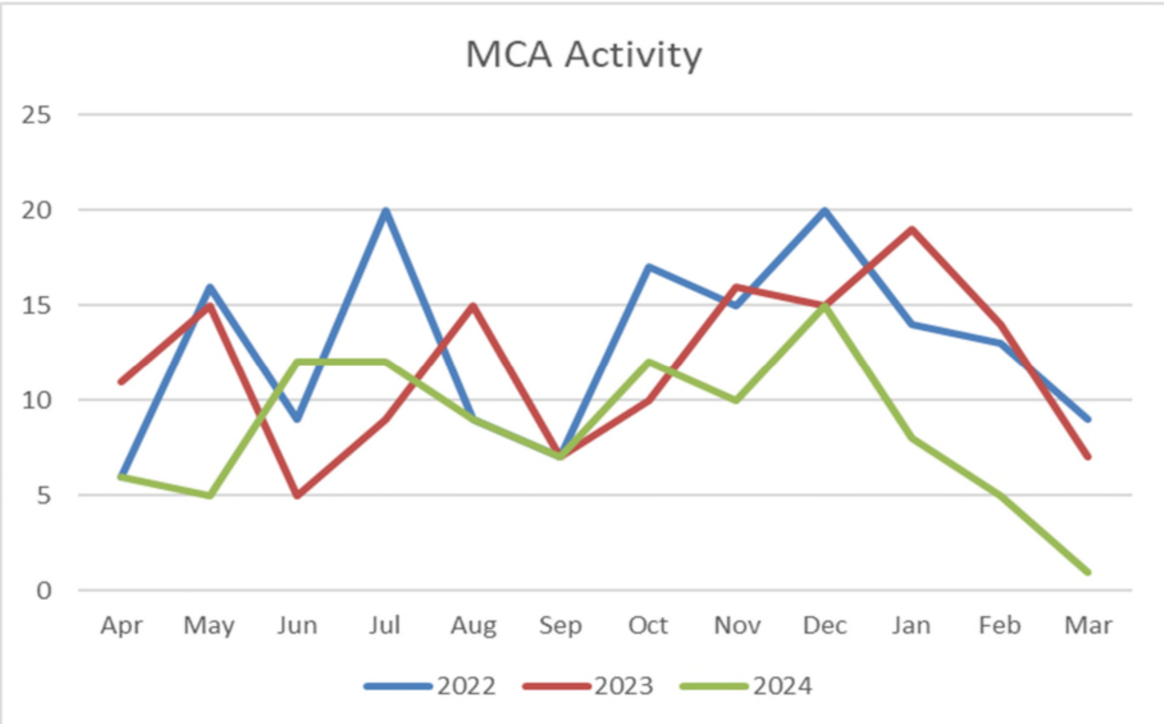
Table 3 – Service Delivery

Service delivery outturn is under budget by £3.81 million at 31 March 2025. Pay costs are reporting an underspend of £5.76 million over all service areas, the main driver of this being a skill mix variation against a historical budget, and vacancies, including RWW pressures of £5.6 million and COVID/System pressures of £8.1 million now being funded. However, it should be noted that this is offset by, as previously reported, overtime costs including the impact of Hospital turnaround times (HTAT) pressures, shift cover, abstractions and sickness.

Air Ambulance Costs have reported a 0.03% decrease YTD in the number of GAMA air ambulance missions in these 12 months from the same period last year, up from the reduction reported for the first five months yearly comparison. As we went through the winter months towards March, we saw an increase in the GAMA missions, however not as much of an increase as previous year, hence the slightly lower year on year % - see graph below. Importantly, although there has also been a continuing reduction in the chargeable Military and Coastguard Agency (MCA) Search and Rescue (SAR) missions from last year, 41 fewer this year, there is however a pressure because of inflationary uplifts in the hourly rates charged by MCA. 75.6% of the chargeable MCA missions occurred because of weather conditions and/or bariatric patients. This work is all linked to the air ambulance efficiency programme.

The graphs below chart the GAMA missions and MCA activity over the 12 months to date.





For Diesel, which assumes £1.66 per litre, fuel prices have reduced continually since the highest point last summer, and with the average price per litre peaking at £1.62 in October

2023, and dropping again to finish at £1.44 in March 2025, we reported a continuing underspend on Diesel costs of £0.85 million for the 12 months to March 2025. Some of this benefit has now been taken as non-recurring savings supporting the continued use of electric vehicles and also offset against cost pressures due to the electric charger installation.

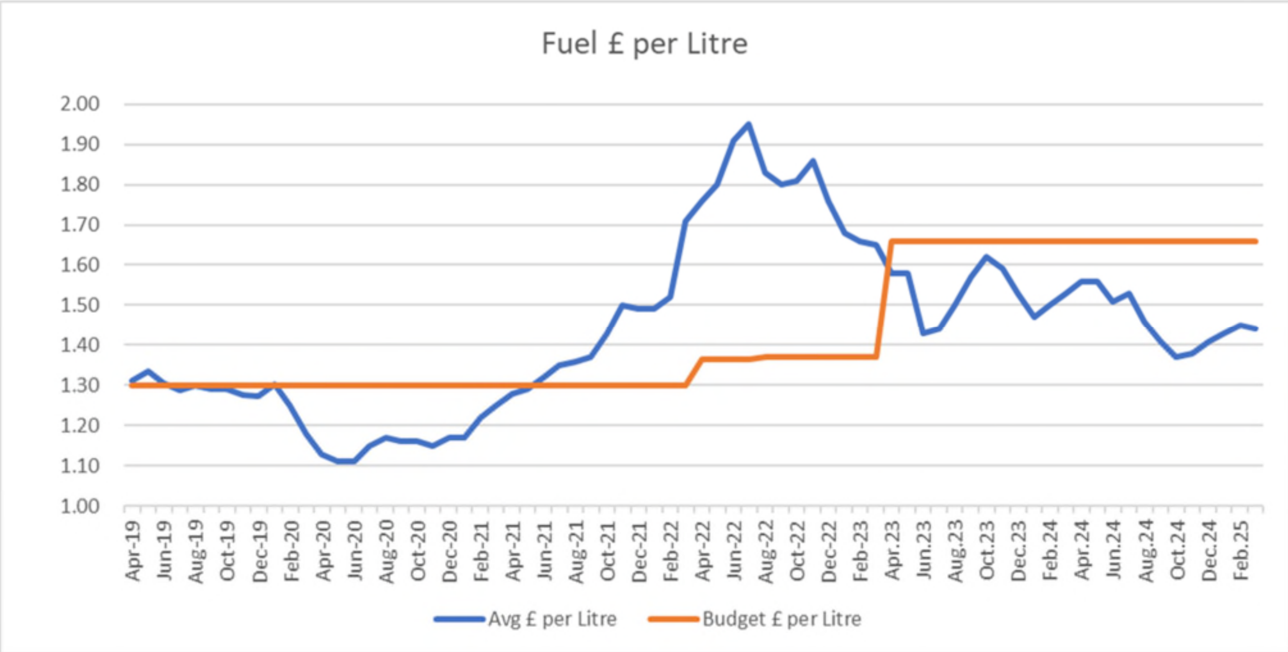


Table 3

SCOTTISH AMBULANCE SERVICE BOARD
INCOME AND EXPENDITURE BY DIRECTORATE
YEAR TO 31 MAR 2025

		Cumulative to Date				Current Period			
		Budget £'000	Actual £'000	Variance £'000	Variance %	Budget £'000	Actual £'000	Variance £'000	Variance %
NORTH REGION	Income	(1,362)	(1,366)	4	0%	23	19	4	-17%
	Salaries	58,508	57,794	714	-1%	4,416	4,818	(401)	9%
	Supplies	3,912	4,177	(265)	7%	375	492	(118)	31%
	Sav Target	(293)	0	(293)		(36)	0	(36)	
	Sav Realised	485	0	485		368	0	368	
				645				(183)	
EAST REGION	Income	(1,998)	(1,998)	0	0%	(131)	(131)	0	0%
	Salaries	93,546	90,389	3,157	-3%	7,164	7,598	(434)	6%
	Supplies	6,166	6,580	(414)	7%	538	733	(195)	36%
	Sav Target	(738)	0	(738)		(92)	0	(92)	
	Sav Realised	1,259	0	1,259		680	0	680	
				3,264				(40)	
WEST REGION	Income	(4,694)	(4,714)	20	0%	(445)	(465)	20	4%
	Salaries	127,325	125,212	2,113	-2%	10,012	10,672	(661)	7%
	Supplies	7,987	8,853	(866)	11%	676	686	(10)	1%
	Sav Target	(987)	0	(987)		(123)	0	(123)	
	Sav Realised	1,048	0	1,048		657	0	657	
				1,328				(117)	
NATIONAL OPS	Income	(1,405)	(1,404)	(1)	0%	12	54	(42)	350%
	Salaries	59,685	59,959	(274)	0%	5,055	5,307	(252)	5%
	Supplies	21,189	21,516	(327)	2%	1,808	2,702	(894)	49%
	Sav Target	(1,189)	0	(1,189)		(148)	0	(148)	
	Sav Realised	298	0	298		118	0	118	
				(1,493)				(1,219)	
BUSINESS INTELLIGENCE	Salaries	1,140	1,092	48	-4%	95	95	0	0%
	Supplies	74	18	57	-77%	6	2	5	-83%
	Sav Target	(40)	0	(40)		(5)	0	(5)	
	Sav Realised	0	0	0		0	0	0	
				65				0	
TOTAL SERVICE DELIVERY	Income	(9,459)	(9,482)	23	0%	(541)	(523)	(18)	-3%
	Salaries	340,204	334,446	5,758	-2%	26,742	28,490	(1,748)	7%
	Supplies	39,328	41,144	(1,816)	5%	3,403	4,615	(1,212)	36%
	Sav Target	(3,247)	0	(3,247)		(404)	0	(404)	
	Sav Realised	3,090	0	3,090		1,823	0	1,823	
				3,808				(1,559)	

Table 4 – Support Services Directorates

Support services are being reported as £3.81 million over budget. The main driver of this is within the Finance Directorate which covers main areas of central support functions such as ICT and Estates, plus Service wide Asset disposal costs.

SCOTTISH AMBULANCE SERVICE BOARD

INCOME AND EXPENDITURE BY DIRECTORATE

YEAR TO 31 MAR 2025

		Cumulative to Date				Current Period			
		Budget £'000	Actual £'000	Variance £'000	Variance %	Budget £'000	Actual £'000	Variance £'000	Variance %
BOARD AND CHIEF EXECUTIVE	Income	(90)	(90)	0	0%	0	0	0	
	Salaries	2,477	2,593	(116)	5%	168	260	(92)	55%
	Supplies	116	168	(52)	45%	10	36	(26)	260%
	Sav Target	(55)	0	(55)		(7)	0	(7)	
	Sav Realised	0	0	0		0	0	0	
				(223)				(125)	
FINANCE AND LOGISTICS	Income	(6,845)	(6,749)	(96)	-1%	(4,411)	(4,353)	(58)	-1%
	Salaries	17,360	18,723	(1,363)	8%	2,340	992	1,348	-58%
	Supplies	60,961	63,127	(2,166)	4%	10,835	10,341	494	-5%
	Sav Target	(8,429)		(8,429)		(1,054)	0	(1,054)	
	Sav Realised	8,772		8,772		422	0	422	
	Reserves	0		0		996	0	996	
				(3,282)				2,148	
HUMAN RESOURCES	Income	(29)	(29)	0	0%	0	(3)	3	
	Salaries	2,957	2,969	(12)	0%	205	258	(53)	26%
	Supplies	841	847	(6)	1%	69	27	42	-61%
	Sav Target	(110)	0	(110)		(14)	0	(14)	
	Sav Realised	33	0	33		0	0	0	
				(95)				(22)	
MEDICAL	Income	(358)	(358)	0	0%	(71)	(69)	(2)	
	Salaries	4,476	4,444	32	-1%	377	323	54	-14%
	Supplies	1,530	1,530	0	0%	497	490	7	-1%
	Sav Target	(71)	0	(71)		(8)	0	(8)	
	Sav Realised	73	0	73		3	0	3	
				34				54	
CARE QUALITY AND PROF DEVELOPMENT	Income	(77)	(75)	(2)	-3%	(7)	(7)	0	
	Salaries	6,619	6,671	(52)	1%	335	299	35	-10%
	Supplies	940	1,070	(130)	14%	217	277	(61)	28%
	Sav Target	(87)	0	(87)		(11)	0	(11)	
	Sav Realised	33	0	33		(2)	0	(2)	
				(238)				(39)	
TOTAL SUPPORT SERVICES	Income	(7,399)	(7,301)	(98)	-1%	(4,489)	(4,432)	(57)	-1%
	Salaries	33,889	35,400	(1,511)	4%	3,425	2,132	1,293	-38%
	Supplies	64,388	66,742	(2,354)	4%	11,628	11,171	457	-4%
	Sav Target	(8,752)	0	(8,752)		(1,094)	0	(1,094)	
	Sav Realised	8,911	0	8,911		423	0	423	
	Reserves	0	0	0		996	0	996	
				(3,804)				2,018	

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 31 MAR 2025

	Full Year Budget £'000	Year to Date Budget £'000	Year to Date Actual £'000	Year to Date Variance £'000
Income				
Revenue Allocation	460,952			
Baseline Allocations	438,873			
Recurring Allocations	590			
Non-Recurring Allocations	21,489			
Fleet Income	30	30	30	0
Health Board	7,691	7,691	7,652	(39)
Other Healthcare	4,667	4,667	4,644	(23)
Other Operating	4,329	4,329	4,326	(3)
Staff Car Deductions	142	142	133	(9)
Total Income	477,811	16,859	16,785	(74)

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

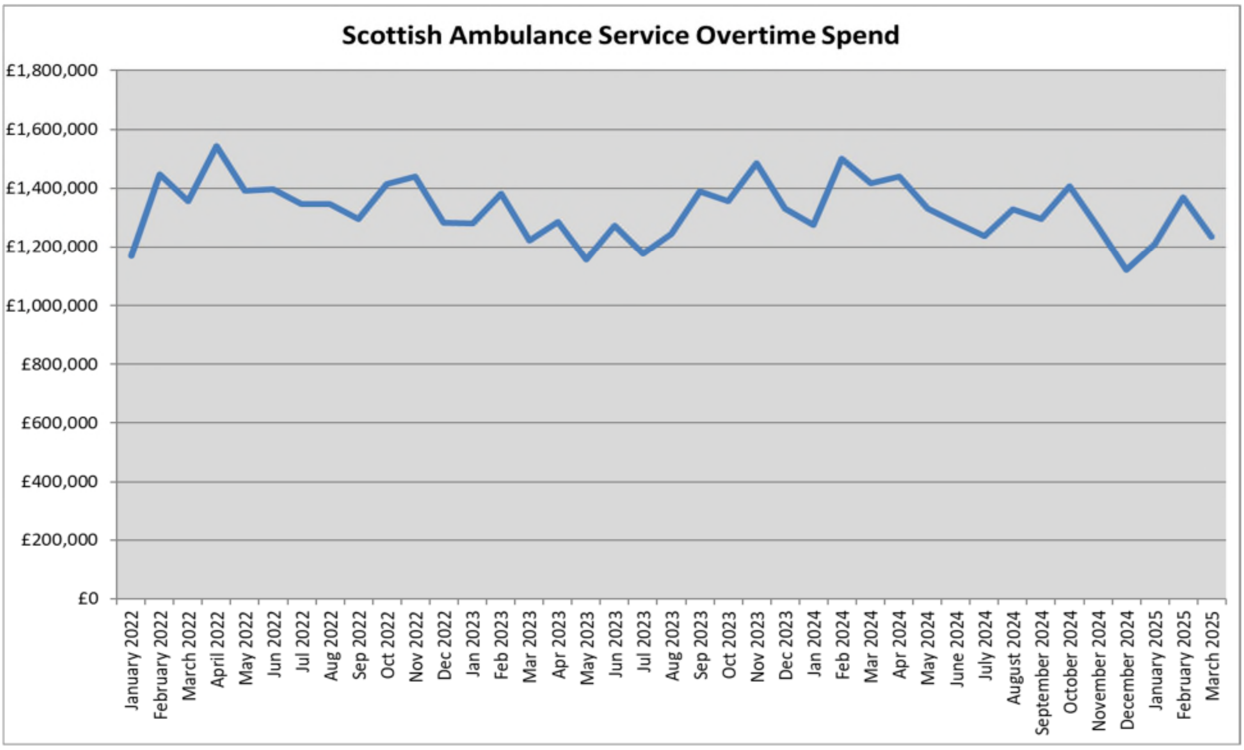
The original financial plan assumed revenue funding allocations of £423 million. The above reflects £0.94 million funding for Mobile Vaccination Units, £5.0 million for additional pressures, £6.8 million for AfC Reform funding and £9.0 million for ongoing COVID/System pressures. Recurring funding for AfC, ESM and Consultant Pay awards are reflected here. 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 underspend of £4.25 million is driven primarily from Basic Pay underspend of £7.2 million, offset by Overtime cost overspend of £3.33 million. The main driver of this being an underlying lower than budgeted for skill mix plus vacancies, along with RWW pressures of £5.6 million and COVID/System pressures of £8.1 million now being funded. A workforce dashboard is currently being developed to provide supporting data behind the basic pay underspend – this will be rolled out in due course. However, it should be noted that this is offset by, as previously reported, overtime as a result of HTAT pressures, shift cover, abstractions and Sickness.

As referenced previously, reducing overtime is one of the areas contributing towards achieving the £12.0 million savings. Overtime costs in this current year are averaging 5.0% of the pay bill for the 12 months compared to 5.3% for the same period last year, reflecting a reduction in hours. The cost also reflecting the pay award for 2024/25.

The graph below shows a trend analysis of overtime costs in the last three years. The impact of COVID on the Service can be seen in the early months of 2022 and with peaks during 2023 and 2024 reflecting the ongoing pressures on the Service in response to the increased hospital turnaround times.

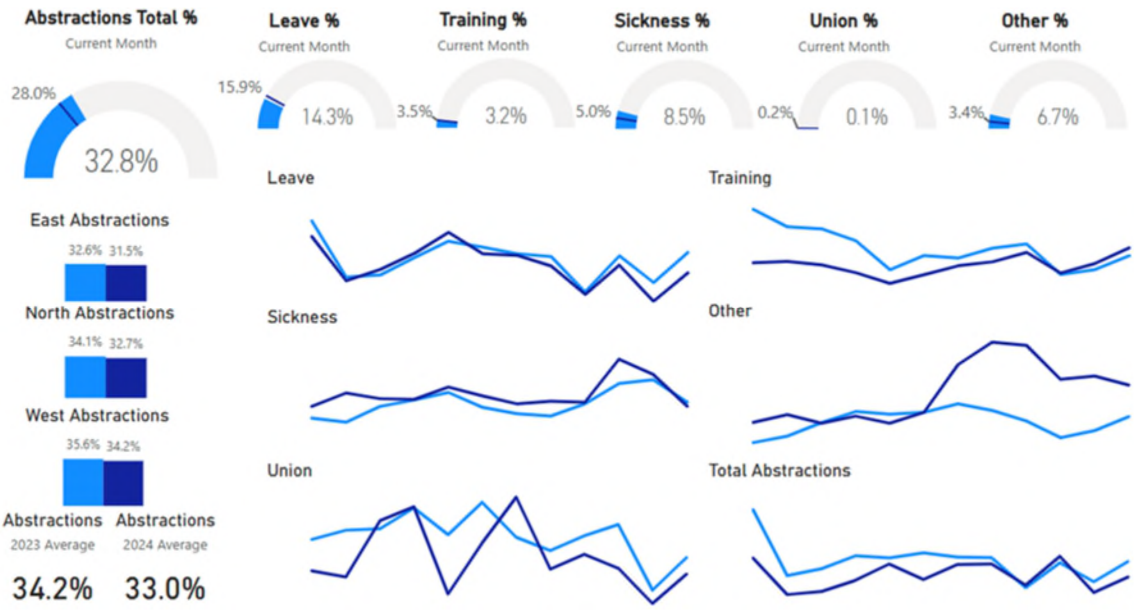


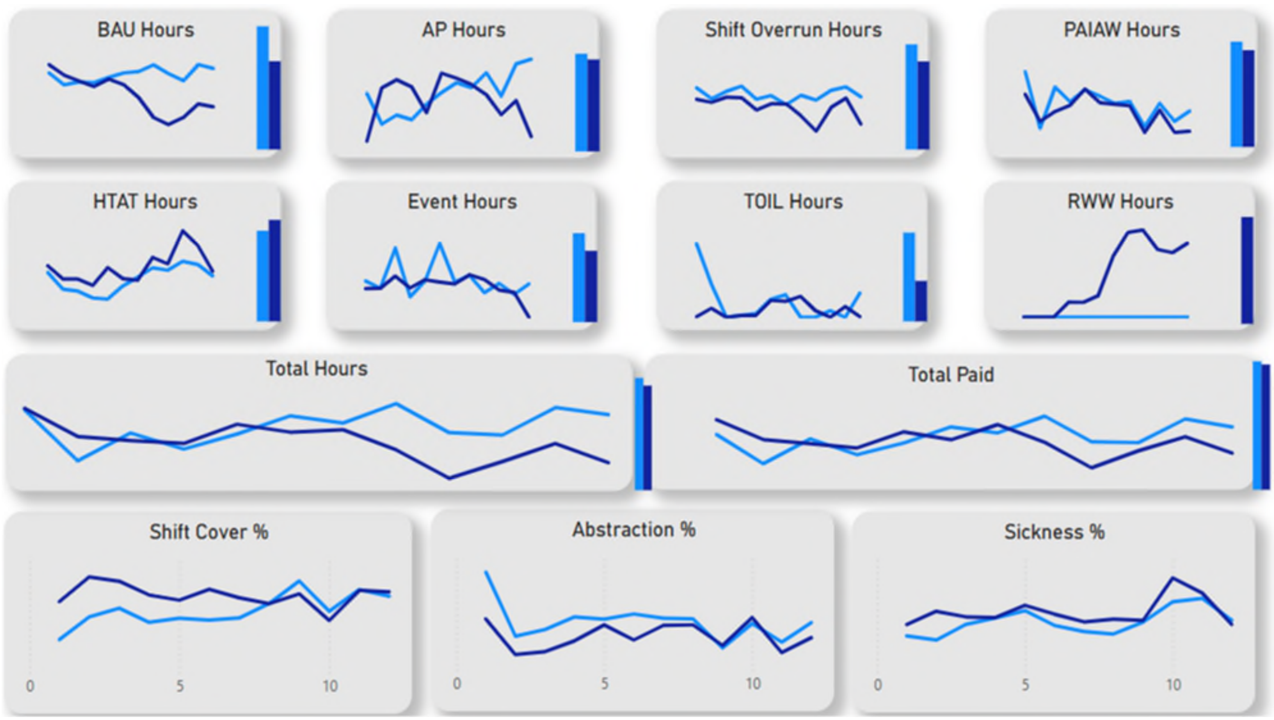
The summarised reports below show the monthly trend year on year comparison for the whole service, which breaks down the OT hours into the different drivers., plus shift cover %, abstraction % and sickness %.

These reports are available on the newly developed Overtime Dashboard that is being used by budget holders.

This data also shows the trends for Total OT hours, shift cover, abstractions, hours not filled, BAU OT and vacancies. From this data we can see that from a full year position:

- the OT hours paid are 6.83% lower than the same period last year.
- Shift cover monthly average has increased by 2.04%,
- Abstractions YTD average has decreased by 1.3%



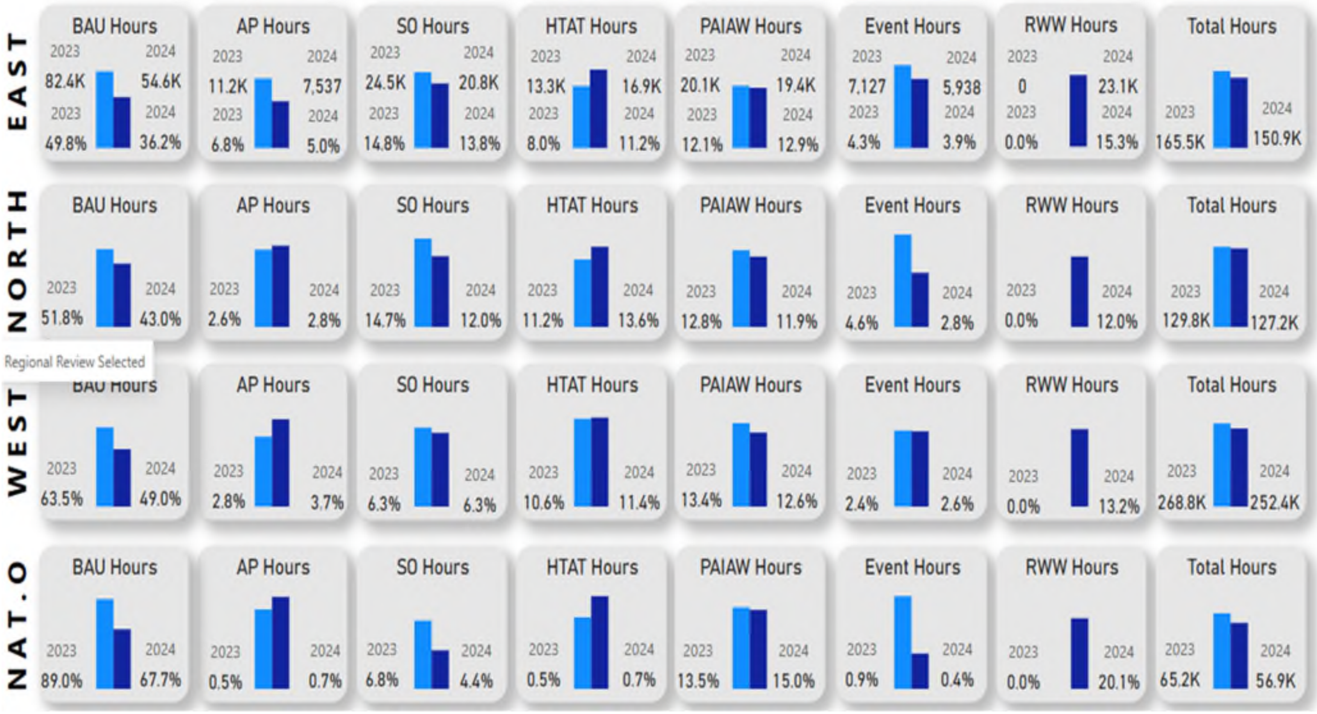


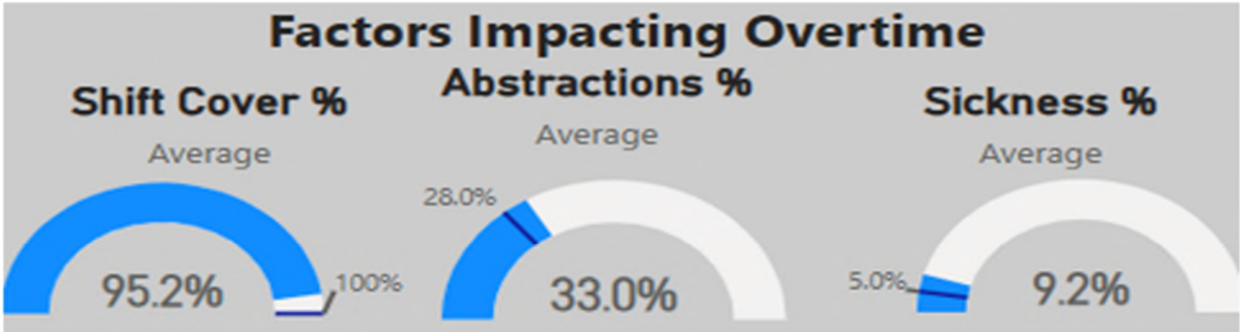
HTAT continue to create a cost pressure post COVID and are being picked up within the legacy COVID costs with now associated funding. The charts below show at a glance, for each region, all factors driving the OT pressure, such as Shift overruns (SO), PAIAW. Abstraction OT also covers Maternity relief, sickness and Training delivery. The graphs below show the year on year percentages for each of the regional divisions,

In addition, a snapshot of the summary dashboard summarises the key factors driving the overtime costs:

- shift cover increase
- abstractions and
- sickness absence.

Noting that the additional controls put in place are having an impact through the BAU hours reduction. Given the fragility of this, and acknowledging the continued operational pressures, the scrutiny on the improved controls will continue into 2025/26.





Period Paid	OT Hours	OT Paid	%Shift Cover	%Abstractions	%Sickness
2024M7	52,363	£1,621,352	94.9%	33.9%	8.6%
2024M8	47,801	£1,479,066	94.1%	34.0%	8.8%
2024M9	41,346	£1,275,446	95.4%	32.1%	8.7%
2024M10	45,148	£1,411,908	91.9%	34.6%	11.0%
2024M11	49,255	£1,524,518	95.9%	31.5%	10.2%
2024M12	44,915	£1,393,443	95.7%	32.8%	8.5%
Total	**593,478**	**£17,830,233**	**95.2%**	**33.0%**	**9.2%**

Given the scrutiny on this, a weekly operational overtime meeting with the Regional leads to agree common approaches, share best practice, agree variations and reduce unfunded shifts, has been put in place. This group reports to the weekly executive oversight meetings.

Current actions being progressed by these working groups include

- Shift cover scenario modelling with guidance developed
- Absence line implementation
- Sickness absence deep dive
- Management and workforce planning guidance for the updated overtime policy
- A detailed absence management action plan that incorporates a range of best practice ideas from other public bodies

Table 6

SCOTTISH AMBULANCE SERVICE BOARD
STAFF AND OVERTIME SUMMARY
YEAR TO 31 MAR 2025

		East Region	North Region	West Region	National Ops	Service Delivery
Current Year	Average WTE	1,396	832	1,935	884	5,047
	Overtime Hours	128,653	109,220	219,271	53,692	510,836
	Overtime Cost (£'000)	4,431	3,781	7,365	1,984	17,561
Prior Year	Average WTE	1,403	867	1,971	862	5,103
	Overtime Hours	139,231	110,161	231,661	64,026	545,079
	Overtime Cost (£'000)	4,533	3,671	7,549	2,194	17,947
Variance	Average WTE	(7)	(35)	(36)	22	(56)
	Overtime Hours	(10,578)	(941)	(12,390)	(10,334)	(34,243)
	Overtime Cost (£'000)	(102)	110	(184)	(210)	(386)

The above table also illustrates an overall decrease in overtime hours compared to the equivalent prior year period.

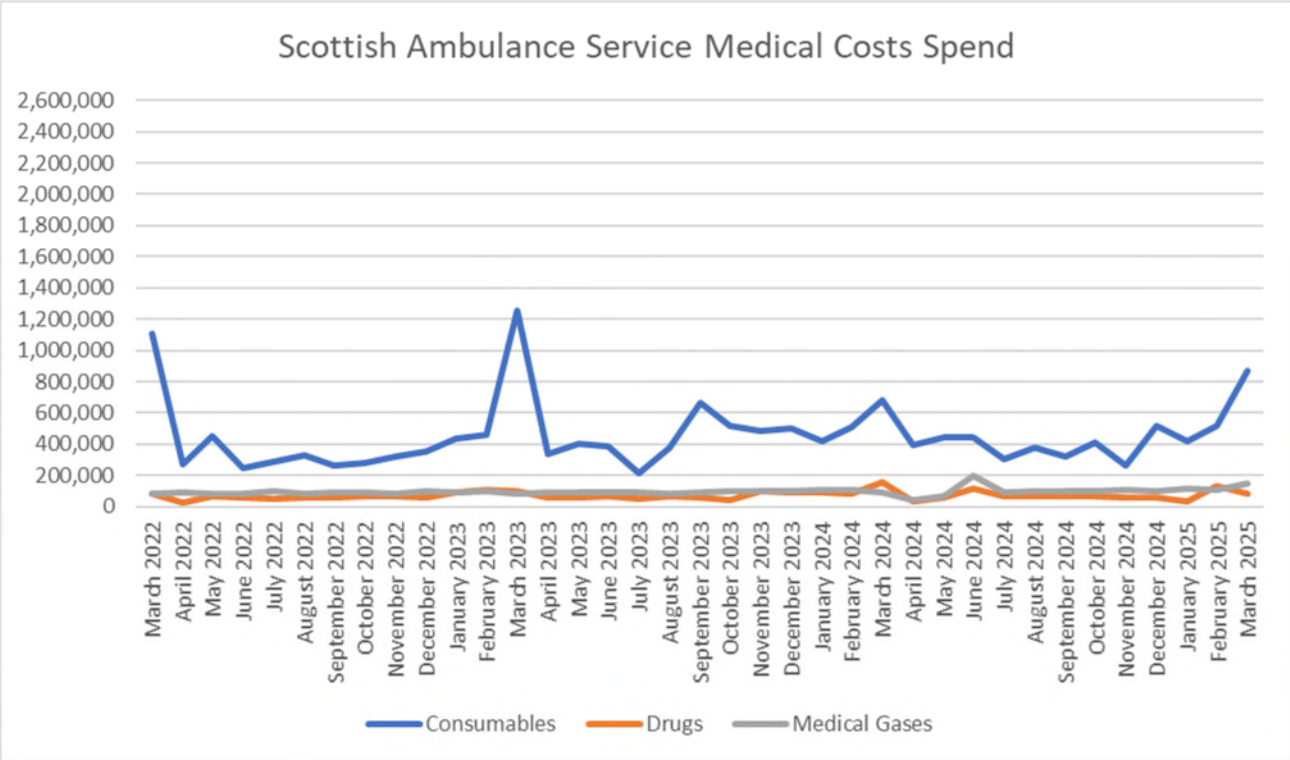
Non-pay

The non-pay overspend at £4.17 million which includes costs of asset disposal pressure of £0.04 million, is in addition to the known cost pressures beyond the £9.55 million of anticipated pressures and budget allocated.

Areas of known cost pressures include Air Ambulance £0.66 million, Comms, Computer Maintenance & Purchases £0.95 million, Medical Costs £0.30 million, Other Operational costs £0.20 million and Property Running costs £1.20 million.

Other points to note are:

- Air Ambulance Costs have reported a 0.03% increase YTD in the number of GAMA air ambulance missions in these 12 months from the same period last year, Importantly, although there has also been a continuing reduction in the chargeable MACA (SAR) missions from last year, 41 fewer this YTD, there is however a pressure because of inflationary uplifts in the hourly rates charged by MCA. 75.6% of the chargeable MCA missions occurred because of weather conditions and/or bariatric patients.
- Computer Maintenance costs are being driven by higher than anticipated increases in O365 and Terrafix – reviews will continue into 2025/26 to look at the details behind these pressures.
- Medical costs. Despite an ongoing budget increase in relation to funding for PPE costs, there remains an overspend of £0.30 million in the 12 months of this financial year. The main driver, Medical Gases, are contributing £0.29 million to this overspend increase, there is an ongoing specific programme of work on medical gases to reduce these costs.
- Other operational costs reflect stock issue items, coded via national PECOS, which should be against Medical costs, a total of £0.51 million unfunded.
- Property running costs overspend is mainly driven by Heat, Light and power pressures of £0.67 million, which includes the new use of EV chargers – discussions are ongoing on how this is managed going forward. Disposable hand towels, cleaning and building maintenance contribute to the rest of the overspend – again, reviews will continue into 2025/26 to assess the ongoing impact.



Efficiency Savings

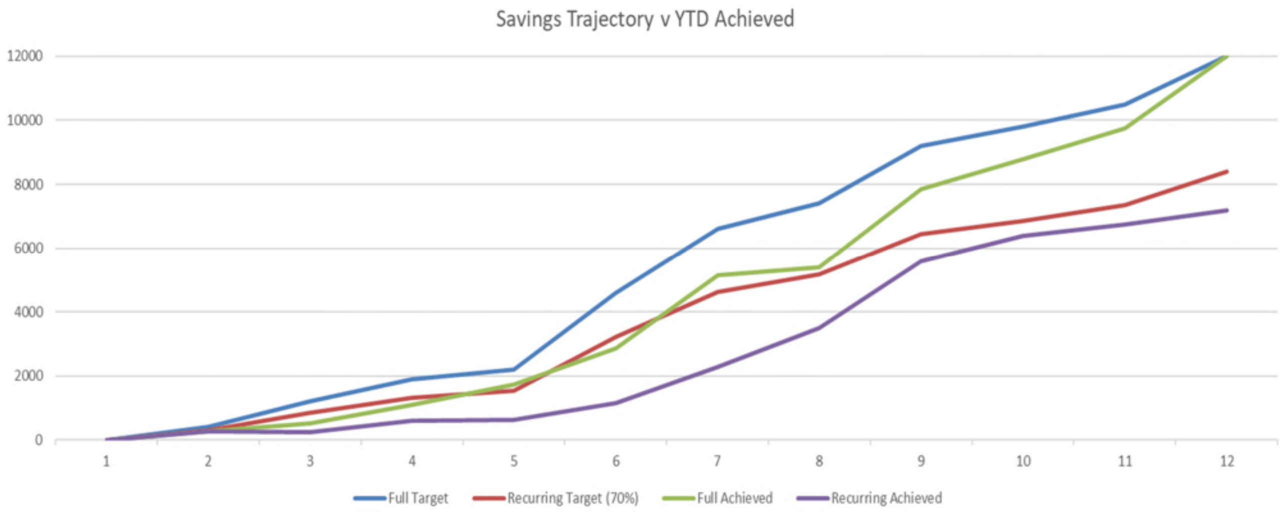
As described within the financial plan, the savings target for 2024/25 is £12.0 million. The financial plan assumes the delivery of the 3% efficiency savings target and recognises that if pressures cannot be mitigated or funded then the Service may need to deliver a greater than 3% target. This would have been extremely challenging, if not impossible, without impacting on patient care.

Focus is also on the 15 box grid which sets out 15 areas for Boards to progress, with national programmes of work supporting these areas to be implemented at a local level. Details of our progress against these are being reviewed by the weekly executive meeting. These areas have also been incorporated within the Best Value Programme.

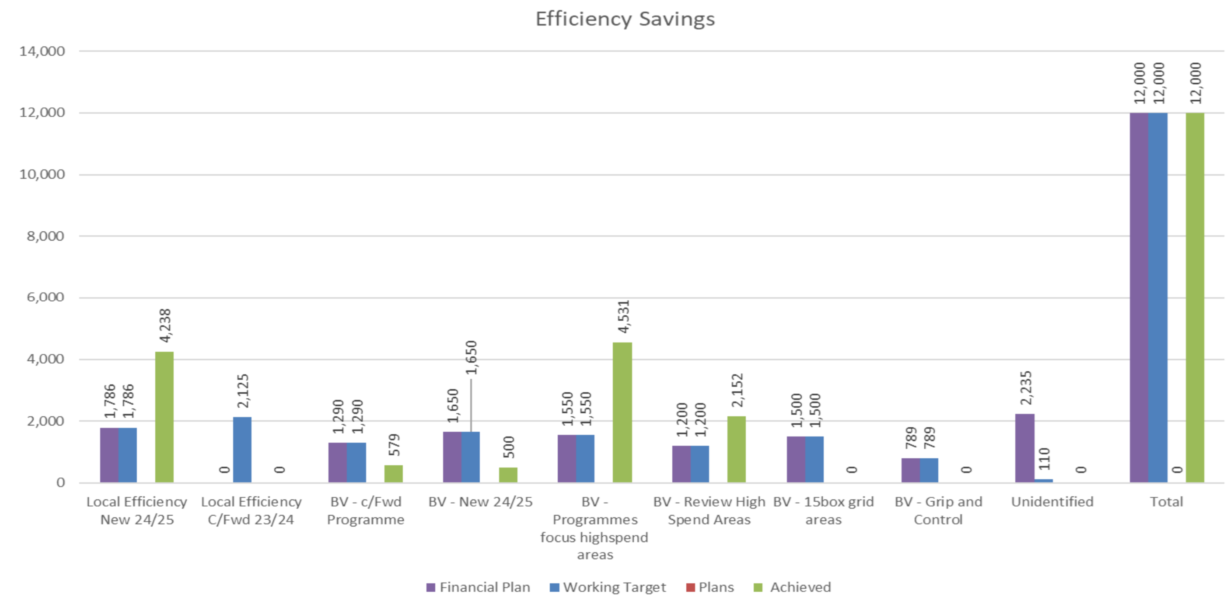
The finance plan reports that the £12.0 million efficiency target will be delivered through the Back to Balance action plan. We can report that £12.0 million savings have been achieved for 2024/25. These are made up of £4.24 million within local efficiencies and £7.76 million within BV schemes.

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.

The chart below shows the revised savings trajectory over the financial year, which accommodates a more consistent pace as the year progresses.



Recognising this challenge the delivery of our financial targets is also highlighted as a very high risk in our corporate risk register and is monitored in line with this risk profile.
For 2024/25, savings of £12.0 million has been achieved, with £4.24 million within local efficiencies and £7.76 million within BV schemes, as detailed in the graph below.



The full year forecast anticipated full delivery of the efficiency savings target, which recoognised this will be supported by a likely higher element of non-recurring savings in year. This has been the case as the target for recurring savings was £8.4 million, so the achieved outturn was £7.2 million, with the balance of £4.8 million as nonrecurring.

The Outturn detail against the forecast for 2024/25 is detailed in the table below

Table 7

Efficiency Savings Schemes	Financial Plan £m	Final position for 2024/25		
		2024/25 Forecast £m	FY Efficiencies Delivered £m	Actions update
Local Efficiency Schemes	4.0	3.1	1.15	Budget holders are working through local expenditure plans to identify all other efficiency gains including productivity and cost avoidance
Best Value Programmes- Overtime Reduction	3.5	3.0	4.97	there is very detailed scrutiny of all overtime shifts and regions are undertaking risk assessments for each shift. This has resulted in a number of shifts being managed more effectively which. currently this work is being masked by the increase in shift cover to meet demand pressures. In stripping out these pressures we can demonstrate a positive impact of the increased scrutiny and this has been recognised in the reporting
Best Value Programmes- ICT, PTS & Estates	2.0	2.0	1.08	- The ICT savings have been realised. - Contracts with 3rd party support to PTS has been withdrawn on a decreasing scale over the year. - Estates expenditure has been centralised and robust scrutiny of expenditure in line with our estates plans with trends to date reporting a reduction in spend from previous years
Best Value Programmes- Medicines & Equipment	0.9	0.3	0.0	-Medical gases pilot is under way and an action plan is in place for other medicine/equipment redesigns
Unidentified	1.6	0	0	
Non-recurring efficiencies		3.6	4.8	This consists of the non-recurring element of each of the schemes above.
	12.0	**12.0**	**12.0**	

Post COVID-19 Financial Implications

Members are aware of the funding risk to support expenditure due to post COVID-19 pandemic and system pressures. Our 2024/25 financial plan assumed a cost pressure of £9.0 million for ongoing COVID activity, and this was monitored on a monthly basis as a pressure. Although funding has now been allocated to support the ongoing costs, we continued to report on them throughout the remainder of this financial year.

Included in the final full year pressures are:

- Overtime £4.2 million - an ongoing pressure on ED in line with prior years relating to hospital turnaround times
- PPE £0.4 million – maintenance of hoods still being used and face fit testing also being incurred
- 999 Call handlers £1.5 million – additional wte requirement for Call handlers beyond 120 wte, plus costs in meeting the peaks and troughs of the staffing requirements for the 3 call centres due to rising demand.
- Card 46 (timed admissions) £2.9 million - relating to unfunded posts, this also includes the provision of Taxis and British Red Cross resources to cover resources transferring patients to accident and emergency following the appropriate clinical risk assessment.

£ million	**Planning assumptions for 2024/25**	**Month 12 Updated Planning assumption 2024/25**	**Actual Month 12 2024/25**	**Notes**
Overtime including 0.5% sickness	4.200	4.200	3.825	This is primarily driven by shift overruns relating to hospital turnaround times
PPE	0.400	0.400	0.094	These initial costs include portacount calibration. and FFP3 masks have been purchased.
999 call handlers	1.500	1.500	1.211	This is in line with plan, with the increase in costs being planned for winter and is driven by increased demand
Card 46 (timed admissions)	2.900	2.900	3.892	This showed higher costs than anticipated with the inclusion of British Red Cross and use of taxis. This avoids A&E conveyance.
Total Covid	**9.000**	**9.000**	**9.021**	**Overall, this is in line with plan, and specific actions are in place to review and monitor these**

Mobile Vaccination Units

The Service is currently delivering Mobile Vaccination Units (MVUs) across Scotland to support an inclusive vaccination programme delivering vaccinations to population groups who can face barriers to mainstream vaccination pathways.

The year-to-date expenditure (at 31 March 2025) is as follows:

	Costs
Pay	£645,041
Non Pay	£288,604
Total	**£933,645**

Funding of £1.1 million was assumed in our Finance Plan however the Scottish Government confirmed an allocation of £0.94 million in July 2024 for 2024/25. We are anticipating the same level of funding in 2025/26 at £0.94 million.

DRAFT CAPITAL OUTTURN FOR 2024-25

2024/25 Capital Budget

The Service's Capital budget is made up of the following elements:

• Formula Capital	£1.794 million
• Earmarked Allocations	£24.976 million
• Revenue to Capital Transfer	£1.514 million
• Capital Receipts	£0.604 million
Total Capital Funding	£28.888 million

- Formula Capital of £1.794 million
  - The Service is provided with this allocation 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

- Earmarked Allocations
  - The Service receives earmarked allocations for Business Cases that have been approved by the CIG. In 2024/25 the following earmarked allocations have been received:
    - Fleet Replacement Programme £23.640 million
    - ScotSTAR £0.250 million
    - Transport Scotland (electric vehicle infrastructure) £0.866 million
    - Digital Spend £0.220 million

- Revenue Resource to Capital Resource Transfer
  - A net transfer of £1.514 million has been transferred from the revenue resource budget to capital. This funded non-recurring capital expenditure relating to Estates Physical Conditions works and Digital spend which had been brought forward from 2025/26 and 2026/27.

- Capital Receipts
  - Capital receipts of £604k have been obtained as result of vehicles being sold for a price higher than their carrying amount (net book value). These receipts have been used to accelerate capital expenditure in 2024/25.

The total 2024/25 capital budget was £28.888 million.

Draft Capital Outturn

The draft 2024/25 year end capital position is shown in the table below. These figures are draft, subject to external audit. The Capital Budget returned a break even at year end, with a small underspend of £0.006 million (0.002% of the total budget).

SCOTTISH AMBULANCE SERVICE **CAPITAL REPORT 2024-25** **As at 31st March 2025**			
PROJECT	**Approved Budget £**	**FY Actuals £**	**Notes**
Formula Capital Projects			
eHealth and ICT	1,788,273	1,621,950	VAT credits received
Property and Special Projects	347,730	336,972	
Vehicle Accidents	620,046	620,046	
	2,756,049	**2,578,968**	
Earmarked Allocations			
Scotstar	77,079	70,080	
Vehicles including Transport Scotland	25,450,777	26,238,165	
	25,527,856	**26,308,245**	
Unallocated Budget			
Capital Receipts	603,832	0	Gain on sale of vehicles
TOTAL	**28,887,737**	**28,887,213**	

CONCLUSION

For the 12 months to March 2025, the Service reports a breakeven position. An improved position has been reported from the financial plan primarily due to additional funding allocations for the known COVID and RWW commitments received during this year.

Our achievement in meeting the £12.0 million savings target was due to ongoing focus by the Executive team and budget holders. The higher than planned level of non-recurring savings is being recognised within the carry forward deficit into the 2025/26 financial plan.

This outturn also reflects a number of ongoing cost pressures, under review into 2025/26, as we consider placement of our budget between cost lines, cost containment, and identifying efficiency savings against the 2025/26 target.

The final draft 3 year financial plan 2025-2028 was submitted to Scottish Government following Board approval in March 2025, this plan was then approved by Scottish Government.

The financial position will now be reported against this plan during 2025/26.

Julie Carter
Director of Finance, Strategy and Logistics
May 2025