

# Public Finance Committee Meeting

Wed 14 December 2022, 14:00 - 16:00

## Agenda

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14:00 - 14:00 **1. Standing Items**

0 min

*Rhian Thomas*

**1.1. Welcome and Introductions**

**1.2. Apologies for Absence**

**1.3. Declarations of Interest**

**1.4. Minutes of the previous Committee meeting – 16 November 2022**

 1.4 Draft Public Finance Minutes - NovemberMD.NF.pdf (12 pages)

**1.5. Action log following the meeting held on 16 November 2022**

 1.5 Draft Public Finance Action Log - DecemberMD.NF.pdf (2 pages)

**1.6. Chair’s Actions since previous meeting**

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14:00 - 14:00 **2. Items for Review and Assurance**

0 min

**2.1. Financial Report – Month 8**

*Robert Mahoney*

 2.1 Public Finance Committee Finance Position Report for Month 8.pdf (23 pages)

**2.2. Financial performance of Clinical Boards - Verbal**

*Paul Bostock Robert Mahoney*

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14:00 - 14:00 **3. Items for Information and Noting**

0 min

**3.1. Financial Monitoring Return – Month 8**

*Robert Mahoney*

 3.1 WG month 8 MMR Covering Report.pdf (2 pages)

 3.1a CV Financial Monitoring Returns 2022-23 - Month 8.pdf (15 pages)

 3.1b 2022-23 MMR Template - Cardiff & Vale UHB Month 8.pdf (4 pages)

14:00 - 14:00 **4. Agenda for Private Finance Committee Meeting**

0 min

*Rhian Thomas*

Mohamed Sarah  
13/12/2022 12:34:19

#### 4.1. Approval of Private Minutes

#### 4.2. Update on the Financial Plan

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14:00 - 14:00 **5. AOB**  
0 min

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14:00 - 14:00 **6. Review and Final Closure**  
0 min

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14:00 - 14:00 **7. Items to be deferred to Board / Committee**  
0 min

*Rhian Thomas*

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14:00 - 14:00 **8. Date, time and venue of the next Committee meeting**  
0 min

Wednesday 18th January 2023 via MS Teams

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14:00 - 14:00 **9. Resolution**  
0 min

To consider a resolution that representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest [Section 1(2) Public Bodies (Admission to Meetings) Act 1960]

Mohamed Sarah  
13/12/2022 12:34:19

**Unconfirmed Minutes of the Public Finance Committee Meeting  
Held On 16 November 2022 at 2pm  
Via MS Teams**

<b>Chair:</b>		
Rhian Thomas	RT	Independent Member - Capital and Estates
<b>Present:</b>		
John Union	JU	Independent Member – Finance
David Edwards	DE	Independent Member – ICT
<b>In Attendance:</b>		
Charles Janczewski	CJ	UHB Chair
Abigail Harris	AH	Executive Director of Strategic Planning
Catherine Phillips	CP	Executive Director of Finance
Nicola Foreman	NF	Director of Corporate Governance
Robert Mahoney	RM	Deputy Director of Finance (Operational)
Jason Roberts	JR	Executive Nurse Director
Mike Bond	MB	Managing Director – Acute Services
Kris Prosser	KP	Assistant Head of Finance - Financial Planning & Transformation
Geoff Walsh	GW	Director of Capital, Estates and Facilities
<b>Observers:</b>		
Tim Davies	TD	Head of Corporate Business
Marcia Donovan	MD	Head of Corporate Governance
<b>Secretariat</b>		
Sarah Mohamed	SM	Corporate Governance Officer
<b>Apologies:</b>		
Paul Bostock	PB	Chief Operating Officer

Item No	Agenda Item	Action
<b>FC 16/11/001</b>	<b>Welcome &amp; Introduction</b>  The Committee Chair (CC) welcomed everyone to the meeting.	
<b>FC 16/11/002</b>	<b>Apologies for Absence</b>  <b>The Finance Committee resolved that:</b>  a) Apologies were noted.	
<b>FC 16/11/003</b>	<b>Declarations of Interest</b>  <b>The Finance Committee resolved that:</b>  a) No Declarations of Interest were noted.	
<b>FC 16/11/004</b>	<b>Minutes of the meeting Held on 19 October 2022</b>	

	<p>The minutes of the meeting held on 19 October 2022 were received.</p> <p><b>The Finance Committee resolved that:</b></p> <p>a) The minutes of the meeting held on 19 October 2022 were held as a true and accurate record of the meeting.</p>	
<b>FC 16/11/005</b>	<p><b>Action Log following the meeting held on 19 October 2022</b></p> <p>The Action Log was received.</p> <p><b>The Finance Committee resolved that:</b></p> <p>a) The Action Log was up to date.</p>	
<b>FC 16/11/006</b>	<p><b>Chairs Action since previous meeting</b></p> <p>There had been no Chair's Actions taken since the last meeting.</p>	
	<b>Items for Review and Assurance</b>	
<b>FC 16/11/007</b>	<p><b>Financial Report – Month 7</b></p> <p>The Deputy Director of Finance Operations (DDFO) presented the Financial Report Month 7 and highlighted the following:</p> <p>At month 7, the Health Board reported an overspend of £15.430m against the submitted draft plan. That comprised of £5.455m of operational overspend and the planned deficit of £9.975m (seven twelfths of the annual planned deficit of £17.1m set out in 2022/23 financial plan).</p> <p>The Health Board had assumed that Covid and exceptional costs incurred to date (ie £45.725m) would be funded by Welsh Government (WG) and that further costs would continue to be funded to the end of the financial year.</p> <p><u>Table 4: Financial Performance for the period ended 31st October 2022</u></p> <ul style="list-style-type: none"> <li>• It was noted that consistent cost pressures were being experienced by the Health Board.</li> <li>• The largest operational overspends were in the (i) Medicine Clinical Board (£3.175m deficit) where the main pressure areas were nursing and medical staffing, (ii) Mental Health Clinical Board (£2.192m deficit) where there were nursing and continuing healthcare (CHC) placement pressures, and (iii) Capital Estates &amp; Facilities (£2.169m deficit) where there were pressures against security costs, Patient catering in EU and commercial income.</li> </ul>	

- The performance of the Clinical Boards was being reviewed regularly with the relevant Executives.

Table 5 Key Cost pressures and risks within delegated positions as at Month 7

In the covering report (i) the blue line showed the planned deficit and (i) the red line indicated that the Health Board could be heading towards a £30m deficit. There were mitigations in place to get reduce that to £26m.

The UHB Chair requested an explanation regarding why the Health Board was exceeding the trajectory.

The UHB Chair also added that page 5 stated “the risks will potentially lead to a further increase in the Forecast Deficit to £26.9m following Board approval.” This was incorrect because the Board had not signed that off yet.

The DDFO responded that there was a trend at the moment which was above the £17.1m. The trend would change to £19.850m following the approval of the Winter Plan. The Finance Team was now concerned about the other cost pressures and the ability to “reign in” those cost pressures.

The UHB Chair stated it was “subject to Board approval” and not “following Board approval”.

The UHB Chair asked the DDFO to highlight the main causes of the operational overspend.

The DDFO responded that a report would be presented in the Private session of the Committee and would go into more detail.

The UHB Chair stated that he was worried that the “drift” was being accepted too readily.

The DDFO responded that table 5 showed the pressures. There was no one issue that had caused the £1.1m increase. It was broadly “on trend” to what had previously happened in the past 5 months. It was not hugely out of sync and was still in line with previous trends.

The UHB Chair responded that he was uncomfortable with the trend and queried what actions were being taken to alleviate the trend.

The DDFO stated that the Finance Team was meeting monthly with the Clinical Boards to discuss actions and improvement plans.

The UHB Chair stated that he was looking for the terms “grip and control” to alleviate the trend.

The EDF stated it may seem that the trend was being accepted but assured the Committee that it definitely was not. There were items that had caused cost pressures which were not funded under Covid response costs which had included food prices and income shortfalls that were being experienced. That was subject to a review at the moment.

The EDF added that the biggest pressure was the capacity in terms of bed base and the cost of manning the bed base. That included CHC placements following the Covid response and trying to expedite delays into the community. This was not accepted and there were certain levels of “grip”.

The Managing Director – Acute Services (MDAS) stated that each Clinical Board was considering where it could reduce expenditure quickly. For example, more could be done around utilising workforce, and the high sick rate and agency spend.

The Independent Member – ICT (IMI) queried how confident the Finance team was in relation to the green line on the graph based on assumptions and getting a “grip” of the Clinical Boards’ expenditure.

The DDFO responded that there were aspects that could help with the green line. A detailed discussion would be had in the Private meeting.

The EDF stated there was a level of improvement needed to get to the position required.

#### Table 6 – Exceptional Cost forecast for 2022-23

It was noted that energy costs had gone down. The energy forecast would remain a live piece of work involving the Health Board’s Capital and Estates Team and Shared Services’ market intelligence, in light of the volatility of market intelligence.

#### Covid 19 Expenditure and Funding

It was noted that this had remained consistent overall. There was a slight change in some of the bed base closing down. There had also been a slight increase in costs. That would be discussed further in the Private session of the Committee.

#### Table 9: Risk Register at October 2022

<p>Mohamed Sarah 13/12/2022 12:34:19</p>	<p>It was noted that the top risk was 25. The top three would align with the Corporate Risk Register.</p> <p>The sub-risks were the assessment of the additional risks within Finance.</p> <p><u>Savings programme</u></p> <ul style="list-style-type: none"> <li>- There were still additional savings identified in the saving programme to be achieved.</li> <li>- It was a high risk as there was now less time to deliver those.</li> <li>-</li> </ul> <p>The sub-risks were the assessment of the additional risks within Finance. At month 7, the Health Board was forecasting £17.467m of savings to deliver against the revised £19.400m savings target which left a further £1.933m of schemes to identify. That represented a marginal increase in identified schemes of £0.010m in month. Delegated budget holders were being pressed to close the remaining gap through the established internal review process.</p> <p>The Committee was informed that there was still some way to go to achieve the last savings before year end. As the months were diminishing towards year end, there would be less time to deliver those savings.</p> <p>The CC queried that the red column was looking empty. The CC queried whether the Committee should be worried about the lack of red options.</p> <p>The DDFO responded that it was of concern. The Finance team was going to look at procurement savings with Procurement team and the Clinical Boards.</p> <p>The EDF stated that the Finance team did not accept that the savings target would not be met. The Finance team would need to commit to the elements of the plan that could be delivered. During conversations with the Clinical Boards help with corporate elements, such as procurement, had been requested.</p> <p>The EDF added that it was important to start planning next year's savings.</p> <p><u>Balance sheet</u></p> <p>It was noted that there was an impact on cash flow because of the deficit.</p> <p><u>Public Sector compliance</u></p>	
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	<p>The Health Board's Public Sector payment compliance performance had remained below the target of 95%. Performance for the 7 months to the end of October was 94.3%. Whilst that had remained below the target, it was an improvement of 0.4% in month.</p> <p>Performance was expected to improve in the coming months as newer "holds" would be cleared, and then paid, within the 30 days target. Work was ongoing with departments, including training, to address the level of orders not receipted, and the high number of workforce and nursing holds, which should improve the Health Board's position.</p> <p><b>The Finance Committee resolved that at Month 7:</b></p> <ul style="list-style-type: none"> <li>a) The reported overspend of £15.430m due to £5.455m of operational pressures and a planning deficit of £9.975m was noted.</li> <li>b) The financial impact of COVID 19 which was assessed at £35.494m, was noted.</li> <li>c) The additional Welsh Government COVID 19 funding of £35.494m assumed within the position was noted.</li> <li>d) The financial impact of Exceptional Inflationary Pressures which was assessed at £10.231m was noted.</li> <li>e) The additional Exceptional Inflationary Pressures funding of £10.231m assumed within the position was noted.</li> <li>f) The forecast deficit of £19.850m, which comprised of the £17.1m planned deficit identified in the Final Financial plan and £2.850m of additional winter planning costs approved by the UHB Board was noted.</li> <li>g) The 2021/22 brought forward Underlying Deficit of £29.7m and the planned forecast carry forward of £20.0m to 2023/24 was noted.</li> </ul>	
<p><b>FC</b> <b>16/11/008</b></p> <p>Mohamed, Sarah 13/12/2022 12:34:19</p>	<p><b>2022-23 Strategic Cash Request Submission</b></p> <p>The DDFO presented the 2022-23 Strategic Cash Request Submission Paper and highlighted the following:</p> <ul style="list-style-type: none"> <li>• Cash was needed to fund the forecasting deficit.</li> <li>• The Health Board had submitted the assessment of the balance sheet movement to Welsh Government (WG).</li> <li>• A confirmation of the year end forecast would need to be sent to WG. That would need to be covered by WG and an Accountable Officer's letter would be required.</li> </ul> <p>The UHB Chair requested that the wording in the recommendation should be changed to "the Committee</p>	<p><b>EDF</b></p>



	<p>recommend to the Board” because the Committee could not approve the recommendation itself.</p> <p><b>The Finance Committee resolved that:</b></p> <ul style="list-style-type: none"> <li>a) The UHB’s working cash balance requirement of £4.234m identified in the October 2022 Welsh Government Monitoring return, was noted; and</li> <li>b) the UHB’s application to Welsh Government for Strategic Cash Support of in support of its 2022/23 forecast deficit was recommended to Board for approval.</li> </ul>	
<p><b>FC</b> <b>16/11/009</b></p>	<p><b>Financial performance of Clinical Boards – Verbal</b></p> <p>The MDAS updated the Committee on the following:</p> <ul style="list-style-type: none"> <li>• The biggest movement in the Clinical Boards was money spent on agency and medical expenditures.</li> <li>• Following conversations with the People and Culture team, vacancies were being filled and turnover rates were reducing which should help to drive down the premium agency costs.</li> <li>• Medical staffing costs – thought was required about how to use medical staff in the best way.</li> </ul> <p>The CC queried what was practically being done to improve the situation.</p> <p>The MDAS responded that they did have systems and mechanisms in place. They needed to find out ways to be able to share it with the Committee.</p> <p>The UHB Chair suggested that a deep dive on how the clinical boards were following through with their actions to improve the situation would be useful.</p> <p><b>The Finance Committee resolved that:</b></p> <ul style="list-style-type: none"> <li>a) The Financial performance of Clinical Boards verbal update was noted.</li> </ul>	<p><b>COO/EDF</b></p>
<p><b>FC</b> <b>16/11/010</b></p>	<p><b>Board Assurance Framework – Financial Risk</b></p> <p>The Director of Corporate Governance (DCG) stated that she had reviewed the BAF with the EDF, following which the financial risk had increased from 15 to 20. The BAF set out the narrative around that and also included the actions being taken to mitigate the risk.</p>	

	<p>This would be reported through the full BAF which would go to the Board meeting.</p> <p><b>The Finance Committee resolved that:</b></p> <p>a) The attached risk in relation to Financial Sustainability was reviewed to enable the Committee to provide further assurance to the Board when the Board Assurance Framework was reviewed in its entirety.</p>	
<p><b>FC</b> <b>16/11/011</b></p>	<p><b>Operational Pressures</b></p> <p>The MDAS advised the Committee on the following:</p> <ul style="list-style-type: none"> <li>• The Health Board was coming to a challenging part of year. The Winter Plan and additional capacity would need to be implemented.</li> <li>• There was an additional ward in UHW A5.</li> <li>• There was good progress in the EU and assessment footprint. The Clinical teams were managing to hand over ambulances in 4 hours. They previously lost 600-700 hours a week and that had now dropped to 350-400 hours.</li> <li>• A lot of it was down to changing the way the teams work.</li> <li>• Acute short stay beds in A1 had been ring fenced.</li> <li>• A new Frail service had been introduced. The plan was to see every frail person within an hour of hospital admittance. That was managed through senior clinicians.</li> <li>• Medical SDEC had also been moved out of the EU into first floor.</li> <li>• The clinical teams were also looking to triage GP referrals.</li> </ul> <p>The UHB Chair stated that the operational pressures update was not required at the finance committee.</p> <p><b>The Finance Committee resolved that:</b></p> <p>a) The Operational Pressures Update was noted. b) It was agreed that the Operational Pressures Update would not be brought to the Finance Committee.</p>	
	<b>Items for Information and Noting</b>	
<p><b>FC</b> <b>16/11/012</b></p> <p>Mohammed Sarah 13/12/2022 12:34:19</p>	<p><b>Tertiary Tower Long term solution – Business Case</b></p> <p>The Director of Capital, Estates and Facilities (DCEF) presented the Tertiary Tower Long term solution – Business Case and highlighted the following:</p>	

- There was a power failure in the Tertiary Tower building 12 months ago.
- As a result of there being no local generator backup for the Tertiary Tower building, the power failure had drastically affected Clinical services within the building during that period.
- The Tertiary building hosted several significant services.
- Having identified the deficiency of maintaining the critical infrastructure, it was necessary to design and upgrade the electrical infrastructure to ensure its compliance with HTM-06-01 and thereby ensure continuity of supply in the event of a mains failure.
- The scheme would include installation of a new switchboard and local generator to provide 100% electrical supply in the event of any failure.
- A summary of the projected capital costs was shown in the paper.
- The revenue implication for this scheme related to the annual maintenance of the new plant and equipment and was estimated at £1k which would be managed within the existing allocation.

**The Finance Committee resolved that:**

- a) Recommendation from the Committee would be made to the Board to approve:
  - i. The submission of the electrical infrastructure upgrade for the UHW Tertiary Tower – Business Justification Case be submitted to Welsh Government for capital funding support.
  - ii. The awarding of the construction contract, subject to Welsh Government approval of the BJC, to Amberwell Engineering Services Ltd at a value of £1.647m (inclusive of VAT) under the terms and conditions of the NEC short form contract.
  - iii. The appointment of Gleeds Management Services as the Project Manager, subject to Welsh Government approval of the BJC, at the cost of £50.435k (inclusive of VAT) under the terms and conditions of the SBS Framework.
  - iv. The appointment of Gleeds Cost Management as the Cost Advisor, subject to Welsh Government approval of the BJC, at the cost of £38.572k (inclusive of VAT) under the terms and conditions of the SBS Framework
- b) Recommendation would be made from the Committee to the Board that it approves that the Health Board enters into the said contracts, subject to recommendation 2,3&4 being satisfied.

<p><b>FC</b> <b>16/11/013</b></p>	<p><b>FNC Rate</b></p> <p>The Executive Nurse Director (END) presented the FNC Rate Paper and highlighted the following:</p> <ul style="list-style-type: none"> <li>• The rate was set annually by Health Boards.</li> <li>• The Supreme Court judgement led to lots of discussion regarding funded nursing care.</li> <li>• The FNC rate was set to increase from £194 to over £200. That was different to the England rate.</li> <li>• There was a request from Clinical Boards to continue to retain the rate because it was derived from a calculated method.</li> </ul> <p>The CC queried how problematic it was in practice.</p> <p>The END stated that a number of Welsh Health Board were adopting the same approach and it made sense to adopt an approach which was consistent with the other Welsh Health Boars.</p> <p><b>The Finance Committee resolved that:</b></p> <ol style="list-style-type: none"> <li>a) The update provided in the paper was noted.</li> <li>b) The recommendation of HB Chief Executives that the IUM extended to 2022/23, and beyond, thus providing the opportunity to respond to requirements in future financial years in a timely manner using a tried and tested methodology was noted and supported. This would allow time for WG to formulate revised FNC Policy Guidance that may impact on the way the FNC rate is calculated in future; a review of the mechanism to set the rate that complies with any future policy requirement would then be necessary.</li> <li>c) The proposal that, should the anticipated updated policy guidance not be forthcoming, the IUM will be reviewed after three years to ensure it remained an appropriate mechanism to set the FNC rate, was noted and supported.</li> <li>d) Recommendation from the Committee would be made to Board to approve the recommended uplift to the HB component of the weekly FNC rate to £193.88, backdated to 1 April 2022.</li> </ol>	
<p><b>FC</b> <b>16/11/014</b></p>	<p><b>Development of the Hybrid/Major Trauma theatres at UHW - Business Case</b></p> <p>The DCEF presented the paper and highlighted the following:</p> <ul style="list-style-type: none"> <li>• The scheme was ongoing for a number of years.</li> </ul>	

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	<ul style="list-style-type: none"> <li>• The scheme provided two fully operational hybrid theatres which would link into the main theatre facility and support the vascular network and major trauma work.</li> <li>• The costs associated with the hybrid theatres were significant.</li> <li>• It required a capital investment of £40.611m to be funded from the All Wales Capital Programme.</li> </ul> <p>The UHB Chair queried whether there was any future proofing of the costs.</p> <p>The DCEF responded that there was no future proofing because it would take place over a long period. WG would fix it at an industry rate and then look to market test it.</p> <p>The EDF stated that there was a commitment on the Health Board to fund the revenue as a commissioner of the service. It was important that the Board understood the pre-commitment on the Health Board revenue commissioning strategy.</p> <p><b>The Finance Committee resolved that:</b></p> <ol style="list-style-type: none"> <li>a) Recommendation would be made from the Committee to the Board to approve: <ol style="list-style-type: none"> <li>i. The submission of the Development of the Hybrid/Major Trauma theatres at UHW Full Business Case to Welsh Government for capital funding support.</li> <li>ii. The award of the contract to the Supply Chain Partner, Willmott Dixon Construction Ltd, subject to WG approval of the FBC, under the terms and conditions of the NEC Option 3 contract, as required by the Building For Wales Programme with an anticipated target cost of £28.075m (Inclusive of VAT) and a commencement date to be agreed.</li> <li>iii. The award of the contract to the Project Manager, Gleeds Management Services, subject to WG approval of the FBC, under the terms and conditions of the NEC Professional Services contract, as required by the Building For Wales Programme at a cost of £0.156m (Inclusive of VAT) and a commencement date to be agreed.</li> <li>iv. The award of the contract to the Cost Advisor, Gleeds Cost Management, subject to WG approval of the FBC, under the terms and conditions of the NEC Professional Services contract, as required by the Building For Wales Programme at a cost of £0.130m (Inclusive of VAT) and a commencement date to be agreed.</li> <li>v. The appointment of an NEC Supervisor to be procured under the SBS Framework, subject to WG approval of</li> </ol> </li> </ol>	
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	<p>the FBC, at a cost of £0.125m (Inclusive of VAT) and a commencement date to be agreed.</p> <p>b) Recommend from the Committee to Board that the Health Board enter into the said contracts, subject to recommendation 2,3,4 &amp; 5 being approved.</p>	
	<b>Items for Information and Noting</b>	
<b>FC 16/11/015</b>	<p><b>Financial Monitoring Return – Month 7</b></p> <p>The Financial Monitoring Return – Month 7 was received.</p> <p><b>The Finance Committee resolved that:</b></p> <p>a) The extract from the UHB's Monthly Financial Monitoring Return was noted.</p>	
	<b>Agenda for Private Finance Committee Meeting</b>	
<b>FC 16/11/016</b>	<p>i. Approval of Private Minutes</p> <p>ii. High Level Resource Map</p> <p>iii. Forecast Outturn</p> <p>iv. Adult Fracture Clinic</p>	
<b>FC 16/11/017</b>	<p><b>Any Other Business</b></p> <p>No Other Business was discussed.</p>	
	<b>Review and Final Closure</b>	
<b>FC 16/11/018</b>	<p><b>Items to be referred to Board / Committee</b></p> <p>No Items to be referred to Board / Committee.</p>	
	<p><b>Date &amp; time of next Meeting</b></p> <p>Wednesday 14th December 2022 at 2pm Via MS Teams</p>	

Mohamed Sarah  
13/12/2022 12:34:19

## Public Action Log

Following Finance Committee Meeting  
16 November 2022  
(For the Meeting 14 December 2022)

Completed actions					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
FC 19/10/007	Clinical Boards financial position	COO will share the outcome of the meeting with the Clinical Boards at next month's finance meeting.	Paul Bostock/Robert Mahoney	16 November 2022	<b>Complete</b>  Discussed at November meeting.
FC 19/10/007	BAF	BAF would go to the next Finance Committee meeting and to cross reference the Corporate Risk Register for consistency	Nicola Foreman	16 November 2022	<b>Complete</b>  Discussed at November meeting.
Actions in progress					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
FC 16/11/007	2022-23 Forecast deficit	A confirmation of the year end forecast and an Accountable Officer's letter to be sent to WG.	Catherine Phillips	March 2023	Update by March 2023

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<b>FC 16/11/009</b>	Financial performance of Clinical Boards	Deep dive on how the clinical boards are following through with their actions.	Paul Bostock/Catherine Phillips	January 2023	Update by January 2023
<b>Actions referred to Board/Committees</b>					
<b>FC 24/8/008</b>	High-level funding resource map	The high-level funding resource map would be presented at a future Board Development Session.	Nicola Foreman	23 February 2023	Now scheduled to go to Board Development Session in February 2023 as the Board Development Session planned for December was rescheduled.
<b>FC 28/9/008</b>	Items referred to Board	BAF Risk – Financial Sustainability	Nicola Foreman	24 November 2022	<b>Completed</b>  This item went to Board on 24 November 2022.

Mohamed Sarah  
13/12/2022 12:34:19



Report Title:	Finance Report for the Period Ended 30 <sup>th</sup> December 2022			Agenda Item no.	2.1
Meeting:	Finance Committee	Public	<input checked="" type="checkbox"/>	Meeting Date:	14 <sup>th</sup> December 2022
		Private	<input type="checkbox"/>		
Status (please tick one only):	Assurance	<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	Information
Lead Executive:	<b>Executive Director of Finance</b>				
Report Author (Title):	<b>Deputy Director of Finance (Operational)</b>				
Main Report Background and current situation:					

## Summary

At month 8 the UHB is reporting an overspend of £18.147m against its submitted draft plan. This is comprised of £6.580m of operational overspend. £0.167m overspend against the capped Covid Response funding and the planned deficit of £11.400 (eight twelfths of the annual planned deficit of £17.1m set out in 2022/23 financial plan).

The UHB forecasts a £26.9m deficit for 2022-23.

It is assumed that Welsh Government funding will be provided to support COVID National Programme costs and exceptional inflationary costs arising up to month 8 and for the remainder of the year. It is noted that Covid Local Response funding will be capped to a maximum of the UHB's month 6 forecast.

**Table 1: Month 8 Financial Position 2022/23**

	Month 8 £m	Forecast Year-End Position £m
COVID 19 Additional Expenditure	39.675	8.531
Exceptional Inflationary Pressures	18.147	26.900
<b>Gross additional COVID and Exceptional Inflationary Pressures £m</b>	52.450	79.601
Welsh Govt. Funding for additional COVID and Exceptional Inflationary Pressures	(52.283)	(78.332)
COVID 19 Overspend against Welsh Government Funding	0.167	1.269
Planned deficit	11.400	17.100
Operational position (Surplus) / Deficit	6.580	8.531
<b>Financial Position £m (Surplus) / Deficit £m</b>	<b>18.147</b>	<b>26.900</b>

## Financial Plan Approved by Board and submitted to Welsh Government

The Health Board submitted an initial draft financial plan to Welsh Government at the end of March 2022 and a revised plan on 30 June 2022. The plan is structured in three parts, in line with Welsh Government discussions, as follows:

- Core Financial Plan including recovery
- Exceptional inflationary cost increases
- Ongoing COVID response costs (Local and Welsh Government Covid Programmes)

The UHB's core financial plan incorporated:

- Brought forward underlying deficit of £29.7m
- Allocations and inflationary uplifts of £29.8m
- Capped cost pressures and investments of £36.9
- A £16m (2%) Savings programme

This resulted in an initial 2022-23 planning deficit of £20.8m. The revised plan submitted in June incorporated additional savings totaling £3.7m, resulting in a revised planning deficit of £17.1m per Table 2.

**Table 2: 2022/23 Draft Financial Plan - Resubmitted 30 June 2022**

	<b>2022/23 Plan £m</b>
Underlying deficit from 2020/21 Plan	(4.0)
Adjustment for non-recurrent items in 2020/21 and 2021/22	(25.7)
<b>b/f underlying deficit</b>	<b>(29.7)</b>
Allocation uplift (including LTA inflation)	29.8
Capped cost pressures assessment recurrent	(31.8)
Capped cost pressures assessment non-recurrent	(1.1)
Investment reserve	(4.0)
<b>2022/23 Planned Surplus/(Deficit) before efficiency programme</b>	<b>(36.8)</b>
<b>Efficiency Programme of 2%</b>	
Recurrent cost improvement plans (1.5% in 22/23)	12.0
Non Recurrent cost improvement plans (0.5% in 22/23)	4.0
<b>Initial Planned Surplus/(Deficit)</b>	<b>(20.8)</b>
Additional Financial Recovery Plans	3.7
<b>Final Planned Surplus/(Deficit)</b>	<b>(17.1)</b>

### Core Financial Plan – Month 8 Cumulative Position

The UHB is overspent by £18.147m against its core financial plan. £11.400m of this was planned as part of the underlying financial deficit. £6.747m is unplanned, as an overspend in delegated and central positions. The rate of unplanned overspend increased in month, by £1.192m from the cumulative Month 7 unplanned overspend of £5.455m. Table 3 provides a summary of the Month 8 position.

A number of cost pressures have emerged or increased in the year to date that were not foreseen in the original financial plan. Table 4 summarises the year to date position across the Clinical Boards and delegated areas of the UHB. These placed the UHB's ability to remain within the revised plan's forecast £17.1m deficit under severe pressure causing the UHB to reassess the most likely year end out-turn.

These concerns were shared with Welsh Government colleagues in the mid-year review meeting with the Financial Delivery Unit on the 10th November 2022 and were discussed through the UHB's governance structure, including the Finance Committee and Board, during November. The UHB now forecasts a deficit of £26.9m.

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**Table 3: Finance - Key Performance Indicator Dashboard at November 2022**

Measure	STATUS REPORT				
	November/ October 2022	Rating	Latest Trend	Target	Time Period
Deliver 2022/23 Draft Financial Plan	£18.147m deficit at month 8. £11.400m planned deficit and £6.747m operational deficit	R	↓	Deliver 2022/23 £17.1m Planned Deficit	M8 2022-23
Remain within capital resource limits.	Expenditure at the end of October was £17.872m against a plan of £19.995m.	G	9	Remain within approved planned expenditure £46.686m	M8 2022-23
Maintenance (no deterioration) of Underlying Deficit	£29.7m assessed underlying deficit (ULD) position b/f to month 1. Planned Year End ULD £20.0m.	R	9	2022/23 plan to reduce from £29.7m to £20.0m underlying deficit	M8 2022-23
Delivery of recurrent £15.400m savings target	£12.476m forecast at month 8.	R	9	£15.400m	M8 2022-23
Delivery of £4m non recurrent savings target	£6.867m forecast at month 8.	G	9	£4.000m	M8 2022-23
Creditor payments compliance 30 day Non NHS	Cumulative 94.3% at the end of October	R	↑	95% of invoices paid within 30 days	M7 2022-23
Remain within Cash Limit	The UHB's working capital and strategic cash requirement has been relayed to Welsh Government via an Accountable Officer Letter,. At month 8 the UHB forecast is a year end cash deficit of £31.014m. £26.900m is required to support the forecast deficit and a further £4.234m in respect of working balances.	A	9	To remain within Cash Limit	M8 2022-23
Maintain Positive Cash Balance	Cash balance = £5.716m	G	9	To Maintain Positive Cash Balance	End of November 2022

### Financial Performance of Clinical Boards

Budgets were set to in the anticipation that they were sufficient to deliver the UHB's plan. Financial performance for month 8 by Clinical Board is shown in Table 4.

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**Table 4: Financial Performance for the period ended 30th November 2022**

Clinical Board	Gross Expenditure Due To COVID 19 £m	Welsh Government Covid 19 Funding £m	Exceptional Inflationary Expeniture £m	Welsh Government Exceptional Inflationary Pressure Funding £m	Operational & Covid Position (Surplus) / Deficit Variance £m	Total (Surplus) / Deficit Variance £m
<b>In Month</b>						
Clinical Diagnostics & Therapies	0.211	0.261	0.010	(0.010)	(0.111)	(0.111)
Children & Women	(0.085)	(0.136)	0.012	(0.012)	(0.048)	(0.048)
Capital Estates & Facilities	0.512	0.647	2.214	(2.214)	0.348	0.348
Surge Hospitals	0.000	0.000	0.000	(0.000)	(0.002)	(0.002)
Executives	0.123	0.123	0.005	(0.005)	0.173	0.173
All Wales Genomics Service	0.000	0.000	0.001	(0.001)	0.003	0.003
Medicine	1.513	0.839	0.014	(0.014)	0.357	0.357
Mental Health	0.112	0.147	0.007	(0.007)	(0.098)	(0.098)
PCIC	1.145	1.313	0.246	(0.246)	0.090	0.090
Specialist	0.415	0.546	0.013	(0.013)	(0.113)	(0.113)
Surgery	0.214	0.269	0.017	(0.017)	0.544	0.544
<b>SubTotal Delegated Position £m</b>	<b>4.159</b>	<b>4.008</b>	<b>2.540</b>	<b>(2.540)</b>	<b>1.143</b>	<b>1.143</b>
Central Budgets	0.021	0.005	0.004	(0.004)	0.149	0.149
Central Budgets - Planning Deficit					1.425	1.425
<b>Total Deficit/(Surplus) £m</b>	<b>4.181</b>	<b>4.014</b>	<b>2.544</b>	<b>(2.544)</b>	<b>2.717</b>	<b>2.717</b>
Draft 2022/23 Planning Deficit					(1.425)	(1.425)
<b>Operational Deficit/(surplus Against Plan) £m</b>	<b>4.181</b>	<b>4.014</b>	<b>2.544</b>	<b>(2.544)</b>	<b>1.292</b>	<b>1.292</b>
<b>Cumulative</b>						
Clinical Diagnostics & Therapies	1.637	1.687	0.380	(0.380)	0.156	0.156
Children & Women	1.108	1.057	0.447	(0.447)	1.109	1.109
Capital Estates & Facilities	3.578	3.713	7.604	(7.604)	2.518	2.518
Surge Hospitals	0.000	0.000	0.001	(0.001)	0.004	0.004
Executives	0.951	0.951	0.177	(0.177)	0.369	0.369
All Wales Genomics Service	0.000	0.000	0.049	(0.049)	(0.017)	(0.017)
Medicine	13.069	12.395	0.506	(0.506)	3.532	3.532
Mental Health	1.295	1.330	0.255	(0.255)	2.094	2.094
PCIC	12.813	12.981	2.101	(2.101)	0.860	0.860
Specialist	1.903	2.034	0.482	(0.482)	(1.904)	(1.904)
Surgery	3.105	3.160	0.628	(0.628)	2.397	2.397
<b>SubTotal Delegated Position £m</b>	<b>39.459</b>	<b>39.308</b>	<b>12.631</b>	<b>(12.631)</b>	<b>11.117</b>	<b>11.117</b>
Central Budgets	0.216	0.200	0.144	(0.144)	(4.370)	(4.370)
Central Budgets - Planning Deficit					11.400	11.400
<b>Total Deficit/(Surplus) £m</b>	<b>39.675</b>	<b>39.508</b>	<b>12.775</b>	<b>(12.775)</b>	<b>18.147</b>	<b>18.147</b>
Draft 2022/23 Planning Deficit					(11.400)	(11.400)
<b>Operational Deficit/(surplus Against Plan) £m</b>	<b>39.675</b>	<b>39.508</b>	<b>12.775</b>	<b>(12.775)</b>	<b>6.747</b>	<b>6.747</b>

The operational deficit of £11.117m against delegated budgets is offset by a £4.370m underspend against central budgets leaving a total operational & Covid overspend of £6.747m before the addition of the cumulative £11.400m planned deficit to leave a total overspend of £18.147m

The largest operational overspends are in the Medicine Clinical Board (£3.532m deficit) where the main pressure areas are nursing and medical staffing, in Capital Estates & Facilities (£2.518m deficit) where there are pressures against security costs, patient catering in EU and commercial income and in Surgery (£2.397m deficit) where there are medical staff and nursing pressures.

Table 5 provides details of some of the cost pressures impacting operational positions. These pressures are incorporated within the financial tables included within the body of the report and within the appendices. The cost pressures have the effect of removing budgetary surpluses that the UHB has partially relied on to achieve break even positions in previous financial years.

An additional pressure has emerged in month in respect of the national Consultants Pension Recycling Scheme. This scheme allows consultants to apply for an additional payment when they

have left the NHS Pensions Scheme. The full impact of the scheme will depend on the number of consultants who make an application in 2022-23 to recycle employer contribution pension costs. The finance team are assessing the potential impact of this scheme.

**Table 5 Key Cost pressures and risks within delegated positions as at Month 8**

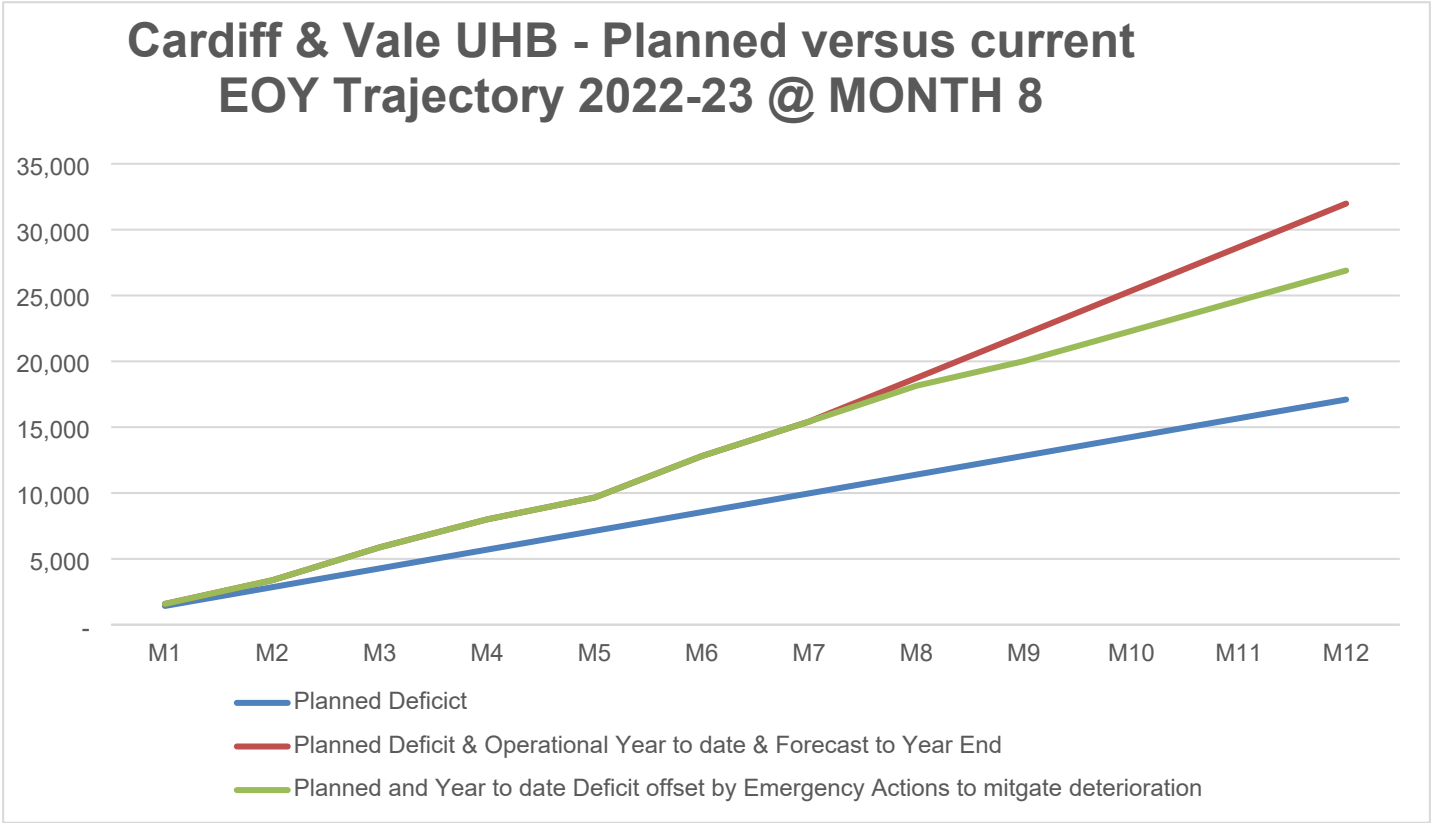
	Impact in Month	Year to date impact	Full Year Forecast Impact	
Key Cost pressures incorporated in position at Month 8	£000s	£000s	£000s	Future outlook and potential mitigations
Unfunded Medical Staffing inc. Agency & Premium costs	478	3,285	4,641	Strategies to improve permanent Recruitment and Retention will improve agency dependency. Additional costs have been incurred in month in respect of the consultants pension recycling scheme.
Nursing Staff Agency & Premium costs	507	3,071	3,798	
International Nurse Recruitment	143	655	875	Non recurrent based on unforeseen excess costs 2021-22 initiative
WHSSC LTA performance	312	882	1,200	WHSSC performance should recover towards the end of the year and will improve on return to pre Covid footprint
Patient Catering to EU and food price rises	107	629	943	Will benefit from throughput initiatives
Prescribing	1,487	2,992	6,146	National Pressures. The Prescribing advisors have a plan in place focussed in part on further savings plans.
Mental Health CHC Placements	241	1,724	2,828	Nurse Director led initiative to improve CHC placement pressures
Continuing Care Child Health	90	687	542	Exceptional high cost patient ratio reduced to 3:1. Further advice to be taken from CHC Panel and exploring options to secure appropriate placement, subject to legal advice.
Security at Rookwood & Whitchurch	77	791	1,187	Will continue to be incurred until the disposal of estate
Footfall impact on Aroma Sales/Concourse Leases	78	894	1,340	Anticipated that footfall will improve as UHB moves away from Covid footprint. Service is working through options to reduce losses

The UHB continues to face a significant challenge as it improves elective throughput from an operational footprint that is still dealing with Covid patients and primed for a further upswing in cases. This is coupled with difficulties in discharging patients to appropriate support packages in the community whilst experiencing increased emergency demand. This in turn has restricted the UHB's ability to deliver a full elective output when contractual obligations to recover to pre pandemic activity levels has re-introduced financial performance arrangements for under delivery of patient activity. In particular, WHSSC commissioned specialties operate to sensitive contract parameters that include high marginal rates for under and over performance.

The continued deterioration of the UHB position in Month 8 and the ongoing nature of the cost pressures highlighted in Table 5 places the UHB ambition to return to a position within the 2022-23 planned deficit at significant risk. A central focus of Executive Performance Reviews with Clinical Boards has been on the remedial actions and additional savings that are needed to mitigate and address these cost pressures.

The forecast deficit increased by £2.750m in month 7 after Board approval of the Winter Plan.

Further to this, current service demands have abated UHB plans to recover its operational overspend. In light of this, the UHB re-assessed the likelihood of recovering the cumulative adverse operational variance of £5.455m at month 7 in the final 5 months of the year. Following discussions with Welsh Government, the UHBs Finance Committee and Board, the Forecast Deficit for the year has been pushed out to £26.9m. Delivery of the revised forecast will require continuing focus and downward pressure on the UHBs cost base.



### Exceptional Costs

In line with guidance from Welsh Government, the UHB’s plan anticipated Welsh Government funding for the three National Inflationary Pressure exceptional costs:

- 1) **Increased** energy costs of £20.9m for 2022-23. The current forecast informed by information provided by Shared Services is £13.929m for the year, which is £6.971m less than the estimate in the plan and reflects an increase of £1.176m in the annual forecast between October and November.

The UHB receives market intelligence on prices from Shared Services on a monthly basis, which in turn is based on market forecasting provided by British Gas. The Shared Services Forecasting model is based on the latest spot price and consequently provides for a high level of volatility between forecasts.

The energy forecast will remain a live piece of work involving the UHB Capital and Estates Team and Shared Services market intelligence, in light of the volatility of market intelligence.

- 2) Employers NI costs of £6.9m. The forecast of the employers cost of NI levy had previously decreased by £1.0m from the planning estimate of £6.9m to £5.9m. Following the recent

announcement of the discontinuation of the levy from November 6th 2022 the forecast was revised down to £3.345m and the same level of funding has been confirmed.

- 3) The impact of paying Real Living Wage (RLW) for staff working within social care and Third Sector remains at the original estimated level of a £2.9m increase in annual costs. This position assumes that the cost impact of 2022/23 real living wage for staff directly employed on the UHB's payroll will be supported separately through the 2022/23 pay settlement.

A summary of forecast exceptional costs is outlined in Table 5 below:

**Table 6 – Exceptional Cost forecast for 2022-23**

	Month 8	Forecast Year-End Position
	£m	£m
Incremental costs in 2022/23		
Energy/Fuel	7.496	13.929
National Insurance Levy	3.345	3.345
Living Wage - Social Care	1.933	2.900
<b>Total Exceptional Costs Expenditure £m</b>	12.775	20.174
<b>Sub Total Exceptional Cost funding confirmed/assumed £m</b>	<b>12.775</b>	<b>20.174</b>

Welsh Government funding to support the National Insurance Levy has been confirmed. Funding for Exceptional costs of Energy and the Living Wage for Social Care Providers is assumed but has not yet been confirmed.

## COVID 19 Expenditure and Funding

At month 8, the UHB projects expenditure of £59.427m relating to Covid costs. The current outlook is summarised in Table 7 below which demonstrates that forecast 2022/23 costs have decreased by £0.947m between Month 7 and Month 8. The decrease is a result of the £0.671m in the forecast cost of national programmes and a £0.275m fall in forecast local response costs..

**Table 7: Summary of Forecast COVID 19 Net Expenditure**

	Month 8	Forecast Year-End Position	Forecast Year-End Position @ Month 7	Change in Forecast Year-End Position in month
	£m	£m	£m	£m
COVID 19 Testing	0.843	1.248	1.615	(0.367)
COVID 19 Tracing	3.428	4.594	4.441	0.153
COVID 19 Vaccination	6.102	8.727	9.198	(0.472)
Extended Flu Vaccination	0.640	1.243	1.243	0.000
PPE	2.091	3.231	3.216	0.015
Sub Total National Programmes	13.105	19.043	19.713	(0.671)
Cleaning Standards	1.663	2.759	2.770	(0.012)
COVID 19 Local Response	22.669	34.064	34.327	(0.264)
Sub Total Local response including Cleaning Standards	24.332	36.822	37.097	(0.275)
Dental Income; Long Covid; Anti-Viral; Allergy Advice and Nosocomial	2.239	3.562	3.562	(0.000)
<b>Total COVID Expenditure £m</b>	<b>39.675</b>	<b>59.427</b>	<b>60.373</b>	<b>(0.947)</b>



Welsh Government have confirmed that funding for Covid National Programme costs can be assumed by health boards.

Welsh Government acknowledged the assumption of financial support for Covid Response costs by health boards in the 2022-23 financial year but has been consistent in stating that this assumption is carried at risk. Welsh Government recently indicated to health boards that funding support will be capped at a maximum of Month 6 reported costs for each health board. Based on the month 8 assessment, this potentially carries a £1.269m financial risk for C&V UHB based on forecast out-turn for Covid Response. This ongoing risk will be mitigated through a review of the risks and opportunities facing the UHB and sits outside the forecast £26.9m operational deficit for the UHB.

	Assumed Welsh Government Funding £m	Forecast Year-End Position £m	Forecast Covid Overspend £m
Sub Total National Programmes	19.043	19.043	0.000
Local response including Cleaning Standards	35.553	36.822	1.269
Dental Income; Long Covid; Anti-Viral; Allergy Advice and Nosocomial	3.562	3.562	0.000
<b>Total COVID funding and Forecast Expenditure £m</b>	<b>58.158</b>	<b>59.427</b>	<b>1.269</b>
Mitigating Actions to offset Forecast Covid Overspend			(1.269)
<b>Total COVID funding and Forecast Expenditure £m</b>	<b>58.158</b>	<b>59.427</b>	<b>0.000</b>

## Summary Financial Table

The following table analyses the £18.147m overspend at Month 8 , between Income, Pay and Non Pay.

**Table 8: Summary Financial Position for the period ended 30<sup>th</sup> November 2022**

Income/Pay/Non Pay	Memorandum Annual Budget	Current Period Budget	Current Period Actual	Operational Variance (Fav)/Adv
	£m	£m	£m	£m
<b>In Month</b>				
Income	(1,754.310)	(182.079)	(182.190)	(0.111)
Pay	774.659	66.988	66.971	(0.017)
Non Pay	979.652	115.091	116.511	1.420
Sub Total £m	0.000	(0.000)	1.292	1.292
2022/23 Planned Deficit	17.100	0.000	1.425	1.425
Variance to Plan £m	17.100	(0.000)	2.717	2.717
<b>Cumulative</b>				
Income	(1,754.310)	(1,159.042)	(1,159.698)	(0.657)
Pay	774.659	526.920	522.681	(4.238)
Non Pay	979.652	632.122	643.764	11.641
Sub Total £m	0.000	0.000	6.747	6.747
2022/23 Planned Deficit	17.100	0.000	11.400	11.400
Variance to Plan £m	17.100	0.000	18.147	18.147

Further detail in respect of the Income, Pay and Non pay budgetary positions is provided at Appendix 1.



## Key Financial Assumptions and Risks

Following on from Tables 6 & 7 the overall UHB position assumes:

- Local COVID response allocations from Welsh Government of £35.553m (annual) to support the ongoing additional COVID costs and to fund achieving the Cleaning Standards. This is based on the Welsh Government direction that finding will be capped in line with the month 6 assessment of forecast costs.
- Welsh Government funding for national COVID programmes on an actual cost basis, currently forecast at £19.043m, to cover:
  - Testing costs
  - Tracing costs (allocated from separate fund)
  - Mass vaccination programme
  - Extended Flu Vaccination
  - PPE
- Funding for exceptional cost pressures of £20.174m, which are deemed to be outside of the UHB's direct control. The forecast cost of exceptional cost pressures will be subject to review as the year progresses mainly driven by the unpredictable nature of energy costs.

Table 9 summarises the Finance Department's Risk Register. The key risk which feeds the UHB Corporate Risk Register is the failure of the UHB to deliver a breakeven position by 2022-23 year end with a current planned deficit of £17.1m.

**Table 9: Risk Register at November 2022**

	Risks	Rating	Comment
<b>Key Corporate Risk</b>	Approved Three year Financial plan (IMTP)	20	A revised financial plan was submitted into Welsh Government on 30 June 2022. The plan originally projected a £17.1m deficit by the end of 2022-23. Welsh Government has now moved into Enhanced Monitoring based on financial concerns. The UHB has revised its 2022-23 year end forecast to a £26.9m operational deficit.
	Revenue Funding Limit.	20	The UHB has submitted a £17.1m deficit plan and therefore will breach breakeven duty in 2022-23. There is a high risk that this will not be recovered in years two and three of the rolling performance measure. The UHB has revised its 2022-23 year end forecast to a £26.9m operational deficit.
	Capital Funding - Three Year Rolling Breakeven Duty	10	The current 2022-23 UHB Capital Plan is structured to remain within the Capital Resource limit
<b>Financial Performance</b>	Operational delegated positions deteriorate in year resulting from cost and service pressures and excess inflation.	20	Table 5 refers to new in year cost pressures arising from demand and staffing pressures whilst still maintaining a Covid ready environment.
	Failure to deliver 2022-23 Savings Programme	12	Most savings have been identified to address the 2022-23 programme but the lack of recurrent savings within this will bring pressure on the underlying carry forward deficit of the UHB. In addition, the UHB has to identify £3.7m of new savings to deliver the revised £17.1m deficit plan.

			At month 8, the gap against the total revised target was £0.1m
	Failure to exit current Covid Response costs once Welsh Government funding ceases. Cost will transfer to the UHB underlying deficit.	16	The timing of full Covid exit is uncertain alongside any associated Welsh Government funding. On full exit there are likely to be care model and building support costs that will maintain e.g. Lakeside Wing support costs.
	2022-23 One Year LTA framework in NHS Wales	9	Failure to recover delivery of activity to contracted organisations (WHSCC , Welsh LHBs to a level of 90% of 2019-20 levels and beyond. Initial activity figured for 2022-23 indicate that the UHB will struggle to deliver 90% across the Board whilst the WHSCC contracts are more sensitive to any activity deficits below 100%.

Funding Assumptions	Welsh Government has notified LHBs that assumed funding for Exceptional Costs remains at risk	9	Circa £20m risk to assumed funding within the UHB Financial Plan
	Welsh Government has notified LHBs that assumed funding for Covid Response remains at risk	15	Circa £1.269m risk that Covid Local response costs remain above confirmed Welsh Government by year end.

## Savings Programme

At month 8, the UHB is forecasting £19.343m of savings to deliver against the revised £19.400m savings target leaving a further £1.057m schemes to identify. The UHB expects to finalise the balance of savings plans required to deliver the revised forecast deficit of £26.9m.

Overall progress in the identification of savings schemes is outlined in table 10 below:

**Table 10: Savings Schemes**

	Total Savings Target £m	Total Savings Identified £m	Total Savings (Unidentified) £m
Total £m	19.400	19.343	(0.057)

The UHB expects to finalise the balance of savings plans required to deliver the revised forecast deficit of £26.9m. Further analysis of the November position is shown in **Appendix 2**.

## Underlying Financial Position

A key challenge to the UHB is the elimination of the underlying deficit. The UHB's accumulated underlying deficit brought forward into 2022/23 was £29.7m. An illustration of the year on year movement in the underlying deficit is shown at **Appendix 3**.

Delivery of the UHB's draft financial plan will ensure that the underlying position does not deteriorate in 2022/23 and reduces to £20.0m as outlined in Table 11.

**Table 11: Summary of Underlying Financial Position**

	Submitted Plan £m
<b>b/f underlying deficit</b>	<b>(29.7)</b>
Net Allocation Uplift (inc LTA inflation)	29.8
Cost Pressures	(31.8)
Cost Pressures - Non recurrent	(1.1)
Investments	(4.0)
Recurrent Cost Improvement Plans	12.0
Non Recurrent Cost Improvement Plans	4.0
First Draft Submitted 2022/23 IMTP £m	(20.8)
Further Financial Recovery Plans	3.7
<b>Final Submitted 2022/23 IMTP £m</b>	<b>(17.1)</b>
Cost Pressures - Non recurrent	1.1
Non Recurrent Cost Improvement Plans	(4.0)
<b>Planned Underlying Deficit c/f to 2023/24 £m</b>	<b>(20.0)</b>

This position is premised on C&V UHB maintaining an out-turn position of £17.1m in 2022-23. A deterioration from this position is likely to have a mainly recurrent impact and increase the underlying deficit for the UHB's 2023-24 financial plan. The UHB will reassess its underlying deficit through its 2023-24 financial planning work which is currently underway.

## Balance Sheet

The balance sheet at month 8 is detailed in **Appendix 4**. The opening balances at the beginning of April 2022 reflect the closing balances in the 2021/22 Annual Accounts approved by the UHB's Board.

The increase in the carrying value of property, plant & equipment since the start of the year is due to the impact of annual indexation plus the recognition of Right of use Assets (£12m), which is a result of the implementation of International Financial Reporting Standard (IFRS) 16 Leases.

Overall trade debtors have increased by £57.5m since the start of the year. This relates to amounts due from the Welsh Risk Pool in respect of clinical negligence cases, NHS receivables and prepayments.

Trade and other payables have fallen by around £47.4m since the start of the year. This mainly relates to a significant decrease in the levels of Accounts Payable Control, NHS and capital accruals. The fall in Trade and other payables has in part been abated by the recognition of Lease payables as a result of the implementation IFRS 16 Leases.

## Cash Flow Forecast

The closing cash balance at the end of November, was £5.716m.

The UHB is currently predicting a minimum cash shortfall of £31.134m in 2022/23 as shown at **Appendix 4**. This reflects the £26.9m forecast deficit and an estimated working cash balance requirement of £4.234m.

Strategic cash support is required to cover the cash shortfall arising from the forecast deficit and an Accountable Officer letter has been relayed to cover this request.

In addition, the UHB has identified an estimated working cash balance requirement of £4.234m to Welsh Government. This is comprised of a £1.339m of payment in respect of the Annual Leave Buy Back Scheme, £1.455m in respect of the removal of IFRS 16 Leases and a further £1.440m in respect of 2021/22 Welsh Government funding confirmed in March 2022, which was not backed by cash because of the proximity of the end of the financial year.

## Public Sector Payment Compliance

The data for month 8 was not available in time for this report. The UHB's public sector payment compliance performance remains below the target of 95%. Performance for the 7 months to the end of October was 94.3%. Whilst this remains below the target, it represented an improvement of 0.4% in month.

The below target performance is due to the high number of invoices which were on hold and subsequently cleared following work by the Procurement department with those placing orders to clear the backlog of holds. However, this has contributed to the performance remaining below target, as holds exceeding the 30 days have been resolved and paid.

Performance is expected to improve in the coming months as newer holds will be cleared, and then paid, within the 30 days target. Work is ongoing with departments within the UHB, including training, to address the level of orders not receipted, and the high number of workforce and nursing holds, which should improve the UHB's position.

## Capital Resource Limit (CRL)

Progress against the CRL for the period to the end of November 2022 is summarised in Table 12 and detailed in **Appendix 4**.

**Table 12: Progress against Capital Resource Limit @ November 2022**

	£m
Planned Capital Expenditure at month 8	19.995
Actual net expenditure against CRL at month	17.872
Variance against planned Capital Expenditure at month 8	(2.213)

Of the UHB's approved Capital Resource Limit, 38% has been expended to date.

Whilst all schemes are currently classified as low risk, two schemes are being closely monitored:

- Maelfa which is forecasting a potential slippage of £0.5m
- Eye Care – Go live delayed for 5 health boards. Risk of £0.1m

All other schemes are currently in line with annual forecast.

The UHB had an approved capital resource limit of £46.686m in line with the latest CRL received from Welsh Government 4<sup>th</sup> November 2022 comprising of £10.263m discretionary funding and £36.423m towards specific projects (including Maelfa Primary Care Pipeline, the National Imaging Programme, Developing Genomics Partnership Wales, UHL Electrical infrastructure, Endoscopy Unit UHL & Refit - Phase 2)

## Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:

The draft Financial Plan sets out the UHB financial strategy in three parts:

1. Core Financial Plan including recovery
2. National inflationary pressures which are out of the direct control of individual Health Boards

### 3. Ongoing COVID response costs and Welsh Government Covid Programmes

The planning deficit included in the UHBs Final Financial Plan for 2022/23 reduced from £20.8m to £17.1m financial plan following the inclusion of further recurrent Financial Recovery Plans totaling £3.7m.

Delivery of the core financial plan initially included an 2% (£16.0m) savings requirement, which included a recurrent savings target of £12.0m . A further recurrent savings target of £3.4m was added to the initial target and included within the final financial plan submitted to Welsh Government at the end of Quarter 1. Further progress needs to be made in respect of the £2.923m shortfall against the final recurrent savings target of £15.4m.

The UHB also needs to manage its operational position and mitigate any emerging pressures as its Covid response costs are collapsed. The rate of operational overspend was £1.292m in month 8 which is an increase on the trend in the first 7 months of the year. The reported operational overspend which is £6.747m for the 8 months to the end of November remains cause for concern and has prompted enhanced monitoring through the monthly Executive Performance Reviews of Clinical Boards.

The UHB position is heavily predicated on the assumption of Welsh Government continuing to provide income support for local Covid response, exceptional costs and central Covid programmes. The total of these is currently forecast at £79.601m in 2022-23 which is an increase of £0.230m on the £79.371m forecast at month 7 mainly due to energy price volatility and the impact of the Energy Billing Relief Scheme (EBRS). The UHB will need to take mitigating actions to cover the £1.269m of forecast Covid response expenditure in excess of the capped funding.

These assumptions will be tested out in ongoing discussions with Welsh Government regarding the UHB's Financial Plan.

#### Recommendation:

At Month 8 the Committee are requested to:

- **NOTE** the reported year to date overspend of £18.147m and the forecast deficit of £26.900m.
- **NOTE** the financial impact of forecast COVID 19 Response costs which is assessed at £36.822m with assumed Welsh Government funding of £35.553m.
- **NOTE** the financial impact of forecast COVID 19 National and Specific Programme costs which is assessed at £22.605m with assumed Welsh Government funding of £22.605m.
- **NOTE** the financial impact of forecast Exceptional Inflationary Pressures which is assessed at £20.174m with assumed Welsh Government funding of £20.174m.
- **NOTE** the forecast deficit of £26.900m, which comprises of the £17.1m planned deficit identified in the Final Financial plan and £9.800m of additional operational pressures recognised by the UHB Board.
- **NOTE** the 2021/22 brought forward Underlying Deficit of £29.7m and the planned forecast carry forward of £20.0m to 2023/24.

#### Link to Strategic Objectives of Shaping our Future Wellbeing:

Please tick as relevant

1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance	
2. Deliver outcomes that matter to people		7. Be a great place to work and learn	
3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology	

4. Offer services that deliver the population health our citizens are entitled to expect		9. Reduce harm, waste and variation sustainably making best use of the resources available to us	x
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time		10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives	

#### Five Ways of Working (Sustainable Development Principles) considered

Please tick as relevant

Prevention		Long term	x	Integration		Collaboration		Involvement	
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#### Impact Assessment:

Please state yes or no for each category. If yes please provide further details.

Risk: Yes

No

Safety: Yes/No

No

Financial: Yes

As detailed in the report.

Workforce: Yes/No

No

Legal: Yes/No

No

Reputational: Yes/No

Yes, if forecast financial position is not delivered.

Socio Economic: Yes/No

No

Equality and Health: Yes/No

No

Decarbonisation: Yes/No

No

#### Approval/Scrutiny Route:

Finance Committee	Date: 14 <sup>th</sup> December 2022

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## ANALYSIS OF INCOME, PAY AND NON PAY BUDGETS BY CATEGORIES

## Income

The year to date and in month financial position for income is shown in Table 13:

Table 13: Income Variance @ November 2022

	Memorandum Annual Budget	Current Period Budget	Current Period Actual	Operational Variance (Fav)/Adv
	£m	£m	£m	£m
<b>In Month</b>				
Revenue Resource Limit (RRL)	(1,241.236)	(109.548)	(109.548)	
Welsh Government Income (Non RRL)	(14.080)	(1.720)	(1.720)	
Accommodation & Catering	(4.816)	(0.451)	(0.406)	0.045
Education & Training	(41.888)	(3.563)	(3.604)	(0.041)
Injury Cost Recovery Scheme (CRU) Income	(2.165)	(0.180)	(0.180)	0.000
NHS Patient Related Income	(403.236)	(31.111)	(31.268)	(0.157)
Other Operating Income	(36.101)	(34.617)	(34.562)	0.055
Overseas Patient Income	(0.072)	0.011	0.007	(0.004)
Private Patient Income	(1.221)	(0.095)	0.063	0.157
Research & Development	(9.495)	(0.805)	(0.971)	(0.166)
Variance to Plan £m	(1,754.310)	(182.079)	(182.190)	(0.111)
<b>Cumulative</b>				
Revenue Resource Limit (RRL)	(1,241.236)	(800.660)	(800.660)	
Welsh Government Income (Non RRL)	(14.080)	(9.413)	(9.413)	
Accommodation & Catering	(4.816)	(3.354)	(2.799)	0.555
Education & Training	(41.888)	(29.840)	(29.861)	(0.021)
Injury Cost Recovery Scheme (CRU) Income	(2.165)	(1.443)	(1.443)	0.000
NHS Patient Related Income	(403.236)	(283.499)	(284.371)	(0.872)
Other Operating Income	(36.101)	(23.281)	(23.273)	0.007
Overseas Patient Income	(0.072)	(0.051)	(0.178)	(0.126)
Private Patient Income	(1.221)	(0.790)	(0.731)	0.059
Research & Development	(9.495)	(6.710)	(6.969)	(0.259)
Variance to Plan £m	(1,754.310)	(1,159.042)	(1,159.698)	(0.657)

The income position at month 8 is an operational underspend of £0.657m. The in month income position underspend was £0.111m.

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## Pay

The year to date and in month financial position for pay is shown in Table 14.

**Table 14: Analysis of pay expenditure by staff group @ November 2022**

	Memorandum Annual Budget	Current Period Budget	Current Period Actual	Operational Variance (Fav)/Adv
	£m	£m	£m	£m
<b>In Month</b>				
Medical and Dental	195.780	17.096	17.712	0.616
Nursing (registered)	229.339	19.294	19.087	(0.207)
Nursing (unregistered)	59.247	5.205	5.663	0.458
Scientific, prof & technical	45.352	4.074	3.829	(0.245)
Additional clinical services	31.452	2.730	2.509	(0.221)
Management, admin & clerical	95.150	8.436	8.279	(0.157)
Other staff groups	118.338	10.154	9.893	(0.262)
Variance to Plan £m	774.659	66.988	66.971	(0.017)
<b>Cumulative</b>				
Medical and Dental	195.780	132.656	136.207	3.550
Nursing (registered)	229.339	154.336	148.604	(5.733)
Nursing (unregistered)	59.247	40.132	45.392	5.260
Scientific, prof & technical	45.352	31.719	29.579	(2.139)
Additional clinical services	31.452	21.571	20.022	(1.549)
Management, admin & clerical	95.150	66.201	64.906	(1.295)
Other staff groups	118.338	80.304	77.971	(2.333)
Variance to Plan £m	774.659	526.920	522.681	(4.238)

The pay position at month 8 is an operational underspend of £4.238m. The in month pay position underspend was £0.017m which is less than the trend for first 7 months of the year.

Performance against operational pay varies across the UHB with the largest overspend being reported by the Medicine Clinical Board where there is an operational overspend of £2.511m, as a result of nursing and medical staffing pressures.

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## Non Pay

The year to date and in month financial position for non pay is shown in Table 15.

**Table 15: Non-Pay Variance @ November 2022**

	Memorandum Annual Budget	Current Period Budget	Current Period Actual	Operational Variance (Fav)/Adv
	£m	£m	£m	£m
<b>In Month</b>				
Drugs / Prescribing	174.264	16.438	17.798	1.360
Clinical services & supplies	107.407	10.366	11.606	1.240
General supplies & services	9.854	0.848	0.987	0.139
Establishment expenses	10.199	1.097	1.221	0.124
Premises & fixed plant	37.377	3.244	3.455	0.211
Continuing healthcare	76.609	7.458	7.633	0.175
Healthcare Provided Services	232.322	18.343	18.280	(0.063)
Primary Care Contractors	149.140	14.708	14.697	(0.011)
Other non pay	182.480	42.588	42.259	(0.329)
Variance to Plan £m	979.652	115.091	117.936	2.845
<b>Cumulative</b>				
Drugs / Prescribing	174.264	139.998	143.163	3.164
Clinical services & supplies	107.407	76.865	78.618	1.753
General supplies & services	9.854	6.940	7.950	1.010
Establishment expenses	10.199	7.030	8.277	1.247
Premises & fixed plant	37.377	25.346	29.509	4.164
Continuing healthcare	76.609	50.559	53.128	2.570
Healthcare Provided Services	232.322	152.468	152.304	(0.163)
Primary Care Contractors	149.140	97.081	96.878	(0.203)
Other non pay	182.480	75.836	85.335	9.499
Variance to Plan £m	979.652	632.122	655.164	23.041

There is an operational overspend of £23.041m on non-pay budgets which incorporates the 2022/23 year to date planning deficit of £11.400m.

The largest part of the in month variance was due to an overspend on drugs primarily in primary care.

Pressures are reported against Premises and Fixed Plant by all Clinical Boards, with the majority of overspends being reported against Capital Estates & Facilities, Executive and Central Budgets as identified by Table 16 below:

**Table 16: Cumulative overspend Premises and Fixed Plant @ Month 8**

Clinical / Service Board	Cumulative Variance £m	Reasons
Capital Estates & Facilities	1.256	Additional water charges, security costs and Estates non pay contractor costs which are broadly balanced by a pay underspends against estates staff
Executives	1.215	Digital costs and accommodation costs in respect of Overseas Nurses
Central Budgets	0.692	Additional Bed Contract costs reported Centrally
Other Clinical Boards	1.001	
<b>Total Variance to Plan £m</b>	<b>4.164</b>	

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## 2022/23 SAVING SCHEMES

## 2022-23 In-Year Effect

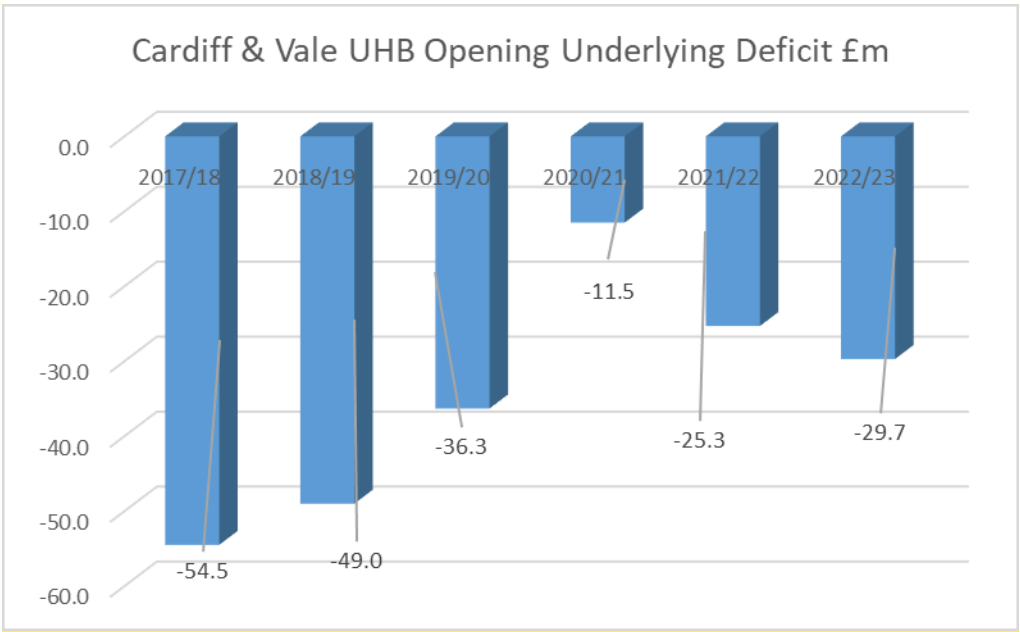
Clinical/Service Board	22-23 Target 2%	Green	Amber	Total Green & Amber	Red	Shortfall on Total Target vs Green & Amber
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Estates and Facilities	946	946	0	946	0	0
Children and Women	1,303	1,312	0	1,312	18	-9
Clinical Diagnostics and Therapeutics	1,199	1,177	0	1,177	0	21
Corporate Executives	500	452	0	452	0	48
Medicine	1,378	1,378	0	1,378	360	0
Mental Health	1,079	1,080	0	1,080	399	-0
Primary, Community and Intermediate Care	2,423	2,398	25	2,423	15	-0
Specialist Services	1,482	1,480	0	1,480	0	2
Surgical Services	1,689	1,695	0	1,695	300	-6
<b>Sub Total Clinical Boards £'000</b>	<b>12,000</b>	<b>11,918</b>	<b>25</b>	<b>11,943</b>	<b>1,092</b>	<b>56</b>
Corporate	7,400	7,400	0	7,400	0	0
<b>Total £'000</b>	<b>19,400</b>	<b>19,318</b>	<b>25</b>	<b>19,343</b>	<b>1,092</b>	<b>56</b>

## 2022-23 Full Year Effect

Clinical/Service Board	22-23 Target 1.5%	Green	Amber	Total Green & Amber	Pipeline Red	Shortfall on Total Target vs Green & Amber
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Estates and Facilities	946	742	0	742	136	204
Children and Women	1,303	942	5	947	24	356
Clinical Diagnostics and Therapeutics	1,199	687	0	687	0	512
Corporate Executives	500	66	0	66	0	434
Medicine	1,378	661	0	661	778	717
Mental Health	1,079	1,033	0	1,033	650	46
Primary, Community and Intermediate Care	2,423	2,253	170	2,423	250	0
Specialist Services	1,482	1,266	0	1,266	0	216
Surgical Services	1,689	1,267	0	1,267	600	422
<b>Sub Total Clinical Boards £'000</b>	<b>12,000</b>	<b>8,916</b>	<b>175</b>	<b>9,091</b>	<b>2,438</b>	<b>2,908</b>
Corporate	3,400	3,385	0	3,385	0	15
<b>Total £'000</b>	<b>15,400</b>	<b>12,301</b>	<b>175</b>	<b>12,476</b>	<b>2,438</b>	<b>2,923</b>

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Year on Year Movement in Cardiff & Vale UHB Underlying Deficit



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## BALANCE SHEET AT THE END OF NOVEMBER 2022

	Opening Balance 1 <sup>st</sup> April 2022	Closing Balance 30 <sup>th</sup> November 2022
	£'000	£'000
<b>Non-Current Assets</b>		
Property, plant and equipment	789,607	806,180
Intangible assets	2,611	1,985
Trade and other receivables	33,427	60,431
Other financial assets		
<b>Non-Current Assets sub total</b>	<b>825,645</b>	<b>868,596</b>
<b>Current Assets</b>		
Inventories	20,391	21,058
Trade and other receivables	228,915	259,411
Other financial assets		
Cash and cash equivalents	4,607	5,716
Non-current assets classified as held for sale		
<b>Current Assets sub total</b>	<b>253,913</b>	<b>286,185</b>
<b>TOTAL ASSETS</b>	<b>1,079,558</b>	<b>1,154,781</b>
<b>Current Liabilities</b>		
Trade and other payables	245,910	187,805
Other financial liabilities	0	
Provisions	165,709	205,449
<b>Current Liabilities sub total</b>	<b>411,619</b>	<b>393,254</b>
<b>NET ASSETS LESS CURRENT LIABILITIES</b>	<b>667,939</b>	<b>761,527</b>
<b>Non-Current Liabilities</b>		
Trade and other payables	7,683	18,386
Other financial liabilities		
Provisions	39,304	57,360
<b>Non-Current Liabilities sub total £'000s</b>	<b>46,987</b>	<b>75,746</b>
<b>TOTAL ASSETS EMPLOYED £'000s</b>	<b>620,952</b>	<b>685,781</b>
<b>FINANCED BY:</b>		
<b>Taxpayers' Equity</b>		
General Fund	503,471	554,007
Revaluation Reserve	117,481	131,774
<b>Total Taxpayers' Equity £'000s</b>	<b>620,952</b>	<b>685,781</b>

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## CASHFLOW FORECAST AT THE END OF NOVEMBER 2022

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£,000	£,000
<b>RECEIPTS</b>													
WG Revenue Funding - Cash Limit (excluding NCL)	111,385	108,155	103,795	100,045	100,535	107,615	101,145	100,110	102,765	95,515	87,408	60,021	1,178,494
WG Revenue Funding - Non Cash Limited (NCL)	1,170	1,650	945	1,085	1,340	1,130	850	835	1,375	1,155	1,155	400	13,090
WG Revenue Funding - Other (e.g. invoices)	3,046	1,298	84	2,667	2,775	1,343	5,939	1,333	2,775	1,284	2,775	3,025	28,341
WG Capital Funding - Cash Limit	10,000	4,000	3,500	7,875	3,440	4,155	500	3,500	2,825	1,840	2,994	2,057	46,686
Sale of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from other Welsh NHS Organisations	40,206	38,287	36,007	36,065	40,743	44,393	36,995	41,777	35,333	31,856	52,608	44,125	478,394
Other - (Specify in narrative)	5,714	11,261	6,390	12,037	8,008	5,626	13,129	6,604	9,551	13,336	8,799	12,077	112,533
<b>TOTAL RECEIPTS</b>	<b>171,521</b>	<b>164,651</b>	<b>150,721</b>	<b>159,774</b>	<b>156,841</b>	<b>164,262</b>	<b>158,557</b>	<b>154,159</b>	<b>154,623</b>	<b>144,987</b>	<b>155,739</b>	<b>121,704</b>	<b>1,857,538</b>
<b>PAYMENTS</b>													
Primary Care Services : General Medical Services	6,488	5,786	7,107	5,176	5,083	6,540	5,468	7,075	6,372	5,700	5,700	6,730	73,224
Primary Care Services : Pharmacy Services	209	128	138	113	100	122	121	115	156	520	260	260	2,242
Primary Care Services : Prescribed Drugs & Appliances	16,137	4	8,731	8,153	8,024	16,947	4	8,690	17,550	0	8,425	8,425	101,091
Primary Care Services : General Dental Services	2,389	2,290	2,212	2,236	2,408	2,193	2,216	2,208	2,967	2,345	2,345	2,345	28,153
Non Cash Limited Payments	1,977	1,906	1,790	1,964	1,829	1,729	1,859	1,911	1,919	1,875	1,875	1,875	22,509
Salaries and Wages	57,983	60,275	59,453	58,739	58,557	65,113	68,291	62,509	61,917	62,066	62,463	62,537	739,901
Non Pay Expenditure	70,738	85,467	68,932	76,285	77,605	68,658	75,358	70,140	61,861	69,480	71,678	72,614	868,816
Capital Payment	11,209	7,322	3,938	4,505	3,282	2,743	3,200	2,343	3,000	3,000	2,993	2,057	49,592
Other items (Specify in narrative)	5,182	337	652	96	34	696	64	96	596	0	0	0	7,751
<b>TOTAL PAYMENTS</b>	<b>172,312</b>	<b>163,514</b>	<b>152,953</b>	<b>157,267</b>	<b>156,921</b>	<b>164,740</b>	<b>156,581</b>	<b>155,087</b>	<b>156,338</b>	<b>144,985</b>	<b>155,738</b>	<b>156,842</b>	<b>1,893,279</b>
<b>Net cash inflow/outflow</b>	<b>(791)</b>	<b>1,136</b>	<b>(2,233)</b>	<b>2,508</b>	<b>(80)</b>	<b>(478)</b>	<b>1,976</b>	<b>(928)</b>	<b>(1,715)</b>	<b>1</b>	<b>1</b>	<b>(35,138)</b>	
<b>Balance b/f</b>	<b>4,607</b>	<b>3,816</b>	<b>4,952</b>	<b>2,719</b>	<b>5,227</b>	<b>5,147</b>	<b>4,669</b>	<b>6,645</b>	<b>5,716</b>	<b>4,002</b>	<b>4,003</b>	<b>4,004</b>	
<b>Balance c/f</b>	<b>3,816</b>	<b>4,952</b>	<b>2,719</b>	<b>5,227</b>	<b>5,147</b>	<b>4,669</b>	<b>6,645</b>	<b>5,716</b>	<b>4,002</b>	<b>4,003</b>	<b>4,004</b>	<b>(31,134)</b>	

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## PROGRESS AGAINST CRL AS AT 30<sup>th</sup> NOVEMBER 2022

Approved CRL issued November 18 <sup>th</sup> 2022 £'000s		46,686				
	Year To Date			Forecast		
Performance against CRL	Plan	Actual	Var.	Plan	F'cast	Var.
	£'000	£'000	£'000	£'000	£'000	£'000
All Wales Capital Programme:						
Maelfa - Primary Care Pipeline - FBC	1,657	1,581	(76)	2,627	2,627	0
National Programme - Imaging P2	19	19	0	5,880	5,880	0
Covid Recovery Funding	190	16	(174)	1,274	1,274	0
Genomics	7,046	7,041	(5)	12,344	12,344	0
CAVOC Theatres	522	522	0	522	522	0
UHL Electrical Infrastructure	1,907	1,747	(160)	3,394	3,394	0
Eye Care - e-referral system (funded through DPIF)	50	33	(17)	150	150	0
Endoscopy Unit UHL	1,000	739	(261)	3,147	3,147	0
Refit - Phase 2	2,118	1,856	(262)	2,344	2,344	0
Rookwood reprovision at Llandough	392	0	(392)	0	0	0
Major Trauma & Hybrid Theatres Fees	451	503	52	503	503	0
YnysSaff Sexual Assault Referral Centre at Cardiff Royal Infirmary – Interim	67	(35)	(102)	67	67	0
SDEC	706	500	(206)	500	500	0
Simulation and Innovation Space	75	0	(75)	121	121	0
DPIF- Digital Medicines Transformation Portfolio	8	0	(8)	8	8	0
Emergency Department Waiting Area Improvements	0	0	0	735	735	0
Main Boiler & Flue Replacement at University Hospital Llandough	0	0	0	750	750	0
End of Year Funding – November 2022.	0	0	0	2,057	2,057	0
	0	0	0	0	0	0
	0	0	0	0	0	0
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Report Title:	<b>2022-23 Month 8 Monthly Financial Monitoring Return</b>			Agenda Item no.	4.1
Meeting:	<b>Finance Committee</b>	Public	X	Meeting Date:	<b>14<sup>th</sup> December 2022</b>
Status <i>(please tick one only):</i>	Assurance	x	Approval	Information	x
Lead Executive:	<b>Executive Director of Finance</b>				
Report Author (Title):	<b>Deputy Director of Finance</b>				
Main Report					
Background and current situation:					
<b>SITUATION</b>					
<p>WHC (2022) 013 - Welsh Government 2022/23 Monthly Financial Monitoring Return Guidance requires the UHB to provide a main Committee of the Board with copy of the monthly Financial Monitoring Return (consisting of the Narrative, Table A and Tables C,C1,C2 &amp; C3) in order to provide the Committee with transparency on the submission made to the Welsh Government.</p>					
Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:					
<p>The extract from the UHBs Monthly Financial Monitoring Return is provided for information and assurance.</p>					
<b>Recommendation:</b>					
<p>The Committee are requested to:</p> <p><b>NOTE</b> the extract from the UHBs Monthly Financial Monitoring Return.</p>					
Link to Strategic Objectives of Shaping our Future Wellbeing:					
<i>Please tick as relevant</i>					
1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance			
2. Deliver outcomes that matter to people		7. Be a great place to work and learn			
3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology			
4. Offer services that deliver the population health our citizens are entitled to expect		9. Reduce harm, waste and variation sustainably making best use of the resources available to us		x	
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time		10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives			
Five Ways of Working (Sustainable Development Principles) considered					
<i>Please tick as relevant</i>					
Prevention	Long term	x	Integration	Collaboration	Involvement
Impact Assessment:					
<i>Please state yes or no for each category. If yes please provide further details.</i>					
Risk: No					



Safety: No	
Financial: Yes	
As detailed above.	
Workforce: No	
Legal: No	
Reputational: Yes	
Yes, if forecast financial position is not delivered.	
Socio Economic: No	
Equality and Health: No	
Decarbonisation: No	
Approval/Scrutiny Route:	
Finance Committee	Date: 14 <sup>th</sup> December 2022

Mohamed Sarah  
13/12/2022 12:34:19

## THE WELSH GOVERNMENT FINANCIAL COMMENTARY

### FINANCIAL POSITION FOR THE EIGHT MONTHS PERIOD ENDED 30<sup>th</sup> NOVEMBER 2022

#### INTRODUCTION

The UHB's 2022/23 financial plan is structured in three parts in line with Welsh Government guidance as follows:

- Core Financial Plan including recovery
- National inflationary pressures which are out of the direct control of individual Health Boards
- Ongoing COVID response costs

The UHB's initial core plan incorporated:

- Brought forward underlying deficit of £29.7m
- Allocations and inflationary uplifts of £29.8m
- Capped cost pressures and investments of £36.9m
- A £16m (2%) Savings programme

This resulted in a 2022-23 planning deficit of £20.8m.

The initial plan was subject to further development during quarter 1 of 2022/23 when further Financial Recovery Plans totaling £3.7m in 2022/23 were identified, resulting in a revised planning deficit of £17.1m.

In line with guidance from Welsh Government, the UHB's plan also anticipated Welsh Government funding for the three National Inflationary Pressure exceptional costs as outlined below:

- 1) Energy costs where the planning assumption was based on a mid-range estimate from Shared services at £20.9m.
- 2) Employers NI cost of £6.9m.
- 3) The impact of paying Real Living Wage (RLW) for staff working within social care and Third Sector currently estimated at £2.9m.

The exceptional forecast costs have varied from the planned figure in year and remain as informed estimates at present. The energy cost forecasting is particularly volatile and is based, in common with other LHBs on the latest Shared Services estimates in conjunction with the British Gas advisors.

In addition to the core plan the UHB anticipates funding for:

- Ongoing Covid local response costs as defined by updated 2022/23 Welsh Government definitions. This funding has been capped at the assessed forecast included in the UHBs month 6 MMR.
- Central Covid programme funding as informed by the Welsh Government Allocation Letter to include TTP, MVC, PPE and Flu costs incurred within health boards.

The UHB submitted a final financial plan for 2022/23 at the end of quarter 1 with a planned deficit of £17.1m.

**At month 8, the UHB is reporting an overspend of £18.147m against its submitted plan. This is due to £6.747m of operational pressures and a planning deficit of £11.400m, which is eight twelfths of the planned deficit of £17.1m identified in the 2022/23 financial plan. £0.202m of the operational overspend is due to expenditure on Covid Response costs in excess of the capped funding.**

**The forecast deficit increased by £2.750m in month 7 to £19.850m after Board approval of an additional £2.750m expenditure in relation to Winter Planning. Further to this, the UHB assessed its ability to return to its planned deficit by the end of the financial year in light of the position at Month 7 and reflecting additional unforeseen cost pressures which had emerged in 2022-23.**

**These concerns were shared with Welsh Government colleagues in the mid-year review meeting with the Financial Delivery Unit on 10 November 2022 and were discussed through the UHB's governance structure, including the Finance Committee and Board, during November. The Month 8 Monitoring Return now incorporates a revised forecast deficit of £26.9m as recognised by the UHBs governance structure.**

In addition, the UHB reports that it has incurred additional costs in the year to date, for which it anticipates funding of:

- Exceptional Cost Pressures £12.775m
- Local Covid response including Cleaning Standards £24.332m
- Central Welsh Government Covid Programmes £13.105m
- Welsh Government Specific Covid Funding streams £2.239m

## BACKGROUND

**CARING FOR PEOPLE  
KEEPING PEOPLE WELL**



**GIG  
CYMRU  
NHS  
WALES**

Bwrdd Iechyd Prifysgol  
Caerdydd a'r Fro  
Cardiff and Vale  
University Health Board

The Board agreed and submitted a revised draft financial plan to Welsh Government at the end of June 2022. A summary of the core draft plan submitted is provided in Table 1.

**Table 1: 2022/23 Core Draft Plan**

	<b>2022/23 Plan £m</b>
Underlying deficit from 2020/21 Plan	(4.0)
Adjustment for non-recurrent items in 2020/21 and 2021/22	(25.7)
<b>b/f underlying deficit</b>	<b>(29.7)</b>
Allocation uplift (including LTA inflation)	29.8
Capped cost pressures assessment recurrent	(31.8)
Capped cost pressures assessment non-recurrent	(1.1)
Investment reserve	(4.0)
<b>2022/23 Planned Surplus/(Deficit) before efficiency programme</b>	<b>(36.8)</b>
<b>Efficiency Programme of 2%</b>	
Recurrent cost improvement plans (1.5% in 22/23)	12.0
Non Recurrent cost improvement plans (0.5% in 22/23)	4.0
<b>Planned Surplus/(Deficit)</b>	<b>(20.8)</b>
Financial Recovery Plans	3.7
<b>Planned Surplus/(Deficit)</b>	<b>(17.1)</b>

This represents the core financial plan of the Health Board which:

- delivers the best possible end of year position of a £17.1m deficit in 2022/23
- reduces the UHB's underlying deficit from £29.7m to £20.0m in 2022/23 and over the subsequent two years removes the underlying deficit;
- manages exceptional cost pressures and reduces and exits the significant costs introduced as a result of the pandemic, limiting any impact on the underlying deficit.

The UHB expects to incur additional costs and funding in respect of:

- Exceptional costs from National Inflationary pressures.
- Local Covid response costs
- Welsh Government national COVID programmes.

These financial monitoring returns have been prepared within the framework of the UHB's submitted Core Financial Plan, which includes a planning deficit

of £17.1m for 2022-23. This report details the financial position of the UHB for the period ended 30<sup>th</sup> November 2022.

The UHB has separately identified non COVID 19 and COVID 19 expenditure against its submitted plan in order to assess the financial impact of COVID 19. Specific Covid funding related to the Dental Income Target (£1.859m), Long Covid (£0.749m), Anti-viral (£0.250m), Vaccine Allergy (£0.184m) and Nosocomial Covid 19 (£0.520m) costs is included within Table B3 alongside associated costs.

A full commentary has been provided to cover the tables requested for the month 8 financial position.

The response to the queries raised in the month 7 financial monitoring returns is set out in an attachment to this commentary.

### **MOVEMENT OF OPENING FINANCIAL PLAN TO FORECAST OUTTURN and UNDERLYING POSITION (TABLE A & A1)**

Table A sets out the financial plan and latest position at month 8 for which the following should be noted:

- The UHB's initial £16m 2022/23 savings target is reported on lines 8,9 & 13;
- The forecast position reflects the assessed COVID 19 response and national programme costs in Table B3 and assumes that additional Welsh Government Funding will be provided to match the costs;
- The bought forward underlying deficit is £29.7m as outlined in the draft financial plan.

The identification and delivery of the initial £12m (1.5%) recurrent savings target and the further £3.7m of recurrent transformational schemes is key to delivery of the planned in year and underlying position.

### **OVERVIEW OF KEY RISKS & OPPORTUNITIES (TABLE A2)**

Table A2 reflects current assessment of the risks hindering achievement of a financial out-turn in line with the planned deficit.

Funding for Covid response expenditure and Exceptional costs has been anticipated throughout the financial year within the UHB's financial position. It has been noted that the consistent advice from Welsh Government colleagues has been to treat this funding stream as 'at risk'.

The Mid Year review meeting held with the Financial Delivery Unit confirmed that the maximum funding that can be assumed by the UHB in respect of Covid Response cost and Exceptional Costs will be the maximum of the forecast out-turn value reported at Month 6 or the actual, whichever is lower. Based on the Month 8 position this potentially adds a £1.269m cost pressure which the UHB will need to manage in order to meet its revised forecast outturn.

In addition, the UHB faces potential additional financial exposure in respect of :-

- Fire Safety Litigation by the Fire Authority (South Wales Fire and Rescue Authority)
- Winter Enhanced pay rates
- Trading and cost impact of widespread industrial action
- The Consultant Recycling Scheme

The Risks are partially offset by the following opportunities:

- Potential Slippage on Investments
- Overperformance against savings delivery
- Reduced Response costs due to a better COVID situation

**At this stage the UHB remains confident that action to mitigate the inherent risks in the system will allow the UHB to remain within the revised forecast outturn deficit of £26.9m.**

## **ACTUAL YEAR TO DATE (TABLE B AND B2)**

Table B confirms the year to date deficit of £18.417m and reflects the analysis contained in the annual operating plan in Table A. A summary of the year to date position and the forecast year end deficit of £26.900m is shown in Table 2 below.

**Table 2: Summary Financial Position for the period ended 30<sup>th</sup> November 2022**

	Month 8	Forecast Year-End Position
	£m	£m
COVID 19 Additional Expenditure	39.675	59.427
Exceptional Inflationary Pressures	12.775	20.174
<b>Gross additional COVID and Exceptional Inflationary Pressures £m</b>	<b>52.450</b>	<b>79.601</b>
Welsh Govt. Funding for additional COVID and Exceptional Inflationary Pressures	(52.248)	(78.332)
Planned deficit	11.400	17.100
Operational position (Surplus) / Deficit	6.545	8.531
<b>Financial Position £m (Surplus) / Deficit £m</b>	<b>18.147</b>	<b>26.900</b>

The month 8 deficit of £18.147m comprised of the following:

- £11.400m planned deficit (8/12<sup>th</sup> of £17.1m);
- £0.202m overspend against Covid funding.
- £6.545m adverse variance against plan.

The operational variance deteriorated by £1.090m in month from £5.455m at Month 8 to £6.545m. Pressures continue to be reported in nursing, medical staffing, mental health continuing healthcare placements and primary care prescribing. In addition, there was a £0.202m overspend against the capped Covid Response Funding in month.

The UHB continues to face a significant challenge as it delivers services from an operational footprint that is still predominantly designed to address Covid demands and infection control. The contractual obligations to deliver improved throughput has re-introduced pre-pandemic performance arrangements for under delivery of patient activity. In particular, WHSSC commissioned specialties operate to sensitive contract parameters that include high marginal rates for under and over performance. The challenge for the UHB is to deliver improved patient throughput from a Covid service footprint whilst Covid continues to influence patient admissions and discharges and impact staff availability.

The UHB has seen a sustained growth in prescribing cost in the year to date. This comprises growth in volume, partly driven by longer prescription periods to relieve pressure on prescribers, alongside a persistent increase in unit prices. There has also been unprecedented growth in NCSOs where normal supply has not been accessible. These factors are common across NHS Wales and are not a C&V UHB specific pressure. The trend has increased in month, and this is a key risk which needs to be managed within the UHB's plan.

The forecast deficit increased by £2.750m in month 7 to £19.850m after Board approval of an additional £2.750m expenditure in relation to Winter planning.

Further to this, current service demands have abated UHB plans to recover its operational overspend. In light of this, the UHB re-assessed the likelihood of delivering recover the cumulative adverse operational variance of £5.455m at month 7 in the final 5 months of the year. Following discussions with Welsh Government, the UHBs Finance Committee and Board, the Forecast Deficit for the year has been pushed out to £26.9m. Delivery of the revised forecast will require continuing focus and downward pressure on the UHBs cost base.

The UHB reports that it has incurred the following additional costs:

- Exceptional Cost Pressures £12.775m
- Local Covid response including Cleaning Standards £24.332m
- Central Welsh Government Covid Programmes £13.105m
- Welsh Government Specific Covid Funding streams £2.239m

It is assumed that Welsh Government funding will be provided to cover the COVID national programme costs and exceptional inflationary costs arising up to month 8 and for the remainder of the year. It is noted that Covid response funding is capped at the month 6 forecast.

## **PAY & AGENCY (TABLE B2)**

The UHB recorded Agency costs of £2.435m in month 8, which is a decrease of £0.014m on the £2.449m reported at month 7. £1.399m of the costs reported in month 7 related to registered nursing and midwifery, where the UHB is progressing programmes including overseas recruitment to manage pressures.

In line with Welsh Government guidance, the impact of the pay award (back pay and future month increases) is treated as follows:

## **COVID 19 ANALYSIS (TABLE B3)**

At month 8, Table B3 is projecting net expenditure due to COVID-19 to be £59.427m. This includes expenditure related to the Covid funding for the Dental Income Target (£1.859m), Long Covid (£0.749m), Anti-viral (£0.250m), Vaccine Allergy (£0.184m) and Nosocomial Covid 19 (£0.520m) allocations.

Overall forecast expenditure decreased by £0.947m between Month 7 and Month 8. The decrease is a result of the £0.671m in the forecast cost of national programmes and a £0.275m fall in forecast local response costs..

Year to date and forecast Covid Expenditure is summarised in Table 3 below. The projected year end spend on Welsh Government Covid programmes is



based on current projection of activity. Should programmes be reduced or end, the projected expenditure will reduce accordingly.

**Table 3: Summary of Forecast COVID 19 Net Expenditure**

	Month 8	Forecast Year-End Position	Forecast Year-End Position @ Month 7	Change in Forecast Year-End Position in month
	£m	£m	£m	£m
COVID 19 Testing	0.843	1.248	1.615	(0.367)
COVID 19 Tracing	3.428	4.594	4.441	0.153
COVID 19 Vaccination	6.102	8.727	9.198	(0.472)
Extended Flu Vaccination	0.640	1.243	1.243	0.000
PPE	2.091	3.231	3.216	0.015
Sub Total National Programmes	13.105	19.043	19.713	(0.671)
Cleaning Standards	1.663	2.759	2.770	(0.012)
COVID 19 Local Response	22.669	34.064	34.327	(0.264)
Sub Total Local response including Cleaning Standards	24.332	36.822	37.097	(0.275)
Dental Income; Long Covid; Anti-Viral; Allergy Advice and Nosocomial	2.239	3.562	3.562	(0.000)
<b>Total COVID Expenditure £m</b>	<b>39.675</b>	<b>59.427</b>	<b>60.373</b>	<b>(0.947)</b>

The forecast cost of national Covid programmes is £19.043m, which is a decrease of £0.671m against the £19.713m forecast costs reported at month 7.

The forecast local Covid response costs and Cleaning Standards is £36.822m, which is a fall of £0.275m against the comparable £37.097m forecast costs reported at month 7.

The analysis of Covid 19 expenditure included in Table B3 includes spend associated with the following allocations alongside COVID response costs.

- Covid: Adferiad Long Covid - £0.749m
- Covid: Anti Viral Service Cost - £0.250m
- Covid: Investigating And Learning From Cases Of Nosocomial Covid 19 - £0.520m
- GDS loss of dental income - £1.859m
- Covid Vaccine Allergy advice - £0.184m

This forecast includes funding assumed from Welsh Government COVID Funding totaling £58.158m a follows:

	Assumed Welsh Government Funding £m	Forecast Year-End Position £m	Forecast Covid Overspend £m
Sub Total National Programmes	19.043	19.043	0.000
Local response including Cleaning Standards	35.553	36.822	1.269
Dental Income; Long Covid; Anti-Viral; Allergy Advice and Nosocomial	3.562	3.562	0.000
<b>Total COVID funding and Forecast Expenditure £m</b>	<b>58.158</b>	<b>59.427</b>	<b>1.269</b>
Mitigating Actions to offset Forecast Covid Overspend			(1.269)
<b>Total COVID funding and Forecast Expenditure £m</b>	<b>58.158</b>	<b>59.427</b>	<b>0.000</b>

Welsh Government has confirmed that funding for Local Response Costs is capped at the UHB forecast of £35.533m which was reported in the Month 6

MMR. On this basis, the UHB is reporting a forecast overspend of £1.269m against Covid funding and will take mitigating action to cover any overspend which is incurred in year.

## Key Financial Assumptions

- The UHB originally anticipated funding of £40.6m in its initial plan to support Local Covid Response including cleaning standards. This support continues to be anticipated at a lower value capped value, as at Month 8, of £35.6m

The UHB responded to the pandemic through a wide range of actions including establishing red, amber and green zones across its hospital sites, relocating services and expanding capacity. These arrangements remain in place as the UHB needs to remain COVID ready, as recent waves of COVID have shown. The UHB has a plan to decommission additional ward capacity. However, recent waves of COVID and the pressures in the system as a consequence of COVID, have delayed the ability to decommission additional ward capacity in line with the timescales envisaged.

The UHB is constantly looking to refine its costs downwards, if possible, and the forecast outturn continues to reflect changes in practice where appropriate, which has now given a lower 2022/23 estimate. All costs incurred are minimised wherever possible to lessen the burden on the UHB and NHS Wales.

Since the pandemic began in March 2020 the UHB has sought to be consistent in its recognition of schemes put in place in response to COVID. These have been funded over the past 2 prior years and, therefore, the 2022/23 plan, developed in Q4 of 2021/22 aligned with this. At this stage, the UHB has retained the categorisation as COVID response, which was used in establishing the UHB's financial plan and the corresponding £17.1m planning deficit.

The re-categorisation and transfer of Covid Response costs to the operational position would require the UHB to consider the impact on the forecast £26.9m deficit.

- Funding for national programmes on an actual cost basis:
  - Testing costs
  - Tracing costs (allocated from separate fund)
  - Mass vaccination programme
  - Extended Flu Vaccination

- PPE

- The UHB's plan includes exceptional cost pressures, which are deemed to be outside of the UHB's direct control. The forecast cost will be subject to review as the year progresses. The plan assumes that additional Welsh Government funding will be provided to mitigate these exceptional inflationary cost pressures set out in the following table below in full.

**Table 4: Exceptional Inflationary Pressures**

	Month 8	Forecast Year-End Position
	£m	£m
Incremental costs in 2022/23		
Energy/Fuel	7.496	13.929
National Insurance Levy	3.345	3.345
Living Wage - Social Care	1.933	2.900
<b>Total Exceptional Costs Expenditure £m</b>	<b>12.775</b>	<b>20.174</b>
<b>Sub Total Exceptional Cost funding confirmed/assumed £m</b>	<b>12.775</b>	<b>20.174</b>

The forecast of the incremental cost of energy has increased by £1.176m in month from £12.753m to £13.929m based on the revised schedule issued by NWSSP. The revised forecast includes the impact of the changes in market spot prices and additional assumptions in relation to the Energy Billing Relief Scheme (EBRS). The UHB utilises the Shared Services model in common with the other Health Boards in Wales.

A planning estimate of £20.9m for exceptional energy costs was included in the initial draft plan.

The forecast of the employers cost of NI levy had previously decreased by £1.0m from the planning estimate of £6.9m to £5.9m. Following the announcement of the discontinuation of the levy from November 6<sup>th</sup> 2022 the forecast was revised down to £3.345m and Welsh Government has confirmed funding for this cost.

### Financial Risks and Uncertainties

The key financial risks for the Health Board within this financial plan are set out below:

- Providing services in a pandemic – The UHB continues to operate in a dynamic environment with considerable uncertainty which affects the availability of its workforce and the planning and delivery of services.

- Achievement of the efficiency plan target – Savings plans delivering 2% need to be in place as soon as possible. There are clear lines of accountability in delivering identified high value opportunities.
- Management of Operational Pressures – The UHB expects its budget holders to manage and recover any operational pressures within the totality of resources delegated to them.
- Inflationary pressures – There are considerable inflationary pressures across the Health Board with pay and energy being the largest. This will affect the UHB directly and also through its supply chain. The UHB will monitor this closely and work with our partners to find a system wide approach to manage the risk.
- Develop and deliver a programme of transformational savings – Delivering a programme of the scale needed to address the underlying deficit is a key priority and will be subject to robust management arrangements.
- COVID Response – The UHB needs to exit its COVID 19 response costs in a manageable way for service delivery and within available resources, whilst maintaining the ability to respond to changes in COVID demands.

The Health Board recognises the risks in the financial plan and is taking actions in order to ensure that they are appropriately managed and that financial opportunities to support mitigation are fully explored. Additionally, it continues to work to finalise the additional savings of £3.4m and manage the reduction of £0.3m in planned investments required to deliver the revised £17.1m deficit in the draft plan. The progress made in identifying the additional schemes required is outlined in the section below.

### Savings Programme 2022-32 (TABLE C, C1 & C2)

At month 8, the UHB is forecasting £19.343m of savings to deliver against the revised £19.400m savings target leaving a further £0.057m schemes to identify. Delegated budget holders are being pressed to close the remaining gap through the established internal review process. The UHB expects to finalise the balance of savings plans required to deliver the revised forecast deficit of £26.9m.

Overall progress in the identification of savings schemes is outlined in table 5 below:

**Table 5: Savings Schemes**

	Total Savings Target £m	Total Savings Identified £m	Total Savings (Unidentified) £m
Total £m	19.400	19.343	(0.057)

## **INCOME/EXPENDITURE ASSUMPTIONS (TABLE D)**

The UHB progressed LTA discussions in line with the Welsh Government timetable.

The current status of Welsh LTA agreements is as follows:

- Aneurin Bevan – The LTA is agreed and signed.
- Swansea Bay – The LTA is agreed and signed.
- Hywel Dda – The LTA is agreed and signed.
- Powys – The LTA is agreed and signed.
- Cwm Taf Morgannwg – The LTA is agreed and signed.
- WHSSC – The LTA is agreed and signed.
- Velindre – The LTA is agreed and signed.

## **INCOME ASSUMPTIONS 2022/23 (TABLE E)**

Table E outlines the UHB's 2022/23 resource limit.

The DEL anticipated allocations are based on the June 2022 submission and the AME anticipated allocations remain in line with the November 2022 non cash estimates. In addition, anticipated allocation adjustments for IFRS16 Transitioning leases are also now included.

Similar to practice in previous years, the UHB forecast continues to exclude recurrent expenditure, which has arisen following a change in the accounting treatment of UHB PFI schemes under International Financial Reporting Standards (IFRS). The UHB is assuming that Welsh Government will continue to provide resource cover for this cost, which was assessed at £0.222m in the previous financial year.

## **BALANCE SHEET - STATEMENT OF FINANCIAL POSITION (TABLE F)**

The opening balances at the beginning of April 2022 reflect the closing balances in the 2021/22 Annual Accounts approved by the UHB's Board.

The increase in the carrying value of property, plant & equipment since the start of the year is largely due to the impact of annual indexation.

## **CASHFLOW (TABLE G)**

The closing cash balance at the end of November was £5.716m.

The UHB is currently predicting a minimum cash shortfall of £31.134m in 2022/23. This reflects the £26.900m forecast deficit and an estimated working cash balance requirement of £4.234m as outlined below in table 6:

**Table 6: Strategic and Working Cash Requirement**

<b>2022/23 Strategic Cash Requirement - estimate at month 8</b>	<b>£</b>
<b>2022/23 SoCNE Net Deficit</b>	26,900,000
<b>Total £</b>	<b>26,900,000</b>
<b>2022/23 Working Cash Requirement - estimate at month 8</b>	<b>£</b>
<b>2021/22 Resource Limit adjustments not backed by cash</b>	
CL 151 - Holiday Pay Accrual on Overtime	943,241
CL 152 - GPW Slippage Genomics	293,644
CL 153 - Covid Allocation : Covid Therapeutic (Treatment) Medicines	202,993
<b>2022/23 Resource Limit adjustments</b>	
Removal of IFRS-16 Leases (Revenue)	1,455,000
<b>Other Working Cash Movements</b>	
Annual Leave Buy Back Scheme - cash payments to month 7 2022/23	1,339,000
<b>Total £</b>	<b>4,233,878</b>

The UHB will continue to review the forecast movement in its revenue and capital debtor and creditor balances to inform its working balances and it's estimated working cash requirement as the year progresses.

## CAPITAL SCHEMES (TABLES I, J & K)

Of the UHB's approved Capital Resource Limit, 38% has been expended to date.

Whilst all schemes are currently classified as low risk, two schemes are being closely monitored:

- Genomics - forecasting a potential £0.2m overspend, this is still being reviewed and there is a risk this could potentially rise to £0.7m
- Eye Care – Go live delayed for 5 health boards. Risk of £0.1m

All other schemes are currently in line with forecast.

Planned expenditure for the year reflects the CRL received from Welsh Government dated 18<sup>th</sup> November 2022 - £46.686m.

## AGED WELSH NHS DEBTORS (TABLE M)

At the 30th November, all invoices bar one, which were outstanding for more than 17 weeks, had either subsequently been paid or cancelled. One invoice which had been agreed was pending payment.

## OTHER ISSUES

### Ringfenced & Other Template

The UHB can confirm that plans are in place to spend Ring Fenced allocations in full in 2022/23. Expenditure Plans have been worked up and agreed with Partner bodies where applicable and are supported by detailed commitments. Established processes are in place to review and scrutinise actual and forecast spend and a summary of each programme is provided in the table 7 below:

**Table 7: Ring Fenced Programmes**

Allocation	Actual/Forecast - committed £'000s	Actual/Forecast - to be committed £'000s	Variance £'000s
<b>Initial Allocations</b>			
Recovery Funding (£170m)	22,618		0
Value Based Funding (£15m)	2,004		0
Regional Integration Fund (£131m)	19,160		0
<b>In Year Allocations</b>			
Urgent Emergency Care Allocations	2,960		0
Mental Health (SIF) Allocations	1,942		0
Planned Care	1,146		0
Value Based Funding (£15m)	345	67	0

### Annual Leave Accrual

The UHB did not maintain a high accrual level for its Annual Leave Accrual in the 2021-22 position or drawdown commensurate additional funding from Welsh Government. Consequently, there is little scope as a working balance for material balance sheet opportunities in this area in 2022-23.

The UHB's remaining Annual Leave accrual is as follows:

**Table 8: Remaining Annual Leave Accrual**



	£m
b/f Opening Annual Leave Accrual value	9.308
Annual Leave Paid month 2 2022/23 (Sell Back)	(1.271)
Annual Leave Paid month 3 2022/23 (Sell Back)	(0.033)
Annual Leave Paid month 4 2022/23 (Sell Back)	(0.013)
Annual Leave Paid month 5 2022/23 (Sell Back)	(0.010)
Annual Leave Paid month 6 2022/23 (Sell Back)	(0.007)
Annual Leave Paid month 7 2022/23 (Sell Back)	(0.005)
<b>Remaining Annual Leave Accrual balance after 'Sell Back' @ Month 8 £m</b>	<b>7.969</b>

The financial information reported in these monitoring returns aligns to the financial details included within Finance Committee and Board papers. These monitoring returns will be taken to the 14<sup>th</sup> December 2022 meeting of the Finance Committee for information.

## CONCLUSION

The UHB submitted a draft financial plan at the end of March 2022 and a revised plan at the end of quarter 1 in line with the Welsh Government timetable.

The UHB currently has a one year draft financial plan for 2022-23 which aimed to deliver financial stability and deliver a deficit of £17.1m ensure that the underlying position is reduced.

This includes an initial savings target of £16.0m and a further target of £3.4m.

The Month 8 Monitoring Return now incorporates a revised forecast deficit of £26.9m due to the continuing impact of the additional cost pressures and financial risks that have emerged in the financial year on the year end forecast out-turn.

The reported financial position at month 8 is a deficit of £18.147m. This is made up of a budget plan deficit of £11.400m and an adverse variance against plan of £6.747m.



SUZANNE RANKIN  
CHIEF EXECUTIVE



CATHERINE PHILLIPS  
EXECUTIVE DIRECTOR OF  
FINANCE

13<sup>th</sup> December 2022

13<sup>th</sup> December 2022



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Line 14 should reflect the corresponding amounts included within the latest IMTP/AOP submission to WG  
Lines 1 - 14 should not be adjusted after Month 1

	In Year Effect £'000	Non Recurring £'000	Recurring £'000	FYE of Recurring £'000
1 Underlying Position b/fwd from Previous Year - must agree to M12 MMR (Deficit - Negative Value)	-29,700	0	-29,700	-29,700
2 Planned New Expenditure (Non Covid-19) (Negative Value)	-92,708	-1,125	-91,583	-91,583
3 Planned Expenditure For Covid-19 (Negative Value)	-67,582	-67,582		
4 Planned Welsh Government Funding (Non Covid-19) (Positive Value)	77,781	0	77,781	77,781
5 Planned Welsh Government Funding for Covid-19 (Positive Value)	67,582	67,582		
6 Planned Provider Income (Positive Value)	7,827	0	7,827	7,827
7 RRL Profile - phasing only (In Year Effect / Column C must be nil)	0	0	0	0
8 Planned (Finalised) Savings Plan	13,064	7,942	5,123	6,218
9 Planned (Finalised) Net Income Generation	90	0	90	92
10 Planned Profit / (Loss) on Disposal of Assets	0	0	0	0
11 Planned Release of Uncommitted Contingencies & Reserves (Positive Value)	0	0		
12	0	0		
13 Planning Assumptions still to be finalised at Month 1	2,849	0	2,849	5,610
14 Opening IMTP / Annual Operating Plan	-20,797	6,817	-27,614	-23,755
15 Reversal of Planning Assumptions still to be finalised at Month 1	-2,849	0	-2,849	-5,610
16 Additional In Year & Movement from Planned Release of Previously Committed Contingencies & Reserves (Positive)	793	793		
17 Additional In Year & Movement from Planned Profit / (Loss) on Disposal of Assets	0	0		
18 Other Movement in Month 1 Planned & In Year Net Income Generation	106	65	42	49
19 Other Movement in Month 1 Planned Savings - (Underachievement) / Overachievement	-455	-121	-334	0
20 Additional In Year Identified Savings - Forecast	5,765	3,005	2,760	6,121
21 Variance to Planned RRL & Other Income	0	0		
22 Additional In Year & Movement in Planned Welsh Government Funding for Covid-19 (Positive Value - additional)	-9,424	-9,424		
23 Additional In Year & Movement in Planned Welsh Government Funding (Non Covid) (Positive Value - additional)	0	0		
24 Additional In Year & Movement Expenditure for Covid-19 (Negative Value - additional/Positive Value - reduction)	8,156	8,156		
25 In Year Accountancy Gains (Positive Value)	593	593	0	0
26 Net In Year Operational Variance to IMTP/AOP (material gross amounts to be listed separately)	-9,091	-9,091		
27 Additional savings to be identified	0	0		
28 Transformational Savings (£3.4M) & Reduction on Investments	300	0	300	300
29 Roundings	3	3		
30	0	0		
31	0	0		
32	0	0		
33	0	0		
34	0	0		
35	0	0		
36 Forecast Outturn (- Deficit / + Surplus)	-26,900	794	-27,694	-22,896
37 Covid-19 - Forecast Outturn (- Deficit / + Surplus)	-1,269			

	Apr £'000	May £'000	Jun £'000	Jul £'000	Aug £'000	Sep £'000	Oct £'000	Nov £'000	Dec £'000	Jan £'000	Feb £'000	Mar £'000	YTD £'000	In Year Effect £'000
1	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-19,800	-29,700
2	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-7,726	-61,805	-92,708
3	-5,988	-5,801	-5,822	-5,416	-5,290	-5,480	-5,541	-5,814	-5,731	-5,759	-5,556	-5,385	-45,151	-67,582
4	6,482	6,482	6,482	6,482	6,482	6,482	6,482	6,482	6,482	6,482	6,482	6,482	51,854	77,781
5	5,988	5,801	5,822	5,416	5,290	5,480	5,541	5,814	5,731	5,759	5,556	5,385	45,151	67,582
6	652	652	652	652	652	652	652	652	652	652	652	652	5,218	7,827
7	296	27	-20	-15	-48	-83	5	-25	-38	-27	-27	-45	138	0
8	1,030	1,041	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,114	8,657	13,064
9	7	7	7	8	8	8	8	8	8	8	8	8	59	90
10													0	0
11													0	0
12													0	0
13		259	259	259	259	259	259	259	259	259	259	259	1,813	2,849
14	-1,733	-1,733	-1,733	-1,733	-1,734	-1,733	-1,733	-1,733	-1,733	-1,733	-1,733	-1,731	-13,866	-20,797
15	0	-259	-259	-259	-259	-259	-259	-259	-259	-259	-259	-259	-1,813	-2,849
16						113	113	113	113	113	113	113	340	793
17													0	0
18	0	3	4	4	4	22	11	11	11	11	11	12	60	106
19	-2	-2	-14	-29	-48	-32	-70	-87	-45	-42	-42	-42	-284	-455
20	32	120	220	189	224	196	409	896	798	908	873	901	2,286	5,765
21													0	0
22	0	-592	-988	-709	-966	-101	-488	-1,633	-653	-822	-678	-1,795	-5,477	-9,424
23													0	0
24	-1	592	988	709	966	101	488	1,633	653	822	678	527	5,476	8,156
25	139	50	328	65	0	0	11	0	0	0	0	0	593	593
26	-155	-458	-427	-360	160	-1,462	-1,104	-1,658	-1,074	-1,186	-1,151	-215	-5,465	-9,091
27	-171	171											0	0
28												300	0	300
29	2	0	0	0	0	0	0	0	0	0	0	0	2	3
30													0	0
31													0	0
32													0	0
33													0	0
34													0	0
35													0	0
36	-1,888	-2,108	-1,881	-2,122	-1,653	-3,155	-2,623	-2,717	-2,188	-2,188	-2,188	-2,188	-18,147	-26,900
37	-1	0	0	0	0	0	0	0	0	0	0	-1,268	-1	-1,269

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Table C - Identified Expenditure Savings Schemes (Excludes Income Generation &amp; Accountancy Gains)

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			1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY YTD variance as %age of YTD	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000
			Apr £'000	May £'000	Jun £'000	Jul £'000	Aug £'000	Sep £'000	Oct £'000	Nov £'000	Dec £'000	Jan £'000	Feb £'000	Mar £'000				Green £'000	Amber £'000	non recurring £'000	recurring £'000	
1	CHC and Funded Nursing Care	Budget/Plan	50	50	65	65	65	65	65	65	65	65	65	65	490	750		750	0			
2		Actual/F'cast	50	50	65	72	90	100	100	100	125	141	141	142	625	1,175	53.23%	1,175	0	450	725	1,224
3		Variance	0	0	0	7	25	35	35	35	60	76	76	77	135	425	27.62%	425	0			
4	Commissioned Services	Budget/Plan	4	4	4	4	4	4	4	4	4	4	4	4	33	50		50	0			
5		Actual/F'cast	4	4	4	4	4	4	4	4	4	4	4	4	5	33	65.36%	51	0	0	51	200
6		Variance	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0.00%	1	0			
7	Medicines Management (Primary & Secondary Care)	Budget/Plan	74	74	88	101	126	169	168	198	212	198	198	214	1,000	1,822		1,822	0			
8		Actual/F'cast	74	74	107	91	97	160	120	134	190	187	187	207	858	1,629	52.66%	1,628	1	106	1,523	3,027
9		Variance	0	0	19	(10)	(30)	(10)	(48)	(64)	(22)	(11)	(11)	(7)	(143)	(194)	(14.27%)	(195)	1			
10	Non Pay	Budget/Plan	647	647	656	675	672	673	584	584	584	582	582	582	5,137	7,467		7,467	0			
11		Actual/F'cast	672	738	806	765	763	771	897	1,395	1,272	1,355	1,320	1,335	6,806	12,088	56.30%	12,088	0	8,364	3,725	5,830
12		Variance	26	91	150	91	90	98	313	811	688	773	738	753	1,669	4,621	32.50%	4,621	0			
13	Pay	Budget/Plan	255	265	274	237	246	238	240	240	240	244	244	249	1,997	2,975		2,975	0			
14		Actual/F'cast	260	293	312	311	337	278	279	268	268	272	272	283	2,337	3,432	68.09%	3,432	0	1,906	1,526	2,057
15		Variance	5	28	37	73	90	41	39	28	28	28	28	34	340	457	17.05%	457	0			
16	Primary Care	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
17		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
18		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
19	Total	Budget/Plan	1,030	1,041	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,114	8,657	13,064		13,064	0			
20		Actual/F'cast	1,061	1,159	1,294	1,243	1,290	1,313	1,400	1,900	1,859	1,959	1,924	1,973	10,660	18,375	58.01%	18,374	1	10,825	7,550	12,339
21		Variance	30	119	206	161	176	164	338	809	754	866	830	858	2,002	5,310	23.13%	5,309	1			
22	Variance in month		2.94%	11.41%	18.97%	14.83%	15.77%	14.25%	31.86%	74.09%	68.20%	79.14%	75.92%	77.03%	23.13%							
23	In month achievement against FY forecast		5.77%	6.31%	7.04%	6.76%	7.02%	7.15%	7.62%	10.34%	10.12%	10.66%	10.47%	10.74%								

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Table C1- Savings Schemes Pay Analysis

	Month		1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			YTD variance as %age of YTD Budget/Plan	Green	Amber	non recurring	recurring	
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				£'000	£'000	£'000	£'000	
1	Changes in Staffing Establishment	Budget/Plan	135	136	135	94	98	98	100	100	100	104	104	109	896	1,314		1,314	0			
2		Actual/F'cast	140	142	153	148	149	120	121	120	120	124	124	133	1,092	1,592	68.60%	1,592	0	680	912	1,079
3		Variance	5	7	18	54	51	22	20	19	19	19	19	23	197	278	21.95%	278	0			
4	Variable Pay	Budget/Plan	53	56	56	56	56	56	56	56	56	56	56	57	448	674		674	0			
5		Actual/F'cast	53	56	56	56	71	59	59	59	59	59	59	60	472	710	66.49%	710	0	512	198	202
6		Variance	0	0	0	0	15	3	3	3	3	3	3	3	24	36	5.30%	36	0			
7	Locum	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
8		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
9		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
10	Agency / Locum paid at a premium	Budget/Plan	4	4	4	10	10	10	10	10	10	10	10	10	61	100		100	0			
11		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	61	100	61.11%	100	0	0	100	100
12		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			
13	Changes in Bank Staff	Budget/Plan	3	3	3	3	3	3	3	3	3	3	3	3	23	35		35	0			
14		Actual/F'cast	3	3	3	3	3	3	3	3	3	3	3	3	23	35	66.67%	35	0	0	35	35
15		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			
16	Other (Please Specify)	Budget/Plan	60	66	76	74	80	71	71	71	71	71	71	71	568	852		852	0			
17		Actual/F'cast	60	87	95	94	104	86	86	76	76	76	76	78	688	995	69.16%	995	0	714	281	641
18		Variance	0	21	19	19	24	15	15	5	5	5	5	7	120	143	21.13%	143	0			
19	Total	Budget/Plan	255	265	274	237	246	238	240	240	240	244	244	249	1,997	2,975		2,975	0			
20		Actual/F'cast	260	293	312	311	337	278	279	268	268	272	272	283	2,337	3,432	68.09%	3,432	0	1,906	1,526	2,057
21		Variance	5	28	37	73	90	41	39	28	28	28	28	34	340	457	17.05%	457	0			

Table C2- Savings Schemes Agency/Locum Paid at a Premium Analysis

	Month		1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			YTD variance as %age of YTD Budget/Plan	Green	Amber	non recurring	recurring	
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				£'000	£'000	£'000	£'000	
1	Reduced usage of Agency/Locums paid at a premium	Budget/Plan	4	4	4	10	10	10	10	10	10	10	10	10	61	100		100	0			
2		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	61	100	61.11%	100	0	0	100	100
3		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			
4	Non Medical 'off contract' to 'on contract'	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
5		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
6		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
7	Medical - Impact of Agency pay rate caps	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
8		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
9		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
10	Other (Please Specify)	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
11		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
12		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
13	Total	Budget/Plan	4	4	4	10	10	10	10	10	10	10	10	10	61	100		100	0			
14		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	61	100	61.11%	100	0	0	100	100
15		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			

Table C3 - Tracker

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	E'000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total YTD	Full-year forecast	Non Recurring	Recurring	FYE Adjustment	Full-year Effect
Savings (Cash Releasing & Cost Avoidance)	Month 1 - Plan	1,030	1,041	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,114	8,657	13,064	7,942	5,123	1,095	6,218
	Month 1 - Actual/Forecast	1,029	1,039	1,074	1,053	1,066	1,117	991	1,005	1,060	1,052	1,052	1,072	8,373	12,610	7,821	4,789	1,428	6,218
	Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(87)	(45)	(42)	(42)	(42)	(284)	(455)	(121)	(334)	334	0
	In Year - Plan	32	120	220	189	224	196	409	896	798	908	873	901	2,286	5,765	3,005	2,760	3,357	6,118
	In Year - Actual/Forecast	32	120	220	189	224	196	409	896	798	908	873	901	2,286	5,765	3,005	2,760	3,361	6,121
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	3
	Total Plan	1,062	1,161	1,307	1,272	1,338	1,345	1,470	1,987	1,903	2,002	1,966	2,015	10,943	18,830	10,946	7,883	4,452	12,336
	Total Actual/Forecast	1,061	1,159	1,294	1,243	1,290	1,313	1,400	1,900	1,859	1,959	1,924	1,973	10,660	18,375	10,825	7,550	4,789	12,339
	Total Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(87)	(45)	(42)	(42)	(42)	(284)	(455)	(121)	(334)	337	3
Net Income Generation	Month 1 - Plan	7	7	7	8	8	8	8	8	8	8	8	8	59	90	0	90	3	92
	Month 1 - Actual/Forecast	7	7	7	8	8	8	8	8	8	8	8	8	59	90	0	90	3	92
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	In Year - Plan	0	3	4	4	4	22	11	11	11	11	11	12	60	106	65	42	7	49
	In Year - Actual/Forecast	0	3	4	4	4	22	11	11	11	11	11	12	60	106	65	42	7	49
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Plan	7	10	11	12	12	30	19	19	19	19	19	20	119	196	65	131	9	141
	Total Actual/Forecast	7	10	11	12	12	30	19	19	19	19	19	20	119	196	65	131	9	141
	Total Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accountancy Gains	In Year - Plan	139	50	328	65	0	0	11	0	0	0	0	0	593	593	593	0	0	0
	In Year - Actual/Forecast	139	50	328	65	0	0	11	0	0	0	0	0	593	593	593	0	0	0
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	Month 1 - Plan	1,037	1,047	1,094	1,090	1,122	1,157	1,069	1,099	1,113	1,102	1,102	1,122	8,716	13,154	7,942	5,212	1,097	6,310
	Month 1 - Actual/Forecast	1,036	1,046	1,080	1,061	1,074	1,125	999	1,012	1,068	1,059	1,059	1,080	8,432	12,699	7,821	4,879	1,431	6,310
	Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(87)	(45)	(42)	(42)	(42)	(284)	(455)	(121)	(334)	334	0
	In Year - Plan	171	173	552	259	228	219	431	907	810	919	884	913	2,939	6,464	3,662	2,802	3,364	6,167
	In Year - Actual/Forecast	171	173	552	259	228	219	431	907	810	919	884	913	2,939	6,464	3,662	2,802	3,367	6,170
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	3
	Total Plan	1,208	1,221	1,646	1,349	1,350	1,375	1,500	2,006	1,922	2,021	1,985	2,035	11,655	19,618	11,603	8,015	4,461	12,476
	Total Actual/Forecast	1,206	1,219	1,633	1,320	1,302	1,343	1,430	1,919	1,878	1,978	1,943	1,993	11,371	19,164	11,482	7,681	4,798	12,479
	Total Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(87)	(45)	(42)	(42)	(42)	(284)	(455)	(121)	(334)	337	3

Mohamed Sarah  
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