

# Public Finance Committee Meeting

Wed 16 November 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 – 19 October 2022**

📄 1.4 Draft Public Finance Minutes - OctoberMD.NF.pdf (9 pages)

#### **1.5. Action log following the meeting held on 19 October 2022**

📄 1.5 Action Log - Following Public Meeting in OctoberMD.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 7**

*Robert Mahoney*

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

*Paul Bostock Robert Mahoney*

#### **2.3. Board Assurance Framework – Financial Risk**

*Nicola Foreman*

📄 2.3 BAF Financial Sustainability cover report - 2022.NF(1).pdf (3 pages)

📄 2.3a Financial Sustainability Nov updated.pdf (2 pages)

#### **2.4. Operational Pressures**

*Paul Bostock*

📄 2.4 Operational Pressures - Finance Committee 16112022.pdf (2 pages)

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### 14:00 - 14:00 **3. Items for Approval / Ratification**

0 min

#### **3.1. Tertiary Tower Long term solution – Business Case**

Saunders, Nathan  
11/11/2022 16:50:17

*Catherine Phillips Geoff Walsh*

**The Full Business Case (FBC ) contains commercially sensitive/confidential information** and has therefore not been published on the Health Board's website. A copy of the FBC has been made available to the Finance Committee Members prior to the Committee meeting. The FBC is published under supporting documents for Finance Committee Members.

- 📄 3.1 Tertiary Tower Electrical Infrastructure Finance Committee Nov 2022.pdf (4 pages)
- 📄 3.1a 220811 UHW Tertiary Tower Electrical Infrastructure BJC Exec Sum.pdf (11 pages)

### **3.2. FNC Rate**

*Jason Roberts*

- 📄 3.2 FNC Rate Paper.pdf (4 pages)

### **3.3. Development of the Hybrid/Major Trauma theatres at UHW - Business Case**

*Abigail Harris Geoff Walsh*

**The Full Business Case (FBC ) contains commercially sensitive/confidential information** and has therefore not been published on the Health Board's website. A copy of the FBC has been made available to the Finance Committee Members prior to the Committee meeting. The FBC is published under supporting documents for Finance Committee Members.

- 📄 3.3 Hybrid and Major Trauma Theatres FBC at UHW.pdf (7 pages)

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## **14:00 - 14:00** 4. Items for Information and Noting 0 min

### **4.1. Financial Monitoring Return – Month 7**

*Robert Mahoney*

- 📄 4.1a WG month 7 MMR Covering Report.pdf (2 pages)
- 📄 4.1b CV Financial Monitoring Returns 2022-23 - Month 7.pdf (16 pages)
- 📄 4.1c A Movement.pdf (1 pages)
- 📄 4.1c C, C1 and C2 - Savings Scheme.pdf (2 pages)
- 📄 4.1c Table C3 Tracker.pdf (1 pages)

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## **14:00 - 14:00** 5. Agenda for Private Finance Committee Meeting 0 min

*Rhian Thomas*

### **5.1. Approval of Private Minutes**

### **5.2. High Level Resource Map**

### **5.3. Forecast Outturn**

### **5.4. Adult Fracture Clinic**

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## **14:00 - 14:00** 6. AOB 0 min

Saunders/Natasha  
11/11/2022 16:50:17

14:00 - 14:00 **7. Review and Final Closure**

0 min

*Rhian Thomas*

**7.1. Items to be deferred to Board / Committee**

**7.2. Date, time and venue of the next Committee meeting**

Wednesday 14th December 2022 at 2pm via MS Teams

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14:00 - 14:00 **8. 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]

Saunders, Nathan  
11/11/2022 16:50:17

**Unconfirmed Minutes of the Public Finance Committee Meeting  
Held On 19 October 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
Tim Davies	TD	Head of Corporate Business
Nicola Foreman	NF	Director of Corporate Governance
Robert Mahoney	RM	Deputy Director of Finance (Operational)
Jason Roberts	JR	Executive Nurse Director
Paul Bostock	PB	Chief Operating Officer
<b>Secretariat</b>		
Sarah Mohamed	SM	Corporate Governance Officer
<b>Apologies:</b>		
Hywel Pullen	HP	Assistant Director of Finance

Item No	Agenda Item	Action
<b>FC 19/10/001</b>	<b>Welcome &amp; Introduction</b>  The Committee Chair (CC) welcomed everyone to the meeting.	
<b>FC 19/10/002</b>	<b>Apologies for Absence</b>  <b>The Finance Committee resolved that:</b>  a) No Apologies were noted.	
<b>FC 19/10/003</b>	<b>Declarations of Interest</b>  <b>The Finance Committee resolved that:</b>  a) No Declarations of Interest were noted.	
<b>FC 19/10/004</b>	<b>Minutes of the meeting Held on 28 September 2022</b>  The minutes of the meeting held on 28 September 2022 were received.  <b>The Finance Committee resolved that:</b>	

	<p>a) The minutes of the meeting held on 28 September 2022 were held as a true and accurate record of the meeting.</p>	
<p><b>FC 19/10/005</b></p>	<p><b>Action Log following the meeting held on 28 September 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>	
<p><b>FC 19/10/006</b></p>	<p><b>Chairs Action since previous meeting</b></p> <p>There had been no Chair's Actions taken since the last meeting.</p>	
	<p><b>Items for Review and Assurance</b></p>	
<p><b>FC 19/10/007</b></p>	<p><b>Financial Report – Month 6</b></p> <p>The Deputy Director of Finance Operations (DDFO) presented the Financial Report Month 6 and highlighted the following.</p> <p>At month 6 the Health Board reported an overspend of £12.807m against the submitted draft plan. That comprised of £4.257m of operational overspend and the planned deficit of £8.550m (six twelfths of the annual planned deficit of £17.1m set out in 2022/23 financial plan).</p> <p>The Health Board was now in “enhanced monitoring” by Welsh Government (WG).</p> <p><u>Core Financial Plan – Month 6 Cumulative Position</u></p> <p>The Health Board had overspent by £12.807m against its core financial plan, of which (i) £8.550m was planned as part of the underlying financial deficit and (ii) £4.257m was unplanned as an overspend in delegated and central positions.</p> <p>It was noted that the rate of unplanned overspend had increased in month, deteriorating by £1.730m from the cumulative Month 5 unplanned overspend of £2.527m. Table 3 provided a summary of the Month 6 position.</p> <p>The UHB Chair queried how the work undertaken with regards to forecasting had impacted upon the actual spend.</p> <p>The DDFO responded that when looking at the forecast it had caused people to reassess liabilities. Across such a wide</p>	

financial position, they only needed a small update on the forecast for colleagues to reflect on. They might have considered something a risk that was not a risk.

The UHB Chair queried if the Finance team was confident that this was the overspend for the year to date.

The DDFO responded that nothing else should appear for the year to date. However, there were risks in the last six months of the year, because of the uncertainty which would be discussed in the meeting later on and which were likely to cause pressure on delivering the financial plan.

Table 3: Finance - Key Performance Indicator Dashboard at September 2022

- The first red indicator was marked against the delivery of the 2022/23 draft financial plan.
- The Finance team was confident that the capital resource limit would be managed and the Health Board would remain within the capital resource limit at year end. It was a challenge to manage because there were so many variables. The challenge was making sure the Finance team worked with WG to recycle slippage.
- The overspend situation had impacted upon the underlying deficit. Work had not yet been completed regarding that and it would be discussed in the Private session of the Committee meeting.
- The Health Board was substantially behind on the recovery of recurrent savings. It was difficult for the Clinical Boards to find current savings. The Health Board was £1.9 million short of the savings.
- The Health Board was currently working on cash savings. It had been the most challenging this year. There was an all Wales responsibility to WG. The Health Board have been asked to formulate their forecast to year end. If WG could not remain within the limits set by the Treasury, it would need to discuss how that could be managed.

The Committee Chair (CC) stated that the Health Board had a lot of expenditure that was not yet formally “backstopped” by WG or where there had been no formal confirmation from WG regarding the same. The CC queried whether that was an issue in terms of cash.

The DDFO responded that it was an issue in terms of cash. WG had not confirmed the resource cover to spend that yet. It was implicit in conversations with WG that the Health Board required the resources and the cash.

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It was noted that a number of cost pressures had emerged or increased in the year to date that had not been foreseen in the original financial plan.

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

Table 4 summarised the year to date position across the Clinical Boards and delegated areas of the Health Board.

The operational deficit of £8.907m against delegated budgets was offset by a £4.650m underspend against central budgets, leaving a total operational overspend of £4.257m before the addition of the cumulative £8.550m planned deficit, to leave a total overspend of £12.807m.

Table 5: Key Cost pressures and risks within delegated positions as at Month 6

Table 5 highlighted items which had been real pressures this year. That included the following:

- The first two figures for unfunded Medical staffing, including agency & premium costs, had become really acute this year.
- It was noted that international Nurse recruitment was an expensive way to recruit Nurses.
- The WHSSC LTA performance had moved back into a quasi-performance environment. There had been some mitigations to some of the contracts.
- There was a need to increase Patient catering in EU.
- The cost of prescribing had been going up. The Health Board increasingly had to go outside of normal contracts to obtain supply which came at a premium cost. The Finance team was monitoring the situation carefully.
- There had been an increased demand for Mental Health services and an increase in capacity. The Health Board was relying more on CHC placements.
- Security at Rookwood & Whitchurch was an estate cost. It was noted that there was a requirement to maintain sites in a good order.
- There was a reduced footfall in Aroma due to less patients as a result of COVID 19 and that had impacted upon sales.

The DDFO advised the Committee that the Health Board was reporting a £4.257m deficit over and above the planned deficit of £17.1m.

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The DDFO added that the risks of pulling that back to £17.1m were significant and real. The different trajectories and concerns would be discussed in the Private session of the Committee meeting.

The DDFO explained the trajectory graph contained within the meeting papers. It was noted that the blue line represented the planned deficit of £17.1m. A gap was appearing on the trajectory between where the Health Board was at month 6 and where it had planned to be at month 6, along with what the gap would look like at month 12.

The UHB Chair queried what actions were being taken to correct the wayward trajectory.

The DDFO responded that the Finance team was meeting with the Clinical Boards on a regular basis to discuss how the trajectory could be improved. The trajectory levels would be discussed further in the Private Session of the Committee meeting.

The UHB Chair stated that it was important from the Board perspective to understand the importance of trying to take corrective action as soon as possible and the actions that were being undertaken in order to minimise any potential excesses.

The Chief Operating Officer (COO) stated that there was an absolute focus on the financial position from the Clinical Board perspective. Monthly meetings had been set up between the COO, DDFO and EDF to meet all of the Clinical Boards in the same room at the same time.

The CC requested that the COO shared the outcome of that meeting with the Clinical Boards at next month's Committee meeting.

The DDFO stated the trajectory did not include a number of potential cost issues that could add pressure to recover the trajectory. Those included (i) winter pressures planning for additional bed capacity and (ii) Emergency Unit service mitigations whilst Covid restricted the ability to efficiently discharge patients.

It was noted that the Health Board still had to deliver additional savings of £1.9m against its plans in the second half of 2022-23.

Exceptional costs

COO

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It was noted that in line with guidance from WG, the Health Board's plan had anticipated WG funding for the three National Inflationary Pressure exceptional costs, namely:

- Increased energy costs of £20.9m for 2022-23.
- Employers NI costs of £6.9m.
- The impact of paying Real Living Wage (RLW) for staff working within Social Care and the Third Sector, which had remained at the original estimated level of a £2.9m increase in annual costs.

The DDFO advised that there had been huge volatility with the excess energy costs. However, there had been more positive news on pricing and modelling since month 5. The Government's guarantees to the Business sector would also apply to the NHS. The Health Board had greatly reduced the forecast ask from WG in that area.

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

It was noted that WG funding to support those costs had been assumed but had not yet been confirmed.

However, the COVID funding for response costs had moved in month because of the wage award. It was at £25m. It was being challenged by WG as to why it had not reduced since the COVID situation was improving.

However, the Health Board was still on a "COVID footprint" and there were still outbreaks on some wards. The DDFO described that situation as moving into "COVID consequential". It was the world the Health Board had emerged into since the pandemic and it was difficult not to rely upon COVID funding for response costs.

#### Table 8: Summary Financial Position for the period ended 30th September 2022

It was noted that this emphasised the £4.257m overspend the Health Board had anticipated for that time of the year.

#### Key Financial Assumptions and Risks

Approving the three-year financial plan was noted at "red". A revised financial plan was submitted into WG on 30 June 2022. The plan had projected a £17.1m deficit by the end of 2022-23. WG had now moved the Health Board into an Enhanced Monitoring position based on financial concerns.

The revenue funded limit was a red risk. The Health Board had submitted a £17.1m deficit plan and therefore would

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breach the breakeven duty in 2022-23. It was a high risk that would not be recovered in years two and three of the rolling performance measure.

Operational delegated positions had deteriorated in year resulting from cost and service pressures and excess inflation which was a red risk. Table 5 referred to new in year cost pressures which had arisen from demand and staffing pressures whilst still maintaining a Covid ready environment.

The CC queried whether the rating was accurate enough to reflect the Health Board's current position.

The Director of Corporate Governance (DCG) stated that the BAF would go to the next Finance Committee meeting and then to Board in November. It was previously agreed that once they were clear on the month 6 financial position, the financial risk would then be reviewed. The DCG would also check it against the Risk Register for consistency purposes.

**DCG**

It was noted that WG funding exceptional costs and COVID costs still remained at risk.

Table 10: Savings Schemes

It was noted that the Health Board had yet to recover £1.9m of saving schemes. The Finance team would continue to work on that.

The EDF advised that WG had asked the Health Board to provide a list of slippage bids. The Health Board had submitted bids of £15m, the vast majority of which was for relocating services that had restarted during COVID. A bid for urgent care had also been submitted, plus a bid for £700,000 - £800,000 to upgrade work in the Emergency front door. Bids to upgrade infrastructure would be submitted next month.

The UHB Chair queried the current position of the savings plan for 2023-24.

The DDFO responded that the Finance team was starting the planning for next year and assessing the needs for savings. There was pressure on the financial plan for next year along with the underlying deficit of this year. That could produce a need for a significant Cost Recovery/Reduction Programme (CRP) but there was also a need to be cautious.

The CEO stated that following conversations with the EDF, the Health Board needed to find a way to shift from "salami slicing" to a more transformational place.

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	<p><b>The Finance Committee resolved that:</b></p> <p>a) The reported overspend of £12.807m due to £4.257m of operational pressures and a planning deficit of £8.550m, was noted.</p> <p>b) The financial impact of COVID 19 which was assessed at £30.441m, was noted.</p> <p>c) The additional Welsh Government COVID 19 funding of £30.441m assumed within the position, was noted.</p> <p>d) The financial impact of Exceptional Inflationary Pressures which was assessed at £8.620m, was noted.</p> <p>e) The additional Exceptional Inflationary Pressures funding of £8.620m assumed within the position, was noted.</p> <p>f) The forecast deficit of £17.1m, which was consistent with the Final Financial plan and was a reduction of £3.7m from the £20.8m included within the initial Draft Financial Plan, was noted.</p> <p>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.</p>	
	<b>Items for Information and Noting</b>	
<b>FC 19/10/008</b>	<p><b>Financial Monitoring Return – Month 6</b></p> <p>The Financial Monitoring Return – Month 6 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 19/10/009</b>	<p>i. Approval of Private Minutes</p> <p>ii. Update on risks to the finance plan</p> <p>iii. COVID funding analysis</p>	
<b>FC 19/10/010</b>	<p><b>Any Other Business</b></p> <p>No Other Business was discussed.</p>	
	<b>Review and Final Closure</b>	
<b>FC 19/10/011</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 16 November 2022 at 2pm Via MS Teams</p>	

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## Public Action Log

Following Finance Committee Meeting  
19 October 2022  
(For the Meeting 16 November 2022)

Completed actions					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
<b>FC 24/8/007</b>	Financial performance of Clinical Boards	More quantifiable data and concrete information on the recovery plans to be shared with the Committee.	Mike Bond Hywel Pullen	19 October 2022	<b>Complete</b>  Update provided on 19 October 2022
<b>FC 28/9/007</b>	Forecast	To put together a forecast and highlight any revision to the financial plan.	Robert Mahoney	19 October 2022	<b>Complete</b>  Update provided on 19 October 2022
<b>FC 28/9/007</b>	Planned deficit vs actual extrapolated deficit graph	To ensure the deficit forecast was measured against actuals at month 6.	Robert Mahoney	19 October 2022	<b>Complete</b>  Update provided on 19 October 2022
Actions in progress					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
<b>FC 19/10/007</b>	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>Update on 16 November 2022</b>  Agenda item 2.2

<b>FC 19/10/007</b>	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>Update on 16 November 2022</b>  Agenda item 2.3
<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	14 December 2022	<b>Complete</b>  Due to go to Board Development Session agenda for December
<b>FC 28/9/008</b>	Items referred to Board	BAF Risk – Financial Sustainability	Nicola Foreman	24 November 2022	<b>To go to Board on 24 November 2022</b>

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Report Title:	<b>Board Assurance Framework – Financial Sustainability</b>		Agenda Item no.	2.3	
Meeting:	Finance Committee	Public	<input checked="" type="checkbox"/>	Meeting Date:	16 <sup>th</sup> November 2022
		Private	<input type="checkbox"/>		
Status <i>(please tick one only):</i>	Assurance	<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	Information
Lead Executive:	Director of Corporate Governance				
Report Author (Title):	Director of Corporate Governance				

### Main Report

#### Background and current situation:

The purpose of the report is to provide Members of the Finance Committee with the opportunity to review the Financial Sustainability Risk on the Board Assurance Framework which links specifically to this Committee.

There are currently nine key risks on the BAF, agreed by the Board in May 2022, which are impacting upon the Strategic Objectives of Cardiff and Vale Health Board. Financial Sustainability is one of those key risks and specifically identifies:

- There is a risk that the organisation will not be able to manage the impact of COVID 19 and other operational issues within the financial resources available.

It is good practice for Committees of the Board to also review risks on the BAF which relate to them. The role of the Committee in relation to the risk is to review it, check that the controls are in place and working and agree any further actions required in order to mitigate the risk. The Committee can then provide further assurance to the Board that the risk is being managed or mitigated as much as possible at the current time. The Executive Director Lead for this risk is the Executive Director of Finance.

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

The Board Assurance Framework provides the Board with information on the key risks impacting upon the delivery of the Strategic Objectives of Cardiff and Vale University Health Board.

The attached Finance risk (last considered by the Board in September 2022) is considered to be a key risk to the achievement of the organisation's Strategic Objectives. The actions on this risk have been updated by the Executive Director of Finance since the September Board Meeting. This updated risk will be included in the full BAF to be presented to the Board on 24<sup>th</sup> November 2022. It should also be noted that the net risk has been increased to 20 from 15 due to the current financial forecast been off plan for 2022/23.

#### Recommendation:

The Finance Committee are requested to:

Review the attached risk in relation to Financial Sustainability to enable the Committee to provide further assurance to the Board when the Board Assurance Framework is reviewed in its entirety.

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	x	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	x	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	x	Long term		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

Financial: Yes/No

Workforce: Yes/No

Legal: Yes/No

Reputational: Yes/No

Socio Economic: Yes/No

Equality and Health: Yes/No

Decarbonisation: Yes/No

**Approval/Scrutiny Route:**

Committee/Group/Exec

Date:

Executive Director of Finance

6<sup>th</sup> September 2022

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## 1. Financial Sustainability – Executive Director of Finance (Catherine Phillips)

Across Wales, Health Boards and Trusts set out plans to manage their financial pressures by driving out inefficiencies, while at the same time looking to derive greater value from their resources through innovative ways of working and practicing Prudent and Value Based Healthcare. In October 2021 the Welsh Government signalled a return to a three-year planning approach and accordingly the Health Board has developed a new three-year IMTP for 2022 to 2025. In March 2022, the Board approved the draft 2022 – 2025 IMTP. In light of the financial position work was undertaken during the Quarter 1 to develop the financial plan. The final plan was approved by the Board on 30<sup>th</sup> June and submitted to Welsh Government.

<b>Risk</b>	There is a risk that the organisation will not be able to manage the impact of COVID 19 and other operational issues within the financial resources available.		
<b>Date added:</b> 01.04.2022			
<b>Cause</b>	The UHB has incurred significant additional costs arising from managing the COVID 19 pandemic. It also has to manage its operational budget.		
<b>Impact</b>	Unable to deliver a year-end financial position. Reputational loss. Improvement in the underlying financial position which is dependent upon recurrent funding provided		
<b>Impact Score: 5</b>	Likelihood Score: 5	<b>Gross Risk Score:</b>	<b>25 (Extreme)</b>
<b>Current Controls</b>	Additional expenditure is being authorised within the governance structure and the UHB Scheme of Delegation. Financial Plan submitted to Welsh Government 30 <sup>th</sup> June to deliver financial balance over the three-year period 2022-2025.		
<b>Current Assurances</b>	The financial position is reviewed by the Finance Committee which meets monthly and reports into the Board <sup>(1)</sup> Financial performance is a standing agenda item monthly on Management Executives Meeting <sup>(1)</sup>  Financial performance is monitored by the Management Executive <sup>(1)</sup> .  Finance report presented to every Finance Committee Meeting highlighting progress against mitigating financial risks <sup>(1)</sup> .		
<b>Impact Score: 5</b>	Likelihood Score: 4	<b>Net Risk Score:</b>	<b>20 (Extreme)</b>
<b>Gap in Controls</b>	No gaps currently identified.		
<b>Gap in Assurances</b>	To confirm COVID 19 and exceptional funding assumptions with Welsh Government for response and recovery. Certainty of COVID 19 expenditure and the management of non COVID 19 operational pressures. The financial plan 2022/23 does not achieve overall financial balance during the financial year. <b>Our current forecast outturn does not match our financial plan for 2022/23.</b>		

Saunders Nathan  
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Actions		Lead	By when	Update since Sept 22
1. Continue to work with Welsh Government to manage our recovery and COVID 19 response as well as exceptional cost pressures.		Catherine Phillips	31/12/2022	This continues to take place to understand resources which will be made available to the Health Board in 2022/23.
2. To monitor and control additional expenditure and financial performance to ensure that the year-end forecast is in line with financial plan 2022/23		Catherine Phillips	31/12/2022	Board has approved the Winter Plan which will increase the financial forecast outturn. Specific financial performance meetings have been set up to understand the pressures on delivering forecast outturn and results reported to Senior Leadership Board, Finance Committee and Board in November and December.
3. To understand the impact of responding to the Covid 19 pandemic has had on the organisations underlying position. To deliver on our savings plan recurrently		Paul Bostock	31/12/22	COVID response and recovery costs are being reviewed for plans to sustain in line with Service need.  Savings are being managed and monitored with Clinical Boards.
Impact Score: 5	Likelihood Score:1	Target Risk Score:		<b>4 (Moderate)</b>

Saunders,Nathan  
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# Finance Committee Operational Update

November 2022

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## Key Operational Pressures Updates

Metric	Value	Week commencing				12 week trend
		10/10/2022	17/10/2022	24/10/2022	31/10/2022	
UHW conveyances	Total	444	435	431	481	
Total lost hours	Total	406	414	366	366	
Lost minutes per arrival	Average	54	56	49	44	
Average handover time	Average	01:21	01:20	01:12	01:08	
4 hour ambulance holds	Total	7	15	2	6	
Cancer waits over 62 days	Total	697	629	486	491	
Cancer waits over 104 days	Total	216	211	151	160	
Medically Fit For Discharge	Average	341	324	316	326	
Average total MFFD bed days lost	Total	12950	12827	12905	13015	
Average bed days lost per MFFD patient	Average	38.0	39.2	41.2	40	
Discharges from Medically Fit List	Total	113	89	60	84	
21-day LOS (65+ emergency admissions)	Average	457	448	452	449	
Repatriations from C&V	Average		11	13	9	
Average bed days lost per patient	Total		5.9	8.7	9.3	
Repatriations to C&V	Average		2	2	3	
Average bed days lost per patient	Total		11.5	8.4	10.4	
3 year RTT waits (in month breaches)	Total	904	854	811	788	
3 year RTT waits (End March 2023 cohort)	Total	3910	3796	3653	3513	
Mental Health OOA placements - Adult	Total	3	3	3	5	
Mental Health OOA placements - Paeds	Total	0	0	0	0	
Urgent Primary Care Centre visits (Vale)	Total	552	530	582	459	
Calls to OOH	Total	2163	2366	2190		
GP practices escalating level 3 or 4	Total	12	12	13	14	
Dental practices escalating level 3 or 4	Total	0	0	0	0	
Community Pharmacy escalating level 3 or 4	Total	7	7	7	7	

- Significant improvement in ambulance handover performance, despite continued system wide pressures. Performance remains below expected standard.
- Reduction in the number of cancer patients waiting > 62 days. Performance remains below expected standard.
- Medically fit for discharge patients remain high and contribute to continued high levels of operational pressure and escalation levels
- Continued reduction in long waiting planned care patients. Performance remains below expected standard but ahead of IMTP commitments.
- Increase in mental health out of area placements for adult patients
- High levels of escalation across a number of GP practices

Report Title:	UHW Tertiary Tower Building – Electrical Infrastructure		Agenda Item no.	3.1	
Meeting:	Finance Committee	Public	√	Meeting Date:	16 <sup>th</sup> November 2022
		Private			
Status <i>(please tick one only):</i>	Assurance	Approval	√	Information	
Lead Executive:	Director of Finance				
Report Author (Title):	Director of Capital, Estates and Facilities				

## Main Report

### Background and current situation:

The purpose of this report is to set out a summary of proposals and associated Capital and Revenue implications for the upgrade of the main electrical infrastructure within the Tertiary Tower Building on the University Hospital of Wales site. It is provided to the finance committee to recommend that UHB Board approve the submission of the Business Justification Case (BJC) to Welsh Government (WG) to provide capital funding support of £2.286m.

The Executive Summary is attached and the full BJC is available on request.

The capital cost figures included within the document have been prepared following a comprehensive procurement process in line with the UHB Standing Financial Instructions.

The existing electrical system consists of a single high voltage electrical substation feeding directly to a main low voltage electrical switch panel. The panel then feeds various essential and non-essential distribution boards via a rising bus-bar system. There is an emergency backup feed to the panel via an automatic changeover system from the Maternity Unit electrical sub-station. This feed is undersized and only supplies a small percentage of sockets and lighting services within the building which houses several critical areas including the PET Imaging Centre, three main Operating Theatres, a Cardiology Transesophageal Echocardiogram Theatre, Paediatric Care Ward and Operating Theatres along with outpatient departments and Wards.

During January 2021, an earth fault occurred on two occasions which resulted in a loss of power to the Tertiary Tower building. There were a small number of socket outlets and essential lighting available within the building but insufficient given the critical services affected. The first outage lasted two hours, following which the supply was successfully reinstated with the second outage being of greater magnitude which required high voltage specialist switching in order to affect an isolation of the damaged cable. This process resulted in power loss for some three hours.

As a result of there being no local generator backup for the Tertiary Tower building the power failure drastically affected clinical services within the building during this period.

Any fault on the current system will result in loss of supply and clinical service provisions within the Building. There is a potential for a single-point failure with very little resilience provided on the current system. The distribution network does not meet the requirements of HTM 06-01.

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 ensuring continuity of supply in the event of a mains failure.

The scheme will 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 is shown below:

	£000
Works costs	1.647
Fees	308
Non-works costs	135
Equipment	0
Risk provision	247
Total Net	2.337
VAT Reclaim	51
<b>Total Gross</b>	<b>2.286</b>

The revenue implication for this scheme relates to the annual maintenance of the new plant and equipment and is estimated at £1k which will be managed within the existing allocation.

The following hyperlink will provide access to the full version of the Business Justification Case:

[Full BJC Submission](#)

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

- The BJC has been developed to provide improved infrastructure to enhance the resilience of the electrical supplies to critical service areas such as the PET Imaging Centre, three main Operating Theatres, a Cardiology Transoesophageal Echocardiogram Theatre, Paediatric Care Ward and Operating Theatres
- The revenue consequences relate only to the annual maintenance of the plant installed and will be managed within the existing Capital Estates and Facilities budget
- The BJC has been considered by the Capital Management Group who have recommended its approval to the Board.

#### Recommendation:

Finance Committee are requested to:

#### **RECOMMEND that the UHB Board APPROVE**

1. the submission of the electrical infrastructure upgrade for the UHW Tertiary Tower – Business Justification Case to the UHB Board for approval to submit to Welsh Government for capital funding support
2. 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
3. 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
4. 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

**RECOMMEND** the Health Board to enter into the said contracts, subject to recommendation 2,3&4 being satisfied

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	√
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	√	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**

Lack of capital funding to deliver the scheme has implications on statutory compliance and clinical service delivery.

**Safety: Yes**

The scheme has clinical safety implications as limited backup power is available for the building that will impede clinical service delivery and patient safety in the event of a power failure.

**Financial: Yes/No**

**Workforce: Yes/No**

**Legal: Yes**

Statutory obligations require investment and the lack thereof can lead to exposure to risk and legal challenge.

**Reputational: Yes**

The UHB's ability to reduce waiting times and deliver services in an appropriate setting being cognisant of patient's privacy and dignity.

**Socio Economic: No**

**Equality and Health: Yes**

Increasing resilience of electrical services will improve overall reliability of the infrastructure ensuring clinical staff are able to appropriately perform intensive clinicals activities.

**Decarbonisation: Yes**

Although not been specifically, new equipment installed will be more energy efficient.

**Approval/Scrutiny Route:**

Committee/Group/Exec      Date:

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**GIG**  
CYMRU  
**NHS**  
WALES

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

# Electrical Infrastructure Resilience Upgrade of the Tertiary Tower Block at University Hospital of Wales

## Business Justification Case: Executive Summary

August 2022 – v3 – Final

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11/11/2022 16:50:17

**CARING FOR PEOPLE  
KEEPING PEOPLE WELL**



**GIG**  
CYMRU  
**NHS**  
WALES

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

## 1.0 EXECUTIVE SUMMARY

### 1.1 Overview and Introduction

This business case seeks the approval for a capital investment of £2.286m to enable the electrical infrastructure resilience upgrade of the Tertiary Tower Block at University Hospital of Wales (UHW).

### 1.2 Strategic Context

Cardiff and Vale University Health Board (UHB) is responsible for planning and delivering health services for its local population of around 502,000, which represents 15.5% of the country's residents. This includes health promotion and public health functions as well as the provision of local primary care services (GP practices, dentists, optometrists and community pharmacists) and the running of hospitals, health centres, community health teams and mental health services. The Health Board employs approximately 15,000 staff and has an annual budget of £1.6 billion. The Health Board provides approximate 75 distinct tertiary services i.e. those that meet the Welsh Health Specialised Services Committee (WHSSC) definition of 'services provided' in a relatively small number of centres and requiring planning at a population of more than 1 million.

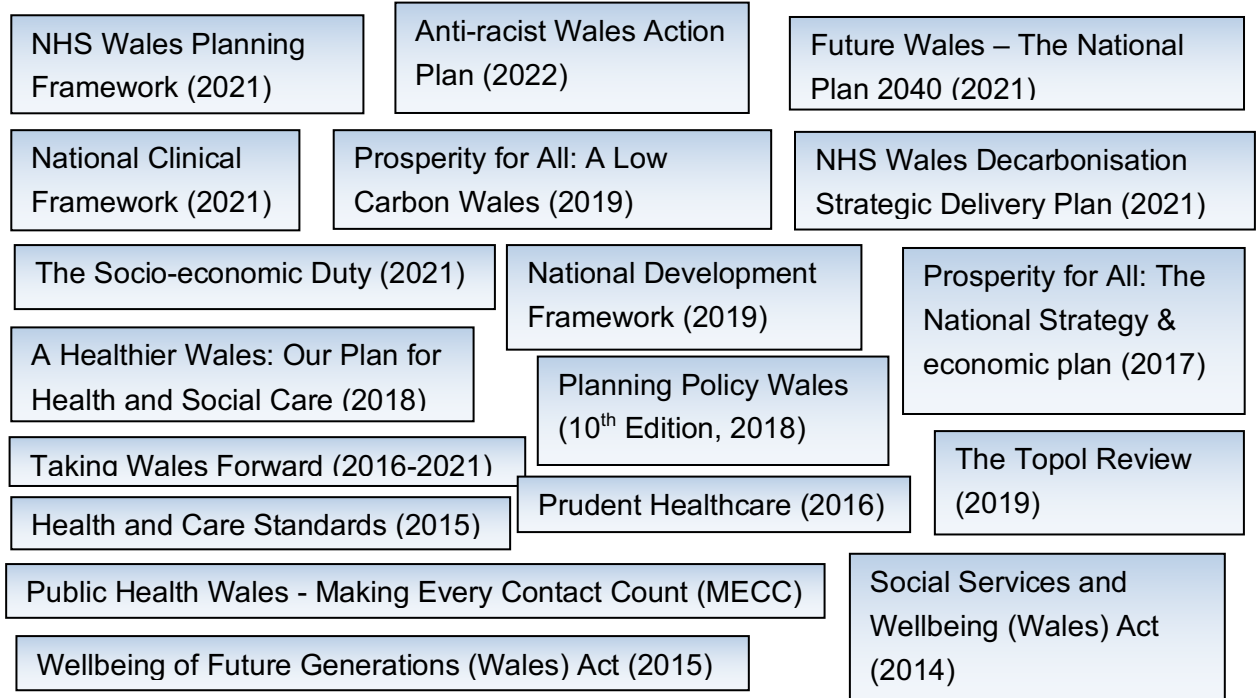
As a teaching Health Board, there are very close links to Cardiff University, which boasts a high-profile teaching, research and development role within the UK and abroad. This is alongside other academic links with Cardiff Metropolitan University and the University of South Wales. Training the next generation of clinical and non-clinical professionals, in order to develop expertise and improve clinical outcomes is a key priority for the Health Board.

The population served by the Health Board is growing rapidly in size, projected to increase by 10% between 2017-27, higher than the average growth across Wales and the rest of the UK. An extra 36,000 people will live in Cardiff over the next five years who require access to health and wellbeing services.

The Health Board is confident that the strategic drivers for this investment and associated strategies, programmes and plans are consistent with national, regional and local strategy and policy documents.

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Some of the key Welsh Government policies that have shaped this Business Justification Case (BJC) are:



Executive Summary Figure 1: Overarching National Policies considered within this BJC

This BJC also takes cognisance of the relevant local strategies, these are:

- 2022 – 2023 Integrated Plan (June 2022)
- Shaping Our Future Wellbeing – Future Hospitals Programme Business Case (September 2021)
- Cardiff and Vale People and Culture Plan 2022 – 2025
- Shaping our Future Clinical Services
- Shaping Our Future Wellbeing Strategy 2015 – 2025
- Integrated Medium Term Plan 2022 – 2025
- Cardiff and Vale UHB Estates Strategy

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### 1.3 Case For Change

The specific investment objectives for this business case are:

<b>Investment Objective 1: Quality and Safety of Electrical Services</b>	
<b>Specific</b>	Services that deliver to appropriate quality and safety standards
<b>Measurable</b>	Evidenced by: <ul style="list-style-type: none"> <li>The services meeting all applicable regulatory requirements</li> </ul>
<b>Achievable</b>	Providing functionally suitable equipment appropriately sized to appropriate quality and safety standards
<b>Relevant</b>	This objective ensures the service will: <ul style="list-style-type: none"> <li>Provide compliance with legislation, regulations and accreditation standards / performance;</li> <li>Support rapid adoption of best practice.</li> </ul>
<b>Time-bound</b>	Service remains open throughout the development of the new facility and meets regulatory requirements upon commissioning
<b>Investment Objective 2: Provide Sufficient Capacity to Meet Demand</b>	
<b>Specific</b>	To ensure that the changing needs at UHW are met and that the solution does not destabilise other mechanical or electrical services
<b>Measurable</b>	Evidenced by: <ul style="list-style-type: none"> <li>Facility meeting current demand;</li> <li>Providing increased capacity to ensure growth in demand is met;</li> <li>Providing resilience to provide short term capacity when required</li> </ul>
<b>Achievable</b>	Providing functionally suitable equipment with sufficient capacity to meet the demands both now and in the future.
<b>Relevant</b>	This objectives will ensure access to services is optimised with: <ul style="list-style-type: none"> <li>Service capacity that will meet demand in a timely way;</li> <li>Services delivered in an appropriate manner.</li> </ul>
<b>Time-bound</b>	Upon commissioning of the new equipment
<b>Investment Objective 3: Effective Use of Resources</b>	
<b>Specific</b>	To maximise the use of available resource and provide equipment that delivers improved service efficiency Onsite infrastructure that can be drawn upon during contingency and business continuity management
<b>Measurable</b>	Evidenced by: <ul style="list-style-type: none"> <li>Meeting capacity;</li> <li>Minimal emissions</li> </ul>
<b>Achievable</b>	By providing additional capacity through the installation of modern equipment
<b>Relevant</b>	This objective will promote improved service efficiency through improved resilience
<b>Time-bound</b>	Upon commissioning of the new equipment

Investment Objective 4: Sustainability	
Specific	To provide a solution that will ensure the reputation of the Health Board and will support the delivery of safe and sustainable services both in the short and medium term
Measurable	Evidenced by: <ul style="list-style-type: none"> <li>Utilising new / modern transformers - less energy will be lost in the form of wasted thermal energy generated from the existing ohmic resistance of the transformer's nonferrous windings</li> </ul>
Achievable	By providing new equipment specified to modern standards and in line with best practice in regard to the green agenda and move towards zero carbonisation
Relevant	This objective will ensure built-in resilience to adapt to changing needs
Time-bound	One year after commissioning the new equipment

Executive Summary Table 1: Investment Objectives

### 1.3.1 Current Arrangements and Business Need

The University Hospital of Wales is a large and complex site comprising of Health Board and Cardiff University services, all of which require a significant amount of electrical power to operate. In order to supply and distribute the large electrical demands of the site, the site is supported by an electrical high voltage network. This network is split into sections and consists of fifteen high voltage substations to feed the various buildings/areas of the site.

The Tertiary Tower Building was built in 2009 to house the PETIC treatment area. The building upon completion was built with areas above left as “a shell” to allow for potential future development opportunities/requirements of the UHW Services. The building however when completed and housing the current services did not consider the need to provide a generator as back up to this building, but at the time the building may have been thought to be used as “back of house” services rather frontline clinical services.

There is a secondary emergency supply to the Tertiary Tower from the Maternity Building however this supply is only sized to feed a small amount of lighting and small power sockets within the building and is not suitably rated to provide power to the essential services located within the building or enough power for any clinical functions to continue to operate.

### 1.3.2 Business Need

#### 1.3.2.1 Current Issues

On the 6<sup>th</sup> January 2021 part of the Health Board's own internal high voltage network experienced an earth fault causing the system to trip to off. Initial investigations of the electrical infrastructure found no obvious causes for the fault and the supply was successfully re-instated.

On the 10<sup>th</sup> January 2021 a further loss of power was experienced on the same section of the high voltage network. On this occasion the fault had increased in magnitude enough to allow the earth fault to be located on the network. High voltage switching of the network was

carried out to isolate the affected section of the network, power was restored and a repair was immediately carried out.

The network fault caused a power loss that affected the Sir Geraint Evans (SGE) Building, the Tenovus Building, the Tertiary Tower Building, the Maternity Unit and the Concourse area.

SGE, Tenovus and Maternity all have local onsite generator backup and power was restored a short time after the initial fault. The Tertiary Tower and Concourse, however, have no local generator backup facility and were without electricity for the duration of the network fault until the supply was able to be restored.

#### 1.3.2.2 Existing Risks

The risk implications are as occurred during the events of the 6<sup>th</sup> January 2021 and 10<sup>th</sup> January 2021, failure to implement a new back-up system will result in the loss of services provided within the Tertiary Tower Building.

In the meantime the Capital, Estates and Facilities project team are implementing a short term measure to improve resilience in the event of service failure for certain specific elements of the Tertiary Tower Building that relate to, and impact on, patient care and treatment.

#### 1.3.3 Proposed Scope

This section describes the potential scope for the project in relation to the investment objectives and business needs.

The usual process is to comply with Welsh Government guidance is to assess the scope against a continuum of need ranging from:

- A minimum – essential or core requirements/outcomes;
- An intermediate – essential and desirable requirements/outcomes;
- A maximum – essential, desirable and optional requirements/outcomes.

However, with regards to this business case there is only one scope that is possible and that is a proposed electrical substation to house a back-up generator to supply the Tertiary Tower Building. There is no other scope that can be considered as part of the development of this BJC in order to deliver the required project outcome and investment objectives.

#### 1.3.4 Main Benefits

This section describes the main outcomes and benefits associated with the implementation of the investment of the identified scope in relation to the identified business needs.

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Benefits are expressed in relation to the developed appraisal criteria that were derived from the investment objectives as follows:

Investment Objective	Beneficiary	Main Benefits
Investment Objective 1: Quality and Safety of Electrical Services	Service Users and wider Health Board	Non QB - High quality, safe and timely services to patients QB - Services that meet all applicable regulatory requirements
Investment Objective 2: Provide Sufficient Capacity to Meet Demand	Service Users and wider Health Board	QB - Provision of sufficient capacity to meet the demands both now and in the future in the Tertiary Tower at UHW QB – Reducing pressures on other facilities and provide resilience in the short term
Investment Objective 3: Effective Use of Resources	Service Users and wider Health Board	QB – Improved service efficiency
Investment Objective 4: Sustainability	Service Users, Health Board and wider societal economy	QB – Provides a reduction in emissions, promotes best practice in regard to the green agenda and move towards zero carbonisation

Executive Summary Table 2: Main Benefits

### 1.3.5 Main Risks

The table below provides a summary of the key risks that might affect the delivery of the project along with the counter measures:

Risk Description	Counter Measure
Current world events and effects on world economy (steel, oil, etc)	Review of market place throughout scheme and tender
Risk of interruption to hospital operational services during construction stage	Ongoing engagement with users during design and construction
Interaction of site constraints on construction	Review of restrictions between the Health Board and Contractor on a live hospital site
Interruption to existing services (utilities) during construction	Review current capacity of infrastructure and assess demand. Potential for existing services to require upgrading
Access to work site	Site access is tight and needs to be considered by the Contractor at tender stage. Welfare and storage areas not in close proximity to working area.

Executive Summary Table 3: Main Risks

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## 1.4 Available Options

Due to the specific nature of this business case, there is only one viable option, that is to provide:

- A new electrical substation which will house a new transformer, generator and electrical switchboard

The only suitable location is in the emergency admissions lane at UHW, immediately adjacent to the Tertiary Tower Building. Whilst there were some minor options with regards to the exact location these were all in very close proximity as to make no material difference to either qualitative or economic values, therefore no option appraisal has been undertaken.

## 1.5 Preferred Option

The preferred option to be developed is for a new electrical substation which will house a new transformer, generator and electrical switchboard to feed and provide the required additional electrical resilience to the Tertiary Tower Building

The substation will be developed and created in the emergency admissions lane at UHW, immediately adjacent to the Tertiary Tower Building and will be constructed on a raised platform to sit at the upper ground floor level of the site therefore connecting this new structure with the existing plantroom housed within the Tertiary Tower.

The plan of works will be to create the platform, install the back-up generator and transformer, then finally install the electrical panel and breakthrough into this existing plantroom area for full connectivity.

The provision and siting of this new substation will inevitably cause some disruption whilst works are taking place on site but this will be minimised wherever possible. The connection of the new back-up generator supply may also require the Tertiary Tower Building to be shut down for a period of time however, again this will be controlled and agreed with all parties and minimised to reduce the impact on services and patient treatment.

Further information is contained within the Estates Annex that accompanies this business justification case.

## 1.6 Procurement Route

Due to the specialist nature of the scheme, the procurement route to be utilised will be as follows:

- NHS SBS Construction Consultancy Service (NHS Shared Business Services);
- The Health Board's Construction Services Framework (Contractor).

The procurement strategies are in line with the procedures and practices as laid down in the existing frameworks. The construction elements of the proposed scheme were formally competitively tendered as part of the production and agreement of the target price. An open

book approach to prices was adopted in line with the Framework and all costs were closely scrutinised to ensure that the Health Board is getting the best value for money

## 1.7 Funding and Affordability

### 1.7.1 Capital Costs

This Business Case seeks approval to invest £2.286m from the All Wales Capital Programme, a breakdown of the capital costs is summarised in the table below:

	£000
Building/Engineering	2.286
Equipment costs	0.000
<b>Total</b>	<b>2.286</b>

Executive Summary Table 4: Capital Costs for the Preferred Option

### 1.7.2 Capital Charges and Depreciation

A summary of the capital and depreciation for the project is as follows:

	£000
Impairment	1.588
Depreciation - Building/Engineering	-0.017
Depreciation – Equipment	0.00
Accelerated Depreciation	0.00
<b>Total Capital Charges/Depreciation</b>	<b>1.571</b>

Executive Summary Table 5: Capital Charges and Depreciation

The following is a summary of the total impact of impairment by year until the planned opening of the new facility:

	2023/24	2024/25	2025/26
	£m	£m	£m
DEL Impairment	0	0	0
AME Impairment	1.588	0	0
<b>Total Impairment</b>	<b>1.588</b>	<b>0</b>	<b>0</b>
Depreciation – Build	(0.012)	(0.017)	(0.017)
Depreciation - Equipment	0	0	0
<b>Total Depreciation</b>	<b>(0.012)</b>	<b>(0.017)</b>	<b>(0.017)</b>

Executive Summary Table 6: Impairment for the Preferred Option

This BJC assumes all capital charges and depreciation will be funded by Welsh Government in each of the years as per the above.

### 1.7.3 Revenue Costs

It has been estimated that the revenue costs will be minimal and circa £1,000 per year.

### 1.7.4 Impact On The Income And Expenditure Account

The anticipated capital spend, capital charges and depreciation profile for the extent of the project is as follows:

	2022/23 £000	2023/24 £000	2024/25 £000
Capital (Ex VAT) - DEL	1.049	1.247	0.041
Accelerated Depreciation		(0.012)	(0.017)
<b>Total</b>	<b>1.049</b>	<b>1.235</b>	<b>0.024</b>

Executive Summary Table 7: Impact on Income and Expenditure Account

All assets will be shown on the Health Board's balance sheet. The asset will be valued on completion and recorded on the balance sheet at that value. Subsequently it will be treated as per the Health Board's capital accounting policy.

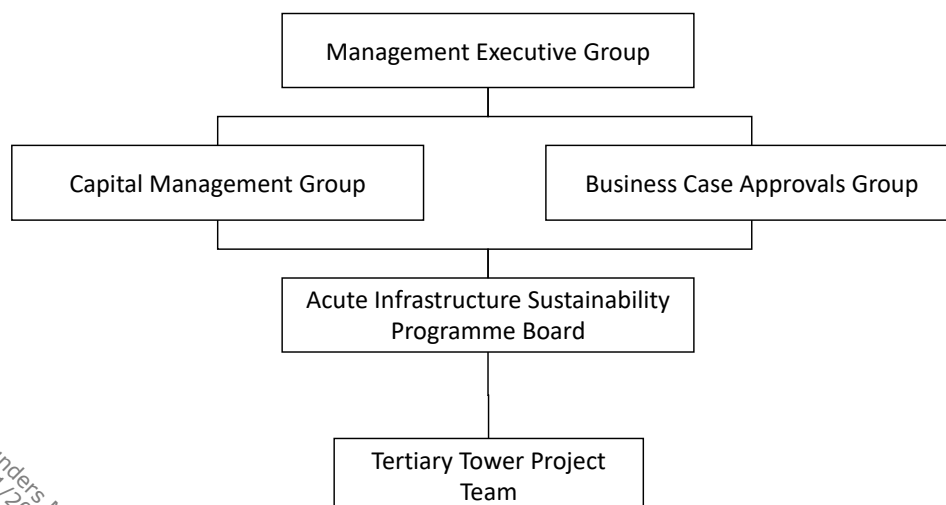
### 1.7.5 Project Bank Account

The Health Board can confirm that a Project Bank Account will be prepared at the appropriate stage as the project exceeds the Welsh Government value threshold for the mandatory use of Project Bank Accounts.

## 1.8 Management Arrangements

Robust project management arrangements are vital to ensure the implementation of the overall project and that effective control is maintained over the capital scheme.

The reporting organisation and the reporting structure for the whole of the project is shown as follows:



Executive Summary Figure 2: Project Reporting Structure

The dates detailed below highlight the proposed key milestones of the project:

Milestone Activity	Date
BJC submission to WG	October 20 22
Construction commencement	January 2023
Completion	October 2023

Executive Summary Table 8: Project Plan

### 1.8.1 Risk Management

The risk management strategy has been integrated into the project management procedures, with responsibility for implementation of the strategy resting with the Project Director. A project risk register has also been established and is subject to review and update on a regular basis. The current risk register is included within the Estates Annex.

### 1.9 Recommendation

If this project does not go ahead, the risk is that without a back-up power supply to the affected buildings the electrical supply could be interrupted due to a repeat of the similar faults already seen and this would impact on patient care and safety. Therefore, it is recommended that approval be given for the Cardiff and Vale University Health Board to develop the preferred option to secure the infrastructure required.

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Report Title:	<b>Funded Nursing Care: Setting the 2022/23 Rate</b>			Agenda Item no.	3.2
Meeting:	Finance Committee	Public	X	Meeting Date:	16 <sup>th</sup> November 2022
		Private			
Status <i>(please tick one only):</i>	Assurance	Approval	X	Information	
Lead Executive:	Executive Director of Nursing				
Report Author (Title):	Assistant Director of Finance, Head of Finance PCIC Clinical Board/Deputy Director of Nursing PCIC				

## Main Report

### Background and current situation:

Funded Nursing Care (FNC) is the term used to describe the NHS funding of Registered Nurse (RN) time in care homes for those residents assessed as requiring nursing supervision and input into their care.

The rate is set annually by HBs working together to ensure a consistent rate is applied across Wales. The rate is calculated using the Inflationary Uplift Mechanism (IUM) which is made up of two components

- (i) an identified amount of RN time
- (ii) continence products.

The RN component is calculated using Agenda for Change Band 5 and is uplifted annually in line with the NHS Pay Award. The continence component is uplifted annually in line with the Consumer Price Index (CPI).

A Supreme Court Judgment in 2017 determined the services provided by the RN that should be reflected in the FNC rate and the IUM used by HBs to set the rate annually complies with that Judgment. In its Judgment the Supreme Court also found that a proportion of the RN time was used undertaking roles and tasks that were incidental<sup>1</sup> and should therefore be funded by either the local authority<sup>2</sup> or the self-funder.

The extant Welsh Government policy guidance was issued in 2004 so is now some 18 years old. It does not reflect the current national legislative and policy landscape. WG has committed to undertaking a review of the FNC Policy Guidance but as yet there has been no commitment to a timescale for this. Instead, in the short term WG intend to issue an Interim Policy Statement. This is currently being drafted by WG. Early drafts indicate it is likely to confirm the current position is that determined by the Supreme Court but this is not yet confirmed.

HB Boards initially approved the IUM to apply for a period of five years and then review. The five year period ended with the 2018/19 calculation.

HB Boards then approved an extension to the IUM for a further two years, to cover 2019/20 and 2020/21, the intention being that this would allow for WG to issue revised FNC Policy Guidance which would include a policy expectation regarding what services should be included within the rate. The COVID-19 pandemic led to a suspension of many planned policy developments, leading to the current plan by WG to issue an Interim Policy Statement as a short-term measure during 2022.

**The two year extension approved by HB Boards completed in March 2022**

<sup>1</sup> The Supreme Court Judgment viewed the tasks undertaken by the RN as a matter of convenience rather than needing to be undertaken as a nursing task/skill should not be included as a charge to the NHS. This amounted to 0.385 hours per nursing resident per week and this amount is the responsibility of either the self-funder or the LA, as appropriate.

<sup>2</sup> WG provided local authorities with recurring funding via the Revenue Support Grant to meet the costs of the 0.385 hour of RN time that comprise the LA component of the rate

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

Health Boards need therefore to formally consider whether to continue with the IUM as an appropriate option or to implement an alternative mechanism. This option has been considered by: HB professional and finance leads; HB accountable executive Directors; and most recently by HB Chief Executives. **The recommendation is that the IUM be further extended to commence with the current 2022/23 year and for further years until a revised WG Policy indicates it to be inappropriate.**

Should the anticipated WG Policy Guidance review not be forthcoming for any reason it is proposed the IUM be reviewed again after three years to ensure it remains an appropriate mechanism. This would mean that in the absence of a policy update the IUM would be reviewed before the end of 2024/25.

The benefits of retaining the IUM are:

- It is a well-established and tested mechanism which was not challenged during the 2017 legal proceedings;
- It provides a mechanism that allows for the rapid calculation of the FNC rate once the annual announcement of the NHS Pay Award is made.
- It complies with the Supreme Court Judgment.

Care home Providers continue to experience significant financial pressures and view the current FNC rate as insufficient to meet the full costs of delivering nursing care within a care home. WG has indicated that updated FNC Policy Guidance would consider all perspectives and views.

Extending the IUM for 2022/23 and beyond requires formal consideration and approval by each HB. This paper is being considered by the Board as the appropriate decision making and governance process

The 2021/22 FNC rate was £191.80. Based on the 2022/23 NHS Pay Award the in-year FNC rate has been calculated as £201.74. This is made up of the components set out in the table below. Previous years have been included to reflect the uplifts over time. The £201.74 includes the component that the local authorities are responsible for. Excluding this the total FNC rate for NHS Wales for 2022/23 is £193.88.

The total cost of this to the UHB is £0.474m. The initial planning assumption was £0.249m, but agreed national funding agreements have meant that there is an impact of an additional £0.225m which will impact on the UHB's position ( This is currently within the PCIC forecast)

Financial Year	RN component	Contingence component	HB component of FNC rate	Social care related to FNC and so funded by LA (0.385 hours)	Total FNC weekly rate (9.24 hours plus contingence component)
2014/15	£150.62	£11.00	£161.62	£6.55	£168.17
2015/16	£150.98	£11.00	£161.98	£6.56	£168.54
2016/17	£152.48	£11.00	£163.48	£6.63	£170.11
2017/18	£153.99	£11.29	£165.28	£6.70	£171.98
2018/19	£156.30	£11.57	£167.87	£6.80	£174.67
2019/20	£161.15	£11.82	£172.96	£7.01	£179.97
2020/21	£167.11	£12.02	£179.13	£7.27	£186.40
2021/22	£172.12	£12.20	£184.32	£7.48	£191.80
2022/23	£180.73	£13.15	£193.88	£7.86	£201.74

The position regarding FNC in England differs to that in Wales. In England the rate is set and announced annually by the Department for Health and Social Care and relates purely to the RN time; continence products are provided via NHS procurement routes in addition to the FNC rate. In May 2022 the DHSC announced an 11.5% uplift to the FNC rate, backdated to also cover 2021/22. Whilst the two rates are not directly comparable as they reflect different funding components this has led to a divergence in rates.

**Recommendation:**

The Committee is requested to:

- **Note** the update provided in this paper.
- **Note and support** the recommendation of HB Chief Executives<sup>3</sup> that the IUM be 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. . 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.
- **Note and support** the proposal that, should the anticipated updated policy guidance not be forthcoming, the IUM will be reviewed after three years to ensure it remains an appropriate mechanism to set the FNC rate.
- **Recommend** to Board to approve the recommended uplift to the HB component of the weekly FNC rate to £193.88, backdated to 1 April 2022<sup>4</sup>

**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	X
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	X
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		Integration		Collaboration		Involvement	
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**Impact Assessment:**

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

**Risk:** No <sup>3</sup>Based on a recommendation by HB professional and finance leads and each HBs lead executive director.

**Safety:** No <sup>4</sup>Using the IUM means the FNC rate can only be calculated when the NHS Pay Award is announced. There is therefore an inevitable delay to calculating and issuing the rate whilst the pay announcement is awaited. In light of this and other COVID-19 related pressures being experienced by the care home sector

**Financial:** Yes <sup>5</sup>WG asked HBs earlier in 2022 to consider applying an interim uplift with an in year adjustment once the pay award was announced. Some HBs actioned this, for those that did an in year adjustment will be necessary.

*Detailed in main report*

Workforce: No	
Legal: No	
Reputational: No	
Socio Economic: No	
Equality and Health: No	
Decarbonisation: No	
<b>Approval/Scrutiny Route:</b>	
Committee/Group/Exec	Date:

Saunders, Nathan  
11/11/2022 16:50:17

Report Title:	Development of the Hybrid/Major Trauma theatres at UHW – Submission of Full Business Case	Agenda Item no.	3.3
Meeting:	Finance Committee (Public)	Meeting Date:	16 <sup>th</sup> November 2022
Status <i>(please tick one only):</i>	Assurance	Approval	Information
Lead Executive:	Abi Harris, Executive Director of Strategy and Planning		
Report Author (Title):	Director of Capital Estates and Facilities		

## Main Report

### Background and current situation:

The attached Full Business Case (FBC) sets out the rationale for constructing a hybrid theatre and major trauma theatre at UHW and makes the case for a capital investment of £40.611m to be funded from the All Wales Capital Programme.

The OBC was approved by Welsh Government 30<sup>th</sup> September 2021, with funding support to progress the FBC.

The development of a dedicated theatre for trauma was an integral part of the service model identified in the business case for the Major Trauma Centre (MTC) at UHW and whilst the MTC has been operational since 2020 theatre capacity has been available as a result of the inactivity during COVID. However, as activity returns to pre-COVID levels, and with additional activity planned to deal with a backlog the need for this dedicated facility is even more significant.

The delivery of a hybrid theatre (a surgical theatre that is also equipped with interventional radiology equipment) has been identified as key to the successful implementation of the network model of vascular surgery across SE Wales and is aligned with the recommendations of the Vascular Society of Great Britain and Ireland for the provision of high-quality care. Benefits will include:

- Sustained good clinical outcomes, as a result of increased volumes of procedures in one location.
- Significantly increased likelihood of recruitment to consultant posts.
- Sustainable on-call rotas.
- Improvement in surgical training.

A number of options were shortlisted for consideration:-

- Option 0 Do nothing;
- Option 1 New build/ remodelling of ground floor (Jubilee Court);
- Option 2 On a podium deck adjacent to existing main theatres (Academic Avenue);
- Option 3 On a podium deck adjacent to the rear of existing main theatres (Emergency Access Road).

Having re-assessed the non-financial and economic appraisals of the shortlisted options, the preferred option as outlined within the FBC remains as Option 2 due to its capability of meeting the various criteria of the project as set out within the economic case.

The proposed development comprises of an elevated building linking in to the existing main theatre suite at the UHW Site. The project consists of the provision of two theatres; both fitted out with interventional radiology equipment providing maximum flexibility with one dedicated to vascular interventions and the other for Major Trauma. Additional recovery capacity will be provided by extending the existing area, maximising resource.

The FBC has been written in accordance with Welsh Government guidance for the development of better business cases. It sets out the strategic context for the development; the case for change,

which summarises the business need for the investment and the need for service improvement; consideration of the options available and identification of the preferred option following economic appraisal; the procurement strategy and intended contractual arrangements; capital and revenue costs, funding arrangements and overall affordability of the scheme; management arrangements for the project, including governance, risk management and benefit realisation.

### Capital and Revenue Costs

The capital costs for the preferred option are shown below. The scheme will be funded through the All Wales Capital Programme.

Capital Costs	£'m
Works Costs	24.593
Fees	3.581
Non Works Costs	0.621
Equipment costs	10.448
Quantified Risk Contingency	1.998
VAT Recovery	-0.63
<b>Total Capital Cost/ Cost Forms</b>	<b>40.611</b>

The indicative summary revenue costs for the preferred option are shown below:

The hybrid theatre development represents two theatres equipped to an extremely high standard significantly outstripping anything that currently exists within the Health Board. The designation of this capacity needs to be strictly controlled to ensure there are no additional costs incurred outside of those outlined in this case.

This equipment has a life expectancy of up to 10 years, similar to that of other major diagnostic equipment, it is not therefore expected that there will be a requirement to relocate to any new development associated with the Shaping Our Future Hospitals Programme.

The working assumption has always been that one Theatre would be for Major Trauma activity and the second for Vascular Surgery in terms of reflecting the additional revenue costs of this development by commissioner. This position is subject to the above clarification and as such is likely to change.

The total revenue cost is £1.297m, which is required to be funded via commissioners. This assumes that there are no additional Radiology staffing costs, with an associated transfer of existing baseline. This needs to be confirmed.

The commitment is split equally between LHB's and WHSSC at c£648k each. The table below summarises the LHB requirement, of which an investment of £251k is required from C&VUHB.

Additional revenue costs have increased since the OBC was submitted, specifically due to the increased costs of energy as can be seen in the table below:-

	Preferred Option OBC £'000	Preferred Option FBC £'000
Equipment Service/Maintenance	800	800
Energy	96	349
Business Rates	22	22
Domestic Service	65	67
Estates Maintenance	41	48
Waste	5	6

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11/11/2022 16:00:11

Security Post	4 1	4 1
<b>Total additional revenue Costs</b>	<b>1,034</b>	<b>1,297</b>

Maintenance costs remain an estimate based upon total capital projected expenditure on equipment.

The business case approved by WHSSC to establish Cardiff and Vale UHB as a Major Trauma centre acknowledged that a significant step up in activity would be required that could not be accommodated within the existing Theatre footprint. The additional revenue costs as identifiable at that time to support the anticipated activity costs were included in that business case, with the exception of equipment maintenance and facilities costs. Both the South Wales Major Trauma Network Board and WHSCC have acknowledged the essential nature of this development to delivering the required service in line with similar arrangements elsewhere in the UK. The cost is understood, but given implementation will not be before April 2024 provision is not yet within WHSSC's financial plans.

As part of the readiness assessment it is recommended that the service reviews its Theatre demand and capacity for Major Trauma given that significantly more is now known about activity levels than at the time the business case was submitted. The business case included the required step up in Theatre infrastructure acknowledging that emergency capacity can not be simply transferred as if it were elective capacity.

The Vascular centralisation business case reflects an incremental investment to Theatre infrastructure to meet the estimated regional demand. The hybrid Theatre capacity requirement is unlikely to exceed five sessions, as some sessions can remain within the main theatre suite at UHW. The actual number of required Hybrid sessions needs to be finalised.

Whilst the centralisation business case sets out the additional infrastructure required associated with the estimated increase in demand, confirmation is required that the nature of the integrated theatres does not require any further investment in Radiology. The same requirement extends to Major Trauma

On the basis that additional revenue implications continue to accrue equally then the Commissioner share of the Vascular centralisation development would be as per the summary below. A further 50% would be required from WHSSC.

	<b>AB</b> £	<b>C&amp;V</b> £	<b>CTM</b> £	<b>SBU</b> £	<b>HD</b> £	<b>P</b> £	<b>Total</b> £
<b>Cardiff and Vale Baseline Hub Activity</b>	<b>271,561</b>	<b>2,596,282</b>	<b>123,101</b>	<b>-</b>	<b>73,323</b>	<b>35,259</b>	<b>3,099,526</b>
Centralisation Transfer and Investment	2,668,129	660,146	1,928,642	16,039	-	32,077	5,305,032
Offsetting LTA Adjustments	(40,096)	(16,039)	104,250	(16,039)	-	(32,077)	-
<b>Health Board Recurrent Financial Contribution to C&amp;V UHB as Hub (for Board Approval)</b>	<b>2,628,033</b>	<b>644,107</b>	<b>2,032,892</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,305,032</b>
Offsetting LTA Adjustments	40,096	16,039	(104,250)	16,039	-	32,077	-
<b>Total Recurrent Vascular Hub Resource Post Implementation (Excl. Hybrid Theatre)</b>	<b>2,939,690</b>	<b>3,256,428</b>	<b>2,051,742</b>	<b>16,039</b>	<b>73,323</b>	<b>67,336</b>	<b>8,404,559</b>
<b>Hybrid Theatre cost</b>	<b>227</b>	<b>251</b>	<b>158</b>	<b>1</b>	<b>6</b>	<b>5</b>	<b>648</b>

It is assumed that the impairment and recurrent charges for depreciation, shown in the table below, will be funded by Welsh Government.

Assumptions that underpin affordability:

- Funding is anticipated from WG for additional recurrent capital charges and non-recurrent impairment based on actuals – see table below.
- It is assumed that there will not be any transition or decant costs.

	£000
WG Impairment	26,627
WG depreciation	1,625

### Clinical Assurance

The selection of principal equipment and internal theatres design has been clinically led and undertaken in two phases as described within a previous report.

### Project Milestones

Milestone	Target Date
Submission of Full Business Case to Welsh Government	November 2022
WG approval of the FBC	February 2023
Start on Site	February 2023
Completion and Handover	February 2025

### Benefits

The benefits to patients are:

- Potential to speed diagnosis and therapy
- Access to minimally invasive techniques that support the goal of faster recovery
- Eventual elimination of corrective surgeries and reduction of anaesthetics
- Real-time availability of high-quality imaging that helps surgeons preserve as much healthy tissue as possible
- Better imaging for better diagnosis and surgical precision
- Assists in reducing procedure length with online diagnostic
- Increased safety due to direct control & Better quality of care
- Improved cross-speciality communication
- Expansion of reputation-enhancing medical services
- Flexibility to focus on increasing the number of patient-preferred minimally invasive procedures
- Shorter patient stay resulting in patient satisfaction and revenue generation

### Risks

A Risk Potential Assessment has been undertaken and this is included in the OBC.

### Equality Health Impact Assessment (EHIA)

An EHIA has been undertaken for the proposals (Appendix 13 of the FBC refers). Both positive and negative impacts have been identified and recommended actions noted where appropriate.

### Governance

The FBC is currently being assurance tested within the Health Board. It was signed off by the project team on 15 September then reviewed and supported by the Capital Management Group on 18 October. It will continue its passage through Health Board's governance process and at the time of writing is scheduled to be reviewed by the BCAG on 9 November 2022, ahead of consideration by

the Cardiff & Vale Board on 24 November for submission to Welsh Government for funding and to award contracts to move into the construction stage.

The full FBC is available on request.

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

- This project is key to supporting the delivery of the Vascular Network Service and the Major Trauma activity.
- The revenue associated with the activity was included in the respective Major Trauma and Vascular business cases, but the operational costs including cleaning, estates maintenance and energy was not considered at that time and so is included in this business case.

**Recommendation:**

The Committee is asked to:-

**A. Recommend that the Board APPROVE**

1. the submission of the Development of the Hybrid/Major Trauma theatres at UHW Full Business Case to Welsh Government for capital funding support.
2. 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,
3. 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
4. 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
5. the appointment of an NEC Supervisor to be procured under the SBS Framework, subject to WG approval of the FBC, at a cost of £0.125m (Inclusive of VAT) and a commencement date to be agreed

**B. Recommend** the Health Board enter into the said contracts, subject to recommendation 2,3,4 & 5 being approved

**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	✓
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	✓	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

Risk Potential Assessment has been undertaken, which considered the project risk in relation to strategic alignment, finance/funding, stakeholder engagement, governance, project dependencies, and concluded that the overall risk is **medium**

A project risk register has also been completed.

#### Safety: Yes/No

The capital design incorporates statutory health and safety requirements

#### Financial: Yes/No

Capital funding for this project is anticipated to come from the All Wales Capital Programme. The FBC sets out the rationale and capital costs for the theatres. Cardiff and Vale UHB has a robust project management structure in place to manage the project.

The revenue business case to support the MTC activity has been approved by WHSSC. A revenue business case for vascular activity is in development by the network and has been approved by the appropriate SE Wales health boards.

#### Workforce: Yes/No

The revenue business case was included in the vascular network business case and the MTC business case and will be subject to BCAG Approval prior to Board submission

#### Legal: Yes/No

#### Reputational: Yes/No

#### Socio Economic: Yes/No

Socio-economic assessment undertaken as part of the EHIA

#### Equality and Health: Yes/No

A completed EHIA is appended to the main FBC document.

#### Decarbonisation: Yes/No

The capital design incorporates required decarbonisation measures

### Approval/Scrutiny Route:

Committee/Group/Exec	Date:
Project Team	15 <sup>th</sup> September 2022
Capital Management Group	18 <sup>th</sup> October 2022
Business Case Approval Group	tbc November 2022
Finance Committee	23 <sup>rd</sup> November 2022
CAV Board	24th November 2022

Submission to Welsh  
Government for scrutiny  
and approval

30<sup>th</sup> November 2022

Saunders, Nathan  
11/11/2022 16:50:17

Report Title:	<b>2022-23 Month 7 Monthly Financial Monitoring Return</b>			Agenda Item no.	4.1
Meeting:	<b>Finance Committee</b>	Public	X	Meeting Date:	<b>16<sup>th</sup> November 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>				
<b>Main Report</b>					
Background and current situation:					
<b>SITUATION</b>					
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 & C3) in order to provide the Committee with transparency on the submission made to the Welsh Government.					
<b>Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:</b>					
The extract from the UHBs Monthly Financial Monitoring Return is provided for information and assurance.					
<b>Recommendation:</b>					
The Committee is requested to:					
<b>a) NOTE</b> the extract from the UHBs Monthly Financial Monitoring Return.					
<b>Link to Strategic Objectives of Shaping our Future Wellbeing:</b>					
<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		
<b>Five Ways of Working (Sustainable Development Principles) considered</b>					
<i>Please tick as relevant</i>					
Prevention	Long term	x	Integration	Collaboration	Involvement
<b>Impact Assessment:</b>					
<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	
<b>Approval/Scrutiny Route:</b>	
Finance Committee	Date: 16 <sup>th</sup> November 2022

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11/11/2022 16:50:17

## THE WELSH GOVERNMENT FINANCIAL COMMENTARY

### FINANCIAL POSITION FOR THE SEVEN MONTHS PERIOD ENDED 31<sup>st</sup> OCTOBER 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 £36.9
- 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 line with Welsh Government advice, it is assumed that the costs of the RLW paid to staff directly employed by the UHB will be funded through the 2022-23 pay award funding following the outcome of the pay negotiation exercise. Following payment of the pay award and associated arrears in month 6, the UHB has included anticipated 'Operational Pay Award' funding in its Resource Limit assumptions on Table E/E1 based on the planning figure provided by Welsh Government.

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.
- 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 7, the UHB is reporting an overspend of £15.430m against its submitted plan. This is due to £5.455m of operational pressures and a planning deficit of £9.975m, which is seven twelfths of the planned deficit of £17.1m identified in the 2022/23 financial plan.**

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

**The UHB has 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 that have emerged in 2022-23.**

**These concerns have been shared with Welsh Government colleagues in the mid-year review meeting with the Financial Delivery Unit on 10 November 2022 and will be discussed through the UHB's governance structure, including the Finance Committee and Board, during November. The Month 8 Monitoring Return reports will incorporate any revised forecast out-turn recognised by the UHB 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 £10.231m
- Local Covid response including Cleaning Standards £21.898m

- Central Welsh Government Covid Programmes £11.673m
- Welsh Government Specific Covid Funding streams £1.924m

## BACKGROUND

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 31<sup>st</sup> October 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 7 financial position.

The response to the queries raised in the month 6 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 7 for which the following should be noted:

- It is assumed that LTA inflation of £7.827m that will be passed to the UHB from other Health Boards;
- 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.

The following risks are reported in this table :

- GP Prescribing - £3m
- Medical staffing including premium cost of recruitment - £4m
- Nurse staffing including premium cost of recruitment - £3m
- Mental Health Continuing Healthcare - £2m

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 has 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 7 position this potentially adds a £1.550m cost pressure to the UHB's forecast operational out-turn.

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

- Fire Safety Litigation by the HSE
- Winter Enhanced pay rates
- Trading and cost impact of widespread industrial action

The Risks are partially offset by the following opportunities:

- Potential Slippage on Investments - £0.2m
- Overperformance Against savings delivery - £1.0m
- Reduced Response Costs due to a better COVID situation - £4.0m

**Reflecting the year to date position, combined with additional cost pressures arising, the UHB is working through a number of risks which potentially will lead to a further increase in the forecast out-turn deficit to £26.9m. This potential year end out-turn will be discussed with the Finance Committee of the UHB before further consideration at the full Board of the UHB. The outcome of those considerations will be reflected in the Month 8 Monitoring Returns.**

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

Table B confirms the year to date deficit of £15.430m 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 £19.850m is shown in Table 2 below.

**Table 2: Summary Financial Position for the period ended 31<sup>st</sup> October 2022**

	Month 7	Forecast Year-End Position
	£m	£m
COVID 19 Additional Expenditure	35.494	60.373
Exceptional Inflationary Pressures	10.231	18.998
<b>Gross additional COVID and Exceptional Inflationary Pressures £m</b>	45.725	79.371
Welsh Govt. Funding for additional COVID and Exceptional Inflationary Pressures	(45.725)	(79.371)
Planned deficit	9.975	17.100
Operational position (Surplus) / Deficit	5.455	2.750
<b>Financial Position £m (Surplus) / Deficit £m</b>	<b>15.430</b>	<b>19.850</b>

The month 7 deficit of £12.807m comprised of the following:

- £9.975m planned deficit (7/12<sup>th</sup> of £17.1m);
- £5.455m adverse variance against plan.

The operational variance deteriorated by £1.198m in month from £4.257m at Month 6 to £5.455m. Pressures continue to be reported in nursing, medical staffing, mental health continuing healthcare placements and primary care prescribing.

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 first months of the year. 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. Whilst the trend has reduced in month, the full year effect of this pressure has not yet been

included in the UHB financial forecast awaiting further months information. This represents a key risk to the UHB's plan.

Following confirmation of planned funding, it is assumed that the r 2022/23 pay award and increases to the real living wage will be fully funded.

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

Current service demands have abated UHB plans to recover its operational overspend. In light of this, the UHB will continue to re-assess the likelihood of delivering plans to arrest and recover the adverse operational variance of £5.455m in the final 5 months of the year.

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

- Exceptional Cost Pressures £10.231m
- Local Covid response including Cleaning Standards £21.898m
- Central Welsh Government Covid Programmes £11.763m
- Welsh Government Specific Covid Funding streams £1.924m

It is assumed that Welsh Government funding will be provided to cover the COVID and exceptional inflationary costs arising up to month and for the remainder of the year.

## PAY & AGENCY (TABLE B2)

The UHB recorded Agency costs of £2.449m in month 7, which is a decrease of £0.056m on the £2.505m reported at month 6. £1.380m 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:

- **Levy ENIC** – The Levy element of the additional costs has been added to the existing Levy ENIC section of the Exceptional Costs Template and the associated funding is identified as a consequence of the Levy on Table E. The Levy is assumed to end on November 6<sup>th</sup> 2022.
- **Covid** – Additional pay costs (excluding the Levy element of ENIC) are allocated to the Pay spend areas within Table B3 (Covid), with the associated Covid funding anticipated in Table E/E1 (Covid section).

- **Operational** – the anticipated ‘Operational Pay Award’ funding is included in Table E/E1 on a free text line. Anticipated funding in respect of the 2021/22 and 2022/23 Real Living Wage are included on separate lines.

### COVID 19 ANALYSIS (TABLE B3)

At month 7, Table B3 is projecting net expenditure due to COVID-19 to be £60.373m. 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.

The forecast Covid position is breakeven following confirmation/assumed funding matching net expenditure. Overall forecast expenditure has increased by £0.370m between Month 6 and Month 7. The increase is primarily a result of the £1.556m increase in response costs due to bed pressures. This increase has been abated by a £1.176m fall in forecast Tracing costs as a result of revised Local Authority and all Wales Surge Team 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 7	Forecast Year-End Position	Forecast Year-End Position @ Month 6	Change in Forecast Year-End Position in month
	£m	£m	£m	£m
COVID 19 Testing	0.756	1.615	1.696	(0.081)
COVID 19 Tracing	3.170	4.441	5.617	(1.176)
COVID 19 Vaccination	5.458	9.198	9.031	0.168
Extended Flu Vaccination	0.422	1.243	1.243	0.000
PPE	1.867	3.216	3.303	(0.087)
Sub Total National Programmes	11.673	19.713	20.889	(1.175)
Cleaning Standards	1.419	2.770	2.782	(0.011)
COVID 19 Local Response	20.479	34.327	32.771	1.556
Sub Total Local response including Cleaning Standards	21.898	37.097	35.553	1.545
Dental Income; Flu; Long Covid; Anti-Viral; Allergy Advice and Nosocomial	1.924	3.562	3.562	0.000
<b>Total COVID Expenditure assumed to be matched by WG Funding £m</b>	<b>35.494</b>	<b>60.373</b>	<b>60.004</b>	<b>0.370</b>

This forecast includes funding assumed from Welsh Government COVID Funding totaling £60.371m to match the forecast costs.

The forecast cost of national Covid programmes is £19.713m, which is a decrease of £1.175m against the £20.889m forecast costs reported at month 6.

The forecast local Covid response costs and Cleaning Standards is £37.097m, which is an increase of £1.545m against the comparable £35.553m forecast costs reported at month 6.

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

### 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, as at Month 7, of £37.1m

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 £19.850m 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 7	Forecast Year-End Position
	£m	£m
Incremental costs in 2022/23		
Energy/Fuel	5.285	12.753
National Insurance Levy	3.254	3.345
Living Wage - Social Care	1.692	2.900
<b>Total Exceptional Costs Expenditure £m</b>	<b>10.231</b>	<b>18.998</b>
<b>Sub Total Exceptional Cost funding confirmed/assumed £m</b>	<b>10.231</b>	<b>18.998</b>

Note. It is assumed that employer living wage costs will be covered by the 2022/23 pay settlement

The forecast of the incremental cost of energy has decreased by £3.084m in month from £15.837m to £12.753m based on the revised schedule issued by NWSSP on the 4<sup>th</sup> November 2022. 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 recent announcement of the discontinuation of the levy from November 6<sup>th</sup> 2022 the forecast has been revised down to £3.345m and will continue to be reviewed in November.

## 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 7, the UHB is forecasting £17.467m of savings to deliver against the revised £19.400m savings target leaving a further £1.933m schemes to identify. This represents a marginal increase in identified schemes of £0.012m in month. 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 planning deficit of £17.1m.

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	17.467	(1.933)

### 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 2021 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.

The forecast balance sheet reflects the UHB's June DEL non-cash estimates.

## CASHFLOW (TABLE G)

The closing cash balance at the end of October was £6.645m.

The UHB is currently predicting a minimum cash shortfall of £24.084m in 2022/23. This reflects the £19.850m 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 7</b>	<b>£</b>
<b>2022/23 SoCNE Net Deficit</b>	19,850,000
<b>Total £</b>	<b>19,850,000</b>
<b>2022/23 Working Cash Requirement - estimate at month 7</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 its estimated working cash requirement as the year progresses.

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

Of the UHB's approved Capital Resource Limit, 34% has been expended to date. VAT recovery for a number of schemes has been reflected in M7 reducing the overall year to date expenditure.

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 4<sup>th</sup> November 2022 - £43.879m.

### AGED WELSH NHS DEBTORS (TABLE M)

At the 31st October, there were 19 invoices outstanding for more than 17 weeks. 11 Cwm Taf, 4 Velindre and 3 PHW. Of these 3 Velindre and 1 PHW invoice have since been paid with the remainder being taken to arbitration.

### 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	1,335		0
Value Based Funding (£15m)	312	100	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 can confirm that further expenditure was reported against the annual leave "sell back" scheme in month 7. This resulted in a further reduction in respect of the UHB's Annual Leave accrual 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 7 £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 19<sup>th</sup> October 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 forecast deficit has increased by £2.750m in month to £19.850m, after Board approval of an additional £2.750m expenditure in relation to Winter Planning.

The reported financial position at month 7 is a deficit of £15.430m. This is made up of a budget plan deficit of £9.975m and an adverse variance against plan of £5.455m.

In November the governance structure of the UHB will consider the impact of the additional cost pressures and financial risks that have emerged in the financial year on the year end forecast out-turn.



.....  
**SUZANNE RANKIN**  
**CHIEF EXECUTIVE**

11<sup>th</sup> November 2022



.....  
**CATHERINE PHILLIPS**  
**EXECUTIVE DIRECTOR OF**  
**FINANCE**

11<sup>th</sup> November 2022

Table A - Movement of Opening Financial Plan to Forecast Outturn

This Table is currently showing 0 errors

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	Non Recurring	Recurring	FYE of Recurring
	£'000	£'000	£'000	£'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	13,044	7,922	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 <b>Opening IMTP / Annual Operating Plan</b>	<b>-20,817</b>	<b>6,797</b>	<b>-27,614</b>	<b>-23,755</b>
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	-262	-121	-141	0
20 Additional In Year Identified Savings - Forecast	3,760	1,009	2,751	5,874
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)	-7,210	-7,210		
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)	7,209	7,209		
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)	-1,476	-1,476		
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 <b>Forecast Outturn (- Deficit / + Surplus)</b>	<b>-19,850</b>	<b>7,661</b>	<b>-27,511</b>	<b>-23,143</b>
37 <b>Covid-19 - Forecast Outturn (- Deficit / + Surplus)</b>	<b>-1</b>			

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	In Year Effect
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'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	-17,325	-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	-54,080	-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	-39,337	-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	45,372	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	39,337	67,582
6	652	652	652	652	652	652	652	652	652	652	652	652	4,566	7,827
7	296	27	-20	-15	-48	-83	5	-25	-38	-27	-27	-45	163	0
8	1,030	1,041	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,094	7,566	13,044
9	7	7	7	8	8	8	8	8	8	8	8	8	51	92
10													0	0
11													0	0
12													0	0
13		259	259	259	259	259	259	259	259	259	259	259	1,554	2,849
14	<b>-1,733</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,734</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,733</b>	<b>-1,751</b>	<b>-12,133</b>	<b>-20,817</b>
15	0	-259	-259	-259	-259	-259	-259	-259	-259	-259	-259	-259	-1,554	-2,849
16						113	113	113	113	113	113	113	227	793
17													0	0
18	0	3	4	4	4	22	11	11	11	11	11	12	49	106
19	-2	-2	-14	-29	-48	-32	-70	-15	-15	-12	-12	-12	-197	-262
20	32	120	220	189	224	196	409	399	453	507	498	513	1,390	3,760
21													0	0
22	0	-592	-988	-709	-966	-101	-488	-821	-738	-740	-625	-441	-3,844	-7,210
23													0	0
24	-1	592	988	709	966	101	488	821	738	740	625	441	3,844	7,209
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	1,150	408	352	361	61	-3,807	-1,476
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	<b>-1,888</b>	<b>-2,108</b>	<b>-1,881</b>	<b>-2,122</b>	<b>-1,653</b>	<b>-3,155</b>	<b>-2,623</b>	<b>-334</b>	<b>-1,022</b>	<b>-1,022</b>	<b>-1,022</b>	<b>-1,022</b>	<b>-15,430</b>	<b>-19,850</b>
37	<b>-1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-1</b>

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

This Table is currently showing 0 errors

			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	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar				Green	Amber	non recurring	recurring	
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				£'000	£'000	£'000	£'000	
1	CHC and Funded Nursing Care	Budget/Plan	50	50	65	65	65	65	65	65	65	65	65	65	425	750		750	0			
2		Actual/F'cast	50	50	65	72	90	100	100	100	125	141	141	142	526	1,175	44.76%	1,175	0	450	725	1,224
3		Variance	0	0	0	7	25	35	35	35	60	76	76	77	101	425	23.71%	425	0			
4	Commissioned Services	Budget/Plan	4	4	4	4	4	4	4	4	4	4	4	4	29	50		50	0			
5		Actual/F'cast	4	4	4	4	4	4	4	4	4	4	4	5	29	51	57.19%	51	0	0	51	200
6		Variance	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0.00%	1	0			
7	Medicines Management (Primary & Secondary Care)	Budget/Plan	74	74	88	101	126	169	168	198	212	198	198	214	802	1,822		1,822	0			
8		Actual/F'cast	74	74	107	91	97	160	120	206	220	217	217	237	724	1,821	39.75%	1,820	1	106	1,715	3,027
9		Variance	0	0	19	(10)	(30)	(10)	(48)	8	8	19	19	23	(79)	(2)	(9.79%)	(3)	1			
10	Non Pay	Budget/Plan	647	647	656	675	672	673	584	584	584	582	582	562	4,553	7,447		7,447	0			
11		Actual/F'cast	672	738	806	765	763	771	897	898	927	954	945	928	5,412	10,063	53.78%	10,063	0	6,348	3,716	5,583
12		Variance	26	91	150	91	90	98	313	314	343	372	362	366	859	2,616	18.86%	2,616	0			
13	Pay	Budget/Plan	255	265	274	237	246	238	240	240	240	244	244	249	1,756	2,975		2,975	0			
14		Actual/F'cast	260	293	312	311	337	278	279	268	268	272	272	283	2,069	3,432	60.28%	3,432	0	1,906	1,526	2,057
15		Variance	5	28	37	73	90	41	39	28	28	28	28	34	313	457	17.80%	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	1,094	7,566	13,044		13,044	0			
20		Actual/F'cast	1,061	1,159	1,294	1,243	1,290	1,313	1,400	1,476	1,544	1,588	1,579	1,596	8,759	16,542	52.95%	16,541	1	8,809	7,733	12,091
21		Variance	30	119	206	161	176	164	338	384	439	495	485	501	1,194	3,497	15.78%	3,496	1			
22	Variance in month		2.94%	11.41%	18.97%	14.83%	15.77%	14.25%	31.86%	35.18%	39.69%	45.22%	44.38%	45.79%	15.78%							
23	In month achievement against FY forecast		6.41%	7.01%	7.82%	7.51%	7.80%	7.94%	8.46%	8.92%	9.33%	9.60%	9.55%	9.65%								

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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 YTD variance as %age of YTD Budget/Plan	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000	
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar				Green	Amber	non recurring	recurring		
			£'000	£'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	795	1,314			1,314	0			
2		Actual/F'cast	140	142	153	148	149	120	121	120	120	124	124	133	972	1,592	61.09%		1,592	0	680	912	1,079
3		Variance	5	7	18	54	51	22	20	19	19	19	19	23	177	278	22.27%	278	0				
4	Variable Pay	Budget/Plan	53	56	56	56	56	56	56	56	56	56	56	57	392	674			674	0			
5		Actual/F'cast	53	56	56	56	71	59	59	59	59	59	59	60	413	710	58.12%		710	0	512	198	202
6		Variance	0	0	0	0	15	3	3	3	3	3	3	3	21	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	51	100			100	0			
11		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	51	100	51.39%		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	20	35			35	0			
14		Actual/F'cast	3	3	3	3	3	3	3	3	3	3	3	3	20	35	58.33%		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	497	852			852	0			
17		Actual/F'cast	60	87	95	94	104	86	86	76	76	76	76	78	612	995	61.50%		995	0	714	281	641
18		Variance	0	21	19	19	24	15	15	5	5	5	5	7	115	143	23.06%	143	0				
19	Total	Budget/Plan	255	265	274	237	246	238	240	240	240	244	244	249	1,756	2,975			2,975	0			
20		Actual/F'cast	260	293	312	311	337	278	279	268	268	272	272	283	2,069	3,432	60.28%		3,432	0	1,906	1,526	2,057
21		Variance	5	28	37	73	90	41	39	28	28	28	28	34	313	457	17.80%	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 YTD variance as %age of YTD Budget/Plan	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000	
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar				Green	Amber	non recurring	recurring		
			£'000	£'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	51	100			100	0			
2		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	51	100	51.39%		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	51	100			100	0			
14		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	51	100	51.39%		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				

This Table is currently showing 0 errors

Table C3 - Tracker

	£'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	1,094	7,566	13,044	7,922	5,123	1,095	6,218	
	Month 1 - Actual/Forecast	1,029	1,039	1,074	1,053	1,066	1,117	991	1,077	1,090	1,082	1,082	1,082	7,369	12,782	7,801	4,981	1,236	6,218	
	Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(15)	(15)	(12)	(12)	(12)	(197)	(262)	(121)	(141)	141	0	
	In Year - Plan	32	120	220	189	224	196	409	399	453	507	498	513	1,390	3,760	1,009	2,751	2,978	5,729	
	In Year - Actual/Forecast	32	120	220	189	224	196	409	399	453	507	498	513	1,390	3,760	1,009	2,751	3,123	5,874	
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	145	145
	Total Plan	1,062	1,161	1,307	1,272	1,338	1,345	1,470	1,490	1,558	1,601	1,591	1,608	8,956	16,804	8,930	7,874	4,072	11,946	
	Total Actual/Forecast	1,061	1,159	1,294	1,243	1,290	1,313	1,400	1,476	1,544	1,588	1,579	1,596	8,759	16,542	8,809	7,733	4,359	12,091	
	Total Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(15)	(15)	(12)	(12)	(12)	(197)	(262)	(121)	(141)	286	145	
	Net Income Generation	Month 1 - Plan	7	7	7	8	8	8	8	8	8	8	8	8	51	90	0	90	3	92
Month 1 - Actual/Forecast		7	7	7	8	8	8	8	8	8	8	8	8	51	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	49	106	65	42	7	49	
In Year - Actual/Forecast		0	3	4	4	4	22	11	11	11	11	11	12	49	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	100	196	65	131	9	141	
Total Actual/Forecast	7	10	11	12	12	30	19	19	19	19	19	20	100	196	65	131	9	141		
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	1,102	7,617	13,134	7,922	5,212	1,097	6,310	
	Month 1 - Actual/Forecast	1,036	1,046	1,080	1,061	1,074	1,125	999	1,085	1,098	1,089	1,089	1,090	7,420	12,871	7,801	5,071	1,239	6,310	
	Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(15)	(15)	(12)	(12)	(12)	(197)	(262)	(121)	(141)	141	0	
	In Year - Plan	171	173	552	259	228	219	431	410	464	518	509	526	2,032	4,459	1,666	2,793	2,984	5,777	
	In Year - Actual/Forecast	171	173	552	259	228	219	431	410	464	518	509	526	2,032	4,459	1,666	2,793	3,129	5,922	
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	145	145
	Total Plan	1,208	1,221	1,646	1,349	1,350	1,375	1,500	1,509	1,577	1,620	1,610	1,628	9,649	17,593	9,587	8,005	4,082	12,087	
	Total Actual/Forecast	1,206	1,219	1,633	1,320	1,302	1,343	1,430	1,494	1,563	1,607	1,598	1,616	9,452	17,330	9,466	7,864	4,368	12,232	
	Total Variance	(2)	(2)	(14)	(29)	(48)	(32)	(70)	(15)	(15)	(12)	(12)	(12)	(197)	(262)	(121)	(141)	286	145	

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