

Finance Committee Meeting - Public

Wed 27 July 2022, 14:00 - 16:00

Agenda

14:00 - 14:00
0 min

1. Standing Items

1.1. Welcome and Introductions

Rhian Thomas

1.2. Apologies for Absence

Rhian Thomas

1.3. Declarations of Interest

Rhian Thomas

1.4. Minutes of the previous Committee meeting – 29 June 2022

Rhian Thomas

 1.4 Public Finance Minutes 29.06.22MD.NF.pdf (8 pages)

1.5. Action log following the meeting held on 29 June 2022

Rhian Thomas

 1.5 Action Log - Following Meeting in JuneMD.NF.pdf (2 pages)

1.6. Chair’s Actions since previous meeting

Rhian Thomas

14:00 - 14:00
0 min

2. Items for Review and Assurance

2.1. Financial Report – Month 3

Including the Finance Risk Register *Robert Mahoney*

 2.1 Public Finance Committee Finance Position Report for Month 3.pdf (22 pages)

2.2. Escalation of Corporate Directorates and Clinical Boards (Verbal)

Mike Bond

 2.2 All Clinical Boards Performance Reviews Assurance Summary (1).pdf (1 pages)

14:00 - 14:00
0 min

3. Items for Information and Noting

3.1. Financial Monitoring Return – Month 3

Robert Mahoney

 3.1 Month 3 Monthly Financial Monitoring Return Covering Report.pdf (2 pages)

14:00 - 14:00
0 min

4. Agenda for Private Finance Committee Meeting

Rhian Thomas

4.1. Approval of Private Minutes

4.2. Health & Wellbeing Centres – CRI

4.3. IMTP Financial Element (Verbal)

14:00 - 14:00
0 min

5. AOB

Rhian Thomas

14:00 - 14:00
0 min

6. Review and Final Closure

Rhian Thomas

6.1. Items to be deferred to Board / Committee

6.2. Date, time and venue of the next Committee meeting:

Wednesday 24 August 2022 at 2pm via MS Teams

14:00 - 14:00
0 min

7.

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

Mohamed Sarah
22/07/2022 12:11:20

**Unconfirmed Minutes of the Public Finance Minutes
Held On 29 June 2022 at 2 pm
Via MS Teams**

Chair:		
Rhian Thomas	RT	Independent Member - Capital and Estates
Present:		
John Union	JU	Independent Member – Finance
David Edwards	DE	Independent Member – ICT
In Attendance:		
Caroline Bird	CB	Interim Chief Operating Officer
Nicola Foreman	NF	Director of Corporate Governance
Abigail Harris	AH	Executive Director of Strategic Planning
Robert Mahoney	RM	Interim Deputy Director of Finance (Operational)
Catherine Phillips	CP	Executive Director of Finance
Hywel Pullen	HP	Interim Deputy Director of Finance (Strategy)
Observers:		
Emily Howell	EH	Audit Wales
Secretariat		
Nathan Saunders	NS	Senior Corporate Governance Officer
Apologies:		
Charles Janczewski	CJ	UHB Chair
Suzanne Rankin	SR	Chief Executive Officer

Item No	Agenda Item	Action
FC 29/6/001	Welcome & Introduction The Committee Chair (CC) welcomed everyone to the meeting.	
FC 29/6/002	Apologies for Absence The Finance Committee resolved that: a) Apologies were noted.	
FC 29/6/003	Declarations of Interest The Finance Committee resolved that: a) No Declarations of Interest were noted.	
FC 29/6/004	Minutes of the Meeting Held on 25 May 2022 The minutes of the meeting held on 25 May 2022 were received. The Finance Committee resolved that: a) The minutes of the meeting held on 25 May 2022 were held as a true and accurate record of the meeting.	

FC 29/6/005	Action Log following the meeting held on 25 May 2022 The Action Log was received. All actions were discussed and it was noted that it would be updated for the meeting in July. The Finance Committee resolved that: a) The Action Log was noted.	
FC 29/6/006	Chairs Action since previous meeting There had been no Chair's actions taken since the last meeting.	
	Items for Review and Assurance	
FC 29/6/007	Financial Report – Month 2 The Financial Report – Month 2 was received. The Interim Deputy Director of Finance – Operational (IDDFO) presented the Financial Report for Month 2. It was noted that the financial report was being evolved to try and make it into a more holistic report. The IDDFO reminded the Committee that the first page of the report established how the Finance team had arrived at the surplus deficit for the current plan that was submitted to Welsh Government (WG). It was noted that in line with guidance from WG, the Health Board's plan also anticipated WG funding for the three National Inflationary Pressure exceptional costs which included: <ul style="list-style-type: none"> • Energy costs where the planning assumption was based on a mid-range estimate from Shared Services at £20.9m annually. • Employers NI costs of £6.9m annually. • The impact of paying Real Living Wage (RLW) for staff working within Social Care and Third Sector currently estimated at £2.9m annually. The IDDFO noted that alongside those three National Inflationary Pressure exceptional costs there were still ongoing Covid-19, local response costs that the Health Board had incurred to create additional capacity and separate duties for infection control and also central Covid-19 programmes being run on behalf of the Cardiff and Vale communities such as:	

- Track, Trace and Protect (TTP),
- Mass Vaccination Centres (MVC),
- Personal Protective Equipment (PPE),
- Flu costs

It was noted that within the Finance Dashboard, the position being reported at Month 2 was a £3.996m deficit, of which £3.467m of that was the planned deficit. That left the Health Board with a movement, not planned for, of £529k at end of Month 2 and work was being undertaken to try and eradicate that.

It was noted that the underlying deficit was forecast to deteriorate because of the Health Board's lack of ability to deliver recurrent savings in year.

The IDDFO advised the Committee that Creditor compliance was still under target at Month 2, with a slight improvement from Month 1 and noted that issues around Nurse Agency billing was one of the main causes of not being on target.

He added that the Health Board were custodians of public money and noted that as long as robust systems were in place, creditors should be paid by the Health Board within an acceptable timeframe.

The CC asked if the deterioration in performance was exclusive to Nurse Agency issues.

The IDDFO responded that there were other areas but Nurse Agency was a "big bill".

The CC asked if the Health Board was in a position to make manual payments and asked if the Health Board did not pay creditors on time would that jeopardise their operations.

The Executive Director of Finance (EDF) responded that there was a connection between the finance element and the work being undertaken by procurement via the Audit & Assurance Committee whereby there was a "no PO number, no pay" policy in place, PO standing for Purchase Order but not everything went through a PO procedure.

She added that at present, there were 8000 bills on hold and a quarter of those related to Nurse Agency bills.

The CC noted that the position would hopefully improve by Month 3 reporting and if it did not, the issue would need to be escalated.

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	<p>The IDDFO noted that when the bills that were “on hold” came through, it could impact the numbers again and affect the rates reported.</p> <p>He added that the key would be to address the backlog because that was the right thing to do and then to address issues that had led to that backlog.</p> <p>The IDDFO advised the Committee that “Remain within Cash Limit” measure was rated at “amber” and noted that the Health Board wanted to remain with it’s cash limit and that it was tied to the Health Board’s allocations which were not fully confirmed yet so it was a difficult target to achieve.</p> <p>He added that should the plan be approved and funding flows confirmed, the Health Board should remain within its cash limit but until that point absolute assurance could not be provided.</p> <p>The Independent Member – Finance (IMF) noted that the remaining cash limit at Month 2, the Covid-19 and exceptional inflation expenditure assumed to be funded by WG was £12.5m and asked at what point would the Health Board need to ask for funding to make sure it could maintain enough cash to make payments or if the payments were automatically made.</p> <p>The IDDFO responded that the Health Board was using the standard allocation to counterbalance those. If WG came back could not support the funding the Health Board could run into difficulty around Month 12 of the financial year.</p> <p>He added that the plans were being developed with WG.</p> <p>The IDDFO advised the Committee of the Month 2 cumulative financial position and noted that the WG monthly financial monitoring returns continued to capture and monitor costs due to Covid-19 that were over and above the Health Boards core plans.</p> <p>He added that the draft financial position reported to WG for Month 2 was a deficit of £3.996m.</p> <p>It was noted that the forecast for local Covid-19 response costs and cleaning standards was £36.062m which was a decrease of £4.506m against the comparable £40.568m forecast costs reported at Month 1.</p> <p>The Committee was advised that the Health Board had started to reduce some of the Covid-19 response costs which meant a reduction in the forecast of what was required from WG.</p>	
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	<p>The CC noted that throughout the report, multiple references had been made to anticipated funding and asked how confident the IDDFO was that the Health Board would receive the funding.</p> <p>The IDDFO responded that it had been noted on the Risk Register and that discussions were ongoing with WG about how to treat the Covid-19 response costs. Discussions regarding sourcing and finalisations of the Department of Health budget within WG were being held.</p> <p>He added that all 7 Health Boards within Wales were in the same position.</p> <p>The Committee was advised that the savings target was £16m, £12m of which the Health Board wanted to be recurrent and noted that at the time of preparation of the report there were still unidentified savings of £1.195m which had since improved to £0.820k.</p> <p>The IDDFO identified the three key Corporate Risks which were:</p> <ul style="list-style-type: none"> • To have an approved 3-year financial plan (IMTP) • Revenue Funding – 3-year rolling breakeven duty • Capital Funding – 3-year rolling breakeven duty <p>It was noted that the Finance team was confident that Health Board would stay within the capital funding. It was also noted that at the present time an approved financial plan was not available and that it would be discussed at the Board meeting the following day.</p> <p>The Finance Committee resolved that:</p> <ol style="list-style-type: none"> a) The reported overspend of £3.996m at Month 2 due to £0.529m of operational pressures and a planning deficit of £3.467m was noted. b) The Month 2 financial impact of COVID 19 which was assessed at £11.197m was noted c) The additional Welsh Government COVID 19 funding of £11.197m assumed within the Month 2 position was noted. d) The Month 2 financial impact of Exceptional inflationary pressures which was assessed at £3.081m was noted. e) The additional Welsh Government COVID 19 funding of £3.081m assumed within the month position was noted. 	
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	<p>f) The forecast deficit of £20.8m which was consistent with the draft financial plan was noted.</p> <p>g) The 2021/22 brought forward Underlying Deficit of £29.7m and the forecast carry forward of £23.7m to 2022/23 was noted.</p>	
<p>FC 29/6/008</p>	<p>Escalation of Corporate Directorates and Clinical Boards (Verbal)</p> <p>The Escalation of Corporate Directorates and Clinical Boards verbal update was received.</p> <p>The Interim Chief Operating Officer (ICOO) advised the Committee that a paper would be provided to the Committee at future meetings.</p> <p>It was noted that performance reviews had started again and were currently being run across all of the Clinical Boards.</p> <p>The ICOO reminded the Committee that there were 3 levels of assurance that they assessed against which were:</p> <ul style="list-style-type: none"> • Substantial • Adequate • Limited <p>It was noted that for finance specifically, the assessment for five Clinical Boards was assessed at adequate and that one of those Clinical Boards (PCIC) could move to Substantial Assurance over the next couple of months.</p> <p>It was noted that two Clinical Boards (Medicine and Mental Health) had been assessed at Limited Assurance.</p> <p>It was noted that Medicine had been assessed at Limited Assurance because of operational deficit and progress, or lack of, against their recurrent savings target.</p> <p>It was noted that at the time of the review, the Medicine Clinical Board had achieved 70% of their in-year savings target, but the recurrent element had a big deficit.</p> <p>The ICOO advised the Committee that the data had moved forward and that by the time of the meeting for Month 3, they should have closed the gap in terms of savings.</p> <p>It was noted that the Mental Health Clinical Board had been assessed at Limited Assurance because of their underlying deficit and limited progress in terms of their savings target.</p> <p>The ICOO reiterated that in future a summary table would be provided to the Committee.</p>	<p>ICOO</p> <p>ICOO</p>

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	<p>The CC asked if the Clinical Boards had adapted well to the re-establishment of the performance reviews.</p> <p>The ICOO responded that they had and noted that the reviews were still evolving and that supportive conversations would be had with Clinical Boards to get them to be where they needed to be in relation to assurance.</p> <p>The Finance Committee resolved that:</p> <p>a) The Escalation of Corporate Directorates and Clinical Boards update was noted.</p>	
<p>FC 29/6/009</p>	<p>IMTP</p> <p>The IMTP update was received.</p> <p>The CC advised the Committee that there would be a dedicated agenda slot for the Financial element of the IMTP and asked the Executive Director of Strategy and Planning if any updates were required during the Public session.</p> <p>The EDSP advised the Committee that in March 2022 the Health Board had submitted a draft IMTP plan to WG.</p> <p>It was noted that the plan had a deficit forecast position for the end of this financial year and that WG had allowed an extra three months to undertake further work to explore, in detail, how the position could be improved.</p> <p>It was noted that the work had been undertaken very robustly and had looked at benchmarking and that the Financial Delivery Unit had been brought in to look at the finance position and provide some feedback</p> <p>The EDSP added that all of the information was then used to inform the recovery plan that was contained within the three-year plan.</p> <p>It was noted that it did not bring the Health Board into a place where it could achieve financial balance this year and noted that it set out an improvement trajectory that stated the Health Board had improved from the March 2022 position by £3.7m, bringing the deficit to £17.1m.</p> <p>The plan articulates that the main drivers for the Health Board being in a deficit position this year related to investments that had not been matched by the growth in allocation across the full spectrum of the Health Board's services. It was noted that some of the actions from the Financial Delivery Unit reflected that.</p>	

	<p>The EDSP concluded that the position had improved, that it was noted that the Health Board had taken on board the advice and comments given by WG, and that WG had understood the Health Board's position.</p> <p>It was noted that it took the Health Board into the territory of not having an approvable IMTP and therefore work would be required with WG to understand the next steps.</p> <p>The Finance Committee resolved that:</p> <p>a) The IMPT verbal update was noted.</p>	
FC 29/6/010	<p>Items for Approval / Ratification</p> <p>There were no items for approval/ratification.</p>	
FC 29/6/011	<p>Items for Information and Noting</p> <p>The CC advised the Committee that the usual Financial Monitoring Returns were for noting.</p> <p>The EDF advised the Committee that a copy of the Financial Monitoring Returns had to be provided to the Committee for noting and a detailed discussion was not required because all of the detail had been highlighted within the financial reports.</p> <p>The Director of Corporate Governance (DCG) confirmed that a recent Welsh Healthcare Circular had been issued in April 2022 by WG which identified the financial risks being held across all Health Boards in Wales.</p> <p>She added that WG wanted transparency for each Health Board Committee to note the report.</p> <p>The Finance Committee resolved that:</p> <p>a) The Financial Monitoring Return – Month 2 was noted.</p>	
FC 29/6/012	<p>Agenda for Private Finance Committee Meeting</p> <p><i>i. Approval of Private Minutes</i> <i>ii. Update on the Financial Plan</i></p>	
FC 29/6/013	<p>Any Other Business</p> <p>No other business was discussed.</p>	
FC 29/06/14	<p>Items to be deferred to Board / Committee</p>	
	<p>Date & time of next Meeting</p> <p>Wednesday 27 July at 2pm Via MS Teams</p>	

Mohamed, Sarah
22/07/2022 12:11:20

Public Action Log

Following Finance Committee Meeting
29 June 2022
(For the Meeting 27 July 2022)

Completed actions					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
Actions in progress					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
FC 27/4/010	High level resource map	A high-level resource map on funding sources to be shared with the Committee	Hywel Pullen	24/8/2022	UPDATE BY (see date column) Will be provided at the August meeting.
FC 25/5/007	Planned deficit graph	An easy to read planned deficit graph will be introduced at the end of month 3.	Rob Mahoney	27/7/2022	On today's agenda – item 2.1
Actions referred to Board/Committees					
FC 25/5/008	Long Term Financial Agreements	A paper would go to Board to note draft LTA figures and approve the approach to sign off	Catherine Phillips Christopher Markall	30/6/2022	COMPLETE Discussed at Board meeting on 30 June

		in year financial management.			2022 (Board agenda item 4.2).
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Report Title:	Finance Report for the Period Ended 30 th June 2022			Agenda Item no.	2.1
Meeting:	Finance Committee	Public	x	Meeting Date:	27 th July 2022
		Private			
Status (please tick one only):	Assurance	X	Approval		Information
Lead Executive:	Executive Director of Finance				
Report Author (Title):	Interim Deputy Director of Finance (Operational)				
Main Report					
Background and current situation:					

Summary

The Health Board agreed and submitted a draft financial plan to Welsh Government at the end of March 2022. The draft plan was 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 including local costs and Welsh Government Programmes costs

The UHB's core financial plan incorporated: -

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

This resulted in an initial 2022-23 planning deficit of £20.8m. The 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 per Table 1.

Table 1: 2022/23 Draft Financial Plan -Resubmitted 30 June 2022

	2022/23 Plan £m
Underlying deficit from 2020/21 Plan	(4.0)
Adjustment for non-recurrent items in 2020/21 and 2021/22	(25.7)
b/f underlying deficit	(29.7)
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)
2022/23 Planned Surplus/(Deficit) before efficiency programme	(36.8)
Efficiency Programme of 2%	
Recurrent cost improvement plans (1.5% in 22/23)	12.0
Non Recurrent cost improvement plans (0.5% in 22/23)	4.0
Initial Planned Surplus/(Deficit)	(20.8)
Financial Recovery Plans	3.7
Final Planned Surplus/(Deficit)	(17.1)

At month 3 the UHB is reporting a year to date overspend of £5.877m against the submitted draft plan, comprising £1.602m of operational pressures and a planning deficit of £4.275m, which is three twelfths of the planned deficit of £17.1m identified in the revised 2022/23 Financial Plan submission.

Table 2: Finance Dashboard @ June 2022

Measure	STATUS REPORT				
	June 2022	Rating	Latest Trend	Target	Time Period
Deliver 2022/23 Draft Financial Plan	£5.877m deficit at month 3. £4.275m planned deficit and £1.602m operational deficit	R	↓	Deliver 2022/23 £20.8m Planned Deficit	M3 2022-23
Remain within capital resource limits.	Expenditure at the end of June was £6.627m against a plan of £7.466m.	G	9	Remain within approved planned expenditure £46.366m	M3 2022-23
Maintenance (no deterioration) of Underlying deficit	£29.7m assessed underlying deficit (ULD) position b/f to month 1. Forecast Year End ULD £20.0m	R	9	2022/23 plan to reduce from £29.7m to £20.0m underlying deficit	M3 2022-23
Delivery of recurrent £12.000m 1.5% target	£7.910m forecast at month 3.	R	↑	£12.000m	M3 2022-23
Delivery of £4m non recurrent target	£7.784m forecast at month 3.	G	↑	£4.000m	M3 2022-23
Creditor payments compliance 30 day Non NHS	Cumulative 92.3% at the end of June	R	↓	95% of invoices paid within 30 days	M3 2022-23
Remain within Cash Limit	The UHB's working capital requirement will be discussed with Welsh Government as the year progresses. At month 3 the UHB forecast is a year end cash deficit of £17.1m in line with the forecast planning deficit.	A	9	To remain within Cash Limit	M3 2022-23
Maintain Positive Cash Balance	Cash balance = £2.719m	G	9	To Maintain Positive Cash Balance	End of June 2022

Core Financial Plan – Month 3 Cumulative Position

The UHB is overspent by £5.877m against its core financial plan. £4.275m of this was planned as part of the underlying financial deficit. £1.602m is unplanned as an overspend in delegated and central positions, deteriorating from an overspend of £0.529m in Month 2. Table 3 provides a summary of the Month 3 position.

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Table 3: Month 3 Financial Position 2022/23

	Month 3	Forecast Year-End Position £m
COVID 19 Additional Expenditure	16.028	59.790
Exceptional Inflationary Pressures	3.939	30.097
Gross additional COVID and Exceptional Inflationary Pressures £m	19.967	89.886
Welsh Govt FUNDING for additional COVID and Exceptional Inflationary Pressures	(19.967)	(89.886)
Planned deficit	4.275	17.100
Operational position (Surplus) / Deficit	1.602	0.000
Financial Position £m (Surplus) / Deficit £m	5.877	17.100

Table 4 provides details of some of the cost pressures being borne within operational positions. Some of these issues do not flag as budgetary variances but represent an in year movement in expenditure, removing budgetary surpluses that the UHB has partially relied on for a break even position in previous financial years.

Table 4 Key Cost pressures within delegated positions

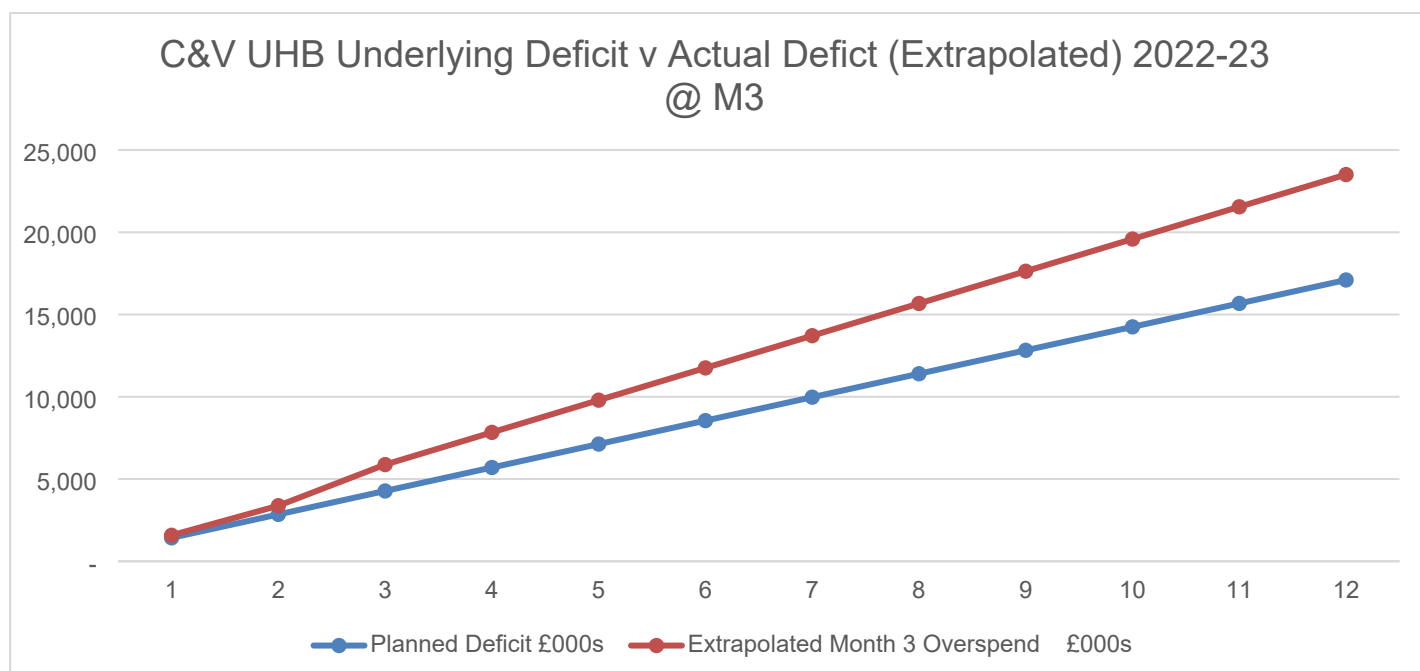
Key Cost pressures for M3 Finance Report	£000s
Medical Staffing Premium costs	1,197
Security at Rookwood & Whitchurch	244
Aroma Sales	229
Patient Catering in EU and food price rises	234
Concourse Lease losses	74
WHSSC LTA performance	1,064
Mental Health CHC Placements	556
	3,598

The UHB faces a significant challenge as it continues to deliver 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 penalties for under delivery of patient activity. In particular, WHSSC commissioned specialties operate to sensitive contract parameters that imposes high marginal penalties for under performance. This constitutes a challenge for the UHB to deliver improved patient throughput from a Covid service footprint whilst Covid continues to influence patient admissions and impact staff availability.

The UHB still plans to recover the adverse operational variance of £1.602m as the year progresses and to deliver its planned deficit position of £17.1m through :-

- Successful delivery of further savings schemes to cover the planning assumptions detailed in the financial plan.
- Executive Performance Reviews carried out on a monthly basis to challenge and support effective use of resources within delegated positions
- Review of trajectory of improved performance delivery to ensure that increased activity delivery plans mitigate, and where possible recover, contract under performance as the year progresses.

The current UHB forecast assumes that the UHB will successfully identify and deliver the required cost and income improvement to meet the revised Financial Plan deficit of £17.1m.



Exceptional Costs

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

- 1) **Increased** energy costs of £20.9m for 2022-23.

The UHB receives market intelligence on prices from Shared Services on a monthly basis which in turn is based on market forecasting provided by British Gas. The outlook has proved to be volatile from month to month, in line with the uncertain market environments resulting from the Ukraine conflict. In Month 2, based on the intelligence provided at that time, the UHB reduced its in year forecast increase in cost to £16m. Subsequently, market intelligence supporting the Month 3 position has caused the UHB to increase the same forecast to £21.297m. The energy forecast will remain a live piece of work involving the UHB Capital and Estates Team and Shared Services market intelligence and the in light of the volatility of market intelligence. The UHB will maintain the forecast at the higher end of estimation until any decrease can be confidently assessed as sustainable.

- 2) Employers NI costs of £6.9m. This has been reduced to reflect the latest UHB estimates at £5.9m

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

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

Table 5 – Exceptional Cost forecast for 2022-23

	Month 3	Forecast Year-End Position
Incremental costs in 2022/23	£m	£m
Energy/Fuel	2.026	21.297
National Insurance Levy	1.188	5.900
Living Wage - Social Care	0.725	2.900
Total COVID Expenditure £m	3.939	30.097
Sub Total COVID funding confirmed/assumed £m	3.939	30.097

COVID 19 Expenditure and Funding

At month 3 the UHB projects expenditure (and matched income) of £59.790m relating to Covid costs. £3.378m has already been received as funding in allocations with an additional £36.062m for Local Response and £21.345m for National Programmes anticipated. The forecast costs, and associated income assumption, will adjust throughout the year as Covid prevalence, combined with Welsh Government vaccination and infection control policy, fluctuates. The current outlook is summarised in Table 6 below which demonstrates that forecast 2022/23 costs have reduced by £5.493m between Month 2 and Month 3.

The UHB is in discussion with Welsh Government concerning the inclusion of costs included within its Covid Response assumptions, mainly, at this stage, relating to costs supporting Lakeside Wing and the use of alternatives to Warfarin to prevent hospital attendance. This presents a financial risk to the UHB if Welsh Government does not confirm support for these costs which were incurred as a result of the pandemic response.

Table 6: Summary of Forecast COVID 19 Net Expenditure

	Month 3	Forecast Year-End Position	Forecast Year-End Position @ Month 2	Change in Forecast Year-End Position in month
	£m	£m	£m	£m
COVID 19 Testing	0.345	1.516	1.512	0.004
COVID 19 Tracing	2.053	5.581	9.639	(4.058)
COVID 19 Vaccination	2.207	9.440	10.144	(0.704)
Extended Flu vaccination	0.078	1.243	0.919	0.324
PPE	0.863	3.565	3.634	(0.069)
Sub Total National Programmes	5.546	21.345	25.848	(4.504)
Cleaning Standards	0.386	3.251	3.278	(0.027)
COVID 19 Local Response	9.339	31.816	32.784	(0.968)
Sub Total Local response including Cleaning Standards	9.725	35.067	36.062	(0.995)
WG Covid Funding; Dental Income Target; Long Covid; Anti-viral; and Nosocomial	0.757	3.378	3.372	0.006
Total COVID Expenditure assumed to be matched by WG Funding £m	16.028	59.790	65.282	(5.493)

Summary Financial Tables

The following tables analyse the £5.877m overspend at Month 3, between Income, Pay, Non Pay and Clinical Boards. The tables analyse costs between Covid Response, Exceptional and Operational categories with funding assumed to match Covid Response and Exceptional cost categories.

Table 7: Summary Financial Position for the period ended 30th June 2022

Income/Pay/Non Pay	Memorandum Annual Budget	Current Period Budget	Current Period Actual	COVID 19 Response	Welsh Government COVID 19 Programmes Expenditure	Welsh Government COVID 19 Funding Assumed	Exceptional Inflationary Expenditure	Welsh Government Inflationary Expenditure Funding Assumed	Total COVID & Exceptional Inflationary Expenditure	Operational Variance (Fav)/Adv
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
In Month										
Income	(1,671.868)	(135.302)	(135.593)	0.042	0.000	(0.042)		0.000	0.042	(0.292)
Pay	718.327	63.128	61.887	2.545	0.563	(3.108)	0.351	(0.351)	3.459	(1.241)
Non Pay	953.542	72.174	75.589	0.461	0.935	(1.396)	0.507	(0.507)	1.903	3.415
Covid Funding delegated to C. Boards					0.285	(0.285)			0.285	
Sub Total £m	0.000	(0.000)	1.882	3.048	1.783	(4.831)	0.858	(0.858)	5.688	1.882
2022/23 Planned Deficit	17.100	0.000	(0.808)						0.000	(0.808)
Variance to Plan £m	17.100	(0.000)	1.074	3.048	1.783	(4.831)	0.858	(0.858)	5.688	1.074
Cumulative										
Income	(1,671.868)	(403.718)	(404.161)	0.296	0.000	(0.296)		0.000	0.296	(0.443)
Pay	718.327	186.102	184.209	7.943	1.838	(9.781)	1.188	(1.188)	10.969	(1.893)
Non Pay	953.542	217.617	225.830	1.487	3.708	(5.195)	2.751	(2.751)	7.946	8.213
Exceptional Cost Funding delegated to C. Boards					0.757	(0.757)			0.757	
Sub Total £m	0.000	0.000	5.877	9.725	6.303	(16.028)	3.939	(3.939)	19.967	5.877
2022/23 Planned Deficit	17.100	0.000	(4.275)						0.000	(4.275)
Variance to Plan £m	17.100	0.000	1.602	9.725	6.303	(16.028)	3.939	(3.939)	19.967	1.602

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

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Financial Performance of Clinical Boards

Budgets were set to ensure that there is sufficient resource available to deliver the UHB's plan. Financial performance for month 3 by Clinical Board is shown in Table 8.

Table 8: Financial Performance for the period ended 30th June 2022

Clinical Board	Gross Expenditure Due To COVID 19 £m	Welsh Government Covid 19 Funding £m	Exceptional Inflationary Expenditure £m	Welsh Government Exceptional Inflationary Pressure Funding £m	Operational Position (Surplus) / Deficit Variance £m
In Month					
Clinical Diagnostics & Therapies	0.131	(0.131)	0.025	(0.025)	(0.071)
Children & Women	0.091	(0.091)	0.046	(0.046)	0.166
Capital Estates & Facilities	0.467	(0.467)	0.263	(0.263)	0.421
Surge Hospitals	0.000	0.000	0.000	(0.000)	0.000
Executives	0.011	(0.011)	0.012	(0.012)	(0.430)
All Wales Genomics Service	0.000	0.000	0.003	(0.003)	0.002
Medicine	1.714	(1.714)	0.060	(0.060)	0.520
Mental Health	0.131	(0.131)	0.020	(0.020)	0.389
PCIC	1.280	(1.280)	0.250	(0.250)	0.032
Specialist	0.201	(0.201)	0.055	(0.055)	0.214
Surgery	0.414	(0.414)	0.076	(0.076)	0.185
SubTotal Delegated Position £m	4.440	(4.440)	0.811	(0.811)	1.427
Central Budgets	0.021	(0.021)	0.051	(0.051)	(0.354)
Central Budgets - Planning Deficit					0.808
Total Deficit/(Surplus) £m	4.461	(4.461)	0.862	(0.862)	1.881
Draft 2022/23 Planning Deficit					(0.808)
Operational Deficit/(surplus Against Plan) £m	4.461	(4.461)	0.862	(0.862)	1.073
Cumulative					
Clinical Diagnostics & Therapies	0.365	(0.365)	0.135	(0.135)	0.048
Children & Women	0.417	(0.417)	0.159	(0.159)	0.327
Capital Estates & Facilities	1.117	(1.117)	2.064	(2.064)	1.145
Surge Hospitals	0.000	0.000	0.000	(0.000)	0.012
Executives	0.315	(0.315)	0.063	(0.063)	(0.198)
All Wales Genomics Service	0.000	0.000	0.017	(0.017)	(0.001)
Medicine	5.224	(5.224)	0.180	(0.180)	1.236
Mental Health	0.560	(0.560)	0.091	(0.091)	0.901
PCIC	5.083	(5.083)	0.785	(0.785)	0.041
Specialist	0.705	(0.705)	0.171	(0.171)	(0.458)
Surgery	1.300	(1.300)	0.223	(0.223)	0.542
SubTotal Delegated Position £m	15.086	(15.086)	3.888	(3.888)	3.594
Central Budgets	0.107	(0.107)	0.051	(0.051)	(1.992)
Central Budgets - Planning Deficit					4.275
Total Deficit/(Surplus) £m	15.193	(15.193)	3.939	(3.939)	5.877
Draft 2022/23 Planning Deficit					(4.275)
Operational Deficit/(surplus Against Plan) £m	15.193	(15.193)	3.939	(3.939)	1.602

The operational deficit of £3.594m against delegated budgets is offset by a £1.992m underspend against central budgets leaving a total operational overspend of £1.602m before the addition of the cumulative £4.275m planned deficit to leave a total overspend of £5.877m

The largest operational overspends are in the Medicine Clinical Board (£1.236m deficit) where the main pressure areas are nursing and medical staffing, in Capital and Estates (£1.145m deficit)

where there are pressures against security costs and commercial income and Mental Health (£0.901m deficit) where there are nursing and continuing healthcare placement pressures

Key Financial Assumptions and Risks

Following on from Tables 5 & 6 the overall UHB position assumes :-

- Local COVID response allocations from Welsh Government of £35.067m (annual) to support the ongoing additional COVID costs and to fund achieving the Cleaning Standards.
- Funding for national COVID programmes on an actual cost basis, currently forecast at £21.345m to cover :
 - Testing costs
 - Tracing costs (allocated from separate fund)
 - Mass vaccination programme
 - Extended Flu Vaccination
 - PPE
- Funding for exceptional cost pressures of £30.907m, which are deemed to be outside of the UHB's direct control. The forecast cost of exceptional cost pressures will be subject to review as the year progresses driven by the unpredictability of some cost areas, such as energy.

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

Table 9: Risk Register @ June 2022

	Risks	Rating	Comment
Key Corporate Risk	Approved Three year Financial plan (IMTOP)	20	Currently in discussion with Welsh Government concerning plan resubmission by the end of the first quarter.
	Revenue Funding - Three Year Rolling Breakeven Duty	20	2022-23 Draft Plan projects £17.1m underlying deficit
	Capital Funding - Three Year Rolling Breakeven Duty	10	Current 2022-23 Plan is structured to remain within the Capital resource limit
Financial Performance	Operational delegated positions deteriorate in year resulting from cost and service pressures and excess inflation.	16	Access to suitably qualified and experienced staff with Covid Response demands still influencing resources means that temporary staffing costs are bringing delegated budgetary positions under significant pressure.
	Failure to deliver 2022-23 Savings Programme	16	Most savings have been identified to address the 2022-23 programme but the lack of recurrent savings within this will bring pressure on the underlying carry forward deficit of the UHB.
	Failure to exit current Covid Response costs once Welsh Government funding ceases. Cost will transfer to the UHB underlying deficit.	16	The timing of full Covid exit is uncertain alongside any associated Welsh Government funding. On full exit there are likely to be care model and building support costs that will maintain eg. Lakeside Wing support costs.

	2022-23 One Year LTA framework in NHS Wales	16	Failure to recover delivery of activity to contracted organisations (WHSSC , Welsh LHBs to a level of 90% of 2019-20 levels and beyond
Funding Assumptions	Welsh Government has notified LHBs that assumed Exceptional Costs funding remains at risk	16	Circa £30m risk to assumed funding
	Welsh Government has notified LHBs that assumed Covid Response Funding remains at risk	16	Circa £36m risk to assumed funding

Savings Programme

Delivery of the core financial plan includes a 2% (£16.0m) savings requirement. At month 3, the UHB has identified £15.694m of green and amber schemes to deliver against the £16.000m savings target leaving a further £0.306m schemes to identify as outlined in table 10 below:

Table 10: Savings Schemes at Month 3

	Total Savings Target £m	Total Savings Identified £m	Total Savings (Unidentified) £m
Total £m	16.000	15.694	(0.306)

Whilst the UHB has made good progress against the overall £16m target, there is a gap of £4.090m against the £12m recurrent target at month 3. This may add to the recurrent underlying deficit to be carried into 2023/24.

Progress is continuing to identify a full programme of deliverable savings.

In addition to the initial £16m savings target, the Financial Plan which was re-submitted on the 30th June, requires the UHB to deliver a further £3.700m of saving plans.

The additional savings programmes which will be RAG rated and included in the month 4 report, are planned in the following areas:

- Reduction in Investments - £0.300m
- Continuing Healthcare - £0.210m
- Medicines Management - £0.650m
- Procurement - £2.000m
- COO repatriation - £0.600m
- Other savings - (£0.060)m

Further analysis of the June position is shown in **Appendix 2**.

Underlying Financial Position

A key challenge to the UHB is the elimination of the underlying deficit. The UHB's accumulated underlying deficit brought forward into 2022/23 was £29.7m which reflects the £21.3m shortfall against the recurrent 2020/21 savings target due to the pandemic and the £4.4m shortfall against the 2021/22 recurrent savings target. An illustration of the year on year movement in the underlying deficit is shown at **Appendix 3**.

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

Table 11: Summary of Forecast Underlying Financial Position

	Submitted Draft Plan £m	Draft Position @Month 3	
		Non Recurrent £m	Recurrent Position £m
b/f underlying deficit	(29.7)	0.0	(29.7)
Net Allocation Uplift (inc LTA inflation)	29.8		29.8
Cost Pressures	(31.8)		(31.8)
Cost Pressures - Non recurrent	(1.1)	(1.1)	
Investments	(4.0)		(4.0)
Recurrent Cost Improvement Plans	12.0		12.0
Non Recurrent Cost Improvement Plans	4.0	4.0	
First Draft Submitted 2022/23 IMTP £m	(20.8)	2.9	(23.7)
Further Financial Recovery Plans	3.7		3.7
Final Submitted 2022/23 IMTP £m	(17.1)	2.9	(20.0)
In Year Movements			
Operational Expenditure Cost Increase Due To Covid-19	59.8	59.8	
Welsh Govt. Covid 19 Funding based on Draft Planning assumptions	(59.8)	(59.8)	
Exceptional Cost Pressures based on Forecast Costs	30.1	30.1	
Welsh Govt. Exceptional Cost Pressures funding based on Forecast Costs	(30.1)	(30.1)	
In Year Operational Pressures including Unidentified Savings Gap	0.0	0.0	
Forecast Draft Deficit 2022/23	(17.1)	2.9	(20.0)
Planned Surplus/(Deficit) 2022/23	(17.1)	2.9	(20.0)

Balance Sheet

The balance sheet at month 3 is detailed in **Appendix 4**. The opening balances at the beginning of April 2022 reflect the closing balances in the 2021/22 Annual Accounts approved by the UHB's Board.

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

Overall trade debtors have increased by £14m since the start of the year. This relates to amounts due from the Welsh Risk Pool (circa £12m) in respect of clinical negligence cases and NHS receivables (circa £3m).

The value of Trade and other payables has fallen by around £53m since the start of the year. This mainly relates to a significant decrease in the levels of NHS, non NHS accruals and capital accruals.

Cash Flow Forecast

The closing cash balance at the end of June, was £2.719m.

The UHB is currently predicting a cash shortfall in 2022/23 in line with the forecast deficit as shown at **Appendix 4**. The UHB has highlighted the forecast cash deficit within the monthly monitoring return provided to Welsh Government and expects to discuss its working capital requirements as the year progresses.

Public Sector Payment Compliance

The UHB's public sector payment compliance performance remains below the target of 95%. Performance for the 3 months to the end of June was 92.3%, which is a deterioration of 0.1% in month and a deterioration of 0.8% on the 93.1% achieved in 2021/22. The UHB continues to review the reasons for payments outside of the 30 day target so that actions can be taken to improve performance where feasible.

Capital Resource Limit (CRL)

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

Table 12: Progress against Capital Resource Limit @ June 2022

	£m
Planned Capital Expenditure at month 3	7.466
Actual net expenditure against CRL at month	6.627
Variance against planned Capital Expenditure at month 3	(0.839)

Of the UHB's approved Capital Resource Limit, 14.3% has been expended to date.

All schemes are currently in line with annual forecast.

Planned expenditure for the year reflects the CRL received from Welsh Government dated 5th May 2022 - £46.366m.

The UHB had an approved capital resource limit of £46.366m in line with the latest CRL received from Welsh Government 5th May 2022 comprising of £10.263m discretionary funding and £36.103m towards specific projects (including Maelfa Primary Care Pipeline, the National Imaging Programme, Developing Genomics Partnership Wales, UHL Electrical infrastructure, Endoscopy Unit UHL & Refit - Phase 2)

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

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

1. Core Financial Plan including recovery
2. National inflationary pressures which are out of the direct control of individual Health Boards
3. Ongoing COVID response costs and Welsh Government Covid Programmes

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

Delivery of the core financial plan initially included an 2% (£16.0m) savings requirement. At Month 3, £7.910m of savings were identified against the £12m recurrent part of the savings initial target leaving a further £4.090m of recurrent savings to identify in order to meet the plan. Further progress needs to be made in respect of the £4.090m shortfall against the initial recurrent savings target and the further £3.7m of recurrent savings required in respect of the UHBs additional Financial Recovery Plans.

The UHB also needs to manage its operational position and mitigate any emerging pressures as its Covid response costs are collapsed. The Month 3 reported operational overspend of £1.602m is cause for concern and has prompted enhanced monitoring through the monthly Executive Performance Reviews of Clinical Boards.

The UHB position is heavily predicated on the assumption of Welsh Government continuing to provide income support for local Covid response, exceptional costs and central Covid programmes. The total of these is currently forecast at £89.887m in 2022-23. These assumptions will be tested out in ongoing discussions with Welsh Government regarding the UHB's Financial Plan.

Recommendation:

At Month 3 the Committee is requested to:

- **NOTE** the reported overspend of £5.877m due to £1.602m of operational pressures and a planning deficit of £4.275m.
- **NOTE** the financial impact of COVID 19 which is assessed at £16.028m ;
- **NOTE** the additional Welsh Government COVID 19 funding of £16.028m assumed within the position.
- **NOTE** the financial impact of Exceptional inflationary pressures which is assessed at £3.939m.
- **NOTE** the additional Exceptional inflationary pressures of £3.939m assumed within the position.
- **NOTE** the forecast deficit of £17.1m, which is consistent with the Final Financial plan and is a reduction of £3.7m from the £20.8m included within the initial Draft Financial Plan .
- **NOTE** the additional £3.7m of recurrent Savings Plans required to deliver the revised Financial plan.
- **NOTE** the 2021/22 brought forward Underlying Deficit of £29.7m and the forecast carry forward of £20.0m to 2022/23.

Link to Strategic Objectives of Shaping our Future Wellbeing:

Please tick as relevant

1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance	
2. Deliver outcomes that matter to people		7. Be a great place to work and learn	
3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology	
4. Offer services that deliver the population health our citizens are entitled to expect		9. Reduce harm, waste and variation sustainably making best use of the resources available to us	x
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time		10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives	

Five Ways of Working (Sustainable Development Principles) considered

Please tick as relevant

Prevention	Long term	x	Integration		Collaboration		Involvement	
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Impact Assessment:

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

Risk: Yes

No

Safety: Yes/No	
No	
Financial: Yes	
As detailed in the report.	
Workforce: Yes/No	
No	
Legal: Yes/No	
No	
Reputational: Yes/No	
Yes, if forecast financial position is not delivered.	
Socio Economic: Yes/No	
No	
Equality and Health: Yes/No	
No	
Decarbonisation: Yes/No	
No	
Approval/Scrutiny Route:	
Finance Committee	Date: 27 th July 2022

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ANALYSIS OF INCOME, PAY AND NON PAY BUDGETS BY CATEGORIES

Income

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

Table 13: Income Variance @ June 2022

	Memorandum Annual Budget	Current Period Budget	Current Period Actual	COVID 19 Response Expenditure	Welsh Government COVID 19 Programmes Expenditure	Welsh Government COVID 19 Funding Assumed	Exceptional Inflationary Expenditure	Welsh Government Exceptional Funding Assumed	Total COVID & Exceptional	Operational Variance (Fav)/Adv
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
In Month										
Revenue Resource Limit (RRL)	(1,196.948)	(94.067)	(94.067)			0.000			0.000	0.000
RRL Welsh Govt. COVID 19 Funding		4.831	4.831			0.000			0.000	
RRL Welsh Govt. Exceptional Pressures Funding		0.858	0.858			0.000			0.000	
Welsh Government Income (Non RRL)	(14.237)	(1.186)	(1.186)	0.000		0.000			0.000	0.000
Accommodation & Catering	(4.494)	(0.387)	(0.328)	0.000		0.000			0.000	0.059
Education & Training	(38.282)	(3.792)	(3.816)	0.000		0.000			0.000	(0.025)
Injury Cost Recovery Scheme (CRU) Income	(2.165)	(0.180)	(0.280)	0.000		0.000			0.000	(0.099)
NHS Patient Related Income	(381.826)	(35.658)	(35.839)	(0.056)		0.056			(0.056)	(0.181)
Other Operating Income	(23.791)	(4.822)	(4.600)	0.030		(0.030)			0.030	0.222
Overseas Patient Income	(0.076)	(0.005)	(0.036)	0.044		(0.044)			0.044	(0.030)
Private Patient Income	(1.318)	(0.135)	(0.086)	0.024		(0.024)			0.024	0.049
Research & Development	(8.731)	(0.756)	(1.043)	0.000		0.000			0.000	(0.287)
Variance to Plan £m	(1,671.868)	(135.302)	(135.594)	0.042	0.000	(0.042)	0.000	0.000	0.042	(0.292)
Cumulative										
Revenue Resource Limit (RRL)	(1,196.948)	(284.796)	(284.796)			0.000			0.000	0.000
RRL Welsh Govt. COVID 19 Funding		16.028	16.028			0.000			0.000	
RRL Welsh Govt. Exceptional Pressures Funding		3.939	3.939			0.000			0.000	
Welsh Government Income (Non RRL)	(14.237)	(3.559)	(3.559)			0.000			0.000	0.000
Accommodation & Catering	(4.494)	(1.113)	(0.961)	0.000		0.000			0.000	0.152
Education & Training	(38.282)	(11.116)	(11.138)	0.000		0.000			0.000	(0.021)
Injury Cost Recovery Scheme (CRU) Income	(2.165)	(0.541)	(0.541)	0.000		0.000			0.000	0.000
NHS Patient Related Income	(381.826)	(105.513)	(105.913)	(0.058)		0.058			(0.058)	(0.400)
Other Operating Income	(23.791)	(14.417)	(14.207)	0.108		(0.108)			0.108	0.209
Overseas Patient Income	(0.076)	(0.028)	(0.072)	0.022		(0.022)			0.022	(0.044)
Private Patient Income	(1.318)	(0.350)	(0.340)	0.224		(0.224)			0.224	0.011
Research & Development	(8.731)	(2.251)	(2.600)	0.000		0.000			0.000	(0.349)
Variance to Plan £m	(1,671.868)	(403.718)	(404.161)	0.296	0.000	(0.296)	0.000	0.000	0.296	(0.442)

The income position at month 3 is an underspend of £0.442m. This position includes consideration of additional Welsh Government income of £0.296m in recognition of income losses caused by COVID 19 disruption. This position excludes anticipated income relating to exceptional costs and Covid 19 response costs. Part of the in year financial pressure, already noted in Table 4, relates to the shortfall on accommodation and catering income previously supported by Welsh Government funding but now, no longer falling within the defined Covid response costs. This pressure is £0.152m in month 3.

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Pay

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

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

	Memorandum Annual Budget	Current Period Budget	Current Period Actual	COVID 19 Response	Welsh Government COVID 19 Programmes Expenditure	Welsh Government COVID 19	Exceptional Inflationary Expenditure	Welsh Government Exceptional Funding Applied	Total COVID & Exceptional	Operational Variance (Fav)/Adv
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
In Month										
Medical and Dental	183.362	15.805	16.227	0.576	0.000	(0.576)	0.090	(0.090)	0.666	0.423
Nursing (registered)	215.455	18.707	17.645	0.706	0.149	(0.855)	0.100	(0.100)	0.955	(1.062)
Nursing (unregistered)	54.506	4.737	5.226	0.731	0.057	(0.788)	0.033	(0.033)	0.821	0.490
Scientific, prof & technical	40.418	3.775	3.534	0.064	0.010	(0.074)	0.019	(0.019)	0.093	(0.241)
Additional clinical services	28.457	2.5379	2.377	0.077	0.022	(0.098)	0.013	(0.013)	0.112	(0.161)
Management, admin & clerical	86.630	7.949	7.692	0.042	0.323	(0.365)	0.044	(0.044)	0.408	(0.258)
Other staff groups	109.498	9.617	9.186	0.349	0.003	(0.352)	0.051	(0.051)	0.403	(0.431)
Variance to Plan £m	718.327	63.128	61.887	2.545	0.563	(3.108)	0.351	(0.351)	3.459	(1.241)
Cumulative										
Medical and Dental	183.362	46.647	48.080	1.647	0.001	(1.648)	0.305	(0.305)	1.953	1.433
Nursing (registered)	215.455	55.179	52.543	2.441	0.543	(2.983)	0.340	(0.340)	3.323	(2.636)
Nursing (unregistered)	54.506	14.059	15.621	2.303	0.213	(2.515)	0.111	(0.111)	2.627	1.563
Scientific, prof & technical	40.418	11.175	10.517	0.191	0.028	(0.218)	0.066	(0.066)	0.284	(0.659)
Additional clinical services	28.457	7.609	7.104	0.218	0.069	(0.287)	0.045	(0.045)	0.332	(0.505)
Management, admin & clerical	86.630	23.132	22.864	0.229	0.974	(1.203)	0.147	(0.147)	1.350	(0.268)
Other staff groups	109.498	28.302	27.480	0.915	0.011	(0.926)	0.174	(0.174)	1.100	(0.822)
Variance to Plan £m	718.327	186.102	184.209	7.943	1.838	(9.781)	1.188	(1.188)	10.969	(1.893)

The pay position at month 3 is an operational underspend of £1.893m. The in month pay position underspend was £1.241m which in part was due to the allocation of budget to Clinical Boards to reflect the impact of the increase in the real living wage in 2022/23 which is forecast to be £1.333m for the year and is assessed at £0.333m for the year to date. The UHB has been asked by Welsh Government to assume that this additional cost will be funded through the 2022/23 pay settlement.

Performance against operational pay varies across the UHB with the largest overspend being reported by the Medicine Clinical Board where there is an operational overspend of £0.846m, primarily as a result of nursing pressures.

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Non Pay

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

Table 15: Non-Pay Variance @ June 2022

	Memorandum Annual Budget	Current Period Budget	Current Period Actual	COVID 19 Response	Welsh Government COVID 19 Programmes Expenditure £m	Welsh Government COVID 19 £m	Exceptional Inflationary Expenditure £m	Welsh Government Exceptional Funding Applied £m	Total COVID & Exceptional £m	Operational Variance (Fav)/Adv £m
In Month	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Drugs / Prescribing	158.681	16.801	16.874	0.106	0.000	(0.106)	0.000	0.000	0.106	0.073
Clinical services & supplies	109.089	9.824	9.829222	0.057	0.195	(0.252)	0.000	0.000	0.252	0.006
General supplies & services	9.026	0.871	0.99457	0.005	0.077	(0.082)	0.000	0.000	0.082	0.124
Establishment expenses	10.206	0.895	0.996	0.003	(0.005)	0.002	0.000	0.000	(0.002)	0.101
Premises & fixed plant	37.947	2.848	3.760	0.157	0.206	(0.363)	0.265	(0.265)	0.628	0.912
Continuing healthcare	73.774	6.122	6.419	0.000	0.000	0.000	0.242	(0.242)	0.242	0.297
Healthcare Provided Services	223.281	19.039	19.077	0.063	0.000	(0.063)	0.000	0.000	0.063	0.038
Primary Care Contractors	144.501	11.689	11.632	0.021	0.000	(0.021)	0.000	0.000	0.021	(0.057)
Other non pay	187.037	4.085	6.006	0.050	0.462	(0.512)	0.000	0.000	0.512	1.921
Variance to Plan £m	953.542	72.174	75.589	0.461	0.935	(1.396)	0.507	(0.507)	1.903	3.415
Cumulative										
Drugs / Prescribing	158.681	52.533	52.981	0.364	0.000	(0.364)	0.000	0.000	0.364	0.448
Clinical services & supplies	109.089	28.841	28.451932	0.158	0.617	(0.775)	0.000	0.000	0.775	(0.389)
General supplies & services	9.026	2.647	3.0256745	0.053	0.251	(0.304)	0.000	0.000	0.304	0.379
Establishment expenses	10.206	2.605	2.770	0.028	0.034	(0.062)	0.000	0.000	0.062	0.164
Premises & fixed plant	37.947	9.645	11.553	0.324	0.623	(0.947)	2.026	(2.026)	2.973	1.908
Continuing healthcare	73.774	18.352	18.994	0.000	0.000	0.000	0.725	(0.725)	0.725	0.642
Healthcare Provided Services	223.281	55.703	55.729	0.433	0.000	(0.433)	0.000	0.000	0.433	0.026
Primary Care Contractors	144.501	34.719	34.711	0.060	0.012	(0.072)	0.000	0.000	0.072	(0.008)
Other non pay	187.037	12.571	17.614	0.067	2.172	(2.239)	0.000	0.000	2.239	5.043
Variance to Plan £m	953.542	217.617	225.830	1.487	3.708	(5.195)	2.751	(2.751)	7.946	8.213

There is an operational overspend of £8.213m on non-pay budgets which incorporates the 2022/23 monthly planning deficit of £4.275m.

The additional gross COVID 19 expenditure of £5.195m (local response and national programme) is matched by £5.195m of anticipated COVID 19 funding and the additional exceptional energy costs of £2.026m and continuing healthcare costs of £0.725m arising from national pressures are matched by assumed funding of £2.751m.

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

Table 16: Cumulative overspend Premises and Fixed Plant @ Month 3

Clinical / Service Board	Cumulative Variance £m	Reasons
Capital Estates & Facilities	0.901	Additional water charges, security costs and Estates non pay contractor costs which are broadly balanced by a pay underspends against estates staff
Executives	0.375	Digital costs and accommodation costs in respect of Overseas Nurses
Central Budgets	0.256	Additional Bed Contract costs reported Centrally
Other Clinical Boards	0.376	
Total Variance to Plan £m	1.908	

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2022/23 SAVING SCHEMES

2022-23 In-Year Effect

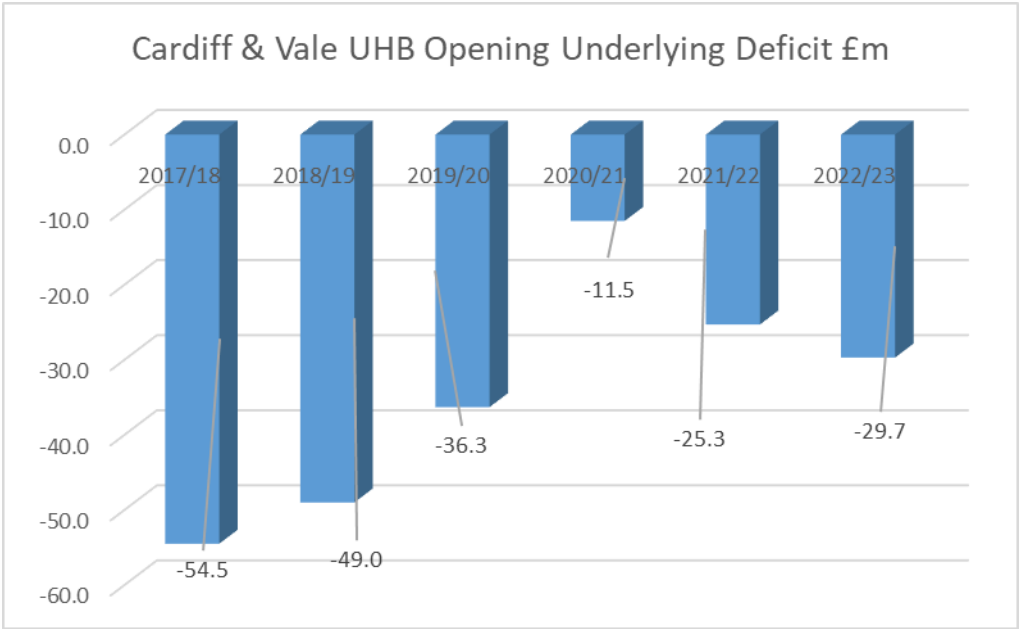
Clinical/Service Board	22-23 Target 2%	Green	Amber	Total Green & Amber	Red	Shortfall on Total Target vs Green & Amber
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Estates and Facilities	946	946	0	946	0	0
Children and Women	1,303	1,303	0	1,303	18	-0
Clinical Diagnostics and Therapeutics	1,199	1,107	0	1,107	0	92
Corporate Executives	500	394	0	394	0	106
Medicine	1,378	1,378	0	1,378	360	0
Mental Health	1,079	967	0	967	399	113
Primary, Community and Intermediate Care	2,423	2,398	25	2,423	15	-0
Specialist Services	1,482	1,480	0	1,480	0	2
Surgical Services	1,689	1,695	0	1,695	300	-6
Sub Total Clinical Boards £'000	12,000	11,668	25	11,693	1,092	306
Corporate	4,000	4,000	0	4,000	0	0
Total £'000	16,000	15,668	25	15,693	1,092	306

2022-23 Full Year Effect

Clinical/Service Board	22-23 Target 1.5%	Green	Amber	Total Green & Amber	Pipeline Red	Shortfall on Total Target vs Green & Amber
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Estates and Facilities	946	742	0	742	136	204
Children and Women	1,303	353	0	353	24	950
Clinical Diagnostics and Therapeutics	1,199	677	0	677	0	522
Corporate Executives	500	55	0	55	0	445
Medicine	1,378	661	0	661	778	717
Mental Health	1,079	846	0	846	650	233
Primary, Community and Intermediate Care	2,423	2,018	25	2,043	250	380
Specialist Services	1,482	1,266	0	1,266	0	216
Surgical Services	1,689	1,267	0	1,267	600	422
Sub Total Clinical Boards £'000	12,000	7,885	25	7,910	2,438	4,090
Corporate		0	0	0	0	0
Total £'000	12,000	7,885	25	7,910	2,438	4,090

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Year on Year Movement in Cardiff & Vale UHB Underlying Deficit



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BALANCE SHEET AT THE END OF JUNE 2022

	Opening Balance 1 st April 2022	Closing Balance 30th June 2022
Non-Current Assets	£'000	£'000
Property, plant and equipment	789,607	804,610
Intangible assets	2,611	2,356
Trade and other receivables	33,427	55,900
Other financial assets		
Non-Current Assets sub total	825,645	862,866
Current Assets		
Inventories	20,391	21,006
Trade and other receivables	228,915	220,674
Other financial assets		
Cash and cash equivalents	4,607	2,719
Non-current assets classified as held for sale		
Current Assets sub total	253,913	244,399
TOTAL ASSETS	1,079,558	1,107,265
Current Liabilities		
Trade and other payables	245,910	192,728
Other financial liabilities	0	
Provisions	165,709	164,880
Current Liabilities sub total	411,619	357,608
NET ASSETS LESS CURRENT LIABILITIES	667,939	749,657
Non-Current Liabilities		
Trade and other payables	7,683	7,756
Other financial liabilities		
Provisions	39,304	52,877
Non-Current Liabilities sub total £'000s	18,640	60,633
TOTAL ASSETS EMPLOYED £'000s	649,299	689,024
FINANCED BY:		
Taxpayers' Equity		
General Fund	503,471	553,838
Revaluation Reserve	117,481	135,186
Total Taxpayers' Equity £'000s	620,952	689,024

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CASHFLOW FORECAST AT THE END OF JUNE 2022

	April £'000	May £'000	June £'000	July £'000	Aug £'000	Sept £'000	Oct £'000	Nov £'000	Dec £'000	Jan £'000	Feb £'000	Mar £,000	Total £,000
RECEIPTS													
WG Revenue Funding - Cash Limit (excluding NCL)	111,385	108,155	103,795	85,045	93,750	102,314	85,334	92,594	103,409	87,784	96,209	72,281	1,142,055
WG Revenue Funding - Non Cash Limited (NCL)	1,170	1,650	945	1,085	1,200	1,200	1,200	1,200	1,200	1,200	1,200	986	14,236
WG Revenue Funding - Other (e.g. invoices)	3,046	1,298	84	1,284	7,074	2,674	1,284	2,674	1,284	1,284	2,674	2,674	27,334
WG Capital Funding - Cash Limit	10,000	4,000	3,500	7,875	3,440	4,500	3,100	4,100	2,500	2,250	1,101	0	46,366
Sale of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from other Welsh NHS Organisations	40,206	38,287	36,007	33,894	36,164	30,534	32,300	30,417	31,760	31,316	31,417	33,414	405,716
Other - (Specify in narrative)	5,714	11,261	6,390	13,594	6,786	6,558	12,797	7,172	7,996	12,735	6,104	9,912	107,017
TOTAL RECEIPTS	171,521	164,651	150,721	142,777	148,413	147,780	136,015	138,157	148,149	136,568	138,705	119,267	1,742,724
PAYMENTS													
Primary Care Services : General Medical Services	6,488	5,786	7,107	5,969	5,942	7,532	5,942	5,942	7,532	5,942	5,942	7,532	77,658
Primary Care Services : Pharmacy Services	209	128	138	113	160	160	160	160	320	640	320	320	2,828
Primary Care Services : Prescribed Drugs & Appliances	16,137	4	8,731	8,153	8,255	16,510	0	8,255	16,510	0	8,255	8,255	99,065
Primary Care Services : General Dental Services	2,389	2,290	2,212	2,236	2,280	2,280	2,280	2,280	2,280	2,280	2,280	2,280	27,367
Non Cash Limited Payments	1,977	1,906	1,790	1,964	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910	22,917
Salaries and Wages	57,983	60,275	59,453	59,223	59,552	59,122	59,269	59,342	59,328	59,341	59,728	59,805	712,421
Non Pay Expenditure	70,738	85,467	68,932	59,055	65,814	55,768	63,353	56,168	57,768	64,203	59,166	60,268	766,703
Capital Payment	11,209	7,322	3,938	4,750	4,500	4,500	3,100	4,100	2,500	2,250	1,103	0	49,272
Other items (Specify in narrative)	5,182	337	652	28	0	0	0	0	0	0	0	0	6,199
TOTAL PAYMENTS	172,312	163,514	152,953	141,492	148,413	147,783	136,015	138,157	148,149	136,567	138,704	140,370	1,764,430
Net cash inflow/outflow	(791)	1,136	(2,233)	1,285	0	(3)	(0)	(0)	0	1	1	(21,104)	
Balance b/f	4,607	3,816	4,952	2,719	4,004	4,004	4,002	4,002	4,001	4,001	4,003	4,004	
Balance c/f	3,816	4,952	2,719	4,004	4,004	4,002	4,002	4,001	4,001	4,003	4,004	(17,100)	

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PROGRESS AGAINST CRL AS AT 30th June 2022

Approved CRL issued May 5th 2022 £'000s		46,366				
Performance against CRL	Year To Date			Forecast		
	Plan £'000	Actual £'000	Var. £'000	Plan £'000	F'cast £'000	Var. £'000
All Wales Capital Programme:						
Maelfa - Primary Care Pipeline - FBC	1,339	1,311	(28)	2,627	2,627	0
National Programme - Imaging P2	673	110	(563)	5,880	5,880	0
Covid Recovery Funding	127	0	(127)	1,274	1,274	0
Genomics	2,451	1,697	(754)	12,344	12,344	0
CAVOC Theatres	178	41	(137)	522	522	0
UHL Electrical Infrastructure	395	0	(395)	3,946	3,946	0
Eye Care - e-referral system (funded through DPIF)	96	35	(61)	643	643	0
Endoscopy Unit UHL	470	36	(434)	4,703	4,703	0
Refit - Phase 2	252	1,563	1,311	2,344	2,344	0
Rookwood reprovision at Llandough	162	2	(160)	750	750	0
Major Trauma & Hybrid Theatres Fees	217	198	(19)	503	503	0
YnysSaff Sexual Assault Referral Centre at Cardiff Royal Infirmary – Interim	10	0	(10)	67	67	0
SDEC	157	125	(32)	500	500	0
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Clinical Board Performance Reviews – July 2022
Executive Assurance Summary

Finance Committee – 27th July 2022

Clinical Board	Overall assurance Level	Recommendation	Finance Assurance Level	Comment
PCIC	Adequate	No Escalation	Adequate	Adequate on Finance, Workforce and Activity.
C&W	Adequate	No Escalation	Adequate	Adequate in all areas.
Specialist	Adequate	No Escalation	Adequate	Finance & Activity adequate. Workforce limited.
CD&T	Adequate	No Escalation	Adequate	Adequate in all areas.
Medicine	Limited	No Escalation – see notes	Limited	Limited in all areas – Recommendation remains not to go into further escalation. Support to Clinical Board Director being provided by CEO and EMD. If improvements not seen in next few months formal escalation to be considered.
Surgery	Adequate	No Escalation	Adequate	Limited in Activity. Adequate in both Finance and Workforce areas.
Mental Health	Adequate	No Escalation	Limited	Limited Finance. Adequate in Activity and Workforce.

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Report Title:	2022-23 Month 3 Monthly Financial Monitoring Return				Agenda Item no.	3.1	
Meeting:	Finance Committee	Public	X	Meeting Date:	27 th July 2022		
Status (please tick one only):	Assurance	x	Approval		Information	x	
Lead Executive:	Executive Director of Finance						
Report Author (Title):	Deputy Director of Finance						
Main Report							
Background and current situation:							
SITUATION 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.							
Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:							
The extract from the UHB's Monthly Financial Monitoring Return is provided for information and assurance.							
Recommendation:							
The Committee is requested to:							
NOTE the extract from the UHB's Monthly Financial Monitoring Return.							
Link to Strategic Objectives of Shaping our Future Wellbeing:							
<i>Please tick as relevant</i>							
1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance					
2. Deliver outcomes that matter to people		7. Be a great place to work and learn					
3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology					
4. Offer services that deliver the population health our citizens are entitled to expect		9. Reduce harm, waste and variation sustainably making best use of the resources available to us	x				
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time		10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives					
Five Ways of Working (Sustainable Development Principles) considered							
<i>Please tick as relevant</i>							
Prevention	Long term	x	Integration		Collaboration		Involvement
Impact Assessment:							
<i>Please state yes or no for each category. If yes please provide further details.</i>							
Risk: No							

Safety: No	
Financial: Yes	
As detailed above.	
Workforce: No	
Legal: No	
Reputational: Yes	
Yes, if forecast financial position is not delivered.	
Socio Economic: No	
Equality and Health: No	
Decarbonisation: No	
Approval/Scrutiny Route:	
Finance Committee	Date: 27 th July 2022

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THE WELSH GOVERNMENT FINANCIAL COMMENTARY

FINANCIAL POSITION FOR THE THREE MONTH PERIOD ENDED 30th June 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 anticipates 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.

These exceptional forecast costs remain as informed estimates at present. The UHB continues to work through its assessment of their cost impact with particular regard to the volatile energy costs.

In line with Welsh Government advice, it is assumed that the costs 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.

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

- Ongoing Covid local response costs as defined by updated 2022-23 Welsh Government allowable 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 3 the UHB is reporting an in month overspend of £5.877m against its submitted draft plan. This is due to £1.602m of operational pressures and a planning deficit of £4.275m, which is three twelfths of the planned deficit of £17.1m identified in the 2022/23 financial plan.

In addition, the UHB reports that it has incurred additional costs for which it anticipates funding of :-

- Exceptional Cost Pressures £3.939m
- Local Covid response including Cleaning Standards £9.725m
- Central Welsh Government Covid Programmes £5.546m
- Welsh Government Specific Covid Funding streams £0.757m

BACKGROUND

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

Table 1: 2022/23 Core Draft Plan

	2022/23 Plan £m
Underlying deficit from 2020/21 Plan	(4.0)
Adjustment for non-recurrent items in 2020/21 and 2021/22	(25.7)
b/f underlying deficit	(29.7)
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)
2022/23 Planned Surplus/(Deficit) before efficiency programme	(36.8)
Efficiency Programme of 2%	
Recurrent cost improvement plans (1.5% in 22/23)	12.0
Non Recurrent cost improvement plans (0.5% in 22/23)	4.0
Planned Surplus/(Deficit)	(20.8)
Financial Recovery Plans	3.7
Planned Surplus/(Deficit)	(17.1)

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 UHBs 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 Draft 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 30th June 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) 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 3 financial position.

The response to the queries raised in the month 2 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 3 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 UHBs 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 or 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 identified in the financial plan and these will continue to be reviewed on a monthly basis.

The following risks are reported:

- Management of Operational Pressures - £2.0m
- Shortfall Against Planned Savings Delivery £1.5m
- Outcome of LTA Framework £4.0m
- Exceptional energy costs are greater than estimated - £4.0m
- Funding for Covid Non Programme Areas (including Cleaning standards) - £35.067m
- Funding for Exceptional Cost pressures (Energy, NI Levy & RLW) - £30.097m

The Risks are partially offset by the following opportunities:

- Potential Slippage on Investments - £0.2m
- Overperformance Against savings delivery - £1.0m
- Exceptional energy Costs are lower than estimated - £4.0m
- Reduced Response Costs due to a better COVID situation - £4.0m

ACTUAL YEAR TO DATE (TABLE B AND B2)

Table B confirms the year to date deficit of £5.877m 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 £17.100m is shown in Table 2 below.

Table 2: Summary Financial Position for the period ended 30th June 2022

	Month 3	Forecast Year-End Position £m
COVID 19 Additional Expenditure	16.028	59.790
Exceptional Inflationary Pressures	3.939	30.097
Gross additional COVID and Exceptional Inflationary Pressures £m	19.967	89.886
Welsh Govt FUNDING for additional COVID and Exceptional Inflationary Pressures	(19.967)	(89.886)
Planned deficit	4.275	17.100
Operational position (Surplus) / Deficit	1.602	0.000
Financial Position £m (Surplus) / Deficit £m	5.877	17.100

The month 3 deficit of £5.877m comprised of the following:

- £4.275m planned deficit (3/12th of £17.1m);
- £1.602m adverse variance against plan.

The operational variance deteriorated from Month 2 (£529k deficit) mainly due to the impact of income loss from commissioners under the 2022-23 LTA financial framework. The UHB faces a significant challenge as it continues to deliver services from an operational footprint designed to accommodate Covid patients and the necessary infection control arrangements but is expected to deliver patient throughput aligned to a post Covid operating environment. This remains especially challenging in the face of the recent, significant upswing in Covid prevalence as reflected by hospital Covid admissions.

The UHB still plans to recover the adverse operational variance of £1.602m as the year progresses and to deliver its planned deficit position of £17.1m.

The forecast assumes that the UHB will successfully identify and deliver further savings schemes to cover the planning assumptions detailed in the financial plan.

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

- Exceptional Cost Pressures £3.939m
- Local Covid response including Cleaning standards £9.725m
- Central Welsh Government Covid Programmes £6.018m

It is assumed that Welsh Government funding will be provided to cover the COVID and exceptional inflationary costs arising in month 3 and for the remainder of the year.

PAY & AGENCY (TABLE B2)

The UHB recorded Agency costs of £2.034m in month 3 which is an increase of £0.189m on the £2.223m reported at month 2. £1.247m of the costs reported in month 2 related to registered nursing and midwifery, where the UHB is progressing programmes including overseas recruitment to manage pressures.

COVID 19 ANALYSIS (TABLE B3)

At month 3 Table B3 is projecting net expenditure due to COVID-19 to be £59.790m. This includes expenditure related to the Covid funding for the Dental Income Target (£1.859m), Long Covid (£0.749m), Anti-viral (£0.250m) and Nosocomial Covid 19 (£0.520m) allocations.

The forecast Covid position is breakeven following confirmation/assumed funding matching net expenditure. This 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 3	Forecast Year-End Position	Forecast Year-End Position @ Month 2	Change in Forecast Year- End Position in month
	£m	£m	£m	£m
COVID 19 Testing	0.345	1.516	1.512	0.004
COVID 19 Tracing	2.053	5.581	9.639	(4.058)
COVID 19 Vaccination	2.207	9.440	10.144	(0.704)
Extended Flu vaccination	0.078	1.243	0.919	0.324
PPE	0.863	3.565	3.634	(0.069)
Sub Total National Programmes	5.546	21.345	25.848	(4.504)
Cleaning Standards	0.386	3.251	3.278	(0.027)
COVID 19 Local Response	9.339	31.816	32.784	(0.968)
Sub Total Local response including Cleaning Standards	9.725	35.067	36.062	(0.995)
WG Covid Funding; Dental Income Target; Long Covid; Anti-viral; and Nosocomial	0.757	3.378	3.372	0.006
Total COVID Expenditure assumed to be matched by WG Funding £m	16.028	59.790	65.282	(5.493)

This forecast includes funding assumed from Welsh Government COVID Funding totaling £59.790m to match the forecast costs.

The forecast cost of national Covid programmes is £21.345m which is a fall of £4.504m against the £25.848m forecast costs reported at month 2.

The forecast local Covid response costs and Cleaning Standards is £35.067m which is a fall of £0.995m against the comparable £36.062m forecast costs reported at month 2.

The analysis of Covid 19 expenditure included in Table B3 now 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

Key Financial Assumptions

- Local response COVID response allocation of £40.6m (costs currently forecast at £35.1m) to support the exit from additional COVID costs and to fund achieving the Cleaning Standards.

The FDU has enquired over the suitability of a number of costs areas that the UHB has designated as a local Covid response cost. The UHB will respond in July to the FDU, providing additional justification for the inclusion of the costs as being prompted by the necessary pandemic response.

- 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 3	Forecast Year-End Position
Incremental costs in 2022/23	£m	£m
Energy/Fuel	2.026	21.297
National Insurance Levy	1.188	5.900
Living Wage - Social Care	0.725	2.900
Total COVID Expenditure £m	3.939	30.097
Sub Total COVID funding confirmed/assumed £m	3.939	30.097

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 increased by £5.197m in month from £16.0m to £21.297m. This is marginally higher than the planning estimate of £20.9m included in the initial draft plan

The forecast of the employers cost of NI levy has decreased by £1.0m from the planning estimate of £6.9m to £5.9m following the collection of actual cost data in months 1-3 and will continue to be reviewed as the year progresses.

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 draft 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 is working 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.

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

At month 3 the UHB has identified £15.602m of schemes to deliver against the £16.000m savings target leaving a further £0.398m schemes to identify as outlined in table 5 below:

Table 5: Savings Schemes

	Total Savings Target £m	Total Savings Identified £m	Total Savings (Unidentified) £m
Total £m	16.000	15.602	(0.398)

Progress is continuing to identify a full programme of deliverable savings.

The UHB expects to finalise the additional £3.4m of savings plans required to deliver the revised planning deficit of £17.1m.

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/AME anticipated allocations are based on November 2021 non cash estimates. The UHB has just submitted estimates for June 22, however it does not expect to action any changes as a consequence of the June 2022 estimates, as the UHB is also progressing a revaluation of the entire NHS estate (as at 1/4/22) which is expected to materially affect the capital charges figures and will form part of the November 2022 estimates.

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. Updated indices are reflected.

Overall trade debtors have increased by £14m since the start of the year. This relates to amounts due from the Welsh Risk Pool (circa £12m) in respect of clinical negligence cases and NHS receivables (circa £3m).

The value of Trade and other payables has fallen by around £53m since the start of the year. This mainly relates to a significant decrease in the levels of NHS, non NHS accruals and capital accruals.

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

PSPP (TABLE H)

The UHB's cumulative performance to the end of June was 92.2%, which is just below the statutory 95% target. During the same period, the UHB paid 84.2% of its NHS invoices by number within 30 days.

CASHFLOW (TABLE G)

The closing cash balance at the end of June was £2.719m.

The UHB is currently predicting a cash shortfall of £17.1m in 2022/23 in line with the forecast deficit.

CAPITAL SCHEMES (TABLES I, J & K)

Of the UHB's approved Capital Resource Limit, 14% has been expended to date.

Whilst two schemes are currently classed as medium risk, all other schemes are currently in line with annual forecast.

Due to the delayed start to the Endoscopy scheme in 22/23, there is currently a potential £0.6m underspend to the £4.703m CRL allocation. This is currently being reviewed.

The digital eye care capital allocation is currently being reviewed by Welsh Government. This is being closely monitored to ensure the UHB can address any issues they may arise.

Planned expenditure for the year reflects the CRL received from Welsh Government dated 5th May 2022 - £46.366m.

AGED WELSH NHS DEBTORS (TABLE M)

At the 30th June 2022, there was one invoice outstanding for more than 17 weeks. This has since been paid on the 4th July.

OTHER ISSUES

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 27th July 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 is committed to achieving in year and recurrent financial balance as soon as possible. The UHB currently has a one year draft financial plan for 2022-23 which aims to deliver financial stability and ensure that the underlying position is reduced and delivers a deficit of £17.1m. This includes an initial savings target of £16.0m and a further target of £3.4m.

The reported financial position at month 3 is a deficit of £5.877m. This is made up of a budget plan deficit of £4.275m and an adverse variance against plan of £1.602m.



.....
SUZANNE RANKIN
CHIEF EXECUTIVE

13th July 2022



.....
CATHERINE PHILLIPS
EXECUTIVE DIRECTOR OF
FINANCE

13th July 2022

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

	In Year Effect £'000	Non Recurring £'000	Recurring £'000	FYE of Recurring £'000
1 Underlying Position b/fwd from Previous Year - must agree to M12 MMR (Deficit - Negative Value)	-29,700	0	-29,700	-29,700
2 Planned New Expenditure (Non Covid-19) (Negative Value)	-92,708	-1,125	-91,583	-91,583
3 Planned Expenditure For Covid-19 (Negative Value)	-67,582	-67,582		
4 Planned Welsh Government Funding (Non Covid-19) (Positive Value)	77,781	0	77,781	77,781
5 Planned Welsh Government Funding for Covid-19 (Positive Value)	67,582	67,582		
6 Planned Provider Income (Positive Value)	7,827	0	7,827	7,827
7 RRL Profile - phasing only (In Year Effect / Column C must be nil)	0	0	0	0
8 Planned (Finalised) Savings Plan	13,061	7,941	5,120	6,218
9 Planned (Finalised) Net Income Generation	90	0	90	92
10 Planned Profit / (Loss) on Disposal of Assets	0	0	0	0
11 Planned Release of Uncommitted Contingencies & Reserves (Positive Value)	0	0		
12	0	0		
13 Planning Assumptions still to be finalised at Month 1	2,849	0	2,849	5,610
14 Opening IMTP / Annual Operating Plan	-20,800	6,816	-27,617	-23,755
15 Reversal of Planning Assumptions still to be finalised at Month 1	-2,849	0	-2,849	-5,610
16 Additional In Year & Movement from Planned Release of Previously Committed Contingencies & Reserves (Positive)	0	0		
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	94	65	30	33
19 Other Movement in Month 1 Planned Savings - (Underachievement) / Overachievement	-126	-121	-5	0
20 Additional In Year Identified Savings - Forecast	1,901	963	937	1,585
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)	-7,793	-7,793		
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)	7,793	7,793		
25 In Year Accountancy Gains (Positive Value)	582	582	0	0
26 Net In Year Operational Variance to IMTP/AOP (material gross amounts to be listed separately)	396	396		
27 Additional savings to be identified	0	0		
28 Transformational Savings (£3.4M) & Reduction on Investments	3,700	3,700		
29 Roundings	3	3		
30	0	0		
31	0	0		
32	0	0		
33	0	0		
34	0	0		
35	0	0		
36 Forecast Outturn (- Deficit / + Surplus)	-17,100	12,403	-29,503	-27,747
37 Covid-19 - Forecast Outturn (- Deficit / + Surplus)	-1			

	Apr £'000	May £'000	Jun £'000	Jul £'000	Aug £'000	Sep £'000	Oct £'000	Nov £'000	Dec £'000	Jan £'000	Feb £'000	Mar £'000	YTD £'000	In Year Effect £'000
1	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-2,475	-7,425	-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	-23,177	-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	-17,610	-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	19,445	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	17,610	67,582
6	652	652	652	652	652	652	652	652	652	652	652	652	1,957	7,827
7	296	27	-20	-15	-48	-83	5	-25	-38	-27	-27	-45	303	0
8	1,030	1,040	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,112	3,158	13,061
9	7	7	7	8	8	8	8	8	8	8	8	8	21	90
10													0	0
11													0	0
12													0	0
13		259	259	259	259	259	259	259	259	259	259	259	518	2,849
14	-1,733	-1,733	-1,733	-1,733	-1,734	-1,733	-1,733	-1,733	-1,733	-1,733	-1,733	-1,734	-5,200	-20,800
15	0	-259	-259	-259	-259	-259	-259	-259	-259	-259	-259	-259	-518	-2,849
16													0	0
17													0	0
18	0	3	4	4	4	11	11	11	11	11	11	11	7	94
19	-2	-2	-14	-12	-12	-12	-12	-12	-12	-12	-12	-12	-17	-126
20	32	120	220	183	173	143	145	145	175	195	186	184	372	1,901
21													0	0
22	0	-592	-991	-542	-297	-880	-766	-833	-753	-809	-708	-624	-1,583	-7,793
23													0	0
24	-1	592	991	542	297	880	766	833	753	809	708	624	1,582	7,793
25	139	50	328	65	0	0	0	0	0	0	0	0	517	582
26	-155	-458	-427	862	474	497	-39	-39	-69	-89	-80	-79	-1,040	396
27	-171	171											0	0
28					463	463	463	463	463	463	463	463	0	3,700
29	2	0	0	0	0	0	0	0	0	0	0	0	2	3
30													0	0
31													0	0
32													0	0
33													0	0
34													0	0
35													0	0
36	-1,888	-2,108	-1,881	-891	-891	-891	-1,425	-1,425	-1,425	-1,425	-1,425	-1,425	-5,877	-17,100
37	-1	0	0	0	0	0	0	0	0	0	0	0	-1	-1

Mohamed Sarah
22/07/2022 12:11:20

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

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			1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY YTD variance as %age of YTD	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000
			Apr £'000	May £'000	Jun £'000	Jul £'000	Aug £'000	Sep £'000	Oct £'000	Nov £'000	Dec £'000	Jan £'000	Feb £'000	Mar £'000				Green £'000	Amber £'000	non recurring £'000	recurring £'000	
1	CHC and Funded Nursing Care	Budget/Plan	50	50	65	65	65	65	65	65	65	65	65	65	165	750		750	0			
2		Actual/F'cast	50	50	65	65	65	65	65	65	65	65	65	65	165	750	22.00%	750	0	450	300	300
3		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			
4	Commissioned Services	Budget/Plan	4	4	4	4	4	4	4	4	4	4	4	4	13	50		50	0			
5		Actual/F'cast	4	4	4	4	4	4	4	4	4	4	4	4	13	50	25.00%	50	0	0	50	200
6		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			
7	Medicines Management (Primary & Secondary Care)	Budget/Plan	74	74	88	101	126	169	168	198	212	198	198	211	237	1,819		1,819	0			
8		Actual/F'cast	74	74	107	108	133	180	179	209	222	217	217	230	256	1,950	13.14%	1,925	25	106	1,844	3,009
9		Variance	0	0	19	6	6	11	11	11	11	19	19	19	19	131	7.99%	106	25			
10	Non Pay	Budget/Plan	647	647	656	675	672	673	584	584	584	582	582	582	1,949	7,467		7,467	0			
11		Actual/F'cast	672	738	806	765	763	771	686	687	717	727	718	716	2,216	8,765	25.28%	8,765	0	6,368	2,398	2,659
12		Variance	26	91	150	91	90	98	102	103	133	144	135	134	267	1,298	13.69%	1,298	0			
13	Pay	Budget/Plan	255	265	274	237	246	238	240	240	240	244	244	249	794	2,974		2,974	0			
14		Actual/F'cast	260	293	311	311	311	260	260	260	260	264	264	269	864	3,320	26.02%	3,320	0	1,860	1,460	1,635
15		Variance	5	28	37	74	64	22	20	19	19	19	19	19	70	346	8.76%	346	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	1,040	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,112	3,158	13,061		13,061	0			
20		Actual/F'cast	1,061	1,159	1,294	1,253	1,275	1,280	1,194	1,224	1,267	1,277	1,267	1,284	3,513	14,836	23.68%	14,811	25	8,784	6,052	7,803
21		Variance	30	119	206	170	161	131	133	133	162	183	174	172	355	1,774	11.25%	1,749	25			
22	Variance in month		2.94%	11.41%	18.97%	15.75%	14.45%	11.39%	12.52%	12.18%	14.71%	16.70%	15.86%	15.50%	11.25%							
23	In month achievement against FY forecast		7.15%	7.81%	8.72%	8.44%	8.60%	8.63%	8.05%	8.25%	8.54%	8.60%	8.54%	8.65%								

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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	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			YTD variance as %age of YTD Budget/Plan	Green	Amber	non recurring	recurring	
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			£'000	£'000	£'000	£'000	£'000	
1	Changes in Staffing Establishment	Budget/Plan	135	136	135	94	98	98	100	100	100	104	104	109	405	1,313		1,313	0			
2		Actual/F'cast	140	142	153	148	143	119	120	119	119	123	123	128	435	1,575	27.59%	1,575	0	678	897	1,069
3		Variance	5	7	18	54	45	21	19	19	19	19	19	19	29	262	7.18%	262	0			
4	Variable Pay	Budget/Plan	53	56	56	56	56	56	56	56	56	56	56	57	166	674		674	0			
5		Actual/F'cast	53	56	56	56	56	56	56	56	56	56	56	57	166	674	24.60%	674	0	476	198	202
6		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	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	13	100		100	0			
11		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	13	100	12.50%	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	9	35		35	0			
14		Actual/F'cast	3	3	3	3	3	3	3	3	3	3	3	3	9	35	25.00%	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	202	852		852	0			
17		Actual/F'cast	60	87	95	94	99	72	72	72	72	72	72	71	242	936	25.89%	936	0	706	229	229
18		Variance	0	21	19	19	19	1	1	1	1	1	1	1	40	84	20.04%	84	0			
19	Total	Budget/Plan	255	265	274	237	246	238	240	240	240	244	244	249	794	2,974		2,974	0			
20		Actual/F'cast	260	293	311	311	311	260	260	260	260	264	264	269	864	3,320	26.02%	3,320	0	1,860	1,460	1,635
21		Variance	5	28	37	74	64	22	20	19	19	19	19	19	70	346	8.76%	346	0			

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

	Month		1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings £'000
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			YTD variance as %age of YTD Budget/Plan	Green	Amber	non recurring	recurring	
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				£'000	£'000	£'000	£'000	
1	Reduced usage of Agency/Locums paid at a premium	Budget/Plan	4	4	4	10	10	10	10	10	10	10	10	10	13	100		100	0			
2		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	13	100	12.50%	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	13	100		100	0			
14		Actual/F'cast	4	4	4	10	10	10	10	10	10	10	10	10	13	100	12.50%	100	0	0	100	100
15		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0	0			

Table C3 - Tracker

This Table is currently showing 0 errors

	£'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	1,040	1,087	1,082	1,114	1,149	1,061	1,091	1,105	1,094	1,094	1,112	3,158	13,061	7,941	5,120	1,098	6,218
	Month 1 - Actual/Forecast	1,029	1,039	1,074	1,070	1,102	1,137	1,049	1,079	1,093	1,082	1,082	1,099	3,141	12,935	7,820	5,115	1,103	6,218
	Variance	(2)	(2)	(14)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(17)	(126)	(121)	(5)	5	0
	In Year - Plan	32	120	220	183	173	143	145	145	175	195	186	184	372	1,901	963	937	503	1,440
	In Year - Actual/Forecast	32	120	220	183	173	143	145	145	175	195	186	184	372	1,901	963	937	648	1,585
	Variance	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	1,265	1,288	1,292	1,206	1,237	1,280	1,289	1,279	1,296	3,530	14,962	8,905	6,057	1,601	7,658
	Total Actual/Forecast	1,061	1,159	1,294	1,253	1,275	1,280	1,194	1,224	1,267	1,277	1,267	1,284	3,513	14,836	8,784	6,052	1,751	7,803
	Total Variance	(2)	(2)	(14)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(17)	(126)	(121)	(5)	150	145
Net Income Generation	Month 1 - Plan	7	7	7	8	8	8	8	8	8	8	8	8	21	90	0	90	3	92
	Month 1 - Actual/Forecast	7	7	7	8	8	8	8	8	8	8	8	8	21	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	11	11	11	11	11	11	11	7	94	65	30	3	33
	In Year - Actual/Forecast	0	3	4	4	4	11	11	11	11	11	11	11	7	94	65	30	3	33
	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	19	19	19	19	19	19	19	27	184	65	119	5	125
	Total Actual/Forecast	7	10	11	12	12	19	19	19	19	19	19	19	27	184	65	119	5	125
	Total Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accountancy Gains	In Year - Plan	139	50	328	65	0	0	0	0	0	0	0	0	517	582	582	0	0	0
	In Year - Actual/Forecast	139	50	328	65	0	0	0	0	0	0	0	0	517	582	582	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	1,119	3,179	13,151	7,941	5,209	1,100	6,310
	Month 1 - Actual/Forecast	1,035	1,046	1,080	1,078	1,110	1,145	1,057	1,087	1,101	1,089	1,089	1,107	3,161	13,025	7,820	5,204	1,105	6,310
	Variance	(2)	(2)	(14)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(17)	(126)	(121)	(5)	5	0
	In Year - Plan	171	173	552	252	177	154	156	156	186	206	197	196	896	2,577	1,609	967	506	1,473
	In Year - Actual/Forecast	171	173	552	252	177	154	156	156	186	206	197	196	896	2,577	1,609	967	651	1,618
	Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	145	145
	Total Plan	1,208	1,220	1,646	1,342	1,299	1,311	1,225	1,255	1,299	1,308	1,298	1,315	4,075	15,727	9,551	6,177	1,606	7,763
	Total Actual/Forecast	1,206	1,219	1,633	1,330	1,287	1,299	1,213	1,243	1,286	1,296	1,286	1,303	4,057	15,601	9,430	6,172	1,756	7,928
	Total Variance	(2)	(2)	(14)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(17)	(126)	(121)	(5)	150	145

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