

AGENDA ITEM

7.4

CTM BOARD
FINANCE UPDATE – MONTH 11 of 2020/21
Date of meeting

25/3/2021

FOI Status

Open/Public

If closed please indicate reason

Not Applicable - Public Report

Prepared by

Mark Thomas, Deputy Director of Finance

Presented by

Steve Webster, Director of Finance & Procurement

Approving Executive Sponsor

Executive Director of Finance & Procurement

Report purpose

FOR DISCUSSION / REVIEW

Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/group)

| Committee/Group/Individuals | Date | Outcome |
|-----------------------------|-----------|---------|
| Welsh Government | 11/3/2021 | NOTED |
| Management Board | 24/3/2021 | NOTED |

ACRONYMS

| | | | |
|------|-----------------------------------|------|-----------------------------------|
| A&C | Administration & Clerical | I&E | Income & Expenditure |
| AWCP | All Wales Capital Programme | LTA | Long Term Agreement |
| AME | (WG) Annually Managed Expenditure | M1 | Month 1 (M2 Month 2 etc) |
| CHC | Continuing Healthcare | PCMH | Primary Community & Mental Health |
| COO | Chief Operating Officer | PCH | Prince Charles Hospital |

| | | | |
|------|--------------------------------------|-------|---|
| CRES | Cash Releasing Efficiency Savings | POW | Princess of Wales Hospital |
| CRL | Capital Resource Limit | RGH | Royal Glamorgan Hospital |
| FNC | Funded Nursing Care | PSPP | Public Sector Payment Policy |
| HCHS | Healthcare & Hospital Services | WG | Welsh Government |
| IHI | Institute of Healthcare Improvements | WHSSC | Welsh Health Specialised Services Committee |
| IMTP | Integrated Medium Term Plan | YTD | Year to Date |

FINANCE REPORT – MONTH 11 of 2020/21

1. SITUATION/BACKGROUND

The purpose of this report is to highlight the key messages in relation to the current month, year to date and forecast year-end financial position of Cwm Taf Morgannwg (CTM) University Health Board as at Month 11 (M11).

This report should be read in the context of the CTM Integrated Medium Term Plan for 20120/21 to 2022/223 which is available on the website. The IMTP was approved by the Board on 26 March 2020. The impact of Covid-19 has had a significant impact on the financial plan for 20/21.

The following sections are included in this report:



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

| Section No. | Section | Page Number |
|-----------------|---|-------------|
| 2.1 | Headline Messages and key actions | 5 |
| 3.1 | Financial Position and Key targets | 7 |
| 3.2 | Revenue performance by Expenditure category | 8 |
| 3.3 | Revenue performance by Area | 10 |
| 3.4 | Forecast position | 11 |
| 3.5 | Covid costs | 16 |
| 3.6 | Savings Performance by Area | 27 |
| 3.7 | Non Delegated budgets | 28 |
| 3.8 | Key Risks and Opportunities | 29 |
| Appendix | | |
| A | Trend analysis – Total Pay | 31 |
| B | Trend analysis – Medical Pay | 32 |
| C | Trend analysis – Registered Nursing (Wards and A&E) | 33 |
| D | Trend analysis – Additional Clinical Services (Wards and A&E) | 34 |
| E | Trend analysis – Non Pay | 35 |
| F | Welsh government Allocations | 36 |
| G | Public Sector Prompt Payment (PSPP) Performance | 37 |
| H | Balance Sheet | 38 |
| I | Performance against Capital Resource Limit | 39 |
| J | Cash position | 40 |



2. HEADLINE MESSAGES AND KEY ACTIONS

2.1.1. Headline Messages

Budgets were reset in Month 7 to take account of the significant additional allocations for Covid from the Welsh Government. Actual expenditure to Month 10 on Delegated budgets was £2.4m under those reset budgets and this was offset by a £2.3m overspend on Non Delegated budgets to give a small M10 Year to date underspend of £0.1m. In Month 11 the delegated budgets were £2.0m under budget and this was offset by a £2.0m overspend on Non Delegated budgets.

The bottom up forecasts from Delegated budget holders were forecasting a £0.1m surplus for M11 so the actual underspend of £2.0m was £1.9m better than expected. The main movements were in the following areas:

| | M11 Forecast | M11 Actual | Movement |
|-----------------------------|-----------------|--------------|--------------|
| | £m | £m | £m |
| ILGs | (0.2) | (1.7) | (1.5) |
| Delivery Executive | 0.6 | (0.2) | (0.8) |
| Corporate directorates | (0.5) | (0.3) | 0.2 |
| Contracting & Commissioning | 0 | 0.2 | 0.2 |
| Total | (0.1) | (2.0) | (1.9) |

Some of these movements were timing differences between M11 and M12 and some resulted in real changes to the year end forecast position:

| | M11 | M10 | M9 |
|---|----------|----------|----------|
| | £m | £m | £m |
| Forecast underspends on Delegated budgets | (13.2) | (8.2) | (5.8) |
| Forecast underspends on Non delegated budgets | (13.7) | (11.8) | (14.0) |
| Planned return of funding to WG | 26.9 | 21.0 | 19.8 |
| Total Forecast | 0 | 0 | 0 |

Whilst the overall forecast has remained at break-even, the planned return of funding to WG has increased by £5.9m to £26.9m (M10:£21.0m).

Work with Audit Wales on the balance sheet issues has been moved forward in M11, and while Audit Wales is not yet able to provide a definitive view on whether a PYA is required, they have indicated that their current view is that a PYA is not required. We subsequently shared our draft Accountable Officer letter with the Welsh Government which included a request to return £24.7m of allocation. Following confirmation from the Welsh Government that our projected vaccination costs would be funded in full, the planned return of funding was increased by £2.2m to £26.9m.

There remains a significant risk that the final position will be different to the £26.9m forecast. The key areas of risk are around further slippage in against the non-recurrent expenditure schemes where we are forecasting a significant step up in costs in M12, and balance sheet risks, including the annual leave accrual. There is still a bigger risk of a larger surplus than of a lower surplus.

3. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

3.1 Financial Position and Key Targets – Month 11

The Health Board has a statutory duty to achieve a break even position over a period of three financial years. This applies to both revenue and capital expenditure. Over the last two financial years, the Health Board has achieved a surplus of £899k and £34k for revenue and capital expenditure respectively. This means that the Health Board can overspend by £899k and £34k for revenue and capital expenditure respectively in 2020/21 and still meet its three year statutory duty. The Health Board's plan for 2020/21 is to break-even on both measures. The Health Board also has an administrative duty to pay a minimum of 95% of all non-NHS invoices within 30 days.

The table below details the Health Board's 2020/21 current and forecast performance against these key financial targets:

| Target | Unit | Current Month | Year to Date | Trend | Forecast Year End |
|--|------------------------------------|---------------|--------------|-------|-------------------|
| Revenue To ensure that the Health Board's revenue expenditure does not exceed the aggregate of it's funding in each financial year. Measured by variance against plan to break even. | £'000 +Adverse ()Favourable | (62) | (212) | ↑ | 0 |
| Capital To ensure net capital spend does not exceed the Welsh Government Capital Resource Limit. Measured by variance against plan to manage to the Resource Limit | £'000 +Adverse ()Favourable | 25 | (1,100) | ↓ | 0 |
| Public Sector Payment Policy To pay a minimum of 95% of all Non NHS invoices within 30 days. Measured by actual performance | % | 96.7% | 93.5% | ↑ | 93.5% |

3.2 Revenue Performance by Expenditure Category

| | Annual Budget £'000 | Over/(Under) Spend | | | | Section |
|--------------------------------|---------------------------|---------------------------|-----------------------|--------------------|--------------------------------|---------|
| | | Current Month £'000 | Year to Date £'000 | Forecast £'000 | Recurrent Forecast £'000 | |
| Delegated Budgets | | | | Section 3.4 | Section 3.4 | |
| Pay | 580,237 | (984) | (3,632) | | | |
| Non Pay | 711,849 | 324 | (1,642) | | | |
| Income | (129,698) | (589) | (994) | | | |
| Delegated Savings Plans | (2,511) | (797) | 1,844 | | | |
| Total Delegated Budgets | 1,159,877 | (2,046) | (4,424) | | | |
| Non Delegated Budgets | 56,674 | 1,984 | 4,213 | | | 3.7 |
| WG COVID Allocations | (114,626) | 0 | 0 | | | |
| WG Allocations | (1,101,925) | 0 | 0 | | | |
| GRAND TOTAL M11 | 0 | (62) | (212) | 0 | 34,100 | |
| | | | | | | |
| GRAND TOTAL M10 | 0 | (50) | (150) | 0 | 27,900 | |

During M7, £74m of additional funding was allocated to Delegated budgets to meet the forecast overspends in the Q3/Q4 Plan plus additional funding for winter plans and various other Covid related costs.

The over spends and underspends in M7-11 therefore represent operational variances from the forecast overspends in the Q3/Q4 Plan.

The Key variances are as follows:



The overall Income and Expenditure position improved in M11 with an under spend of £62k. This includes a delegated underspend of £2,046k, offset by an over spend on non-delegated budgets of £1,984k. The delegated current month underspend of £2,046k includes an over achievement in savings delivery of £797k plus a net under spend on pay, non-pay and income of £1,249k.

The most significant variances reported in the M11 current month position include:

- Pay underspends– Within ILGs £1,056k and Primary care £272k
- Pay overspends– Workforce and OD £291k.
- Non pay overspends – Facilities £304k, Med Mgt £175k, Primary Care £159k and COVID Projects £700k.
- Non pay underspends – BG ILG £551k, Estates £464k.
- Income overspends – Planning & Partnerships £144k.
- Income underspends – MC ILG £242k and Primary Care £537k.

The most significant variances reported in the M11 year to date position include:

- Pay underspends – BG ILG £816k, MC ILG £878k, RTE ILG £1,385k, Primary Care £513k, Medicines Management £192k and Commissioning £190k. These variances are due to a variety of reasons including slippage on Q3-4 plans.
- Pay Overspends – Estates £210k, ICT £139k and Estates £104k.
- Non pay overspends- RTE ILG £149k, Facilities £742k, Med Mgt £124k, COVID Projects £700k and Corporate Directorates £363k.
- Non pay underspends– BG ILG £1,068k, Primary Care £661k, Corporate Directorates £649k and Contracting & Commissioning £1,429k.
- Income overspends- BG ILG £412k, RTE ILG £128k and Patient Care & Safety £211k.
- Income underspends- MC ILG £443k, Medicines Management £470k, Primary care £685k and Corporate directorates £333k.



3.3 Revenue Performance by Area

| | Annual Budget £'000 | Over/(Under) Spend | | | |
|------------------------------------|------------------------|------------------------|-----------------------|----------------------------------|-----------------------------|
| | | Current Month £'000 | Year to Date £'000 | M11 Forecast (Day 9) £'000 | Recurrent Forecast £'000 |
| Integrated locality groups: | | | | Section 3.4 | Section 3.4 |
| Bridgend | 203,287 | (882) | (1,162) | (3,146) | |
| Merthyr & Cynon | 202,148 | (376) | (785) | (2,316) | |
| Rhondda & Taff Ely | 214,559 | (413) | (649) | (1,244) | |
| Total ILGs | 619,994 | (1,671) | (2,596) | (6,706) | |
| Delivery Executive: | | | | | |
| Medicines Management | 135,646 | (638) | (366) | (2,883) | |
| Primary care | 127,972 | (624) | (1,583) | (1,944) | |
| Facilities | 20,218 | 374 | 921 | 1,292 | |
| COVID Planned projects | 22,457 | 700 | 700 | 515 | |
| Other | 2,898 | (7) | (71) | (317) | |
| Total Delivery Executive | 309,192 | (196) | (399) | (3,337) | |
| Contracting & Commissioning | 137,687 | 175 | (1,356) | (1,311) | |
| Corporate Functions | 93,004 | (354) | (74) | (1,801) | |
| Total Delegated Budgets | 1,159,877 | (2,046) | (4,425) | (13,155) | |
| Non Delegated budgets | (1,159,877) | 1,984 | 4,213 | 13,155 | |
| GRAND TOTAL M11 | 0 | (62) | (212) | 0 | 34,100 |
| GRAND TOTAL M10 | 0 | (50) | (150) | 0 | 27,900 |

Key variances

- The above table shows the current month, YTD and forecast positions by Area rather than by Expenditure categories as in Section 3.2 above.
- The main movements in the Current month include:
 - ILGs underspend £1,671k. This is mainly relating to slippage against the Q3/Q4 funding.
 - Facilities overspend £374k. This is largely driven by ongoing COVID expenditure on PPE and other items over and above the funding allocation based on the Q3/4 forecast.
 - Medicines Management underspend £639k and Primary care underspend £624k
 - Corporate directorate underspends £354k. This includes an Estates underspend of £791k.



3.4 Forecast Position

The Health Board is continuing to forecast a break-even position for 20/21 (M10: break-even):

| | M11 | M10 | M9 |
|---|----------|----------|----------|
| | £m | £m | £m |
| Forecast underspends on Delegated budgets | (13.2) | (8.2) | (5.8) |
| Forecast underspends on Non delegated budgets | (13.7) | (11.8) | (14.0) |
| Planned return of funding to WG | 26.9 | 21.0 | 19.8 |
| Total Forecast | 0 | 0 | 0 |

A summary of the latest M11 forecast position is provided below:

| | M11 | M10 |
|--|--------------|--------------|
| | £m | £m |
| IMTP / Annual Operating Plan | | |
| Savings shortfalls | 10.1 | 10.2 |
| Additional In Year Welsh Government Funding Due To Covid-19 | (114.6) | (111.2) |
| Operational Expenditure Cost Increase Due To Covid-19 | 97.7 | 91.5 |
| Planned Operational Expenditure Cost Reduction Due To Covid-19 | (17.4) | (16.9) |
| Slippage on Planned Investments/Repurposing of Developmental Initiatives Due To Covid-19 | (3.6) | (3.6) |
| Planned return of funding to WG | 26.9 | 21.0 |
| Forecast Outturn attributable to Covid-19 (+Deficit /- Surplus) | (0.9) | (8.9) |
| Forecast Outturn Non Covid-19 (+Deficit /- Surplus) | (5.8) | (0.4) |
| Net cost of Winter plans in excess of funding | 2.4 | 4.8 |
| Additional accountancy gains | (11.8) | (11.7) |
| Non recurring spend initiatives | 8.2 | 8.2 |
| Remove request for Bridging funding | 5.0 | 5.0 |
| Confirmed early repayment and deferral of I2S funding | 2.8 | 3.0 |
| Total | 0 | 0 |

The key points to note are as follows:

- **Planned return of funding to WG.** We have recently shared our draft Accountable Officer letter with WG. This included a request to return £24.7m of allocation which cannot be used by the Health Board. The £3.7m improvement from the M10 Monitoring return submission of £21.0m includes the following:
 - Further slippage on Winter scheme costs £1.7m
 - Additional WG funding for Winter schemes £0.4m
 - Updated assessment of primary care prescribing growth £1.1m
 - Other net improvements £0.4m

The £24.7m in the draft Accountable Officer letter assumed that our request for vaccination funding would be £2.2m below the projected costs and we noted in the draft letter that, if this was not acceptable and WG funds our projected vaccination costs in full, then the overall Health Board forecast would increase by £2.2m. WG have subsequently confirmed that projected vaccination costs will be funded in full and we have therefore updated our planned return of funding from £24.7m to £26.9m.

- **Forecast out-turn Non Covid.** The forecast surplus has increased from £0.4m in M10 to £5.8m in M11. The main reason for the increase is the reclassification of costs from Non COVID to COVID for Annual Leave accruals (£2m) and Urgent Emergency care costs (£3.2m). The Covid position now includes £15.4m for the Annual leave accrual and £4.7m of costs for Urgent Emergency care.

It is important to note that the Covid: Non Covid distinction is becoming increasingly difficult as the response becomes broader and the Covid, winter, essential services response covers most services and cost changes. Further work is being undertaken on the Covid cost base as part of our detailed planning for 21/22.

- **Net cost of winter plans in excess of funding.** The net additional cost over and above the WG funding of £4.7m has now reduced from £4.8m in M10 to £2.4m in M11 due to further slippage.
- **Annual leave on overtime provision.** Further work is being undertaken on an All Wales basis to confirm the increased costs for 20/21 and the Welsh Government has confirmed that these costs will be fully funded by Welsh Government.



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

Summary of WG funding due to COVID-19

A breakdown of the total funding of £114.6m is provided below:

| | Confirmed Allocations £'k | Anticipated Allocations £'k |
|--|------------------------------|--------------------------------|
| Q1 Staff | 7,875 | |
| Field Hospital set up | 2,987 | |
| GMS Enhanced Service | 178 | |
| Mental Health (6 Months) | 564 | |
| Transformation | 1,340 | |
| CHC | 3,390 | |
| Track & Trace | 4,793 | |
| PPE | 6,063 | |
| Voluntary sector | 200 | |
| C-19 RPB Recovery | 24 | |
| Pharmacy Allocation | 848 | |
| Dental ventilation | 61 | |
| TTP | 4878 | |
| Flu | 238 | |
| COVID support | 56,200 | |
| Urgent & Emergency Care Funding | 4,348 | 345 |
| GMS Bank Holiday DES | 49 | |
| Annual Leave | 13,400 | |
| Pass through Covid costs- see below | | 6,845 |
| Total M11 | 107,436 | 7,190 |
| Total M10 | 89,639 | 21,558 |



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

| | M10 Forecast | M11 Forecast | Confirmed Allocations | Anticipated Allocations |
|-----------------------|-------------------------|-------------------------|----------------------------------|------------------------------------|
| | £k | £k | £k | £k |
| Field Hospital set up | 5,349 | 5,349 | 2,987 | 2,362 |
| FH Decommissioning | 720 | 720 | 0 | 720 |
| TTP | 8,926 | 8,226 | 9,671 | 0 |
| CHC | 3,400 | 3,400 | 3,390 | 0 |
| PPE | 5,230 | 4,700 | 6,063 | 0 |
| Independent Hospitals | 190 | 190 | 0 | 0 |
| Extended Flu | 235 | 235 | 238 | 0 |
| Mass Vaccination | 2,928 | 2,758 | 0 | 2,758 |
| Annual Leave | 13,400 | 15,400 | 13,400 | 0 |
| LA Community Testing | 0 | 1,005 | 0 | 1,005 |
| Total | 40,378 | 41,984 | 35,749 | 6,845 |

Forecast recurrent position

The planned recurrent deficit at the end of 20/21 was £13.4m. As at Month 11 we are reporting a forecast recurrent deficit of £34.1m, which covers the recurrent savings shortfall from 2020/21, together with initial review of underlying pressures from 20/21 but excludes COVID and Recovery:

| | M11 | M10 |
|--|-------------|-------------|
| | £m | £m |
| Planned recurrent deficit | 13.4 | 13.4 |
| | | |
| Forecast shortfall in recurring savings delivery | 15.7 | 14.5 |
| Other 20-21 recurring pressures | 5.0 | 0 |
| | | |
| M11 Forecast | 34.1 | 27.9 |

The recurrent deficit has been assessed as £34.1m at M11, a deterioration of £6.2m. This movement is due to reduction in recurrent savings of £1.2m and an increase in other recurrent overspends of £5m. Further work is needed to fully understand the impact of Covid 19 on the underlying cost base and the above forecast will continue to be updated as part of our detailed planning for 21/22.



3.5 Covid Position

A high level summary of the forecast additional Covid costs for 20/21 is provided below.

As noted above, the Covid: Non Covid distinction is becoming increasingly difficult as the response becomes broader and the Covid, Winter, Essential services response covers most services and cost changes.

| | Q1 | Q2 | Q3 | Q4 | Total |
|--|-------------|--------------|-------------|--------------|--------------|
| Area of cost impact | £m | £m | £m | £m | £m |
| Pay | 7.3 | 6.0 | 8.1 | 29.4 | 50.8 |
| Non Pay and Income | 9.4 | 11.4 | 12.3 | 11.3 | 46.9 |
| Impact on savings delivery | 4.1 | 2.2 | 2.2 | 1.7 | 10.1 |
| Operational expenditure reductions | (4.7) | (2.0) | (4.3) | (3.9) | (17.4) |
| Slippage on planned investments/repurposing of development funding | (1.3) | (0.9) | (0.6) | (0.8) | (3.6) |
| Sub total | 14.8 | 16.6 | 17.7 | 37.8 | 86.9 |
| WG funding | (10.3) | (21.1) | (17.7) | (65.5) | (114.6) |
| Planned return of funding to WG | 0 | 0 | 0 | 26.9 | 26.9 |
| Total | 4.5 | (4.5) | (0) | (0.9) | (0.9) |

More detailed information on the specific cost drivers is provided overleaf:



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

| | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Total YTD | Forecast year-end position | Mth 10 F/Cast | Change from Mth 10 |
|-------------------------------|--------------|--------------|----------------|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|----------------------------|-----------------|--------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Vale Field Hospital | 1,536 | 183 | 191 | 458 | 0 | (754) | 2 | 0 | 335 | (253) | (7) | 0 | 1,691 | 1,691 | 1,698 | (7) |
| Bridgend Field Hospital | 951 | 984 | 350 | (43) | 36 | 667 | 1,561 | 328 | 565 | 715 | 651 | 1,010 | 6,765 | 7,775 | 7,957 | (182) |
| Marsh House Nursing Home | 47 | 140 | 78 | 138 | 51 | (31) | 19 | 56 | 22 | 30 | 18 | 22 | 568 | 590 | 594 | (4) |
| Abergarw Nursing Home | 55 | 138 | 112 | 197 | 56 | (17) | 43 | 2 | 0 | (52) | 0 | 0 | 534 | 534 | 534 | 0 |
| Internal Capacity | 71 | 79 | 134 | 114 | 51 | 111 | 71 | 451 | (173) | 161 | 51 | 55 | 1,121 | 1,177 | 1,353 | (176) |
| Operational Expend. Reduction | (726) | (1,816) | (2,211) | (1,347) | (1,089) | 393 | (837) | (1,069) | (2,442) | 112 | (1,158) | (2,257) | (12,189) | (14,446) | (13,837) | (609) |
| Private Patient Income | 160 | 244 | 149 | 213 | 181 | 190 | 25 | 189 | 109 | 104 | 244 | 119 | 1,808 | 1,927 | 1,790 | 137 |
| PPE | 96 | 131 | 188 | 208 | 243 | 33 | 233 | 374 | 2,432 | 428 | 158 | 160 | 4,524 | 4,684 | 5,192 | (508) |
| Med Staff | 380 | 347 | 717 | 329 | (35) | 207 | (393) | 727 | (526) | 606 | 164 | (43) | 2,523 | 2,480 | 2,317 | 163 |
| Free Food | 225 | 230 | (207) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 248 | 248 | 248 | 0 |
| Essential Services Backlog | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CHC | 0 | 0 | 0 | 0 | 0 | 0 | 3,400 | 0 | 0 | 0 | 0 | 0 | 3,400 | 3,400 | 3,400 | 0 |
| Staff Welfare | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 33 | 36 | 36 | 0 |
| PC Prescribing | 0 | 0 | 1,371 | 1,772 | 549 | 260 | 473 | 585 | 988 | 62 | 274 | 439 | 6,334 | 6,773 | 6,872 | (99) |
| Primary Care | 339 | 247 | 585 | 678 | 317 | 504 | 638 | 126 | 270 | 596 | 70 | 971 | 4,370 | 5,341 | 4,790 | 551 |
| Flu Expansion | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 350 | (115) | 0 | 0 | 0 | 235 | 235 | 235 | 0 |
| IT | 40 | 60 | 61 | (106) | 171 | 80 | 62 | 122 | 135 | (110) | 56 | 55 | 571 | 626 | 523 | 103 |
| Project Management | 0 | 41 | 27 | 21 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 89 | 89 | 89 | 0 |
| Antigen testing | 0 | 61 | 60 | 209 | 338 | 205 | 256 | 434 | 500 | (336) | 214 | 248 | 1,941 | 2,189 | 2,583 | (394) |
| AntiB testing | 0 | 0 | 0 | 0 | 348 | 68 | (40) | 75 | 29 | 29 | 34 | 87 | 543 | 630 | 597 | 33 |
| Hospital Based Testing | 0 | 77 | 153 | 141 | 159 | 63 | 40 | 86 | 95 | 23 | 36 | 35 | 873 | 908 | 957 | (49) |
| Contact Tracing | 0 | 0 | 0 | 0 | 0 | 311 | 564 | 498 | 363 | 1,155 | 901 | 1,713 | 3,792 | 5,504 | 4,789 | 715 |
| Mass Vaccination | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32 | 317 | 619 | 631 | 1,159 | 1,599 | 2,758 | 3,143 | (385) |
| Excess Deaths | 30 | 0 | 15 | 15 | 23 | 11 | 11 | 0 | 9 | 9 | 9 | 9 | 132 | 141 | 141 | 0 |
| Students | 0 | 815 | 893 | 1,002 | 543 | 418 | 222 | 138 | 83 | 63 | 4 | 3 | 4,181 | 4,184 | 4,277 | (93) |
| HCSW FT Recruitment | 0 | 0 | 0 | 216 | 223 | (92) | 203 | 111 | 186 | 246 | 328 | 330 | 1,421 | 1,751 | 1,493 | 258 |
| Private Hospitals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30 | 60 | 100 | 90 | 190 | 190 | 0 |
| Other | 1,535 | 2,195 | 454 | 1,210 | 667 | 1,206 | 2,244 | 1,306 | 2,486 | 3,057 | 4,579 | 17,946 | 20,941 | 38,887 | 32,857 | 6,030 |
| SUBTOTAL | 4,742 | 4,161 | 3,123 | 5,428 | 2,834 | 7,236 | 5,400 | 4,924 | 5,671 | 7,297 | 7,320 | 22,164 | 58,137 | 80,301 | 74,817 | 5,484 |
| Undelivered Savings | 1,554 | 1,901 | 600 | 792 | 563 | 801 | 523 | 910 | 764 | 957 | 471 | 282 | 9,836 | 10,118 | 10,233 | (115) |
| Slippage/Repurposing | (273) | (269) | (752) | (318) | 403 | (981) | (91) | (319) | (188) | (254) | (255) | (255) | (3,297) | (3,552) | (3,553) | 1 |
| WG COVID Funding | | | (10,289) | 0 | (794) | (20,462) | (5,832) | (5,515) | (6,247) | (8,000) | (7,536) | (23,050) | (64,676) | (87,726) | (111,569) | 23,843 |
| TOTAL | 6,023 | 5,793 | (7,318) | 5,902 | 3,006 | (13,406) | 0 | 0 | 0 | 0 | 0 | (859) | 0 | (859) | (30,072) | 29,213 |

Further information on the key areas of additional costs and the movements from the M10 forecast are summarised below:

Field hospitals and nursing homes (£10.6m) -The M11 forecast of £10.6m has decreased by £0.2m from M10. The key movements are summarised below:

| | M11 | M10 |
|---|-------------|-------------|
| | £m | £m |
| Field hospitals – set up costs | 5.4 | 5.4 |
| Field hospitals – decommissioning costs | 0.7 | 0.7 |
| Running costs | 2.6 | 2.7 |
| Additional staffing costs to open up extra beds at Ysbwty Seren | 1.9 | 2.0 |
| | | |
| Total | 10.6 | 10.8 |

TTP (Track, Trace & protect including Antigen and Antibody testing (£9.2m)) - The M11 forecast of £9.2m has increased by £0.2m from M10 and the key movements are shown below:

| | M11 | M10 |
|----------------------------|------------|------------|
| | £m | £m |
| Antigen Testing | 2.2 | 2.6 |
| Antibody Testing | 0.6 | 0.6 |
| Hospital Based Lab Testing | 0.9 | 1.0 |
| Track & Trace | 4.5 | 4.8 |
| Community Testing | 1.0 | 0.0 |
| Total | 9.2 | 9.0 |

As agreed with WG, the additional Local Authority costs associated with Whole Community Testing in Merthyr and Lower Cynon Valley and the CTM community Testing projects will be funded via the Health Board.



Primary Care Prescribing (£6.8m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|--------------------------|-----|-----|-----|-----|--------------|--------------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| Primary care prescribing | 1.4 | 2.5 | 2.0 | 0.8 | 6.8 | 6.9 |

The latest forecast at M11 has slightly improved to £6.8m.

Additional costs in Primary Care (£5.3m) plus extended Flu programme (£0.2m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|---|------------|------------|------------|------------|--------------|--------------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| Loss of dental patient charge income | 1.5 | 1.4 | 1.0 | 1.1 | 5.0 | 5.0 |
| Reduced dental contract payments | (1.1) | (0.5) | (0.4) | (0.5) | (2.5) | (2.5) |
| Dental sub total | 0.4 | 0.9 | 0.6 | 0.6 | 2.5 | 2.5 |
| Investment in Clusters | 0.4 | 0 | 0.5 | 0.6 | 1.5 | 1.5 |
| Other (including GP Hub, Enhanced services and Community pharmacy) | 0.4 | 0.4 | 0 | 0.5 | 1.3 | 0.8 |
| Estimated costs of extending Flu to 50+ age group | 0 | 0 | 0.2 | 0.0 | 0.2 | 0.2 |
| Total | 1.2 | 1.3 | 1.4 | 1.6 | 5.5 | 5.0 |

The M11 forecast has increased by £0.5m from M10 and this is mainly due to a community pharmacy allocation for COVID support (£0.8m).

Dental practices with NHS contracts received 80% of their annual contract values for Q1 and 90% for Q2 & Q3. Our forecast assumption is that payments will remain at 90% for Q4.

An additional £1.5m investment in various aspects of primary care services as part of the Covid and resetting response is planned. However, as this is planned to be funded through re-purposing of WG primary care cluster funding there is no net cost.

PPE (£4.7m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|----------------------------|-----------|-----------|-----------|-----------|----------------------|----------------------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| PPE | 0.4 | 0.5 | 3.0 | 0.8 | 4.7 | 5.2 |

The M11 forecast of £4.7m has decreased by £0.5m from M10. The actual expenditure in M11 was £0.16m compared to a forecast of £0.41m. The latest forecast assumes that this reduced level of spend will continue in M12.

Medical Staff (£2.5m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|----------------------------|-----------|-----------|-----------|-----------|----------------------|----------------------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| Medical staffing | 1.4 | 0.5 | (0.2) | 0.8 | 2.5 | 2.3 |

The M11 forecast of £2.5m has increased by £0.2m from M10.

These costs include the impact of new Welsh Government guidance (relating to consultants, SAS, doctors and junior medical staff) on claims for additional medical staff hours. A breakdown of the actual costs to M11 is provided below:



| | Q1 | Q2 | Q3 | M10 | M11 | M11 YTD |
|---------------------|--------------|------------|--------------|------------|------------|--------------|
| | £k | £k | £k | £'k | £'k | £k |
| Bridgend ILG | 713 | 468 | 253 | 699 | 177 | 2,514 |
| Merthyr & Cynon ILG | 534 | 137 | (26) | (4) | 0 | 641 |
| Rhondda & Taf ILG | 198 | 38 | 10 | 50 | (114) | 226 |
| Other | 0 | (142) | (429) | (143) | 143 | (857) |
| Total | 1,445 | 500 | (193) | 606 | 206 | 2,523 |

Internal capacity (£1.2m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|---------------------|-----|-----|-----|-----|-----------|-----------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| Internal capacity | 0.3 | 0.3 | 0.3 | 0.3 | 1.2 | 1.4 |

The forecast of £1.2m has reduced by £0.2m since M10. The actual spend in M11 was lower than forecast by £0.1m and the forecast assumes M12 will be similar to M11.

Continuing Healthcare (£3.4m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|---------------------|----|-----|----|----|-----------|-----------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| CHC | 0 | 3.4 | 0 | 0 | 3.4 | 3.4 |

The M11 forecast of £3.4m remains unchanged. The latest forecast assumes that the CHC allocation received to date of £3.4m is sufficient for the full year impact of supporting providers in 2020/21. Further work is being undertaken with our providers to ensure all payments are processed as soon as possible.



Students (£4.2m) and HCSWs (£1.8m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| Students | 1.7 | 2.0 | 0.4 | 0.1 | 4.2 | 4.3 |
| HCSW's Fixed Term recruitment | 0 | 0.3 | 0.5 | 0.9 | 1.8 | 1.5 |
| Total | 1.7 | 2.3 | 0.9 | 1.0 | 5.9 | 5.8 |

The M11 forecast for Students and HCSW's has increased by £0.1m to £0.3m and a similar level of spend is expected in M12. Student expenditure has now almost ceased with only £4k of costs reported in M11. Conversely expenditure on fixed term HCSW posts is increasing as more posts are being extended as they approach the end of their contracts.

Other reactive costs including ward nursing (£38.9m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|--|------------|------------|------------|-------------|-------------|-------------|
| Area of cost impact | £m | £m | £m | £m | £m | £m |
| Estimated impact of increased annual leave being carried forward at the end of 20/21 | 0 | 0 | 0 | 15.4 | 15.4 | 13.4 |
| Other reactive costs | 4.2 | 3.1 | 6.0 | 10.2 | 23.5 | 19.5 |
| Total | 4.2 | 3.1 | 6.0 | 25.6 | 38.9 | 32.9 |

The forecast for other reactive costs increased by £6m in M11. This increase is primarily due to an increase of £2m in the Annual Leave estimate and the inclusion of Winter and Urgent Emergency Care schemes in line with WG allocations of £3m.

A breakdown of the M11 YTD Other reactive costs is provided below:

| | BG | MC | RT | Other | Total |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| | M11 YTD | M11 YTD | M11 YTD | M11 YTD | M11 YTD |
| | £k | £k | £k | £k | £k |
| Registered nursing | 4,853 | 1,029 | 1,050 | 1,726 | 8,658 |
| Add Clinical services | (474) | 861 | 1,351 | 2,214 | 3,952 |
| A&C | 355 | 8 | 42 | 417 | 822 |
| Other pay | 549 | 339 | 304 | 763 | 1,955 |
| Non pay & income | 494 | 918 | 547 | 3,595 | 5,554 |
| Total | 5,777 | 3,155 | 3,294 | 8,715 | 20,941 |

The Non pay & income expenditure within 'Other' of £3,595k includes:

- Laundry Services - £815k
- M&S Consumables - £1,029k
- Infection Control Works and Ty Trevithick - £501k
- Transport - £374k
- Loss of SLA Income - £170k

Operational expenditure decreases (£14.8m)

| | Q1 | Q2 | Q3 | Q4 | Total M11 | Total M10 |
|---|-----------|-----------|-----------|-----------|------------------|------------------|
| Area of cost benefit | £m | £m | £m | £m | £m | £m |
| Operational expenditure reductions due to reduced elective activity | (4.8) | (2.0) | (4.3) | (3.3) | (14.4) | (13.8) |

The M10 forecast underspend of £13.8m has increased by £0.6m in M11 to £14.4m. Actual operational expenditure reductions were £1.1m in M11 and further reductions of £2.2m are expected in M12. A breakdown of the M11 YTD costs is provided below:

| | Q1 | Q2 | Q3 | M10 | M11 | M11 YTD |
|-----------------------------|----------------|----------------|----------------|------------|----------------|-----------------|
| | £k | £k | £k | £k | £k | £k |
| Bridgend ILG | (1,142) | (967) | (2,071) | (191) | (777) | (5,148) |
| Merthyr & Cynon ILG | (948) | (574) | (310) | (97) | (110) | (2,039) |
| Rhondda & Taf ILG | (931) | (950) | (1,194) | (577) | (192) | (3,844) |
| Medicines Mgt | (1,531) | 412 | (329) | 237 | (316) | (1,527) |
| Contracting & Commissioning | (200) | 36 | (444) | 740 | 237 | 369 |
| Total | (4,752) | (2,043) | (4,348) | 112 | (1,158) | (12,189) |

The Medicine Mgt under spend of £1.5m includes reductions in NICE expenditure and other drugs/vaccines expenditure.

The Contracting & Commissioning overspend in M10 reflected a correction of an error in M9.

Impact on delivery of efficiency savings

The original split of the annual savings target of £20.6m was £19.0m Delegated and £1.6m Non Delegated. For 2020/21 this split has now been changed to £16.3m Delegated and £4.3m Non delegated so that the Pre Covid savings gap of £4.3m is now all shown as Non Delegated and is this is being shown as non-Covid variance. The M11 YTD and forecast savings are summarised below.

| | Month 11 | | | Month 10 | | |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | YTD | 20/21 | Recurring | YTD | 20/21 | Recurring |
| | £m | £m | £m | £m | £m | £m |
| Delegated Savings targets | 14.9 | 16.3 | 19.0 | 13.6 | 16.3 | 19.0 |
| Forecast Savings | (5.0) | (6.2) | (4.8) | (4.4) | (6.1) | (6.0) |
| Forecast shortfall | 9.9 | 10.1 | 14.1 | 9.2 | 10.2 | 13.0 |
| Non Delegated Savings target | 3.6 | 4.3 | 1.6 | 3.6 | 4.3 | 1.6 |
| Total | 13.5 | 14.5 | 15.8 | 12.8 | 14.5 | 14.6 |

- Actual savings in M11 was £0.6m (M10: £0.5m) and the M11 YTD savings is now £5.0m (M10: £4.4m)
- Forecast In year savings has increased by £0.1m in M11 and forecast recurrent savings has reduced by £1.2m.
- The forecast recurrent savings gap of £15.8m has been reflected in the forecast recurrent position (See Section 3.4 above).

The Health Board needs to increase the focus and traction on savings plans and delivery in order to help minimise the financial impact of Covid-19 in 2020/21, but very importantly, also to limit the recurrent impact going into 2021/22.

Slippage on planned investments/repurposing of development funding

An assessment of what existing development funding can be slipped or re-purposed to help meet costs resulting from Covid-19 is provided below:

| | M11 | M10 |
|--|------------|------------|
| | £m | £m |
| Transformation allocation for Covid -19 | 1.3 | 1.3 |
| Cluster funding for 20-21 (the inclusion of this funding has also seen a corresponding increase in Covid related costs) | 1.5 | 1.5 |
| Mental Health funding for 20/21 | 1.0 | 1.0 |
| Other | 0.1 | 0.1 |
| WHSSC Investment Slippage | 1.5 | 1.5 |
| Sub total | 5.1 | 5.1 |
| Reclassified as WG income in M5: | | |
| Transformation allocation for Covid -19 | (1.3) | (1.3) |
| Mental Health funding for 20/21 | (0.5) | (0.5) |
| | | |
| Total | 3.6 | 3.6 |



3.6 Savings Performance by Area

An analysis of the forecast savings (In year £6.2m and recurring £4.8m) by area is provided below.

| Area | In year Savings Target £000 | Green | Amber | Red | Current In Year Forecast | % of Current Year Forecast to Target |
|-----------------------------|-----------------------------|---------------|-------|-----|--------------------------|--------------------------------------|
| Bridgend ILG | 3,319 | 250 | | | 250 | 7.5% |
| Merthyr & Cynon ILG | 3,962 | 912 | | | 912 | 23.0% |
| Rhondda & Taf ILG | 3,622 | 1,051 | | | 1,051 | 29.0% |
| Medicines Management | 2,903 | 1,892 | | | 1,892 | 65.2% |
| Primary Care | 306 | 4 | | | 4 | 1.3% |
| Contracting & Commissioning | 784 | 718 | | | 718 | 91.7% |
| Corporate Directorates | 1,405 | 1,339 | | | 1,339 | 95.3% |
| Sub Total | 16,299 | 6,166 | - | - | 6,166 | 37.83% |
| Covid Non Recurrent | | 8,449 | | | 8,449 | |
| Grand Total | 16,299 | 14,615 | - | - | 14,615 | 89.67% |

| Area | Recurrent Savings Target £000 | Green | Amber | Red | Forecast recurrent savings | % of Forecast recurrent savings to Target |
|-----------------------------|-------------------------------|--------------|-------|-----|----------------------------|---|
| Bridgend ILG | 4,529 | 488 | | | 488 | 10.8% |
| Merthyr & Cynon ILG | 4,566 | 616 | | | 616 | 13.5% |
| Rhondda & Taf ILG | 4,154 | 1,127 | | | 1,127 | 27.1% |
| Medicines Management | 2,903 | 1,818 | | | 1,818 | 62.6% |
| Primary Care | 306 | | | | 0 | 0.0% |
| Contracting & Commissioning | 899 | | | | 0 | 0.0% |
| Corporate Directorates | 1,615 | 776 | | | 776 | 48.0% |
| Grand Total | 18,970 | 4,825 | - | - | 4,825 | 25.44% |

3.7 Non Delegated budgets

The key reasons for the Month 11 and Month 11 YTD overspends are as follows:

| | M11 | M11 YTD | M10 | M10 YTD |
|---|--------------|--------------|------------|--------------|
| | £k | £k | £k | £k |
| Shortfall v CRES target of £4.2m | 360 | 3,958 | 360 | 3,598 |
| Shortfall v non recurrent slippage/Non pay expenditure reduction targets of £4m | 333 | 3,666 | 333 | 3,333 |
| Other variances | 1,291 | (3,411) | (306) | (4,702) |
| Total | 1,984 | 4,213 | 387 | 2,229 |

3.8 Key Risks and Opportunities

The key financial risks and opportunities for 20/21 are summarised below (excluding the PYA risk which is covered in Section 3.4 above):

| | Month 11 | | Month 10 | |
|--|--------------|------------|--------------|------------|
| | Opps | Risk | Opps | Risk |
| | £m | £m | £m | £m |
| Prior Year Adjustment (PYA)– see Note 1 | 0 | 0 | 0 | 0 |
| Slippage in delivery of Q3/Q4 plan- see Note 2 | (2.0) | | (1.0) | |
| Changes to the Balance sheet assumptions in the Q3/Q4 Plan | TBC | | TBC | |
| Potential variation in the estimated 'pass through' costs for TTP, Mass vaccinations, Field hospitals, CHC . | 0 | | (1.0) | |
| Potential movement in estimated Annual leave provision at 31 March 21 | (2.0) | 2.0 | (2.0) | 2.0 |
| | | | | |
| Total | (4.0) | 2.0 | (4.0) | 2.0 |

Note 1: Work with Audit Wales on the balance sheet issues has been moved forward, and while Audit Wales is not yet able to provide a definitive view on whether a PYA is required, they have indicated that their current view is that a PYA is not required.

Note 2: We are forecasting a significant step up in costs in M12 which includes significant non pay expenditure in relation to the non-recurring spend plans included in the Q3/Q4 Plan. Although there are detailed plans in place we recognise that there is a potential risk that all of this spend may not be fully incurred in March.

4. IMPACT ASSESSMENT

| | |
|---|---|
| Quality/Safety/Patient Experience implications | There are no specific quality and safety implications related to the activity outlined in this report. |
| Related Health and Care standard(s) | Governance, Leadership and Accountability |
| Equality impact assessment completed | Not required |
| Legal implications / impact | There are no specific legal implications related to the activity outlined in this report. |
| Resource (Capital/Revenue £/Workforce) implications / Impact | Yes (Include further detail below) |
| | The paper is directly relevant to the allocation and utilisation of resources. |
| Link to Main Strategic Objective | To provide strong governance and assurance |
| Link to Main WBFG Act Objective | Service delivery will be innovative, reflect the principles of prudent health care and promote better value for users |

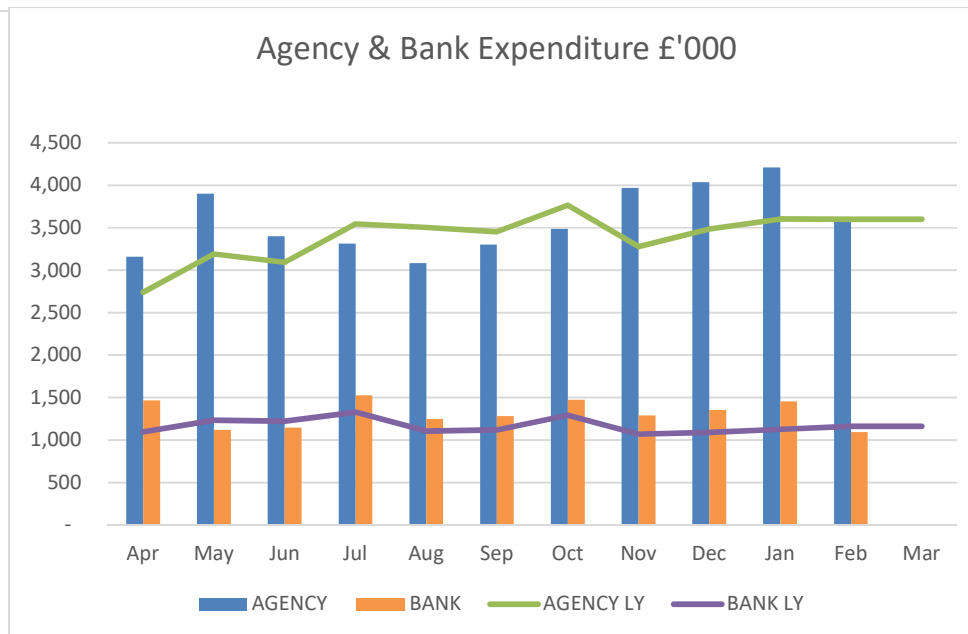
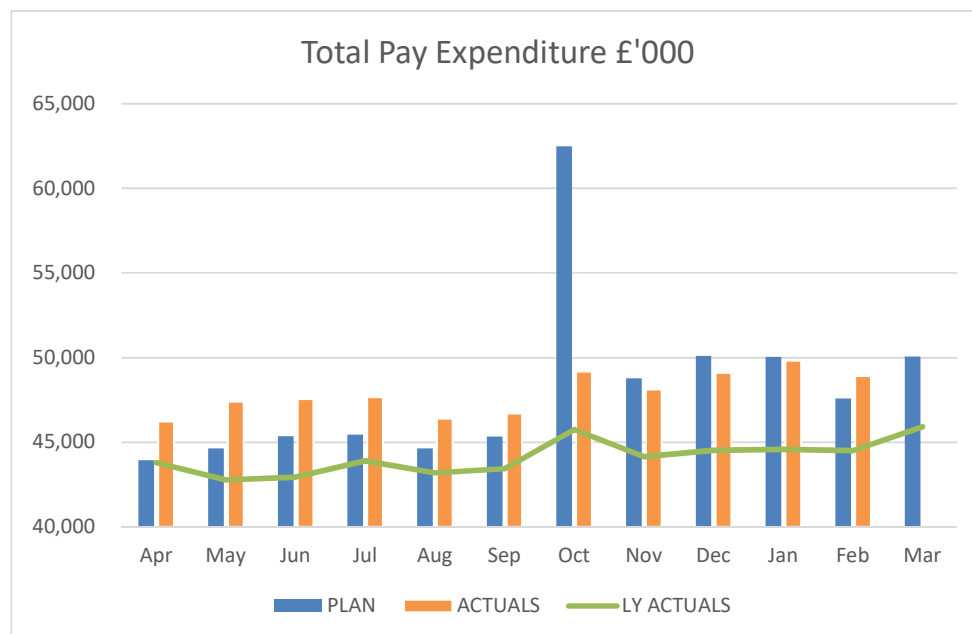
5. RECOMMENDATION

The Board is asked to:

- **DISCUSS** the contents of the Month 11 Finance report for 2020/21.

APPENDIX A

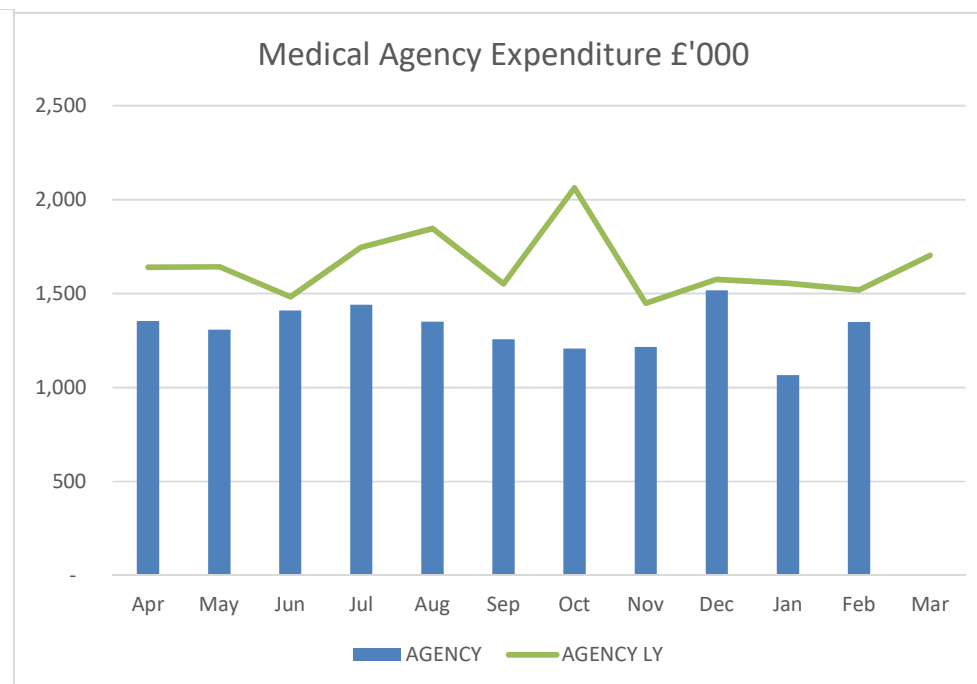
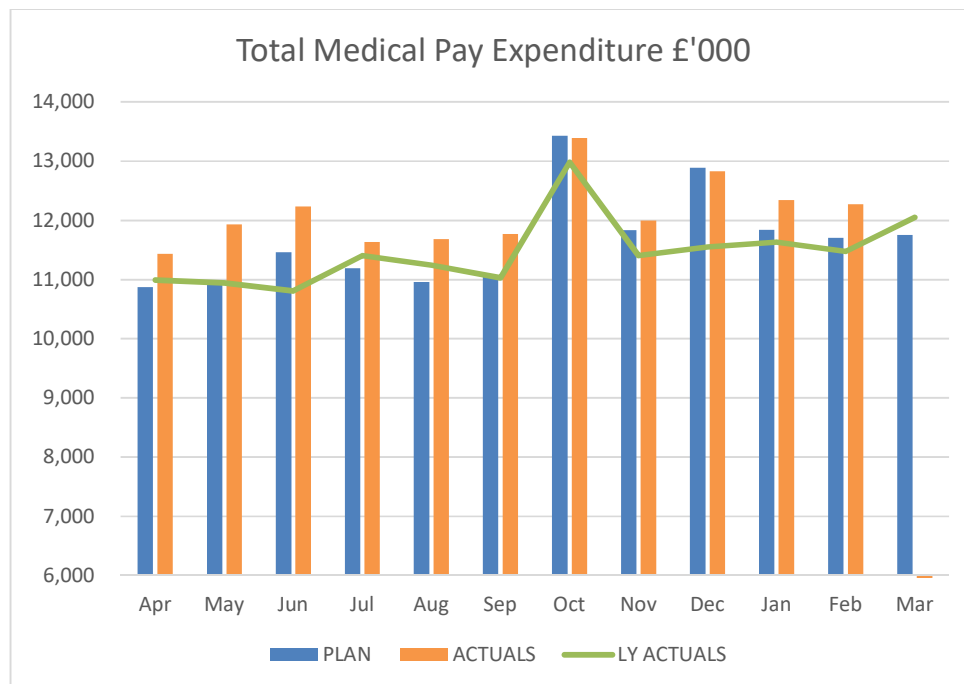
TREND ANALYSIS – TOTAL PAY



During M7, additional funding was allocated to Delegated budgets to meet the forecast overspends in the Q3/Q4 Plan plus additional funding for winter plans and various other Covid related costs. This resulted in a £13.3m pay surplus in M7.

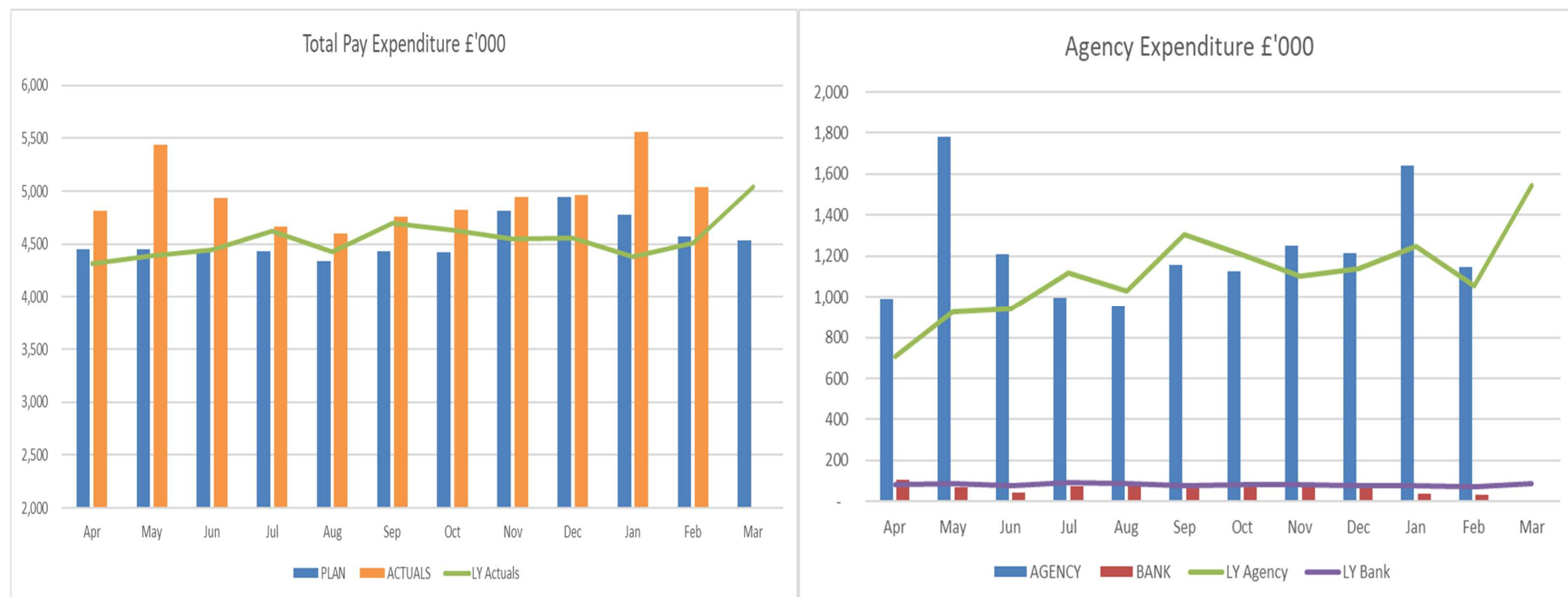
APPENDIX B

TREND ANALYSIS – MEDICAL PAY



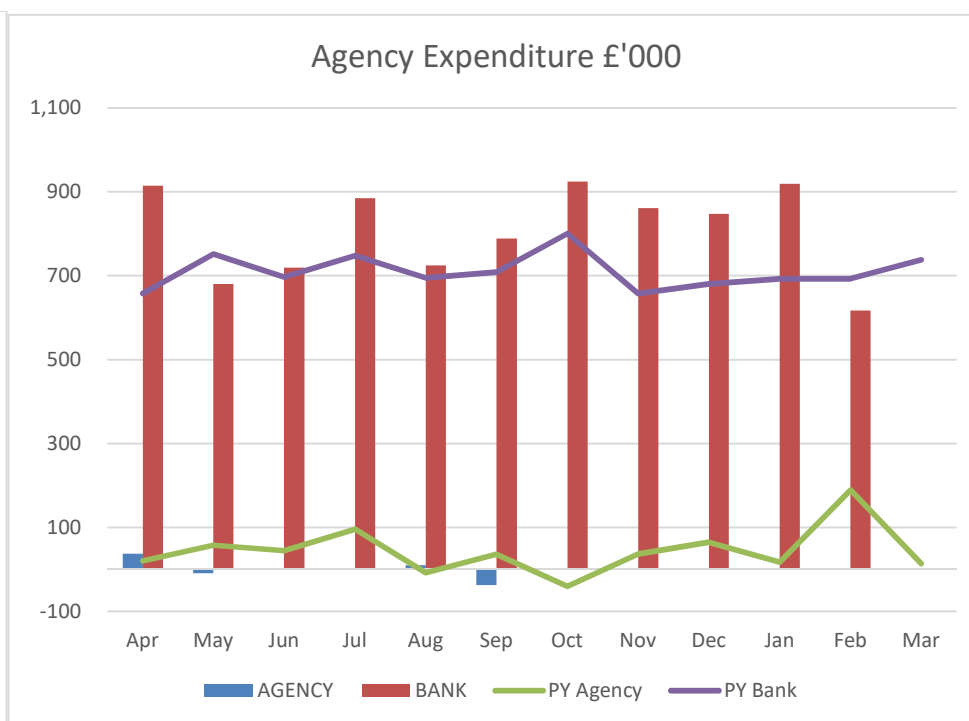
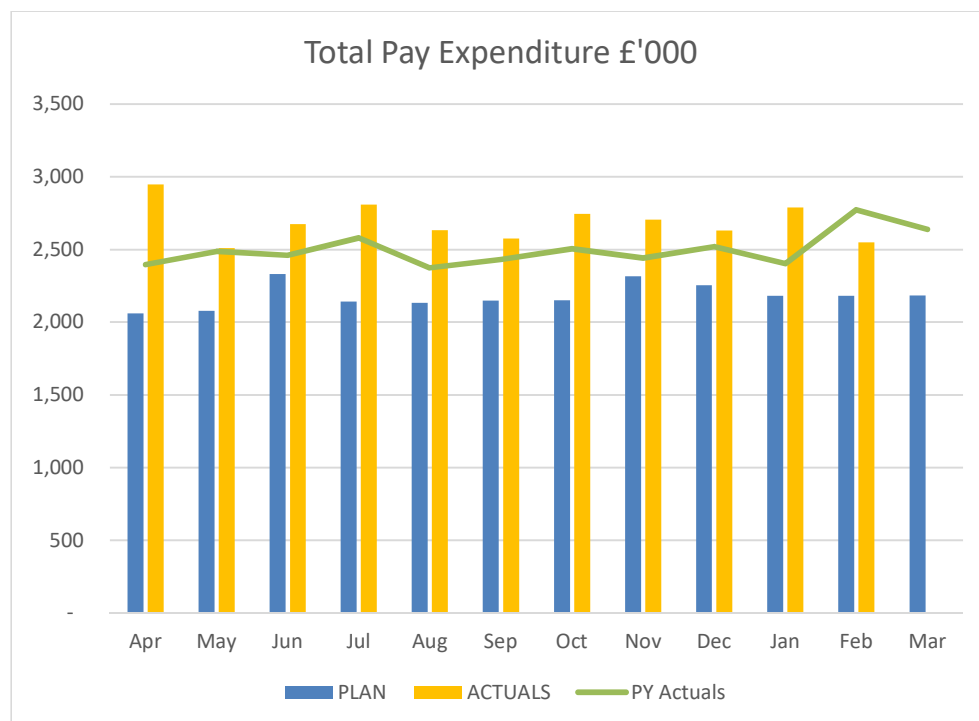
APPENDIX C

TREND ANALYSIS – REGISTERED NURSING (WARDS and A&E)



APPENDIX D

TREND ANALYSIS – ADDITIONAL CLINICAL SERVICES (WARDS and A&E)



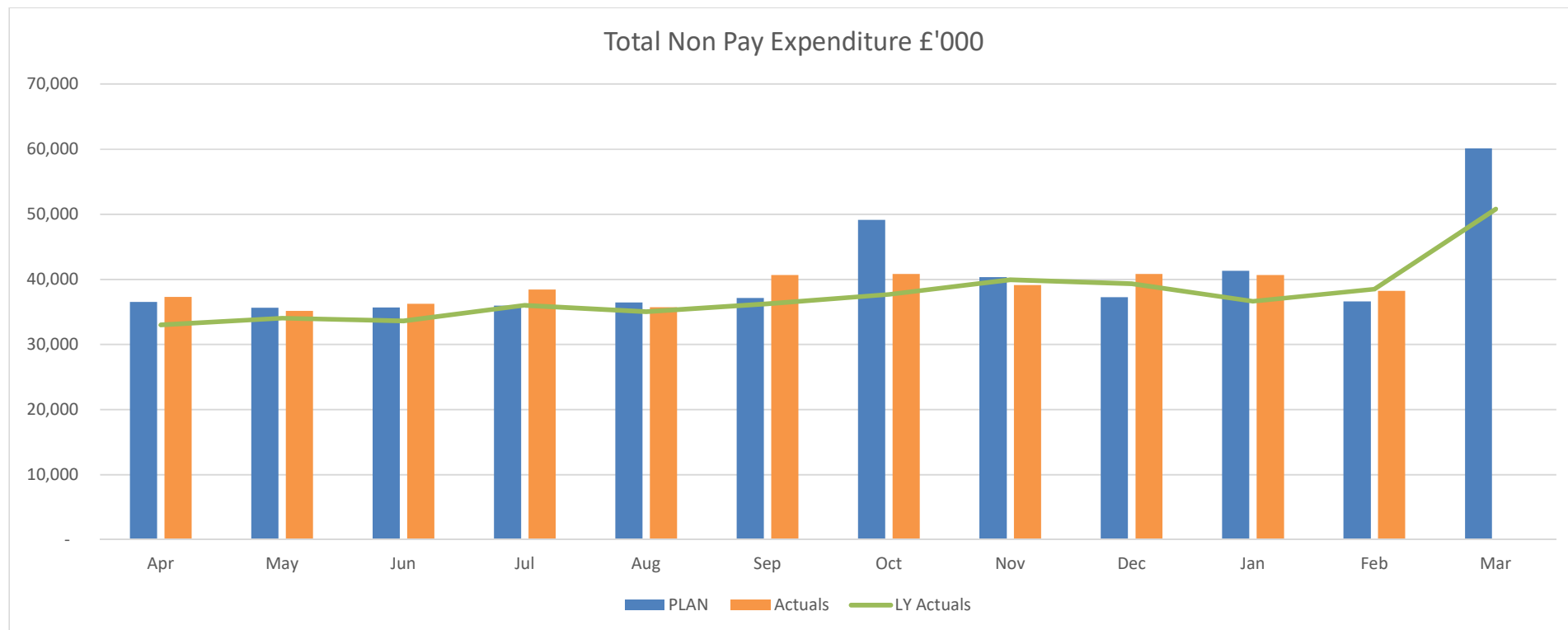


GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

APPENDIX E

TREND ANALYSIS – NON PAY



During M7, additional funding was allocated to Delegated budgets to meet the forecast overspends in the Q3/Q4 Plan plus additional funding for winter plans and various other Covid related costs. This resulted in a £7.7m non pay surplus in M7.

APPENDIX F

WELSH GOVERNMENT ALLOCATIONS

| | Annual Budget |
|---------------------|------------------|
| | £k |
| Confirmed funding | 1,208,964 |
| Unconfirmed funding | (15,933) |
| TOTAL | 1,193,031 |

Key Issues

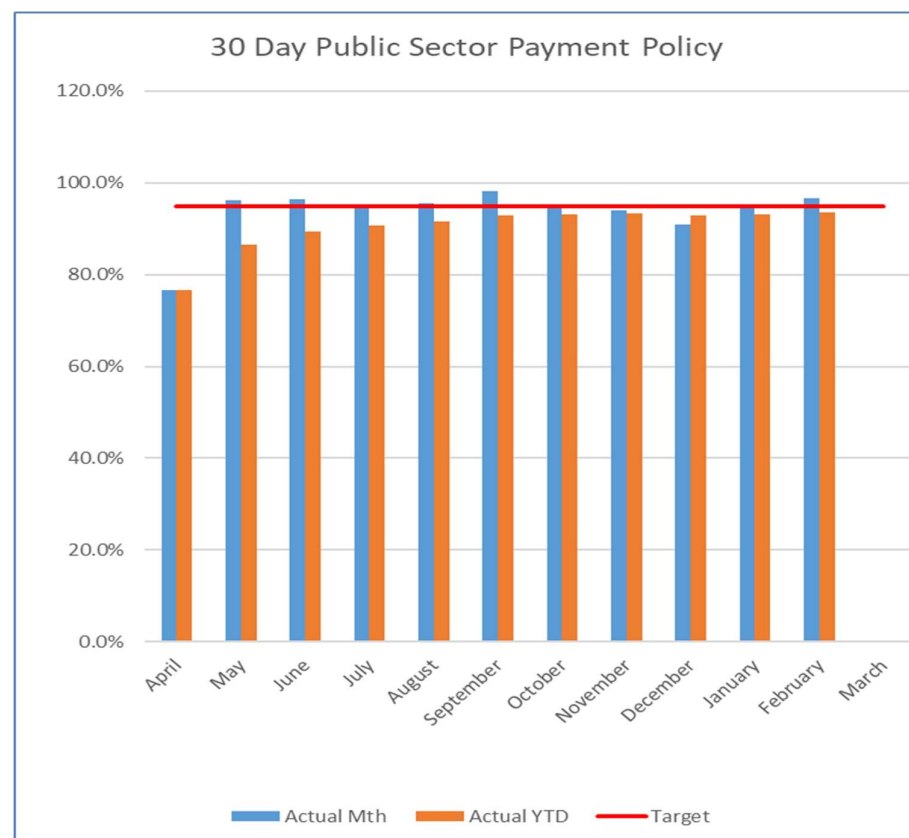
The most significant anticipated allocations include:

- Transformation Fund - £3.9m
- Ring fenced COVID items- £5.8m
- Anticipated return of allocation to WG – (£26.9m)
- Community testing - £1m

APPENDIX G

Public Sector Prompt Payment (PSPP) Performance

The Health Board's monthly performance against the 95% public sector payment target is detailed in the graph below:



Key Issues:

- The percentage for the number of non-NHS invoices paid within the 30 day target for February was 96.7%, with a cumulative percentage of 93.5%.
- For the month of April the percentage was only 76.6%. This was in part due to COVID supplier relief arrangements which allowed 1029 queried invoices to be released which accounted for 5.5%.
- As a consequence of the low percentage performance in April, there is a high risk that the Health Board may not achieve the 95% target for 20/21. The forecast percentage for Month 12 is 93.5%.



APPENDIX H

Balance Sheet

| Balance Sheet | Opening Balance (01/04/2020) £'000 | Closing Balance as at M11 £'000 | Forecast Closing Balance M12 £'000 |
|--------------------------------------|--|---------------------------------------|--|
| Non Current Assets | | | |
| Property, Plant & Equipment | 532,624 | 547,151 | 532,624 |
| Intangible Assets | 3,631 | 3,631 | 3,631 |
| Trade and Other Receivables | 50,069 | 50,069 | 50,069 |
| Total Non-Current Assets | 586,324 | 600,851 | 586,324 |
| Current Assets | | | |
| Inventories | 6,071 | 5,947 | 6,071 |
| Trade and Other Receivables | 101,242 | 124,802 | 101,242 |
| Cash and Cash Equivalents | 376 | 3,620 | 376 |
| Total Current Assets | 107,689 | 134,369 | 107,689 |
| Current Liabilities | | | |
| Trade and Other Payables | 133,114 | 144,840 | 133,114 |
| Provisions | 38,844 | 55,521 | 53,844 |
| Total Current Liabilities | 171,958 | 200,361 | 186,958 |
| Non-Current Liabilities | | | |
| Trade and Other Payables | 1,307 | 1,307 | 1,307 |
| Provisions | 56,259 | 56,259 | 56,259 |
| Total Non-Current Liabilities | 57,566 | 57,566 | 57,566 |
| TOTAL ASSETS EMPLOYED | 464,489 | 477,293 | 449,489 |
| Financed By: | | | |
| General Fund | 416,325 | 429,129 | 401,325 |
| Revaluation Reserve | 48,164 | 48,164 | 48,164 |
| TOTAL | 464,489 | 477,293 | 449,489 |

Key Issues:

- The closing cash balance for M11 was £3.6m.
- Receivables have increased by £23.5m to M11. The most significant movement relates to movement in WRP debtors of £15m.
- The increase in Payables of £12m to M11 represents the increase in the Pension/HMRC creditor which had been part paid in the M12 2019-20.
- The increase in Provisions to M11 of £17m relate to Clinical Negligence.

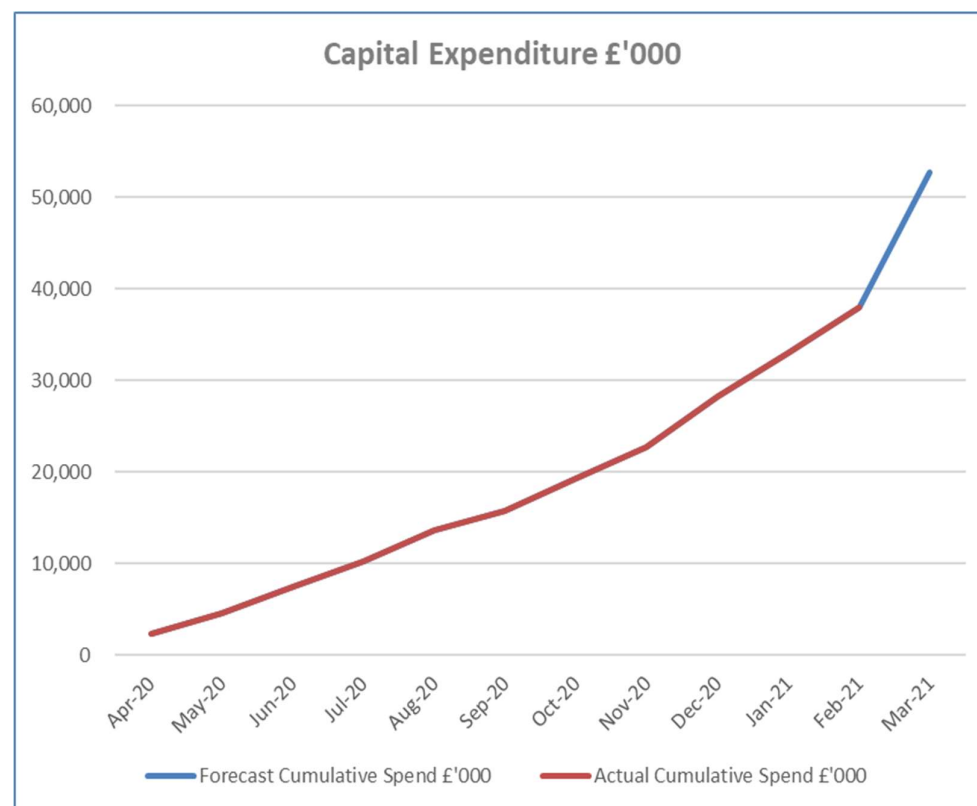


GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

APPENDIX I

Performance against Capital Resource Limit



Key Issues:

- The current Capital Resource Limit of £48.4m was issued on the 3rd March 2021.
- In addition, the Health Board is anticipating a further £3.9m of additional funding relating to the impact of COVID 19.
- This is supplemented by £0.3m of donated funds and £0.07m of asset disposals, giving an overall programme of £52.6m.
- Expenditure to date is £37.9m.
- The current forecast capital position is breakeven assuming all anticipated funding is received.

APPENDIX J

Cash position

| Cashflow | Actual/Forecast | | | | | |
|-------------------------------|-----------------|----------------|----------------|----------------|----------------|------------------|
| | Nov £'000 | Dec £'000 | Jan £'000 | Feb £'000 | Mar £'000 | Total £'000 |
| Receipts | | | | | | |
| WG Revenue Funding | 82,276 | 105,543 | 99,027 | 85,894 | 115,492 | 1,146,882 |
| WG Capital Funding | 4,500 | 4,400 | 4,700 | 5,200 | 12,628 | 53,278 |
| Sale of Assets | 0 | 17 | 11 | 13 | 0 | 73 |
| Welsh NHS Org'ns | 9,170 | 9,160 | 8,080 | 19,967 | 11,600 | 125,092 |
| Other | 1,827 | 3,175 | 1,433 | 2,020 | 2,300 | 33,371 |
| Total Receipts | 97,773 | 122,295 | 113,251 | 113,094 | 142,020 | 1,358,696 |
| Payments | | | | | | |
| Primary Care Services | 6,714 | 27,912 | 8,700 | 17,659 | 17,821 | 202,779 |
| Salaries and Wages | 46,458 | 45,976 | 46,422 | 46,969 | 61,997 | 550,885 |
| Non Pay Expenditure | 40,621 | 42,579 | 58,060 | 41,521 | 50,285 | 551,681 |
| Capital Payments | 3,815 | 5,413 | 2,900 | 3,389 | 15,161 | 53,351 |
| Other (Donated asset funding) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Payments | 97,608 | 121,880 | 116,082 | 109,538 | 145,264 | 1,358,696 |
| Net Cash In/Out | 165 | 415 | (2,831) | 3,556 | (3,244) | |
| Balance B/F | 2,315 | 2,480 | 2,895 | 64 | 3,620 | |
| Balance C/F | 2,480 | 2,895 | 64 | 3,620 | 376 | |

Key Issues

- The M11 cash flow forecast is currently showing a forecast surplus of £0.376m in Month 12 which includes anticipated cash support to cover the movement in Capital Creditors.
- The latest forecast assumes a planned return of funding to WG of £26.9m (resource and cash).
- The latest forecast assumes that the £1m anticipated allocation for the Merthyr & Cynon population testing pilot together with the CTM community testing project will be Resource only.
- The latest forecast assumes that the other anticipated allocations for Covid of £6.2m (Field Hospitals and Mass Vaccinations etc.) will be Resource and Cash.
- The cash for the remaining outstanding WRP debtors of approximately £22m will be received in 2021-22. The profile of these receipts are under regular review.