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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	29th July 2021		Agenda Item	
Report Title	Financial Report – Period 3 2021/22			
Report Author	Samantha Lewis, Deputy Director of Finance			
Report Sponsor	Darren Griffiths, Director of Finance and Performance (interim)			
Presented by	Darren Griffiths, Director of Finance and Performance (interim)			
Freedom of Information	Open			
Purpose of the Report	The report advises the Board of the Health Board financial position for Period 3 (June) 2021/22.			
Key Issues	<p>The report invites the Board to note the detailed analysis of the financial position for Period 3 (June) 2021/22.</p> <p>The report also invites the Board to note the capital budget, cash position and key balance sheet movements.</p> <p>The report sets out key actions in relation to the month 3 position and for the forthcoming period.</p>			
Specific Action Required <i>(please choose one only)</i>	Information	Discussion	Assurance	Approval
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Recommendations	<p>Members are asked to: -</p> <ul style="list-style-type: none"> • NOTE the agreed 2021/22 financial plan • CONSIDER and comment upon the Board's financial performance for Period 3 (June) 2021/22 • NOTE the key actions in relation to the month 3 position and for the forthcoming period. 			

FINANCIAL REPORT – PERIOD 3

1. INTRODUCTION

The report advises the Board that the Period 3 (June 2021) revenue financial position is an overspend of £6.081m.

The report invites the Board to note the detailed analysis of the Period 3 (June 2021) revenue financial position.

The report provides an analysis of the revenue impact of the COVID-19 response for the first quarter and provides an assessment of the year-end revenue forecast following agreed and anticipated additional WG funding.

The report also invites the Board to note the capital budget position, cash position and key balance sheet movements.

2. BACKGROUND

2.1 The Health Board has two key statutory duties to achieve:

- **To submit an Integrated Medium Term Plan (IMTP) to secure compliance with breakeven over 3 years.**

2019/20 No Approved Plan
2020/21 No Approved Plan
2021/22 Annual Plan submitted

The Health Board will fail to achieve this Statutory Duty.

- **To achieve financial breakeven over a rolling three-year period, which commenced on 1st April 2019 and will end on 31st March 2022.**

2019/20 £16.284m Overspend
2020/21 £24.305m Overspend
2021/22 £24.405m Forecast Overspend

The Health Board will fail to achieve this Statutory Duty.

2.2 Summary of Performance against Key Financial Targets

Financial KPIs : To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government	Value £000
Reported in-month financial position – deficit/(surplus)	1,976
Reported cumulative financial position – deficit/(surplus)	6,081
Variance from Planned Deficit – deficit/(surplus)	(20)
Capital KPIs: To ensure that costs do not exceed the capital resource limit set by Welsh Government	Value £000
Reported year to date financial position – deficit/(surplus)	(2,081)
Forecast outturn financial position – deficit/(surplus)	1,659
PSPP Target : To pay a minimum of 95% of all non NHS creditors within 30 days of receipt of goods or a valid invoice	Value %
Cumulative year to date % of invoices paid within 30 days (by number)	95.85%

3. FINANCIAL IMPLICATIONS

3.1 Revenue Position

3.1.1 Summary Revenue Position

The Health Board agreed the Annual Plan for 2021/22 at its meeting on 23rd June 2021, having approved the draft annual plan in March 2021. This included a financial plan which reflected a £42.077m opening underlying deficit and indicated that in-year cost pressures and investment commitments could be met by WG allocation uplift and planned savings. The Health Board plan therefore produces a £42.077m forecast deficit.

	2021-22 Plan Update £m
20/21 Core Underlying Position	24.405
20/21 Savings COVID impact	17.672
20/21 Underlying Position	42.077
Cost pressures	25.600
WG Allocation	-15.100
Investment Commitments	8.500
Planned Savings	-27.700
Investments to enable Savings	8.700
Forecast Position	42.077

The savings requirement for 2021/22 of £27.7m is a gross saving position, which recognises and allows for the investments to support the delivery of efficiency opportunities.

At this stage of the year the Health Board is also anticipating £120.455m of COVID funding for this financial year, this is based on assumed costs for 12 months. This £120m includes non-recurrent funding to mitigate the COVID impact on 2020/21 savings of £17.672m. This reduces the forecast deficit to £24.405m.

The period 1 reported in-month position was an overspend of £6.081m, which is £0.020m below the forecast position.

	Budget	Actual	Variance
	Cumulative	Cumulative	Cumulative
	£000	£000	£000
Income	- 71,868	- 71,068	800
Pay	151,610	150,897	- 713
Non-Pay	163,226	163,119	- 107
Delegated Position	242,968	242,948	- 20
Corporate Plan	- 6,101		6,101
Total Position	236,867	242,948	6,081

The corporate plan variance reflects 3/12^{ths} of the £24.405m forecast deficit.

3.1.2 Income

Income budgets have reported an under-achievement of £0.800m. The most significant element of this under-achievement relates to dental income recovery, which is £0.655m for the first quarter of the financial year. This loss of income is partially offset by reduced dental charges, however there is a net adverse financial impact of £0.115m. This net financial impact has been funded however for the purpose of reporting, this has been reflected within non-pay.

Around £2m of COVID funding support was provided to meet the ongoing impact of the pandemic on income. This support will be reviewed through monthly performance meetings to consider the recovery mechanisms and potential longer term impacts.

3.1.3 Pay

Pay budgets have reported a £0.713m underspend for the first quarter.

Whilst there were pressures in early months, significant improvements have been made in robust roster management and mitigating costs, which has resulted in an improved level of performance.

The Health Board also has a high level of vacancies not all of which are able to be fully covered.

Around £7.5m of COVID funding has been issued to support increased pay costs in this quarter, excluding funding for vaccination, TTP and cleaning standards. This significant cost is supporting changed service models and requirements, surge capacity and other additional support. The management of ongoing legacy of costs will be crucial in the development of a sustainable financial model going forward.

3.1.4 Non Pay

Non-pay budgets have reported an underspend of £0.107m for the first quarter. Within this position there are underspends within clinical consumables due to reduced activity. These are being offset by pressures on ChC budgets particularly in Mental Health and Learning Difficulties due to growing case numbers and complexity. Mitigating actions and opportunities have been identified to support the current level of cases, whilst further work is undertaken on ChC within the Service Delivery Group.

The level of COVID support to general non-pay is around £2.5m for the first quarter. In addition, around £1.5m funding support has been provided to Primary Care Prescribing to support the increased costs being experienced.

3.1.5 Savings and Recovery Challenge

The Health Board financial plan identified a £27.7m savings requirement for 2021/22 to support the delivery of its in-year financial plan.

The Health Board has identified £25.4m of savings that have been assessed as green and amber. In addition to the green and amber savings the Health Board currently has a further £3.4m of pipeline schemes that have been identified. These are being further assessed and developed at present with clear timeline of 3 months to develop sufficiently to green or amber.

Further work is underway to ensure all savings opportunities presented by KPMG and those identified previously have been considered and plans developed where appropriate. This will be progressed by the Savings PMO which is being established.

3.1.6 COVID-19

The Health Board is assuming £120m of additional funding to support COVID response and recovery. This is based on current experience and planning assumptions and will be refined during the forthcoming months as guidance and further modelling is amended. The table below provides a summary of the additional funding anticipated.

The system of financial management for 2021/22 will be allocate COVID response and recovery funding to meet the areas where expenditure is incurred. This will allow for more transparent management of budget variance and will support the required levels of accountability required as the Health Board continues its response and recovery activities.

	Anticipated COVID Funding £m
General	43.980
PPE	5.136
Care Homes	2.974
Cleaning Standards	2.304
Extended Flu	1.160
Vaccinations	13.375
Trace	14.112
Testing	2.864
Long COVID	0.635
COVID Response	86.540
COVID Recovery	16.243
20/21 Savings Impact	17.672
Total Allocation	120.455

It is expected that the any COVID funding provided will be fully deployed.

The COVID recovery funding included reflects the first tranche of resource anticipated which was allocated by Welsh Government in May 2021. The primary focus of this first wave of funding is on increasing capacity to improve access for patients across cancer services, outpatients, diagnostics and surgical treatment. Costs will be incurred in line with agreed funding.

Further proposals are being developed to further enhance and support recovery. These costs will only be incurred in line with agreed funding.

3.2 Capital

The approved CRL value, issued on 30/04/21, is £38.511m. The approved CRL value includes Discretionary Capital and the schemes under the All Wales Capital Programme.

3.2.1 Outturn Performance

The forecast outturn shows an overspend position of £1.659m. Allocations are anticipated from WG which will balance this position as follows:

Scheme	£m	Narrative
Business Case Fees	1.589	Funding expected from WG
Open Eyes Ophthalmology	0.070	Funding expected from WG

The reported forecast outturn position assumes that £0.552m of disposal income will be received. A paper on the revised discretionary capital plan was received at the Board meeting on 22nd July 2021.

3.3 Balance Sheet

As at 30th June 2021, there has been an increase of £6.919m in net assets employed compared to the balances as at 31st March 2021 (2.21%). Total assets reduced by £2.063m, and total liabilities reduced by £8.982m. The main movement in assets and liabilities is detailed in the following paragraphs.

There has been a reduction of £2.573m in fixed assets with asset additions for the year to date being lower than the depreciation.

The inventory value has increased slightly from £9.415m to £9.610m as at the end of June, an increase of £0.195m. The increase relates to drugs and blood products stocks.

There has been a very small reduction in trade receivables from £190.307m at the end of March 2021 to £190.285m at the end of June 2021, a reduction of £0.022m. Within the overall movement, however, there have been increases in trade and NHS debtors, largely offset by reductions in the Welsh Risk Pool debtor.

The closing June 2021 cash balance was £1.549m, well within the Welsh Government best practice cash target for the Health Board of £6m.

In respect of liabilities, the trade and other payables figure saw a reduction from £233.101m at the end of March 2021 to £223.032m at the end of June 2021. The reduction was primarily due to a reduction in accruals following the payment of the NHS bonus payment in May. There have also been reductions in capital creditors over the first quarter.

Provisions have increased from £149.509m at the end of March 2021 to £150.537m as at the end of June, primarily due to an increase in the provision for clinical negligence claims arising from the first quarter quantum reports received from Legal and Risk Services.

3.4 Cash

As at the end of June 2021, the Health Board had a cash balance of £1.549m. This balance is well within the Welsh Government best practice figure of £6m as well as being within the Health Board's planned month end cash balance of between £1m and £2m.

Whilst it is still early in the financial year to provide a robust forecast cash position for the year, the cash forecast in Table G is predicated on the forecast year-end

deficit and a very early assessment of the impact of any movement in working capital balances on the cash position. This early forecast indicates a forecast cash deficit (taking into account anticipated allocations) of £21.699m. The analysis of the forecast cash position is shown in the table below:

	Revenue	Capital	Total
Forecast Deficit as per SoCNE	-24,405		-24,405
Movement in Revenue working balances	8,712		8,712
Reduction in capital creditors		-7,276	-7,276
Opening Cash balance	-4,167	5,437	1,270
Forecast Position	-19,860	-1,839	-21,699

At the end of the 2020/21 financial year, capital cash was utilised to pay revenue invoices, due to the timing of receipt of capital invoices at the end of the financial year. This capital cash will need to be reimbursed by revenue during the 2021/22 financial year.

The cash flow is updated daily, the forecast cash position will move during the year as the receipts, and payments trend becomes clearer.

3.5 Public Sector Payment Policy (PSP)

For each of the first three months of the 2021/22 financial year, the Health Board has paid more than 95% of its non-NHS invoices within 30 days, resulting in a cumulative first quarter performance of 95.85%, above the 95% target. This performance reflects the hard work being undertaken by the Health Board and NWSSP Accounts Payable to improve performance.

4. REVENUE FORECAST

The Health Board submitted its final annual plan on 30th June, following Board approval on 23rd June 2021. The final plan produces a £42m deficit, which has been reduced to £24.4m in-year following the application of anticipated non-recurrent funding to support the COVID impact on 2020/21 savings delivery.

The Health Board is currently on target to deliver the £24.4m forecast. This is being monitored closely to reflect risks and opportunities as they arise.

Work is being progressed to establish a clear agreed financial forecasting mechanism within the Health Board, including regular assessments of risks and opportunities and the recurrent implications of the forecast. The table below begins to provide a forward look for the consideration of the Board and this will be further developed over coming months. The table shows the anticipated financial position for quarter 2, which is in line with plan.

	Q1 Variance	Q2 Variance
	£000	£000
Income	800	750
Pay	-713	-900
Non Pay	-107	150
Delegated Position	-20	0
Corporate Plan	6101	6101
Overall Position	6081	6101

5. RISKS AND OPPORTUNITIES

The Health Board forecast includes a number of opportunities and risks, which may impact on the current forecast assessment. These are being regularly reviewed and mitigation options considered.

6. ACTIONS AND NEXT STEPS

The new financial year will see the following actions:

In relation to month 3 position

- Nurse Director, Therapies and Health Sciences Director and Medical Director to identify clear monitoring mechanisms to support variable pay reduction plans by 30th July 2021.
- Review COVID response cost, exit strategies and assess potential ongoing impacts – month 4 finance review meetings.
- Develop of a CHC plan for Mental Health and Learning Disabilities services for consideration by Management Board by 31st August 2021 (Service Director MHLD)
- Ongoing identification of savings pipeline and delivery of planned savings (All)
- Temporary vacancy freeze within the budgets of the Director of Workforce and Organisational Development pending a review of savings plans to achieve 100% CIP delivery (Interim Director of Workforce and Organisational Development) by 31st August 2021
- Further development of predictive analysis to enhance future reporting (Interim Director of Finance and Performance) in July 2021.

In-year actions

- Broader monthly performance reviews to replace financial reviews, this will enable greater triangulation of service, workforce and financial performance.
- Increased focus on compliance with key control measures.
- Implementation of the Performance Framework for escalation.
- Implementation of Business Case Assurance Group to support the scrutiny of business cases.
- Implementation of a revised system of internal financial control
- Enhanced PMO function to support service model changes and realisation of benefits.
- Development of Savings Delivery team to support monitoring, identification and implementation of savings.

7. RECOMMENDATION

Members are asked to: -

- **NOTE** the agreed 2021/22 financial plan
- **CONSIDER** and comment upon the Board's financial performance for Period 3 (June) 2021/22
- **NOTE** the key actions in relation to the month 3 position and for the forthcoming period

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input type="checkbox"/>
	Partnerships for Care	<input type="checkbox"/>
	Excellent Staff	<input type="checkbox"/>
	Digitally Enabled Care	<input type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input type="checkbox"/>
	Safe Care	<input type="checkbox"/>
	Effective Care	<input type="checkbox"/>
	Dignified Care	<input type="checkbox"/>
	Timely Care	<input type="checkbox"/>
	Individual Care	<input type="checkbox"/>
	Staff and Resources	<input type="checkbox"/>
Quality, Safety and Patient Experience		
Financial Governance supports quality, safety and patient experience.		
Financial Implications		
The Board is reporting a £24.4m forecast year-end deficit financial outturn prior to the impact of COVID-19.		
Legal Implications (including equality and diversity assessment)		
No implications for the Board to be aware of.		
Staffing Implications		
No implications for the Board to be aware of.		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
No implications for the Board to be aware of.		
Report History	Board receives an update on the financial position at every meeting	
Appendices	Appendix 1 – Supplementary information pack	



Swansea Bay UHB
Month 3 Financial Performance 2021/22
Health Board 29th July 2021



Month 3 21/22 – Performance against Targets

Revenue			Capital			PSPP		
Financial KPIs : To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government	Value	Trend	Capital KPIs: To ensure that costs do not exceed the Capital resource limit set by Welsh Government	Value	Trend	PSPP KPIs: To pay a minimum of 95% of non NHS creditors within 30 days of receipt of goods or valid invoice	%	Trend
	£'000			£'000				
Reported in-month financial position – deficit/(surplus)	1,976		Cumulative reported financial position – deficit/(surplus)	-2,081		In-month % of invoices paid within 30 days (by number)	95.18	
Reported year to date financial position – deficit/(surplus)	6,081		Forecast year-end deficit/(surplus)	1,659		Cumulative % of invoices paid within 30 days (by number)	95.85	
Reported year to date compared to forecast financial plan deficit/(surplus)	-20							
Year End Forecast deficit/(surplus)	24,405							

Revenue

- The in month reported revenue position is an overspend of £1.976m, which results in a cumulative overspend of £6.081m. This is £0.02m lower than forecast.
- The Health Board has a year end forecast deficit of £24.405m.

Capital

- Approved CRL value for 21/22 issued on 30/04/21 is £38.511m which includes Discretionary Capital and the schemes under the All Wales Capital Programme.
- Overspend to date relates to a number of schemes as detailed in the Annex.
- There are 2 schemes reported to Welsh Government as medium risk. These are being closely monitored and discussed at the monthly progress meeting with Welsh Government.
- The forecast outturn position for 21/22 is £1.659m overspent. Allocations are anticipated from WG which will balance this position.
- The reported forecast outturn position assumes that £0.552m of disposal income will be received.

PSPP

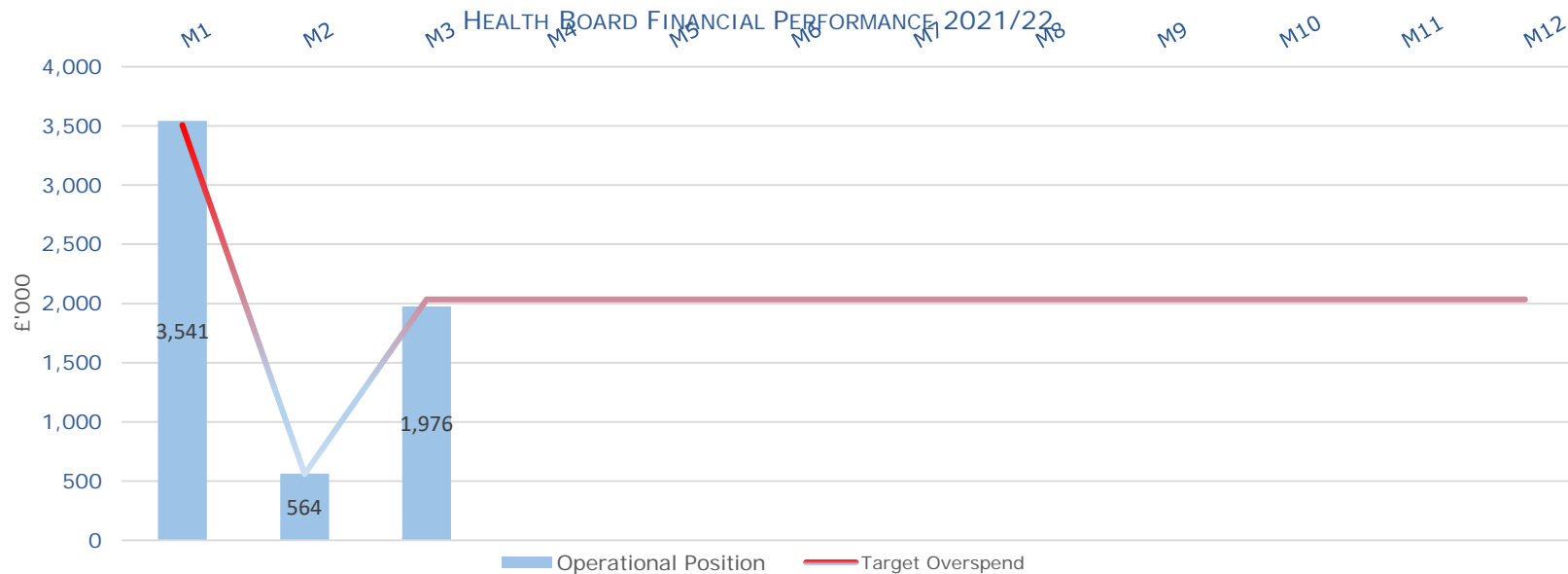
- The PSPP target has been achieved each month for the first three months of this financial year.
- Work is progressing to enhance training for staff on receipting and No PO No Pay Policy to support this target.



Month 3 21/22 - Overall Financial Position

	Budget	Actual	Variance	Budget	Actual	Variance
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
Income	- 25,822	- 25,599	223	- 71,868	- 71,068	800
Pay	50,768	49,730	- 1,038	151,610	150,897	- 713
Non-Pay	55,438	56,196	758	163,226	163,119	- 107
Delegated Position	80,384	80,327	- 57	242,968	242,948	- 20
Corporate Plan	- 2,033		2,033	- 6,101		6,101
Total Position	78,351	80,327	1,976	236,867	242,948	6,081

- The Health Board had a forecast deficit plan of £42.077m for 2021/22, which results in an anticipated monthly overspend of £3.506m.
- WG have now advised the Health Board to assume non-recurrent funding to support the 20/21 savings non-delivery £17.672m.
- This reduces the forecast deficit for 2021/22 to £24.405m, which is a monthly overspend of £2.034m.
- The cumulative position is £6.081m overspend against a planned deficit of £6.101m, a difference of £0.020m
- The table provides a summary of the position by income and expenditure type. Please note the income excludes WG Revenue Resource Limit.



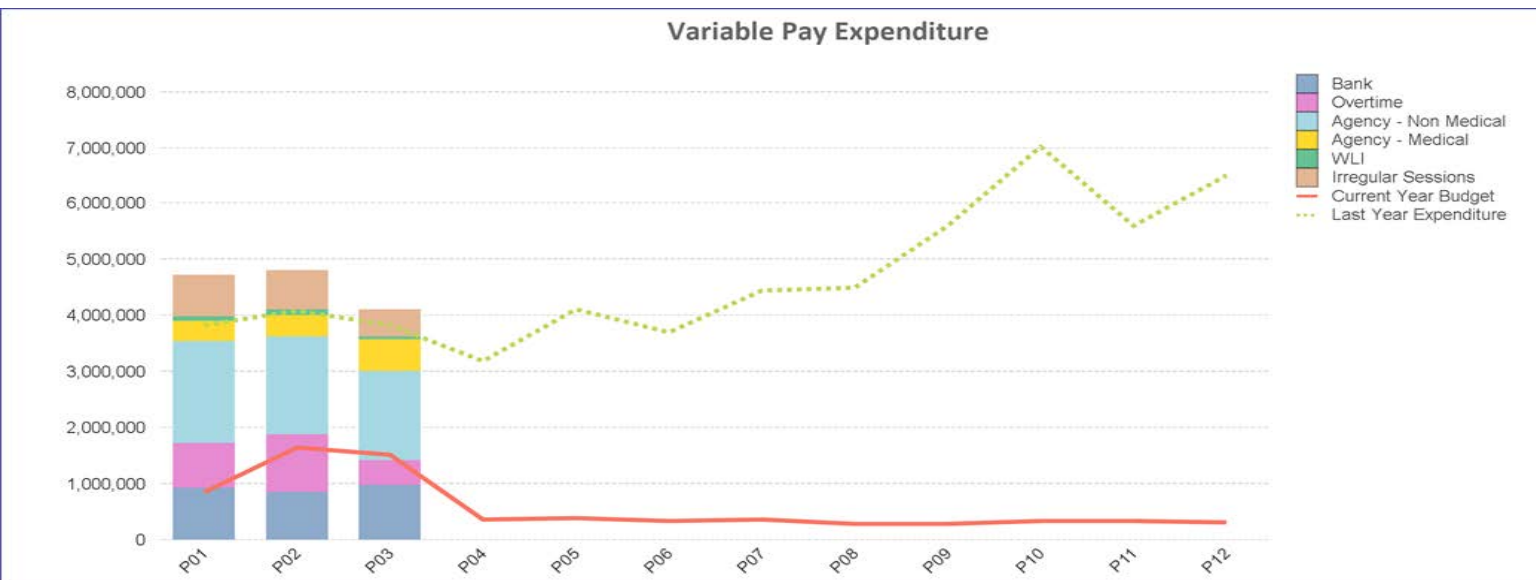
Income

Income - Month 3	Budget	Actual	Variance		Budget	Actual	Variance
	£000	£000	£000		£000	£000	£000
Revenue Resource Limit	- 87,275	- 87,275	-		- 254,472	- 254,472	-
Income from Activities	- 20,938	- 20,805	133		- 62,474	- 61,773	701
Other Income	- 4,884	- 4,794	90		- 9,394	- 9,295	99
Total Income	- 113,097	- 112,874	223		- 326,340	- 325,540	800

- The cumulative income budget to Month 3 is £326.34m.
- The actual income achieved in this period is £325.54m.
- There is an under-achievement of income of £0.800m.
- The key element of the underachievement is dental income recovery £0.655m. This is partially offset by reduced dental charges, however there is a net adverse impact of £0.115m for quarter 1 which has been funded through COVID response. The funding however has been applied to non-pay, leaving the pressure shown within income.
- It should be highlighted that over £0.6m COVID funding has been applied to income budgets in month, excluding dental.
- The LTA/SLA block arrangement remains in place for Q1 of this year and is anticipated to remain in place of the whole of 2021/22.

Workforce

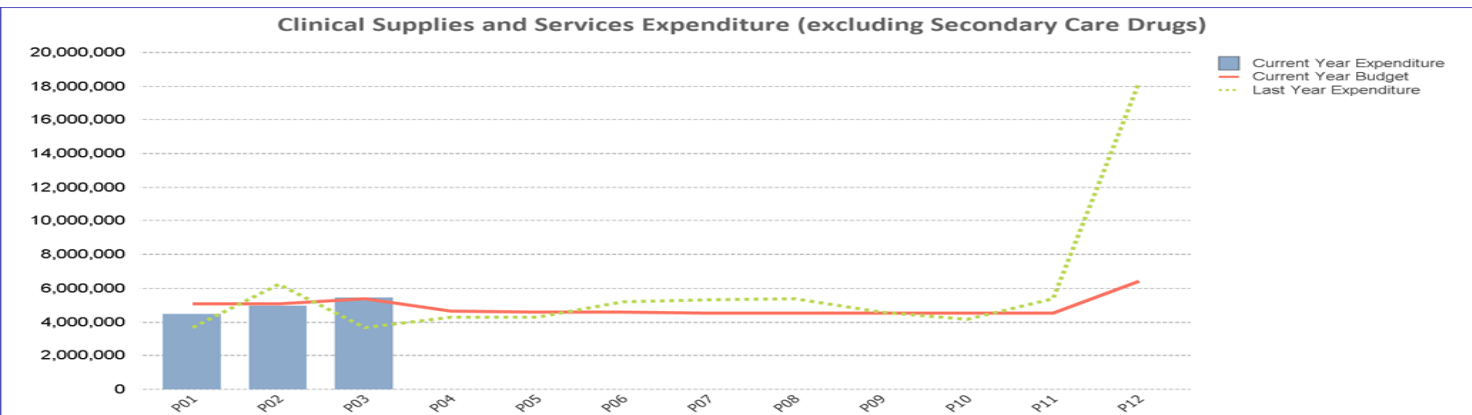
Workforce - Month 3	Budget	Actual	Variance		Budget	Actual	Variance
	In Month	In Month	In Month		Cumulative	Cumulative	Cumulative
	£000	£000	£000		£000	£000	£000
A&C	7,442	7,157	- 285		21,613	20,850	- 763
APST	1,813	1,702	- 111		5,438	5,122	- 316
AHP	3,557	3,216	- 341		10,468	9,846	- 622
HCS	1,597	1,518	- 79		4,728	4,537	- 191
ACS (Exlcuding HCSW)	1,710	1,647	- 63		5,042	4,886	- 156
M&D	12,017	12,129	112		35,911	36,405	494
Nursing (including HCSW & Students)	20,050	19,927	- 123		60,869	61,241	372
E&A	2,819	2,434	- 385		8,252	8,010	- 242
VF	- 237	-	237		- 711	-	711
Total Workforce	50,768	49,730	- 1,038		151,610	150,897	- 713



- The table provides an analysis of the workforce position by staff group.
- This workforce position has further improved in Month 3, although an element of this improvement is the backdating of COVID response funding into Estates and Ancillary. This accounts for around £300k of the improvement.
- The net in-month underspend is around £700k, compared to £300k in Month 2. Positive improvement has been seen across most staff groups, however improvement is yet to be seen in medical staff position.
- It should also be noted that a number of Service Groups and Directorates are currently holding a vacancy factor which requires general workforce budgets to underspend in order to meet this vacancy factor. Progress is being made to reduce or eliminate these and realign budgeted wte, however this is unlikely to meet the deadline of Month 4 reporting, due to the scale of the exercise. This must be completed by the end of Quarter 2 to support budget setting process for
- Variable pay costs have reduced by around £600k in month and this reflects the retraction of enhanced overtime paid agreed in previous year, along with more robust challenge of rosters and management of annual leave.
- The Health Board is incurring around £2.5m per month on COVID workforce response costs. These do not include the costs of staffing for TTP and Vaccination.

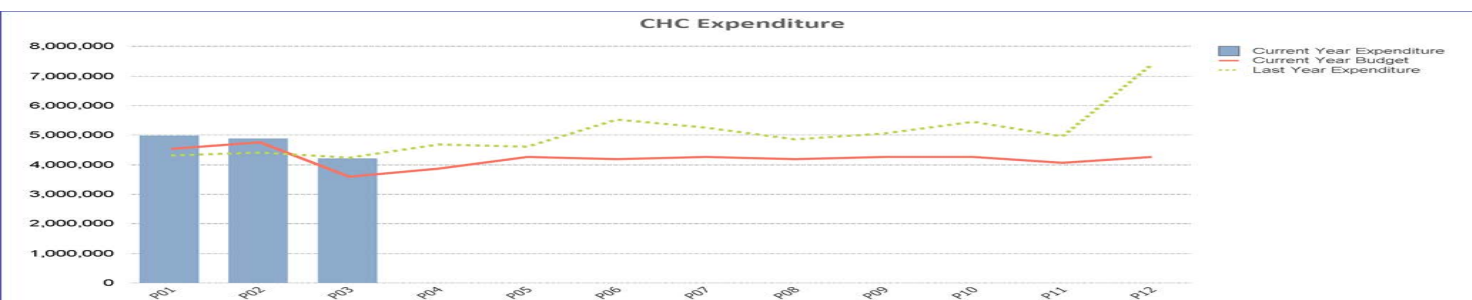
Non Pay

- Non Pay Budgets are underspent due to underspends on clinical consumables due to activity restrictions. The level of underspend has reduced in month as activity profiles have been increasing.



	Compared to Pre COVID	
	May	June
InPatient_Elective	73%	72%
InPatient_Emergency	87%	90%
InPatient_Transfer	81%	72%
Daycase	69%	71%
RDA	121%	100%
New Att	65%	65%
FU Att	55%	55%
OPP	61%	55%
POA	75%	79%
ED Att	101%	110%

- ChC expenditure is an area of cost pressure, with expenditure running above budget. The key driver of this is MH and LD ChC, where significant growth on high cost packages of care is being experienced. The initial cost pressure has been mitigated through other recurrent and non-recurrent means. The in-month reduction in cost reflects the release of some non-recurrent opportunities to support the ChC position. Cases numbers are continuing to grow, with work underway to identify opportunities to arrest the growth and/or manage the growth in more cost effective ways.



ChC Case Numbers	General	MH	LD
Apr-19	347	135	169
Mar-20	358	141	180
Mar-21	355	152	196
May-21	347	155	196
Jun-21	356	159	198

Savings

Savings Identified (£000's) - Green & Amber	£000
Planned Care	3,711
Unscheduled Care	1,758
Primary and Community Care (Excl Prescribing)	1,809
Mental Health	485
Clinical Support	-
Non Clinical Support (Facilities/Estates/Corporate)	3,489
Commissioning	110
Across Service Areas	10,918
CHC	1,270
Prescribing	783
Medicines Management (Secondary Care)	1,063
Total	25,396

- The Health Board has a gross savings requirement of £27.7m of which £25.396m in-year green and amber savings have been identified.
- There are a further £3.4m of pipeline savings are being further developed.
- In the last month, the overall level of green and amber identified savings has increased by £1.8m.
- The green schemes have increased by £2.7m, with amber reducing by £0.9m. This demonstrates a good flow through the pipeline from red to amber to green.
- The Health Board now has 84% of its savings requirement covered by Green schemes.



COVID

	Anticipated COVID Funding £m
General	43.980
PPE	5.136
Care Homes	2.974
Cleaning Standards	2.304
Extended Flu	1.160
Vaccinations	13.375
Trace	14.112
Testing	2.864
Long COVID	0.635
COVID Response	86.540
COVID Recovery	16.243
20/21 Savings Impact	17.672
Total Allocation	120.455

- The Health Board is anticipating £120m of COVID funding in 2021/22. This has been based on full year projections.
- The rate of expenditure and forecast expenditure is being continuously reviewed as guidance and modelling is updated.
- The Health Board is currently anticipating full deployment of this anticipated funding.



Actions agreed by Management Board

In relation to month 3 position

- Nurse Director, Therapies and Health Sciences Director and Medical Director to identify clear monitoring mechanisms to support variable pay reduction plans by 30th July 2021.
- Review COVID response cost, exit strategies and assess potential ongoing impacts – month 4 finance review meetings.
- Develop of a CHC plan for Mental Health and Learning Disabilities services for consideration by Management Board by 31st August 2021 (Service Director MHLD)
- Ongoing identification of savings pipeline and delivery of planned savings (All)
- Temporary vacancy freeze within the budgets of the Director of Workforce and Organisational Development pending a review of savings plans to achieve 100% CIP delivery (Interim Director of Workforce and Organisational Development) by 31st August 2021
- Further development of predictive analysis to enhance future reporting (Interim Director of Finance and Performance) in July 2021.

In-year actions

- Broader monthly performance reviews to replace financial reviews, this will enable greater triangulation of service, workforce and financial performance w.e.f. Month 4
- Increased focus on compliance with key control measures from Month 4
- Implementation of the Performance Framework for escalation from Month 3
- Implementation of Business Case Assurance Group to support the scrutiny of business cases - commenced
- Implementation of a revised system of internal financial control - commenced
- Enhanced PMO function to support service model changes and realisation of benefits (COO) September 2021
- Development of Savings Delivery team to support monitoring, identification and implementation of savings. (Interim Director of Finance) September 2021
- Temporary Vacancy Freeze in Director of Workforce and OD budgets and MH&LD CHC recovery plan

