



<b>Meeting Date</b>	<b>28 June 2022</b>	<b>Agenda Item</b>	<b>2.1 iii</b>
<b>Report Title</b>	2022/23 Opening Budget Allocations		
<b>Report Author</b>	Samantha Moss, Deputy Director of Finance		
<b>Report Sponsor</b>	Darren Griffiths, Director of Finance and Performance		
<b>Presented by</b>	Darren Griffiths, Director of Finance and Performance		
<b>Freedom of Information</b>	Open		
<b>Purpose of the Report</b>	To set out the opening budget allocations for 2022/23 and building on the information contained within the March paper on Budgetary Management paper.		
<b>Key Issues</b>	<p>The key issues arising from the report are: -</p> <ul style="list-style-type: none"> <li>• The table within the report provides the opening delegated budgets uploaded into the ledger at 1<sup>st</sup> April 2022.</li> <li>• The opening budgets will change through the year as funding is received from Welsh Government (WG) and allocated to the individual budgets.</li> <li>• Performance against the allocated budgets will be reported as part of the Monthly Financial Performance Report.</li> </ul>		
<b>Specific Action Required</b> <i>(please choose one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>NOTE</b> the opening budget allocations;</li> <li>• <b>NOTE</b> Accountability letter will include the opening budgets and all subsequent budgets issued in Month 1 and Month 2.</li> </ul>		

## **2022/23 BUDGET ALLOCATIONS – OPENING BUDGETS**

### **1. INTRODUCTION**

Following on from the Budgetary Management paper presented in March 2022 this paper sets the budget allocations for 2022/23, by Service Group and Directorate.

### **2. BACKGROUND**

The Health Board has an agreed financial plan set out within its 3 Year Sustainability and Recovery Plan. Whilst no formal feedback has been received on the finance element of the plan the Health Board has proceeded to operate this within its structure through the allocation of the opening budgets.

To support the delivery of the financial plan budgets must be formally delegated and then managed within a system of control, as outlined in the Budgetary Management paper presented to Board in March 2022.

These allocations have been agreed at the Management Board on 15<sup>th</sup> June 2022.

### **3. ASSESSMENT**

The Accountable Officer of the Health Board delegates budgets to budget holders to discharge financial duty and to deliver services and outcomes in line with the Health Board Annual Plan.

The key allocations are shown in the table below. The table shows that the Health Board's forecast deficit is to be retained centrally with budgets allocated to Service Groups and Corporate Directorates to meet service delivery needs. This excludes all costs in relation to COVID and extraordinary pressures and the reader is asked to refer to the Budgetary Management Paper presented to the Performance and Finance Committee (and subsequently approved by the Board in March 2022) on the overall management of these funding streams.

The delegation of the budgets will be published in the Accountability Letters. The information on the 2022/23 delegated budgets will also include any additional budgets issued in Month 1 and Month 2 above the opening position. However, the starting point will be the opening budgets detailed in Table 1 below.

Table 1: Allocation of Opening Plan to Budget Areas:

	<b>2022/23 Recurrent Base Budget £'000</b>	<b>2022/23 4% Savings Target £'000</b>	<b>2022/23 Opening Baseline Budget £'000</b>
Chief Operating Officer	35,090	- 1,178	33,912
Board Secretary	5,098	- 115	4,983
Medical Director	1,474	- 42	1,432
Nursing Director	2,706	-	2,706
Director of Strategy	154,982	- 105	154,877
Workforce & Organisation	7,704	- 261	7,443
Digital	15,880	- 622	15,258
Director of Transformation	1,203	- 37	1,166
Finance	25,923	- 1,016	24,907
NPTS SG	248,958	- 7,189	241,769
Morrison SG	241,459	- 8,956	232,503
MH & LD SG	99,724	- 3,203	96,521
PCT SG	216,887	- 3,457	213,430
Delivery Support Unit	574	-	574
EMRTS	5,001	-	5,001
Clinical Medical School	5,776	-	5,776
South Wales Cancer Network	-	-	-
Clinical Research Unit	86	-	86
Other Budgets (inc Depreciation)	31,391	- 819	30,572
Other Funding / Reserves (inc NICE/Main Allocations)	126,840	27,000	153,840
<b>Expenditure / Delegated Budgets</b>	<b>1,226,755</b>	<b>-</b>	<b>1,226,755</b>
<b>Income</b>	<b>1,202,350</b>		<b>1,202,350</b>
<b>Health Board Deficit</b>	<b>- 24,405</b>		<b>- 24,405</b>

#### 4. ACTIONS:

<b>Area</b>	<b>Action</b>
<b>Accountability Letter</b>	<p>Each Service Group Director to be issued with a letter outlining the opening Delegated Budgets for 2022/23 and additional funding issued in Month 1 and Month 2 of 2022/23.</p> <p>For 2022/23 these letters will also be issued to all Executive Directors with accountability for budgets.</p> <p>All replies will be anticipated within 4 weeks of being issued.</p>

Progress on the above action will be included in future Performance & Finance Committee Papers on the Financial Performance.

## 5. FINANCIAL IMPLICATIONS

There are no financial implications of this report. The report sets out the opening budget allocations for the Health Board.

## 6. RECOMMENDATION

Members are asked to:

- **NOTE** the opening budget allocations;
- **NOTE** Accountability letter will include the opening budgets and all subsequent budgets issued in Month 1 and Month 2.

<b>Governance and Assurance</b>		
<b>Link to Enabling Objectives</b> <i>(please choose)</i>	<b>Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities</b>	
	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"/>
	<b>Deliver better care through excellent health and care services achieving the outcomes that matter most to people</b>	
	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"/>
<b>Health and Care Standards</b>		
<i>(please choose)</i>	Staying Healthy	<input type="checkbox"/>
	Safe Care	<input checked="" 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 checked="" type="checkbox"/>
<b>Quality, Safety and Patient Experience</b>		
The overall IMTP will describe these with the financial plan providing the resource to support service delivery as set out in the plan.		
<b>Financial Implications</b>		
No financial implications directly linked to this paper.		
<b>Legal Implications (including equality and diversity assessment)</b>		
There are no legal implications to highlight.		
<b>Staffing Implications</b>		
There are no direct staffing implications to highlight as a result of this report but there will be a need to consider workforce numbers in the overall plan and in the financial recovery of the Health Board.		
<b>Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)</b>		
n/a		
<b>Report History</b>	n/a	
<b>Appendices</b>	n/a	