

ABM University Health Board	
Date of Meeting: 25th January 2018 Name of Meeting: Health Board Agenda item:	
Subject	FINANCIAL REPORT – MONTH 9
Prepared by	Samantha Lewis, Assistant Director of Finance
Approved by	Lynne Hamilton, Director of Finance
Presented by	Lynne Hamilton, Director of Finance

1.0 SITUATION

- 1.1 The report advises the Board that the revenue financial position has improved at Period 9 (end December) to an in-month overspend of £1.775m and £26.003m cumulatively, and seeks the Board's comments and consideration.

The report invites the Board to note the detailed analysis of the financial position and the year-end forecast of the Board.

The report invites the Board to note the risks and opportunities associated with the delivery of the £36m year-end planned deficit/ control total and to consider the actions being taken to mitigate the risks and deliver opportunities to potentially improve the forecast.

The report also invites the Board to note the capital budget breakeven year-end forecast position, cash position and key balance sheet movements.

2.0 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.**

2014/15 Approved Plan
2015/16 Approved Plan
2016/17 Plan Not Approved

The Health Board failed to achieve this Statutory Duty.

- **To achieve financial breakeven over a rolling three year period, the second of which commenced on 1st April 2015 and will end on 31st March 2018.**

2014/15 Breakeven Delivered
2015/16 Breakeven Delivered
2016/17 £39.3m Overspend

The Health Board failed to achieve this Statutory Duty.

Given the scale of the reported overspend in 2016/17 the Health Board would need to underspend by over £39m in 2017/18 to achieve the financial breakeven over the rolling 3 year period to achieve this Statutory Duty in 2017/18.

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	Trend	Forecast Risk
Reported in-month financial position – deficit/(surplus)	1,775	↓	Yellow
Reported year to date financial position – deficit/(surplus)	26,003	↑	Red
Reported year to date compared to forecast financial plan deficit	(997)	↓	Green
Current reported year end forecast – deficit/(surplus)	36,000	↔	Red
Capital KPIs: To ensure that costs do not exceed the capital resource limit set by Welsh Government	Value £000	Trend	Forecast Risk
Reported in month financial position – deficit/(surplus)	(3,293)	↑	Yellow
Current reported year end forecast – deficit/(surplus)	Breakeven	↔	Green
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 %	Trend	Forecast t Risk
Cumulative year to date % of invoices paid within 30 days (by number)	94.3	↑	Red

3.0 ASSESSMENT

3.1 Revenue Position

3.1.1 Summary Revenue Position

The Health Board has reported an in-month overspend of £1.775m in Period 9 (end December), against the £3m that could be anticipated given the £36m deficit forecast in the 2017/18 Annual Operating Plan. This represents a continued improvement from the Period 8 performance. Whilst the corporate benefits from the balance sheet and commitments review have continued to support the position by around £0.55m in month, this month has also seen continued improvement in the financial performance of the operational Service Delivery Units. Prior to the corporate benefits, the in-month position would have been £2.325m, which is £0.675m below the targeted overspend level.

The cumulative position after nine months is an overspend of £26.003mm against an anticipated position of £27m. The Health Board expenditure to date is therefore £0.997m below the financial plan of the Annual Operating Plan. **Slide 1**

3.2 Income

Income within the Health Board is continuing to perform well. The Compensation Recovery Unit income has improved over recent months, however this income source remains volatile.

3.3 Pay

The Health Board is reporting a continued underspend against pay budgets in October.

The pay expenditure in Quarter 3 has dropped below the average level of the previous year. This reflects the cost reduction actions included in the financial plan. The pay expenditure reduction has continued in Period 9 despite the additional costs for RTT and seasonal pressures.

The level of variable pay expenditure reported in Period 9 has increased but is still below the average expenditure level in 2016/17. The increase in variable pay is linked to the additional costs for RTT and seasonal pressures. The impact of the Medical Agency cap which was introduced on 13th November is continuing to be monitored. **Slide 6**

The weekly monitoring introduced in response to the volatility of medical and nurse agency pay has enabled better understanding and control the position.

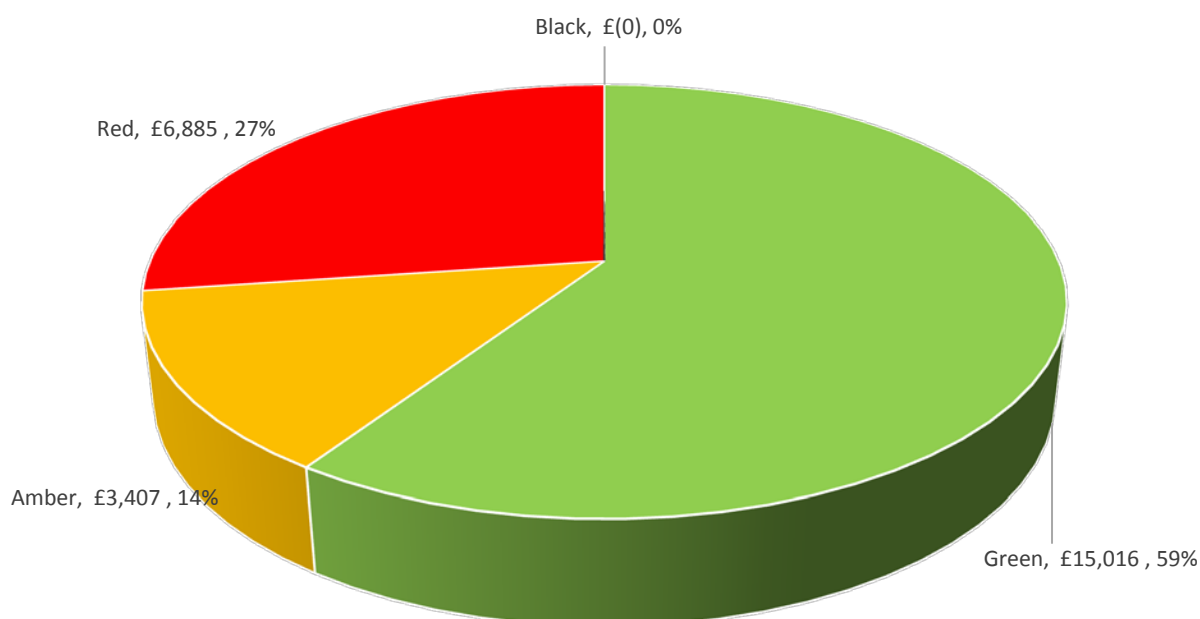
In addition, the Health Board spending controls which were initially issued in January 2017 as part of the “Call to Action” have been further revised and reissued, along with expenditure reduction targets for each of the Service Delivery Units and Directorates.

3.4 Non Pay

Non Pay expenditure is running below the levels of the previous year. The Period 9 spend showed further reductions, this reflects the lower levels of activity during December.

3.5 Savings Requirement

The Health Board Annual Operating Plan established a savings requirement of £25m for 2017/18. **Slide 4.**



The Health Board has fully identified its savings requirement, with £18.4m of schemes rated as Green and Amber at the end of December. To date the Health Board has reported £4.4m of slippage, this is primarily against the schemes rated as Red. Whilst these schemes are showing slippage, workforce savings are being recognised within the improved operational position. The key area of slippage is the Service and Capacity Redesign schemes that whilst plans are progressing have not been delivered.

3.6 Revenue Forecast Risks and Opportunities

The Health Board was presented with a Recovery plan in September. This identified the risks, opportunities and actions to ensure the delivery of the £36m Deficit Control Total. **Slide 9.**

Some of the risks identified are becoming less certain, if these risks do not crystallise then the Health Board has the potential opportunity to improve the year-end financial position below the £36m forecast. Further work is required to assess the likelihood of these risks crystallising and whilst this work is being undertaken the Health Board forecast has been maintained at £36m. This will be reviewed further by the Performance and Finance Committee. **Slide 9.**

It should be noted that this assessment assumes that the Service Delivery Units and Directorates deliver their forecast positions and that expenditure to support the RTT performance meets the required level of delivery, ensuring the Health Board is not subject to any financial penalty.

3.7 CAPITAL

3.7.1 The approved CRL value at Month 9 is £36.515m which includes Discretionary Capital and the schemes under the All Wales Capital Programme.

In addition Welsh Government have approved the reinvestment of £2.6m of income received by the Health Board on capital schemes related to VAT recovery and the settlement of the HVS 1B Final Account. This has been allocated to a prioritised list of replacement medical equipment and environmental improvements, as recommended by the Capital Prioritisation Group and approved by the Investment and Benefits Group.

3.7.2 Forecast Out-turn

The forecast outturn is for a break even position.

3.7.3 Performance to Date

The reported financial performance at Month 9 is a £3.293m under-spend to plan. The schemes with the largest underspend to plan are detailed below.

Scheme	Under-spend to M9 £'000	Comments
Environmental & Estate Infrastructure	642	As previously reported asbestos is causing delays in Singleton schemes (BMS and Fire Alarms). Delays also reported in medical gasses work in POW due to issues with the supplier performance. In addition a delay in subcontractor appointment on the boiler scheme has contributed to the underspend to date. All work is still scheduled to complete in year with some minor changes to budgets within the overall allocation. See also medium risk below
Morrison - Renal unit refurbishment	275	Forecasts from the contractor are fluctuating significantly each month, meeting arranged to discuss and ensure programme is on track for year-end position.
National Clinical Systems	350	National Clinical Systems comprises 3 projects (WCP, HEPMA and WCCIS) and are funded through a mixture of WG and Health Board discretionary capital funding allocations. Delays in funding allocations have impacted on the expenditure against the planned spend profile predominantly in the award of contracts and non-pay items within the HEPMA project. These will be addressed in year or are being managed through discretionary capital allocations.
Discretionary - Estates	653	As per previous months In the main this relates to the delayed start of the Isolation Room works in Morrison. Work on the 1st phase has now completed and the 2nd phase is anticipated to complete before the end of the financial year. In addition estates department allocations are showing an underspend position. Orders have been placed but will complete slightly later than planned. There are some small underspends across other schemes and remaining budgets for these will be re allocated as appropriate. All schemes are monitored closely and any changes to scheme budgets required managed internally and allocated appropriately to other high risk priorities of the Health Board. This underspend is therefore not expected to impact on the year-end forecast position.

Discretionary - IT	395	Minor delays across a number of schemes. As per estates this will be closely monitored. Some re allocations are required which are being managed by the Informatics Programme Board
Discretionary - Equipment	301	Orders placed for equipment but not yet received, this is not anticipated to require any change to allocations.
Total	2,616	

3.7.4 Risk Assessment

The NHS Wales future year's financial position as reported to DoPs has indicated a significant financial pressure for 2018/19. As a result WG have directed that any slippage in 2017/18 on schemes within the All Wales Capital Programme will need to be managed by Health Boards between financial years.

The following schemes are considered to be high or medium risk however they relate to underspends on the schemes rather than slippage and hence will not require any management between financial years.

Scheme	Risk Profile	Risk Value £'000	Comments
Linear Accelerator A	High	130	Forecast underspend on scheme. As reported previously a reinvestment proposal is due to be submitted to Welsh Government. This has been delayed while the service seek to confirm that the equipment required can be procured and delivered within the timescales.
Environmental & Estate Infrastructure	Medium	300	A number of risks still outstanding however a proposal for reinvestment is being developed for the remaining contingency and will be discussed with Welsh Government at the January Meeting.

3.8 BALANCE SHEET

The overall movement on the on the balance sheet between April and December is small with an increase of £3.597m in assets employed (0.82%). However, despite this small overall movement there have been significant movements in both trade and other receivables and provisions.

The increase in provisions is due to the change in the personal injury discount factor announced by the Lord Chancellor in February 2017 which amended the discount rate from 2.5% to -0.75%. This movement has now been fully reflected for all clinical negligence and personal injury claims in the latest quantum reports for clinical negligence claims received from Welsh Health Legal Services. The increase in the provision for such claims amounts to £48.720m. The increase in the provision for these claims has

been offset by the increase in the Welsh Risk Pool debtor with the Welsh Risk Pool reimbursing all clinical negligence costs in excess of £25,000.

3.9 CASH

The closing December cash balance amounted to £6.590m which is above the month end cash target set by the health board of between £1m and £2m. The higher than target month end cash balance is linked to issues with the timing of the receipt of cash from Welsh Risk Pool following the November Advisory Board meeting. The cash from Welsh Risk Pool was expected to be received in November but due to delays in authorisation at Velindre NHS Trust was not being received until 1st December. This resulted in the December cash receipts being higher than forecast when the December cash draw down request was made to Welsh Government on 24th November. This position was further exacerbated by lower than forecast cash payments in month with NWSSP Accounts Payable ceasing payment runs on 21st December due to the Christmas holidays.

The Board will recall that at the beginning of December a request for cash support was made to Welsh Government of £43.349m to support the forecast cash deficit, this sum comprising £32.128m of strategic cash assistance and £11.221m to support movements in working balances linked to reductions in capital creditors. Welsh Government confirmed in a letter of 14th December that repayable strategic cash assistance of £32.128m would be provided to be drawn down in March 2018 and that approval of the working balances cash request should be confirmed during January subsequent to HM Treasury approval of the Welsh Government 2017-18 estimates. The £32.128m strategic cash assistance is in addition to the £24.764m provided in 2016/17 giving a total of £56.892m of repayable strategic cash assistance provided to the health board over the last 2 years.

As at the end of December, in the absence of confirmation of the cash support for the movement in working balances, the health board is forecasting a cash deficit of £10.767m and a cash requirement of £11.267m in order to achieve its planned year-end cash balance of £0.5m. The analysis of the cash requirement is shown in the table below.

Analysis of the Cash Position	£000
Forecast Cash Deficit at 31 st December	10,767
Closing 2017/18 cash balance required	500
Total Cash Required	11,267
Working Balances Cash Requested from Welsh Government	11,221
Cash required to be generated locally	46
Total Cash Anticipated	11,267

Whilst there is no reason to believe that the cash support for movement in working balances will not be received, the health board has cash management contingency plans in place to manage any reduced cash payments which may be required in the unlikely event that the working capital cash balances request is not fully provided.

3.10 Public Sector Payment Policy (PSPP)

During December the health board achieved a compliance level of 94.04% of supplier invoices paid within the 30 day target, which is below the 95% target and was due to delays in authorising agency nurse invoices. In order to address this issue additional resources have been put into this area in December to speed up the authorisation process, the benefits of which should be seen in January's figures. The in-month performance resulted in the cumulative compliance figure remaining unchanged at 94.30%. In order to achieve the 95% compliance target for the full year, performance will need to be around 96% in each month for the remainder of the year.

4.0 RECOMMENDATIONS

4.1 The Board's financial position and performance against the financial targets in Recovery and Sustainability has continued to improve.

The Board is invited to consider and comment upon the Board's Period 9 financial performance, in particular:

- i. the revenue outturn position (in-month overspend of £1.775m and £26.003m cumulatively), the underlying revenue forecast position and the revenue risk profile;
- ii. the capital outturn position which continues to forecast breakeven;
- iii. balance sheet movements;
- iv. cash position; and
- v. performance against the Public Sector Payment Policy compliance.

The Board is invited to note the work ongoing in Finance Directorate, and Recovery and Sustainability, to scrutinise and challenge the overall financial position and to agree on the action required to meet, or better, the £36m year-end planned deficit.



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ABMU Finance Dept. Board Report

Management Accounts
Period 09 Data (December 2017)

Lynne Hamilton
25th January 2018

In Month

£1,775,219 overspent

Type	Cur Month Budget (£'000)	Cur Month Actual (£'000)	Cur Month Variance (£'000)	% Variance
Income	(19,648)	(19,893)	(245)	1.25%
Pay	54,540	52,590	(1,950)	3.58%
Non Pay	52,671	56,641	3,970	7.54%
Total	87,563	89,338	1,775	2.03%

Cumulative

£26,003,235 overspent

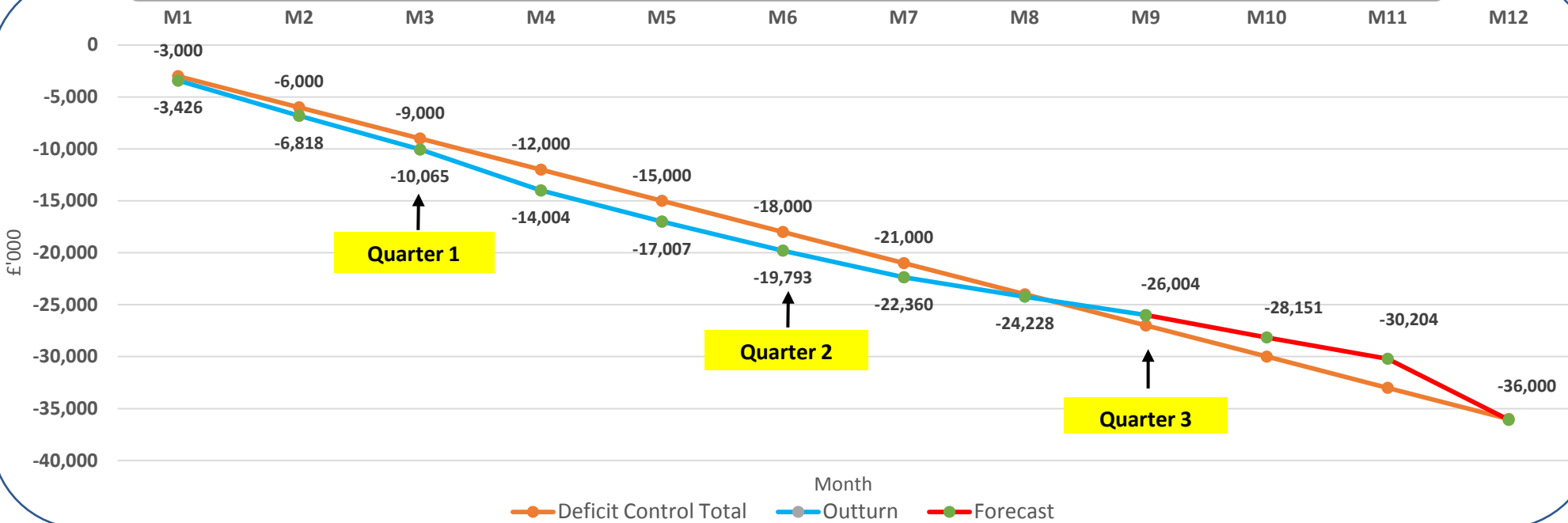
Type	YTD Budget (£'000)	YTD Actual (£'000)	YTD Variance (£'000)	% Variance
Income	(177,035)	(179,461)	(2,426)	1.37%
Pay	484,047	476,518	(7,529)	1.56%
Non Pay	483,296	519,255	35,959	7.44%
Total	790,308	816,311	26,003	3.29%

Forecast

£36,000,000 overspent

Type	Full Year Budget (£'000)	Full Year Forecast (£'000)	Forecast Variance (£'000)	% Variance
Income	(229,410)	(230,030)	(620)	-0.27%
Pay	621,179	620,129	(1,050)	-0.17%
Non Pay	673,191	710,861	37,670	5.60%
Total	1,064,960	1,100,960	36,000	3.38%

Full Year Financial Performance and Projection



Section 2: Targets

Revenue

Financial KPIs : To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government	Value £'000	Trend
Reported in-month financial position – deficit/(surplus) – Forecast Amber	1,775	↓
Reported year to date financial position – deficit/(surplus) – Forecast Red	26,003	↑
Reported year to date compared to forecast financial plan deficit – Forecast Green	(997)	↓
Current reported year end forecast – deficit/(surplus) – Forecast Red	36,000	→

Capital

Capital KPIs: To ensure that costs do not exceed the Capital resource limit set by Welsh Government	Value £000	Trend
Reported in-month financial position – deficit/(surplus) – Forecast Amber	(3,293)	↑
Current reported year end forecast – deficit/(surplus) – Forecast Green	Breakeven	→

PSPP

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 %	Trend
Cumulative year to date % of invoices paid within 30 days (by number) – Forecast Red	94.3	→

Revenue Narrative

- The Health Board P9 in month overspend of £1.775m is an improvement from the £1.868m in month overspend in P8. This improvement reflects improvements in the operational financial performance and the continued crystallisation of corporate benefits, balance sheet/commitment release, primary care rates rebate and Hep C drugs.
- The cumulative position at £26.003m has dropped below the £27m overspend that could be anticipated based on the £36m planned deficit.
- The Health Board has maintained the current reported year end forecast of £36m, however some of the risks are diminishing, if they do not crystallise there is a potential for the year end forecast to reduce.

Capital Narrative

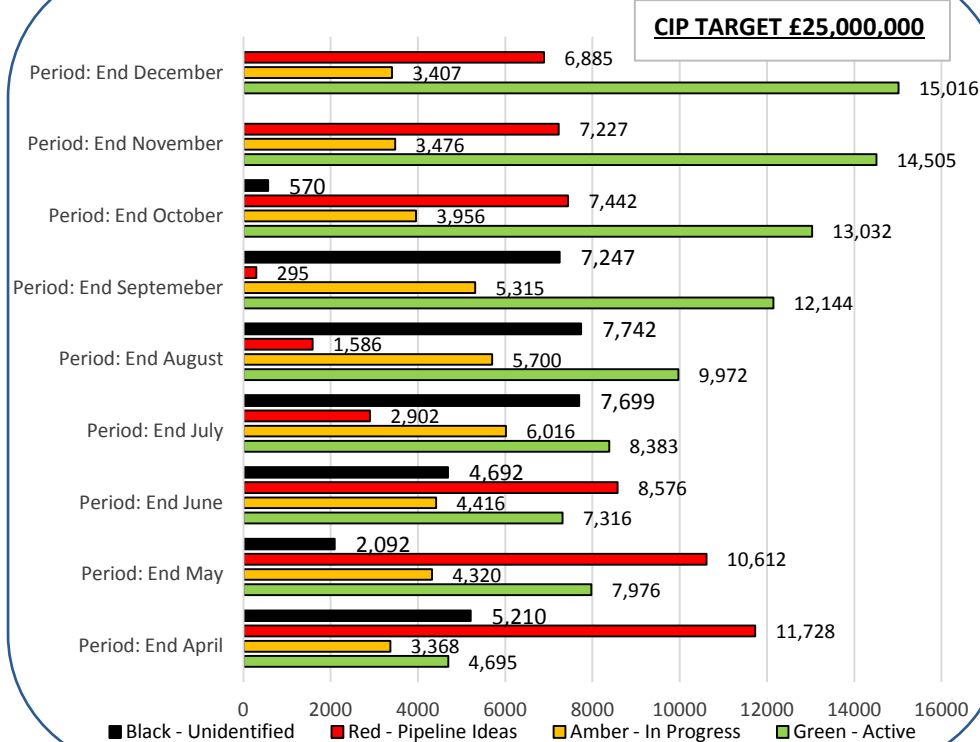
- WG funded schemes reported as High risk - Linac A £130k Medium Risk - Environmental & Estates Infrastructure £300k
- In-month surplus attributable to a number of schemes but is not anticipated to impact on the breakeven position.
- Additional funding has been confirmed totalling £2.6m (HVS1b settlement and VAT reclaims) which has previously been reported through IBG and to Board. WG has approved the reinvestment of this money for high risk priorities as identified by the Capital Prioritisation Group.

PSPP Narrative

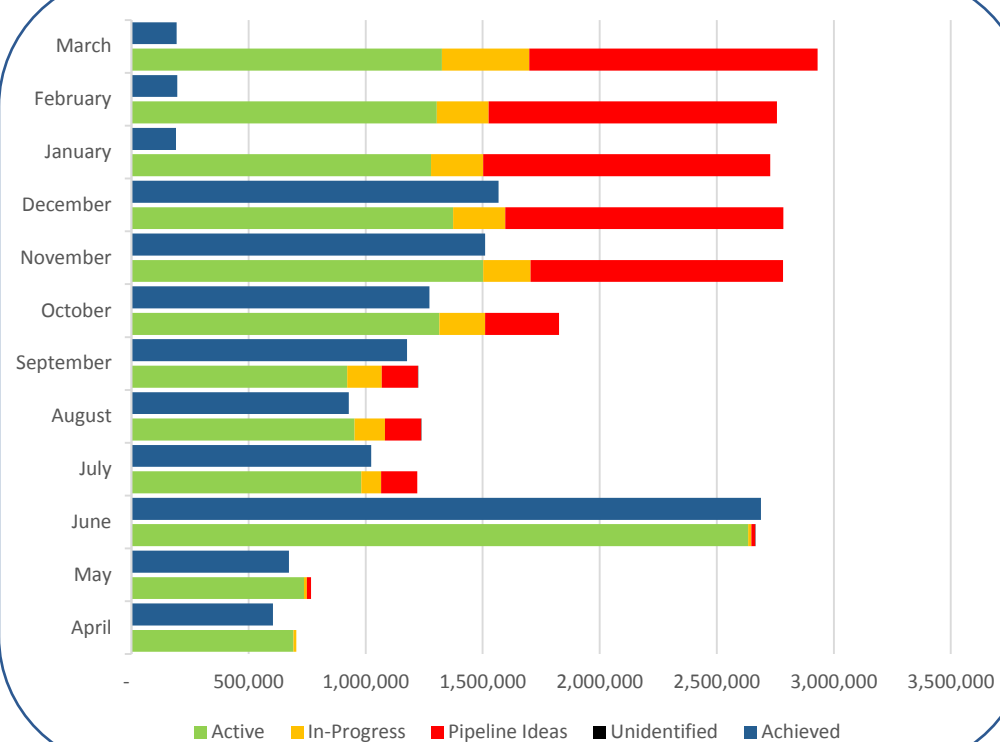
- The number of invoices paid within 30 days continues to be below the 95% target, cumulative compliance remaining unchanged at 94.3% at the end of December.
- In month compliance was not achieved with 94.02% of invoices paid within 30 days due to delays in the processing of nurse bank invoices. Additional resources to process nurse bank invoices were put in place in December but the full impact of this additional resource will not be seen until January.
- In order to achieve the cumulative 95% compliance for the full year, performance will need to be around 96% in each month for the remainder of the year.

Section 3: Savings

Trend over time



Current Profile of Savings



Narrative

- The Recovery Action Plan has been translated into the saving trackers, enabling the savings requirement to be fully identified, removing black (unidentified) schemes.
- The level of Green and Amber schemes has increased as delivery confidence improves for a range of schemes.

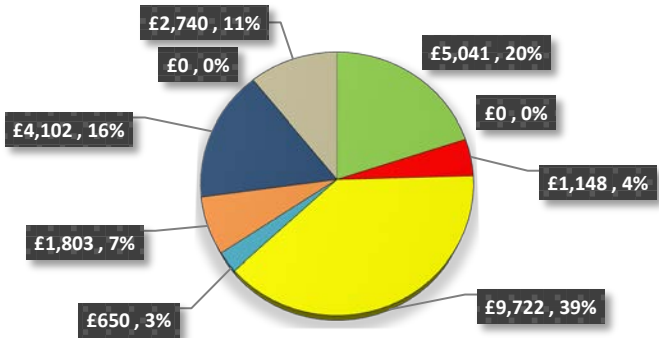
Narrative

- The level of savings delivery in December has continued to improve from that of the previous months.
- The green and amber schemes are now broadly delivering in full.
- The delivery slippage associated with the Red schemes is significant. This slippage is being supported by the mitigating opportunities being taken.

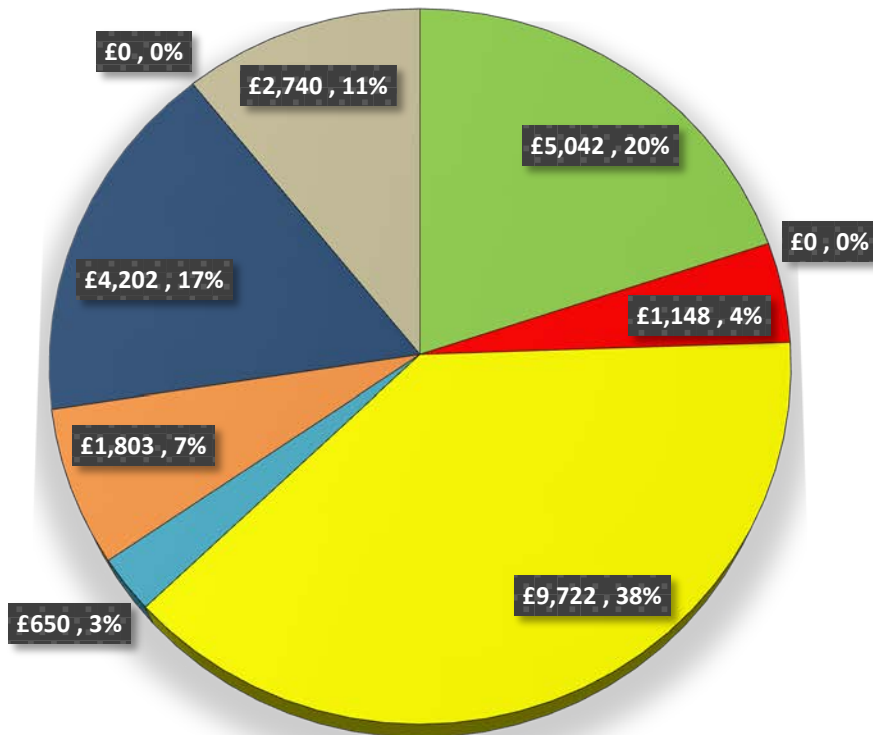
Health Board View By Theme of Planned Savings

Capacity Redesign	Patient Flow	Workforce Medical	Workforce	Theatres	Back Office & Estates	Procurement	Out Patients	Medicines Mangt	GAP
£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's

P8



P9

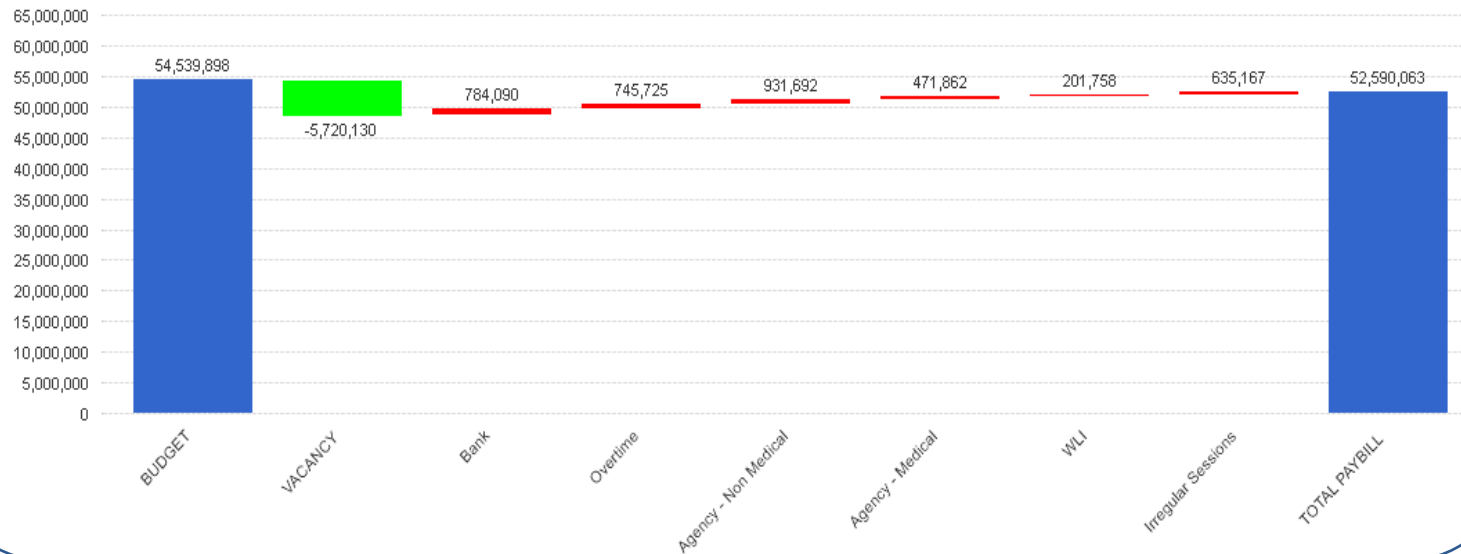


@ P09

	Total Plan £000	YTD Plan £000	YTD Delivery £000	YTD Variance £000
Capacity Redesign	£5,042	£3,247	£2,815	£-432
Patient Flow	£0	£0	£0	£0
Workforce Medical	£1,148	£537	£423	£-114
Workforce	£9,722	£5,421	£2,570	£-2,851
Theatres	£650	£388	£339	£-49
Back Office & Estates	£1,803	£939	£308	£-631
Procurement	£4,202	£3,011	£2,527	£-484
Out Patients	£0	£0	£0	£0
Medicines Mangt	£2,740	£2,418	£2,477	£59
TOTAL	£25,000	£15,961	£11,459	£-4,502

Section 4: Workforce

In Month Pay Bill



Narrative

- The reported pay position shows an underspend of £2m in P9.
- The level of in-month spend on variable pay has increased in P9, however this increase reflects the additional staff resource supporting RTT and winter pressures.

Cumulative Pay Bill

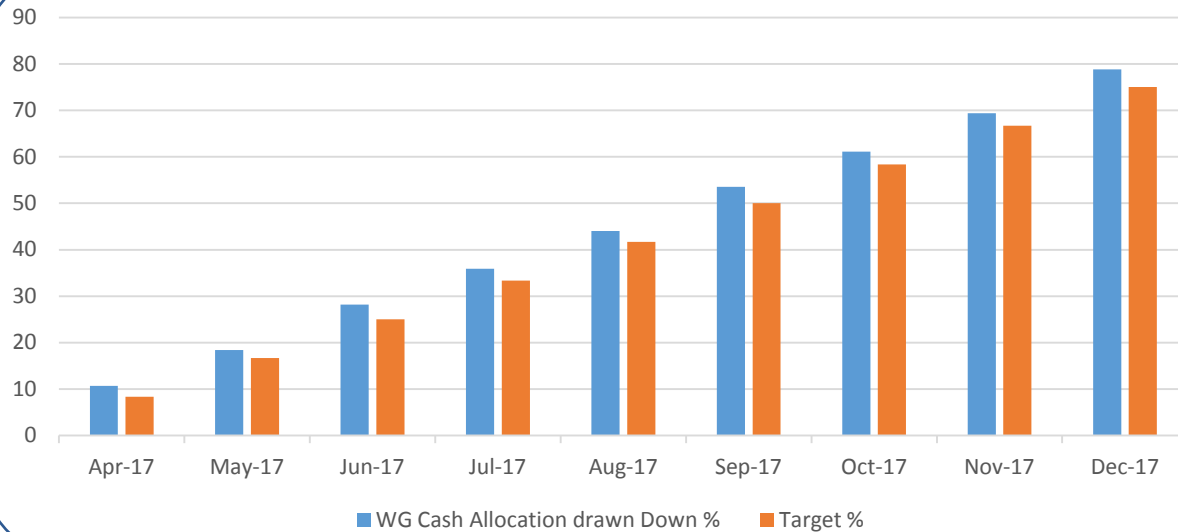


Narrative

- The cumulative pay bill shows an underspend of £4m to the end of P9.
- Variable pay costs have reduced by £3.4m compared with the same period of the previous year. The most significant reduction has been in overtime and Admin & Clerical Agency.

Section 5: Cash

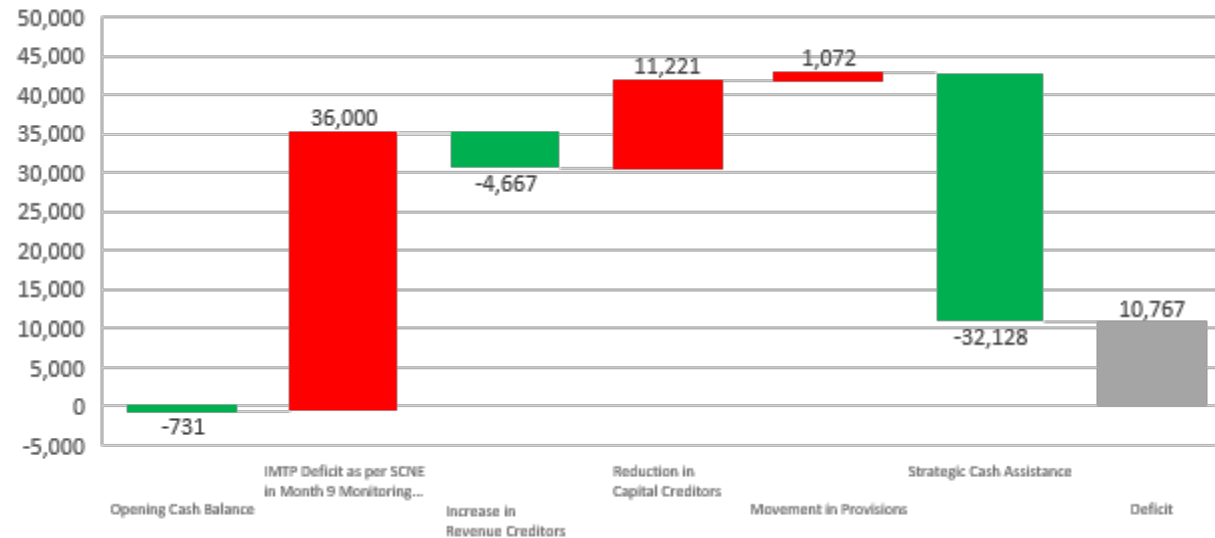
Welsh Government Draw Down



Narrative

1. The forecast cash deficit has reduced from £42.843m as at the end of November to £10.767m at the end of December. The main reason for the reduction is confirmation from Welsh Government of £32.128m of repayable strategic cash assistance which will be available to be drawn down in March 2018.
2. The Heath Board is planning for a year end cash balance of £0.5m which will require a total of £11.267m of additional cash cover, as at the end of December. The majority of the cash required is for £11.221m working balances movements, linked to the reduction in capital creditors. Support has been requested from WG. Confirmation is expected during January, following HMT approval of WG 2017-18 estimates.

Analysis of Forecast Cash Deficit



#	Issue	Description	Opportunity (Best Case)	Risk (Worse Case)	Key Decision Point and Summary Mitigation	Update	Risk Owner
WG Forecast				36			
1	Welsh Risk Pool	Forecast assumes no additional contribution required for Welsh Risk Pool		1	Latest advise highlights some risk, however this has not yet been confirmed	Update expected at DOFs on 19th January	Lynne Hamilton, Director of Finance
2	Primary Care Prescribing	Forecast assumes a financial pressure of £2.5m in relation to items classified as No Cheaper Stock Obtainable. The pressure in last month has been seen to be reducing	-1	-0.5	This is being continually reviewed to assess the impact	Continuous review	Judith Vincent, Chief Pharmacist
3	Funded Nursing Care Judicial Review	Forecast assumes impact of FNC decision for 2017/18 is borne by the HB.	-1.6	4	Potential for support from WG in 2017/18	Best case position assumes WG support. Worse case position assumes the HB is liable for the retrospective impact.	Hilary Dover, Service Director - Primary & Community Care
4	GPOOH Tax Impact	Tax Implications backdated to April 2017	-0.65		GPOOH staff will be added to the payroll from November 2017. HMRC have indicated that they will expect tax to be backdated to April 2017	Latest discussions with Deloitte and HRMC indicate that HB may only be liable for NI contributions	Hilary Dover, Service Director - Primary & Community Care
5	Seasonal Pressures	Potential for seasonal pressures to exceed the planned level of expenditure	-1.5	-0.5	Seasonal plan priorities have been agreed and further potential options/actions identified	Funding issued by WG will cover the costs that are being incurred	Chris White, Interim Chief Operating Officer
Health Board Forecast after risks & opportunities/actions			31.25	40			

Actions In Last 30 Days

- Service and Capacity Redesign actions reviewed and confirmed
- Units continued to develop and refine plans to reduce workforce costs, linked to run rate reduction targets issues in November
- Commenced forensic reviews into key expenditure areas
- Develop of monitoring impact of Medical Agency/ADH cap

Actions To Be Taken Next 30 Days

- Ensure focus on delivery of £36m deficit control total is maintained and any opportunities to reduce this further are taken.
- Focus on confirming the delivery of the recurrent actions required to maintain the £36m deficit position into 2018/19
- Ongoing refinement and testing of the initial 2018/2019 Financial Plan



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ABMU Finance Dept. Board Report – Finance Annexes

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Lynne Hamilton
25th January 2018

YTD Performance

	Annual Budget @ P09 £'000	Annual Overdraft Target £'000	YTD Overdraft Target £'000	YTD Actual Variance £'000	Performance Against Overdraft £'000
Service Delivery Units					
Singleton	135,782	2,554	1,916	4,769	2,854
POW	100,746	3,059	2,294	1,821	473
Morrison	205,419	8,706	6,530	8,792	2,263
Mental Health & LD	113,983	-	-	1,545	1,545
PC & Community	239,553	50	38	262	225
NPT Unit	172,013	43	32	368	400
Directorates					
Nurse Director	3,674	45	34	50	84
Medical Director	2,703	-	-	210	210
Workforce & OD	5,441	433	325	74	251
Informatics	12,876	881	661	329	332
Finance	5,806	-	-	10	10
Board Secretary	4,595	95	71	15	56
Director of Therapies	628	4	3	5	2
Director of Strategy (Estates & Hotel Services)	203,130	3,298	2,474	1,482	992
Corporate I&E	- 1,187,191	-	-	468	468
Delegated Budget Position	19,160	19,160	14,370	15,844	1,474
Deficit Plan	16,840	16,840	12,630	10,160	2,470
Health Board Position	36,000	36,000	27,000	26,004	996

- Four of the Service Delivery Unit are running above their agreed overspending target; Morrison, POW, Primary Care and Singleton. This means they have to reduce current expenditure levels in the remaining 6 months to recover the position required to achieve the £36m planned deficit.
- The corporate I&E overspend reflects lower than planned income, particularly in relation to RTA recovery.

Annex : Savings By Unit/Directorate

Active

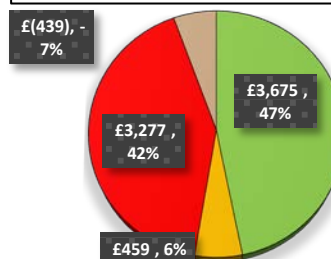
In Progress

Pipeline Ideas

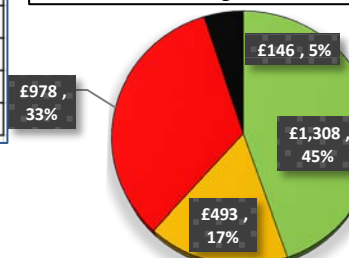
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	Target	Green	Amber	Red	Black
Corporate Directorates	700,269	706,062	-	-	5,793
Finance	261,844	181,036	-	-	80,808
Hotel Services	953,467	318,000	115,000	170,000	350,467
IMT	539,948	276,742	-	-	263,206
MH & LD	-	-	1,568,000	116,000	1,684,000
Morrison	6,971,870	3,674,586	458,700	3,277,333	438,749
NPT	1,723,914	1,926,311	167,750	2,997	373,144
PCC	2,924,724	1,308,000	493,000	978,000	145,724
Planning	534,774	227,000	60,000	15,000	232,774
POW	3,151,793	1,635,320	4,375	903,125	608,973
Singleton	3,858,645	2,263,000	540,488	1,423,000	367,843
Health Board Wide	3,687,577	2,500,000	-	-	1,187,577

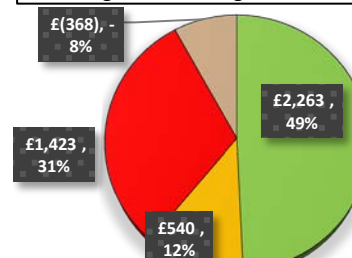
Morrison SDU Target = £6,972k



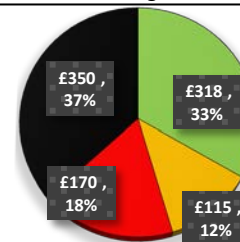
PCC SDU Target = £2,925k



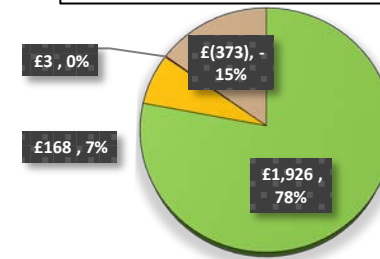
Singleton SDU Target = £3,970k



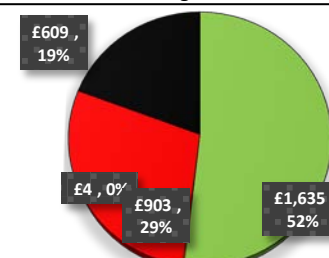
Hotel Services Target = £953k



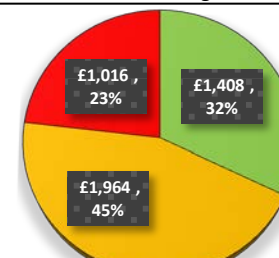
NPT SDU Target = £1,724k



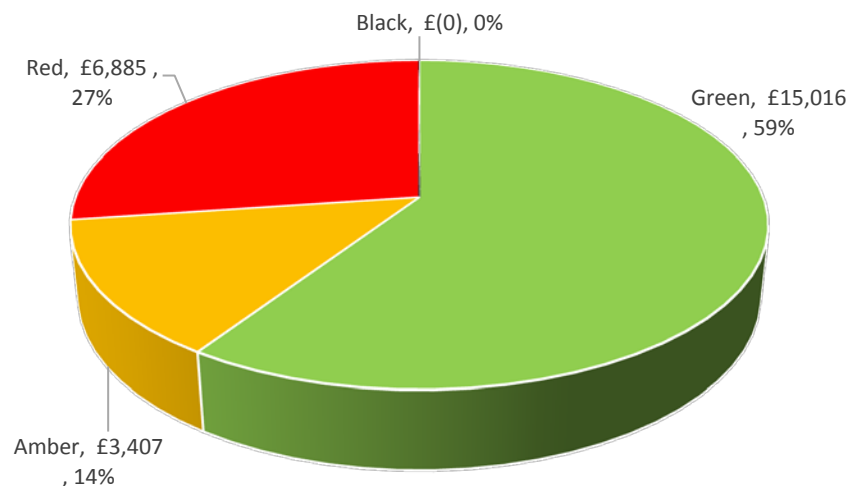
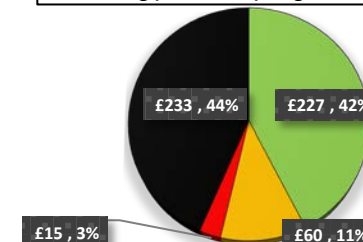
POW SDU Target = £3,152k



MH/LD SDU Notional Target = £2,000k



Planning (Inc Estates) Target = £535k

YTD
PerformanceSavings
By Directorate

Workforce

Balance Sheet

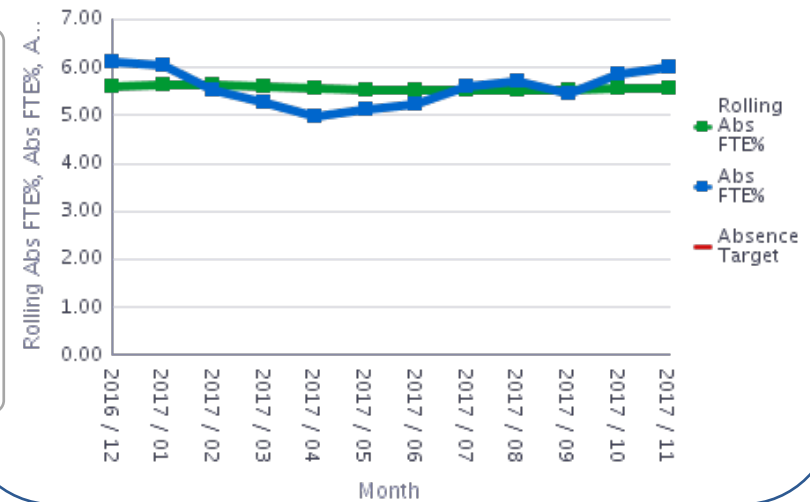
Capital

Summary (Nov '17 Data)

	May	June	July	Aug	Sept	Oct	Nov	Rolling 12 Mths
Cost Absence £000	2,332	2,242	2,455	2,504	2,337	2,637	2,643	29,667
% Absence Average	5.16%	5.30%	5.68%	5.72%	5.51%	5.87%	6.01%	5.58%
No. Staff Absent Per Day	854	877	917	933	903	966	992	918

Source : ESR / BI Dashboard

Rolling Absence



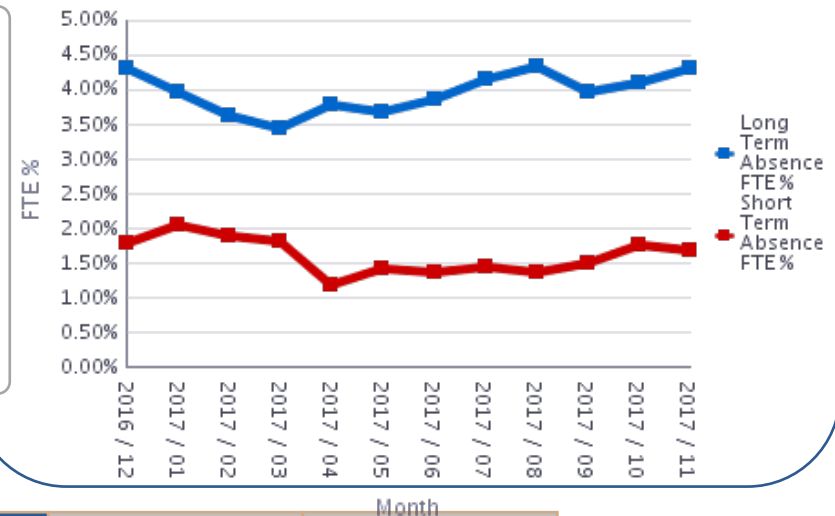
Source : ESR/Portal

Cumulative % & £ Per Staff Group

	Absence % (FTE)	Absence Estimated Cost
Add Prof Scientific and Technic	3.60%	788,363.14
Additional Clinical Services	7.66%	5,490,401.73
Administrative and Clerical	4.65%	3,862,926.82
Allied Health Professionals	3.06%	1,414,874.94
Estates and Ancillary	7.86%	2,746,244.27
Healthcare Scientists	3.17%	551,201.86
Medical and Dental	2.36%	2,978,748.08
Nursing and Midwifery Registered	5.82%	11,834,539.83
Students	0.00%	0.00
Grand Total	5.56%	29,667,300.68

Source : ESR/Portal

Long Term and Short Term Trends



Source : ESR/Portal

Category	Balance at 1 st April 2017 (£000)	Balance at 31 st December 2017 (£000)	Movement (£000)	Analysis
Tangible & Intangible Assets	596,780	592,419	(4,361)	Movement due to asset additions less forecast depreciation.
Trade & Other Receivables	150,057	200,375	50,318	Increase in Welsh Risk Pool debtor linked to the increase in provisions following clinical negligence quantum estimates being updated for the change in the discount rate from 2.5% to -0.75% announced by the Lord Chancellor. All cases now updated
Inventories	10,455	11,221	766	Increase in Theatre Consumables stock , stock of ICD devices at Moriston Hospital and Blood Products Stocks
Cash	725	6,590	5,865	£1.3m lower than forecast cash payments in month due to no Accounts Payable payment runs by Shared Services after 21 st December. £2.5m higher cash receipts than forecast from Welsh Risk Pool in month.
Total Assets	758,017	810,605	52,588	
Trade & Other Payables	195,641	197,526	1,885	Increase in outstanding invoices due to cessation of Shared Services Accounts Payable payment runs on 21 st December
Provisions	125,945	173,051	47,106	Increase in provisions following clinical negligence quantum estimates being updated for the change in the discount rate from 2.5% to -0.75% announced by the Lord Chancellor. All cases now updated.
Total Liabilities	321,586	370,577	48,991	
Total Assets Employed	436,431	440,028	3,597	
Financed By				
General Fund	408,605	412,202	3,597	Movement is capital cash drawn down offset by I&E overspend.
Revaluation Reserve	27,826	27,826	0	
Total Taxpayers Equity	436,431	440,028	3,597	

The approved CRL value at Month 9 is £36.515m which includes Discretionary Capital and the schemes under the All Wales Capital Programme. Further details on the planned spend can be seen in the following Annex. The reported financial performance at Month 9 is a £3.293m under spend to plan. The schemes with the largest underspend to plan are detailed below.

Scheme	Underspend to M9 £'000	Comments
Environmental & Estate Infrastructure	642	As previously reported asbestos is causing delays in Singleton schemes (BMS and Fire Alarms). Delays also reported in medical gasses work in POW due to issues with the supplier performance. In addition a delay in subcontractor appointment on the boiler scheme has contributed to the underspend to date . All work is still scheduled to complete in year with some minor changes to budgets within the overall allocation. See also medium risk below
Morrison - Renal unit refurbishment	275	Forecasts from the contractor are fluctuating significantly each month, meeting arranged to discuss and ensure programme is on track for year end position.
National Clinical Systems	350	National Clinical Systems comprises 3 projects (WCP, HEPMA and WCCIS) and are funded through a mixture of WG and Health Board discretionary capital funding allocations .Delays in funding allocations have impacted on the expenditure against the planned spend profile predominantly in the award of contracts and non-pay items within the HEPMA project. These will be addressed in year or are being managed through discretionary capital allocations.
Discretionary - Estates	653	As per previous months In the main this relates to the delayed start of the Isolation Room works in Morrison. Work on the 1 st phase has now completed and the 2 nd phase is anticipated to complete before the end of the financial year. In addition estates department allocations are showing an underspend position. Orders have been placed but will complete slightly later than planned. There are some small underspends across other schemes and remaining budgets for these will be re allocated as appropriate. All schemes are monitored closely and any changes to scheme budgets required managed internally and allocated appropriately to other high risk priorities of the Health Board. This underspend is therefore not expected to impact on the year end forecast position.
Discretionary - IT	395	Minor delays across a number of schemes. As per estates this will be closely monitored. Some re allocations are required which are being managed by the Informatics Programme Board
Discretionary - Equipment	301	Orders placed for equipment but not yet received, this is not anticipated to require any change to allocations.
Total	2,616	

The risk assessments on schemes which are not considered to be low risk are:

Scheme	Risk Profile	Risk Value £'000	Comments
Linear Accelerator A	High	130	Forecast underspend on scheme. As reported previously a reinvestment proposal is due to be submitted to Welsh Government. This has been delayed while the service seek to confirm that the equipment required can be procured and delivered within the timescales.
Environmental & Estate Infrastructure	Medium	300	A number of risks still outstanding however a proposal for reinvestment is being developed for the remaining contingency and will be discussed with Welsh Government at the January Meeting.

The Health Board is now required to manage any slippage risks internally through the discretionary allocation . A plan for existing slippage was agreed by Welsh Government and relevant changes to allocations made.

	Year To Date			Forecast		
	Plan £'000	Actual £'000	Variance £'000	Plan £'000	F'cast £'000	Variance £'000
All Wales Capital Programme:						
Schemes:						
Morrison - HVS Phase 1B (S1) Fees & Build Main Scheme	(235)	(273)	(38)	60	217	157
Morrison - Renal unit refurbishment	2,856	2,581	(275)	4,676	4,704	28
National Programme - Linear Accelerator A	3,551	3,338	(213)	3,549	3,549	0
Land at Morrison - Plots B&C	713	704	(9)	713	713	0
Wireless Network Singleton Hosp & Community hospital sites	765	642	(123)	1,342	1,337	(5)
Endoscopy - PoW and Singleton	421	377	(44)	400	540	140
Environmental & Estate Infrastructure - Morrison, Singleton & PoW	4,906	4,264	(642)	6,268	5,973	(295)
Demolitions	2,579	2,422	(158)	3,284	3,067	(217)
Singleton Aseptic development	646	604	(42)	600	690	90
Cath labs - Princess of Wales Hospital	316	362	46	300	311	11
Renal IM&T	53	0	(53)	65	53	(12)
Cath Lab B (Morrison)	81	23	(58)	81	84	3
Cath Lab A (Morrison)	83	57	(26)	76	93	17
Dyfed Road 2017-18	316	308	(8)	323	320	(3)
National Clinical Systems	659	350	(309)	775	960	185
Replacement of Digital Radiography Rooms	0	8	8	1,560	1,560	0
Sub Total	17,711	15,767	(1,944)	24,072	24,171	99
Discretionary:						
I.T.	1,406	1,011	(395)	4,323	4,138	(185)
Equipment	782	482	(301)	2,136	2,131	(5)
Statutory Compliance	0	0	0		0	0
Estates	4,780	4,127	(653)	8,459	8,551	92
Other			0			0
Sub Total	6,969	5,620	(1,349)	14,918	14,819	(99)
Total Expenditure						
Donations:						
Donated Assets	0	0		600	600	0
Sub Total						
Asset Disposals:						
Cefn Coed Land	1,875	1,875	0	1,875	1,875	0
Sub Total						
CHARGE AGAINST CRL	22,805	19,512	(3,293)	36,515	36,515	(0)
PERFORMANCE AGAINST CRL (Under)/Over		(17,003)			(0)	

The forecast
outturn is for
a break even
position

YTD Performance	Savings By Directorate	Workforce	Balance Sheet	Capital
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