

2022-23 Finance Performance Report Month 10

(Agenda Item) 6.1a **28 February 2023** **Planning , Performance & Finance Committee** **M10 Finance Performance report**

FOI Status:	Open (Public)
If closed please indicate reason:	N/A
Prepared By:	Mark Thomas, Deputy Director of Finance
Presented By:	Sally May, Director of Finance & Procurement
Approving Executive Sponsor:	Sally May, Director of Finance & Procurement
Report Purpose	For Discussion
Engagement undertaken to date:	N/A

Impact Assessment:	
Indicate the Quality / Safety / Patient Experience Implications:	There are no specific quality or safety implications related to the activity outlined in this report.
Related Health and Care Standard	Governance, Leadership & Accountability
Has an EQIA been undertaken?	Not required
Are there any Legal Implications /Impact.	There are no specific legal implications related to the activity outlined in this report.
Are there any resource (capital/Revenue/Workforce Implications / Impact?	Yes. The paper is directly relevant to the allocation and utilisation of resources.
Link to Strategic Goals	Sustaining Our Future.



Summary



Situation	Background
<p>A separate Finance report has been prepared which sets out the overall financial position of the Health Board as at M10.</p> <p>The purpose of this report is focus on the financial performance of the individual Care Groups and directorates as at M10 (i.e. the Delegated budget position).</p> <p>The overall financial position report is discussed at the Full Board, the Planning, Performance & Finance Committee (PPFC) and also the Executive Leadership Group (ELG).</p> <p>This financial performance report is discussed at the PPFC and ELG meetings .</p> <p>Where required, PPFC may request further information or a 'deep dive' on the financial performance of individual ILGs and directorates.</p>	<p>The IMTP submitted to Welsh Government in April 2022 set out the financial plan for the UHB for the financial year 2022-23. In accordance with Welsh Government guidance, our financial plan was set out into 3 parts:</p> <ul style="list-style-type: none"> • Core Plan • COVID Response • Exceptional Cost Pressures <p>The Core plan includes a recurrent savings target of £17.3m. In addition, our Integrated Locality Groups (ILGs) and Directorates identified brought forward recurrent cost pressures of circa £11m. These cost pressures are not included in the financial plan for 22/23 and recovery plans are required to manage these overspends back to delegated budgets.</p>





Summary



Assessment	Recommendation
<p>The M10 Delegated overspend was £1.0m (M9: £8.3m). The main improvements are as follows:</p> <ul style="list-style-type: none"> • M9 overspend on Medicines Mgt of £4.3m has reduced to £1.4m in M10. Improvement of £2.9m. • The M9 overspend on Primary care of £1.6m has now changed to a £2.1m surplus . Improvement of £3.7m. This is mainly due to WG confirmation that the Health Board can retain the underspend on the dental contract. • Other net improvements £0.7m. <p>The M10 Delegated overspend now stands at £19.8m. This includes a £3.6m shortfall against the M10 savings targets plus other overspends of £16.2m. These other overspends include adverse variances against Pay (£3.7m), Non Pay (£9.2m) and Income (£3.4m).</p> <p>The most significant overspends (excluding savings shortfalls) at M10 are being reported by Unscheduled Care (£9.0m), Diagnostic, Therapies & Specialties (£7.9m) and Planned Care (£4.2m). The £11m forecast recurrent overspends from 21/22 that were excluded from the 22/23 financial plan therefore appear to be largely continuing for the first 10 months of 22/23 and are not being fully covered by recovery plans (10/12ths of £11m = £9.2m).</p> <p>The Delegated savings position also remains a concern:</p> <ul style="list-style-type: none"> • The M10 YTD Delegated savings achievement was £11.4m, which is a £3.6m shortfall compared to the M10 YTD target of £15.0m • The forecast Delegated savings for 22/23 is only £13.0m and is £5.0m below the £18m annual target. • The forecast Delegated Recurrent savings is only £6.1m, which is £11.9m below the £18m target. 	<p>The Executive Leadership Group is asked to DISCUSS and NOTE the financial performance of individual Care Groups and directorates for the period to 31st January 2023.</p>





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Current Month Analysis

- The M10 Delegated overspend was £1.0m (M9: £8.3m). The main movements from M9 are as follows:
 - The M9 overspend on Medicines Mgt of £4.3m has reduced to £1.4m in M10. Improvement of £2.9m, mainly in primary care prescribing.
 - The M9 overspend on Primary care of £1.6m has now changed to a £2.1m surplus . Improvement of £3.7m. This is mainly due to WG confirmation that the Health Board can retain the underspend on the dental contract.
 - Other net improvements £0.7m.

Year to Date Analysis

- The M10 Delegated position is reporting a YTD overspend of £19.8m. Key overspending areas include:
 - Unscheduled Care - £9.6m (Savings shortfall £1.6m and Other overspends £8.0m).
 - Planned Care - £4.0m (Savings shortfall £0.2m and Other overspends £3.8m).
 - Diagnostics, Therapies & Specialties £7.3m (Savings shortfall £1.0m and Other overspends £6.3m)
 - Children & Families - £1.0m (Savings £0.3m and Other overspends £0.7m)
 - Facilities - £0.8m (Savings £0.5m and Other overspends £0.3m)

Savings Position

- The M10 YTD Delegated savings achievement was £10.6m. This represents a shortfall of £2.9m compared to the M10 YTD target of £13.5m
- The forecast Delegated savings is only £13.0m. This forecast is 5.0m below the £18m annual target.
- The forecast Delegated Recurrent savings is only £6.1m. This forecast is £11.9m below the £18m target.



M10 Summary Performance



	Annual Budget	M10	M10 YTD	M10 Forecast
	£m	£m	£m	£m
Delegated Budgets				
Planned Care	156.7	0.7	4.7	6.4
Unscheduled Care	158.8	1.3	10.9	12.8
Primary & Community Care	194.9	(2.1)	(2.6)	(0.5)
Mental Health & Learning Disabilities	111.0	(0.1)	(0.2)	(0.2)
Children & Families	74.4	0.0	1.0	1.2
Diagnostics, Therapies & Specialities	214.6	1.7	9.0	10.7
Corporate Executives	120.2	(0.7)	(1.9)	(1.8)
Facilities (non Hub)	54.7	0.2	1.1	0.4
Contracting & Commissioning	132.8	0.0	(2.2)	(2.6)
Total Delegated Budgets	1,218.2	1.0	19.8	26.3
Non Delegated Budgets				
Other Control Accounts	(1,225.9)	(2.5)	(7.3)	0.0
Reserves & Contingencies	34.3	0.1	(12.4)	(54.8)
Planning Deficit	(26.5)	2.2	22.1	26.5
Total Non Delegated Budgets	(1,218.2)	(0.2)	2.3	(28.3)
Grand total	0.0	0.8	22.1	(2.0)

Key Points :

- The M10 Delegated overspend was £1.0m (M9: £8.3m). The main improvements are as follows:
 - M9 overspend on Medicines Mgt of £4.3m has reduced to £1.4m in M10. Movement of £2.9m, mainly due to reduced primary care prescribing costs..
 - The M9 overspend on Primary care of £1.6m has now changed to a £2.1m surplus . Improvement of £3.7m. This is mainly due to WG confirmation that the Health Board can retain the underspend on the dental contract.
 - Other net improvements £0.7m.
- The M10 YTD Delegated position is showing a £19.8m overspend. The most significant overspends are in the following areas and further information is provided later in this report:
 - Unscheduled Care £10.9m
 - Diagnostics, Therapies & Specialities £9.0m
 - Planned Care £4.7m
- An analysis of the performance of the Corporate directorates is also provided later in this report.
- The latest Delegated forecasts prior to M10 reporting was reporting a deficit of £26.3m. This is a deterioration of £1.0m from last months forecast of £25.3m.





M10 Savings –Actual



	Annual Target	YTD Target	YTD Actual	YTD Variance
	£m	£m	£m	£m
Delegated Budgets				
Planned Care	3.7	3.1	2.6	0.5
Unscheduled Care	2.9	2.4	0.6	1.8
Primary & Community Care	0.7	0.6	0.6	0.0
Mental Health & Learning Disabilities	2.0	1.7	1.4	0.3
Children & Families	1.8	1.5	1.2	0.3
Diagnostics, Therapies & Specialities	4.4	3.6	2.6	1.1
Facilities (Non Hub)	0.6	0.5	0.2	0.3
Corporate Executives	1.6	1.3	0.7	0.6
Contracting & Commissioning	0.4	0.4	1.8	(1.4)
Total Delegated Budgets	18.0	15.0	11.4	3.6
Non Delegated	(0.7)	(0.6)	3.3	(4.0)
Grand total	17.3	14.4	14.8	(0.4)

Key Points :

- Total savings to M10 is £14.8m which is £0.4m higher than target.
- However, **Delegated** savings to M10 is only £11.4m, which is £3.6m below the Delegated savings target of £15.0m.
- The largest YTD shortfalls are in:
 - Unscheduled Care £1.8m
 - Diagnostics, Therapies & Specialities £1.1m
 - Corporate directorates £0.6m.
- Contracting & Commissioning have overachieved by £1.4m against the YTD target.





M10 Savings - Forecast



Savings	Annual Savings Target	Current Year Forecast savings	Current Year Forecast Variance	Forecast Recurrent Savings	Forecast Recurrent variance
	£m	£m	£m	£m	£m
Delegated Budgets					
Planned Care	3.7	2.8	0.9	0.1	3.6
Unscheduled Care	2.9	0.6	2.2	0.2	2.7
Primary & Community Care	0.7	0.7	0.0	0.3	0.5
Mental Health & Learning Disabilities	2.1	1.7	0.4	0.3	1.8
Children & Families	1.8	1.3	0.5	0.4	1.3
Diagnostics, Therapies & Specialities	4.4	3.0	1.3	2.0	2.3
Facilities (Non Hub)	0.6	0.2	0.4	0.1	0.5
Corporates	1.6	0.9	0.7	0.9	0.7
Contracting & Commissioning	0.4	1.9	-1.5	1.9	-1.5
Total Delegated Budgets	18.0	13.0	5.0	6.1	11.9
Non Delegated	-0.7	4.0	-4.7	4	-4.7
Grand total	17.3	17.0	0.3	10.1	7.2

Key Points :

- The M10 current year savings forecast is showing a small deficit of £0.3m compared to the annual target of £17.3m.
- However, the forecast **Delegated** savings is only £13.0m. This forecast is £5.0m below the Annual target.
- The largest forecast savings shortfalls are in:
 - Unscheduled Care £2.2m,
 - Diagnostics, Specialties & Therapies £1.3m
 - Planned Care £0.9m.
- The M10 Recurrent savings forecast of £10.1m is £7.2m below the annual target of £17.3m.
- The forecast **Delegated** Recurrent savings is £6.1m. This forecast is £11.9m below target.
- The largest recurrent savings gaps are in
 - Planned Care £3.6m,
 - Unscheduled Care £2.7m,
 - Diagnostics, Specialties & Therapies £2.3m,
 - Mental Health & Learning Disabilities £1.8m
 - Children & Families £1.3m.





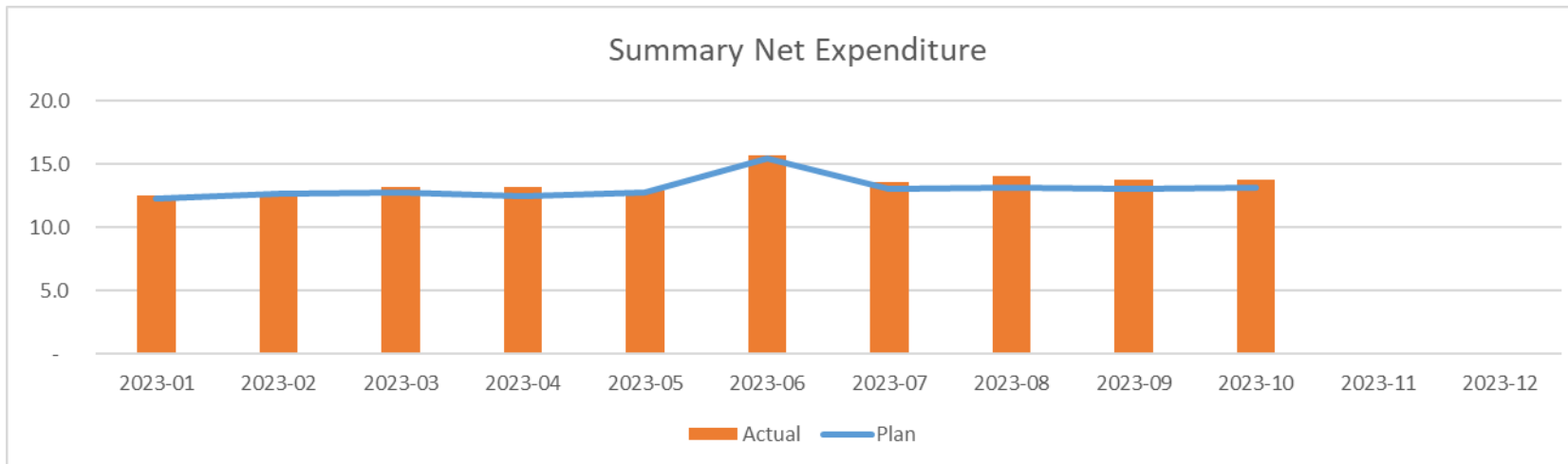
Planned Care Group M10 Finance Summary



Summary	Annual Budget (£m)	Cur Month Budget (£m)	Cur Month Actual (£m)	Cur Month Variance (£m)	YTD Budget (£m)	YTD Actual (£m)	YTD Variance (£m)	Current Year Forecast
Pay	132.8	11.2	11.8	0.6	110.8	116.0	5.2	
Non Pay	27.9	2.3	2.3	(0.0)	22.6	21.8	(0.8)	
CRES	(0.9)	(0.2)	0.0	0.2	(0.5)	0.0	0.5	
Income	(3.1)	(0.2)	(0.2)	(0.1)	(2.1)	(2.3)	(0.1)	
Grand Total	156.7	13.2	13.8	0.7	130.8	135.5	4.7	6.4

Key Points :

- The M10 current period variance is a £0.7m overspend (M9: £0.7m).
- The M10 year to date variance is a £4.7m overspend.
- The Current year forecast of £6.4m was provided prior to the reporting of M10. This indicates an overspend of £1.7m over the next 2 months, circa £0.8m/month.
- Net Expenditure in M10 was £13.8m, which was consistent with M9.

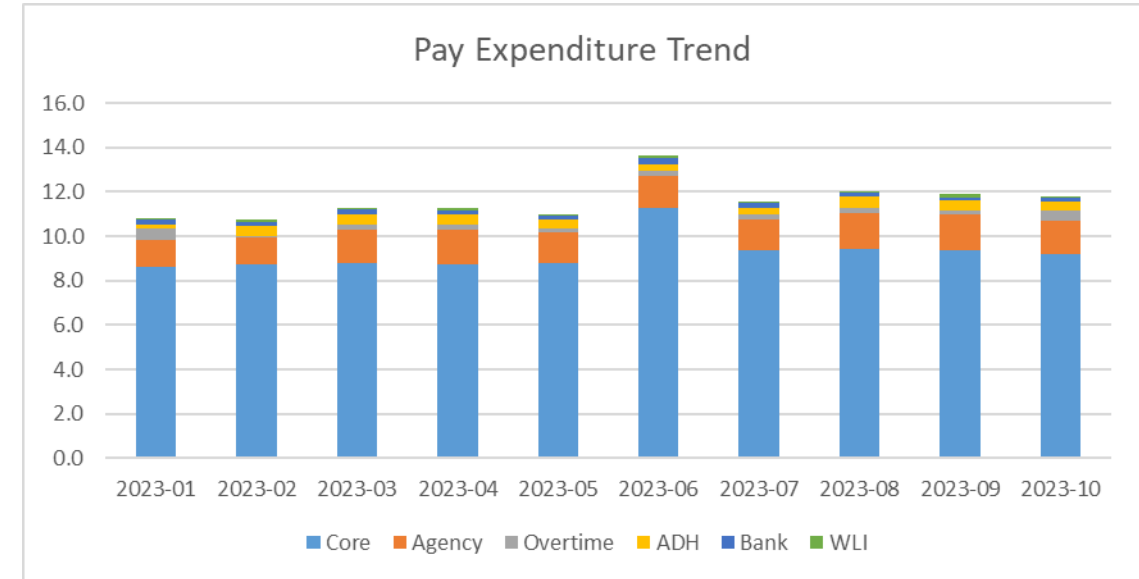




Planned Care Group M10 Performance- Pay



Pay Expenditure	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
Add Prof Scientific And Technical	0.6	(0.0)	(0.1)
Additional Clinical Services	14.3	0.2	1.7
Administrative & Clerical	11.2	(0.0)	(0.5)
Allied Health Professionals	4.4	(0.0)	0.1
Estates And Ancilliary	0.7	(0.0)	(0.0)
Healthcare Scientists	1.5	(0.0)	(0.1)
Medical And Dental	57.5	0.3	3.5
Nursing And Midwifery Registered	42.5	0.0	0.0
Pay Budget Adjustments	0.1	(0.0)	(0.1)
Students	0.0	0.1	0.6
Grand Total	132.8	0.6	5.2



Key Points for Year to Date Pay Performance:

- The M10 YTD position is reporting a £5.2m adverse position.
- The most concerning areas are Medical & Dental which is overspending by £3.5m and Additional Clinical Services which is overspending by £1.7m.
- Both these overspends reflect agency costs without any mitigating underspends in core substantive pay costs.

Key Points for Pay Trends:

- The M10 position is reporting expenditure of £11.8m.
- This represents a small decrease of £0.1m from M9.

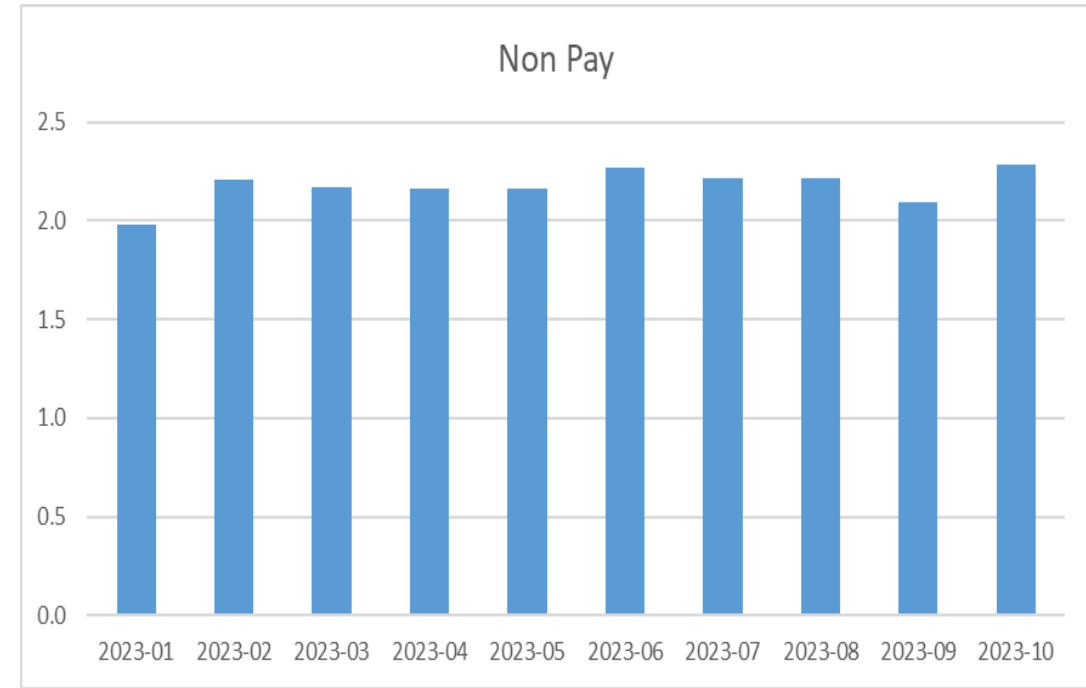




Planned Care Group M10 Performance- Non pay



Non Pay Expenditure	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
FNC & CHC	0.0	0.0	0.0
DRUGS	7.1	0.1	0.7
M&SE	10.6	(0.0)	(0.5)
SERVICES FROM OTHER NHS BODIES	0.6	0.0	(0.0)
ESTABLISHMENT EXPENSES	1.4	(0.0)	(0.0)
APPLIANCES	5.6	(0.1)	(1.1)
PURCHASE OF HEALTH CARE SERVICES	0.2	0.0	0.0
MISCELLANEOUS SERVICES	0.8	(0.0)	(0.1)
PREMISES & FIXED PLANT	0.5	0.0	0.3
PRIMARY & SECONDARY CARE	0.0	0.0	0.0
PROVISIONS	0.0	(0.0)	0.0
GENERAL SUPPLIES & SERVICES	0.8	(0.0)	(0.2)
OTHER CLINICAL SERVICES & SUPPLIES	0.1	0.0	0.1
Grand Total	27.9	(0.0)	(0.8)



Key Points for Year to Date Non Pay Performance:

- The most significant adverse non pay variance relates to Drugs which is reporting an overspend of £0.7m at M10.
- Appliances are reporting an underspend of £1.1m which reflects the reduced activity being undertaken compared to pre COVID levels.

Key Points for Non Pay Expenditure Trend:

- Non pay expenditure in M10 has increased by £0.2m to £2.3m.



Income	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
HEALTH ORGANISATIONS	(1.5)	(0.1)	(0.1)
PRIVATE PATIENTS	(0.5)	(0.0)	(0.2)
LOCAL AUTHORITIES	0.0	0.0	0.0
CATERING	0.0	0.0	0.0
OTHER INCOME	(1.0)	0.0	0.1
Grand Total	(3.1)	(0.1)	(0.1)

Key Points for Year to Date Income Performance:

- There are no significant income variances to report.

Savings	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
CRES Target	(3.7)	0.3	3.1
Achievement	2.8	(0.1)	(2.6)
Grand Total	(0.9)	0.2	0.5

Key Points for Year to Date Savings Performance:

- The M10 YTD savings performance is reporting an adverse variance of £0.5m.
- The Care Group are forecasting in year forecast of £2.8m for 22/23 which is £0.9m below target and a recurrent forecast of only £0.1m which is £3.6m below target. This indicates that nearly all of the £2.8m of savings in 22/23 are non recurring.



Planned Care M10 Performance



Additional Comments and Key Actions – Planned Care:

- Key drivers of current month and year to date position:
 - Medical Pay overspend £3.5m. This includes £2.1m in POW Surgery, mainly driven by MSK SHO tier rota, general Surgery rota changes and gaps, critical care 3rd tier rota and ophthalmology plus £1.3m in PCH Surgery mainly driven by ADH and agency cover in Anaesthetics, Gen Surg, T&O and Max Facs.
 - HCSW overspend of £1.7m relating primarily to agency and bank spend within POW surgery with 1:1 enhanced care as the main driver. Control around agency bookings and clarity on processes is expected to generate improvements through the POW Nurse leadership team, supported by the Nurse Productivity Group and Bank office. There has been focused reviews and a number of issues are being tackled. Process and controls around agency bookings and on boarding of new recruits are specific areas being actively targeted.
 - Overseas nursing project spend of £0.6m whilst nurses complete OSCE qualifications.
 - Non pay underspend of £0.8m, driven by a reduction in elective activity.
- CRES plans and further opportunities to reduce spend all reviewed on a regular basis.
- Covid escalation measures all reviewed and de-escalated where possible. Funding continues for PPE, NSA impact and nosocomial COVID investigations.
- CRES target £3.7m with £2.8m forecast delivery in year but only £0.1m recurrently.
- The latest forecast for planned care indicated a year end outturn of £6.0m and recurrent position of £11.5m
- Risks not included in current forecast position but rated as high risk include; premium cost of maintaining POW T&O rotas, SB SLA/LTA cessation, staff re-bandings and claims regarding non compliant T&O rota in POW.
- Opportunities not included in current position but rated as highly probable include; increased PCRFP funding, SB SLA/LTA disaggregation, continuation of non-rec non pay underspends into the next financial year and slippage on RGH PACU posts.





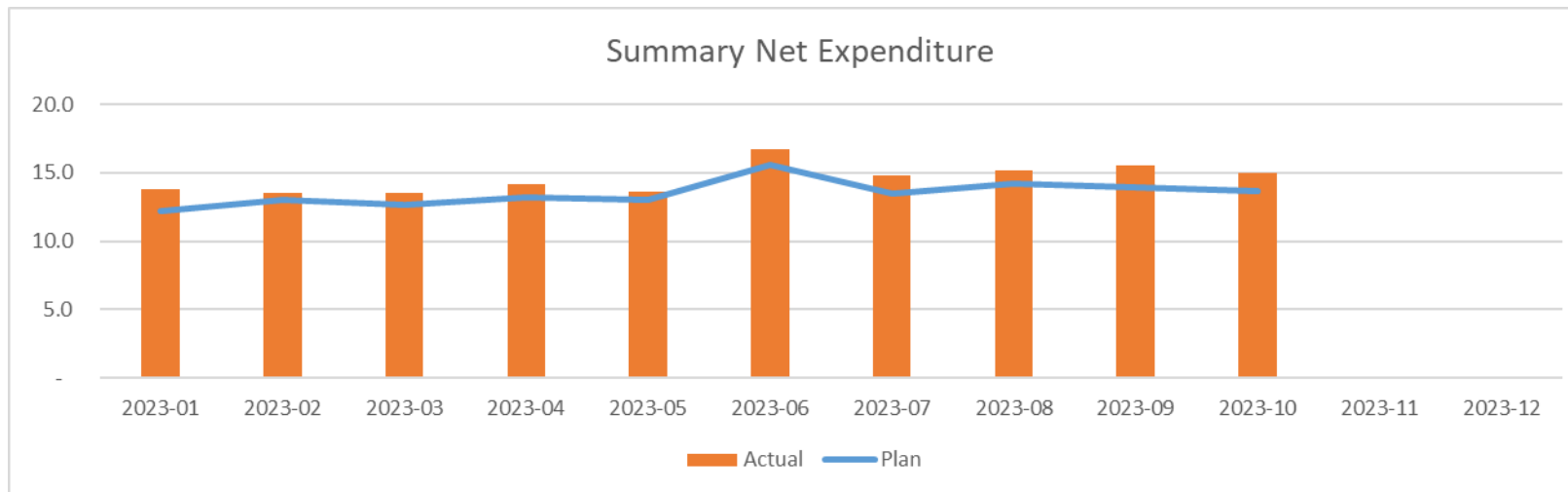
Unscheduled Care M10 Finance Summary



Summary	Annual Budget (£m)	Cur Month Budget (£m)	Cur Month Actual (£m)	Cur Month Variance (£m)	YTD Budget (£m)	YTD Actual (£m)	YTD Variance (£m)	Current Year Forecast
Pay	132.1	11.3	12.0	0.7	110.9	118.1	7.2	
Non Pay	30.4	2.7	3.0	0.4	26.9	28.8	1.9	
CRES	(2.3)	(0.2)	0.0	0.2	(1.8)	0.0	1.8	
Income	(1.3)	(0.1)	(0.1)	(0.0)	(1.1)	(1.2)	(0.1)	
Grand Total	158.8	13.7	14.9	1.3	134.8	145.7	10.9	12.8

Key Points :

- The M10 current period variance is an overspend of £1.3m (M9: £1.6m).
- The M10 year to date variance is a £10.9m overspend.
- The current year forecast of £12.8m was provided prior to the reporting of M10. This indicates an overspend of £1.9m over the next 2 months, circa £1.0m /month.
- Net Expenditure in M10 was £14.9m an decrease of £0.6m from M9. This was driven by a reduction in non-pay spend.

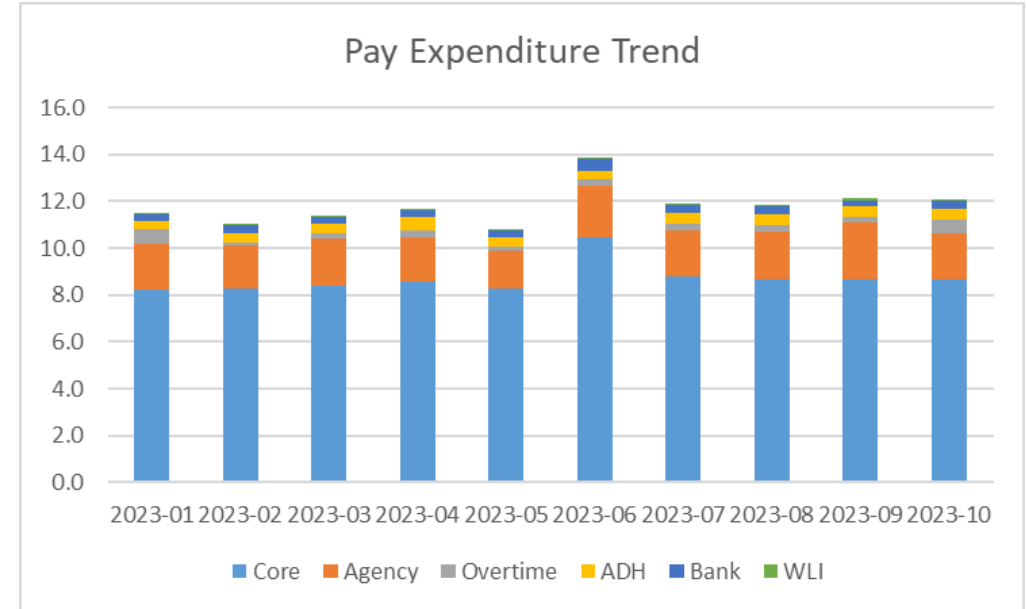




Unscheduled Care M10 Performance- Pay



Pay Expenditure	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
Add Prof Scientific And Technical	0.3	0.0	0.1
Additional Clinical Services	20.1	1.2	3.8
Administrative & Clerical	8.9	0.0	(0.1)
Allied Health Professionals	0.1	0.0	0.0
Estates And Ancillary	0.2	0.0	0.1
Healthcare Scientists	2.6	(0.0)	0.0
Medical And Dental	40.4	0.4	3.2
Nursing And Midwifery Registered	59.3	(0.9)	(0.4)
Pay Budget Adjustments	0.0	(0.2)	(0.1)
Students	0.0	0.1	0.6
Grand Total	132.1	0.7	7.2



Key Points for Year to Date Pay Performance:

- The M10 YTD position is reporting a £7.2m adverse variance.
- The most concerning area is Additional Clinical Services, which is overspending by £3.8m. This is primarily HCSW agency and bank, which is also being partially offset by Band 2 vacancies
- Medical & Dental is also overspending by £3.2m due primarily to agency costs being partially offset by vacancies.

Key Points for Pay Trends:

- The M10 position is reporting expenditure of £12.0m which is marginally lower than M9 (£12.1m).





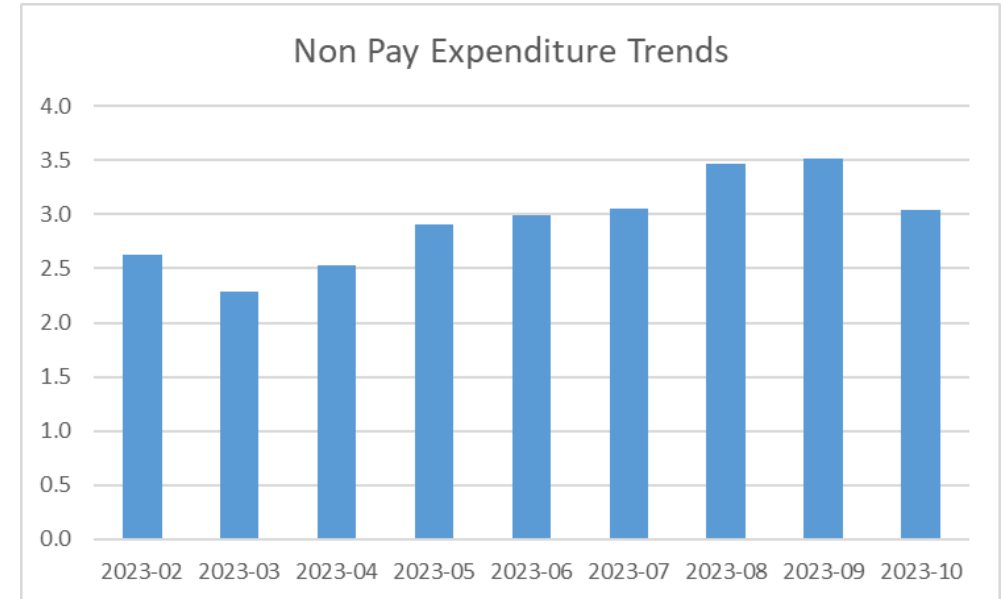
Unscheduled Care M10 Performance - Non pay



Non Pay Expenditure	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
FNC & CHC	0.0	0.0	0.0
DRUGS	17.6	0.2	0.6
M&SE	7.2	0.1	0.7
SERVICES FROM OTHER NHS BODIES	0.6	(0.0)	(0.0)
ESTABLISHMENT EXPENSES	1.3	0.0	0.0
APPLIANCES	2.1	0.0	0.0
PURCHASE OF HEALTH CARE SERVICES	0.1	(0.0)	(0.0)
MISCELLANEOUS SERVICES	0.6	0.0	0.1
PREMISES & FIXED PLANT	0.7	0.0	0.3
PRIMARY & SECONDARY CARE	0.0	0.0	0.0
PROVISIONS	0.0	0.0	0.0
GENERAL SUPPLIES & SERVICES	0.3	0.0	0.0
OTHER CLINICAL SERVICES & SUPPLIES	0.1	0.0	0.1
Grand Total	30.4	0.4	1.9

Key Points for Year to Date Non Pay Performance:

- The most significant adverse non pay variance relates to M&SE which is reporting an overspend of £0.7m at M10.



Key Points for Non Pay Expenditure Trend:

- M10 non pay expenditure has decreased by £0.5m when compared to M9.

Income	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
HEALTH ORGANISATIONS	(0.6)	(0.0)	(0.0)
PRIVATE PATIENTS	0.0	0.0	0.0
LOCAL AUTHORITIES	0.0	0.0	0.0
CATERING	0.0	0.0	0.0
OTHER INCOME	(0.7)	(0.0)	(0.1)
Grand Total	(1.3)	(0.0)	(0.1)

Key Points for Year to Date Income Performance:

- There re no significant variances at M10.

Savings	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
CRES Target	(2.9)	0.2	2.4
Achievement	0.6	(0.0)	(0.6)
Grand Total	(2.3)	0.2	1.8

Key Points for Year to Date Savings Performance:

- The M10 YTD savings performance is reporting a £1.8m adverse variance.
- The Care Group are reporting an in year forecast of £0.6m for 22/23 which is £2.2m below target and a recurrent forecast of £0.2m which is £2.7m below target.



Unscheduled Care M10 Performance



Additional Comments and Key Actions –Unscheduled Care:

Key drivers of current month and year to date position:

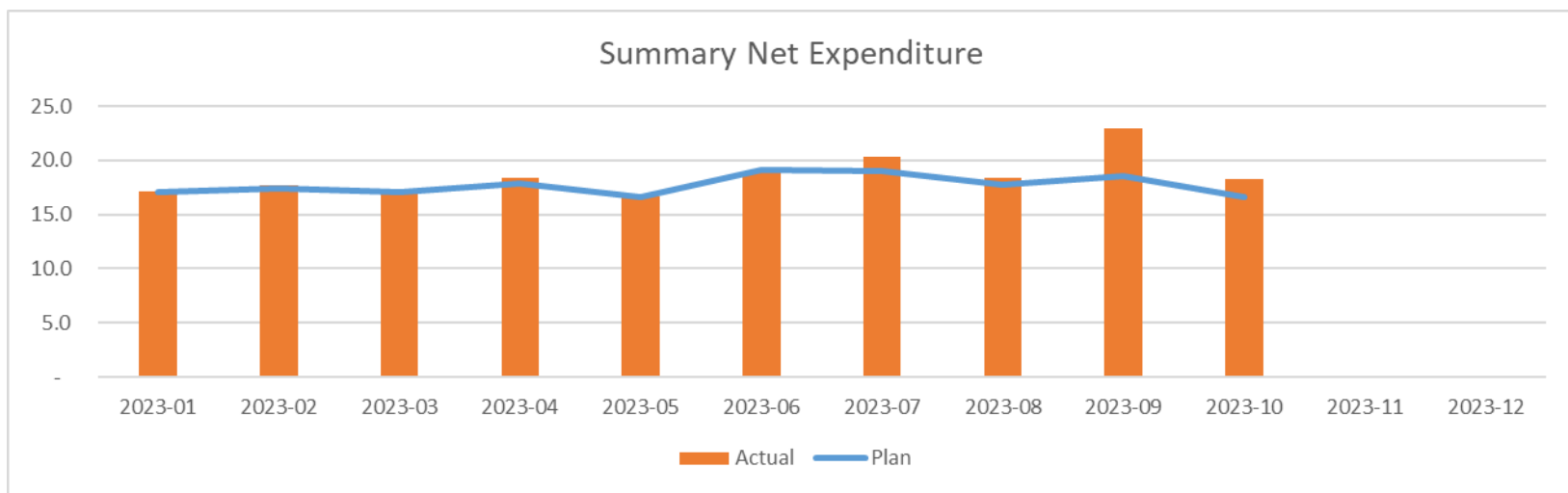
- Medical pay overspend £3.2m. POW £1.4m, PCH £1.1m and RGH £0.7m. These overspends are mainly linked to premium cost of agency and ADHs covering sickness, vacancies and rota gaps. The pressure is spread between ED & Medicine for each site, across a mixture of consultant and junior grades.
- Nursing overspend £3.3m, RN £0.4m underspend, HCAs £3.8m overspend. Bridgend £3.6m and M&C £0.2m, with an underspend for RTE. HCA spend, particularly HCA agency spend in POW, is driven by enhanced care on NSA wards and an establishment differential compared to other sites. The premium cost of RN agency spend is a factor across all sites.
- Students are incurring a pressure of £0.6m linked to the latest cohort of overseas nursing. This is a higher cost than planned linked to OSCE delays and filling RN posts.
- Key non pay overspends are drugs £0.6m, M&SE £0.7m and premises and fixed plant £0.3m. A key driver within RTE M&SE is £0.6m linked to diabetic pumps & consumables.
- Covid escalation measures continue to be reviewed with an expectation of de-escalation when possible. Covid spend forecast for the year currently is £6.8m, offset by Covid funding.
- CRES target of £2.9m with £0.6m forecast delivery in year (only £0.2m recurrently). The biggest gap is for Bridgend CSG with only 10% achievement forecast against the target in year. Further opportunities to develop CRES and Recovery plans to reduce spend continue to be reviewed and developments sought, though the focus of this is now in relation to saving opportunities to feed into the IMTP and 2023/24.
- Risks not included in the current position which could land in 2022/23 include increased use of medical ADH/Agency cover, escalation of ADH rates, nursing/HCA increase in agency use through the winter months beyond the current forecast.
- Opportunities not included in the current position include slippage on winter funding and NHS recruitment into medical rota gaps to cover vacancies, on call etc but at this stage, any improvement beyond the forecast is expected to be relatively small.
- The Care Group is actively developing a financial recovery action plan to support IMTP savings.



Summary	Annual Budget (£m)	Cur Month Budget (£m)	Cur Month Actual (£m)	Cur Month Variance (£m)	YTD Budget (£m)	YTD Actual (£m)	YTD Variance (£m)	Current Year Forecast
Pay	70.6	5.9	5.9	(0.0)	59.0	58.2	(0.7)	
Non Pay	155.6	11.7	13.3	1.6	127.6	136.6	9.0	
CRES	(1.4)	(0.1)	0.0	0.1	(1.1)	0.0	1.1	
Income	(10.1)	(0.9)	(0.9)	(0.0)	(8.3)	(8.7)	(0.4)	
Grand Total	214.6	16.6	18.3	1.7	177.1	186.1	9.0	10.7

Key Points :

- The M10 current period variance is a £1.7m overspend (M9: £4.4m). A significant increase in Primary Care Prescribing costs was reported in M9 which has now reduced in M10.
- The M10 year to date variance is a £9.0m overspend.
- The Current year forecast of £10.7m was provided prior to the reporting of M10. This indicates an overspend of £1.7m over the next 2 months (circa £0.9m /month) which is a further improvement from the M10 overspend of £1.7m.
- Net Expenditure in M10 was £18.3m an decrease of £4.6m from M9 and broadly consistent with M8. The M10 position reflects the most recent M8 data . This continue to show that primary care prescribing growth is higher than planned . NICE costs have also increased this month.



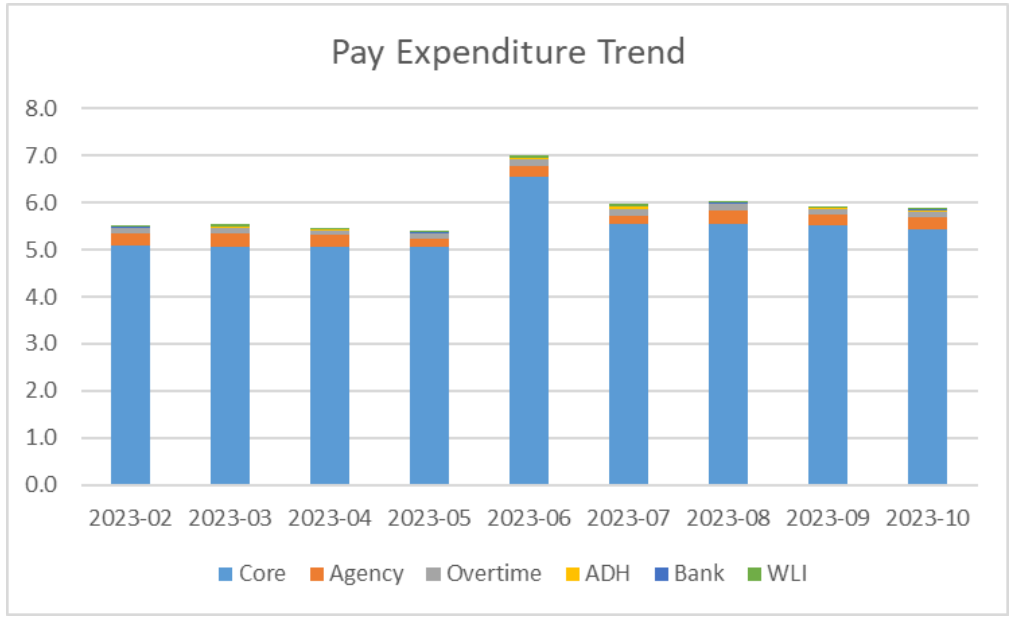


Diagnostics, therapies & Specialties

M10 Performance - Pay



Pay Expenditure	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
Add Prof Scientific And Technical	10.7	(0.0)	(0.3)
Additional Clinical Services	9.0	(0.1)	(0.8)
Administrative & Clerical	4.5	(0.0)	0.0
Allied Health Professionals	29.2	(0.1)	(0.4)
Estates And Ancillary	0.0	0.0	0.0
Healthcare Scientists	6.9	0.0	0.2
Medical And Dental	9.3	0.1	0.1
Nursing And Midwifery Registered	1.4	(0.0)	(0.1)
Pay Budget Adjustments	(0.5)	0.0	0.5
Students	0.0	0.0	0.0
Grand Total	70.6	(0.0)	(0.7)



Key Points for Year to Date Pay Performance:

- The M10 YTD position is reporting a £0.7m favourable variance.

Key Points for Pay Trends:

- The M10 position is reporting expenditure of £5.9m which is consistent with M8.

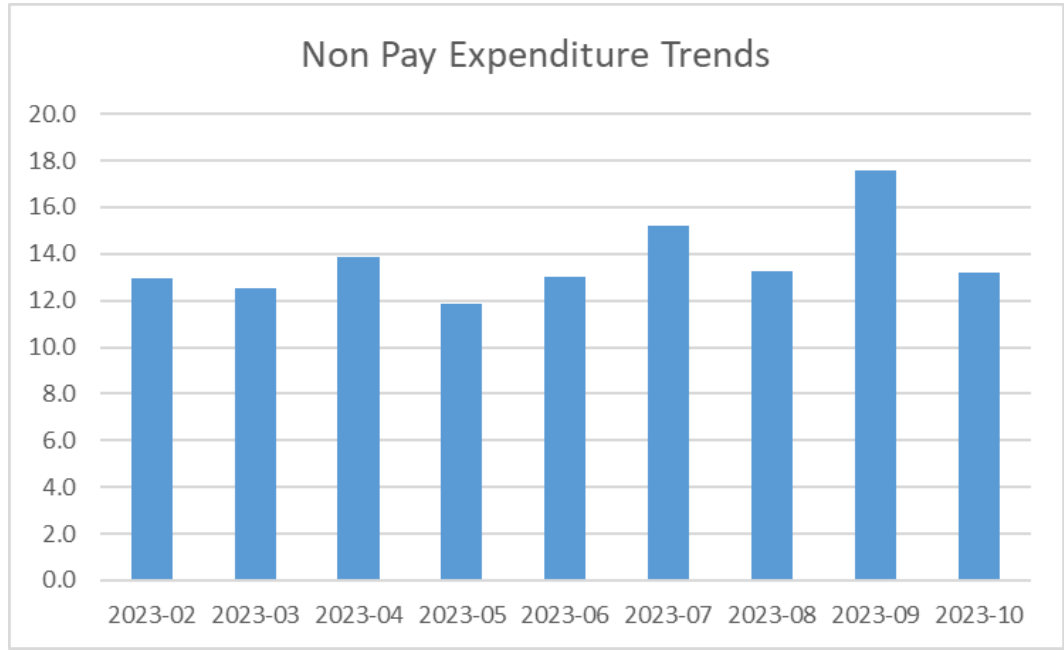




Diagnostics, therapies & Specialties M10 Performance - Non pay



Non Pay Expenditure	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
FNC & CHC	0.6	(0.0)	0.0
DRUGS	13.4	0.1	(0.1)
M&SE	2.3	0.1	(0.1)
SERVICES FROM OTHER NHS BODIES	8.2	(0.0)	0.5
ESTABLISHMENT EXPENSES	1.3	(0.0)	0.1
APPLIANCES	0.8	0.0	(0.0)
PURCHASE OF HEALTH CARE SERVICES	3.2	0.0	0.2
MISCELLANEOUS SERVICES	1.4	0.8	1.6
PREMISES & FIXED PLANT	0.6	0.0	0.1
PRIMARY & SECONDARY CARE	117.4	0.6	6.7
PROVISIONS	0.0	0.0	0.0
GENERAL SUPPLIES & SERVICES	0.1	0.0	0.1
OTHER CLINICAL SERVICES & SUPPLIES	6.4	0.1	(0.1)
Grand Total	155.6	1.6	9.0



Key Points for Year to Date Non Pay Performance:

- The most significant non pay variance relates to a £6.7m adverse variance for Primary & Secondary Care which relates to primary care prescribing.
- Miscellaneous services is also has a £1.6m adverse variance due to increased NICE expenditure.

Key Points for Non Pay Expenditure Trend:

- Non pay expenditure in M10 has decreased by £4.4m when compared to M9. This is mainly due to a reduction in primary care prescribing costs.





Diagnostics, therapies & Specialties

M10 – Income & Savings



Income	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
HEALTH ORGANISATIONS	(4.7)	(0.0)	(0.5)
PRIVATE PATIENTS	(0.2)	0.0	0.1
LOCAL AUTHORITIES	(1.4)	0.0	0.1
CATERING	0.0	0.0	0.0
OTHER INCOME	(3.9)	(0.0)	(0.0)
Grand Total	(10.1)	(0.0)	(0.4)

Key Points for Year to Date Income Performance:

- As at M10 income is reporting a 0.4m favourable variance.

Savings	Annual Budget (£m)	Cur Month Variance (£m)	YTD Variance (£m)
CRES Target	(4.4)	0.4	3.6
Achievement	2.9	(0.3)	(2.6)
Grand Total	(1.4)	0.1	1.1

Key Points for Year to Date Savings Performance:

- The M10 YTD savings performance is reporting a deficit of £1.1m.
- The Care Group are reporting an in year forecast of £3.0m for 22/23 which is £1.3m below target and a recurrent forecast of £2.0m which is £2.3m below target. Significant Non recurring savings of £1m are therefore being reported in 22/23





Additional comments and Key Actions – Diagnostics, Therapies & Specialties:

- Key drivers of current and year to date position:
 - Pay underspend of £0.7m. Mainly due to vacancies within Therapies, Medicines Management and Radiology.
 - Non pay overspend of £9m. Mainly driven by overspends on Primary care prescribing £6.8m and NICE drugs £1.6m.
 - CRES under achievement of £1.1m. (£0.9m in Med Mgt and £0.1m in Radiology)
- CRES plans, Recovery Plans and further opportunities to reduce spend all reviewed on a regular basis.
- COVID escalation measures all reviewed and de-escalated where possible. Funding continues for Adferiad, Extended Flu and PPE.
- CRES target £4.4m with £3.2m forecast delivery in year (£2.2m recurrently).
- The latest forecast for DT&S indicated a year end overspend of £10.8m in line with previous month. The recurrent forecast position is a £13m overspend .





Corporate directorates M10 Summary Performance



Corporate Directorates	Annual Budget	M10	M10 YTD	Current year forecast
	£k	£k	£k	£k
Patient Care & Safety	16,092	(244)	(448)	(960)
Corporate Development	594	22	3	6
Chief Executive	3,493	(18)	95	53
Finance	4,609	(43)	(284)	(262)
Public Health	13,478	(41)	(217)	(105)
Digital	21,881	(295)	(393)	(262)
Medical Director	1,157	19	(47)	(87)
National Imaging Academy	1,553	0	0	0
Value Based Healthcare	2,307	(0)	(0)	0
Planning & Partnership	17,900	6	(234)	(267)
Research & Development	1,350	3	31	0
Estates	26	0	(0)	(479)
Therapies & Healthcare Sciences	195	12	(1)	0
Workforce & Organisational Development	9,563	(35)	(228)	(372)
COO Management	11,346	180	362	204
Facilities Hub	13,995	(171)	251	755
Grand total	119,539	(603)	(1,110)	(1,776)

Key Points for Year to Date Performance:

- The M10 YTD position is reporting a £1,110k surplus.
- Significant M10 movements include:
 - COO Mgt - £180k overspend – in month impact of VER payments included in forecast
 - Digital - £295k underspend – funding/ income for E whiteboards etc released into position (£203k)
 - PC&S - £244k underspend – MCA and Outpatient Improvement funding released into position
 - Facilities Hub - £171k underspend - £60k re CPU staff dining recharge £86k re laundry energy recovery adjustment in forecast plus various other small non pay underspends
- The most concerning YTD overspends are in COO Mgt (£362k) and Facilities Hub (£251k).
- The Current year forecast prior to the reporting of M10 was a £1,776k underspend. This indicates an underspend of £0.7m over the next 2 months (circa £0.3m /month) .
- The most significant forecast overspends are reported in:
 - Facilities Hub £755k
 - COO Management £204k



Corporate directorates M10 Savings –Actual



Corporate Directorates	Annual Target	YTD Target	YTD Act	YTD Var
	£k	£k	£k	£k
Patient Care & Safety	292	243	37	206
Corporate Development	61	51	27	24
Chief Executive	45	28	28	(0)
Finance	33	28	28	(0)
Public Health	35	29	29	(0)
Digital	229	191	92	99
Medical Director	0	0	0	0
National Imaging Academy	0	0	0	0
Value Based Healthcare	0	0	0	0
Planning & Partnership	27	23	23	0
Research & Development	7	0	0	0
Estates	361	301	272	29
Therapies & Healthcare Sciences	0	0	0	0
Workforce & Organisational Development	97	81	85	(4)
COO Management	12	11	33	(22)
Facilities Hub	367	306	2	304
Grand total	1,566	1,290	656	634

Key Points for Savings:

- Total savings to M10 is £656k which is £634k below target.
- The largest M10YTD shortfalls are being reported in:
 - Facilities Hub - £304K
 - PC&S- £206K
 - Digital - £99K.





Corporate directorates M10 Savings - Forecast



Corporate Directorates	Annual Savings Target	M10 F/Cast Savings	M10 F/Cast Variance	M10 F/Cast Recurrent Savings	M10 F/Cast Recurrent Variance
	£k	£k	£k	£k	£k
Patient Care & Safety	292	57	235	50	242
Corporate Development	61	65	(4)	97	(36)
Chief Executive	45	46	(1)	41	4
Finance	33	33	0	33	0
Public Health	35	35	(0)	0	35
Digital	229	88	141	82	147
National Imaging Academy	0	0	0	0	0
Value Based Healthcare	0	0	0	0	0
Planning & Partnership	27	27	0	0	27
Research & Development	7	0	7	0	7
Estates	361	350	11	403	(42)
Therapies & Healthcare Sciences	0	0	0	0	0
Workforce & Organisational Development	97	102	(5)	102	(5)
COO Management	12	70	(58)	43	(31)
Facilities Hub	367	28	339	45	322
Grand total	1,565	901	664	896	669

Key Points for Savings:

- The Forecast savings at M10 is £901k which is £664k below target. The largest forecast shortfalls are in:
 - Facilities Hub – £339k
 - PC&S – £235k
 - Digital - £141k
- The Forecast Recurrent savings is £896k. This forecast is £669k below target.
- The largest forecast recurrent shortfalls are also in the three areas noted above .

