



**AGENDA ITEM**

2.2.3

**PLANNING, PERFORMANCE & FINANCE COMMITTEE**

**MONTH 7 & 8 MONITORING RETURNS TO WELSH GOVERNMENT**

<b>Date of meeting</b>	21/12/2020
<b>FOI Status</b>	Open/Public
<b>If closed please indicate reason</b>	Not Applicable - Public Report
<b>Prepared by</b>	Mark Thomas, Deputy Director of Finance
<b>Presented by</b>	Steve Webster, Director of Finance & Procurement
<b>Approving Executive Sponsor</b>	Executive Director of Finance & Procurement
<b>Report purpose</b>	FOR NOTING

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

<b>Committee/Group/Individuals</b>	<b>Date</b>	<b>Outcome</b>
Welsh Government	11/12/2020	NOTED

**ACRONYMS**

WG	Welsh Government
M1 etc	Month 1 etc
PPFC	Planning, Performance & Finance Committee
LHB	Local Health Board

## **MONTH 7 & 8 MONITORING RETURNS TO WELSH GOVERNMENT**

### **1. SITUATION/BACKGROUND**

In addition to our normal internal Finance reports there is a WG requirement for a Committee of the Board to receive the monthly Monitoring Return submissions to WG (narrative report plus certain tables) in order to provide the Committee with transparency on the submission made to WG.

The purpose of this report is to provide the Board with information from the M7 & M8 Financial Monitoring Return submission to Welsh Government .

### **2. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)**

The Local Health Board, Trust and Special Health Authority Financial Monitoring Guidance 2020-21 was issued on 20 May 2020. This guidance refers to the monitoring return spreadsheet and accompanying narrative that LHBs will need to complete to report their 2020/21 financial performance, together with the following requirements:

The Day 9 submission to WG must be agreed and the narrative signed by both the Director of Finance and Chief Executive before the submission is made to WG. The Board governance, regarding the arrangements for when the Director of Finance and/or Chief Executive is not available, should be set out at the start of the year and shared with the Head of NHS Financial Management.

An additional statement must be included in the narrative each month to clarify the date and main Committee of the Board which will receive that Month's Financial Monitoring return ( consisting of the Narrative, Table A, Table A2 and Table B3) in order to provide the Committee with transparency on the submission made to WG.

The following information is provided at Annex A & Annex B:

<b>Annex A</b>	<b>Annex B</b>
M7 Narrative report	M8 Narrative report
Table A - Movement	Table A - Movement
Table A2 - Risks	Table A2 - Risks
Table B3 – COVID-19 Analysis	Table B3 – COVID-19 Analysis



### 3. KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

All information made available to WG should be consistent with that provided to the Board. The detailed commentary in the Monitoring Returns must include a statement confirming that the financial information reported in the Monitoring Return aligns to the financial details included with the internal Board papers.

The key information included in the M7 & M8 Financial Monitoring returns is summarised below:

	Month 7 (£k)		Month 8 (£k)	
	YTD	Forecast	YTD	Forecast
Savings Shortfall	6,738	9,933	7,645	10,357
COVID Funding	(36,981)	(94,545)	(42,668)	(98,012)
COVID Expenditure	42,011	78,640	48,216	78,057
COVID Cost Reductions	(9,482)	(10,932)	(10,591)	(10,201)
COVID Slippage/Repurposing	(2,281)	(3,318)	(2600)	(3,399)
<b>COVID (underspend)/overspend</b>	<b>-</b>	<b>(20,226)</b>	<b>-</b>	<b>(23,199)</b>
<b>Non COVID (underspend)/overspend</b>	<b>(621)</b>	<b>1,100</b>	<b>(2,904)</b>	<b>1,400</b>
Net cost of Winter plans in excess of funding		7,000		7,000
Additional accountancy gains		(5,800)		(11,300)
Non recurring spend initiatives		6,200		6,100
Removal of request for bridging funding		5,000		5,000
Draft slippage on Q3/Q4 plans		6,726		0
Early repayment and deferral of I2S schemes		0		3,000
Contingency against potential Prior Year adjustment		0		12,000
<b>Total overspend</b>	<b>(621)</b>	<b>0</b>	<b>(2,904)</b>	<b>0</b>

This information is consistent with the M7 & M8 Finance reports going to Management Board, PPFC and the Board.



#### 4. IMPACT ASSESSMENT

<b>Quality/Safety/Patient Experience implications</b>	There are no specific quality and safety implications related to the activity outlined in this report.
<b>Related Health and Care standard(s)</b>	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
<b>Equality impact assessment completed</b>	Not required
<b>Legal implications / impact</b>	There are no specific legal implications related to the activity outlined in this report.
<b>Resource (Capital/Revenue £/Workforce) implications / Impact</b>	Yes (Include further detail below)
	The paper is directly relevant to the allocation and utilisation of resources.
<b>Link to Strategic Well-being Objectives</b>	Ensure sustainability in all that we do, economically, environmentally and socially

#### 5. RECOMMENDATION

The Committee is asked to:

- **NOTE** the contents of the Month 7 & Month 8 Monitoring Returns submitted to Welsh Government for 2020/21.