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Bwrdd Iechyd Prifysgol  
Bae Abertawe  
Swansea Bay University  
Health Board



<b>Meeting Date</b>	<b>25<sup>th</sup> June 2020</b>		<b>Agenda Item</b>	<b>3.5</b>
<b>Report Title</b>	Financial Report – Period 2 2020/			
<b>Report Author</b>	Samantha Lewis, Deputy Director of Finance			
<b>Report Sponsor</b>	Darren Griffiths, Interim Director of Finance			
<b>Presented by</b>	Darren Griffiths, Interim Director of Finance			
<b>Freedom of Information</b>	Open			
<b>Purpose of the Report</b>	The report advises the Board of the Health Board financial position for Period 2 (May) 2020/21.			
<b>Key Issues</b>	<p>The report invites the Board to note the detailed analysis of the financial position for Period 2 (May) 2020/21.</p> <p>The report also includes an analysis of the COVID-19 revenue impact.</p> <p>The report also invites the Board to note the capital budget, cash position and key balance sheet movements.</p>			
<b>Specific Action Required</b> <i>(please choose one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>	<b>Approval</b>
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>CONSIDER</b> and comment upon the Board's financial performance for Period 2 (May) 2020/21, in particular: <ul style="list-style-type: none"> <li>i. the revenue outturn position of £15.629m deficit;</li> <li>ii. the capital outturn position;</li> <li>iii. balance sheet movements;</li> <li>iv. cash position; and</li> <li>v. performance against the Public Sector Payment Policy compliance.</li> </ul> </li> <li>• <b>NOTE</b> the COVID-19 revenue impact for Period 2 2020/21.</li> </ul>			

## FINANCIAL REPORT – PERIOD 2

### 1. INTRODUCTION

The report advises the Board that the Period 2 (May 2020) revenue financial position is an overspend of £15.629m.

The report invites the Board to note the detailed analysis of the Period 2 (May 2020) revenue financial position.

The report provides an analysis of the revenue impact of the COVID19 response in May 2020.

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.**

2018/19 No Approved Plan

2019/20 No Approved Plan

2020/21 No Approved Plan

The Health Board will fail to achieve this Statutory Duty.

- To achieve financial breakeven over a rolling three year period, which commenced on 1<sup>st</sup> April 2017 and will end on 31<sup>st</sup> March 2020.**

2018/19 £9.9m Overspend

2019/20 £16.284m Overspend

2020/21 £24.4m Forecast Overspend prior to impact of COVID-19

The Health Board will fail to achieve this Statutory Duty.

#### 2.2 Summary of Performance against Key Financial Targets

<b>Financial KPIs : To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government</b>	<b>Value £000</b>
Reported in-month financial position – deficit/(surplus)	10,233
Reported cumulative financial position – deficit/(surplus)	15,629
Variance from Planned Deficit – deficit/(surplus)	11,562
<b>Capital KPIs: To ensure that costs do not exceed the capital resource limit set by Welsh Government</b>	<b>Value £000</b>
Reported year to date financial position – deficit/(surplus)	2,167
Forecast outturn financial position – deficit/(surplus)	7,487
<b>PSPP Target : To pay a minimum of 95% of all non NHS creditors within 30 days of receipt of goods or a valid invoice</b>	<b>Value %</b>

<b>Financial KPIs : To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government</b>	<b>Value £000</b>
Cumulative year to date % of invoices paid within 30 days (by number)	90.73%

### 3. FINANCIAL IMPLICATIONS

#### 3.1 Revenue Position

##### 3.1.1 Summary Revenue Position

The Health Board plan for 2020/21 which was agreed by the Board for submission to Welsh Government in March 2020, including a financial plan with a forecast deficit of £24.4m.

	<b>2020/21 £m</b>
2020/21 Underlying Deficit	28.0
Inflationary/Demand Pressures	35.5
WG Allocation Uplift	-21.6
Investment Commitments	5.4
Planned Savings	-23.0
<b>Planned Forecast Deficit for 2020/21</b>	<b>24.4</b>

This plan did not include any impact of the COVID-19 pandemic.

The £28m underlying deficit which had in the previous year been reflected as overspends within the Service Delivery Units and Corporate Directorates has been transferred to the Corporate Plan. This has enabled the Service Delivery Unit and Corporate Directorate budgets to be established at a level that broadly reflects the 2019/20 expenditure profiles.

The revenue position can be analysed as follows and shows the movement from the Health Board baseline financial plan.

	<b>Month 1</b>	<b>Month 2</b>	<b>Cumulative</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Income	1.261	1.074	2.335
Pay	0.577	2.859	3.436
Non-Pay	0.244	3.255	3.499
Savings Slippage	1.749	1.480	3.229
Slippage on Planned Investments	-0.468	-0.468	-0.936
Planned Deficit	2.033	2.033	4.066
<b>Total Position</b>	<b>5.396</b>	<b>10.233</b>	<b>15.629</b>

This table above highlights the key drivers of the significant increase in overspend in Month 2 are related to pay and non-pay expenditure, which are related to the COVID-19 response. These will be described in more detail in section 3.1.6.

The table which follows highlights the net impact of COVID-19 on the reported revenue financial position. This highlights the increasing costs of the COVID-19 response in Month 2.

	Month 1	Month 2	Cumulative
	Actuals	Actuals	Actuals
	£m	£m	£m
Impact on Savings Delivery	1.749	1.480	3.229
COVID-19 Gross Costs	3.176	8.709	11.885
COVID-19 Cost Reductions	-1.179	-1.589	-2.768
Slippage on Planned Investments	-0.468	-0.468	-0.936
<b>TOTAL COVID-19 IMPACT</b>	<b>3.278</b>	<b>8.132</b>	<b>11.410</b>

### 3.1.2 Income

Income budgets have reported an under-achievement of £2.335m after two months. This reflects reductions in income from key activities undertaken by the Health Board as a result of COVID-19. This reduction can be seen both in terms of direct service activity, including private patients, injury cost recovery scheme, overseas patients, non-contracted activity and dental income and also other income sources for example catering income. Much of this reduction in income would also see a reduction in cost with the net reduction currently assessed as around £0.8m.

### 3.1.3 Pay

Pay budgets have reported a £3.436m overspend after two months, which is a significant increase from the £0.577m overspend in Month 1. This is due to the impact of significant levels of additional recruitment and the additional payments to substantive staff in providing additional workforce cover, some of this reflects work undertaken in April 2020. The position by staff group varies: -

- Medical and Dental - £1.380m overspent. There are significant additional costs associated with COVID-19 included in financial position. This includes additional agency staff and changes to rotas for both senior and junior medical staff and the recruitment of medical students.
- Student Nursing - £0.780m overspent. This reflects the costs of the recruitment of student nurses to support the COVID-19 response.
- Additional Clinical Services - £0.732m overspent. This overspend primarily relates to the costs of HCSW. Whilst some of this overspend is related to COVID-19 response, including additional recruitment, this staff group has historically overspent due to over-recruitment to support registered nursing vacancies.
- Admin and Clerical - £0.266m overspent. This staff group has seen a significant increase in costs in Month 2 due to overtime payments to staff during April which are paid in May. Within this staff group there are also costs which are no longer able to be charged against capital programmes as the staff have been redirected to support the COVID-19 response.

- Nursing and Midwifery - £0.172m overspent. As with admin and clerical, this staff group has seen a significant increase in costs in Month 2 associated with overtime and enhancements.
- Estates and Ancillary - £0.121m overspent. This reflects the recruitment undertaken to support the field hospitals and additional capacity requirements. These staff have been utilised in field hospital set up and provision of additional service support.
- Healthcare Scientists - £0.016m overspent. This is due to the continued use of agency staff at premium rate.
- Estates and Ancillary - £0.182m underspent. There are currently significant vacancies particularly within the Hotel Services Facilities staff groups.

The net COVID-19 impact has been assessed as around £2.6m in month 2.

#### **3.1.4 Non Pay**

Non-pay budgets have reported an overspend of £9.858m after the first two months. This includes the impact of savings non-delivery £3.229m, the planned deficit £4.067m and the release of investments not fully committed £0.936m, the net impact of these items is £6.359m.

The Health Board incurred significant additional non-pay costs associated with COVID-19 preparedness and operational support. The key costs included PPE and uniforms, staff accommodation, minor works and equipping, clinical consumables and drug costs particularly the impact of NCSOs within primary care prescribing.

#### **3.1.5 Savings and Recovery Challenge**

The Health Board financial plan identified a £23m savings requirement for 2020/21 to support the delivery of the £24.4m deficit financial plan.

The Health Board financial plan identified £11.5m of savings scheme that were assessed as Green and Amber, with a further £11.5m of schemes that are linked to the opportunities pipeline that was developed with the support of KMPG. These further schemes however are not developed sufficiently to be considered Green or Amber.

The response to COVID-19 has required all management capacity and focus and this has resulted in progress on savings being halted, which has impacted both on the delivery of the £11.5m Green and Amber schemes and also in the development of the further schemes.

The impact of non-delivery of savings in May 2020 reduced slightly due to the bed capacity was £1.749m. It is essential that over the forthcoming months the savings are re-assessed and considered against the COVID-19 recovery plan.

#### **3.1.6 COVID-19**

The COVID-19 pandemic started to impact on the Health Board's financial position during March 2020. The key areas of cost impact have been reviewed and assessed for April 2020 and May 2020.

The table below reflects the analysis shown earlier in the paper :

	Month 1	Month 2	Cumulative
	Actuals	Actuals	Actuals
	£m	£m	£m
Impact on Savings Delivery	1.749	1.480	3.229
COVID-19 Gross Costs	3.176	8.709	11.885
COVID-19 Cost Reductions	-1.179	-1.589	-2.768
Slippage on Planned Investments	-0.468	-0.468	-0.936
<b>TOTAL COVID-19 IMPACT</b>	<b>3.278</b>	<b>8.132</b>	<b>11.410</b>

The Health Board recorded additional costs of £8.709m during May 2020, with a cumulative gross expenditure of £11.885m. These costs were partially offset by reduced expenditure related to the restriction of planned care activity £2.768m. This resulted in a net cumulative additional expenditure of £9.117m after the first two months of the financial year.

The most significant areas of expenditure within the gross costs are :

- Pay costs £3.6m
- Equipping cost £2.8m
- PPE £2.1m
- Loss of Income £0.8m
- Staff Accommodation £0.6m

The other £2m additional costs cover such items as clinical consumables, staff uniforms, cleaning and catering services, IT, primary care prescribing costs, mortuary and transport services.

In addition, the impact on savings delivery has also been assessed as a COVID-19 impact. This has been identified as £3.229m.

The Health Board has also identified slippage on planned investments and new funding streams which is offsetting some of the additional costs.

## 3.2 Capital

The approved CRL value, issued on 05/06/20 is £29.629m. This 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 £7.487m. This includes the discretionary plan approved by the Board in March 2020 and the latest estimates for COVID expenditure across our surge capacity, Field Hospitals and new ways of working, including home working.

We are already experiencing some early delays with financial impacts across a number of our building and engineering schemes due to the COVID outbreak. This applies to schemes on-site due to the impact of social distancing and the

unavailability of Health Board premises. It is also likely that we will experience increased costs as we go out to tender for new schemes.

### **3.3 Balance Sheet**

As at 31<sup>st</sup> May 2020, there has been a reduction of £2.629m in net assets employed (0.77%). Total assets increased by £3.366m, with total liabilities increasing by £5.995m.

The main asset movements were an increase fixed assets of £5.068m with asset additions in month being higher than the depreciation for the month, an increase of £7.203m in cash balances as a result of lower than forecast cash payment to suppliers during May 2020, offset by a reduction of £8.930m in trade and other receivables, with debtor invoices being settled more quickly than anticipated.

The reduction in liabilities was primarily in trade and other payables (£6.846m) which was due to lower than anticipated cash payments to suppliers in May 2020, linked to the increase in cash balances. This increase was partially offset by a reduction of £0.851m in provisions with payments being made against clinical negligence, personal injury and redress provisions.

### **3.4 Cash**

As at the end of May 2020, the Health Board had a cash balance of £7.689m which was higher than the planned month end cash balance of between £1m and £2m. The Health Board increased its cash draw down for May 2020 in the expectation that there would be an increase in cash payments associated with COVID-19 but these payments did not materialise to the value anticipated, with the increased expenditure being reflected in an increase in creditors at month end rather than cash payments. When making the June 2020 cash request, the Health Board adjusted its request to take account of the anticipated high month end cash balance at that time, which should result in a lower cash balance at the end of June.

Whilst it is still too early in the financial year to provide a robust forecast cash position for the year, the cash forecast 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 an initial forecast cash deficit (taking into account anticipated allocations) of £137.202m, with the health board drawing down its full revenue cash drawing limit by February 2021. The cash flow is updated daily and a full review of the forecast will be undertaken at the end of June 2020.

### **3.5 Public Sector Payment Policy (PSPP)**

The number of invoices paid within 30 days in May 2020 was slightly below the 95% target, with in month performance being 94.33%.

Whilst still below 95% the May 2020 performance was significantly above the April 2020 performance of 87.86% leading to an increase in the cumulative compliance to 90.73%.

The main issue affecting the May 2020 performance was a delay in the payment of nurse bank invoices, with 41 invoices being paid outside the compliance deadline. These invoices had a number of queries associated with them, with responses to the queries being delayed due to the impact on the nurse bank team of COVID-19.

4. **RECOMMENDATION**

Members are asked to:

- **CONSIDER** and comment upon the Board's financial performance for Period 2 (May) 2020/21, in particular:
  - i. the revenue outturn position of £15.629m deficit;
  - ii. the capital outturn position;
  - iii. balance sheet movements;
  - iv. cash position; and
  - v. performance against the Public Sector Payment Policy compliance.
- **NOTE** the COVID-19 revenue impact for Period 2 2020/21.



Governance and Assurance		
Link to Enabling Objectives (please choose)	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		
(please choose)	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 – P02 – 20 Financial Report Supporting Detail Appendix 2 – P02 Annexes	



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# SWANSEA BAY LHB FINANCE DEPT. HEALTH BOARD REPORT

Period 02 Data (May 2020)

Darren Griffiths

In Month

£ 10,233,030 **overspent**

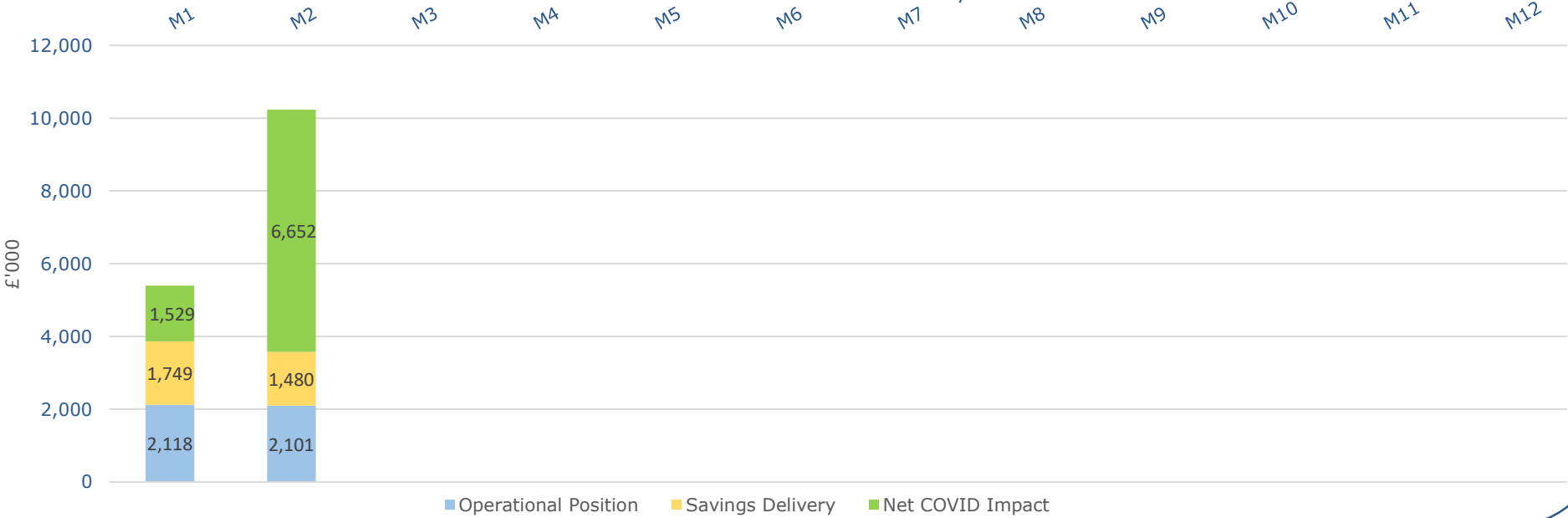
	Cur Month Budget (£'000)	Cur Month Actual (£'000)	Cur Month Variance (£'000)	% Variance
Income	-23,331	-22,257	1,074	4.60%
Pay	47,441	50,300	2,859	6.03%
Non Pay	46,372	52,672	6,300	13.59%
Total	70,482	80,715	10,233	14.52%

Cumulative

£ 15,628,624 **overspent**

Type	YTD Budget (£'000)	YTD Actual (£'000)	YTD Variance (£'000)	% Variance
Income	-45,586	-43,251	2,335	5.67%
Pay	94,056	97,492	3,436	1.24%
Non Pay	91,824	101,682	9,858	7.83%
Total	140,295	155,923	15,629	7.73%

HEALTH BOARD FINANCIAL PERFORMANCE 2020/21



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) – Red	10,233	↑
Reported year to date financial position – deficit/(surplus) – Red	15,629	↑
Reported year to date compared to forecast financial plan deficit – Red	11,562	↑

Capital		
Capital KPIs: To ensure that costs do not exceed the Capital resource limit set by Welsh Government		
Reported in-month financial position – deficit/(surplus) – Forecast Red	7,487	↓
Current reported year end forecast – deficit/(surplus) – Forecast Red	2,167	↓

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	90.73	↑

## Revenue Narrative

- The Health Board submitted a £24.4m deficit plan for 2020/21. This would effectively result in a £2.033m anticipated monthly overspend. In order to deliver the £24.4m planned deficit, £23m of savings delivery is required.
- It should be noted that Service Unit and Directorate budgets have been rebased for 2020/21. This rebase broadly reflects the expenditure profiles from 2019/20.
- The Health Board reported an in-month overspend of £10.233m in Month 2 and a cumulative overspend of £15.629m after two months. The in-month overspend is made up of :
  - £2.101m operational overspend, which should be compared to the £2.033m forecast deficit;
  - £1.480m savings delivery shortfall. This delivery has been significantly impacted on by the COVID-19 pandemic
  - £6.652m net cost impact of COVID-19, the majority of which reflects additional costs staffing costs, PPE, equipping costs and loss of income.

## Capital Narrative

- Approved CRL value for 20/21 issued on 05/06/20 is £29.629m 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 3 All Wales Capital schemes reported to Welsh Government as high risk. There are 2 All Wales Capital schemes classified as medium risk. These are being closely monitored and discussed at the monthly progress meeting with Welsh Government.
- The forecast outturn position for 20/21 is £7.487m overspend.

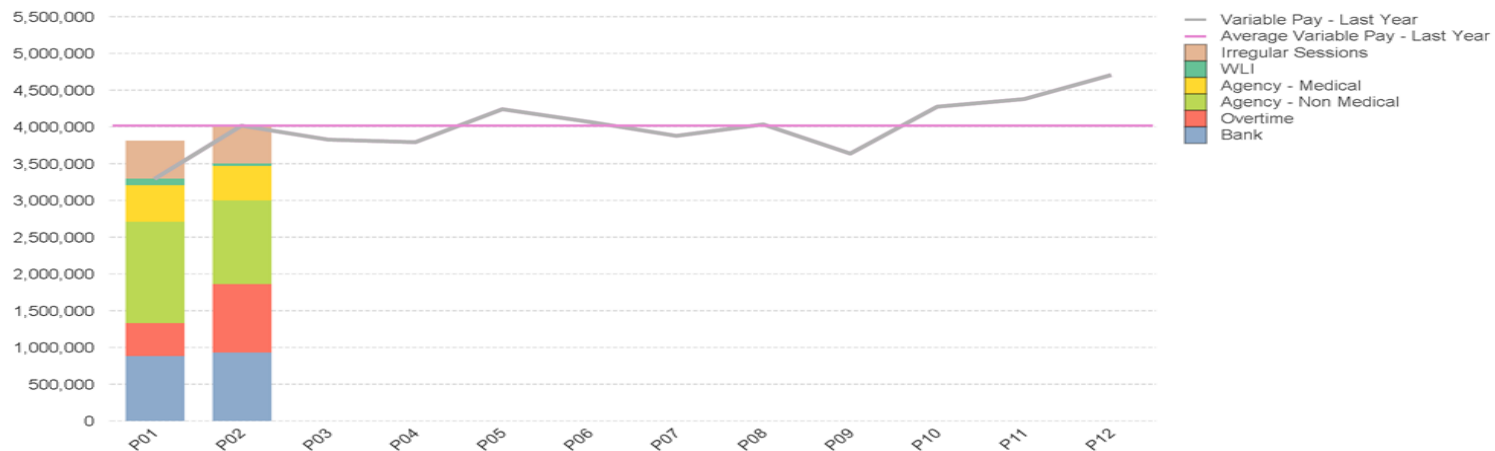
## PSPP Narrative

- The number of invoices paid within 30 days in May was slightly below the 95% target, with in month performance being 94.33%.
- Whilst still below 95% the May performance was significantly above the April performance of 87.86% leading to an increase in the cumulative compliance to 90.73%.
- The main issue affecting the May performance was a delay in the payment of nurse bank invoices, with 41 invoices being paid outside the compliance deadline. These invoices had a number of queries associated with them, with responses to the queries being delayed due to the impact on the nurse bank team of COVID-19.

## Actual Pay Expenditure This Year and Last Year



## Variable Pay Expenditure This Year and Last Year



- Pay costs have increased by around £3m between month 1 and month 2.
- Around £0.5m of this increase reflects the payment of bank holiday enhancements, however there has been a significant increase in staff recruited to support COVID and also in overtime costs.
- The remaining £2.5m increase in costs is evenly split between new staff recruited in response to COVID and additional payments made to existing staff in terms of overtime, additional hours and payment enhancements.

	Month 1	Month 2	Cumulative
	Actuals	Actuals	Actuals
	£m	£m	£m
Impact on Savings Delivery	1.749	1.480	3.229
COVID-19 Gross Costs	3.176	8.709	11.885
COVID-19 Cost Reductions	-1.179	-1.589	-2.768
Slippage on Planned Investments	-0.468	-0.468	-0.936
<b>TOTAL COVID-19 IMPACT</b>	<b>3.278</b>	<b>8.132</b>	<b>11.410</b>

The Health Board recorded additional costs of £8.709m during May 2020. These costs were partially offset by reduced expenditure related to the restriction of other Health Board activity £1.589m. This resulted in a net additional expenditure of £7.120m.

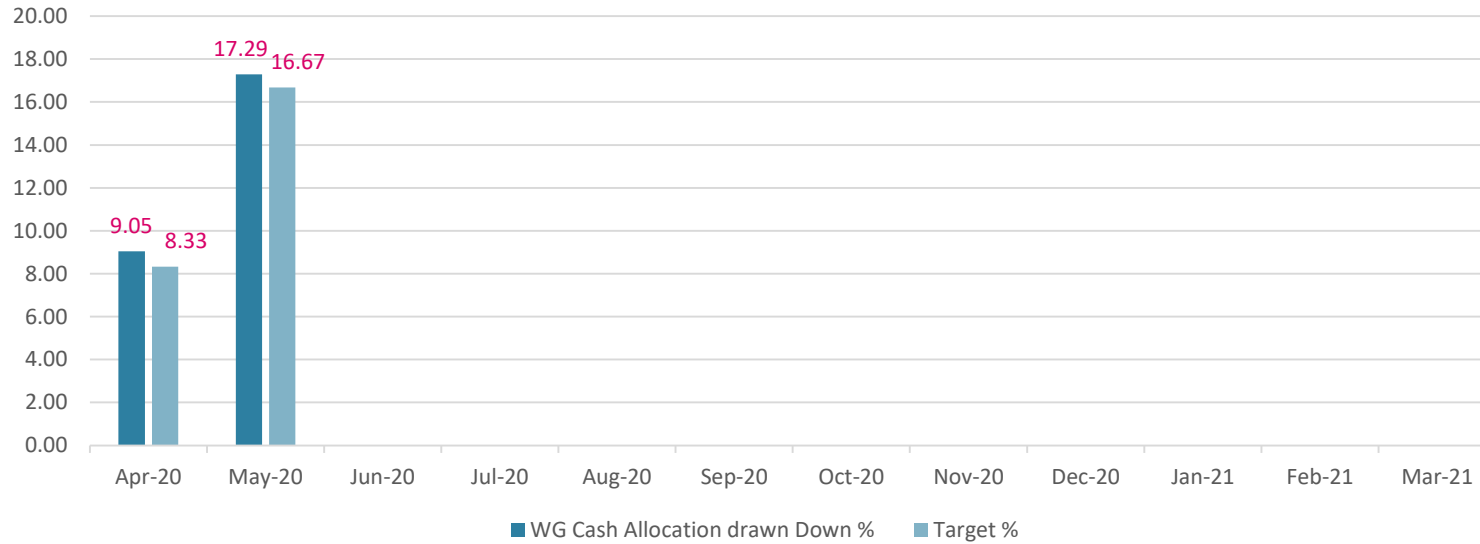
This additional cost is primarily related to :

- Additional staff costs
- Equipping
- PPE
- Loss of income

In addition, the impact on savings delivery has also been assessed as a COVID-19 impact. This has been identified as £1.480m.

The Health Board has also identified slippage on planned investments and new funding streams which is offsetting some of the additional costs.

## Welsh Government Draw Down



## Analysis of Forecast Cash Position



- As at the end of May, the Health Board had a cash balance of £7.689m which was higher than the planned month end cash balance of between £1m and £2m. The health board increased its cash draw down for May in the expectation that there would be an increase in cash payments associated with COVID-19 but these payments did not materialise to the value anticipated, with the increased expenditure being reflected in an increase in creditors at month end rather than cash payments. When making the June cash request, the health board adjusted its request to take account of the anticipated high month end cash balance at that time, which should result in a lower cash balance at the end of June.
- Whilst it is still early in the financial year to provide a robust forecast cash position for the year, the cash forecast 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 an initial forecast cash deficit (taking into account anticipated allocations) of £137.202m, with the health board drawing down its full revenue cash drawing limit by February 2021. The cash flow is updated daily and a full review of the forecast will be undertaken at the end of June.



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# SWANSEA BAY LHB FINANCE DEPT. HEALTH BOARD REPORT – FINANCE ANNEXES

Management Accounts  
Period 02 Data (May 2020)

Darren Griffiths



Summary (April 20 Data)

	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Rollin g 12 Mths
Cost Absence £000	3,193	2,112	2,107	2,108	2,382	2,359	2,659	2,686	2,200	2,565	3,884	27,721
% Absence	5.83%	5.85%	5.94%	6.15%	6.33%	6.47%	6.94%	7.02%	6.43%	6.98%	9.92%	6.62%
Average No. Staff Absent Per Day	757	765	787	817	845	874	926	943	869	944	1,351	884

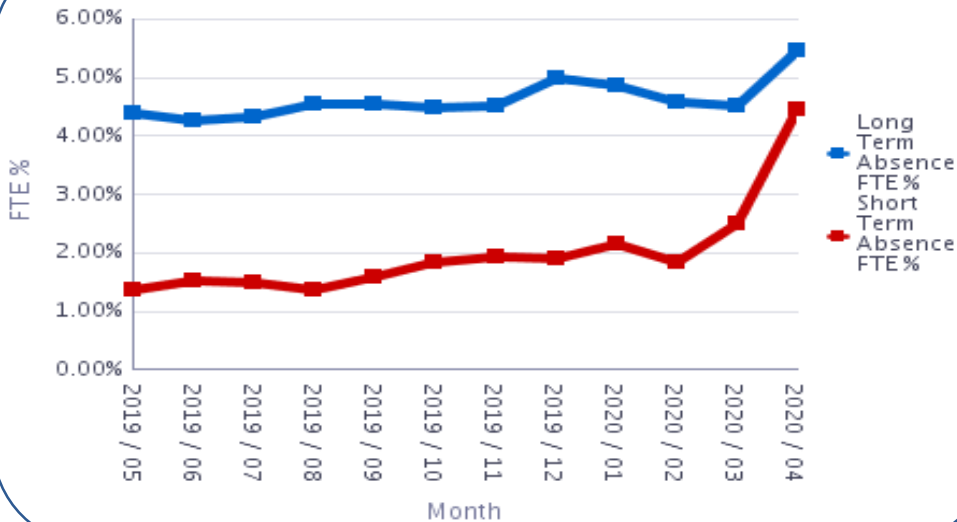
Rolling Absence



Cumulative % & £ Per Staff Group

	Absence % (FTE)	Absence Estimated Cost (£)
Add Prof Scientific and Technic	4.01%	£716,890
Additional Clinical Services	9.20%	£5,839,932
Administrative and Clerical	6.36%	£4,462,072
Allied Health Professionals	3.67%	£1,563,276
Estates and Ancillary	9.09%	£2,449,625
Healthcare Scientists	3.37%	£631,401
Medical and Dental	2.29%	£2,457,345
Nursing and Midwifery Registered	6.83%	£11,329,855
Students	1.02%	£1,794
Grand Total	6.62%	£29,452,190

Long Term and Short Term Trends



Category	Balance at 31 <sup>st</sup> May 2020 (£000)	Balance at 31st March 2020 (£000)	Movement (£000)	Analysis
Tangible & Intangible Assets	471,049	465,963	5,086	Movement is due to asset additions offset by depreciation.
Trade & Other Receivables	159,896	168,826	(8,930)	Main movements is reduction in outstanding trade and NHS debtors with payments made in April and May for final quarter invoices outstanding as at 31 <sup>st</sup> March..
Inventories	10,019	10,012	7	Minimal movement in stock balances.
Cash	7,689	486	7,203	Cash balance is above the local target of holding between £1m and £2m in cash at month end. The level of cash drawn down in May was increased in anticipation of increased supplier payments due to COVID-19 but these did not materialise to the extent anticipated. The June cash draw down has therefore been adjusted to attempt to reduce the cash balance held to between £1m and £2m by the end of June.
<b>Total Assets</b>	<b>648,653</b>	<b>645,287</b>	<b>3,366</b>	
Trade & Other Payables	171,613	164,767	6,846	Main movement is an increase in accruals for invoices not yet received. This links to the increase in cash balances due to lower than forecast supplier payment runs during May.
Provisions	136,211	137,062	(851)	Reduction is due to payments against existing clinical negligence, personal injury and redress provisions.
<b>Total Liabilities</b>	<b>307,824</b>	<b>301,829</b>	<b>5,995</b>	
<b>Total Assets Employed</b>	<b>340,829</b>	<b>343,458</b>	<b>(2,629)</b>	
Financed By				
General Fund	308,285	310,914	(2,629)	Movement is capital cash received and the I&E overspend.
Revaluation Reserve	32,544	32,544	0	
<b>Total Taxpayers Equity</b>	<b>340,829</b>	<b>343,458</b>	<b>(2,629)</b>	

Forecast Outturn

The forecast outturn against the current CRL shows an overspend of £7,487k.

The risk assessments on schemes which are not considered to be low risk for Welsh Government reporting are:

Scheme	Risk Profile	Risk Value £'000	Comments
Perinatal Mother & Baby Unit at Tonna Hospital	Medium	248	Following Ministerial approval to proceed with the full design and tender of the interim solution at Tonna, costs have increased during the full design, which will now go out to tender.
COVID 19 (3 Schemes): - Surge - Llandarcy Field Hospital - Bay Field Hospital	High	5,387	This reflects the COVID return submitted to Welsh Government on 8 <sup>th</sup> June. This is a best estimate at this stage, as we await completion of remaining elements of our critical care surge capacity in Morriston. The estimate excludes equipment being procured through the national equipping teams, as we await an updated assessment of these costs from Shared Services. The majority of the equipping costs for the Field Hospitals have been excluded from these figures, as they are revenue in nature given there will be no long term asset.
Morriston Access Road	Medium (Within Discretionary)	1,000	A contract for the design of the proposed new access road at Morriston Hospital was let last year. The programme provides for completion of the design and submission of a hybrid planning application this year. Discussions have taken place with various WG departments, the local authority and the Swansea Bay City Region Deal around accessing funding streams for both the design and construction of the road. A positive meeting was held in December with officials from the Capital and Estates Team to request assistance with pump prime funding for this design as we await longer term funding opportunities through the City Deal. Following recent correspondence with the Capital and Estates Team, we understand that the financial position due to COVID, means it is unlikely that any funding support from WG will be available in the short-term. We are reviewing the contractual commitments against the backdrop of our overall discretionary capital plan.
Repayment of Business Case Fees	Medium (Within Discretionary)	346	Repayment of a number of business cases where fees have been incurred: Anti-ligature, Environmental Modernisation, Cladding, Adult Acute SOC
Neonatal and Post-Natal Capacity at Singleton Hospital	Medium	197	Increased COVID-19 related costs due to impacts of social distancing and other precautionary measures.
Singleton Cladding	Medium (Within Discretionary)	309	Design fees for production of the technical BJC. Following recent correspondence with the Capital and Estates Team, we understand that the financial position due to COVID, means it is unlikely that any funding support from WG will be available in the short-term. We are reviewing the contractual commitments against the backdrop of our overall discretionary capital plan.

	Year To Date			Forecast		
	Plan £'000	Actual £'000	Variance £'000	Plan £'000	F'cast £'000	Variance £'000
<b>All Wales Capital Programme:</b>						
Neonatal and Post-Natal Capacity at Singleton Hospital	391	392	2	1,549	1,852	303
Additional works linked to Neonatal Development in Singleton Hospital	535	737	202	727	990	263
EDCIMS	44	0	(44)	270	481	211
RE-FIT Carbon Reduction Project	1,307	970	(337)	5,710	6,101	391
Replacement Gamma Cameras - Singleton Hospital	0	5	5	2,620	2,809	189
Swansea Wellness Centre	0	0	0	1,044	1,075	31
National Imaging Programme – Neath Port Talbot MRI	0	17	17	800	1,365	565
Perinatal Mother & Baby Unit at Tonna Hospital	0	7	7	1,496	1,714	218
Slippage from 19/20 (Environmental Modernisation Phase 2 Morriston)	18	49	32	33	87	54
Slippage from 19/20 (Pharmacy Equipment) into 20/21	7	(4)	(10)	20	72	52
Slippage from 19/20 (Digital Funding) into 20/21	456	588	132	614	663	49
Slippage from 19/20 (Additional end of year funding) into 20/21	469	450	(20)	631	668	37
Linacc B – Singleton	20	0	(20)	225	225	0
ICF - Neath Integrated Wellbeing Hub	17	0	(17)	184	184	0
ICF - Strategic Vision for CAMHS – Provision of Clinics	17	0	(17)	186	186	0
Invest to Save - Theatre Stock Omnicell	0	8	8	555	838	283
COVID 19 - Surge	74	1,918	1,844	811	5,065	4,254
COVID 19 - Llandarcy Field Hospital	10	168	158	107	364	257
COVID 19 - Bay Field Hospital	9	0	(9)	101	978	877
<b>Sub Total</b>	<b>3,371</b>	<b>5,305</b>	<b>1,934</b>	<b>17,683</b>	<b>25,716</b>	<b>8,033</b>
<b>Discretionary:</b>						
I.T.	668	512	(156)	2,945	2,714	(231)
Equipment	563	909	346	4,106	2,989	(1,117)
Statutory Compliance			0			0
Estates	622	641	19	5,357	5,856	498
Other	(17)	6	23	44	348	304
<b>Sub Total</b>	<b>1,837</b>	<b>2,069</b>	<b>233</b>	<b>12,452</b>	<b>11,907</b>	<b>(546)</b>
<b>Total Expenditure</b>	<b>5,208</b>	<b>7,375</b>	<b>2,167</b>	<b>30,135</b>	<b>37,623</b>	<b>7,487</b>
<b>Donations:</b>						
Donated Assets			0			0
<b>Sub Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Asset Disposals:</b>						
Coelbren Disposal	0	0	0	165	165	0
Glyneath Disposal	0	0	0	71	71	0
Resolven Disposal	0	0	0	70	70	0
Fairfield Disposal	0	0	0	200	200	0
<b>Sub Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>506</b>	<b>506</b>	<b>0</b>
<b>CHARGE AGAINST CRL</b>	<b>5,208</b>	<b>7,375</b>	<b>2,167</b>	<b>29,629</b>	<b>37,116</b>	<b>7,487</b>
<b>PERFORMANCE AGAINST CRL (Under)/Over</b>		<b>2,167</b>			<b>7,487</b>	
<b>Less Assumed Income</b>					<b>0</b>	
<b>FORECAST OUTTURN</b>					<b>7,487</b>	