



GIG
CYMRU
NHS
WALES

Iechyd Cyhoeddus
Cymru
Public Health
Wales

Name of Meeting
Board
Date of Meeting
25 May 2023
Agenda item:
3.2

2023/24 Financial Position

Executive lead:	Huw George, Deputy Chief Executive and Executive Director of Finance and Operations
Author:	Angela Fisher, Deputy Director and Head of Finance Suzanne David, Senior Finance Business Partner

Approval/Scrutiny route:	TBC
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Purpose

The purpose of this report is to outline to the Executive Team and the Board the revenue and capital position as at 30th April 2024 (M01), which includes the position on COVID-19.

Recommendation:

APPROVE <input type="checkbox"/>	CONSIDER <input checked="" type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input type="checkbox"/>
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The Board is asked to:

- **CONSIDER** the financial position of Public Health Wales as at 30th April 2023, which includes the position on COVID-19.

1. Introduction and Context

The purpose of this report is to outline to the Executive Team and the Board the revenue and capital position for Public Health Wales as at 30th April 2023 (M01). The content of this report is reflected in the Director of Finance commentary that has been submitted to Welsh Government on 15th May 2023 as part of the full financial monitoring return for Month 1. The monitoring returns are included at **Appendix A**

Table A highlights the performance against the key revenue and capital financial targets.

Table A – Performance against Key Financial Targets

Target	Current Month	Year to Date	Year-end Actual
Revenue financial target Deficit/(Surplus)	(£50k)	(£50k)	Breakeven
Capital financial target	£0	£0	Breakeven
Public Sector Payment Policy	n/a	n/a	>95%

The cumulative reported position for Public Health Wales is a net surplus of £50k. There is no requirement to report public sector payment policy at Month 1, this will be reported on from Month 2 onwards.

The establishment of the NHS Executive has required an interim arrangement for Improvement Cymru for 2023-24 and the development of a Memorandum of Understanding. This set out the interim arrangements, including the requirement for ring-fenced budgets within Improvement Cymru and the return of underspends to Welsh Government. As a result we have removed the month 1 under spend reported for Improvement Cymru of £156k.

2. Overview of Financial Performance at Month 1

Financial Performance by Directorate

Table B outlines the Financial Performance by Directorate.

Table B – Overview of Financial Performance by Directorate

Directorate	Income Cumulative Variance £000s	Pay Cumulative Variance £000s	Non Pay Cumulative Variance £000s	Grand Total £000s
Operations and Finance Directorate	0	-42	76	34
WHO Collaborating Centre	0	10	-1	9
Quality Nursing & Allied Health Professionals	0	7	-6	1
NHS Executive Directorate	0	0	0	0
Improvement Cymru	0	0	0	0
Health Protection and Screening Services	-41	-38	74	-5
Data, Knowledge and Research Directorate	0	0	-5	-5
Board and Corporate	0	-5	-3	-8
People & Organisational Development	0	2	-15	-13
Central Budgets Directorate	5	3	-23	-15
Health & Wellbeing Directorate	0	-49	1	-48
Directorate Total	-36	-112	98	-50
Covid 19 Directorate	0	-2	2	0
Grand Total	-36	-114	100	-50

The surplus at Month 1 is a combination of small variances across a number of Directorates. Expenditure plans will be scrutinised as part of the regular review and monitoring of the Directorate financial performance and delivery of their break-even positions.

COVID-19

Table C outlines the operational expenditure and funding sources of the Public Health Wales Covid-19 response. Actual costs are shown for April 2023 with forecast costs for the remainder of the year.

Table C – COVID-19 financial forecast at Month 1

PHW - COVID-19 Summary	Actual	Forecast	TOTAL
	Apr-23	May-23 to Mar-24	2023/24
	£000	£000	£000
Additional Costs			
COVID-19 Laboratory Testing	715	7,578	8,293
Non COVID-19 Rapid Testing & Platform Maintenance	116	2,985	3,101
Covid Related Pathogen Genomics	58	889	947
Health Protection Team Covid-19	10	390	400
Integrated Surveillance	26	2,673	2,699
Vaccination Programme	60	1,430	1,490
Total Gross Additional Cost	985	15,945	16,930
Assumed Welsh Government Funding			
COVID-19 Laboratory Testing	-715	-7,578	-8,293
Non COVID-19 Rapid Testing & Platform Maintenance	-116	-2,985	-3,101
Covid Related Pathogen Genomics	-58	-889	-947
Health Protection Team Covid-19	-10	-390	-400
Integrated Surveillance	-26	-2,673	-2,699
Vaccination Programme	-60	-1,430	-1,490
Total Funding	-985	-15,945	-16,930

Welsh Government have confirmed non-recurrent funding for 2023/24 of £16.93m to support the continuing health protection response to communicable diseases including Covid-19 in a Covid Stable Scenario. Initial plans have been developed and will continue to be closely monitored. Total spend in month 1 against this allocation is £0.985m.

Capital

Following a 24% reduction in discretionary capital in 2022/23, our allocation has increased by 12% for 2023/24 from £1.202m to £1.391m.

Public Health Wales were successful in bidding £340k for decarbonisation schemes and £185k for fire compliance works from the reinstated Estates Funding Advisory Board. Any successful bids required a 30% contribution to from discretionary allocations, therefore Public Health Wales have committed £158k of discretionary allocation to the successful EFAB schemes. This requires a transfer of £158k from our discretionary allocation to fund these strategic schemes. Therefore, our Month 1 discretionary capital allocation total is £1.233m.

From the statements of need received there is currently an over-commitment against the total allocation available. Further work is required to assess and

prioritise the bids received. This exercise will be completed by 31 May 2023. The recommended capital programme and plan will then come to Board for approval.

The strategic capital allocation is £0.576m, which is £0.526m for above-mentioned decarbonisation and fire compliance schemes, and £50k for some residual costs associated with the Breast Test Wales replacement programme.

Balance Sheet

There is no requirement to report the balance sheet as part of our monthly monitoring return to Welsh Government for M1. To provide assurance to the Board on our cash position, the balance at close of M1 was £12.044m and this will be sufficient to cover forecast costs until core income is received for M2.

Conclusion

The Board is asked to note the following:

- The surplus revenue financial position of £50k reported at Month 1.
- Status of the Capital Programme, strategic and discretionary, for 2023/24, and
- Balance Sheet, or Statement of Financial Position at month 1.