

2023/24 Operational Plan: Finance

2023/24 – Final Plan Submission

Financial Plan

	£m
Trust interim financial plan (deficit)	(59.1)
ICB stretch (share of £41m)	7.6
	(51.5)
Remove at risk excess inflation	7.0
	(44.5)
MMUH assumed income to cover costs	14.6
Trust final financial plan (deficit)	(29.9)
Allocation of ICB £13.2m income	2.6
Further stretch	6.5
Share of Acute Provider Gap (£8.2m)	2.1
Revised Plan	(18.8)

- Trust Board were asked to approve a £59.1m deficit plan on 24 March 2023, the main delivery piece a flat workforce from Jan 23 usage (c 7,950 wte)
- It was noted at that time that there would likely be a further stretch from the ICB which was confirmed as £7.6m (share of £41m)
- In addition there has been £7m of costs removed from the plan linked to excess inflation mainly on energy (on the premise that this may not materialise and/or be funded)
- £14.6m of income assumed to support MMUH costs in 2023/24 based on a 31 October practical completion date
- 18th April – further income allocation of £2.6m and “stretch” of £6.5m and £2.1m respectively to meet ICS deficit reduction requirement
- FRP totals c£16m to manage stretch targets – but everything needs to deliver – there is no room for failure

2023/24 – Final Plan

Sandwell And West Birmingham Hospitals NHS Trust (SANDWELL / RXK)

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Statement of comprehensive income	Expected Sign	04FOTPY	04PLANM01	04PLANM02	04PLANM03	04PLANM04	04PLANM05	04PLANM06	04PLANM07	04PLANM08	04PLANM09	04PLANM10	04PLANM11	04PLANM12	04PLANCY
		Forecast Out-turn 31/03/2023 Year Ending £'000	Plan 30/04/2023 Month 1 £'000	Plan 31/05/2023 Month 2 £'000	Plan 30/06/2023 Month 3 £'000	Plan 31/07/2023 Month 4 £'000	Plan 31/08/2023 Month 5 £'000	Plan 30/09/2023 Month 6 £'000	Plan 31/10/2023 Month 7 £'000	Plan 30/11/2023 Month 8 £'000	Plan 31/12/2023 Month 9 £'000	Plan 31/01/2024 Month 10 £'000	Plan 29/02/2024 Month 11 £'000	Plan 31/03/2024 Month 12 £'000	Plan 31/03/2024 Year Ending £'000
Operating income from patient care activities	+	609,760	50,418	50,418	50,418	50,418	50,418	50,418	50,418	50,418	50,418	50,418	50,417	50,420	605,017
Other operating income	+	47,252	5,388	5,388	5,388	5,388	5,388	5,388	5,388	5,388	5,388	5,388	5,388	5,395	64,663
Employee expenses	-	(417,910)	(36,101)	(36,101)	(35,928)	(35,577)	(35,398)	(35,194)	(35,013)	(34,879)	(34,879)	(34,878)	(34,705)	(34,651)	(423,439)
Operating expenses excluding employee expenses	-	(230,930)	(21,673)	(21,670)	(21,562)	(21,284)	(21,224)	(21,538)	(21,499)	(21,503)	(21,623)	(21,623)	(21,337)	(21,319)	(257,855)
OPERATING SURPLUS/(DEFICIT)	+/-	8,172	(1,968)	(1,965)	(1,684)	(1,055)	(816)	(926)	(706)	(711)	(696)	(695)	(237)	(155)	(11,614)
FINANCE COSTS															
Finance income	+	1,275	75	75	75	75	75	75	75	75	75	75	75	75	900
Finance expense	+/-	(2,556)	(218)	(220)	(219)	(219)	(219)	(220)	(218)	(220)	(219)	(220)	(218)	(220)	(2,630)
PDC dividends payable/refundable	i +/-	(6,381)	(475)	(475)	(474)	(475)	(475)	(475)	(474)	(476)	(474)	(475)	(476)	(487)	(5,711)
NET FINANCE COSTS	+/-	(7,662)	(618)	(620)	(618)	(619)	(619)	(620)	(617)	(621)	(618)	(620)	(619)	(632)	(7,441)
Other gains/(losses) including disposal of assets	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Share of profit/(loss) of associates/joint ventures	+/-														0
Gains/(losses) from transfers by absorption	i +/-														0
Movements in fair value of investments, investment property and financial liabilities	+/-														0
Corporation tax expense	-														0
SURPLUS/(DEFICIT) FOR THE PERIOD/YEAR	+/-	510	(2,586)	(2,585)	(2,302)	(1,674)	(1,435)	(1,546)	(1,323)	(1,332)	(1,314)	(1,315)	(856)	(787)	(19,055)

Adjusted financial performance	Expected Sign	04FOTPY	04PLANM01	04PLANM02	04PLANM03	04PLANM04	04PLANM05	04PLANM06	04PLANM07	04PLANM08	04PLANM09	04PLANM10	04PLANM11	04PLANM12	04PLANCY
		Forecast Out-turn 31/03/2023 Year Ending £'000	Plan 30/04/2023 Month 1 £'000	Plan 31/05/2023 Month 2 £'000	Plan 30/06/2023 Month 3 £'000	Plan 31/07/2023 Month 4 £'000	Plan 31/08/2023 Month 5 £'000	Plan 30/09/2023 Month 6 £'000	Plan 31/10/2023 Month 7 £'000	Plan 30/11/2023 Month 8 £'000	Plan 31/12/2023 Month 9 £'000	Plan 31/01/2024 Month 10 £'000	Plan 29/02/2024 Month 11 £'000	Plan 31/03/2024 Month 12 £'000	Plan 31/03/2024 Year Ending £'000
Surplus/(deficit) for the period/year	+/-	510	(2,586)	(2,585)	(2,302)	(1,674)	(1,435)	(1,546)	(1,323)	(1,332)	(1,314)	(1,315)	(856)	(787)	(19,055)
Add back all I&E impairments/(reversals)	i +/-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjust (gains)/losses on transfers by absorption	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surplus/(deficit) before impairments and transfers	+/-	510	(2,586)	(2,585)	(2,302)	(1,674)	(1,435)	(1,546)	(1,323)	(1,332)	(1,314)	(1,315)	(856)	(787)	(19,055)
Retain impact of DEL I&E (impairments)/reversals	i +/-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Remove capital donations/grants/peppercom lease I&E impact	i +/-	(510)	20	19	19	19	20	19	19	19	20	19	19	20	232
Prior period adjustments to correct errors and other performance adjustments	i +/-														0
Remove net impact of consumables donated from other DHSC bodies	+/-														0
Remove loss recognised on peppercom lease disposals	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted financial performance surplus/(deficit)	+/-	0	(2,566)	(2,566)	(2,283)	(1,655)	(1,415)	(1,527)	(1,304)	(1,313)	(1,294)	(1,296)	(837)	(767)	(18,823)

2023/24 – Final Plan Submission - Risks

Risks

	Plan £m	Balance £m
Interim Plan (30 March 23)		
CIP	30.0	10.3
Balance Sheet	5.0	
Pay stretch	7.0	
Other	4.6	
	46.6	10.3
Final Plan		
ICB stretch (share of £41m)	7.6	7.6
Remove at risk excess inflation	7.0	7.0
Further stretch	6.5	6.5
Share of Acute Provider Gap (£8.2m)	2.1	2.1
MMUH assumed income to cover costs	14.6	14.6
	37.8	37.8
	84.4	48.1

* Assumes ERF delivery at 104%

- The £59.1m plan included £46.6m of risk
- This £46.6m was increased to £84.4m as a consequence of the amendments to the deficit plan described above
- The balance sheet and other (£9.6m) is assumed to be delivered through balance sheet flexibility in 2023/24
- The current residual risk, assuming all the identified CIPs deliver is £48.1m
- The above risks assume ERF at 104% is delivered
- The plan requires a 6.2% CIP (£46.2m) and £9.6m Balance Sheet flex delivery, and assumes the pay stretch delivers, excess inflation risks are managed and MMUH is funded

2023/24 – Final Plan Submission – Operational Performance Targets

- No patients waiting over 78+ weeks by March 2023
- No patients waiting over 65+ weeks by March 2024
- Follow-up reduction in number of patients by 25% from 2019/20 baseline and this to be achieved by March 2024
- DM01 – 6 weeks wait rate 85% by March 2024
- 28-day cancer diagnostic turnaround by March 2024
- No patients waiting over 13+ weeks for diagnostic by June 2023
- Elective recovery at 104% of Value weighted activity (2019/20 level)



2023/24 – Final Plan Submission – Workforce

Table 6: WTE NET OF CIP

		Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Re-Profiled Net of CIP	Imaging	-277.28	-293.12	-294.07	-301.88	-308.06	-308.06	-303.06	-303.06	-303.06	-303.06	-303.06	-303.06
	Medicine & Emergency Care	-1,917.72	-1,917.72	-1,884.26	-1,885.46	-1,899.00	-1,899.00	-1,881.96	-1,884.96	-1,884.96	-1,884.96	-1,884.96	-1,884.96
	Primary Care, Community and Therapies	-1,385.57	-1,399.80	-1,425.33	-1,431.54	-1,448.29	-1,461.04	-1,485.78	-1,490.53	-1,498.28	-1,508.03	-1,514.78	-1,515.78
	Surgical Services	-1,471.11	-1,473.11	-1,475.81	-1,480.01	-1,480.01	-1,480.01	-1,487.01	-1,487.01	-1,487.01	-1,489.01	-1,489.01	-1,489.01
	Women & Child Health	-985.94	-985.94	-990.51	-998.41	-1,000.56	-1,001.36	-1,038.79	-1,042.00	-1,042.00	-1,042.60	-1,042.60	-1,042.60
	Sub-Total - Clinical Groups	-6,037.62	-6,069.70	-6,069.98	-6,097.30	-6,135.92	-6,149.47	-6,196.60	-6,207.56	-6,215.31	-6,227.66	-6,234.41	-6,235.41
	Chief Development Officer	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50	-110.50
	Chief Operating Officer	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29	-415.29
	Corporate Nursing	-454.88	-454.88	-454.88	-457.55	-457.55	-457.55	-457.55	-457.55	-477.55	-477.55	-477.55	-477.55
	Finance	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29	-98.29
	Medical Directors Office	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41	-235.41
	People & Organisation Development	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69	-150.69
	Strategy and Governance	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12	-112.12
	Sub-Total Corporate Directorates	-1,577.19	-1,577.19	-1,577.19	-1,579.86	-1,579.86	-1,579.86	-1,579.86	-1,579.86	-1,599.86	-1,599.86	-1,599.86	-1,599.86
	Sub-Total Re-profiled WTEs Net of CIP	-7,614.81	-7,646.88	-7,647.17	-7,677.16	-7,715.78	-7,729.33	-7,776.46	-7,787.42	-7,815.17	-7,827.52	-7,834.27	-7,835.27

TABLE 7: MMUH WTES

	MMUH Resourcing	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30
	MMUH Stage 3 Recruiting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-213.00	-213.00	-213.00
		-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-78.30	-291.30	-291.30	-291.30

TABLE 8: SUMMARY PLAN

	TRUST 23/24 WTE PLAN	-7,693.11	-7,725.18	-7,725.47	-7,755.46	-7,794.08	-7,807.63	-7,854.76	-7,865.72	-7,893.47	-8,118.82	-8,125.57	-8,126.57
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- Excluding MMUH the Trust is planning to exit 2023/24 with 7,835 WTE – broadly flat with the Q4 2022/23 position
- This flat workforce assumes the delivery of the CIP

2023/24 – Final Plan Submission – Activity

	2019-2020 Plan	2019-2020 Outturn	2020-2021 Outturn	2021-2022 Outturn	2022-2023 Forecast	2023-2024 Plan	2023-2024 v's 2019-20 Outturn	2023-2024 v's 2022- 23 FOT
Advice & Guidance						9,935	9,935	9,935
Community	666,011	678,135	590,439	676,924	666,644	611,738	-54,273	-54,906
Daycases	47,367	36,993	21,695	31,961	36,712	39,442	-7,925	2,731
Elective Admissions	7,650	7,450	3,700	5,942	6,396	6,088	-1,561	-308
Emergency Admissions	55,239	55,925	45,473	50,654	51,349	44,095	-11,144	-7,254
Emergency Departments	221,127	215,380	149,785	220,224	229,771	206,882	-14,245	-22,889
Excess Bed Days	8,564	9,120	6,416	7,823	11,900	9,456	891	-2,445
Maternity Pathway (AN & PN)	18,749	17,417	17,283	17,284	17,093	17,022	-1,727	-71
Neonatal Unit	11,665	12,603	11,900	12,178	11,866	11,699	34	-167
OP New Attendances	243,181	261,849	214,935	273,624	261,228	221,761	-21,420	-39,467
OP Procedures	99,664	118,712	90,500	105,507	110,093	131,537	31,873	21,444
OP Review Attendances	415,371	404,869	368,611	408,236	404,924	325,751	-89,620	-79,173
Other Contract Lines	4,090,307	3,921,263	2,863,133	3,773,414	3,979,505	4,063,085	-27,222	83,580
Pass-through	16,996	34,356	34,852	37,949	43,837	0	-16,996	-43,837
Same Day Emergency Care						35,663	35,663	35,663
Unbundled Activity	71,145	67,106	55,990	64,044	67,556	59,301	-11,844	-8,255
Grand Total	5,973,035	5,841,177	4,474,712	5,685,763	5,898,874	5,793,456		

- Activity plans derived from “bottom up” Group forecasts
- Supports Elective Recovery at 104%+