

REPORT TITLE:	Month 2 Finance Report		
SPONSORING EXECUTIVE:	Dinah McLannahan, Chief Finance Officer		
REPORT AUTHOR:	Simon Sheppard, Director of Operational Finance		
MEETING:	Public Trust Board	DATE:	6 July 2022

1. Suggested discussion points <i>[two or three issues you consider the Trust Board should focus on in discussion]</i>
<p>The Trust Board approved a financial plan for 2022/23 reflecting a £31m deficit. Following further discussions with the Integrated Care System (ICS) the system plan for the Trust is a £12.2m deficit, the differences being £7.432m of income expected from the ICS as part of the overall system allocation redistribution, and an £11.314m stretch – currently identified as additional income in the plan submission.</p> <p>Month 2 financial performance is a £1,126k adverse position to the internal plan and £3,012k adverse to the ICS plan</p> <p>This paper also identifies the key risks to the plan, the mitigations to reduce/eliminate the risk and the governance to provide ongoing management and monitoring.</p>

2. Alignment to our Vision <i>[indicate with an 'X' which Strategic Objective[s] this paper supports]</i>												
<table border="1"> <thead> <tr> <th>OUR PATIENTS</th> <th></th> <th>OUR PEOPLE</th> <th></th> <th>OUR POPULATION</th> <th></th> </tr> </thead> <tbody> <tr> <td>To be good or outstanding in everything that we do</td> <td>X</td> <td>To cultivate and sustain happy, productive and engaged staff</td> <td></td> <td>To work seamlessly with our partners to improve lives</td> <td></td> </tr> </tbody> </table>	OUR PATIENTS		OUR PEOPLE		OUR POPULATION		To be good or outstanding in everything that we do	X	To cultivate and sustain happy, productive and engaged staff		To work seamlessly with our partners to improve lives	
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3. Previous consideration <i>[at which meeting[s] has this paper/matter been previously discussed?]</i>
<p>Performance Management Committee; Clinical Leadership Executive 28 June 2022</p> <p>Finance, Investment & Performance Committee 1 July 2022</p>

4. Recommendation(s)
The Public Trust Board is asked to:
a. NOTE month 2 performance
b. DISCUSS the risks and mitigations

5. Impact <i>[indicate with an 'X' which governance initiatives this matter relates to and, where shown, elaborate in the paper]</i>						
Board Assurance Framework Risk 01		Deliver safe, high-quality care.				
Board Assurance Framework Risk 02	X	Make best strategic use of its resources				
Board Assurance Framework Risk 03	X	Deliver the MMUH benefits case				
Board Assurance Framework Risk 04	X	Recruit, retain, train, and develop an engaged and effective workforce				
Board Assurance Framework Risk 05		Deliver on its ambitions as an integrated care organisation				
Corporate Risk Register [Safeguard Risk Nos]		4994 – 5003; 4572				
Equality Impact Assessment	Is this required?	Y		N	X	If 'Y' date completed
Quality Impact Assessment	Is this required?	Y		N	X	If 'Y' date completed

SANDWELL AND WEST BIRMINGHAM NHS TRUST

Report to the Public Trust Board on 6 July 2022

Month 2 Finance Report

1. INTRODUCTION

- 1.1 This report will look at Month 2 performance against the Trust Board agreed financial plan of £30.956m deficit and the ICS agreed deficit plan of £12.21m.
- 1.2 The difference of £18.746m is split between £7.432m of income from the ICS as part of the overall system allocation redistribution and £11.314m of stretch, currently identified within the plans as additional income. The planning paper on the agenda will update colleagues as to the final plan submitted by the Trust and the ICS. Performance against the final plan will be reported from month 3 onwards.
- 1.3 This report will update on Month 2 (May 2022) performance and outline the main risks to the Financial Plan and associated mitigations.

2. MONTH 2

- 2.1 The report will concentrate on performance against the Internal Plan, unless explicitly stated. The Trust reported an adverse variance to its Internal Plan of £1.13m. Against the external plan adverse variance of £3.012. The difference between the two variances being the unidentified income CIP of £1.886m ytd (£11.314m full year), within the external plan.
- 2.2 The headline driver of the adverse variance is the out of contract pricing for electricity from Scottish Power. This in effect quadrupled unit prices for April (May saw the introduction of the new contract with Drax). The Head of Procurement is currently in negotiation with the company to reduce this charge, and control issues are being addressed with the Estates management team. The final agreement is likely to be reflected in the month 3 reports.
- 2.3 In relation to Month 2 expenditure pressures sit mainly within the Medicine and EC Group and are offset by favourable variances against other Groups and Corporate Directorates. Key issues are additional capacity (above that funded in reserves), use of premium rate staff, and use of Modality. A bed plan has been required by the Chief Executive for the end of June, and the Chief Nurse and Chief Operating Officer are currently working on this, supported by senior nurses and finance staff. Following Group Reviews in May, the Group are going to investigate data points further to determine why closing unfunded capacity during reset week was not sustainable.

3. ACTIVITY

- 3.1 Annex 3 and 4 provide details of Month 2 performance against the patient related activity contract. As can be seen, the overall position is adverse to the plan by £3,078k (Annex 4). This is due to underperformance across all Groups. The underperformance is covered by the 22/23 "block" patient related income and so is re-couped via the system top up.

- 3.2 With regards to elective recovery, the 2022/23 elective activity plans are set at 104% of the value of the 2019/20 outturn activity, the additional 4% funded via commissioners from the elective recovery fund.
- 3.3 Aligned Payment Incentive (API) contract rules allow for marginal rate adjustments of +/- 75% of value of under/over performance against the elective plan. A view of month 2 is shown below. The overall ERF position is based on the overall system performance which is still being validate.
- 3.4 The year to date position for SWB is shown below.

	202204	202205
Adj Total_Cost_Inc_MFF	£11,503,405	£12,507,853
Adj Total_Cost_Inc_MFF +4%	£11,963,541	£13,008,167
PriceActual_ERF	£9,866,353	£11,278,787
Gross Price Variance	-£2,097,188	-£1,729,380
Over Performance Payment	£0	£0
Under Performance Clawback	-£1,387,674	-£1,109,827
Grand Total Variance	-£1,387,674	-£1,109,827

- 3.5 It is important to note that no reflection of the risk to ERF is assumed within the Month 2. The expectation is that this is recovered over the coming months.

4. CAPITAL and CASH

- 4.1 Following the Capital Management Group (CMG) in May, the Clinical Leadership Executive have approved the capital programme shown in Annex 5 reflecting an over commitment against the ICS allocation. At the end of May the key points for the Board to note are:

- The total plan for MMUH–Public Dividend Capital is not finalised and therefore the plan amount reflects the balance of the original contract value for 22/23. This will increase once the NHP team finalise commercial discussions with the contractors, at which point the plan and forecast will be updated.
- The non MMUH plan is £3.3m underspent against a budget to date of £4.3m. As the Committee is aware the Trust has over committed against the programme, and CMG is assured the forecast will be delivered.

5. RISKS

- 5.1 The following section proposes 4 key risks and will form part of reporting in future months in addition to the usual reporting and the addition financial metrics. Key Risks to the Financial Plan are summarised in the following table. The table shows the risk at the plan at sign off stage, the residual risk, and an overall RAG rating. The risks are measured against the £12.2m deficit plan.

Risk	Plan £m	RAG	M2 Update £m
Group Risk	25.40		9.60
ERF	7.50		0.00
ICS income	10.80		0.00
System Stretch	11.30		11.30
New risks			5.10
TOTAL	55.00		26.00

5.2 Group Asks (Risk identified £25.4m)

The initial submissions of cost pressures from Groups were significantly in excess of those affordable within the proposed envelope. Operational management of the risk will be via monthly reporting processes, the bi-monthly Group Reviews, and potentially in the “free month” monthly meetings between senior Corporate functions and Groups. Whilst a number of these risks are being mitigated there remains the following as the key areas of focus and action:

- **Capacity:** Significant number of beds open above funded capacity, and MMUH proposed capacity. The impact of Intelligent conveyancing needs to be understood, and actions would be to secure additional funding from those commissioners (mainly BSOL – Birmingham and Solihull). For those beds driven by other issues, then the actions sit with the Trust, and the relevant Group ie Medicine and Emergency Care. There is evidence of increases in Length of Stay, and the drivers of this need to be understood and actions to reduce length of stay taken where possible. **Lead: Chief Operating Officer (COO)/Chief Finance Officer (CFO); Medicine and Emergency Care**
- **Maternity Pathway.** The challenge around this is to secure the level of reduction to charges we received from Trusts we exported to pre-pandemic, particularly Birmingham Trusts. **Lead: Finance**
- **Use of Modality.** Use of Modality increased in the Pandemic and has remained at those levels. The plan does not fund this in full, as expectations of reductions were agreed. There are two elements to this. Firstly, controls around the two specialties (Gynaecology and Dermatology) where Modality can in effect self-refer, and then those specialties where the Trust is referring. **Lead: COO/Clinical Groups.**
- **Removal of Specialist Rates.** The financial plan assumed specialist rates would cease. This is now unlikely until the beginning of November at the earliest.

5.3 ERF (Risk identified £7.5m, could be as high as 75% of any under-performance)

Current understanding around the rules highlights a maximum £7.5m risk. M2 has assumed no under-delivery although the initial contract run suggests that the full amount of risk was realised at Month 2. This risk is also a system risk, where the Trust can either benefit from ICS performance, or risks. It is proposed that the COO provide narrative around this issue to the Finance, Investment & Performance Committee on a monthly basis. This risk will be managed via the Planned Care Group, and the Group Review process.

5.4 **Income, plan is reliant on (Risk Identified £10.8m)**

There are two main elements to this. Firstly – SDF, £7.0m. Whilst the risk around this is not necessarily around securing the income, the plan assumes no new costs against this income source. CEO and CFO to work with commissioners to ensure this is delivered. The second is income associated with Independent Sector Provider work (£3.8m). Whilst the Trust has not committed beyond agreed amounts, access to the funds are unclear, and it believed there is some challenge. COO supported by CFO to lead on securing these. Management of this is via the Executive Group.

5.5 **ICS Other Income (Risk identified £11.314m)**

This risk relates specifically to the ICS agreed plan. As the committee will know the ICS plan moved the Trust deficit plan from £30.956m to £12.21m deficit (as part of a tactical £48m system deficit plan). £7.432m is secured via ICS income re-distribution. £11.314m is sitting in other income with no current route to delivery. The assumption is that this is recovered through the ICS risk reserve during 22/23. (The Board is asked to note this value will increase to £17.2m in month 3 following the final plan submission)

6. **Conclusion**

6.1 At Month 2 the Trust is £1,126k adverse to the internal plan. The key driver for this is the increased energy charges which senior leads are looking to negotiate a full or partial discount.

6.2 The Group risks (except for the energy issue) were being mitigated across all Groups. As plans evolve and the recruitment drive gathers pace, the Group risks, particularly around Capacity will be exposed, and could drive an increasing deficit position. It is important that the Trust recognise this, and deliver actions around the risk directly, or deliver alternatives, including re-prioritisation of reserves and / or pausing approved investments

7. **Recommendations**

The Public Trust Board is asked to:

- a. **NOTE** month 2 performance
- b. **DISCUSS** the risks and mitigations

Paul Stanaway - Associate Director of Finance

Craig Higgins -Associate Director of Finance

Simon Sheppard - Director of Operational Finance

20 June 2022

Annex 1: Trust Income and Expenditure Performance against ICS and Internal Plans

Annex 2: Finance Risk Matrix

Annex 3: Patient Related Income & Activity Plan by Point of Delivery

Annex 4: Patient Related Activity – Performance by Group and Point of Delivery

Annex 5: Capital Programme

Annex 6: Statement of Financial Position

Annex 7: Cashflow

Annex 8: Financial Services Metrics

Annex 1: Trust Income and Expenditure Performance against ICS and Internal Plans

	Annual Budget £000s	Month 2 Budget £000s	Month 2 Actuals £000s	Month 2 Variance £000s
Patient Related Income	559,990	95,033	95,071	38
Other Income	52,136	7,018	8,326	1,308
Total Income	612,126	102,051	103,397	1,346
Pay	(409,119)	(68,525)	(68,548)	(23)
Non Pay	(233,963)	(39,066)	(41,515)	(2,449)
Total Expenditure	(643,082)	(107,591)	(110,063)	(2,472)
Deficit - Internal Plan	(30,956)	(5,540)	(6,666)	(1,126)
Patient Related Income -ICS redistribution	7,432	1,239	1,239	0
Deficit	(23,524)	(4,301)	(5,427)	(1,126)
Patient Related - ICS Stretch	11,314	1,886		(1,886)
Deficit - ICS Agreed Plan	(12,210)	(2,416)	(5,427)	(3,012)

Annex 2 - Finance Risk Matrix

Financial Risks as at May 2022 for Delivery of the 2022/23 Financial I&E Plan

Ref	Risk #	Identified Risk	Likelihood	Severity	Trend	Risk Rating M11	Risk Rating M10	Risk Rating M9	Risk Rating M8	Risk Rating M7	Risk Rating M6	Risk Rating M5	Risk Rating M4	Risk Rating M3	Risk Rating M2	Risk Rating M1	Impact	Mitigating Actions	Exec Lead
1	4994	Taper funding from NHSEI is not secured in line with the Plan	1	5											5	5	Financial		CFO
2	4572	Delivery of the 2022/23 Cost Improvement Programme	4	5											20	20	Financial	Fortnightly efficiency board chaired by CFO Additional resource in post to lead the programme	CFO
3	4995	Energy prices increase above the funded level	3	5											15	15	Financial	Forward purchase on energy	DST
4	4996	Increased sickness levels resulting in greater use of agency and bank staff	4	5											20	20	Financial Quality Workforce Operational	Trust wellbeing offering to staff as exit covid Post covid People and OD restoration of sickness management in full.	CPO
5	4997	Staffing levels are not within the funded establishment	3	5											15	15	Financial Quality Workforce Operational	Revised establishment levels have been agreed for 2022/23 plans	CPO
6	4998	Elective Recovery trajectory delivery	4	5											20	20	Financial Quality Workforce Operational	Agreed monthly trajectories Ongoing tracking on costs against the income forecasts through the Groups	COO
7	4999	Decisions are made at System or Trust level without appropriate approval	3	4											12	12	Financial Quality Workforce Operational	Proposed new Business Case process ready for consideration and adoption External governance review commissioned and findings to be adopted Vacancy Approvals process to be reintroduced	Dir of Governance
8	5000	Increasing number of contracts with Independent Sector providers - potential clinical, operational, workforce and financial implications if not procured appropriately	3	5											15	15	Financial Quality Workforce Operational	Full engagement with Procurement to ensure appropriate contracts	CFO
9	5001	Clinical Group Risks identified at planning stage	4	5											20	20	Financial Quality Workforce Operational	Group Review meetings	CFO
10	5002	Delivery of the £11.3m ICS Stretch	5	5											25	25	Financial Quality Workforce Operational	Ongoing engagement in the ICS wide 22/23 plan	CFO
11	4998	Securing £7m of income from the Strategic Development Fund	4	5											20	20	Financial Quality Workforce Operational	Ongoing engagement in the ICS wide 22/23 plan	CFO
12	5003	Securing the £3.8m funding for the insourcing / outsourcing services (T&O / Ophthal)	4	5											20	20	Financial Quality Workforce Operational	Ongoing engagement in the ICS wide 22/23 plan	CFO

Annex 3 - Patient Related Income & Activity Plan by Point of Delivery

Income & Activity Plan v Actual by POD Group (PbR Values) Including Contract Top-up	Current Month						Year-to-Date					
	PodGroup Code	Activity Plan	Activity Actual	Activity Diff	Price Plan	Price Actual	Price Diff	Activity Plan	Activity Actual	Activity Diff	Price Plan	Price Actual
Community	57,749	53,360	-4,389	£3,692,186	£3,747,677	£55,491	113,784	102,078	-11,706	£7,301,592	£7,321,989	£20,397
Elective Admissions	3,889	3,427	-462	£5,029,765	£4,366,945	£662,820	6,897	6,456	-441	£8,825,478	£8,024,400	£801,078
Emergency Admissions	4,515	4,155	-360	£10,863,304	£10,406,183	£457,122	8,885	8,180	-705	£21,379,023	£20,370,125	£1,008,898
Emergency Departments	18,910	20,357	1,447	£2,813,455	£3,151,490	£338,035	37,211	38,745	1,534	£5,536,239	£6,027,285	£491,047
Excess Bed Days	683	560	-123	£225,013	£182,807	£42,206	1,314	1,363	49	£433,170	£432,567	£603
Maternity Pathway	1,505	1,529	24	£1,482,166	£1,604,658	£122,492	2,926	2,976	50	£2,880,942	£3,123,219	£242,277
Neonatal Unit	1,070	983	-87	£665,416	£628,353	£37,063	2,106	1,820	-286	£1,309,367	£1,135,578	£173,789
OP New Attendances	19,058	16,928	-2,129	£3,604,359	£3,214,222	£390,137	37,461	31,911	-5,550	£7,084,653	£6,091,491	£993,162
OP Procedures	10,376	8,105	-2,271	£1,733,875	£1,423,721	£310,155	20,516	16,027	-4,489	£3,423,861	£2,747,968	£675,892
OP Review Attendances	24,879	22,357	-2,522	£2,191,192	£2,035,136	£156,056	49,330	41,804	-7,526	£4,344,545	£3,806,428	£538,117
OP Non Face to Face	6,314	8,914	2,600	£434,416	£738,901	£304,485	12,012	17,345	5,334	£826,319	£1,419,789	£593,470
Other Contract Lines	322,926	330,921	7,995	£13,265,132	£13,832,824	£567,691	645,172	633,934	-11,238	£26,486,712	£30,081,302	£3,594,591
Unbundled Activity	5,512	5,524	12	£609,444	£666,626	£57,182	11,024	10,921	-103	£1,218,889	£1,334,248	£115,359
Total	477,387	477,121	-266	£46,609,725	£45,999,541	£610,184	948,640	913,561	-35,079	£91,050,788	£91,916,390	£865,602

- The activity plan is based on the 2019-20 normalised outturn, adjusted for activity mix changes since 2019-20 and includes amendments from the Groups. Elective activity is set at 104% of normalised outturn in line with national guidance.
- ERF actual activity is included and priced at PbR levels – which will be slightly different to formal ERF reporting
- Other contract lines include a monthly system top up value to return to the national planning submission profile
- For the month of May, excluding those points above, the Trust is £1.1m below plan
- Underperformance can be seen primarily in the planned care PODs, both in admitted and outpatient.

Annex 4 - Patient Related Activity – Performance by Group and Point of Delivery

Income & Activity Plan v Actual by POD Group (PbR Values) Excluding Contract Top-up	Current Month						Year-to-Date					
	PodGroup Code	Activity Plan	Activity Actual	Activity Diff	Price Plan	Price Actual	Price Diff	Activity Plan	Activity Actual	Activity Diff	Price Plan	Price Actual
Community	57,749	53,380	-4,389	£3,692,186	£3,747,677	£55,491	113,784	102,078	-11,706	£7,301,592	£7,321,989	£20,397
Elective Admissions	3,889	3,427	-462	£5,029,765	£4,366,945	-£662,820	6,897	6,456	-441	£8,825,478	£8,024,400	-£801,078
Emergency Admissions	4,515	4,155	-360	£10,863,304	£10,406,183	-£457,122	8,885	8,180	-705	£21,379,023	£20,370,125	-£1,008,898
Emergency Departments	18,910	20,357	1,447	£2,813,455	£3,151,490	£338,035	37,211	38,745	1,534	£5,536,239	£6,027,285	£491,047
Excess Bed Days	683	560	-123	£225,013	£182,807	-£42,206	1,314	1,363	49	£433,170	£432,567	-£603
Maternity Pathway	1,505	1,529	24	£1,482,166	£1,604,658	£122,492	2,926	2,976	50	£2,880,942	£3,123,219	£242,277
Neonatal Unit	1,070	983	-87	£665,416	£628,363	-£37,053	2,106	1,820	-286	£1,309,367	£1,135,578	-£173,789
OP New Attendances	19,058	16,928	-2,129	£3,604,359	£3,214,222	-£390,137	37,461	31,911	-5,550	£7,084,653	£6,091,491	-£993,162
OP Procedures	10,376	8,105	-2,271	£1,733,875	£1,423,721	-£310,155	20,516	16,027	-4,489	£3,423,861	£2,747,968	-£675,892
OP Review Attendances	24,879	22,357	-2,522	£2,191,192	£2,035,136	-£156,056	49,330	41,804	-7,526	£4,344,545	£3,806,428	-£538,117
OP Non Face to Face	6,314	8,914	2,600	£434,416	£738,901	£304,485	12,012	17,345	5,334	£826,319	£1,419,789	£593,470
Other Contract Lines	322,926	330,921	7,995	£8,582,612	£8,654,394	£71,782	645,172	633,934	-11,238	£17,121,671	£16,772,309	-£349,362
Unbundled Activity	5,512	5,524	12	£609,444	£666,626	£57,182	11,024	10,921	-103	£1,218,889	£1,334,248	£115,359
Total	477,387	477,121	-266	£41,927,204	£40,821,112	-£1,106,093	948,640	913,561	-35,079	£81,685,747	£78,607,397	-£3,078,351

Income & Activity Plan v Actual by Group (PbR Values) Excluding Contract Top-up	This Month						Year-to-Date						
	Group Name	Activity Plan	Activity Actual	Activity Diff	Price Plan	Price Actual	Price Diff	Activity Plan	Activity Actual	Activity Diff	Price Plan	Price Actual	Price Diff
Central	0	0	0	£1,154,358	£1,154,358	£0	0	0	0	0	£2,308,715	£2,308,715	£0
Corporate	3,905	60	-3,845	£401,532	£398,116	-£3,416	7,808	123	-7,685	£802,750	£796,114	-£6,637	
Imaging	313,555	325,000	11,445	£1,754,849	£1,749,120	-£5,729	626,101	619,555	-6,546	£3,453,927	£3,419,054	-£34,872	
Medicine & Emergency Care	41,751	37,098	-4,654	£13,555,277	£13,501,790	-£53,487	82,225	75,059	-7,166	£26,592,732	£26,369,721	-£223,011	
Primary Care, Community and Therapies	66,016	63,900	-2,116	£5,963,394	£5,774,702	-£188,692	130,097	122,511	-7,586	£11,778,364	£11,088,539	-£689,825	
Surgical Services	39,754	37,954	-1,800	£11,544,553	£10,663,670	-£880,883	77,941	72,169	-5,772	£22,021,118	£20,186,874	-£1,834,244	
Women & Child Health	12,405	13,109	705	£7,553,242	£7,579,356	£26,115	24,467	24,144	-323	£14,728,140	£14,448,379	-£279,761	
Total	477,387	477,121	-266	£41,927,204	£40,821,112	-£1,106,093	948,640	913,561	-35,079	£81,685,747	£78,607,397	-£3,078,351	

Activity Run Rate by POD	Apr-22	May-22			Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	Actual	Plan	Actual	+/-	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
Community	48,718	57,749	53,380	-4,389	56,035	57,749	57,749	56,035	57,749	56,035	57,749	57,749	52,606	57,749
Elective Admissions	3,029	3,889	3,427	-462	3,779	4,167	3,822	3,944	4,443	4,263	3,726	4,388	4,084	5,607
Emergency Admissions	4,025	4,515	4,155	-360	4,370	4,515	4,515	4,370	4,515	4,370	4,515	4,515	4,078	4,520
Emergency Departments	18,388	18,910	20,357	1,447	18,301	18,910	18,910	18,301	18,910	18,301	18,910	18,910	17,080	18,914
Excess Bed Days	803	683	560	-123	663	689	688	683	701	682	684	685	620	682
Maternity Pathway	1,447	1,505	1,529	24	1,385	1,520	1,412	1,596	1,387	1,455	1,350	1,433	1,457	1,495
Neonatal Unit	837	1,070	983	-87	1,036	1,070	1,070	1,036	1,070	1,036	1,070	1,070	967	1,070
OP New Attendances	14,983	19,058	16,928	-2,129	18,024	19,836	17,718	17,850	17,939	17,973	14,418	17,488	16,204	19,857
OP Procedures	7,922	10,376	8,105	-2,271	9,961	10,789	9,396	9,466	10,095	9,802	8,411	10,319	9,340	12,293
OP Review Attendances	19,447	24,879	22,357	-2,522	24,049	25,856	22,262	22,428	21,730	21,365	17,363	21,484	19,603	20,208
OP Non Face to Face	8,431	6,314	8,914	2,600	6,369	7,459	7,066	7,534	13,590	13,070	13,886	16,930	15,515	17,349
Other Contract Lines	303,013	322,926	330,921	7,995	323,738	323,780	323,315	323,735	324,036	324,134	323,375	323,643	323,406	323,586
Unbundled Activity	5,397	5,512	5,524	12	5,512	5,512	5,512	5,512	6,112	6,112	6,112	6,112	6,112	6,112
Total	436,440	477,387	477,121	-266	473,222	481,853	473,435	472,490	482,277	478,597	471,568	484,726	471,074	489,343

Annex 5: Capital Programme

SANDWELL & WEST BIRMINGHAM HOSPITALS NHS TRUST							
Summary Capital Expenditure: FY 2022/23 to P02							
	Annual	Year to Date			Year End Forecast		
	Original Plan £000s	Plan £000s	Actual £000s	Variance £000s	NHSI Plan £000s	Forecast £000s	Variance £000s
Internal - Self Financing							
MMUH	3,810	632	210	422	3,810	3,810	0
Estates	6,015	1,391	106	1,285	6,015	8,465	-2,450
IT	4,215	732	295	437	4,215	4,466	-251
Medical equipment	4,965	1,256	91	1,165	4,965	7,540	-2,575
Charity	90	14	0	14	90	90	0
Sub total	19,095	4,025	702	3,323	19,095	24,371	-5,276
External - PDC Funded							
MMUH - PDC	584	0	0	0	584	0	584
MMUH Construction	0	0	23,499	-23,499	0	23,499	-23,499
Sub total	584	0	23,499	-23,499	584	23,499	-22,915
TOTAL INTERNAL & PDC FUNDED	19,679	4,025	24,201	-20,176	19,679	47,870	-28,191
Technical-IFRIC12							
BTC & MES	1,570	260	286	-26	1,570	1,570	0
Trust Wide Programme	21,249	4,285	24,487	-20,202	21,249	49,440	-28,191

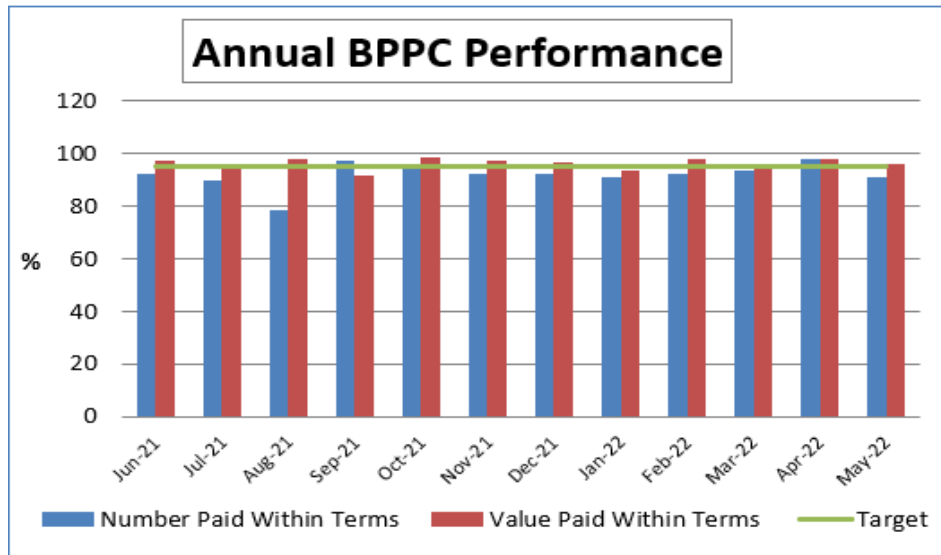
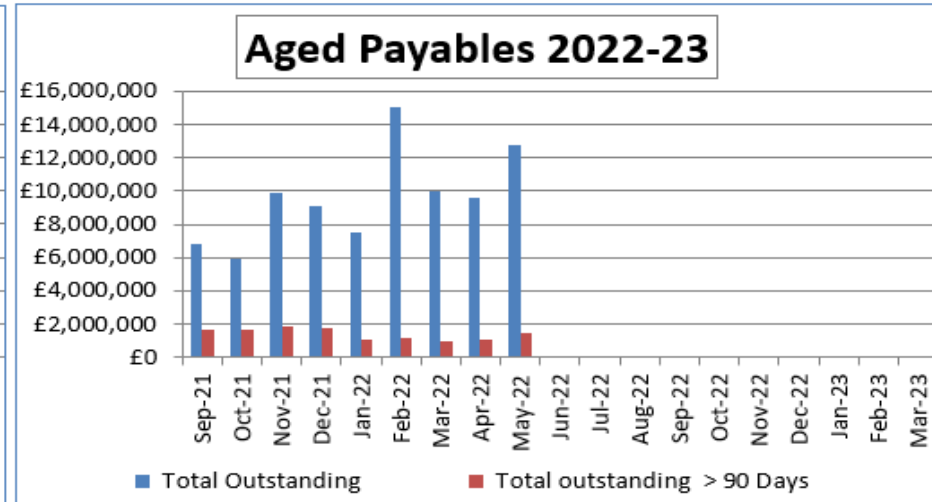
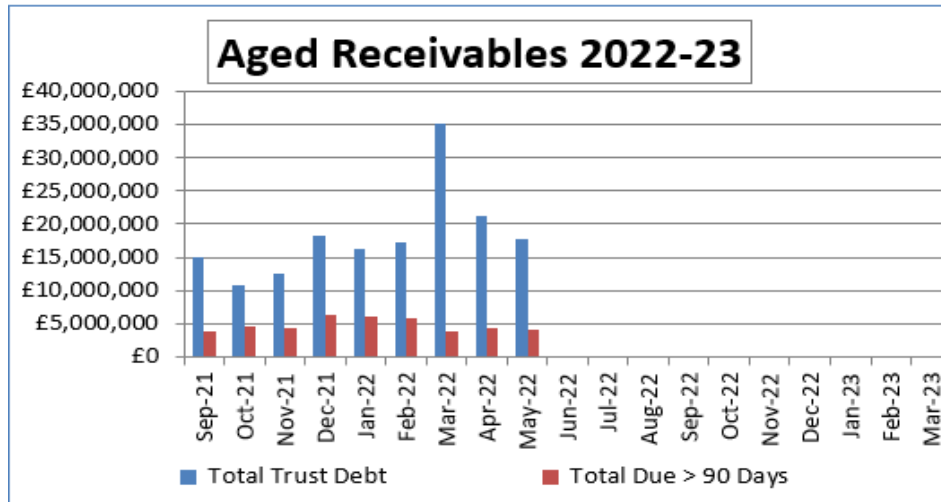
Annex 6 – Statement of Financial Position

Sandwell & West Birmingham Hospitals NHS Trust						
STATEMENT OF FINANCIAL POSITION 2022/23						
	Balance as at 31st March 2022	Balance as at 31st May 2022	NHSI Planned Balance as at 31st May 2022	Variance to plan as at 31st May 2022	NHSI Plan as at 31st March 2023	Forecast 31st March 2023
	£000	£000	£000	£000	£000	£000
Non Current Assets						
Property, Plant and Equipment	885,952	906,519	892,412	14,107	906,982	906,982
Intangible Assets	182	175	174	1	131	131
Investment Assets	0	0	0	0	0	0
Trade and Other Receivables	100	100	100	0	100	100
Current Assets						
Inventories	3,585	3,585	3,437	148	3,585	3,585
Trade and Other Receivables	43,504	32,549	37,852	(5,303)	22,852	22,852
Cash and Cash Equivalents	55,013	57,621	33,035	24,586	41,503	41,503
Current Liabilities						
Trade and Other Payables	(84,453)	(102,518)	(99,080)	(3,438)	(91,881)	(91,881)
Provisions	(3,580)	(3,619)	(950)	(2,669)	(2,950)	(2,950)
Borrowings	(17,511)	(17,423)	(2,408)	(15,015)	(17,511)	(17,511)
DH Loan	0	0	0	0	0	0
Non Current Liabilities						
Provisions	(3,391)	(3,391)	(3,529)	138	(3,529)	(3,529)
Borrowings	(24,222)	(23,886)	(23,769)	(117)	(23,769)	(23,769)
DH Loan	0	0	0	0	0	0
	855,179	849,712	837,274	12,438	835,513	835,513
Financed By						
Taxpayers Equity						
Public Dividend Capital	664,942	664,942	663,957	985	664,151	664,151
Retained Earnings reserve	166,631	161,164	155,598	5,566	153,643	153,643
Revaluation Reserve	14,548	14,548	8,661	5,887	8,661	8,661
Other Reserves	9,058	9,058	9,058	0	9,058	9,058
	855,179	849,712	837,274	12,438	835,513	835,513

Annex 7 - Cashflow

Sandwell & West Birmingham Hospitals NHS Trust												
CASH FLOW 2022/23												
ACTUAL/FORECAST	April Actual £000s	May Actual £000s	June Forecast £000s	July Forecast £000s	August Forecast £000s	September Forecast £000s	October Forecast £000s	November Forecast £000s	December Forecast £000s	January Forecast £000s	February Forecast £000s	March Forecast £000s
Receipts												
SLAs: SWB CCG	51,872	33,575	33,200	33,200	33,200	33,200	33,200	33,200	33,200	33,200	33,200	33,200
Associates	7,592	7,705	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800
Other NHS	695	103	701	701	912	907	701	709	707	701	701	721
Specialised Services	4,804	5,073	4,740	4,740	4,740	4,740	4,740	4,740	4,740	4,740	4,740	4,740
STF Funding	0	0	0	0	0	0	0	0	0	0	0	0
Over Performance	0	0	0	0	0	0	0	0	0	0	0	0
Education & Training - HEE	0	3,699	0	4,400	0	0	0	0	4,400	0	0	4,400
Public Dividend Capital	0	0	133	318	0	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0	0	0	0
Other Receipts	4,325	1,847	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075
Total Receipts	69,288	52,003	48,649	53,234	48,727	48,722	48,516	48,524	52,922	48,516	48,516	52,936
Payments												
Payroll	18,811	18,076	18,580	19,300	18,580	19,300	18,480	18,066	19,300	17,660	18,480	17,092
Tax, NI and Pensions	904	14,155	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700
Non Pay - Trade	19,991	16,283	19,886	18,103	16,500	16,000	16,000	16,000	14,124	13,500	13,993	14,549
Non Pay - Capital	347	692	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550
MMH Balfour Beatty	11,456	12,225	0	0	0	0	0	0	0	0	0	0
PDC Dividend	0	0	0	0	0	1,360	0	0	0	0	0	1,360
Repayment of Loans & Interest	0	0	0	0	0	0	0	0	0	0	0	0
BTC Unitary Charge	440	440	440	440	440	440	440	440	440	440	440	440
NHS Litigation Authority	1,615	1,615	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	0	0
Other Payments	884	747	94	89	93	117	139	189	299	179	239	179
Total Payments	54,448	64,234	55,575	54,507	52,188	53,792	51,634	51,270	50,738	48,354	48,402	48,870
Cash Brought Forward	54,975	69,815	57,583	50,657	49,385	45,924	40,855	37,736	34,991	37,175	37,337	37,450
Net Receipts/(Payments)	14,840	(12,231)	(6,926)	(1,273)	(3,461)	(5,069)	(3,118)	(2,746)	2,184	162	114	4,066
Cash Carried Forward	69,815	57,583	50,657	49,385	45,924	40,855	37,736	34,991	37,175	37,337	37,450	41,517

Annex 8: Financial Services Metrics



Analysis

- The overall Debt owed to the Trust reduced as further NHS invoices were settled. The over 90 days debt, reduced slightly, the largest over 90 days debt comprises Birmingham CC (bed days) NHS Property, YHP and Worcestershire Acute Hospitals NHS Trust.
- The overall value of Payables has increased from April values, as bills were received for Gas and Electric charges from Utility companies and The Royal Wolverhampton NHS Trust for Pathology Services, these will be settled in June 2022. The value of over 90 days has increased as disputes slip into the over 90 day category. We continue to pursue receipting departments for resolution of old queries; including University of Birmingham (for which Education and Training are chasing student forms) and Sandwell MBC (re the Eliza Tinsley ward 17/18, SMBC. We are continuing to investigate the historical funding flows and the resultant liability), NHS Property, Community Health Partnerships and SCCL. Negative current NHS payables comprise Black Country Pathology Credit notes from RWT.
- BPPC is stable and is consistently performing at or above the 95% target.