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WALES

Iechyd Cyhoeddus
Cymru
Public Health
Wales

Name of Meeting

Board

Date of Meeting

30 May 2024

Agenda item:

3.3

2024/25 Financial Position

Executive lead:	Huw George, Deputy Chief Executive and Executive Director of Finance and Operations
Author:	Ruth Maddern, Head of Financial Planning

Approval/Scrutiny route:	Huw George, Deputy Chief Executive and Executive Director of Finance and Operations Business Executive Team
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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 of 30 April 2024 (M1), which includes the position on COVID-19 expenditure and funding.

Recommendation:

APPROVE	CONSIDER	RECOMMEND	ADOPT	ASSURANCE
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Board is asked to:

- **CONSIDER** the financial position of Public Health Wales as of 30 April 2024, which includes the position on COVID-19.

Link to Public Health Wales [Strategic Plan](#)

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.

This report contributes to the following:

Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives

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Summary impact analysis	
Equality and Health Impact Assessment	Not Applicable
Risk and Assurance	All financial risks are reflected in the paper
Health and Care Standards	This report supports and/or takes into account the Health and Care Standards for NHS Wales Quality Themes
	Governance, Leadership and Accountability
	Theme 7 - Staff and Resources
	Choose an item.
Financial implications	Financial information included in the paper
People implications	Not applicable

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 at 30th April 2024 (M01). The content of this report is reflected in the Director of Finance commentary that has been submitted to Welsh Government on 14th May 2024 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 Forecast
Revenue financial target Deficit/(Surplus)	(£45k)	(£45k)	Breakeven
Capital financial target	£0	£0	Breakeven
Public Sector Payment Policy	98.05%	98.05%	>95%
Agency Spend as % of Total Pay	1.40%	1.40%	<3.4%

The cumulative reported position for Public Health Wales is a net surplus of £45k.

Public Health Wales hosts the NHS Executive, which is reporting a break-even position at Month 1. Any underspend that does arise will be returned to the funding organisation at year-end.

2. Overview of Financial Performance at Month 1

Table B outlines the Financial Performance by Directorate.

Table B – Overview of Financial Performance by Directorate

Directorate	Annual Budget £000s	YTD Budget £000s	YTD Actual £000s	YTD Variance £000s
Board and Corporate	2,214	232	238	6
Central Budgets Directorate	-151,477	271	240	-31
Covid 19 Directorate	7,110	589	589	0
Data, Knowledge and Research Directorate	5,755	194	194	0
Health & Wellbeing Directorate	20,415	1,565	1,549	-16
Health Protection and Screening Services	93,180	7,588	7,588	0
NHS Executive Directorate	0	0	-0	-0
Operations and Finance Directorate	11,694	926	931	6
People & Organisational Development	2,492	184	192	8
Policy, International Health and WHO CC	5,027	353	356	2
Quality Nursing & Allied Health Professionals	3,589	298	278	-20
Directorate Total	0	12,200	12,155	-45

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.

Costs associated with the Public Inquiry are included within the Board and Corporate Directorate. The total spend at Month 1 is £62k, an element of which is covered from within Directorate budgets with £52k having been met by internal cost pressure funding as part of the budget strategy.

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 2024 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-24	May-24 to Mar-25	2024/25
	£000	£000	£000
Additional Costs			
COVID-19 Laboratory Testing	589	5,971	6,560
National Surge Team	0	550	550
Total Gross Additional Cost	589	6,521	7,110
Assumed Welsh Government Funding			
COVID-19 Laboratory Testing	-589	-5,971	-6,560
National Surge Team	0	-550	-550
Total Funding	-589	-6,521	-7,110

Welsh Government have confirmed non-recurrent funding for 2024/25 of £6.560m to support COVID-19 testing. Total spend in month 1 is £0.589m. Activity levels and forecast costs will continue to be closely monitored.

Funding of £0.550m for the National Surge Team hosted by Cardiff Council was also included in the non-recurrent funding allocation for 2024/25. Agreement was reached with Welsh Government on 13th May that this funding will now be awarded directly to Cardiff Council and removed from the Public Health Wales allocation. This will be reflected in month 2 figures.

Capital

Following a 24% reduction in discretionary capital in 2022/23, our allocation increased by 12% in 2023/24 and has further increased by 12% in 2024/25 to return our allocation to its original value of £1.580m.

Requests have been invited from across Public Health Wales to access the discretionary capital funding. The requests have been reviewed and allocated indicative funding by the Capital Planning Group. The recommended capital programme and plan has been submitted to the Board for approval on 30 May 2024.

Public Health Wales has received a strategic allocation of £1.194m for 2024/25 for DESW Camera Replacement. There may be potential to access slippage funding later in the financial year if strategic schemes across Wales slip.

Balance Sheet

There is no requirement to report the balance sheet as part of our monthly monitoring return to Welsh Government for month 1. To provide assurance to the Board on our cash position, the balance at close of M1 was £13.545m 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 £45k reported at Month 1.
- Status of the Capital Programme, strategic and discretionary, for 2024/25, and
- Balance Sheet, or Statement of Financial Position at month 1.