

PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 May 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Update on All-Wales Capital Programme - 2020/21 Capital Resource Limit and Capital Financial Management
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Executive Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Executive Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This update report is presented to the Finance Committee to:

- Note the Capital Resource Limit (CRL) for 2020/21;
- Note the value of capital expenditure currently committed to deal with COVID-19 for 2020/21;
- Update on other capital issues.

Cefndir / Background

This report provides an update on the CRL for 2020/21.

Asesiad / Assessment

Capital Resource Limit 2020/21

The current CRL for 2020/21 has been issued with the following allocations:

Expenditure	£m
All Wales Capital Programme	12.503
Discretionary Programme	7.271
Slippage due to COVID- 19 from 2019/20	1.090
COVID-19 – Digital Devices	0.743
Total	21.607

There is also an allocation pending of:

- Advance Fire Compliance works at Withybush General Hospital (WGH): £0.350m

The Capital Expenditure Plan for 2020/21 is detailed below. The Discretionary Programme has currently been only partially committed, with a proposal regarding how to commit the balance being prepared for Executive Team consideration towards the end of May 2020.

Scheme	Allocation £m
AWCP	
Women and Children Phase II	9.901
MRI Withybush	2.700
Radiology Schemes	0.467
Advance Fire Works WGH	
Other	0.576
COVID-19	0.743
Sub-total AWCP	14.387
Discretionary	
Equipment	0.267
Estates Infrastructure	0.778
Estates Development	0.479
Digital	0.445
<i>Unallocated</i>	<i>5.251</i>
Sub-total Discretionary	7.220
TOTAL	21.607

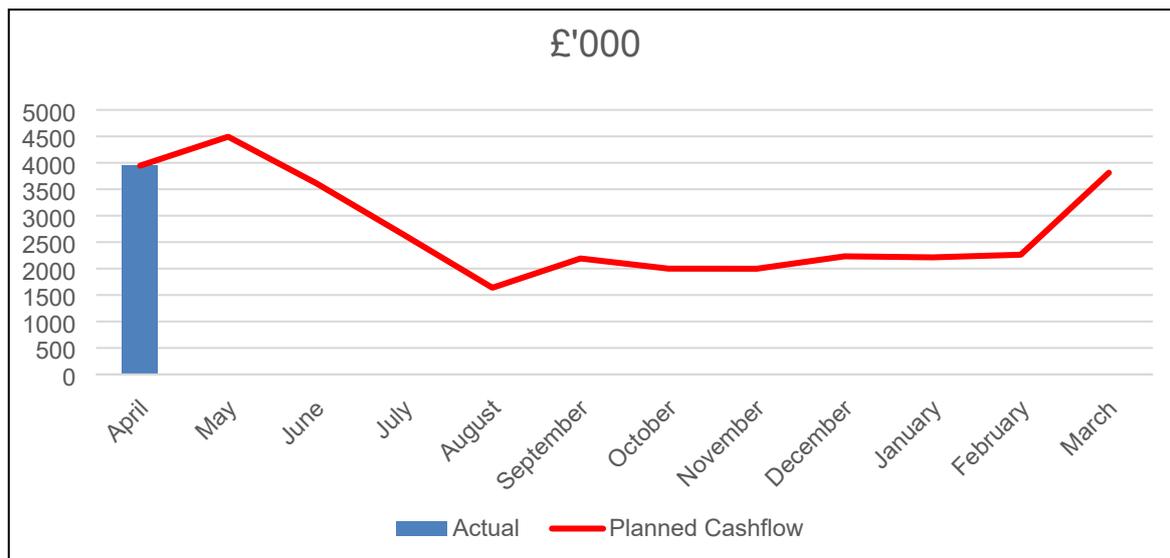
The value of capital orders placed by the Health Board to date on COVID-19-associated items which is expected to impact on the 2020/21 position is:

Expenditure	Total Value Orders £m as at 15/04/2020	Costs Incurred 2019/20 £m	Costs Expected 2020/21 £m
Acute Site – Level 3 Beds	5.252		5.252
Field Hospitals	3.981	0.283	3.698
Informatics	1.171	0.105	1.066
Acute Site Diagnostics	0.703		0.703
Acute Site Other	0.749	0.007	0.742
Infection Control	0.266	0.033	0.233
Acute Site Oxygen	0.072		0.072
Acute Paediatrics	0.034		0.034
Mental Health	0.016		0.016
Balance	12.244	0.428	11.816

*these costs exclude the design/ build and restoration costs for the Field Hospitals which are currently estimated at £8.7m

Integrated Care Funding of £8.1m has been identified as a funding source for the design, build and restoration costs for the Field Hospitals; this will not be classed as capital expenditure.

An expenditure profile for 2020/21 is shown below:



Further work is being undertaken by Hywel Dda University Health Board's (HDdUHB) cost advisors on the All Wales Capital Programme profiles for 2020/21. The Discretionary Capital Profile will be further reviewed with Estates, IT and the Deputy Director of Operations once detailed expenditure plans have been confirmed.

Total capital expenditure as at Month 1 was £3.946m, of which £3.223m related to COVID-19. The Health Board has assumed, following confirmation from Welsh Government, that the COVID-19 costs incurred to date will be funded.

Argymhelliad / Recommendation

The Finance Committee is requested to:

- Note the Capital Resource Limit for 2020/21;
- Note the value of capital expenditure currently committed to deal with COVID-19 for 2020/21.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:
Cyfeirnod Cylch Gorchwyl y
Pwyllgor:

4.5 Provide assurance to the Board that robust arrangements are in place for financial planning, financial performance and financial forecasting.

5.13 Provide assurance to the Board that arrangements for Capital, Estates and IM&T are robust.

Cyfeirnod Cofrestr Risg Datix a
Sgôr Cyfredol:
Datix Risk Register Reference and
Score:

Capital priorities included within service risk registers. Risk 624 - Ability to maintain and address backlog maintenance and develop infrastructure to support long term strategic objectives – Current Risk Score 16

Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	<p>4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.</p> <p>5. Deliver, as a minimum requirement, outcome and delivery framework work targets and specifically eliminate the need for unnecessary travel & waiting times, as well as return the organisation to a sound financial footing over the lifetime of this plan</p>
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	<p>Improve efficiency and quality of services through collaboration with people, communities and partners</p> <p>All business cases for capital investment require alignment to HDdUHB's Well-being Objectives where applicable</p>

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Capital Allocation and prioritisation process. Capital Investment procedure and all relevant Welsh Government guidance.
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	<p>Capital Monitoring Forum</p> <p>Capital Planning Group</p> <p>Individual Project Boards of Capital Schemes</p> <p>Welsh Government Capital Review Meeting</p> <p>Capital, Estates and IM&T Sub-Committee</p>

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Capital values noted within the report. Included within individual business cases and Capital Prioritisation process.
Ansawdd / Gofal Claf: Quality / Patient Care:	Included within individual business cases and Capital Prioritisation process
Gweithlu: Workforce:	Included within individual business cases and Capital Prioritisation process

Risg: Risk:	Risk assessment process is integral to the capital prioritisation process and the management of capital planning within HDdUHB
Cyfreithiol: Legal:	Included within individual business cases and Capital Prioritisation process
Enw Da: Reputational:	Included within individual business cases and Capital Prioritisation process
Gyfrinachedd: Privacy:	Included within individual business cases and Capital Prioritisation process
Cydraddoldeb: Equality:	Equality assessments are included within individual business cases and Capital Prioritisation process when required