

**PWYLLGOR ADNODDAU CYNALIADWY  
SUSTAINABLE RESOURCES COMMITTEE**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	22 October 2024
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Balance Sheet Analysis – as of 30 September 2024
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Tim John, Senior Finance Business Partner (Accounting and Statutory Reporting)

**Pwrpas yr Adroddiad (dewiswch fel yn addas)**

**Purpose of the Report (select as appropriate)**

Er Gwybodaeth/For Information

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

The purpose of the report is to outline the Health Board's Balance Sheet position as at the end of Quarter 2 2024/25 (M6), to provide an explanation for any key movements and to provide assurance to the Committee that robust, routine and effective monitoring is in place.

The report also outlines the monthly scrutiny of the Balance Sheet and any further developments.

**Cefndir / Background**

The Health Board's Financial Accounts team, on behalf of the Director of Finance, and as part of a monthly review process and sign off, will ensure scrutiny and completeness of the Health Board's Balance Sheet.

**Asesiad / Assessment**

**Quarter 2 2024-25 Balance Sheet Review**

The Month 6 Balance Sheet, with explanation of key variances, is shown in **Appendix 1**. The movement of £37m from the opening position can be summarised as follows:

	2024-25 Opening balance £m	30 Sept 2024 £m	Movement £m
<b>Non-Current assets</b>			
Fixed Assets	381	382	1
Other non- current assets	56	59	3
	<b>437</b>	<b>441</b>	<b>4</b>
<b>Current Assets</b>			
Inventories	12	12	0
Trade and other Receivables	76	77	1
Cash	2	5	3
<b>Total Assets</b>	<b>527</b>	<b>535</b>	<b>8</b>
<b>Liabilities</b>			
Trade and other Payables	-188	-153	35
Provisions	-80	-86	-6
<b>Total Liabilities</b>	<b>-268</b>	<b>-239</b>	<b>29</b>
<b>Net Assets less Liabilities</b>	<b>259</b>	<b>296</b>	<b>37</b>
<b>Financed by:</b>			
General Fund	194	224	30
Revaluation Reserve	65	72	7
<b>Total Funding</b>	<b>259</b>	<b>296</b>	<b>37</b>

### Argymhelliad / Recommendation

The Sustainable Resources Committee is asked to **REVIEW** and **NOTE** the Balance Sheet as of the end of Quarter 2 2024/25

<b>Amcanion: (rhaid cwblhau)</b>	
<b>Objectives: (must be completed)</b>	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.1 Provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, give early warning of potential performance issues, making recommendations for action to continuously improve the financial position of the organisation, focusing in detail on specific issues where financial performance is showing deterioration or there are areas of concern
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	1843. Current Risk Score = 25
Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	Not Applicable

Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	1 Workforce Stabilisation 2 Financial recovery and route map 6 Clinical services plan
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	10. Not Applicable

### Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on the Health Board's financial reporting system.
Rhestr Termiau: Glossary of Terms:	Contained within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Finance Team

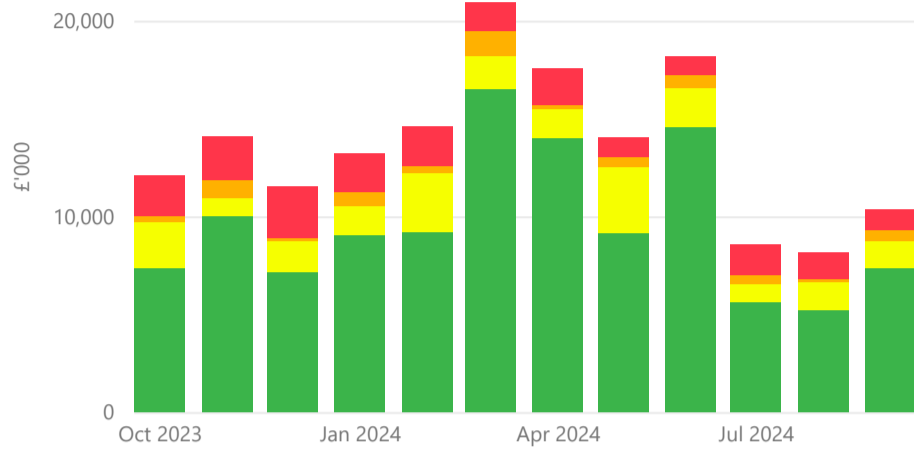
### Effaith: (rhaid cwblhau) Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Financial risks are detailed in the report.

<b>Cyfreithiol:</b> <b>Legal:</b>	<p>The Health Board has a legal duty to deliver a breakeven financial position over a rolling three-year basis and an administrative requirement to operate within its budget within any given financial year.</p>
<b>Enw Da:</b> <b>Reputational:</b>	<p>Adverse variance against the Health Board's financial plan will affect its reputation with Welsh Government, Audit Wales and with external stakeholders</p>
<b>Gyfrinachedd:</b> <b>Privacy:</b>	<p>Not Applicable</p>
<b>Cydraddoldeb:</b> <b>Equality:</b>	<p>Not Applicable</p>

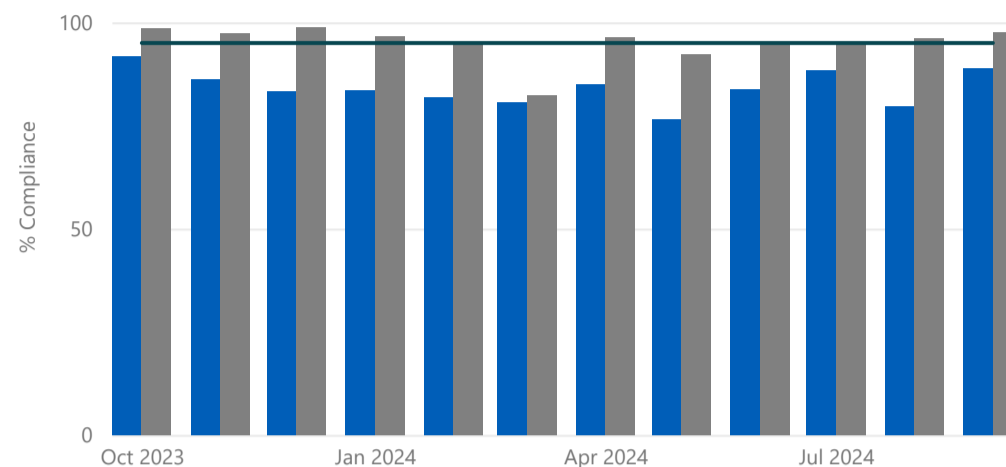
## Aged Payables

Under 30 days 30-60 days 60-90 days Over 90 days



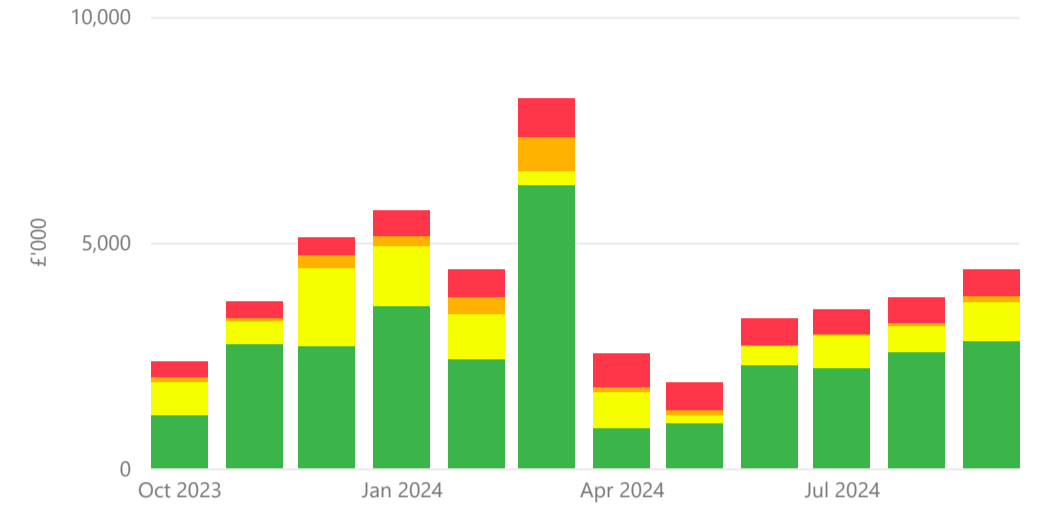
## Public Sector Payment Policy (PSPP)

NHS Non NHS 95% Target

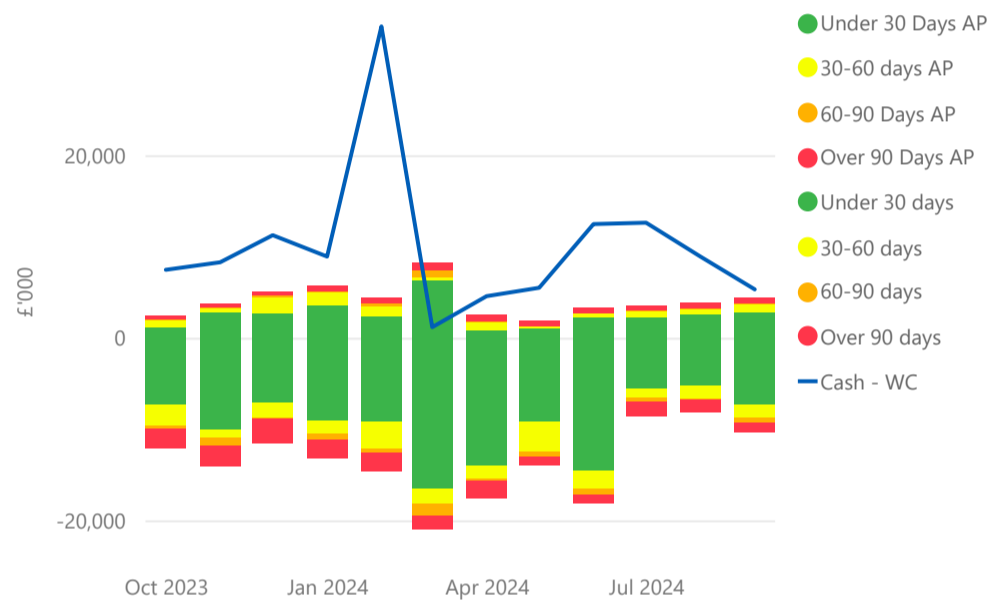


## Aged Receivables

Under 30 days 30-60 days 60-90 days Over 90 days

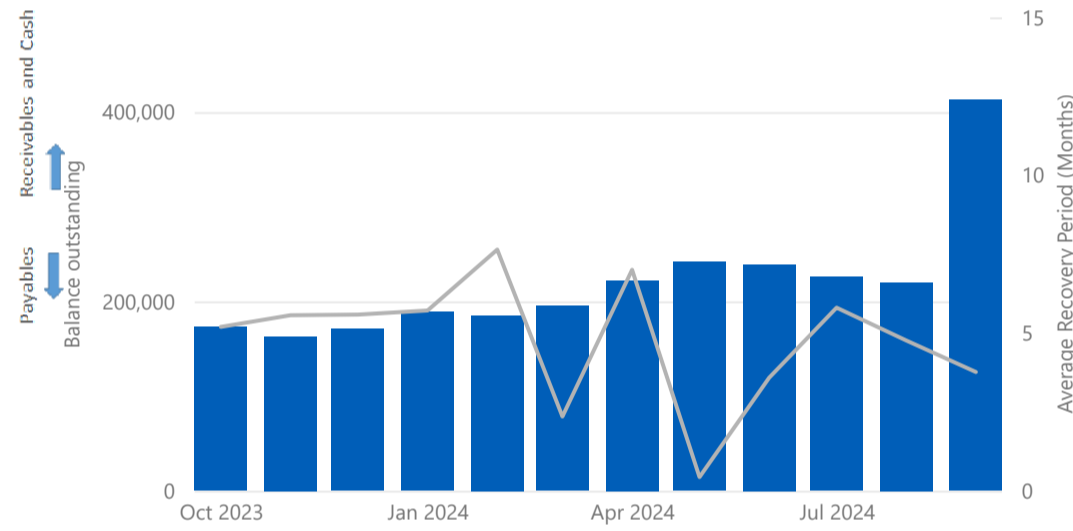


## Working Capital



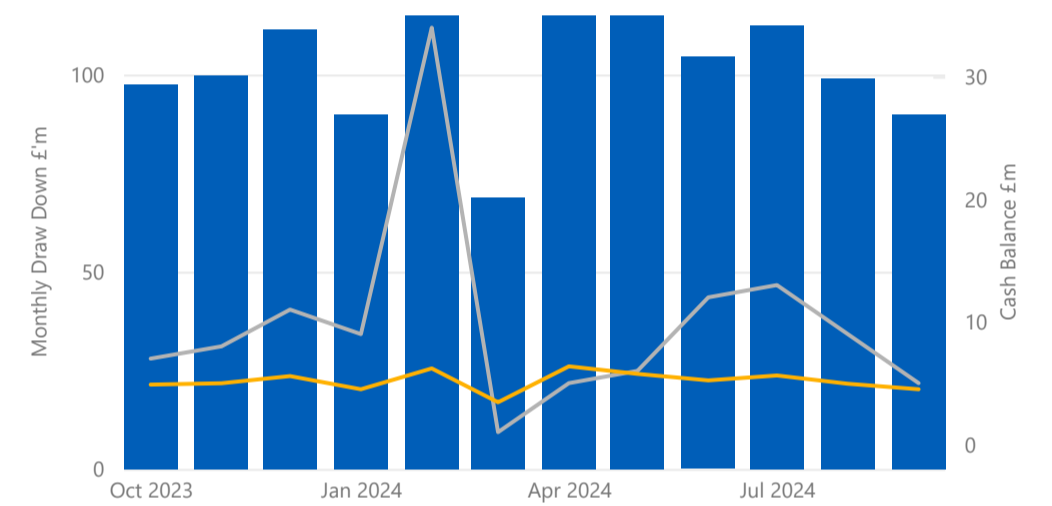
## Overpayments of Salaries

Balance outstanding Average recovery period



## Cash WG Allocation

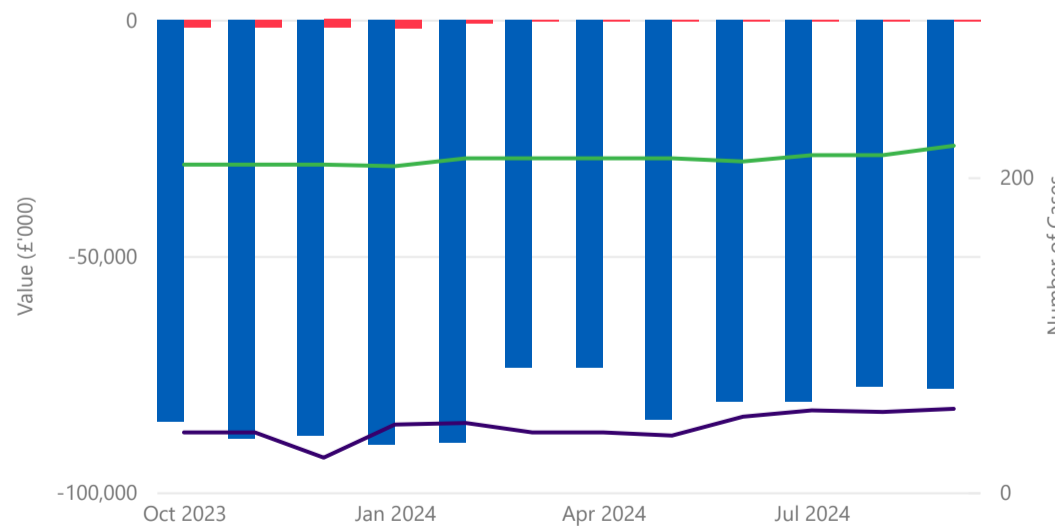
Drawdown Cash 5% of drawdown



Summarised	Opening Balance £'000	Month 6 £'000	Movement M6 £'000
Fixed assets	378,696	379,987	1,291
Other non current assets	58,060	60,790	2,730
<b>Total Non Current Assets</b>	<b>436,756</b>	<b>440,777</b>	<b>4,021</b>
Cash	2,141	5,303	3,162
Inventories	11,616	11,648	32
Other financial assets	147	147	0
Trade and other receivables	76,429	76,817	388
<b>Total Current Assets</b>	<b>90,333</b>	<b>93,915</b>	<b>3,582</b>
<b>Total Assets</b>	<b>527,089</b>	<b>534,692</b>	<b>7,603</b>
Provisions	27,370	38,073	10,703
Trade and other payables	180,188	150,381	-29,807
<b>Total Current Liabilities</b>	<b>207,558</b>	<b>188,454</b>	<b>-19,104</b>
<b>Total Net Assets less Liabilities</b>	<b>319,531</b>	<b>346,238</b>	<b>26,707</b>
Provisions	53,014	48,005	-5,009
Trade and other payables	7,798	2,252	-5,546
<b>Total Non-current liabilities</b>	<b>60,812</b>	<b>50,257</b>	<b>-10,555</b>
<b>Total Assets Employed</b>	<b>258,719</b>	<b>295,981</b>	<b>37,262</b>
General Fund	194,091	223,759	29,668
Revaluation reserve	64,628	72,222	7,594
<b>Total Taxpayers' equity</b>	<b>258,719</b>	<b>295,981</b>	<b>37,262</b>

## Medical Negligence & Personal Injury

MN Provision PI Provision PI Cases MN Cases





Aged Payables



Aged Receivables



PSPP



Cash



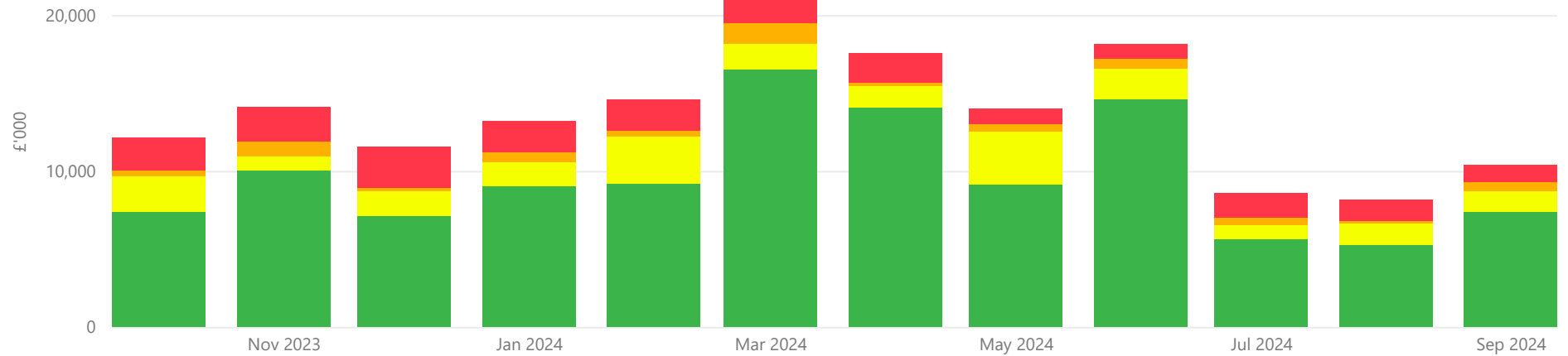
Working Capital



Medical Negligence

## Aged Payables

● Under 30 days ● 30-60 days ● 60-90 days ● Over 90 days



As at the end of September there were £10.4m of unpaid supplier invoices in the Oracle financial ledger (£18.2m at the end of June). Of these, £2.9m were over 30 days old, representing 28.66% of the overall outstanding number of invoices (19.62% at the end of June).



Aged Payables



Aged Receivables



PSPP



Cash



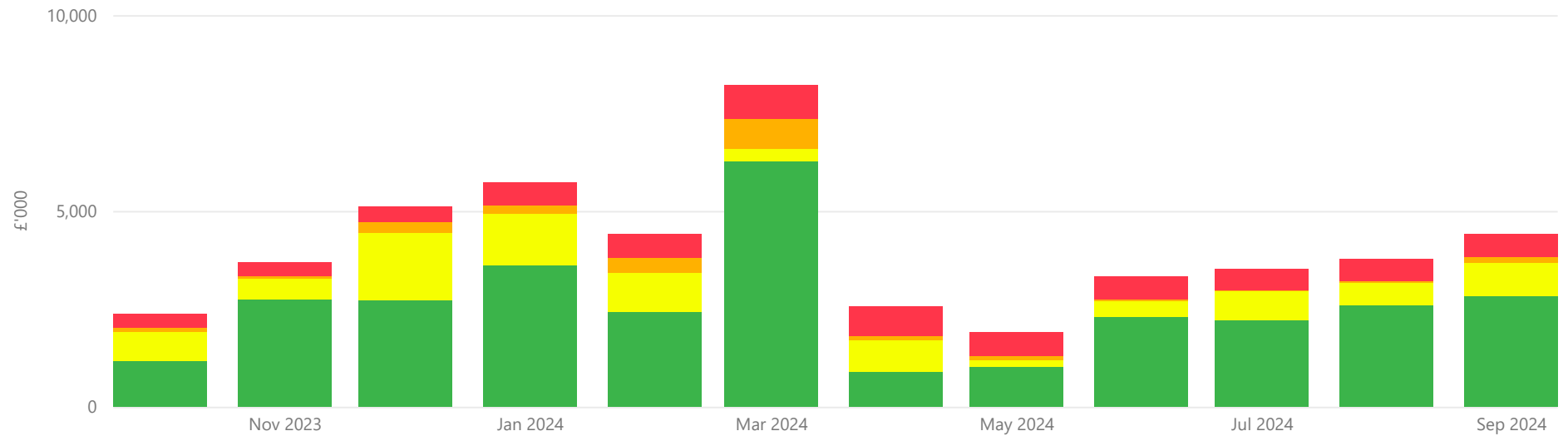
Working Capital



Medical Negligence

## Aged Receivables

● Under 30 days ● 30-60 days ● 60-90 days ● Over 90 days



A sum of £122k is being repaid directly to the Health Board by instalment or salary deduction.

A sum of £274k is currently being managed on our behalf by our debt recovery agency, CCI.

As at the end of September there was £4.4m (£3.3m at the end of June) of debt owed to the Health Board, of this £2.8m, (64%) (corresponding June figure was £2.3m, 69%) was under 30 days old.



Aged Payables



Aged Receivables



PSPP



Cash



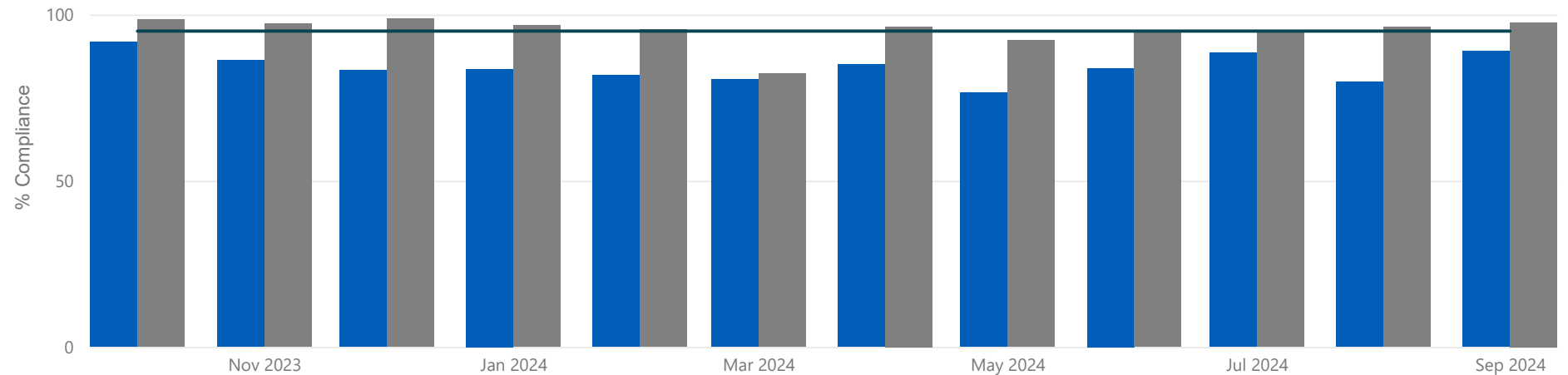
Working Capital



Medical Negligence

## Public Sector Payment Policy (PSPP)

● NHS ● Non NHS ● 95% Target



The Health Board failed to achieve its PSPP target of paying 95% of its NHS invoices within 30 days in September with 88.9%, and a cumulative position of 87.4%. Compliance for Quarter 2 was 87.0% (83.3% for Q1).

The Health Board has achieved its PSPP target of paying 95% of its non-NHS invoices within 30 days of September with 97.6%, and a cumulative position of 95.6%. Compliance for Quarter 2 was 97.0% (94.7% for Q1).



Aged Payables



Aged Receivables



PSPP



Cash



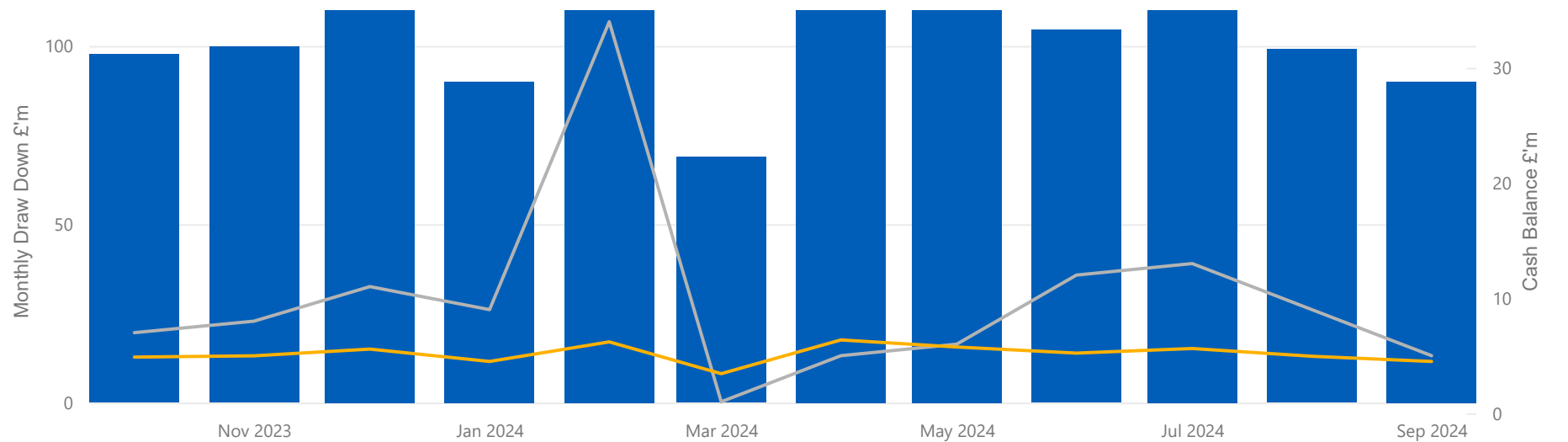
Working Capital



Medical Negligence

## Cash WG Allocation

● Drawdown ● Cash ● 5% of drawdown



The Health Board has a cash limit of £1,217.4m split between revenue £1,182.8m and capital £34.6m. The amount of cash drawn down in total up to the end of Sept is £648.5m. The closing balance as at 30th September was £5.3m



Aged Payables



Aged Receivables



PSPP



Cash

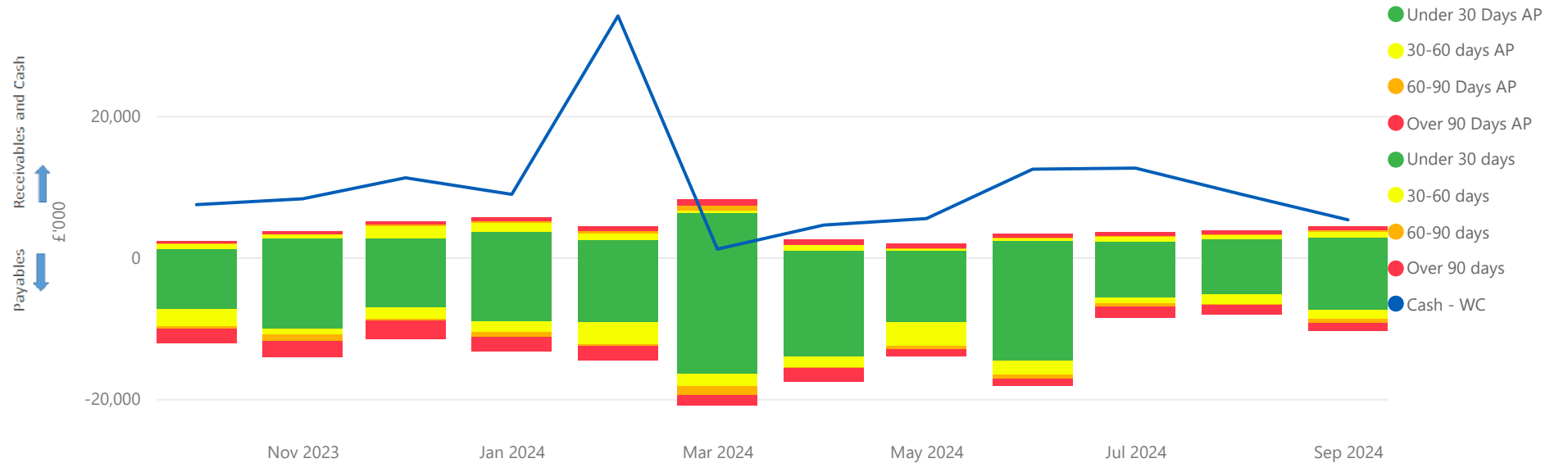


Working Capital



Medical Negligence

## Working Capital



As at the end of September the cash balance is £5.3m (£12.5m at the end of June). Balances owed to the Health Board at the end of September are £4.4m (£3.3m in June). It is imperative that this is collected promptly to reduce reliance on cash support from WG. Balances owed to suppliers at the end of September are £10.4m (£18.2m in June).



Aged Payables



Aged Receivables



PSPP



Cash



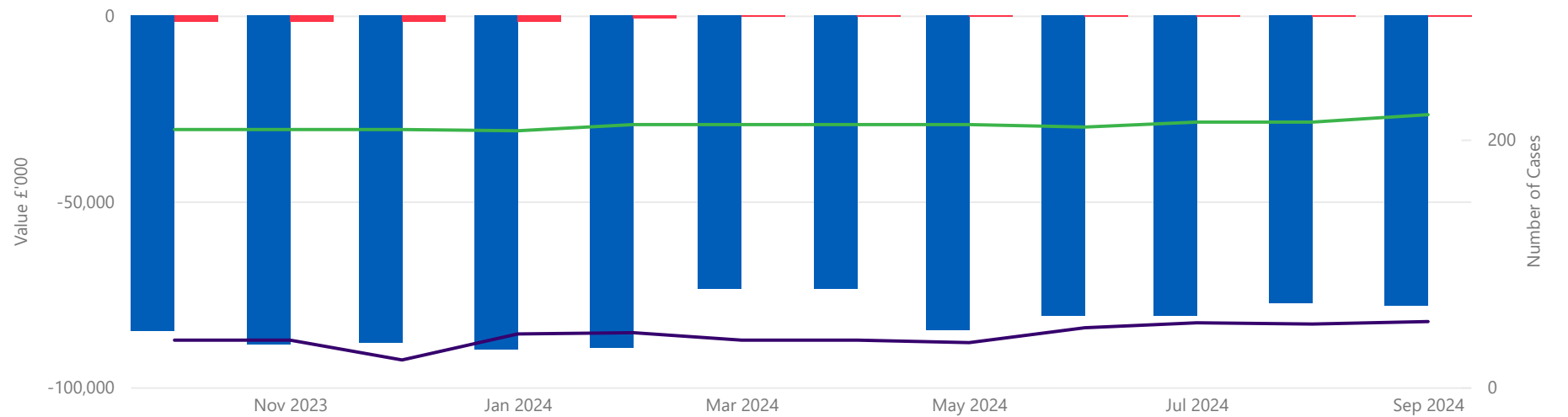
Working Capital



Medical Negligence

## Medical Negligence & Personal Injury

● MN Provision ● PI Provision ● PI Cases ● MN Cases



The movement in the provision for medical negligence cases from the end of 2023/24 is £4.5m increase. This is due to an increase in the number of cases and increases in the provision across a number of cases.