

20/21 Month 10 Revenue

- Agreed system plan was **deficit of £19.2m**
- Current **forecast is deficit of £18.7m**, assuming full payment of forecast Hospital Discharge Programme and Independent Sector funding
- Forecast assumes full impact of additional A/L accrual totalling £22.3m. NHSEI have indicated A/L accrual will be funded for an, as yet to be published, number of days. Therefore **likely to see an improved year end position**. This is the case across the NHS as a whole.
- Downside of Elective Incentive Scheme (this would have taken resource out of the system if we had not hit activity targets in the autumn) will now not be implemented and so previous risk removed.
- Further review of forecast in Month 11 as further guidance released relating to additional allocations and accounting treatments (e.g. nationally purchased stock) as we approach year end.
- Our strategy is to smooth the financial impact between years as 2021/22 looks likely to be challenging.

20/21 Month 10 Capital and Cash

Capital

- System operating within nationally agreed capital limits for Business As Usual and Critical Infrastructure capital allocations, with cross-organisational management of slippage on schemes.
- Underspend on ACAD scheme at UHB to be reprofiled to future years following approval.

Cash

- Cash positions better than originally planned, primarily due to advance block payments during the year. These are due to cease in March.

21/22 Planning

- Rollover of 20/21 arrangements into Q1 (and possibly Q2) with planning round for subsequent quarters by June.
- Due to ongoing discussions with Treasury and DHSC around both value and timeframe of NHS allocations, revenue allocations unlikely to be received before mid-March, whilst capital allocations likely to be known in advance.
- Nationally £1.5bn was set aside for reset and restoration of which £0.5bn was for mental health and £1billion for elective recovery (including areas such as community services). To give a sense of the challenge, the Bsol fair share of the £1bn would be circa £20m and we have a estimate of £50million plus.
- In the interim, the system working with NHSEI Midlands to produce high level numbers for potential revenue costs for 21/22, including the recurrent (full restoration of services) and non-recurrent (dealing with increased waiting list created during pandemic) costs of restoration and recovery to support discussions with the national team.
- Work will continue on the development of plans in line with national timetables and guidance.
- Processes for allocation of funding to support both underlying cost pressures and the costs of restoration and recovery are in the process of being developed.