

Item 17.2 - BDCFT Financial Plan 2023/24 (Revenue and Capital)

Trust Board

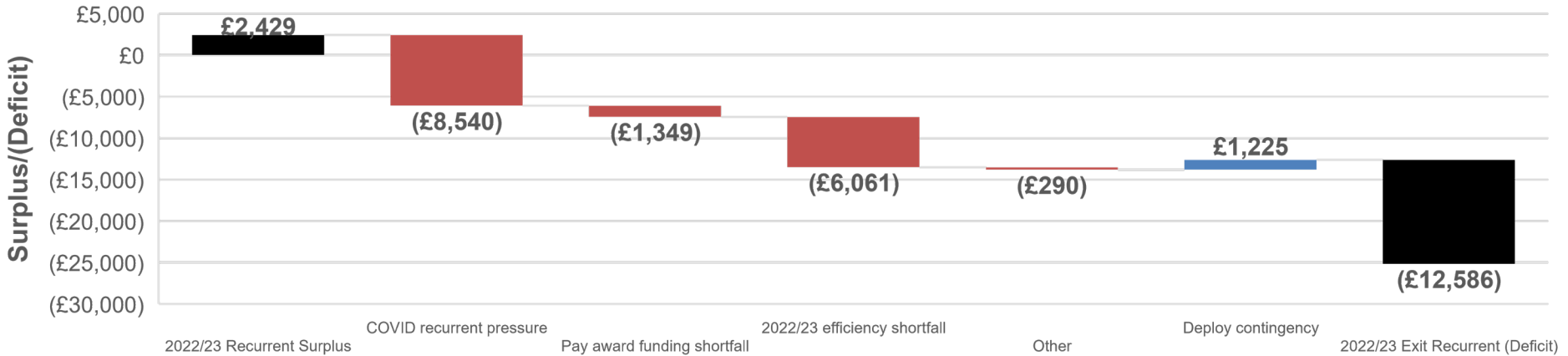
11th May 2023

Mike Woodhead – Director of Finance, Contracting and Estates

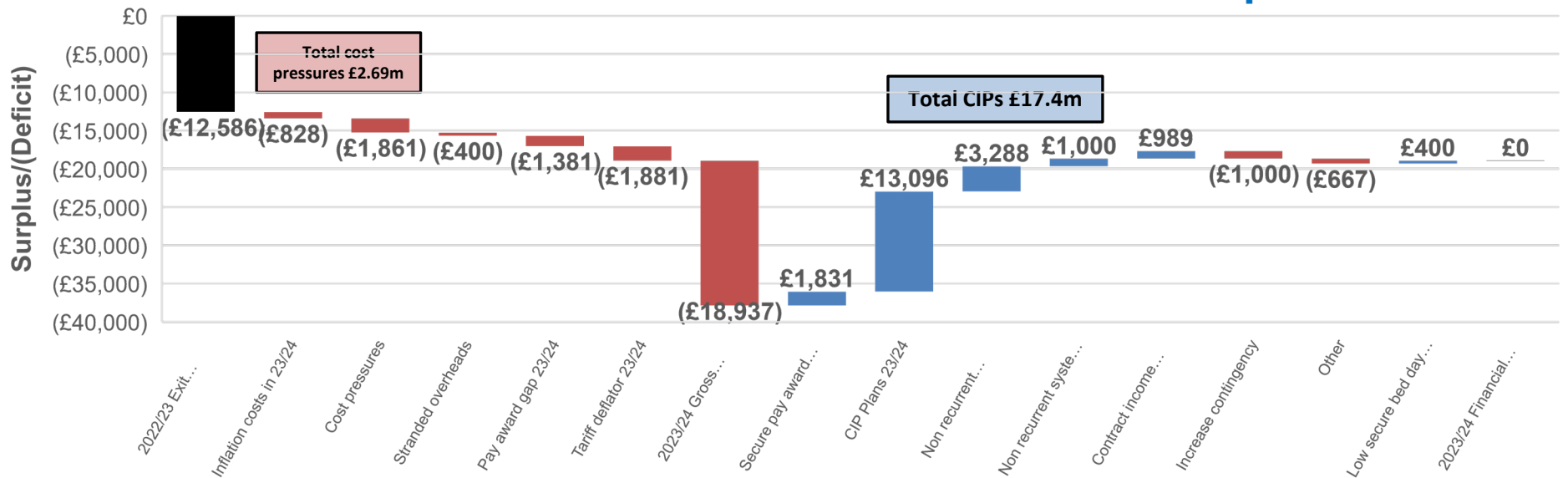
Financial Gap 2022/23 to 2023/24

2022/23 exit position gap has increased by £620k – Model Roster and £250k Procurement.

2022/23 Exit Recurrent Position



2022/23 Exit Position to 2023/24 Financial Gap



High Level Gap

Draft deficit of £12.3m, reduced to breakeven. Mainly due to increase efficiency plans £11.28m, Contract income £1m, reduction in cost pressures £1.5m, reduced tariff deflator £0.9m; **OFFSET** by increased inflationary costs of £0.67m and £1m contingency to manage OAPs risk.

Statement of Comprehensive Income £000's	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	2023/24
Operating income from patient care activities	15,460	15,460	15,460	15,460	15,460	15,461	15,461	15,461	15,461	15,461	15,461	15,458	185,524
Other operating income	1,060	1,060	1,060	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,098	13,046
Employee expenses	(13,717)	(13,720)	(13,720)	(13,682)	(13,682)	(13,683)	(13,625)	(13,625)	(13,625)	(13,650)	(13,650)	(12,353)	(162,732)
Operating expenses excluding employee expenses	(3,350)	(3,186)	(3,276)	(3,237)	(3,199)	(3,062)	(2,842)	(2,800)	(2,717)	(2,642)	(2,583)	(2,554)	(35,448)
Finance income	33	33	33	33	33	33	33	33	33	33	33	37	400
Finance expense	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(12)	(11)	(11)	(11)	(133)
PDC dividends payable/refundable	(55)	(55)	(55)	(55)	(55)	(55)	(55)	(55)	(55)	(55)	(55)	(52)	(657)
Surplus/(Deficit) for the period	(580)	(419)	(509)	(396)	(358)	(221)	57	99	181	232	291	1,623	0

Explained by:	22/23 exit position - Restated	Plan - Final Plan	Movement from 22/23 exit
Opening Plan surplus	£2.43	£2.43	£0.00
COVID costs - recurrent	-£8.54	-£8.54	£0.00
Strategic Programmes - efficiency shortfall	-£5.81	-£5.81	£0.00
Procurement CIP 22/23 shortfall	£0.00	-£0.25	£0.25
Pay award shortfall 22/23	-£1.35	-£1.35	£0.00
Other pressures	-£0.29	-£0.29	£0.00
Contingency	£1.23	£1.23	£0.00
22/23 Opening gap	-£12.34	-£12.59	£0.25
Inflation costs in 23/24	-£0.16	-£0.83	£0.67
Cost pressures	-£3.33	-£1.86	-£1.47
Stranded overheads	-£0.40	-£0.40	£0.00
Pay award gap 23/24	-£1.38	-£1.38	£0.00
Tariff deflator 23/24	-£2.76	-£1.88	-£0.88
Gross Efficiency	-£20.36	-£18.94	-£1.42
Secure pay award funding gap 22/23 & 23/24	£1.83	£1.83	£0.00
CIP Plans 23/24	£3.27	£13.10	-£9.83
Non recurrent flexibilities	£1.84	£3.29	-£1.45
Non recurrent system flexibilities	£1.00	£1.00	£0.00
Contract income	£0.00	£0.99	-£0.99
Increase contingency	£0.00	-£1.00	£1.00
Other	-£0.31	-£0.67	£0.36
Low secure bed day price review	£0.40	£0.40	£0.00
Financial Gap to be addressed	-£12.34	£0.00	-£12.34

Contract planning assumptions

Contract income headlines:

- Tariff: Gross inflation of 2.9% and deflator of 1.1%
- 0.7% inflation uplift included relating to 2022/23
- Convergence adjustment of 0.71% (ICB) and 0.6% (Spec Comm)
- MHIS – Base growth 5.07% plus 1.7%
- SDF investment agreed recurrently. Non recurrent slippage of c£0.3m contributed to Place financial gap
- Core 24 £1.3m non recurrent funding secured
- Low secure bed day price review additional income assumed of £0.4m
- LA funding of 23/24 pay award funding assumed of £0.66m
- COVID income has reduced to £0.613m
- Long COVID income secured £0.377m
- Winter funding included in contract £0.4m
- Community growth 0.9% (£0.431m) agreed to be deferred to 2024/25
- Non pay inflation for 2023/24 deferred non recurrently to support Bradford Place financial gap

NHS Commissioning contracts are in the process of being finalised

Cost Pressures

Headlines:

Gross cost pressures amount to £4.382m, after reflecting inflationary funding in tariff, cost pressures reduce to £2.689m.

- Net inflationary costs amount to £0.355m
- Regulatory and mandatory costs have increased by £0.24m
- Full year effect of investments made in 22/23 account for £0.536m
- New investment, mainly to support the delivery of the efficiency programme, amount to £1.557m

Row Labels	1. Approved	2. CIP offset included	Gross Cost Pressures	Inflation
1. Inflation	2,048,529		2,048,529	2,048,529
2. Regulatory	239,653		239,653	
3. Pre-approved	536,578		536,578	
4. New request	1,495,350	62,084	1,557,434	
Gross Cost Pressures	4,320,111	62,084	4,382,195	
Tariff inflation	-1,693,000		-1,693,000	-1,693,000
Net Cost Pressures	2,627,111	62,084	2,689,195	355,529

Cost Pressures – EMT approved

EMT have considered cost pressure requests against a range of criteria including - contributions to efficiencies (ROI), improvements in productivity, staff safety and other mandatory/ necessary requirements. Business cases have been developed to support the schemes.

EMT appraised requests of c£3.1m and have supported cost pressures of £1.557m as follows:

- £0.926m that are supporting efficiency and productivity benefits amounting to £3.143m;
- £0.197m that will deliver productivity benefits; and
- £0.371m that have been deemed of highest priority to progress.

Row Labels	CIP Offset	Efficiency	Productivity	Other	Grand Total
Attend Anywhere digital solution			25,000		25,000
Community Psychological Therapy Centres				49,400	49,400
Corporate Strategy - Digital	30,000		126,015		156,015
Criminal Justice Additional Posts				44,581	44,581
CTE investment (System)				8,000	8,000
Estates Corporate Strategy		115,000			115,000
FTC Corporate Governance Officer (Band 5 for 12 months from May 2023)				36,149	36,149
Historic overseas income target				50,000	50,000
Hornbill Expansion				2,488	2,488
HR Corporate Strategy		561,063			561,063
Job Evaluation System			46,800		46,800
Med staff admin support for training and education	32,084				32,084
MH Act Office Additional Staff				23,296	23,296
New Contract PSD				43,000	43,000
Performance Additional Posts		69,948			69,948
provider Collaborative				21,000	21,000
Research & Development				27,742	27,742
Responsible Officer Assistant				35,813	35,813
s49 reimbursement to Clinicians				30,000	30,000
Staff Wellbeing Pressure		46,184			46,184
Transformation & Integration		133,871			133,871
Grand Total	62,084	926,066	197,815	371,469	1,557,434

Cash releasing efficiencies					
CIP offset in plan	-62,084				-62,084
SP4: Estates		-750,000			-750,000
NHSI Agency Cap		-2,393,658			-2,393,658
Efficiency programmes supported by cost pressure investment	-62,084	-3,143,658	0	0	-3,205,742

Net Benefit	0	-2,217,592	197,815	371,469	-1,648,308
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Cost Improvement Plans

Headlines: Total CIP Plans of £17.384m

- COVID efficiencies amount to £4.058m (see COVID slide)
- Strategic Programmes – Shortfall in 2022/23 CIP plans of £6m has been addressed by:
 - £5.403m savings in 2023/24
 - Full year effect of Model Roster 3 in 2024/25 £1.226m
 - Full year effect of out of area placement reductions in 2024/25 of £1.396m
- Other CIP schemes have been amount to £3.634m
- Non recurrent flexibilities of £4.288m will be used to contribute to reducing the financial gap.

Row Labels	Sum of 2023/24 only £'s	Sum of Apr-23	Sum of May-23	Sum of Jun-23	Sum of Jul-23	Sum of Aug-23	Sum of Sep-23	Sum of Oct-23	Sum of Nov-23	Sum of Dec-23	Sum of Jan-24	Sum of Feb-24	Sum of Mar-24	Sum of Total
IPC/ COVID	728,018	60,668	60,668	60,668	60,668	60,668	60,668	60,668	60,668	60,668	60,668	60,668	60,670	728,018
IPC/COVID - Staff cohorting	1,685,254	140,438	140,438	140,438	140,438	140,438	140,438	140,438	140,438	140,438	140,438	140,438	140,436	1,685,254
IPC/ COVID - Out of area	1,645,046		23,416	36,115	88,990	125,860	148,709	195,823	202,526	209,277	209,277	195,775	209,277	1,645,046
SP2: Model Roster 3	1,393,650	119,748	119,748	119,748	120,702	120,702	120,702	125,103	125,103	125,103	98,997	98,997	98,997	1,393,650
SP2: Out of area placements	1,649,943	0	1,609	15,759	17,419	19,028	114,069	132,994	150,396	261,893	299,430	291,854	345,492	1,649,943
SP2: Low Secure	977,405	15,239	15,239	15,239	68,464	68,464	68,087	121,112	121,112	121,112	121,112	121,112	121,112	977,405
SP4: Estates	750,000	25,000	25,000	25,000	33,333	33,333	33,333	75,000	75,000	75,000	116,667	116,667	116,667	750,000
P6: Medical Staffing	383,000	0	0	0	42,556	42,556	42,556	42,556	42,556	42,556	42,556	42,556	42,552	383,000
Procurement	250,000	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,837	250,000
Document Storage	29,600	2,467	2,467	2,467	2,467	2,467	2,467	2,467	2,467	2,467	2,467	2,467	2,463	29,600
Internal Audit Days reduction	10,889	907	907	907	907	907	907	907	907	907	907	907	912	10,889
Bank Interest Receivable	400,000	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,337	400,000
Drugs savings - switches to generic (Anti-psychotic)	472,066	39,339	39,339	39,339	39,339	39,339	39,339	39,339	39,339	39,339	39,339	39,339	39,337	472,066
Medical Staffing Admin	32,084	2,674	2,674	2,674	2,674	2,674	2,674	2,674	2,674	2,674	2,674	2,674	2,670	32,084
Agency Cap	1,000,000	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,337	1,000,000
Adults & Childrens Target efficiency	500,000	0	0	0	0	0	0	83,333	83,333	83,333	83,333	83,333	83,335	500,000
Corporate Services Target efficiency	400,000	0	0	0	0	0	0	66,667	66,667	66,667	66,667	66,667	66,665	400,000
Overhead contribution from MH Tx	600,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
Recurrent flexibility	189,512	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,789	189,512
Non Recurrent (Local)	1,450,000	0	150,000	0	0	0	0	0	0	0	0	0	1,300,000	1,450,000
Non recurrent flexibility	1,838,000	153,167	153,167	153,167	153,167	153,167	153,167	153,167	153,167	153,167	153,167	153,167	153,163	1,838,000
Non recurrent flexibility (System)	1,000,000	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	93,333	73,337	1,000,000
Grand Total	17,384,468	846,272	1,021,297	898,146	1,057,749	1,096,229	1,213,742	1,528,872	1,552,978	1,671,226	1,724,325	1,713,247	3,060,386	17,384,468
COVID	4,058,318	201,106	224,522	237,221	290,096	326,966	349,815	396,929	403,632	410,383	410,383	396,881	410,383	4,058,318
Strategic Programmes	5,403,999	180,820	182,428	196,578	303,308	304,916	399,581	517,598	535,000	646,497	699,596	692,019	745,658	5,403,999
Other	3,634,151	227,846	227,846	227,846	227,846	227,846	227,846	377,846	377,846	377,846	377,846	377,846	377,845	3,634,151
Non recurrent flexibility	4,288,000	236,500	386,500	236,500	236,500	236,500	236,500	236,500	236,500	236,500	236,500	246,500	1,526,500	4,288,000
Total	17,384,468	846,272	1,021,297	898,146	1,057,749	1,096,229	1,213,742	1,528,872	1,552,978	1,671,226	1,724,325	1,713,247	3,060,386	17,384,468

Model Roster 3 - assumptions

- MR3 will be rolled out to wards in phases based on recruitment plans:
 - 2 wards fully established (excl Qualified) and live on MR3 at beginning of Q2 (July 2023) – Ashbrook & Heather
 - 4 wards fully established (excl Qualified) and live on MR3 at beginning of Q3 (October 2023) – Ashbrook, Heather, Fern and Oakburn
 - All 7 wards fully established (excl Qualified) and live on MR3 at beginning of Q4 (January 2024)
- Qualified nursing will require Temporary staffing support until posts are fully recruited in 24/25. Premium costs included within the financial model.
- Upon wards going live with MR3:
 - Unqualified temporary staffing needs will be sourced from Acuity Pool
 - Sickness trajectories included to target reduction to 5% included in headroom – temporary staffing costs included
 - No further costs expected for unqualified temporary staffing (headroom expected to cover)
- Pre MR3 go live - target a reduction of 20% in unqualified temporary staffing aligned to roster management (excluding s136 suites with a forecast overspend in 2023/24 of £243k)
- OD plans to support go live targeted at RPIW w/c 20th March 2022
- Sickness target trajectories to be brought in line with Trust target of 5% (£300k provided in COVID budget for associated absences)
- Step Forward – forecast current level of overspend in budgets up to Q2. Expectation that costs are managed within budget by 1st July 2023.
- Acuity Pool – 16 WTE, budget £600k. Equivalent of 3.5 members of staff per day (over 24 hour period).

Model Roster 3 – recruitment plan

Row Labels	MR3 Vacancy	%				Cumulative	WTE			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4		Quarter 1	Quarter 2	Quarter 3	Quarter 4
Healthcare Asst Band 2	23.06	57%	43%			100%	13.10	10.00		
Healthcare Asst Band 3	-10.77	-28%	-56%	-16%		-100%	-3.02	-6.03	-1.72	
Activity Co-Ord	10.75	28%	56%	16%		100%	3.00	6.00	1.75	
Nurse band 4	8.38	24%	24%	24%	28%	100%	2.00	2.00	2.00	2.38
Nurse band 5	53.65	7%	24%	17%	4%	52%	4.00	13.00	9.00	2.00
Nurse band 6	-4.14	0%	-24%	-24%	-52%	-100%	0.00	-1.00	-1.00	-2.14
Nurse band 7	-2.61	0%	-23%	-38%	-38%	-100%	0.00	-0.60	-1.00	-1.00
Occ Therapist band 3	3.80	100%				100%	3.80			
Occ Therapist band 5	-0.63	0%	-100%			-100%	0.00	-0.63		
Occ Therapist band 6	2.59	0%	39%	61%		100%	0.00	1.00	1.59	
Occ Therapist band 7	1.23	0%	100%			100%	0.00	1.23		
Pharmacist Band 5	5.92	34%	51%	16%		100%	2.00	3.00	0.92	
Physiotherapist band 3	1.11	100%				100%	1.11			
Physiotherapist band 5	1.00	0%	100%			100%	0.00	1.00		
Physiotherapist band 6	-0.30	0%	0%	0%	100%	100%	0.00	0.00	0.00	-0.30
Psychologist band 4	2.30	-87%	-13%			-100%	2.00	0.30		
Psychologist band 7	1.03	0%	-100%			-100%	0.00	1.03		
Speech & Lang Therapy band 6(AfC)	0.91	0%	0%	0%	-100%	-100%	0.00	0.00	0.00	0.91
	97.28						27.99	30.30	11.54	1.85
							29%	31%	12%	2%

MR3: Financial Overview

- Budget overspend in 22/23 of £2.62m. Phased recruitment to vacancies has been reflected in the plan with £1.23m non recurrent investment made in budgets. This reflects a cost saving of £1.39m over 22/23 spend.
- Costs expected to be in line with budget by 2024/25, reducing costs by a further £1.23m in 24/25.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Total Budget	3,523,476	3,523,476	3,523,476	3,523,476	14,093,905
Total Costs	3,819,303	3,816,439	3,903,239	3,781,556	15,320,537
Variance	-295,827	-292,963	-379,762	-258,080	-1,226,632
Budget variances					
Ashbrook	-129,677	-35,658	-35,658	-35,658	-236,650
Bracken	-89,748	-89,748	-89,748	-63,543	-332,787
Clover	122,630	122,630	122,630	-53,224	314,667
Acuity Pool	0	0	-100,000	100,000	0
Fern	11,526	11,526	-469	-469	22,115
Heather	70,067	-44,369	-44,369	-44,369	-63,040
Maplebeck	-104,918	-104,918	-104,918	-33,586	-348,339
Oakburn	-133,978	-133,978	-23,990	-23,990	-315,935
LMH s136	-14,722	-14,722	-52,145	-52,145	-133,734
ACMH s136	-3,727	-3,727	-51,097	-51,097	-109,648
Step Forward	-23,281	0	0	0	-23,281
Total	-295,827	-292,963	-379,762	-258,080	-1,226,632

Out of Area Expenditure

Headlines

- OOA gross costs included within the plan amount to £7.13m which is reflective of demand in 2022/23 and agreed contract uplift of 8% on the Cygnet contract.
- The plan includes efficiencies of £3.295m aligned to:
 - Crisis beds phased opening from May 2023, fully operational from August. Estimated at 75% occupancy.
 - Focused workstream on Flow team to improve the process e.g. consistent application of PIPA etc. Estimating phased improvements of 5 day reduction in length of stay from June 2023.
 - Reduction in occupied bed days due to Model Roster 3 seven day working, phased implementation from September 2023.
 - Target super stranded patients (>100 day LOS) aiming for 50% reduction by the end of Q2 (12 patients).
 - Integrated System working with Local Authority to move care into the community assuming access to 6 beds phased from October 2023 (High risk scheme).

An additional £1m contingency is held centrally to manage risk of delivery.

	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	2023/24 Forecast
COVID OOA	456,458	456,458	456,458	456,458	456,458	456,458	456,458	456,458	456,458	456,458	456,458	456,458	5,477,494
Other OOA	110,557	130,085	108,891	121,707	123,906	110,965	122,707	99,104	123,932	118,317	65,628	123,335	1,359,135
Cygnet Inflation	18,802	18,801	20,467	27,179	24,980	18,394	26,179	30,255	24,954	30,569	24,677	25,551	290,808
2022/23 costs	585,817	605,344	585,817	605,344	605,344	585,817	605,344	585,817	605,344	605,344	546,762	605,344	7,127,437
CIP - Crisis Beds	0	(25,025)	(24,218)	(50,050)	(75,075)	(72,653)	(75,075)	(72,653)	(75,075)	(75,075)	(70,231)	(75,075)	(690,206)
CIP - Flow Management	0	0	(14,202)	(14,202)	(14,202)	(28,404)	(28,404)	(28,404)	(42,605)	(42,605)	(42,605)	(42,605)	(298,237)
CIP - MR3	0	0	0	0	0	(80,995)	(80,995)	(80,995)	(139,387)	(139,387)	(139,387)	(185,451)	(846,596)
CIP - 100 Day Discharge	0	0	(14,182)	(44,436)	(58,617)	(82,908)	(128,967)	(134,543)	(139,028)	(135,270)	(126,543)	(134,712)	(999,207)
CIP - Integrated Systems Working LA	0	0	0	0	0	0	(18,769)	(36,327)	(75,075)	(112,613)	(105,347)	(112,613)	(460,743)
Planned efficiency	0	(25,025)	(52,601)	(108,687)	(147,894)	(264,959)	(332,210)	(352,922)	(471,170)	(504,950)	(484,114)	(550,457)	(3,294,989)
2023/24 planned cost	585,817	580,319	533,216	496,657	457,450	320,857	273,134	232,895	134,174	100,394	62,648	54,887	3,832,448

IPC/ COVID Costs 2023/24

COVID income reduced to £0.613m recurrent in 23/24 (from £3.528m in 22/23).

COVID budget for 22/23 of £8.538m reduced to £4.525m – net reduction of £4.014m:

- Efficiencies identified of £4.058m
- Cost pressure - PPE costs to be funded locally when national stock deplete £0.044m for 23/24

COVID budget reallocated to reflect:

- Out of Area to be reassigned to Mental Health Care Group - £3.832m
- COVID staff absence to be aligned to HR project workstreams - £0.3m

Revised COVID budget for 2023/24 of £0.392m

Revised Co-Horting & PPE Plan (1.3.23)	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	2023/24 Forecast costs	2022/23 planned costs	Movement
Staffing costs for Cohorting beds	26,744	26,744	26,744	26,744	26,744	26,744	26,744	26,744	26,744	26,744	26,744	26,744	320,925	2,060,000	(1,739,075)
Swabbing Team	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	27,000	132,000	(105,000)
PPE	3,662	3,662	3,693	3,693	3,693	3,693	3,693	3,693	3,693	3,693	3,693	3,693	44,253	0	44,253
Other estates costs (Storage)	0	0	0	0	0	0	0	0	0	0	0	0	0	21,600	(21,600)
All other COVID costs	0	0	0	0	0	0	0	0	0	0	0	0	0	51,867	(51,867)
IPC budget	32,656	32,656	32,687	32,687	32,687	32,687	32,687	32,687	32,687	32,687	32,687	32,687	392,178		
Reassign costs to MHCG & Workforce:															0
Out of Area Costs	460,808	435,782	449,766	559,720	467,342	188,046	312,816	388,592	140,434	240,504	117,174	71,465	3,832,448	4,102,057	(269,609)
Staff Bank (Staff absences due to COVID)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000	2,215,431	(1,915,431)
	518,464	493,438	507,452	617,406	525,029	245,733	370,502	446,278	198,121	298,190	174,860	129,151	4,524,626	8,582,955	(4,058,329)

Agency Costs

Agency Expenditure	
BDCFT Planned Agency Expenditure £000's	5,900
As a % of Total Pay Expenditure	3.6%
NHSI Cap % of Total Expenditure	3.7%
NHSI Cap £000's	6,021

Planned Agency Expenditure 2023/24 - £000's	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	2023/24
Agency - Registered Nursing, Midwifery and Health visiting	96	96	96	95	95	95	80	80	80	80	80	80	1,053
Agency - Support to nursing staff	363	363	363	322	322	315	196	196	196	118	118	113	2,985
Agency - Consultants (including Directors of Public Health)	96	96	96	49	49	49	49	49	49	49	49	49	729
Agency - Trainee Grades	94	94	94	94	94	94	94	94	94	94	94	99	1,133
Grand Total	649	649	649	560	560	553	419	419	419	341	341	341	5,900

Plans are inclusive of a further £1m efficiency requirement to reduce agency spend to below the NHSI Cap. Plans are being developed to target:

- Recruitment to all vacancies
- Reducing sickness levels to Trust target
- Medical locums transferring to permanent roles
- Effective roster management

Mental Health Transformation

Mental Health Transformation in 23/24 Contract - £000's	Original Allocation	NR Reduction	Total
MH SDF 23/24: Children & Young People MH	1,099		1,099
MH SDF 23/24: MHST	1,493		1,493
MH SDF 23/24: Adult Community	1,820	-313	1,507
Sub Total MH SDF	4,412	-313	4,099
LD&A SDF 23/24: Community /CYP Keyworkers	1,688	-398	1,290
Sub Total LD&A SDF	1,688	-398	1,290
Sub Total SDF Funding	6,100	-711	5,389
MHIS 23/24: Agenda for Change shortfall incl 22/23 shortfall	1,171		1,171
MHIS 23/24: FYE 22/23 (not fully funded)	1,900		1,900
MHIS 23/24: Balance	2,215		2,215
MH inflation (net Tariff uplift 1.8% & Convergence -0.71%)	995		995
Sub Total MHIS Funding	6,281	0	6,281
Grand Total	12,381	-711	11,670

The table above shows the income included in plan for MH transformation funding.

Note: MHIS is inclusion of inflationary costs.

Underlying Position 23/24

Exit Run Rate 23/24	Rec	NRec	Total
CONI	177,459	8,065	185,524
Other income	8,389	4,657	13,046
Pay	(153,237)	(9,495)	(162,732)
Non Pay	(35,517)	(321)	(35,838)
Surplus/(Deficit)	(2,906)	2,906	0

Main drivers of the underlying deficit:

- Model Roster 3 £1.2m
- Out of areas placements £3.8m

2024/25 Forward Look

The planned exit recurrent position for 2023/24 of £2.9m deficit should improve by £2.32m, taking account of the full year effect of the Model Roster 3; Out of area placement reductions and cost pressures.

Underlying Position 2024/25 - £000's	Pay	Non-Pay	Income	Contract Income	Surplus/ (Deficit)
Opening Underlying Position 23/24	(153,237)	(35,517)	8,389	177,459	(2,906)
FYE 23/24 Cost Pressures	(93)	(89)			(182)
FYE Model Roster CIP	1,227				1,227
FYE Out of Area Placements CIP		1,278			1,278
Closing Underlying Position 24/25	(152,103)	(34,328)	8,389	177,459	(583)

Operational Capital Plan

- The plan limits capital to fair share allocation of £7.013m (CDEL) in 2023/24.
- ICS planning approach – permitted 5% over allocations (to be managed in year) – limited risk
- Additional capital allocations expected for s136; EPR and IFRS16 of £698k.
- Included in the plan is a contingency of £176k to manage any in year capital applications and emerging risks
- **WY ICS DoFs: approach to managing ICS capital risks to be agreed, including Lynfield Mount.**

Scheme Description	Funding Stream	Lead	Capital Plan			
			2023/24	2024/25	2025/26	Total
Backlog/Impending Backlog Maintenance: Physical Condition	Internally Funded	Estates	1,437	1,437	977	3,851
Backlog maintenance including provision of decant facilities						
	Internally Funded	Estates	2,393	1,837	3,054	7,284
Safe Wards: Ligature minimisation	Internally Funded	Estates	150	150	150	450
Backlog/Impending Backlog Maintenance, Health and Fire & Service Infrastructure (inc	Internally Funded	Estates	100	75	75	250
Salaries/fees chargeable to Capital	Internally Funded	Estates	154	154	158	466
Environmental & Sustainability Schemes (inc infection prevention)	Internally Funded	Estates	133	133	133	399
Ligature Minimisation - Phase 3 - door alarms & acute windows on remaining wards	Internally Funded	Estates	303	503	-	806
Environmental Performance - TREND	Internally Funded	Estates	50	50	50	150
Community Hubs - Estates Strategy Transformation	Internally Funded	Estates	500	300	300	1,100
Estates Schemes			5,220	4,639	4,897	14,756
Equipment - Catering, Dental & Medical Equipment (inc: life-cycle replacement)	Internally Funded	ALL	226	94	94	414
Mobile Dental Unit	Internally Funded	Dental	100	150	-	250
Equipment & Other Schemes			326	244	94	664
Capital salaries IT capital schemes	Internally Funded	Digital	142	142	145	429
Clinical Systems: SystemOne Continued Development	Internally Funded	Digital	-	-	150	150
Clinical Systems: SystemOne Optimisation - matched funding	Internally Funded	Digital	150	150	-	300
Digital workplace: Development Fund	Internally Funded	Digital	120	100	100	320
PC/Laptop Refresh (PC, Laptops, Docking stations)	Internally Funded	Digital	500	350	350	1,200
Infrastructure - Network, Telecoms & Servers	Internally Funded	Digital	445	320	105	870
Costing Transformation Programme - PLICS	Internally Funded	Finance	30	-	-	30
Clinical systems: EPMA - with Cabinets	Internally Funded	Pharmacy&Digital	-	300	-	300
Digital Process Automation	Internally Funded	Digital	80	200	200	480
Equipment & Other Schemes			1,467	1,562	1,050	4,079
TOTAL CAPITAL PROGRAMME - Internally Funded			7,013	6,445	6,041	19,499
Improvements to S136 Suite - LMH and ACMH	PDC		395	-	-	395
EPR - National Funding	PDC		184	202	-	386
PDC Funded			579	202	-	781
IFRS16 - Vehicle Leases - RIGHT OF USE ASSET	CDEL required		119	119	119	357
IFRS16			119	119	119	357
TOTAL CAPITAL			7,711	6,766	6,160	20,637

Capital Plan prioritisation

CPIG members were joined by Operational Managers to collectively prioritise the Capital Programme. The outcome of the prioritisation scores are shown below. The proposal is to proceed with the highest priority schemes (score 0.9 and above), and defer decision making on schemes scoring below 0.9 (£613k) pending agreement for LMH capital funding.

In order of Priority Score	Area	Score	Revised Funding	Interim proposed decision
Backlog maintenance including provision of decant facilities	Estates	1.30	2,393	Proceed
Backlog/Impending Backlog Maintenance: Physical Condition	Estates	1.10	1,437	Proceed
Community Hubs - Estates Strategy Transformation	Estates	1.00	500	Proceed
Salaries/fees chargeable to Capital	Estates	1.00	154	Proceed
Clinical Systems: SystmOne Optimisation - matched funding	Digital	1.00	150	Proceed
Capital salaries IT capital schemes	Digital	1.00	142	Proceed
Backlog/Impending Backlog Maintenance, Health and Fire & Service Infrastructure (inc refurbishments)	Estates	1.00	100	Proceed
Digital workplace: Development Fund	Digital	0.95	120	Proceed
Equipment - Catering, Dental & Medical Equipment (inc: life-cycle replacement)	Equipment		50	Proceed
Equipment - Catering, Dental & Medical Equipment (inc: life-cycle replacement)	Contingency		176	Proceed
Mobile Dental Unit	Dental	0.95	100	Proceed
Infrastructure - Network, Telecoms & Servers	Digital	0.90	445	Proceed
Environmental & Sustainability Schemes (inc infection prevention)	Estates	0.90	133	Proceed
PC/Laptop Refresh (PC, Laptops, Docking stations)	Digital	0.90	500	Proceed
Ligature Minimisation - Phase 4 - door alarms & acute windows on remaining wards	Estates	0.85	303	Do not proceed until LMH capital funding is known
Safe Wards: Ligature minimisation	Estates	0.80	150	Do not proceed until LMH capital funding is known
Digital Process Automation	Digital	0.80	80	Do not proceed until LMH capital funding is known
Environmental Performance - TREND	Estates	0.70	50	Do not proceed until LMH capital funding is known
Costing Transformation Programme - PLICS (Finance)	Finance	0.35	30	Do not proceed until LMH capital funding is known
Placeholder - PICU				
Placeholder - Rehab				
			7,013	

Strategic Capital (LMH)

Financial dis-benefit of not progressing with LMH:

- Write off of capital investment spent - £1.04m;
- Closure of ward to decant service users - £5.7m per annum (18 beds) until all wards modernised;
- Increase of 66% in day to day maintenance costs;
- Elevated staffing requirement to manage poor layout/ lines of sight;
- Total backlog maintenance and modernisation costs required – £68.7m.

Risks and mitigations

	Best £m	Likely £m	Worse £m
Draft Plan Gap	0.00	0.00	0.00
Downside			
LA Pay award 22/23 not secured	£0.00	-£0.30	-£0.30
LA Pay award 23/24 not secured	£0.00	-£0.36	-£0.36
Pay award funding gap 23/24 (% above 2% plan (3%, 3%, 5%))	-£0.83	-£0.83	-£1.38
High risk CIPs (50%; 80%; 90%)	-£2.01	-£3.22	-£3.63
Medium risk CIPs (40%; 50%; 60%)	-£2.43	-£3.04	-£3.65
Low risk CIPs (10%; 20%; 30%)	-£0.73	-£1.46	-£2.18
Total downside risks	-£6.00	-£9.20	-£11.49
Upside			
LA Pay award - target efficiencies (9 month effect)	£0.50	£0.50	£0.50
Vacancies	£0.30	£0.64	£0.90
Contingency - General	£2.00	£2.00	£2.00
Contingency - OAPs	£1.00	£1.00	£1.00
Non recurrent (Local)	£0.00	£0.00	£0.50
Non recurrent (Systems)	£0.00	£0.00	£0.00
Total upside mitigations	£3.80	£4.14	£4.90
Residual gap	-£2.20	-£5.07	-£6.60

Headline risks:

- Shortfall in funding for pay award settlement - £1.5m
- Delivery of efficiency programme £7.71m

Headline mitigations:

- Pay efficiencies - £1.1m
- Risk contingency £3m

Residual risk of c£5m