



**PWYLLGOR CYLLID A PHERFFORMIAD
FINANCE AND PERFORMANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	16 December 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Clinical Care Group Financial Savings
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Andrew Carruthers, Chief Operating Officer
SWYDDOG ADRODD: REPORTING OFFICER:	Keith Jones, Director of Operational Planning and Performance

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

The Committee is requested to consider the progress achieved by Clinical Care Groups (CCGs) in respect of confirmed savings plans as at Month 7 2025/26 and to note the additional opportunities being explored by CCGs to further improve this position.

Cefndir / Background

Hywel Dda University Health Board (HDdUHB) approved an Annual Plan on 27 March 2025 which represented a planned deficit of £31.5m. This includes provision for investments totalling £11.9m, expected recurrent savings of £19.0m, plus a non-recurrent benefit of underspends and non-recurrent savings of £25.4m. Subsequently in July 2025, the Board has approved a revision to the Annual Plan and a restated recurrent 2025/26 saving requirement of £46.4m.

The anticipated savings delivery was spread across the Health Board on the basis of all budget areas delivering a combination of 5% savings in 2024/25 plus a further 1.5% in 2025/26. Recognising that recurrent saving delivery was achieved to some extent through 2024/25, the remaining balance of 5% was carried forward for each budget area. As a result, the savings delivery required for the Chief Operating Officer portfolio is £39.0m. These figures remain unchanged by the revision to the Annual Plan and increased savings requirement.

Following Month 7 2025/26 reporting, the Health Board revised its forecast to match the outturn position of 2024/25 of £24.1m, aligning to Welsh Government (WG) expectations. At the same time the implication of the additional pressure from the Welsh Risk Pool risk share has been factored into the forecast, raising the end-of-year forecast to £28.3m. This continues to pose a delivery challenge for the Health Board CCGs, recognising the value (circa £3.0m) of potential amber saving schemes not transacted plus the further requirement for additional mitigating actions to a value of £3.3m which need to be identified and delivered across the Health Board.

As part of the planning cycle for 2026/26, CCGs have been requested to identify recurrent solutions for delivery in the next financial year. It is anticipated that this will require budget

holders to close the recurrent 2025/26 savings gap and address a further saving challenge for 2026/27.

Asesiad / Assessment

Savings Delivery to Month 7

In the October 2025 CCG Financial Savings Report to Finance and Performance Committee, the Committee was advised of further actions being pursued by CCGs to review additional opportunities, beyond the current schedule of blue and red savings schemes, including consideration of run rate contributions to the in-year savings target along with non-cash releasing opportunities.

Latest Position:

The table below shows the updated position as of Month 7:

Delegated Officer (£'000)	Annual Savings	In Year Identified Cash Releasing Plans (Recurrent and Non-Recurrent)				Total	Variance From Target
		Blue	Red	Amber	Green		
Chief Operating Officer	39,048	481	3,195		25,583	29,259	9,789
Chief Operating Officer Management	762				639	639	123
Community and Integrated Medicine	10,482	150	1,448		6,278	7,876	2,606
Mental Health and Learning Disabilities	5,851	300	144		5,143	5,587	264
Operational Allied Health and Health Sciences	3,785		26		459	485	3,300
Planned and Specialist Care	11,639	31	1,167		8,437	9,634	2,005
Primary Care, Community Strategy and Long Term Care	6,529		410		4,627	5,037	1,492

Against the target of £39.0m, in year plans have further improved to £29.3m factoring in blue, red, amber and green (BRAG), recurrent and non-recurrent schemes. This represents a further £2.0m improvement over the reported position at the last Finance and Performance Committee meeting in October 2025.

Despite significant operational pressures experienced by CCGs, confirmed in year delivery in respect of amber and green schemes has also increased by a further £2.5m to a current total of £25.6m compared to the position reported at the last Finance and Performance Committee meeting in October 2025.

This progress has been achieved despite:

- Pressures on surge capacity across Pembrokeshire and Carmarthenshire
- Deteriorating medical staffing workforce availability
- Increased referral-to-treatment (RTT) delivery costs including actions to mitigate the operational impact of theatre cancellations due to significant theatre staffing workforce challenges and non-pay costs associated with increased activity levels

Recurrent Schemes

The table below shows the latest position as at Month 7 in relation to recurrent schemes:

Delegated Officer (£'000)	Annual Savings Target	In Year Identified Cash Releasing Plans (Recurrent)					Total	Full Year Plan	Full Year Variance From Target
		Blue	Red	Amber	Green				
Chief Operating Officer	39,048	181	3,051			10,941	14,173	22,004	£17,044
Chief Operating Officer Management	762								£2,166
Community and Integrated Medicine	10,482	150	1,448			2,842	4,441	8,316	£4,476
Mental Health and Learning Disabilities	5,851					1,375	1,375	1,375	£3,025
Operational Allied Health and Health Sciences	3,785		26			459	485	760	£2,978
Planned and Specialist Care	11,639	31	1,167			3,799	4,996	8,661	£3,637
Primary Care, Community Strategy and Long Term Care	6,529		410			2,466	2,876	2,892	

The full year estimate of recurrent schemes totals £22.0m across all BRAG categories.

Green and Amber Schemes

Alongside the priority focus on closing the current gap to the total savings target for services within the Chief Operating Officer's service portfolio, individual CCG's have also continued to focus on expenditure controls within operating budgets. Within the total green savings schemes, a portion of this value has been realised through the approved principle to routinely transact pay related underspends through the monthly cycle, totalling £5.1m between April 2025 and October 2025. This reflects the increased grip and control applied by CCGs in managing their operating budgets.

The summary table below presents the scale of savings generated through this process:

Delegated Officer (£'000)	M07 YTD	
	Total	Average
Chief Operating Officer	5,133	733
Chief Operating Officer Management	639	91
Community and Integrated Medicine	689	98
Mental Health and Learning Disabilities	658	94
Planned and Specialist Care	985	141
Primary Care, Community Strategy and Long Term Care	2,161	309

Current Blue and Red Schemes

The current list of red and blue schemes identified by CCGs are included within **Appendix 1** to this report. These represent a potential £4.9m opportunity in year.

Progress updates are provided through CCG '*Executive Improving Together*' (EITs) meetings and Recovery meetings, with progress achieved in converting blue and red schemes to amber and green reflected in the improved position reported above.

In recognition of the workforce and related capacity challenges across its service areas, the Operational Allied Health and Health Sciences CCG has been encouraged via Executive Recovery reviews to focus its efforts on actions to maximise a forecast year end budget underspend given the extent to which the CCG budget reflects pay costs.

Additional Expenditure Reduction Actions

In addition to the progress described above, all CCGs continue to review opportunities to further reduce rates of variable pay expenditure not currently reflected in CCG forecasts. The outcome of these reviews will be incrementally added to non-recurrent schemes as opportunities are confirmed.

During October savings were confirmed totalling £0.5m towards the further improvement required. These relate to Neurodevelopment outsourcing and negotiation with local authorities in respect of shared costs.

Argymhelliad / Recommendation

The Finance and Performance Committee is requested to **NOTE** the further progress achieved by Clinical Care Groups in respect of confirmed savings plans as at Month 7 2025/26 and the continuing focus of CCGs to further improve this position.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.1.1 Receive assurances on the financial governance and control environment in operation across the Health Board. This will be achieved a programme of deep dive reviews into the following themes, which mirror the national Value and Sustainability Board.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	4. Efficient
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	6. Sustainable use of resources
Amcanion Cynllunio Planning Objectives	2 Financial recovery and route map
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

**Gwybodaeth Ychwanegol:
Further Information:**

Ar sail tystiolaeth: Evidence Base:	Contained within the body of the report.
Rhestr Termiau: Glossary of Terms:	Contained within the body of the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Clinical Care Groups

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Contained within the body of the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Not Applicable

Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Health Board financial stewardship.
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable

APPENDIX 1: BLUE AND RED SAVING SCHEMES

CCG	CSG	Scheme Name	Recurrent	RAG	Values £'000	
					In Year Plan	Full Year Plan
Community and Integrated Medicine	Carmarthenshire Integrated System	Relocation of stroke services to PPH to align to CSP.	Recurrent	Red	526	2,105
Community and Integrated Medicine	Carmarthenshire Integrated System	Reduction in variable pay for Doctors from changing the front door model GGH	Recurrent	Red	90	120
Community and Integrated Medicine	Carmarthenshire Integrated System	Impact of Emergency General Surgery (Scheduled Care Scheme on GGH)	Recurrent	Blue	0	0
Community and Integrated Medicine	Carmarthenshire Integrated System	MIU Future Model PPH	Recurrent	Red	84	504
Community and Integrated Medicine	Carmarthenshire Integrated System	Biosimilar switches for USC	Recurrent	Red	19	25
Community and Integrated Medicine	Carmarthenshire Integrated System	LOS reduction and associated bed efficiencies - Bed closure GGH (2 year plan)	Recurrent	Blue	100	400
Community and Integrated Medicine	Carmarthenshire Integrated System	Close Preseli ward (15 bed surgical ward GGH) - med and surgical outliers	Recurrent	Red	350	1,400
Community and Integrated Medicine	Carmarthenshire Integrated System	WARD 6 PPH (orthopaedic) reduce from 21 beds to 14	Recurrent	Red	40	80
Community and Integrated Medicine	Carmarthenshire Integrated System	LOS reduction and associated bed efficiencies - bed closure PPH (2 year plan)	Recurrent	Blue	50	200
Community and Integrated Medicine	Carmarthenshire Integrated System	Review the bereavement service GGH	Recurrent	Red	0	0
Community and Integrated Medicine	Carmarthenshire Integrated System	Evaluation of opportunity to provide alternative care provision for LCH	Recurrent	Blue	0	0
Community and Integrated Medicine	Carmarthenshire Integrated System	Review SLA of Ty Bryngwyn and responsible owner	Recurrent	Blue	0	0
Community and Integrated Medicine	Carmarthenshire Integrated System	Review operating model of community hospitals	Recurrent	Blue	0	0
Community and Integrated Medicine	Pembrokeshire Integrated System	Deep dive of medical rotas	Recurrent	Red	85	85
Community and Integrated Medicine	Pembrokeshire Integrated System	Risk - Emergency General Surgery being removed from WGH	Recurrent	Blue	0	0
Community and Integrated Medicine	Pembrokeshire Integrated System	Development of the Ambulatory Trauma Pathway from GGH to Withybush	Recurrent	Blue	0	0
Community and Integrated Medicine	Pembrokeshire Integrated System	Community Nursing OCP	Recurrent	Red	0	0
Community and Integrated Medicine	Pembrokeshire Integrated System	Contract review of Community inpatient beds	Recurrent	Red	212	425
Community and Integrated Medicine	Pembrokeshire Integrated System	Optimise utilisation of Community Estate	Recurrent	Red	29	35
Community and Integrated Medicine	Pembrokeshire Integrated System	Optimise utilisation of Community Estate	Recurrent	Red	13	15
Community and Integrated Medicine Total					1,598	5,394

CCG	CSG	Scheme Name	Recurrent	RAG	Values £'000	
					In Year Plan	Full Year Plan
Mental Health and Learning Disabilities	Mental Health and Learning Disabilities	Ref 159 continued - MHLD non-recurrent pay savings (Oct-Mar)	Non Recurrent	Red	392	0
Mental Health and Learning Disabilities	Mental Health and Learning Disabilities	MHLD non-recurrent pay savings (Oct-Mar)	Non Recurrent	Blue	300	0
Mental Health and Learning Disabilities Total					692	0
Operational Allied Health and Health Sciences	Pathology	Reduction to Agency Locum	Recurrent	Red	0	90
Operational Allied Health and Health Sciences	Pathology	Haem Drug Biosimilar	Recurrent	Red	26	105
Operational Allied Health and Health Sciences	Pathology	OOH Service	Recurrent	Red	0	56
Operational Allied Health and Health Sciences	Pathology	Outsourced Income	Recurrent	Red	0	50
Operational Allied Health and Health Sciences Total					26	301
Planned and Specialist Care	Cancer and Scheduled Care	Outpatient Transformation	Recurrent	Red	292	500
Planned and Specialist Care	Cancer and Scheduled Care	Nursing variable pay opportunity	Recurrent	Red	0	360
Planned and Specialist Care	Cancer and Scheduled Care	Medical Stabilisation: Opportunity £7m across clinical group.	Recurrent	Red	875	3,500
Planned and Specialist Care	Cancer and Scheduled Care	Enhanced Critical Care model PPH, in line with National Guidelines	Recurrent	Red	0	200
Planned and Specialist Care	Cancer and Scheduled Care	Theatres: Review and reconfigure of DSU South theatre and patient flow ward areas to support formal closure and decommissioning DSU Amman Valley theatre and ward areas.	Recurrent	Blue	31	122
Planned and Specialist Care	Children, Women and Family Health	Ceasing tripartite agreement with Garreglwyd for CCC provision (Rec/Cash Releasing)	Recurrent	Red	238	238
Planned and Specialist Care	Children, Women and Family Health	Medical Workforce Review	Recurrent	Red	0	145
Planned and Specialist Care Total					1,435	5,065
Primary Care, Community Strategy and Long Term Care	Pharmacy and Medicines Management	Bulk purchase of chemotherapy	Recurrent	Red	188	188
Primary Care, Community Strategy and Long Term Care	Pharmacy and Medicines Management	Bosutinib	Recurrent	Red	113	113
Primary Care, Community Strategy and Long Term Care	Pharmacy and Medicines Management	Dimethyl fumarate	Recurrent	Red	110	110
Primary Care, Community Strategy and Long Term Care Total					410	410