Pwyllgor Cyllid a Pherfformiad/ Finance and Performance Committee

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	27 August 2026
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Financial Performance Assurance Report – Month 4 2026/27
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Huw Thomas, Exective Director of Finance
SWYDDOG ADRODD: **REPORTING OFFICER:**	Andrew Spratt, Deputy Director of Finance Jennifer Thomas, Head of Corporate Reporting

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/ For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The purpose of this report is to outline the Health Board's financial position to date, against the Financial Plan and assesses the key financial projections, risks and opportunities for the financial year, including the implications of in-year recurrent delivery for the forthcoming financial year.

Cefndir / Background

Following approval by the Finance and Performance Committee on 24 February 2026, budgets were delegated to Executive Directors and Clinical Care Group and Executive Function leads during March 2026.

At its meeting on 26 March 2026, the Board endorsed and approved submission of the 2026/27 Annual Plan to Welsh Government. The financial plan includes a planned deficit of £41.0m, after delivery of £42.8m savings, and does not meet the statutory duty to break even over a three-year period.

The Board recognised that approving a budget with a planned deficit constituted a novel and contentious action. In line with requirements, the Accountable Officer wrote to the Director General Health, Social Care and Early Years Group in Welsh Government to formally advise of this position.

Welsh Government has confirmed its expectation that the Health Board should plan to deliver, as a minimum, the 2025/26 outturn position of £22.1m. The submitted forecast therefore remains above the target control total, and Welsh Government has stated that the deteriorating finance and performance position is unacceptable and unsupportable.

Ongoing dialogue with Welsh Government continues, with the Health Board required to improve the forecast position beyond the revised Annual Plan deficit and demonstrate a credible route to financial recovery through strengthened savings delivery, grip and control, and routine monitoring through established governance routes.

A dedicated Quarter 1 Financial Recovery and Delivery event was held on 9 July 2026, chaired by the Chief Executive and attended by Executive Directors and senior leaders, to review delivery risks, identify further opportunities and agree accelerated actions to strengthen the financial trajectory. This work will continue throughout Quarter 2, with a particular focus on reducing delivery risk and improving the level of recurrent savings identified.

Whilst the forecast outturn remains aligned to the approved planned deficit of £41.0m, the forecast position is currently under detailed review as part of the Quarter 2 assessment. Should planned improvements not materialise, or delivery confidence reduce, the forecast position will be reviewed accordingly to ensure it remains an accurate, true and fair representation of the financial outlook.

Asesiad / Assessment

Month 4 Summary

- In-month deficit: £5.1m, which is £1.7m adverse to plan.
- Savings gap: £13.0m, with £29.8m identified and delivered against the £42.8m target.
- The reported forecast remains £41.0m but is **assessed as high risk**, as it depends upon £19.4m of further mitigating actions that are not yet sufficiently evidenced or confirmed.

The latest financial position is summarised below and demonstrates continued pressure against the approved plan, with material reliance on further delivery actions and mitigating actions to support the reported forecast position.

Key Driver (£'m)	Current month variance to breakeven	Year to Date variance to breakeven	End of Year forecast to breakeven
Planned Deficit	**3.4**	**13.7**	**41.0**
Unidentified / (Identified) savings gap / (improvement)	2.5	2.8	13.0
Under / (Over) delivery of savings schemes	0.0	0.0	0.0
Core operational variation	(0.8)	5.1	6.4
Gross Forecast	**5.1**	**21.6**	**60.4**
Future Mitigating Actions	0.0	0.0	(19.4)
Reported Position	**5.1**	**21.6**	**41.0**

Appendix 1 provides a detailed assessment of the current financial position, including the assumptions relating to future mitigating actions that are not yet fully identified but are required to deliver the reported financial forecast.

Three-Year Financial Roadmap to Breakeven

Work continues on the development of the Health Board's Three-Year Financial Roadmap to Breakeven, which is intended to provide a credible and sustainable route towards restoring

financial balance whilst supporting delivery of the organisation's strategic and operational priorities.

The roadmap is being developed through a series of structured reviews of the underlying deficit, recurrent expenditure base, demand and capacity assumptions, service productivity opportunities, and the scope for recurrent savings and transformation over the medium term. The emerging position recognises that achieving financial sustainability will require a combination of organisational grip, service redesign, productivity improvement and system-wide support.

The roadmap is currently being refined through ongoing dialogue with NHS Performance and Improvement colleagues, together with Welsh Government officials, to ensure that the assumptions, trajectory and proposed actions are realistic, deliverable and aligned to national expectations. This engagement has provided an opportunity to test the credibility of the emerging approach, consider alternative scenarios and ensure that the Health Board's plans appropriately reflect both operational realities and the wider NHS Wales financial context.

As part of this work, the previously discussed configuration-related deficit remains under consideration as a strategic issue requiring broader discussion. Subject to further refinement, it is anticipated that this position will be presented to Welsh Government as a policy and planning choice for joint consideration, recognising the potential implications for service configuration, financial sustainability and the pace at which breakeven can realistically be achieved. This forms an important component of the medium-term sustainability discussion.

A more detailed version of the Three-Year Financial Roadmap to Breakeven will be presented to the In-Committee Board meeting in September 2026. The session will provide an opportunity to review the emerging strategic options, challenge underlying assumptions and consider the implications of the configuration-related deficit. Subject to Board discussion, the roadmap will then inform the next phase of engagement with Welsh Government and NHS Wales colleagues, supporting the development of an agreed and sustainable trajectory towards financial balance.

Alert (may require discussion)
There is a lack of confidence that any action in place is sufficient to address the issue satisfactorily and/or within the scope of the operational team or executive to resolve. Engagement, action or intervention required.

Mid-Year Financial Position Assessment

Whilst the financial position remains aligned to the planned £41.0m deficit, delivery remains highly challenging. The average monthly deficit of £5.3m reported in Months 1 to 5 would need to reduce to approximately £2.0m per month for the remainder of the year from Month 6. This will require accelerated expenditure reductions. Reflecting the scale of this challenge, the corporate risk relating to delivery of the in-year financial plan has been increased to the highest rating of 25.

Implication:

During August and September, the Finance Function will undertake a detailed review of the likely year-end position, including the extent to which non-recurrent mitigations can be converted into sustainable recurrent improvements from Month 6. The outcome will be reported

to Board on 24 September 2026 and will inform any required revision to the forecast submitted to Welsh Government through the Month 6 financial return.

There is a risk that the organisation's cash position becomes unsustainable if the forecast deteriorates or if further Welsh Government support is not confirmed. This may require implementation of a cash management strategy and continued escalation through established governance routes.

Savings Plan Credibility

- £29.8m of savings have been identified and delivered against the £42.8m target, leaving a £13.0m under-identification gap.
- Of the schemes identified, £28.5m are green and £1.3m are amber.
- Only £6.2m of the identified savings are recurrent, with £23.6m non-recurrent.
- A further £5.7m of full-year underspends have been converted to savings in Month 4.
- Further opportunities remain to convert underspends into recurrent savings, but this has not yet been fully secured.

Implication:
The savings position has improved materially since Month 3, but the remaining £13.0m gap and low recurrent element mean the forecast remains high risk. Without further recurrent delivery, the Health Board's ability to demonstrate a sustainable route to financial recovery and improve external confidence will remain limited.

Underlying Deficit Deterioration

The underlying recurrent deficit is currently assessed at £68.1m, compared with the £40.8m assumption underpinning the Annual Plan. This is distinct from the reported 2026/27 forecast outturn of £41.0m, which includes the benefit of non-recurrent savings and further mitigating actions. The deterioration reflects the low level of recurrent savings currently identified alongside continued core operational pressures.

Implication:

This represents a significant structural imbalance and worsens the Health Board's future financial sustainability. The gap between the planned and assessed underlying deficit increases the scale of recurrent action required in-year and for future planning cycles. A final decision, from relevant Executive Directors, on the conversion of non-recurrent savings to recurrent is expected for Month 6 reporting.

Operational Cost Pressures and Run-Rate Drivers

The key drivers increasing the run rate are:

- Sustained premium workforce expenditure, particularly medical locums, agency, bank, overtime and additional duties.
- Ongoing growth in Continuing Healthcare packages and commissioned care days, reflecting demand-led activity and cost pressures.
- Increased use of outsourced Psychiatric Intensive Care beds within Mental Health and Learning Disabilities, driven by capacity and acuity pressures.

- Continued outsourcing and insourcing pressures across Radiology, Theatres, Dermatology, Anaesthetics, Ophthalmology and Urology.

Implication:

These pressures are compounding the delivery gap, reducing controllability and increasing reliance on non-recurrent mitigations and further unconfirmed reductions. Unless operational grip strengthens and actions are converted into recurrent savings, the organisation's reported forecast will remain high risk. The deliverability of these mitigations will be tested through the Mid-Year Financial Position Assessment and may require a revision to the forecast by the Month 6 deadline if actions are not sufficiently evidenced or delivered.

Urgent and Emergency Care (UEC) and Streamlining Hub Investment Delivery

As part of the approved 2026/27 Annual Plan, investment was agreed to support the implementation of the Urgent and Emergency Care (UEC) and Streamlining Hub initiatives. Whilst these investments remain approved and are expected to proceed following further Board choices and decisions, implementation has been delayed and the associated expenditure is not forecast to materialise in line with the original planned profile. This has generated a non-recurrent in-year financial benefit of £0.6m which is currently supporting the reported financial position.

However, the financial benefit arising from delayed implementation is not reflective of an underlying improvement in financial sustainability and should be considered a temporary consequence of slippage in planned delivery. The investments were approved to support service capacity, patient flow and operational resilience, particularly in preparation for anticipated seasonal pressures and increasing demand across the urgent and emergency care pathway.

Implication:

The current position presents a complex trade-off between short-term financial benefit and the timely delivery of planned service improvements. Whilst the non-recurrent underspend provides temporary support to the financial forecast, prolonged delay may increase operational risk during periods of heightened demand and could impact the Health Board's ability to deliver the intended benefits associated with these investments.

Continued executive oversight is therefore required to clarify the implementation trajectory, expedite delivery where it remains appropriate and achievable, and ensure that any emerging risks to quality, performance or patient outcomes are identified, assessed and managed.

Advise (to monitor)
There are areas of concern where assurance has been taken on actions in place but requires close monitoring. An early warning of an emerging and potentially serious concern.

Accountability, Escalation and Grip

Transition in Governance and Ways of Working.

- A strengthened accountability framework has been introduced, with Executive Directors holding formal accountability for delivery and Clinical Care Group and Executive Function leads responsible for implementing agreed actions within their respective areas.
- Monthly reporting through the Executive Team continues to support oversight and accountability at Executive Level. There is variability in the outcomes in service areas, demonstrated by the need to escalate certain Clinical Care Groups or Executive Functions to either Level 3 or 4.
- The Month 4 Executive update sets out the mid-year forecast assessment timetable, with key checkpoints through August, September and October.
- Community and Integrated Medicine and Planned and Specialist Care remain Level 4 Alert areas, having under-delivered against their initial commitments as part of the CEO and COO Level 4 escalation meeting - £3.8m forecast improvement against a £10.0m commitment.
- An enhanced grip and control self-assessment has been developed internally, building on the national NHS Performance and Improvement framework, and will be shared to all services for completion, with findings and identified gaps to be brought back to a future meeting for review.

Implication:

The revised arrangements provide a clearer framework for accountability, but delivery effectiveness and consistency are not yet fully evidenced. There is a material risk that accountability arrangements are not yet sufficiently embedded to deliver the pace of improvement required. Continued escalation, targeted executive review and clear recovery actions are required in the areas furthest from expectation.

Ministerial Priorities and Enabling Actions

Requirements include:

- 30% reduction in on-contract agency spend and variable pay from the 2025/26 outturn.
- Elimination of off-contract agency.
- Elimination, by 30 September 2026, of all agency Healthcare Support Worker, Admin & Clerical, and Estates & Ancillary staff.
- Reduction in out-of-area placements.
- Delivery of productivity improvements.
- Strengthened workforce planning and sickness management.

Current position

- On-contract agency and premium workforce pressures continue due to service fragility, vacancies and sickness cover, with an increase of 6.7% above previous year.
- Off-contract agency has been reduced to nil.
- Medical locum usage, nursing bank and overtime remain material drivers in Community and Integrated Medicine.
- Admin & Clerical and Estates & Ancillary agency is nil.
- Mental Health and Learning Disabilities continues to experience demand and cost pressures from Healthcare Support Worker agency and outsourced out-of-area

Psychiatric Intensive Care beds, with reduction plans requiring further development and delivery assurance.

Implication:

Delivery against ministerial priorities is mixed. The elimination of off-contract agency is positive, but continued on-contract agency, premium workforce usage and demand-led pressures present ongoing risks to financial credibility and delivery of the recovery trajectory.

Assure (to note)
There is confidence that actions are robust and will be sufficient to address the issue or generally operating effectively. Routine monitoring.

Capital

The capital programme remains forecast to deliver within the Capital Resource Limit. At Month 4, no overspend or underspend risk is currently identified, although delivery will continue to be reviewed throughout the year.

In-Year Investment Decisions

In-year investment decisions made outside the Annual Plan process require appropriate scrutiny and approval through Finance and Performance Committee and onward approval by Board where required. Any financial consequences that cannot be fully mitigated will create an in-year negative central budget reserve and a recurrent funding requirement for future planning. The current summary of in-year investment decisions creating negative reserves of £1.103m part year effect and £1.249m full-year effect is:

Item Description	Part Year Effect	Full Year Effect	Approval status
Band 2/3 Funding shortfall	812	812	Presented to June 2026 Finance and Performance Committee
Resident Doctors contract	291	437	Approved via Chair's Action on 4 June 2026. 8 months, FYE £437k
Nurse Staffing Levels	0	0	Presented to July Public Board, £18k PYE saving, £36k FYE saving
Grand Total	**1,103**	**1,249**	

Argymhelliad / Recommendation

The Finance and Performance Committee is asked to:

- **SCRUTINISE AND CHALLENGE** the Month 4 financial position and reported forecast deficit of £41.0m, recognising that delivery is assessed as high risk and depends upon £19.4m of further mitigating actions that are not yet sufficiently evidenced or confirmed.
- **CHALLENGE** whether the current recovery trajectory is sufficient to close the £13.0m savings identification gap, increase recurrent savings delivery, reduce operating expenditure and address the deterioration in the underlying recurrent deficit.
- **SEEK ASSURANCE** that the mid-year financial position assessment will provide a robust and evidence-based view of the likely year-end outturn, including the

deliverability of further mitigating actions and the scope to convert non-recurrent benefits into sustainable recurrent improvement.

- **SEEK ASSURANCE** that clear and time-bound recovery actions are being implemented across all portfolios with Alert or Advise status, with appropriate operational ownership, executive accountability, capability and capacity.
- **SEEK ASSURANCE** regarding the implementation trajectory for the UEC and Streamlining Hub investments, including the management of associated patient-care, quality, performance and winter-resilience risks.
- **ENDORSE** the use of the mid-year assessment to inform the forecast reported to Welsh Government through the Month 6 financial reporting cycle.
- **RECOGNISE** the material risks to financial sustainability, including the deterioration in the underlying recurrent deficit, reliance on non-recurrent measures, increased corporate risk score and the potential for the cash position to become unsustainable without further Welsh Government support.
- **NOTE** progress in developing the Three-Year Financial Roadmap to Breakeven, its planned consideration by the In-Committee Board in September 2026 and the proposed engagement with Welsh Government on the configuration-related deficit as a policy and planning choice for joint consideration.
- **NOTE** the latest position on in-year investment decisions approved through the relevant governance arrangements.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cylch Gorchwyl y Pwyllgor: Committee ToR Reference:	3.1.5 Receive assurance on the delivery of the financial plan. This will be achieved through scrutiny of the monthly finance report. This report shall ensure clarity in: 3.1.5.1 The reporting of monthly, year to date and forecast financial position alongside operational drivers; 3.1.5.2 Performance against the savings requirement; 3.1.5.3 Performance against other financial metrics, such as cash management, capital management and Public Sector Payment Policy.
Cyfeirnod Cofrestr Risg Datix, Teitl a Sgôr Risg Cyfredol: Datix Risk Register Reference and Score:	2326 (score 25) Risk to achieving 2026/27 Target Control Total due to underlying deficit, insufficient savings & reliance on non-recurrent funding.
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply

Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Nodau Cynllunio 2026/27 Planning Goals 2026/27	All Planning Goals Apply
Hypergyswllt i Amcanion Llesiant HDdUHB 2026 Hyperlink to HDdUHB Well-being Objectives 2026	9. All HDdUHB Well-being Objectives apply
Model Cymdeithasol ar gyfer Iechyd a Llesiant: (wedi'i gwblhau ar gyfer newid strategol a/neu newidiadau sylweddol i wasanaethau) A Social Model for Health and Wellbeing: (*complete for strategic change and/or significant service changes)*	Not Applicable
Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on HDdUHB's financial reporting system.
Rhestr Termau: Glossary of Terms:	BGH – Bronglais Hospital CHC – Continuing Healthcare EOY – End of Year FNC – Funded Nursing Care FYE – Full Year Effect GGH – Glangwili Hospital GMS – General Medical Services HSCEY – Health, Social Care and Early Years MHLD – Mental Health & Learning Disabilities NICE – National Institute for Health and Care Excellence OCP – Organisational Change Policy/Process OOH – Out of Hours PPH – Prince Philip Hospital PSPP– Public Sector Payment Policy RTT – Referral to Treatment Time T&O – Trauma & Orthopaedics TCT – Target Control Total

	WG – Welsh Government WGH – Withybush Hospital WRP – Welsh Risk Pool WTE – Whole Time Equivalent YTD – Year to date
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y cyfarfod hwn: Parties / Committees consulted prior to this meeting:	Finance Team Management Team Executive 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:**	The impact on patient care is assessed within the savings schemes.
Gweithlu: **Workforce:**	The report considers the financial implications of our workforce.
Tegwch Iechyd: **Health Equity:**	Financial risks are detailed in the report.
Risg: **Risk:**	HDdUHB 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.
Cyfreithiol: **Legal:**	Adverse variance against HDdUHB's financial plan will affect its reputation with Welsh Government, Audit Wales, and with external stakeholders.
Enw Da: **Reputational:**	Not Applicable

Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Financial implications are inherent within the report.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

2026/27 Financial Performance Report
Finance and Performance Committee

Month 04 Reporting – July 2026/27

Contents

Key

Risk Assessment and key performance indicator RAG criteria:

Alert	○	Lack of confidence in current actions to resolve issue; engagement, action or intervention required.
Advise	○	Areas of concern with current actions; assurance taken but close monitoring needed as early warning of potential serious issue.
Assure	○	Confidence that actions are robust and sufficient; routine monitoring only.

Savings BRAG and visual guide:

Current Month	Prior Month	Savings Blue, Red, Amber and Green Schemes (BRAG)
		A potential saving has been identified but is not yet scoped or developed. No detailed plan exists.
		Scheme is under consideration and initial scoping has started, but it is not yet fully developed or approved.
		Scheme has a clear plan, with actions and timelines defined, but delivery is not yet certain (medium risk).
		Implemented or near completion; savings delivery highly confident.

Revenue vs plan variance matrix report RAG indicator criteria:

Matrix Appendices RAG	In-Month Matrix	YTD Matrix	EOY Matrix
Large Positive Variance	>100,000	In-Month range x No. Months	In-Month range annualised
Moderate Positive Variance	50,000 – 99,999	In-Month range x No. Months	In-Month range annualised
Moderate Negative Variance	(99,999) – (50,000)	In-Month range x No. Months	In-Month range annualised
Large Negative Variance	<(100,000)	In-Month range x No. Months	In-Month range annualised

Financial Accountability Status

Background and Context

The Ways of Working consciously sets out to evolve the culture of the organisation away from imposed controls and executive scrutiny, to one of owned delivery, enhanced value and a focus on productivity and efficiency.

Executive Directors assume ultimate accountability for their areas under this approach. The Formal Executive Team receives a monthly update on the status of financial accountability, to ensure the Accountable Officer (CEO) can discharge their duties and hold relevant individuals to account, aligned to the internal escalation framework.

Latest Update

Commitment to deliver a £10m improvement was made in the first Level 4 meeting between CEO and COO, for CIM and P&SC. £3.8m has been converted post validation, leaving a shortfall against the assured commitment of £6.2m. Level 4 remains for COO for these two Clinical Care Groups.

Executive Director Portfolio	Status	Explanation (Number of portfolios and their escalation levels)
Chief Executive	Assure	Delivering breakeven and savings
Chief Operating Officer	Alert (2nd Month)	Continuation of 2 x Level 4 in Community and Integrated Medicine and Planned & Specialist Care (Savings and Breakeven gap), 1 x Level 3, 1 x Level 2, 1 x Level 1
Executive Medical Director	Advise	1 x Level 2 (Savings gap), 1 x Level 1
Executive Director of Nursing, Quality and Patient Experience	Assure	Delivering breakeven and savings
Executive Director of Workforce and Organisational Development	Assure	Delivering breakeven and savings
Executive Director of Finance	Assure	Delivering breakeven and savings
Executive Director of Strategy and Planning	Advise	1 x Level 3 (Savings and Breakeven gap), 1 x Level 1
Executive Director of Public Health	Assure	Delivering breakeven and savings
Executive Director of Allied Health Professions and Health Sciences	Advise	1 x Level 3 (Savings and Breakeven gap)

Mid-Year Financial Position Assessment

Key Update

Whilst the financial position remains stable, a significant improvement trajectory is required to achieve the planned £41.0m deficit. The average monthly deficit of £5.3m reported in Months 1 to 5 would need to reduce to £2.0m across the remainder of the year. Achieving this will require accelerated delivery of expenditure reductions, recurrent savings and strengthened operational grip. Reflecting this challenge, the Corporate Risk relating to delivery of the in-year financial plan has been increased to the highest rating of 25.

During August and September, the Finance Function will review the likely year-end position, including the extent to which non-recurrent measures can be converted into sustainable recurrent improvements from Month 6. The outcome will be reported to Board on 24 September and will inform any necessary revision to the forecast submitted to Welsh Government.

12 August — Formal Exec Team
Month 4 update, including Level 4 actions impact

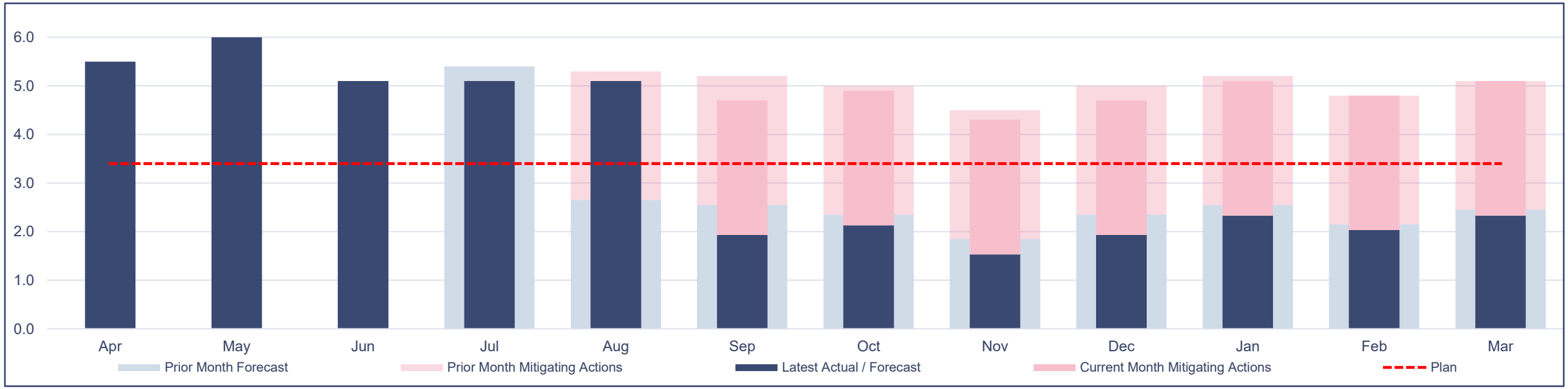
27 August — F&P Committee
Situation and assessment timeline explained

3 September — Month 5 Collated
Service teams submit latest plans and forecasts

16 September — Formal Exec Team
Month 5 update and likelihood of change

24 September — Board Meeting
Recommendation to advise Board of changes

7 October — Formal Exec Team
Month 6 update and final check-point before WG



Actionable Insights – Top Priority Alerts

Action / Decision	£m	Description	Owner	Status	Due Date
Mid Year Forecast Assessment	**TBC**	The reported deficit, which currently remains the same as the Annual Plan at £41.0m, is going to be reviewed in detail during August and September. If there is no material improvement, or robust plans, the forecast will likely alter.	Andrew Spratt	In-progress	**7 October**
Level 4 escalation actions for CIM and P&SC	**10.0**	As part of the escalation actions for Community and Integrated Medicine (CIM) and Planned and Specialist care (P&SC), there was a commitment for £5m savings each, either as cash releasing savings or run rate reductions. The Month 4 forecast is showing a significant shortfall with £4.0m for CIM and £2.2m for P&SC. This includes a fortuitous £0.6m CIM saving relating to unplanned delays in the delivery of the UEC investment programme.	Andrew Carruthers, Peter Skitt and Paula Goode	Urgent action to identify the savings gap / reduction in end of year forecast, and implement the expected performance improvements through the UEC investment.	**Overdue**
Identification and delivery of robust **savings plans**	**13.0**	Whilst there has been a significant shift in the identification and conversion of underspends, there remains an identification gap to achieve the plan. There is an inequity across services with some over-delivering against target, and others under-delivering.	All Executive Directors, e*xc. Workforce, Finance and CEO*	Ongoing, urgent action to continue as part of de-risking the annual plan	**Overdue**
Medical pay and rostering Additional cover at premium costs	**7.0**	Continuing use of additional medical cover, including premium locum and agency in BGH, WGH, Planned Care and Mental Health. An impact assessment of the adoption and benefit of the rate card is required. The comprehensive use of Allocate also needs to be embedded.	Mark Henwood	Actions to be taken forward from the June Finance and Performance Committee update	**31 August**
Conscious decisions compounding delivery of Annual Plan without formal Governance approval	**1.3** **0.1** **1.4** **0.3** **0.5**	Known decisions have been made outside of the annual planning process: • Anaesthetist rate card extended, increasing Medical costs • Breast consultant over-established – retiree budget should have offset • Out of area MH&LD outsourcing beds – Ministerial Priorities conflict • Patient Flow Unit established without business case approval • First Contact Point Physiotherapy service continuation despite cessation of Cluster funding, exit strategy required where funding will cease.	Mark Henwood Andrew Carruthers Andrew Carruthers Andrew Carruthers Andrew Carruthers	No further extension Confirmation required Review/plan required OCP2 finalisation Defined exit strategies for non recurrent funding	**Overdue**

Mid-Month Improvement Commitment Update

Clinical Care Group (£'m)	Month 3 Savings Gap plus Forecast	Expected Improvements agreed in Level 4 meetings	Month 3 Restated Expectation	Month 4 Savings Gap plus Forecast	Deviation vs Expectation
Planned Deficit	**41.0**	**-**	**41.0**	**41.0**	**-**
Chief Operating Officer Management	**1.2**	**-**	**1.2**	**1.1**	**(0.1)**
Community and Integrated Medicine	**15.1**	**(5.0)**	**10.1**	**14.1**	**4.0**
Mental Health and Learning Disabilities	**5.5**	**-**	**5.5**	**5.3**	**(0.2)**
Operational Allied Health and Health Sciences	**5.5**	**-**	**5.5**	**5.3**	**(0.2)**
Planned and Specialist Care	**9.5**	**(5.0)**	**4.5**	**6.7**	**2.2**
Primary Care	**(10.7)**	**-**	**(10.7)**	**(9.0)**	**1.7**
Executive Functions	**(4.9)**	**-**	**(4.9)**	**(4.1)**	**0.8**
Grand Total	**62.2**	**(10.0)**	**52.2**	**60.4**	**8.2**

CIM and P&SC remain as Level 4 Alerts for the CEO to review with the COO. The CIM UEC investment programme implementation is delayed, impacting performance delivery, but also resulting in a £0.6m fortuitous gain which has been declared as a saving. The deviation would have been £4.6m without this in the above. CIM deterioration is £2.0m within core and £2.0m savings gap vs Level 4 agreed improvement commitment. P&SC improvement of £(1.5)m against core and £3.7m savings gap vs Level 4 agreed improvement commitment.

Position Overview – Executive Summary

The Health Board's Annual Planned Deficit is £41.0m with an Annual Savings Target of £42.8m. Gross forecast position is £60.4m, with planned mitigating actions of £19.4m to be finalised, to achieve the reported end of year forecast position of £41.0m. Total savings delivery are £29.8m, leaving a savings delivery gap of £13.0m against the savings target.

Financial Management

The in-month financial position is a deficit of £5.1m, which is an adverse variance against the £3.4m deficit plan. This is driven by a core operational underspend of £(0.8)m, offset by a £2.5m under identification of savings, with £1.1m savings identified against the savings target £3.6m.

Key Driver (£'m)	Prior month variance to breakeven	Current month variance to breakeven	Year to Date variance to breakeven	Prior Month End of Year forecast to breakeven	End of Year forecast to breakeven
Planned Deficit	**3.4**	**3.4**	**13.7**	**41.0**	**41.0**
Unidentified / (Identified) savings gap / (improvement)	(4.7)	2.5	2.8	21.8	13.0
Under / (Over) delivery of savings schemes	0.0	0.0	0.0	0.0	0.0
Core operational variation	6.4	(0.8)	5.1	(0.6)	6.4
Gross Forecast	**5.1**	**5.1**	**21.6**	**62.2**	**60.4**
Future Mitigating Actions	0.0	0.0	0.0	(21.2)	(19.4)
Reported Position	**5.1**	**5.1**	**21.6**	**41.0**	**41.0**

Key Measures

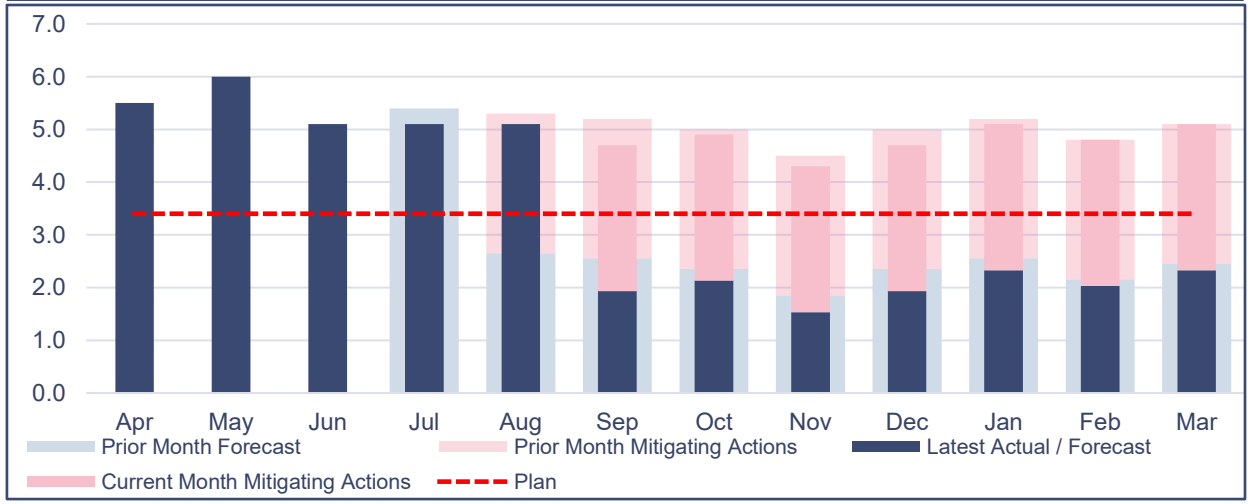
BRAG based on Plan £30.0m (Risk rating = Impact x Likelihood)

Core Operational Variation	**Risk #2326** 5 x 5 = 25	The in-month core operational underspend of £(0.8)m largely relates to the re-categorisation of Primary Care Dental contract savings of £(1.9)m to underspends, offset by Continuing Healthcare packages increase of £0.4m, Medical agency usage to cover sickness and vacancies £0.4m and Theatres outsourcing of activity £0.4m. The £5.9m full year conversion of underspends to savings has given greater visibility to core operational variations of mitigating actions required for managing overspends.
Cash		The Health Board will require strategic cash assistance in-year in line with the forecast deficit and working capital balances.
Savings		Of the annual savings target of £42.8m, £29.8m has been identified and forecast to fully deliver on an in-year basis resulting in a £13.0m under-identification gap. Of the schemes identified, £6.2m are recurrent savings and £23.6m are non-recurrent savings. £5.9m full year underspends have been recognised as savings in Month 4, with a continued action to forecast savings into future periods as well as converting at pace the pipeline schemes into credible Green and Amber plans.
Capital	**N/A**	Delivery against the capital programme is currently assessed as low risk. Capital projects are currently expected to deliver the Capital Resource Limit; this assessment will be kept under review as the year progresses.
Underlying Deficit	**Risk #1199** 5 x 5 = 25	The planned underlying deficit is £40.8m, assuming delivery of £42.8m recurrent savings. £6.4m recurrent savings have been identified, leaving a recurrent savings gap of £36.4m. After recognising £10.3m recurrent mitigating actions and recurrent cost pressures relating to the Healthcare Support Workers re-banding dispute (£0.8m) and GP Resident Doctors contract (£0.4m), the underlying deficit is £68.1m. The organisation acknowledges the need to improve its financial trajectory to achieve breakeven by 2027/28, a requirement of the £26.0m conditionally recurrent funding, alongside a commitment to convert non-recurrent savings to recurrent savings by Month 6.

Position Overview – Change from Prior Month

Key Driver (£'m)	Prior Month Reported Position	Current Month Reported Position	Movement
Planned Deficit	**3.4**	**3.4**	**0.0**
Savings gap / (improvement)	(4.7)	2.5	7.2
Under / (Over) delivery of savings schemes	0.0	0.0	0.0
Core Operational Variation	6.4	(0.8)	(7.2)
Gross Forecast	**5.1**	**5.1**	**0.0**
Future Mitigating Actions	0.0	0.0	0.0
Reported Net Position	**5.1**	**5.1**	**0.0**

In-Month Revenue Deficit Trajectory (£'m)



Unidentified Savings Gap (£'m)	Change
Year to date conversion of underspends to savings in prior month	5.3
Primary Care Dental savings reclassified to core operational underspends	1.9
Movement in Unidentified Savings Gap	**7.2**

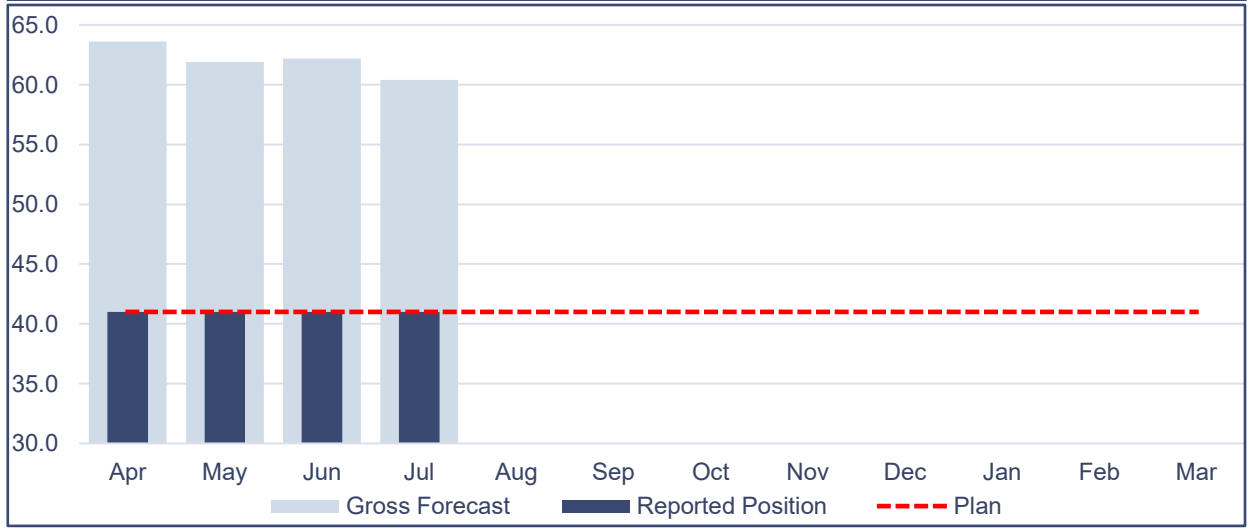
Under / (Over) Delivery of Savings Schemes (£'m)	Change
No change to report	0.0
Movement in Savings Delivery	**0.0**

Core Operational Variation (£'m)	Change
Year to date conversion of underspends to savings in prior month	(5.3)
Primary Care Dental savings reclassified to core operational underspends	(1.9)
Community & Integrated Medicine Nursing enhanced pay rates & bank use	(0.4)
Reduction in Joint Commissioning Committee risk share	(0.4)
Digital programmes increase in contracts expenditure	0.4
Mental Health increase in purchase of outsourced Psychiatric beds demand	0.4
Movement in Core Operational Variation	**(7.2)**

Position Overview – Change from Prior Forecast

Key Driver (£'m)	Prior Month End of Year Forecast	End of Year Forecast	Movement
Planned Deficit	**41.0**	**41.0**	**0.0**
Savings gap / (improvement)	21.8	13.0	(8.8)
Under / (Over) delivery of savings schemes	0.0	0.0	0.0
Core Operational Variation	(0.6)	6.4	7.0
Gross Forecast	**62.2**	**60.4**	**(1.8)**
Future Mitigating Actions	(21.2)	(19.4)	1.8
Reported Net Position	**41.0**	**41.0**	**0.0**

End of Year Revenue Deficit Trajectory (£'m)



Unidentified Savings Gap (£'m)	Change
Full year conversion of core operational underspends to savings	(5.9)
Controlled Drugs Stock Strategic Review	(2.2)
Non delivery of Streaming and Emergency Care investment programmes	(0.6)
Planned Care Ophthalmology & Rheumatology Biosimilar drugs switches	(0.6)
Community and Integrated Medicine Biosimilar prescribing drugs switches	(0.5)
Other savings including £0.3m accountancy gains	(0.5)
Community and Integrated Medicine A&E admission flow rates	(0.4)
Dental contract handbacks prior savings reclassified to core underspends	1.9
Movement in Unidentified Savings Gap	**(8.8)**

Core Operational Variation (£'m)	Change
Full year conversion of core operational underspends to savings	5.9
Controlled Drugs Stock Strategic Review	2.2
Primary Care General Medical Services increase in programme expenditure	1.6
Prescribing Audit Report increase in drugs price and concessions	1.1
Reduction in Joint Commissioning Committee risk share and activity	(0.4)
Planned and Specialist Care Oncology drugs reduction in volume and price	(0.7)
Community & Integrated Medicine Nursing enhanced pay rates & bank use	(0.8)
Dental contract handbacks prior savings reclassified to core underspends	(1.9)
Movement in Core Operational Variation	**7.0**

Financial Summary

In-Month Actual
£113.0m
Variance to Plan **£1.7m**

YTD Actual
£463.3m
Variance to Plan **£7.9m**

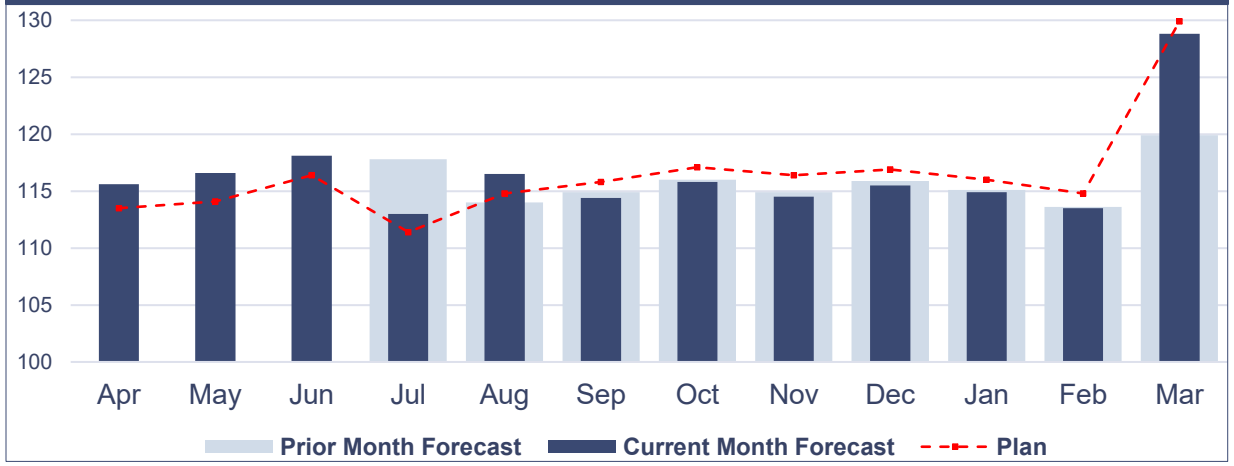
EOY Forecast
£1,397.2m
Variance to Plan **£0.0m**

3-Year Growth
6.4%
2023-24 Outturn **£1,313m***

In-Year Growth
(1.8)%
2025-26 Outturn **£1,422m***

YTD Extrapolation
£1,389.9m
Risk / (Opp) **£(7.4)m**

Net Income and Expenditure (Before Allocations) (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Pay	**59.6**	**61.0**	**59.5**	**239.3**	**717.9**	**710.6**		**7.4**
Administration and Estates	12.3	12.4	12.2	49.1	147.4	146.9		0.5
Allied Health, Scientists and Other	7.3	7.5	7.5	29.7	89.1	88.4		0.7
Medical and Dental	13.5	14.7	13.9	55.5	166.6	163.6		3.0
Nursing, Midwifery and Clinical Support	26.4	26.4	25.8	104.9	314.8	311.7		3.1
Non Pay	**64.0**	**64.1**	**61.3**	**252.5**	**757.5**	**770.9**		**(13.4)**
Clinical Services and Supplies	4.4	4.7	4.6	17.5	52.5	52.2		0.3
Commissioned Healthcare Services	37.6	37.1	37.0	148.9	446.7	446.5		0.2
Drugs and Prescribing	12.4	13.2	14.2	53.0	158.9	160.8		(1.8)
Other Non-Pay	9.6	9.1	5.5	33.1	99.4	111.5		(12.1)
Income	**(7.0)**	**(7.0)**	**(7.8)**	**(28.5)**	**(85.5)**	**(84.2)**		**(1.3)**
Net Income and Expenditure	**116.6**	**118.1**	**113.0**	**463.3**	**1,389.9**	**1,397.2**		**(7.4)**
Allocations	**110.6**	**112.9**	**108.0**	**441.7**	**1,325.0**	**1,356.2**		**31.3**
Reported Position	**6.0**	**5.1**	**5.1**	**21.6**	**64.9**	**41.0**		**23.9**

Key Information

Month 4, July, deviation, largely due to a decrease in Capital Charges following impairments reduction adjustment £4.0m, with a corresponding reduction in Revenue Resource Limit.

Month 6, September, onwards includes a reduction in expenditure due to planned mitigating actions of £19.4m anticipated within Non Pay £8.9m and Pay £10.5m in line with latest anticipated future savings forecast, resulting in a corresponding risk for Non Pay and Pay due to the future months forecast being lower than year to date expenditure levels seen. Note a significant deviation from prior month forecast in Month 5 as mitigating actions previously assumed to deliver are unlikely to deliver within the required timeframe.

Month 12, March, includes Depreciation and Amortisation Impairments increase in expenditure of £14.1m, with a corresponding increase in Revenue Resource Limit.

Note an opportunity within Drugs and Prescribing due to end of year forecast expenditure being higher than the year to date average due to increase in price from £8.05 to £8.14 per item, alongside increases anticipated within Pharmacy and Medicines Management in August, Month 5, due to increase in drugs price and concessions.in line with May Prescribing Audit Report.

***Outturn adjusted for Notional Pension costs 2025-26 c£42.8m, 2024-25 c£40.3m**

Financial Summary – Key Drivers vs Plan

In-Month

Reported Position
£5.1m
Planned Deficit **£3.4m**
Prior Month Forecast **£5.4m**

Savings Identification Gap
£2.5m
Savings Target **£3.6m**
Total Identified **£1.1m**

Savings Delivery Gap
£0.0m
Savings Delivery **£1.1m**
Prior Month Delivery **£8.3m**

Core Operational Variation
£(0.8)m
Prior Month Variation **£6.4m**

Year to Date

Reported Position
£21.6m
Planned Deficit **£13.7m**

Savings Identification Gap
£2.8m
Savings Target **£14.3m**
Total Identified **£11.5m**

Savings Delivery Gap
£0.0m
Savings Delivery **£11.5m**
Prior Month Delivery **£10.4m**

Core Operational Variation
£5.1m
Prior Month Variation **£6.0m**

End of Year

Reported Position
£41.0m
Planned Deficit **£41.0m**
Prior Annual Forecast **£41.0m**

Savings Identification Gap
£13.0m
Savings Target **£42.8m**
Total Identified **£29.8m**

Savings Delivery Gap
£0.0m
Savings Delivery **£29.8m**
Prior Month Delivery **£21.0m**

Core Operational Variation
£6.4m
Prior Month Variation **£(0.6)m**

Gross Forecast
£60.4m
Prior Gross Forecast **£62.2m**
Mitigating Actions **£19.4m**

Net Risks / (Opportunities)
£2.4m
Prior Month **£3.3m**

Capital Position
£34.6m
Annual Plan **£34.6m**
Prior Annual Forecast **£34.6m**

Underlying Deficit
£68.1m
Annual Plan **£40.8m**
Recognised as Unsustainable

Total Pay Insights

In-Month Actual
£59.5m
Variance to Plan **£(0.6)m**

YTD Actual
£239.3m
Variance to Plan **£2.7m**

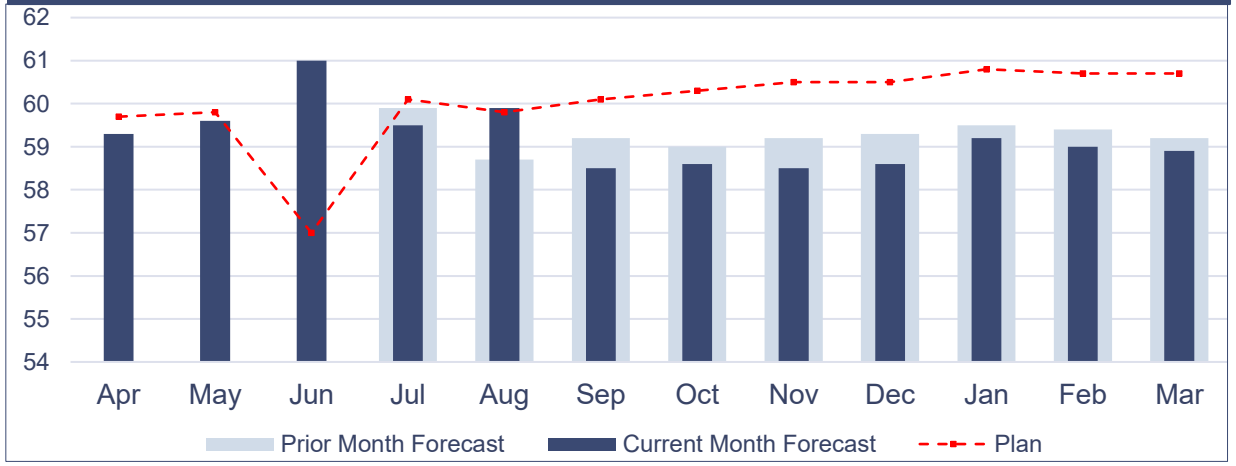
EOY Forecast
£710.6m
Variance to Plan **£(9.5)m**

3-Year Growth
18.3%
2023-24 Outturn **£600.9m***

In-Year Growth
7.2%
2025-26 Outturn **£662.9m***

YTD Extrapolation
£717.9m
Risk / (Opp) **£7.4m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Substantive	**55.0**	**55.9**	**54.5**	**219.2**	**657.7**	**656.0**		**1.7**
Administration and Estates	12.1	12.0	11.9	47.8	143.4	143.2		0.2
Allied Health, Scientists and Other	7.2	7.3	7.2	28.8	86.4	85.3		1.1
Medical and Dental	11.3	12.2	11.5	46.0	138.0	137.5		0.5
Nursing, Midwifery and Clinical Support	24.5	24.4	23.8	96.6	289.8	290.0		(0.2)
Variable	**3.8**	**4.2**	**4.0**	**16.3**	**48.8**	**43.5**		**5.3**
Administration and Estates	0.3	0.3	0.3	1.3	4.0	3.7		0.3
Allied Health, Scientists and Other	0.2	0.2	0.2	0.7	2.2	2.3		(0.1)
Medical and Dental	1.8	1.9	1.8	7.3	21.8	19.2		2.6
Nursing, Midwifery and Clinical Support	1.6	1.7	1.6	7.0	20.9	18.3		2.6
Agency (Premium)	**0.7**	**0.9**	**1.0**	**3.8**	**11.4**	**11.1**		**0.3**
Administration and Estates	-	-	-	-	-	-		-
Allied Health, Scientists and Other	(0.1)	-	0.1	0.2	0.5	0.8		(0.2)
Medical and Dental	0.5	0.5	0.6	2.3	6.8	6.9		(0.1)
Nursing, Midwifery and Clinical Support	0.3	0.3	0.3	1.4	4.1	3.4		0.7
Total Expenditure	**59.6**	**60.9**	**59.5**	**239.3**	**717.9**	**710.6**		**7.4**
Plan	**59.8**	**57.0**	**60.1**	**236.6**	**709.7**	**720.1**		
Variance to Plan	**(0.2)**	**3.9**	**(0.6)**	**2.7**	**8.2**	**(9.5)**		

Key Information

Month 3, June, increase in expenditure due to year to date payment of the FY26-27 Medical and Dental 3.5% pay award £1.4m, offset by a reduction in the plan relating to the exercise to convert year to date core operational underspends to savings, with £4.8m savings being identified for pay vacancies.

Month 4, July, in-month improvement relating to reduced enhanced pay rates due to May's Bank Holiday Paid in June and bank nurse usage decrease within Community and Integrated Medicine, along with new vacancies in Substantive pay across multiple areas.

Month 5, August, significant deviation from prior month forecast as mitigating actions previously assumed to deliver are unlikely to deliver within the required timeframe.

Month 6, September, onwards includes a reduction in expenditure due to planned mitigating actions of £10.5m anticipated within Substantive £8.6m and Variable £1.9m to deliver from Month 6 to 12, with the reduction in Variable and Agency largely anticipated within Medical and Allied Health. Mitigating actions result in a risk for Pay due to the future months forecast being lower than year to date expenditure levels seen, in particular within Nursing and Medical Variable and Agency pay.

***Outturn adjusted for Notional Pension costs 2025-26 c£42.8m, 2024-25 c£40.3m**

Substantive Insights

In-Month Actual
£54.5m
Variance to Plan **£(3.9)m**

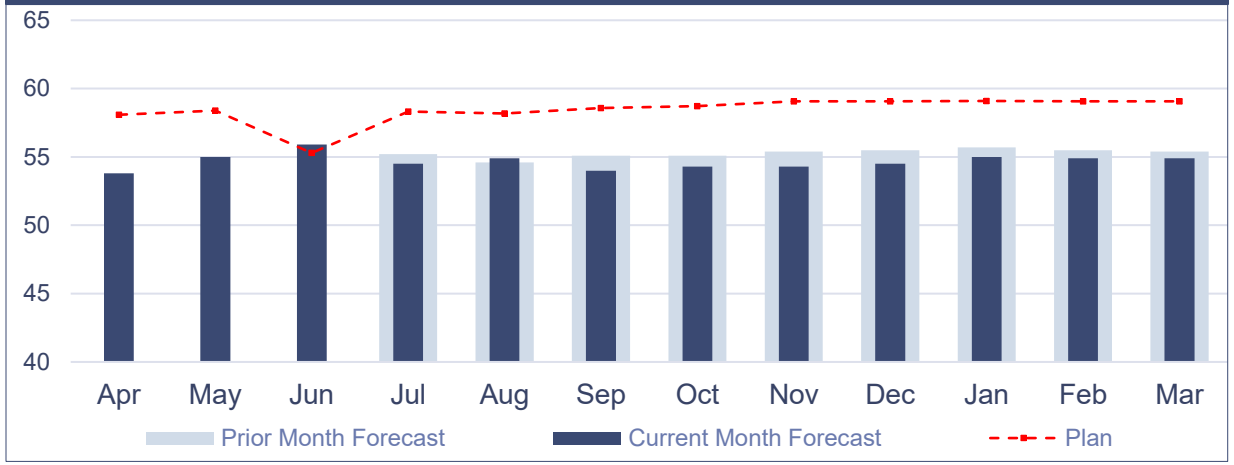
YTD Actual
£219.2m
Variance to Plan **£(10.9)m**

EOY Forecast
£656.0m
Variance to Plan **£(45.0)m**

In-Year Growth
7.2%
2024-25 Outturn **£611.7m**

YTD Extrapolation
£657.7m
Risk / (Opp) **£1.7m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Pay Groups	**55.0**	**55.9**	**54.5**	**219.2**	**657.7**	**656.0**		**1.7**
Administration and Estates	12.1	12.0	11.9	47.8	143.4	143.2		0.2
Allied Health, Scientists and Other	7.2	7.3	7.2	28.8	86.4	85.3		1.1
Medical and Dental	11.3	12.2	11.5	46.0	138.0	137.5		0.5
Nursing, Midwifery and Clinical Support	24.5	24.4	23.8	96.6	289.8	290.0		(0.2)
Functions	**55.0**	**55.9**	**54.5**	**219.2**	**657.7**	**656.0**		**1.7**
Chief Operating Officer Management	1.2	0.7	0.7	3.4	10.3	9.4		1.0
Community and Integrated Medicine	16.9	17.2	16.8	67.5	202.4	207.6		(5.1)
Mental Health and Learning Disabilities	6.1	6.2	6.1	24.5	73.4	73.7		(0.3)
Operational Allied Health and Health Sciences	5.8	5.9	5.8	23.2	69.6	69.4		0.2
Planned and Specialist Care	13.7	14.4	13.9	55.6	166.9	167.6		(0.7)
Primary Care	1.3	1.4	1.4	5.3	16.0	15.7		0.3
Executive Functions	10.0	10.1	9.7	39.7	119.0	112.6		6.4
Total Expenditure	**55.0**	**55.9**	**54.5**	**219.2**	**657.7**	**656.0**		**1.7**
Plan	**58.4**	**55.3**	**58.3**	**230.1**	**690.3**	**701.0**		
Variance to Plan	**(3.4)**	**0.6**	**(3.9)**	**(10.9)**	**(32.6)**	**(45.0)**		

Key Information

Month 3, June, increase in expenditure due to year to date payment of the FY26-27 Medical and Dental 3.5% pay award £1.4m.

Month 5, August, deviation from prior month forecast as mitigating actions previously assumed to deliver are unlikely to deliver within the required timeframe.

Month 6, September, onwards includes a reduction in expenditure due to planned mitigating actions of £8.6m to deliver from Month 6 to 12. Mitigating actions result in a risk for Pay due to the future months forecast being lower than year to date expenditure levels seen.

Variable Insights

In-Month Actual
£4.0m
Variance to Plan **£2.7m**

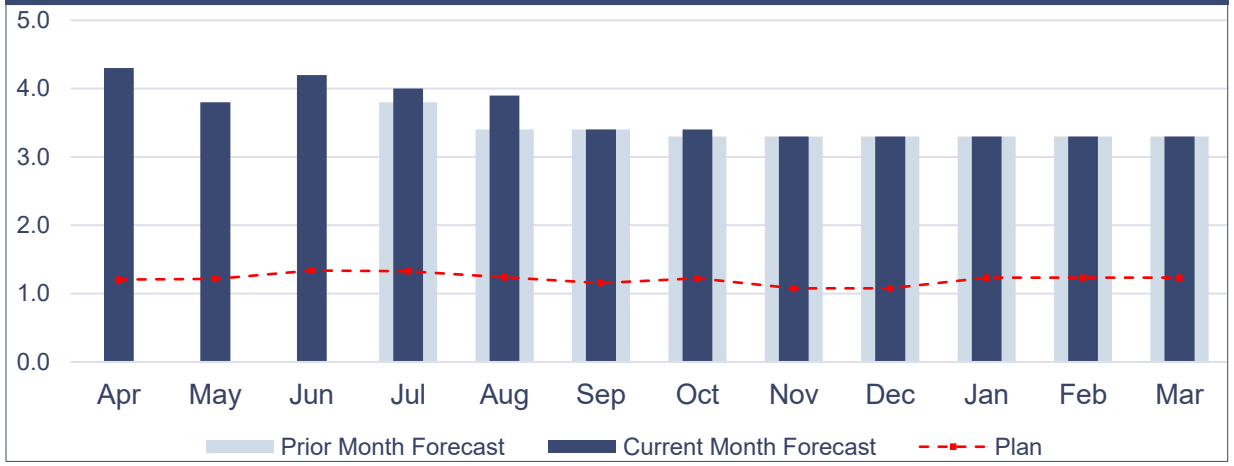
YTD Actual
£16.3m
Variance to Plan **£11.2m**

EOY Forecast
£43.5m
Variance to Plan **£28.9m**

In-Year Growth
(18.2)%
2025-26 Outturn **£53.2m**

YTD Extrapolation
£48.8m
Risk / (Opp) **£5.3m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Pay Groups	**3.8**	**4.2**	**4.0**	**16.3**	**48.8**	**43.5**		**5.3**
Administration and Estates	0.3	0.3	0.3	1.3	4.0	3.7		0.3
Allied Health, Scientists and Other	0.2	0.2	0.2	0.7	2.2	2.3		(0.1)
Medical and Dental	1.8	1.9	1.8	7.3	21.8	19.2		2.6
Nursing, Midwifery and Clinical Support	1.6	1.7	1.6	7.0	20.9	18.3		2.6
Functions	**3.8**	**4.1**	**4.0**	**16.2**	**48.8**	**43.5**		**5.3**
Chief Operating Officer Management	-	-	-		0.1	0.1		0.0
Community and Integrated Medicine	1.5	1.7	1.5	6.4	19.1	17.9		1.2
Mental Health and Learning Disabilities	0.2	0.2	0.2	0.9	2.6	2.6		(0.0)
Operational Allied Health and Health Sciences	0.3	0.3	0.3	1.0	3.1	3.2		(0.1)
Planned and Specialist Care	1.2	1.3	1.2	5.0	15.0	12.9		2.0
Primary Care	0.3	0.4	0.4	1.6	4.8	5.0		(0.2)
Executive Functions	0.3	0.3	0.5	1.4	4.1	1.7		2.5
Total Expenditure	**3.8**	**4.1**	**4.0**	**16.3**	**48.8**	**43.5**		**5.3**
Plan	**1.2**	**1.3**	**1.3**	**5.1**	**15.3**	**14.6**		
Variance to Plan	**2.6**	**2.8**	**2.7**	**11.2**	**33.6**	**28.9**		

Key Information

Month 2, May, reduction in Bank expenditure due to inability to fill shifts within Community and Integrated Medicine and reduction in patient acuity within Mental Health, alongside reduction in Waiting List Initiative activity within Planned and Specialist Care.

Month 3, June, increase in Variable Pay including bank and overtime usage within Community and Integrated Medicine to cover sickness and fill rota gaps.

Month 4, July, Bank Nurse usage decrease within Community and Integrated Medicine with a reduction in enhanced pay rates in July.

Month 5, August, deviation from prior month forecast as mitigating actions previously assumed to deliver are unlikely to deliver within the required timeframe.

Month 6, September, onwards includes a reduction in expenditure due to planned mitigating actions of £1.9m to deliver from Month 6 to 12, with the reduction in Variable largely anticipated within Medical and Dental. Mitigating actions result in a risk for Pay due to the future months forecast being lower than year to date expenditure levels seen.

Agency Insights

In-Month Actual
£1.0m
Variance to Plan **£0.6m**

YTD Actual
£3.8m
Variance to Plan **£2.4m**

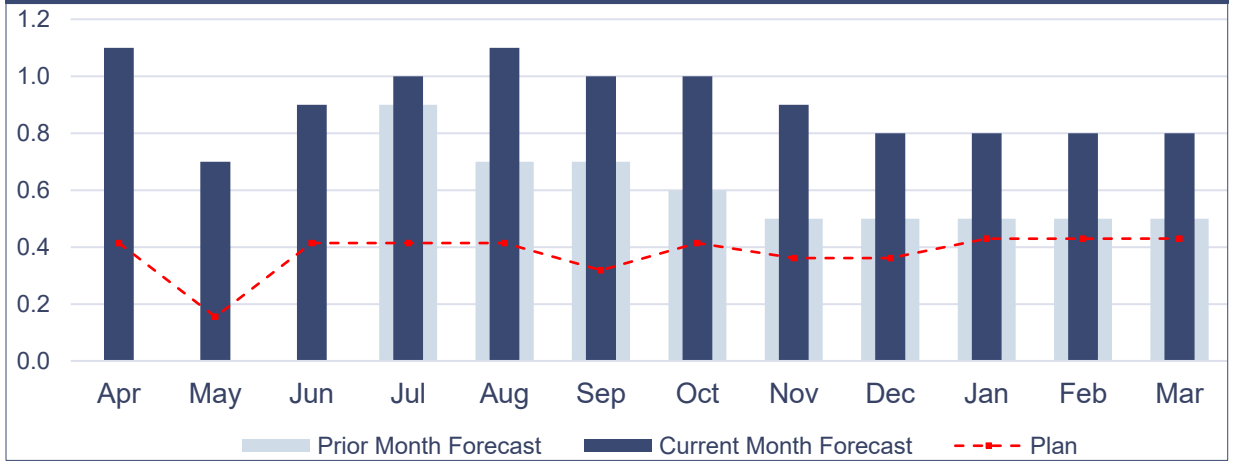
EOY Forecast
£11.1m
Variance to Plan **£6.5m**

3-Year Growth
(66.5)%
2023-24 Outturn **£33.1m**

In-Year Growth
6.7%
2025-26 Outturn **£10.4m**

YTD Extrapolation
£11.4m
Risk / (Opp) **£0.3m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Pay Groups	**0.7**	**0.9**	**1.0**	**3.8**	**11.4**	**11.1**		**0.3**
Administration and Estates	-	-	-	-	-	-		-
Allied Health, Scientists and Other	(0.1)	-	0.1	0.2	0.5	0.8		(0.2)
Medical and Dental	0.5	0.5	0.6	2.3	6.8	6.9		(0.1)
Nursing, Midwifery and Clinical Support	0.3	0.3	0.3	1.4	4.1	3.4		0.7
Functions	**0.7**	**0.9**	**1.0**	**3.8**	**11.4**	**11.1**		**0.3**
Chief Operating Officer Management	-	-	-	-	-	-		-
Community and Integrated Medicine	0.7	0.7	0.6	2.6	7.9	7.0		0.9
Mental Health and Learning Disabilities	0.1	0.1	0.1	0.3	0.8	0.8		0.0
Operational Allied Health and Health Sciences	0.2	0.1	0.2	0.7	2.0	2.0		0.0
Planned and Specialist Care	0.1	0.1	0.1	0.5	1.5	1.6		(0.1)
Primary Care	-	-	-	-	-	0.1		(0.1)
Executive Functions	(0.3)	-	-	(0.3)	(0.8)	(0.3)		(0.5)
Total Expenditure	**0.7**	**0.9**	**1.0**	**3.8**	**11.4**	**11.1**		**0.3**
Plan	**0.2**	**0.4**	**0.4**	**1.4**	**4.2**	**4.6**		
Variance to Plan	**0.6**	**0.5**	**0.6**	**2.4**	**7.2**	**6.5**		

Key Information

Month 2, May, reduction in Agency expenditure from prior month within Medical and Nursing across various areas, with a reduction in plan following recognition as saving.

Month 5, August, significant deviation from prior month forecast as mitigating actions previously assumed to deliver are unlikely to deliver within the required timeframe.

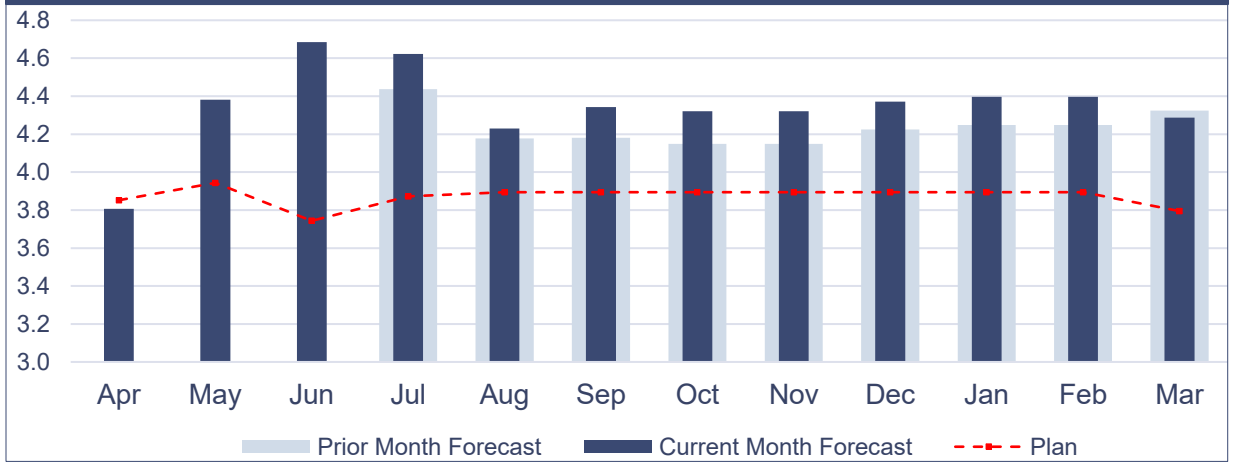
Month 6, September, onwards no longer include an anticipated reduction in expenditure due to mitigating actions of £1.8m no longer being assumed, due to the limited visibility of the pipeline opportunity plans delivering, therefore currently assumed within substantive instead. This reduction is compounded by an increase in expenditure from Month 6 onwards in Community and Integrated Medicine £0.6m and Planned and Specialist Care £0.6m, in line with Urgent and Emergency Care and Theatres investment plans, alongside both areas seeing continued pressure to fill vacant posts and cover sickness.

Month 9, December, recognises a reduction in Agency expenditure due to the substantive recruitment of International Educated Nurses.

Clinical Services and Supplies Insights

In-Month Actual	YTD Actual	EOY Forecast	3-Year Growth	In-Year Growth	YTD Extrapolation
£4.6m	£17.5m	£52.1m	15.8%	0.8%	£52.5m
Variance to Plan **£0.7m**	Variance to Plan **£2.1m**	Variance to Plan **£5.7m**	2023-24 Outturn **£45.0m**	2025-26 Outturn **£51.7m**	Risk / (Opp) **£0.3m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Functions	**4.3**	**4.6**	**4.6**	**17.5**	**52.5**	**52.1**		**0.3**
Chief Operating Officer Management	-	0.1	-	0.1	0.4	0.5		(0.1)
Community and Integrated Medicine	1.2	1.2	1.2	4.8	14.4	14.3		-
Mental Health and Learning Disabilities	-	-	-	0.1	0.2	0.2		-
Operational Allied Health and Health Sciences	1.1	1.2	1.1	4.5	13.5	13.7		(0.2)
Planned and Specialist Care	2.0	2.1	2.3	8.0	23.9	23.0		0.9
Primary Care	-	-	-	0.1	0.4	0.3		-
Executive Functions	-	0.1	(0.1)	(0.1)	(0.2)	-		(0.2)
Total Expenditure	**4.3**	**4.6**	**4.6**	**17.5**	**52.5**	**52.1**		**0.3**
Plan	**3.9**	**3.7**	**3.9**	**15.4**	**46.2**	**46.5**		**(0.2)**
Variance to Plan	**0.3**	**0.9**	**0.7**	**2.1**	**6.3**	**5.7**		**0.6**

Key Information

Month 2, May, reflects an increase from prior month driven by Planned and Specialist Care operating theatre consumables including loan kits and insourcing of activity.

Month 3, June, reflects an increase in Planned and Specialist Care Theatres and Dermatology outsourcing of activity with a further increase in consumables purchases including loan kits and implants, alongside an increase within Operational Allied Health relating to Radiology outsourcing of services.

Note a risk within Planned and Specialist Care due to year to date outsourcing of Theatres activity and other services anticipated to continue at an increased level in Month 4 but not anticipated to continue to the same level from Month 5 onwards. Note an opportunity within Operational Allied Health due to the in-month increase relating to Radiology outsourcing in Month 3 anticipated to continue for future months.

Commissioned Healthcare Services Insights

In-Month Actual
£37.0m
Variance to Plan **£(1.7)m**

YTD Actual
£148.9m
Variance to Plan **£(0.5)m**

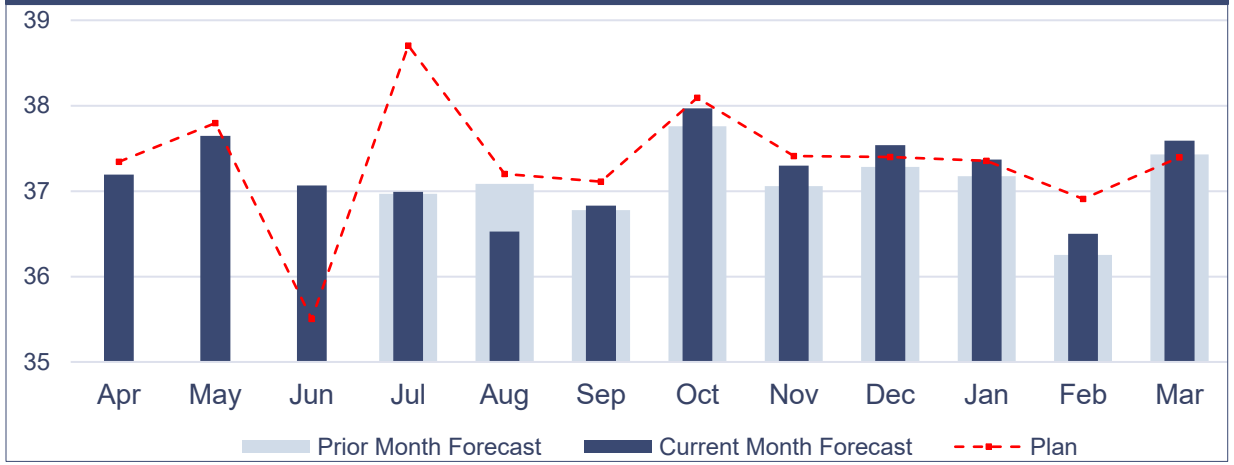
EOY Forecast
£446.5m
Variance to Plan **£(1.7)m**

3-Year Growth
15.7%
2023-24 Outturn **£385.9m**

In-Year Growth
2.8%
2025-26 Outturn **£434.2m**

YTD Extrapolation
£446.7m
Risk / (Opp) **£0.3m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Functions	**37.6**	**37.1**	**37.0**	**148.9**	**446.7**	**446.5**		**0.3**
Chief Operating Officer Management	-	-	-	-	-	-		-
Community and Integrated Medicine	2.8	2.9	2.9	11.6	34.7	34.6		0.1
Mental Health and Learning Disabilities	4.1	3.7	4.1	15.8	47.3	47.4		-
Operational Allied Health and Health Sciences	0.4	0.5	0.4	1.8	5.4	5.5		-
Planned and Specialist Care	0.7	0.7	0.4	2.4	7.2	6.2		1.0
Primary Care	10.4	10.2	10.5	41.6	124.9	127.0		(2.1)
Executive Functions	19.2	19.0	18.6	75.7	227.1	225.8		1.3
Total Expenditure	**37.6**	**37.1**	**37.0**	**148.9**	**446.7**	**446.5**		**0.3**
Plan	**37.8**	**35.5**	**38.7**	**149.3**	**448.0**	**448.2**		**(0.2)**
Variance to Plan	**(0.1)**	**1.6**	**(1.7)**	**(0.5)**	**(1.4)**	**(1.7)**		**0.4**

Key Information

Month 2, May, increase from prior month due to year to date recognition of Pharmaceuticals Company expenditure in line with pass through Joint Commissioning Committee funding, resulting in a corresponding reduction in Month 3, June. Month 3, June, further reduction in expenditure due to Mental Health retrospective correction to Continuing Healthcare package and reduction in Psychiatric Intensive Care Unit Beds demand. Note a reduction in plan due to year to date Primary Care Dental underspends being recognised as savings, resulting in a worsening to the core operational position in Month 3.

Month 4, July, plan increased due to reversal of prior month Primary Care Dental saving to core operational underspends.

Monthly fluctuations in expenditure largely relating to number of days in the month and therefore the corresponding expenditure of Continuing Healthcare packages, with significant reduction in Month 11, February, and a corresponding increase in Month 12, March. Month 7, October, includes an increase largely relating to Primary Care vaccination programmes.

Note a risk within Executive functions due to the forecast expenditure for future months being lower than the year to date expenditure levels seen, mainly relating to Swansea Bay Long Term Agreement increase in emergency activity not anticipated to continue to the same level in future months. Note a further risk within Planned and Specialist Care due to Ophthalmology outsourcing of services not anticipated to continue to the same level in future months.

Drugs and Prescribing Insights

In-Month Actual
£14.2m
Variance to Plan **£0.0m**

YTD Actual
£53.0m
Variance to Plan **£(0.8)m**

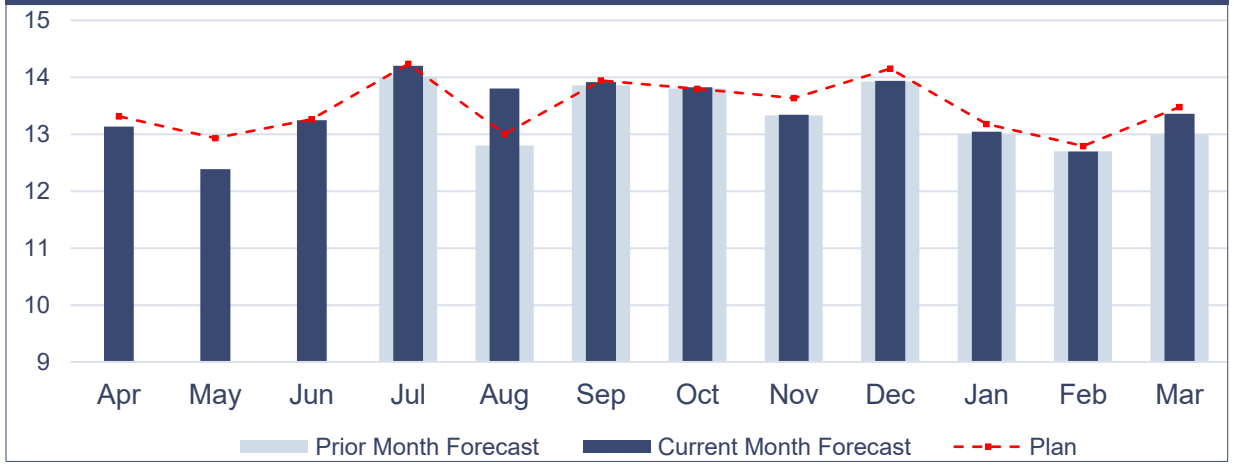
EOY Forecast
£160.8m
Variance to Plan **£(1.0)m**

3-Year Growth
8.1%
2023-24 Outturn **£148.7m**

In-Year Growth
8.1%
2025-26 Outturn **£148.8m**

YTD Extrapolation
£158.9m
Risk / (Opp) **£(1.9)m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Functions	**12.4**	**13.2**	**14.2**	**53.0**	**158.9**	**160.8**		**(1.9)**
Chief Operating Officer Management	-	-	-	-	-	-		-
Community and Integrated Medicine	1.6	1.7	1.8	6.6	19.9	19.4		0.5
Mental Health and Learning Disabilities	0.1	0.1	0.1	0.4	1.2	1.4		(0.2)
Operational Allied Health and Health Sciences	0.4	0.5	0.5	1.9	5.6	5.9		(0.3)
Planned and Specialist Care	2.9	3.5	3.4	13.0	39.0	38.3		0.7
Primary Care	-	-	-	0.1	0.2	0.2		-
Executive Functions	7.4	7.5	8.4	31.0	93.0	95.6		(2.6)
Total Expenditure	**12.4**	**13.2**	**14.2**	**53.0**	**158.9**	**160.8**		**(1.9)**
Plan	**12.9**	**13.3**	**14.2**	**53.7**	**161.2**	**161.7**		**(0.5)**
Variance to Plan	**(0.6)**	**(0.0)**	**(0.0)**	**(0.8)**	**(2.3)**	**(1.0)**		**(1.3)**

Key Information

Monthly fluctuations in expenditure largely relating to the number of prescribing days in the month and therefore the corresponding expenditure on drugs based on activity.

Increase in expenditure compared to prior month largely due to increase of drug costs in line with Prescribing Audit Report and expected increase in Month 5, August in relation to increase in concession prices on medicines within Pharmacy and Medicines Management.

Forecast drugs underspend largely relating to Ophthalmology differing operating model for outsourcing Intravitreal drugs as opposed to providing the service in-house due to recruitment challenges £(1.6)m, Drugs system process improvement review £(0.6)m, offset by increased Homecare drug costs £0.7m within Community and Integrated Medicine and an increase in prescription volume and price in line with latest May Prescribing Audit Report £0.8m within Pharmacy and Medicines Management.

Other Non-Pay Insights

In-Month Actual
£5.5m
Variance to Plan **£3.3m**

YTD Actual
£33.1m
Variance to Plan **£4.9m**

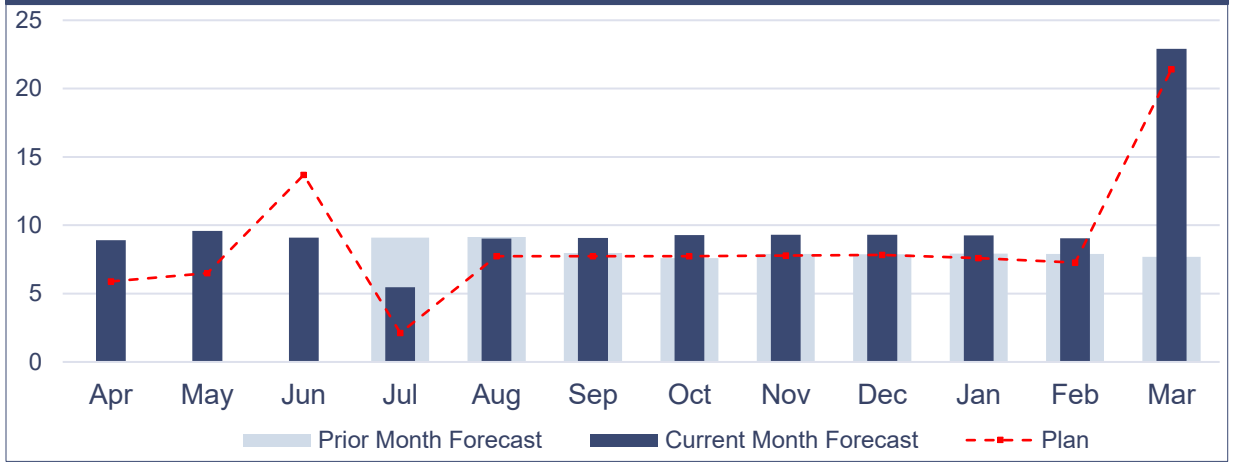
EOY Forecast
£111.5m
Variance to Plan **£8.1m**

3-Year Growth
2.5%
2023-24 Outturn **£108.8m**

In-Year Growth
12.5%
2025-26 Outturn **£99.1m**

YTD Extrapolation
£99.4m
Risk / (Opp) **£(12.2)m**

Expenditure Monthly Trend (£'m)



Expenditure Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Functions	**9.6**	**9.1**	**5.5**	**33.1**	**99.4**	**111.5**		**(12.2)**
Chief Operating Officer Management	0.1	0.2	0.2	0.6	1.9	1.9		-
Community and Integrated Medicine	0.8	0.7	0.9	3.4	10.1	9.5		0.6
Mental Health and Learning Disabilities	0.2	0.2	0.2	0.9	2.6	2.5		-
Operational Allied Health and Health Sciences	0.2	0.2	0.2	0.8	2.3	2.5		(0.2)
Planned and Specialist Care	0.4	0.4	0.3	1.3	4.0	3.9		0.1
Primary Care	0.1	0.2	0.1	0.6	1.7	1.4		0.3
Executive Functions	7.7	7.2	3.6	25.6	76.7	89.6		(12.9)
Total Expenditure	**9.6**	**9.1**	**5.5**	**33.1**	**99.4**	**111.5**		**(12.2)**
Plan	**6.5**	**13.7**	**2.1**	**28.2**	**84.5**	**103.3**		**(18.8)**
Variance to Plan	**3.1**	**(4.5)**	**3.3**	**4.9**	**14.8**	**8.1**		**6.7**

Key Information

Month 3, June, includes an increase in plan in-month following the exercise to convert year to date core operational underspends to savings. The majority of the schemes identified relate to pay vacancies £4.8m, Primary Care Dental underspends £1.6m and drugs underspends £0.8m, offset by the savings target assumed within non-pay.

Month 4, July, deviation, largely due to a decrease in Capital Charges, with a corresponding reduction in Revenue Resource Limit.

Month 6, September, onwards includes a reduction in expenditure due to planned mitigating actions of £8.9m anticipated within Non-Pay to deliver from Month 6 to Month 12. Mitigating actions result in a risk for Non Pay due to the future months forecast being lower than year to date expenditure levels seen.

Month 12, March, includes Depreciation and Amortisation Impairments increase in expenditure of £9.0m, with a corresponding increase in Revenue Resource Limit.

Income Insights

In-Month Actual
£7.7m
Variance to Plan **£(0.1)m**

YTD Actual
£28.5m
Variance to Plan **£(0.6)m**

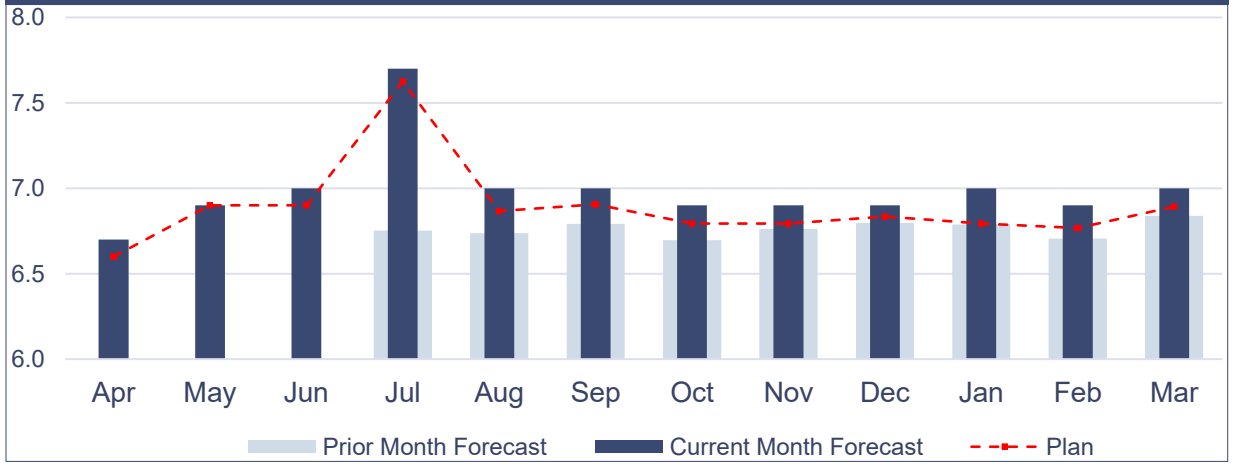
EOY Forecast
£84.2m
Variance to Plan **£(1.7)m**

3-Year Growth
14.2%
2023-24 Outturn **£73.7m**

In-Year Growth
1.6%
2025-26 Outturn **£82.9m**

YTD Extrapolation
£85.5m
(Risk) / Opp **£1.3m**

Income Monthly Trend (£'m)



Income Trajectory Analysis (£'m)	P02-27	P03-27	P04-27	YTD	YTD Extrap.	EoY Forecast	EoY Var	Risk / (Opp)
Functions	**6.9**	**7.0**	**7.7**	**28.5**	**85.5**	**84.2**		**1.3**
Chief Operating Officer Management	-	-	-	0.2	0.5	0.5		-
Community and Integrated Medicine	0.3	0.4	0.3	1.4	4.1	3.9		0.2
Mental Health and Learning Disabilities	0.3	0.3	0.3	1.1	3.2	2.8		0.4
Operational Allied Health and Health Sciences	0.3	0.3	0.3	1.1	3.4	3.4		-
Planned and Specialist Care	0.5	0.5	0.5	2.1	6.2	5.9		0.3
Primary Care	0.2	0.2	0.2	0.8	2.3	2.3		-
Executive Functions	5.3	5.4	6.1	22.0	65.9	65.5		0.4
Total Income	**6.9**	**7.0**	**7.7**	**28.5**	**85.5**	**84.2**		**1.3**
Plan	**6.9**	**6.9**	**7.6**	**27.9**	**83.8**	**82.6**		**1.2**
Variance to Plan	**0.1**	**0.1**	**0.1**	**0.6**	**1.8**	**1.7**		**0.1**

Key Information

Month 2, May, increase in income from prior month due to additional Health Education and Improvement Wales, Non-Contracted activity income and Drugs rebate income.

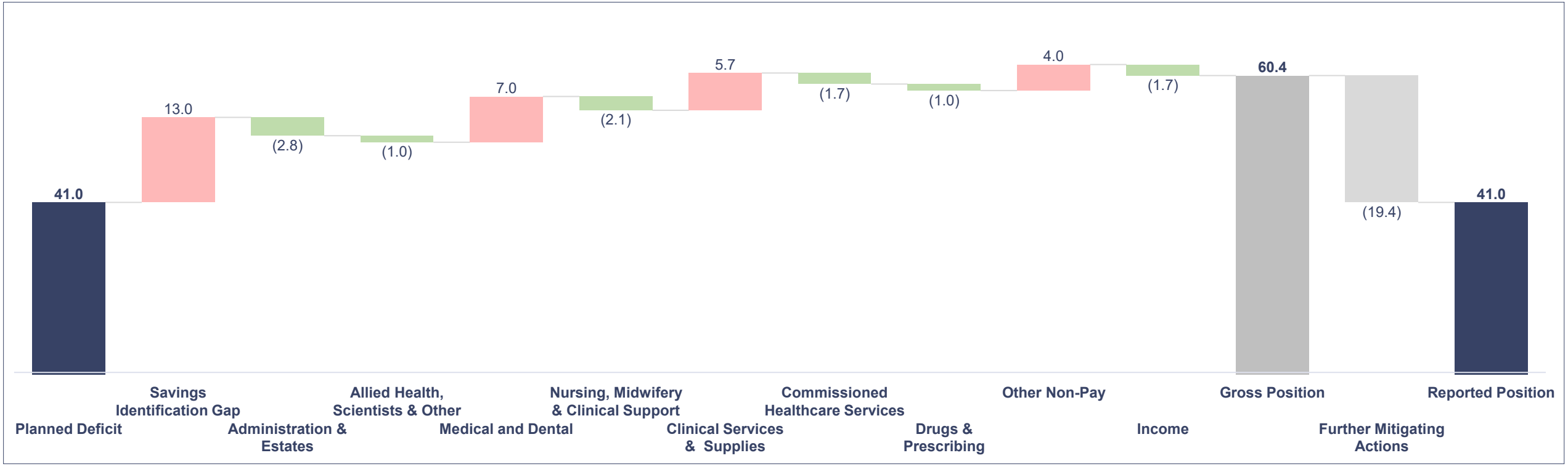
Month 3, June, increase in income from prior month due to further Drugs rebate income.

Month 4, July, onwards increase from prior month forecast largely relate due to Digital Programmes income.

Monthly fluctuations largely relate to variations in Drugs rebate income.

Income overachievement of £1.7m is forecast largely relating to Central Income Non-Contracted Activity income, Digital Programmes income offset by underachievement of Dental Income due to reduced activity and termination of Dental practices contracts.

End of Year – Key Drivers vs Plan



Key Information

Savings Identification Gap – Savings identification of £29.8m against savings target of £42.8m, leaving a savings identification gap of £13.0m.

Administration & Estates – Pay vacancies mainly within Workforce £(1.0)m, Primary Care £(0.7)m and Public Health £(0.6)m.

Medical and Dental – Community and Integrated Medicine high locum usage to cover rota gaps, sickness and vacancies mainly within Pembrokeshire Accident and Emergency unit £2.5m and Carmarthenshire £0.8m. Planned Care dual running of Medical staff within Bronglais Obstetrics, Gynaecology and Paediatrics £1.8m and Medical locum rate card within Anaesthetics, alongside Mental Health £1.0m and Pathology £0.7m locum usage to cover sickness and vacancies.

Clinical Services and Supplies – Outsourcing of Radiology and ultrasound services within Operational Allied Health £2.2m, offset by internal pay vacancies. Theatres, Dermatology, Anaesthetics, Urology and Ophthalmology outsourcing within Planned and Specialist Care £2.2m, and Community and Integrated Medicine purchases relating to insulin pumps, sleeping machines and other consumables £1.3m.

Other Non Pay – Estates and Facilities maintenance expenditure £1.2m, Allied Health dual running of Radiology services and sponsorship expenditure £1.0m and Digital programmes expenditure £0.5m.

End of Year – Key Deviations to Plan

Key Deviation		£'m	Key Information
Gross Planned Deficit		**83.8**	**Before savings requirement of £42.8m**
Savings Delivery		(29.8)	Green and Amber savings plans delivering. Gap of £13.0m vs plan requirement of £42.8m
Overspends	Medical Stabilisation improvements not delivered	7.0	Agency impact for WGH absence and dual running (£2.5m), BGH W&C absence and dual running (£1.8m), MH&LD 4 premium agency (£1.0m), GGH (£0.8m) and Pathology (£0.7m) agency usage
	Continuing Healthcare	5.2	Demand increases on CHC packages (£3.8m), Out of Area Mental Health placements (£1.4m)
	Theatre activity and increased outsourcing	4.9	Planned and Specialist activity above planned levels
	Building Maintenance and repairs	1.8	Estates and Facilities £1.2m, Ceredigion Integrated System £0.6m
	Radiology outsourced services above vacancies	1.8	Double running of Radiology contracts and insourcing of ultrasound services
	Community and Integrated Medicine supplies	1.2	Continuous Positive Airway Pressure, insulin pumps, equipment including hoists
	Band 2/3 banding assumption changes	0.9	Increase in national framework assumptions and additional establishment conversion
	Long Term Agreements	0.9	Non-elective short stay episodes attracting a disproportionate flat rate tariff within Swansea Bay
Underspends	Primary Care	(9.9)	Dental contract handback £(7.9)m and General Medicine Services Supplementary Services £(2.0)m.
	Administrative vacancies	(2.8)	Across the majority of services – consideration for recurrent vacancy factor saving required
	Clinical fill rates (non-medical)	(1.9)	Vacancies and reduced fill rates with Nursing and Allied Health roles
	Income	(1.7)	Central Income £(1.0)m and Digital programmes income £(1.1)m
	Prescribing and Drugs	(1.0)	Annual Plan assumed increases not yet materialised
Gross Position		**60.4**	**Report £41.0m to Welsh Government, with full mitigating actions assumed**
Further Mitigating Actions		(19.4)	Robust plans are yet to be confirmed, but opportunities exceeding the value are being reviewed
Reported Position		**41.0**	

End of Year – Key Performance vs Plan

Clinical Care Groups and Executive Functions (£'m)	Savings Gap to Target	Savings Delivery vs Plan Benefits	Core Operational Variation	Total	Key Information
Planned Deficit				**41.0**	
Chief Operating Officer Management	0.4	0.0	0.7	**1.1**	Savings non delivery plus Voluntary Early Retirement Scheme payments and Physiotherapy First Contact Point pay costs.
Community and Integrated Medicine	4.5	0.0	9.6	**14.1**	Savings non delivery plus continued use of premium Medical locums to cover sickness and vacancies £3.6m, increase in Continuing Healthcare packages £2.5m, and increase in Nursing Bank and Overtime usage £0.9m.
Mental Health and Learning Disabilities	3.4	0.0	1.9	**5.3**	Savings non delivery plus Continuing Healthcare packages £1.2m, purchase of outsourced Psychiatric Intensive Care beds £1.4m, Medical locum usage £1.0m offset by Allied Health and Nursing vacancies £(1.8)m.
Operational Allied Health & Health Sciences	3.2	0.0	2.1	**5.3**	Savings non delivery plus Medical locum usage within Pathology £0.7m, Radiology services outsourcing £2.1m offset by pay vacancies £(1.2)m.
Planned and Specialist Care	3.8	0.0	2.9	**6.7**	Savings non delivery plus Bronglais Medical dual running £1.7m, outsourcing of activity in Theatres, Dermatology, Anaesthetics, Urology and Ophthalmology £2.1m, offset by Ophthalmology drugs underspend £(1.5)m
Primary Care	0.0	0.0	(9.0)	**(9.0)**	Dental contracts handback underspends £(7.9)m and General Medicine Services Supplementary Services underspends £(2.0)m.
Executive Functions	(2.3)	0.0	(1.8)	**(4.1)**	Pay vacancies £(2.6)m, income overachievement £(2.5)m, offset by Estates maintenance £1.2m and Swansea Bay emergency activity increase £0.9m.
Sub Total	**13.0**	**0.0**	**6.4**	**19.4**	
Gross Position				**60.4**	
Further Mitigating Actions				(19.4)	Conversion of opportunities to robust plans required as not yet confirmed
Reported Position				**41.0**	

End of Year – Key Performance vs Plan Executive

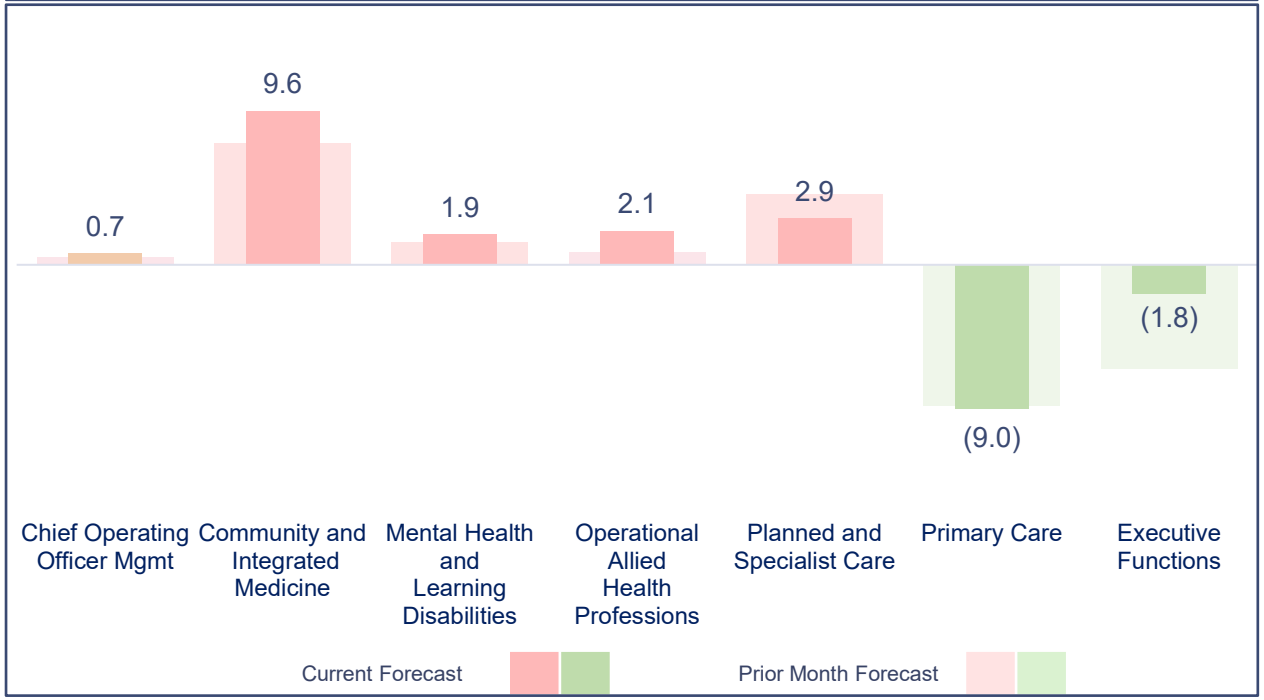
Executive Function (£'m)	Savings Gap to Target	Savings Delivery vs Plan Benefits	Core Operational Variation	Total	Key Information
Chief Executive	(0.1)	0.0	(0.2)	**(0.3)**	Over-achievement of savings target, Admin pay vacancies.
Digital	0.1	0.0	0.0	**0.1**	Under-achievement of savings target.
Estates and Facilities	2.0	0.0	0.9	**2.9**	Under-achievement of savings target, building and maintenance expenditure £1.2m offset by pay vacancies £(0.3)m.
Executive Allied Health	0.0	0.0	0.0	**0.0**	No material deviation.
Finance	(0.3)	0.0	(0.2)	**(0.5)**	Over-achievement of savings target, Admin pay vacancies.
Health Board Wide	(3.2)	0.0	(2.0)	**(5.2)**	Over-achievement of savings target, Drugs system process improvement review £(2.7)m and Central Income overachievement £(1.0)m.
LTA's	1.3	0.0	0.9	**2.2**	Under-achievement of savings target, Swansea Bay emergency activity.
Medical	(0.1)	0.0	(0.1)	**(0.2)**	Over-achievement of savings target, unconfirmed SIFT plans
Nursing	(0.1)	0.0	0.2	**0.1**	Over-achievement of savings target and increased non pay costs.
Pharmacy and Medicines Management	2.6	0.0	1.0	**3.6**	Under-achievement of savings target, increased expenditure relating to increase drugs price in line with May Prescribing Audit Report
Public Health	(0.7)	0.0	(1.1)	**(1.8)**	Over-achievement of savings target, Admin and Nursing pay vacancies
Strategy and Planning	(0.4)	0.0	(0.1)	**(0.5)**	Over-achievement of savings target, Capital redesign income.
Workforce	(3.4)	0.0	(1.1)	**(4.5)**	Over-achievement of savings target, Admin pay vacancies.
Sub Total	**(2.3)**	**0.0**	**(1.8)**	**(4.1)**	

End of Year – Key Performance vs Prior Month

Clinical Care Groups and Executive Functions (£'m)	Savings Gap to Target Movement	Savings Delivery vs Plan Movement	Core Operational Variation Movement	Total Movement	Key Information
Prior Month Forecast				**41.0**	
Chief Operating Officer Management	(0.3)	0.0	0.2	**(0.1)**	Conversion of year to date core underspends to savings in prior month.
Community and Integrated Medicine	(3.0)	0.0	2.0	**(1.0)**	Conversion of year to date core underspends to savings. Purchase of outsourced Psychiatric Intensive Care beds and Medical locum usage.
Mental Health and Learning Disabilities	(0.7)	0.0	0.5	**(0.2)**	Conversion of year to date core underspends to savings in prior month, alongside further Nursing pay underspend savings
Operational Allied Health & Health Sciences	(1.5)	0.0	1.3	**(0.2)**	Conversion of year to date core operational underspends in prior month, alongside further Allied and Nursing pay underspend savings.
Planned and Specialist Care	(1.3)	0.0	(1.5)	**(2.8)**	Conversion of year to date core underspends to savings in prior month. Funding received for Theatres investment and Horizon Scanning drugs.
Primary Care	1.9	0.0	(0.2)	**1.7**	General Medical Services increase in programme expenditure. Note a recategorisation of Dental contract hand back savings to core operational underspends in Month 4 £1.9m.
Executive Functions	(3.9)	0.0	4.7	**0.8**	Conversion of year-to-date core underspends to savings in prior month. Increase in Prescribing Audit Report drugs price £1.0m.
Sub Total	**(8.8)**	**0.0**	**7.0**	**(1.8)**	
Gross Position				**(1.8)**	
Further Mitigating Actions				1.8	
Reported Position				**41.0**	

End of Year – Core Operational Variation

Core Operational Variation (£'m)



Core Operational Variation (£'m)

Portfolio	Pay	Non-Pay	Income	Total
Chief Operating Officer Management	0.7	0.0	0.0	**0.7**
Community and Integrated Medicine	4.5	5.2	(0.1)	**9.6**
Mental Health and Learning Disabilities	(0.8)	2.7	0.0	**1.9**
Operational Allied Health and Health Sciences	(0.3)	2.9	(0.5)	**2.1**
Planned and Specialist Care	0.0	3.3	(0.4)	**2.9**
Primary Care	(0.5)	(10.3)	1.8	**(9.0)**
Executive Functions	(2.6)	3.3	(2.5)	**(1.8)**
Total	**1.0**	**7.1**	**(1.7)**	**6.4**

Key Information

Community and Integrated Medicine Continued Medical locum usage to cover sickness and vacancies £3.5m alongside Nursing bank and overtime usage £0.8m. Continuing Healthcare increase in monthly average of commissioned care days due to additional packages £2.5m and increase in consumables expenditure relating to Continuous Positive Airway Pressure, insulin pumps and equipment including hoists.

Mental Health Continuing Healthcare increase in monthly average commissioned care days due to additional packages £1.2m and increase in purchase of outsourced Psychiatric Intensive Care Beds £1.4m.

Operational Allied Health Dual running of Radiology contracts, alongside outsourcing of Radiology services and insourcing of ultrasound services £2.9m, offset by pay vacancies.

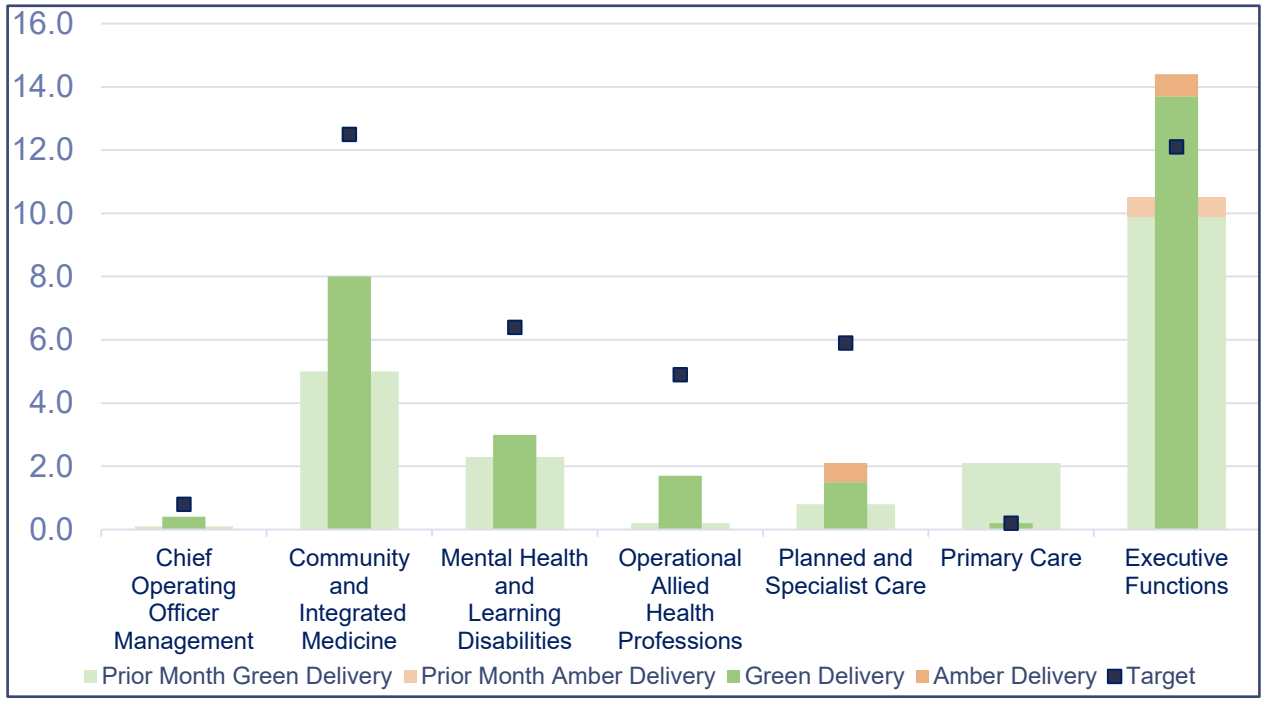
Planned and Specialist Care Increase in Theatres, Dermatology, Anaesthetics, Ophthalmology and Urology outsourcing of activity £3.3m.

Primary Care Dental contracts handback £(7.9)m and General Medicine Services Supplementary Services underspends £(2.0)m, offset by underachievement of Dental income £1.8m.

Executive Functions Estates maintenance expenditure £1.2m, Swansea Bay Long Term Agreement Emergency activity increase £0.9m and Pharmacy and Medicines Management increase in prescribing price of low-value high-volume drugs £0.9m, offset by pay vacancies and income overachievement across various areas.

End of Year – Savings Performance Breakdown

Savings Performance Breakdown (£'m)



Savings Performance Breakdown (£'m)

Portfolio	Target	Plan	Delivery	Gap
Chief Operating Officer Management	0.8	0.4	0.4	0.4
Community and Integrated Medicine	12.5	8.0	8.0	4.5
Mental Health and Learning Disabilities	6.4	3.0	3.0	3.4
Operational Allied Health and Health Sciences	4.9	1.7	1.7	3.2
Planned and Specialist Care	5.9	2.1	2.1	3.8
Primary Care	0.2	0.2	0.2	0.0
Executive Functions	12.1	14.4	14.4	(2.3)
Grand Total	**42.8**	**29.8**	**29.8**	**13.0**

Key Information

Savings identification is £29.8m, with all savings forecast to fully deliver, leaving a savings under-identification gap of £13.0m against the £42.8m target.

The £13.0m under-identification of savings largely relates to Community and Integrated Medicine £4.5m, Mental Health £3.4m, Operational Allied Health £3.2m, Planned and Specialist Care £3.8m, offset by Executive functions over-identification of £(2.3)m. Executive functions over-identification largely relates to Workforce £(3.4)m and Health Board Wide £(3.1)m, offset by under-identification within Pharmacy and Medicines Management £2.7m, Estates and Facilities £2.1m and Long-Term Agreements £1.3m.

Newly identified schemes largely relate to conversion of core operational underspends to savings £5.9m and Controlled Drugs Stock Strategic Review £2.2m. Note a reduction in identified savings within Primary Care following reclassification of prior month Dental contract handbacks from savings to core operational underspends.

Of the schemes identified, £28.5m relate to green schemes, with £1.3m relating to amber schemes. £6.2m are recurrent savings with £23.6m being non-recurrent savings.

End of Year – Saving Delivery Performance

Savings

Savings Target
£42.8m
Recurrent = £42.8m
Non-Recurrent = £0.0m

In-Year Recurrent Gap
£36.6m
Target = £42.8m
Delivery = £6.2m

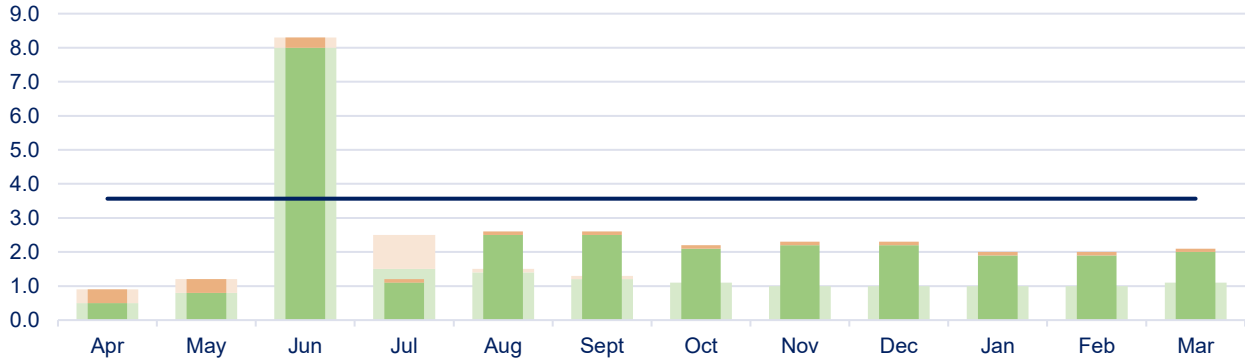
In-Year Non-Recurrent Gap
£(23.6)m
Target = £0.0m
Delivery = £23.6m

Full Year Recurrent Gap
£36.4m
Target = £42.8m
Delivery = £6.4m

Monthly Trend of Annual In-Year Risk-Assessed Savings Delivery (£'m)

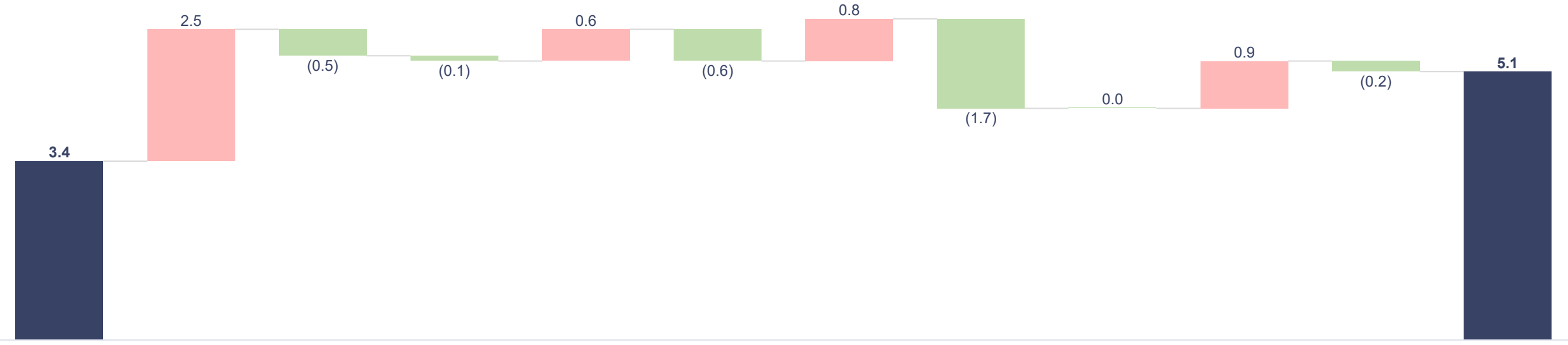
Monthly Trend of Annual In-Year Opportunity, Pipeline & Savings Plans (£'m)

Monthly Profiled Risk-Assessed Savings Delivery (£'m)



Monthly Trend of Annual Recurrent Opportunity, Pipeline & Savings Plans (£'m)

In-Month – Key Drivers vs Plan



Key Information

Savings Identification Gap – Savings identification of £1.1m against savings target of £3.6m, leaving a savings under identification gap of £2.5m, largely impacted by the reclassification of prior month Dental contracts handback savings to core operational underspends £1.9m

Medical and Dental – Community and Integrated Medicine locum usage to cover sickness and vacancies £0.2m and Planned and Specialist Care dual running of staff in Bronglais £0.2m.

Nursing and Midwifery – Community and Integrated Medicine reduction in enhanced pay rates and bank usage £(0.2)m. Vacancies in Mental Health £(0.1)m, Planned Care £(0.1)m and Primary Care £(0.1)m.

Clinical Services & Supplies – Planned and Specialist Care Theatres and Endoscopy outsourcing of activity, alongside increase in consumables purchases relating to loan kits and implants £0.6m. Operational Allied Health outsourcing of Radiology activity and services £0.2m and Community and Integrated Medicine Cardiac and Diabetic consumable purchases £0.1m.

Commissioned Healthcare Services – Primary Care Dental and General Medical Services underspend £(2.4)m, offset by Continuing Healthcare packages £0.4m and Mental Health outsourced beds £0.2m.

Other Non-Pay – Digital programmes increase in contracts expenditure £0.4m, Community and Integrated Care increases to patient security and transportation costs £0.2m and various other immaterial areas.

In-Month – Key Deviations to Plan

Key Deviation		£'m	Key Information
Gross Planned Deficit		**7.0**	**Before savings requirement of £3.6m**
Savings Delivery		(1.1)	Green and Amber savings plans delivering. Gap of £2.5m vs plan requirement of £3.6m
Overspends	Theatre activity and increased outsourcing	0.7	Planned and Specialist Care activity above planned levels, alongside outsourcing of various services
	Medical Stabilisation improvements not delivered	0.6	Agency usage to cover vacancies and sickness within Community and Integrated Medicine £0.2m, Planned and Specialist Care £0.2m, Mental Health £0.1m and Operational Allied Health £0.1m.
	Continuing Healthcare	0.6	Demand increases on CHC packages and Out of Area Mental Health placements
	Non Pay contracts	0.4	Digital initiative programmes contract expenditure
	Clinical Services and Supplies	0.3	Radiology outsourced services £0.2m, insulin pumps, cardiac and diabetic consumable purchases £0.1m
	Building Maintenance and repairs	0.2	Estates and Facilities £0.1m and Community and Integrated Medicine £0.1m
	Prescribing and Drugs	0.1	Community and Integrated Medicine Homecare Drugs £0.2m, Pharmacy and Medicines Management drugs price and concessions £0.2m, offset by Ophthalmology outsourcing of services £(0.3)m
Underspends	Primary Care	(2.4)	Re-categorisation of prior month Dental Savings from savings to core operational underspends £(1.9)m, Dental contracts handback £(0.3)m and General Medical Services underspend £(0.2)m
	Nursing and Midwifery	(0.6)	Vacancies and reduced enhanced payments and bank usage within Community & Integrated Medicine
	Administrative vacancies	(0.5)	Across many services, mainly within Primary Care £(0.2)m. Continued commitment to convert underspends to savings.
	Income	(0.2)	Central Income overachievement £(0.2)m, Velindre drugs rebates £(0.1)m offset by Dental income £0.1m
Gross Position		**5.1**	

In-Month – Key Performance vs Plan

Clinical Care Groups and Executive Functions (£'m)	Savings Gap to Target	Savings Delivery vs Plan Benefits	Core Operational Variation	Total	Key Information
Annual Plan				**3.4**	**As per plan submitted to Welsh Government**
Chief Operating Officer Management	(0.1)	0.0	0.1	**0.0**	No material deviation to plan
Community and Integrated Medicine	0.5	0.0	0.8	**1.3**	Savings non delivery plus premium Medical agency usage £0.2m, increase in expenditure relating to Homecare drugs £0.2m, patient security and transportation £0.2m and Continuing Healthcare packages £0.2m.
Mental Health and Learning Disabilities	0.2	0.0	0.3	**0.5**	Savings non delivery plus purchase of outsourced Psychiatric Intensive Care Unit beds with increase in demand to 9 patients in-month and continued increase in the number of Continuing Health Care packages.
Operational Allied Health & Health Sciences	0.3	0.0	0.1	**0.4**	Savings non delivery plus Medical variable pay usage within Pathology to cover rota gaps £0.1m. Increase in outsourcing contracts for Radiology services £0.2m, offset by Radiology pay vacancies £(0.2)m.
Planned and Specialist Care	0.4	0.0	0.4	**0.8**	Savings non delivery plus Theatres outsourcing and purchase of loan kits and Endoscopy consumables £0.6m, Medical locum agency usage including dual running and rate card usage £0.2m, offset by additional funding received for Horizon Scanning Drugs expenditure £(0.4)m.
Primary Care	1.8	0.0	(2.5)	**(0.7)**	Dental contracts handback and General Medical Services underspend, alongside delay in Cluster projects, offset by underachievement of Dental income. Savings under delivery in-month due to reclassification of prior month Dental contracts handback savings to underspends £1.9m
Executive Functions	(0.6)	0.0	0.0	**(0.6)**	Controlled Drugs Stock Strategic Review and Workforce pay savings
Sub Total	**2.5**	**0.0**	**(0.8)**	**1.7**	
Gross Position				**5.1**	

In-Month – Key Performance vs Plan Executive

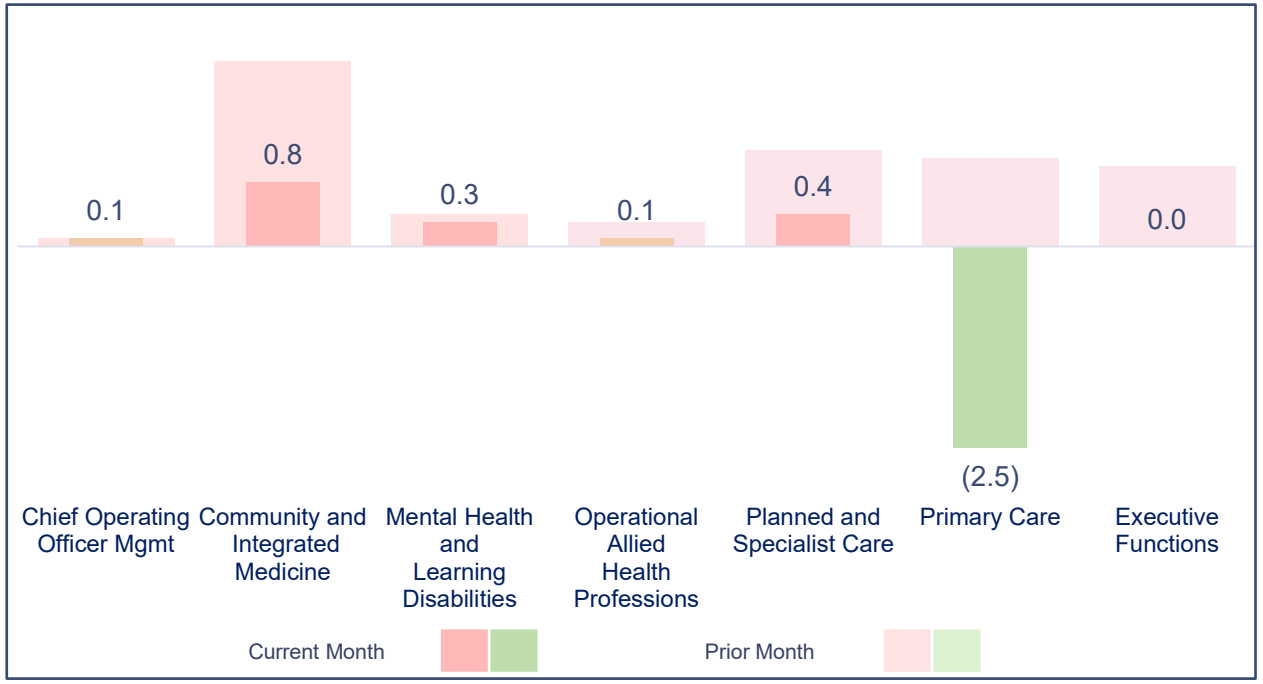
Executive Function (£'m)	Savings Gap to Target	Savings Delivery vs Plan Benefits	Core Operational Variation	Total	Key Information
Chief Executive	0.0	0.0	0.0	**0.0**	No material deviation to plan
Digital	0.0	0.0	0.2	**0.2**	Digital programmes contract expenditure
Estates and Facilities	0.1	0.0	0.0	**0.1**	Under-achieved savings
Executive Allied Health	0.0	0.0	0.0	**0.0**	No material deviation to plan
Finance	0.0	0.0	0.0	**0.0**	No material deviation to plan
Health Board Wide	(0.5)	0.0	(0.3)	**(0.8)**	Controlled Drugs Stock Strategic Review saving, income overachievement
LTA's	0.1	0.0	0.0	**0.1**	Under-achieved savings
Medical	0.0	0.0	0.0	**0.0**	No material deviation to plan
Nursing	0.0	0.0	0.0	**0.0**	No material deviation to plan
Pharmacy and Medicines Management	0.1	0.0	0.3	**0.4**	Horizon Scanning drugs funding issued to other services
Public Health	0.0	0.0	(0.1)	**(0.1)**	Pay vacancies and lower drugs vaccination uptake
Strategy and Planning	0.0	0.0	0.0	**0.0**	No material deviation to plan
Workforce	(0.4)	0.0	(0.1)	**(0.5)**	Recognition of admin pay underspends as savings
Sub Total	**(0.6)**	**0.0**	**0.0**	**(0.6)**	

In-Month – Key Performance vs Prior Month

Clinical Care Groups and Executive Functions (£'m)	Savings Gap to Target Movement	Savings Delivery vs Plan Benefits Movement	Core Operational Variation Movement	Total Movement	Key Information
Planned Deficit				**0.0**	
Chief Operating Officer Management	(0.1)	0.0	0.0	**(0.1)**	Additional saving identified in-month relating to pay underspends.
Community and Integrated Medicine	1.3	0.0	(1.5)	**(0.2)**	Conversion of year to date underspends to savings in prior month. In-month improvement relating to reduced enhanced pay rates and bank nurse usage, offset by increased home care drug expenditure.
Mental Health and Learning Disabilities	0.3	0.0	0.0	**0.3**	Conversion of year to date underspends to savings in prior month. Increase in the number of Psychiatric Intensive Care Unit beds purchased due to increase in demand to 9 patients.
Operational Allied Health & Health Sciences	0.1	0.0	(0.2)	**(0.1)**	Additional drugs rebate income received and additional vacancies.
Planned and Specialist Care	0.3	0.0	(0.8)	**(0.5)**	Reduction in Systemic Anti-Cancer Therapy Oncology activity and funding transferred for Oncology Horizon Scanning drugs expenditure
Primary Care	3.8	0.0	(3.7)	**0.1**	Conversion of year to date underspends to savings in prior month. Dental contract handback savings recategorised to underspends £1.9m.
Executive Functions	1.5	0.0	(1.0)	**0.5**	Conversion of year to date underspends to savings in prior month. Transfer of Horizon Scanning drugs budget to Pathology and Oncology £0.3m, Digital programmes contract expenditure £0.2m
Sub Total	**7.2**	**0.0**	**(7.2)**	**0.0**	
Gross Position				**0.0**	

In-Month – Core Operational Variation

Core Operational Variation (£'m)



Core Operational Variation (£'m)

Clinical Care Group	Pay	Non-Pay	Income	Total
Chief Operating Officer Management	0.0	0.1	0.0	**0.1**
Community and Integrated Medicine	0.1	0.7	0.0	**0.8**
Mental Health and Learning Disabilities	(0.1)	0.4	0.0	**0.3**
Operational Allied Health and Health Sciences	0.0	0.2	(0.1)	**0.1**
Planned and Specialist Care	0.0	0.4	0.0	**0.4**
Primary Care	(0.2)	(2.5)	0.2	**(2.5)**
Executive Functions	(0.4)	0.7	(0.3)	**0.0**
Total	**(0.6)**	**0.0**	**(0.2)**	**(0.8)**

Key Information

Community and Integrated Medicine Continuing Healthcare packages volume increase £0.2m, increase in Homecare drugs expenditure £0.2m, alongside patient security and transportation expenditure £0.2m.

Mental Health High-cost Continuing Healthcare packages and purchase of Psychiatric Intensive Care Unit beds increase in demand to 9 patients in-month £0.2m.

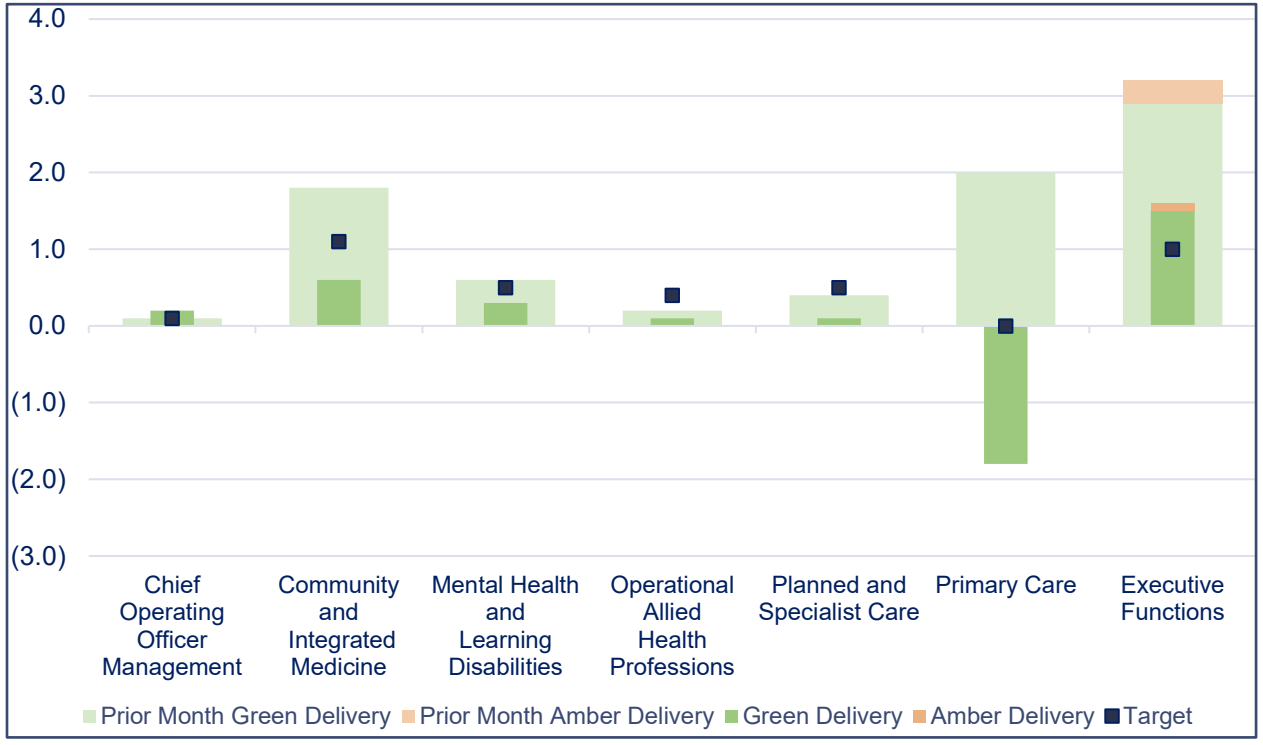
Planned and Specialist Care Theatres outsourcing of activity and purchases of Theatre consumables including loan kits and implants £0.6m, offset by funding received for Horizon Scanning drugs costs £(0.3)m.

Primary Care Dental contracts handback underspend, alongside General Medical supplementary services underspend. Note an improvement in core operational underspend from prior month due to reclassification of Dental contracts handback savings to underspends.

Executive Functions Digital programmes increase in contracts expenditure £0.4m, transfer of Horizon Scanning drugs funding to other services £0.3m, offset by pay vacancies £(0.4)m and income over achievement across various areas £(0.3)m.

In-Month – Savings Performance Breakdown

Savings Delivery vs Target (£'m)



Savings Performance Breakdown (£'m)

Clinical Care Group	Target	Plan	Delivery	Gap
Chief Operating Officer Management	0.1	0.2	0.2	(0.1)
Community and Integrated Medicine	1.1	0.6	0.6	0.5
Mental Health and Learning Disabilities	0.5	0.3	0.3	0.2
Operational Allied Health and Health Sciences	0.4	0.1	0.1	0.3
Planned and Specialist Care	0.5	0.1	0.1	0.4
Primary Care	0.0	(1.8)	(1.8)	1.8
Executive Functions	1.0	1.6	1.6	(0.6)
Grand Total	**3.6**	**1.1**	**1.1**	**2.5**

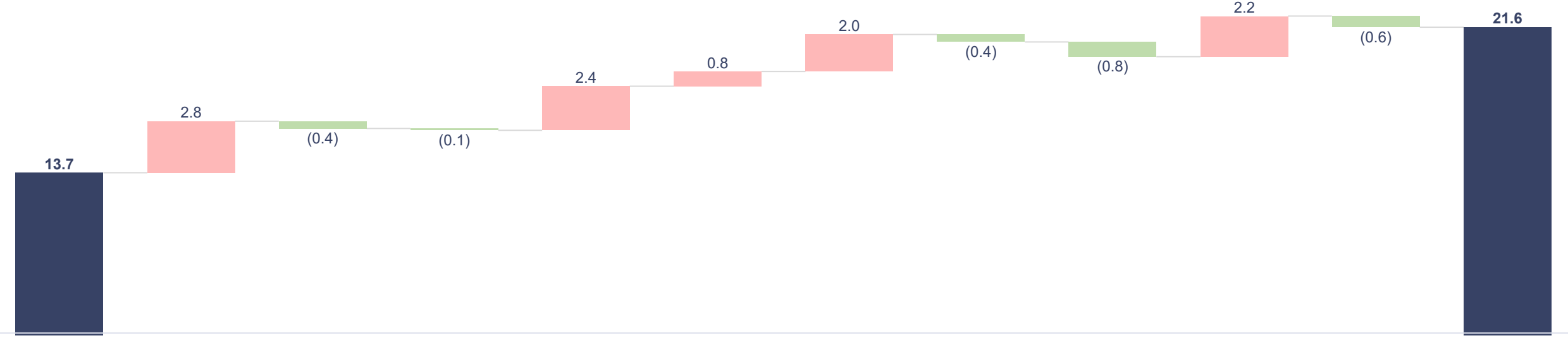
Key Information

Overall savings identification and delivery of £1.1m has been achieved in Month 4, resulting in a £2.5m under-delivery against £3.6m target, with variations across Clinical Care Groups. Note a reduction in identified savings within Primary Care following reclassification of prior month Dental contract handbacks savings to core operational underspends £1.9m. Without this one-off reclassification, savings identification and delivery has significantly improved in Month 4 with £3.0m savings being identified and delivered.

£2.5m under identification of savings largely relates to Primary Care £1.8m, Community and Integrated Medicine £0.5m, Planned and Specialist Care £0.4m, Operational Allied Health and Health Sciences £0.3m, Mental Health £0.2m, offset by over identification within Executive Functions £(0.6)m. Executive Functions includes under identification relating to Pharmacy and Medicines Management £0.2m, Long Term Agreements £0.1m, offset by over identification within Health Board Wide £(0.6)m and Workforce £(0.3)m.

Reduction in savings identification from prior month largely relates to conversion of year to date underspends within prior month savings performance.

Year to Date – Key Drivers vs Plan



Key Information

Savings Identification gap – Savings delivery of £11.5m achieved against a target of £14.3m leaving a gap of £2.8m.

Medical & Dental – Community and Integrated Medicine high-cost agency usage to cover sickness and vacancies across Accident and Emergency and General Medicine £1.0m. Medical locum and agency usage including dual-running across Bronglais within Planned and Specialist Care, with continued use of premium rate card £0.9m.

Clinical Services & Supplies – Theatres, Endoscopy, Anaesthetics and Urology outsourcing within Planned and Specialist Care £1.0m, Outsourcing of Radiology services within Operational Allied Health £0.6m and purchase of Cardiac and Diabetic consumables within Community and Integrated Medicine £0.5m.

Commissioned Healthcare Services – Primary Care Dental contract handbacks and General Medical Services underspend £(3.5)m, offset by increase in Continuing Healthcare packages within Mental Health and Community and Integrated Medicine £1.6m, Swansea Bay emergency activity increase £0.8m and Mental Health Psychiatric Intensive Care Unit Beds £0.4m.

Other Non-Pay – Digital initiative programmes contract expenditure £0.7m, Building and Estates maintenance expenditure £0.5m, alongside Building maintenance and repairs, patient security and transportation expenditure within Community and Integrated Medicine £0.4m.

Year to Date – Key Deviations to Plan

Key Deviation		£'m	Key Information
Gross Planned Deficit		**27.9**	**Before savings requirement of £14.3m**
Savings Delivery		(11.5)	Green and Amber savings plans delivery of £11.5m against savings target of £14.3m.
Overspends	Medical Stabilisation improvements not delivered	2.4	Agency impact for vacancies, sickness cover and restricted duties (£1.0m), BGH W&C absence and restricted duties (£0.6m), Anaesthetist rate card extended (£0.3m), MH&LD 4 premium agency (£0.3m)
	Continuing Healthcare	2.0	Demand increases on CHC packages (£1.6m), Out of Area Mental Health placements (£0.4m)
	Theatre activity and increased outsourcing	1.1	Planned and Specialist Care activity above planned levels, alongside outsourcing of various services
	Clinical Services and Supplies	1.1	Radiology outsourced services £0.6m, insulin pumps, cardiac and diabetic consumable purchases £0.5m
	Nursing and Midwifery	0.8	Variable pay bank & overtime to cover sickness and rota gaps, within Community & Integrated Medicine
	Swansea Bay LTA	0.8	Non-elective short stay episodes attracting a disproportionate flat rate tariff
	Building Maintenance and repairs	0.8	Estates and Facilities £0.6m and Ceredigion Integrated System £0.2m
	Non Pay contracts	0.7	Digital initiative programmes contract expenditure
	Band 2/3 banding assumption changes	0.3	Increase in national framework assumptions and additional establishment conversion
Underspends	Primary Care	(2.9)	Dental contracts handback £(1.5)m, General Medical Services underspend £(0.8)m and delay in Primary Care project plans £(0.8)m
	Income	(1.1)	Central Income £(0.4)m, Capital Design recharge income £(0.2)m and Velindre drugs rebates £(0.2)m
	Prescribing and Drugs	(0.8)	Annual Plan assumed price and volume increases not yet materialising
Gross Position		**21.6**	

Year to Date – Key Performance vs Plan

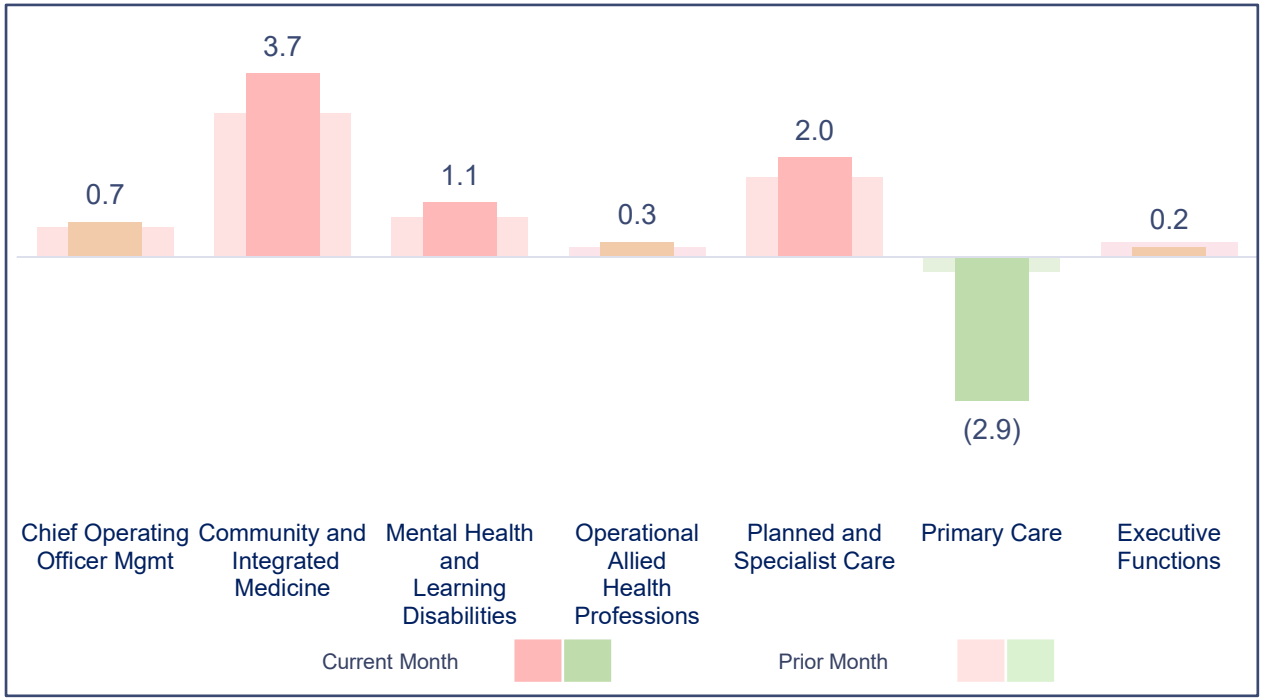
Clinical Care Groups and Executive Functions (£'m)	Savings Gap to Target	Savings Delivery vs Plan Benefits	Core Operational Variation	Total	Key Information
Planned Deficit				**13.7**	
Chief Operating Officer Management	0.0	0.0	0.7	**0.7**	Voluntary Early Retirement Scheme payments.
Community and Integrated Medicine	1.5	0.0	3.7	**5.2**	Savings identification gap £1.5m. Increase in Continuing Healthcare packages volume, Medical locum agency usage to cover sickness and vacancies, and Nursing bank usage with increase in fill rates.
Mental Health and Learning Disabilities	0.6	0.0	1.1	**1.7**	Continuing Healthcare packages volume increase and purchase of Psychiatric Intensive Care Unit beds increase in demand.
Operational Allied Health & Health Sciences	1.2	0.0	0.3	**1.5**	Savings identification gap £1.2m. Medical agency usage within Pathology, Radiology outsourcing of services, offset by Radiology vacancies due to delayed recruitment.
Planned and Specialist Care	1.4	0.0	2.0	**3.4**	Savings identification gap £1.4m. Medical locum and agency usage and dual running, alongside Medical rate card and outsourcing of activity within Ophthalmology, Theatres, Dermatology and Urology.
Primary Care	(0.1)	0.0	(2.9)	**(3.0)**	Dental contract handback, General Medical Services underspend, delay in cluster projects, offset by underachieved Dental income.
Executive Functions	(1.8)	0.0	0.2	**(1.6)**	VAT recovery, drugs review, Workforce & Public Health pay savings. Swansea Bay Emergency Activity increase, Estates maintenance expenditure offset by Central Income over achievement
Sub Total	**2.8**	**0.0**	**5.1**	**7.9**	
Gross Position				**21.6**	

Year to Date – Key Performance vs Plan Executive

Executive Function (£'m)	Savings Gap to Target	Savings Delivery vs Plan Benefits	Core Operational Variation	Total	Key Information
Chief Executive	(0.1)	0.0	0.0	**(0.1)**	No material deviation to plan
Digital	0.1	0.0	0.3	**0.4**	Increase in Digital initiative programmes contract expenditure
Estates and Facilities	0.6	0.0	0.5	**1.1**	Under delivery of savings, Building and Estates maintenance expenditure
Executive Allied Health	0.0	0.0	0.0	**0.0**	No material deviation to plan
Finance	(0.1)	0.0	0.0	**(0.1)**	No material deviation to plan
Health Board Wide	(1.1)	0.0	(0.6)	**(1.7)**	VAT recovery and drugs review saving, Central Income over achievement
LTA's	0.5	0.0	0.8	**1.3**	Under delivery of savings, Swansea Bay Emergency Activity increase
Medical	(0.1)	0.0	(0.1)	**(0.2)**	No material deviation to plan
Nursing	(0.1)	0.0	0.0	**(0.1)**	No material deviation to plan
Pharmacy and Medicines Management	0.6	0.0	(0.1)	**0.5**	Under delivery of savings, offset by reduction in Dapagliflozin spend
Public Health	(0.5)	0.0	(0.2)	**(0.7)**	Pay underspends recognised as savings and lower vaccination uptake
Strategy and Planning	(0.2)	0.0	(0.2)	**(0.4)**	Income overachievement relating to Capital Design recharge income
Workforce	(1.4)	0.0	(0.2)	**(1.6)**	Overachievement of savings relating to pay vacancies
Sub Total	**(1.8)**	**0.0**	**0.2**	**(1.6)**	

Year to Date – Core Operational Variation

Core Operational Variation (£'m)



Core Operational Variation (£'m)

Clinical Care Group	Pay	Non-Pay	Income	Total
Chief Operating Officer Management	0.7	0.0	0.0	**0.7**
Community and Integrated Medicine	1.6	2.1	0.0	**3.7**
Mental Health and Learning Disabilities	0.0	1.1	0.0	**1.1**
Operational Allied Health and Health Sciences	(0.1)	0.6	(0.2)	**0.3**
Planned and Specialist Care	0.9	1.3	(0.2)	**2.0**
Primary Care	0.0	(3.5)	0.6	**(2.9)**
Executive Functions	(0.4)	1.4	(0.8)	**0.2**
Total	**2.7**	**3.0**	**(0.6)**	**5.1**

Key Information

Community and Integrated Medicine Increase in Continuing Healthcare packages volume, continued use of Medical locum usage and Nursing bank usage to cover sickness and vacancies.

Mental Health High-cost Continuing Healthcare packages and purchase of Psychiatric Intensive Care Unit beds.

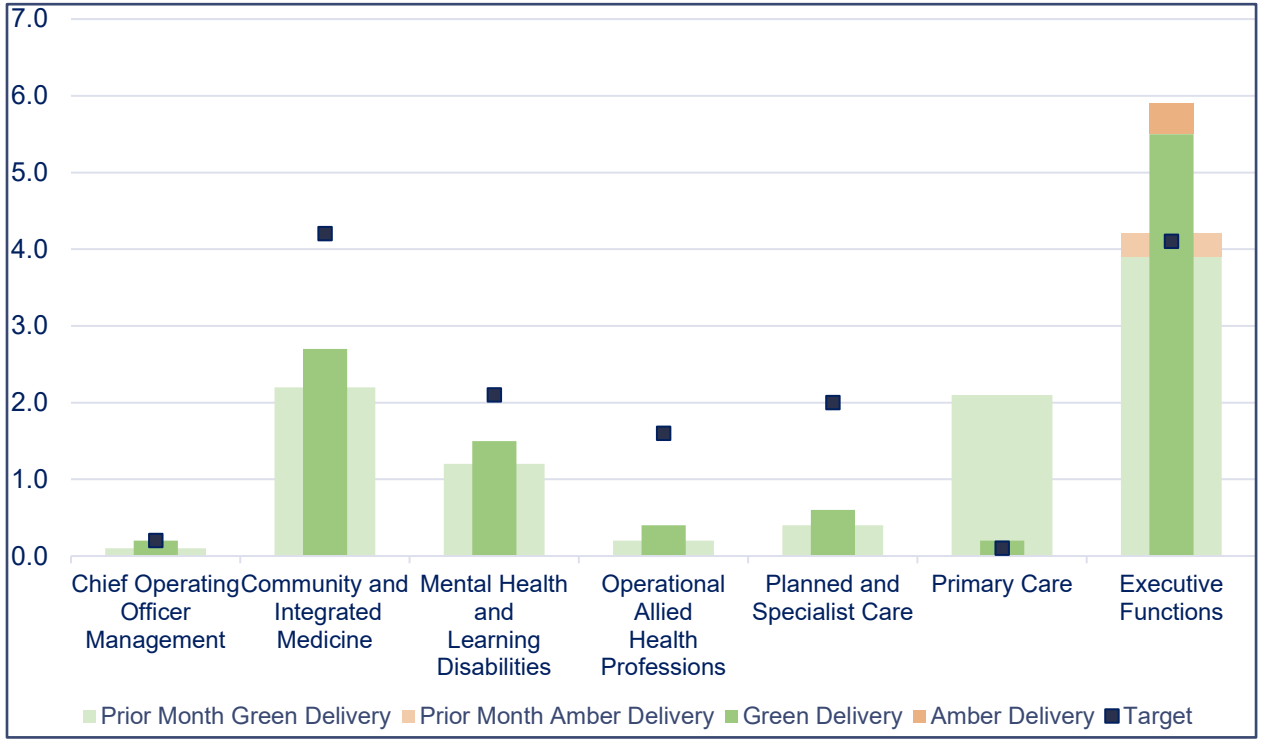
Planned and Specialist Care Medical locum and agency usage including dual-running and rate card usage, and outsourcing activity within Ophthalmology, Theatres and Dermatology.

Primary Care Continued Dental contract handbacks and General Medical Services supplementary services underspends, delay in Primary Care projects, offset by Dental income underachievement. Note an improvement to the core operational performance from prior month following reclassification of prior months dental savings to core operational underspends.

Executive Functions Swansea Bay Emergency activity £0.8m, Digital initiative programmes contract expenditure £0.7m, Estates maintenance contract uplift £0.5m, offset by Central Income overachievement £(0.4)m, Capital redesign income £(0.2)m and Velindre drugs rebate income £(0.2)m, alongside vacancies largely within Digital, Workforce and Nursing £(0.4)m.

Year to Date – Savings Performance Breakdown

Savings Delivery vs Target (£'m)



Savings Performance Breakdown (£'m)

Clinical Care Group	Target	Plan	Delivery	Gap
Chief Operating Officer Management	0.2	0.2	0.2	0.0
Community and Integrated Medicine	4.2	2.7	2.7	1.5
Mental Health and Learning Disabilities	2.1	1.5	1.5	0.6
Operational Allied Health and Health Sciences	1.6	0.4	0.4	1.2
Planned and Specialist Care	2.0	0.6	0.6	1.4
Primary Care	0.1	0.2	0.2	(0.1)
Executive Functions	4.1	5.9	5.9	(1.8)
Grand Total	**14.3**	**11.5**	**11.5**	**2.8**

Key Information

Overall savings identification and delivery of £11.5m, resulting in a £2.8m savings under-identification gap against £14.3m target, with variations across Clinical Care Groups.

Under-identification within Community and Integrated Medicine £1.5m, Planned and Specialist Care £1.4m, Operational Allied Health £1.2m, Mental Health £0.6m, Estates and Facilities £0.6m, Pharmacy and Medicines Management £0.6m, Long Term Agreements £0.5m, offset by over-identification in Workforce £(1.4)m Health Board Wide £(1.2)m.

The identified savings are mainly non-recurrent £9.8m, with only £1.7m being identified as recurrent savings.

Note a reduction in identified savings within Primary Care following reclassification of prior month Dental contract handbacks from savings to core operational underspends.

Capital Performance

Capital

Total Capital Performance

£34.6m

Annual Plan **£34.6m**

All Wales Capital

£26.5m

Annual Plan **£26.5m**

Discretionary Capital

£8.1m

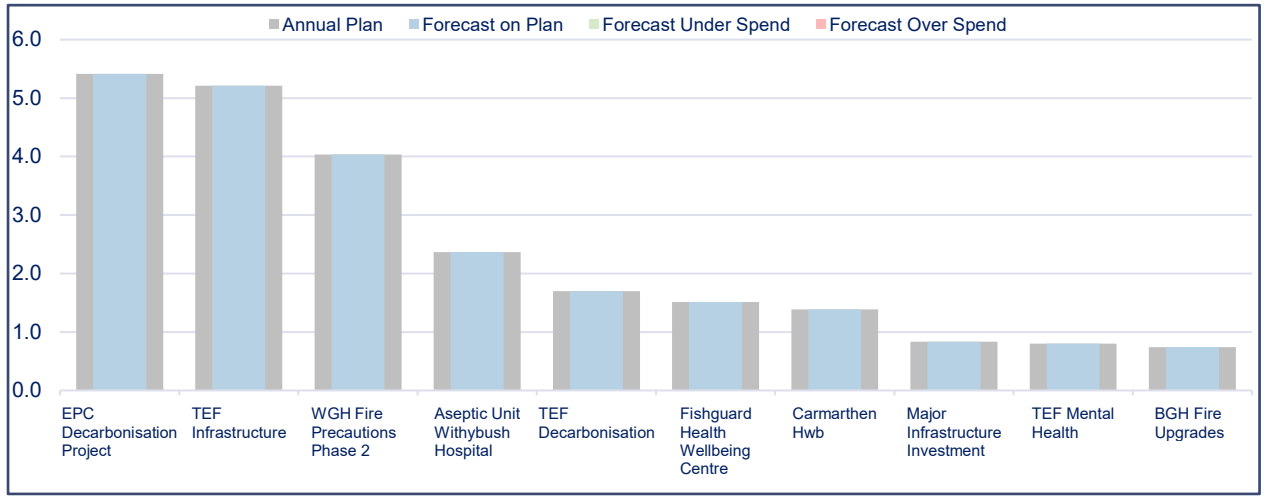
Annual Plan **£8.1m**

IFRS 16

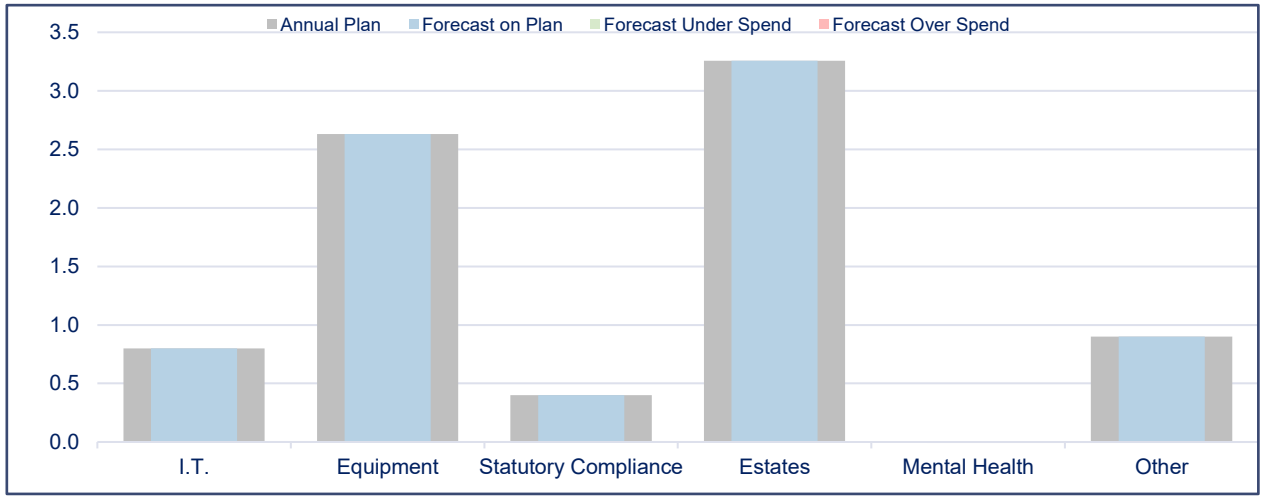
£0.0m

Capital Resource Limit **£0.0m**

All Wales Capital Programme Top 10 Schemes (£'m)



Discretionary Capital Programme Category Summary (£'m)



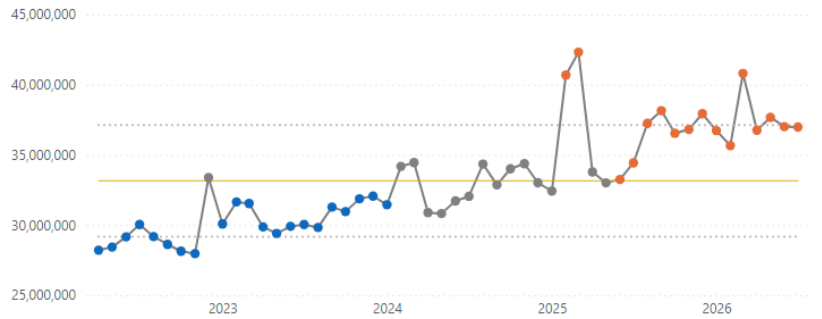
Key Information

Delivery against the capital programme is currently assessed as low risk. Capital projects are currently expected to deliver the Capital Resource Limit; this assessment will be kept under review as the year progresses.

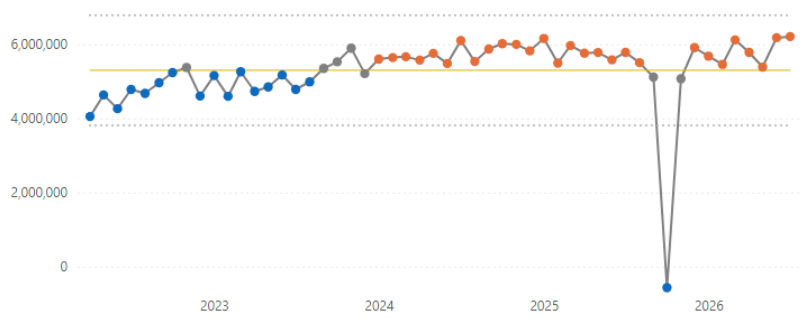
The Capital Programme for the year is comprised of £26.5m All Wales Capital Programme funding and £8.1m discretionary funds. The discretionary value represents the net after adjustments to the gross allocation of £11.2m for contributions to Targeted Estates Fund, the ongoing payback for Picton Terrace, and adjustments relating to prior year outturn.

Trend Analysis – Non-Pay and Income

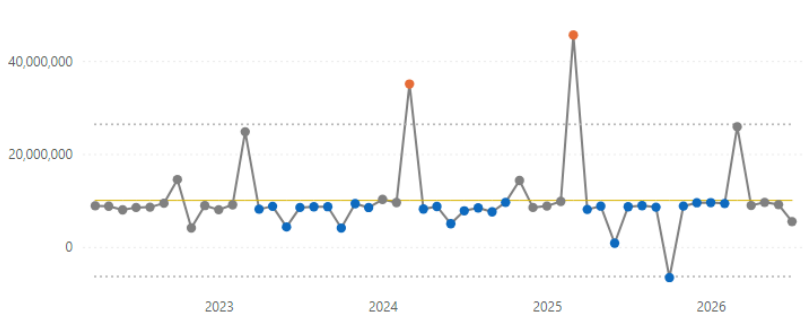
Commissioned Healthcare Services (£)



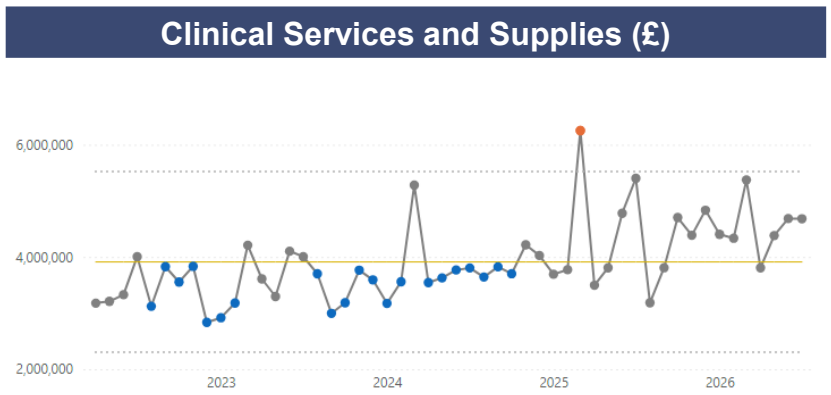
Secondary Care Drugs (£)



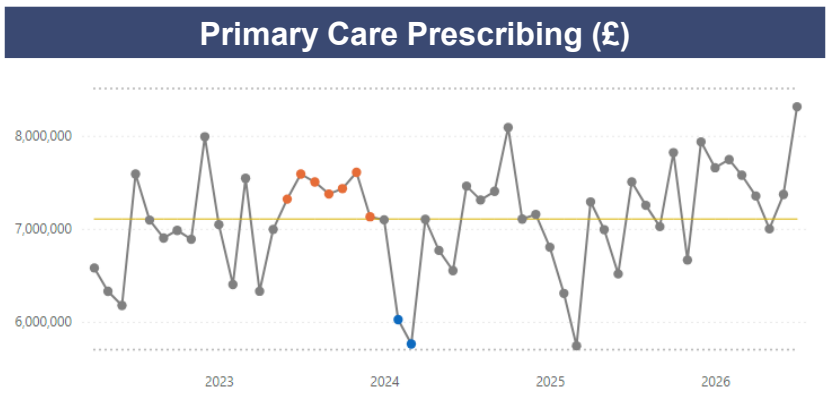
Other Non-Pay (£)



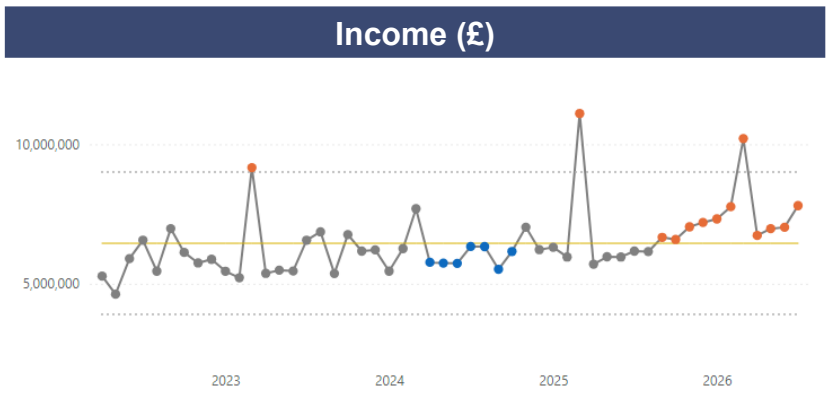
Clinical Services and Supplies (£)



Primary Care Prescribing (£)



Income (£)



Key Information

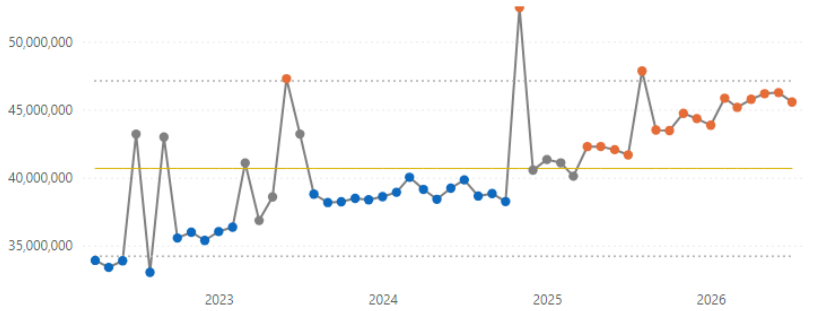
Other Non Pay – Reduction in expenditure in-month relating to Capital Depreciation and Impairments expenditure adjustments, offset by reduction in funding.

Primary Care Prescribing – Increase in prescribing days resulting in increased activity and expenditure, alongside increase in drugs price following latest Prescribing Audit Report and increase in price concessions drugs.

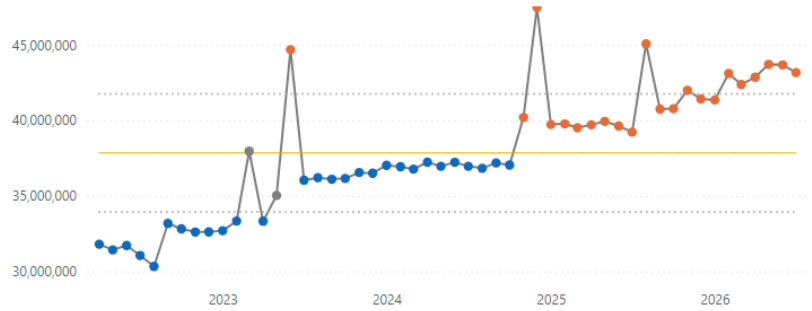
Income – Increase in income in-month relating to Digital Health and Care Wales year to date funding for Digital Prioritisation Improvement Fund programmes £0.5m.

Trend Analysis – Pay Agenda for Change

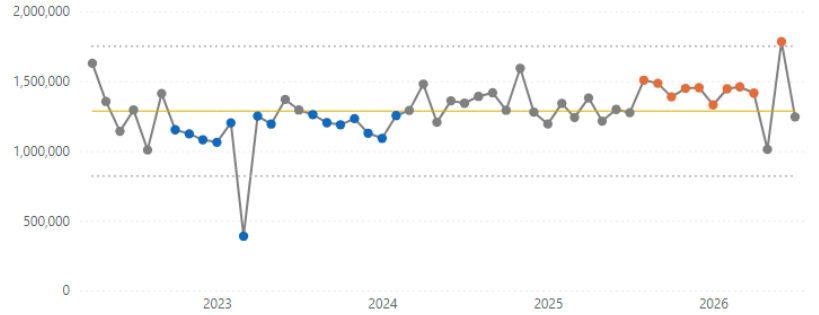
Total (£)



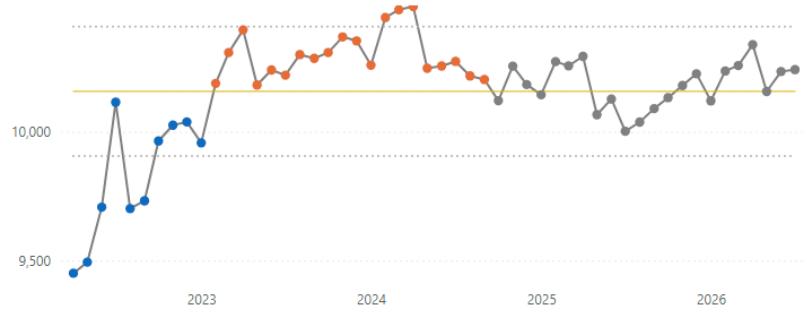
Substantive (£)



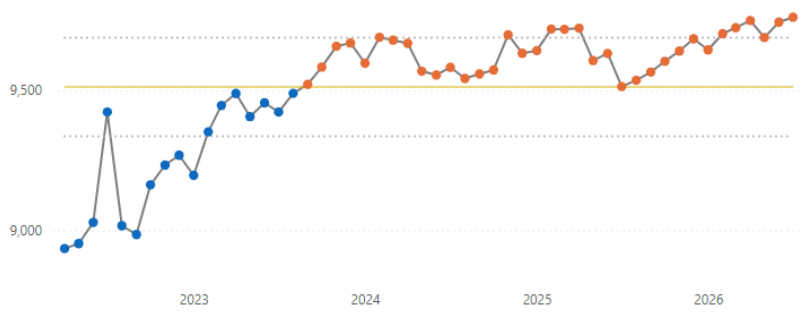
Bank (£)



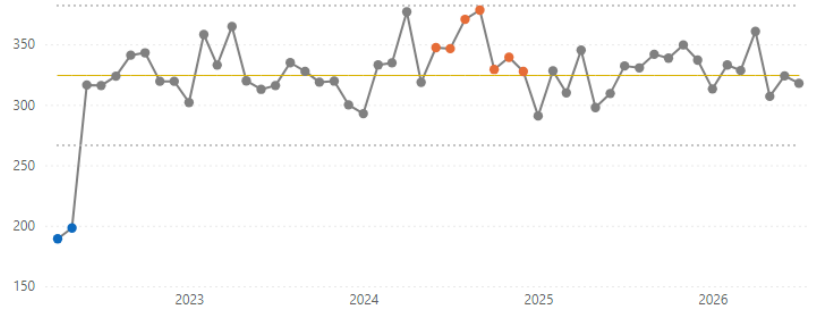
Total (WTE)



Substantive (WTE)



Bank (WTE)



Key Information

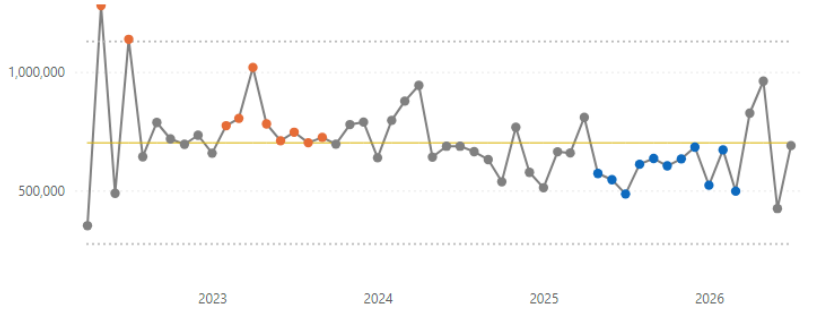
Bank £ and WTE – Reduction of 6.11 Bank WTE largely relating to Nursing and Healthcare Support Workers within Community and Integrated Medicine.

Total WTE – Remains slightly above average, mainly due to the increase in substantive WTE offset by decreases in Overtime and Bank WTE.

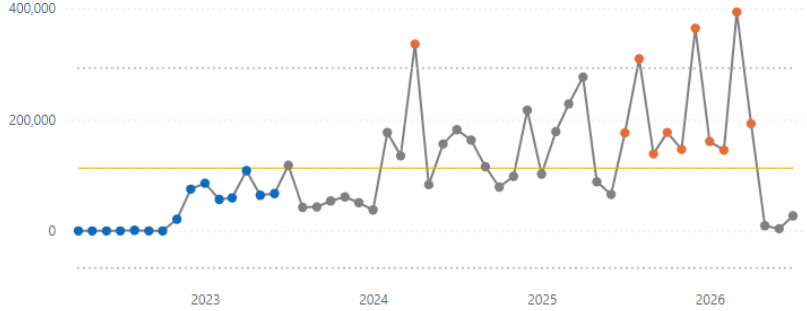
Substantive WTE – Increase in 17 WTE from prior month, increase in 247 WTE from the same period last year – despite this increase there are still pressures due to vacancies and sickness.

Trend Analysis – Pay Agenda for Change

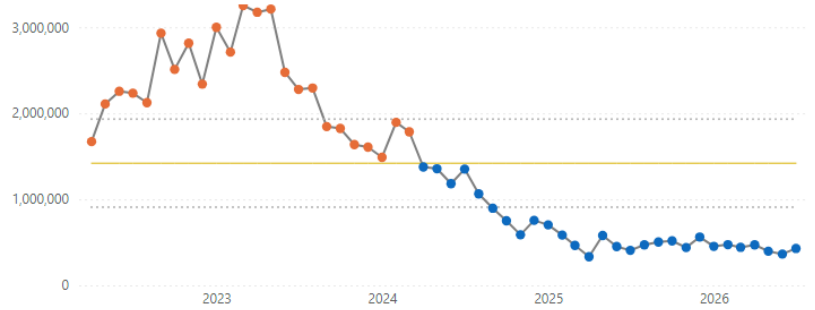
Overtime (£)



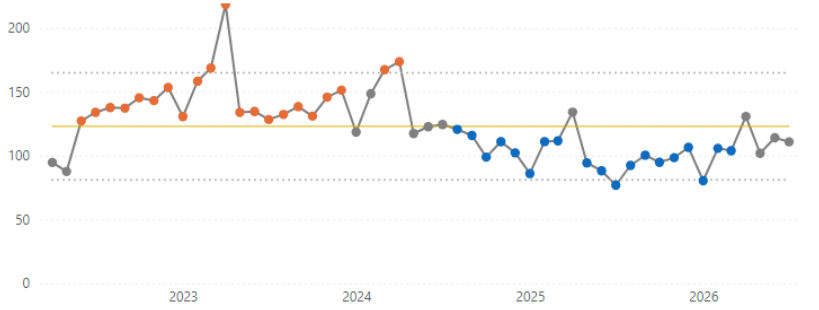
WLI (£)



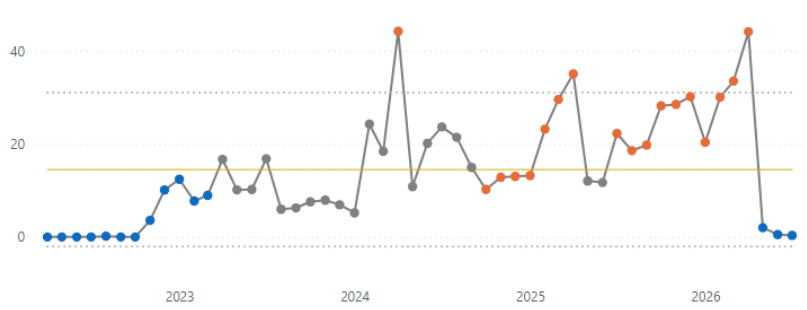
Agency (£)



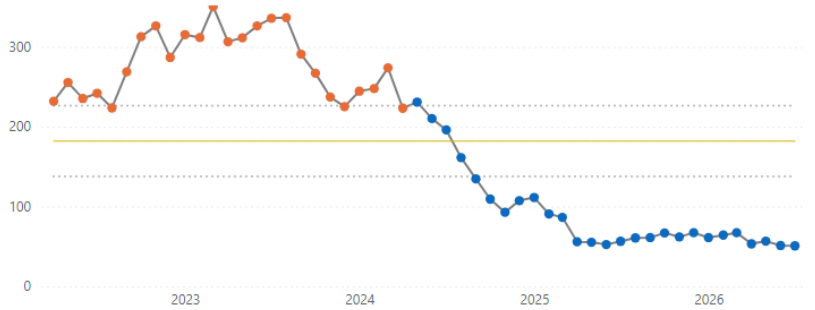
Overtime (WTE)



WLI (WTE)



Agency (WTE)



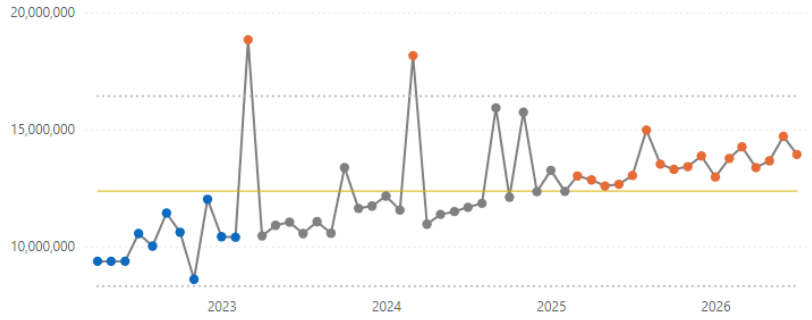
Key Information

Overtime £ and WTE – Increase in Overtime expenditure largely within Community and Integrated Medicine due to vacancies and high sickness level, alongside backdated and retrospective claims. Overall, overtime usage is considerably higher in 2026/27 compared to the average of 2025/26 to cover sickness gaps, as highlighted within the Whole Time Equivalents trend.

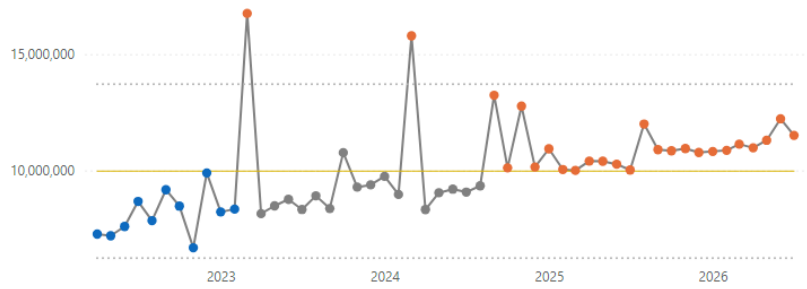
Waiting List Initiative £ and WTE – Reduction from prior year due to significantly less Waiting List Initiative activity being undertaken within Planned and Specialist Care this year. Waiting List Initiative expenditure increased compared to WTE due to retrospective claims relating to prior months.

Trend Analysis – Pay Medical and Dental

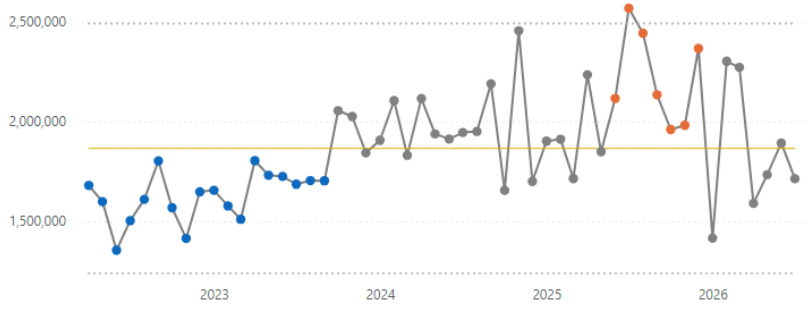
Total (£)



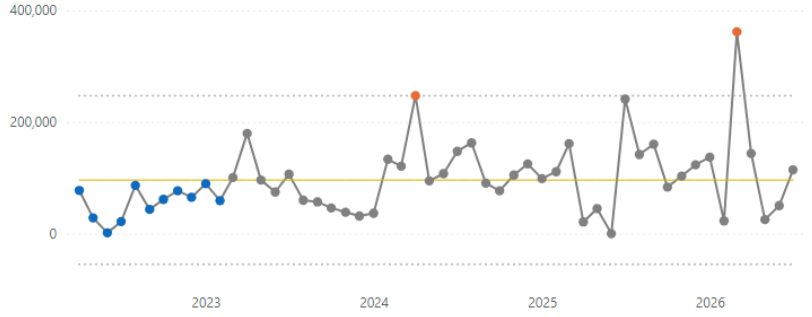
Substantive (£)



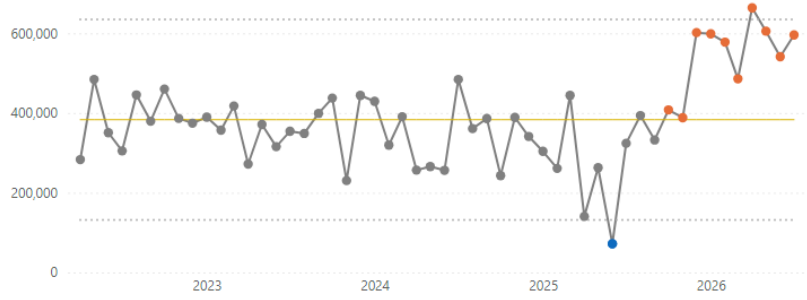
Additional Hours (£)



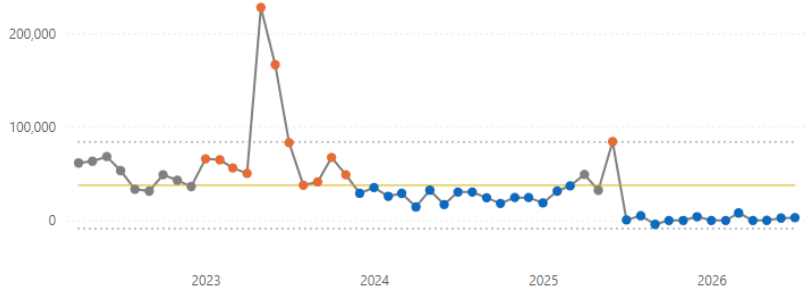
WLI (£)



On Contract Agency Premium (£)



Off Contract Agency Premium (£)



Key Information

Total £ – Reduction in expenditure from prior month largely relating to year to date Medical and Dental pay award arrear payments paid in Month 3.

Substantive £ – Reduction in expenditure from prior month largely relating to year to date Medical and Dental pay award arrear payments paid in Month 3.

Additional Hours £ – Reduction in Additional Duty Hours from prior month largely within Planned and Specialist Care, Mental Health and Community and Integrated Medicine.

Waiting List Initiative £ – Increase from prior month due to retrospective and backdated expenditure relating to prior months within Planned and Specialist Care.

On Contract Agency Premium £ – Slight increase in agency pay expenditure within Mental Health, Planned and Specialist Care and Operational Allied Health.

Staffing Establishment Reports

Ward Staffing Level (WTE) for Nursing and Health Care Support Workers (HCSW)	Total Fill Rate	Total WTE	Substantive WTE	Substantive WTE Vacancy	Variable WTE	Agency (Premium) WTE	Total Over/(Under) Staffed
Chief Operating Officer	**102.2%**	**2,636**	**2,324**	**(279)**	**266**	**44**	**31**
Community and Integrated Medicine	**103.2%**	**1,883**	**1,647**	**(218)**	**195**	**40**	**16**
Carmarthenshire Integrated System	103.5%	1,141	1,002	(107)	125	14	31
Ceredigion Integrated System	107.5%	322	268	(53)	37	16	-
Pembrokeshire Integrated System	99.4%	420	377	(58)	33	10	(15)
Mental Health and Learning Disabilities	**104.7%**	**287**	**236**	**(38)**	**50**	**1**	**13**
Planned and Specialist Care	**96.6%**	**466**	**441**	**(23)**	**21**	**3**	**2**
Cancer and Scheduled Care	94.6%	165	151	(11)	10	3	2
Children, Women and Family Health	97.6%	301	290	(12)	11	-	-
Grand Total	**102.2%**	**2,636**	**2,324**	**(279)**	**266**	**44**	**31**

All Other Staffing Levels (WTE) Excluding Medical and Ward Nursing & HCSWs	Total Fill Rate	Total WTE	Substantive WTE	Substantive WTE Vacancy	Variable WTE	Agency (Premium) WTE	Total Over/(Under) Staffed
Chief Executive	**90.6%**	**89**	**89**	**(6)**	**-**	**-**	**(6)**
Chief Operating Officer	**93.7%**	**5,265**	**5,144**	**(485)**	**111**	**5**	**(364)**
Chief Operating Officer Management	81.6%	132	127	(1)	4	-	3
Community and Integrated Medicine	97.0%	1,417	1,378	(167)	36	2	(127)
Mental Health and Learning Disabilities	90.3%	919	910	(84)	8	-	(75)
Operational Allied Health and Health Sciences	97.2%	1,126	1,096	(75)	30	-	(45)
Planned and Specialist Care	95.0%	1,474	1,441	(119)	28	3	(87)
Primary Care	87.2%	197	192	(39)	5	-	(33)
Executive Director of Allied Health Professions and Health Sciences	**95.2%**	**894**	**838**	**(82)**	**55**	**-**	**(26)**
Executive Director of Finance	**89.9%**	**431**	**425**	**(38)**	**5**	**-**	**(33)**
Executive Director of Nursing, Quality and Patient Experience	**90.9%**	**179**	**177**	**(15)**	**1**	**-**	**(13)**
Executive Director of Public Health	**87.6%**	**141**	**139**	**(40)**	**1**	**-**	**(38)**
Executive Director of Strategy and Planning	**93.9%**	**63**	**63**	**13**	**-**	**-**	**13**
Executive Director of Workforce and Organisational Development	**74.6%**	**219**	**217**	**(79)**	**1**	**-**	**(77)**
Executive Medical Director	**87.0%**	**321**	**319**	**(37)**	**1**	**-**	**(35)**
Grand Total	**92.7%**	**7,602**	**7,411**	**(769)**	**175**	**5**	**(579)**

In-Month – Revenue vs Plan Variance (£'k)

Clinical Care Group and Executive Functions (£'k)	Pay				Non-Pay				Income	Grand Total
	Administration and Estates	Allied Health, Scientists and Other	Medical and Dental	Nursing, Midwifery and Clinical Support	Clinical Services and Supplies	Commissioned Healthcare Services	Drugs and Prescribing	Other Non-Pay	Income	
Chief Executive	**(15)**							**(1)**	**(0)**	**(16)**
Chief Operating Officer	**(235)**	**(16)**	**620**	**(497)**	**757**	**(1,765)**	**(152)**	**355**	**128**	**(807)**
Chief Operating Officer Management	1	40	(18)	1	(30)	13		85	(5)	**86**
Community and Integrated Medicine	(23)	48	238	(189)	150	180	207	169	34	**815**
Mental Health and Learning Disabilities	(13)	(41)	96	(82)	2	392	(16)	5	(1)	**343**
Operational Allied Health and Health Sciences	(7)	(79)	65	(2)	182	(31)	(22)	62	(79)	**90**
Planned and Specialist Care	(19)	3	168	(113)	550	84	(341)	51	45	**429**
Primary Care	(174)	13	70	(112)	(97)	(2,404)	20	(17)	133	**(2,570)**
Executive Director of Allied Health Professions and Health Sciences	**21**	**(15)**		**(3)**	**17**	**2**	**0**	**59**	**(32)**	**50**
Estates and Facilities	9			(3)	17		0	59	(32)	**50**
Executive Allied Health Professions and Health Sciences	12	(15)				2				**0**
Executive Director of Finance	**(117)**	**(70)**	**0**	**(12)**		**63**	**0**	**358**	**(7)**	**215**
Digital	(82)	(70)	0	(12)		64		359	(7)	**252**
Finance	(35)					(1)	0	(1)	0	**(37)**
Executive Director of Nursing, Quality and Patient Experience	**(39)**	**(10)**		**(2)**	**(0)**	**7**		**5**	**6**	**(35)**
Executive Director of Public Health	**(70)**	**(8)**	**(10)**	**(50)**	**3**	**1**	**(56)**	**139**	**0**	**(52)**
Executive Director of Strategy and Planning	**37**	**(0)**	**10**			**(8)**	**0**	**(28)**	**(6)**	**4**
LTAs with other NHS Providers	2					(8)	0	(0)		**(6)**
Strategy and Planning	35	(0)	10			(0)		(28)	(6)	**10**
Executive Director of Workforce and Organisational Development	**(54)**	**(3)**		**(2)**	**2**	**2**	**0**	**(49)**	**(5)**	**(109)**
Executive Medical Director	**(25)**	**69**	**18**	**7**	**(18)**	**5**	**237**	**21**	**(57)**	**257**
Medical	(22)	(4)	18	17	1		0	(63)	13	**(40)**
Pharmacy and Medicines Management	(2)	73		(10)	(20)	5	237	84	(70)	**297**
Health Board Wide	**(14)**	**(8)**	**(70)**	**(9)**	**(10)**	**(17)**	**(44)**	**48**	**(190)**	**(314)**
Planned Deficit								**3,417**		**3,417**
Savings Identification								**2,443**		**2,443**
Grand Total	**(512)**	**(61)**	**568**	**(570)**	**749**	**(1,711)**	**(15)**	**6,765**	**(164)**	**5,052**

Year to Date – Revenue vs Plan Variance (£'k)

Clinical Care Group and Executive Functions (£'k)	Pay				Non-Pay				Income	Grand Total
	Administration and Estates	Allied Health, Scientists and Other	Medical and Dental	Nursing, Midwifery and Clinical Support	Clinical Services and Supplies	Commissioned Healthcare Services	Drugs and Prescribing	Other Non-Pay	Income	
Chief Executive	**(22)**							**(21)**	**(0)**	**(43)**
Chief Operating Officer	**(31)**	**(158)**	**2,608**	**760**	**2,092**	**(1,008)**	**(446)**	**1,009**	**166**	**4,992**
Chief Operating Officer Management	167	168	(13)	357	70	5	0	(50)	(18)	**686**
Community and Integrated Medicine	(37)	146	1,023	539	468	919	301	411	(28)	**3,742**
Mental Health and Learning Disabilities	6	(79)	285	(201)	8	1,120	(44)	36	19	**1,149**
Operational Allied Health and Health Sciences	27	(580)	284	162	608	(85)	(222)	302	(203)	**294**
Planned and Specialist Care	(21)	85	865	15	1,035	531	(536)	249	(202)	**2,021**
Primary Care	(174)	101	164	(112)	(97)	(3,498)	56	61	599	**(2,901)**
Executive Director of Allied Health Professions and Health Sciences	**56**	**(15)**		**(0)**	**17**	**3**	**4**	**522**	**(10)**	**576**
Estates and Facilities	6			(0)	17		4	522	(10)	**538**
Executive Allied Health Professions and Health Sciences	50	(15)				3		0		**38**
Executive Director of Finance	**(256)**	**(2)**	**2**	**47**	**0**	**(194)**	**0**	**687**	**(24)**	**259**
Digital	(221)	(2)	2	47	0	(190)		683	(26)	**292**
Finance	(35)					(4)	0	3	2	**(33)**
Executive Director of Nursing, Quality and Patient Experience	**(39)**	**(10)**		**(2)**	**(1)**	**27**		**34**	**37**	**46**
Executive Director of Public Health	**(70)**	**(7)**	**(10)**	**(51)**	**23**	**(38)**	**(207)**	**135**	**5**	**(221)**
Executive Director of Strategy and Planning	**45**	**(0)**	**36**			**820**	**0**	**(112)**	**(164)**	**625**
LTAs with other NHS Providers	10					822	0	(2)		**830**
Strategy and Planning	35	(0)	36			(2)		(111)	(164)	**(205)**
Executive Director of Workforce and Organisational Development	**(54)**	**(4)**		**(1)**	**8**	**(13)**	**(10)**	**(120)**	**(15)**	**(209)**
Executive Medical Director	**(25)**	**70**	**24**	**75**	**(48)**	**20**	**(41)**	**(33)**	**(173)**	**(130)**
Medical	(22)	(3)	22	68	17		0	(153)	(3)	**(74)**
Pharmacy and Medicines Management	(2)	73	2	8	(66)	20	(41)	120	(170)	**(57)**
Health Board Wide	**(3)**	**(6)**	**(231)**	**10**	**(7)**	**(61)**	**(61)**	**85**	**(413)**	**(687)**
Planned Deficit								**13,667**		**13,667**
Savings Identification								**2,755**		**2,755**
Grand Total	**(399)**	**(132)**	**2,429**	**837**	**2,084**	**(446)**	**(760)**	**18,607**	**(591)**	**21,629**

End of Year – Revenue vs Plan Variance (£'k)

Clinical Care Group and Executive Functions (£'k)	Pay				Non-Pay				Income	Grand Total
	Administration and Estates	Allied Health, Scientists and Other	Medical and Dental	Nursing, Midwifery and Clinical Support	Clinical Services and Supplies	Commissioned Healthcare Services	Drugs and Prescribing	Other Non-Pay	Income	
Chief Executive	**(155)**					**2**		**(14)**	**(2)**	**(169)**
Chief Operating Officer	**(874)**	**(758)**	**7,227**	**(1,970)**	**5,737**	**(2,793)**	**(1,131)**	**2,000**	**880**	**8,318**
Chief Operating Officer Management	90	393	(156)	371	321	15	0	(286)	(29)	**719**
Community and Integrated Medicine	(295)	396	3,575	856	1,304	2,551	717	589	(68)	**9,626**
Mental Health and Learning Disabilities	(28)	(723)	954	(1,037)	24	2,653	(63)	78	53	**1,910**
Operational Allied Health and Health Sciences	(41)	(1,248)	705	319	2,180	(206)	(113)	1,083	(531)	**2,147**
Planned and Specialist Care	108	162	1,778	(2,089)	2,222	2,045	(1,588)	653	(332)	**2,961**
Primary Care	(709)	262	371	(391)	(313)	(9,850)	(84)	(118)	1,787	**(9,045)**
Executive Director of Allied Health Professions and Health Sciences	**(164)**	**(131)**		**(4)**	**0**	**8**	**5**	**1,207**	**(2)**	**920**
Estates and Facilities	(313)			(4)	0		5	1,206	(2)	**893**
Executive Allied Health Professions and Health Sciences	149	(131)				8		1		**27**
Executive Director of Finance	**154**	**175**	**6**	**185**	**0**	**(100)**	**0**	**515**	**(1,122)**	**(187)**
Digital	328	175	6	185	0	(87)		516	(1,126)	**(2)**
Finance	(174)					(14)	0	(1)	4	**(185)**
Executive Director of Nursing, Quality and Patient Experience	**26**	**(91)**		**(23)**	**(2)**	**81**		**74**	**99**	**164**
Executive Director of Public Health	**(629)**	**(71)**	**(91)**	**(454)**	**68**	**(31)**	**(137)**	**220**	**15**	**(1,109)**
Executive Director of Strategy and Planning	**(13)**	**(0)**	**123**		**0**	**916**	**0**	**30**	**(195)**	**862**
LTAs with other NHS Providers	28				0	921	0	(6)		**943**
Strategy and Planning	(41)	(0)	123			(5)		36	(195)	**(82)**
Executive Director of Workforce and Organisational Development	**(997)**	**(30)**	**0**	**(4)**	**24**	**181**	**(31)**	**(224)**	**(52)**	**(1,133)**
Executive Medical Director	**(91)**	**(111)**	**179**	**189**	**(124)**	**41**	**895**	**119**	**(253)**	**845**
Medical	(71)	(42)	178	203	21		1	(352)	(59)	**(122)**
Pharmacy and Medicines Management	(20)	(69)	2	(14)	(145)	41	894	471	(194)	**966**
Health Board Wide	**(1,889)**	**(1,184)**	**(4,189)**	**(3,863)**	**(5)**	**(0)**	**(554)**	**(8,754)**	**(1,025)**	**(21,463)**
Planned Deficit								**41,000**		**41,000**
Savings Identification								**12,954**		**12,954**
Grand Total	**(4,633)**	**(2,201)**	**3,255**	**(5,943)**	**5,699**	**(1,697)**	**(952)**	**49,128**	**(1,656)**	**41,000**

End of Year – Savings Detail (£'k)

Clinical Care Group and Executive Functions (£'k)	Annual Savings Target	In-Year Identified Plans	In-Year Recurrent Delivery	In-Year Non Recurrent Delivery	In-Year Total Forecast Delivery	In-Year Forecast Shortfall	In-Year % Saving vs Budget	Recurrent Forecast Delivery	Recurrent Forecast Shortfall	Recurrent % Saving vs Budget
Chief Executive	**(25)**	**124**	**0**	**124**	**124**	**(149)**	**3.7%**	**0**	**(25)**	**0.0%**
Chief Operating Officer	**30,676**	**15,457**	**1,339**	**14,118**	**15,457**	**15,219**	**2.3%**	**1,430**	**29,246**	**0.2%**
Chief Operating Officer Management	749	386	0	386	386	363	3.0%	0	749	0.0%
Community and Integrated Medicine	12,524	8,012	974	7,038	8,012	4,512	3.3%	1,057	11,467	0.4%
Mental Health and Learning Disabilities	6,442	3,002	30	2,972	3,002	3,440	2.9%	30	6,412	0.0%
Operational Allied Health and Health Sciences	4,849	1,680	22	1,658	1,680	3,169	2.1%	29	4,820	0.0%
Planned and Specialist Care	5,889	2,122	314	1,808	2,122	3,767	1.0%	314	5,575	0.1%
Primary Care	223	256	0	256	256	(33)	2.3%	0	223	0.0%
Executive Director Of Allied Health Professions and Health Sciences	**2,714**	**692**	**9**	**684**	**692**	**2,022**	**1.4%**	**35**	**2,679**	**0.1%**
Estates and Facilities	2,705	648	9	640	648	2,057	1.3%	35	2,670	0.1%
Executive Allied Health Professions and Health Sciences	9	44	0	44	44	(35)	19.2%	0	9	0.0%
Executive Director Of Finance	**239**	**497**	**414**	**83**	**497**	**(258)**	**2.1%**	**467**	**(228)**	**2.0%**
Digital	373	315	295	20	315	58	1.8%	348	25	2.0%
Finance	(134)	183	119	64	183	(317)	3.1%	119	(253)	2.0%
Executive Director Of Nursing, Quality and Patient Experience	**0**	**130**	**0**	**130**	**130**	**(130)**	**1.4%**	**0**	**0**	**0.0%**
Executive Director Of Public Health	**131**	**834**	**0**	**834**	**834**	**(703)**	**12.7%**	**0**	**131**	**0.0%**
Executive Director Of Strategy and Planning	**2,035**	**1,114**	**74**	**1,040**	**1,114**	**921**	**1.8%**	**74**	**1,961**	**0.1%**
LTAs With Other NHS Providers	1,961	655	0	655	655	1,306	1.2%	0	1,961	0.0%
Strategy and Planning	74	459	74	385	459	(385)	12.3%	74	0	2.0%
Executive Director Of Workforce and Organisational Development	**(481)**	**2,902**	**302**	**2,600**	**2,902**	**(3,383)**	**19.1%**	**302**	**(783)**	**2.0%**
Executive Medical Director	**5,951**	**3,429**	**2,520**	**909**	**3,429**	**2,522**	**3.4%**	**2,520**	**3,431**	**2.5%**
Medical	72	202	75	127	202	(130)	4.5%	75	(3)	1.7%
Pharmacy and Medicines Management	5,879	3,228	2,445	783	3,228	2,651	3.4%	2,445	3,434	2.6%
Health Board Wide	**1,560**	**4,665**	**1,529**	**3,136**	**4,665**	**(3,105)**	**12.9%**	**1,546**	**14**	**4.3%**
Grand Total	**42,800**	**29,846**	**6,187**	**23,658**	**29,846**	**12,954**	**3.1%**	**6,375**	**36,425**	**0.7%**