

# Financial Performance Month 2

**Health Board agreed Financial Plan to deliver deficit of £25m, after savings of £34.2m.  
Impact of COVID-19 pandemic presents unprecedented significant risk to financial position.  
Without confirmation of further funding the planned financial position will not be achieved.**

## Month 2 position

- Month 2 YTD variance to breakeven £14.7m.
- Month 2 position is £6.4m (Month 1: £4.2m) operational variance to plan: £10.6m YTD; with increase primarily due to higher workforce and prescribing expenditure and loss of non-contracted income arising from the COVID-19 pandemic.
- Additionality of costs incurred in Month 2 due to COVID-19: £9.8m (Month 1: £6.7m), with underspends re-purposed of £3.4m.

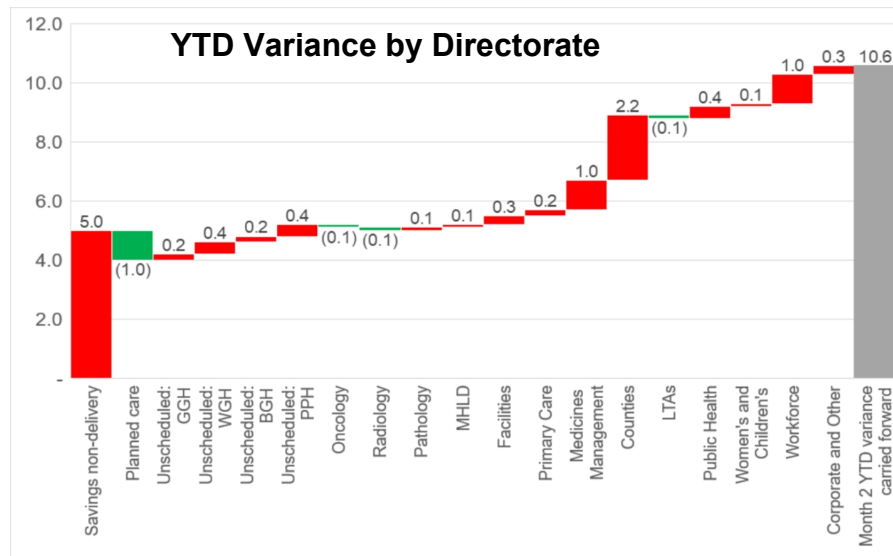
## Projection

- The savings requirement is at risk of non-delivery due to the operational focus being diverted in response to COVID-19.
- The Operational Plans indicate a continuation of the significant costs incurred to date.
- Without confirmation of further funding the planned financial position will not be achieved.

## Conclusions

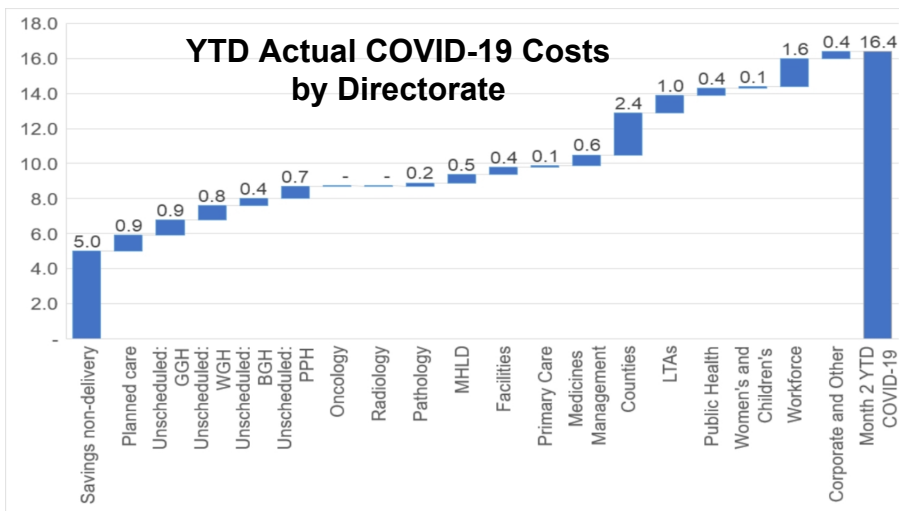
- Alignment of strategic response to current demand modelling indicators between Welsh Government, Gold Command and operational teams, finalising the Quarter 2/3 Operational Plans.
- Clarity as to what current escalation measures can be safely and appropriately de-escalated/ decommissioned and which ceased/ deferred services/ activities can be recommenced.
- Continue to work with Welsh Government to understand the level of additional revenue and capital funding available.

# Performance – YTD Financial Position

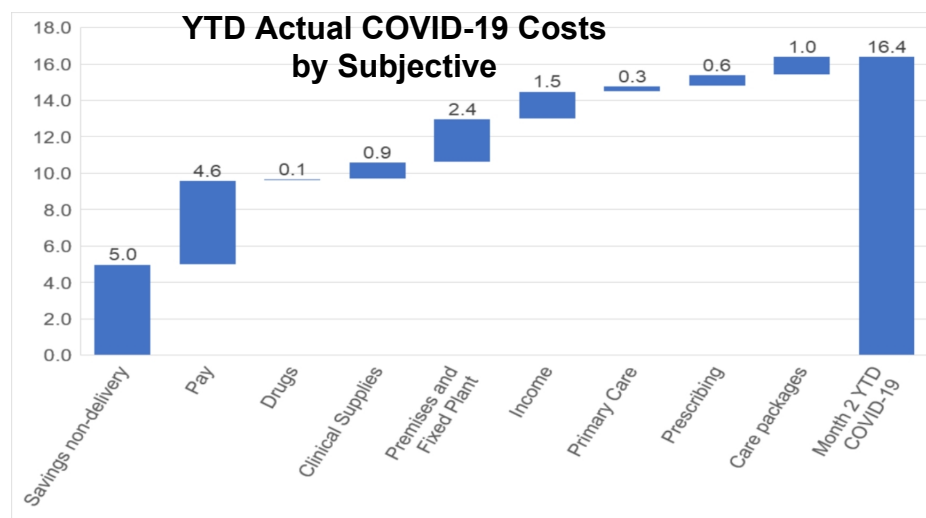
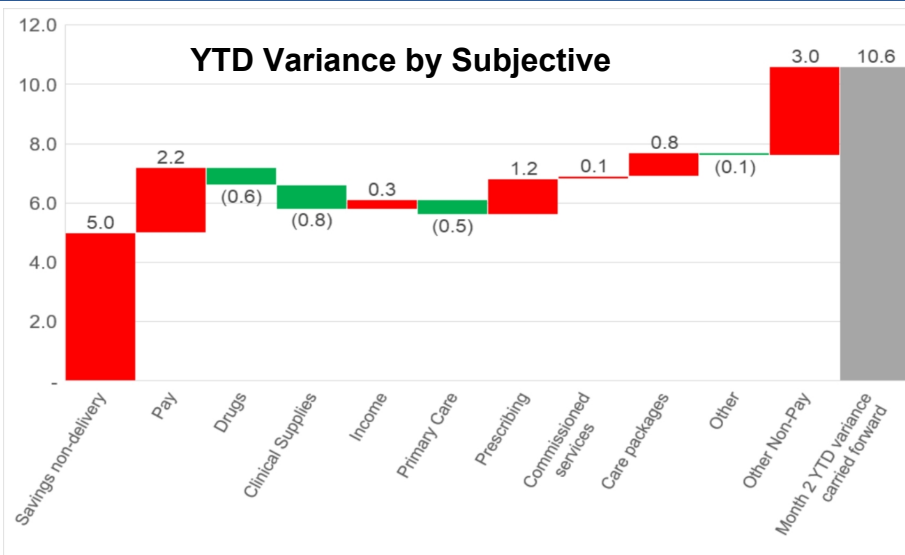


## Key drivers of YTD position:

- **Savings non-delivery (£5.0m):** As a consequence of COVID-19, directorates have been unable to execute or identify additional savings plans as efforts have been re-purposed to respond to the pandemic.
- **Counties (£2.2m):** The cost of setting up and operating the various Field Hospitals with the Health Board's localities are contained within Finance Directorate.
- **Workforce (£1.0m):** In response to the Pandemic, the Health Board have recruited significant numbers of fixed term staff within both clinical professions and Estates to support the response to the pandemic.
- **Medicines Management (£1.0m):** Pressures continue in the use of Category M and New Oral Anticoagulant (NOAC) drugs. A further cost pressure has been recognised in Month 2 for the impact of higher levels of No Cheaper Source Obtainable (NCSO) drugs incurred since March 2020.
- **Planned Care (-£1.0m):** underspend is primarily driven by reduced activity in elective services, which has dramatically reduced the non-pay element of Theatre spend.



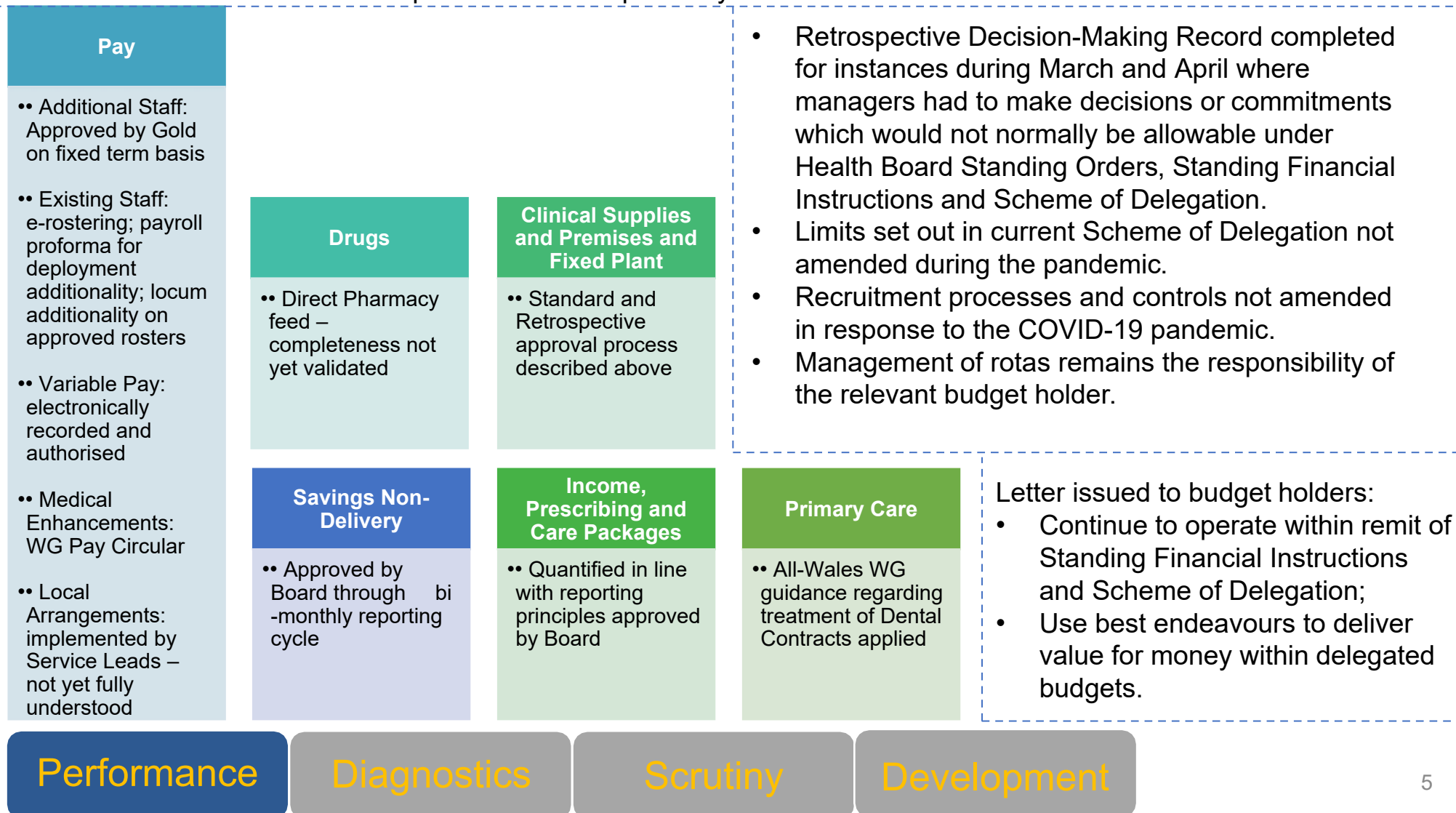
# Performance – YTD Financial Position



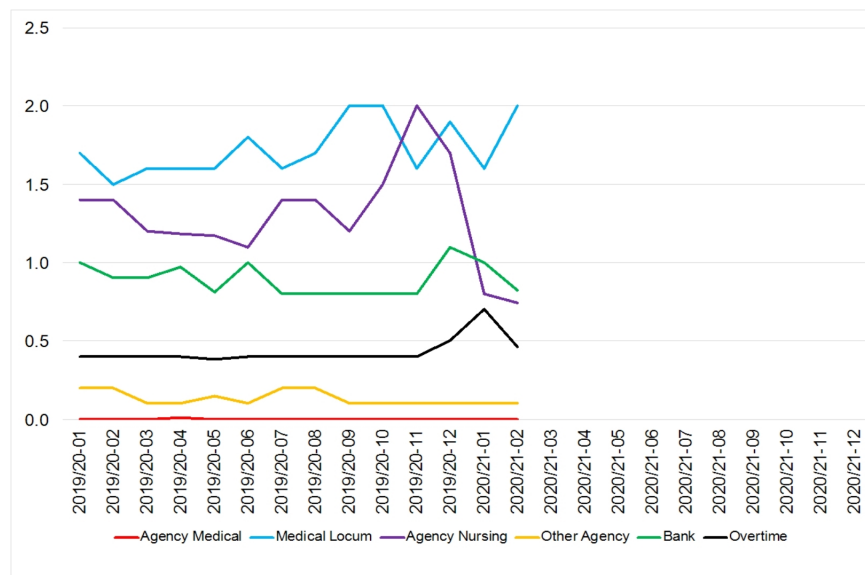
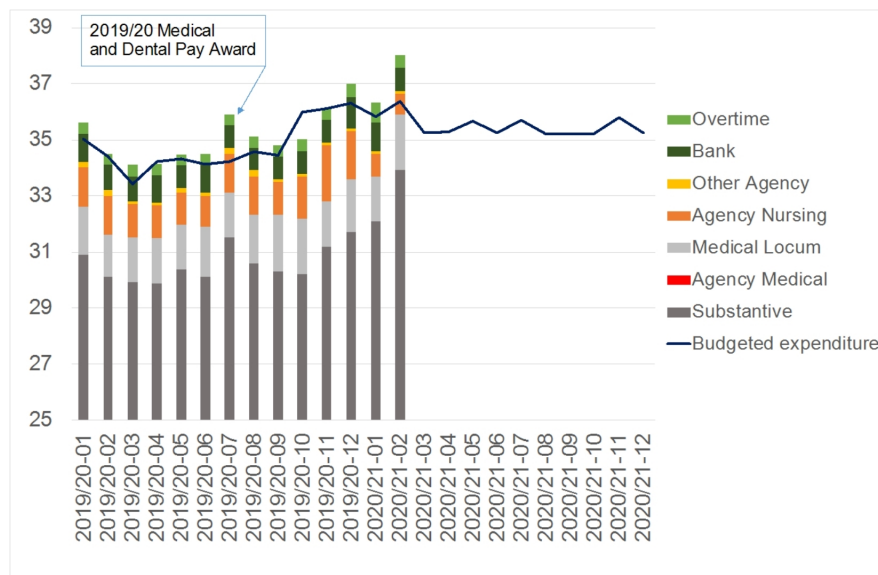
- Key drivers of YTD position:
- **Savings non-delivery (£5.0m):** As a direct consequence of COVID-19, Directorates have been unable to execute or identify additional savings plans as efforts are re-purposed in response to the pandemic.
- **Pay (£2.2m):** Largely driven by fixed-term cohort recruited in response to COVID-19 (YTD: £1.6m) and by partial recognition of the Medical and Dental enhancements Pay Circular in response to COVID-19 (YTD: £0.8m).
- **Prescribing (£1.2m):** Pressures continue in Category M outturn despite an increase in budget for 2020/21; continued increase in use of NOACs; impact of higher levels of NCSO drugs; impact of COVID-19 recognised in Month 2 following receipt of March 2020 activity data.
- **Other Non-Pay (£3.0m):** Primarily driven by Premises costs (£2.4m) which are directly attributable to COVID-19 response (Particularly Field Hospitals).

# Governance Arrangements for COVID-19 Expenditure

Procurement systems and processes provide the best route to value for money and safety both in terms of quality products and fraud prevention and wherever possible these existing governance arrangements have been applied. However, the processes are frequently time-consuming and require pre-planning and, at times, a tolerable level of risk was accepted to ensure expediency.



## Pay

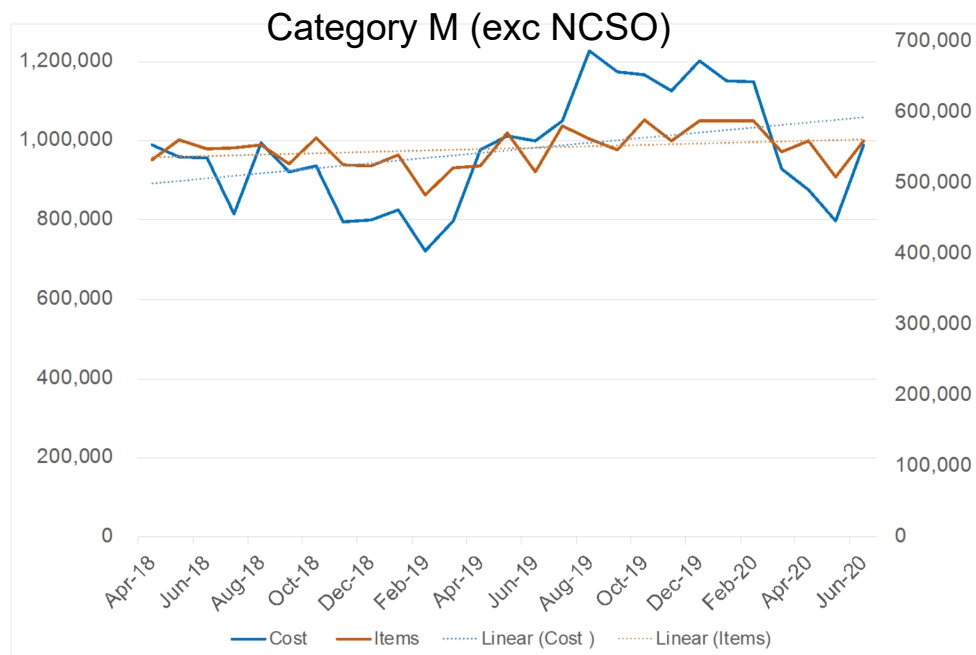


Workforce planning decisions required in relation to:

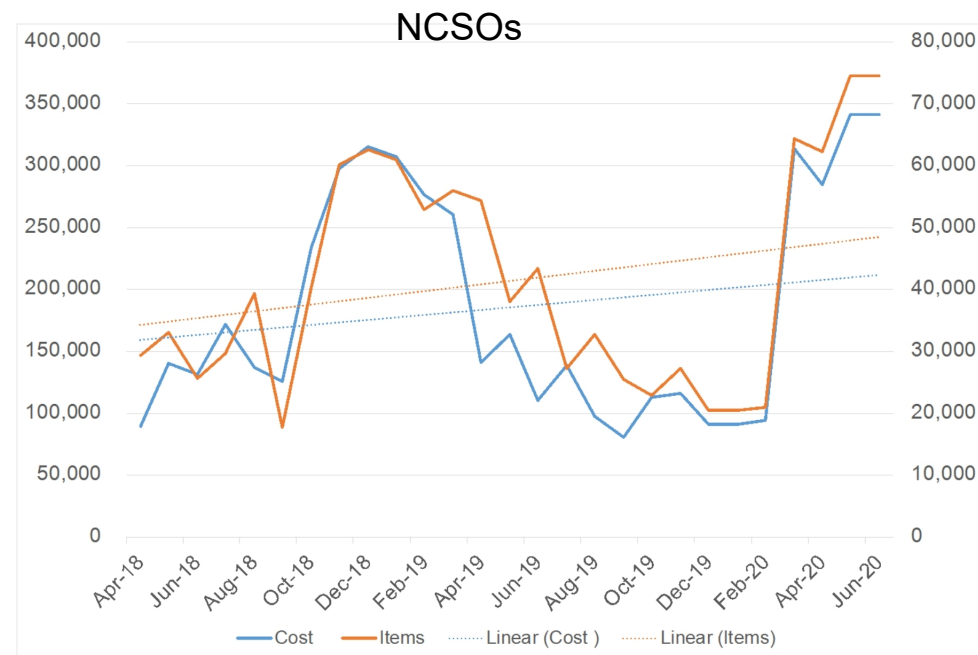
- Potential extension of the fixed term contracts, aligned to the Q2 Operational Plan;
- Re-configuration of medical rosters, reducing premium enhancement arrangements;
- Review of Directorate use of agency resource.

Nurse Agency expenditure continues to be significantly lower than average prior year levels (-£0.6m) due to the service changes in response to the COVID-19 pandemic and reduced activity (for example in A&E); this is primarily seen within Unscheduled Care and Planned Care Directorates.

## Primary Care Prescribing



- Price increase from August 2019 of 34p per item. Pressure continues to increase despite budget uplift in 2020/21 Financial Plan.



- No Cheaper Source Obtainable (NCSO) drugs costs peaked in March 2020 (data available two months in arrears), which is expected to impact a minimum of several months of 2020/21.



## Finance Report

DATA REFRESHED: 18 JUNE 2020

Period

P02-21

## In Month Variance (Net)

● Increase ● Decrease ● Total



COVID

☐ No  
☐ Yes

## In Month Variance

Directorate	INCOME	NON PAY	PAY	Total
L4: HEALTH BOARD FINANCING	13,471	4,958,012	23,680	4,995,163
L4: PEMBROKESHIRE COUNTY	2,766	1,017,172	-82,879	937,059
L4: WORKFORCE & ORGANISATIONAL DEVELOPMENT	-14,307	-1,639	882,300	866,354
L4: MEDICINES MANAGEMENT	51,944	791,647	-50,736	792,855
L4: UNSCHEDULED CARE WITHYBUSH	-5,985	35,524	326,102	355,641
L4: CARMARTHENSHIRE COUNTY	-35,978	228,233	68,507	260,762
L4: UNSCHEDULED CARE PRINCE PHILIP	-541	-9,593	176,720	166,587
L4: FACILITIES	50,664	-7,649	77,555	120,570
L4: PRIMARY CARE	550,963	-489,660	55,446	116,748
L4: PUBLIC HEALTH	-2,808	102,996	9,643	109,830
L4: CEREDIGION COUNTY	-3,248	99,140	3,723	99,615
L4: MENTAL HEALTH & LEARNING DISABILITIES	9,281	236,675	-147,303	98,653
L4: UNSCHEDULED CARE GLANGWILI	-151	247,564	-154,229	93,184

## In month explanation of result

## In Month Variance (Gross) by Subjective Category

L4Desc	In Month Bud	In Month Act	In Month Var
MISCELLANEOUS SERVICES	-4,835,734	607,843	5,443,577
PREMISES & FIXED PLANT	1,511,369	2,900,826	1,389,456
MEDICAL AND DENTAL	8,114,997	9,167,418	1,052,420
DENTAL INCOME	-288,083	262,894	550,977
PURCHASE OF HEALTH CARE SERVICES	50,463	452,175	401,712
ESTATES AND ANCILLIARY	2,072,279	2,395,896	323,616
ADDITIONAL CLINICAL SERVICES	4,923,761	5,246,905	323,144
STUDENTS	5,457	203,197	197,740
ADMINISTRATIVE & CLERICAL	5,154,227	5,328,696	174,469
SERVICES FROM OTHER NHS BODIES	12,700,471	12,807,059	106,588
ESTABLISHMENT EXPENSES	966,262	1,052,089	85,827
INJURY COST RECOVERY	-95,000	-55,000	40,000
ACCOMMODATION AND CATERING	-143,356	-104,657	38,699
HEALTHCARE SCIENTISTS	860,095	884,591	24,497
GENERAL SUPPLIES & SERVICES	337,240	358,932	21,692
<b>Total</b>	<b>69,515,995</b>	<b>77,672,899</b>	<b>8,156,905</b>



## Finance Report

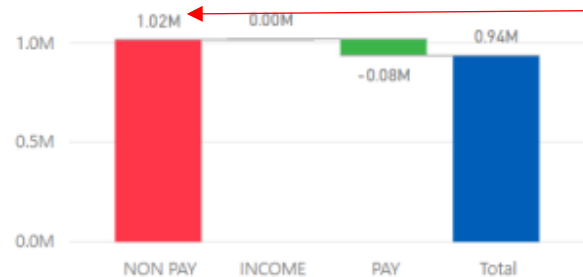
DATA REFRESHED: 18 JUNE 2020

Period

P02-21

### In Month Variance (Net)

● Increase ● Decrease ● Total



COVID

☐ No

☐ Yes

### In Month Variance

Directorate	INCOME	NON PAY	PAY	Total
L4: HEALTH BOARD FINANCING	13,471	2,555,213	23,680	2,592,364
<b>L4: PEMBROKESHIRE COUNTY</b>	<b>2,766</b>	<b>1,017,172</b>	<b>-82,879</b>	<b>937,059</b>
L4: WORKFORCE & ORGANISATIONAL DEVELOPMENT	-14,307	7,659	882,300	875,652
L4: MEDICINES MANAGEMENT	51,944	791,647	35,738	879,329
L4: UNSCHEDULED CARE WITHYBUSH	-5,985	35,524	326,102	355,641
L4: CARMARTHENSHIRE COUNTY	-35,978	239,233	68,507	271,762
L4: UNSCHEDULED CARE PRINCE PHILIP	-541	-9,593	176,720	166,587
L4: FACILITIES	50,894	-7,649	77,555	120,800
L4: PRIMARY CARE	550,963	-489,660	55,446	116,748
L4: PUBLIC HEALTH	-2,808	102,996	9,643	109,830
L4: CEREDIGION COUNTY	-3,248	99,140	3,723	99,615
L4: MENTAL HEALTH & LEARNING DISABILITIES	9,281	236,675	-147,303	98,653
L4: UNSCHEDULED CARE GLANWILI	-151	247,564	-154,229	93,184

### In month explanation of result

Nursing underspends (£56k) - mainly Palliative Care and Intermediate Care Team.

### In Month Variance (Gross) by Subjective Category

L4Desc	In Month Bud	In Month Act	In Month Var
ESTABLISHMENT EXPENSES	17,397	28,986	11,589
GENERAL SUPPLIES & SERVICES	440	8,129	7,689
LOCAL AUTHORITIES	-49,635	-47,850	1,785
ACCOMMODATION AND CATERING	-1,464	0	1,464
NON-PATIENT CARE INCOME GENERATION	-119	0	119
OTHER INCOME FROM ACTIVITIES	-2,570	-2,500	70
PAY BUDGET ADJUSTMENTS	-1	0	1
EDUCATION & TRAINING	-3,684	-3,684	0
WELSH GOVERNMENT	-7,083	-7,755	-672
ADDITIONAL CLINICAL SERVICES	218,557	211,965	-6,592
MEDICAL AND DENTAL	18,599	10,965	-7,634
ALLIED HEALTH PROFESSIONALS	36,319	21,878	-14,441
NURSING AND MIDWIFERY REGISTERED	518,770	501,834	-16,937
PRIMARY & SECONDARY CARE	799,842	778,503	-21,340
ADMINISTRATIVE & CLERICAL	87,422	50,147	-37,276
<b>Total</b>	<b>1,704,066</b>	<b>2,641,125</b>	<b>937,059</b>

## Finance Report

DATA REFRESHED: 18 JUNE 2020

Period

P02-21

### In Month Variance (Net)

● Increase ● Decrease ● Total



COVID

☐ No  
☒ Yes

### In Month Variance

Directorate	INCOME	NON PAY	PAY	Total
L4: HEALTH BOARD FINANCING	13,810	2,508,362	23,680	2,545,852
<b>L4: PEMBROKESHIRE COUNTY</b>		<b>1,004,140</b>	<b>6,238</b>	<b>1,010,378</b>
L4: WORKFORCE & ORGANISATIONAL DEVELOPMENT		4,855	866,344	871,199
L4: CENTRAL INCOME	794,187			794,187
L4: PLANNED CARE		52,930	562,657	615,588
L4: UNSCHEDULED CARE WITHYBUSH	308	115,496	470,828	586,632
L4: UNSCHEDULED CARE GLANGWILI		272,069	262,807	534,876
L4: MEDICINES MANAGEMENT		479,502	11,189	490,691
L4: UNSCHEDULED CARE PRINCE PHILIP		75,025	312,619	387,644
L4: CARMARTHENSHIRE COUNTY		321,420	33,831	355,251
L4: MENTAL HEALTH & LEARNING DISABILITIES		222,934	66,371	289,304
L4: UNSCHEDULED CARE BRONGLAIS		83,421	148,965	232,386
L4: FACILITIES	65,000	89,281	72,830	227,111

### In month explanation of result

Costs associated with Bluestone Field Hospital.


### In Month Variance (Gross) by Subjective Category

L4Desc	In Month Bud	In Month Act	In Month Var
PREMISES & FIXED PLANT	0	928,069	928,069
PURCHASE OF HEALTH CARE SERVICES	0	46,487	46,487
CLINICAL SERVICE & SUPPLIES	0	19,785	19,785
GENERAL SUPPLIES & SERVICES	0	8,218	8,218
NURSING AND MIDWIFERY REGISTERED	0	4,495	4,495
ADDITIONAL CLINICAL SERVICES	0	1,684	1,684
ESTABLISHMENT EXPENSES	0	1,580	1,580
ADMINISTRATIVE & CLERICAL	0	59	59
<b>Total</b>	<b>0</b>	<b>1,010,378</b>	<b>1,010,378</b>

Finance Report

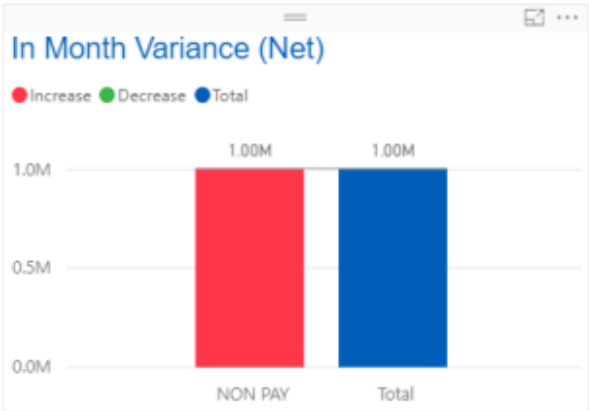
DATA REFRESHED: 18 JUNE 2020

Period  
P02-21



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board



COVID

☐ No

☒ Yes

### In Month Variance

Directorate	INCOME	NON PAY	PAY	Total
L4: PEMBROKESHIRE COUNTY		1,004,140	6,238	1,010,378
L4: WORKFORCE & ORGANISATIONAL DEVELOPMENT		4,855	866,344	871,199
L4: CENTRAL INCOME	794,187			794,187
L4: PLANNED CARE		52,930	562,657	615,588
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L4: MENTAL HEALTH & LEARNING DISABILITIES		222,934	66,371	289,304
L4: UNSCHEDULED CARE BRONGLAIS		83,421	148,965	232,386
L4: FACILITIES	65,000	89,281	72,830	227,111
L4: PUBLIC HEALTH		136,962	37,394	174,355

### In month explanation of result

Costs associated with Bluestone Field Hospital.

### In Month Variance (Gross) by Subjective Category

L4Desc	In Month Bud	In Month Act	In Month Var
PREMISES & FIXED PLANT	0	928,069	928,069
UTILITIES & RATES	0	875,520	875,520
FURNITURE, OFFICE & COMPUTER EQUIP	0	40,638	40,638
EXTERNAL GENERAL SERVICE CONTRACTS	0	7,650	7,650
BUILDING & ENGINEERING EQUIPMENT	0	3,268	3,268
CLEANING EQUIP. & MATERIALS	0	994	994
Total	0	928,069	928,069

## Finance Report

DATA REFRESHED: 18 JUNE 2020

Period

P02-21

### In Month Variance (Net)

● Increase ● Decrease ● Total



COVID

■ No

□ Yes

### In Month Variance

Directorate	INCOME	NON PAY	PAY	Total
L4: MEDICINES MANAGEMENT	51,944	312,145	-61,926	302,164
L4: CEREDIGION COUNTY	-3,248	25,422	3,500	25,674
L4: WOMEN & CHILDREN	-2,221	-49,521	30,203	-21,539
L4: OPERATIONS DIR MANAGEMENT	6,740	103,435	-132,548	-22,373
L4: PLANNING, PERFORMANCE & INFORMATICS	-47,078	-110,178	131,665	-25,592
L4: MEDICAL	-20,833	-21,643	13,582	-28,895
L4: PRIMARY CARE MANAGEMENT	229	-19,179	-13,621	-32,571
L4: LTA'S WITH OTHER NHS PROVIDERS	-38,910	-828		-39,738
L4: RADIOLOGY	1,977	-47,116	-6,573	-51,712
L4: PUBLIC HEALTH	-2,808	-33,966	-27,179	-63,953
L4: PEMBROKESHIRE COUNTY	2,766	13,032	-89,117	-73,319
L4: ONCOLOGY & CANCER SERVICES	-14,817	-38,214	-37,308	-90,339
L4: CARMARTHENSHIRE COUNTY	-35,978	63,193	34,677	-14,489

### In month explanation of result

Nursing underspends (£56k) - mainly Palliative Care and Intermediate Care Team.  
Various vacancies in A&C.

### In Month Variance (Gross) by Subjective Category

L4Desc	In Month Bud	In Month Act	In Month Var
NON-PATIENT CARE INCOME GENERATION	-119	0	119
OTHER INCOME FROM ACTIVITIES	-2,570	-2,500	70
PAY BUDGET ADJUSTMENTS	-1	0	1
EDUCATION & TRAINING	-3,684	-3,684	0
GENERAL SUPPLIES & SERVICES	440	-89	-529
WELSH GOVERNMENT	-7,083	-7,755	-672
PURCHASE OF HEALTH CARE SERVICES	11,333	7,874	-3,459
CLINICAL SERVICE & SUPPLIES	55,693	51,622	-4,071
MEDICAL AND DENTAL	18,599	10,965	-7,634
ADDITIONAL CLINICAL SERVICES	218,557	210,281	-8,277
PREMISES & FIXED PLANT	2,944	-5,865	-8,809
ALLIED HEALTH PROFESSIONALS	36,319	21,878	-14,441
PRIMARY & SECONDARY CARE	799,842	778,503	-21,340
NURSING AND MIDWIFERY REGISTERED	518,770	497,339	-21,431
ADMINISTRATIVE & CLERICAL	87,422	50,088	-37,335
Total	1,704,066	1,630,747	-73,319

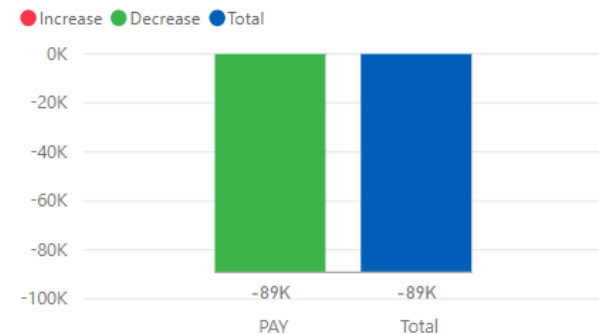
# Scrutiny – Power BI platform

## Finance Report

DATA REFRESHED: 18 JUNE 2020

Period  
P02-21

### In Month Variance (Net)



COVID  
■ No  
□ Yes

### In Month Variance

Directorate	INCOME	NON PAY	PAY	Total
L4: HEALTH BOARD FINANCING	-339	2,449,651	0	2,449,312
L4: MEDICINES MANAGEMENT	51,944	312,145	-61,926	302,164
L4: CEREDIGION COUNTY	-3,248	25,422	3,500	25,674
L4: WOMEN & CHILDREN	-2,221	-49,521	30,203	-21,539
L4: OPERATIONS DIR MANAGEMENT	6,740	103,435	-132,548	-22,373
L4: PLANNING, PERFORMANCE & INFORMATICS	-47,078	-110,178	131,665	-25,592
L4: MEDICAL	-20,833	-21,643	13,582	-28,895
L4: PRIMARY CARE MANAGEMENT	229	-19,179	-13,621	-32,571
L4: LTA'S WITH OTHER NHS PROVIDERS	-38,910	-828		-39,738
L4: RADIOLOGY	1,977	-47,116	-6,573	-51,712
L4: PUBLIC HEALTH	-2,808	-33,966	-27,751	-64,525
L4: PEMBROKESHIRE COUNTY	2,766	13,032	-89,117	-73,319
L4: ONCOLOGY & CANCER SERVICES	-14,817	-38,214	-37,300	-90,331
L4: GERMANTHORPE COUNTY	-36,676	65,487	34,677	63,488

### In month explanation of result

Nursing underspends (£56k) - mainly Palliative Care and Intermediate Care Team.  
Various vacancies in A&C.

### In Month Variance (Gross) by Subjective Category

L4Desc	In Month Bud	In Month Act	In Month Var
PAY BUDGET ADJUSTMENTS	-1	0	1
MEDICAL AND DENTAL	18,599	10,965	-7,634
ADDITIONAL CLINICAL SERVICES	218,557	210,281	-8,277
ALLIED HEALTH PROFESSIONALS	36,318	21,878	-14,441
NURSING AND MIDWIFERY REGISTERED	518,770	497,339	-21,431
ADMINISTRATIVE & CLERICAL	87,422	50,088	-37,335
Total	879,008	790,551	-89,117

Performance

Diagnostics

Scrutiny

Development

