

**CYFARFOD BWRDD PRIFYSGOL IECHYD  
UNIVERSITY HEALTH BOARD MEETING**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	25 May 2023
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Financial Report – Month 12 2022/23
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Rebecca Hayes, Senior Finance Business Partner

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

The purpose of this report is to outline the Health Board's financial position to date against our Annual Plan and assess the key financial projections, risks and opportunities for the financial year.

**Cefndir / Background**

**Month 12 2022/23**

Health Board's revised draft Financial Plan is to deliver a deficit of £62.0m, after savings of £13.9m; this recognised the inadequate level of assurance around the identification of a further £15.5m of savings schemes deliverable within the current financial year against our initial £25.0m deficit Plan, combined with an operational variation due to system pressures and continuation of COVID-19 activities within our core services. The revised deficit is £59.0m, after recognising a further £5.0m of operational variation offset by £8.0m Accountancy Gains.

The Month 12 Health Board financial position is an overspend of £6.1m, which is made up of £4.0m operational variance and an original deficit plan of £2.1m; this is after recognising £0.3m of WG transitional funding for COVID-19. £1.1m of savings schemes were delivered in line with identified plans.

Of the £4.0m overspend in-month, £1.3m relates to undelivered savings plans against the original target and £2.7m relates to operational pressures. These pressures are mainly being experienced within our Unscheduled Care teams, but also within Primary Care Prescribing and in Oncology due to increased activity.

The analysis of the deficit drivers has led to a deterioration in the reported underlying deficit, from £80.0m to £101.5m. The deficit drivers are multifaceted and span several years; there is a recognised historic deficit outturn of £25.0m, an under delivery of recurrent savings which don't afford the investments made at the same time and additional performance improvements with an associated cost into the new financial year. The Health Board recognises that the

increased deficit is neither acceptable nor affordable to WG. The choices available for the key drivers of the deficit, coupled with other choices and opportunities, are continually discussed across key governance forums, including the Executive Team and Board. An update will be provided at our upcoming Plan Scrutiny meeting with Welsh Government, ahead of our submission of a supplementary paper and updated Ministerial template by 31 May 2023.

Of the original £29.4m requirement, £13.9m have been identified as operational Green schemes, as a minimum on a non-recurrent basis; in addition to this, £8.0m of Accountancy Gains have been recognised in Month 8, which presents the £13.9m of operational delivery schemes only.

### Asesiad / Assessment

The Health Board's key targets are as follows:

- Revenue: to contain the overspend within the Health Board's planned deficit
- Savings: to deliver savings plans to enable the revenue budget to be achieved
- Capital: to contain expenditure within the agreed limit
- PSPP: to pay 95% of Non-NHS invoices within 30 days of receipt of a valid invoice
- Cash: While there is no prescribed limit for cash held at the end of the month, WG encourages this to be minimised and a rule of thumb of 5% of monthly expenditure is used. For the Health Board, this is broadly £4.0m.

Key target		Annual limit	Actual delivery
Revenue	£'m	59.0	59.0
Savings	£'m	21.9	21.4
Capital	£'m	33.3	33.2
Non-NHS PSPP	%	95.0	95.5
Period end cash	£'m	4.0	3.7

Audit Wales will complete the audit of the financial accounts by 31 July 2023. Until the conclusion of the audit and the below confirmations, there is a risk that the draft reported position of £59.0m could be amended.

### Argymhelliad / Recommendation

The Board is asked to note and discuss the financial position as at Month 12.

#### **Amcanion: (rhaid cwblhau)**

#### **Objectives: (must be completed)**

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	1199 (score 25) Achieving financial sustainability
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	6. All Apply

Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	7. All apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	9. All HDdUHB Well-being Objectives apply

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on HDdUHB's financial reporting system.
Rhestr Termau: Glossary of Terms:	BGH – Bronglais General Hospital CHC – Continuing Healthcare FDU – Finance Delivery Unit FNC – Funded Nursing Care FYE – Full Year Effect GGH – Glangwili General Hospital GMS – General Medical Services 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 TTP – Test, Trace, Protect WG – Welsh Government WGH – Worthybush General Hospital WRP – Welsh Risk Pool WHSSC – Welsh Health Specialised Services Committee YTD – Year to date
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Finance Team Management Team Executive Team

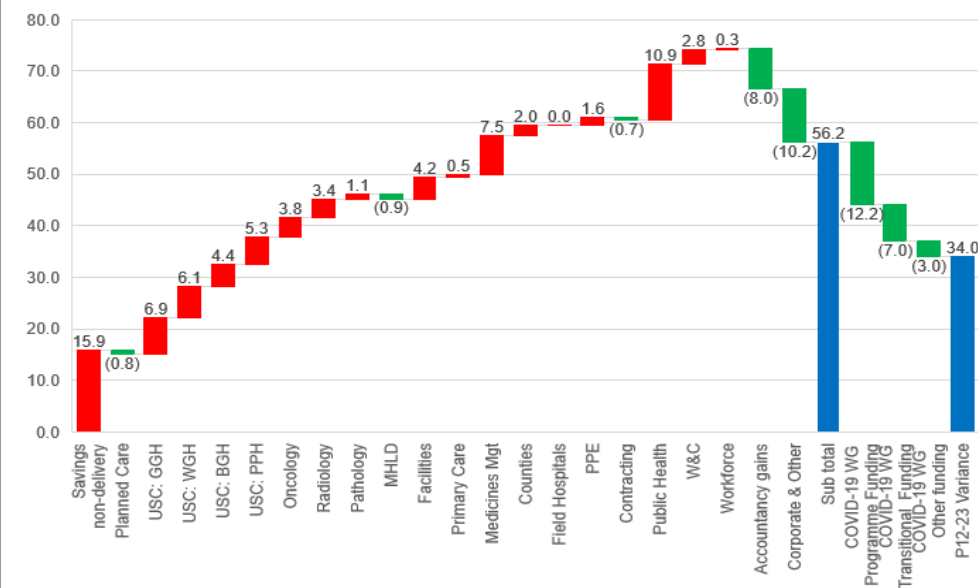
<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	Financial implications are inherent within the report.
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	The impact on patient care is assessed within the savings schemes.
<b>Gweithlu:</b> <b>Workforce:</b>	The report considers the financial implications of our workforce.
<b>Risg:</b> <b>Risk:</b>	Financial risks are detailed in the report.
<b>Cyfreithiol:</b> <b>Legal:</b>	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.
<b>Enw Da:</b> <b>Reputational:</b>	Adverse variance against HDdUHB's financial plan will affect its reputation with Welsh Government, Audit Wales, and with external stakeholders.
<b>Gyfrinachedd:</b> <b>Privacy:</b>	Not applicable.
<b>Cydraddoldeb:</b> <b>Equality:</b>	Not applicable.

# Executive Summary

	<p><b>Health Board’s revised draft Financial Plan is to deliver a deficit of £62.0m, after savings of £13.9m; this recognised the inadequate level of assurance around the identification of a further £15.5m of savings schemes deliverable within the current financial year against our initial £25.0m deficit Plan, combined with an operational variation due to system pressures and continuation of COVID-19 activities within our core services.</b></p> <p><b>The revised deficit is £59.0m, after recognising a further £5.0m of operational variation offset by £8.0m Accountancy Gains.</b></p>																								
<b>Revenue</b>	<ul style="list-style-type: none"> <li>The Month 12 Health Board financial position is an overspend of £6.1m, which is made up of £4.0m operational variance and an original deficit plan of £2.1m; this is after recognising £0.3m of WG transitional funding for COVID-19. £1.1m of savings schemes were delivered in line with identified plans.</li> <li>Of the £4.0m overspend in-month, £1.3m relates to undelivered savings plans against the original target and £2.7m relates to operational pressures. These pressures are mainly being experienced within our Unscheduled Care teams, but also within Primary Care Prescribing and in Oncology due to increased activity.</li> </ul>																								
<b>Summary of key financial targets</b>	<p>The Health Board’s key targets are as follows:</p> <ul style="list-style-type: none"> <li>Revenue: to contain the overspend within the Health Board’s planned deficit</li> <li>Savings: to deliver savings plans to enable the revenue budget to be achieved</li> <li>Capital: to contain expenditure within the agreed limit</li> <li>PSPP: to pay 95% of Non-NHS invoices within 30 days of receipt of a valid invoice</li> <li>Cash: While there is no prescribed limit for cash held at the end of the month, WG encourages this to be minimised and a rule of thumb of 5% of monthly expenditure is used. For the Health Board, this is broadly £4.0m.</li> </ul> <table border="1" data-bbox="857 826 1559 1072"> <thead> <tr> <th>Key target</th> <th></th> <th>Annual limit</th> <th>Actual delivery</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>£’m</td> <td>59.0</td> <td>59.0</td> </tr> <tr> <td>Savings</td> <td>£’m</td> <td>21.9</td> <td>21.4</td> </tr> <tr> <td>Capital</td> <td>£’m</td> <td>33.3</td> <td>33.2</td> </tr> <tr> <td>Non-NHS PSPP</td> <td>%</td> <td>95.0</td> <td>95.5</td> </tr> <tr> <td>Period end cash</td> <td>£’m</td> <td>4.0</td> <td>3.7</td> </tr> </tbody> </table> <p>Audit Wales will complete the audit of the financial accounts by 31 July 2023. Until the conclusion of the audit and the below confirmations, there is a risk that the draft reported position of £59.0m could be amended.</p>	Key target		Annual limit	Actual delivery	Revenue	£’m	59.0	59.0	Savings	£’m	21.9	21.4	Capital	£’m	33.3	33.2	Non-NHS PSPP	%	95.0	95.5	Period end cash	£’m	4.0	3.7
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<b>Underlying Position</b>	<p>The analysis of the deficit drivers has led to a deterioration in the reported underlying deficit, from £80.0m to £101.5m. The deficit drivers are multifaceted and span several years; there is a recognised historic deficit outturn of £25.0m, an under delivery of recurrent savings which don’t afford the investments made at the same time and additional performance improvements with an associated cost into the new financial year. The Health Board recognises that the increased deficit is neither acceptable nor affordable to WG. The choices available for the key drivers of the deficit, coupled with other choices and opportunities, are continually discussed across key governance forums, including the Executive Team and Board. An update will be provided at our upcoming Plan Scrutiny meeting with Welsh Government, ahead of our submission of a supplementary paper and updated Ministerial template by 31 May 2023.</p>																								

# Revenue Summary

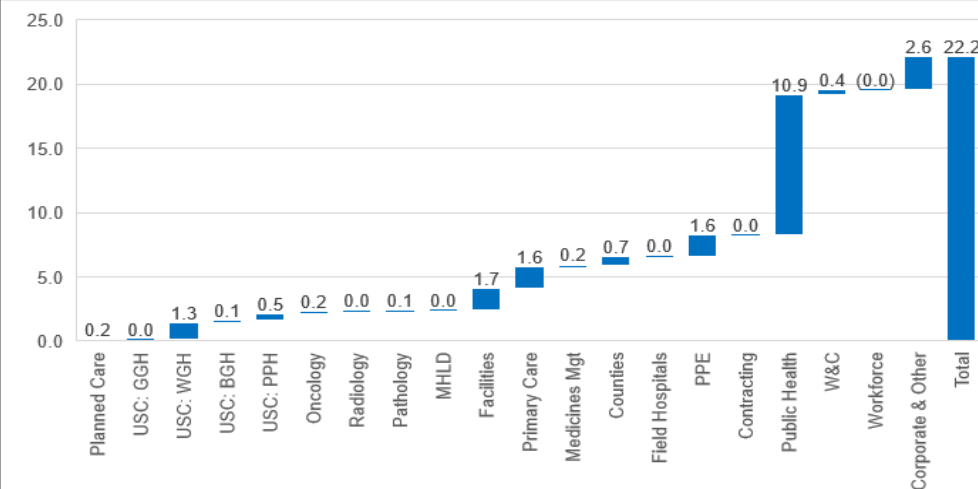
## EoY variance by Directorate (against Plan)



## Key drivers of EoY position

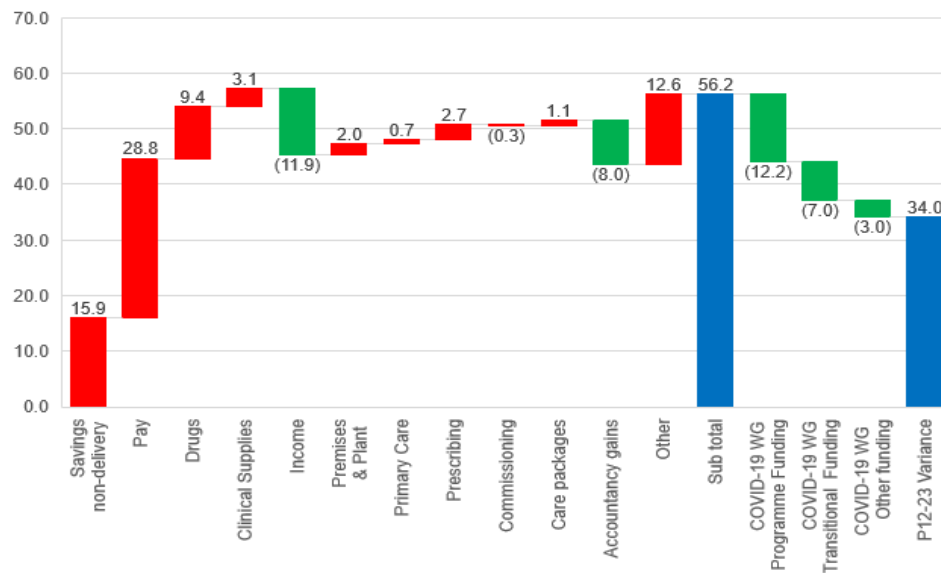
- **Savings non delivery £15.9m:** EoY value of savings undelivered by the organisation (against the original Plan of £29.4m).
- **Unscheduled care £22.6m:** Continuation of site pressures where high levels of vacancies and activity are resulting in high variable pay expenditure across all four acute sites.
- **Facilities £4.2m:** Overspends are driven in core areas by the increasing cost of utilities and provisions, scanning of Medical records, increased price of provisions and the loss of revenue in canteens and external vendors. COVID-19 expenditure relates to on-going expenditure in relation to enhanced cleaning standards and remedial works to Health Board estate.
- **Medicines Management £7.5m:** Baseline price increases and volume growth in Prescribing with significant increases in NCSO and Category M drugs specifically.
- **Public Health £10.9m:** Primarily driven by costs associated with the Health Board's on-going response to COVID-19 in regards to TTP and Mass Vaccinations.
- **WG Programme Funding £(12.2)m:** EoY funding in respect of COVID-19 programme schemes has been included in the position.
- **WG Transitional Funding £(7.0)m:** EoY funding has been to match transitional support costs in line with the Health Board's plan to exit, wherever possible, COVID-19 specific activities.
- **WG Other funding £(3.0)m:** Fixed allocation funding to support COVID-19 response for various schemes.

## EoY actual by Directorate (COVID-19 only)

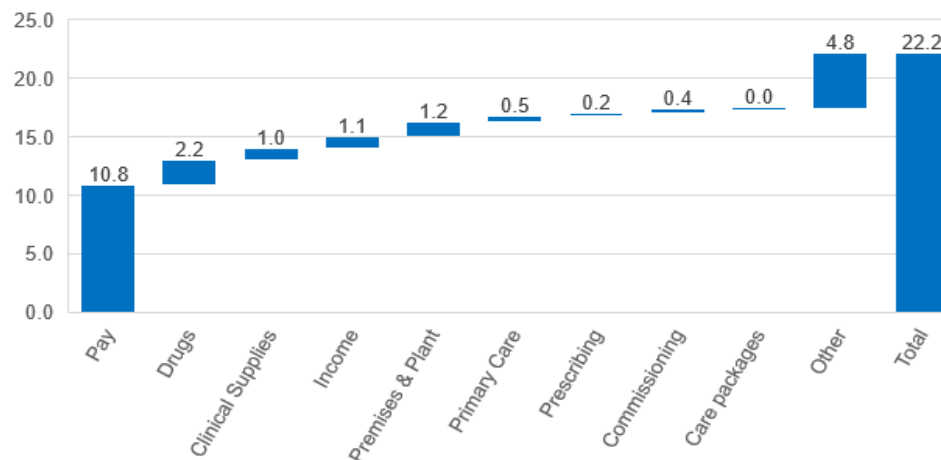


# Revenue Summary

## EoY variance by Subjective (against Plan)



## EoY actual by Subjective (COVID-19 only)

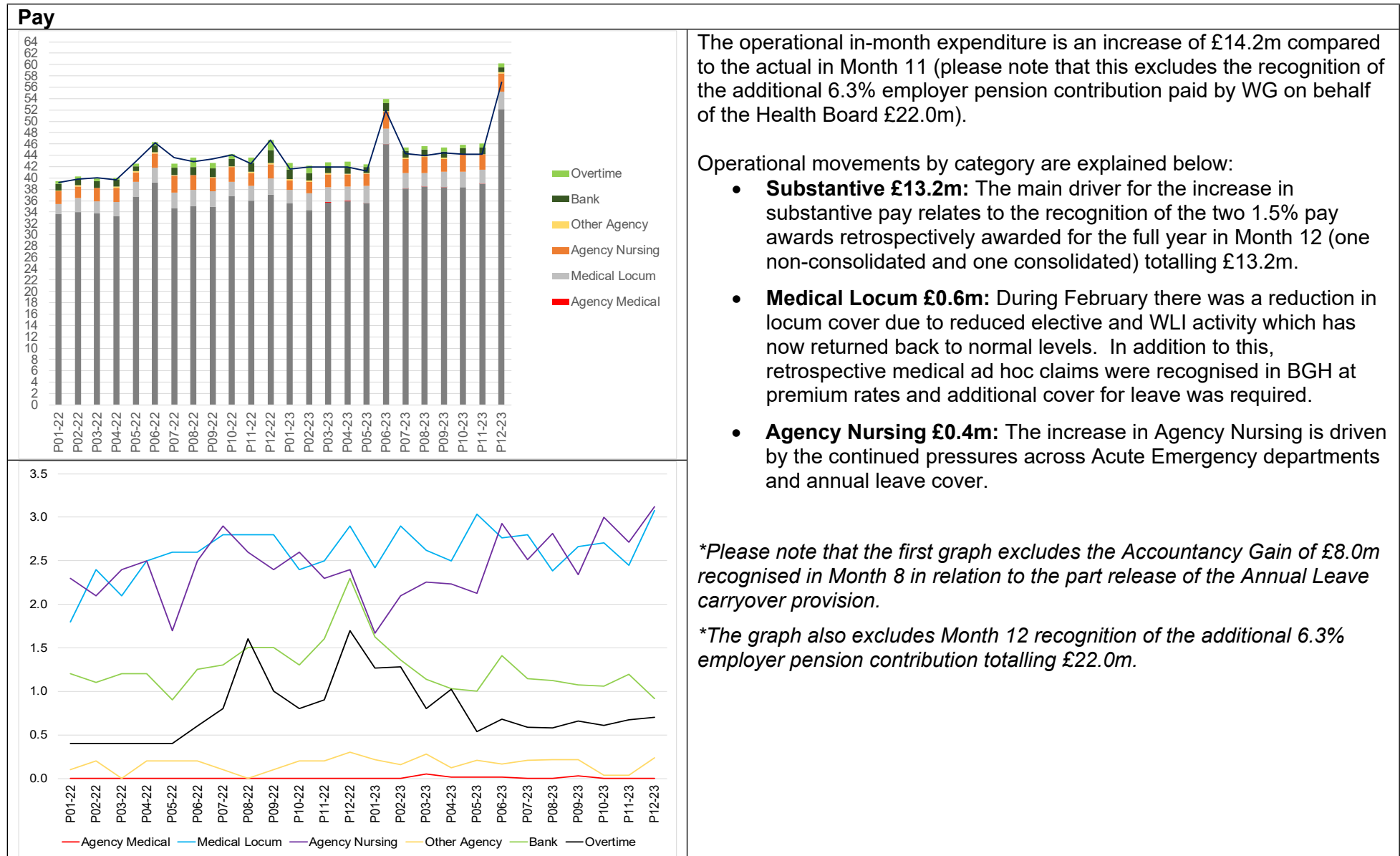


## Key drivers of EoY position

- **Savings non delivery £15.9m:** EoY value of savings undelivered by the organisation (against the original Plan of £29.4m).
- **Pay £28.8m:** Continued high levels of variable pay expenditure across various staff groups due to high levels of vacancies across the Health Board and on-going pressures in Unscheduled Care. Continued COVID-19 pay expenditure is primarily supporting the Health Board's response in respect of TTP, Mass Vaccination and enhanced cleaning standards.
- **Drugs £9.4m:** Activity and price growth in Oncology, Homecare drugs and Scheduled Care following changes in clinical guidelines and increased activity following COVID-19. There has also been a higher than average increase in Unscheduled Care drugs expenditure as Emergency Departments continue to experience unprecedented demand.
- **Income £(11.9)m:** Primarily driven by the recognition of Value Based Healthcare funding offset by consultancy charges. In addition, receipt of British Gas rebates for prior period CHP underperformance, income in relation to ICF Capital and higher than anticipated income for the Education Service liaison and in relation to non contracted activity.
- **Accountancy gains £(8.0)m:** Month 8 recognition of the impact of the Workforce National Policy revision to Annual Leave carryover provision.



# Key Subjective Summary



The operational in-month expenditure is an increase of £14.2m compared to the actual in Month 11 (please note that this excludes the recognition of the additional 6.3% employer pension contribution paid by WG on behalf of the Health Board £22.0m).

Operational movements by category are explained below:

- **Substantive £13.2m:** The main driver for the increase in substantive pay relates to the recognition of the two 1.5% pay awards retrospectively awarded for the full year in Month 12 (one non-consolidated and one consolidated) totalling £13.2m.
- **Medical Locum £0.6m:** During February there was a reduction in locum cover due to reduced elective and WLI activity which has now returned back to normal levels. In addition to this, retrospective medical ad hoc claims were recognised in BGH at premium rates and additional cover for leave was required.
- **Agency Nursing £0.4m:** The increase in Agency Nursing is driven by the continued pressures across Acute Emergency departments and annual leave cover.

*\*Please note that the first graph excludes the Accountancy Gain of £8.0m recognised in Month 8 in relation to the part release of the Annual Leave carryover provision.*

*\*The graph also excludes Month 12 recognition of the additional 6.3% employer pension contribution totalling £22.0m.*



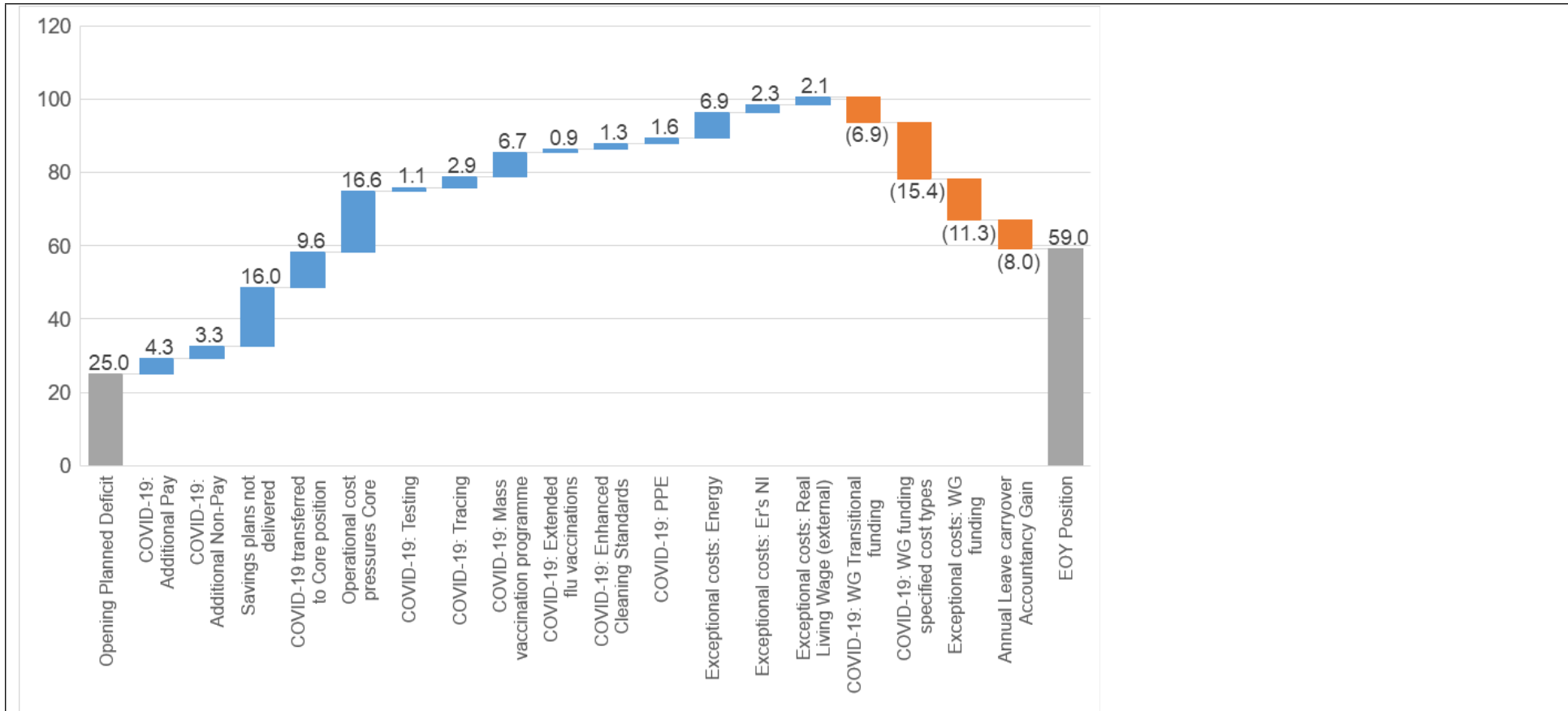
# Key Subjective Summary

CHC	<p>Continuing Health Care expenditure has increased by £0.3m compared to last month.</p> <p>The increase is primarily attributable to the case mix within Learning Disabilities and Mental Health.</p>
<p>Actual expenditure — Budgeted expenditure</p>	<p>Secondary Care Drug expenditure has increased by £0.3m in-month compared to last.</p> <p>The primary reason for this movement is due to there being three more clinic days in March compared to February resulting in increased activity in Oncology and Elective care services.</p>

# Key Subjective Summary

Clinical Supplies and Services	
<p>Actual expenditure Budgeted expenditure</p>	<p>Clinical supply and service expenditure has increased by £0.5m in-month.</p> <p>Operating Theatres utilised a greater number of consumable and disposable items compared to the previous month, due to increased activity and acuity.</p> <p>Increases were also driven by the level of diabetic consumables required in both Adult and Paediatric patient groups.</p>
Primary Care Prescribing	
<p>Actual expenditure Budgeted expenditure</p>	<p>Primary Care Prescribing costs have increased by £0.8m in-month compared to last.</p> <p>The primary driver for this increase is the three additional prescribing days in March compared to February.</p> <p>During the month, growth in the volume in items moved from 1.27% to 2.36% and the baseline cost per item increased to £8.06 from £7.87.</p> <p>There is also a continuation of the significant increase in the number of drugs listed on the NCSO concession list.</p>

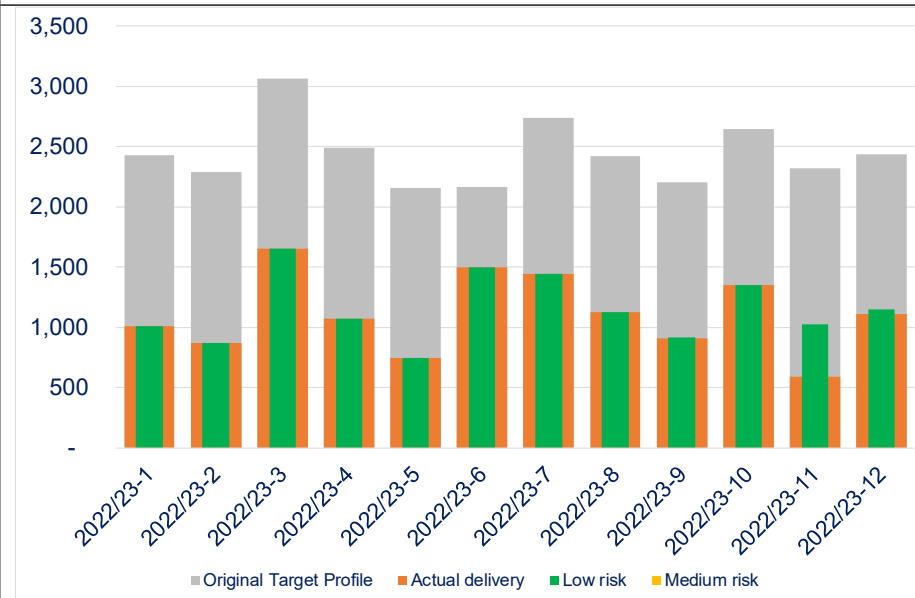
# Financial Projection



## Assurance

- Executive led Use of Resources Group which scrutinises business cases, opportunities and financial governance.
- Performance to continue to be monitored monthly through robust Directorate Improving Together meetings.
- A weekly progress report is being presented to the Executive Team to retain sufficient strategic focus on key deliverables.

## Risk-assessed directorate savings profile, delivery and forecast



### Assurance

- Of the original £29.4m requirement, £13.9m have been identified as operational Green schemes, as a minimum on a non-recurrent basis; in addition to this £8.0m of Accountancy Gains have been recognised in Month 8 which is not included in the above graph which presents the £13.9m of operational delivery schemes only.
- The Plan re-submission is aligned to delivery of the identified savings schemes of £12.4m. Since the Plan, a further £1.5m recurrent Green schemes have been identified, against which £0.5m will not deliver in year (recognised in Month 11) following the All-Wales judgement regarding the uncertainty of an HMRC ruling for Microsoft VAT.
- A revised Opportunities framework is in place for the coming year.

# Hywel Dda UHB

## Month 12 YTD Financial Performance and EoY Forecast

Public Board Meeting

25<sup>th</sup> May 2023

# Month 12 Executive Summary

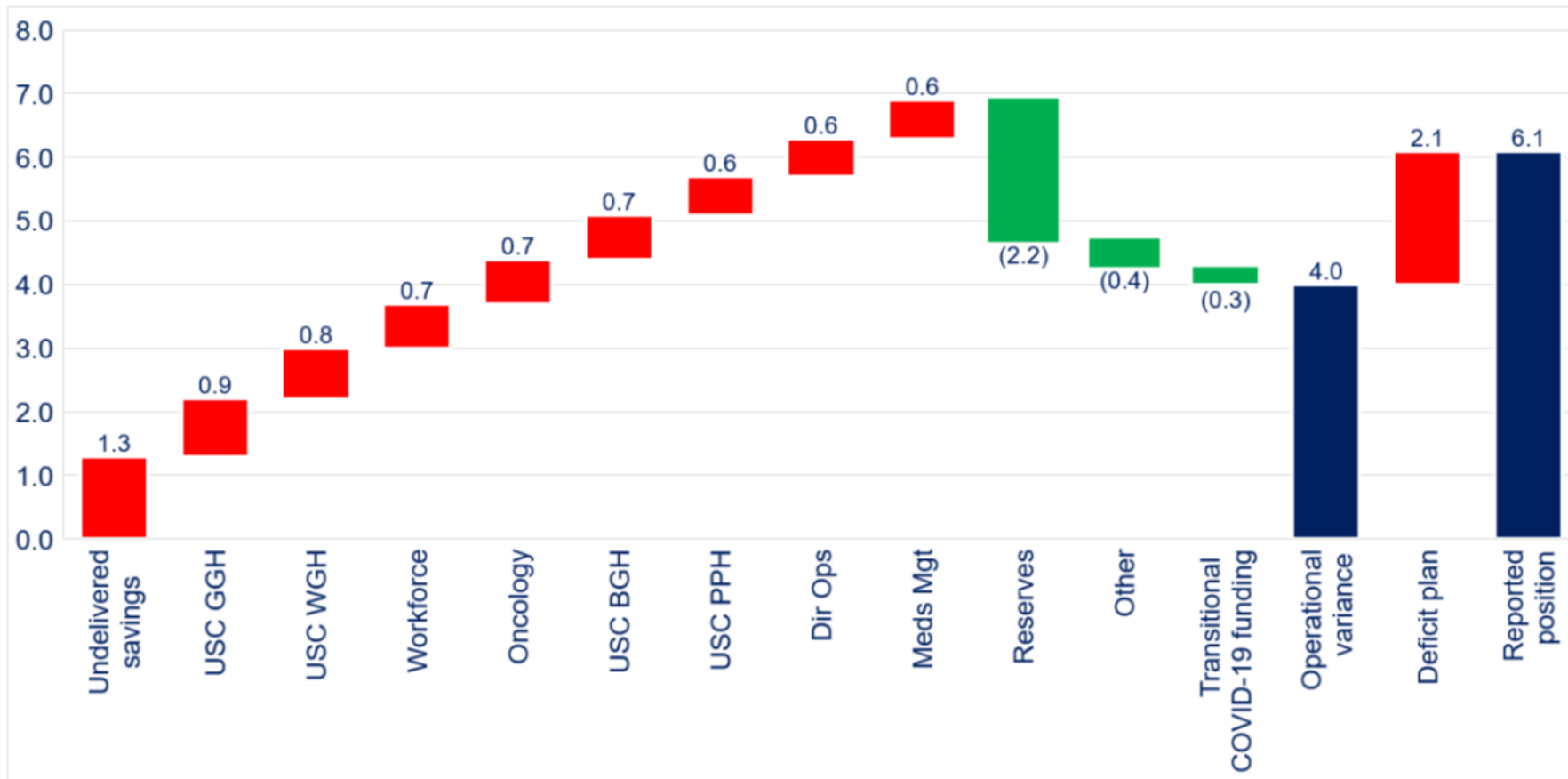
Health Board's revised draft Financial Plan is to deliver a deficit of £62.0m, after savings of £13.9m; this recognised the inadequate level of assurance around the identification of a further £15.5m of savings schemes deliverable within the current financial year against our initial £25.0m deficit Plan, combined with an operational variation due to system pressures and continuation of COVID-19 activities within our core services. The revised deficit is £59.0m, after recognising a further £5.0m of operational variation offset by £8.0m Accountancy Gains.

Financial position	Month 11 £'m	Month 12 £'m	EOY £'m
Original Planned deficit	2.1	2.0	<b>25.0</b>
Undelivered Savings plans	1.9	1.3	<b>16.0</b>
Operational variance (including transfers from COVID-19)	2.5	2.9	<b>26.0</b>
COVID-19 expenditure	1.3	1.2	<b>22.3</b>
Accountancy gain	0.0	0.0	<b>(8.0)</b>
<b>Operational variance before WG COVID-19 funding</b>	<b>7.8</b>	<b>7.4</b>	<b>81.3</b>
WG COVID-19 funding: 'Programme' costs	<b>(0.6)</b>	<b>(0.6)</b>	<b>(12.4)</b>
WG COVID-19 funding: 'Other' costs	<b>(0.3)</b>	<b>(0.4)</b>	<b>(3.3)</b>
WG COVID-19 funding: 'Transitional' costs	<b>(0.4)</b>	<b>(0.3)</b>	<b>(6.6)</b>
<b>Reported financial position</b>	<b>6.5</b>	<b>6.1</b>	<b>59.0</b>

The Month 12 Health Board financial position is an overspend of £6.1m, which is made up of £4.0m operational variance and an original deficit plan of £2.1m; this is after recognising £0.3m of WG transitional funding for COVID-19. £1.1m of savings schemes were delivered in line with identified plans. Of the £4.0m overspend in-month, £1.3m relates to undelivered savings plans against the original target and £2.7m relates to operational pressures. These pressures are mainly being experienced within our Unscheduled Care teams, but also within Primary Care Prescribing and in Oncology due to increased activity.

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## Month 12 In-Month 2022/23: Key drivers (£'m)



The value of £0.3m is the Transitional funding allocation to match non-programme transitional COVID-19 costs incurred. £0.6m of funding has been utilised to match Exceptional Energy costs.

Operational variance excluding unidentified savings is 4.7m; underspends in non-USC not materialising to offset £2.8m of non-COVID-19 USC overspend.

Programme funding relates to the following in response to COVID-19 match-funded by WG:

- TTP
- COVID-19 mass vaccination programme
- PPE

£0.5m was released to match costs in Month 12.



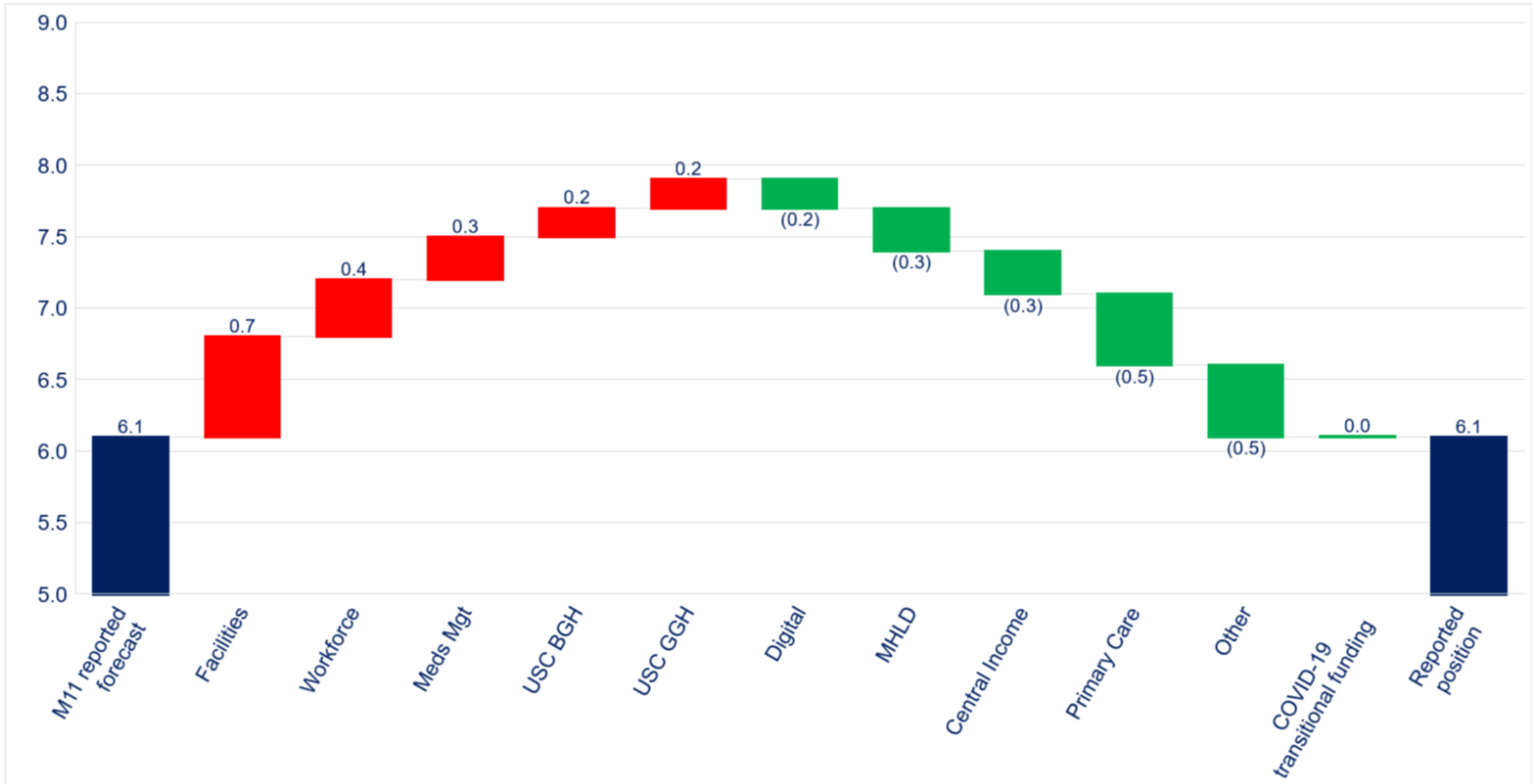
# Month 12 In-Month 2022/23: Key drivers (£'m)

Directorate	Non COVID-19	COVID-19	Total	Non-COVID-19: Operational Driver comments COVID-19: list scheme(s) and value
Undelivered Savings	1.3	-	1.3	<b>Non COVID-19:</b> Undelivered planned savings across the Health Board.
USC GGH	0.9	-	0.9	<b>Non-COVID-19:</b> With continued front door pressures site was on Red for 20 days with Surge beds on average 33 with highest at 40 beds. Pay £722k - Nursing & HCSW £591k over ,Substantive vacancies remain high, with continued high levels of agency shifts booked in month .Medical Staff £75k over due to Locum & Medacs usage in Gen Med & A&E covering vacancies and pilot scheme to improve discharges. Non Pay £156k overspent- With drugs £141k over, clinical services and supplies £93k over, offset by the release of the Atrial Fibrillation VBHC funding.
USC WGH	0.7	0.1	0.8	<b>Non-COVID-19:</b> Site pressures continue with 32 patients on discharge pathways, an average of 45 surge beds (42 in m11) with a peak of 51 (50 in m11) and an average of 24 patients in A&E needing a bed. As at 5th April we have 67 medically optimised patients against a bed base of 199. As a result, medical staffing is £259k overspent and nursing £278k overspend. Additionally, we have a 125k drugs overspend (driven by high cost gastro drugs), again as a direct result of site pressures. <b>COVID-19:</b> Driven by continued staffing of Puffin Ward through a mix of substantive and agency/bank staff.
Workforce	0.7	-	0.7	<b>Non-COVID-19:</b> Deviation to budget is due to International recruitment phase 2 costs £0.5m and additional tribunal costs.
Oncology	0.7	-	0.7	<b>Non-COVID-19:</b> Drugs £842k overspend - SACT activity increased 32% (includes 10% in year) since 19/20, far in excess of previously funded growth. This brings a prior year drugs growth cost pressure of 15% plus a further 20% pressure in year due to the activity growth, including transition of Enzalutamide patients to homecare (previously WP10s). Income (£149k) due to significant commercial access drug rebates received in month from Velindre. Pay vacancies improve position but offset by increased consumable spend, drug transport and Chemocare maintenance costs.

# Month 12 In-Month 2022/23: Key drivers (£'m)

Directorate	Non COVID-19	COVID-19	Total	Non-COVID-19: Operational Driver comments COVID-19: list scheme(s) and value
USC BGH	0.7	-	0.7	<b>Non-COVID-19:</b> Continued pressure in March with 13 red days. Presence of COVID-19 remains the same. Average 9 unplaced in ED and average of 30 medically optimised patients with 14 ready to leave. Continued sickness in nursing and increased sickness in medical plus agency to fill vacancy gaps resulting in increased variable pay costs incurred in month. Clinical supplies & drugs cost pressure reflecting continued surge activity.
USC PPH	0.6	-	0.6	<b>Non-COVID-19:</b> Pay reduced to £184k over - Nursing & HCSW £92k overspent, with continued agency costs due to vacancies and sickness rates as previous months. Medical Staff £61k over due to continued locum usage in Gen Med & historical cost pressures. Non Pay £422k overspent - insulin pumps & consumables increased its overspend in Month to £260k & drugs are £101k overspent(increase of £60k due to homecare).
Director of Operations	0.5	0.1	0.6	<b>Non-COVID-19:</b> Income - £145k overachievement; due to receipt from 111 of Adastral money, this is offset in non pay for charge from Advance. Non pay - £806k overspent; Due to scanning work £500k, refurbishment of unit 3 £100k, Adastral charge £145k, WAST invoice and additional consumables in sterile services. Pay - (£138k) under budget; due to unfilled GP shifts and practitioner vacancies in OOH (£77k), vacancies in senior management posts and medical management sessions (£37k) and vacancies in Health recs (£16k) and various other directorate vacancies. <b>COVID-19:</b> Pay - Additional Clinical engineering agency costs for maintenance of new COVID equipment - £12k. Non-pay - £32k over; storage costs relating to accommodation for both Dura park and Owens.
Medicines Management	0.6	-	0.6	<b>Non-COVID-19:</b> Driven by items growth of 1.27% and a significant increase in cost per item to £8.06 seen in January data. Included within these figures is the significant increase in the number of drugs listed on the NCSO concession list YTD.
Reserves	(2.2)	-	(2.2)	<b>Non-COVID-19:</b> Release of central reserves and central release of items.

# Month 12 In-Month 2022/23: Deviation from forecast (£'m)



# Month 12 In-Month 2022/23: Deviation from forecast (£'m)

Directorate	Non COVID-19	COVID-19	Total	Non-COVID-19: Operational Driver comments COVID-19: list scheme(s) and value
Facilities	0.7	-	0.7	<b>Non-COVID-19:</b> Prior month forecast (£322k) underspent; actual this month £338k over; Reason for deviation is partly due to crystallisation of risks; laundry adjustment £120k instead of £50k; additional provisions spend £145k instead of £50k; Other elements include £160k worth of maintenance and repair costs. Additional design fees carbon project only part funded £30k increased staffing costs in month £50k, lower income across retail due to closures from staff shortages £30k; £60k on IT equipment, software licences and office equipment purchased in month.
Workforce	0.4	-	0.4	<b>Non-COVID-19:</b> Deviation to forecast is due to : additional international nurses being recruited as part of Phase 2, 48 now recruited against the original plan of 40, additional costs of OSCE training and accommodation also incurred, £200k. NWSSP legal charges for Employment matters £90k. Additional charge for Occupational health system due to change of contract at all Wales level £30k, Glien house additional charges for car parking and backdated Carms County council for alarm system £70k. Plus balance due to additional costs for training, OD.
Medicines Management	0.3	-	0.3	<b>Non-COVID-19:</b> Driven by a higher number of items seen in December and January data (+80k) than forecasted. Additionally, the cost per item for PARS increased to £8.06 in January. Mitigated slightly by an increased GMS transfer of £90k for December and January and a transfer of costs associated with Pharmacy Robots in WGH to Capital.
USC BGH	0.2	-	0.2	<b>Non-COVID-19:</b> Driven by nursing (£104k) - the shift fill rate increased to 87.2% which is the highest it's been over two years. Retrospective medical ad hoc claims for February plus costs for a new gastro consultant at agency rates (£119k). Drug costs (£40k) increased activity plus significant drug costs for Fomepizole (treatment for antifreeze as per Royal College Guidance (£20k) ; One off (£10K )agency finder fee for a Dr recruited in month; mitigated by end of year pay creditors (-£22k).

# Month 12 In-Month 2022/23: Deviation from forecast (£'m)

Directorate	Non COVID-19	COVID-19	Total	Non-COVID-19: Operational Driver comments COVID-19: list scheme(s) and value
USC GGH	0.2	-	<b>0.2</b>	<b>Non-COVID-19:</b> Pay deterioration of £28k - Increased Nurse Agency usage offset by reduction in Medical Locum costs . Non Pay £183k deterioration - Increased Homecare Drugs costs of £37k, additional costs of £58k against Clinical Services & Supplies(A&E, CDU, Derwen, Merlin & Preseli Wards in particular) and further one off costs relating to patient Air Transport, Dr's finders fees and furniture and fitting relating to the reopening of Preseli Ward.
Digital	(0.2)	-	<b>(0.2)</b>	<b>Non COVID-19:</b> Deviation to forecast is mainly due to additional income received from WG re DPIF programme £(0.14)m and WCCIS RRB adjustment as per agreement of balances £(0.13)m.
MHLD	(0.3)	-	<b>(0.3)</b>	<b>Non-COVID-19:</b> Income (£69K) Additional Income from SMAFF Slippage for Buvidal Drugs. Buvidal Accrual Release 21-22. Pay (£143K) Annual Pay Credit Accruals Posted in M12 net effect reversing 21-22 Accrual and 22-23 . Non Pay (£32K) Purchase of Healthcare (£32K) Over Accrual adjustment.
Central Income	(0.3)	-	<b>(0.3)</b>	<b>Non-COVID-19:</b> Increase in income compared to forecast due to WHSSC income increasing by £127k based on Neonatal care, £65k of addition income from WG for Afghan Refugees and an increase of £57k for CRU
Primary Care	(0.5)	-	<b>(0.5)</b>	<b>Non-COVID-19:</b> Driven by additional PADM's Drugs funding of £(761k) not expected. Offset by worsening in the GMS position as a result of increased Partnership Claims (including full year retrospective claims) and increase in Managed Practice locums and non pay costs.



**CYFARFOD BWRDD PRIFYSGOL IECHYD  
UNIVERSITY HEALTH BOARD MEETING**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	25 May 2023
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Financial Report – Month 1 2023/24
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Rebecca Hayes, Senior Finance Business Partner

<b>Pwrpas yr Adroddiad (dewiswch fel yn addas) Purpose of the Report (select as appropriate)</b>
Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA  
SBAR REPORT**

<p><b><u>Sefyllfa / Situation</u></b></p> <p>The purpose of this report is to outline the Health Board’s financial position to date against our Annual Plan and assess the key financial projections, risks and opportunities for the financial year.</p>
<p><b><u>Cefndir / Background</u></b></p> <p><b>Month 1 2022/23</b></p> <p>The Month 1 Health Board financial position is an overspend of £11.7m, which is made up of £2.3m operational variance and a deficit plan of £9.4m. £0.1m of savings schemes were delivered, which was £0.1m below identified plans. Of the £2.3m overspend in-month, £1.0m relates to undelivered savings plans against the target and £1.3m relates to operational pressures. These pressures are mainly being experienced within our Unscheduled Care Directorates largely because of nurse staffing costs across Unscheduled Care, in order to comply with the requirements of the Nurse Staffing Act, but also within Oncology due to increased activity. This largely represents the step change in our expenditure levels since Month 11 and 12 in 2022/23 continuing to increase in Month 1 2023/24.</p> <p>The analysis of the deficit drivers coupled with unidentified savings schemes in relation to the 2023/24 target has led to a deterioration in the reported underlying deficit, from £101.5m to £106.0m. In our Plan we have identified the deficit drivers, which relate to the consequences of our configuration (£34.5m) and operational pressures coupled with historic non-delivery of the required level of recurrent savings. The Health Board recognises that the increased deficit is neither acceptable nor affordable to Welsh Government, and this will continue to be refined throughout the year.</p> <p>Given the Month 1 position, there are material risks to the delivery of the Financial Plan of £112.9m; particularly in relation to unidentified savings of £12.0m, delivery against identified schemes, and the potential for a continuation of the pressures experienced in Month 1 within our Unscheduled Care and Oncology Directorates.</p>

Of the required £19.5m savings delivery, £12.0m remains without robust operational Plans for delivery. Whilst the Opportunities Framework presents a significant range and size of opportunities there is insufficient assurance at this stage of in-year conversion into deliverable schemes. Of the identified operational savings schemes of £7.5m, the annual forecast is currently assessed as £4.1m.

Assurance regarding the delivery of the required £19.5m of saving schemes is currently insufficient. Urgent actions are being taken in respect of the governance, programme and delivery arrangements to provide greater assurance in future.

### Asesiad / Assessment

The Health Board's key targets are as follows:

- Revenue: to contain the overspend within the Health Board's planned deficit
- Savings: to deliver savings plans to enable the revenue budget to be achieved
- Capital: to contain expenditure within the agreed limit
- PSPP: to pay 95% of Non-NHS invoices within 30 days of receipt of a valid invoice
- Cash: While there is no prescribed limit for cash held at the end of the month, WG encourages this to be minimised and a rule of thumb of 5% of monthly expenditure is used. For the Health Board, this is broadly £4.0m.

Key target		Annual limit	YTD limit	Actual delivery	Forecast Risk
Revenue	£'m	112.9	9.4	11.7	High*
Savings	£'m	19.5	1.6	0.1	High**
Capital	£'m	25.5	1.1	1.1	Low
Non-NHS PSPP	%	95.0	n/a	n/a	n/a
Period end cash	£'m	4.0	4.0	3.0	High***

\* The risk is considered to be High in relation to both the unacceptable level of Planned deficit and the delivery of the in-year Plan deficit of £112.9m. Urgent management actions are required to address the in-year and underlying position.

\*\* Of the required £19.5m savings delivery, £12.0m remains without robust operational Plans for delivery. Whilst the Opportunities Framework presents a significant range and size of opportunities there is insufficient assurance at this stage of in-year conversion into deliverable schemes. Furthermore, of the identified operational savings schemes of £7.5m, the annual forecast is currently assessed as £4.1m.

\*\*\* If WG are unable to fund the cash consequences of the revenue deficit, there is a significant risk to the year end cash position.

### Argymhelliad / Recommendation

The Board is asked to note and discuss the financial position as at Month 1.



<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	1642 (score 16) Risk of the Health Board not being able to meet the statutory requirement of breaking even 2023/24
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	6. All Apply
Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	7. All apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	9. All HDdUHB Well-being Objectives apply

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on HDdUHB's financial reporting system.
Rhestr Termiau: Glossary of Terms:	<p>BGH – Bronglais General Hospital            CHC – Continuing Healthcare            FDU – Finance Delivery Unit            FNC – Funded Nursing Care            FYE – Full Year Effect            GGH – Glangwili General Hospital            GMS – General Medical Services            MHLD – Mental Health &amp; 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&amp;O – Trauma &amp; Orthopaedics            TTP – Test, Trace, Protect            WG – Welsh Government</p>

	WGH – Withybush General Hospital WRP – Welsh Risk Pool WHSSC – Welsh Health Specialised Services Committee YTD – Year to date
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Finance Team Management Team Executive Team

<b>Effaith: (rhaid cwblhau)</b>	
<b>Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	Financial implications are inherent within the report.
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	The impact on patient care is assessed within the savings schemes.
<b>Gweithlu:</b> <b>Workforce:</b>	The report considers the financial implications of our workforce.
<b>Risg:</b> <b>Risk:</b>	Financial risks are detailed in the report.
<b>Cyfreithiol:</b> <b>Legal:</b>	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.
<b>Enw Da:</b> <b>Reputational:</b>	Adverse variance against HDdUHB's financial plan will affect its reputation with Welsh Government, Audit Wales, and with external stakeholders.
<b>Gyfrinachedd:</b> <b>Privacy:</b>	Not applicable.
<b>Cydraddoldeb:</b> <b>Equality:</b>	Not applicable.

# Executive Summary

<b>Health Board's Financial Plan is to deliver a deficit of £112.9m, after savings of £19.5m.</b>	
<b>Revenue</b>	<ul style="list-style-type: none"> <li>The Month 1 Health Board financial position is an overspend of £11.7m, which is made up of £2.3m operational variance and a deficit plan of £9.4m. £0.1m of savings schemes were delivered, which was £0.1m below identified plans.</li> <li>Of the £2.3m overspend in-month, £1.0m relates to undelivered savings plans against the target and £1.3m relates to operational pressures. These pressures are mainly being experienced within our Unscheduled Care Directorates largely because of nurse staffing costs across Unscheduled Care, in order to comply with the requirements of the Nurse Staffing Act, but also within Oncology due to increased activity.</li> <li>This largely represents the step change in our expenditure levels since Month 11 and 12 in 2022/23 continuing to increase in Month 1 2023/24.</li> </ul>
<b>Projection</b>	<ul style="list-style-type: none"> <li>The analysis of the deficit drivers coupled with unidentified savings schemes in relation to the 2023/24 target has led to a deterioration in the reported underlying deficit, from £101.5m to £106.0m. In our Plan we have identified the deficit drivers, which relate to the consequences of our configuration (£34.5m) and operational pressures coupled with historic non-delivery of the required level of recurrent savings. The Health Board recognises that the increased deficit is neither acceptable nor affordable to Welsh Government, and this will continue to be refined throughout the year.</li> <li>Given the Month 1 position, there are material risks to the delivery of the Financial Plan of £112.9m; particularly in relation to unidentified savings of £12.0m, delivery against identified schemes, and the potential for a continuation of the pressures experienced in Month 1 within our Unscheduled Care and Oncology Directorates.</li> </ul>
<b>Savings</b>	<ul style="list-style-type: none"> <li>Of the required £19.5m savings delivery, £12.0m remains without robust operational Plans for delivery. Whilst the Opportunities Framework presents a significant range and size of opportunities there is insufficient assurance at this stage of in-year conversion into deliverable schemes.</li> <li>Of the identified operational savings schemes of £7.5m, the annual forecast is currently assessed as £4.1m.</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>The choices available for the key drivers of the deficit, coupled with other choices and opportunities, are regularly discussed across key governance forums, including the Executive Team and Board and will inform our submission of a supplementary paper and updated Ministerial template by 31 May 2023.</li> <li>Urgent operational actions are being considered to identify and resolve the issues preventing the delivery of identified savings schemes.</li> </ul>

# Executive Summary

## Summary of key financial targets

The Health Board's key targets are as follows:

- Revenue: to contain the overspend within the Health Board's planned deficit
- Savings: to deliver savings plans to enable the revenue budget to be achieved
- Capital: to contain expenditure within the agreed limit
- PSPP: to pay 95% of Non-NHS invoices within 30 days of receipt of a valid invoice
- Cash: While there is no prescribed limit for cash held at the end of the month, WG encourages this to be minimised and a rule of thumb of 5% of monthly expenditure is used. For the Health Board, this is broadly £4.0m.

Key target		Annual limit	YTD limit	Actual delivery	Forecast Risk
Revenue	£'m	112.9	9.4	11.7	High*
Savings	£'m	19.5	1.6	0.1	High**
Capital	£'m	25.5	1.1	1.1	Low
Non-NHS PSPP	%	95.0	n/a	n/a	n/a
Period end cash	£'m	4.0	4.0	3.0	High***

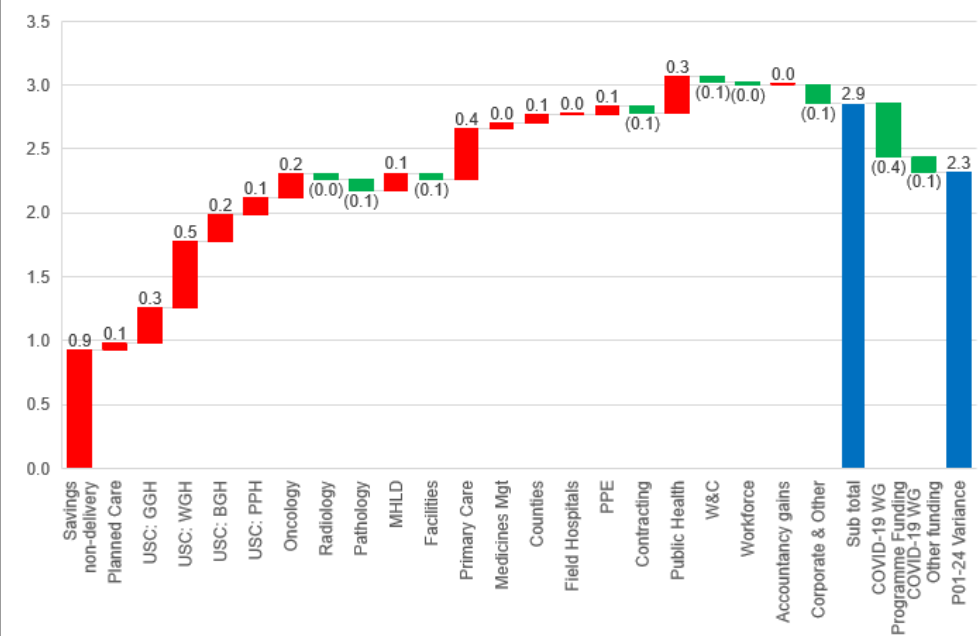
\* The risk is considered to be High in relation to both the unacceptable level of Planned deficit and the delivery of the in-year Plan deficit of £112.9m. Urgent management actions are required to address the in-year and underlying position.

\*\* Of the required £19.5m savings delivery, £11.0m remains without robust operational Plans for delivery. Whilst the Opportunities Framework presents a significant range and size of opportunities there is insufficient assurance at this stage of in-year conversion into deliverable schemes. Furthermore, of the identified operational savings schemes of £7.5m, the annual forecast is currently assessed as £4.1m.

\*\*\*\* If WG are unable to fund the cash consequences of the revenue deficit, there is a significant risk to the year end cash position.

# Revenue Summary

**YTD variance by Directorate (against Plan)**

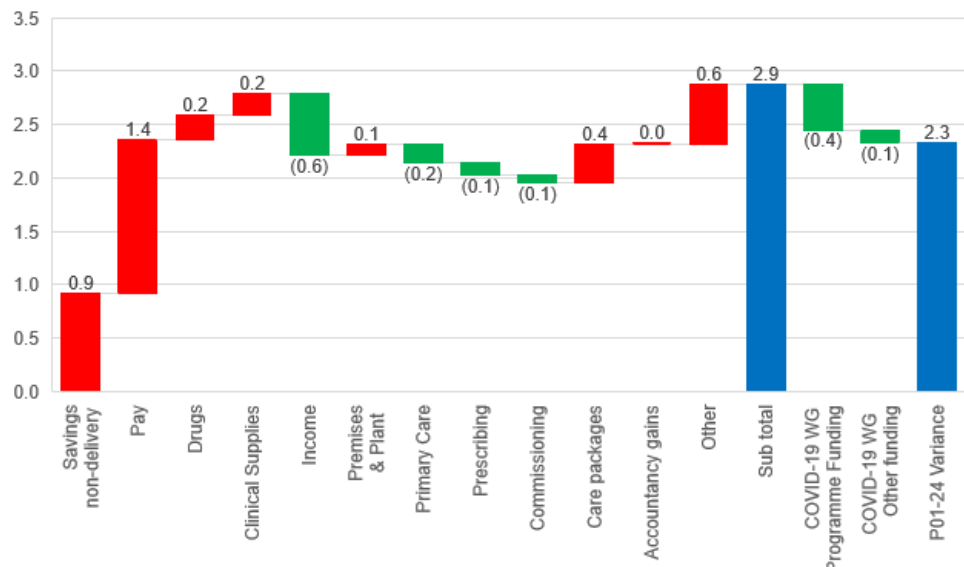


**Key drivers of YTD position**

- **Savings non delivery £0.9m:** YTD value of savings undelivered by the organisation (against the Plan of £19.5m).
- **Unscheduled care £1.1m:** Continuation of site pressures where high levels of activity are resulting in high variable pay expenditure across all four acute sites.
- **Oncology £0.2m:** Increased levels of SACT activity within the service and an increase in homecare issues resulting in an increase in drug expenditure.
- **Primary Care £0.4m:** Largely driven by under-delivery of dental income driven by patient activity and increased eligibility for exemptions. Additional pressures in GMS following the Health Board taking ownership of another Managed Practice (now six in total) resulting in increased locum expenditure.
- **Public Health £0.3m:** Primarily driven by Health Promotion and Mass Vaccination COVID-19 programme schemes.
- **WG Programme Funding £(0.4)m:** YTD funding in respect of COVID-19 programme schemes.
- **WG Other funding £(0.1)m:** Fixed allocation funding to support COVID-19 response for Long COVID-19 and Nosocomial.

# Revenue Summary

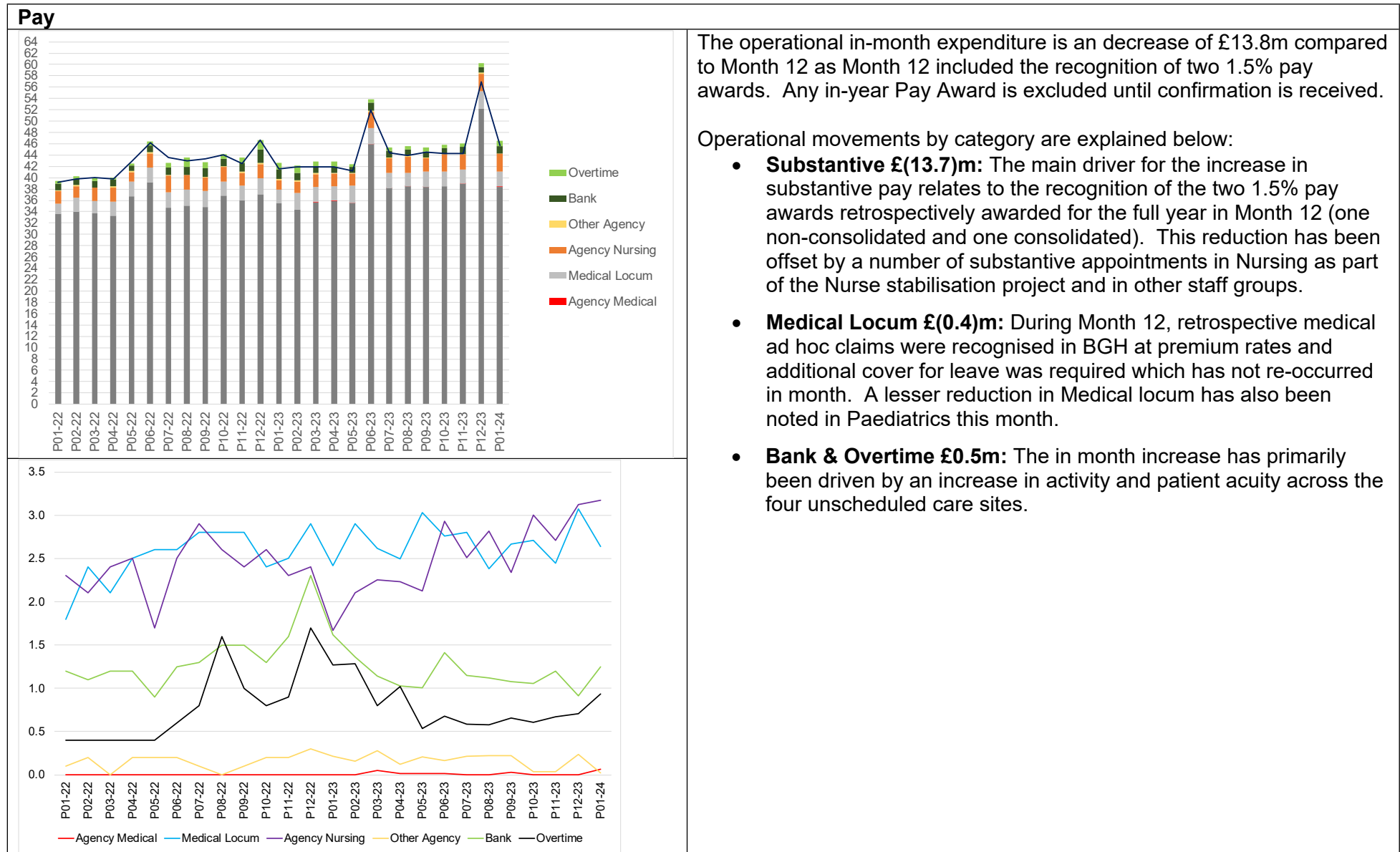
**YTD variance by Subjective (against Plan)**



**Key drivers of EoY position**

- **Savings non delivery £0.9m:** EoY value of savings undelivered by the organisation (against the original Plan of £19.5m).
- **Pay £1.4m:** Continued high levels of variable pay expenditure across various staff groups due to high levels of activity across Unscheduled Care.
- **Income £(0.6)m:** Recognition of SIFT income received from HEIW with offsetting expenditure recognised in the “Other” category.
- **Care packages £0.4m:** Patient acuity, especially within Learning Disabilities.

# Key Subjective Summary





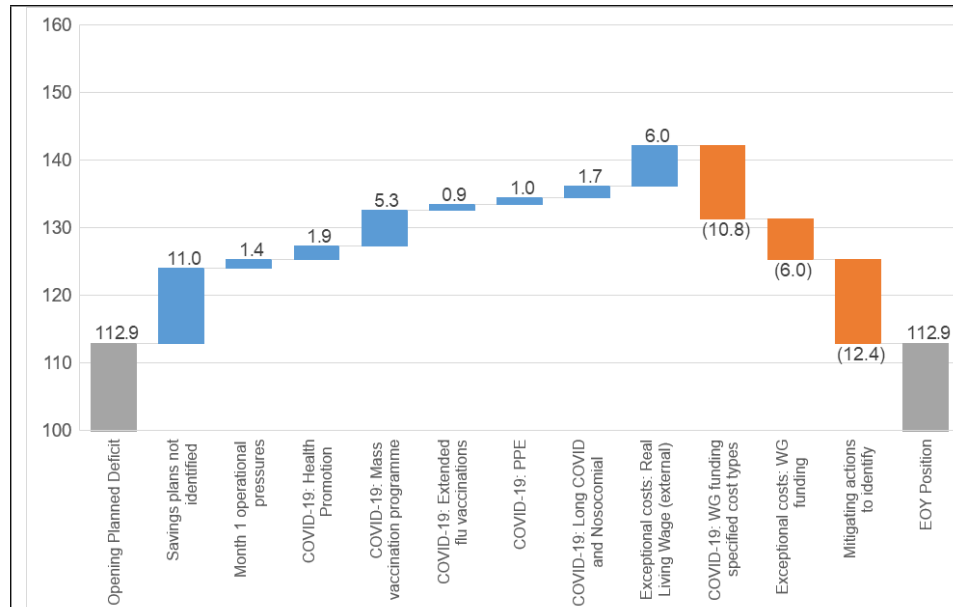
# Key Subjective Summary

CHC	<p>Continuing Health Care expenditure has reduced by £0.1m compared to last month.</p> <p>The reduction is primarily attributable to a net reduction in clients within Free Nursing Care across all three Counties.</p>
<p>Actual expenditure — Budgeted expenditure</p>	<p>Secondary Care Drug expenditure has decreased by £0.1m in-month compared to last.</p> <p>The reduction is primarily driven by an increase in the number of clinic days during April compared to March as a result of the Easter break. This reduction has been offset by an increase in Oncology SACT activity.</p>

# Key Subjective Summary

Clinical Supplies and Services	
<p>Actual expenditure Budgeted expenditure</p>	<p>Clinical supply and service expenditure has remained static in-month.</p> <p>The increases noted in Month 12 in relation to the level of diabetic consumables required in both Adult and Paediatric patient groups did not re-occur during Month 1. This reduction was offset by an increase in M&amp;SE maintenance and repairs within the Clinical engineering team and an increase in Low visual appliance expenditure.</p>
Primary Care Prescribing	
<p>Actual expenditure Budgeted expenditure</p>	<p>Primary Care Prescribing costs have reduced by £0.4m in-month compared to last.</p> <p>The primary driver for this reduction in prescribing days in April compared to March due to the Easter break.</p>

# Financial Projection



## Key Assumptions

- Pay Awards are assumed to be fully funded by Welsh Government.
- Exceptional Real Living Wage costs (external) are assumed to be fully funded by Welsh Government.

## Assurance

- Executive led Use of Resources Group which scrutinises business cases, opportunities and financial governance. Performance to continue to be monitored monthly through robust Directorate Improving Together meetings.
- A weekly progress report is being presented to the Executive Team to retain sufficient strategic focus on key deliverables.

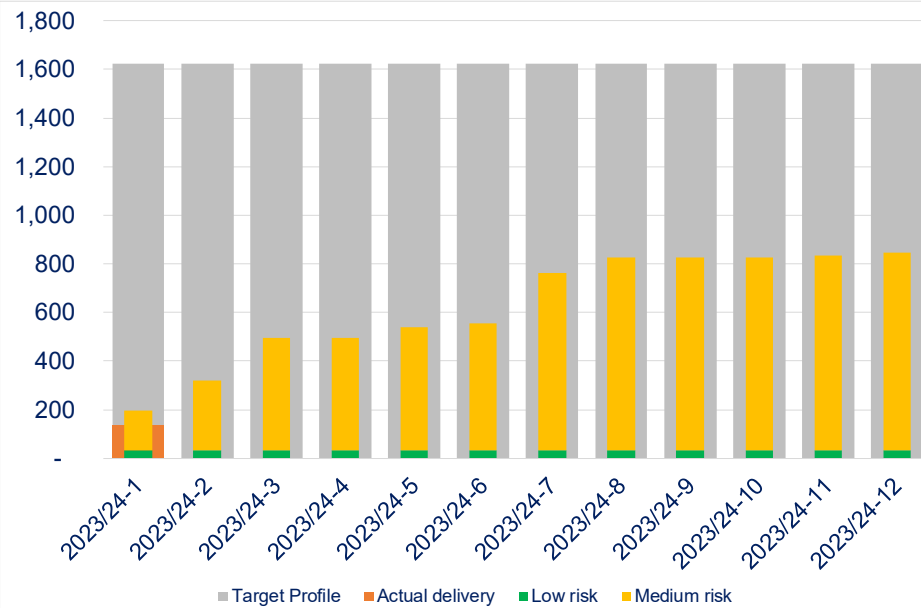
## Concerns

- The analysis of the deficit drivers coupled with unidentified savings schemes in relation to the 2023/24 target has led to a deterioration in the reported underlying deficit, from £101.5m to £106.0m. In our Plan we have identified the deficit drivers, which relate to the consequences of our configuration (£34.5m) and operational pressures coupled with historic non-delivery of the required level of recurrent savings. The Health Board recognises that the increased deficit is neither acceptable nor affordable to Welsh Government, and this will continue to be refined throughout the year.
- Given the Month 1 position, there are material risks to the delivery of the Financial Plan of £112.9m; particularly in relation to unidentified savings of £11.0m, delivery against identified schemes, and the potential for a continuation of the pressures experienced in Month 1 within our Unscheduled Care and Oncology teams.

## Next Steps

- The choices available for the key drivers of the deficit, coupled with other choices and opportunities, are continually discussed across key governance forums, including the Executive Team and Board and will inform our submission of a supplementary paper and updated Ministerial template by 31 May 2023.

## Risk-assessed directorate savings profile, delivery and forecast



### Concerns

- Of the required £19.5m savings delivery, £12.0m remains unidentified. Whilst the Opportunities Framework presents a significant range and size of opportunities there is insufficient assurance at this stage of in-year conversion into deliverable schemes.
- Of the identified operational savings schemes of £7.5m, the annual forecast is currently assessed as £4.1m.

### Next Steps

- Urgent operational actions are required to identify and resolve the issues preventing the delivery of identified savings schemes.

### Assurance

- All identified schemes are recurrent.
- A weekly progress report is being presented to the Executive Team to retain sufficient strategic focus on key deliverables; the delivery of identified savings schemes and conversion of Opportunities into deliverable plans is a priority.

# Hywel Dda UHB

## Month 1 YTD Financial Performance and EoY Forecast

Public Board Meeting

25<sup>th</sup> May 2023

# Month 1 Executive Summary

The Month 1 Health Board financial position is an overspend of £11.7m, which is made up of £2.3m operational variance and a deficit plan of £9.4m. £0.1m of savings schemes were delivered, which was £0.1m below identified plans. Of the £2.3m overspend in-month, £1.0m relates to undelivered savings plans against the target and £1.3m relates to operational pressures. These pressures are mainly being experienced within our Unscheduled Care Directorates largely due to the Nurse Staffing Act, but also within Oncology due to increased activity.

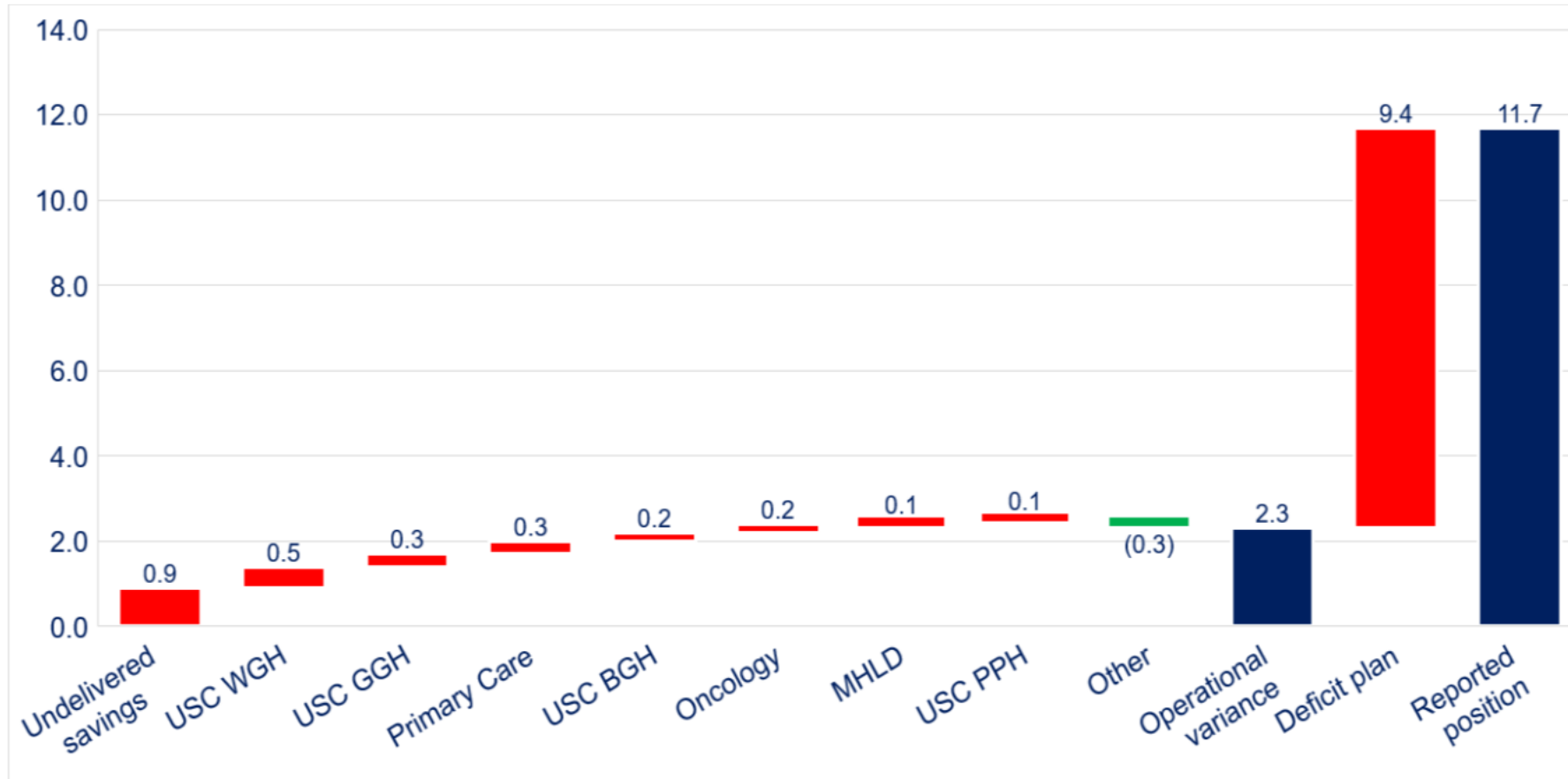
Financial position	Month 1 £'m	EOY £'m
Deficit plan	9.4	112.9
Undelivered Savings plans	0.9	12.0
Savings under-delivery	0.1	3.4
Operational variance	1.3	0.0
Mitigating actions required	0.0	(15.4)
<b>Operational variance before COVID-19</b>	<b>11.7</b>	<b>112.9</b>
COVID-19 expenditure	0.5	9.9
WG COVID-19 funding: 'Programme' costs	(0.4)	(8.2)
WG COVID-19 funding: 'Other' costs	(0.1)	(1.7)
<b>Reported financial position</b>	<b>11.7</b>	<b>112.9</b>

	EOY £'m
<b>Reported financial position</b>	<b>112.9</b>
<b>Risks:</b>	
Unidentified savings	12.0
Non-delivery of savings	3.4
Operational pressures	10.2
<b>Risk-adjusted financial position</b>	<b>138.5</b>

The analysis of the deficit drivers coupled with unidentified savings schemes in relation to the 2023/24 target has led to a deterioration in the reported underlying deficit, from £101.5m to £106.0m. In our Plan we have identified the deficit drivers, which relate to the consequences of our configuration (£34.5m) and operational pressures coupled with historic non-delivery of the required level of recurrent savings. The Health Board recognises that the increased deficit is neither acceptable nor affordable to Welsh Government, and this will continue to be refined throughout the year.

Given the Month 1 position, there are material risks to the delivery of the Financial Plan of £112.9m; particularly in relation to unidentified savings of £12.0m, delivery against identified schemes, and the potential for a continuation of the pressures experienced in Month 1 within our Unscheduled Care and Oncology Directorates.

# Month 1 In-Month 2023/24: Key drivers (£'m)



Of the centrally held Deficit Plan of £9.4m, £2.1m relates to the original deficit and £7.3m relates to the Opportunities Deficit.

Programme funding relates to the following in response to COVID-19 match-funded by WG:

- Health Promotion (previously TTP)
- Vaccination programme
- PPE

£0.5m was released to match costs in Month 1.

# Month 1 In-Month 2023/24: Key drivers (£'m)

Directorate	£'m	Operational Driver comments
Undelivered Savings	0.9	Undelivered planned savings across the Health Board.
USC WGH	0.5	There has been an increase in admissions and attendances, an improved patient flow with an average of 36 surge beds (45 in M12) with a peak of 44 in-month (51 in M12). This can be largely attributed to an increase in Nurse Agency utilisation and overall higher fill rate (91% compared with 60% in M1-23). Utilisation of Off-Contract Agency resource increased by 13wte (since M8-23). This activity has also driven an increased level of drugs usage, particularly in respect of high cost gastro drugs. This is further impacted by Medical vacancies covered by premium cost Locums.
USH GGH	0.3	Site pressures continue with high number of attendances, admissions & ready to leave patients (since Dec 22) plus Medically Fit with surge beds at 27. Pay £374k over - Nurse Agency remains at the high levels utilised since Jan plus a reduction in Substantive vacancies (17 wte) which includes the re-opening of Preseli Ward in March. Current Nursing workforce fill rates are at 50%. Nurse Agency charges due to actual worked shifts being higher than those originally booked £72k & retrospective shifts of £23k. Non Pay £84k under - in month reduction against pacemakers & M&SE.
Primary Care	0.3	Largely driven by under-delivery of dental income which is driven by patient activity and increased eligibility for fee exemptions (£130k). Additionally, managed practice reliance on Locum GP's are significant, with the addition of Solva Surgery becoming our sixth managed practice on 1st April (£150k). We also saw late GMS practice claims from 2022 particularly relating to care homes, phlebotomy, INR testing and practice premium claims.



# Month 1 In-Month 2023/24: Key drivers (£'m)

Directorate	£'m	Operational Driver comments
USC BGH	0.2	April had an average 11 red days which is a decrease from previous months, unplaced in ED has continued at 9 patients. Medically optimised and ready to leave has increased to 37 and 17 respectively. The nurse fill rate has increased to 91% from 87% resulting in more use of agency and bank. Cost pressure in medical due to the new gastro consultant; annual leave cover increased due to religious festival resulting in more locum costs. There has been a steady increase in hourly rates for shifts worked - average 7% increase compared to 6 months ago.
Oncology	0.2	Non Pay £218k – Increased level of Drug expenditure in month driven by additional 189 extra SACT patient activities, £293k above recent run rate average. Macmillan and Charitable funds income, along with pay vacancies slightly offset this position.
MHLD	0.1	£90k CHC Amber savings scheme in-month Plan not realised due to timing delays; it is expected that this will be recovered by the end of the year. £21k Drugs in line previous months' run rate driven by costs and volume.
USC PPH	0.1	Site pressures continue with higher number of attendances (highest since Dec 22), admissions, medically fit & ready to leave remain at previous months' levels with surge beds at 9. Pay £191k over - Nurse Agency remains at high levels despite a reduction in Substantive (15 wte) vacancies. Current Nursing workforce fill rates are at 78%. Nurse Agency charges due to actual worked shifts being higher than those originally booked £58k. Medical locum usage continues due to vacancies. Non Pay £42k under - in month reduction against insulin pumps.

# Month 1 2023/24: Savings Performance and Identification

In-Year Plan £'000	Directorate	Annual plan	Annual forecast	Variance
Saving	DIGITAL	200,000	200,000	0
	FACILITIES	205,000	204,996	4
	FINANCE	46,000	46,000	0
	MEDICINES MANAGEMENT	120,000	120,000	0
	MENTAL HEALTH & LD	1,200,000	1,200,000	0
	NURSING	500,000	0	500,000
	PATHOLOGY	200,000	200,000	0
	PLANNED CARE	618,120	624,786	(6,666)
	THERAPIES	245,000	245,000	0
	UNSCHEDULED CARE BRONGLAIS	484,263	484,263	0
	UNSCHEDULED CARE GLANGWILI	3,309,239	511,241	2,797,998
	UNSCHEDULED CARE PRINCE PHILIP	122,740	0	122,740
UNSCHEDULED CARE WITHYBUSH	268,000	267,000	1,000	
<b>Saving Total</b>		<b>7,518,362</b>	<b>4,103,286</b>	<b>3,415,076</b>
Productivity	FACILITIES	363,000	363,000	0
	PLANNED CARE	4,540,587	4,540,584	3
<b>Productivity Total</b>		<b>4,903,587</b>	<b>4,903,584</b>	<b>3</b>
<b>Grand Total</b>		<b>12,421,949</b>	<b>9,006,870</b>	<b>3,415,079</b>