



CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	25 January 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Financial Performance Report – Month 9 2023/24
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Jennifer Thomas, 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 the Annual Plan and assesses the key financial projections, risks, and opportunities for the financial year.

Cefndir / Background

The Month 9 Health Board financial position is a overspend of £5.4m, which is made up of a £0.7m adverse variance against the planned deficit; the key drivers are summarised in the Financial Performance Report.

The original planned saving requirement of £19.5m has been met, with an additional £0.1m identified in Month 9; but this is before the additional £11.3m target control total was issued. Delivery is behind plan as outlined in the report.

Asesiad / Assessment

Revenue

The current EoY forecast as at Month 9 is reported at £72.7m.

Driver	Current month variance to breakeven £'m	Year to Date variance to breakeven £'m	End of Year forecast to breakeven £'m
Planned Deficit / Target Control Total	4.7	42.1	44.8
Operational variation	0.6	9.5	9.6
Under / (Over) delivery against identified savings schemes	0.3	2.9	4.5
Unidentified / (Identified) savings gap / (improvement)	(0.2)	0.0	11.3
Gross Position	5.4	54.5	70.2
Mitigating actions required to deliver plan / control total	0.0	0.0	Gap of (25.4)
Reported Net Position	5.4	54.5	72.7

Driver	Prior month End of Year forecast to breakeven £'m	Latest End of Year forecast to breakeven £'m	Movement in Forecast £'m
Target Control Total	44.8	44.8	0.0
Operational variation	12.1	9.6	(2.5)
Under-delivery against identified savings schemes	4.5	4.5	0.0
Unidentified savings gap	11.3	11.3	0.0
Gross Position	72.7	70.2	2.5
Mitigating actions required	Gap of (27.9)	Gap of (25.4)	(2.5)
Reported Net Position	72.7	72.7	0.0

Savings

Since Month 8, an additional £0.1m of Green schemes have been identified, related to a further Oxygen VAT rebate. This means that the Health Board has overachieved against the original £19.5m target.

Per the action from last Public Board, the table below summarises the Recurrent Plans and Forecasts on a Full Year Effect of the schemes identified this year, thus highlighting a recurrent gap that is reported as part of the Financial Performance Report

Performance against Target and Plan (£'m)	Executive Owner designation	Target	Full Year Effect Plan	Full Year Effect Forecast
Saving	Chief Executive	0.1	0.0	
	Director of Finance	1.3	0.4	0.4
	Director of Nursing, Quality & Patient Experience	0.2	0.6	
	Director of Operations	11.7	11.7	6.6
	Director of Primary Care, Community & Long Term Care	3.8	1.5	1.8
	Director of Public Health	0.1		
	Director of Strategy and Planning	1.2		
	Director of Therapies & Health Sciences	0.6	0.2	0.2
	Director of Workforce & Organisational Development	0.3	0.2	
	Medical Director	0.1	0.1	
Saving Total		19.5	14.7	9.1
Grand Total		19.5	14.7	9.1

Risks and Opportunities

Revenue	The Health Board will not be able to deliver the target control total. The current projection is c.£70m and further work is being progressed to assess the risks and opportunities during January 2024 so the month 10 report can provide a final forecast assessment for the year. This process is in recognition of the significant risks which are being managed arising from winter pressures and industrial action.
Cash	The risks to the Health Board cash shortfall is significant and addressing this will require careful management alongside colleagues in Welsh Government to minimise the impact on our suppliers.
Savings	The original plan for £19.5m savings delivery has now been identified, however, forecast delivery against plans is under-performing. Of the additional £11.3m target control total, £2.7m opportunities have been identified, the focus is to now convert these ideas into deliverable schemes.

Capital	There remains a low risk to delivering the Capital Resource Limit. All Capital schemes are progressing as anticipated.
Underlying deficit	The reported underlying deficit is undergoing an assessment of how the in-year operational variation will impact future years, including the recurrent gap within savings plans. This review will continue through the 2024/25 financial planning cycle during February and March 2024.

Argymhelliad / Recommendation

The Board is asked to:

- **NOTE** and **DISCUSS** the financial position as at Month 9; and
- **NOTE** the significant risk around the cash shortfall for the Health Board and the actions being taken as a result.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	1642 (score 25) Risk of the Health Board not being able to meet the statutory requirement of breaking even in 2023/24 due to significant deficit position
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	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: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	9. All HDdUHB Well-being Objectives apply

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 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 MHLDD – 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 – 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 Sustainable Resources Committee

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.
Risg: Risk:	Financial risks are detailed in the report.
Cyfreithiol: Legal:	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.
Enw Da: Reputational:	Adverse variance against HDdUHB's financial plan will affect its reputation with Welsh Government, Audit Wales, and with external stakeholders.

Gyfrinachedd: Privacy:	Not applicable.
Cydraddoldeb: Equality:	Not applicable.









Financial Performance Report

Month 9 2023/24

December 2023

Public Board Meeting

Contents

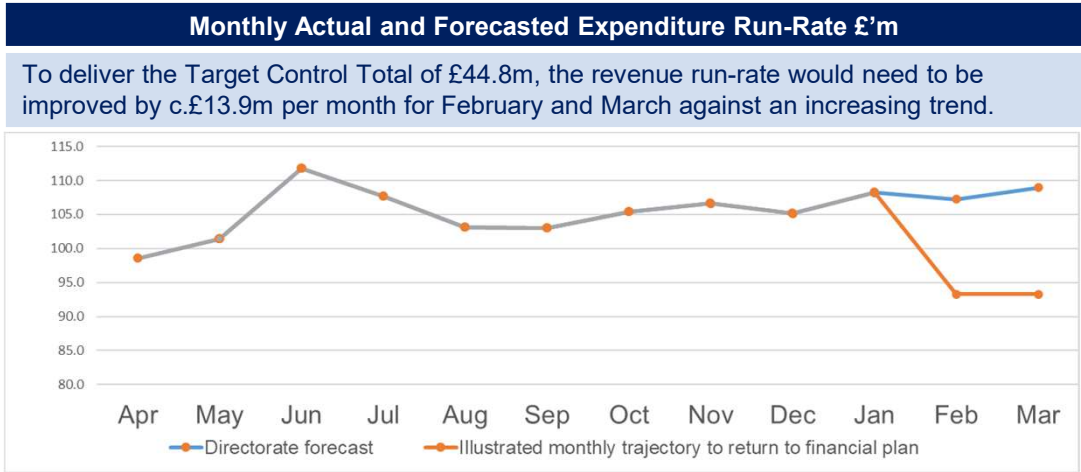
-  Executive Summary..... 3
-  Key Performance Indicators..... 6
-  Savings Performance..... 7
-  In-Month Revenue Position..... 8
-  YTD Revenue Position..... 10
-  End of Year Forecast Revenue Position..... 12
-  Key Analysis..... 15
-  Next Steps and Mitigating Actions..... 18

Executive Summary (1 of 3)

The Health Board's revised Target Control Total from Welsh Government (WG) is to deliver a deficit of £44.8m, after savings of £30.8m					
Financial Management	The Month 9 Health Board financial position is a overspend of £5.4m, which is made up of a £0.7m deterioration against the planned deficit; the key drivers are summarised below, including the current end of year (EoY) forecast. The original planned saving requirement of £19.5m is over identified, before the additional £11.3m target control total was issued.				
	Driver	Prior month variance to breakeven £'m	Current month variance to breakeven £'m	Year to Date variance to breakeven £'m	Prior month End of Year forecast to breakeven £'m
	Planned Deficit / Target Control Total	4.7	4.7	42.1	44.8
	Operational variation	0.8	0.6	9.5	12.1
	Under / (Over) delivery against identified savings schemes	0.5	0.3	2.9	4.5
	Unidentified / (Identified) savings gap / (improvement)	(0.9)	(0.2)	0.0	11.3
	Gross Position	5.1	5.4	54.5	72.7
	Mitigating actions required to deliver plan / control total	0.0	0.0	0.0	Gap of (27.9)
	Reported Net Position	5.1	5.4	54.5	72.7
Key Measures (Risk rating - Impact x Likelihood)	Revenue	Risk #1642 5 x 5 = 25	The Health Board will not be able to deliver the target control total. The current projection is c.£70m and further work is being progressed to assess the risks and opportunities during January 2024 so the month 10 report can provide a final forecast assessment for the year. This process is in recognition of the significant risks which are being managed arising from winter pressures and industrial action.		
	Cash		The risks to the Health Board cash shortfall is significant and addressing this will require careful management alongside colleagues in Welsh Government to minimise the impact on our suppliers.		
	Savings		The original plan for £19.5m savings delivery has now been identified, however, forecast delivery against plans is under-performing. Of the additional £11.3m target control total, £2.7m opportunities have been identified, the focus is to now convert these ideas into deliverable schemes.		
	Capital	Risk #1707 2 x 4 = 8	There remains a low risk to delivering the Capital Resource Limit. All Capital schemes are progressing as anticipated.		
	Underlying Deficit	Risk #1199 5 x 5 = 25	The reported underlying deficit is undergoing an assessment of how the in-year operational variation will impact future years, including the recurrent gap within savings plans. This review will continue through the 2024/25 financial planning cycle during February and March 2024.		

Executive Summary (2 of 3)

Key movements in forecast £'m			
The original £19.5m plan requirement has now been achieved. Of the additional £11.3m target control total, £2.7m opportunities have been identified, awaiting assured delivery plans.			
Driver	Prior month End of Year forecast to breakeven £'m	Latest End of Year forecast to breakeven £'m	Movement in Forecast £'m
Target Control Total	44.8	44.8	0.0
Operational variation	12.1	9.6	(2.5)
Under-delivery against identified savings schemes	4.5	4.5	0.0
Unidentified savings gap	11.3	11.3	0.0
Gross Position	72.7	70.2	2.5
Mitigating actions required	Gap of (27.9)	Gap of (25.4)	(2.5)
Reported Net Position	72.7	72.7	0.0



Key breakdown of movements £'m	
The following three breakdowns are included to highlight the key elements within the operational forecast or savings delivery and identification, that have moved from the prior month forecast. Negative values denote improvements.	
Operational Variation	Change £'m
Primary care prescribing price reductions linked to Cat M basket of drugs	(1.8)
Additional assured savings scheme (Oxygen VAT rebate)	(0.6)
LTA changes	(0.5)
Nurse agency run rate reduction	(0.4)
Medical pay challenges	0.5
Oncology activity increase	0.3
Total	(2.5)

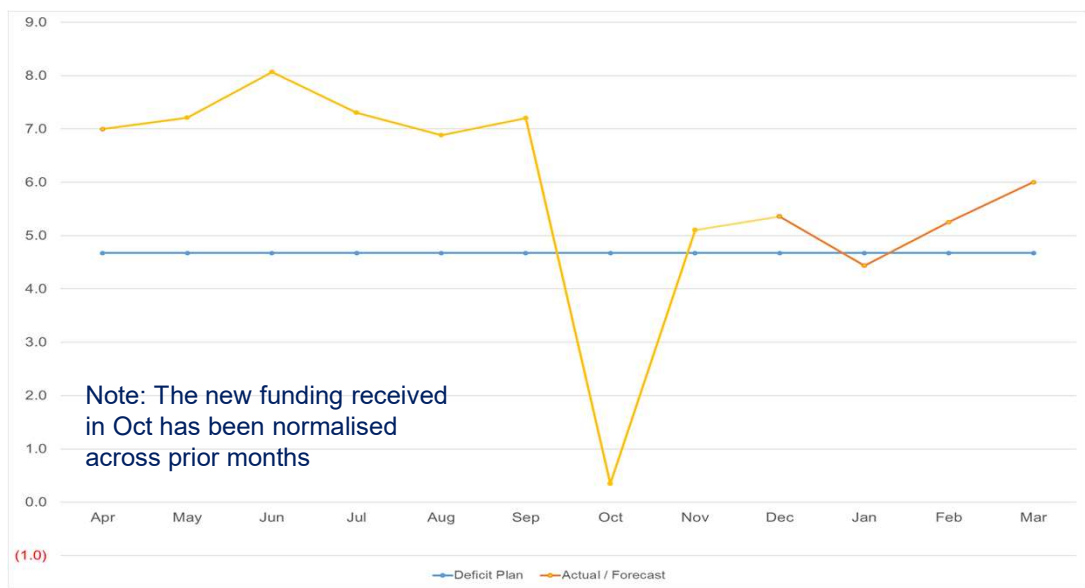
Under-delivery against identified savings schemes	Change £'m
No movement to report	0.0
Total	0.0

Unidentified savings gap	Change £'m
No in month green & amber schemes against additional £11.3m	0.0
Total	0.0

Executive Summary (3 of 3)

Revenue Deficit Trajectory £'m

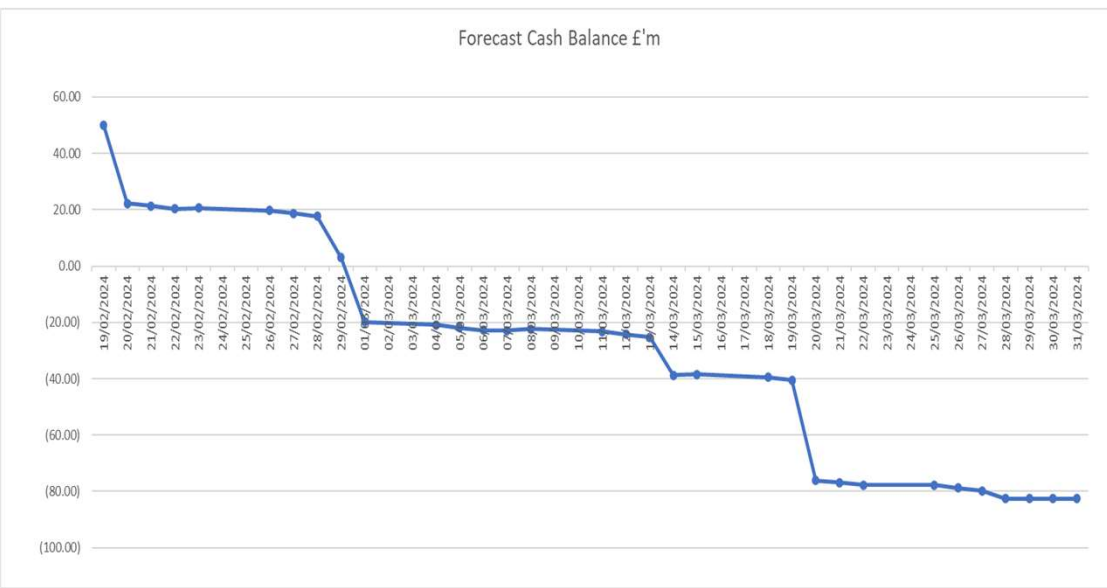
The Health Board will not be able to deliver the target control total. The current projection is c.£70m and further work is being progressed to assess the risks and opportunities during January so the month 10 report can provide a final forecast assessment for the year.



Cash Deficit Trajectory £'m

If Welsh Government are unable to fund the cash consequences of the revenue deficit this will lead to a significant shortfall in the year end cash position, with insufficient cash to make payments from the end of February 2024 and we will not be able to make payments on 1 March 2024. A cash management strategy approach was taken to Board in October 2023 and endorsed, but if required, will have reputational consequences.

The Health Board awaits a response to the strategic cash request that has been submitted to Welsh Government. Measures will need to be enacted should the requested amount not be received. WG has confirmed that this will be received before the end of January.



Key Performance Indicators



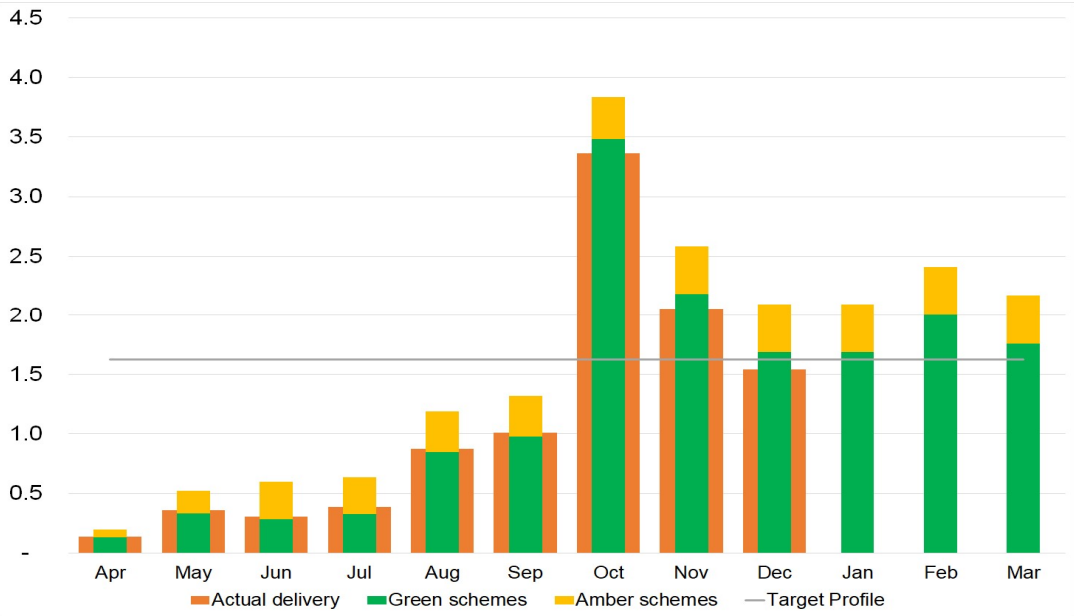
Savings Performance (assessed against the original Annual Plan of £19.5m, therefore excluding Control Total Target of £11.3m)

Risk-assessed directorate profiled savings performance (£'m)

The original savings target of £19.5m has now been identified. Of the identified schemes, 68% are recurrent, and of their planned value of £13.2m, the annual forecast is currently assessed as £8.6m – this highlights significant risk approaching the 2024/25 planning cycle, as well as highlighting under-delivery against identified plans.

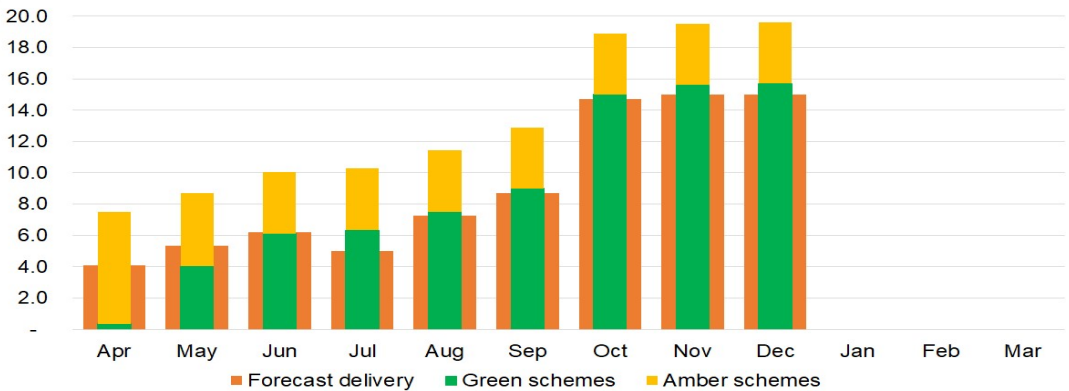
A weekly progress report is being presented to the Executive Team to retain sufficient strategic focus on key deliverables; the delivery of identified savings schemes and conversion of opportunities into deliverable plans is a priority.

The Opportunities Framework presents a significant range and size of opportunities to identify the additional £11.3m, of which £2.7m have been identified. The focus is to now convert these ideas into credible and deliverable schemes.



Monthly End of Year progress for identified and risk-assessed savings delivery (£'m)

Since Month 8, an additional £0.1m of Green schemes have been identified, related to a further Oxygen VAT rebate.



Savings identification and performance against target and planned benefits (£'m)

With the additional scheme, the forecast delivery of identified schemes has increased from £14.7m to £15.0m, with £4.6m of plans still signalling an under-delivery.

Executive Owner designation	Target	Plan	Forecast	Plan v Target (+ve = adverse)	F'cast v Plan (+ve = adverse)	F'cast v Target (+ve = adverse)
Chief Executive	0.1	0.2	0.2	(0.1)	0.0	(0.1)
Director of Finance	1.3	0.5	0.5	0.8	0.0	0.8
Director of Nursing, Quality & Patient Experience	0.2	0.6	0.1	(0.3)	0.5	0.2
Director of Operations	11.7	14.4	10.4	(2.7)	4.0	1.3
Director of Primary Care, Community & Long Term Care	3.8	2.0	1.9	1.7	0.2	1.9
Director of Public Health	0.1			0.1	0.0	0.1
Director of Strategy and Planning	1.2	0.6	0.6	0.7	0.0	0.7
Director of Therapies & Health Sciences	0.6	0.2	0.2	0.3	0.0	0.3
Director of Workforce & Organisational Development	0.3	0.8	0.8	(0.4)	0.0	(0.4)
Medical Director	0.1	0.3	0.3	(0.3)	0.0	(0.3)
	19.5	19.6	15.0	(0.1)	4.6	4.5

In-Month Revenue Position

The below table shows the key thematic drivers of the in-month deficit position; the following slide presents the financial cost categories by the respective Delegated Officer.

Theme	£'m	£'m	Operational Driver comments
Planned Deficit	4.7		Excludes £11.3m Target Control Total additional savings
Under / (over) performing savings schemes	0.2	0.1	USC GGH under-delivery in relation to Nurse Stabilisation and MHLD CHC scheme. The under-delivery has been partially offset by a switch to Biosimilar for Wet AMD patients in Planned Care
Identified savings schemes	(0.1)		Oxygen VAT savings £0.1m – additional recurring element identified
Nurse Agency, Bank and Overtime	0.2	0.6	Continuing agency use at all sites, however usage has reduced from November 2023. One off costs in MH&LD in relation to old year invoices for off contract agency.
Medical Locum	0.6		During the month BGH, PPH, WGH and W&C reported continuing trends with medical ad-hoc hours to cover vacancies, maternity and sickness and PPH reported increases due to additional shadowing of shifts
Primary Care prescribing	0.2		Primary Care drugs cost per item has been forecasted at £7.84 for August and September and decrease to £7.82 from October onwards in line the latest CaT M cost announcement. Primary Care item growth of 1.05% in line with the number of items reported from April to July 2023.
Other Non-Pay	(0.4)		One off reduction in contract costs in Facilities and reduction in building rates and insurance costs
Operational variance	0.7		
Reported in-month position	5.4		

In-Month Revenue Position – Variance to Budget (£'000)

DIRECTORATE	PAY				NON PAY				INCOME	GRAND TOTAL
	ADMINISTRATION AND ESTATES	ALLIED HEALTH, SCIENTISTS AND OTHER	MEDICAL AND DENTAL	NURSING AND CLINICAL SUPPORT	CLINICAL SERVICES AND SUPPLIES	COMMISSIONED HEALTHCARE SERVICES	DRUGS AND PRESCRIBING	OTHER NON-PAY		
CENTRAL INCOME	-	-	-	-	-	-	-	-	(5)	(5)
CHIEF EXECUTIVE	(3)	-	-	-	-	8	-	40	4	48
DIRECTOR OF FINANCE	(48)	7	(6)	-	-	(156)	-	228	(62)	(37)
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	(50)	8	(4)	6	3	26	-	(49)	40	(20)
DIRECTOR OF OPERATIONS	(114)	73	469	462	168	855	36	(1,053)	(359)	537
ASST DIR OPS QUALITY & NURSING	(29)	(1)	-	(11)	(11)	-	(0)	0	-	(53)
FACILITIES	(68)	(1)	-	(7)	1	(1)	0	(519)	(14)	(608)
MENTAL HEALTH & LEARNING DISABILITIES	(20)	10	72	(378)	20	784	(20)	(52)	(60)	356
ONCOLOGY & CANCER SERVICES	(4)	10	(21)	22	4	1	21	13	(56)	(10)
OPERATIONS DIR MANAGEMENT	(19)	2	76	(45)	2	(3)	4	(477)	11	(449)
PATHOLOGY	(7)	27	8	(8)	16	34	17	(16)	(66)	7
PLANNED CARE	(2)	(2)	95	(171)	(25)	30	(70)	68	(66)	(142)
RADIOLOGY	(6)	(5)	29	21	13	12	(16)	2	(17)	32
UNSCHEDULED CARE BRONGLAIS	15	(13)	255	75	11	5	(15)	2	16	351
UNSCHEDULED CARE GLANGWILI	6	14	131	455	26	(13)	103	(142)	1	582
UNSCHEDULED CARE PRINCE PHILIP	3	(6)	109	43	112	-	(33)	(2)	(41)	185
UNSCHEDULED CARE WITHYBUSH	(18)	34	(459)	444	12	3	51	10	(34)	45
WOMEN & CHILDREN	34	3	174	24	(15)	1	(5)	59	(33)	242
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	25	16	197	(32)	80	(441)	292	133	71	341
CARMARTHENSHIRE COUNTY	31	(2)	4	60	11	(15)	2	26	(32)	85
CEREDIGION COUNTY	3	(4)	(1)	(4)	9	9	6	(12)	4	10
PEMBROKESHIRE COUNTY	(10)	(2)	21	(76)	25	61	(0)	72	16	106
MEDICINES MANAGEMENT	0	(51)	-	(13)	20	(1)	263	9	(37)	191
PRIMARY CARE	2	77	173	(17)	21	(509)	21	22	109	(102)
PRIMARY CARE MANAGEMENT	(0)	(2)	0	19	(6)	14	0	16	11	51
DIRECTOR OF PUBLIC HEALTH	(57)	(1)	(7)	(103)	(1)	2	75	(11)	(39)	(142)
DIRECTOR OF STRATEGY AND PLANNING	(60)	1	(2)	-	-	0	-	52	(4)	(13)
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	9	(48)	(2)	(7)	4	21	(2)	17	(63)	(71)
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	(108)	(17)	(64)	(171)	0	161	(8)	224	(92)	(73)
EXECUTIVE MEDICAL DIRECTOR	53	29	(2)	10	(0)	-	0	(114)	(65)	(89)
HEALTH BOARD FINANCING	18	-	-	-	2	(724)	35	1,159	177	667
LTA'S WITH OTHER NHS PROVIDERS	9	-	-	-	(106)	18	0	(1)	-	(80)
DEFICIT RECOGNISED IN THE PLAN	56	89	1,810	3,169	45	-	44	(539)	-	4,675
UNIDENTIFIED SAVINGS GAP	-	-	-	-	-	-	-	(382)	-	(382)
Grand Total	(269)	156	2,390	3,335	195	(231)	472	(296)	(397)	5,356

Year to Date (YTD) Revenue Position

The below table shows the key thematic drivers of the YTD deficit position; the following slide presents the financial cost categories by the respective Delegated Officer.

Theme	£'m	£'m	Operational Driver comments
Planned YTD deficit	42.1		Excludes £11.3m Target Control Total additional savings
Under / (over) performing savings schemes	3.0	2.9	USC GGH under-delivery in relation to Nurse Stabilisation and MHLD savings schemes.
Identified savings schemes	(0.1)		Identified savings over target of £0.1m for Home Oxygen VAT recovery.
Nurse Agency	3.9	9.5	Increased Agency rates of pay and fill rates; some improvement in-month in the reliance on off-contract agency resource across all USC sites.
Medical Locum	3.3		Premium rates paid across Directorates over and above the Health Board rate card. GGH, WGH and PPH reported increased Locum costs in respect of supervision for the new GP trainees.
Primary Care Prescribing	1.4		Continued recognition in month of Drugs items growth of 1.05% and cost per item of £7.84 against a planned growth of 1.04% and cost per item of £7.59.
CHC MHLD	2.7		MHLD additional high-cost packages.
Vacancies MHLD	(2.0)		High vacancies partly offset with use of bank to cover both vacancies and sickness. Highest vacancy numbers in Nursing and Midwifery.
Primary Care	(0.6)		Underspend in GMS (PADMS prescribing and dispensing) and Dental (reduction in contracts) partly offset by Managed Practice overspend (Locum expenditure).
Other	0.3		Primarily driven by vacancies across a number of corporate areas offset by several non pay items primarily relating to Drugs.
Operational variation	12.4		
Reported YTD Position	54.5		

Year to Date (YTD) Revenue Position – Variance to Budget (£'000)

DIRECTORATE	PAY				NON PAY				INCOME	GRAND TOTAL
	ADMINISTRATION AND ESTATES	ALLIED HEALTH, SCIENTISTS AND OTHER	MEDICAL AND DENTAL	NURSING AND CLINICAL SUPPORT	CLINICAL SERVICES AND SUPPLIES	COMMISSIONED HEALTHCARE SERVICES	DRUGS AND PRESCRIBING	OTHER NON-PAY		
CENTRAL INCOME	-	-	-	-	-	-	-	-	(201)	(201)
CHIEF EXECUTIVE	(179)	0	-	-	1	58	-	228	(76)	32
DIRECTOR OF FINANCE	(177)	62	(46)	1	-	(550)	0	1,228	(711)	(193)
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	(219)	97	(27)	14	7	47	-	452	(133)	237
DIRECTOR OF OPERATIONS	(78)	(1,008)	4,678	2,760	533	5,350	1,458	2,503	(2,917)	13,278
ASST DIR OPS QUALITY & NURSING	(41)	(13)	-	(75)	(59)	-	(0)	(1)	-	(190)
FACILITIES	(249)	1	-	(43)	28	(1)	4	1,978	(1,114)	605
MENTAL HEALTH & LEARNING DISABILITIES	(119)	(1,284)	388	(2,743)	110	4,657	145	58	(404)	808
ONCOLOGY & CANCER SERVICES	31	40	(223)	125	64	(7)	364	22	(60)	358
OPERATIONS DIR MANAGEMENT	(124)	(105)	(176)	(367)	(16)	(61)	36	(442)	(53)	(1,308)
PATHOLOGY	(79)	178	(46)	11	356	331	(118)	(25)	(317)	291
PLANNED CARE	2	(97)	190	(454)	(628)	299	(166)	433	(419)	(840)
RADIOLOGY	(32)	180	106	101	287	105	(87)	40	(146)	553
UNSCHEDULED CARE BRONGLAIS	143	(67)	2,142	803	106	11	31	74	143	3,386
UNSCHEDULED CARE GLANGWILI	158	14	490	4,269	79	(14)	601	(123)	(22)	5,452
UNSCHEDULED CARE PRINCE PHILIP	47	(39)	629	361	95	0	47	68	(53)	1,156
UNSCHEDULED CARE WITBYBUSH	(33)	116	379	593	86	31	589	113	(244)	1,631
WOMEN & CHILDREN	217	69	800	177	24	(3)	12	308	(229)	1,375
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	179	330	1,625	324	512	(4,685)	2,133	524	485	1,428
CARMARTHENSHIRE COUNTY	81	21	(19)	566	104	(307)	18	94	(31)	527
CEREDIGION COUNTY	20	(13)	(28)	181	82	25	44	(63)	(76)	171
PEMBROKESHIRE COUNTY	(14)	(21)	(53)	(611)	200	(333)	35	301	255	(241)
MEDICINES MANAGEMENT	32	(242)	-	104	113	86	1,878	117	(565)	1,523
PRIMARY CARE	157	600	1,691	(120)	229	(4,394)	158	(10)	910	(779)
PRIMARY CARE MANAGEMENT	(97)	(15)	35	203	(216)	239	0	86	(8)	227
DIRECTOR OF PUBLIC HEALTH	(30)	(39)	(88)	(165)	1	(147)	173	(13)	(309)	(617)
DIRECTOR OF STRATEGY AND PLANNING	(68)	3	(7)	-	0	4	-	(81)	(126)	(275)
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	92	(970)	(19)	(56)	33	33	(20)	206	(444)	(1,144)
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	(1,044)	(62)	(493)	(1,098)	66	361	2	1,876	(602)	(992)
EXECUTIVE MEDICAL DIRECTOR	197	170	60	134	46	-	1	(586)	(669)	(648)
HEALTH BOARD FINANCING	188	-	0	(131)	15	(4,262)	358	5,428	(402)	1,195
LTA'S WITH OTHER NHS PROVIDERS	86	-	-	-	(106)	(1,112)	0	(4)	(17)	(1,152)
DEFICIT RECOGNISED IN THE PLAN	508	799	16,294	28,524	404	-	395	(4,849)	-	42,074
UNIDENTIFIED SAVINGS GAP	-	-	-	-	-	-	-	1,450	-	1,450
Grand Total	(545)	(619)	21,978	30,307	1,512	(4,902)	4,500	8,362	(6,123)	54,468

End of Year (EoY) Forecast Revenue Position

The below table shows the key thematic drivers of the EoY deficit position; the following slide presents the financial cost categories by the respective Delegated Officer.

Theme	£'m	£'m	Operational Driver comments
Planned Deficit	56.1		
Under / (over) performing savings schemes	4.6	4.5	USC GGH under-delivery in relation to Nurse Stabilisation and TUEC bed reductions and MHLD CHC package review scheme not yielding the full benefits
Identified savings schemes	(0.1)		Home Oxygen VAT scheme has exceeded the required £19.5m of identified plans
Nurse Agency	3.5	9.6	Agency rates of pay and fill rates; further improvement in-month in the reliance on agency resource across all USC sites but is decreasing with increased fill rates across sites
Medical Locum	6.1		Premium rates paid across several Directorates over and above the Health Board rate Card. Additional expenditure also incurred to cover roster vacancies and sickness/ annual leave across sites. Women's and Children's costs increasing due to issues in Obstetric and Gynaecology locum use.
Primary Care Prescribing	0.9		Drugs average cost per item of £7.80 for April to September 2023. The average price from October onwards is £7.55 which reflects most recently published data. Item growth at 1.05% for FY24.
Continuing Healthcare	5.8		Overspend driven by additional growth, patient acuity and price inflation in MH&LD and a high cost CHC package in W&C
Facilities non pay (Provisions & postage)	1.0		Increased prices with main supplies for Provisions of 14-20% has meant an increase in costs of £0.4m; also 5% increase in volume; £0.4m increase in Postage costs attributable to 15% increase in prices earlier in the year along with a further 15% increase from October 2023
Mental Health vacancies	(4.7)		High vacancies partly offset with use of bank cover, mostly within Nursing and Midwifery
Primary Care	(1.3)		Dental underspends (2.4m) driven by 2022/23 contract underperformance recovery, offset by overspend on managed practice
LTA's	(1.5)		WHSCC risk share adjustment (£2m) due to slippage on in-year developments and the release of reserves
Other	(0.2)		Primarily driven by non-pay reductions across Directorates, M&SE supplies, external contracts, building and insurance costs.
Operational variance	14.1		
EoY Forecast	70.2		

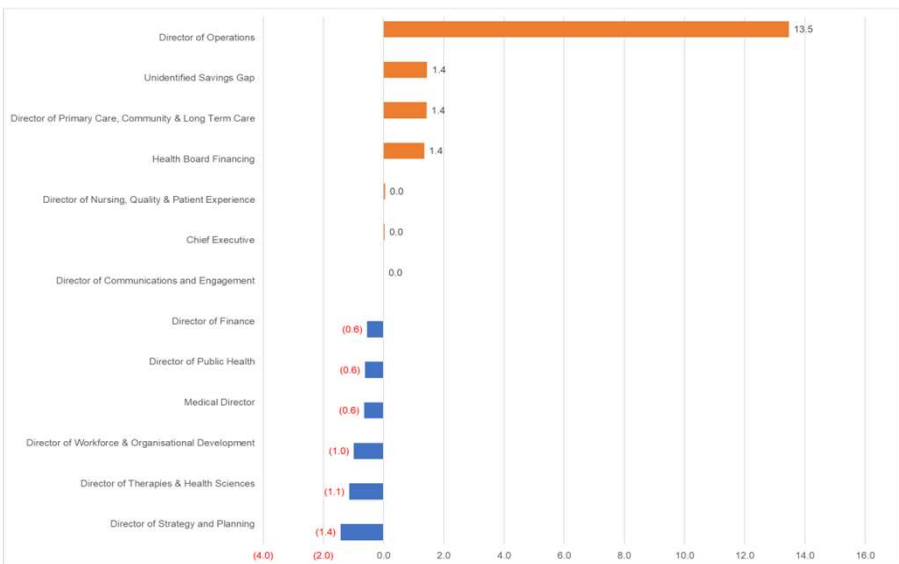
End of Year (EoY) Forecast Gross Revenue Position – Variance to Budget (£'000)

DIRECTORATE	PAY				NON PAY				INCOME	GRAND TOTAL
	ADMINISTRATION AND ESTATES	ALLIED HEALTH, SCIENTISTS AND OTHER	MEDICAL AND DENTAL	NURSING AND CLINICAL SUPPORT	CLINICAL SERVICES AND SUPPLIES	COMMISSIONED HEALTHCARE SERVICES	DRUGS AND PRESCRIBING	OTHER NON-PAY		
CENTRAL INCOME	-	-	-	-	-	-	-	-	(318)	(318)
CHIEF EXECUTIVE	(332)	0	-	-	1	84	-	273	(127)	(100)
DIRECTOR OF FINANCE	(134)	82	(64)	1	-	(1,019)	0	1,950	(954)	(138)
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	(371)	121	(38)	130	16	47	-	695	(165)	434
DIRECTOR OF OPERATIONS	(170)	(1,216)	6,924	3,125	307	7,725	2,263	2,509	(2,887)	18,579
ASST DIR OPS QUALITY & NURSING	(55)	(17)	-	(72)	(44)	-	(0)	4	-	(184)
FACILITIES	(518)	1	-	(63)	32	-	5	1,984	(977)	464
MENTAL HEALTH & LEARNING DISABILITIES	(163)	(1,535)	567	(3,559)	126	6,193	205	39	(482)	1,392
ONCOLOGY & CANCER SERVICES	19	70	(287)	190	86	5	617	27	(73)	653
OPERATIONS DIR MANAGEMENT	(182)	(99)	107	(503)	(32)	79	48	(759)	320	(1,022)
PATHOLOGY	(118)	266	(11)	(13)	337	450	(105)	(14)	(416)	377
PLANNED CARE	194	(208)	330	(711)	(911)	413	(310)	590	(510)	(1,123)
RADIOLOGY	(49)	133	194	161	104	140	(106)	44	(196)	424
UNSCHEDULED CARE BRONGLAIS	187	(105)	2,923	1,078	141	27	69	95	190	4,604
UNSCHEDULED CARE GLANGWILI	192	37	843	5,596	100	(23)	889	(106)	(40)	7,488
UNSCHEDULED CARE PRINCE PHILIP	56	(57)	1,005	455	225	0	63	89	(61)	1,776
UNSCHEDULED CARE WITHYBUSH	(51)	217	502	370	116	40	842	160	(334)	1,864
WOMEN & CHILDREN	318	80	751	197	25	401	45	355	(308)	1,865
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	220	432	2,278	251	764	(6,287)	1,699	227	854	438
CARMARTHENSHIRE COUNTY	121	23	25	764	142	(60)	24	(236)	(21)	781
CEREDIGION COUNTY	28	(23)	(31)	165	107	(15)	63	(39)	(65)	190
PEMBROKESHIRE COUNTY	(43)	(27)	(54)	(890)	284	(69)	49	32	335	(382)
MEDICINES MANAGEMENT	34	(359)	-	123	173	-	1,342	161	(617)	857
PRIMARY CARE	179	840	2,292	(171)	296	(6,144)	221	(21)	1,232	(1,277)
PRIMARY CARE MANAGEMENT	(99)	(20)	46	259	(239)	2	0	331	(10)	270
DIRECTOR OF PUBLIC HEALTH	(201)	(38)	(110)	(478)	(1)	(136)	238	(52)	(426)	(1,204)
DIRECTOR OF STRATEGY AND PLANNING	95	6	(18)	-	0	5	-	(34)	(292)	(239)
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	119	(1,161)	(25)	(77)	44	13	(27)	261	(633)	(1,485)
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	(1,349)	(112)	(684)	(1,610)	75	470	3	2,624	(839)	(1,423)
EXECUTIVE MEDICAL DIRECTOR	244	379	78	165	44	-	1	(666)	(747)	(503)
HEALTH BOARD FINANCING	236	-	0	(131)	71	180	358	1,345	(402)	1,658
LTA'S WITH OTHER NHS PROVIDERS	115	-	-	-	(142)	(1,450)	0	(6)	(17)	(1,500)
DEFICIT RECOGNISED IN THE PLAN	677	1,065	21,725	38,033	539	-	526	(6,465)	-	56,100
UNIDENTIFIED SAVINGS GAP	-	-	-	-	-	-	-	(138)	-	(138)
Grand Total	(851)	(443)	30,065	39,408	1,718	(368)	5,062	2,523	(6,953)	70,161

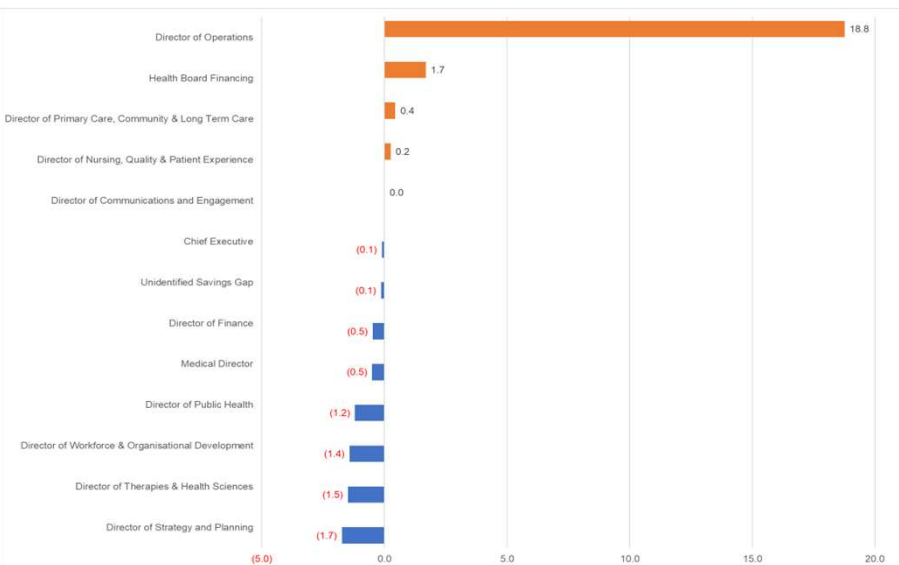
Summary Financial Performance by Portfolio (£'m)

Delegated Officer Performance

Year to Date

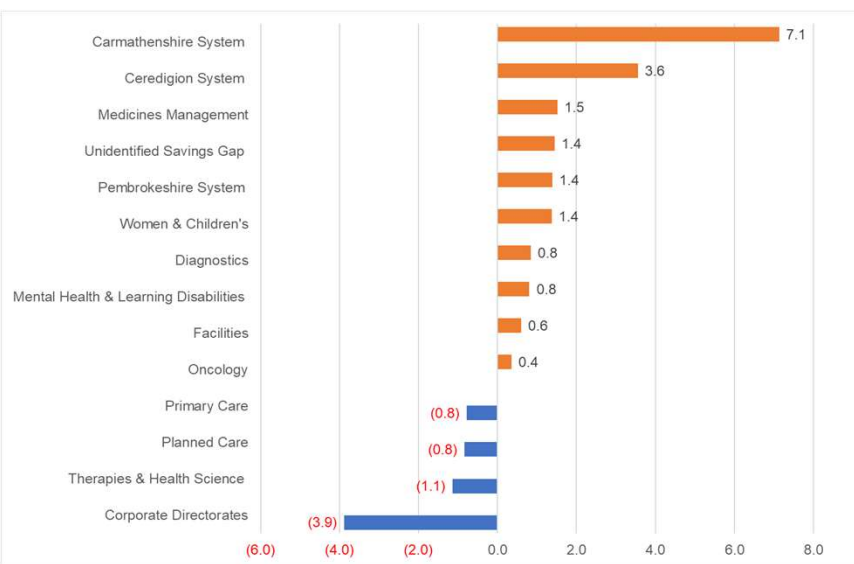


End of Year

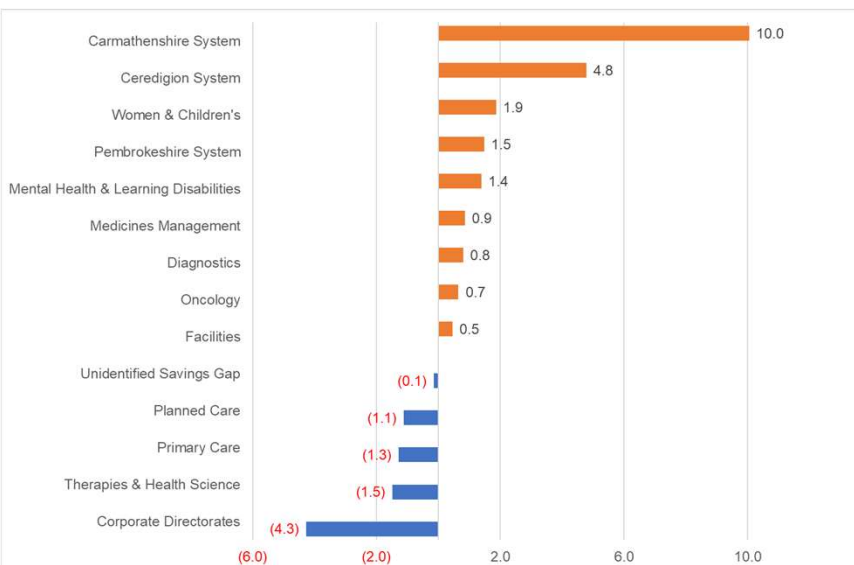


Service Portfolio Performance

Year to Date



End of Year



Key Analysis (1 of 3)

Established Worked (WTE)

The latest data is showing a concerning tre...

Expected performance is between 10237 a...



There has been an increase of c.935 in the number of WTEs since April 2022 without a corresponding increase in bed capacity or elective activity.

Medical Locum expenditure (£'m)

The latest data is showing a concerning tre...

Expected performance is between £1,611,5...



On-call cover for junior doctors and cover for sickness absence and fragile services continue to be of concern with the use of premium cost locums.

Nurse Agency Worked (WTE)

The latest data is showing improvement.

Expected performance is between 246 and...



There has been a significant decrease in Nurse Agency utilisation and WTE is now below April 2022 levels, this is following the Core Delivery Group's decision to restrict Nurse Agency utilisation, with the exception of WGH where reductions are due to RAAC.

Nurse Agency expenditure (£'m)

This indicator is showing expected (commo...

Expected performance is between £1,159,879 and £2,730,157

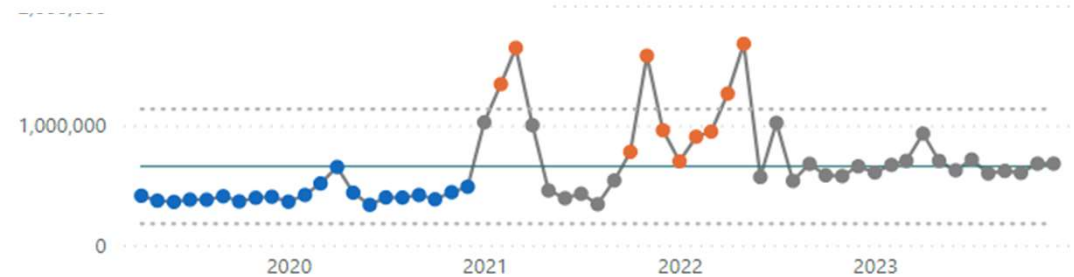


Following the Core Delivery Group's decision to restrict Agency utilisation and terms/rates, no Off-Contract Agency Nursing were utilised over the last four months.

Key Analysis (2 of 3)

Overtime expenditure (£'m)

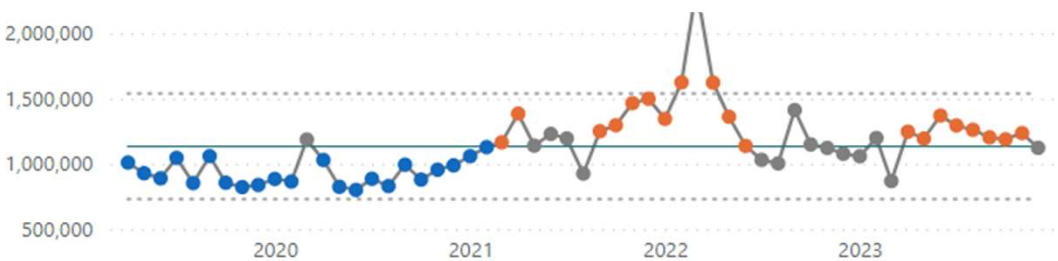
This indicator is showing expected (common cause) variation. Expected performance is between £180,800 and £1,538,119



No significant variation.

Bank expenditure (£'m)

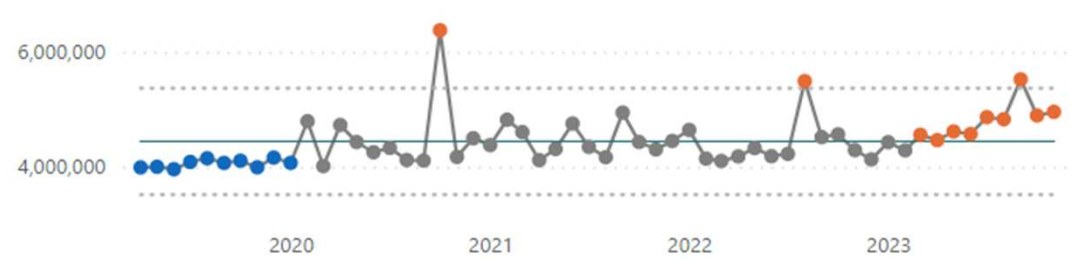
This indicator is showing expected (common cause) variation. Expected performance is between £728,835 and £1,538,119



No significant variation.

Continuing Healthcare expenditure (£'m)

The latest data is showing a concerning trend which needs to be investigated. Expected performance is between £3,517,387 and £5,370,081



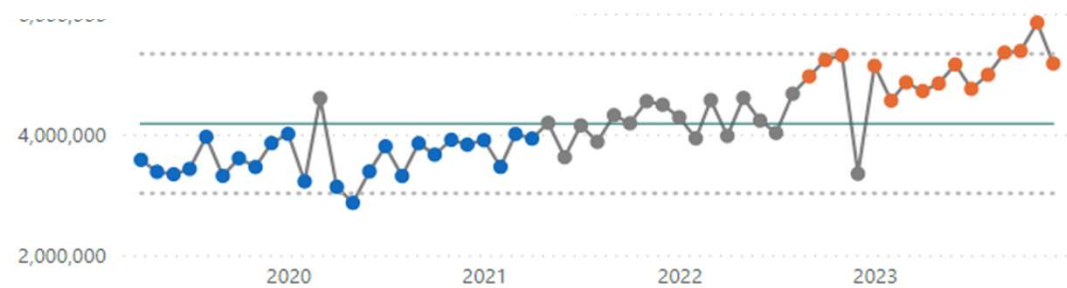
High-cost packages and increases in volume of packages across Women & Children, MHLD and Counties.

Key Analysis (3 of 3)

Secondary Care Drugs expenditure (£'m)

The latest data is showing a concerning trend which needs to be investigated.

Expected performance is between £3,023,836 and £5,331,938

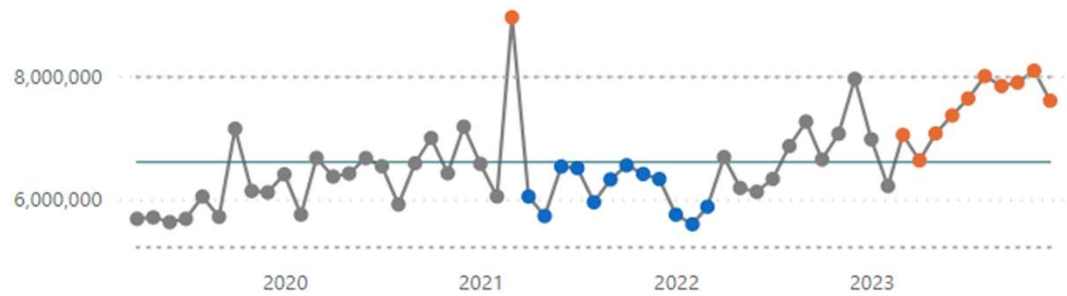


High-cost drugs, price increases and activity increases across Acute services and specifically within Oncology where SACT activity numbers are 7.5% (144 patients) higher than the average seen for 2022/23. Reductions in Homecare drugs across all sites.

Primary Care Prescribing expenditure (£'m)

The latest data is showing a concerning trend which needs to be investigated.

Expected performance is between £5,224,544 and £7,980,714



Data received in January reflects a CaT M price reduction including the significant price reduction for Apixaban. This continues to be benchmarked at a National level.

Next Steps and Mitigating Actions

- In month, there were positive actions which identified further recurrent and non-recurrent savings of £0.1m, resulting in identification of £19.6m savings plans in total.
- The Executive Team have agreed and cascaded a directorate level target control total to target improvements for the additional £11.3m savings requirement. £2.7m opportunities have been identified against the target, although this is positive, no assurance can be taken at this time for robust delivery plans being in place.
- Nurse stabilisation schemes, supported with national and international recruitment, have curtailed agency costs being incurred, allowing for significant increases in fill rates to provide more consistent and appropriate care.
- Further work is ongoing with the increased cost of supporting junior doctors and wider medical absences that continue to impact.
- 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, Core Delivery Group (CDG) and Board. The following tables summarised the actions taken to date, and the further work scheduled for deep dives:

What has been delivered	Impact £'m	Further work plan deep dives	Owner	Status	Potential £'m
39 bed reduction in Pembrokeshire	1.6	Exploration of 100 additional virtual beds	Andrew Carruthers	Enquire	TBC
Travel and accommodation ban for agency nurses	1.2	Nursing establishment in 25a areas	Mandy Rayani	Discover	TBC
Removal of all Thornbury Nursing Services provided agency nurses	3.0	Review acute models of care	Andrew Carruthers	Enquire	TBC
Obstetrics and Gynaecology rota reassessment	0.4	Configuration of our Mental Health s.136 unit	Andrew Carruthers	Enquire	TBC
HCSW agency cessation – achieved last year, but delivered this year	0.0	Reducing secondary & tertiary demand on Acute Kidney Injury	Andrew Carruthers	Discover	0.5
Pause of International Nurse Recruitment	0.5	Planned Care Programme to address service fragility	Andrew Carruthers	Enquire	TBC
Delay of projects to the next financial year	0.5	Continued roll-out of generics in Medicines Management	Jill Paterson	Deliver	1.1
		TUEC impact on bed base	Andrew Carruthers	Deliver	0.6
		Admin and Clerical review of services	Lisa Gostling	Enquire	TBC
		Procurement improvements	Huw Thomas	Deliver	2.0