CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	28 November 2024
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Financial Performance Report – Month 7 2024/25
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Huw Thomas, Executive Director of Finance
SWYDDOG ADRODD: **REPORTING OFFICER:**	Andrew Spratt, Deputy Director of Finance Jennifer Thomas, Head of Corporate Reporting

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

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 assess the key financial projections, risks and opportunities for the whole of the financial year.

Cefndir / Background

The Health Board approved a budget on 28 March 2024 for the purposes of delegating budgets across the organisation. This represented a planned deficit of £64.0m, after the delivery of £32.4m of necessary savings. Delivering this requires a deficit of no more than £5.3m in month.

It was recognised by the Board that approving a budget which included a planned deficit was a 'novel and contentious action' and as such the Accountable Officer wrote to the Director General for Health and Social Care in Welsh Government to advise them of this action. This remains an unacceptable position for both the Health Board and Welsh Government, who have since responded to the Accountable Officer stating such.

Asesiad / Assessment

Financial Position

- The Health Board is reporting a deficit of £4.3m in-month, which is a favourable variance of £1.0m, – the second consecutive month of the financial year that was better than the planned in-month deficit and is now on track to achieve the planned deficit of £64.0m as summarised in the table below (page 3, Appendix 1).

Driver (£'m)	Current month variance to breakeven	Year to Date variance to breakeven	End of Year forecast to breakeven
Planned Deficit	5.3	37.1	64.0
Unidentified / (Identified) savings gap / (improvement)	(0.1)	1.5	1.9
Under / (Over) Delivery of Savings Schemes	0.1	0.8	0.8
Core Operational Variation	(1.0)	(1.0)	(2.7)
Gross Forecast	4.3	38.4	64.0
Future mitigating actions required to deliver Planned Deficit	-	-	0.0
Reported Net Position	4.3	38.4	64.0

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

Financial Performance

- The Chief Operating Officer (£1.5m), Director of Nursing (£0.5m), and Health Board wide (£1.8m) portfolios are adversely performing against core budgets, offset by all other directorates under spending against core budgets (page 5 refers).
- The projected under-delivery against identified savings plans of £0.8m is linked, in the main, to bed plans within WGH.

Savings delivery and implications for underlying deficit

- There has been significant effort in the last quarter to identify the £32.4m Savings target, the current savings gap is now £1.9m.
- Whilst the savings delivery is positive, of the £30.5m identified to date, there remains a £14.2m recurrent delivery gap, and consequently, the underlying deficit is reported as £77.2m this month.

Board agreed mitigating actions

- Of the list of actions presented to the Board Seminar and the Public Board in September 2024, currently £2.3m out of the £4.2m planned actions is delivering and further work is ongoing to deliver the balance.
- Each action is associated with either an Operational or Corporate Lead as appropriate and these leads are continually assessing what further actions must be implemented in order to meet the required delivery.
- Please refer to slide 11 of Appendix 1.

Cash

- Board members will be aware that the Health Board has been highlighting the significant shortfall in cash that will occur at this year-end if steps are not taken to address the deficit position. The Health Board was given a control total deficit of £44.8m for 2024/25 by WG but the forecast deficit for the year is £64.0m. It is acknowledged that this plan has not been agreed by the Board and deemed unacceptable and unsupportable by WG. However, it is anticipated that the actions being taken by the Health Board will deliver £64.0m.
- The cash deficit is forecast at £64.0m. This is on the assumption that WG will support working capital balances of £46.6m and pending allocations will be received in full before year end.
- In line with the Technical Update Letter 4 (Appendix 2), the Health Board is required to request strategic cash assistance in the form of an Accountable Officer Letter approved by the Board. This letter is attached for discussion and approval as Appendix 3.

- Should the requested strategic cash not be made available the Health Board will need to instigate the Cash Management Strategy that was approved by the Sustainable Resources In-Committee on 22 October 2024. This would represent significant risks to the Health Board.

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

Forecast Deficit

- The Board's expectation was to de-risk the financial delivery of the Annual Plan in Quarter 1. Improvements have been made and the Health Board is now forecasting to deliver the planned deficit of £64.0m; however, this itself is in excess of the Target Control Deficit issued by Welsh Government of £44.8m.
- The Health Board is expected to improve on the planned deficit of £64.0m, but at this stage there are no assured plans in place which would deliver this. Actions will be continuing to improve the position on an ongoing basis.

Mitigating recurrent savings shortfall

- There is a recurrent savings shortfall of £14.2m against the annual savings target of £32.4m which needs to be addressed prior to the 2025/26 Annual Planning cycle with a £20.0m commitment made by the Executive Directors to identify robust recurring deliverable plans by December 2024.
- Further actions required also include converting non-recurrent savings schemes to recurrent; and converting schemes currently risk rated as Red and Blue at pace into credible and deliverable Amber and Green schemes.
- Services have undertaken an initial review to convert non recurrent schemes to recurrent, but this has only yielded a nominal value to date with an agenda item added to the next round of Escalation meetings to scrutinise further.

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

Capital

- There is a currently a low risk to delivering the Capital Resource Limit, as all schemes are progressing as anticipated with ongoing reviews in place to continuously review.

Grip and Control measures

- An internal escalation framework has been agreed and implemented. Escalation meetings have been undertaken for all escalated directorates. These directorates have received a clear message over the need to deliver financial recovery plans for their core budgets, and to convert savings opportunities into deliverable plans.
- Grip and control measures covering recruitment, training and procurement are overseen through the Financial Control Subgroup, chaired by the Director of Finance, which is providing scrutiny to current vacancies.
- Further controls implemented include:
    - Any planned Nurse and Healthcare agency has ceased from 4 November 2024 for all service areas with the exception of Bronglais General Hospital, where planned agency will cease from March 2025 given the timing of international recruitment.
    - Admin and Clerical variable pay, including additional hours, overtime, and bank requests has ceased from 4 November 2024.

- Exceptional requests will only be approved via an application to the Financial Control Subgroup.

Argymhelliad / Recommendation

The Board is asked to:

- **RECOGNISE** that the Health Board's opening budget deficit of £64.0m is not an acceptable position for the Board, or Welsh Government. This position is not backed by cash support from Welsh Government at this stage, as it is in excess of the Target Control Total of £44.8m, which represents a key corporate risk for the Health Board
- **SCRUTINISE** the progress of savings actions undertaken as part of the recommendations presented to Public Board in September 2024.
- **ACKNOWLEDGE** the efforts taken to deliver an in-month delivery of £4.3m; the monthly forecast trajectory for the rest of the financial year is on course to be lower than the monthly Annual plan deficit of £5.3m and therefore the Health Board is now projected to achieve the annual plan deficit of £64.0m.
- **SCRUTINISE** the Executive Delegated Officer portfolios which are overspending against their delegated budgets;
- **SEEK ASSURANCE** that those directorates with a level 3 escalation for Finance, Strategy and Planning have sufficient actions and milestones in place to de-escalate (details provided within the IPAR report)
- **SEEK ASSURANCE** that:
  - Plans are translated from opportunities to delivery through the three-delivery functions Value and Sustainability Group, IQFPD Group and the Healthier Mid and West Wales Group
  - Mitigating actions are being developed to address areas of overspending
  - Executive leads are generating schemes to develop into robust recurring savings plans by December 2024 for the £20.0m commitment made during September 2024 in Executive Team meeting
- **APPROVE** the Strategic Cash request of £64.0m, and
- **RECOGNISE** the requirement of enacting the Cash Management Strategy if the Strategic cash request is not approved in full by Welsh Government.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	1843 (score 25) Risk of the Health Board not being able to meet the statutory requirement of breaking even in 2024/25 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 FNC – Funded Nursing Care FYE – Full Year Effect GGH – Glangwili General Hospital GMS – General Medical Services IQFPD - Integrated Quality Finance and Performance Delivery 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 WG – Welsh Government WGH – Withybush General Hospital WRP – Welsh Risk Pool WTE – Whole Time Equivalent 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. The most significant risk to note is for our cash flow in year, which is dependent on further cash funding from Welsh Government.
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.

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Financial Performance Report – Public Board Meeting

Month 7 2024/25

28 November 2024

Contents

Executive Summary…….....……..... 3

Key Performance Indicators……..…… 7

Savings Plans and Delivery Performance…..……..……..…… 8

Revenue Position……..…… 12

Next Steps and Mitigating Actions…… 16

Appendix: Key Analysis ……...…….. 17

Executive Summary (1 of 4)

The Health Board's Annual Planned Deficit is £64.0m with a savings target of £32.4m. The Health Board is reporting a deficit of £4.3m in-month which is lower than the planned deficit, the average needs to remain at £5.0m or lower in future months to maintain the planned £64.0m deficit.

Financial Management

The Month 7 financial position is a deficit of £4.3m, which is an improvement against the Annual Plan Deficit of £5.3m – the second consecutive month of the financial year that was better than the planned in-month deficit. Months 1-6 average deficit was £5.7m. The operational variation to plan is £(0.9)m with the in-month savings target of £2.7m being successfully overidentified by £0.1m. Of the annual savings target of £32.4m, £30.5m has been identified on an in-year basis leaving a gap of £1.9m to be identified from the Opportunities Framework, coupled with a delivery gap of £0.8m against expected benefits. There is a recurrent savings shortfall of £14.2m, resulting in the underlying deficit exceeding £64.0m.

Driver (£'m)	Prior month variance to breakeven	Current month variance to breakeven	Year to Date variance to breakeven	Prior month End of Year forecast to breakeven	End of Year forecast to breakeven
Planned Deficit	**5.3**	**5.3**	**37.1**	**64.0**	**64.0**
Unidentified / (Identified) savings gap / (improvement)	(0.4)	(0.1)	1.5	2.4	1.9
Under / (Over) Delivery of Savings Schemes	0.1	0.1	0.8	0.9	0.8
Core Operational Variation	0.3	(1.0)	(1.0)	(3.1)	(2.7)
Gross Forecast	**5.3**	**4.3**	**38.4**	**64.2**	**64.0**
Future mitigating actions required to deliver Planned Deficit	-	-	-	(0.2)	0.0
Reported Net Position	**5.4**	**4.3**	**38.4**	**64.0**	**64.0**

Key Measures (Risk rating - Impact x Likelihood)

Revenue	**Risk #1843** 5 x 5 = 25	The key focus for the organisation is to deliver the savings proposals presented at the Board Seminar and Public Board in September 2024. Of the £4.2m plans, £2.3m has been delivered. There is a recurrent savings shortfall of £14.2m against the annual savings target of £32.4m which needs to be addressed prior to the 2025/26 Annual Planning cycle with a £20.0m commitment made by the Executive Directors to identify robust recurring deliverable plans by December 2024.
Cash		The Health Board will require strategic cash assistance in line with its forecast deficit and working capital balances in order to make payments from the end of February 2025 onwards. An approved cash management strategy is now in place. The strategic cash request will be submitted by 5 December 2024 to Welsh Government.
Savings		Further to the plans to address the £4.2m of mitigating actions which was presented in the Board Seminar and Public Board in September, there has been positive steps towards delivery of this programme of actions, with £2.3m being identified. The overall savings gap to achieve the £32.4m target has reduced to £1.9m. Further actions are required to deliver those savings plans in Unscheduled Care sites and Director of Operations. A £20.0m commitment has been made to identify robust recurring deliverable plans by December 2024 to close the in-year recurrent gap and provide initial input to the 2025/26 financial plan.
Capital		There is a currently a low risk to delivering the Capital Resource Limit as all schemes are progressing as anticipated.
Underlying Deficit	**Risk #1199** 5 x 5 = 25	The underlying deficit remains a significant concern, after £64.0m is delivered in-year, there is currently a recurrent delivery gap of £14.2m for savings schemes. Should this not be remedied by the end of the financial year, the new year planning cycle will be adversely impacted, moving the health board further away from the target control total expectations of Welsh Government. Any in-year impacts to the underlying deficit, excluding recurrent savings gaps, will be assessed in the planning cycle.

Executive Summary (2 of 4)

Key Breakdown of Movements

The following analysis is included to highlight key movements from the prior month in forecast and savings delivery and identification. Negative values denote improvements.

Driver (£'m)	Prior Month End of Year Forecast	End of Year Forecast	Movement in Forecast
Planned Deficit	**64.0**	**64.0**	**-**
Unidentified Savings Gap	2.4	1.9	(0.5)
Under / (Over) Delivery of Savings Schemes	0.9	0.8	(0.1)
Core Operational Variation	(3.2)	(2.7)	0.4
Gross Forecast	**64.2**	**64.0**	**(0.2)**
Further mitigating actions required	(0.2)	0.0	(0.2)
Reported Net Position	**64.0**	**64.0**	**-**

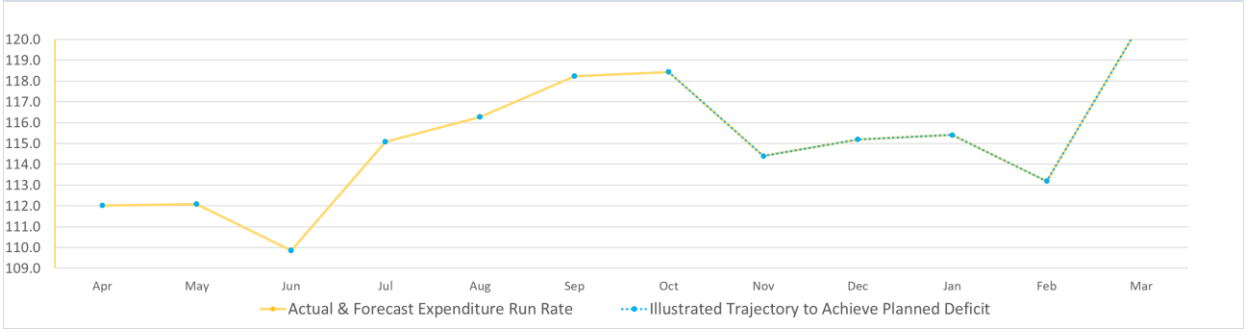
Unidentified Savings Gap (£'m)	Change
In-month underspend conversion into savings	(0.3)
Newly identified schemes	0.0
Blue/Red converted to Amber/Green savings schemes	(0.2)
Movement in Unidentified Savings Gap	**(0.5)**

Under / (Over) Delivery of Savings Schemes (£'m)	Change
Improvements to WGH Bed Schemes	(0.1)
Movement in Savings Delivery	**(0.1)**

Core Operational Variation (£'m)	Change
Secondary Care Drugs	0.4
Other Non-Pay	1.3
Primary Care Drugs	0.5
Nursing & Midwifery, including. HCSW & Premium Agency	(0.6)
Commissioned Healthcare Services	(1.2)
Movement in Core Operational Variation	**0.4**

Monthly Actual and Forecasted Expenditure Run-Rate £'m

The service forecast revenue run-rate trajectory will need to be delivered to achieve £64.0m



Executive Summary (3 of 4)

Key Performance Commentary

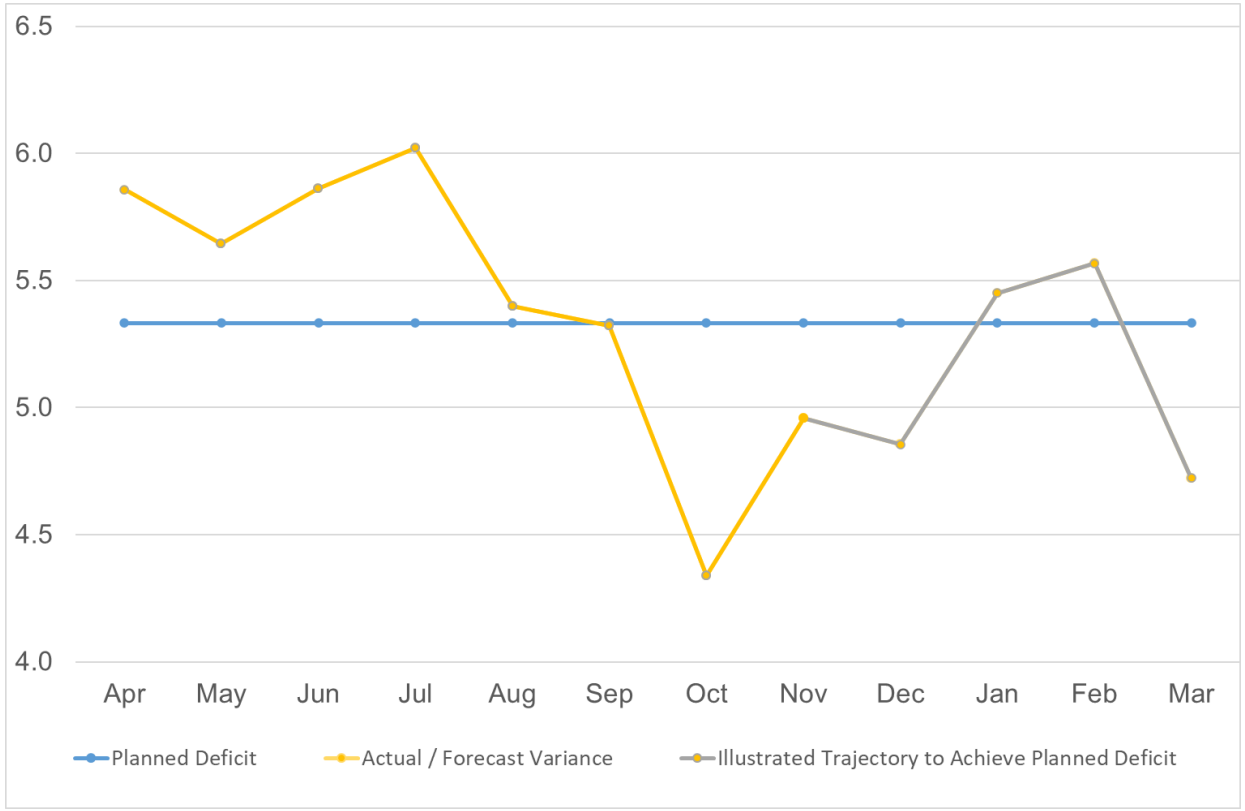
Chief Operating Officer (£1.5m of resourcing and drug challenges), and Director of Nursing (£0.4m) are adversely performing against core budgets, partly offset by other directorates under spending. Within Health Board Wide £0.7m Apprenticeship Invest to Save repayment to Welsh Government partially offset by £(2.6)m relating to the negotiated CHC uplift rates being lower than planning assumptions. Chief Operating Officer is under-delivering against identified savings plans by £0.8m linked, in the main, to bed plans within Withybush.

Delegated Officer (£'m)	Planned Savings Benefits	In-Year Savings Delivery	Savings Under / (Over) Delivery vs Identified Benefits	Core Budget Performance	**Total** (Savings Under / (Over) Delivery Plus Core Budget Performance)
Planned deficit					**64.0**
Chief Executive	0.3	0.3	-	(0.1)	(0.1)
Director of Finance	1.7	1.7	-	(0.1)	(0.1)
Director of Nursing, Quality & Patient Experience	0.5	0.5	-	0.5	0.5
Chief Operating Officer	14.8	14.0	0.8	0.7	1.5
Director of Primary Care, Community & Long-Term Care	2.0	2.0	-	(3.7)	(3.7)
Director of Public Health	1.3	1.3	-	(0.9)	(0.9)
Director of Strategy and Planning	3.2	3.2	-	(0.2)	(0.2)
Director of Therapies & Health Sciences	1.6	1.6	-	(0.2)	(0.2)
Director of Workforce & Organisational Development	1.2	1.2	-	(0.5)	(0.5)
Executive Medical Director	0.3	0.3	-	-	-
Health Board Wide	3.6	3.6	-	1.8	1.8
Subtotal	**30.5**	**29.7**	**0.8**	**(2.7)**	**(1.9)**
Unidentified savings gap	1.9				1.9
Gross forecast					**64.0**

Executive Summary (4 of 4)

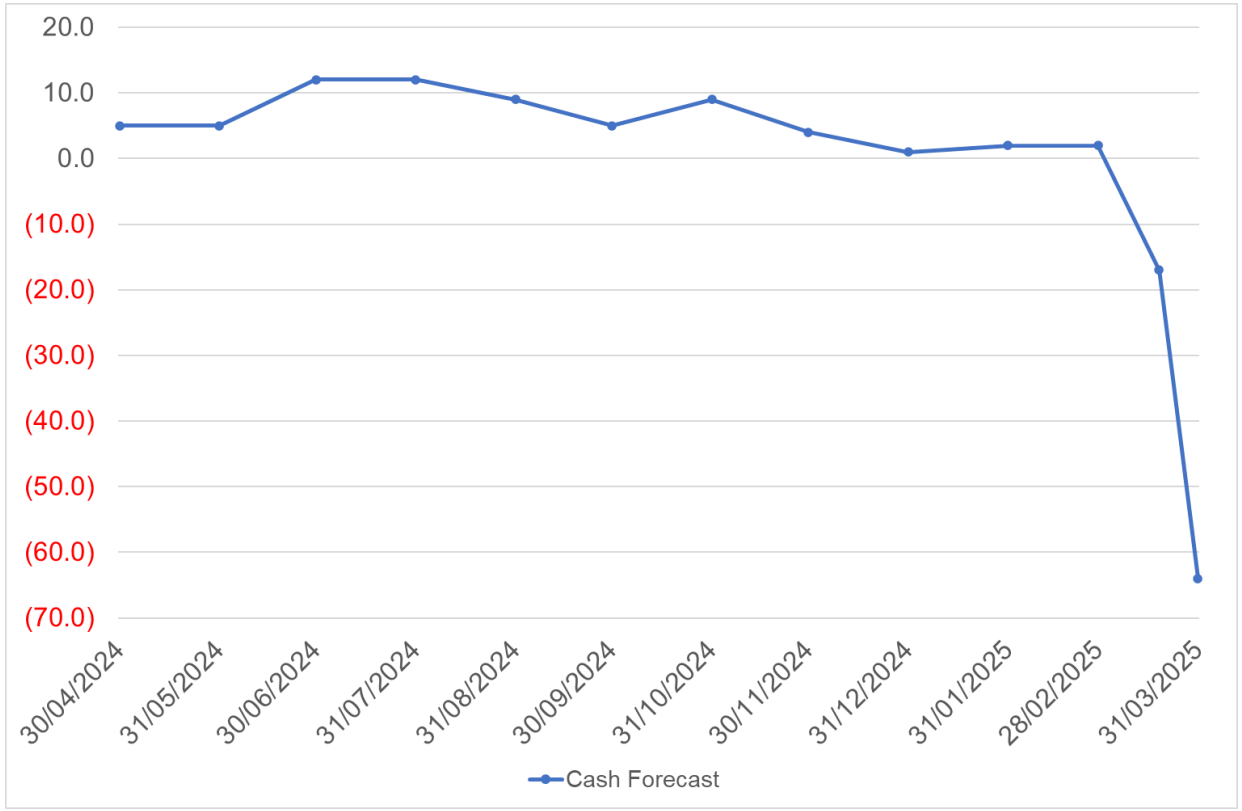
Revenue Deficit Trajectory (£'m)

The Health Board's Planned Deficit is £64.0m with a savings target of £32.4m. The average monthly deficit achieved for Month 1 to 6 was £5.7m, with an average required for future months of £5.0m to achieve the planned deficit of £64.0m.



Cash Deficit Trajectory (£'m)

The Health Board will require strategic cash assistance in line with its forecast deficit and working capital balances in order to make payments from the end of February 2025 onwards. An approved cash management strategy is now in place. A request for strategic cash will be submitted to Welsh Government by 5 December 2024.



Key Performance Indicators

YTD Position

£38.4m

Plan: £37.3m
2.9% above Planned Deficit

Gross Forecast Outturn

£64.0m

Annual Plan: £64.0m
Actions Required: £0.0m

In-Year Savings Identification

£30.5m

Plan: 94% of required £32.4m
Prior Month: £30.0m

In-Year Savings Delivery

£29.7m

97.4% Delivery against Identified Plans

EoY Capital

£30.8m

£0.0m deviation to EoY Plan

Underlying Financial Plan

£77.2m

Target Control Total £44.8m
Prior Month: £77.5m

Total Pay

£604.0m

Prior Month: £604.0m

Agency / Premium Locum

£15.8m

Prior Month: £16.9m

Primary Care Prescribing

£85.7m

Plan: £84.2m
Prior Month: £85.1m

Cash Consequences

£64.0m

Liquidity Concerns from Feb 25

Secondary Care Drugs

£70.4m

Plan: £67.7m
Prior Month: £70.1m

Energy

£10.6m

Plan: £11.9m
Prior Month: £10.6m

Savings Plans and Delivery Performance (1 of 4)

Annual Plan Requirement £32.4m

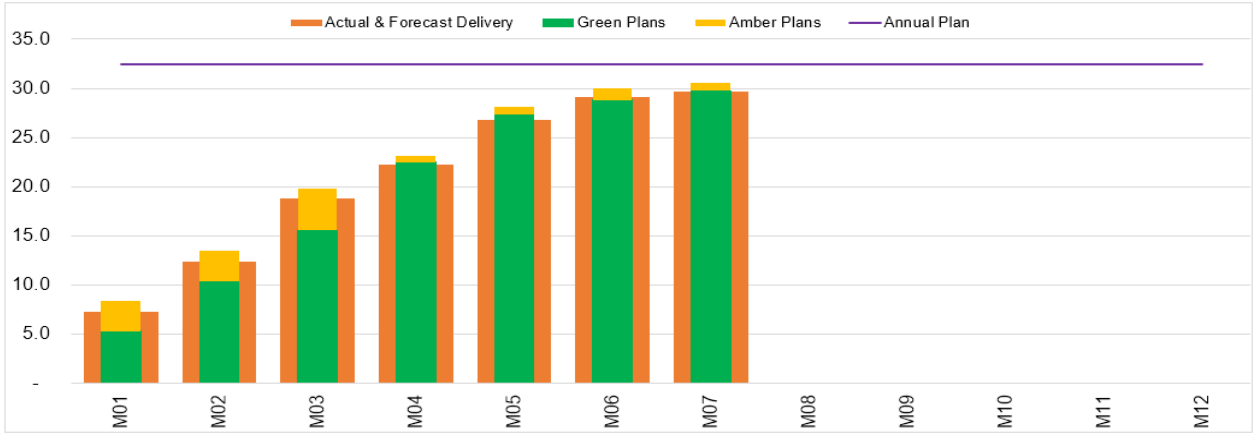
In-Year Delivery £29.7m

In-Year Shortfall £2.7m

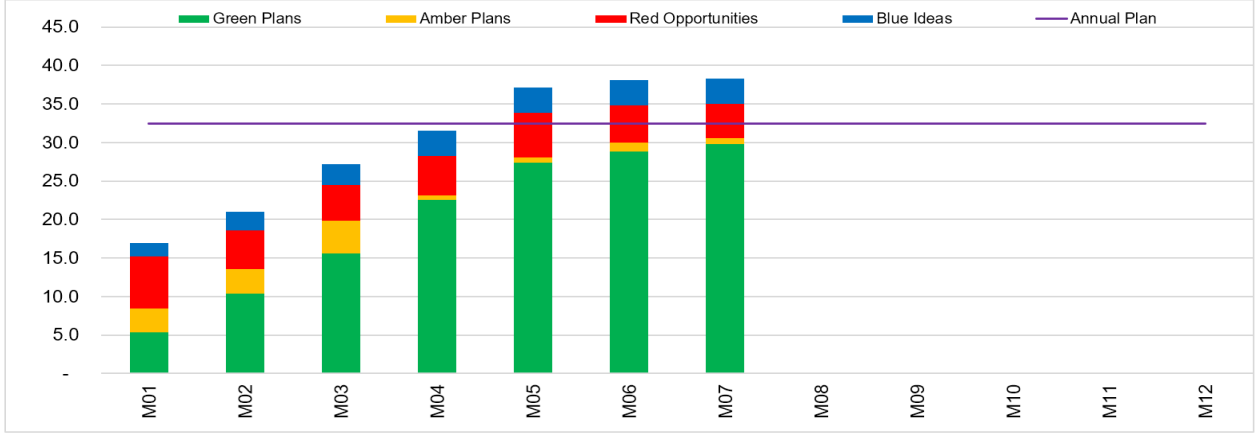
Recurrent Delivery £18.2m

Recurrent Shortfall £14.2m

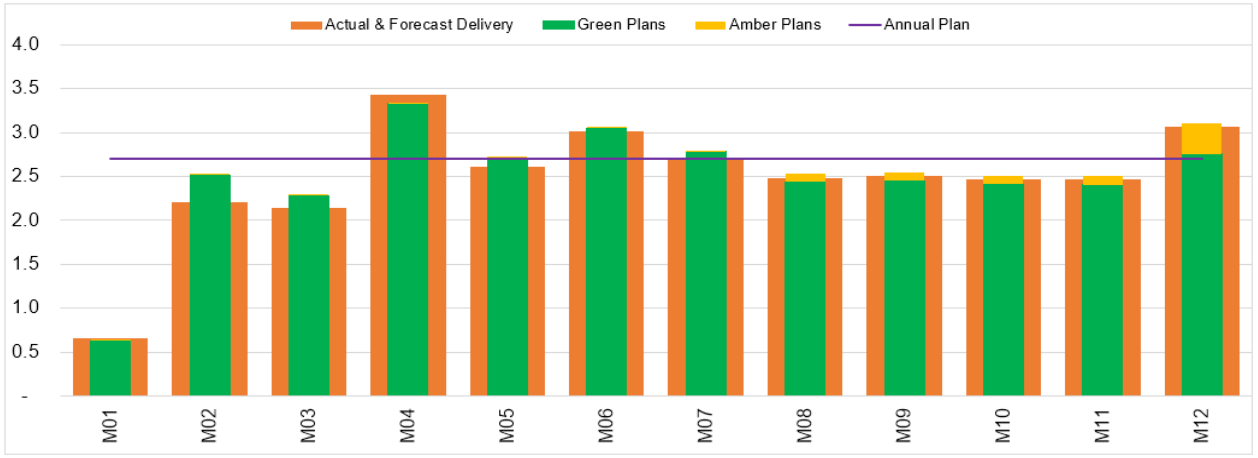
Monthly Trend of Annual In-Year Risk-Assessed Savings Delivery (£'m)



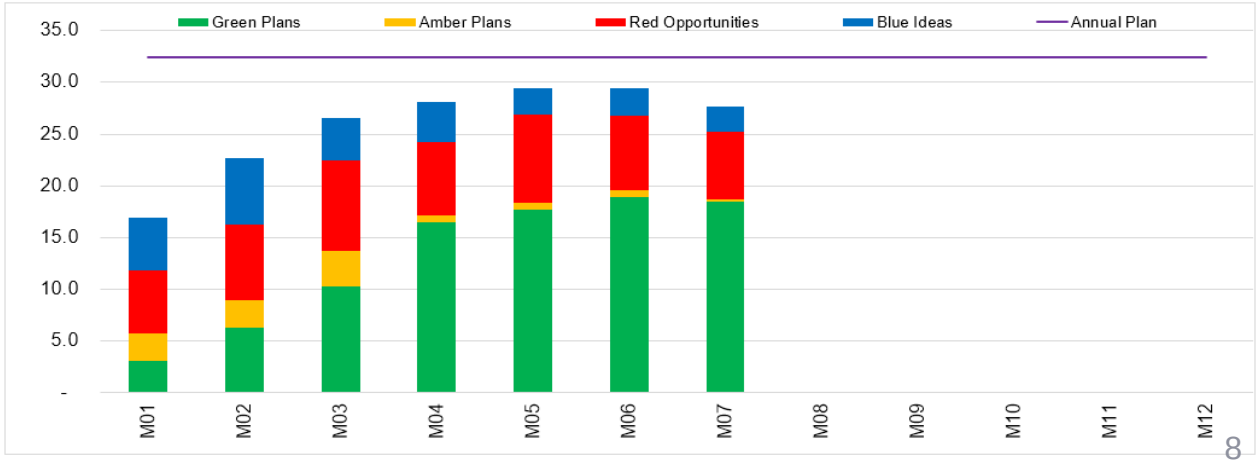
Monthly Trend of Annual In-Year Opportunity, Pipeline & Savings Plans (£'m)



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



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



Savings Plans and Delivery Performance (2 of 4)

Annual Savings Month to Month Movement (£'m)	Prior Month	Current Month	Change
Recurrent savings identification (in-year element only)	13.8	14.3	0.5
Non-recurrent savings identification	15.2	16.2	(1.0)
Total in-year savings identification	**30.0**	**30.5**	**0.5**
Unidentified / (identified) savings gap/(improvement)	2.4	1.9	(0.5)
Recurrent savings delivery (in-year element only)	13.9	13.5	0.4
Non-recurrent savings delivery	15.2	16.2	(1.0)
Total in-year savings delivery	**29.1**	**29.7**	**(0.6)**
Savings under / (over) delivery vs identified benefits	0.9	0.8	(0.1)
Savings Delivery Gap/(Improvement) vs Annual Plan	**3.3**	**2.7**	**(0.6)**

In-Year Savings Delivery Movement Summary	Number of Schemes	£'m
In-month underspends converted to savings	5	0.3
Newly identified schemes	0	0.0
Blue/Red converted to Amber/Green savings schemes	2	0.2
Total In-Year Savings Delivery Movement from Prior Month	**7**	**0.5**

Note

Savings aspirations (£62.5m) have been issued to all delegated budget holders, which exceed the annual plan target (£32.4m), to ensure risks are mitigated across portfolios to deliver £32.4m as a minimum in-year.

Key Savings Commentary

Annual Plan Target = £32.4m. Actual Delivery Forecast = £29.7m
Forecast Delivery Shortfall verses Annual Plan = £2.7m

Currently £1.9m behind plan for saving scheme identification with an additional £0.8m forecast delivery under-performance against the schemes that have been identified, resulting in the total forecast delivery shortfall of £2.7m.

Main reasons for the under-delivery of identified scheme benefits £0.8m:

- WGH 25 bed reduction delayed due to surge on wards 4 & 12 and delay in implementing nursing shift changes in A&E.
- WGH Stroke bed reduction delivery impact due to requirement of an additional 1wte HCSW 24/7 staffing requirement
- WGH non-delivery of Medical Staffing reduced SDEC hours savings scheme due to pay protection
- Planned Care biosimilar drug no longer available in the market but an alternative scheme has been introduced.
- Oncology – Mainly due to rental costs that have transpired since the savings scheme commenced.

Material Movement Changes £0.5m:

Red to Amber/Green conversion Schemes

- Planned Care £0.1m – 2 schemes but mainly related to Nurse Agency Savings in addition to the closure of 3 ITU beds.

Directorate Underspends:

- Mental Health & LD - £0.3m - 1 new underspend scheme related to Pay efficiencies

Savings Plans and Delivery Performance (3 of 4)

Delegated Officer (£'000)	Annual Savings Aspiration	In-Year Identified Plans	In-Year Recurrent Delivery	In-Year Non Recurrent Delivery	In-Year Total Forecast Delivery	In-Year Forecast Shortfall	In-Year % Saving vs Budget	Recurrent Forecast Delivery	Recurrent Forecast Shortfall	Recurrent % Saving vs Budget
CHIEF EXECUTIVE	**169**	**287**	**186**	**101**	**287**	**(118)**	**7.9%**	**186**	**(16)**	**5.1%**
CHIEF OPERATING OFFICER	**41,482**	**14,835**	**6,647**	**7,367**	**14,014**	**27,467**	**2.3%**	**9,584**	**31,897**	**1.6%**
ASST DIR OPS QUALITY & NURSING	51	95	0	95	95	(44)	9.3%	0	51	0.0%
FACILITIES	2,468	3,275	1,225	2,050	3,275	(807)	6.6%	1,235	1,233	2.5%
MENTAL HEALTH & LD	5,170	2,913	294	2,619	2,913	2,258	2.8%	633	4,538	0.6%
ONCOLOGY & CANCER SERVICES	1,509	266	171	0	171	1,338	0.6%	250	1,259	0.8%
OPERATIONS DIR MANAGEMENT	637	404	47	357	404	233	3.2%	82	555	0.6%
PATHOLOGY	1,423	406	98	308	406	1,017	1.4%	237	1,186	0.8%
PLANNED CARE	6,169	2,814	1,223	1,437	2,661	3,508	2.2%	1,647	4,522	1.3%
RADIOLOGY	1,164	384	291	93	384	780	1.6%	669	494	2.9%
UNSCHEDULED CARE BRONGLAIS	4,825	1,170	1,170	0	1,170	3,655	3.6%	1,592	3,233	5.0%
UNSCHEDULED CARE GLANGWILI	8,020	333	333	0	333	7,687	0.6%	1,011	7,009	1.7%
UNSCHEDULED CARE PRINCE PHILIP	3,735	661	253	409	661	3,073	1.6%	340	3,395	0.8%
UNSCHEDULED CARE WITHYBUSH	3,508	2,053	1,470	0	1,470	2,038	3.4%	1,817	1,691	4.2%
WOMEN & CHILDREN	2,803	61	71	0	71	2,732	0.1%	71	2,732	0.1%
DIRECTOR OF FINANCE	**1,161**	**1,682**	**789**	**893**	**1,682**	**(521)**	**7.2%**	**1,161**	**(0)**	**5.0%**
DIGITAL	839	717	500	217	717	122	4.3%	872	(33)	5.2%
FINANCE	298	954	289	665	954	(655)	16.0%	289	9	4.8%
PERFORMANCE	23	11	0	11	11	12	2.4%	0	23	0.0%
DIRECTOR OF NURSING, QUALITY & PATIENT EXPERIENCE	**484**	**522**	**439**	**62**	**502**	**(18)**	**5.2%**	**439**	**44**	**4.5%**
DIRECTOR OF PRIMARY CARE, COMMUNITY & LONG TERM CARE	**11,632**	**2,017**	**598**	**1,448**	**2,045**	**9,586**	**1.2%**	**832**	**10,800**	**0.5%**
CARMARTHENSHIRE COUNTY	4,304	333	0	353	353	3,950	1.1%	0	4,304	0.0%
CEREDIGION COUNTY	855	188	133	55	188	667	1.3%	173	682	1.2%
MEDICINES MANAGEMENT	4,790	523	0	523	523	4,267	0.5%	0	4,790	0.0%
PEMBROKESHIRE COUNTY	1,121	718	209	516	726	395	3.0%	403	718	1.7%
PRIMARY CARE	306	0	0	0	0	306	0.0%	0	306	0.0%
PRIMARY CARE MANAGEMENT	255	255	255	0	255	(0)	3.5%	255	(0)	3.5%
DIRECTOR OF PUBLIC HEALTH	**329**	**1,339**	**329**	**1,010**	**1,339**	**(1,010)**	**20.4%**	**329**	**(0)**	**5.0%**
DIRECTOR OF STRATEGY AND PLANNING	**3,030**	**3,175**	**2,013**	**1,162**	**3,175**	**(145)**	**5.2%**	**2,013**	**1,017**	**3.3%**
LTA'S WITH OTHER NHS PROVIDERS	2,844	1,927	1,927	0	1,927	917	3.4%	1,927	917	3.4%
STRATEGIC PLANNING	186	1,248	86	1,162	1,248	(1,062)	33.5%	86	100	2.3%
DIRECTOR OF THERAPIES & HEALTH SCIENCES	**1,414**	**1,558**	**0**	**1,558**	**1,558**	**(144)**	**5.5%**	**600**	**814**	**2.1%**
DIRECTOR OF WORKFORCE & ORGANISATIONAL DEVELOPMENT	**758**	**1,264**	**349**	**915**	**1,264**	**(505)**	**8.3%**	**758**	**0**	**5.0%**
HEALTH BOARD WIDE	**1,814**	**3,595**	**2,100**	**1,495**	**3,595**	**(1,781)**	**9.9%**	**2,100**	**(286)**	**5.8%**
MEDICAL DIRECTOR	**202**	**263**	**47**	**216**	**263**	**(61)**	**6.5%**	**202**	**(0)**	**5.0%**
Grand Total	**62,474**	**30,537**	**13,496**	**16,229**	**29,725**	**32,749**	**3.1%**	**18,204**	**44,270**	**1.9%**

Savings Plans and Delivery Performance (4 of 4)

Board Agreed Action (£'m)	Responsible Manager / SRO	Business Partner	Savings Type	Original Impact	P06-25 Impact	Latest Forecast	Comments
Service provision redesign of BGH PACU model	Lisa Humphrey	Nick Hogben	Run-rate Reduction	0.1	0.1	0.1	
Closure of PPH MIU from 8pm to 8am	Sarah Perry	Nick Hogben	Cash-Releasing Saving	0.4	0.4	0.4	
Closure of Ward 9	Bethan Andrews	Mike Wade	Run-rate Reduction	0.2	0.2	0.2	
Converting Sub cut drug to IV solution treatment within clinical haematology	Lisa Humphrey	Ali Wride	Cash-Releasing Saving	0.1	0.1	0.1	
Close 3 ITU Beds across the Units	Steph Hire	Nia Wosika	Cash-Releasing Saving	0.6	0.6	0.6	Clarity required on recurrent impact
Variable Pay – USC WGH	Dan Owen	Mike Wade	Run-rate Reduction	0.2	Nil	Nil	Recruitment delays with IEN's which were expected in September
Variable Pay - Rightsize AMAU NSL (PPH)	Dan Owen	Nick Hogben	Run-rate Reduction	0.1	0.1	0.1	
Variable Pay - Rightsize the NSL for ED and CDU to enable substantive recruitment (GGH)	Dan Owen	Nick Hogben	Run-rate Reduction	0.3	Nil	Nil	Recruitment delays affecting savings plan
Recruitment into substantive posts to remove the need for medical agency (GGH)	Carly Hill	Nick Hogben	Run-rate Reduction	0.1	0.1	0.1	
Managed Practice Variable Change	Rhian Bond	Mike Wade	Run-rate Reduction	0.2	0.2	0.2	
Allied Health Professionals and Health Scientists	Jo Bradburn	Sadie North	Run-rate Reduction	0.1	0.1	0.1	
Digitisation of health records	Gareth Rees	Leon Popham	Run-rate Reduction	0.5	Nil	Nil	Discussions ongoing due to increases experienced in OOH to afford the digitisation
Regional Orthopaedics income	Steph Hire	Nia Wosika	Run-rate Reduction	0.4	0.4	0.4	
Variable pay (bank and overtime) reduction from eliminating surge capacity	Sarah Perry Bethan Andrews Matthew Willis	Nick Hogben	Run-rate Reduction	0.9	Nil	Nil	Bed number understanding still requiring finalisation and plans needed
				4.2	**2.3**	**2.3**	

Revenue Position (1 of 4): In-Month Revenue Position

Theme	£'m	Operational Driver Comments
Planned Deficit	**5.3**	
Unidentified Savings Gap to Annual Plan	(0.1)	The in-month Annual Plan includes a requirement of £2.7m savings identification and delivery, of which £2.8m is identified for delivery. £1.6m identified non-recurrently, highlighting a continued recurrent gap.
Primary Care Drugs	0.4	Contributions to Shared Services for prior year discount underpayments made to community pharmacy contractors.
Other Non-Pay	0.3	IT contract and telephone expenditure due to inflationary increases above 8%. Lift Maintenance callouts and emergency plumbing work across various sites.
Medical Additional Cover and Premium	0.1	Bronglais Hospital locum cover due to increased sickness and annual leave rota planning.
Clinical Services & Supplies	0.1	Prince Phillip Hospital general consumables, Continuous Positive Airway Pressure machines (Sleep Service) and continued growth in patient numbers for insulin pumps.
Commissioned Healthcare Services	(0.3)	Net reduction of 4 Continuing Healthcare packages within Mental Health & Learning Disabilities
Administration Vacancies	(0.3)	Continuation of Administration & Clerical vacancies, particularly across operational directorates where savings schemes have yet to be fully identified, thus recruitment is re-prioritised through the Financial Control Subgroup
Long Term Agreements	(0.4)	Renegotiation of Velindre Long Term Agreement alongside reduction to the United Bristol Long Term Agreement, based on average activity over previous 3 years.
Primary Care	(0.4)	Dental contracts handed back to the Health Board, partially offset by associated reductions in income £(0.5)m. Community Pharmacy transition payments £0.1m
Nursing & Healthcare	(0.4)	Reduced Nursing & Healthcare expenditure across Directorates
Operational Variance	**(1.0)**	
Reported in-month position	**4.3**	

Revenue Position (2 of 4): Year to Date Revenue Position

Theme	£'m	Operational Driver comments
Planned deficit	**37.3**	
Unidentified savings gap to annual plan	1.6	The YTD plan includes a target of £18.9m savings identification and delivery, of which £17.3m is identified for delivery, leaving a gap of £1.6m.
Other Non-Pay	1.9	Other sources of energy (LPG, Biomass & Heating Oil). RAAC inspection (wards only), additional costs associated with ongoing maintenance and repairs.
Primary Care Drugs	1.2	Increased National cost per item to £7.98, which is higher than the annual plan cost per item of £7.56.
Clinical Services & Supplies	0.9	General consumables used by Wards within Prince Phillip Hospital, Insulin Pump and Continuous Positive Airway Pressure Machines and Bronglais additional expenditure due to patient acuity.
Secondary Care Drugs	0.7	Increase in Oncology price per patient alongside Homecare drugs pressures in Prince Philip and Glangwili acute wards and other drugs pressures in Withybush.
Medical Additional Cover and Premium	0.6	Paediatrics, Obstetrics and Gynaecology increased locum usage with additional retrospective shifts. Withybush Hospital locum and agency requirement to cover gaps in the roster within Accident & Emergency. Bronglais Hospital locum cover due to increased sickness and annual leave rota planning.
Nursing & Healthcare	(0.2)	Reduced Nursing & Healthcare expenditure across Directorates.
Commissioned Healthcare Services	(0.4)	Decreases to Continuing Healthcare spend, particularly within Mental Health & Learning Disabilities.
Income Overachievement	(1.2)	Flying Start Local Authority increases within Women and Children, Secondary Drugs Velindre Drug rebates income and Planned Care Public Health Wales Bowl Screening income.
Administration & Clerical Vacancies	(1.5)	Continuation of Administration & Clerical vacancies, particularly across Operational Directorates where savings schemes have yet to be fully identified, thus recruitment is re-prioritised through the Financial Control Subgroup.
Primary Care Dental Contracts	(2.4)	Dental contracts handed back to the Health Board, partially offset by associated reductions in income. One-off benefit included a recovery of dental underperformance from 2023/24.
Total deviation to annual plan	**1.1**	
Reported position	**38.4**	

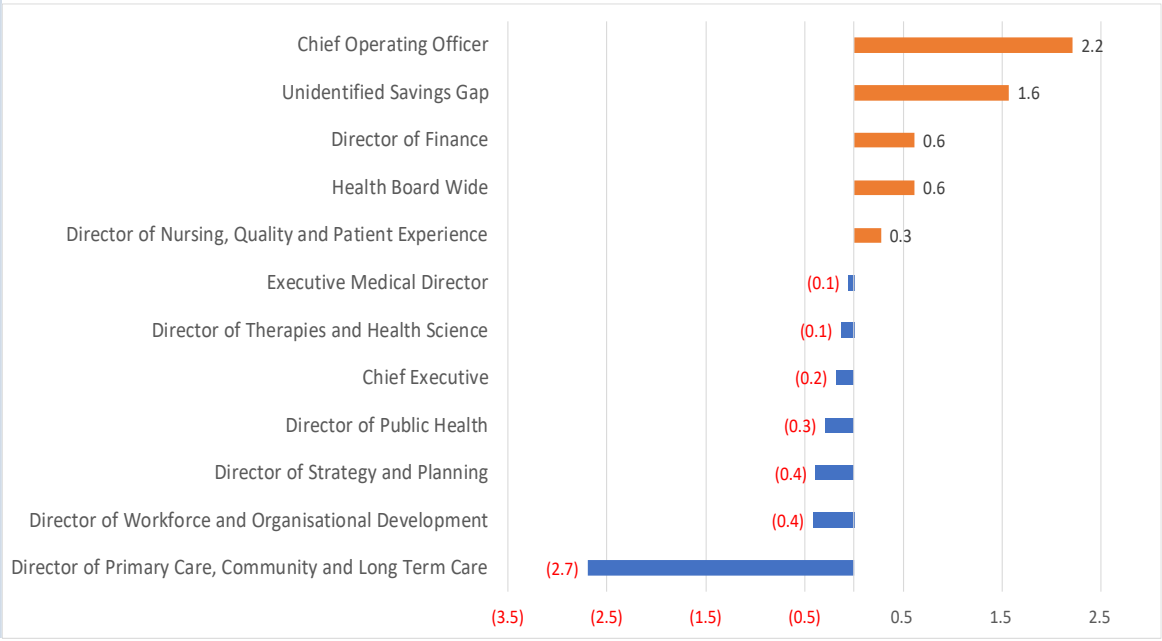
Revenue Position (3 of 4): End of Year Forecast Gross Revenue Position

Theme	£'m	Operational Driver comments
Planned deficit	**64.0**	
Unidentified savings schemes	1.9	The FY25 plan includes a target of £32.4m savings delivery, £30.5m is currently identified leaving gap of £1.9m. Of the £30.5m schemes identified, £14.3m are Recurrent and £16.2m are Non-Recurrent. A significant recurrent gap remains, which will adversely impact on the underlying deficit unless delivery by the end of the year.
Secondary Care Drugs	2.6	Oncology price growth surpassing the assumed price growth of 14%. Homecare drugs pressures in Prince Philip and Glangwili acute wards and other drugs pressures in Withybush.
Other Non-Pay	2.5	Other sources of energy (LPG, Biomass & Heating Oil). RAAC inspection (wards only), additional costs associated with ongoing maintenance and repairs. Theatre consumables driven by increased Orthopaedic Sessions at Prince Phillip Hospital & Regional Orthopaedic Work with Swansea Bay.
Primary Care Drugs	1.4	Increased National cost per item to £7.98, which is higher than the annual plan cost per item of £7.56.
Clinical Services & Supplies	1.0	Pathology increased activity within lab testing. Prince Phillip Hospital Continuous Positive Airway Pressure Machines and Insulin Pumps. Paediatric equipment aids in Women & Children.
Medical Additional Cover and Premium	0.8	Bronglais significant use of locum and agency to cover sickness and annual leave rota planning as well as gaps within the roster in Accident & Emergency.
Commissioned Healthcare Services	(1.0)	Reductions to Continuing Healthcare packages, particularly within Mental Health & Learning Disabilities.
Administration and Allied Health Vacancies	(1.9)	Continuation of Administration & Clerical vacancies, particularly across Operational Directorates where savings schemes have yet to be fully identified, thus recruitment is re-prioritised through FCSG.
Nursing & Midwifery, incl. HCSW & Agency	(2.2)	Nurse Agency usage reduction particularly across Counties Community Care and Mental Health & Learning Disabilities.
Income Overachievement	(2.2)	Flying Start Local Authority increases within Women and Children, Secondary Drugs Velindre Drug rebates income and Planned Care Public Health Wales Bowl Screening income. Additional income in relation to Swansea Bay Regional Work.
Primary Care Dental Contracts	(2.9)	Dental underspend against contracts alongside Community Strategic Programme underspends £(4.5)m. Offset by Managed Practices overspend driven by premium locum and agency costs £2.3m.
Total deviation to annual plan	**0.0**	
Reported net position	**64.0**	

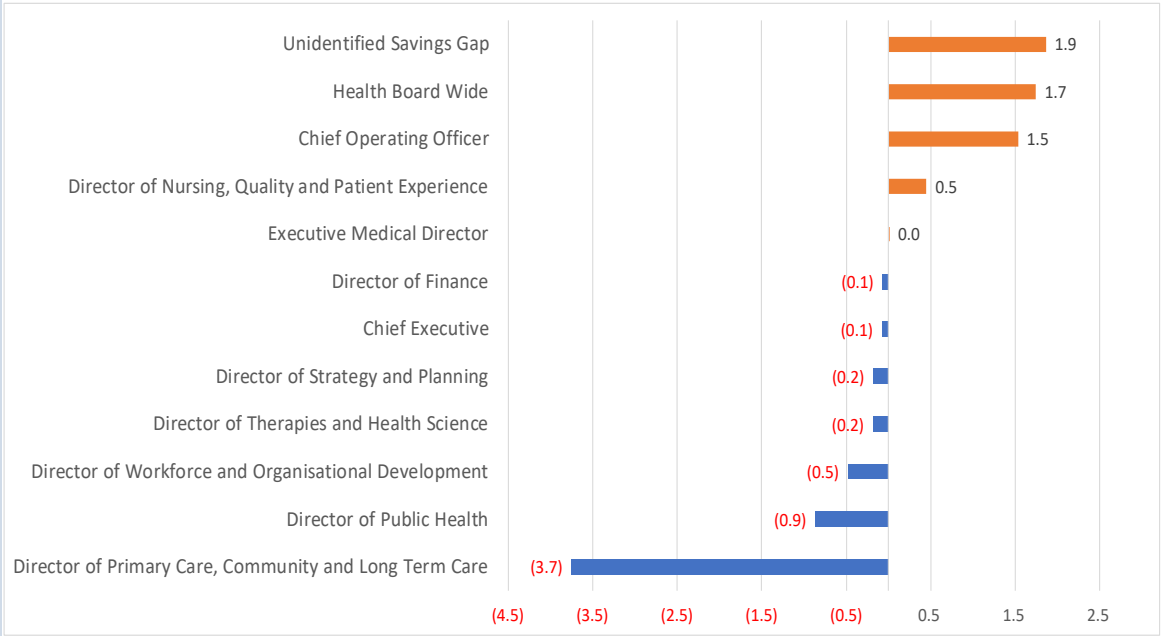
Revenue Position (4 of 4): Summary Financial Performance by Portfolio (£'m)

Delegated Officer Performance

Year to Date

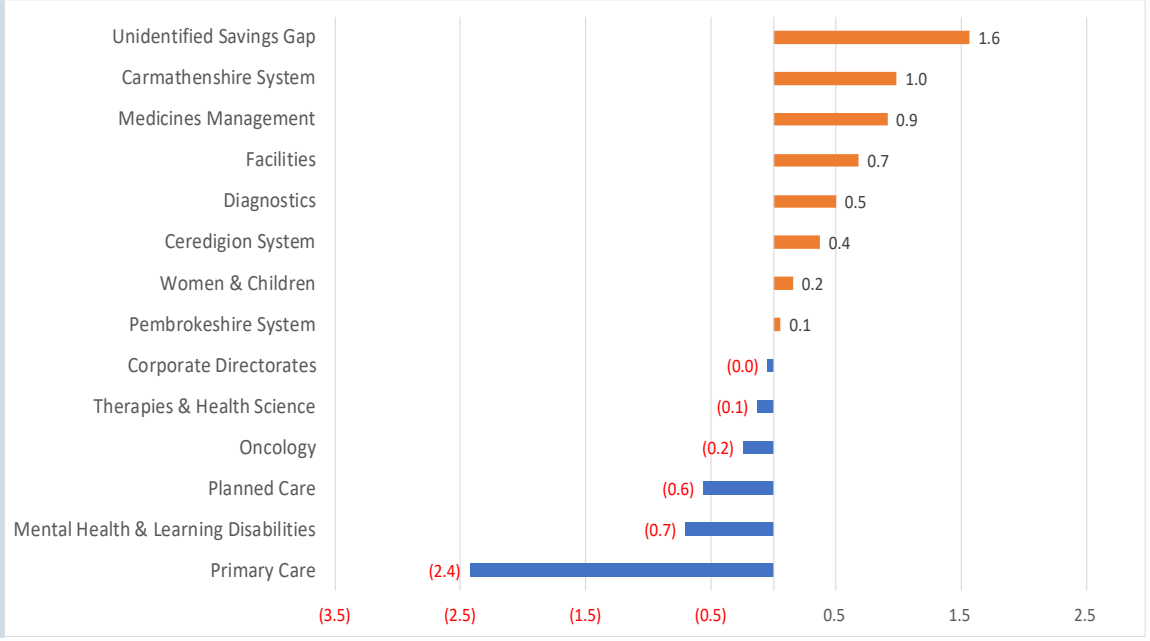


End of Year

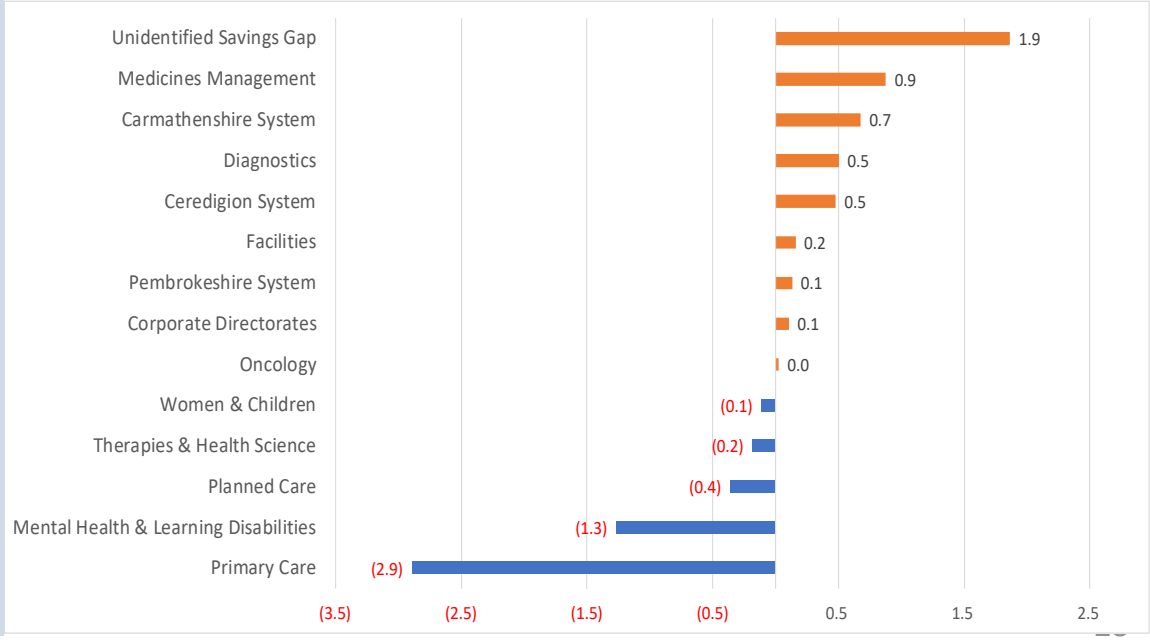


Service Portfolio Performance

Year to Date



End of Year



Next Steps and Mitigating Actions

Immediate Further Actions

1. The latest assessment of the mitigation plan and route map to delivering £64.0m is that £2.3m of the £4.2m identified savings are now delivering. Each action is associated with either an Operational or Corporate Lead as appropriate and these leads must continually assess what further actions must be implemented in order to meet the required delivery.
2. Executive Delegated Officers, and their Service Leads are being scrutinised through the monthly forecasting and internal escalation process and are required to contain costs in line with their current forecast positions to deliver £64.0m. Further mitigating actions for areas of overspend are required to ensure remedial actions are taken.
3. Work is continuing, with focus and pace required, to translate in-year overreliance on non-recurrent savings into recurrent delivery in advance of the planning cycle for the forthcoming financial year. Whilst savings delivery is positively improving, with £29.7m delivery to date, there remains a £14.2m recurrent delivery gap which is yet to improve the underlying deficit, currently reported as £77.2m this month.
4. With the 2024/25 financial deficit broadly de-risked through Quarters 1 and 2, Quarters 3 and 4 are concentrated to develop plans to improve the financial deficit towards the Target Control Total, on an in-year basis, but with work commencing for the 2025/26 financial plan to ensure Welsh Government expectations can be met by March 2026 in keeping with the targeted intervention de-escalation criteria.
5. Executives and Directorates have been issued with savings targets for the coming year, with a plan to develop responses for an initial £20.0m recurrent saving by the end of December 2024, allowing sufficient time in January to March 2025 for the remaining saving requirement.

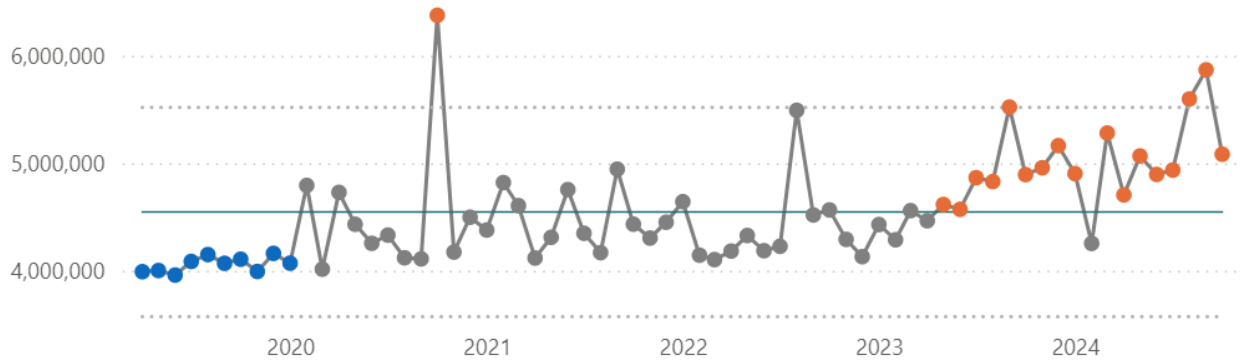
Risks and Opportunities Under Review

- Primary and Secondary Care Drugs, both significant areas of expenditure with market fluctuations continuing.
- Management of surge and the uncertainty around winter pressures, including managing variable pay costs in-line with the current forecast.
- Optometry Policy Contract funding deliberations continue, and Real Living Wage, with the Health Board having incurred additional cost in-year, and confirmation pending from Welsh Government for further funding.

Appendix: Key Analysis (1 of 8)

Continuing Healthcare Expenditure (£'m)

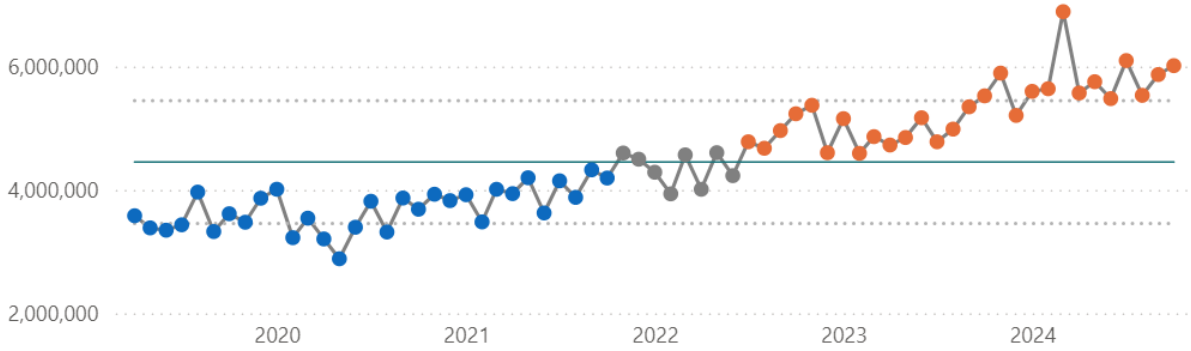
The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between £3.6m and £5.5m.



Net reduction of 4 Continuing Healthcare packages within Mental Health & Learning Disabilities

Secondary Care Drugs Expenditure (£'m)

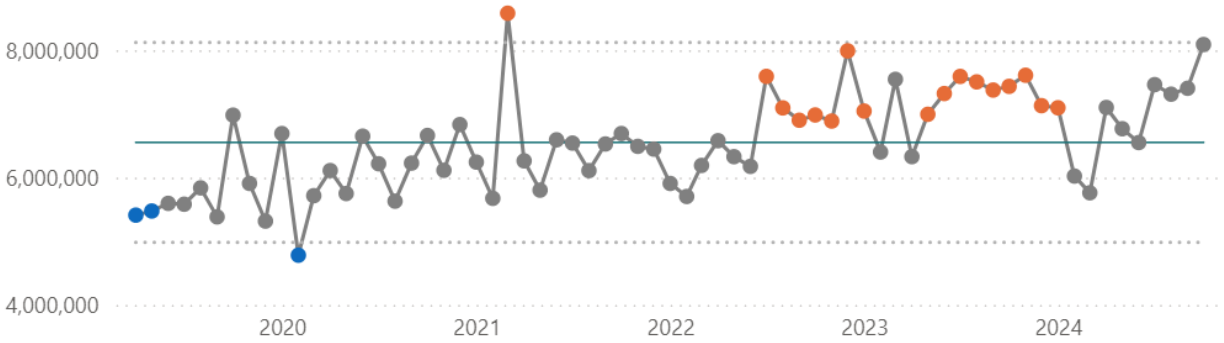
The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between £3.5m and £5.4m.



Increase in Oncology price per patient alongside Homecare drugs pressures in Prince Philip and Glangwili acute wards and other drugs pressures in Withybush.

Primary Care Prescribing Expenditure (£'m)

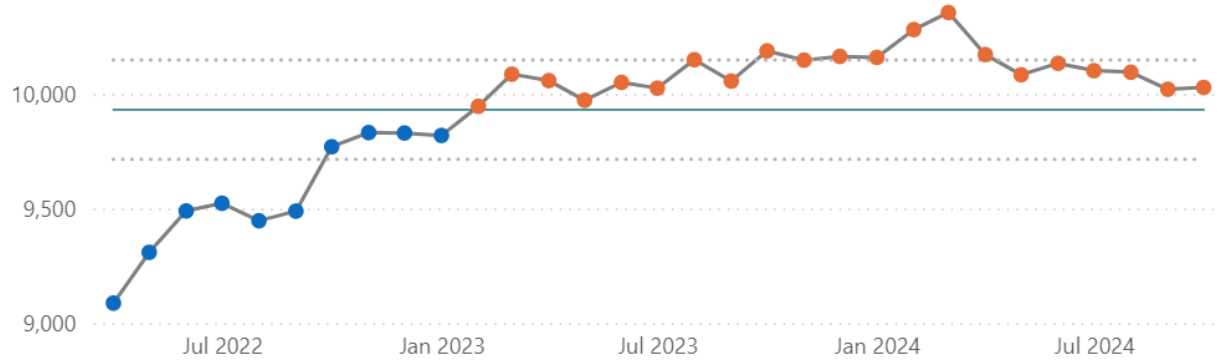
This indicator is showing expected (common cause) variation.	Expected performance is between £5.0m and £8.1m.



Increased National cost per item to £7.98, which is higher than the annual plan cost per item of £7.56.

Total Agenda for Change (WTE)

The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between 9,715 and 10,147.

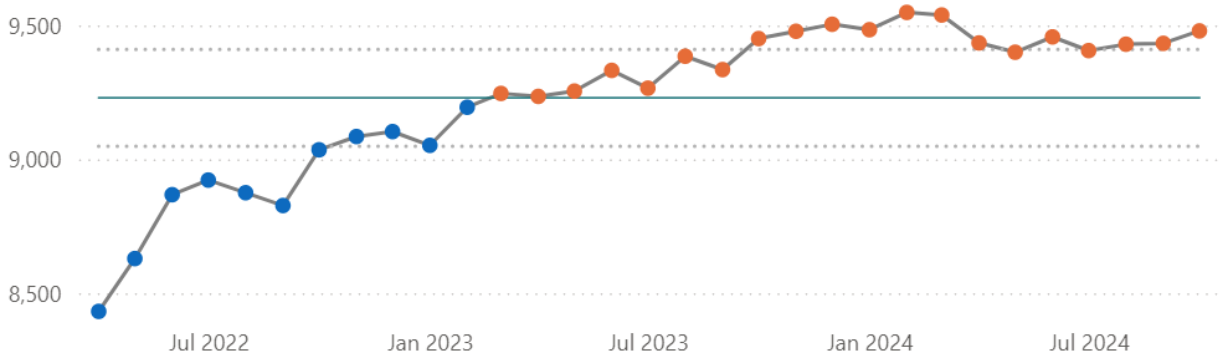


This total WTE is inclusive of Substantive staff, Bank, Overtime & Agency. It excludes Medical resources.

Appendix: Key Analysis (2 of 8)

Substantive (WTE)

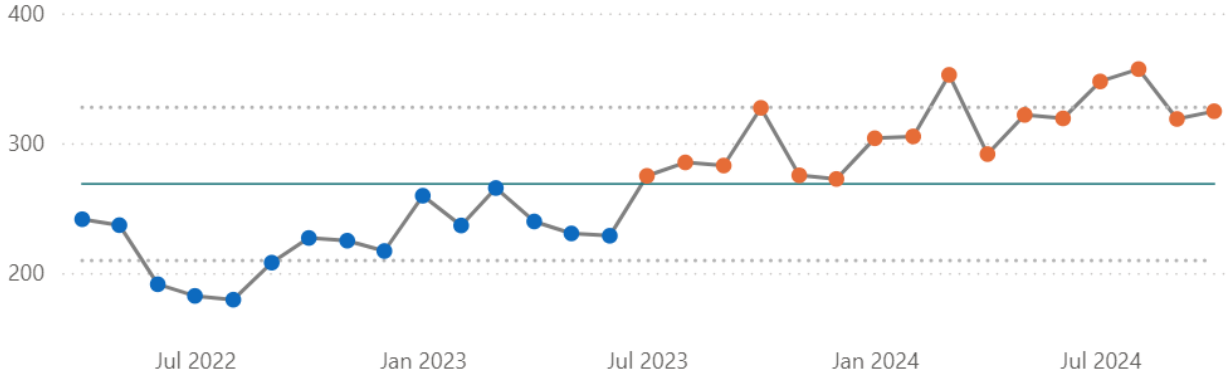
The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between 9,049 and 9,410



There has been an increase of c.1047 in the number of Substantive WTEs since April 2022.

Bank (WTE)

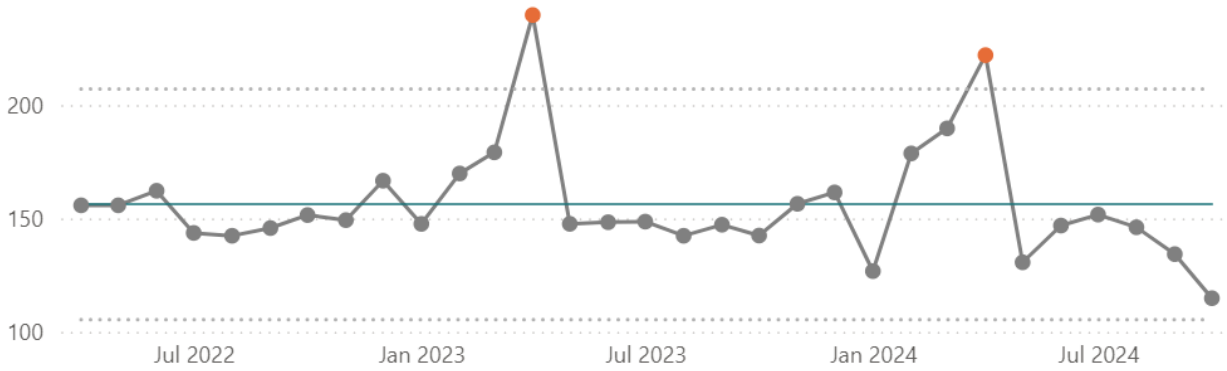
The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between 210 and 328.



There has been an increase of c.84 in the number of Bank WTEs since April 2022.

Overtime (WTE)

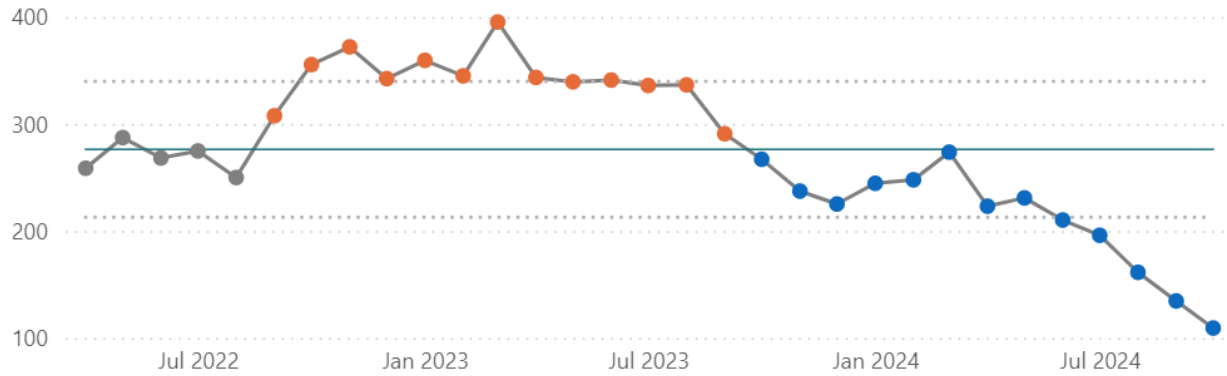
This indicator is showing expected (common cause) variation.	Expected performance is between 105 and 207.



The number of overtime WTE has fallen to 115 WTE, which is below the mean of 156 WTE

Agency (WTE)

The latest data is showing improvement.	Expected performance is between 213 and 340.

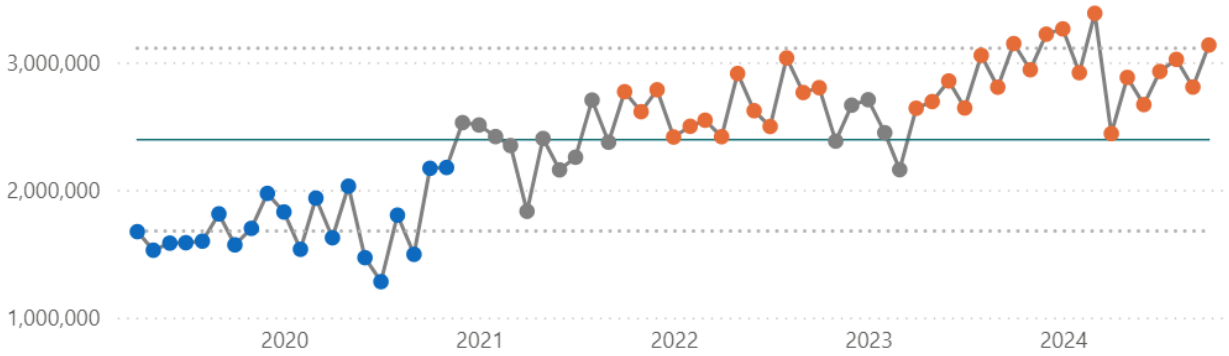


The WTE used in month is now at the lowest point since implementation of Allocate, at 109 WTE.

Appendix: Key Analysis (3 of 8)

Medical Locum Expenditure (£'m)

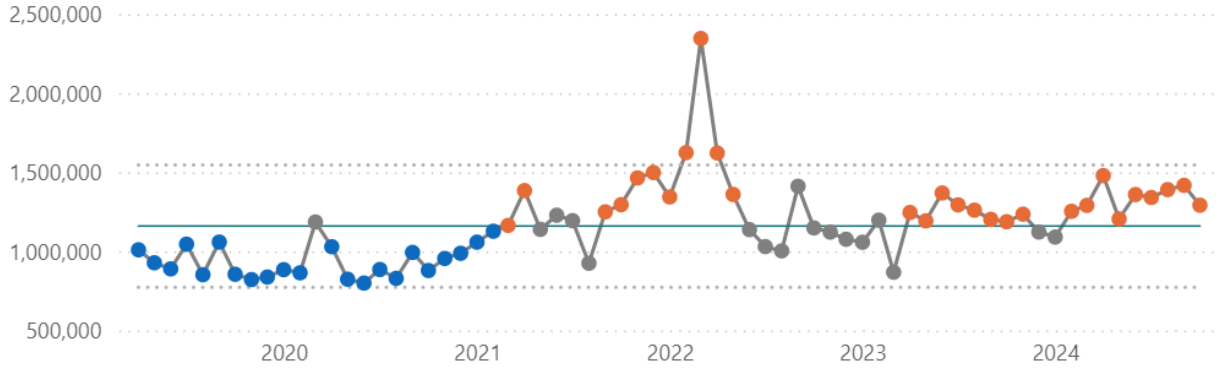
The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between £1.7m and £3.1m.



Bronglais Hospital locum cover due to increased sickness and annual leave rota planning.

Bank Expenditure (£'m)

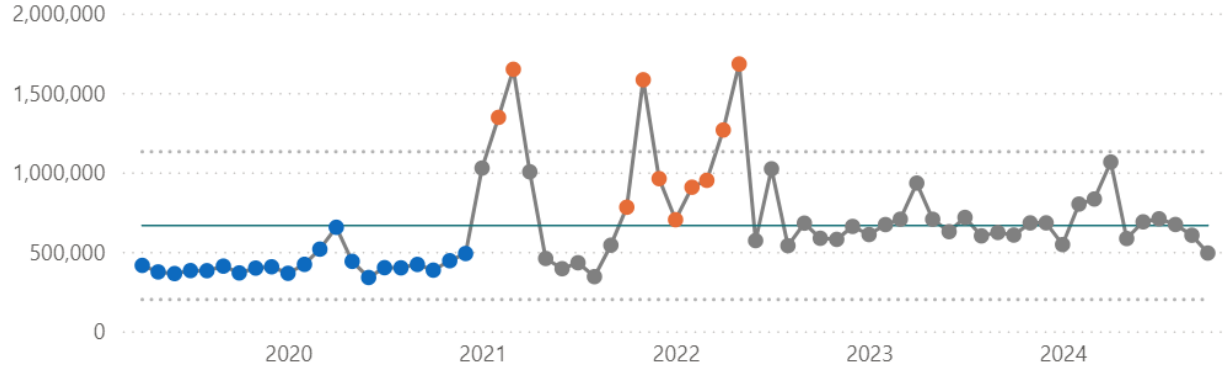
The latest data is showing a concerning trend which needs to be investigated.	Expected performance is between £0.8m and £1.5m.



Whilst there is not a concerning statistical trend yet, the most recent months have all shown a steady rise in bank usage.

Overtime Expenditure (£'m)

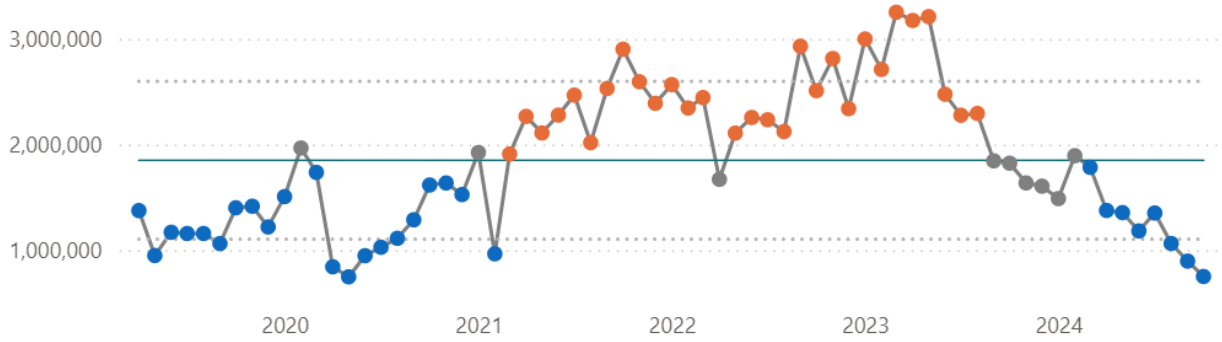
This indicator is showing expected (common cause) variation.	Expected performance is between £0.2m and £1.1m.



Whilst there was not a concerning statistical trend yet, the recent months have shown a steady decrease in overtime usage.

Nurse Agency Expenditure (£'m)

The latest data is showing improvement.	Expected performance is between £1.1m and £2.6m.



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

Appendix: Key Analysis (4 of 8): Ward Staffing Levels (Excluding Medical)

DIRECTORATE	Ward Staffing Level (WTE) for Nursing and Health Care Support Workers (HCSW)							
	Total Fill Rate	Total WTE	Substantive WTE	Substantive WTE Vacancy	Bank WTE	Overtime WTE	Agency WTE	Total Over/(Under) Staffed
CHIEF OPERATING OFFICER	**103.7%**	**2,691**	**2,304**	**(292)**	**231**	**51**	**105**	**95**
MENTAL HEALTH & LEARNING DISABILITIES	99.9%	271	220	(52)	45	5	1	(0)
PLANNED CARE	89.0%	153	144	(28)	8	0	1	(19)
UNSCHEDULED CARE BRONGLAIS	108.5%	322	237	(60)	24	8	53	25
UNSCHEDULED CARE GLANGWILI	107.1%	645	551	(51)	62	15	17	43
UNSCHEDULED CARE PRINCE PHILIP	106.3%	446	381	(38)	49	3	13	27
UNSCHEDULED CARE WITHYBUSH	103.3%	551	480	(54)	39	13	19	18
WOMEN & CHILDREN	100.8%	303	290	(11)	5	7	1	2
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	**94.9%**	**95**	**87**	**(13)**	**6**	**0**	**1**	**(5)**
CARMARTHENSHIRE COUNTY	99.5%	75	69	(6)	4	0	1	(0)
CEREDIGION COUNTY	81.0%	20	18	(7)	2	-	-	(5)
Grand Total	**103.4%**	**2,786**	**2,391**	**(305)**	**238**	**51**	**106**	**90**

Appendix: Key Analysis (5 of 8): Non-Ward Staffing Levels (Excluding Medical)

DIRECTORATE	All Other Staffing Levels (WTE) Excluding Medical and Ward Nursing & HCSWs							
	Total Fill Rate	Total WTE	Substantive WTE	Substantive WTE Vacancy	Bank WTE	Overtime WTE	Agency WTE	Total Over/(Under) Staffed
CHIEF EXECUTIVE	**83.9%**	**83**	**83**	**(16)**	**-**	**-**	**-**	**(16)**
CHIEF OPERATING OFFICER	**92.5%**	**4,421**	**4,285**	**(493)**	**73**	**60**	**3**	**(357)**
ASST DIR OPS QUALITY & NURSING	68.0%	14	14	(7)	-	-	-	(7)
FACILITIES	88.7%	875	809	(177)	42	24	-	(112)
MENTAL HEALTH & LEARNING DISABILITIES	92.1%	899	889	(87)	9	1	-	(77)
ONCOLOGY & CANCER SERVICES	91.2%	102	99	(14)	3	1	-	(10)
OPERATIONS DIR MANAGEMENT	93.1%	261	254	(26)	4	3	-	(19)
PATHOLOGY	97.8%	237	227	(15)	1	9	-	(5)
PLANNED CARE	92.8%	829	805	(88)	4	17	3	(64)
RADIOLOGY	93.7%	250	248	(19)	1	1	-	(17)
UNSCHEDULED CARE BRONGLAIS	91.3%	96	96	(10)	0	1	-	(9)
UNSCHEDULED CARE GLANGWILI	105.3%	187	180	2	6	1	-	9
UNSCHEDULED CARE PRINCE PHILIP	86.2%	103	103	(17)	-	0	-	(16)
UNSCHEDULED CARE WITHYBUSH	95.7%	121	119	(7)	1	1	-	(5)
WOMEN & CHILDREN	94.9%	446	443	(27)	2	1	-	(24)
DIRECTOR OF FINANCE	**95.2%**	**301**	**299**	**(17)**	**-**	**2**	**-**	**(15)**
DIGITAL	96.4%	201	199	(9)	-	2	-	(7)
FINANCE	93.5%	93	93	(6)	-	-	-	(6)
PERFORMANCE	85.9%	7	7	(1)	-	-	-	(1)
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	**95.4%**	**195**	**195**	**(9)**	**-**	**0**	**-**	**(9)**
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	**92.4%**	**1,150**	**1,138**	**(106)**	**12**	**0**	**-**	**(94)**
CARMARTHENSHIRE COUNTY	98.2%	281	277	(10)	5	0	-	(5)
CEREDIGION COUNTY	95.4%	164	161	(11)	3	-	-	(8)
MEDICINES MANAGEMENT	96.1%	235	235	(10)	-	0	-	(10)
PEMBROKESHIRE COUNTY	88.2%	223	218	(35)	5	0	-	(30)
PRIMARY CARE	80.2%	174	174	(43)	-	-	-	(43)
PRIMARY CARE MANAGEMENT	101.9%	73	73	1	-	-	-	1
DIRECTOR OF PUBLIC HEALTH	**69.7%**	**112**	**110**	**(50)**	**2**	**-**	**-**	**(49)**
DIRECTOR OF STRATEGY AND PLANNING	**91.0%**	**33**	**33**	**(3)**	**-**	**-**	**-**	**(3)**
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	**96.8%**	**603**	**601**	**(21)**	**-**	**2**	**-**	**(20)**
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	**78.2%**	**244**	**244**	**(68)**	**-**	**-**	**-**	**(68)**
EXECUTIVE MEDICAL DIRECTOR	**106.0%**	**96**	**96**	**5**	**-**	**-**	**-**	**5**
Grand Total	**92.0%**	**7,237**	**7,083**	**(779)**	**87**	**64**	**3**	**(625)**

Appendix: Key Analysis (6 of 8): 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, MIDWIFERY AND CLINICAL SUPPORT	CLINICAL SERVICES AND SUPPLIES	COMMISSIONED HEALTHCARE SERVICES	DRUGS AND PRESCRIBING	OTHER NON-PAY	INCOME	
CHIEF EXECUTIVE	(41)					(1)		13	5	(24)
CHIEF OPERATING OFFICER	(306)	(37)	7	(148)	150	(106)	85	384	(123)	(94)
ASST DIR OPS QUALITY & NURSING	(0)	0		(1)	(7)		(0)	8		(0)
FACILITIES	(83)			(2)	(0)		1	105	17	38
MENTAL HEALTH & LEARNING DISABILITIES	(4)	(25)	47	(19)	4	(150)	(23)	(38)	(15)	(223)
ONCOLOGY & CANCER SERVICES	20	(26)	47	(26)	13	(4)	(101)	3	1	(73)
OPERATIONS DIR MANAGEMENT	(36)	(10)	1	23	7	(3)	4	19	(39)	(35)
PATHOLOGY	(14)	40	37	(10)	11	13	(51)	23	(7)	42
PLANNED CARE	(53)	0	(87)	(136)	(5)	39	136	253	(202)	(54)
RADIOLOGY	(7)	1	(36)	13	6	31	8	9	(12)	12
UNSCHEDULED CARE BRONGLAIS	(18)	(10)	189	37	(2)	(0)	13	6	(6)	208
UNSCHEDULED CARE GLANGWILI	(40)	20	(37)	(15)	35	(23)	53	15	(11)	(2)
UNSCHEDULED CARE PRINCE PHILIP	(19)	(9)	(101)	(43)	98	7	29	8	(3)	(32)
UNSCHEDULED CARE WITHYBUSH	(62)	(15)	(20)	137	(6)	2	20	(25)	8	39
WOMEN & CHILDREN	9	(5)	(32)	(105)	(3)	(18)	(6)	(2)	147	(14)
DIRECTOR OF FINANCE	(1)		(1)	1	0	(22)	0	125	28	130
DIGITAL	47		(1)		0	(11)		73	35	144
FINANCE	(42)					(11)	0	52	(7)	(8)
PERFORMANCE	(6)			1				(1)		(6)
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	78	(30)	0	(210)	0	8		19	138	4
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	(60)	(3)	156	(163)	(2)	(446)	365	(166)	17	(302)
CARMARTHENSHIRE COUNTY	(4)	(10)	(15)	(47)	22	(34)	0	3	(15)	(98)
CEREDIGION COUNTY	3	(0)	(2)	(34)	(8)	2	(4)	(5)	4	(45)
PEMBROKESHIRE COUNTY	(16)	(0)	1	(74)	(0)	(35)	(2)	19	(5)	(112)
MEDICINES MANAGEMENT	(5)	(17)		13	6	7	352	10	(4)	363
PRIMARY CARE	(37)	25	172	(39)	6	(387)	19	(230)	37	(434)
PRIMARY CARE MANAGEMENT	(2)	(1)		18	(28)	0		36	(0)	23
DIRECTOR OF PUBLIC HEALTH	1	3	(22)	(51)	(10)	5	(100)	(1)	6	(170)
DIRECTOR OF STRATEGY AND PLANNING	(26)	0	(4)			(410)	0	3	(7)	(445)
LTA'S WITH OTHER NHS PROVIDERS	1					(410)	0	(0)		(409)
STRATEGIC PLANNING	(28)	0	(4)			0		3	(7)	(36)
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	10	(9)		(26)	10	4	(2)	24	(1)	11
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	(36)	(1)	40	(26)	0	(10)	5	(75)	(11)	(114)
EXECUTIVE MEDICAL DIRECTOR	28	23	(14)	0	(6)		0	7	(83)	(44)
HEALTH BOARD WIDE	104		31		3	(85)	20	(40)	113	147
CENTRAL CAPITAL								0	(9)	(9)
CENTRAL CONTRACTING						5		(1)		4
CENTRAL FINANCING	4				3	6	20	(39)	(25)	(30)
CENTRAL INCOME									147	147
CENTRAL RESERVES	100		31			(96)				35
PLANNED DEFICIT								5,333		5,333
UNIDENTIFIED SAVINGS GAP								(90)		(90)
Grand Total	(250)	(54)	192	(622)	146	(1,065)	374	5,535	82	4,340

Appendix: Key Analysis (7 of 8): Year to Date 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, MIDWIFERY AND CLINICAL SUPPORT	CLINICAL SERVICES AND SUPPLIES	COMMISSIONED HEALTHCARE SERVICES	DRUGS AND PRESCRIBING	OTHER NON-PAY	INCOME	
CHIEF EXECUTIVE	**(136)**				**0**	**(9)**		**(62)**	**28**	**(179)**
CHIEF OPERATING OFFICER	**(578)**	**(431)**	**586**	**528**	**1,059**	**176**	**517**	**1,100**	**(749)**	**2,208**
ASST DIR OPS QUALITY & NURSING	(46)	(7)		4	(52)		(0)	26		**(75)**
FACILITIES	186	0		(34)	22	(12)	4	468	47	**681**
MENTAL HEALTH & LEARNING DISABILITIES	(77)	(252)	535	(373)	4	(328)	(202)	(21)	8	**(705)**
ONCOLOGY & CANCER SERVICES	(2)	(103)	(84)	(135)	43	18	(24)	6	39	**(243)**
OPERATIONS DIR MANAGEMENT	(201)	(76)	105	80	59	(20)	25	2	(76)	**(102)**
PATHOLOGY	3	169	215	29	250	106	(186)	(47)	(3)	**535**
PLANNED CARE	(121)	175	(401)	(280)	(156)	184	66	455	(482)	**(560)**
RADIOLOGY	(25)	(54)	(143)	97	70	109	(52)	43	(82)	**(36)**
UNSCHEDULED CARE BRONGLAIS	(100)	(70)	563	98	24	12	2	84	(12)	**601**
UNSCHEDULED CARE GLANGWILI	(83)	(67)	(57)	623	67	14	488	(21)	(38)	**926**
UNSCHEDULED CARE PRINCE PHILIP	(92)	(62)	(167)	(156)	496	14	250	(21)	7	**269**
UNSCHEDULED CARE WITHYBUSH	(119)	(45)	(151)	771	(13)	6	218	63	33	**763**
WOMEN & CHILDREN	99	(40)	171	(195)	245	73	(71)	62	(188)	**157**
DIRECTOR OF FINANCE	**(89)**		**(8)**	**2**	**1**	**(309)**	**0**	**796**	**218**	**609**
DIGITAL	65		(8)		1	(231)		649	213	**688**
FINANCE	(153)					(78)	0	154	4	**(72)**
PERFORMANCE	(1)			2				(8)		**(7)**
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	**104**	**(31)**	**2**	**(87)**	**7**	**20**		**53**	**203**	**272**
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	**(160)**	**(98)**	**1,157**	**(808)**	**(163)**	**(3,836)**	**1,208**	**(387)**	**392**	**(2,694)**
CARMARTHENSHIRE COUNTY	1	(74)	(16)	(17)	82	(177)	7	51	(68)	**(210)**
CEREDIGION COUNTY	15	18	(8)	(233)	(20)	73	(14)	(87)	27	**(229)**
PEMBROKESHIRE COUNTY	(54)	(1)	9	(559)	22	(68)	5	(105)	45	**(705)**
MEDICINES MANAGEMENT	(16)	(119)		86	(42)	22	1,186	97	(304)	**909**
PRIMARY CARE	(122)	82	1,172	(230)	20	(3,687)	24	(377)	693	**(2,425)**
PRIMARY CARE MANAGEMENT	16	(4)		146	(224)	0		34	(2)	**(34)**
DIRECTOR OF PUBLIC HEALTH	**(38)**	**(2)**	**(135)**	**(98)**	**(60)**	**34**	**(88)**	**56**	**38**	**(291)**
DIRECTOR OF STRATEGY AND PLANNING	**(82)**	**0**	**14**			**(293)**	**0**	**30**	**(54)**	**(385)**
LTA'S WITH OTHER NHS PROVIDERS	8					(297)	0	(2)		**(291)**
STRATEGIC PLANNING	(91)	0	14			4		31	(54)	**(95)**
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	**58**	**(229)**	**0**	**(98)**	**78**	**26**	**(16)**	**165**	**(113)**	**(129)**
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	**(327)**	**(41)**	**(32)**	**126**	**3**	**(2)**	**(10)**	**(42)**	**(90)**	**(415)**
EXECUTIVE MEDICAL DIRECTOR	**137**	**133**	**182**	**14**	**(7)**		**0**	**(47)**	**(467)**	**(56)**
HEALTH BOARD WIDE	**176**			**2**	**16**	**150**	**279**	**(129)**	**115**	**609**
CENTRAL CAPITAL								6	(34)	**(28)**
CENTRAL CONTRACTING						159		(5)		**154**
CENTRAL FINANCING	(24)			2	16	16	279	(130)	(289)	**(130)**
CENTRAL INCOME									439	**439**
CENTRAL RESERVES	200					(25)		(0)	(1)	**173**
PLANNED DEFICIT			**(0)**					**37,333**		**37,333**
UNIDENTIFIED SAVINGS GAP								**1,565**		**1,565**
Grand Total	**(936)**	**(699)**	**1,766**	**(419)**	**935**	**(4,043)**	**1,891**	**40,432**	**(480)**	**38,447**

Appendix: Key Analysis (8 of 8): End of Year 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, MIDWIFERY AND CLINICAL SUPPORT	CLINICAL SERVICES AND SUPPLIES	COMMISSIONED HEALTHCARE SERVICES	DRUGS AND PRESCRIBING	OTHER NON-PAY	INCOME	
CHIEF EXECUTIVE	**(249)**				**0**	**(16)**		**209**	**(22)**	**(77)**
CHIEF OPERATING OFFICER	**(802)**	**(751)**	**804**	**(641)**	**1,370**	**243**	**1,924**	**1,104**	**(1,717)**	**1,532**
ASST DIR OPS QUALITY & NURSING	(58)	(16)		(15)	(74)		(0)	37		**(127)**
FACILITIES	352	0		(46)	20	(12)	(39)	473	(590)	**158**
MENTAL HEALTH & LEARNING DISABILITIES	(224)	(328)	1,001	(985)	4	(518)	(252)	(12)	47	**(1,267)**
ONCOLOGY & CANCER SERVICES	(4)	(165)	(178)	(186)	73	30	379	10	68	**26**
OPERATIONS DIR MANAGEMENT	(69)	(167)	48	(30)	(133)	(34)	46	144	(42)	**(237)**
PATHOLOGY	(6)	211	324	6	158	183	(288)	(105)	(66)	**416**
PLANNED CARE	(156)	328	(277)	(300)	(98)	218	350	283	(711)	**(362)**
RADIOLOGY	(49)	(57)	(297)	203	210	233	(45)	48	(160)	**86**
UNSCHEDULED CARE BRONGLAIS	(191)	(144)	885	188	12	11	4	75	(14)	**827**
UNSCHEDULED CARE GLANGWILI	(169)	(171)	(128)	592	69	14	885	26	(45)	**1,072**
UNSCHEDULED CARE PRINCE PHILIP	(186)	(106)	(332)	(521)	841	21	503	4	11	**235**
UNSCHEDULED CARE WITHYBUSH	(214)	(72)	(319)	917	(116)	27	501	74	19	**816**
WOMEN & CHILDREN	173	(64)	75	(464)	404	70	(119)	46	(234)	**(113)**
DIRECTOR OF FINANCE	**(187)**		**(13)**	**2**	**1**	**(670)**	**0**	**451**	**349**	**(68)**
DIGITAL	82		(13)		1	(536)		136	366	**36**
FINANCE	(238)					(134)	0	316	10	**(46)**
PERFORMANCE	(31)			2				(1)	(27)	**(57)**
DIRECTOR OF NURSING, QUALITY AND PATIENT EXPERIENCE	**145**	**(40)**	**3**	**(135)**	**8**	**25**		**132**	**312**	**450**
DIRECTOR OF PRIMARY CARE, COMMUNITY AND LONG TERM CARE	**(389)**	**(229)**	**2,251**	**(1,088)**	**(320)**	**(6,127)**	**1,583**	**(195)**	**768**	**(3,745)**
CARMARTHENSHIRE COUNTY	(21)	(134)	(46)	(129)	140	(370)	10	16	(98)	**(632)**
CEREDIGION COUNTY	29	10	(18)	(401)	(57)	138	(30)	(70)	49	**(350)**
PEMBROKESHIRE COUNTY	(120)	(2)	13	(572)	39	(108)	20	(28)	74	**(686)**
MEDICINES MANAGEMENT	(40)	(230)		162	(97)	40	1,430	148	(535)	**877**
PRIMARY CARE	(273)	135	2,302	(405)	16	(5,825)	154	(274)	1,280	**(2,891)**
PRIMARY CARE MANAGEMENT	36	(8)		258	(361)	0		13	(2)	**(64)**
DIRECTOR OF PUBLIC HEALTH	**(285)**	**(26)**	**(237)**	**(489)**	**(109)**	**57**	**9**	**149**	**66**	**(864)**
DIRECTOR OF STRATEGY AND PLANNING	**(45)**	**28**	**49**			**(162)**	**0**	**40**	**(90)**	**(181)**
LTA'S WITH OTHER NHS PROVIDERS	16					(169)	0	(4)		**(157)**
STRATEGIC PLANNING	(61)	28	49			6		44	(90)	**(24)**
DIRECTOR OF THERAPIES AND HEALTH SCIENCE	**145**	**(327)**		**(237)**	**110**	**53**	**(28)**	**222**	**(122)**	**(183)**
DIRECTOR OF WORKFORCE AND ORGANISATIONAL DEVELOPMENT	**(170)**	**(36)**	**(112)**	**(48)**	**3**	**53**	**(9)**	**(104)**	**(56)**	**(477)**
EXECUTIVE MEDICAL DIRECTOR	**276**	**248**	**349**	**15**	**(11)**		**0**	**(153)**	**(715)**	**9**
HEALTH BOARD WIDE	**655**			**0**	**16**	**(268)**	**662**	**332**	**345**	**1,742**
CENTRAL CAPITAL								6	(47)	**(41)**
CENTRAL CONTRACTING						192		(10)		**182**
CENTRAL FINANCING	(45)			0	16	45	279	(348)	(288)	**(340)**
CENTRAL INCOME									680	**680**
CENTRAL RESERVES	700					(505)	383	684	(1)	**1,260**
PLANNED DEFICIT								**64,000**		**64,000**
UNIDENTIFIED SAVINGS GAP								**1,863**		**1,863**
Grand Total	**(906)**	**(1,133)**	**3,094**	**(2,621)**	**1,068**	**(6,812)**	**4,142**	**68,051**	**(882)**	**64,000**

Grŵp Iechyd, Gofal Cymdeithasol a'r Blynddoedd Cynnar
Health Social Care and Early Years Group

Llywodraeth Cymru
Welsh Government

Directors of Finance, Health Boards, NHS Trusts
and Special Health Authorities
Audit Wales
Head of NHS Financial Management

Our Ref:
Your Ref:

6 November 2024

2024-25 Technical Update 4

1. 2024-25 Strategic Cash Requests submission date Thursday 5 December 2024.

Health Boards that have established a requirement for strategic cash, as a result of their operational deficit are required to submit an Accountable Officer letter.

The letter should set out the:

- current forecast deficit;
- the current control total;
- the actions being taken by the Board to reduce that value to achieve the target control total; and
- the amount of strategic cash being requested.

The following application requirements are in place for Strategic Cash Support to ensure appropriate oversight by the LHB Boards of the cash requirements:

- All applications for Strategic Cash Support are required to be made to Judith Paget Chief Executive NHS Wales Judith.Paget001@gov.wales and copied to Hywel.Jones038@gov.wales Jacqueline.Salmon@gov.wales
- All applications to be approved by the Board prior to submission, including consideration of the cumulative cash support position of the LHB and the actions management are taking to mitigate the cash support requiremen
- All applications to be made by the Accountable Officer of the LHB.

Strategic cash application requests should be submitted by **close of play on Thursday 5 December 2024.**

Parc Cathays • Cathays Park
Caerdydd • Cardiff
CF10 3NQ

jacqueline.salmon@gov.wales
Gwefan • website:
www.wales.gov.uk

The cash implications of your operational deficit are a separate issue to the annual movement of working balances cash exercise. As strategic cash amounts require approval from the NHS Wales Chief Executive.

2. Annual Movement of Working Balances Cash Exercise

Organisations that require working capital cash should confirm the amount split between:

- revenue cash;
- capital cash for owned assets;
- capital cash for IFRS Leased Assets.

It is anticipated that this cash will be available for draw down during the week commencing the 17th March 2025. However, where organisations require the working capital cash earlier, please attach a profile detailing amounts and when the cash will need to be drawn down. **The working capital cash details should accompany the submission for strategic cash support and amount for information purposes. This may be included as a clearly identifiable separate issue in the strategic cash request letter.**

The FIS returns must clearly state the amount and type of cash only support being drawn down, when requesting both strategic, revenue working capital cash and capital working capital cash.

3. AME

Organisations that have quantifiable or unquantifiable risks that have not been detailed in their non-cash returns, submitted on the 5 November, should submit details relating to these or confirmation that all risk have been included within the original return to Jacqueline Salmon by close of play 12th November 2024.

Jackie Salmon
Finance Directorate / Cyfarwyddiaeth Cyllid
Health Social Care and Early Years Group / Grŵp Iechyd, Gofal Cymdeithasol a'r Blynddoedd Cynnar
Welsh Government / Llywodraeth Cymru

Swyddfeydd Corfforaethol, Adeilad Ystwyth
Hafan Derwen, Parc Dewi Sant, Heol Ffynnon Job
Caerfyrddin, Sir Gaerfyrddin, SA31 3BB

Corporate Offices, Ystwyth Building
Hafan Derwen, St Davids Park, Job's Well Road,
Carmarthen, Carmarthenshire, SA31 3BB

Ein cyf/Our ref:

Gofynnwch am/Please ask for: Kelly Sursona

Dyddiad/Date:

Mrs Judith Paget
Director General Health and Social Services
NHS Wales Chief Executive
Health and Social Services Group
Cathays Park
Cardiff
CF10 3NQ

By e-mail to: Judith.Paget001@gov.wales

Dear Judith

2024-25 Strategic Cash Request

I write in accordance with Technical Update 4, dated 6 November 2024. This update requested that Chief Executives, as Accountable Officers, should formally notify you of requests for Strategic Cash assistance by 5 December 2024.

The current forecast deficit is £64.0m which is in line with the Health Board's 2024/25 Annual Plan. It is recognised that the Plan itself was not approved by the Board or Welsh Government and that Welsh Government has set a minimum expectation of achieving the target control total of £44.8m.

The latest assessment of the Plan is that the list of actions presented to the Board in September 2024, to mitigate under achievement of the savings target of £32.4m set at the start of the year, together with the monthly forecasting and internal escalation process are forecast to deliver the £64.0m deficit.

On this basis, I need to formally request strategic cash assistance for 2024/25, as set out in Table 1 and Table 2:

Table 1 – Revenue strategic cash request breakdown

Annual plan revenue financial deficit	£ 64,000,000
Working capital revenue	£ 41,250,000
Total revenue cash	**£ 105,250,000**

Table 2 – Capital strategic cash request breakdown

Capital cash for owned assets	£ 3,200,000
Capital cash for IFRS 16 leased assets	£ 2,156,830
Total capital cash	**£ 5,356,830**

These represent our best estimates at this time, as additional allocations are anticipated between now and year end, and therefore may be subject to change. The working capital revenue will be required prior to 17 March 2025. Working capital revenue cash requirements are significant at £41.25m due to the high value of payments made at the start of the current financial year related to deferred invoices from the prior financial year.

Our best estimate at this time is £9.5m revenue and £1.5m capital will be required on 27 February with the balance of working capital required on 1 March 2025 and the strategic cash required on 19 March 2025.

We have reviewed our creditor types to identify different payment policies that could be adopted with a cash strategy developed should the full amount of strategic cash assistance not be made available. These options all contain risks for the Health Board and represent a significant reputational concern for us.

Priority creditors would need to be paid to maintain service levels. If no strategic cash assistance is made available and restrictions on creditor payments are not undertaken, we estimate that the Health Board will fully utilise our approved cash resource limits by 27 February 2025.

The cash strategy has been scrutinised in detail at the In-Committee Sustainable Resources Committee at their October meeting. This letter has also been discussed at the 28 November 2024 Board meeting.

Work continues to translate in-year over reliance on non-recurrent savings into recurrent delivery in advance of the planning cycle for the forthcoming financial year. There is an aspiration that the planned financial deficit will achieve the target control total of £44.8m by March 2026. The Executive Team have committed to identify £20.0m of recurrent savings by December 2024 to enable the plan, 50% of the remaining target to be identified by 19 February 2025, and 100% of the remaining target by 20 March 2025.

I am grateful for your support and look forward to receiving confirmation of any strategic cash assistance which you can provide.

Yours sincerely

Professor Phil Kloer

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