



Swansea Bay UHB
Month 9 Financial Performance 2021/22
Health Board 27th January 2022



Month 9 21/22 – Performance against Targets

Revenue		Capital		PSPP	
Revenue KPIs: To ensure that net operating costs do not exceed the Revenue resource limit set by Welsh Government	Value £000	Capital KPIs: To ensure that costs do not exceed the Capital resource limit set by Welsh Government	Value £000	PSPP KPIs: To pay a minimum of 95% of non NHS creditors within 30 days of receipt of goods or valid invoice	%
Reported in-month financial position – deficit/(surplus)	1,884	Current reported year end forecast – deficit/(surplus)	705	In-month % of invoices paid within 30 days (by number)	95.60
Reported year to date financial position - deficit/(surplus)	17,570	Reported in-month financial position – deficit/(surplus)	- 2,478	Cumulative % of invoices paid within 30 days (by number)	95.08
Reported year to date compared to forecast - deficit/(surplus)	-734				
Year end Forecast - deficit/(surplus)	24,405				

Revenue

- The in month reported revenue position is an overspend of £1.884m, which results in a cumulative overspend of £17.570m. This is £0.734m below the forecast.
- The Health Board has a year end forecast deficit of £24.405m.

Capital

- Approved CRL value for 21/22 issued on 11/01/22 is £61.369m which includes Discretionary Capital and the schemes under the All Wales Capital Programme.
- Overspend to date relates to a number of schemes as detailed in the Annex.
- There are 4 Capital schemes reported to Welsh Government as high risk. Any schemes where risks are reported are being closely monitored and discussed at the monthly progress meeting with Welsh Government. Mitigation plans are in place to maintain a balanced CRL position should these risks materialise.
- The forecast outturn position for 21/22 is £0.705m overspent. Allocations are anticipated from WG which will balance this position.
- The reported forecast outturn position assumes that outstanding expected sale proceeds of £0.387m will be received as disposal income.

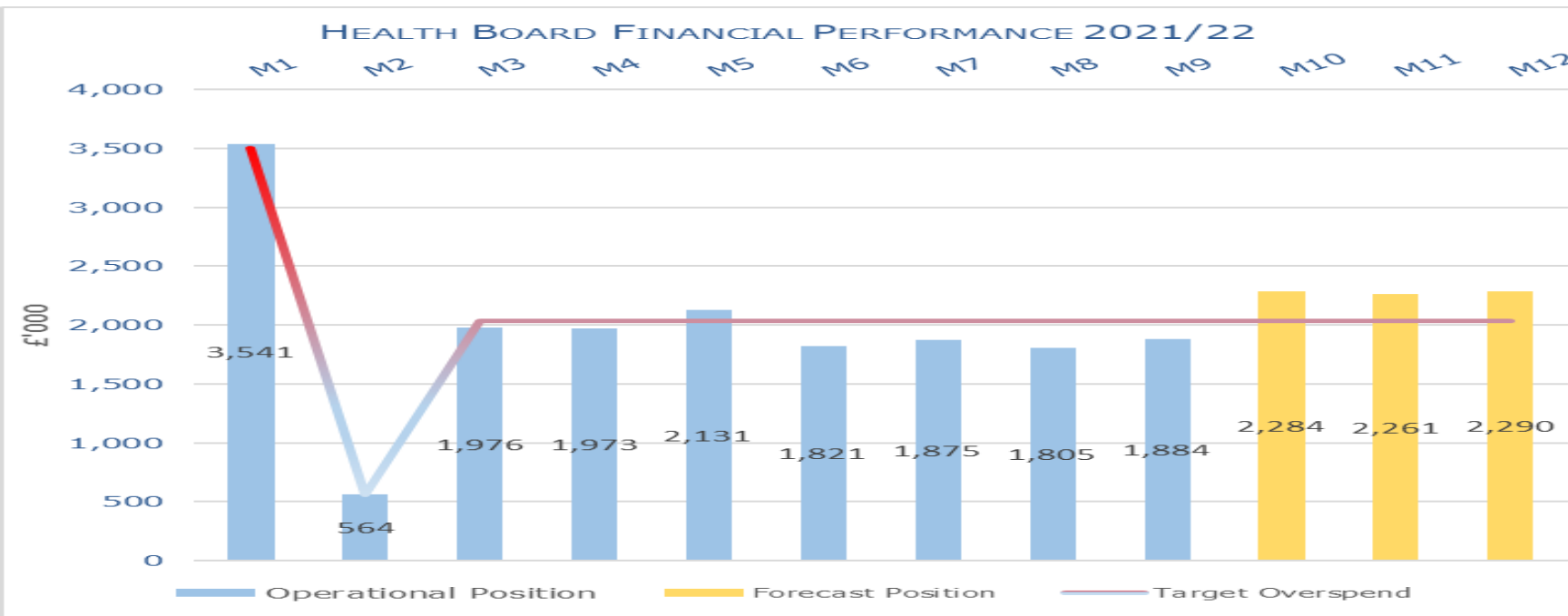
PSPP

- The PSPP target was achieved for the first 6 months of the financial year, performance deteriorated in month 7 and 8 to 91.3% each month. This has improved to 95.6% in Month 9, allowing the 95% cumulative target to be achieved.
- The deterioration was due to very high volume of nurse agency invoices which is resulting in a delays in authorising and processing. Actions have been taken to provide additional support in this area, however this continues to be extremely challenging.

Month 9 21/22 - Overall Financial Position

	Budget	Actual	Variance	Budget	Actual	Variance
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
Income	- 23,538	- 22,954	584	- 215,889	- 213,706	2,183
Pay	55,233	53,593	- 1,640	482,249	474,048	- 8,201
Non-Pay	60,390	61,913	1,523	508,874	515,898	7,024
Delegated Position	92,085	92,552	467	775,234	776,240	1,006
Corporate Plan	- 1,417		1,417	- 16,562	-	16,562
Total Position	90,668	92,552	1,884	758,672	776,240	17,568

- The Health Board had a forecast deficit plan of £42.077m for 2021/22, which results in an anticipated monthly overspend of £3.506m.
- WG have now advised the Health Board to assume non-recurrent funding to support the 20/21 savings non-delivery £17.672m.
- This reduces the forecast deficit for 2021/22 to £24.405m, which is a monthly overspend of £2.034m.
- The in-month position of £1.884m is £0.15m below the profile target.
- The cumulative position is £17.568m overspend against a planned deficit of £18.304m, a difference of £0.736m.
- The table provides a summary of the position by income and expenditure type. Please note the income excludes WG Revenue Resource Limit.



Income

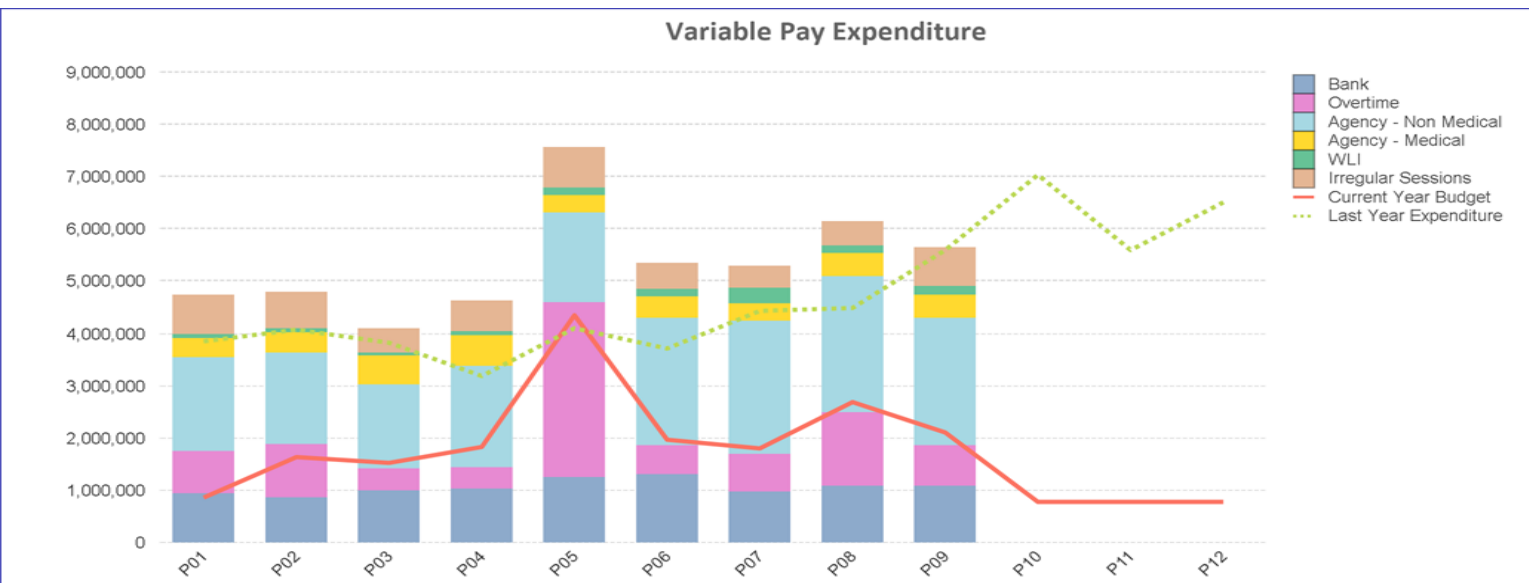
Income	Budget	Actual	Variance	Budget	Actual	Variance
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
Revenue Resource Limit	- 91,963	- 91,963	-	- 797,074	- 797,074	-
Income from Activities	- 21,071	- 20,720	351	- 190,898	- 189,569	1,329
Other Income	- 2,467	- 2,234	233	- 24,991	- 24,137	854
Total Income	- 115,501	- 114,917	584	- 1,012,963	- 1,010,780	2,183

- The cumulative income budget to Month 9 is £1,012.963m.
- The actual income achieved in this period is £1,010.780m.
- There is an under-achievement of income of £2.183m.
- The key areas of under-achievement are dental, catering, rental and other patient related charges.
- It should be highlighted that over £0.6m COVID funding has been applied to income budgets in month, excluding dental.
- The LTA/SLA block arrangement remains in place for this year to negate the pandemic impact on service/activity provision. The performance however continues to be monitored and there would be a significant adverse financial impact if LTA arrangement were “Live”.

Workforce

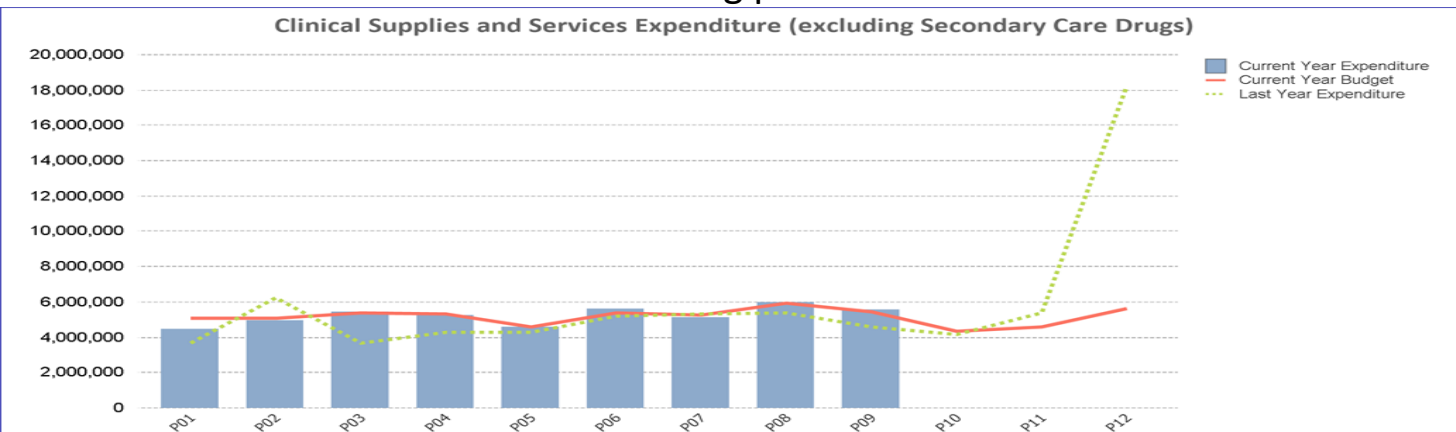
Workforce	Budget	Actual	Variance	Budget	Actual	Variance
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
A&C	8,163	7,676	- 487	69,557	66,013	- 3,544
APST	1,963	1,878	- 85	17,190	16,248	- 942
AHP	3,820	3,535	- 285	33,467	31,002	- 2,465
HCS	1,684	1,620	- 64	15,067	14,349	- 718
ACS (Exlcuding HCSW)	1,635	1,493	- 142	14,732	14,053	- 679
M&D	13,212	13,200	- 12	113,738	114,380	642
Nursing (including HCSW & Students)	22,206	21,534	- 672	195,129	193,228	- 1,901
E&A	2,705	2,657	- 48	25,315	24,778	- 537
VF	- 155	-	155	- 1,943	-	1,943
Total Workforce	55,233	53,593	- 1,640	482,252	474,051	- 8,201

- The table provides an analysis of the workforce position by staff group.
- This workforce position has reported a continued underspend in month, with the underspend being higher than in recent months. This is often the case in Month 9 due to reduced levels of annual leave over the Christmas period resulting in lower levels of variable pay.
- There has also been some additional backdated funding to support new Medical Training posts which has resulted in Medical and Dental budgets breaking even for the first time this financial year.
- Despite the aforementioned increased underspend due to lower levels of annual leave and the backdated funding, variable pay costs remain high. These costs however are due to surge capacity and enhanced staffing to support the current COVID wave and these costs are supported by funding, therefore not impacting on the budgetary position.



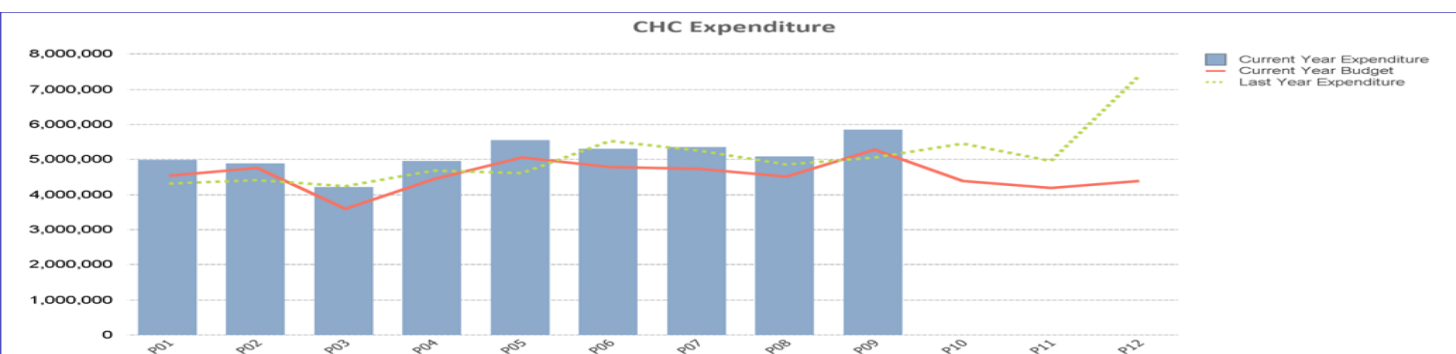
Non Pay

- Clinical consumable budgets have been underspent due to activity restrictions. Recent months have seen costs increase as activity has increased and also due to escalating prices.



Activity	Compared to Pre COVID	
	Nov-21	Dec-21
InPatient_Elective	87%	95%
InPatient_Emergency	91%	84%
InPatient_Transfer	54%	68%
Daycase	86%	81%
RDA	84%	71%
New Att	79%	72%
FU Att	64%	62%
OPP	60%	66%
POA	88%	84%
ED Att	96%	85%

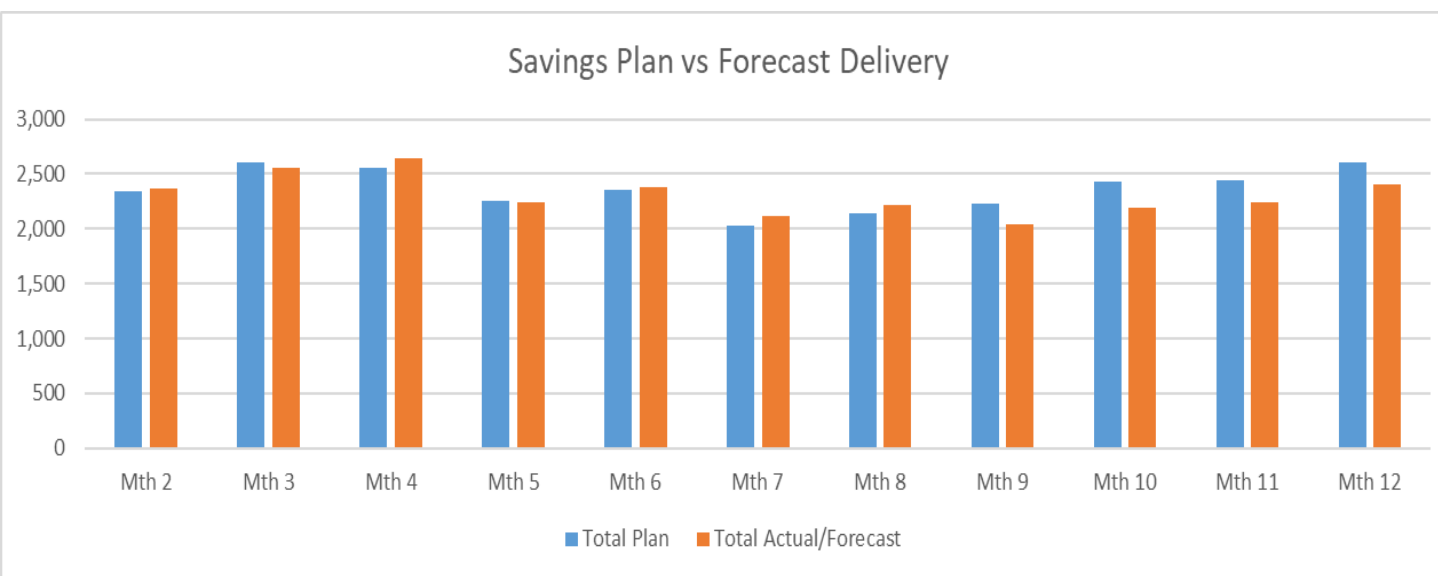
- ChC expenditure is an area of cost pressure, with expenditure running above budget. The key driver of this is MH and LD ChC, where significant growth in high cost packages of care from 2019/20 is being experienced. The initial cost pressure has been mitigated through other recurrent and non-recurrent means. General ChC cases have remained fairly static throughout the year. The in month level appears low, but due to timing issues on case approval/notification, this normally increases by around 10-15 cases retrospectively. MH cases have risen sharply in month and this is being reviewed to assess the ongoing implications.



ChC Case Numbers	General	MH	LD
Apr-19	347	135	169
Mar-20	358	141	180
Mar-21	355	152	196
May-21	361	155	196
Jun-21	373	159	198
Jul-21	376	158	198
Aug-21	366	158	197
Sep-21	368	157	200
Oct-21	370	157	200
Nov-21	367	155	199
Dec-21	354	164	199

Savings

Summary of Forecast Savings - Green & Amber	£000s
Planned Care	3,629
Unscheduled Care	1,169
Primary and Community Care (Excl Prescribing)	2,066
Mental Health	541
Clinical Support	0
Non Clinical Support (Facilities/Estates/Corporate)	3,930
Commissioning	442
Across Service Areas	11,452
CHC	1,323
Prescribing	1,343
Medicines Management (Secondary Care)	1,556
Total	27,451



- The Health Board has a savings requirement of £27.7m as part of the 2021/22 financial plan.
- There are currently Green and Amber schemes planned of £28.154m, however there is some slippage forecast against these schemes, reducing the forecast delivery to £27.451m. This forecast delivery is within the required level of savings for the financial year.
- The graph shows the monthly planned and actual/forecast delivery. As you can see the most forecast slippage is in the later part of the year and is linked to the Amber schemes. However due to over-achievement in some areas this forecast slippage will not impact on the in-year delivery.
- The full year effect of this year's recurrent savings programme is £24.9m, which is £2.8m short of the required target. This must be addressed as a matter of urgency.

COVID Income & Expenditure

COVID Funding	Confirmed & Anticipated Funding £000
Testing	3,104
Contact Tracing	13,090
Vaccination	13,578
Extended Flu	1,190
Enhanced Cleaning Standards	2,366
PPE	4,797
Care Homes	2,243
Sustainability	45,198
Long COVID	635
UEC Programmes	4,130
COVID Response	90,331
Recovery	24,295
20/21 Savings Impact	17,672
Bonus Payment Recovery	- 1,130
Total Allocation	131,168

- The initial table provides a summary of the COVID funding received or anticipated in 2021/22. All funding has now been received with the exception of extended flu and some of the UEC programme funding.
- Given the challenges in being able to fully deploy the £131.168m, due to workforce and other physical constraints, any bids for further funding must be approved by the Director of Finance prior to submission.
- Following the issue of funding based on Month 8 forecasts, there have been some further movements within increased forecasts in vaccination and PPE. These increases are able to be managed due to slippage on other areas such as winter, recovery and long COVID.
- For the majority of costs the year to date spend profile is broadly aligned to the forecast spend, however there are two areas where there are significant additional costs expected in the latter part of the financial year; Recovery and Urgent Emergency Care.
- There remains around £12m of Recovery funding to be spent in the final quarter of the financial year and it is likely that there will be slippage against both the planned/bid for funding and the generally allocated funding. There has been significant slippage against outsourced activity due to capacity constraints. The recovery position needs to be closely managed through the Planned Care Board to minimise slippage and identify opportunities to utilise the funding during the final quarter although the operational pressure impact is recognised.
- Further contingency expenditure plans need to be developed quickly to ensure that all funding received is utilised.

COVID Expenditure	YTD Spend £000	Forecast Spend £000
Testing	2,370	3,104
Tracing	9,030	13,089
Vaccination	10,853	14,379
Extended Flu	885	1,190
Cleaning Standards	1,775	2,366
Recovery	11,901	23,505
Long COVID	240	385
Urgent Emergency Care	1,419	4,130
Sustainability :		
Primary Care Prescribing	4,426	5,788
PPE	3,692	4,892
Care Homes	2,028	2,243
Staffing	21,289	25,523
Other Non Pay/Income Loss	8,806	12,901
	78,714	113,495



Actions

2021/22 Delivery of £24.405m Forecast Deficit

- Establish robust forecast of recovery schemes/actions, in terms of activity/service delivery and expenditure. **Planned Care Board supported by Deputy COO, Deputy Director of Finance – End of January 2022.**
- Develop alternative opportunities to ensure allocated funding is fully utilised. **Planned Care Board supported by Deputy COO, Deputy Director of Finance – End of January 2022.**
- Review all investment plans to identify areas of expenditure that can be expedited and other areas of expenditure to support longer term strategy and improve patient care. **CEO and DOF, supported by Service and Corporate Directors – End of January 2022.**

2022/23 Financial Plan

- Identify and Assess key inflationary, growth and service pressures;
- Develop, plan and implement the savings programme for 2022/23;
- Ensure 2021/22 recurrent savings are met in full to maintain the underlying deficit position.
- Assess the ongoing implications as a result of the pandemic, in terms of direct costs, such as Testing and Vaccination programmes, indirect costs associated with changes to service models and patient demand and acuity and costs associated with recovery; and
- Underpin Changing for the Future with clear and robust investment strategy which supports the Health Board's recovery and sustainability plan





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