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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	25 March 2021	Agenda Item	3.3
Report Title	2021/22 Long Term Agreements (LTAs) and Service Level Agreements (SLAs)		
Report Author	Geraint Norman, Head of Strategic Financial Planning Chris Stevens, Principal Finance Manager, Commissioned Services		
Report Sponsor	Darren Griffiths, Director of Finance and Performance (interim)		
Presented by	Darren Griffiths, Director of Finance and Performance (interim)		
Freedom of Information	Open		
Purpose of the Report	The purpose of this report is to seek Board approval for the Long Term Agreement (LTA) and Service Level Agreement (SLA) values for 2021/22.		
Key Issues	<p>The Health Board's Standing Orders require Board sign off of LTA and SLA values each financial year.</p> <p>Under Welsh Health Circular 2019/014 there is a requirement for all 2021/22 inter-Welsh NHS Long Term Agreement (LTAs) and Service Level Agreement (SLAs) documents be approved by 31st March 2021.</p> <p>During 2020/21 LTAs and SLAs were effectively managed as blocks and funds flowed between organisations based on agreed values. All Wales Directors of Finance have agreed to extend these arrangements for the first 3 months of 2021/22.</p> <p>A task and finish group, with representation from all Health Boards and WHSSC, will continue to meet monthly to review developments and to make quarterly recommendations as to what the recovery process will be for moving back to 'live' contracts.</p> <p>This paper outlines the LTA and SLA values for approval.</p>		

Specific Action Required (please choose one only)	Information	Discussion	Assurance	Approval
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recommendations	<p>The Board is asked to: -</p> <ul style="list-style-type: none"> • Note that LTAs and SLAs will operate as blocks for at least quarter 1 of 2021/22 • Note that work is planned to recover the LTA and SLA systems to live operating in 2021/22 • Approve the LTA and SLA values as base from which discussions will take place in 2021/22. 			

2021-22 Long Term Agreements (LTAs) and Service Level Agreements (SLAs)

1. INTRODUCTION

Under Standing Order Schedule 06 - Standing Financial Instructions, there is a requirement for LTAs and SLAs to be approved by the Board. This report sets out the current position across the LTAs, clinical SLAs and corporate SLAs which require approval by the Board.

Under Welsh Health Circular 2019/014 there is a requirement for all 2021-22 inter-Welsh NHS Long Term Agreement (LTAs) and Service Level Agreements (SLAs) to be approved by 31 March 2021. This deadline is in line with last year.

This paper sets out the current LTA and SLA values

2. BACKGROUND

LTAs

As set out in Tables 1 and 2 below, the Health Board provides services to other Health Boards to the value of £181.5m and commissions £35.8m of services from Health Boards and Trusts.

The movements in the values between years can be explained by: -

- All 2021/22 LTAs and SLAs have been updated to include a 2% 'inflation' uplift.
- In table 1 the Cwm Taf Morgannwg University Health Board (CTMUHB) value is lower due to agreed repatriation of the rheumatology outpatient service formerly provided by SBUHB at the Princess of Wales Hospital.
- In table 2 the CTMUHB value has reduced for 2021/22 as a result of repatriation of colorectal surgery to SBUHB provision and an adjustment relating to colposcopy and hysteroscopy services undertaken at Neath Port Talbot Hospital.
- The LTA with Velindre NHS Trust has increased due to additional NICE/High cost drug costs incurred.

Table 1: SBUHB Provider LTAs

NHS body	2020/21 SBUHB Income	2021/22 SBUHB Income
Aneurin Bevan UHB	£840,030	£856,030
Cwm Taf Morgannwg UHB	£17,504,574	£17,396,471
Cardiff and Vale UHB	£3,968,462	£4,036,497
Powys Teaching UHB	£7,999,880	£8,159,596
Hywel Dda UHB	£35,461,250	£36,131,006
WHSSC	£112,715,279	£114,894,783
TOTAL	£178,489,475	£181,474,383

Table 2: SBUHB Commissioner LTAs

NHS body	2020/21 SBUHB Expenditure	2021/22 SBUHB Expenditure
Aneurin Bevan UHB	£191,469	£195,298
Cwm Taf Morgannwg UHB	£26,460,606	£25,979,627
Cardiff and Vale UHB	£3,439,218	£3,504,192
Powys Teaching UHB	£1,056,261	£1,077,387
Hywel Dda UHB	£4,473,729	£4,563,204
Velindre NHS Trust	£463,481	£489,240
TOTAL	£36,106,671	£35,808,948

During 2020/21 LTAs and SLAs were effectively managed as blocks and funds flowed between organisations based on agreed values. All Wales Directors of Finance have agreed to extend these arrangements for the first 3 months of 2021/22.

Clinical SLAs

Following the Bridgend Boundary Change on 1st April 2019 a range of clinical and corporate SLAs were established between ourselves and CTMUHB to ensure service sustainability and to minimise disruption. The details of the SLAs are set out in the appendices to this report.

- Appendix 1 – Clinical SLAs with Swansea Bay as the provider
- Appendix 2 – Clinical SLAs with CTMUHB as the provider
- Appendix 3 – Corporate SLAs - combined

SBUHB will provide some £15,733,242 (**Appendix 1**) of services to CTMUHB in 2021/22 under clinical SLA arrangements with £3,411,116 of services provided by CTMUHB to SBUHB (**Appendix 2**).

Corporate SLAs

The net impact of corporate SLAs to SBUHB in 2020/21 was £953,872 income over expenditure on corporate SLA's. This is planned to reduce to £484,763 for 2021/22. The material movement can be described by: -

- Transfer of elements of the Digital Services SLA from SBUHB to CTMUHB – estimated to be £0.250m
- Cessation of estates helpdesk provision – £0.047m
- Cessation of medical equipment management support - £0.048m
- Revised occupational health model - £0.140m

3. ONGOING REVIEW OF SLA COSTS AND INCOME

SLAs have been subject to scrutiny during 2020/21, both at service level and through the Joint Contracting and Commissioning Group, to ensure that they continue to be fit for purpose, resulting in a number of SLA amendments and cessations for 2021/22.

This process will continue for 2021/22 with review of SLA costs and income to ensure SLAs are aligned with resources, demand and capacity. Any SLA amendments or cessations, following review, will feed into the 2022/23 SLA process.

4. GOVERNANCE AND RISK ISSUES

Under Welsh Health Circular 2019/014 there is a requirement for all 2021-22 inter-Welsh NHS LTA) and SLAs to be approved by 31st March 2021.

The risks within each LTA and SLA are managed through the services. Any significant service, workforce or finance risks will be raised with Contracting and Commissioning Group and the SBUHB Executive Team.

5. FINANCIAL IMPLICATIONS

The financial implications of the 2021-22 LTAs and SLAs are set out in this report. In summary:

- For LTAs, as a provider SBUHB will receive £181,474,383 and as a commissioner will spend £35,808,948.
- For clinical SLAs, as a provider SBUHB will receive £15,733,242 and as a commissioner will spend £3,411,116. This all relates to CTMUHB and is subject to final confirmation.
- For corporate SLAs, as a provider SBUHB will receive £2.0m and as a commissioner will spend £1.5m. This all relates to CTMUHB.

The value of the LTAs and SLAs is subject to change during the year.

6. RECOMMENDATION

The Board is asked to: -

- **Note** that LTAs and SLAs will operate as blocks for at least quarter 1 of 2021/22
- **Note** that work is planned to recover the LTA and SLA systems to live operating in 2021/22
- **Approve** the LTA and SLA values as base from which discussions will take place in 2021/22

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input checked="" type="checkbox"/>
	Co-Production and Health Literacy	<input checked="" type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input checked="" type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input checked="" type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input checked="" type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input checked="" type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input checked="" type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input checked="" type="checkbox"/>
	Staff and Resources	<input checked="" type="checkbox"/>
Quality, Safety and Patient Experience		
Quality, safety and patient experience factors have been considered as part of the SLAs and management of the LTAs and SLAs by services will monitor outcomes during 2021-22. The Commissioning & Contracting Group is in place to review overall performance and this reports to the Joint Executive Group.		
Financial Implications		
The financial implications of the LTAs and SLAs are set out in Tables 1-2 and Appendices 1, 2 and 3. A summary is set out in Section 4.		
Legal Implications (including equality and diversity assessment)		
Under Welsh Health Circular 2019/014 there is a requirement for all 2021-22 inter-Welsh NHS LTAs and SLAs to be approved by 31 March 2021. The LTAs have been agreed within the all-Wales framework. The format and processes for agreeing the SLAs with CTMUHB was approved by the Joint Executive Group and legal advice was taken on the SLA template.		
Staffing Implications		
During 2021-22 elements of the Digital Services corporate SLA will transfer to CTMUHB. This transfer involves the TUPE transfer of staff and this process is being managed by the Acting Director of Workforce and OD.		
Long Term Implications (including the impact on the Wellbeing of Future Generations (Wales) Act 2015)		
The LTAs and SLAs are driven by the Health Board's Clinical Services Strategy and supporting strategy and planning processes. The LTAs and SLAs are reviewed annually so there are no longer term implications at this stage.		
Report History	This report is a routine annual report to the Board	
Appendices	Appendix 1 – 2021/22 Clinical SLA values – SB provider Appendix 2 – 2021/22 Clinical SLA values – SB commissioner Appendix 3 – 2021/22 Corporate SLA values - combined	

Appendix 1

2021/22 Clinical SLA values - Swansea Bay (provider)/Cwm Taf Morgannwg (commissioner)

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2020/21 £	Amended SLA value for 2020/21 £	2021/22 SLA value (2% uplift) £	
137	Breast Services	CC-SB-001	1,778,867	1,778,867	1,814,444	
36	Cardiology	CC-SB-002	446,460	446,460	455,389	
33	General Surgery	CC-SB-003	1,167,196	1,167,196	754,401	*
107	Gynaecology	CC-SB-004	1,002,441	1,002,441	726,699	*
42	Ophthalmology	CC-SB-005	55,400	55,400	56,508	
41	Trauma and Orthopaedics	CC-SB-006	3,585,961	3,585,961	3,657,680	
134	Urology	CC-SB-007	11,278	11,278	11,504	
31	Neurology	MS-SB-001	32,542	32,542	33,192	
50	General Medicine	MS-SB-002	22,211	22,211	16,991	
107	Gynaecology	MS-SB-003	65,083	65,083	66,385	
82	Rheumatology	MS-SB-004	48,812	48,812	13,368	*
56	Cellular pathology / cytology / histology / Immunohistochemistry	PATH	4,527,520	4,436,180	4,524,904	
97	Chronic Pain	SERVICE-SB-001	49,381	49,381	50,369	
94A	Substance Misuse	SERVICE-SB-002	270,141	219,042	11,176	
40	Radiology	SERVICE-SB-003	127,607	127,607	130,159	
79	GP OOH	SERVICE-SB-004	1,594,889	1,594,889	271,874	
113	Nuclear Medicine	SERVICE-SB-005	267,379	267,379	272,727	
115	Radiation Protection	SERVICE-SB-007	45,152	45,152	46,055	
92	CDS Special Needs	SERVICE-SB-008	6,305	6,305	6,431	

140	Lymphoedema	SERVICE-SB-009	286,416	286,416	292,144	
67	Nutrition & Dietetic Services (generic)	SERVICE-SB-011	53,453	53,453	54,522	
100	Podiatry - community	SERVICE-SB-012	351,944	351,944	358,982	
105	Orthotics	SERVICE-SB-013	200,912	200,912	204,930	
136	Neuro-Physiology	SERVICE-SB-014	108,026	108,026	110,186	
92	Attention deficit/hyperactivity disorder (ADHD) and Autistic spectrum disorder (ASD)	SERVICE-SB-015	17,446	17,446	17,795	
114	PUPIS	SERVICE-SB-016	20,905	20,905	21,324	
138	Tier 3 Eating Disorder Service (MH/LD)	SERVICE-SB-017	21,716	21,716	22,150	
148	Criminal Justice Liaison & Prison in reach	SERVICE-SB-018	264,786	264,786	270,082	
148	Criminal Justice Liaison	SERVICE-SB-019	145,373	145,373	148,281	
45	Paediatrics	SERVICE-SB-022	155,857	155,857	158,974	
45	Paediatrics Diabetic Service	SERVICE-SB-023	86,157	34,492	-	
114	Rehab Engineering	SERVICE-SB-025	22,075	22,075	22,516	
8	Pulmonary rehabilitation	SERVICE-SB-026	646,883	646,883	659,821	
62	Pharmacy - aseptic/WAST supplies/homecare/medical gas testing	SERVICE-SB-027	43,472	43,472	49,969	
64	Physiotherapy - Shockwave	SERVICE-SB-029	2,474	2,474	2,524	
45	Neonatal Bayleys clinics	SERVICE-SB-036	6,760	6,760	6,895	
13	Local audiology service	STAFF-SB-001	28,095	28,095	28,657	
13	Vestibular Assessment	STAFF-SB-002	8,428	8,428	8,597	
111	Obstetrics/maternity services (NPT)	STAFF-SB-003	16,857	16,857	17,194	
39	Neonatal unit	STAFF-SB-005	23,829	23,829	24,306	

34	Palliative Medicine – Y Bwthyn Newydd	STAFF-SB-006	-	-	-	
36	Cardiology post band 2	STAFF-SB-007	4,219	12,657	-	
40	Anaesthetics	STAFF-SB-008	59,917	59,917	61,115	
64	Physiotherapy Services (adults)	STAFF-SB-009	9,739	9,739	-	
60	Pharmacy (generic) Blood Borne Virus	STAFF-SB-010	6,543	6,543	6,674	
36	Cardiology - MINAP	STAFF-SB-015	7,655	7,655	2,695	
	Mortuary SLA - ended May 2020		7,612	7,612	-	
	Post vasectomy semen analysis	SERVICE-SB-037	14,129	14,129	14,412	
	Sexual Health	SERVICE-SB-038	-	-	215,050	
	Neonatal Consultant sessions – clinical lead role	MS-SB-005	-	7,132	33,192	
Total			17,726,303	17,547,769	15,733,242	

* subject to final confirmation

Appendix 2

2021/22 Clinical SLA values - Cwm Taf Morgannwg (provider)/Swansea Bay (commissioner)

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2020/21 £	Amended SLA value for 2020/21 £	2021/22 SLA value (2% uplift) £	
36	Cardiology	CC-CTM-001	83,175	83,175	84,838	
82	Rheumatology	CC-CTM-002	586,710	586,710	160,678	*
59	Clinical Haematology	CC-CTM-003	204,479	204,479	208,569	
32	Renal	CC-CTM-004	80,745	80,745	82,360	
31	Neurology	CC-CTM-005	118,398	118,398	120,766	
42	Ophthalmology	CC-CTM-006	171,004	171,004	174,424	
83	Oral and maxillofacial Surgery	CC-CTM-007	480,201	480,201	489,805	
78	MCAS	CC-CTM-008	87,781	87,781	89,536	
142	Restorative Dentistry	CC-CTM-009	332,564	332,564	339,215	
55	Vascular Surgery	CC-CTM-010	171,200	171,200	174,624	
45	Paediatrics Consultants into NPT	MS-CT-001	20,145	5,424	-	
44	Anaesthetics	MS-CT-002	1,165,422	1,121,857	922,112	
49	Midwifery Service (generic)	MS-CT-003	32,542	32,542	33,192	
36	Cardiology	MS-CT-004	65,083	65,083	66,385	
40	Radiology	MS-CT-006	248,130	254,293	210,772	
38	Dermatology	MS-CT-007	48,812	24,406	-	
40	Radiology	SERVICE-CT-001	37,779	37,779	38,535	
36	Cardiology	SERVICE-CT-002	4,396	4,396	1,413	
36	Medical cover for ward A in NPT	SERVICE-CT-003	51,217	51,217	52,242	

145	Mental Health Family Therapy	SERVICE-CT-004	32,957	32,957	5,603	
88	HSDU	SERVICE-CT-005	375,706	375,706	-	
37	Cardiac physiology	SERVICE-CT-006	228,178	228,178	79,706	
92	CDS Taith Newydd / Caswell Clinic	SERVICE-CT-007	12,907	12,907	13,165	
40	Radiology	STAFF-CT-003	31,913	31,913	32,551	
64	Physiotherapy Services (adults)	STAFF-CT-004	-	-	-	
24	Paediatric Hearing (SALT)	STAFF-CT-008	5,853	5,853	-	
94A	Substance Misuse	STAFF-CT-009	51,924	25,962	-	
	Colposcopy and Hysteroscopy	MS-CT-008	-	-	24,894	*
	Dermatology - McMillan nurse and cancer tracking	STAFF-CT-010	5619	5,619	5,731	
TOTAL			4,734,839	4,632,348	3,411,116	

* subject to final confirmation

Appendix 3: Corporate BBC SLAs

SLA	Summary of service	2020-21 SBUHB (Income)/ Expenditure	2021-22 SBUHB (Income)/ Expenditure
Digital Services	SBUHB provision of ICT services to CTMUHB.	(£2,050,611)	(£1,800,000)*
Patient Registration	CTMUHB provision of patient registration services for NPT patients.	£67,626	£68,979
Estates - Helpdesk	SBUHB provision of Estates Helpdesk to support Bridgend.	(£47,036)	Ceasing 31.3.21
Estates - CTM buildings maintenance	CTMUHB provision of maintenance to CTMUHB buildings at Glanrhyd occupied by SBUHB.	£376,079	£383,601
Estates - SB buildings maintenance	CTMUHB provision of maintenance to SBUHB buildings at Glanrhyd occupied by SBUHB.	£122,371	£124,818
Estates – Utilities	CTMUHB recharge of utilities costs based on actual costs.	£343,380*	£350,248*
Estates - Grounds Maintenance	CTMUHB provision of grounds maintenance at Glanrhyd.	£22,389	£22,837
Estates – Waste Management	CTMUHB provision of waste management for SBUHB services at Glanrhyd.	£21,910	£22,348
Facilities – Glanrhyd/PoW services (4 SLAs)	CTMUHB provision of facilities services for SBUHB services at Glanrhyd.	£453,084	£462,146
Facilities – Medical Equipment	SBUHB provision of Medical Equipment Management Services (MEMS) at PoW.	(£48,045)* Plus variable cost	Ceasing 31.3.21
Workforce – Occupational Health	SBUHB provision of Occupational Health services for Bridgend locality.	(£115,275)	£33,000*
Finance – Counter Fraud	SBUHB provision of Counter Fraud services to CTMUHB.	(£151,050)	(£154,071)
Finance – Glanrhyd Cash Office	SBUHB provision of cash office services at Glanrhyd.	(£1,437)	(£1,466)
Total		(£953,872)	(£484,763)

*SLA value to be confirmed