



Swansea Bay UHB Month 5 Financial Performance 2021/22 Health Board 7th October 2021



Month 3 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)	2,131	Current reported year end forecast – deficit/(surplus)	-3,103	In-month % of invoices paid within 30 days (by number)	96.79
Reported year to date financial position - deficit/(surplus)	10,185	Reported in-month financial position – deficit/(surplus)	1,669	Cumulative % of invoices paid within 30 days (by number)	95.99
Reported year to date compared to forecast - deficit/(surplus)	16				
Year end Forecast - deficit/(surplus)	24,405				

Revenue

- The in month reported revenue position is an overspend of £2.131m, which results in a cumulative overspend of £10.185m. This is £0.016m above the forecast.
- The Health Board has a year end forecast deficit of £24.405m.

Capital

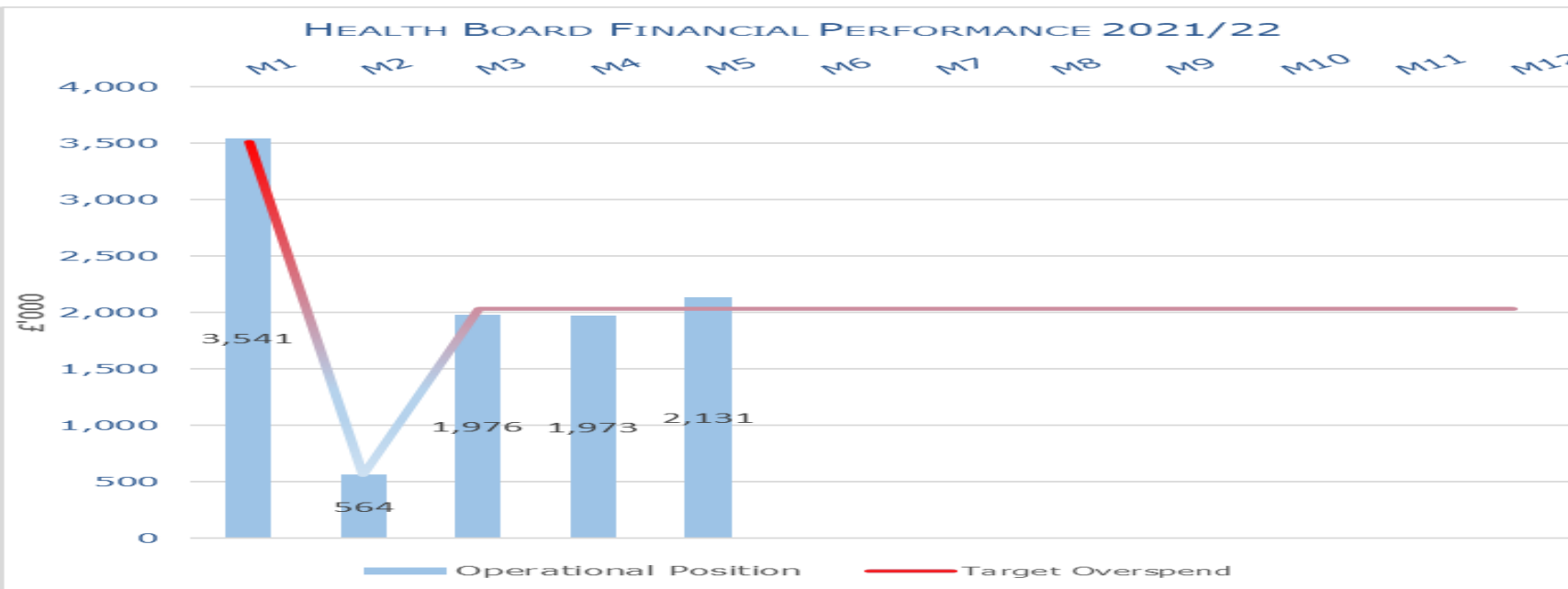
- Approved CRL value for 21/22 issued on 30/04/21 is £42.208m which includes Discretionary Capital and the schemes under the All Wales Capital Programme.
- Overspend to date relates to slippage across a number of schemes
- There are 2 schemes reported to Welsh Government as medium risk. These are being closely monitored and discussed at the monthly progress meeting with Welsh Government.
- The forecast outturn position for 21/22 is £1.669m overspent. Allocations are anticipated from WG which will balance this position.
- The reported forecast outturn position assumes that £0.552m of disposal income will be received.

PSPP

- The PSPP target has been achieved each month for the first five months of this financial year.
- Work is progressing to enhance training for staff on receipting and No PO No Pay Policy to support this target.

Month 5 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	- 22,881	- 22,767	114		- 117,917	- 116,812	1,105
Pay	52,755	51,993	- 762		257,362	254,433	- 2,929
Non-Pay	57,128	57,973	845		276,728	278,669	1,941
Delegated Position	87,002	87,199	197		416,173	416,290	117
Corporate Plan	- 1,934	-	1,934		- 10,068	-	10,068
Total Position	85,068	87,199	2,131		406,105	416,290	10,185



- 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 is £0.1m above the profile target, which reflects some increasing pay and non-pay pressures.
- The cumulative position is £10.185m overspend against a planned deficit of £10.169m, a difference of £0.016m.
- The table provides a summary of the position by income and expenditure type. Please note the income excludes WG Revenue Resource Limit.

Income

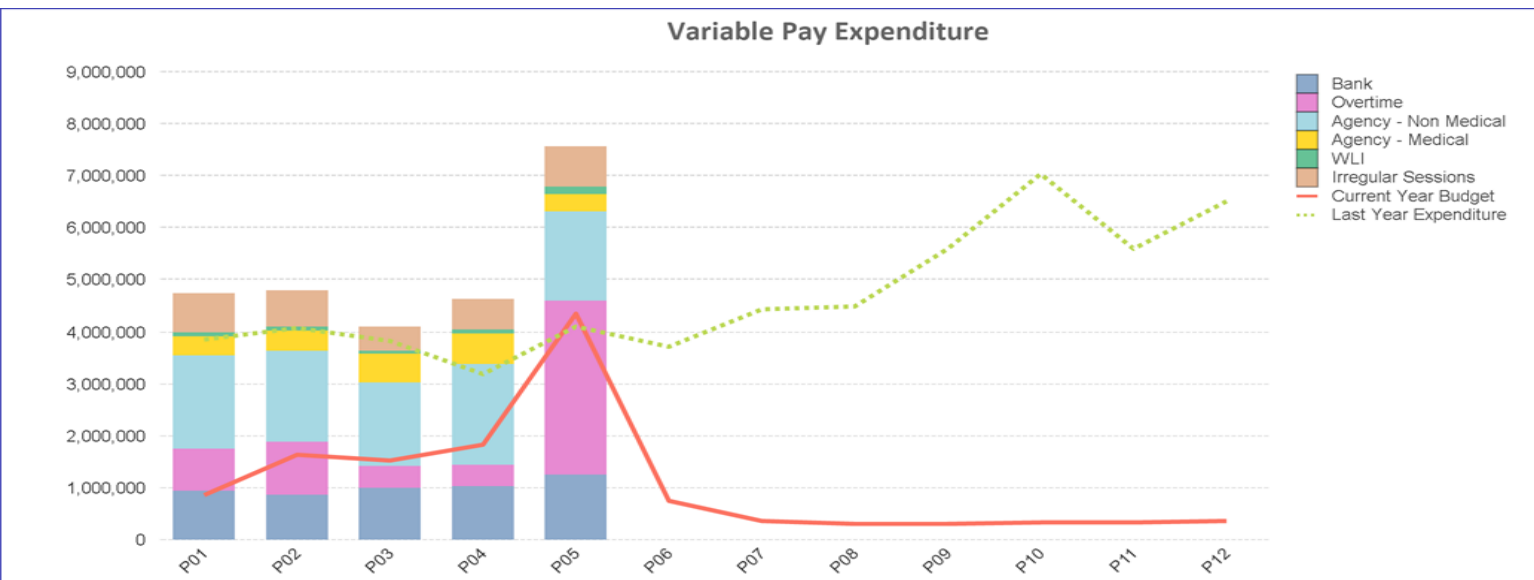
Income	Budget	Actual	Variance		Budget	Actual	Variance
	£000	£000	£000		£000	£000	£000
Revenue Resource Limit	- 84,367	- 84,367	-		- 434,182	- 434,182	-
Income from Activities	- 20,418	- 20,334	84		- 103,011	- 102,407	604
Other Income	- 2,463	- 2,433	30		- 14,906	- 14,405	501
Total Income	- 107,248	- 107,134	114		- 552,099	- 550,994	1,105

- The cumulative income budget to Month 5 is £552.099m.
- The actual income achieved in this period is £550.994m.
- There is an under-achievement of income of £1.105m.
- 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 Q1 of this year and is anticipated to remain in place of the whole of 2021/22. The inflationary and performance impacts are being reviewed.

Workforce

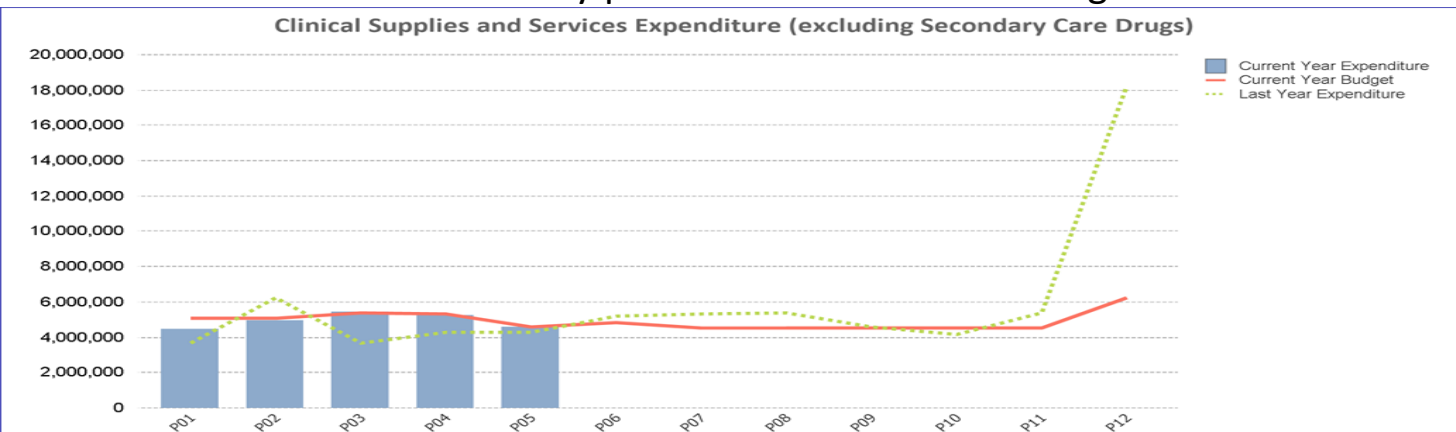
	Budget	Actual	Variance	Budget	Actual	Variance
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
A&C	7,614	7,205	- 409	36,693	35,090	- 1,603
APST	1,890	1,785	- 105	9,217	8,632	- 585
AHP	3,675	3,390	- 285	17,768	16,525	- 1,243
HCS	1,748	1,669	- 79	8,090	7,719	- 371
ACS (Exlcuding HCSW)	1,374	1,309	- 65	8,060	7,810	- 250
M&D	12,040	12,239	199	60,882	61,817	935
Nursing (including HCSW & Student)	21,729	21,636	- 93	103,926	103,431	- 495
E&A	2,813	2,760	- 53	13,766	13,407	- 359
VF	- 129		129	- 1,041	-	1,041
Total Workforce	52,754	51,993	- 761	257,361	254,431	- 2,930

- The table provides an analysis of the workforce position by staff group.
- This workforce position has continued to report an underspend in month, however the level of underspend has reduced, due to service pressures and increases in sickness.
- Medical staff budgets have continued to overspend.
- Variable pay costs have increased significantly by £3m in Month 5. However £2.816m of this relates to the arrears payment for the settlement of the overtime annual leave agreement. This £2.816m reflects a retrospective payment for the period October 2018 to March 2021. Further payments will be made in six month blocks during 2021/22. These costs have been covered by WG funding.
- The Health Board is incurring around £2.8m per month on COVID workforce response costs. These do not include the costs of staffing for TTP and Vaccination.



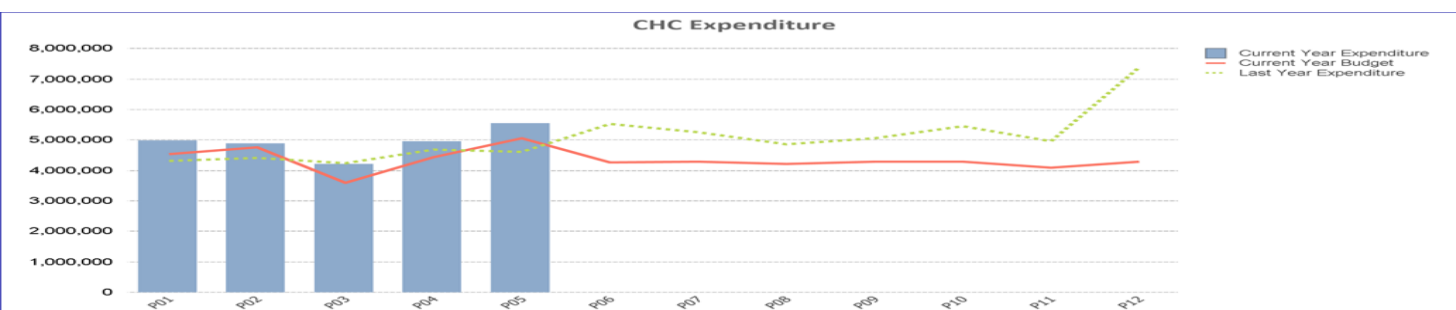
Non Pay

- Non Pay Budgets are underspent due to underspends on clinical consumables due to activity restrictions. The level of underspend has reduced in month as activity profiles have been increasing. There are also increased price issues being experienced.



Activity Comparison	Compared to Pre COVID	
	July	August
InPatient_Elective	76%	82%
InPatient_Emergency	88%	89%
InPatient_Transfer	71%	71%
Daycase	73%	70%
RDA	104%	76%
New Att	69%	69%
FU Att	57%	55%
OPP	53%	50%
POA	92%	79%
ED Att	106%	101%

- 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 been increasing in recent months, although this has abated in August.



ChC Case Numbers	General	MH	LD
Apr-19	347	135	169
Mar-20	358	141	180
Mar-21	355	152	196
May-21	347	155	196
Jun-21	356	159	198
Jul-21	363	158	198
Aug-21	353	158	197

Savings

Summary of Forecast Savings - Green & Amber	£000s
Planned Care	3,711
Unscheduled Care	1,727
Primary and Community Care (Excl Prescribing)	1,838
Mental Health	485
Clinical Support	0
Non Clinical Support (Facilities/Estates/Corporate)	3,818
Commissioning	210
Across Service Areas	11,158
CHC	1,264
Prescribing	820
Medicines Management (Secondary Care)	1,063
Total	26,094

- The Health Board has a gross savings requirement of £27.7m of which £26.094m in-year green and amber savings have been identified.
- There are a further £3.4m of pipeline savings are being further developed.
- In the last month, there has been no change to the overall level of green and amber identified savings.
- The profile of amber scheme planned delivery increases in the second half of the financial year and this is being closely monitored and reviewed to ensure slippage is minimised or mitigated.
- The CEO is requesting a comprehensive review of progress, risk and delivery of amber schemes in October 2021.
- There is increased senior finance presence in Morriston Service Group to ensure CIPs will be secured and risk managed.



COVID Expenditure

	YTD Spend	Forecast Spend
	£000	£000
Testing	1,513	2,709
Tracing	4,485	13,568
Vaccination	6,385	12,520
Extended Flu	-	1,160
Cleaning Standards	960	2,304
Recovery	4,819	16,243
Long COVID	-	635
Sustainability :		
Primary Care Prescribing	2,595	5,773
PPE	1,798	5,073
Care Homes	1,240	3,060
Staffing	11,115	27,375
Other Non Pay/Income Loss	5,461	11,271
	40,371	101,691

- The table provides a summary of the COVID expenditure incurred to date and the forecast to the end of the financial year, based on current planning assumptions.
- This forecast does not currently include the impact of the 3% pay award.
- The COVID Recovery costs only reflect the initial agreed funding at this point.
- It is anticipated that the £101.7m is fully met by WG funding in 2021/22.
- There are elements of the costs that are likely to have longer term impacts eg changes to primary care prescribing practices, PPE and Cleaning Standards, extended flu. These will need to be considered as part of ongoing financial plans alongside WG policy.
- In addition, the sustainability staffing and other non-pay, includes expenditure supporting additional capacity and changes to service models which will be challenging to reverse. This is likely to add pressure to future financial plans.

Actions

- **Medical and Dental**
 - Urgent review of medical cost pressures and mitigating actions (Service Group Medical Directors)
 - Monitor performance against expenditure reduction plans by all budget managers.
 - All Service Groups have been asked to review and agree medical establishments. Review the position at Service Group and Directorate level with Medical Director
 - Ensure robust authorisation process in place for deployment of agency and ad-hoc sessions – Service Group Medical Directors
 - Strengthen unit and Heath Board oversight of directorate expenditure and compliance with rate cap - DoWoD
 - Improved recruitment and workforce plans are being developed and actions - DoWoD
- **Nursing**
 - Monitor performance against expenditure reduction plans through scrutiny panels- Nurse Director
 - Test roster policy compliance and authorisation processes including escalation of acuity – Nurse Director
 - Increase recruitment of nursing staff to available vacant posts – Nurse Director
- **Savings**
 - Savings delivery, risks and actions to be reviewed through the monthly performance reviews (Service Director, Director of Finance and Interim COO)
 - Amber schemes to be reviewed and clear milestones established to progress to Green within 3 months of identification (Service Director)
 - Red schemes must be progressed to green or amber within 3 months of identification. (Service Director)
 - Further savings opportunities must continue to be sought even where service groups have met the target to enable mitigation of the risks and pressures and support development of 2022/23 savings plans (all budget managers)
 - Clear position on bed utilisation efficiency opportunities, enabling service model changes and mitigating actions to be developed.
 - PMO recruitment commenced, this PMO will support the identification, tracking and monitoring of CIP delivery across all areas of the Health Board (Director of Finance)
 - Full report on 2021/22 savings delivery assurance to be produced by end of September (Director of Finance)
 - Initial identification of savings schemes and opportunities to meet 50% of 2022/23 savings requirement by end of September 2021 (Service Directors and Corporate Directors)
 - CEO review of schemes in October 2021



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➤ BETTER CARE

➤ BETTER LIVES



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