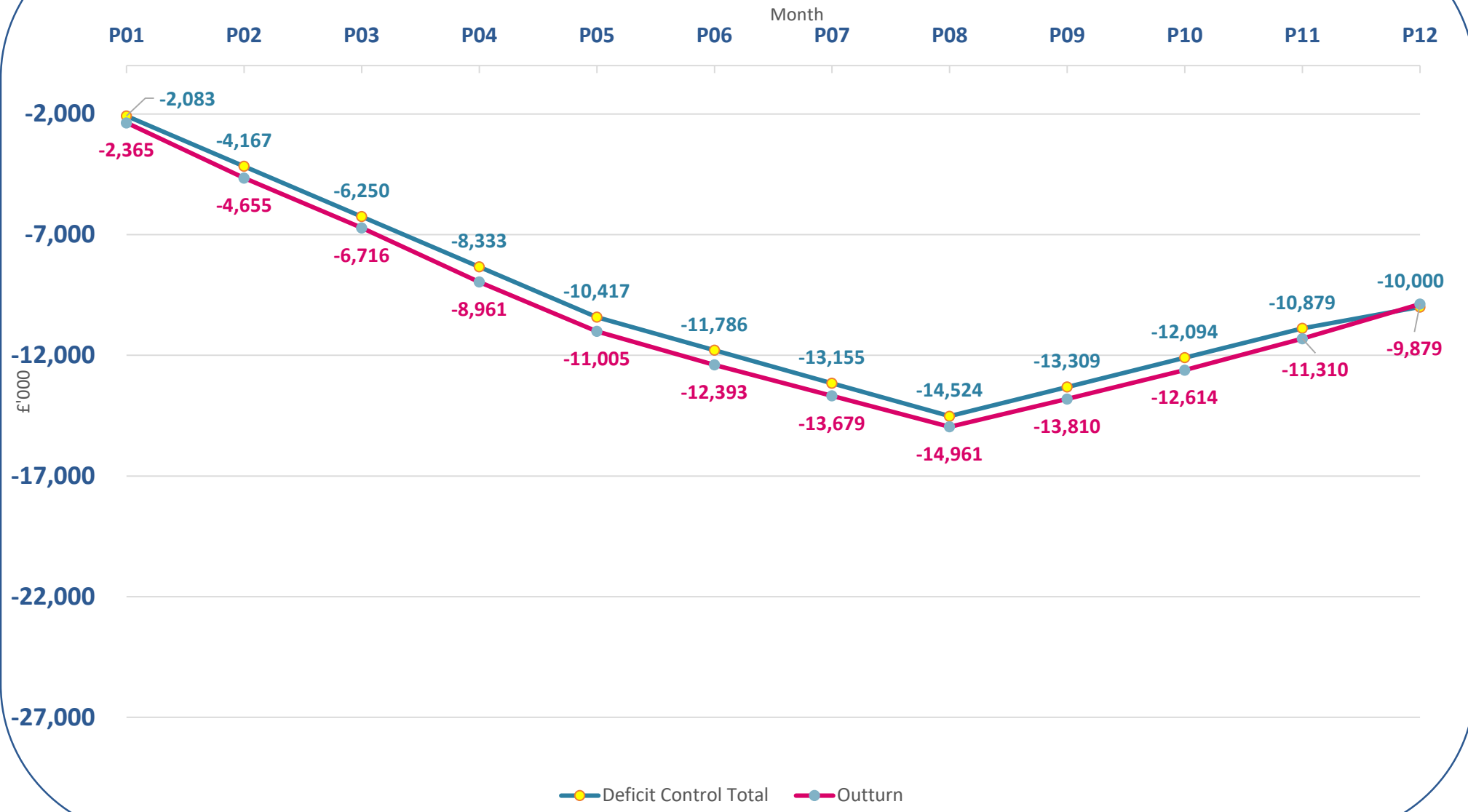


ABMU FINANCE DEPT. PERFORMANCE & FINANCE COMMITTEE – FINANCE POSITION

Period 12 Data (March 2019)

Full Year Financial Performance and Projection



Revenue		
Financial KPIs : To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government	Value £'000	Trend
Reported in-month financial position – deficit/(surplus) – Forecast Green	-1,431	↓
Reported year to date financial position – deficit/(surplus) – Forecast Amber	9,879	↓
Reported year to date compared to forecast financial plan deficit – Forecast Green	(121)	↓

Capital		
Capital KPIs: To ensure that costs do not exceed the Capital resource limit set by Welsh Government	Value £000	Trend
Reported year end position– deficit/(surplus) – Green	(40)	

PSPP		
PSPP Target : To pay a minimum of 95% of all non NHS creditors within 30 days of receipt of goods or a valid invoice	Value %	Trend
Cumulative year to date % of invoices paid within 30 days (by number) – Forecast Red	94.7	↑

Revenue

1. The Health Board P12 in-month underspend is £1.431m against an in-monthly target profile underspend of £1.215m.
2. The year-end position is a £9.879m overspend against the forecast deficit of £10m.
3. The Health Board has therefore delivered its year-end forecast, subject to Audit review.

Capital Narrative

1. The final position for 2018/19 shows a small under spend of £0.040m against the final CRL of £36.447m
2. There was a net underspend compared to allocations on schemes funded by WG of £1.677m . This was managed within the Health Boards position in year and will need to be factored into the Health Boards 19/20 discretionary plan. CRL allocations have been adjusted by WG to reflect this change between Discretionary and All Wales Capita

PSPP Narrative

1. The total number of invoices paid within 30 days during 2018/19 fell below the 95% target at 94.77%.
2. The performance in the early months of 2018/19 was impacted on by the resolution of nurse agency invoice issues, which resulted in high volumes of older, out of compliance invoices being processed.
3. The performance in the second half of the year has averaged at 97%, however this improvement in performance was not sufficient to recover the cumulative.
4. It will be important to ensure that the positive progress made in recent months is continued into 2019/20.

P12 PERFORMANCE AGAINST CONTROL TOTAL

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Cumulative	Movement	Year End	Forecast
	In Month	In Month	In Month	In Month	In Month	In Month	In Month	In Month	In Month	In Month	In Month	In Month	Position	in Month	Control Total	Position
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Service Delivery Units																
Singleton	96	91	103	-19	156	137	83	87	69	103	60	-35	931	-95	977	977
POW	240	278	279	366	344	297	463	396	429	390	409	537	4,426	128	2,546	4,000
Morrison	38	22	37	186	210	190	222	286	248	154	147	612	2,352	465	44	1,800
Mental Health & LD	63	67	59	-382	98	27	0	42	50	47	49	101	221	52	-150	200
PC & Community	20	19	32	-39	9	-66	-12	-2	-6	-49	-3	46	-3	49	-54	-61
NPT Unit	0	-54	-49	-96	-64	-111	-77	-75	-87	-115	-133	-175	-1,036	-42	-781	-853
Directorates																
Nurse Director	-1	-9	-5	-18	-20	-21	-22	-31	-25	-48	-122	-178	-517	-56	-161	-330
Medical Director	-25	-24	-31	-43	-43	-30	4	-9	-13	-25	-14	39	-215	53	-408	-313
Workforce & OD	25	14	7	10	11	-25	-4	-3	-20	-29	-1	-15	-31	-14	79	20
Informatics	-3	-20	-114	-17	-18	-72	-28	-28	-28	-29	-62	33	-386	95	-282	-426
Finance	-1	-3	0	-2	0	-94	-14	-51	-87	-235	208	-100	-379	-308	0	-473
Board Secretary	11	11	9	17	-10	-1	-11	0	-1	-5	-5	-54	-39	-49	0	22
Chief Operating Officer	19	50	6	39	142	1	25	-27	79	-4	-321	-47	-39	274	0	335
Director of Strategy	-17	-35	10	-7	-38	-21	-23	0	10	23	36	13	-81	-23	102	-117
Corporate I&E	-33	-50	23	-23	-71	-101	-199	-183	-150	146	69	-100	-665	-169	-60	-560
Delegated Budget Position	432	357	366	-28	706	110	407	402	468	324	317	677	4,539	360	1,852	4,221
Corporate Plan	1,933	1,933	1,695	2,273	1,338	1,278	879	880	-1,620	-1,520	-1,621	-2,108	5,340	-101	8,148	5,779
Health Board Position	2,365	2,290	2,061	2,245	2,044	1,388	1,286	1,282	-1,152	-1,196	-1,304	-1,431	9,879	259	10,000	10,000

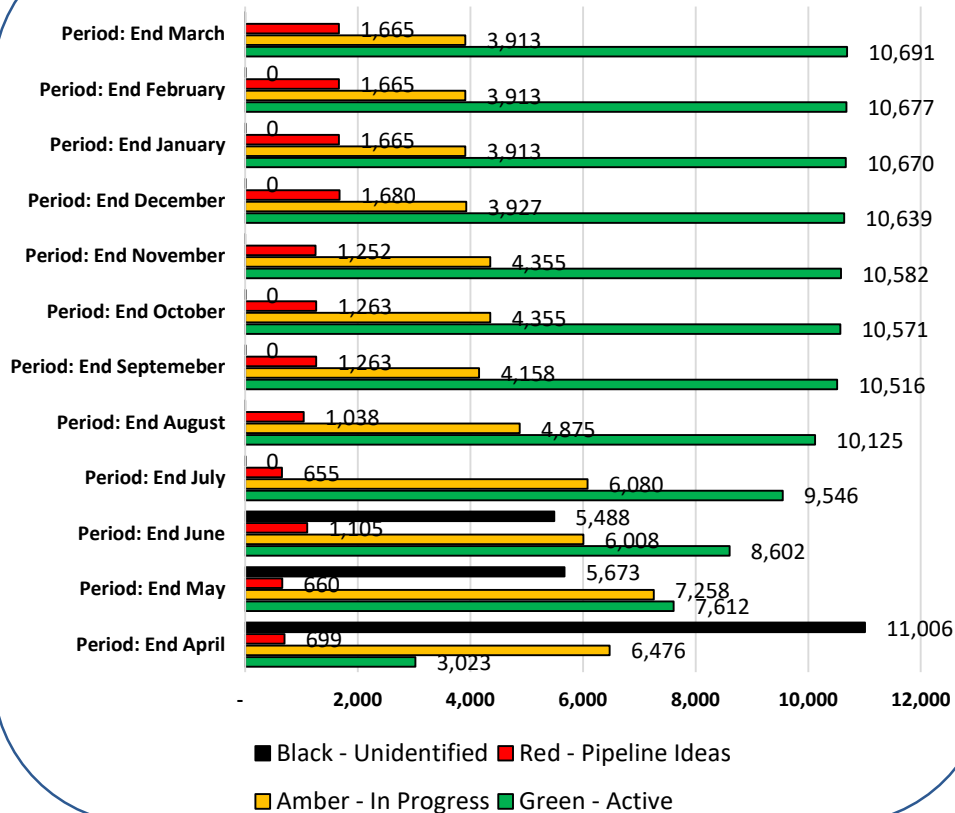
- The Health Board has met its agreed £10m deficit control total.
- The delegated positions deteriorated in month 12 due to increased non-pay and medical staff costs. This was particularly seen in POW and Morrison.
- The delegated position was around £0.3m above the forecast and this was able to be managed through corporate opportunities.

Workstream	18/19 Target	Total Green & Amber Schemes Identified	Actual Savings Delivery	Schemes Identified as % of Target	Savings Delivery as % Target	Savings Delivery as % of Schemes Identified
	£0	£0	£0	%	%	%
Clinical Procurement	1,711	1,024	410	60%	24%	40%
Corporate Overheads	1,000	602	602	60%	60%	100%
Medicines Management	1,675	1,800	1,800	107%	107%	100%
Procurement	2,062	1,451	1,773	70%	86%	122%
Reducing Waste, Harm & Variation	0	0	0	0%	0%	0%
Ring Fenced Funding Review	0	0	0	0%	0%	0%
Service Remodelling	4821	1,232	890	26%	18%	72%
Unit Cost Down Savings	3659	7,475	6,767	204%	185%	91%
WHSCC	1000	1,000	1,000	100%	100%	100%
Workforce Redesign	0	20	20	0%	0%	100%
Total	15,928	14,604	13,261	92%	83%	91%

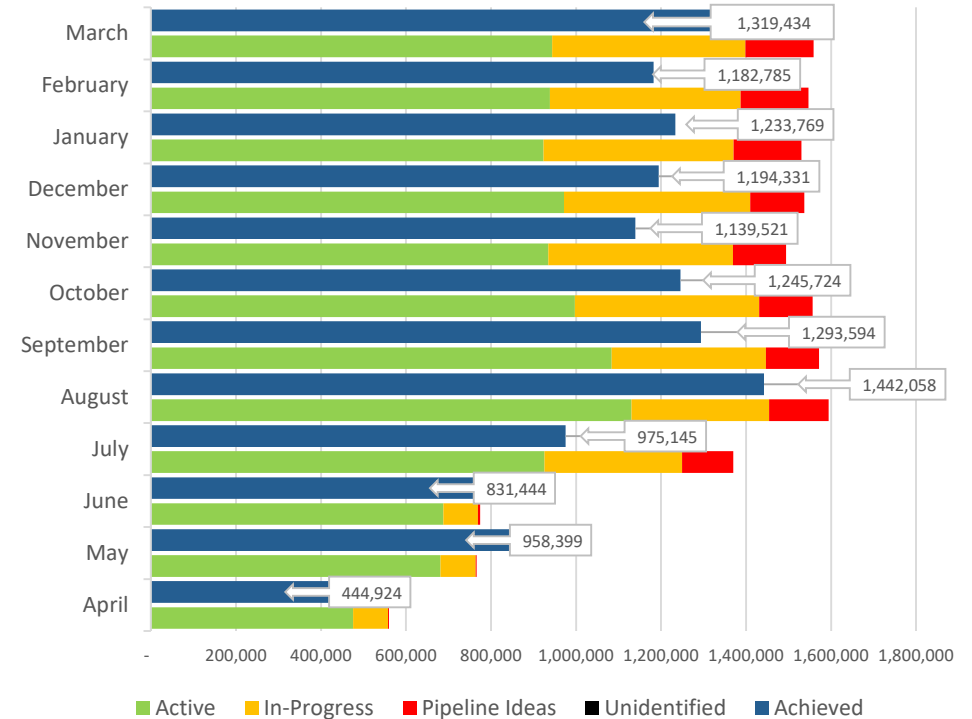
Narrative

- The Health Board initial plan for 2018/19 required the £21m savings to be delivered. However during 2018/19 a number of the workstreams; Clinical Variation, Ring Fenced Services and Workforce Redesign, were identified as unable to deliver in 2018/19 and mitigating opportunities were identified to offset the non-delivery of these workstreams.
- The savings requirement was therefore reduced to £16m, against which £14.6m (92%) of green and amber schemes were identified.
- The actual savings delivery in 2018/19 was £13.3m, which is 83% of the required target and 91% of the green and amber schemes identified.
- Whilst in overall terms, the delivery against green and amber schemes is high, the key areas where savings were not delivered as planned were:
 - Service Redesign – savings delivery 18% of target and 72% of identified schemes
 - Clinical Procurement – savings delivery 24% of target and 40% of identified schemes, however general procurement has over-achieved.

Trend over time



Current Profile of Savings



Narrative

- The Health Board has £16.0m of schemes, which is 76% of the overall planned £21m savings requirement however £1.6m of the schemes are Red and have a low delivery confidence
- The identification of mitigating opportunities has offset 3 of the work streams; Reducing Waste, Harm and Variation, MH Ring Fence and Workforce Redesign. This has effectively reduced the savings requirement to £15.9m.
- Whilst the adjusted savings target has been fully identified, it is essential that these are fully delivered. Some slippage has already been reported and forecast with mitigating opportunities deployed to offset this slippage.
- £3.1m of the identified schemes is non-recurrent.

Narrative

- The savings profile identified a significant step up in savings delivery requirement across Quarter 2. This resulted in a significant level of slippage in P04.
- The actual savings delivery was £13.3m against £16m of identified schemes, resulting in a shortfall of £2.7m. This was broadly as anticipated within the forecast.

Savings Delivery

Unit	18/19 Revised Savings Target	Total Green & Amber Schemes Identified	Actual Savings Delivery	Schemes Identified as % of Target	Savings Delivery as % Target	Savings Delivery as % of Schemes Identified	18/19 Actual Savings Delivered Recurrent	18/19 Actual Savings Delivered Non-Recurrent
	£000	£000	£000	%	%	%	£000	£000
BOARD SEC	38	38	38	101%	101%	100%	0	38
DIRECTOR OF STRATEGY	1,332	333	333	25%	25%	100%	79	254
DIRECTOR OF THERAPIES	13	13	13	97%	97%	100%	0	13
FINANCE	124	124	126	100%	102%	102%	0	126
HEALTH BOARD WIDE	2,675	3,050	3,050	114%	114%	100%	3050	0
INFORMATICS	265	265	265	100%	100%	100%	120	145
MEDICAL DIRECTOR	28	49	49	174%	174%	100%	0	49
MENTAL HEALTH & LD DU	262	147	147	56%	56%	100%	147	
MORRISTON DU	3,783	3,683	2,652	97%	70%	72%	2557	95
NPT DU	1,305	2,410	2,494	185%	191%	104%	1074	1421
NURSE DIRECTOR	65	74	74	114%	114%	100%	0	74
PCC DU	1,565	1,580	1,569	101%	100%	99%	1206	363
POW DU	2,088	1,469	1,050	70%	50%	71%	1046	4
SINGLETON DU	2289	1,281	1,313	56%	57%	102%	850	463
WORKFORCE & OD	96	89	89	92%	92%	100%	0	89
Total	15,928	14,604	13,261	92%	83%	91%	10,129	3,132

- The table provides an analysis of the 2018/19 revised savings targets, green and amber schemes identified and actual delivery by Service Delivery unit and Directorate.
- Morriston, NPT and POW reported delivery slippage against their green and amber schemes.
- The most significant % under-delivery of savings against target are in Estates and Facilities (75%), POW (50%), Mental Health and Learning Disabilities (44%), Singleton (43%) and Morriston (30%).
- £3.1m of the £13.3m savings delivered in 2018/19 were non-recurrent.

RTT Funding Available

	£000
RTT Funding	10,300
RTT Expenditure	(13,997)
Over-Commitment	3,697

Narrative - RTT

- The Health Board planned £2m funding for RTT included within its initial £25m planned deficit.
- A further £8.3m funding support has been provided by WG, however this funding has been provided with the following performance expectations:
 - RTT – at most, 2664 people waiting over 36 weeks
 - Diagnostics – zero 8 week breaches in all disciplines
 - Therapies – no patients waiting over 14 weeks
- The total expenditure committed in 2018/19 was £13.997m against the £10.3m available budget. **This gives a funding over-commitment of £3.697m.**
- This over-commitment has been met through primary care prescribing benefits and rebates on contributions to national programmes.
- The additional funding reflects a range of issues which have resulted in a higher level of outsourcing to be required than originally planned.
- The delivery of the RTT position has meant that the Health Board has not had any claw back of RTT funding, for the first time in three years.

RTT Expenditure Profile

		April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Outsourcing/ Insourcing	Morrison		554	581	242	403	508	298	521	662	466	302	917	4537
	Singleton	108	226	120	423	231	231	158	149	122	2	4	0	1774
	POW					14	4	3	18	7	0	348	421	394
	Total	108	780	701	665	648	743	459	688	791	468	654	1338	6705
Internal WLI	Morrison	101	89	130	179	117	215	188	257	188	186	249	205	1899
	Singleton	34	53	56	51	54	62	39	141	80	103	107	88	780
	POW	6	228	137	151	144	145	137	171	116	157	153	217	1545
	NPT						7	0	1	0	0	0	0	8
Total	141	370	323	381	315	429	364	570	384	446	509	510	4232	
Infrastructure	Morrison	102	99	93	159	155	183	123	144	96	-24			1130
	PCC						36							36
	Corporate							46						46
	Total	102	99	93	159	155	219	169	144	96	-24	0	0	1212
Total Expenditure		351	1249	1117	1205	1118	1391	992	1402	1271	890	1163	1848	13997

Delivery Profile		April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar
36 weeks	Target	3363	3398	3349	3283	3286	3069	2771	2710	3045	2853	2622	2664
	Actual	3398	3349	3319	3433	3538	3381	3370	3298	3030	3199	3026	2630
26 weeks	Target	167	130	99	273	248	152	98	97	211	97	98	0
	Actual	166	120	55	30	111	90	65	140	96	152	360	207