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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	26 March 2020	Agenda Item	4.1
Report Title	2020-21 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 (interim)		
Presented by	Darren Griffiths, Director of Finance (interim)		
Freedom of Information	Open		
Purpose of the Report	This paper provides an update on progress agreeing the 2020-21 Long Term Agreements (LTAs) and Service Level Agreements (SLAs) and requests approval as required by the Health Board's standing orders.		
Key Issues	Under Welsh Health Circular 2019/014 there is a requirement for all 2020-21 inter-Welsh NHS Long Term Agreement (LTAs) and Service Level Agreements (SLAs) to be approved by 31 March 2020.		
Specific Action Required (please choose one only)	Information	Discussion	Assurance
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			Approval
			<input checked="" type="checkbox"/>
Recommendations	The Board is asked to approve the LTAs and SLAs set out in this report in line with WHC 2019/014 and the Health Board's standing orders.		

2020-21 Long Term Agreements (LTAs) and Service Level Agreements (SLAs)

1. INTRODUCTION

Under Welsh Health Circular 2019/014 there is a requirement for all 2020-21 inter-Welsh NHS Long Term Agreement (LTAs) and Service Level Agreements (SLAs) to be approved by 31 March 2020. This deadline is two months earlier than the equivalent deadline last year.

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.

For all LTAs and SLAs, monitoring and invoicing arrangements are in place between Swansea Bay UHB (SBUHB) and the various NHS bodies. Further 'disaggregation' of the clinical and corporate SLAs are being considered in 2020 which will cover services, workforce and financial considerations.

The Board is requested to approve the LTAs and SLAs set out in this report.

2. BACKGROUND LTAs

As set out in the Tables 1 and 2 below, the Health Board has a number of LTAs with Welsh NHS bodies for the provision of secondary healthcare services. All 2020/21 SLAs have been updated to include a 2% uplift, Welsh Government directed pay award funding and any other service developments. Swansea Bay University Health Board (SBUHB) also contracts with English NHS bodies and these agreements are not subject to the requirements of Welsh Health Circular 2019/014 so are not included in the table below.

Table 1: SBUHB Provider LTAs

NHS body	2019-20 SBUHB Income	2020-21 SBUHB Income	Commentary
Aneurin Bevan UHB	£809,723	£840,030	Financial value agreed
Cwm Taf Morgannwg UHB	£16,861,025	£17,504,574	Financial value agreed
Cardiff and Vale UHB	£1,858,643	£3,968,462	Financial value agreed – increase in 2020/21 due to previously invoiced amounts being brought into the LTA: Bone Marrow Transplant costs £1.3M; Assisted reproduction costs £0.5M; NICE High cost drugs £0.2M;
Powys Teaching UHB	£7,794,320	£7,999,880	Pending confirmation of agreement from Powys – no issues expected
Hywel Dda UHB	£29,907,687	£35,461,250	Financial value agreed – change in 2020/21 due to

NHS body	2019-20 SBUHB Income	2020-21 SBUHB Income	Commentary
			increase in NICE on-account element in LTA (previously invoiced)
WHSSC	£106,677,732	£112,072,527	Financial value agreed
TOTAL	£163,909,130	£177,846,723	

Table 2: SBUHB Commissioner LTAs

NHS body	2019-20 SBUHB Expenditure	2020-21 SBUHB Expenditure	Commentary
Aneurin Bevan UHB	£181,505	£191,469	Financial value agreed
Cwm Taf Morgannwg UHB	£25,646,671	£26,460,606	Subject to potential reduction upon resolution of Obstetrics dispute; currently going through escalation process.
Cardiff and Vale UHB	£3,296,571	£3,439,218	Financial value agreed
Powys Teaching UHB	£1,027,620	£1,056,261	Pending confirmation of agreement from Powys – no issues expected
Hywel Dda UHB	£4,341,851	£4,473,729	Financial value agreed
Velindre NHS Trust	£438,884	£451,644	Potential change to baseline before 31 st March due to implementation of new contract model (neutralised by additional WG allocation). Not yet finalised as part of joint commissioner agreement process.
TOTAL	£34,553,831	£36,072,927	

Clinical SLAs

Following the Bridgend Boundary Change on 1st April 2019, 87 clinical SLAs between SBUHB and Cwm Taf Morgannwg UHB (CTMUHB) were created to ensure that patient services were not disrupted by the organisational change. 15 clinical SLAs ceased in 2019-20 and 3 new clinical SLAs were created, so 75 remain in 2020/21. SBUHB will provide some £17,726,303 of services to CTMUHB in 2020/21 with £4,734,839 of services provided by CTMUHB to SBUHB. One further potential SLA is still under discussion with resolution required within the 2019/20 financial year end timescales.

The clinical SLAs listed in **Appendix 1** and **Appendix 2** were drafted at the end of 2018/19 in conjunction with service representatives, and financial information agreed by both parties. All service-type clinical SLAs include an overheads charge. Where there have been changes to existing clinical SLAs, or creation of

new SLAs, these have been approved by the relevant Heads of Service/Directors. There are some potential changes that have not yet been agreed by both parties; in this scenario the 2019/20 arrangements have remained as the default with discussions to continue in early 2020/21 regarding any possible amendments. Such amendments can be made in-year following sign-off by the Joint Contracting and Commissioning Group which reports to the SBUHB/CTMUHB Joint Executive Group.

Corporate SLAs

As a result of the Bridgend Boundary Change (BBC), in 2019/20 there were 21 corporate SLAs between SBUHB and CTMUHB. Five corporate SLAs ceased in 2019/20 with net income of £41,515 to SBUHB. The Glanrhyd Accommodation SLA was agreed for 2020-21. Seventeen corporate SLAs remain in place for 2020-21 - SBUHB will provide some £2.4m of services to CTMUHB with £1.4m of services coming the other way.

The corporate SLAs listed in Table 3 below have been drafted by the services and the financial information has been checked. All corporate SLAs include a 5% charge for overheads. The SLAs will be approved by the relevant Heads of Service/Directors and the Director of Finance.

Table 3: Corporate BBC SLAs

SLA	Summary of service	2019-20 SBUHB (Income)/ Expenditure	2020-21 SBUHB (Income)/ Expenditure
Informatics/Digital Services	SBUHB provision of ICT services. Income based on actual costs subject to +/-5%.	(£2,086,822)	(£2,063,602)
Patient Registration	CTMUHB provision of patient registration services for NPT patients.	£66,300	£67,626
Estates - Helpdesk	SBUHB provision of Estates Helpdesk to support Bridgend.	(£46,114)	(£47,036)
Estates - CTM buildings maintenance	CTMUHB provision of maintenance to CTM buildings at Glanrhyd occupied by SBUHB.	£323,072	£329,533
Estates - SB buildings maintenance	CTMUHB provision of maintenance to SB buildings at Glanrhyd occupied by SBUHB.	£119,972	£122,371
Estates – Utilities	CTMUHB recharge of utilities based on actual cost.	£300,000 TBC	£306,000 TBC
Estates – Glanrhyd Accommodation	CTMUHB provision of accommodation for SBUHB staff based at Glanrhyd	-	£39,000 TBC
Estates - Grounds Maintenance	CTMUHB provision of grounds maintenance at Glanrhyd.	£21,950	£22,389
Estates – Waste Management	CTMUHB provision of waste management for SBUHB services at Glanrhyd.	£21,480	£21,910
Facilities – Glanrhyd/PoW services	CTMUHB provision of facilities services for SBUHB services at Glanrhyd.	£430,860	£453,084

SLA	Summary of service	2019-20 SBUHB (Income)/ Expenditure	2020-21 SBUHB (Income)/ Expenditure
Facilities – Medical Equipment	SBUHB provision of Medical Equipment Management Services (MEMS) at PoW.	(£47,103) TBC Plus variable cost	(£48,045) TBC Plus variable cost
Workforce – Occupational Health	SBUHB provision of Occupational Health services for Bridgend locality.	(£113,015)	(£115,275)
Finance – Counter Fraud	SBUHB provision of Counter Fraud services to CTMUHB.	(£148,088)	(£151,050)
Finance – Glanrhyd Cash Office	SBUHB provision of cash office services at Glanrhyd.	(£1,409)	(£1,437)
SLA ceasing in 2019-20		(£41,515)	
Total		(£1,200,432)	(£1,064,532)

3. GOVERNANCE AND RISK ISSUES

Under Welsh Health Circular 2019/014 there is a requirement for all 2020/21 inter-Welsh NHS LTAs and SLAs to be approved by 31st March 2020. 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 for 2019/20.

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.

4. FINANCIAL IMPLICATIONS

The financial implications of the 2020-21 LTAs and SLAs are set out in this report. In summary:

- For LTAs, as a provider SBUHB will receive £177,846,723 and as a commissioner will spend £36,072,927.
- For clinical SLAs, as a provider SBUHB will receive £17,726,303 and as a commissioner will spend £4,734,839. This all relates to CTMUHB.
- For corporate SLAs, as a provider SBUHB will receive £2,426,445 and as a commissioner will spend £1,361,913. This all relates to CTMUHB.

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

5. RECOMMENDATION

The Board is asked to approve the LTAs and SLAs set out in this report in line with WHC 2019/014 and the Health Board's standing orders.

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 2020-21. 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 LTAs are set out in Tables 1-3 and Appendix 1 and 2. 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 2020-21 inter-Welsh NHS LTAs and SLAs to be approved by 31 March 2020. 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 template SLAs for 2019-20.		
Staffing Implications		
There are no direct staffing implications anticipated during 2020-21. Should there be material changes to LTAs or SLAs which impact on staff, advice will be sought from the Director of Workforce.		
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	-	
Appendices	Appendix 1 – 2020-21 Clinical SLA values – SB provider Appendix 2 – 2020-21 Clinical SLA values – SB commissioner	

Appendix 1

2020/21 Clinical SLA values - Swansea Bay (provider)/Cwm Taf Morgannwg (commissioner)

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2019/20 £	Amended SLA value for 2019/20 £	2020/21 SLA value (2% uplift) £
137	Breast Services	CC-SB-001	1,743,987	1,743,987	1,778,867
36	Cardiology	CC-SB-002	437,705	437,705	446,460
33	General Surgery	CC-SB-003	1,144,309	1,144,309	1,167,196
107	Gynaecology	CC-SB-004	982,785	982,785	1,002,441
42	Ophthalmology	CC-SB-005	54,314	54,314	55,400
41	Trauma and Orthopaedics	CC-SB-006	3,515,648	3,515,648	3,585,961
134	Urology	CC-SB-007	11,057	11,057	11,278
31	Neurology	MS-SB-001	31,904	31,904	32,542
50	General Medicine	MS-SB-002	32,663	32,663	22,211
107	Gynaecology	MS-SB-003	63,807	63,807	65,083
82	Rheumatology	MS-SB-004	47,855	47,855	48,812
56	Cellular pathology / cytology / histology / Immunohistochemistry	PATH	4,438,745	4,438,745	4,527,520
97	Chronic Pain	SERVICE-SB-001	48,413	48,413	49,381
94A	Substance Misuse	SERVICE-SB-002	264,845	293,766	270,141
40	Radiology	SERVICE-SB-003	125,105	125,105	127,607
79	GP OOH	SERVICE-SB-004	1,563,617	1,563,617	1,594,889
113	Nuclear Medicine	SERVICE-SB-005	258,953	262,136	267,379
45	CDS Paeds	SERVICE-SB-006	189,816	189,816	-
115	Radiation Protection	SERVICE-SB-007	39,924	39,923	45,152
92	CDS Special Needs	SERVICE-SB-008	6,181	6,181	6,305
140	Lymphoedema	SERVICE-SB-009	243,162	259,496	286,416

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2019/20 £	Amended SLA value for 2019/20 £	2020/21 SLA value (2% uplift) £
67	Nutrition & Dietetic Services (generic)	SERVICE-SB-011	53,674	53,675	53,453
100	Podiatry - community	SERVICE-SB-012	387,790	352,244	351,944
105	Orthotics	SERVICE-SB-013	143,697	196,972	200,912
136	Neuro-Physiology	SERVICE-SB-014	105,907	105,907	108,026
92	Attention deficit/hyperactivity disorder (ADHD) and Autistic spectrum disorder (ASD)	SERVICE-SB-015	17,103	17,104	17,446
114	PUPIS	SERVICE-SB-016	20,496	20,496	20,905
138	Tier 3 Eating Disorder Service (MH/LD)	SERVICE-SB-017	21,290	21,290	21,716
148	Criminal Justice Liaison & Prison in reach	SERVICE-SB-018	259,594	259,594	264,786
148	Criminal Justice Liaison	SERVICE-SB-019	142,523	142,523	145,373
	Smoking Cessation Team - No descriptor	SERVICE-SB-020	23,139	17,354	-
45	Paediatrics	SERVICE-SB-022	152,801	152,801	155,857
45	Paediatrics Diabetic Service	SERVICE-SB-023	84,466	84,468	86,157
45	Paediatrics Specialist Nurses	SERVICE-SB-024	2,758	2,758	-
114	Rehab Engineering	SERVICE-SB-025	21,641	21,642	22,075
8	Pulmonary rehabilitation	SERVICE-SB-026	634,199	634,199	646,883
62	Pharmacy - aseptic/WAST supplies/homecare/medical gas testing	SERVICE-SB-027	42,620	42,620	43,472
64	Physiotherapy - Shockwave	SERVICE-SB-029	2,426	2,426	2,474
73	Adult Mental Health (ECT)	SERVICE-SB-030	17,832	17,832	
95	CHC - Paediatrics	SERVICE-SB-031	26,018	30,847	-

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2019/20 £	Amended SLA value for 2019/20 £	2020/21 SLA value (2% uplift) £
67	Nutrition & Dietetic Services (generic)	SERVICE-SB-032	510	510	-
67	Nutrition & Dietetic Services (generic)	SERVICE-SB-033	2,443	4,072	-
64	Physiotherapy - Hydrotherapy	SERVICE-SB-034	2,688	2,688	-
45	Neonatal Bayleys clinics	SERVICE-SB-036	6,627	6,627	6,760
13	Local audiology service	STAFF-SB-001	27,544	27,544	28,095
13	Vestibular Assessment	STAFF-SB-002	8,263	8,263	8,428
111	Obstetrics/maternity services (NPT)	STAFF-SB-003	16,526	16,526	16,857
39	Neonatal unit	STAFF-SB-005	23,362	23,362	23,829
34	Palliative Medicine – Y Bwthyn Newydd	STAFF-SB-006	5,148	1,716	-
36	Cardiology post band 2	STAFF-SB-007	12,408	12,408	4,219
40	Anaesthetics	STAFF-SB-008	58,742	58,742	59,917
64	Physiotherapy Services (adults)	STAFF-SB-009	19,097	19,097	9,739
60	Pharmacy (generic) Blood Bourne Virus	STAFF-SB-010	6,415	6,415	6,543
60	Pharmacy (generic)	STAFF-SB-011	31,221	31,221	-
45	Paediatric Phlebotomy @ POW	STAFF-SB-014	5,110	5,110	-
36	Cardiology - MINAP	STAFF-SB-015	7,505	7,505	7,655
	Mortuary SLA rolls over for 1 month only - to end May 2020		89,549	89,549	7,612
SB - 037	Post vasectomy semen analysis		-	13,852	14,129
Total			17,727,929	17,805,193	17,726,303

Further SLA under discussion	Bridgend Dental Dom Care - provision into Bridgend homes provided from Neath	-	141,198	144,022
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Appendix 2

2020/21 Clinical SLA values - Cwm Taf Morgannwg (provider)/Swansea Bay (commissioner)

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2019/20 £	Amended SLA value for 2019/20 £	2020/21 SLA value (2% uplift) £
36	Cardiology	CC-CTM-001	81,544	81,544	83,175
82	Rheumatology	CC-CTM-002	575,206	575,206	586,710
59	Clinical Haematology	CC-CTM-003	200,470	200,470	204,479
32	Renal	CC-CTM-004	79,162	79,162	80,745
31	Neurology	CC-CTM-005	116,076	116,076	118,398
42	Ophthalmology	CC-CTM-006	167,651	167,651	171,004
83	Oral and maxillofacial Surgery	CC-CTM-007	470,785	470,785	480,201
78	MCAS	CC-CTM-008	86,059	86,059	87,781
142	Restorative Dentistry	CC-CTM-009	341,017	326,043	332,564
55	Vascular Surgery	CC-CTM-010	167,843	167,843	171,200
45	Paediatrics Consultants into NPT	MS-CT-001	33,422	33,423	20,145
44	Anaesthetics	MS-CT-002	1,142,571	1,142,571	1,165,422
49	Midwifery Service (generic)	MS-CT-003	47,855	43,867	32,542
36	Cardiology	MS-CT-004	47,855	63,807	65,083
40	Radiology	MS-CT-006	259,217	257,887	248,130
38	Dermatology	MS-CT-007	91,722	91,723	48,812
40	Radiology	SERVICE-CT-001	37,038	37,038	37,779
36	Cardiology	SERVICE-CT-002	4,310	4,309	4,396
36	Medical cover for ward A in NPT	SERVICE-CT-003	50,214	50,213	51,217
145	Mental Health Family Therapy	SERVICE-CT-004	32,311	32,310	32,957

Service Descriptor Ref No:	Service	SLA Category	Original SLA value for 2019/20 £	Amended SLA value for 2019/20 £	2020/21 SLA value (2% uplift) £
88	HSDU	SERVICE-CT-005	368,339	368,339	375,706
37	Cardiac physiology	SERVICE-CT-006	223,704	223,704	228,178
92	CDS Taith Newydd / Caswell Clinic	SERVICE-CT-007	12,654	12,654	12,907
40	Radiology	STAFF-CT-003	31,287	31,287	31,913
64	Physiotherapy Services (adults)	STAFF-CT-004	17,628	17,628	-
67	Dietetics	STAFF-CT-005	5,509	2,295	-
60	Pharmacy (generic)	STAFF-CT-006	18,763	18,762	-
61	Pharmacy - Medicines information & training	STAFF-CT-007	11,582	11,582	-
24	Paediatric Hearing (SALT)	STAFF-CT-008	13,772	13,772	5,853
94A	Substance Misuse	STAFF-CT-009	50,906	50,906	51,924
	Dermatology - McMillan nurse and cancer tracking	STAFF-CT-010		13,173	5,619
TOTAL			4,786,473	4,792,089	4,734,839