

# SWANSEA BAY LHB FINANCE DEPT. PERFORMANCE & FINANCE COMMITTEE – P06 FINANCE REPORT

Period 06 Data (September 2019)

In Month

Cumulative

Forecast

£ 1,251,875 overspent

£ 7,245,034 overspent

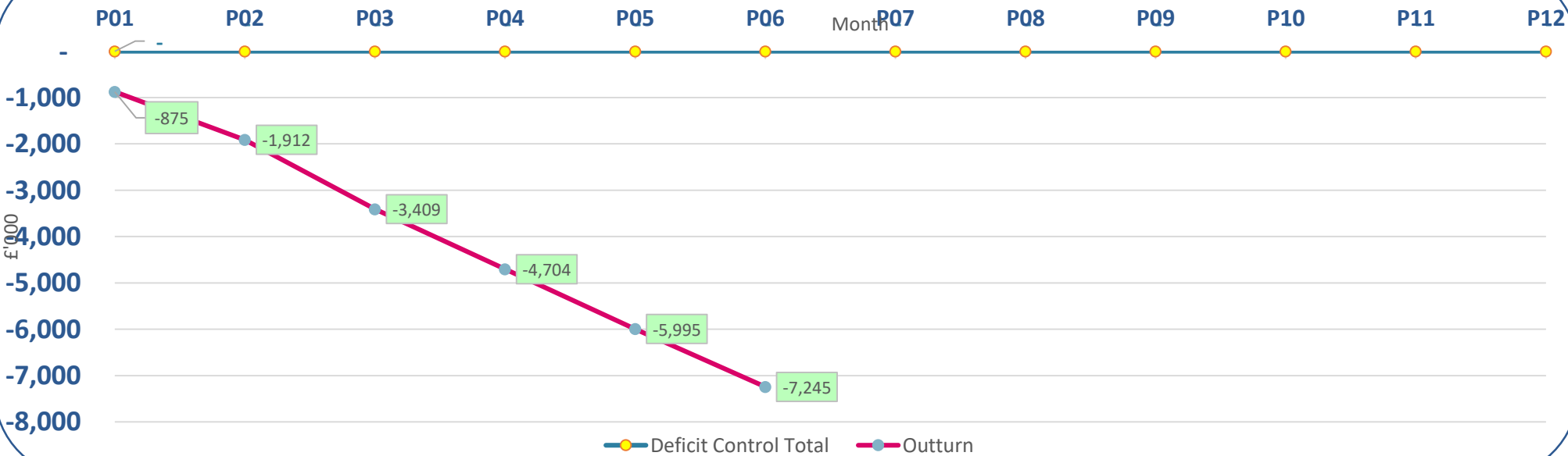
Breakeven

	Cur Month Budget (£'000)	Cur Month Actual (£'000)	Cur Month Variance (£'000)	% Variance
Income	(23,818)	(23,919)	(101,571)	-0.43%
Pay	45,609	45,349	(259,809)	-0.57%
Non Pay	47,525	49,139	1,613,255	3.39%
Total	69,317	70,568	1,251,875	1.81%

Type	YTD Budget (£'000)	YTD Actual (£'000)	YTD Variance (£'000)	% Variance
Income	(130,057)	(130,632)	(575,792)	-0.44%
Pay	273,019	273,289	269,442	0.10%
Non Pay	287,635	295,189	7,553,385	2.63%
Total	430,598	437,845	7,245,034	1.68%

Type	Full Year Budget (£'000)	Full Year Forecast (£'000)	Forecast Variance (£'000)	% Variance
Income	(242,653)	(243,640)	(987)	(0.41%)
Pay	527,657	527,657	0	0%
Non Pay	564,764	565,751	987	0.17%
Total	849,768	849,768	0	0%

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)	1,250	↓
Reported year to date financial position – deficit/(surplus)	7,245	↑
Current reported year end forecast – deficit/(surplus)	0	→

Capital		
Capital KPIs: To ensure that costs do not exceed the Capital resource limit set by Welsh Government		
Current reported year end forecast – deficit/(surplus) – Forecast Green	Breakeven	→
Reported in-month financial position – deficit/(surplus) – Forecast Green	(2,275)	↓
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 Green	96.5	↑

## Revenue

- The Health Board is committed to achieving financial balance in 2019/20. The Health Board has a balanced core financial plan, this however excludes the impact of the diseconomies of scale associated with the clinical and corporate management costs following the Bridgend Boundary Change, which were identified as £5.4m. This adds a significant additional pressure to the Health Board's delivery requirement and will require significant support to deliver savings of this.
- The Month 6 reported position is an in-month overspend of £1.250m, which is broadly the same as the previous two month's performance. This lack on tangible improvement in financial performance is disappointing given the focus on financial grip and control and recovery actions supported by the Delivery Support Team.
- The key drivers of the position continue to be:
  - Operational pressures, most significantly workforce costs, ChC and activity related income.
  - Identified savings being below required level and slippage against planned savings.
  - Bridgend Boundary Change diseconomies of scale impact.
- It must be highlighted that the Health Board has now over-committed against the planned winter spend and whilst the HB is hopeful of receiving additional funding from WG, if this is not received then the financial position will further deteriorate.

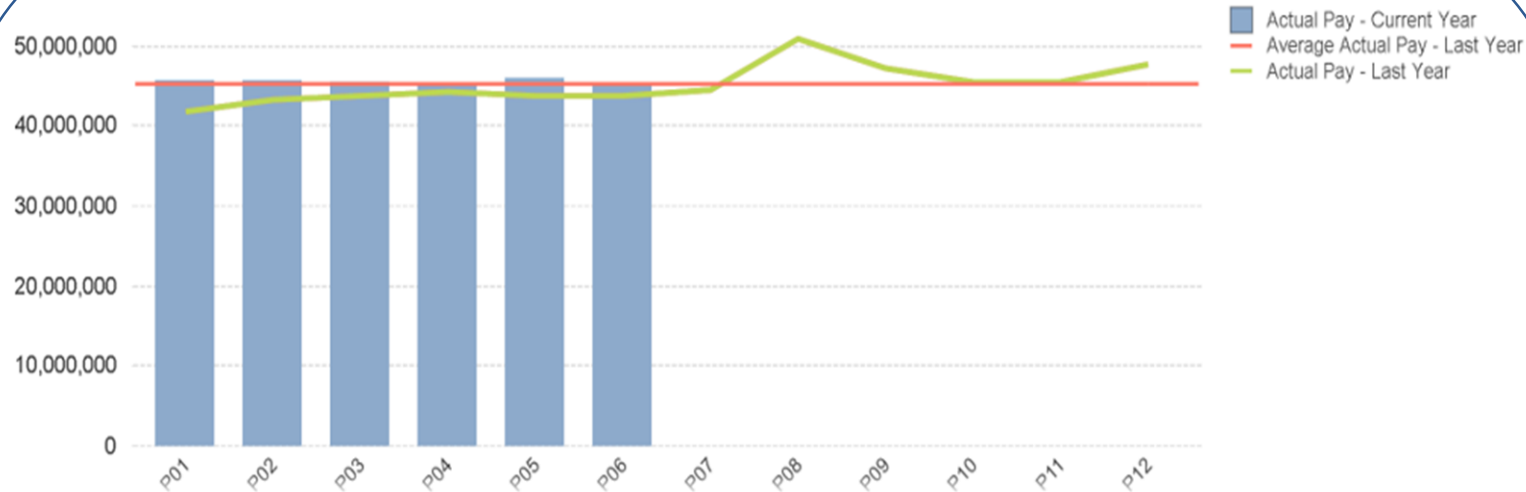
## Capital Narrative

- Approved CRL value for 19/20 remains at £24.604m which includes Discretionary Capital and the schemes under the All Wales Capital Programme.
- Underspend to date relates to a number of schemes as detailed in the Annex, there is no anticipated impact on the year end forecast due to these underspends to date.
- There are 3 All Wales Capital schemes reported to Welsh Government as high risk and 5 schemes as medium risk. These are being closely monitored and discussed at the monthly progress meeting with Welsh Government.
- The forecast outcome of breakeven is dependent of assumed income of £2.275m being received from WG.

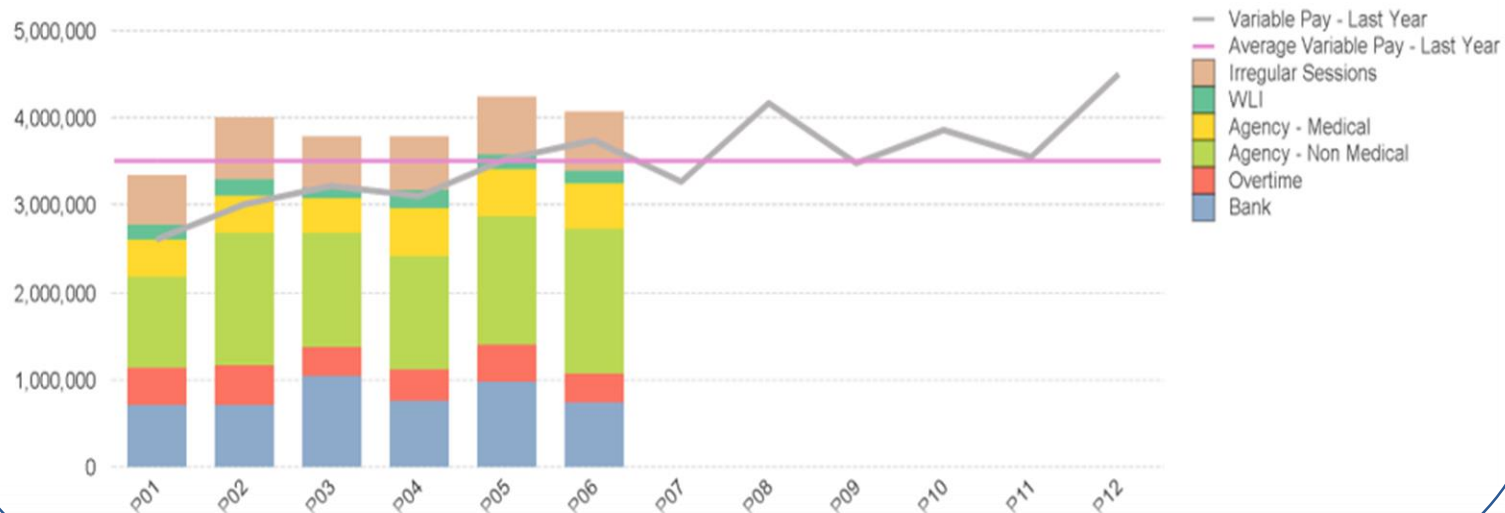
## PSPP Narrative

- The number of invoices paid within 30 days in September fell below the 95% target for the first month this financial year with in month performance being only 91.69%.
- This resulted in the cumulative compliance for the year reducing from 96.3% at the end of August to 95.5% at the end of September.
- There were a number of issues impacting the PSPP performance in September, these being delays in receipting and delays in the processing of pharmacy and nurse bank invoices. The health board also had to hold back by one day a number of supplier invoice payments due on 26<sup>th</sup> September given that the cash required to make these payments which would have left the bank on 30<sup>th</sup> September was in excess of the cash held locally, with no further cash available from Welsh Government until 1<sup>st</sup> October. This was due to higher than forecast payments throughout the month and delays in the reimbursement of redress claims by Welsh Risk Pool.

## Actual Pay Expenditure This Year and Last Year



## Variable Pay Expenditure This Year and Last Year



- Overall pay spend has reduced, this reduction is expected given the enhancements pay profile. The expenditure in September however remains higher than in the earlier part of the year.
- Variable Pay spend has reduced in month but is still over £4m in Month 6, with around £0.2m related to additional capacity open within the Health Board, due to the unprecedented operational pressures which we have been encountering. This compares with an average variable pay spend of £3.5m per month in 2018/19.
- The in-month reductions have been seen in bank and overtime which is linked to the pay profiles. To date there has been no reduction in medical variable pay which we are anticipating following the positive latest medical rotation.

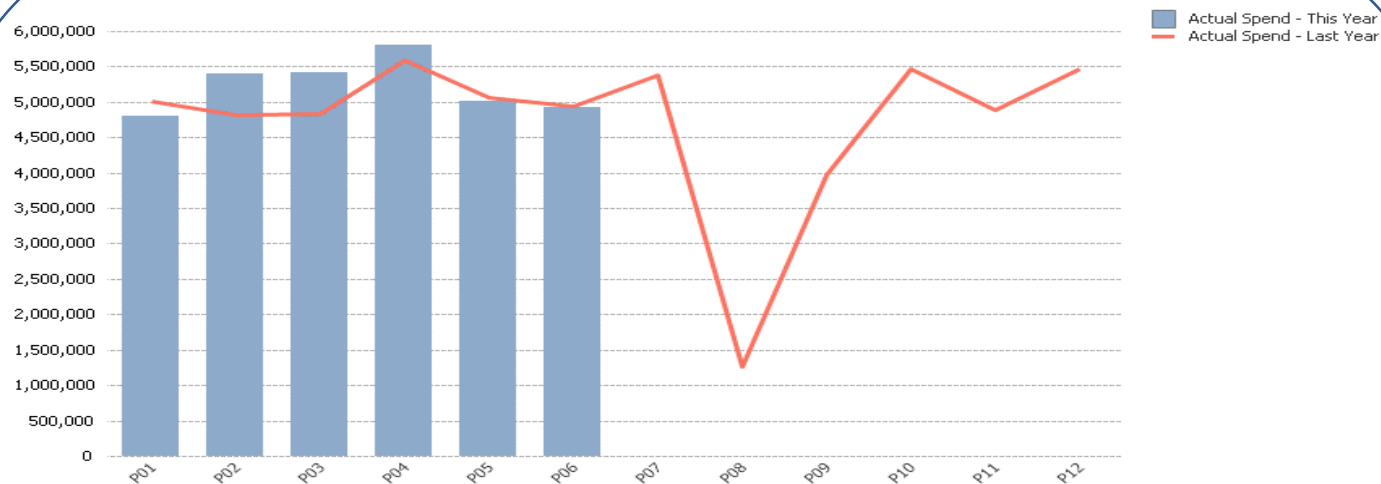
	P01	P02	P03	P04	P05	P06
	£	£	£	£	£	£
Substantive Pay	42,510,458	41,771,251	41,668,023	41,122,357	41,682,922	41,285,018
Variable Pay						
Bank	722,232	708,740	1,035,061	755,231	977,198	723,379
Overtime	414,222	463,641	339,132	362,269	420,189	333,034
Agency - Non Medical	1,038,976	1,514,886	1,292,670	1,309,021	1,459,117	1,674,551
Agency - Medical	434,631	428,108	404,679	543,350	552,301	516,346
Irregular Sessions	550,030	708,306	592,290	623,378	655,948	669,007
WLI	171,163	189,447	135,325	207,544	175,844	147,937
<b>Total Pay</b>	<b>45,841,712</b>	<b>45,784,379</b>	<b>45,467,180</b>	<b>44,923,150</b>	<b>45,923,519</b>	<b>45,349,272</b>

Cumulative Variable Pay Spend to Month 6							
Staff Group	Bank	Overtime	Agency - Non Medical	Agency - Medical	WLI	Irregular Sessions	Total
Administrative & Clerical	0	213,305	929,624	0	2,886	0	1,145,814
Medical And Dental	0	0	0	2,879,413	1,002,572	3,782,856	7,664,842
Nursing And Midwifery Registered	1,418,601	788,565	5,771,556	0	6,257	16,104	8,001,082
Add Prof Scientific And Technical	0	42,287	21,752	0	0	0	64,040
Additional Clinical Services	3,503,239	222,385	533,078	0	5,981	0	4,264,683
Allied Health Professionals	0	252,586	480,063	0	9,564	0	742,213
Healthcare Scientists	0	307,843	250,615	0	0	0	558,458
Estates And Ancillary	0	505,515	302,534	0	0	0	808,049
<b>Total</b>	<b>4,921,841</b>	<b>2,332,486</b>	<b>8,289,221</b>	<b>2,879,413</b>	<b>1,027,260</b>	<b>3,798,960</b>	<b>23,249,180</b>

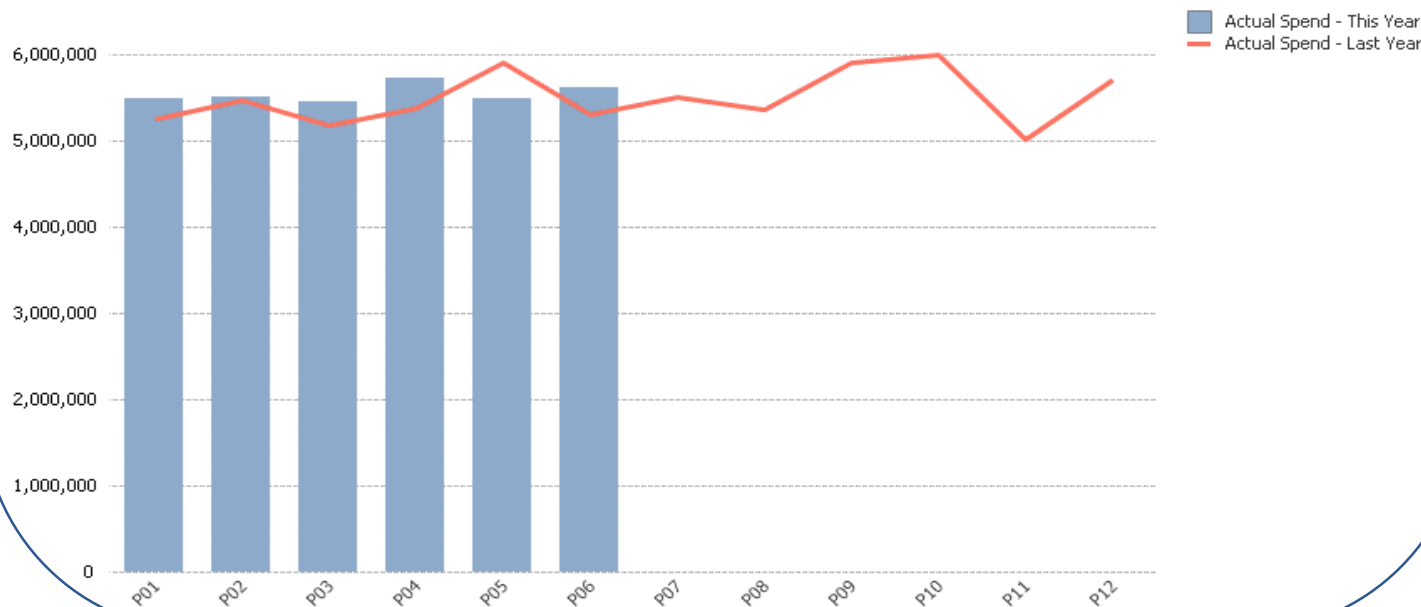
The table highlights the key variable pay issues as:

- Non Medical Agency spend which is increasing with Q2 spend some £0.6m higher than Q1
- Medical Variable pay, excluding waiting list initiatives is also higher in Q2 than in Q1 £0.4m increase. Given that the number of rota gaps following the August junior doctor rotation are lower than previously, we should anticipate a reduction in this element of variable pay.
- The most significant variable pay spend is within the Medical and Dental, Nursing and Additional Clinical Services (HCSW) staff groups. However there are forecast spends of over £1m for A&C, AHP, Healthcare Scientists and Estates and Ancillary. The A&C agency has been reviewed by DST and this will now be expanded to these further staff groups.

## Secondary Care Drugs Trend Analysis

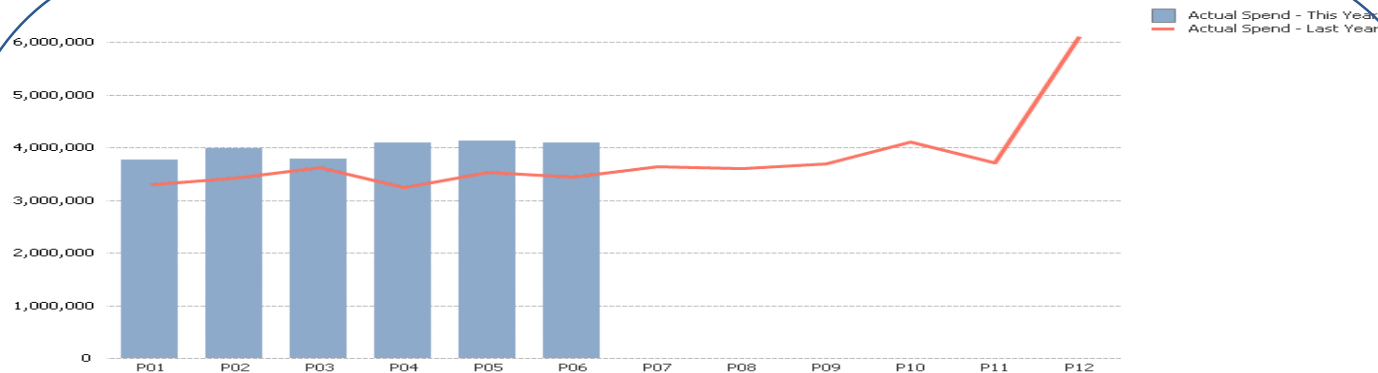


## Primary Care Drugs Trend Analysis

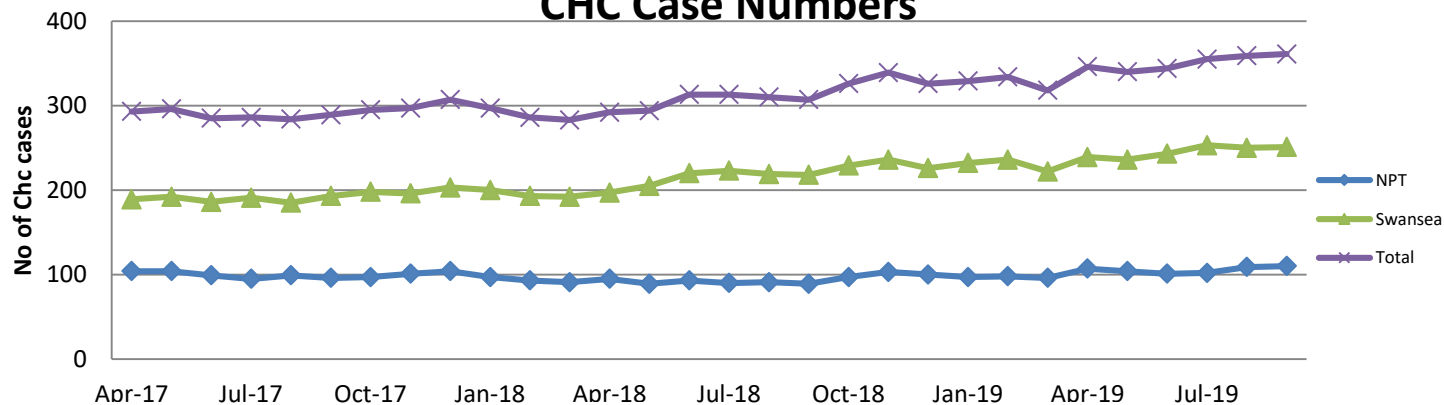


- Secondary drugs were stable in 2018/19, with little or no increase in costs reported compared to previous year.
- This year has seen secondary care drugs running above previous year expenditure levels. This is particularly reflected in NICE/High Cost drugs, with significant new approvals and more rapid implementation of new drugs. The HB has also been working with HMP Swansea and Public Health Wales on Hep C through the prison population. This is being closely monitored through the Medicines Management Financial recovery meetings to ensure necessary actions are being taken to enable expenditure to be maintained within plan.
- Primary Care drugs were less volatile in 2018/19 than the previous year, due to greater stability of NCSO price concessions.
- There are early indications of increasing pressures on primary care drugs linked to Cat M pricing, however this risk is still being assessed.

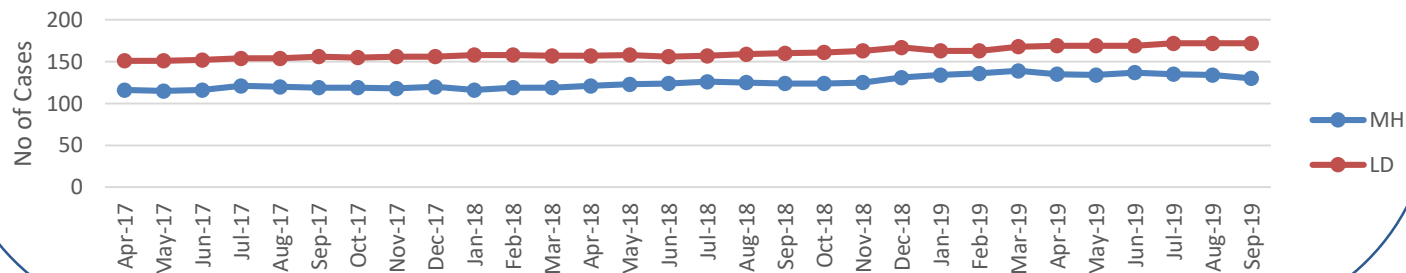
ChC Trend Analysis



ChC Case Numbers



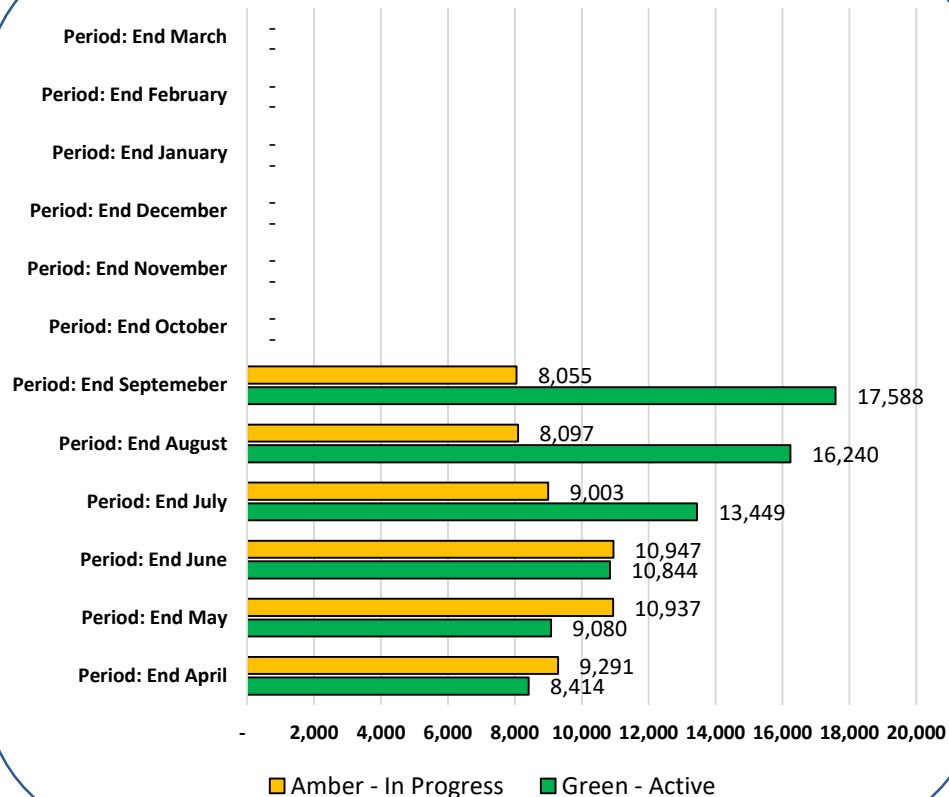
MH&LD ChC Case Numbers



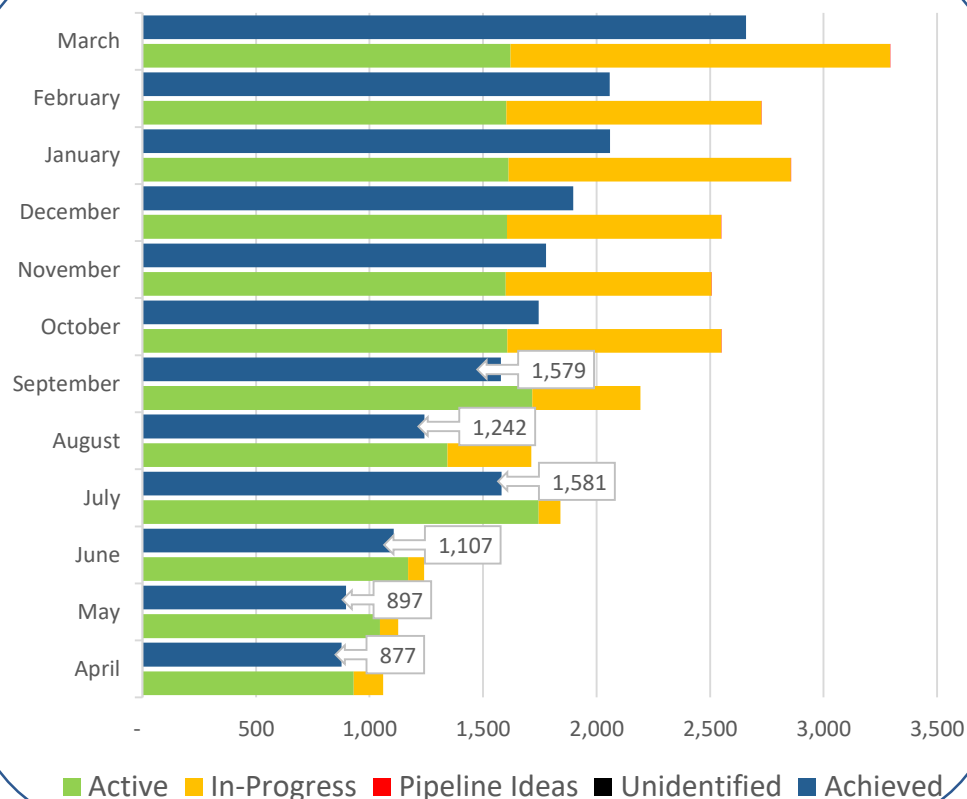
- ChC expenditure saw a steady growth in 2018/19, due to increasing case numbers across all areas.
- The expenditure for 2019/20 is significantly above that of the same period in the previous year and costs are continuing to escalate.
- The financial plan required the estimated growth in case numbers to be managed through improved assessment process and management of clients.
- However the HB has seen continued growth throughout this financial year across all areas.
- The average General ChC cases has increased from 328 in last 6 months of last year to 350 in first 6 months of this financial year.
- The average MH cases have increased from 131 in last 6 months of last year to 134 in first 6 months of this year and LD have increased from 164 case to 170 cases.
- This increase in cases reflects a cost increase of around £2.5m per annum.
- This is an area of significant focus within the Health Board Financial Recovery as it is a significant driver of the operational deficit.

# SAVINGS ANALYSIS

## Trend over time



## Current Profile of Savings



## Narrative

- The Health Board financial plan required £22m savings to be delivered.
- To date, £25.6m of Green and Amber savings have been identified, however the forecast delivery against these schemes is £20.2m, which is short of the required savings level and does not provide any mitigation of the operational pressures that have emerged throughout the year to date.
- The savings include the impact of the HVOs. An update of the HVOs is included in as an annex to this pack.
- The further recovery actions/savings that have not yet able to be rated as Green or Amber have been assessed and whilst some further impact is anticipated, it is unlikely to deliver fully. The impact on the financial recovery challenge will be examined on subsequent slides.
- The KPMG work is at a very early stage and it is difficult to assess the potential positive impact.

## Narrative

- The actual savings delivery increased in P6.
- The actual savings delivery for the first six months of the years is £7.3m, with £12.9m forecast delivery in the second half of the year. KPMG are assessing the delivery confidence of this increasing level of savings.
- The level of slippage against the identified schemes is disappointing. One of the key areas of slippage is the delivery of increased service income at Morriston which is being stifled by ability to access bed capacity.
- All non-delivering savings schemes are being reviewed to understand if there are opportunities to drive delivery either in year or in future year and also to improve the savings planning cycle risk assessment.



	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Cumulative
	In Month	In Month	In Month	In Month	In Month	In Month	Position
	£000	£000	£000	£000	£000	£000	£000
<b>Service Delivery Units</b>							
Mental Health & LD	145	198	215	218	225	170	1,171
Morrison	137	236	561	553	525	597	2,609
NPT Unit	7	122	42	38	60	84	353
PC & Community	202	363	259	128	362	253	1,567
Singleton	124	132	143	254	190	151	994
<b>Directorates</b>							
Board Secretary	79	65	71	54	75	68	412
Chief Operating Officer	107	147	172	144	144	-30	684
Director of Strategy	37	57	44	-13	-11	12	126
Director of Transformation	-1	-22	17	1	-2	36	29
Finance	44	84	76	61	9	10	284
Informatics	4	-15	13	-46	-57	-54	-155
Medical Director	6	-8	-3	-3	-3	-1	-12
Nurse Director	3	24	23	26	20	48	144
Workforce & OD	84	78	122	85	57	129	555
Clinical Medical School	-21	-24	-21	-18	-20	-22	-126
Research & Development	0	0	0	0	0	0	0
Corporate I&E	-68	0	-41	13	-82	0	-178
<b>Delegated Budget Position</b>	<b>889</b>	<b>1,437</b>	<b>1,693</b>	<b>1,495</b>	<b>1,492</b>	<b>1,451</b>	<b>8,457</b>
Corporate Plan	0	-400	-200	-200	-200	-200	-1,200
High Value Opportunities							0
<b>Hosted Services</b>							
Delivery Support Unit	-9	5	4	0	-1	-1	-2
EMRTS	-5	-5	0	0	0	0	-10
<b>Health Board Position</b>	<b>875</b>	<b>1,037</b>	<b>1,497</b>	<b>1,295</b>	<b>1,291</b>	<b>1,250</b>	<b>7,245</b>

Forecast Position After JDIs	Extrapolated position	Avg last 3 months
£000	£000	£000
1,922	2,342	2,397
5,359	5,218	5,959
890	706	717
1,395	3,134	3,053
1,534	1,988	2,184
771	824	806
1,237	1,368	1,200
151	252	102
-	58	99
445	568	444
8	310	469
- 20	24	26
331	288	332
1,107	1,110	1,097
-	252	246
-	-	-
-	356	316
<b>15,130</b>	<b>16,914</b>	<b>17,333</b>
- 2,400	2,400	2,400
2,200	2,200	2,200
-	-	-
-	-	-
<b>14,930</b>	<b>16,714</b>	<b>17,133</b>

- In July all units and directorates were required to produce financial recovery plans.
- The recovery plans were assessed by DST and categorised as Just Do Its and schemes that required more work and support.
- The Health Board forecast after the JDI's delivered was assessed to be £15m overspend.
- Based on current financial performance the forecast could be closer to £17m.
- The most significant movement in forecast is in Primary Care and Community due to initial planned savings not being deliverable and increasing ChC growth pressures.
- Further work is currently underway to refine, test and challenge the forecast position.

Theme	Unit	Unit Actions	Planned Savings £000	Assessed Delivery as at M6 £000	Commentary	RAG
ChC	PCS	Action on CHC growth and restricting new packages of care to available funding	1,116	0	No Savings anticipated in this financial year	
ITU Capacity	Morrison	Removal of DTOCs from ICU to facilitate closure of 1 bay	754	0	Plan still being fully worked up. May produce some benefits but required ITU DTOCs to reduce	
Managing Attendance	Singleton	Managing Attendance	30	0	Plan has been implemented but yet to see benefit	
Staffing	MH LD	Reduce bank and agency expenditure by 50%	1,348	0	No Plan and would adversely impact on service provision	
	Morrison	Funded NSA posts	2,204	0	Assumed funding for additional staffing, not included in plan	
	PCS	Action on Bank and Agency - Continence Services	33	0	No Plan and would adversely impact on service provision	
		Action on Bank and Agency - District Nursing	45	0	No Plan and would adversely impact on service provision	
		Action on Bank and Agency - Gorseinon Hospital	282	0	No Plan and would adversely impact on service provision	
		Action on Bank and Agency - Wound Care	168	0	No Plan and would adversely impact on service provision	
		Review staffing for Wound Care Services	75	-42	Plan in place and being delivered	
Surgical Capacity/Income	Morrison	ADH's Anaesthetics	420	0	HMRC Pensions issue has impacted on the delivery of this	
		Recoup and secure WHSSC funded income (18/19 levels)	1,933	-1000	Plan in place and being delivered	
	Singleton	Private Patient Income: Surgical Services	50	0	Linked to A4C pay rate issue	
Tonna	MH LD	Closure of Suite 2 Tonna (18 beds)	481	0	Closure of further beds has been ruled out at this point	
		Closure of Suite 4 Tonna (14 beds)	59	0	Required bringing forward of closure plan, which has not been achieved	
Unit	COO	Further utility bill review	200	-200	All wales work underway, this is the assessed impact	
	MH LD	Cost of discharges that are being funded in full with outstanding DSTs	104	0	Unlikely to deliver	
	Morrison	Rebase income - pancreatic/spinal	120	0	Work is underway	
	NPT	Hold Lymphoedema non pay costs to 18/19 +5% growth level	100	0	Linked to the review of the All Wales Business Case	
		Review non Nursing / Medical overtime as per the Financial Controls document	8	0	No Plan and would adversely impact on service provision	
	PCS	DOLS for MH&LD doctors completing assessments in house for their own patients	34	0	Unable to be taken forward	
		Joining up of GPOOH and DN OOH services	106	0	Unable to be taken forward	
		MCAS/Orthotics/Podiatry - Review of casting model and withdrawal of service from Morrison Hospital [this service should be provided by T&O]	50	0	Unable to be taken forward	
	Singleton	Medical Haematology Agency - Post 1	60	0	Unable to be taken forward	
		Procurement Workstream Further Opportunities	50	-50	No Plan and would adversely impact on service provision	
		Temporary Expenditure Controls	50	-50	Plan in place and being delivered	
		Understand/Remove Excess Expenditure - Breast Services	60	0	No Plan and would adversely impact on service provision	
	Strategy	Further review of 3rd sector accruals	39	-39	Plan in place and being delivered	
		Redeployment to capital planning may become permanent	19	0	Still being perused	
Ward Designation	Morrison	Close 2 wards	1,500	0	No Plan and would adversely impact on service provision	
<b>Grand Total</b>			<b>11,497</b>	<b>-1381</b>		

- The Recovery Action Category B and C schemes have proven challenging to deliver, with lack of clarity and quality impact assessment of the proposed scheme. Despite support from DST and through the financial recovery meetings little progress has been made in converting these schemes into deliverable savings.
- The current assessment identifies £1.381m of savings that have now been confirmed as deliverable and added to savings trackers.
- There are a number of schemes that are still being pursued (Red RAG rating). These have a maximum delivery of £1.1m.
- The remaining schemes (Black RAG rating), have no delivery confidence from the relevant units and are at this point unlikely to deliver any savings. This needs to be considered in light of the impact of the Health Board forecast.

	Forecast Position as at M4 £m	Review as at M6 £m	Actions/Requirements/Comments
Forecast Position after JDIs	14.93	17	Potential deterioration in unit forecasts. A further refinement of the forecasts are being undertaken.
<b>Recovery Actions :</b>			
Category RP-B (£1.51m identified)	-1.13	-0.381	
Category RP-C (£10.36m identified)	-2.59	-1	These are now included within the savings tracker
<b>Further Actions :</b>			
Increased Delivery Confidence (Cat B/C)	-2	-0.5	Assumes 50% of the remaining red schemes are delivered
Directed Actions and Controls	-1	-0.5	Assumes further improvement on Grip and Control
	<b>8.21</b>	<b>14.619</b>	
<b>Key Expenditure Risks :</b>			
Additional Capacity Excess Costs			Additional Capacity has been open throughout the year. This has a cost of £4.5m against the £1.5m included in the financial plan. This is not currently in the forecast position as assuming 3 funding to offset
Final Pension Charges		1.5	HB in receipt of some large invoices which are being appealed. Early intelligence is that appeal will be unsuccessful.
Category M Increases		1	Primary Care Prescribing Category M increases have been assessed as a potential pressure of £1m in 2019/20
<b>Opportunities :</b>			
Optimising Funding/Income opportunities		-2.5	Numerous funding streams are being released by WG, some of this funding is covering costs already committed and should therefore improve the financial position
Maximising Balance Sheet and Technical Benefits		-2.5	Opening balance sheet is being finalised following the BBC. Based on previous experience £2.5m release should be achievable
Identification and Delivery of Enhanced Controls supported by KPMG		-2	Further in-year improvement is being forecast based on strengthening grip and control and identification of further opportunities supported by KPMG. Work is at a very early stage so no firm plans to date.
		<b>13.119</b>	
<b>Potential WG Support:</b>			
Transitional Support for BBC		-3	WG have indicated that some transitional support may be made available in recognition of the stranded costs and diseconomies of scale.
Additional Capacity		-3	Discussions with WG regarding additional bed capacity and potential support
		<b>7.119</b>	

- The Financial Recovery Challenge has been updated in Month 6 to reflect assessments of recovery actions, savings and cost pressures.
- This sets out the recovery action delivery and future delivery requirements.
- The key expenditure risks have also been included in the assessment.
- Opportunities to improve the financial performance have been included along with actions to deliver.
- This revised assessment indicates that there is a residual recovery challenge of around £13m which would need to be managed prior to any WG additional support.

# FINANCIAL RISKS & OPPORTUNITIES LOG

#	Issue	Description	Opportunity (Best Case) £000	Risks (Worse Case) £000	Most Likely £000	Risk Rating	Key Decision Point and Summary Mitigation	Risk Owner Name
	<b>Annual Plan Deficit</b>		<b>0</b>	<b>0</b>	<b>0</b>			
1	Savings Requirement not fully delivered	The full £22m savings requirement is not identified or delivered	0	0	0	Low	The savings plans have been re-assessed and slippage identified and included in the HB forecast. There is a high level of confidence on the delivery of the remaining savings. This delivery is expected to be around £17m. Recovery plans have been developed to mitigate this shortfall	Lynne Hamilton, Director of Finance
2	Nurse Staffing Act	Extension of Nurse Staffing Act into other areas increases nurse resource requirement	0	-1000	-500	Low	Nurse Staffing Act must be clearly scrutinised and options considered including reconfiguration of clinical capacity	Gareth Howell, Director of Nursing and Patient Experience
3	WG Additional Funding Support	Financial Plan includes £10m additional funding support provided by WG non-recurrently in 2018/19.	0	-10000	0	Low	Continue to work closely with WG	Lynne Hamilton, Director of Finance
4	Ophthalmology Gold Command	Ophthalmology potential clinical risk related to follow up capacity	0	0	0	Low	This risk has been removed as it is being managed within the overall performance resources.	Chris White, Chief Operating Officer
5	Additional Capacity	Health Board Plan provides funding to support unscheduled care pressures. This could be insufficient	0	-3000	-3000	Medium	The current additional capacity that has been in place during the first half of the financial year is unlikely to be reduced during the second half of the year. The anticipated 2019/20 costs of this additional capacity is £4.5m, which would be £3m above that included in the plan. WG have released funding to support Winter 19/20, but much of this is likely to be required to be expended on additional actions to support winter.	Chris White, Chief Operating Officer
6	Performance Sustainability	Health Board Plan provided funding to support RTT performance. Further funding was provided by WG to support performance improvement.	0	-6500	0	Medium	RTT performance is currently off the improvement trajectory and recovery plans whilst improving will not deliver the planned RTT position by the end of the financial year. As a result, there is the potential for WG to claw back the funding it has provided. WG colleagues are reviewing the trajectories.	Chris White, Chief Operating Officer
7	Bridgend Boundary Change Diseconomies of Scale	The diseconomies of scale associated with the Bridgend Boundary change have been identified. The forecast assumes that these costs are mitigated and managed.	0	-5200	-2500	High	The current forecast assumes that the diseconomies are able to be managed through a combination of actions, mitigations and potential transitional support. To date there is no conformation of transitional support and we are awaiting the outcome of the PWC due diligence work. The engagement on structures and new operating model is underway.	Hannah Evans, Director of Transformation
8	Primay Care Prescribing	Revised Cat M pricing has increased forecast prescribing expenditure	0	-1000	-500	Medium	The impact of Cat M pricing is being reviewed along with savings opportunities	Judith Vincent, Chief Pharmacist
9	Final Pension Charge	Impact of increases in salary during last 3 years prior to retirement or withdrawal from pension scheme being charged to HBs following change in guidance	-1000	-2000	-1500	High	A number of charges have already been received and are being challenged with NHS Pensions. This is also being reviewed on an AllWales basis by NHS Wales Employers Unit	Hazel Robinson, Director of Workforce and OD
10	Further Identified Recovery Actions not delivered in full	The recovery actions identified are not able to be delivered as planned	0	-1500	-500	High	The recovery actions have been assessed, however there is a risk that not all are delivered as planned. The delivery is being supported by the Delivery Support Team	Hannah Evans, Director of Transformation
11	Welsh Risk Pool	The welsh Risk Pool is currently forecasting a deficit against its budget and has informed HBs that it is likely to need to invoke the risk sharing agreement	0	-450	-450	Medium	WRP are continuing to assess the position and a further update to DOFs is expected in October.	Lynne Hamilton, Director of Finance
10	Further Recovery Actions and Opportunities not identified and delivered	Further recovery actions and opportunities to close the deficit gap are not identified	0	-2574	-1500	High	Review of Efficiency framework opportunities and other financial plans to ensure opportunities maximised. This risk has reduced by £0.5m this month due to further schemes being identified	Lynne Hamilton, Director of Finance
			<b>1,000</b>	<b>33,224</b>	<b>10,450</b>			

The Month 6 financial performance has highlighted the key risks to the delivery of the 2019/20 financial position :

- Workforce costs, particularly the premium rate costs of contingent labour and the additional staffing requirements to support performance and operational pressures;
- ChC growth and inflation, which need to be contained;
- Delivery of the planned savings requirement;
- Diseconomies of Scale following Bridgend Boundary Change

The Key Actions for the Health Board are :

- To ensure all planned savings are delivering in accordance with forecast and drive to deliver to plan.
- To continue to identify savings schemes and opportunities to exceed the savings requirement and reduce the financial forecast.
- To drive the implementation of the detailed High Value opportunities plans.
- To ensure that any local cost pressures are managed within existing resources through mitigations actions, savings and prioritisation of resources.
- To ensure any slippage on investments and commitments are reflected as improvement in financial performance rather than re-invested.
- To ensure strong controls on all non-essential and variable expenditure.

These actions are supported by the Delivery Support Team and KPMG work.