



Swansea Bay UHB Month 11 Financial Performance 2021/22 Health Board 31st March 2022



Month 11 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)	1,705	Current reported year end forecast – deficit/(surplus)	-	In-month % of invoices paid within 30 days (by number)	95.82
Reported year to date financial position - deficit/(surplus)	20,946	Reported in-month financial position – deficit/(surplus)	243	Cumulative % of invoices paid within 30 days (by number)	93.87
Reported year to date compared to forecast - deficit/(surplus)	-1,425				
Year end Forecast - deficit/(surplus)	24,405				

Revenue

- The in month reported revenue position is an overspend of £1.705m, which results in a cumulative overspend of £20.946m. This is £1.425m below the forecast.
- The Health Board has a year end forecast deficit of £24.405m.

Capital

- Approved CRL value for 21/22 issued on 28/02/22 is £67.223m which includes Discretionary Capital and the schemes under the All Wales Capital Programme.
- There are 2 Capital schemes reported to Welsh Government as high risk. There is 1 scheme reported to Welsh Government as medium risk. Any schemes where risks are reported are being closely monitored and discussed at the monthly progress meeting with Welsh Government. Mitigation plans are in place to maintain a balanced CRL position should these risks materialise.
- The forecast outturn position for 21/22 is balanced.
- The reported forecast outturn position assumes that outstanding expected sale proceeds of £0.187m will be received as disposal income.

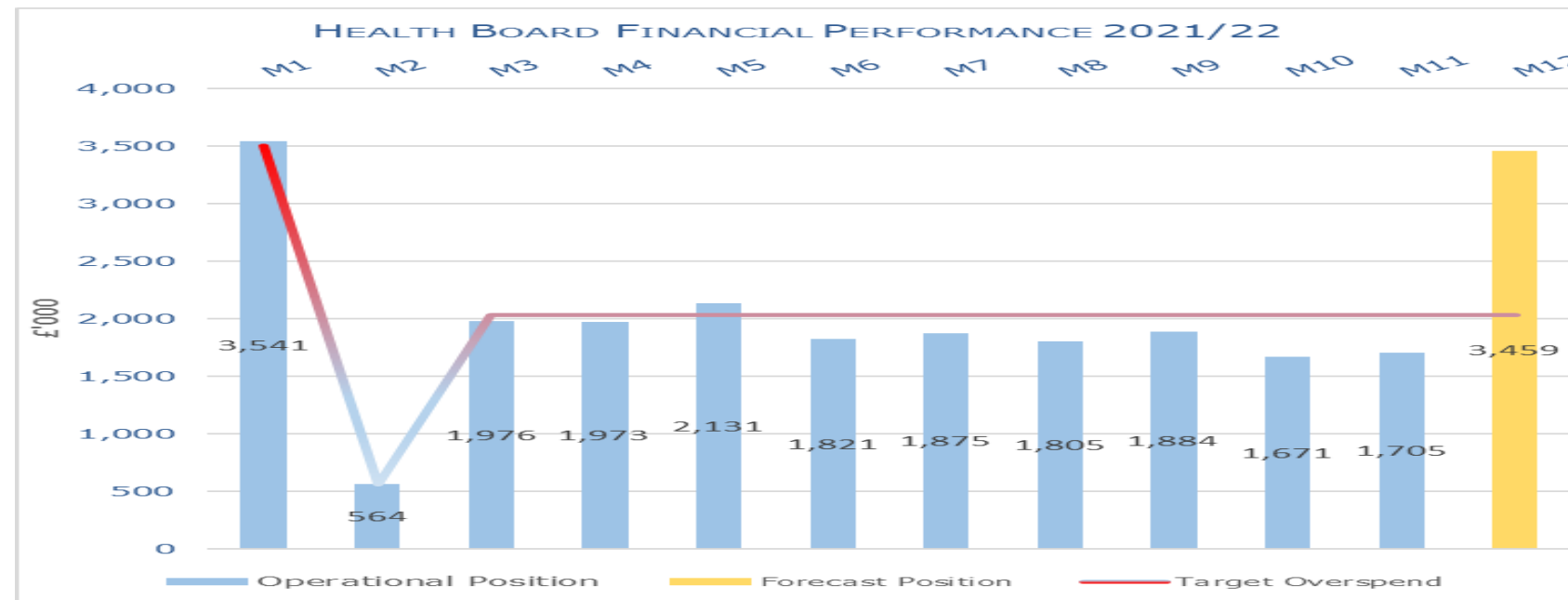
PSPP

- The PSPP target was achieved for the first 6 months of the financial year, performance deteriorated in month 7 and 8 to 91.3% each month and again in month 10. The in month position has improved to 95.82% in month 11, but the performance from month 10 has impacted on the cumulative target, which is currently 93.87%.
- The deterioration was due to very high volume of nurse agency invoices which is resulting in a delays in authorising and processing. Actions have been taken to provide additional support in this area, however this continues to be extremely challenging.

Month 11 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	- 26,224	- 26,418	- 194	- 265,057	- 263,631	1,426
Pay	56,239	55,020	- 1,219	596,486	586,566	- 9,920
Non-Pay	58,401	60,102	1,701	628,086	638,129	10,043
Delegated Position	88,416	88,704	288	959,515	961,064	1,549
Corporate Plan	- 1,417		1,417	- 19,397	-	19,397
Total Position	86,999	88,704	1,705	940,118	961,064	20,946

- 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 of £1.705m is £0.329m below the profile target.
- The cumulative position is £20.946m overspend against a planned deficit of £22.371m, a difference of £1.425m.
- 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
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
Revenue Resource Limit	- 88,433	- 88,433	-	- 976,875	- 976,875	-
Income from Activities	- 23,669	- 23,899	- 230	- 234,961	- 234,224	737
Other Income	- 2,554	- 2,518	36	- 30,095	- 29,406	689
Total Income	- 114,656	- 114,850	- 194	- 1,241,931	- 1,240,505	1,426

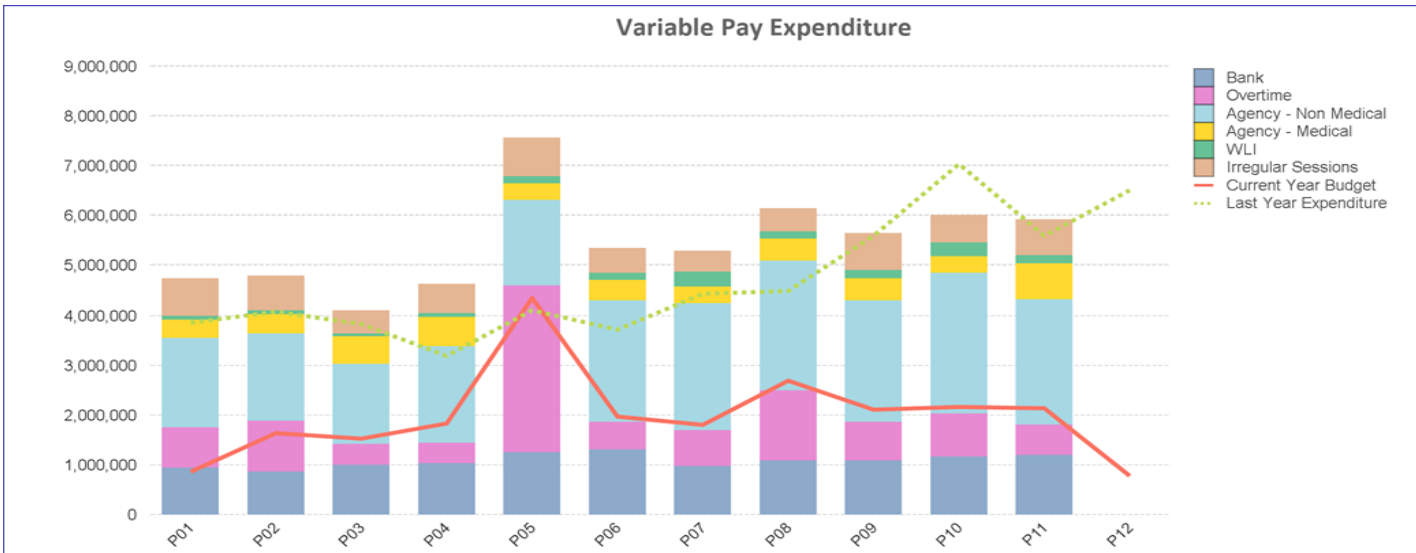
- The cumulative income budget to Month 11 is £1,241.931m.
- The actual cumulative income achieved in this period is £1,240.505m.
- There is an under-achievement of income of £1.43m.
- In month has shown an over-achievement of income, this relates to CTM and DHCW.
- The key areas of under-achievement continue to be dental, catering, rental and other patient related charges and these remain broadly unchanged.
- It should be highlighted that around £0.6m of COVID funding is being applied to income budgets each month, excluding dental.
- The LTA/SLA block arrangement remains in place for this year to negate the pandemic impact on service/activity provision. The performance however continues to be monitored and there could be a significant adverse financial impact if LTA arrangement were “Live”.



Workforce

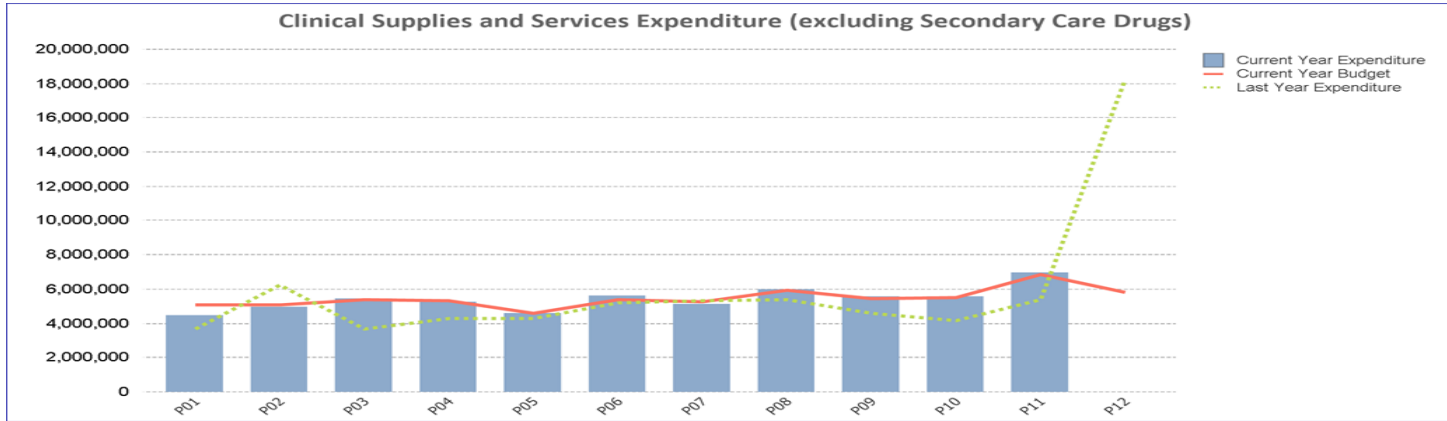
Workforce	Budget	Actual	Variance	Budget	Actual	Variance
	In Month	In Month	In Month	Cumulative	Cumulative	Cumulative
	£000	£000	£000	£000	£000	£000
A&C	8,194	7,663	- 531	86,570	81,936	- 4,634
APST	2,010	1,879	- 131	21,193	20,029	- 1,164
AHP	3,869	3,594	- 275	41,365	38,307	- 3,058
HCS	1,720	1,648	- 72	18,496	17,650	- 846
ACS (Excluding HCSW)	1,646	1,559	- 87	18,254	17,377	- 877
M&D	13,427	13,410	- 17	139,985	141,130	1,145
Nursing (including HCSW)	22,750	22,491	- 259	241,737	239,495	- 2,242
E&A	2,802	2,776	- 26	31,170	30,646	- 524
VF	-	179	- 179	2,280	-	2,280
Total Workforce	56,239	55,020	- 1,219	596,490	586,570	- 9,920

- The table provides an analysis of the workforce position by staff group.
- This workforce position has reported a continued underspend in month, with underspend in A&C, Nursing and AHPs.
- Variable costs has reduced slightly in month, this is linked to agency non-medical and overtime. Much of these additional costs are funded through winter and COVID non-recurrent funding and are not impacting on the budgetary position.



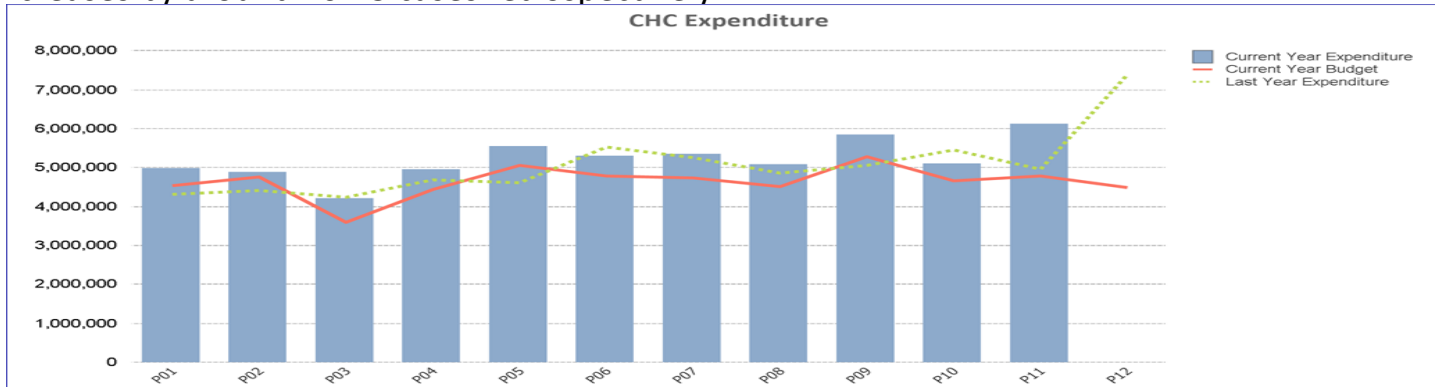
Non Pay

- Clinical consumable budgets have been underspent due to activity restrictions. Recent months have seen costs increase as activity has increased and also due to escalating prices, although costs have plateaued in recent months.



Period	Current Year Budget	Current Year Expenditure	Last Year Expenditure
	65,613,389	59,533,659	70,431,481
P01	5,057,229	4,443,636	3,685,587
P02	5,091,018	4,971,658	6,221,515
P03	5,376,182	5,415,241	3,652,342
P04	5,337,808	5,270,354	4,280,737
P05	4,577,702	4,575,296	4,307,336
P06	5,406,338	5,605,586	5,227,096
P07	5,255,356	5,130,330	5,337,057
P08	5,953,013	6,008,835	5,395,315
P09	5,430,974	5,571,089	4,560,382
P10	5,499,124	5,570,360	4,174,320
P11	6,840,241	6,971,274	5,355,119
P12	5,788,404	0	18,234,675

- 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 remained fairly static throughout the year. The in month level appears low, but due to timing issues on case approval/notification, this normally increases by around 10-15 cases retrospectively.



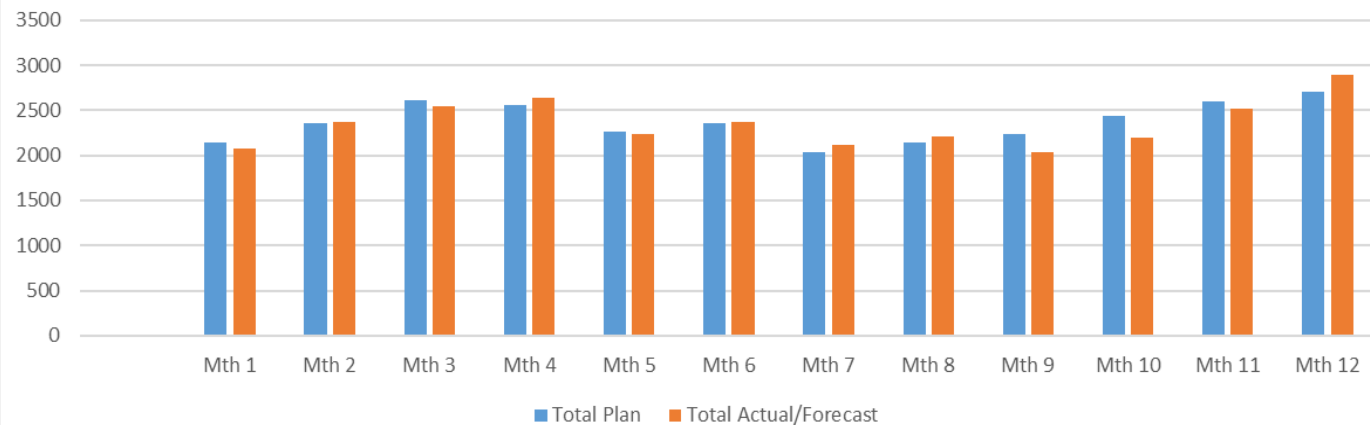
ChC Case Numbers	General	MH	LD
Apr-19	347	135	169
Mar-20	358	141	180
Mar-21	355	152	196
May-21	360	155	196
Jun-21	372	159	198
Jul-21	374	158	198
Aug-21	364	158	197
Sep-21	365	157	200
Oct-21	365	157	200
Nov-21	364	155	199
Dec-21	364	164	199
Jan-22	346	165	196
Feb-22	330	173	195

Savings 2021/22

Summary of Forecast Savings - Green & Amber	£000s
Planned Care	3,626
Unscheduled Care	1,169
Primary and Community Care (Excl Prescribing)	2,065
Mental Health	541
Clinical Support	0
Non Clinical Support (Facilities/Estates/Corporate)	3,930
Commissioning	370
Across Service Areas	11,906
CHC	1,303
Prescribing	1,558
Medicines Management (Secondary Care)	1,834
Total	28,301

- The Health Board has a savings requirement of £27.7m as part of the 2021/22 financial plan.
- There are currently Green and Amber schemes planned of £28.460m however there is some slippage forecast against these schemes, reducing the forecast delivery to £28.301m.
- The graph shows the monthly planned and actual/forecast delivery. It can be seen that the last few months has seen an increasing level of slippage, however the last two months anticipate that the savings will be delivered in full.
- The full year effect of this year's recurrent savings programme is £25.4m, which is £2.6m short of the required target. This must be addressed as a matter of urgency.

Savings Plan vs Forecast Delivery



COVID Income & Expenditure

COVID Funding	Confirmed & Anticipated Funding
	£000
Testing	3,104
Contact Tracing	13,090
Vaccination	13,621
Extended Flu	1,191
Enhanced Cleaning Standards	2,366
PPE	4,797
Care Homes	2,243
Sustainability	45,198
Long COVID	635
UEC Programmes	4,130
COVID Response	90,375
Recovery	24,988
20/21 Savings Impact	17,672
Bonus Payment Recovery	- 1,130
Total Allocation	131,905

COVID Expenditure	YTD Spend	Forecast Spend
	£000	£000
Testing	3,000	3,254
Tracing	11,426	12,686
Vaccination	13,143	14,392
Extended Flu	1,191	1,191
Cleaning Standards	2,169	2,366
Recovery	19,584	24,987
Long COVID	326	635
Urgent Emergency Care	2,954	4,130
Sustainability :		
Primary Care Prescribing	5,319	5,773
PPE	4,710	5,110
Care Homes	2,203	2,242
Staffing	24,703	29,179
Other Non Pay/Income Loss	8,470	8,605
	99,198	114,550

- The initial table provides a summary of the COVID funding received or anticipated in 2021/22. All funding has now been received with the exception of extended flu and some of the UEC programme funding.
- Given the challenges in being able to fully deploy the £131.905m, due to workforce and other physical constraints, any bids for further funding must be approved by the Director of Finance prior to submission.
- For the majority of costs the year to date spend profile is broadly aligned to the forecast spend, however there are two areas where there are significant additional costs expected in the latter part of the financial year; Recovery and Urgent Emergency Care.
- It is likely that there will be slippage against both the planned/bid for funding and the generally allocated funding. There has been significant slippage against outsourced activity due to capacity constraints. The recovery position needs to be closely managed through the Planned Care Board to minimise slippage and identify opportunities to utilise the funding during the final quarter although the operational pressure impact is recognised.
- Further contingency expenditure plans and opportunities are being developed and managed to mitigate the risk of underspending.



Actions

- **Savings Actions**

- Bridge 2021/22 recurrent gap of £2.6m - Service Directors/Executive Directors/PMO March 2022;
- Deliver bed reductions outlined in the 2021/22 Savings Plan - Service Directors/Executive Directors September 2022
- Adjust bed savings profile and mitigate the slippage in this plan with alternative plans and solutions.

- **COVID Response and Recovery**

- Develop alternative opportunities to ensure allocated recovery funding is fully utilised. Planned Care Board supported by Deputy COO, Deputy Director of Finance – rolling action to be overseen by Planned Care Board
- Ensure that Urgent Emergency Care commitments and further actions aligned to Winter Plans are delivered – UEC Board support

Base Position

- All opportunities to commit revenue slippage in 2021/22 to improve efficiency, workforce deployment or reduce run rate are identified, agreed and implemented in Quarter 4 (CEO and DoF signed off phase I – further ideas needed) – COO, Deputy COO and Deputy Finance Director

- **2022/23 Plan**

- Continue to develop schemes and themes to meet and 100% by end of March 2022. Service and Corporate Directors as per set timescales.
- Service Group directors to work with the COO/DOF to assess all COVID response costs for exit plans to be presented to CEO and DoF – First draft of detailed exit plans by March 2022



