

# Finance and Performance Committee Meeting

Mon 16 December 2024, 09:30 - 12:30

Microsoft Teams



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Aneurin Bevan  
University Health Board

## Agenda

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### 1. PRELIMINARY MATTERS

#### 1.1. Welcome and Introductions

Oral Chair

#### 1.2. Apologies for Absence

Oral Chair

#### 1.3. Declarations of Interest

Oral Chair

#### 1.4. Draft Minutes of the Last Meeting Held on 9th September 2024

Attached Chair

Agenda\_Item\_1.4\_FPC 09.09.24 minutes.pdf (11 pages)

#### 1.5. Committee Action Log

Attached Chair

Agenda\_Item\_1.5\_Finance Performance Committee Action Log pre161224.pdf (2 pages)

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### 2. ITEMS FOR APPROVAL/RATIFICATION/DECISION

*There are no items for inclusion in this section*

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### 3. ITEMS FOR DISCUSSION

#### 3.1. Performance Management:

*Director of Strategy, Planning and Partnerships*

##### 3.1.1. ABUHB's Performance Management Framework Update

Attached *Director of Strategy, Planning and Partnerships*

Agenda\_Item\_3.1a\_PMF Update.pdf (9 pages)

Agenda\_Item\_3.1ai\_Appendix A\_PMF Proposed Questions.pdf (1 pages)

##### 3.1.2. Performance Escalation Report - Targeted Intervention & Enhanced Monitoring

Oral *Director of Strategy, Planning and Partnerships*

#### 3.2. Performance Report, December 2024

Attached *Director of Strategy, Planning and Partnerships*

- 📄 Agenda\_Item\_3.2\_Performance Report.pdf (7 pages)
- 📄 Agenda\_Item\_3.2a\_Appendix 1\_Performance Report.pdf (28 pages)

### **3.3. Benefits Realisation: Robotic Process Automation**

Attached *Director of Digital*

- 📄 Agenda Item 3.3 RPA FandP SBAR 20241206.pdf (13 pages)

### **3.4. Information Governance Report, including SIRO Update**

Attached *Director of Digital*

- 📄 Agenda Item 3.4 IG\_SIRO\_Dec\_Report.pdf (13 pages)
- 📄 Agenda item 3.4 Appendix A Worksheet in Agenda Item 3.4 IG\_SIRO\_Dec\_Report.pdf (2 pages)
- 📄 Agenda Item 3.4 Apprndix B Risk Register.pdf (3 pages)

### **3.5. Assurance Report from the Digital, Data and Technology Group**

Attached *Director of Digital*

### **3.6. Capital Builds Impairment Report**

Attached *Director of Strategy, Planning and Partnerships*

- 📄 Agenda\_Item\_3.6\_Capital Build Impairments Report v2.pdf (4 pages)

### **3.7. Estates Compliance Overview**

Presentation *Chief Operating Officer*

### **3.8. Financial Performance Report**

Attached *Director of Finance and Procurement*

- 📄 Agenda\_Item\_3.8\_Finance Report Month 07.pdf (37 pages)
- 📄 Agenda\_Item\_3.8a\_Appendix A\_Finance Month 07.doc.pdf (36 pages)
- 📄 Agenda\_Item\_3.8b\_Appendix B\_MMR Supporting narrative Month 07.pdf.pdf (28 pages)

### **3.9. Value and Sustainability Assurance Report**

Attached *Director of Finance and Procurement*

- 📄 Agenda\_Item\_3.9\_VSB update.pdf (14 pages)
- 📄 Agenda\_Item\_3.9a\_Appendix A Workforce Workstream.pdf.pdf (23 pages)
- 📄 Agenda\_Item\_3.9b\_Appendix B October 2024 Summary Report.pdf.pdf (4 pages)
- 📄 Agenda\_Item\_3.9c\_Appendix C V&SB Focus Group.pdf (4 pages)

### **3.10. Efficiency Opportunities and Update Report**

Attached *Director of Finance and Procurement*

- 📄 Agenda\_Item\_3.10\_efficiencies and bench-marking report.pdf (33 pages)

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## **4. ITEMS FOR NOTING**

### **4.1. Review of Committee Annual Programme of Business 2024/25**


Attached *Director of Corporate Governance*

- 📄 Agenda\_Item\_4.1\_FPC FWP 16.12.24.pdf (4 pages)
- 📄 Agenda\_Item\_4.1a\_Appendix A\_FWP FPC 2024-2025\_update291124.pdf (7 pages)

## **4.2. Committee Risk Report**

*Attached*                      *Director of Corporate Governance*

 Agenda\_Item\_4.2\_Committee Risk Report\_Dec 24.pdf (5 pages)

 Agenda\_Item\_4.2a\_Appendix 1\_F&PC Strategic Risk Dashboard and Assessments.pdf (11 pages)

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## **5. OTHER MATTERS**

### **5.1. Items to be Brought to the Attention of the Board and Other Committees**

*Oral*                      *Chair*

### **5.2. Any Other Urgent Business**

*Oral*                      *Chair*

### **5.3. Date of the Next Meeting: 17th of February 2025, 09.30-12.30.**

*Oral*                      *Chair*

**CYFARFOD BWRDD IECHYD PRIFYSGOLN  
ANEURIN BEVAN/ANEURIN BEVAN UNIVERSITY  
HEALTH BOARD MEETING  
MINUTES OF THE FINANCE AND PERFORMANCE  
COMMITTEE**

<b>DATE OF MEETING</b>	09 September 2024
<b>VENUE</b>	Microsoft Teams

<b>PRESENT</b>	Richard Clarke, Chair Iwan Jones, Vice Chair Neil Patrick, Independent Member
<b>IN ATTENDANCE</b>	Robert Holcombe, Director of Finance and Procurement Hannah Evans, Director of Strategy, Planning and Partnerships Paul Solloway, Director of Digital Jennifer Winslade, Director of Nursing Rani Dash, Director of Corporate Governance Nicola Prygodzicz, Chief Executive Officer Leanne Watkins, Chief Operating Officer Linda Alexandre, Associate Director of Clinical Operations Huw Pullen, Consultants FOU, Clinical Director Kate Bradley, Directorate Manager Tracy Morgan, General Manager Sarah Wilson, Directorate Manager Catherine Pugh, Management Trainee Megan Frampton, Governance Support Officer
<b>APOLOGIES</b>	Helen Sweetland, Independent Member Dafydd Vaughan, Independent Member

<b>FPC/0909/01</b>	<b>Welcome and Introductions</b> The Chair welcomed everyone to the meeting.
<b>FPC/0909/02</b>	<b>Apologies for Absence</b> The Chair acknowledged the apologies of: <ul style="list-style-type: none"> <li>• Helen Sweetland, Independent Member</li> <li>• Dafydd Vaughan, Independent Member.</li> </ul>
<b>FPC/0909/03</b>	<b>Declarations of Interest</b> There were no declarations of interest raised to record.



FPC/0909/04

**Draft Minutes of the meeting held on the 17<sup>th</sup> of June 2024.**

Iwan Jones (IJ), Independent Member, sought assurance regarding responsibility and accountability for the Health Boards digital staff records.

Paul Solloway (PS), Director of Digital, reassured the Committee that the new digital system being introduced to the Health Board would go through the internal governance process, even if it falls outside digital services. PS noted that the reporting of these systems would be incorporated into the digital delivery progress report which is presented as part of the Committee's Forward Work Plan.

The minutes of the meeting held on Monday 17th June 2024 were **AGREED** as a true and accurate record.

FPC/0909/05

**Committee Action Log**

The Committee received the action log and was content with the progress made in relation to completed actions and against any outstanding actions, as set out within the paper.

FPC/0909/06

**Focused Performance Report – Discharge Programme and Delays**

Jennifer Winslade (JW), Director of Nursing, with the support of Linda Alexander (LA), Associate Director of Clinical Operations, outlined the improvement programme which had been aimed at reducing health inequalities and improving population health in-line with the Health Board's Clinical Futures Strategy.

The Committee also received an update in regard to the 2023 revised hospital discharge guidance under pathways of Care Delays (POCD). This guidance is utilised alongside the All-Wales Optimal Hospital Flow Framework.

It was highlighted that there were approximately between 250 and 260 validated discharge delays on the system. Two-thirds of discharge delays were listed under local authorities, waiting for social care, with one-third listed as a health-delay. The areas with the highest delays were Caerphilly and Monmouthshire.

Ongoing work to tackle the number of discharge delays included a discharge hub in Newport, pilot the Hospital to Home



scheme in Monmouthshire, and Recovery to Go Ward which mirrors the care a patient would receive at home.

JW highlighted the need to introduce a standardised discharge model across the Health Board.

It was highlighted to the Committee that reporting to Welsh Government was due to start from September 2024, although the Health Board reported a delay in the submission of their report.

The Committee sought assurance that Local Authority partners were motivated to enable the progression of these pathways. Reassurance was provided but variation between each authority had been noted. The Health Board would work with the local authorities in order to establish an escalation service which would match the one already in place within the Health Board.

The Committee discussed whether there had been a link between delays and social care demand and budget restrictions within the local authorities. It was highlighted that there was no evidence to suggest a connection.

Leanne Watkins (LW), Chief Operating Officer, highlighted that current spending was at £8 million in this area, without considering local authorities individual offers. LW raised the need to simplify the offer provided to local authorities to ensure maximum spend utilisation, and to create a target the local authorities could achieve. More data and evidence would need to be collated to present a considered offer to local authorities across Gwent.

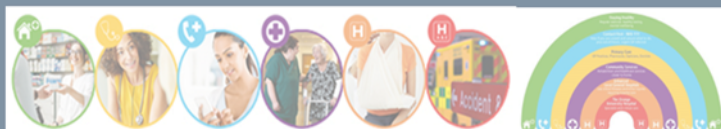
It was highlighted that this report had already been raised with the Regional Partnership Board.

The Chair requested for the report to return to the Committee for update in 12 months.

**ACTION: Director of Nursing**

The Committee:

- **NOTED** the summary of the POCD data and reasons for discharge delays across Health and Social Care.
- **NOTED** the draft action plan to address the issues highlighted through the data/reasons for discharge delays.



FPC/0909/07

- **SUPPORTED** the proposal to scope and establish a joint escalation and governance framework with the five local authorities.
- **NOTED** the risk escalated regarding the D2RA (CWS2) digital solution and roll out and the full briefing submitted to the Executive Committee on 8<sup>th</sup> August 2024.
- **NOTED** the update on the Discharge Improvement programme, Six Goals, goals 5&6.

*Jennifer Winslade and Linda Alexander left the meeting.*

### **Update on application of Health Board's Performance Management Framework**

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, provided an overview of the Performance and Accountability Framework 6 monthly reviews for all nine directorates. The reviews were held and completed between April and June 2024.

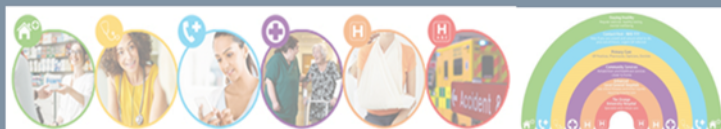
HE outlined changes to escalation levels as decided by the Executive Committee and provided a summary and rationale for changes made. These included:

- Urgent Care division remaining in enhanced monitoring
- Mental Health Division was de-escalated from special measures.

It was highlighted that as of September 2024, the Performance and Accountability Framework would have completed a full 12-month cycle and would be reviewed with an update to come back to the Committee in December. The committee was assured that they would have the opportunity to provide feedback on the framework review at the next Board meeting.

The Committee was informed that the accountability letters from the Executives would be reviewed to increase clarity on accountability requirements within the divisions.

The Committee discussed the potential for periodically calling in divisions for monitoring. However, it was highlighted that special subject reviews were already held with the five divisions of the Health Board. Rani Dash (RD), Director of Corporate Governance, advised the Committee that its role in performance oversight, as outlined in its Terms of Reference, would focus on performance management for the Health Board as a whole.



FPC/0909/08

The Committee **NOTED** the actions and recommendations.

### **Performance Report in respect of Welsh Government's Escalation Status (Targeted Intervention and Enhanced Monitoring)**

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, updated the Committee on the actions taken to deescalate the Health Board's current level of escalation.

The Committee noted that a document issued by Welsh Government outlined the requirements for de-escalation, which had been shared with the Committee for the purpose of transparency.

A review conducted by Welsh Government in July 2024, determined that the escalation levels for the Health Board would remain at the same level agreed in February 2024. Nicola Prygodzicz (NP), Chief Executive Officer, had written back outlining the Health Board's approach in response to the escalation; and highlighted that a comprehensive review of the Health Board's financial situation had already been submitted to Welsh Government; the Health Board was awaiting return and feedback.

The Committee discussed the expected completion date for de-escalation, which remained uncertain due to ongoing changes in the system processes within Welsh Government. However, reassurance was given that Welsh Government had shared best practice principles for the Health Board to implement in the interim, although these principles did not include a financial model.

The Committee **NOTED** the update.

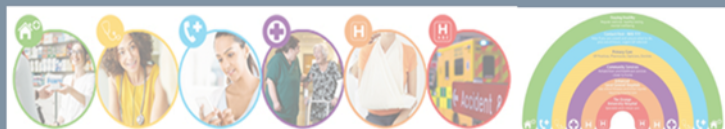
FPC/0909/09

### **Performance Report at Quarter 1, 2024/25**

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, provided a brief overview and explained that the report contained a high-level summary, as it included the annual report.

Some of the highlights within the report included:

- Important milestone for the best start in life as the health visitor's improvement plan saw benefits.



- There had been an increase in the number of people going to their pharmacy for advice regarding colds and coughs rather than straight to their GP surgery,
- Continued improvements on long waits for services, noting there had been improvement in the number of people waiting over 156 weeks for services.

It was highlighted that there was a large focus on urgent and emergency care due to a need to reconcile the metrics to track and acknowledge the improvements, and recognise areas for further improvement, and enable them to be embedded into practice.

The Committee noted that Planned Care was on track with its trajectories and had improved total waiting lists. However, it was highlighted that the eight-week diagnostic and single cancer pathway statistics were subject to fluctuation due to increasing demand.

The Committee **NOTED** the position against Annual Plan 2024/25 commitments as at Quarter 1 and the mitigating and improvement actions in place

FPC/0909/10

### Information Governance and SIRO Report

Paul Solloway (PS), Director of Digital, provided assurance on Cyber Security and Clinical Governance report. It was stated that in relation to data protection impact assessments, 26 were completed in the last quarter, which identified some risks which were being worked through.

The Committee noted the following updates:

- Compliance rates for Subject Access Requests had achieved 100% for action and response within the one-month target.
- Mandatory compliance had stagnated at around 74-75%, noting the length of time it took for individuals to complete the national mandatory training for information governance and cyber security was a key factor. If there was no improvement in the next quarter, they would look to implement a revised approach.
- 80 information governance incidents were recorded during Quarter one, none of which were reportable to the commissioner's office.
- Security patches had been rolled out to 16,000 devices, which resulted in 85% compliance for installing them in a



timely manner. The main obstacle to further compliance was highlighted as the need for homeworkers to connect to the Health Board network for the patch to be administered.

- The Health Board was performing ahead of others across Wales for decommissioning the old server operating system,
- The Health Board completion rate for clinical coding had improved from 77% to 85%, however, the accuracy rate had reduced from 96% to 82%.

Neil Patrick (NP), Independent Member, noted that Dafydd Vaughn had raised questions regarding the report. PS agreed to respond directly to Dafydd Vaughn and to include all other independent members in the response.

**ACTION: Director of Digital**

The Committee **NOTED** the content of the report.

**Digital, Data and Technology Group Report**

Paul Solloway (PS), Director of Digital, provided assurance on the Health Board's performance of the Digital Service Delivery and progress made against the Digital Operational Plan.

Highlights included:

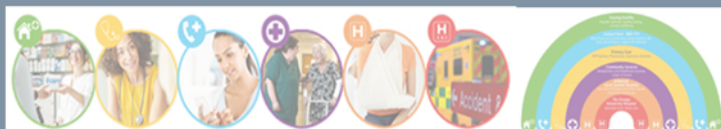
- Implementation of an electronic patient record for Ophthalmology Services,
- Appraisal into digital dictation and speech recognition
- Implementation of a standardised communication method was highlighted, to improve cross-divisional engagement.

PS highlighted successful projects over the last period, which included:

- Completion and instillation support of Body Cam security solution,
- All Fuji Software had been successful replaced.

Projects ongoing from the last period included:

- Radiology information system was working on a local plan to complete contractual documentation;
- Cancer system, Carness, had been extended until March 2025;
- A Business case had been received in relation to Digital Cell Path from the NHS Executive, which had gone



through the Health Board's local business case pre-investment panel.

The Committee discussed whether there had been an update on cyber security threats in terms of actions and activities that had been recognised and minimised. PS advised that he provide a summary report outside the meeting due to sensitive content not suitable for public disclosure.

**ACTION: Director of Digital**

PS acknowledged that the recent internal audit, which provided reasonable assurance on IT infrastructure, should assure the Committee that the digital team is confident in their ability to mitigate any risks.

The Committee **NOTED** the progress made to date.

FPC/0909/12

**Committee Risk Report**

Rani Dash (RD), Director of Corporate Governance, presented the report to the Committee for assurance. It was highlighted that there had been no changes since the last report to the Committee.

The Committee:

- **NOTED** the delegated Committee risks as detailed within the Strategic Risk Register, ensuring alignment with the Board's risk management priorities.
- **NOTED** the ongoing efforts to enhance the Committee Risk Report by including all risks monitored by the Committee, thereby improving transparency and oversight.

FPC/0909/13

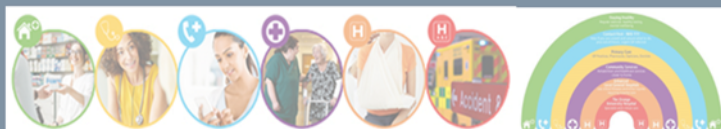
**Finance Report and Monitoring Returns for Month 04**

Robert Holcombe (RH), Director of Finance and Procurement, highlighted a year-to-date deficit of 18.2 million, with a forecasted deficit of 47.8 million, which was a £1 million improvement from the annual plan.

The Committee received an overview into spending allocations, such as, Capital spend was at 39% of total budget, which RH assured the Committee was positive for this time of year.

It was highlighted that the most significant spend for the current financial year was prescribing and drugs costs.

The Committee **NOTED:**



FPC/0909/14

- The financial performance at the end of July 2024 and forecast position against the statutory revenue and capital resource limits,
- The savings position for 2024/25,
- The revenue reserve position on the 31<sup>st</sup> of July 2024,
- The Health Board's underlying financial position,
- The cash position,
- Public sector payment policy performance, and
- The capital position.

### Value and Sustainability Assurance Reporting

Robert Holcombe (RH), Director of Finance and Procurement, highlighted that the saving reporting was forecast for £2.3 million. The savings were structured through themed groups, of which seven were established, each headed by the relevant executive lead, to consider and progress both national and local opportunities.

RH highlighted that progress against the Welsh Government checklist, included the growth in performance from 83% to 93%, and emphasised that to maintain this growth, the Health Board would need to keep in line with the annual and 3-year plans.

The Committee discussed potential unplanned costs that could jeopardise progress and considered factors like fluctuating drug costs that might affect forecast predictions. However, there was general confidence that the plan would be achieved.

The Committee **NOTED** the report for assurance.

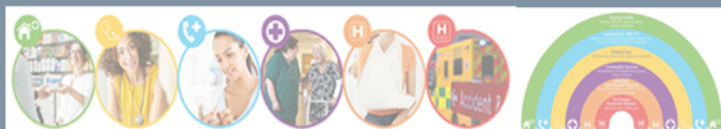
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### Efficiency Opportunities Update - Orthopaedics

Robert Holcombe (RH), Director of Finance and Procurement, presented with the support of Kate Bradley (KB) Directorate Manager, and Huw Pullen (HW) Consultants FOU, Clinical Director.

KB and HW presented the implementation of the short stay Orthopaedic Unit, influenced by units established in Northumbria and Exeter. The unit was established in October 2023, and since its implementation, the average length of stay (LoS) post-procedure went from 3 days to 1.8 days, which was a 51% reduction in LoS.

The Committee discussed how the data could be used to determine the impact on service throughput and waiting lists. It was highlighted that service throughput remained unchanged;



the data represented the decreased length of time that a patient stayed in hospital.

Leanne Watkins (LW), Chief Operating Officer, raised that funding from Welsh Government would mean bed management would not be an ongoing issue, due to the target for improvements set by Welsh Government for planned care.

#### **FPC/0909/15. B Efficiency Opportunities Update – Endoscopy**

RH with the support of Tracy Morgan (TM), General Manager, and Sarah Wilson (SW), Directorate Manager, provided an update on efficiency opportunities within Endoscopy.

It was highlighted that the backfill rates within the service had slowed due to two consultant vacancies, interruptions due to industrial action and staff absence.

Steps taken to address these included;

- Forecasting plans developed to inform capacity.
- Senior oversight at 6-4-2-1 meetings to ensure efficient use of available capacity.
- Pre-assessment nurse to concentrate on booked USC appointments to reduce cancellation rate.

Leanne Watkins (LW), Chief Operating Officer, highlighted that the Endoscopy service was a good example of service wanting to maximise and ensure patient care, with a clinical team driving the performance agenda.

The Committee **NOTED** the update.

#### **FPC/0909/16 Review of Committee Programme of Business 2024/25**

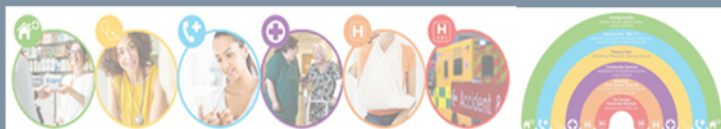
The Committee Programme of Business 2024/25 was provided to the committee for information.

The Committee **NOTED** the updated Finance and Performance Committee Forward Work Plan as provided in **Appendix A**.

#### **FPC/0909/17 Overview of Audit Recommendations Tracking**

The overview of audit recommendations tracker was provided to the committee for information.

The Committee **NOTED** the closing position of the audit recommendations for Q1 April – June 2024 overseen by the Audit, Risk and Assurance Committee.







Bwrdd Iechyd Prifysgol  
Aneurin Bevan  
University Health Board

**CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN BEVAN**  
**ANEURIN BEVAN UNIVERSITY HEALTH BOARD**  
**MEETING- FINANCE & PERFORMANCE COMMITTEE**  
**ACTION LOG**

<b>Outstanding</b>	<b>In Progress</b>	<b>Not Due</b>	<b>Completed</b>	<b>Transferred to another Committee</b>
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<b>Committee Meeting</b>	<b>Minute Reference</b>	<b>Agreed Action</b>	<b>Lead</b>	<b>Target Date</b>	<b>Progress/ Completed</b>
17/06/2024	<b>FPC1706/03.1</b>	<b>Performance Management and Escalation Report</b> Director of Corporate Governance to arrange a committee development session focussed on performance and accountability arrangements	<b>Director of Corporate Governance</b>	<b>September 2024</b>	<u>16 December 2024</u> Session to be aligned with work being undertaken by the Executive Team on Performance Reporting and Escalation arrangements and annual review of the Performance Management Framework in Q4.
09/09/2024	<b>FPC/0909/06</b>	<b>Focused Performance Report – Discharge Programme and Delays</b> Director of Nursing to update the Committee on discharge process development in 12-months.	<b>Committee Secretariat/ Director of Nursing</b>	<b>September 2025</b>	<u>16 December 2024</u> To be included within the Committee’s workplan for 2025/26.

<b>Committee Meeting</b>	<b>Minute Reference</b>	<b>Agreed Action</b>	<b>Lead</b>	<b>Target Date</b>	<b>Progress/ Completed</b>
09/09/2024	<b>FPC/0909/10</b>	<b>Information Governance and SIRO Report</b> Director of Digital to respond to independent member queries issued via email.	<b>Director of Digital</b>	<b>December 2024</b>	<u>16 December 2024</u> Complete. All queries responded to.
09/09/2024	<b>FPC/0909/11</b>	<b>Digital, Data and Technology Group Report</b> Director of Digital to provide summary report into cyber security threats outside of the meeting.	<b>Director of Digital</b>	<b>December 2024</b>	<u>16 December 2024</u> Complete. Latest cyber threat report shared with Independent Member.

*All actions in this log are currently active and are either part of the Committee's forward work programme or require more immediate attention, such as an update on the action or confirmation that the item scheduled for the next Committee meeting will be ready.*

*Once the Committee is assured that an action is complete, it will be removed. This will be agreed at each Committee meeting.*

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O: MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	<b>12-month review of the Performance management and Accountability Framework</b>
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Hannah Evans, Director of Strategy, Planning and Partnerships
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Trish Chalk, Assistant Director of Planning and Performance,

**Pwrpas yr Adroddiad  
Purpose of the Report**

Er Sicrwydd/For Assurance

The purpose of this report is to seek the Finance and Performance Committee's support towards the approach for the review of the Performance Management Framework (PMF).

Specifically, the Committee is asked to:

- Note the work that has taken place to date.
- Note the approach for Board member, Executive and Divisional feedback.
- Note the timescales associated with an updated Performance and Accountability Framework

**ADRODDIAD SCAA  
SBAR REPORT**

**Seyllfa / Situation**

In September 2023, the Performance Management and Accountability Framework (PMF) was approved by the Board following recognition that the Health Board's approach to performance and accountability requires strengthening, incorporating current good practice internally and reflecting best practice.

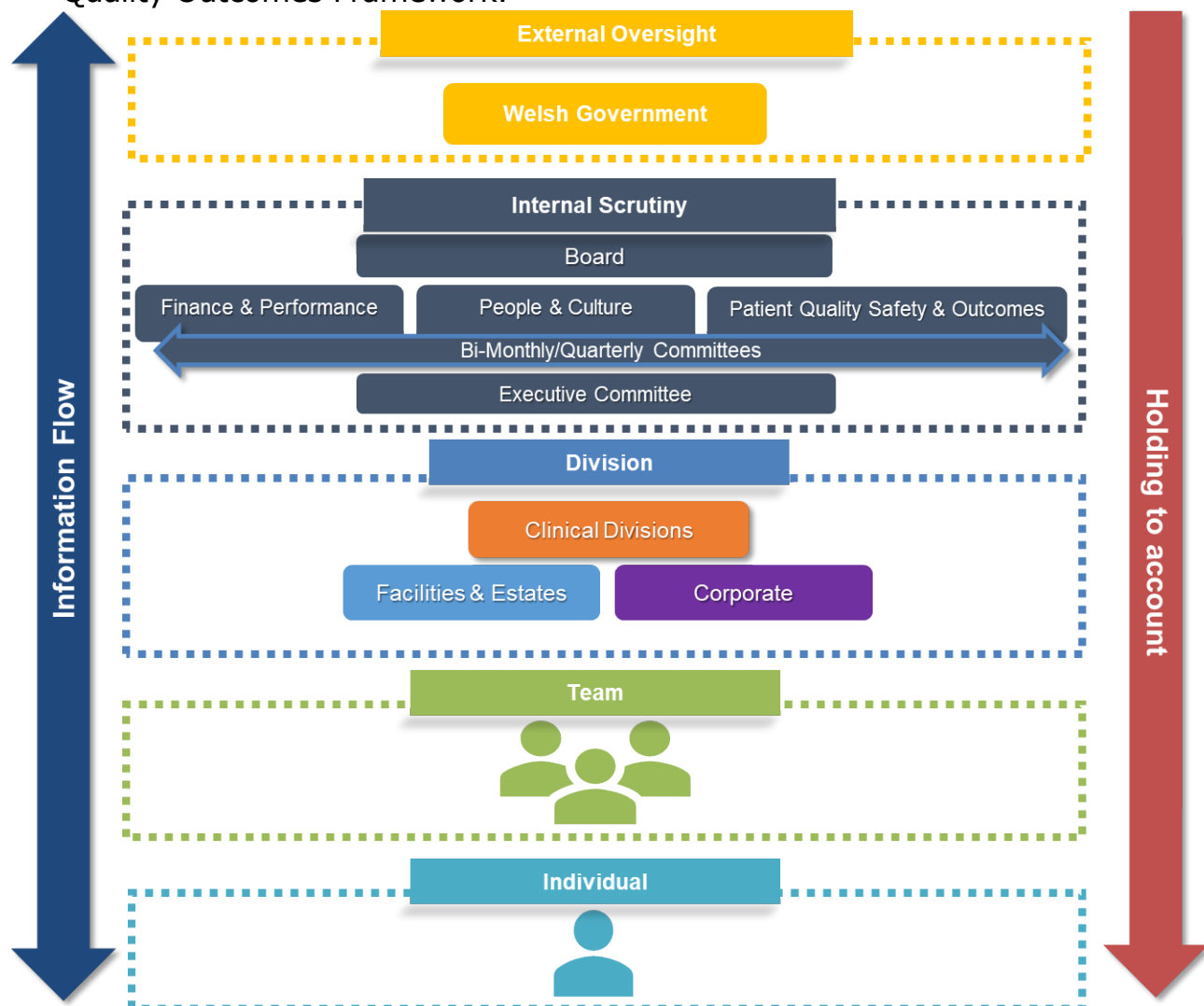
A review is currently underway, which will evaluate the implementation of the PMF and gather feedback on the effectiveness of the Framework to monitor, identify issues and improve organisational performance.

## Cefndir / Background

This PMF was developed with engagement from the Executive Team and the Cross Divisional Leadership Group.

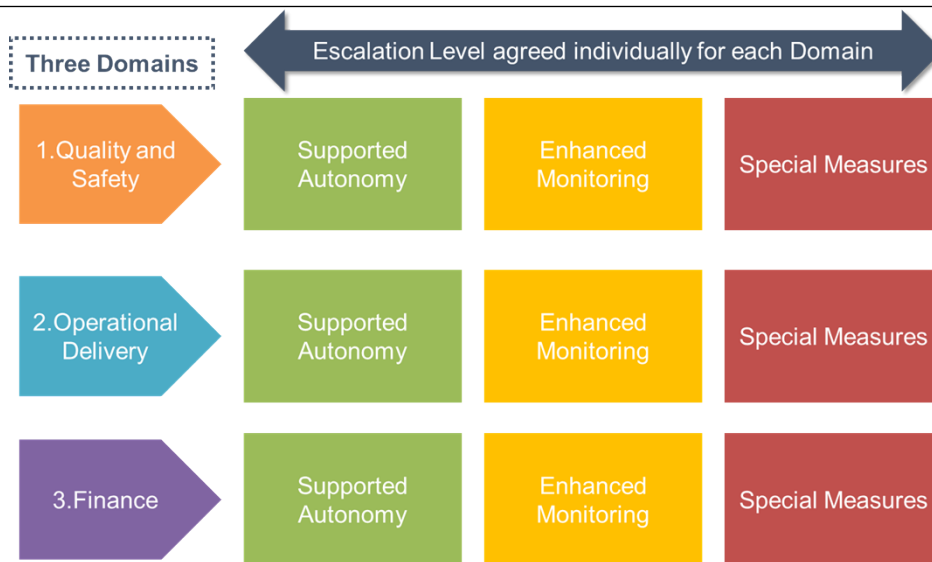
The following benefits were anticipated to having a refreshed PMF:

- Oversight and integration of approaches to addressing performance, strengthening "grip" on key issues, and learning from existing approaches.
- Providing a linkage from PADR through to strategic objectives.
- Provide a mechanism to objectively assess risk and areas across organisation that need support and focus.
- Bring an appreciation of issues affecting delivery of operations closer to corporate teams and identifying any opportunities to support.
- Clarity and appreciation of the contribution of corporate teams to delivering statutory, strategic, and operational priorities.
- Improving alignment of performance across the organisation, including the new Quality Outcomes Framework.



It was recognised the PMF would require review and iteration, as supporting components were developed and learning through application.

Section 6 of the PMF formalised escalation arrangements using the 3 x 3 model set out below.



The PMF allowed for consideration of escalation levels to occur at any time in line with triggers in the same section. As a minimum, a formal review of status was set to occur every 6 months.

PMF implementation included:

1. Accountability letters for all Directors were developed and issued that covered the broader spectrum of deliverables over and above budget delivery and include individual objectives.
2. Accountability letters alongside the same model for all Divisions were developed and issued in 23/24 and again in 24/25.
3. The planning cycle for 23/24 and in 24/25 more explicit about delivery expectations alongside clear milestones and clarity on delivery mechanisms – this further strengthened the accountability letters.
4. In year review of the structured Quarterly Outcomes Report strengthened reporting and performance reviews.
5. In year review of assessment of the escalation status through reporting and performance assurance reviews.

The Executive Committee, under the PMF, have responsibility for setting the escalation levels of operational divisions and corporate teams. Consideration is had in the context of:

- Outcome of 6- and 12-month reviews,
- Operational delivery,
- Consideration of any prevailing quality concerns (HIW etc),
- Financial position
- Any national escalation of services

Following over 12 months of operation the PMF requires review to ensure it is delivering the intended benefits and opportunities to strengthen framework are inedited, reviewed and implemented.

## Assessment

The approach for reviewing the PMF is against the expected benefits and will be in two parts, feedback from key stakeholders and a desk top review of evidence that the agreed actions were implemented and anticipated benefits.

The table below sets out the proposed method of assessing progress against the key benefits:

<b>Benefits</b>	<b>How this will be assessed</b>	<b>When</b>
<b>Oversight and integration of approaches to addressing performance, strengthening “grip” on key issues, and learning from existing approaches.</b>	<ul style="list-style-type: none"> <li>• Outcomes and progress from Assurance reviews and escalation meetings</li> <li>• Accountability letters</li> <li>• Feedback</li> </ul>	November 24  Jan 25
<b>Providing a linkage from PADR through to strategic objectives.</b>	<ul style="list-style-type: none"> <li>• Feedback</li> </ul>	Jan 25
<b>Provide a mechanism to objectively assess risk and areas across organisation that need support and focus.</b>	<ul style="list-style-type: none"> <li>• Outcomes and progress from Assurance reviews and escalation meeting</li> <li>• Accountability letters</li> <li>• Quarterly reports</li> </ul>	November 24
<b>Bring an appreciation of issues affecting delivery of operations closer to corporate teams and identifying any opportunities to support.</b>	<ul style="list-style-type: none"> <li>• Outcomes and progress from Assurance reviews and escalation meetings</li> <li>• Accountability letters</li> <li>• Feedback</li> </ul>	November 24  Jan 25
<b>Clarity and appreciation of the contribution of corporate teams to delivering statutory, strategic, and operational priorities.</b>	<ul style="list-style-type: none"> <li>• Outcomes and progress from Assurance reviews and escalation meetings</li> <li>• Accountability letters</li> <li>• Feedback</li> </ul>	November 24  Jan 25
<b>Improving alignment of performance across the organisation, including the new Quality Outcomes Framework.</b>	<ul style="list-style-type: none"> <li>• Outcomes and progress from Assurance reviews and escalation meetings</li> <li>• Accountability letters</li> <li>• Quarterly reports</li> <li>• Feedback</li> </ul>	November 24  Jan 25

## **Progress with desk top review:**

### **PMF Implementation actions - evidence of adoption and implementation**

#### **1. Accountability letters for Executive Directors**

The agreed Annual Plan set out the accountability conditions for each Executive Director, these were split into:

- Individual objectives for 2024/25.
- The key relevant Annual Plan targets, as the professional lead recognising the operational delivery will be with the divisions/corporate departments. The measures were aligned to the Annual Plan measures and included the escalation and ministerial priorities.
- The workforce expectations and targets for the workforce directorate in line with Annual Plan expectations.
- The budget delegation and delivery expectations including the contribution to the savings requirement for 2024/25.

The letters were issued in June 2024 due to operational pressures, which was a month later than planned.

#### **2. Accountability letters for all Divisions**

The same format used for the Executive accountability, was used for the Divisional accountability, and supported by the Planning Team and issued by the COO office:

- The key Annual Plan commitments and performance ambitions that relevant to the Divisional lead. These included the accountability conditions against the escalation criteria, ministerial targets, performance ambitions and Annual plan delivery commitments.
- The contribution to wider system change required to support sustainability across the Health Board.
- The workforce expectations and targets for the Division in line with Annual Plan expectations.
- The budget delegation and delivery expectations including the contribution to the savings requirement for 2024/25.

To capture the full expectations from the Annual Plan, delivery requirements were also included. These commitments were submitted as part of the minimum data set, as part of the issued national planning framework to capture the planned activity and triangulate to workforce, finance, and activity. This action also linked to escalation criteria set out in the Planning Maturity Matrix. The activity forecasts have not previously been circulated in accountability letters, only finance. It was noted through informal feedback, the understanding of accountability/performance ambitions/delivery commitments was confusing.

The letters to Operational Divisions were issued on August 15<sup>th</sup>, this was a later timeframe that expected. The letters are prepared by the Planning Department and agreed for issue by the respective Executive. It should be noted the breadth of the measures sitting with the Chief Operations Officer. This required significant time required to bring together and check balancing demanding operational pressures at the time.

The accountability letters were issued at the same time as the 12-month reviews, resulting in heavy administration burden for both Corporate and Divisional teams.

### **3. The planning cycle to be more explicit about delivery expectations alongside clear milestones and clarity on delivery mechanisms.**

A review of the 2023/2024 and 2024/2025 planning cycle was undertaken with Executives and Divisions. This resulted in a refreshed approach to the Annual Planning process which included:

- A new governance structure.
- Bringing together all elements into an integrated framework.
- Agreed top priorities supported by commitments and parameters. These have been aligned to the commitments set out in the 3-year road map through the integrated framework and will ensure:
  - Greater understanding of staff in post and variable pay usage.
  - Greater understanding of core activity and efficiency opportunities.
  - Develop divisional plans to achieve financial sustainability.

The approach for ensuring assurance against Annual Plan and accountability has been through monthly, 6 monthly Executive led reviews and yearly assurance review meetings taking place.

The format of the reviews has changed over the period with a standard agenda and data pack. Reviews during the most recent cycle were reduced to an hour to support operational delivery over the winter period. These meetings have been supported by a standard agenda and a set slide deck to ensure consistency. The administration of the meetings and capturing of the actions is supported by the Planning team and the wider Business Partnering Team, this has maintained alignment with the accountability set out in the Annual Plan.

The 12-month assurance reviews have yet to commence for the corporate departments and need to be put in place for the next year to provide an equal and balanced review of performance across the Health Board.

### **4. In year review of the structured Quarterly Outcomes Report strengthened reporting and performance reviews.**

The existing Quarterly Outcome Report has undergone a review. A new quarterly integrated reporting format has been agreed for the Board to include an interim set of quality metrics. This is linked to a monthly briefing for Executives which has been aligned to other national reporting asks such as JET, IQPD, Escalation and TI meetings. This report will be further developed in line with the revised Quality Outcomes Framework when available.

### **5. Review of escalation status after 6 months**

The Executive Committee have reviewed the escalation levels formally on two occasions in line with:

- Outcome of 6- and 12-month reviews.
- Operational delivery.
- Consideration of any prevailing quality concerns (HIW etc).

- Financial position.
- Any national escalation of services.

Escalation levels were accordingly discussed and amended in light of the above. Formal reports to Finance and Performance Committee on the outcome of these deliberations were provided in December 2023 and August 2024. This process has seen a number of divisions escalated for finances in line with triggers. In addition, the Divisions of Mental health and Urgent Care have both been subject to higher levels of escalation. Mental Health was in Special measures at the time of launching the PMF (Sept 2023) and in August 2024 was de-escalated to Enhanced monitoring. The Urgent Care Division was escalated to internal enhanced monitoring in January 2024. Shortly after in February 2024 the ED service in the Grange was escalated by Welsh Government.

## **6. Performance reporting**

Whilst not explicitly drawn out in the PMF (September 2023), as part of the update to the PMF, further clarity will be required in respect of the flow of all performance and outcomes report. For example, the elements of quality indicators that go to the Quality Committee and of those that are elevated to Board, and the same for workforce indicators. This will be worked through in parallel to the feedback exercise.

### **Risks**

During the development of the PMF the following risks were identified:

1. Cultural acceptance
2. Bureaucracy over improvement
3. "Performance function" – currently "performance" roles

Full assessment and mitigation of these risks will be assessed as part of the feedback element of the review.

From the assessment to date, it is noted improvement is required in the following areas:

- Timeliness of the accountability letters.
- Assurance processes in place for Corporate Departments.
- A review of the length of assurance meetings.
- Assessment of the workload against the timeline of certain Executives to implement and agree the accountability conditions, notably the COO.

Full assessment of the benefits and risks will be provided through feedback. A set of questions has been developed to draw insight on:

1. Process – understanding of the Performance Management Framework processes.
2. Clarity – understanding of individual and collective understanding.
3. Improvement – feedback on the ability to improve the PMF and if the PMF supports improvement.

The questionnaire is due to be sent out in the New Year with feedback received in line with the Annual Plan and amendments proposed and agreed before the 1<sup>st</sup> of April 2025 moving the PMF timelines in line with the Annual Planning cycle.

The draft questions can be found in Appendix 1.

It is also proposed to have a Board Briefing/Workshop Session (as per Finance & Performance Committee Action Log) in the new year to provide protected time for members to explore the themes raised in the paper and provide additional feedback and areas for strengthening.

The revised Performance and Accountability Framework will be brought back to Board for sign off in March 2025.

**Argymhelliad / Recommendation**

The Committee is asked to:

- Note implementation actions and progress that has taken place to date.
- Discuss the initial findings for improvement.
- Discuss and agree structure and timeliness of the feedback.
- Note and agree the timescales for any improvement.

<b>Amcanion: (rhaid cwblhau) Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	Strategic Risk 007
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply All Health & Care Standards Apply Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Adults in Gwent live healthily and age well Every Child has the best start in life
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Digital, Data, Intelligence
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Improve patient experience by ensuring services are sensitive to the needs of all and prioritise areas where evidence shows take up of services is lower or outcomes are worse Improve the access, experience and outcomes of those who require Mental Health and Learning Disability Services Improve the access, experience and outcomes of those who require mental health and learning disability services Choose an item.
<b>Gwybodaeth Ychwanegol:</b>	

<b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termau: Glossary of Terms:	N/A
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	N/A
<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Resource Assessment:</b>	A resource assessment is required to support decision making by the Board and/or Executive Committee, including policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following:
• <b>Workforce</b>	Yes, outlined within the paper
• <b>Service Activity &amp; Performance</b>	Yes, outlined within the paper
• <b>Financial</b>	Yes, outlined within the paper
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>  <a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a>	Integration - Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their objectives, or on the objectives of other public bodies  Long Term - The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs

## **Process**

1. How frequently do you review your accountability conditions?
2. Do you believe accountability conditions set for your Division are achievable and aligned with the Health Board objectives?
3. Are there sufficient/too many assurance reviews?
4. How satisfied are you with the objectivity and consistency of assurance processes across the organisation
5. How satisfied are you with the frequency and effectiveness of performance discussions through the Assurance processes ?
6. How well do the Assurance processes encourage open communication and dialogue between Divisions and the Executive?

## **Clarity**

7. How well do you understand the performance management expectations for your Division?
8. Do you understand the mechanisms for escalation and if appropriate de-escalation?
9. How would you rate the clarity and relevance of the accountability conditions used to evaluate performance of your Division? Internally, Welsh Government Annual Plan
10. How satisfied are you with transparency of the national performance and escalation process through the Annual Plan ?
11. Are the performance goals set for your Division challenging enough?
12. How well does the Assurance process facilitate alignment across different Divisions?

## **Improvement**

13. How well does the performance management framework help to identify areas for continuous improvement, learning improvement and risk?
14. Do you receive sufficient corporate support and resources to achieve your performance goals?
15. How effectively does the performance management process promote a culture of continuous improvement?
16. Do you believe the assurance processes are aligned with the organisation's values?
17. How satisfied are you with the opportunities for to way feedback and offer suggestions within the performance management framework?
18. How likely are you to recommend improvements to the performance management framework based on your experience?

<b>DYDDIAD Y CYFARFOD:</b> <b>DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O:</b> <b>MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD:</b> <b>TITLE OF REPORT:</b>	<b>Performance Report – December 2024</b>
<b>CYFARWYDDWR</b> <b>ARWEINIOL:</b> <b>LEAD DIRECTOR:</b>	Hannah Evans, Director of Strategy, Planning and Partnerships
<b>SWYDDOG ADRODD:</b> <b>REPORTING OFFICER:</b>	Trish Chalk, Assistant for Director Planning and Performance Paul Steynor, Head of System Planning & Performance

**Pwrpas yr Adroddiad** (dewiswch fel yn addas)  
**Purpose of the Report** (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA**  
**SBAR REPORT**

**Sefyllfa / Situation**

The purpose of this paper is to provide the Finance and Performance Committee with a progress report against the Aneurin Bevan University Health Board's Annual Plan 2024/25. This report summarises the Health Board's performance at the end of October 2024 against our Annual Plan key performance metrics. This report follows the in depth Quarter 2 report that was presented to Board in November 2024. Where possible, performance against measures have been updated beyond the end of Q2 to report the position as of the end of October. The Appendix details performance against each Annual Plan measure across the five system change priorities.

The Committee is asked to NOTE the performance of the Health Board as of the end of October 24.

**Cefndir / Background**

A detailed quarter 2 report was presented to the Board in November 2024, setting out progress against the Annual plan performance ambitions, including the Ministerial priority metrics and updates against the key deliverables under each of the five priority areas:

1. Embedding Prevention and Population Health in all that we do;
2. Improving patient experience and timeliness of care in our urgent and emergency care system focusing on access and discharge pathways;

3. Continuing to prioritise cancer, urgent and the longest waiting patients for planned care;
4. Progressing our place-based models of care in primary and community services;
5. Improving our Mental health services.

This report provides a mid-quarter update of those measures, where data is available up to October 24 against the system priority areas above.

## **Asesiad / Assessment**

### **1. Performance Summary**

- Good progress in planned care with patients waiting over 104 weeks reducing from 4,408 end of Q1 (June) down to 3,944 in October 24 and patients waiting over 3 years (156 week) reducing from 47 in Q1 (June) to just 1 in October 24
- Patients waiting over 8 weeks for a diagnostic has improved from 4,221 in Q1 down to 3,044 in October. Radiology are delivering the ministerial priority of 95% of patients waiting less than 8 weeks.
- Cancer performance is showing improvement. Rate for diagnosis within 28 days is above trajectory at October at 87.5% and compliance with single cancer pathway has improved to 62.4% in October 24 from 57% in September 24. Good progress with reduction of back log > 62 days.
- Performance against mental health standards remain mixed. Compliance with part 1a (assessment within 28 days) is ahead of trajectory for both adults (62%) and children (98.6%). Performance against part 1b (treatment in 28 days) is challenged at 24.4%.
- The urgent and emergency care system continues to be under pressure with improvements made against key metrics challenging to sustain.

### **2. Cabinet Secretary Priorities**

There has been mixed performance across the Cabinet Secretary priorities, the measures where performance is reported within this period are summarised below:

Priority	Aim	Performance against trajectory
Enhanced Care in the Community	<p><b>Measure:</b> Number of delayed transfers of care.</p> <p><b>National standard/ambition:</b> 12 month reduction trend</p> <p><b>Reporting period:</b> Monthly</p>	<p><b>230</b></p> <p>Oct-24 (Q2 Trajectory: 258)</p>
Primary and Community Care	<p><b>Measure:</b> General Medical Services (GMS) – Number of GP practices achieving core access standards</p> <p><b>National standard/ambition:</b> 100%</p> <p><b>Reporting period:</b> Annual – in month position for information</p>	<p><b>100%</b></p> <p>Sep-24 (Trajectory: 100%)</p>
	<p><b>Measure:</b> General Dental Services (GDS) - % of contract value fulfilled</p> <p><b>National standard:</b> 30% of contract value by end Q2, 100% Q4</p> <p><b>Reporting period:</b> Six Monthly</p>	<p><b>62%</b></p> <p>Sep-24 (Trajectory: 30%)</p>
Urgent and Emergency Care	<p><b>Measure:</b> Number of patients who spend 12 hours or more in all major and minor emergency care facilities from arrival until admission, transfer or discharge</p> <p><b>National standard/ambition:</b> 20% reduction by September 2024, further 20% reduction by March 2025</p> <p><b>Reporting period:</b> Monthly</p>	<p><b>1,380</b></p> <p>Oct-24 (Trajectory: 1,141)</p>
	<p><b>Measure:</b> Number of ambulance patient handovers over 1 hour</p> <p><b>National standard/ambition:</b> 30% reduction by December 2024</p> <p><b>Reporting period:</b> Monthly</p>	<p><b>790</b></p> <p>Oct-24 (Trajectory: 772)</p>
Planned Care and Cancer	<p><b>Measure:</b> Number of patients waiting more than 52 weeks for a new outpatient appointment</p> <p><b>National standard/ambition:</b> 40% reduction by end of September 2024, 0 by end of March 2025</p> <p><b>Reporting period:</b> Monthly</p>	<p><b>17,147</b></p> <p>Oct-24 (Trajectory: 15,656)</p>
	<p><b>Measure:</b> Number of patients waiting more than 104 weeks for referral to treatment</p> <p><b>National standard/ambition:</b> 0 by end of December 2024</p> <p><b>Reporting period:</b> Monthly</p>	<p><b>3,924</b></p> <p>Oct-24 (Trajectory: 4,055)</p>
	<p><b>Measure:</b> Percentage of patients starting their first definitive treatment within 62 days from</p>	<p><b>62.4%</b></p> <p>Oct-24</p>

	point of suspicion (regardless of the referral route) <b>National standard/ambition:</b> 67% by end of December 2024, 70% by end of March 2025 <b>Reporting period:</b> Monthly	(Trajectory: 67%)
	<b>Measure:</b> Number of patients waiting more than 8 weeks for a specified diagnostic <b>National standard/ambition:</b> 95% of patients waiting less than 8 weeks by end of December 2024 <b>Reporting period:</b> Monthly	<b>3,044</b> Oct-24 (Trajectory: 3,402)
<b>Mental Health, including CAMHS</b>	<b>Measure:</b> Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for people age under 18 years <b>National standard/ambition:</b> 80% by end of December 2024 <b>Reporting period:</b> Monthly	<b>10.4%</b> Sep-24 (Trajectory: 0%)
	<b>Measure:</b> Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for adults age 18 years and over <b>National standard/ambition:</b> 80% by end of December 2024 <b>Reporting period:</b> Monthly	<b>24.4%</b> Oct-24 (Trajectory: 56%)

### **3. Performance against System Change Themes**

Appendix 1 of this report details performance and narrative for all annual plan measures across the five system change themes. A summary is provided below:

#### Embedding Prevention and Population Health in all that we do

Most recent data is Q2 – Sept 24

**4 measures in reporting period: 1 meeting trajectory, 3 off track.**

Increase weight and measurement at 8 weeks has seen continual trend upwards since 22/23 and has made a significant step forward in performance in the last reporting period to now being above trajectory.

#### Progressing place based models of care and sustainability in primary and community services

Most recent data is Q2 – Sept 24

**6 measures in reporting period: 4 meeting trajectory, 2 off track.**

Number of appointments delivered in GMS is only marginally behind trajectory.

#### Improving our Urgent and emergency care system focusing on experience, access and discharge pathways

**13 measures in reporting period: 4 meeting trajectory, 9 off track.**

Pathway of Care Delays saw an improved position in October and is now ahead of trajectory, and actions around Operational Framework and 50 day challenge will help with ongoing work to reduce. Median time for triage at ED has decreased over the past 12 months and is under 20 mins, however there are still instances of over 50 mins. ED attendances waiting over 24 hours has risen over the past quarter.

Continuing to prioritise cancer, urgent and the longest waiting patients for planned care

**8 measures in reporting period: 5 meeting trajectory, 5 off track.**

52 and 104 week waits are both tracking below trajectory, although 104 saw an increase from Sep to Oct. WG funding will deliver much improved 104 position by year end. 156 now only has 1 patient waiting and is expected to be cleared over Q3 to achieve elimination for the measure. SCP compliance has been fluctuating month on month, however the trend is upwards over the past 6 months. SCP 62 day backlog is now meeting trajectory at the end Oct, following sustained progress since May. 8 weeks diagnostic position remains ahead of trajectory.

Improving our Mental health services

**9 measures in reporting period: 7 meeting trajectory, 2 off track.**

1b compliance for adults and CAHMS are both on steep improvement trajectories through to the end of the year. 1a and part 2 are all meeting trajectory across both adult and CAHMS. Improvements in psychological therapies expected in Q3 and Q4. CAHMS ND have received funding to enable increased RTT performance.

**Argymhelliad / Recommendation**

The Committee is asked to NOTE the performance of the Health Board as of the end of October 24.

**Amcanion: (rhaid cwblhau)**

**Objectives: (must be completed)**

Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	The monitoring and reporting of committee business is a key element of the Health Boards assurance framework.
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply Choose an item. Choose an item. Choose an item.

Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Choose an item. Choose an item. All IMTP Priorities Apply
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Improve the Wellbeing and engagement of our staff Improve the Wellbeing and engagement of our staff Improve patient experience by ensuring services are sensitive to the needs of all and prioritise areas where evidence shows take up of services is lower or outcomes are worse Improve patient experience by ensuring services are sensitive to the needs of all and prioritise areas where evidence shows take up of services is lower or outcomes are worse Improve the access, experience and outcomes of those who require mental health and learning disability services Improve the access, experience and outcomes of those who require mental health and learning disability services Choose an item.

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termau: Glossary of Terms:	N/A
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	N/A

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Resource Assessment:</b>	A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following:
• <b>Workforce</b>	Not Applicable

<ul style="list-style-type: none"> <li>• <b>Service Activity &amp; Performance</b></li> </ul>	Not Applicable
<ul style="list-style-type: none"> <li>• <b>Financial</b></li> </ul>	Not Applicable
<p><b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment</b> (EIA) completed</p>	<p><b>No does not meet requirementsNo does not meet requirements</b></p> <p>An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a></p>
<p><b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b></p> <p><a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a></p>	<p>Not ApplicableNot Applicable</p> <p>Choose an item.</p>

# Finance & Performance Committee

Appendix 1 - Performance Report  
16<sup>th</sup> December 2024

Appendix details performance for all annual plan measures across the five system change themes:

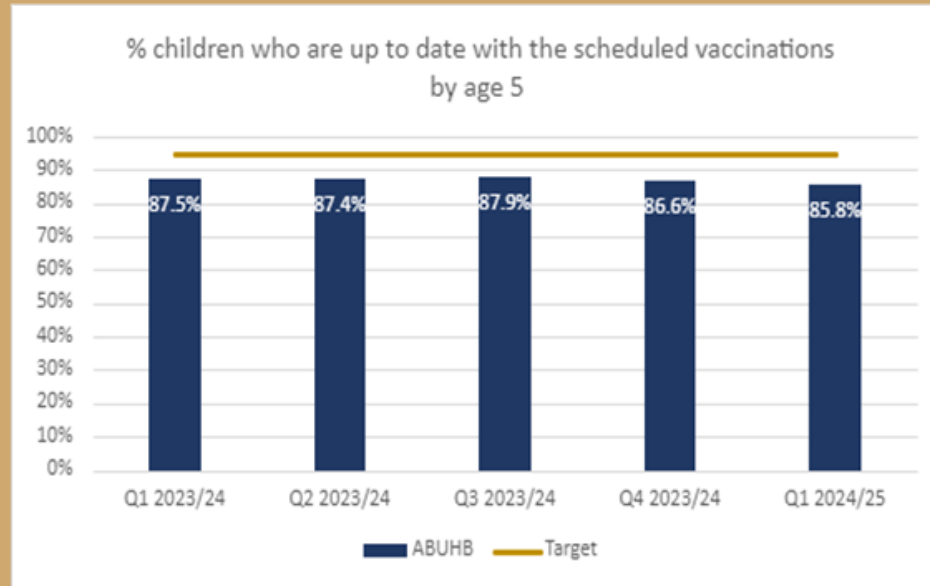
- Embedding Prevention and Population Health in all that we do
- Progressing place based models of care and sustainability in primary and community services
- Improving our Urgent and emergency care system focusing on experience, access and discharge pathways
- Continuing to prioritise cancer, urgent and the longest waiting patients for planned care
- Improving our Mental health services

# Embedding Prevention and Population Health in all that we do

# Embedding Prevention and Population Health in all that we do

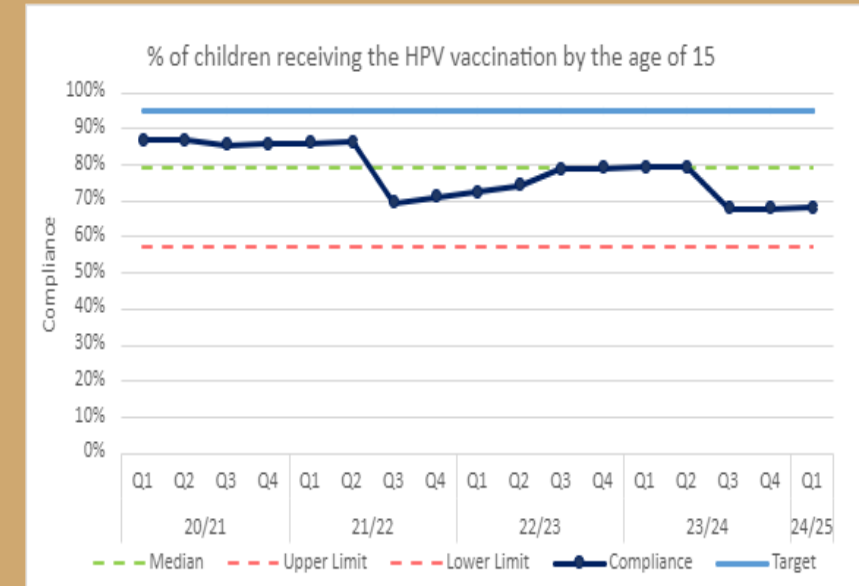
**Increase percentage of children, who are up to date with the scheduled vaccinations by age 5**

Performance – 85.8% (Below Trajectory of 92.1%)



**Increase percentage of children receiving the Human Papillomavirus (HPV) vaccination by the age of 15**

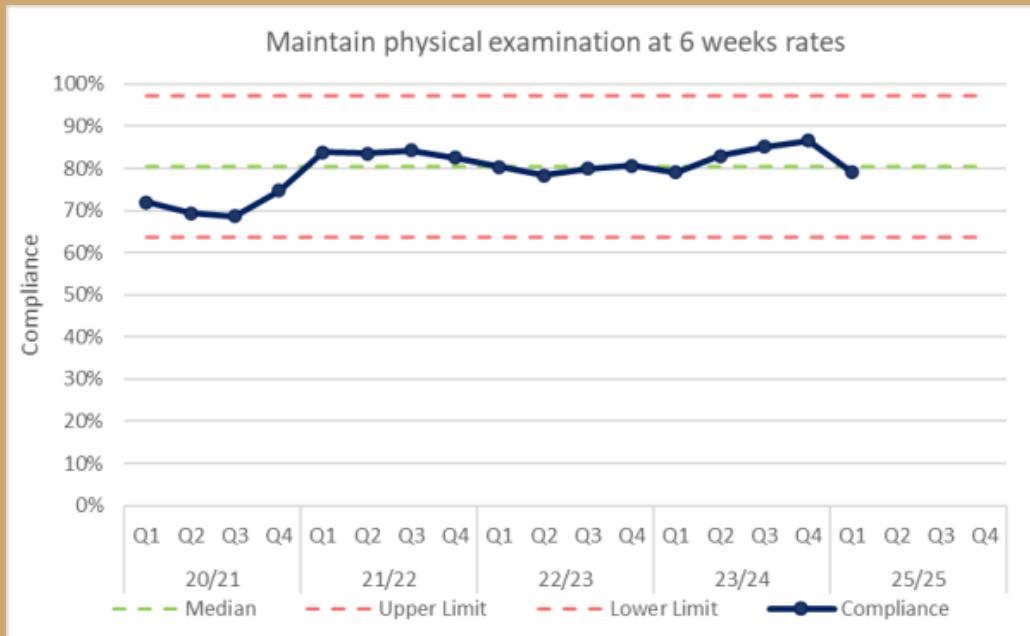
Performance – 87.9% (Below Trajectory of 87.2%)



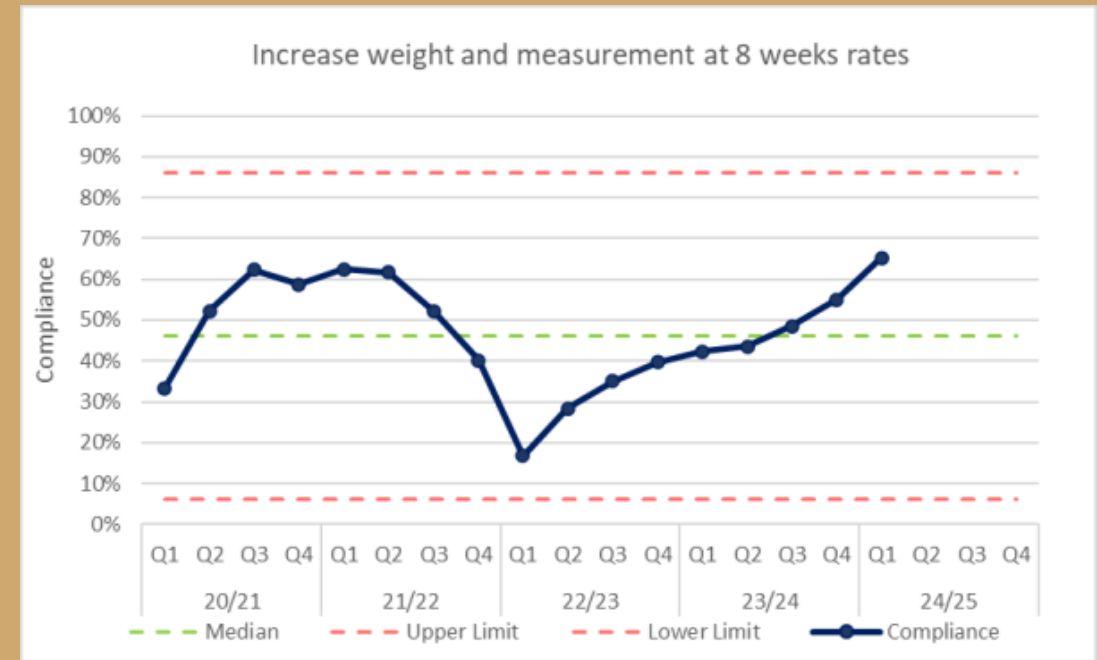
- School Health Nurses currently undertaking a robust vaccination plan coupled with dedicated MMR catch up clinics in Vaccination Centres and pop-up clinics.
- New roles are being recruited to address inequity of access, supporting communities to improve uptake.
- Identify Community Champions that could be created to assist in the education and increased uptake.
- Neighbourhood Care Networks (NCNs) to review the childhood immunisation queues across the boroughs, identifying uptake in the lower performing practices and support.
- Continue to work alongside lower performing practices developing actions plans to improve performance and provide staffing to reduce queue list

# Embedding Prevention and Population Health in all that we do

**Maintain physical examination at 6 weeks rates (Healthy Child Wales)**  
**Performance – 79.1% Q1 24/25 (Below Trajectory of 92.7%)**



**Increase weight and measurement at 8 weeks rates (Healthy Child Wales)**  
**Performance – 65.3% Q1 24/25 (Above Trajectory of 56.8%)**

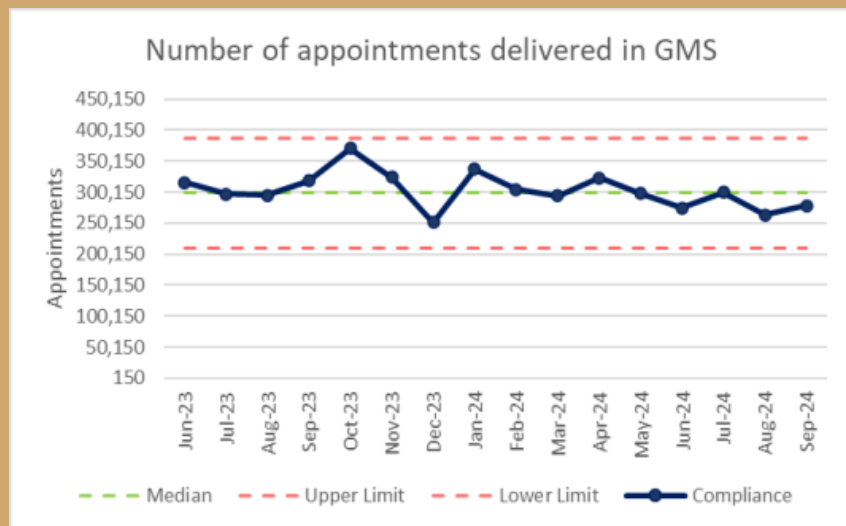


- For 6 weeks rates the data collection is through GP appointments.
- Primary Care Contracting Team carry out a regular audit every two months to reconcile the GP information against Child Health Systems in order to maximise uptake. Reports confirm that GPs average 92% compliance.
- Increased clinic provision across the Health Board with a realigned data collection process.
- Since the introduction of the well-baby clinics in September 23 for 8 weeks onwards there has been a continued improvement in compliance.

# Progressing place based models of care and sustainability in primary and community services

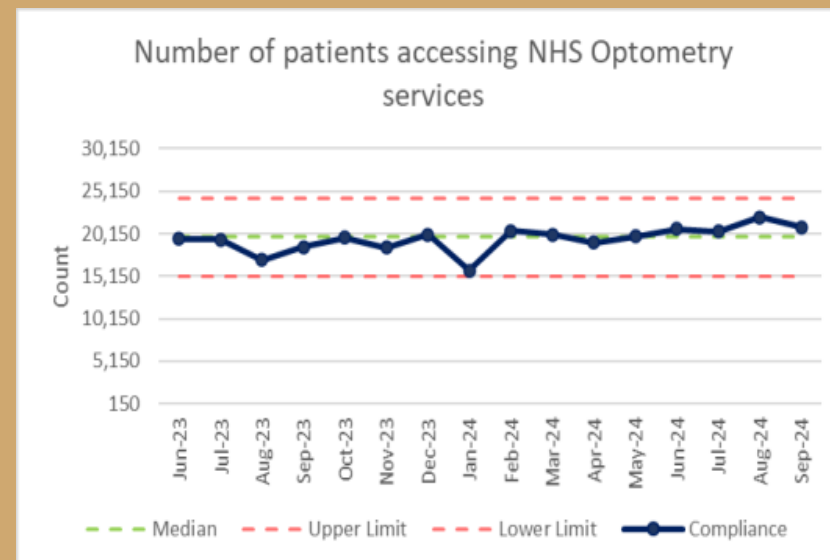
## Maintain the number of appointments delivered in GMS

Performance – 1,736,129 Sep 24/25 (**Below Trajectory of 1,797,059**)



## Maintain the number of patients accessing NHS Optometry Services

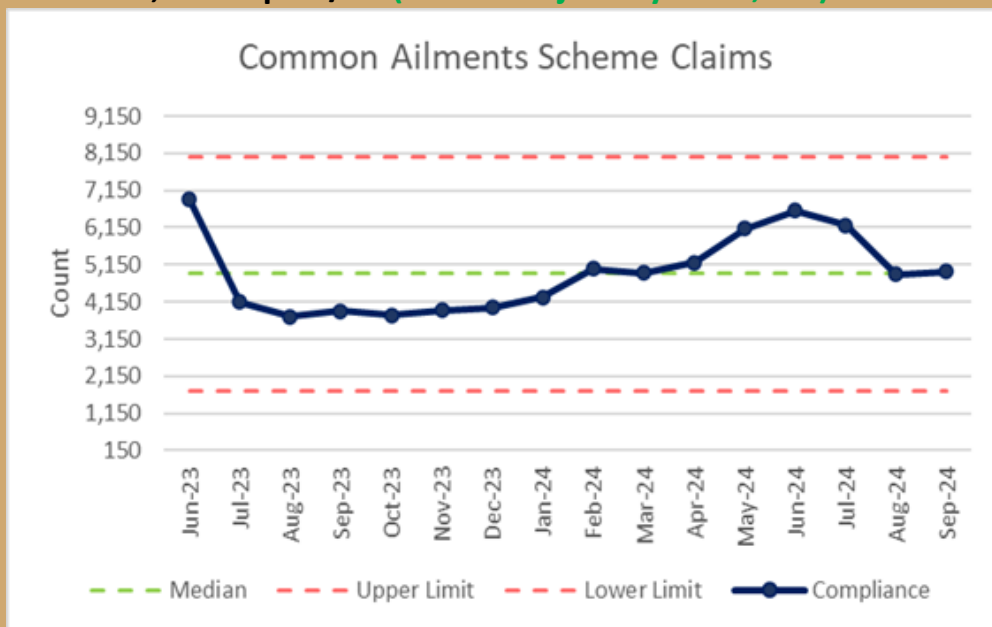
Performance – 122,999 Sep 24/25 (**Above Trajectory of 80,125**)



- Contract discussions are held with GMS Contractors that express challenges and escalation levels are monitored and responded to. Frequency of meetings is determined by risk level.
- 100% achievement of Access Standards for 23/24 signed off.
- Practices that apply through the Sustainability Assessment Framework can apply for advice and resources as required. There are currently two Practices under sustainability and three under transitional funding.
- The Eye Care Board has been re-established with focus on the Welsh General Ophthalmic Services (WGOS).
- Welsh Government have supported a phased approach and the Health Board is working with Providers to ensure a smooth transition to WGOS 4 services.

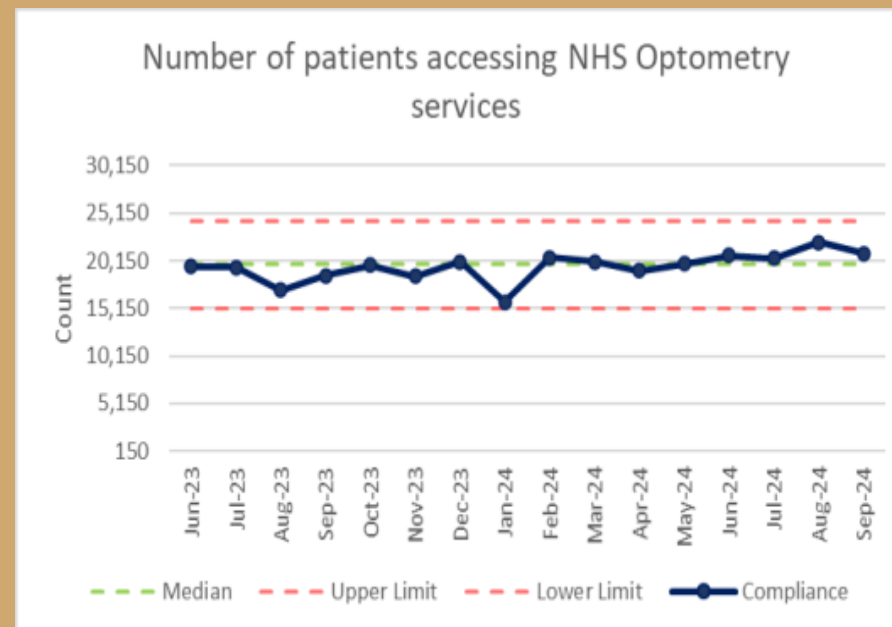
**Maintain the number of consultations undertaken by community pharmacy under the common ailments scheme**

Performance – 33,985 Sep 24/25 (Above Trajectory of 22,365)



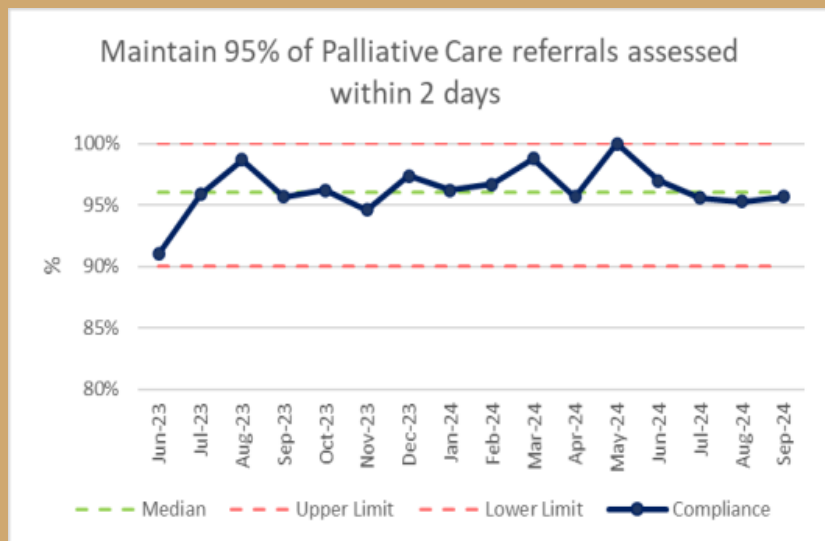
**Maintain the number of Units of Dental Activity (UDA) claimed**

Performance – 290,209 Sep 24/25 (Above Trajectory of 282,744)

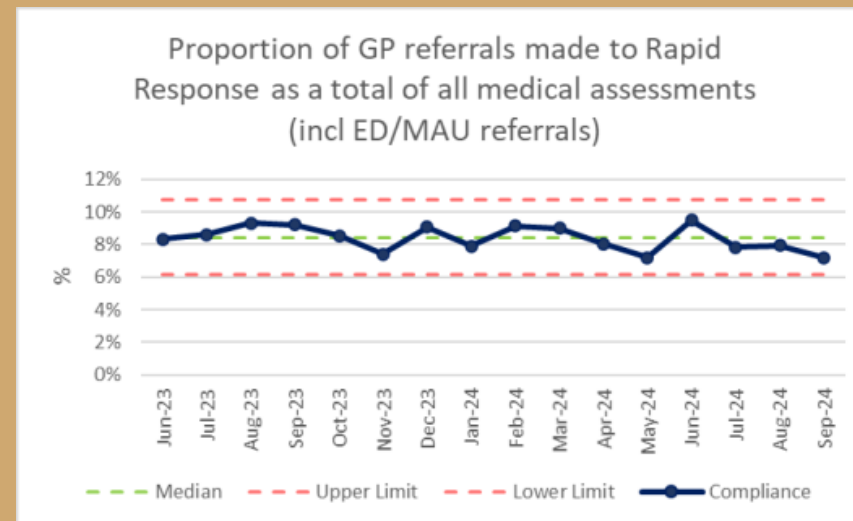


- All Community Pharmacies are now signed up to the Common Ailments Scheme (CAS) and the number of consultations has risen from previous quarter from 13,317 to 13,750 when adjusted for hay fever.
- A system is being developed for access to all GMS Practices to identify live service provision in their area. This will be for CAS, flu and other services.
- 46 Pharmacies have now been commissioned for the Independent Prescribing service in Q2, which has increased from 35 in Q1.
- From 1st April 24, there are 50 UDA Practices and 25 Practices have opted for contract reform. Successful re-awarded GDS contracts following recent terminations (with affect from 1st July). Four Dental Providers who provided notice, have successfully been re-tendered.

**Maintain 95% of Palliative Care referrals assessed within 2 days**  
 Performance – 95.7% Sep 24/25 (Above Trajectory of 95%)



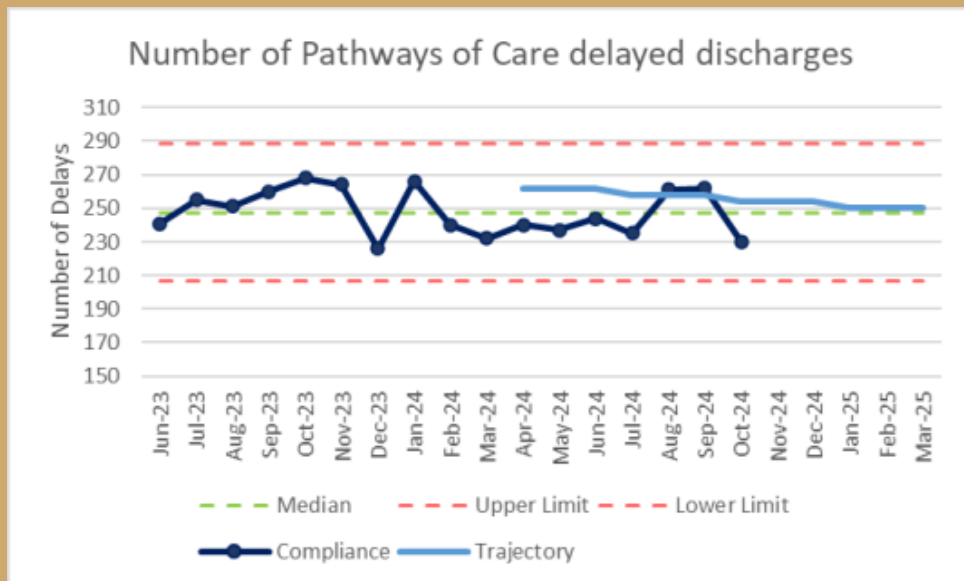
**Maintain proportion of GP referrals made to Rapid Response as a total of all medical assessments**  
 Performance – 7.2% Sep 24/25 (Below Trajectory of 10.5%)



- For Palliative Care, regular monitoring of referrals assessed to meet targets. Performance is maintained within the current service provision.
- For Rapid, the expansion of CRT Rapid Medical model commenced on 30th September to accept referrals to 6pm Mon-Fri. CRT Rapids Standard Operating Procedure (SOP) to reduce variation and offer a more equal service across CRT Rapids Teams in place from 30th September.
- The Redesign of Older Adults Programme includes projects that will directly support the transfer of patients away from ED, e.g. Acute Frailty Response team at GUH. However, this does not directly influence the number of GP referrals made.

# Improving our Urgent and emergency care system focusing on experience, access and discharge pathways

## Reduction of number of Delayed Transfers of Care Performance – 230 Oct 24/25 (Above Trajectory of 258)



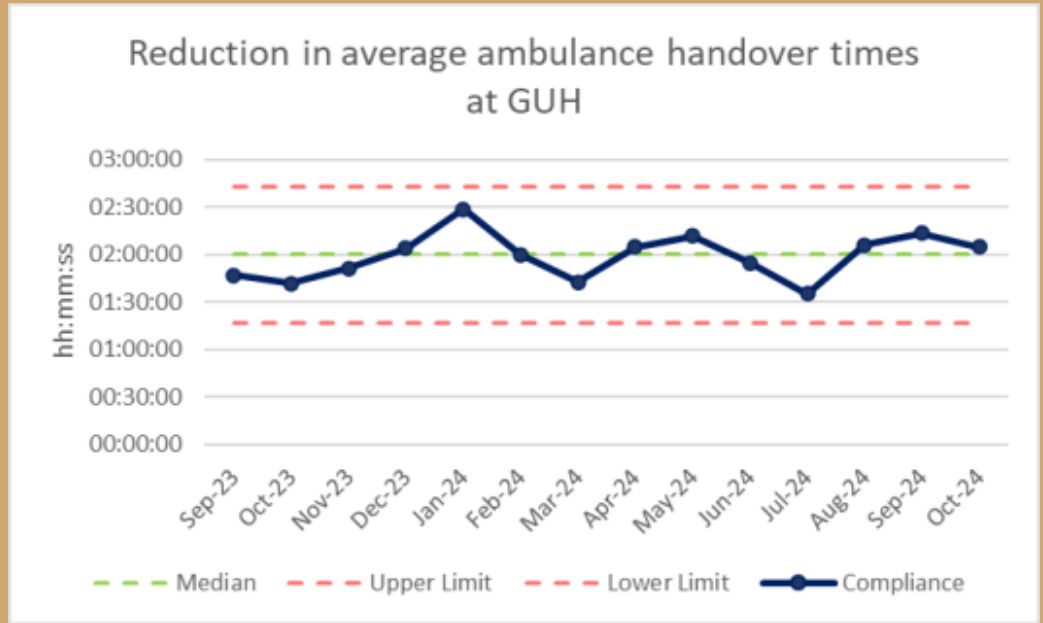
## Increase in Hospital 2 Home referrals Performance – 96 Sep 24/25 (Meeting trajectory of increasing trend)

Hospital 2 Home Referrals to date:			
Q1	Q2	Q3	Q4
76 (23 patients supported)	96 (49 patients supported)		

- Discharge lounges opening Feb 25 at GUH and Dec 24 in YYF. Three wards identified at Royal Gwent Hospital to be “Optimal Wards” with learning being embedded from neighbouring Health Board. Deconditioning Nursing, Medical and Therapy Leads identified have been identified to drive forward action plans across the organisation. Ongoing work to embed SAFER and deconditioning prevention principles across wards.
- Additional actions to be agreed as part of Winter Resilience plan and 50 day action plan.
- Positive feedback continuing to be received for H2H service, relative/patient story presented to Executive Committee and Board. Continuing to support Torfaen, Newport and Monmouthshire patients in both earlier discharge and re-admission avoidance. Provided key support to acute sites during periods of escalation.

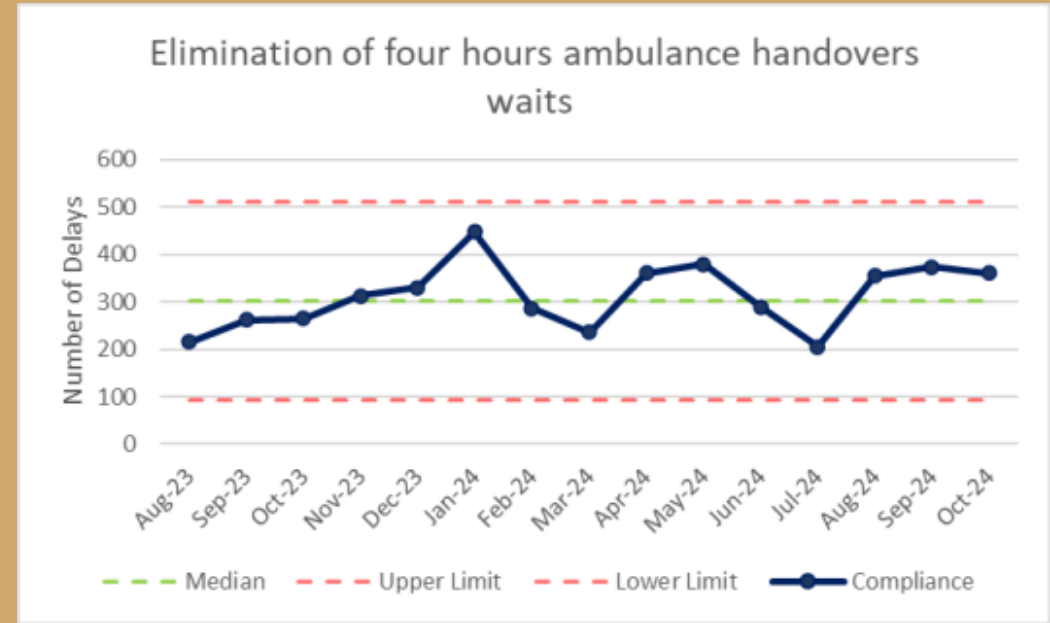
**Reduction in average ambulance handover times at GUH**

Performance – 2h5m Oct 24/25 (Above Trajectory of 80mins)



**Elimination of four hours ambulance handovers waits**

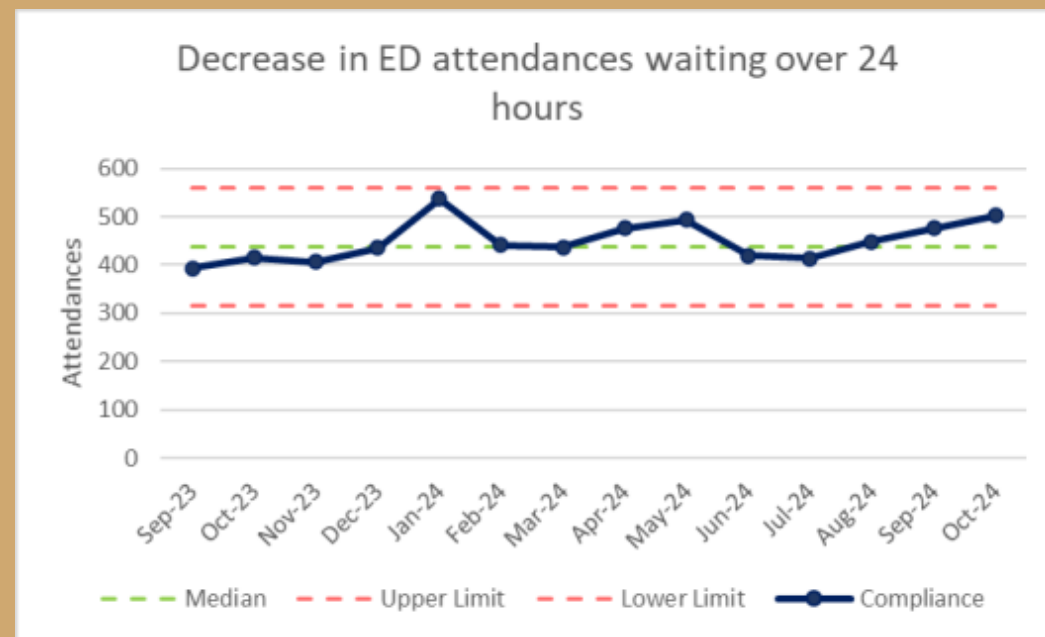
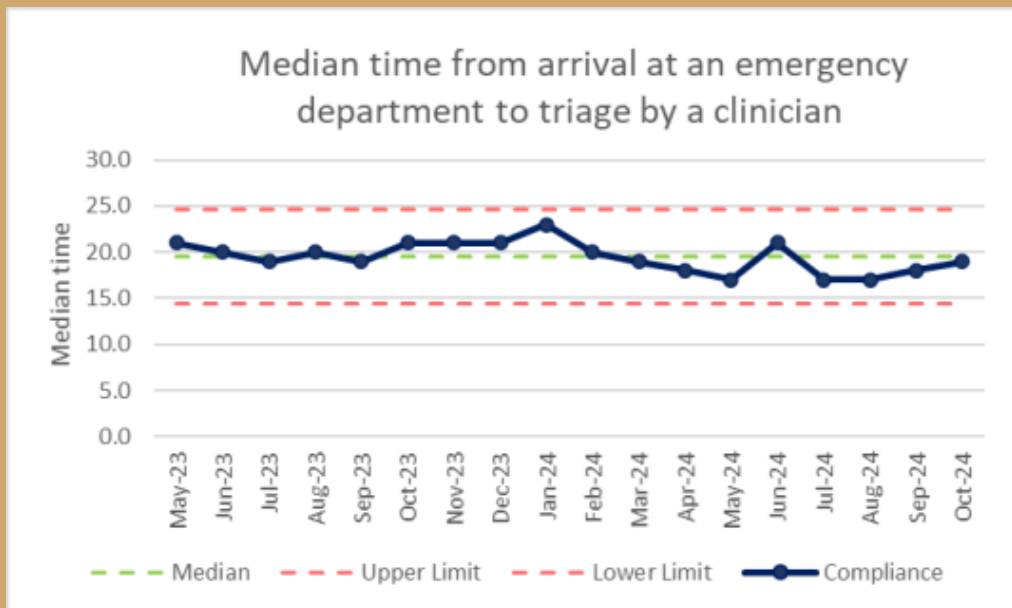
Performance – 360 Oct 24/25 (Above Trajectory of 102)



- Focus attention through weekly System Flow meetings chaired by COO and monthly oversight with Welsh Government.
- Recruitment completed with successful appointments for 5 additional Consultants following Executive approval of business case in Q2.
- Partnership work ongoing between the Health Board and Welsh Ambulance Service Trust to improve handover protocol compliance.
- Dual Pin Ambulance Handover System for ambulances to improve handover data accuracy. Started in September. This has improved accuracy of handover performance metrics.

**Reduction in time from arrival to ED triage - no waits over 30 minutes**  
**Performance – 18mins Oct 24/25 (Below Trajectory of 30mins) (No Waits Above Trajectory 0 > 50mins)**

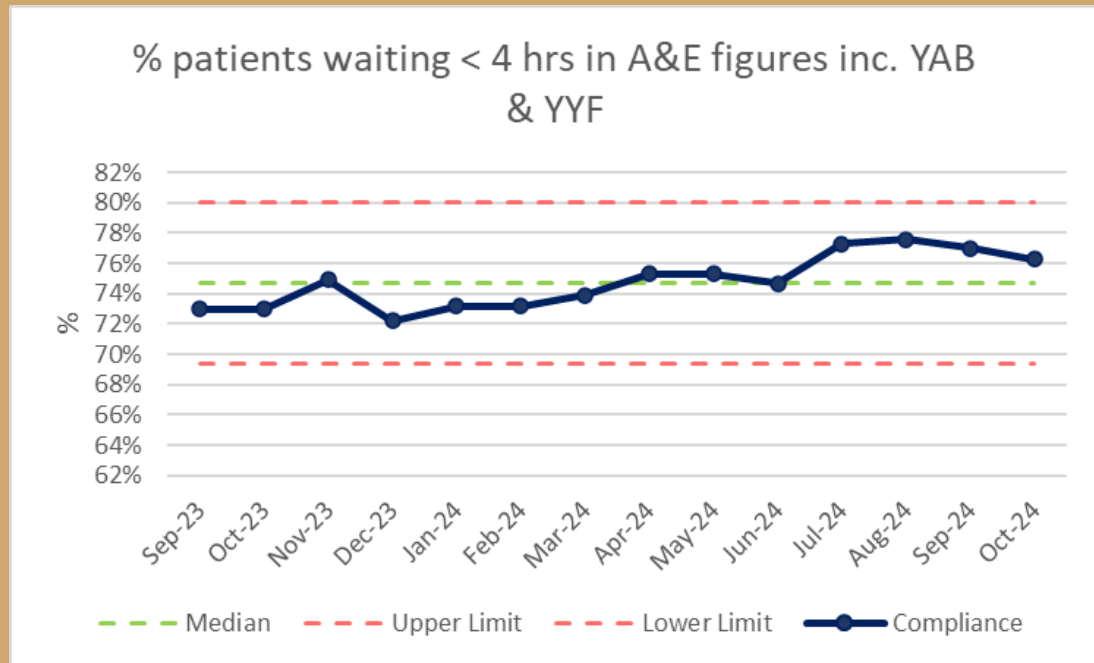
**Decrease in ED attendances waiting over 24 hours**  
**Performance – 502/6.4% > 24hrs Oct 24/25 (Above Trajectory of 3.6% > 24hrs)**



- Implemented e-triage at end of Q1 with plan to evaluate and maximise further opportunities. Re-established Triage Faculty with ambition to improve time to triage across ED and Minor Injury Units (MIUs). Developing service-level plans for ED Main Wait extension.
- Plans for Short Stay Unit progressing to accommodate patient cohort currently experiencing the longest waits in ED.
- Scoping opportunities to improve system flow through Executive approval for a new Discharge Lounge Model at GUH; undertaking mapping work with focus areas including the ED-Acute Medicine interface; undertaking community hospital and complex care teams' capacity mapping; and establishing a comprehensive Operating Framework.

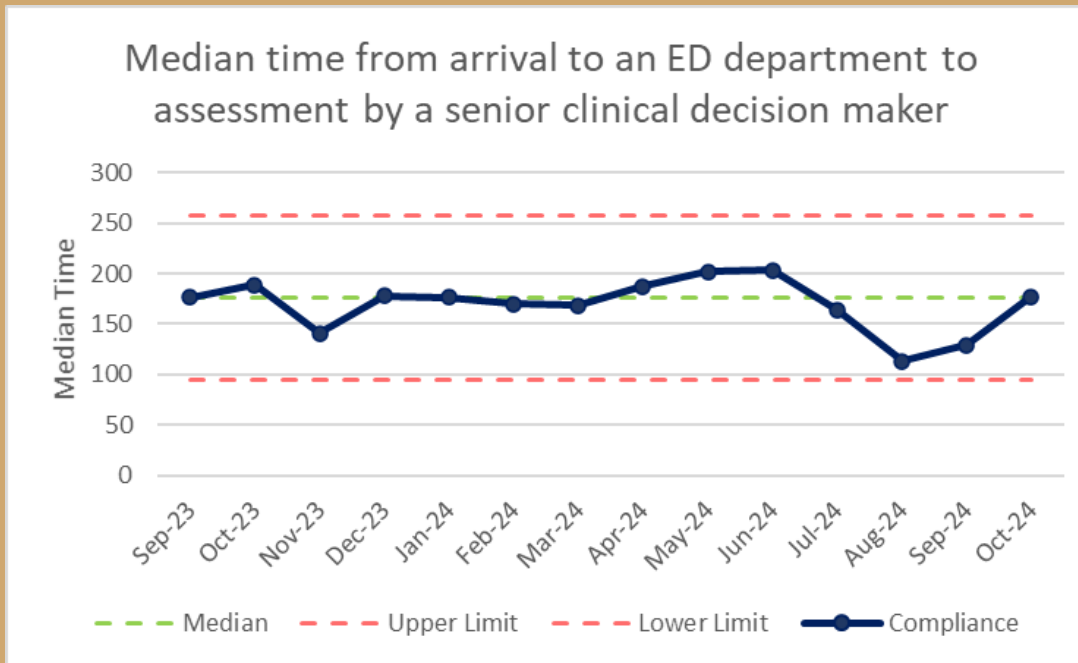
**Increase and maintain national target of the percentage of patients waiting <4 hours in ED**

Performance – 76.3% Oct 24/25 (Above Trajectory of 73.8%)



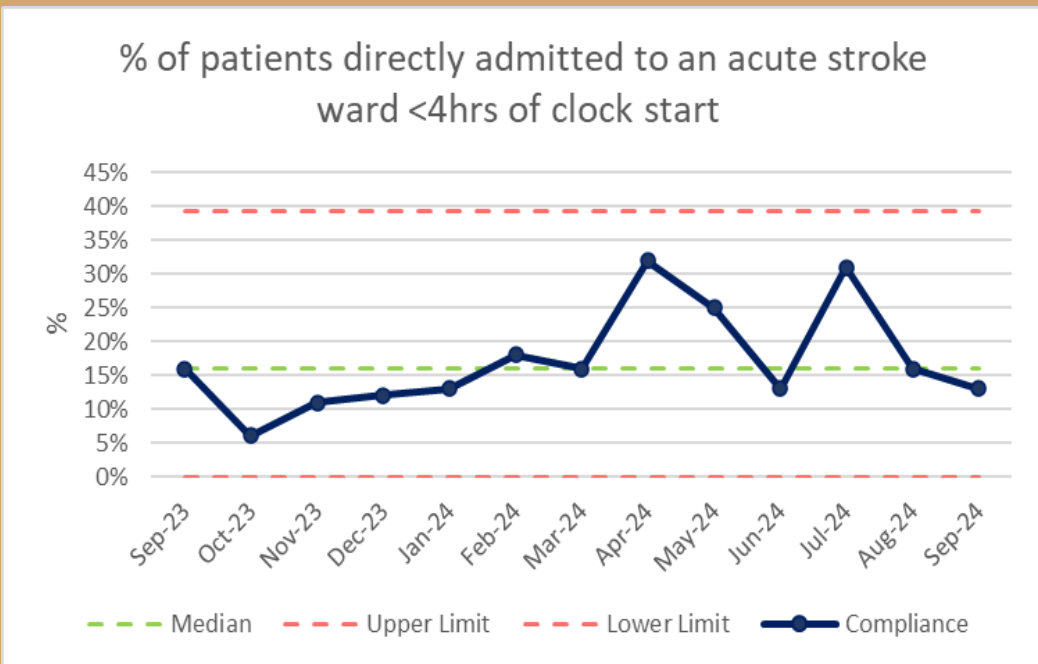
**Reduction in time from arrival to ED to seen by clinician**

Performance – Median 177mins/21.5%>6rs Oct 24/25 (Above Trajectory of 0>5hrs)

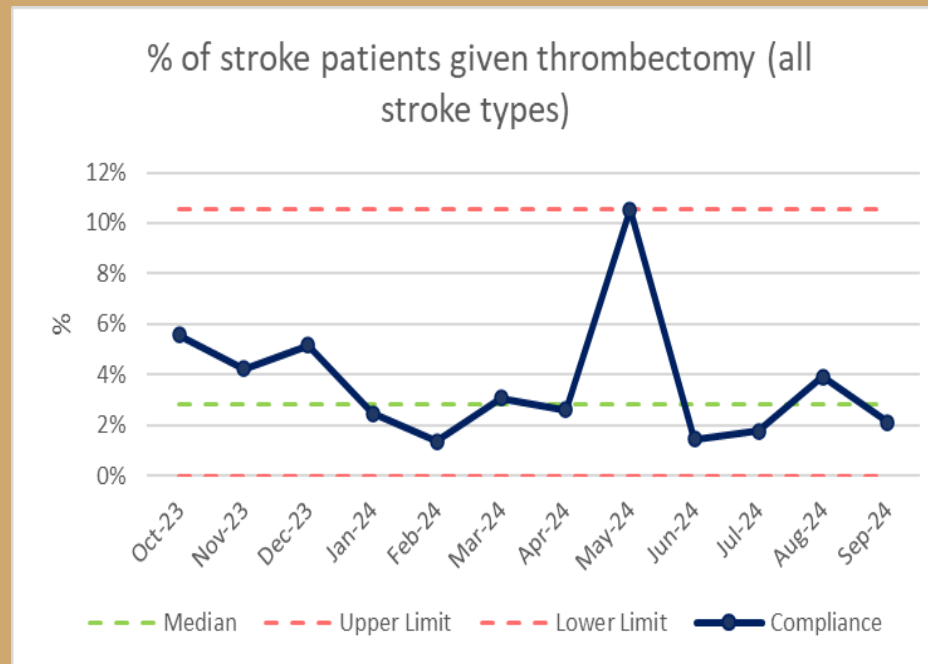


- Recruitment of additional Consultants following approval of business case in Q2 expected to be in post by April.
- Developing service model for Phase 2 of ED Main Wait Extension with focus on wait to be seen by a Clinician.
- Recent decision to increase assessment space to 3 bays, early signs show this change is having a positive effect (2 weeks).

**% of patients directly admitted to an Acute Stroke Ward <4hrs of clock start**  
 Performance – 13% Sep 24/25 (**Below Trajectory of 16.3%**)

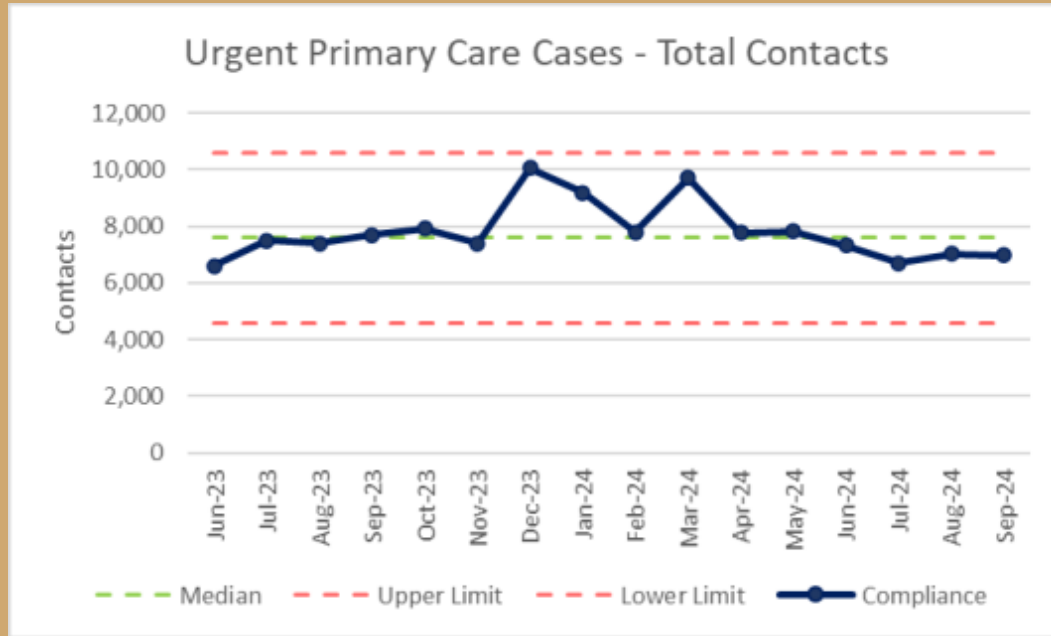


**% of unique stroke patients given Thrombectomy (all stroke types)**  
 Performance – 2.1% Sep 24/25 (**Above Trajectory of 4%**)



- Ring-fencing of stroke beds implemented.
- Brainomix Artificial Intelligence implemented and in use.
- Extension of Bristol South Mead’s Thrombectomy Service from 6am to midnight.
- Covering 12-hours per day seven days per week with Community Neurological Services Team.

**Maintain the number of Urgent Primary Care contacts (inc. virtual)**  
 Performance – 43,628 Sep 24/25 (Above Trajectory of 22,086)

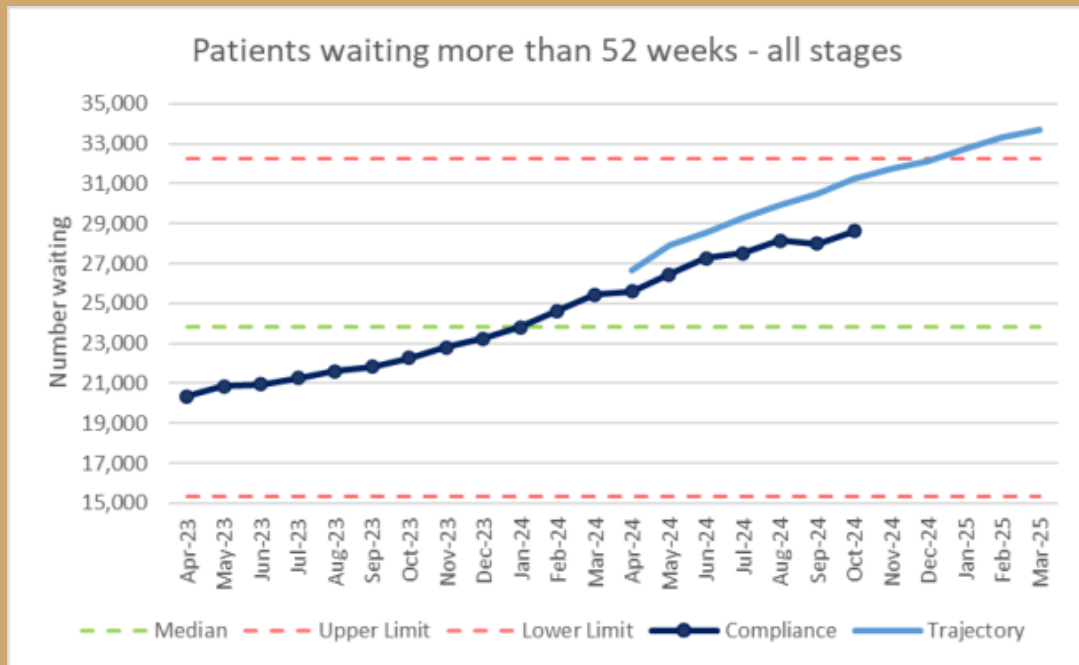


- Demand has stayed constantly high for the quarter; we have implemented additional mobile GP on weekends and winter pressure shifts available within our current rotas to utilise as needed.
- Robust recruitment campaign ongoing for Senior Nurse and Nurse Practitioners.
- Monthly Departmental meetings have been reinstated to allow better networking and improve staff/patient care and safety where needed.
- Ongoing work is being undertaken in order to retrain UPC GPs to support the Welsh Ambulance stack in order to reduce the escalation faced by Welsh Ambulance.

Continuing to prioritise  
cancer, urgent and the  
longest waiting patients  
for planned care

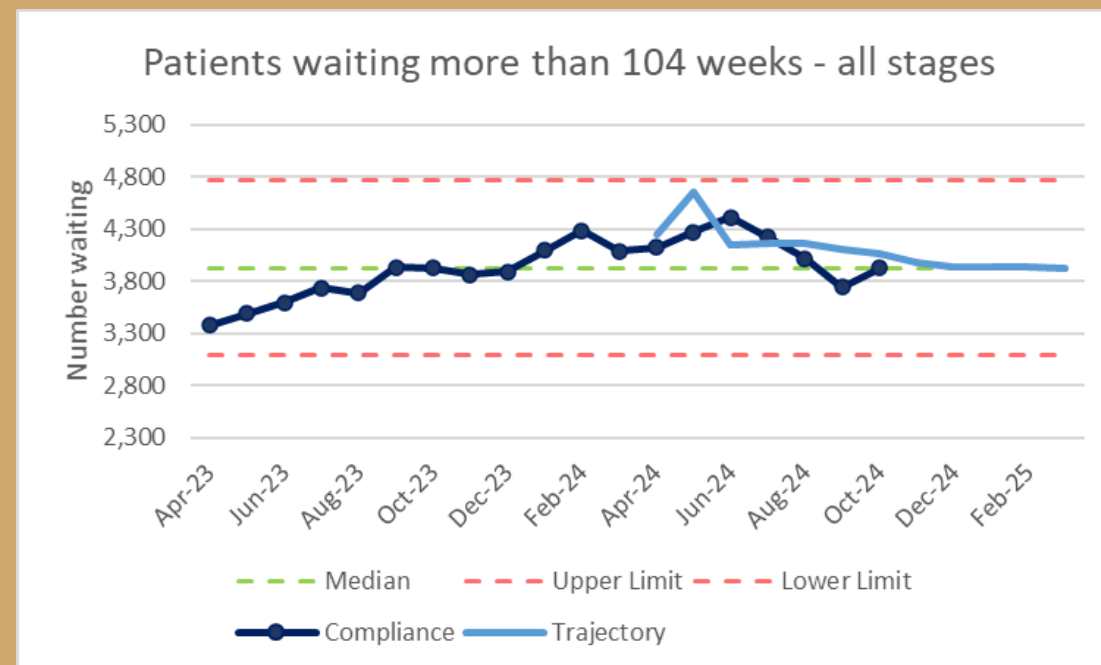
## Numbers of patients waiting over 52 weeks (all stages)

Performance – 28,621 Oct 24/25 (Below Trajectory of 31,234)



## Numbers of patients waiting over 104 weeks (all stages)

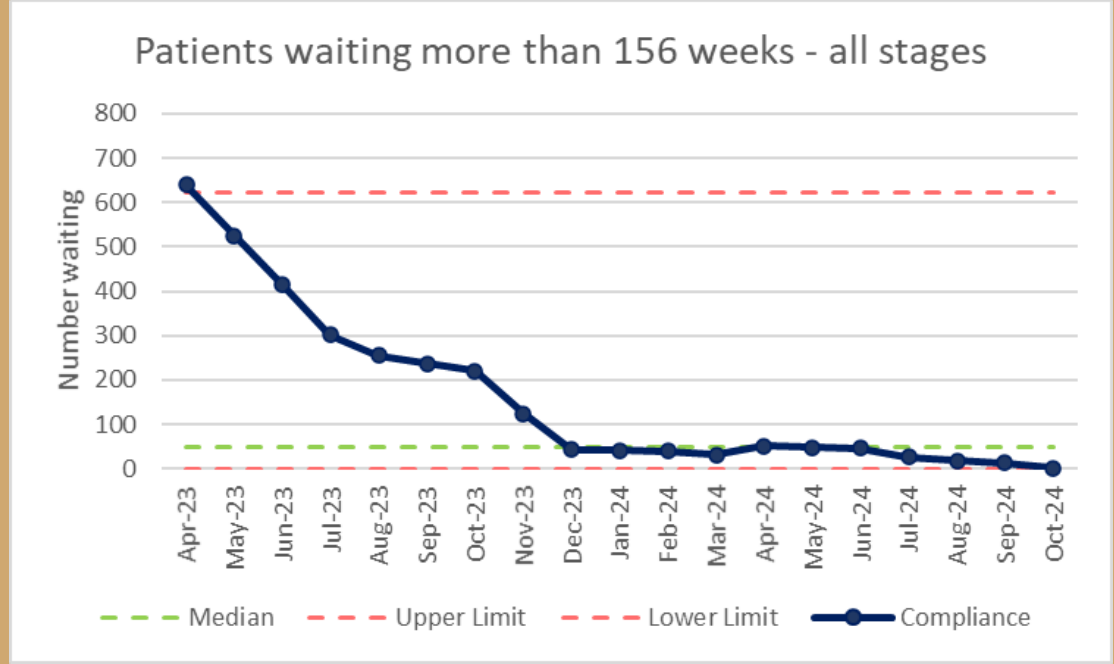
Performance – 28,621 Oct 24/25 (Below Trajectory of 4,057)



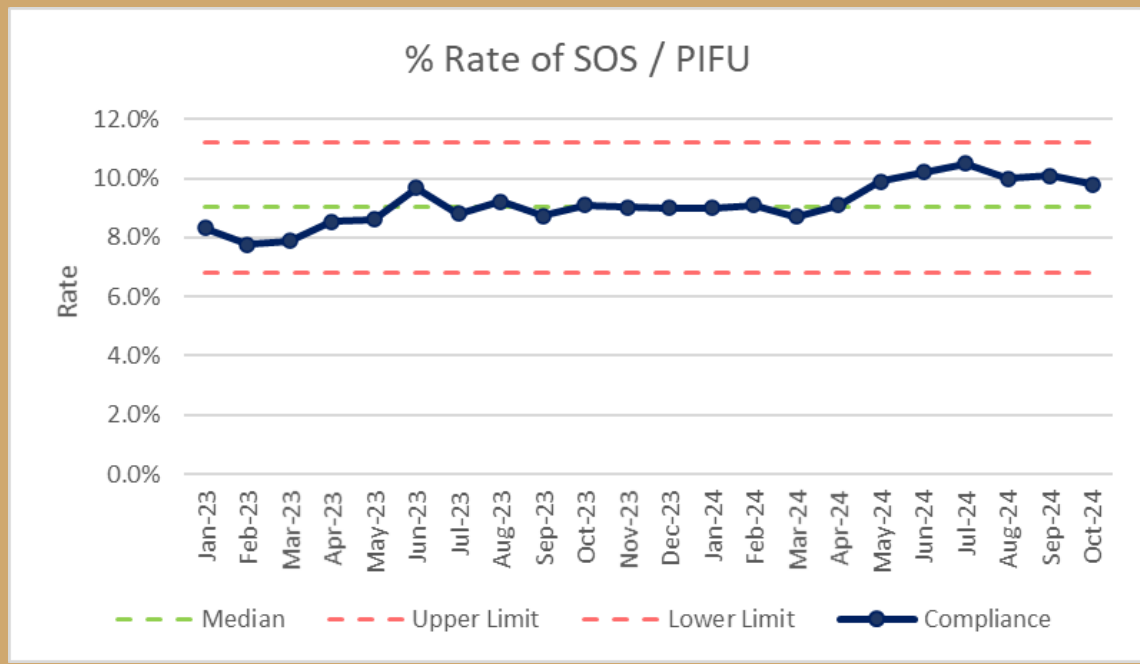
- Additional non recurrent monies for Planned Care received linked to delivery of improved Planned Care. Future reports will reflect these revised trajectories. Investment will focus on Regional Cataracts, Orthopaedics, ENT, & Diagnostics.
- Treat in Turn – speciality specific targets in place to deliver improvements necessary for stage 1 and 4 to achieve a significantly improved 104 positions. ENT, Ophthalmology and Urology are now the only specialties with Stage 1 104 breachers, however ENT remain significantly ahead of their trajectory and Urology is only 1. Operational oversight of delivery strengthened via fortnightly RTT delivery meetings.

# Continuing to prioritise cancer, urgent and the longest waiting patients for planned care

**Elimination of total waits over 156 weeks (all stages)**  
**Performance – 1 Oct 24/25 (Above Trajectory of 0)**



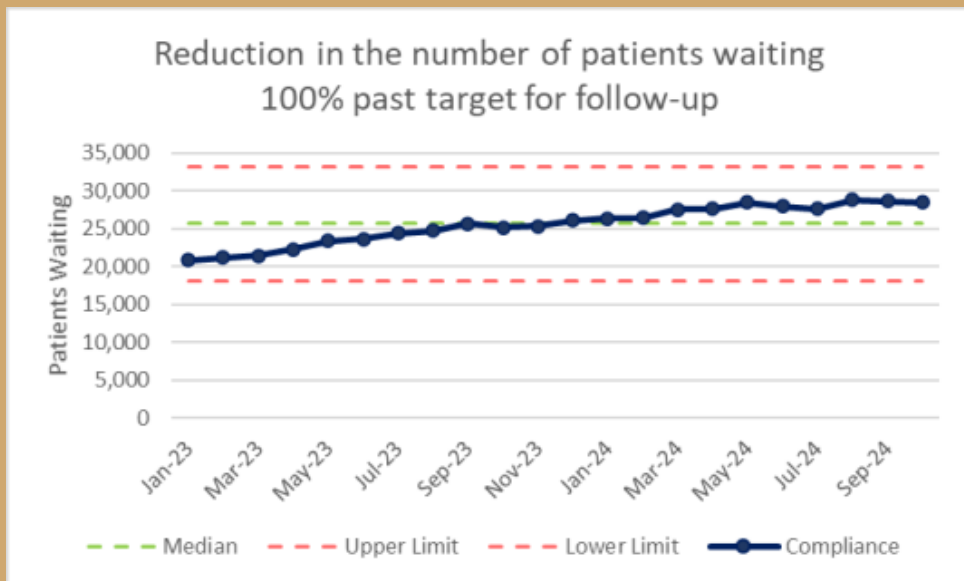
**Increase in the rate of See On Symptom (SOS) and Patient Initiated Follow-ups (PIFU)**  
**Performance – 9.8% Oct 24/25 (Below Trajectory of 13.6%)**



- 156 position is down to 1 at the end of Oct and is due to be cleared by the end of Q3.
- Sharing of Pathways from NHS England to identify potential opportunities, new pathways shared with relevant teams if no pathway in existence.
- National Development on WPAS to be confirmed – to increase options from 2-year review to have a selection of options to support clinically appropriate pathways for SOS and PIFU.

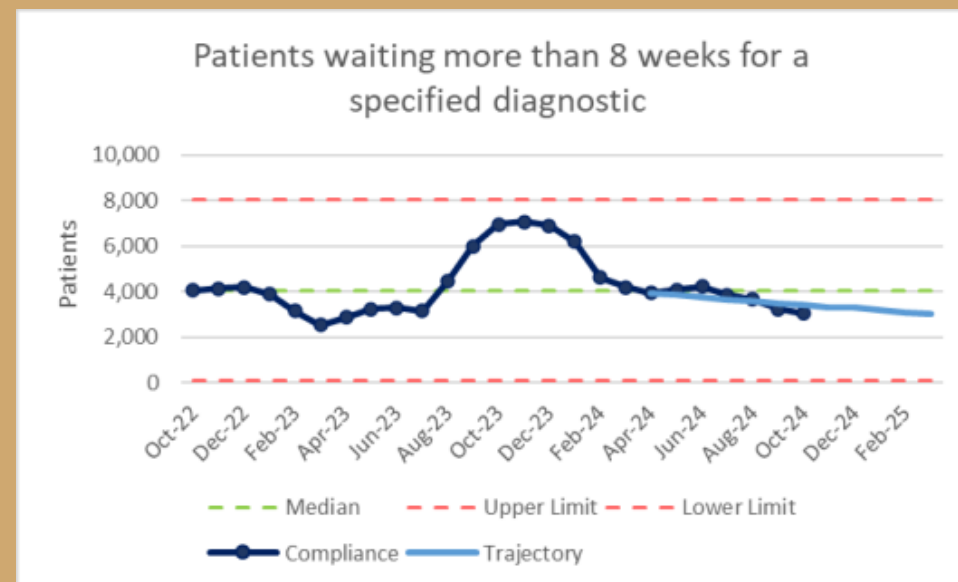
## Reduction in the number of patients waiting 100% past Outpatient follow-up target date

Performance – 28,506 Oct 24/25 (Above Trajectory of 16,011)



## Reduction in the number of patients waiting more than 8 weeks for a specific diagnostic

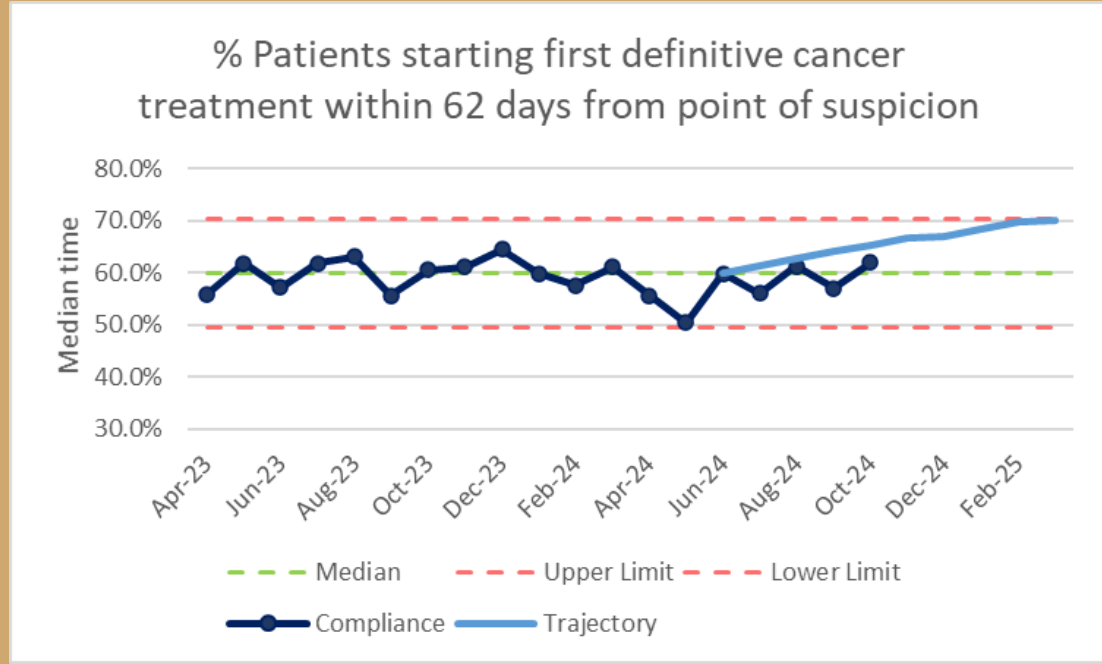
Performance – 3,044 Oct 24/25 (Below Trajectory of 3,402)



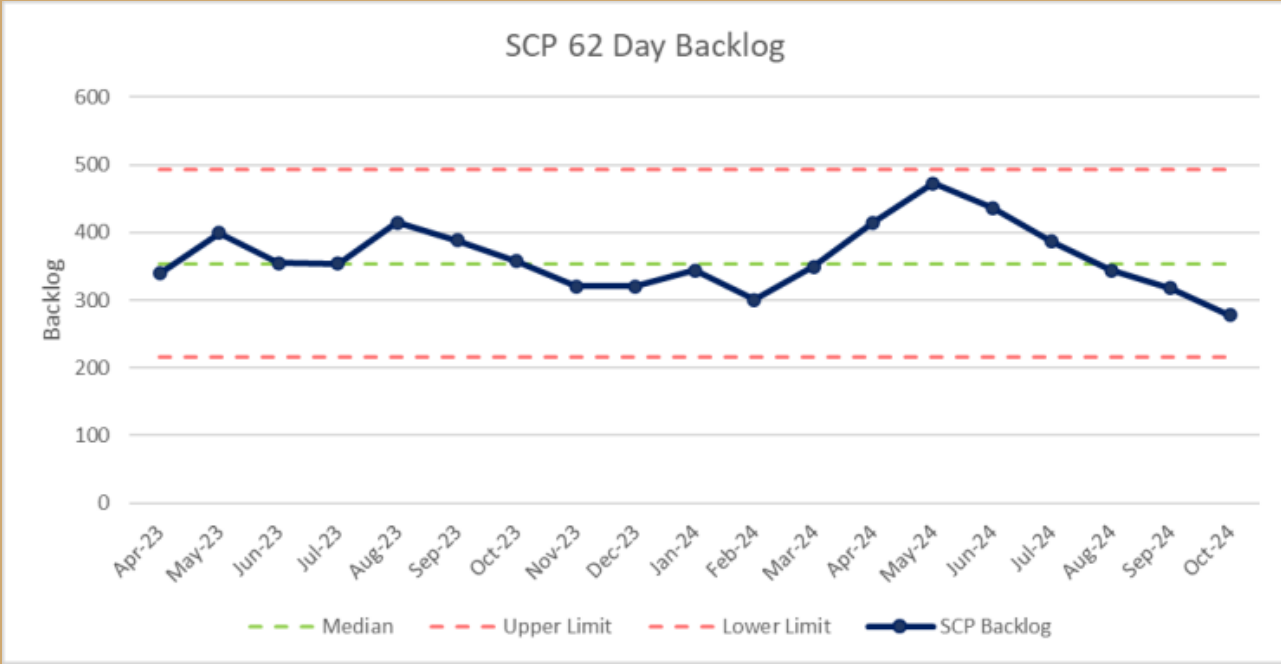
- Promotion of Straight to Discharge, SOS and PIFU pathways. Validation lists to identify duplicates across RTT/Delayed follow ups/Treatments/SOS and PIFU to support targeted validation. Individual specialty follows up plans to be developed as part of Outpatient Transformation plans. Workstreams to maximise capacity e.g. focus on reduction of Did Not Attends, clinic cancellations and maximising use of Outpatient space.
- Radiology performance is currently at 95% being seen in < 8 weeks. Endoscopy have been allocated £1m additional funding to improve performance via new Welsh Government Planned Care monies.

# Continuing to prioritise cancer, urgent and the longest waiting patients for planned care

**Increase in Single Cancer Pathway (SCP) 62-day compliance**  
Performance – 62.4% Oct 24/25 (Below Trajectory of 67%)



**Reduction in backlog of patients waiting over 62 days (SCP)**  
Performance – 278 Oct 24/25 (Below Trajectory of 290)

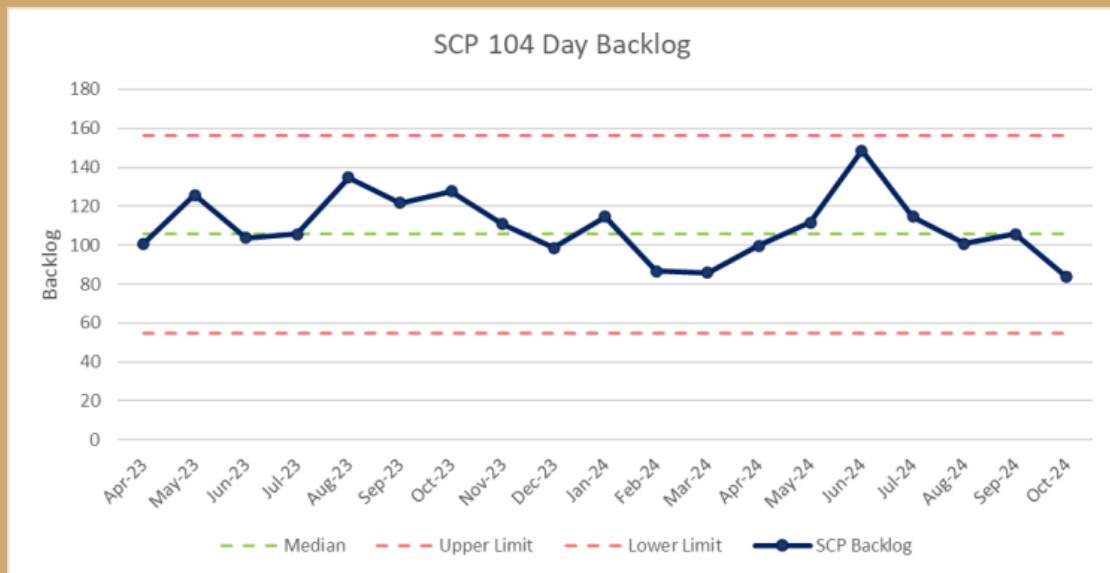


- The work to improve the backlog position has seen a sustained improvement since May.
- There has been an increasing trend in the numbers treated per month over 24/25.
- Referrals have been relatively stable through 24/25.
- Task & finish groups combines with divisional scrutiny are in place to improve compliance.

# Continuing to prioritise cancer, urgent and the longest waiting patients for planned care

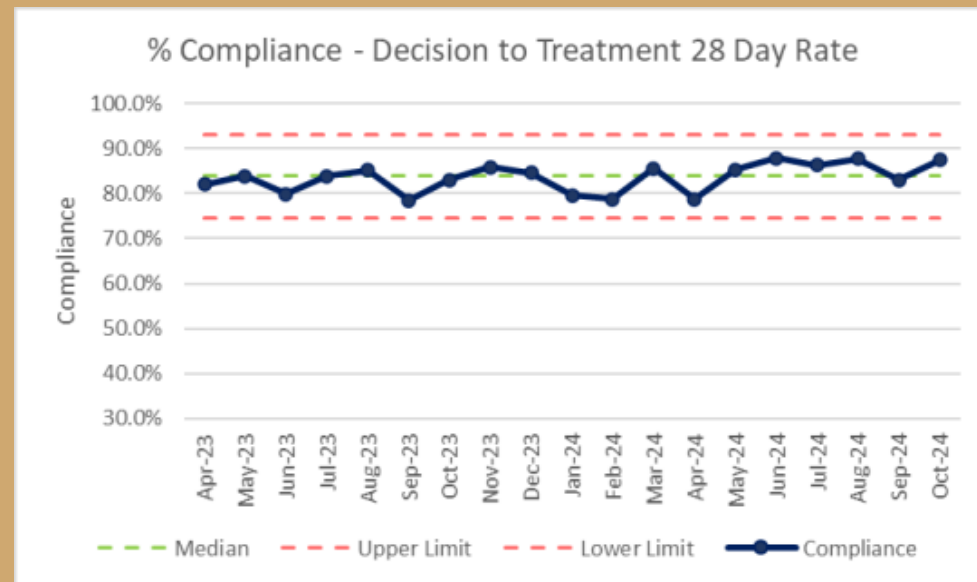
## Reduction in backlog of patients waiting over 104 days (SCP)

Performance – 84 Oct 24/25 (Above Trajectory of 76)



## Increase in rate of cancer diagnosis or discharges within 28 days

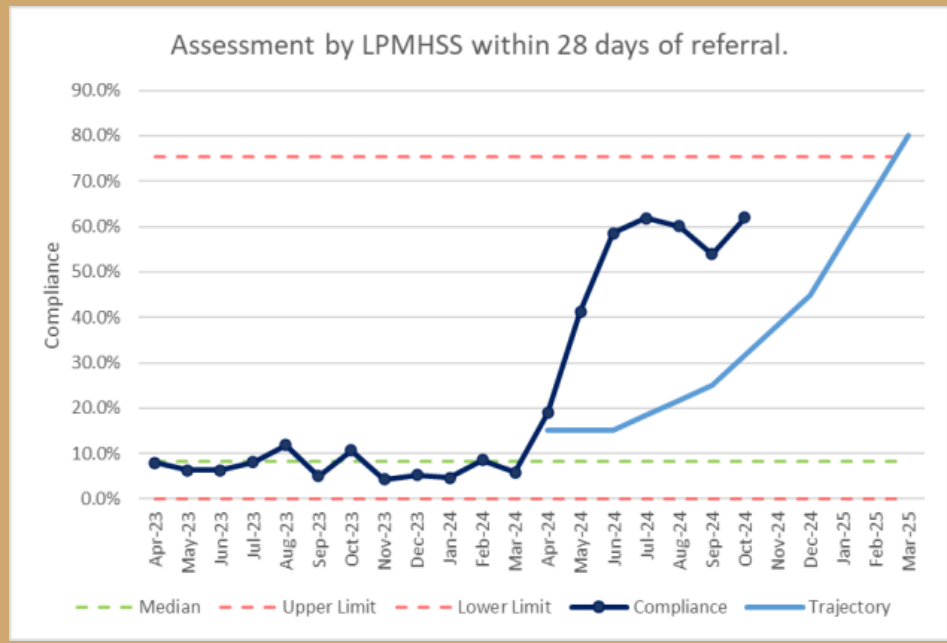
Performance – 87.5% Oct 24/25 (Above Trajectory of 80%)



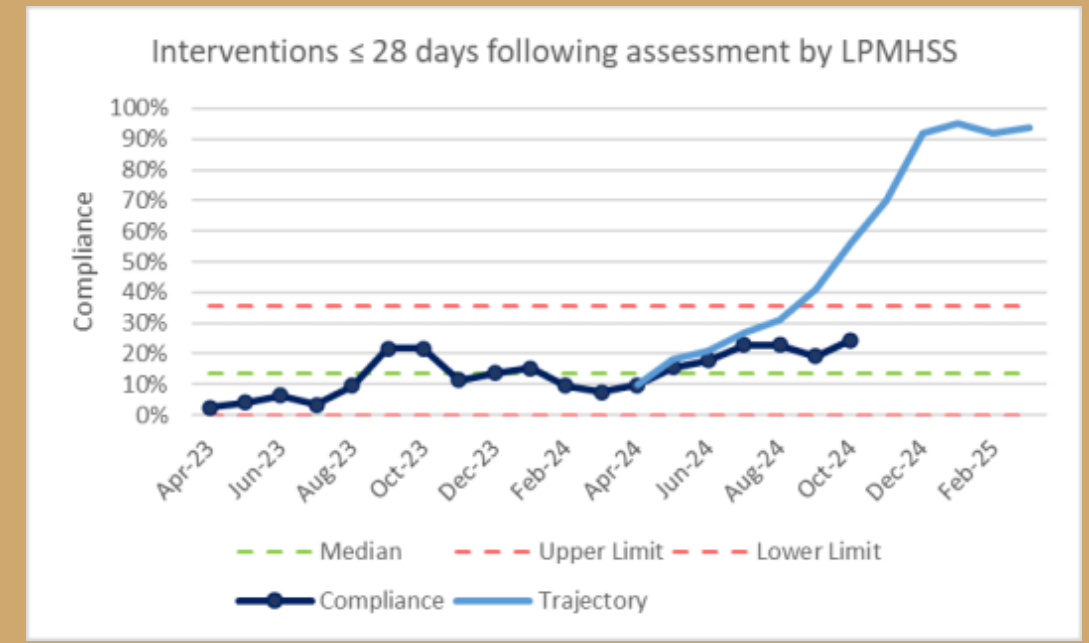
# Improving our Mental health services

# Improving our Mental health services

**Increase in Part 1a to national target for Adult MH (assessment completed within 28 days)**  
**Performance – 62% Oct 24/25 (Above Trajectory of 31.7%)**



**Increase in Part 1b to national target for Adult MH (interventions completed within 28 days)**  
**Performance – 24.4% Oct 24/25 (Below Trajectory of 56%)**



- RPA now in place to help support management of referrals which cuts c. 3 days off the referrals process between GPs and the PCMH team.
- 1b compliance is has improved to highest level at 26% in Oct 2024, but remains behind trajectory. Division are still confident of meeting 80% standard by the end of the year.
- The numbers on the waiting list is notably decreasing ahead of trajectory due to the actions to provide capacity through alternative pathways.
- CBT courses are now in place.

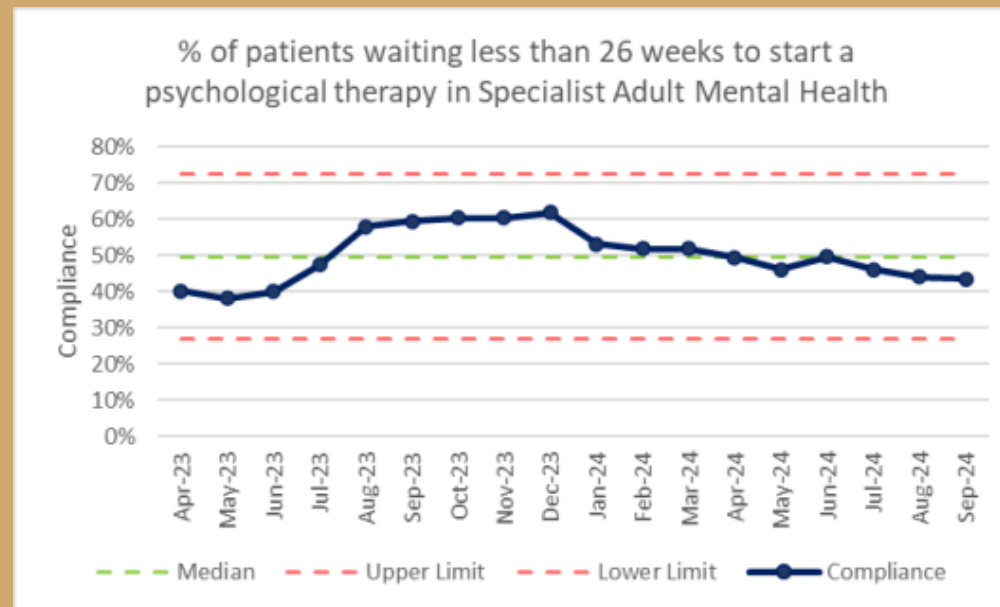
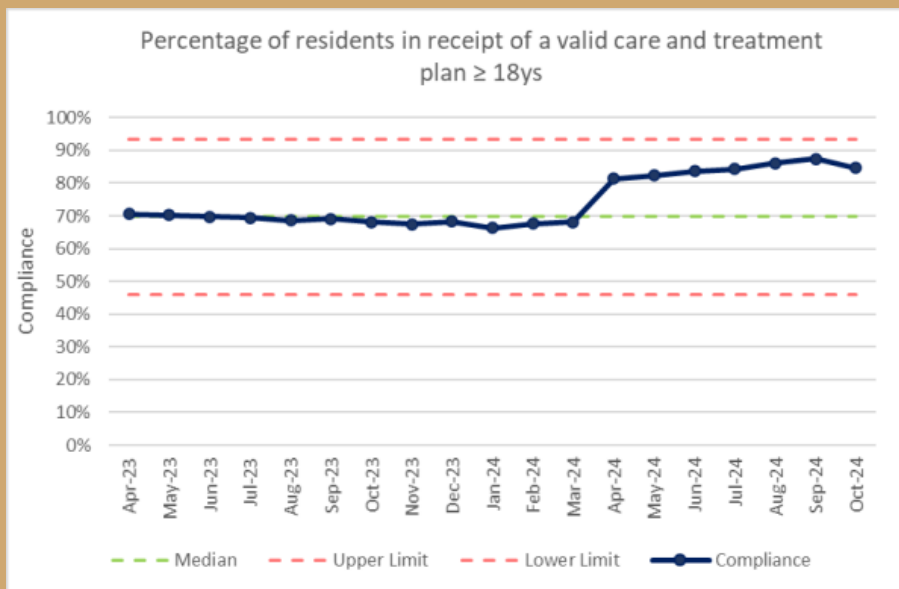
# Improving our Mental health services

**Maintain Part 2 rates for Adult MH (number of individuals with a valid care and treatment plan)**

Performance – 84.7% Oct 24/25 (Above Trajectory of 68.3%)

**Maintain rate of psychological therapy received within 26 weeks for Adult MH**

Performance – 43.5% Sep 24/25 (Below Trajectory of 66%)



- Supporting the roll-out of the version 5 National Assessment Form which has supported more accurate reporting of data around Part 2 compliance.
- The Division is working with individual teams on compliance and areas of risk, including quality.
- Data cleanse plan has been identified as a priority – Data quality being looked at in Q3 with an action plan and positive changes expected by the end of October.
- There is a review of 50 long waiters to reduce the numbers waiting and provide access to services along with a review of specialist services and opportunity/appropriateness of the referrals.

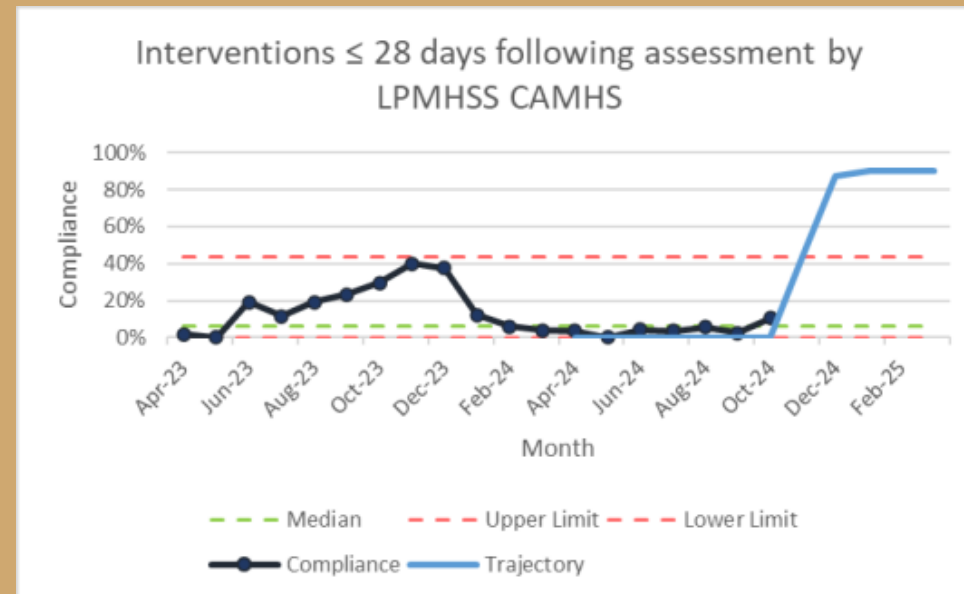
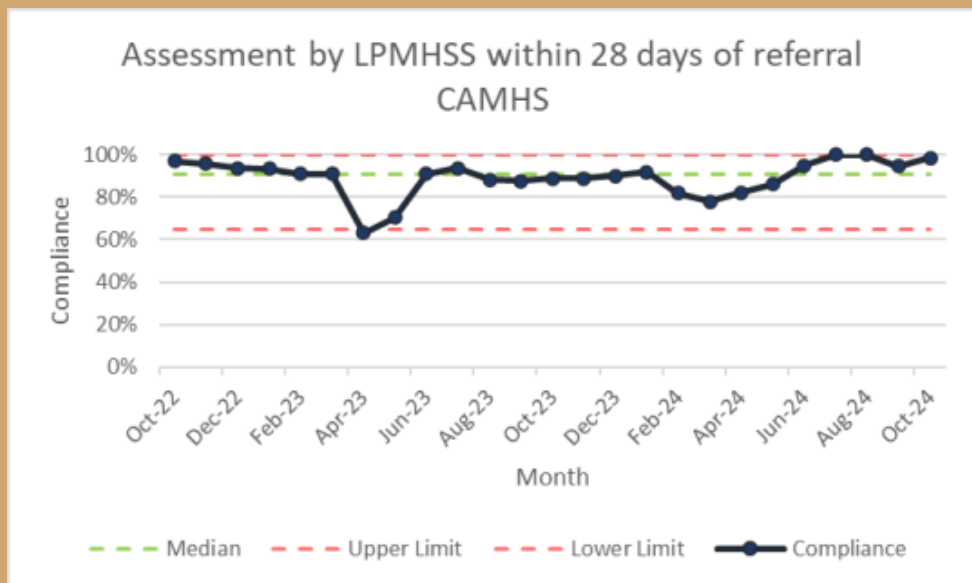
# Improving our Mental health services

**Increase in Part 1a to national target for CAMHS (assessment completed within 28 days)**

Performance – 98.6% Oct 24/25 (Above Trajectory of 90%)

**Increase in Part 1b to national target for CAMHS (interventions completed within 28 days)**

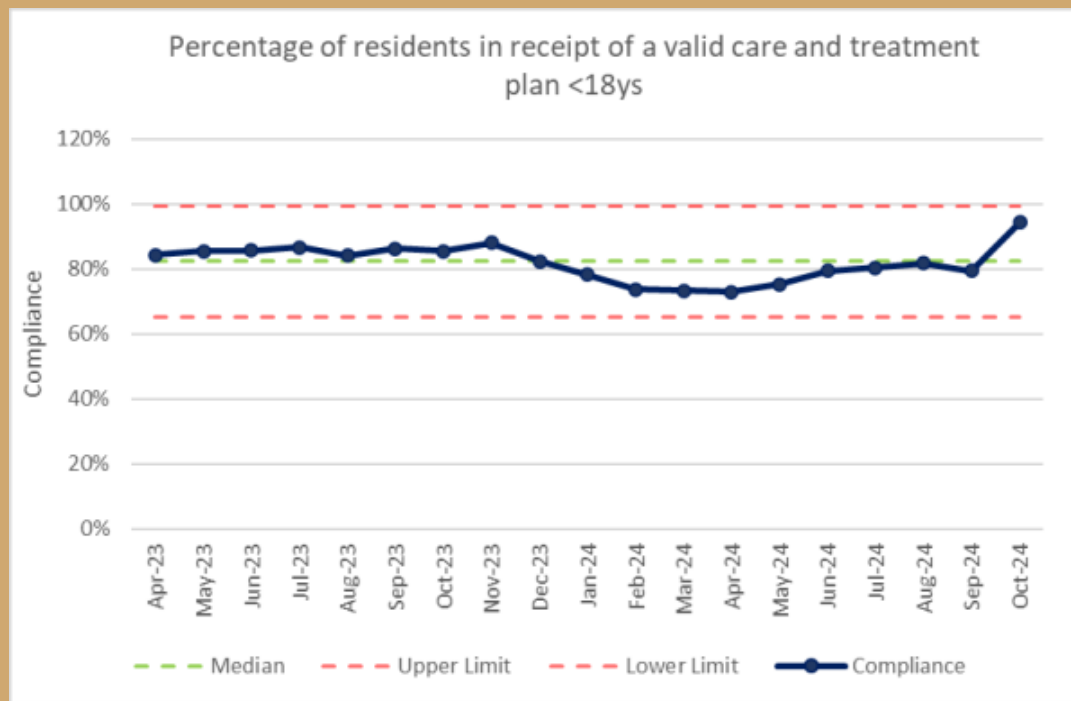
Performance – 10.4% Oct 24/25 (Above Trajectory of 0%)



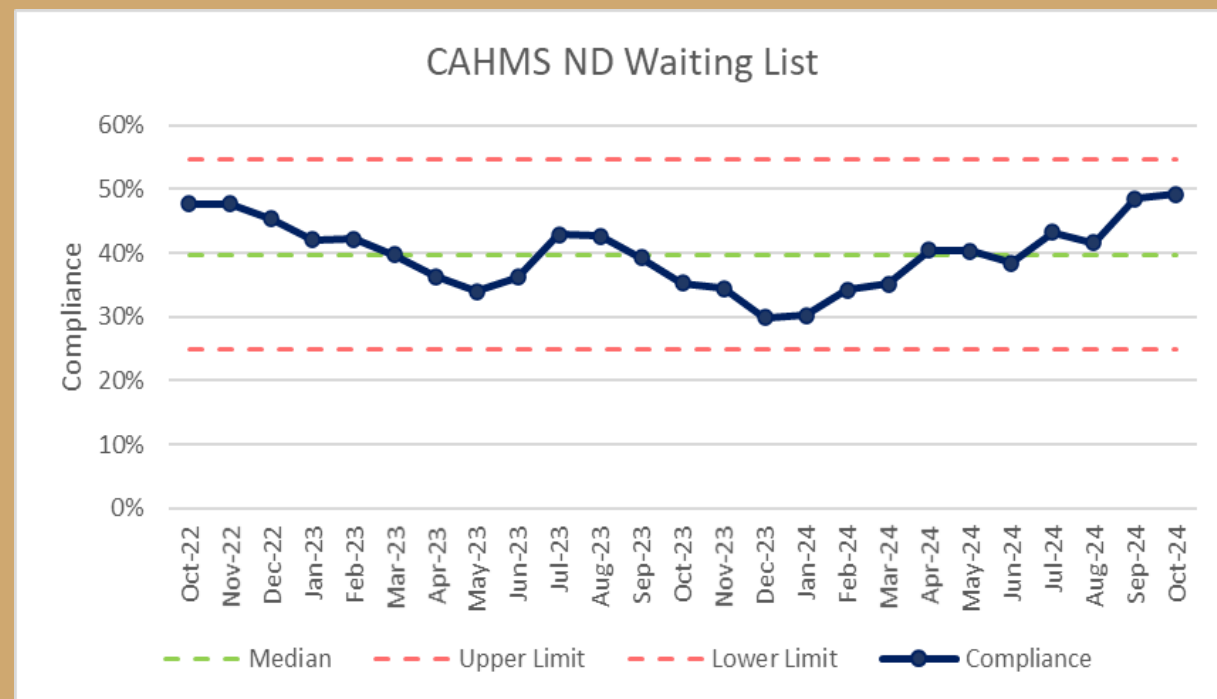
- 1b trajectory will be 0%, whilst the backlog is cleared and then compliance is expected to significantly improve once backlog cleared. Service will be sustainable beyond this. The submitted trajectory is to hit 80% compliance by end of calendar year. Big effort with multiple teams within CAMHS to achieve this.
- 40-50% predicted in November. Due to be above 80% in December. Children currently for allocation now down to c.50.
- 1+1 model going very well. Exchange outsourcing continuing to the end of the year as planned.
- Swell project with Cardiff Uni being investigated further.

# Improving our Mental health services

**Maintain CAMHS Part 2 national target compliance**  
Performance – 94.3% Oct 24/25 (Above Trajectory of 90%)



**Improvement in CAHMS Neurodevelopment compliance**  
Performance – 49.23% Oct 24/25 (Above Trajectory of 46%)

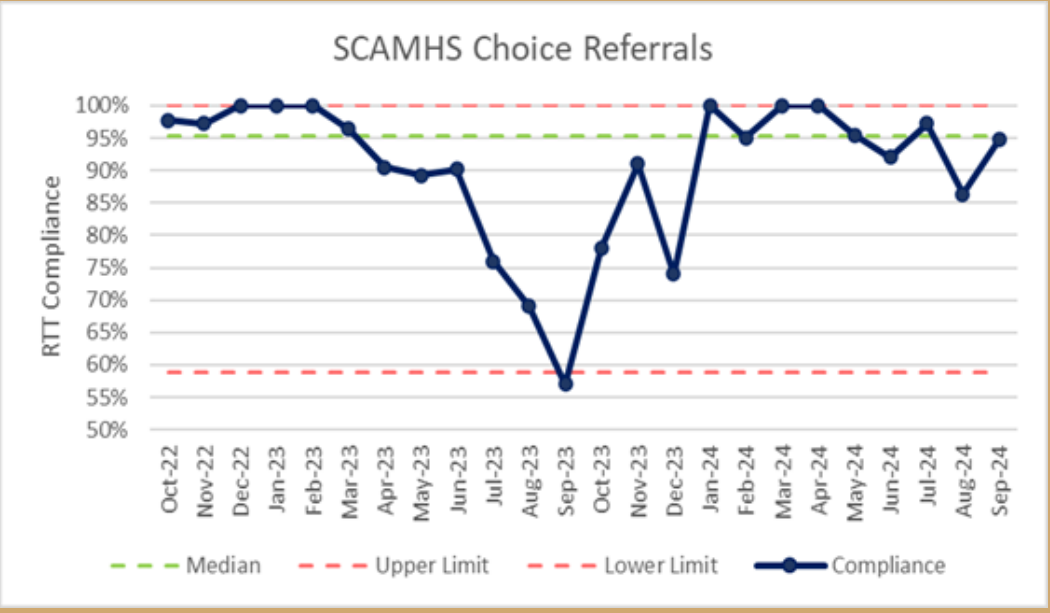


- For ND waits, as of end of Oct RTT compliance was 49.23% (54.43% for over 5s and 37.53% for under 5s).
- Current trajectories do not account for recent funding (£94k) and the additionality that this will give to deliver improved RTT performance. These are still being worked through and will be available for the Dec briefing.
- Very positive signs to get close to or meet 80% target for 26 weeks waiting in April.

# Improving our Mental health services

**Maintain 80% compliance of SCAMHS Choice Assessments within 28 days from referral**

Performance – 95% Sep 24/25 (Above Trajectory of 80%)



<b>DYDDIAD Y CYFARFOD:</b> <b>DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O:</b> <b>MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD:</b> <b>TITLE OF REPORT:</b>	RPA benefits & options for development
<b>CYFARWYDDWR</b> <b>ARWEINIOL:</b> <b>LEAD DIRECTOR:</b>	Paul Solloway
<b>SWYDDOG ADRODD:</b> <b>REPORTING OFFICER:</b>	John Frankish

**Pwrpas yr Adroddiad (dewiswch fel yn addas)**  
**Purpose of the Report (select as appropriate)**

Choose an item.

Finance & Performance Committee is asked to review this document and reach a conclusion after reviewing the options to endorse it for presentation to the Executive Board for funding support.

**ADRODDIAD SCAA**  
**SBAR REPORT**

**Sefyllfa / Situation**

An SBAR was presented to the Executive Board in February 2023. The outcome of that meeting was:

- Appoint RPA Architect & RPA product specialist to secure the service within the costs of the then RPA contractor to provide a 'stand still' service to preserve the benefits achieved
- To present a further analysis of the benefits of RPA as a basis for reviewing options for the future of the RPA service in ABUHB.

This report is being presented now further to the appointment of the core permanent team with an update on the benefits of RPA and options to meet the growing demand for RPA in ABUHB.

**Cefndir / Background**

RPA (Robotic Process Automation) is a software service that uses digital workers (robots) to mimic the manual transfer of data by a keyboard operator from one digital application to another. Robots have the advantage of working more quickly, with greater accuracy, and for longer periods—nearly 24 hours a day if required. One robot can perform the work of 3 or 4 people and costs

approximately £16-19k per year. RPA is widely used in the UK public sector, providing valuable services that save time and money, particularly in back-office functions. Over 90 NHS Trusts in England and 6 in NHS Wales, for example, are committed to RPA as part of their digital strategy.

RPA offers three principal benefits depending on the specific task:

1. **Freeing staff time:** It relieves staff from mundane data entry, allowing them to focus on value-added activities that require human skills.
2. **Reducing the need for additional staff:** It eliminates the necessity of hiring extra staff, either permanently or temporarily, to handle new or additional mundane data management tasks that could be performed by a robot.
3. **Enhancing data entry quality:** It provides qualitative benefits with greater accuracy and safety than a human operator. Robots ensure 100% accuracy in data transfer, operate with a success rate of over 99.5%, and generate exception reports for human intervention when issues arise.

Blue Prism is the Health Board's RPA technology supplier. RPA was first implemented in the Finance department, which utilized an on-premises version and developed small-scale automations within the Finance space. When the cloud software version of RPA was implemented in ABUHB during COVID, the Finance automations were migrated to the cloud product. The Finance department has 2 digital workers for its exclusive use.

RPA operates through two workstreams: a core team and a Finance team. Since 2020, the core team—originally two contractors and, since May 2024, two permanent staff members—has developed 21 complex automations over 12 digital workers across 9 different corporate and clinical settings, handling the workload of approximately 36 whole-time equivalent (WTE) staff. Some of these automations provide critical enabling functionality that has allowed the adoption of WNCR and the deployment of the new Maternity system and PSA self-management application.

Since 2017, the Finance team (2 WTE) has developed 24 smaller-scale automations within its 2-robot capacity. A full list of live automations can be found in Appendix 1.

This report focuses on the core team that provides RPA services to the broader Health Board, excluding Finance. The service will reach full utilization of its existing robot base by the end of February 2025, when the currently planned 4 additional automations are put into production

## **Asesiad / Assessment**

### **3.1 Size of core team**

The core RPA team consists of an RPA Architect, and a Product Specialist managing Blue Prism. An extended team includes 2 staff, one in Health Records and one in Clinical Coding who have been freed up by automations in their departments to provide local support and basic development on existing automations under the supervision of the core team. The core team digital workforce includes operational 12 Blue Prism robots.

## 3.2 RPA Governance and benefit management

### Governance

RPA requests are made through Seren, the ICT Portal and are managed through the Digital Data & Technology directorate new digital service request (NDSR) process. All requests are subject to prioritisation as part of an opportunity assessment process. The team has a Robotics Operating Model in place and all development is expected to meet these development and production standards. RPA is managed by a monthly service management board attended by key stakeholders including the DDAT Finance business partner.

### Benefits management

RPA benefits are identified with and owned by local service owner (usually the requester) of any automation. When agreed as part of the RPA development process it is the responsibility of the service owners (requesters) to ensure that where benefits are identified – especially in relation to the key value that RPA provides for releasing staff time in their local savings plan - managing benefits realisation when automation for live. Further assurance will be provided by the role of the DDAT finance business partner liaising with local finance business partners to make sure that benefits are identified in the local savings plan and finance support is provided to the local service owner to support benefits realisation.

When the proposed new governance arrangements are implemented in DDAT an RPA highlight report will be provided to the main DDAT sub-committee that will identify the continuing benefits of RPA for ABUHB.

## 3.2 Current cost of core team and Digital workers

RPA Resources		
Role	Band	Total Cost
Head of RPA and RPA Architect	Band 8-RA (6+)	£77,769
RPA product specialist	Band 6 (0 to 2)	£47,511
<b>Total</b>		<b>£125,280</b>

Description	Units	Years	Cost
Digital License	14	1	£226,660
Blue Prism Cloud Bronze Knowledge Support	1	1	£6,200
Blue Prism Business Critical Platform Support (24 x 7)	14	1	£56,000
<b>Total</b>			<b>£288,860</b>

## 3.3 Core team milestones since appointment May 2024

Significant achievements have been made in re-embedding RPA programme since May 2024 to ensure its core capability is secured. Key milestones include:

- Successful enhance system performance and scalability, and a focused transition to BAU, ensuring robust service desk support for ongoing operations.
- The team also led a seamless VPN migration to DHCW.

- Efforts to improve efficiency in robot utilization have yielded measurable results, including process optimization that eliminated the need for an entire robot, reducing costs while maintaining productivity.
- The team delivered new RPA processes into production, including **audiology data cleansing** and **primary care referral processing**.
- 4 new processes will deploy to production end of 2024/25.

### 1.1 Delivery of Benefits

#### 3.2.1 Financial value from cost avoidance & staff time released

The main value provided by RPA is in release of staff to undertaken higher value work and avoidance of additional cost to achieve the same outcome. The table below demonstrates the annual value of both existing automations (n=45) and planned automations expected to go live 2024/25 (n=4). Financial value of automations is calculated from the whole time equivalent (wte) that robot workers undertake instead of a human computer operator. The work in progress further indicates the potential for even greater benefits as additional automations are completed.

Cost avoidance			
Service Area	Delivered Value	Work in progress	Total Value
Audiology	£194,938	£29,536	£224,474
ICT	£190,889		£190,889
<b>Total</b>			<b>£415,362</b>

Staff time released			
Service Area	Delivered Value	Work in progress	Total Value
Audiology	£8,241	£59,489	£67,730
Board	£22,591		£22,591
Clinical Coding	£59,102		£59,102
Finance	£58,790		£58,790
Gastroenterology	£64,900		£64,900
Health Records	£434,291	£235,137	£669,428
Primary Care	£78,000		£78,000
WOD	£30,287		£30,287
<b>Total</b>			<b>£1,050,828</b>
<b>Grand total value</b>			<b>£1,466,190</b>

The total value from **cost avoidance** (£415,362) and **staff time released** (£1,050,828) amounts to **£1,466,190**.

#### 3.2.2 Qualitative benefits

In addition to the financial value offered by RPA the qualitative benefits of automations are summarised below using Duty of Quality safe, timely, effective, efficient & person-centred definitions.

Area	Automation purpose	Qualitative benefits (STEEEP)
Audiology	A1 Ensuring audiology EPR (Auditbase) has	• A1 Safety & reputational – no longer send appointment letters to

	<p>accurate patient demographic</p> <p>A2 CWS referrals transferred to Auditbase</p>	<p>deceased patient addresses ending distress to relatives and reducing complaints</p> <ul style="list-style-type: none"> <li>• A1 / A2 Efficiency – staff time avoided from inputting patient data</li> </ul>
Clinical Coding	<p>Clinical Coding Automation</p> <p>Coding for Endoscopy (Diagnostic), Carpal tunnel, Cataract, Paediatric, General Medical Assessment, General Surgery Assessment, Lithotripsy (Ureter &amp; Kidney)</p>	<ul style="list-style-type: none"> <li>• Effectiveness – RPA is meeting 14% of current coding needs allowing improved focus on complex coding activities like Trauma, training for new starters, improving accuracy &amp; delivering job satisfaction, and resource efficiency and improving compliance with coding performance targets</li> <li>• A2 Patient Safety - removing incorrect coding ensures accurate coding data for downstream decision based on the data e.g. clinical audit</li> </ul>
Finance	<p>24 automations including:</p> <p>agency tends report, drug report, accruals &amp; recharges calculations, ledger reconciliation, balances/outstanding invoices to NHS wales organisations, paying court orders from ESR, calculation of outstanding balance per cost centre &amp; budget holder notification</p>	<ul style="list-style-type: none"> <li>• Effectiveness/efficiency - Reduces risk to month end timetable: reduces pressure on staff at critical times and reduce risk associated with lack of manual resource, frees staff to concentrate on complex tasks</li> </ul>
Gastroenterology	<p>A1 Transcribing Endoscopy referrals from WPAS to Endoscopy Management System (EMS)</p> <p>A2 Upload EMS Reports to CWS</p> <p>When EMS went to a cloud hosted environment a normal integration was not feasible. RPA was used to ensure the EMS report was available in</p>	<ul style="list-style-type: none"> <li>• A1 Safety - Automating endoscopy referral transcription removes risk of human error in transcription</li> <li>• A1 Timeliness - Automating referral processing eliminates delays, and enhances care timelines, enabling efficient workflows, faster decisions, and timely treatments.</li> <li>• A2 Safety - Using RPA for referral updates removes errors, increases data accuracy, improves patient record reliability.</li> </ul>

	CWS for clinicians in real-time	
Health Records	<p>A1 Referral Processing – referrals moved from CWS to WPAS – previously a manual process due to unavailability of integration between CWS &amp; WPAS</p> <p>A2 Add Covid 19 Vaccinations from Welsh Immunisation Service (WIS) into CWS. Provides COVID immunisation status for clinicians in CWS</p>	<ul style="list-style-type: none"> <li>• A1 Safety/Timeliness – removes human error and delay in transcription. Previously, inaccurate referrals led to patients being booked into incorrect clinics, causing inefficiencies, delays, and safety risks.</li> <li>• A2 Safety / Efficiency – availability of COVID vaccination data in CWS was delivered as part of COVID response to ensure frontline clinicians e.g. in Emergency Department had ready access to this information without log in to WIS. Automating this process ensures real-time updates, eliminates delays, and provides accurate, timely information, enhancing clinical workflows and patient care.</li> </ul>
ICT	Onboarding of Agency RNs & Midwives, HCSWs and Agency Workers	<ul style="list-style-type: none"> <li>• Safety - Information Governance and Data accuracy - Agency workers sharing generic accounts created security gaps and risks. Automating access controls closes these gaps, strengthens data protection, prevents unauthorized access, and ensures accountability, improving compliance and safeguarding sensitive patient information.</li> </ul>
Maternity	New Record Creation – creates new mother/baby record in Badgernet from a form on iPads	<ul style="list-style-type: none"> <li>• Safety – Removes risk of duplicate patient records in maternity services. Automating record management eliminates duplicates, ensuring accurate records, improving care quality, promoting safety, and enhancing data management efficiency.</li> </ul>
Primary Care Mental Health	Processing of GP referrals from CWS to WCCIS across	<ul style="list-style-type: none"> <li>• Safety / Efficiency – Referrals are now transcribed in real-time. Previously transcription delays of more than 28 days were occurring. Removed long wait times and assessments care for high-risk patients, compromising safety.</li> </ul>

		<ul style="list-style-type: none"> <li>• Safety - Automating referrals ensures accurate information, timely updates, enhanced communication, and improved data reliability for seamless care delivery</li> </ul>
Urology	<p>A1 MyMR Demographics and Results processing</p> <p>A2 Urology Data Extraction to PDF and upload to CWS</p>	<ul style="list-style-type: none"> <li>• A1 Patient Safety - Manual result checks and delayed issue resolution impacted timely care. Automating MyMR result updates ensures prompt issue identification, swift resolution within 24 hours, and results delivery within 48 hours, enhancing service efficiency and patient satisfaction.</li> <li>• A2 Patient Safety - Long-term urology patient records faced risks of data loss, compromising clinical history and compliance. Automating data protection ensures secure storage, preserves valuable records, supports accurate treatment, and maintains compliance with retention policies.</li> </ul>
Workforce & Organisational development	<p>A1 Bank Worker leave requests</p> <p>A2 Bank Worker requests – how much leave</p>	<ul style="list-style-type: none"> <li>• A1/A2 Person centred – automation of leave management process allows bank workers to manage their leave</li> </ul>

## 1.2 Future demand

The RPA team has delivered a series of presentations to various departments to raise awareness about RPA, its capabilities, and the benefits it has already brought to the organisation. Key departments engaged include the Director of Operations, Clinical Support Services Division, Division of Surgery, Families & Therapies Division, and Trauma & Orthopaedics Directorate. As a result, there are currently 8 requests in the development pipeline, with an additional 37 opportunities identified. Some of these have been submitted as requests and are awaiting assessment, totalling 45 actual or anticipated requests.

Further presentations are planned for the Primary & Community Care Services, Medicine, Mental Health & Learning Disabilities, Urgent Care Divisions, and Corporate departments such as Workforce & Organisational Development and Estates & Facilities.

The analysis below estimates the potential financial value of these additional automations based on past performance. It is reasonable to propose that the

number of potential automations could double once these presentations are completed.

<b>RPA Backlog Benefit Analysis</b>	
No. of RPA processes proposed	45
Total estimated benefit	£1,164,318

### **1.3 Meeting demand, delivering benefits**

The existing team of two core staff was established to ensure the benefits of the service could be maintained pending a review of RPA benefits. The team has limited capacity for development and can deliver no more than 8 automations per year. As the service expands, its capacity will decrease as the team will need to both develop and maintain the growing number of automations. Consequently, it will take approximately 7 years to manage the current backlog of 45 proposed automations.

- To meet the growing demand for RPA, we have identified 4 options. The options are based on a benchmarking exercise conducted with Leeds Teaching Hospitals NHS Trust, a mature RPA operation operating in an organisation with a comparable budget to ABUHB of £1.7 billion.
- Leeds has had an RPA team since 2020. In the last 4 years Leeds has delivered 80 automations with a 50 wte value. It has a pipeline of approximately 20 automations ready for development and a total backlog of 200 requested automations.

The Leeds team consists of 5 WTE:

- Band 8b Architect
- Band 8a Senior Developer
- Band 7 Developer
- Band 5 Control Room Operator
- Band 6 Business Analyst

The benchmarking exercise allows us to consider four options for developing RPA to meet demand and deliver benefits over three years from the current baseline:

1. **Do nothing** – maximum 8 automations/year
2. **Additional 2 wte Band 7 Developers** – 20 automations/year
3. **Option 2 plus 1 wte Band 6 Business Analyst** – 24 automations/year
4. **Option 3 plus additional 1 wte Band 7 Developer and 1 wte Band 6 Business Analyst** – 37 automations/year

The option tables provide a summary of team and additional robot worker costs aligned with the automation capacity provided by each option.

Benefit value assumptions are based on the median financial value and WTE benefits accrued to date.

## Option 1 - Do nothing

- Additional RPA team and robot will cost £184,949 to deliver 22 automations by Year 3, generating a total additional recurrent benefit value of £577,631 by year 3. This approach will not deliver the complete backlog of 45 project within 3 years. It is unlikely that the Health Board will be able to retain the services of its staff should this option be chosen.

	Year 1	Year 2	Year 3
Current RPA Processes	45	45	45
Current robot cost	£288,860	£288,860	£288,860
Current RPA team cost	£125,281	£125,281	£125,281
Current total cost	£414,141	£414,141	£414,141
Additional cumulative RPA delivery	8	15	22
Additional team cost	£0	£0	£0
Additional robot cost	£61,650	£123,299	£184,949
Total additional cost	£61,650	£123,299	£184,949
<b>Grand total cost</b>	<b>£475,790</b>	<b>£537,440</b>	<b>£599,089</b>

Current benefit - wte	46	46	46
Current benefit – financial value	£1,466,190	£1,466,190	£1,466,190
Additional Benefit - wte	8	15	22
Additional Benefit – financial value	£192,544	£385,087	£577,631
Total Benefit	£1,658,734	£1,851,277	£2,043,821
Net Benefit	£1,182,943	£1,313,837	£1,444,731

## Option 2 - Additional 2 Developers (Band 7)

- Additional RPA team and robot will cost £562,667 to deliver additional 56 automations by Year 3, generating a total additional recurring benefit of £1,501,840. This approach will also ensure the current backlog of 45 automations is completed by Year 3.

	Year 1	Year 2	Year 3
Current RPA Processes	45	45	45
Current robot cost	£288,860	£288,860	£288,860
Current RPA team cost	£125,281	£125,281	£125,281
Current total cost	£414,141	£414,141	£414,141
Additional cumulative RPA delivery	20	39	56
Additional team cost	£135,439	£135,439	£135,439
Additional robot cost	£142,410	£284,819	£427,229
Total additional cost	£277,848	£420,258	£562,667
<b>Grand total cost</b>	<b>£691,989</b>	<b>£834,398</b>	<b>£976,808</b>

Current benefit - wte	46	46	46
Current benefit – financial value	£1,466,190	£1,466,190	£1,466,190
Additional Benefit - wte	21	40	57
Additional Benefit – financial value	£500,613	£1,001,227	£1,501,840
Total Benefit	£1,966,803	£2,467,417	£2,968,030
<b>Net Benefit</b>	<b>£1,274,815</b>	<b>£1,633,018</b>	<b>£1,991,222</b>

### Option 3 - Additional 2 Band 7 Developers and 1 Band 6 Business Analyst per annum

- Additional RPA team and robots will cost £680,707 to deliver 66 automations by Year 3, generating a total additional benefit of £1,779,103. This approach will also ensure the current backlog of 45 automations is completed by Year 2.

	Year 1	Year 2	Year 3
Current RPA Processes	45	45	45
Current robot cost	£288,860	£288,860	£288,860
Current RPA team cost	£125,281	£125,281	£125,281
Current total cost	£414,141	£414,141	£414,141
Additional cumulative RPA delivery	24	46	66
Additional team cost	£192,908	£192,908	£192,908
Additional robot cost	£162,600	£325,199	£487,799
Total additional cost	£355,508	£518,108	£680,707
<b>Grand total cost</b>	<b>£769,649</b>	<b>£932,248</b>	<b>£1,094,848</b>

Current benefit - wte	46	46	46
Current benefit – financial value	£1,466,190	£1,466,190	£1,466,190
Additional Benefit - wte	25	47	68
Additional Benefit – financial value	£593,034	£1,186,069	£1,779,103
Total Benefit	£2,059,224	£2,652,259	£3,245,293
<b>Net Benefit</b>	<b>£1,289,576</b>	<b>£1,720,010</b>	<b>£2,150,445</b>

### Option 4 - Option 3 plus 1 additional band 7 developer and 1 additional Band 6 business analyst

- Additional RPA team and robots will cost £1,048,176 to deliver 103 automations by Year 3, generating a total additional benefit of £2,749,523. This approach will also ensure the current backlog of 45 automations is completed by Year 2 and the team can commence work on additional automations yet to be identified in year 3.

	Year 1	Year 2	Year 3
Current RPA Processes	45	45	45
Current robot cost	£288,860	£288,860	£288,860
Current RPA team cost	£125,281	£125,281	£125,281
Current total cost	£414,141	£414,141	£414,141
Additional cumulative RPA delivery	37	71	103
Additional team cost	£318,098	£318,098	£318,098
Additional robot cost	£243,360	£486,719	£730,079
Total additional cost	£561,457	£804,817	£1,048,176
<b>Grand total cost</b>	<b>£975,598</b>	<b>£1,218,957</b>	<b>£1,462,317</b>

Current benefit - wte	46	46	46
Current benefit – financial value	£1,466,190	£1,466,190	£1,466,190
Additional Benefit - wte	38	73	105
Additional Benefit – financial value	£916,508	£1,833,015	£2,749,523
Total Benefit	£2,382,698	£3,299,205	£4,215,713
<b>Net Benefit</b>	<b>£1,407,100</b>	<b>£2,080,248</b>	<b>£2,753,396</b>

### 3.4 Preferred option

Digital Data & Technology directorate (DDAT) recommends Option 3 as the preferred option. The option allows the current backlog to be delivered over 2 years. It matches the Leeds Teaching Hospital NHS Trust team size and provides the basis for accelerating RPA production and the delivery of benefits.

The Health Board can anticipate, based on the Leeds experience, far more automations being requested. Although Option 3 will not meet potential demand it is a prudent investment step to allow the team to expand and further prove the value of RPA that is now aligned to a clear operating model, with established governance, prioritisation and benefits identification and realisation processes.

It is proposed that the benefits of RPA are formally presented on an annual basis to Finance & Performance Committee to ensure value of RPA is regularly monitored and decisions made to continue to invest or scale back production as necessary.

As the lead user of RPA in Wales pursuit of Option 3 will enable the health board to consolidate its position and be in the position to provide an NHS Wales RPA centre of excellence should this option become available.

#### Argymhelliad / Recommendation

Finance & Performance Committee is asked to review this document and reach a conclusion after reviewing the options to endorse it for presentation to the Executive Board for funding support.

#### **Amcanion: (rhaid cwblhau)**

#### **Objectives: (must be completed)**

Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	n/a
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Not Applicable Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Not Applicable Choose an item.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Digital, Data, Intelligence

Amcanion cydraddoldeb strategol Strategic Equality Objectives <a href="#">Strategic Equality Objectives 2020-24</a>	Not Applicable Choose an item. Choose an item. Choose an item.
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<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	
Rhestr Termau: Glossary of Terms:	RPA – Robotic Process Automation DDAT – Digital Data & technology directorate
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Resource Assessment:</b>	A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following:
• <b>Workforce</b>	Yes, outlined within the paper
• <b>Service Activity &amp; Performance</b>	Yes, outlined within the paper
• <b>Financial</b>	Yes, outlined within the paper
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>	Not Applicable Choose an item.

<https://futuregenerations.wales/about-us/future-generations-act/>

<b>DYDDIAD Y CYFARFOD:</b> <b>DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O:</b> <b>MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD:</b> <b>TITLE OF REPORT:</b>	Information Governance Report
<b>CYFARWYDDWR</b> <b>ARWEINIOL:</b> <b>LEAD DIRECTOR:</b>	Paul Solloway, Director of Digital
<b>SWYDDOG ADRODD:</b> <b>REPORTING OFFICER:</b>	Paul Solloway, Director of Digital

**Pwrpas yr Adroddiad** (dewiswch fel yn addas)  
**Purpose of the Report** (select as appropriate)

Er Sicrwydd/For Assurance

**ADRODDIAD SCAA**  
**SBAR REPORT**

**Sefyllfa / Situation**

This report provides assurance on the Information Governance, Cyber Security and clinical coding arrangements for the Health Board with an update on recent activity.

**Cefndir / Background**

The Information Governance Sub-Committee is provided with performance information regarding the Health Board's compliance with the General Data Protection Regulation (GDPR), Data Protection Act 2018 (DPA 2018) and the Network & Information Systems regulations (2018) (NIS-R). The Health Board must monitor its performance against the regulations and needs to be assured that it is achieving an agreed and acceptable standard and have in place processes and procedures to comply with the legislation.

Reports from the Information Governance Sub-Committee are provided to the Finance and Performance Committee to provide assurance and escalate key risks and issues.

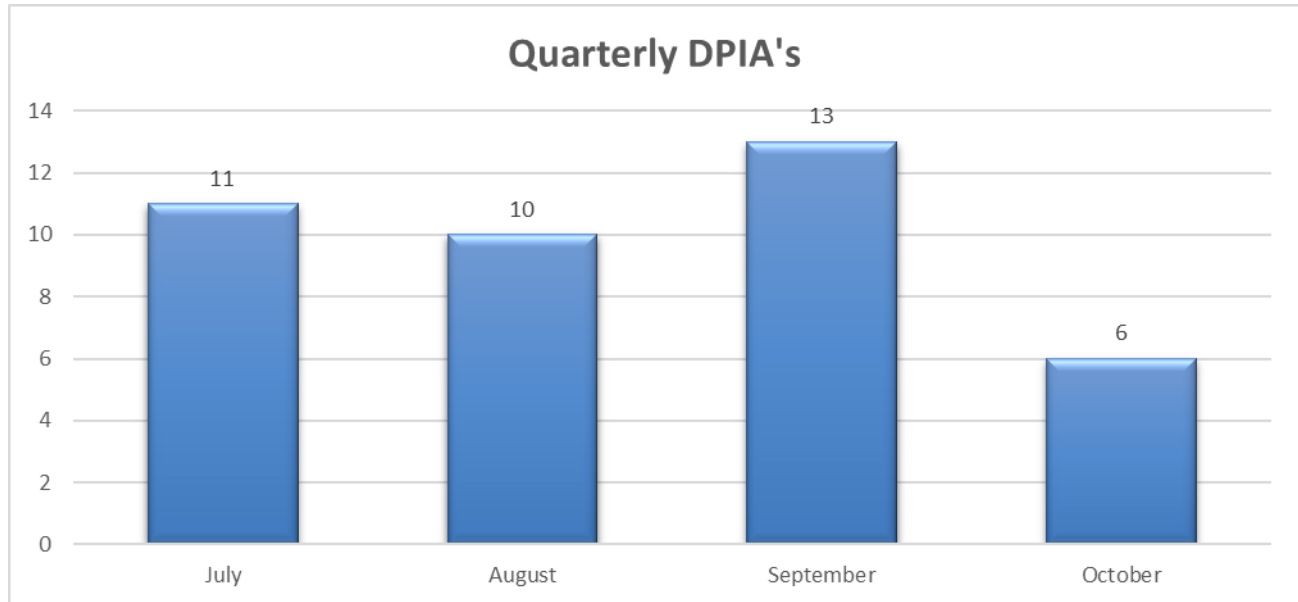
**Asesiad / Assessment**

**1. Data Protection Impact Assessments (DPIA)**

DPIA's are developed jointly by the Information Governance team, staff and suppliers to assure information is handled correctly and kept safe in our systems and processes.

Risks identified through DPIA's are managed in line with the Health Board's risk management framework.

The quarterly performance in relation to DPIA's is shown below:



Period	Total number of DPIAs completed
July 2024 – October 2024	40

Significant DPIA's completed in the period:

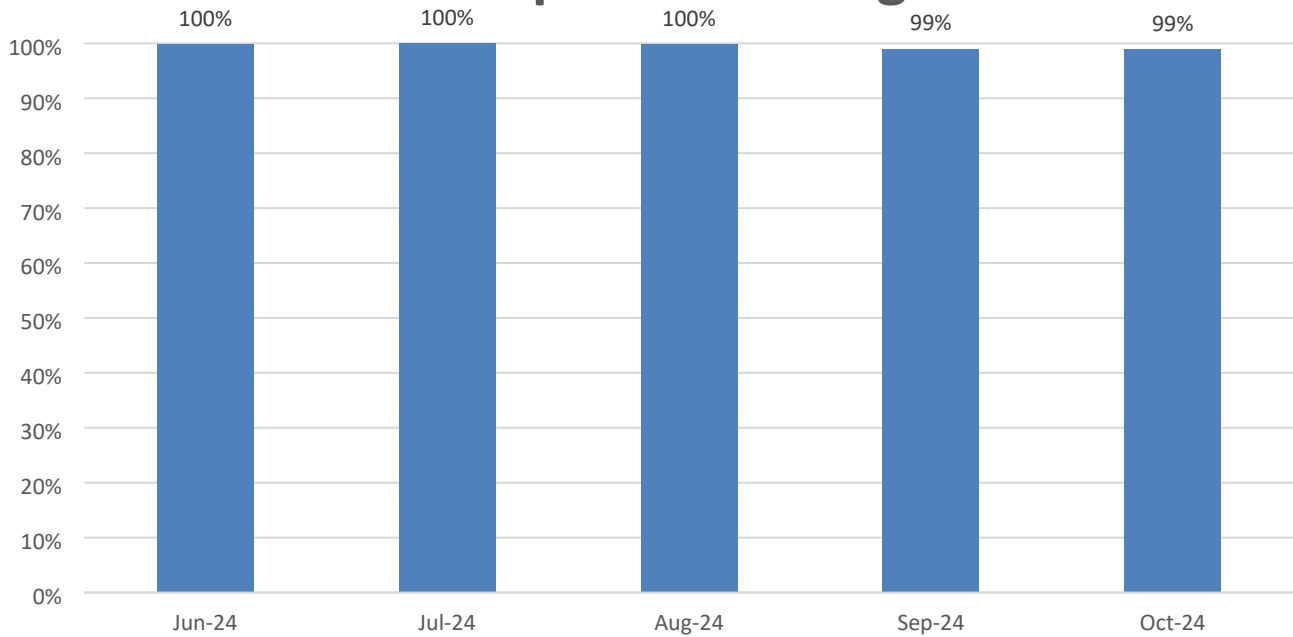
- Population Health Management
- Hybrid Mail
- Laboratory Information Management System
- Mental Health System (replacement for Welsh Community Care Information System)

A full register is provided as Attachment One.

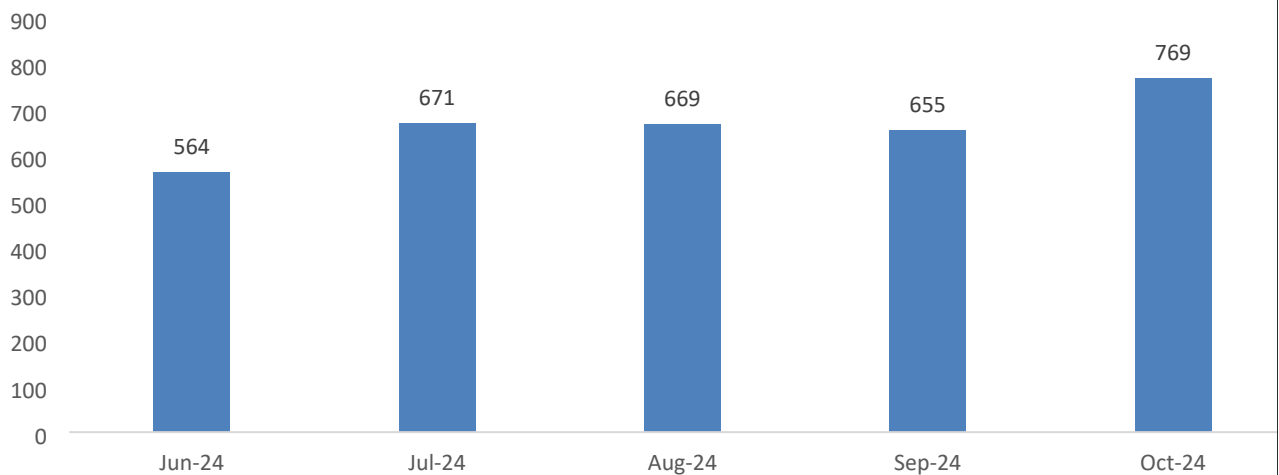
## 2. Subject Access Requests

The compliance for Subject Access Requests shows that the improvement, from a low of 24% compliance in April 2023, is being sustained:

## Compliance Rating



## Number of Requests Received

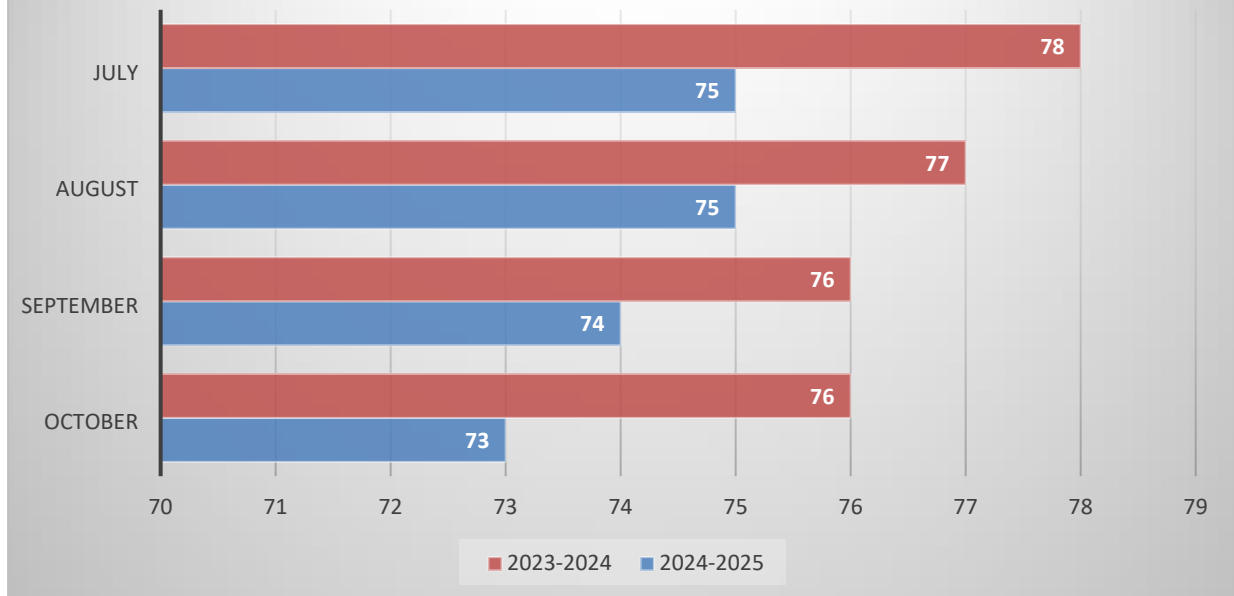


### 3. Training Compliance

Mandatory training compliance against Information Governance and Cyber Security continues to show little signs of improvement despite induction training and bespoke training for those areas with low percentage of compliance.

The quarterly compliance is shown below and remains below the target of 85%:

## Quarterly Training Compliance



Specific compliance by staffing group on the Electronic Staff Record (ESR) highlights the challenging areas in particular as Estates and Facilities and Medical and Dental.

The national Information Governance Managers Assurance Group is meeting on the 10<sup>th</sup> December 2024 and will discuss shared learning on improving the compliance rates.

### 4. Information Governance Incidents

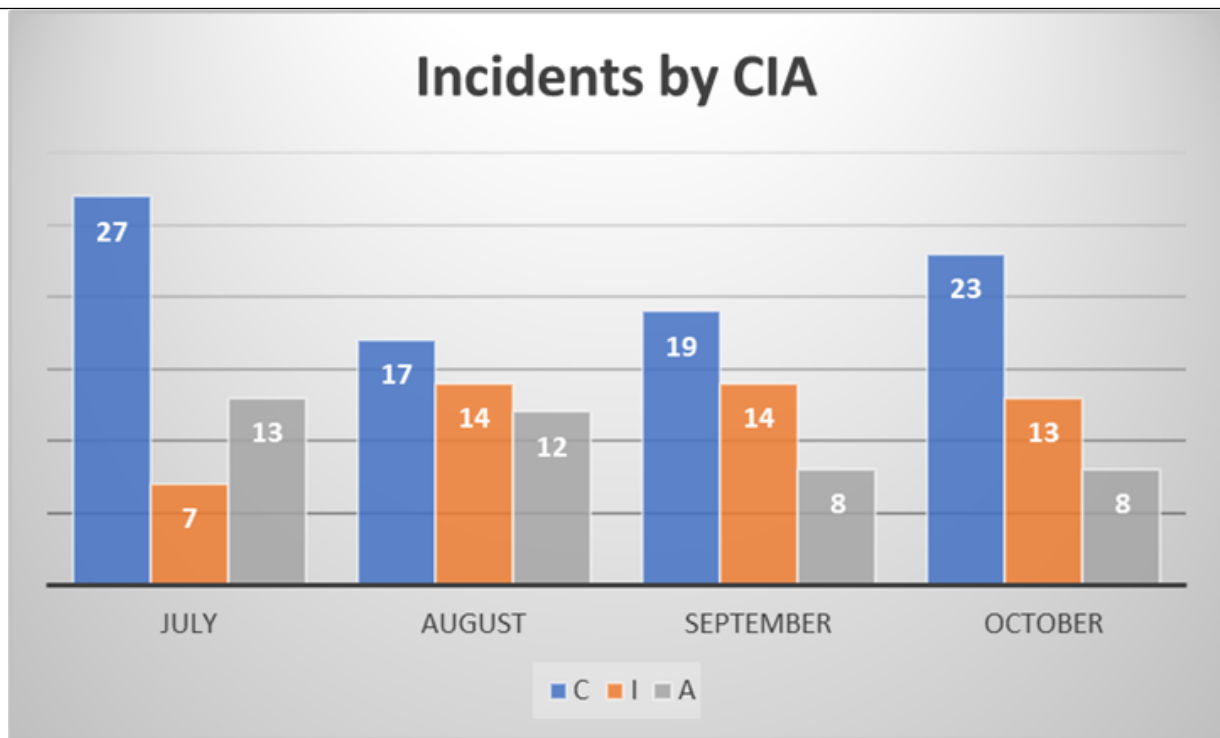
Incidents investigated by the Information Governance team have been risk assessed and all have been assigned as a low risk, the numbers of incidents investigated between July 2024 – October 2024 are shown below:-

**Confidentiality** – i.e. it has been made available or disclosed to unauthorised entities.

**Integrity** – i.e. the accuracy and completeness of information has been compromised.

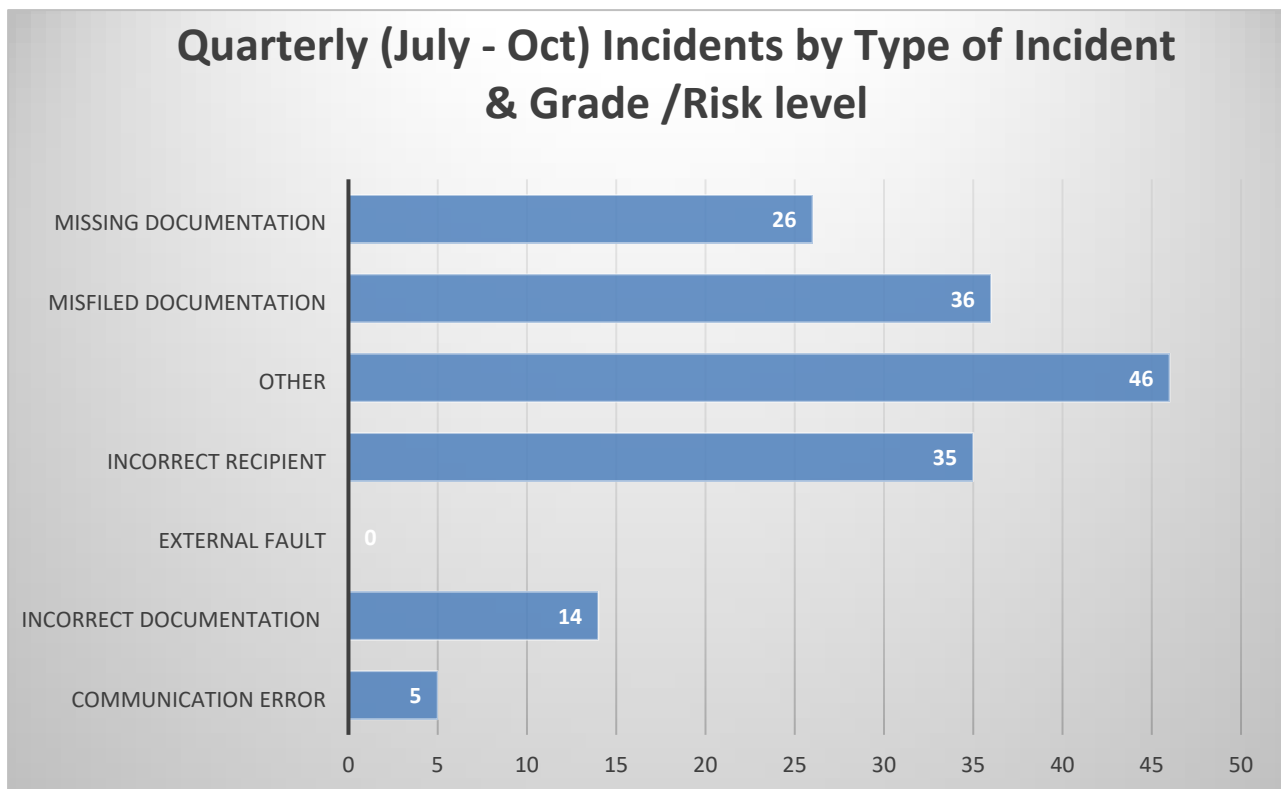
**Availability** – i.e. the data is not accessible when required by authorised personnel.

## Incidents by CIA



Most incidents relate to issues caused by incorrect recipient and missing information:

## Quarterly (July - Oct) Incidents by Type of Incident & Grade /Risk level



Specific actions to support addressing the above include:

- Staff are requested at Governance and Assurance Group Meetings following breaches to turn off Autocomplete.
- Information Governance Audit protocols have now been approved and security and storage of notes will form a significant part of audits.
- Missing Notes protocol developed by Information Governance and available for staff to follow when notes are not available.

In addition, Internal Audit are currently undertaking a records management audit working with the Information Governance and Health Records team.

There are no Information Commissioner cases reported during this quarter.

## 5. Cyber Security Assurance

### Cyber Assurance Framework

The Health Board were recently audited by the Cyber Resilience Unit against the Cyber Assurance Framework (CAF) which assesses the cyber security posture of the organisation against four objectives and 18 principles, currently there are thirteen findings left to complete with good progress against 6 of the principles:

NIS CAF	Principles	CAF Outcome	RAG Progress
Objective A	A2.b – lack of assurance.	Not Achieved	
	A4.a – Lack of 3 <sup>rd</sup> party contract review.	Partially Achieved	Closed
	A1.c – Risk scoring is misrepresented.	Not Achieved	
	A3.a – Incomplete Asset Register.	Not Achieved	
Objective B	B1.a – Incomplete/missing policies.	Not Achieved	Closed
	B4.b & B4.c – No dedicated devices.	Not Achieved	
	B5.a – Missing Business Continuity Plans.	Not Achieved	Closed
	B5.a – System Prioritisation not done.	Not Achieved	Closed
	B5.b – Bandwidth at capacity.	Partially Achieved	Closed
	B2.a – Physical Port Security is not robust.	Not Achieved	
	B2.c & B2.d – Privilege creep is not easily detected.	Not Achieved	
	B2.b – Use of generic accounts.	Not Achieved	
Objective C	C1.c – Logs are not easily accessible and delays in receiving them.	Not Achieved	
	C1.e & C3.b – No dedicated monitoring staff.	Not Achieved	
	C1.a & C2.b – Limited monitoring coverage and Proactive attack discovery isn't carried out.	Not Achieved	
	C1.b – Logs are easily manipulated.	Partially Achieved	
Objective D	D1.a – Incident response lacking wider integration.	Partially Achieved	
	D1.c – No regular scheduled disaster recovery testing.	Not Achieved	

### Desktop Patching

Aneurin Bevan has over 15,000 devices across the Health Board and ensuring that these are protected against the latest cyber threats are a key component to provide assurance against the Network and Information Systems Regulation (NIS-R).

Current patching compliance is 87.63% which is an increase of 1.78% over the last reporting period.

95.32% of our devices are running Windows 10 with Windows 11 deployment underway. This currently stands at 4.64%, and will now gather pace ahead of the end of support date of Windows 10 in October 2025.

### **Server Patching**

Microsoft Security Updates form part of software releases made available on the second Tuesday of each month by Microsoft. Aneurin Bevan University Health Board aims to deploy all Microsoft Security updates to its server estate within 30 days of release.

Currently patching figures show 98.77% of managed servers and 92.00% of third-party servers are fully patched at the end of the reporting period. This is an increase of 1.73% since the last reporting period.

### **Server Estate Operating System & SQL Installations**

The Health Board aims to ensure that all its servers are kept up to date and run the latest manufacturers operating system and applications. Continued use of end-of-life, unsupported server operating systems introduces risk due to a lack of available security updates.

### **End of Support Microsoft Operating Systems**

Currently, 96.31% of the Health Board's servers are running fully supported Microsoft Server Operating Systems. The technical teams continue to decommission servers running unsupported Windows Server 2012 operating systems and this has reduced from 21 to 17 over the last quarter.

### **End of Support Microsoft SQL**

Currently, 61.84% of the Health Boards Microsoft SQL database instances are running fully supported Microsoft versions which has increased from 58.87%

### **Weak Passwords**

During August 2023, as part of their security assurance, Digital Health & Care Wales (DHCW) undertook a penetration test of the tenant Active Directory to identify accounts that could easily be compromised due to the use of weak passwords. All Health Boards have been provided with the results and asked to remediate those accounts identified. Progress against the remediation task has been recorded.

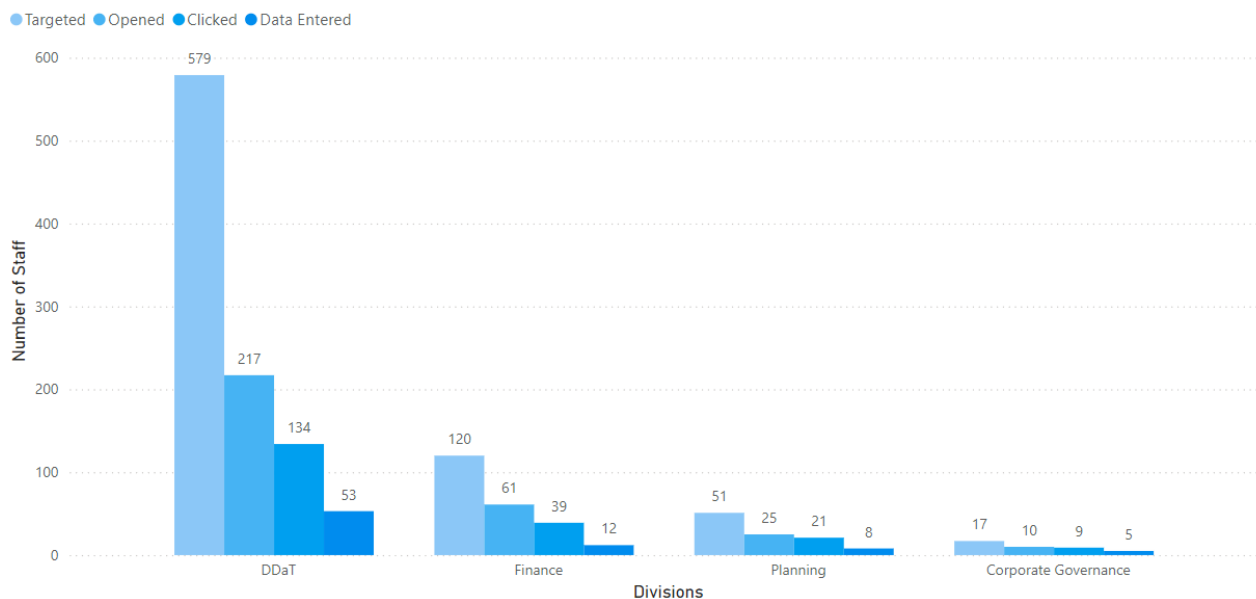
The Health Board had a total of 888 accounts that had weak passwords (126 enabled accounts and 752 disabled accounts) and these have now all been remediated as at the end of October 2024.

### **Security Awareness**

During October, Cyber conducted Phase 3 of the Phishing Campaigns for Digital, Data & Technology, Corporate Governance, Finance, and Planning divisions on the 30<sup>th</sup> of October. The campaign email used is Document Access Alert - SharePoint. The Phish was sent to a total of **767** members of staff. Of the 767

members of staff, **40.81%** (313) had opened the email. Of those 313 staff, **64.86%** (203) had clicked the link within the email and **38.42%** (78) members of staff entered data into the website. Of the 767 members of staff, **16.43%** (126) had reported the Phishing Campaign to Cyber via Email, the Report Phishing button or through to the Service Desk.

Phishing Campaign Conducted by Cyber Security



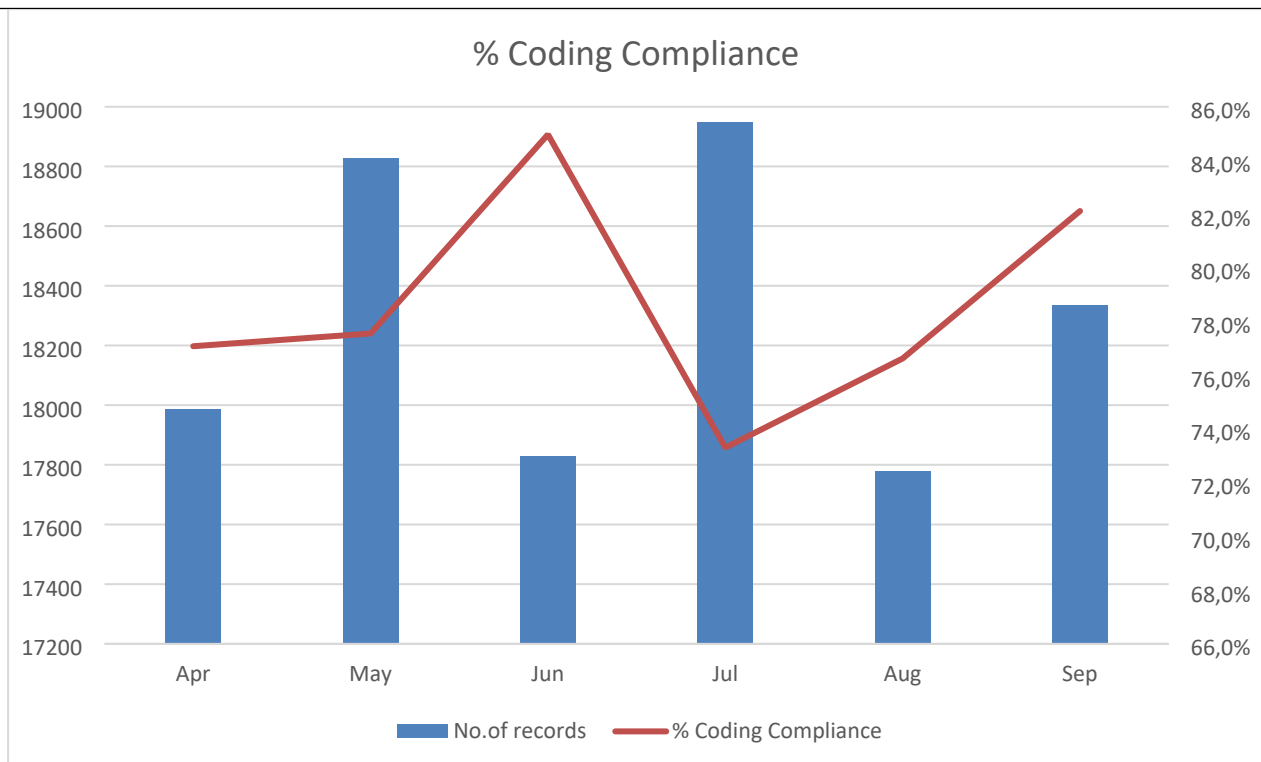
The results of this campaign have been shared with the Divisional Governance and Assurance Groups.

## 6. Clinical Coding

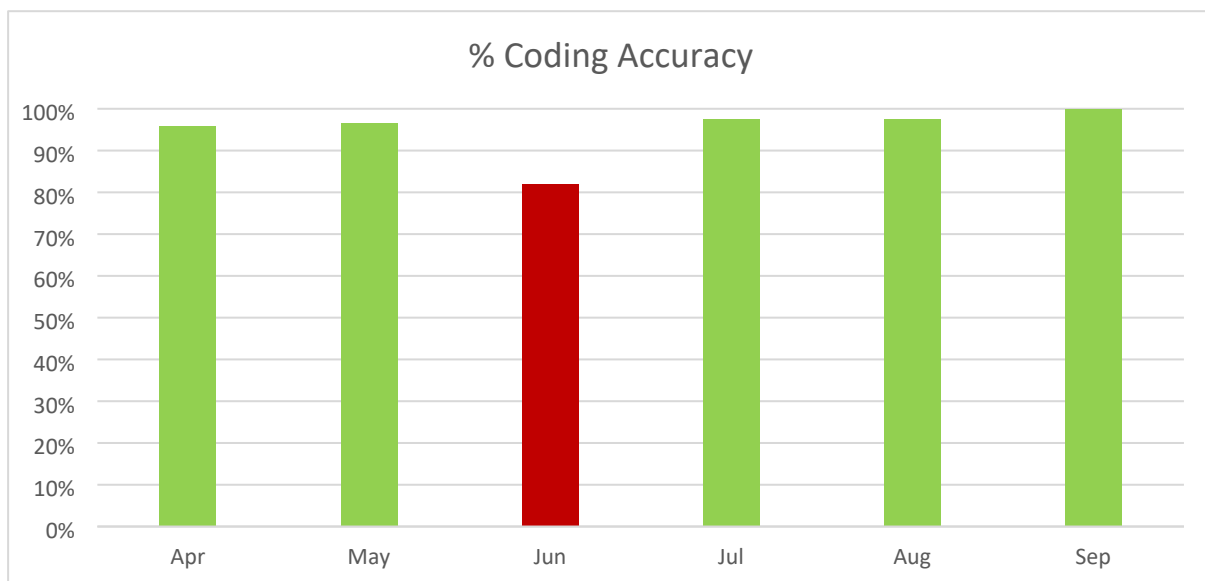
There are two Welsh Government targets in place which form part of the NHS Wales Delivery Framework:

- 95% of episodes clinically coded within one reporting month post episode discharge end date
- 90% percentage of clinical coding accuracy attained in the DHCH national clinical coding accuracy audit programme

The new clinical coding structure continues to be filled with only three posts completed and whilst there is no specific trend appearing yet on improvements, we would expect to see this over the next six months as the trainees in the department improve their skills and knowledge.



Coding accuracy remains above target:



**Common issues associated with clinical coding targets include:**

- No issues to report with availability of paper records or scanned.
- The continued use of handwritten procedure forms for some specialities, such as ophthalmology. All should be electronic.
- Pre-assessment forms are still handwritten, making it impossible to utilise for Robotic Process Automation (RPA) coding automation.
- Poor documentation on E-discharge Summaries, such as, use of full stop instead of a formal diagnosis, unclear diagnosis documented, use of abbreviations.

## 7. Data Quality

The data transformation team, with information services, work to correct, cleanse and improve data that is inputted into our systems by:

- Reviewing and validating data at source
- Interrogating data by internal mechanisms such as Qlik Sense, Data quality tool and query consoles.
- Identifying areas of improvement – Provide support, guidance and tools to ensure accuracy of the data
- Education via group sessions and creation of Standard Operating Procedures
- Assisting with development of new data quality compliance policies ensuring adherence to national standards and legislation

A detailed report will be provided following the completion of the current records management audit.

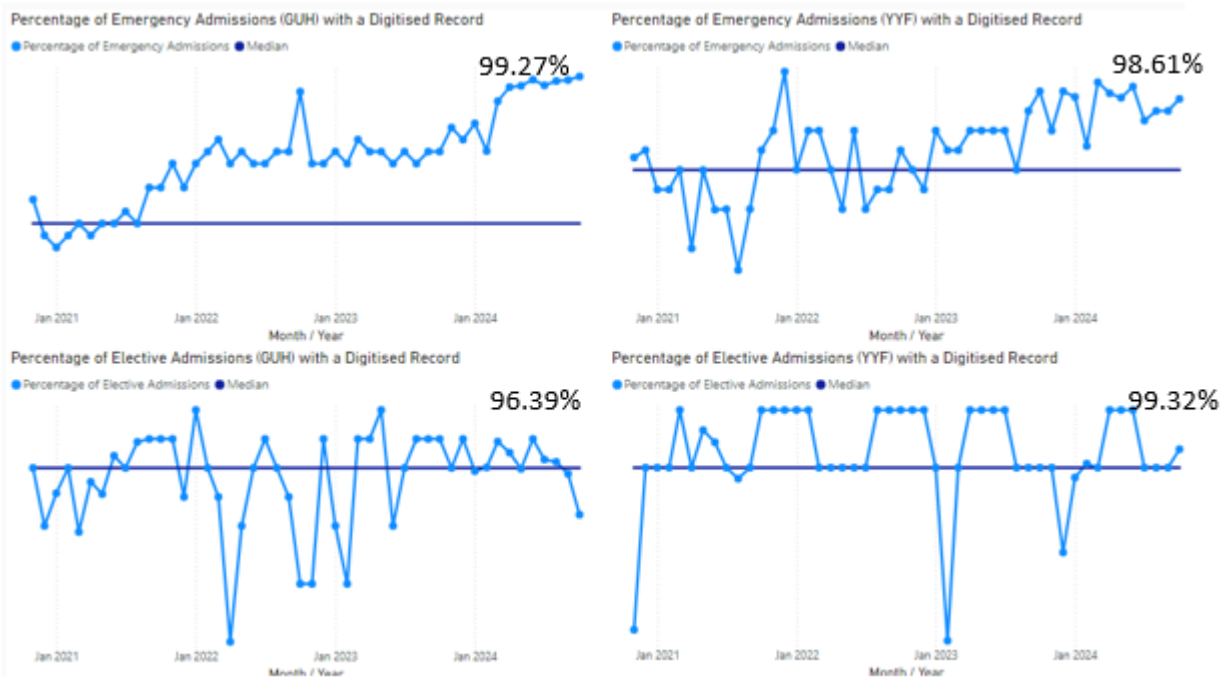
## 8. Health Records

The current statistics for digitised health records is shown below:



The current timescale for supplementary scanning is 6 days behind. This has been the case for the last two months due to the increasing supplementary documentation being returned for scanning and the resource to undertake the work remaining static.

The percentage of emergency and elective admissions with a digital health record is shown below:



Health record teams have been undertaking destruction of health records that are now eligible for destruction due to the lifting of the five-year embargo imposed by the Infected Blood Inquiry. The figures above are January – October 2024 and reflect the number of records that have been reviewed and subsequently destroyed post review. This is a resource intensive process but needs care and attention to ensure that we meet all the legal requirements of the retention schedule for each record reviewed.

**57838**

Total Number of Records Reviewed

**32186**

Total Number of Records Destroyed

**56.61%**

Destruction Rate

## 9. Risk Management

The current Cyber Security and Information Governance risks are provided as Attachment 2.

### Argymhelliad / Recommendation

Finance & Performance Committee is asked to receive the assurance of the Information Governance and Cyber Security quarterly report.

**Amcanion: (rhaid cwblhau)**  
**Objectives: (must be completed)**

Cyfeirnod Cofrestr Risg  
 Corfforaethol a Sgôr Cyfredol:

See enclosed risk register

Corporate Risk Register Reference and Score:	
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	3.4 Information Governance and Communications Technology Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCTI IMTP Priorities  <a href="#">Link to IMTP</a>	Not Applicable Not Applicable
Galluogwyr allweddol o fewn y CTCTI Key Enablers within the IMTP	Digital, Data, Intelligence
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Not Applicable Choose an item. Choose an item. Choose an item.

### Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	Not Applicable
Rhestr Termau: Glossary of Terms:	CAF – Cyber Assurance Framework CIA – Confidentiality, Integrity, Availability DHCW – Digital Health & Care Wales ESR – Electronic Staff Record GDPR – General Data Protection Regulations ICO – Information Commissioners Office NIS-R – Network & Information System Regulations RPA – Robotic Process Automation
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Cyber security monthly report Information Governance Sub-Committee

### Effaith: (rhaid cwblhau) Impact: (must be completed)

<b>Resource Assessment:</b>	A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities;
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	and service change proposals. Please confirm you have completed the following:
• <b>Workforce</b>	Yes, outlined within the paper
• <b>Service Activity &amp; Performance</b>	Yes, outlined within the paper
• <b>Financial</b>	Not Applicable
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>  <a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a>	Not Applicable Choose an item.

Call	Logged	Title
5420717		jul-24 Data Protection Impact Assessment
5433839		jul-24 Data Protection Impact Assessment
5434625		jul-24 Data Protection Impact Assessment
5435216		jul-24 DPIA - Screening Questions
5442242		jul-24 Data Protection Impact Assessment
5454654		jul-24 Data Protection Impact Assessment
5454699		jul-24 DPIA - Screening Questions
5456471		jul-24 Data Protection Impact Assessment
5456504		jul-24 DPIA - Screening Questions
5456944		jul-24 Data Protection Impact Assessment
5458029		jul-24 Data Protection Impact Assessment
5530244		aug-24 Data Protection Impact Assessment
5547330		aug-24 Data Protection Impact Assessment
5534878		aug-24 Data Protection Impact Assessment
5514812		aug-24 DPIA - Screening Questions
5514545		aug-24 DPIA - Screening Questions
5514321		aug-24 DPIA - Screening Questions
5513576		aug-24 DPIA - Screening Questions
5513499		aug-24 DPIA - Screening Questions
5508684		aug-24 DPIA - Screening Questions
5490067		aug-24 DPIA - Screening Questions
5612445		sep-24 DPIA - Screening Questions
5606575		sep-24 DPIA - Screening Questions
5601887		sep-24 DPIA - Screening Questions
5595126		sep-24 DPIA - Screening Questions
5594963		sep-24 DPIA - Screening Questions
5578882		sep-24 DPIA - Screening Questions
5577170		sep-24 DPIA - Screening Questions
5577138		sep-24 DPIA - Screening Questions
5563250		sep-24 Data Protection Impact Assessment
5561630		sep-24 Data Protection Impact Assessment
5561097		sep-24 Data Protection Impact Assessment
5559290		sep-24 DPO
5559237		sep-24 Data Protection Impact Assessment
138038		okt-24 Data Protection Impact Assessment
138215		okt-24 Data Protection Impact Assessment
138870		okt-24 Data Protection Impact Assessment
149033		okt-24 Data Protection Impact Assessment
138288		okt-24 DPIA- Screening Questions
142296		okt-24 DPIA - Screening Questions



Title	ID	Cause	Event	Effect	AB - Risk Domain	Risk Level	Department	Date Identified	Raised By	Owner	Assuring Group/Committee	Inherent - Likelihood	Inherent - Impact	Inherent - Risk Score	Risk Response	Action Plan	Actionee	Review Date	Current - Likelihood	Current - Impact	Current - Risk Score	Status	Closed Date
Inappropriate Access to Systems	1379	As a result of not all departments having starters, leavers and movers process	There is a risk of staff being able to access information systems outside of their job role	Which will lead to a breach in UKGDPR Legislation and is a breach of the Computer Misuse Act 1990	17;#Statutory Duty/Inspections	Directorate	Information Governance	#####	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#369 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#369 gy	Information Governance Committee	2	2	4	Treat	SIGOs to work with Divisions to ensure S, M and L processes are in place and adhered to	Gemma Owen (Aneurin Bevan UHB - Digital Data and Technology)	#####	1	1	1	Open	
Information Governance Training - Compliance of 85% across the HB - non compliance with IG toolkit	1318	As a result of a lack of protected time for all staff groups of the Health Board to undertake their mandatory IG training	There is a risk of IG/Records Management and Cyber processes not being followed	Which will lead to non compliance with UKGDPR Legislation. This will also mean that we are unable to achieve minimum standards for the IG toolkit which will have a knock on effect for CMG requests	17;#Statutory Duty/Inspections	Department	Information Governance	#####	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#369 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#369 gy	Information Governance Committee	2	2	4	Treat	Bespoke training to be arranged for Facilities/Audit Days/Induction days. Swag communications to be developed. Notices put on ABPulse. Raise importance of undertaking this training via GAGS and Divisional Key Contacts.	Natalie Daniel (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Open	
WCIS - not all steps being undertaken when uploading information to WCIS	1317	As a result of the migration of information from EPEX to WCIS being incomplete due to staff not completing all steps of the process when uploading information into WCIS.	There is a risk of loss of information	Which will lead to non compliance with UKGDPR Legislation	17;#Statutory Duty/Inspections	Department	Information Governance	#####	Natalie Daniel (Aneurin Bevan UHB - Digital Data and Technology);#272 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#272 gy	Information Governance Committee	3	3	9	Treat		Natalie Daniel (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Open	
EPEX - decommissioning of service	1316	As a result of the decommissioning of the EPEX system	There is a risk of loss of information	Which will lead to non compliance with UK GDPR Legislation	17;#Statutory Duty/Inspections	Corporate	Information Governance	#####	Natalie Daniel (Aneurin Bevan UHB - Digital Data and Technology);#272 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#272 gy	Information Governance Committee	3	3	9	Treat		Natalie Daniel (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Open	
Lightfoot	1315	As a result of light foot contacting services directly to obtain HB information	There is a risk of information being shared outside of the scope of the Data Protection Impact Assessment without further examination or assurance	Which will lead to non compliance with UK GDPR Legislation	17;#Statutory Duty/Inspections	Department	Information Governance	#####	Lloyd Bishop (Aneurin Bevan UHB - Digital Data and Technology);#296 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#296 gy	Information Governance Committee	3	3	9	Terminate	Discussion via GAGS that any new request from Lightfoot needs to be directed to Information Governance to ensure this is captured on DPIA and assured	Gemma Owen (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Closed	#####
CCTV - lack of technology to obscure faces of people who are not relevant to Subject Access Requests	1314	As a result of the inability to obscure faces of people not relevant to request	There is a risk of breach of confidentiality when providing CCTV footage as part of a subject access request	Which will lead to non compliance with UK GDPR Legislation	15;#Quality/Complaints/Audit	Department	Information Governance	#####	Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#317 gy	Information Governance Committee	2	2	4	Treat	Review of procedure and systems to ensure compliance with UKGDPR Legislation	Gemma Owen (Aneurin Bevan UHB - Digital Data and Technology)	#####	2	2	4	Open	
Violence and Aggression Cameras in the cubicles at GUH	1313	As a result of V&A cameras button position within the cubicles of ED in GUH it is easy for them to be triggered in error	There is risk of breach patient confidentiality when they are at their most vulnerable	Which will lead to non compliance with UK GDPR Legislation	15;#Quality/Complaints/Audit	Department	Information Governance	#####	Victoria Goodwin (Aneurin Bevan UHB - Accident and Emergency);#1342 gy	Jonathan Meredith (Aneurin Bevan UHB - Accident and Emergency);#1342 gy	Information Governance Committee	2	2	4	Tolerate	secondary monitor to be placed on A&E reception desk - this PC would show a pop up when a V&A camera is activated (this would not show images being recorded) staff are then able to physically check if camera needs to be recording or not. If not then the camera can be reset. there would be a need to keep the PC in the managers office to access to view images in private. cameras to be reconfigured to have a red flashing LED light when activated. access for Laing O'Rourke staff is limited to 1 staff member no remote access available access to system is only on GUH site. SOP to be developed to ensure staff are aware of the need to check and reset V&A cameras	Victoria Goodwin (Aneurin Bevan UHB - Accident and Emergency)	#####	2	2	4	Closed	#####

Mental Health Professional Body Disclosure process for records that sit outside of clinical waiver	1312	As a result of operational pressures within the MH clinical team - staff are refusing/unable to undertake their obligation under the AHR Act 1990 - DPA 18 and UK GDPR to provide the data controller with professional advice regarding harm and distress exemption	There is a risk of disclosures not being actioned within the timescale of one calendar month	Which will lead to non compliance with UK GDPR Legislation	17;#Statutory Duty/Inspections	Corporate	Information Governance	#####	Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 gy	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#556 6	Information Governance (Aneurin Bevan UHB - Digital Data and Technology)	3	3	9	Treat	Raise importance of compliance with subject access requests via GAGS, communication via AB Pulse and discussion between DPO, Caldicott Guardian and MH CD's	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Open
Images and voice recordings stored without IG knowledge	1311	As a result of images and voice recordings being stored without IG knowledge	Information Governance are unable to comply fully with Subject Access Requests	Which will lead to non compliance with UK GDPR Legislation	17;#Statutory Duty/Inspections	Department	Information Governance	#####	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology);#369 8	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology)	Information Governance (Aneurin Bevan UHB - Digital Data and Technology)	3	3	9	Treat	Discussions to held via GAG's and Divisional Key contacts to ensure Information Asset Register is up to date	Gemma Owen (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Open
Storage of patient records	1310	As a result of the lack of understanding of the Records Management Policy	There is a risk of records being stored inappropriately, not catalogued and unknown to both IG and AHR teams that these records exist	Which will lead to non compliance with UK GDPR Legislation	17;#Statutory Duty/Inspections	Corporate	Information Governance	#####	Richard Howells (Aneurin Bevan UHB - Medical Director Office); gy #3845; Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 5	Jonathan Meredith (Aneurin Bevan UHB - Medical Director Office); gy #3845; Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 5	Information Governance (Aneurin Bevan UHB - Medical Director Office); gy #3845; Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 5	3	3	9	Treat	Formal and adhoc audits to be undertaken to identify areas of non compliance	Natalie Daniel (Aneurin Bevan UHB - Digital Data and Technology)	#####	3	3	9	Open
Subject Access Requests	1309	As a result of a lack of understanding by staff across the HB regarding Subject Access Requests process	There is a risk that subject access requests are not being processed in a timely manner	Which will lead to non compliance with UK GDPR Legislation	17;#Statutory Duty/Inspections	Corporate	Information Governance	#####	Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 5	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology)	Information Governance (Aneurin Bevan UHB - Digital Data and Technology)	2	2	4	Treat	Raise importance of compliance with subject access requests via Governance and Assurance Groups, communication via AB Pulse and discussion between DPO, Caldicott Guardian and MH CD's	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology)	#####	2	2	4	Open
Business continuity plans	1308	As a result of lack of understanding around the production of BCP's	There is a risk of disruption to service due to resource of system failure	Which will lead to disruption of services within both AHR and IG teams	22;#Service/Business Interruption / Environmental Impact	Department	Information Governance	#####	Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology);#317 5	Jonathan Meredith (Aneurin Bevan UHB - Digital Data and Technology)	Information Governance (Aneurin Bevan UHB - Digital Data and Technology)	2	2	4	Treat	Develop BCP's for IG and AHR	Michele Morgan (Aneurin Bevan UHB - Digital Data and Technology)	#####	2	2	4	Open
Privacy during exchange of patient information at reception areas.	1261	As a result of poor reception design and the lack of confidential booth arrangements, patients will queue inappropriately.	There is a risk that other patients can over hear the patient providing key demographic information to the receptionist.	This would lead to a breach of confidentiality, patient complaints, a reduction in patient confidence in the service delivery that they should expect and serious breaches would be referred to the Information Commissioner.	20;#Safety - Patient/Staff/Public	Department	Health Record Services	#####	Suzanne Davies (Aneurin Bevan UHB - Digital Data and Technology)	Suzanne Davies (Aneurin Bevan UHB - Digital Data and Technology)	Information Governance (Aneurin Bevan UHB - Digital Data and Technology)	4	4	12	Treat	Review the potential of procuring more Jayex machines to be placed in all reception areas. These allow the patients to 'arrive' them selves via a computer based in the reception area, which prevents the need to speak out loud in small busy areas. Current Jayex machines were procured by individual services.	Suzanne Davies (Aneurin Bevan UHB - Digital Data and Technology)	#####	2	3	6	Open

No standard procedure for PAC documentation.	1260	As a result of no standard procedure being adopted for PAC documentation and the various specialities having different requirements with a further process change being introduced during the COVID Pandemic.	There is a risk that loss of patient information will occur as records are being moved, part scanned and held in various locations with no effective tracking.	The will lead to patient complaints as missing PACs can lead to operations and procedures being cancelled so consideration to reputational damage; missing records impacts on the Subject Access Requests, impacts on health records teams who require to search for the missing documentation, duplication on CNS as schedulers upload the PAC documents for anaesthetic review which may not be revoked when returned for scanning.	20;#Safety - Patient/Staff/Public	Department	Health Record Services	#####	Anne McDonnell Information Governance Sub-Committee (Aneurin Bevan UHB - Digital Data and Technology)	4	5	20	Treat	An electronic PAC document would benefit all clinical and admin staff as this would be accessible and available for all, reduce paper returned for prep and scan, reduce transport costs, and prevent any documents being stored in offices and locked filing cabinets.	Anne McDonnell (Aneurin Bevan UHB - Digital Data and Technology)	##### 3	5	15	Open
Poor adherence to records management procedures.	1259	As a result of limited staffing resource and Health Records training for ward clerks not being mandatory during induction of new staff.	There is a risk that patients records are not managed appropriately in accordance with the record management standards.	Which would lead to clinical and patient complaints.; delays in the completion of Medical Certificate cause of death; impact on the timeliness of Subject Access requests and delays due to missing documentation; potential reputational damage, Information Commissioner fines and future legal case to answer if there is non compliance.	20;#Safety - Patient/Staff/Public	Department	Health Record Services	#####	Anne McDonnell Information Governance Sub-Committee (Aneurin Bevan UHB - Digital Data and Technology)	4	5	20	Treat	Advertise Health Records Awareness sessions in good time to allow for communication to ward staff.  Arrange Health Records Roadshows to engage with staff face to face.  Ensure AB Pulse is updated with all recent guidance documents.	Anne McDonnell (Aneurin Bevan UHB - Digital Data and Technology)	##### 3	5	15	Open

<b>DYDDIAD Y CYFARFOD:</b> <b>DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O:</b> <b>MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD:</b> <b>TITLE OF REPORT:</b>	<b>Capital Builds Impairment Report</b>
<b>CYFARWYDDWR</b> <b>ARWEINIOL:</b> <b>LEAD DIRECTOR:</b>	Hannah Evans, Director of Strategy, Planning and Partnerships
<b>SWYDDOG ADRODD:</b> <b>REPORTING OFFICER:</b>	Kelly Jones, Head of Capital Finance

**Pwrpas yr Adroddiad** (dewiswch fel yn addas)  
**Purpose of the Report** (select as appropriate)

Er Gwybodaeth/For Information

This report gives an overview of the impairments included in the 2023/24 financial accounts in relation to major capital new build schemes. The report explains the valuation approach for Health Board buildings and details any project specific factors that have impacted on impairment values.

**ADRODDIAD SCAA**  
**SBAR REPORT**

Sefyllfa / Situation

During 2023/24, the Bevan Health & Well-being Centre (Tredegar), RGH Endoscopy Unit and Unified Breast Unit at YYF major new build capital schemes concluded. As building assets are brought into use, accounting standards require the Health Board to conduct a revaluation which has resulted in the impairments (reduction in asset values) below being included in the 2023/24 annual accounts:

- Bevan Health & Well-being Centre (Tredegar) - £13.403m
- RGH Endoscopy Unit - £5.978m
- Unified Breast Unit at YYF - £5.796m

Cefndir / Background

All assets under construction are initially measured at "cost", which is the expenditure incurred in acquiring or constructing the asset to bring it to a useable condition for the Health Board. When a building is brought into use, accounting standards require a revaluation to be undertaken which changes the valuation basis

for specialised buildings such as hospital sites to depreciated replacement cost (DRC).

Depreciated Replacement Cost is defined as “ the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation”.

HM Treasury have adopted a standard approach to depreciated cost valuations based on modern equivalent assets which is the required approach for NHS Wales. A modern equivalent asset valuation is not a valuation of the actual bricks and mortar of the building itself; it is instead a valuation of a hypothetical site which is able to deliver the same level of services. The valuation is of the service potential of a site rather than the actual site.

The modern equivalent asset valuation approach means that costs relating to specific site or project abnormalities are excluded from the valuation and will result in an impairment. When assessing the costs incurred in the scheme the valuer also excludes costs in relation to contractor preliminaries, contractor profits and some of the external advisor fees incurred during the scheme which also add to the impairment value.

The Valuation Office Agency were instructed by the Health Board to undertake the revaluations required for the 2023/24 accounts. The expenditure and impairment values for each schemes are detailed in the table below:

	Bevan H&WBC £m	RGH Endoscopy Unit £m	YYF Unified Breast Unit £m
<b>Final Assets Under Construction Value</b>	20.946	7.320	11.212
<b>Existing Premises Value</b>	0.642	3.047	0.000
<b>Asset Values prior to valuation</b>	<b>21.588</b>	<b>10.367</b>	<b>11.212</b>
<b>DRC Valuation</b>	8.185	4.389	5.416
<b>Impairment</b>	<b>13.403</b>	<b>5.978</b>	<b>5.796</b>

### Asesiad / Assessment

In addition to the exclusion of contractor preliminaries, contractor profits and external advisor fees as required, discussions with the external valuer have identified the following specific site/project abnormalities that have added to the reported impairments for the schemes below:

#### **Bevan Health & Well-being Centre (Tredegar) - £13.403m**

Abnormal site/project costs relating to the Bevan scheme include:

- Demolition costs for the old Tredegar Hospital building
- Enabling costs to disconnect utilities incurred before construction.
- Grouting works

- Costs associated with retaining the historical façade of the building.
- Costs associated with project delays including the approved settlement agreement.

### **RGH Endoscopy Unit - £5.978m**

Abnormal site/project costs relating to the RGH Endoscopy Unit scheme include:

- Additional impairment linked to change of use as the ward (B4N) was already of a reasonable estate standard due to a refurbishment in 2018/19 when in use by maternity services. The change of use to Endoscopy followed the decision to consolidate maternity services at the Grange University Hospital.

### **Unified Breast Unit at YYF - £5.796m**

Abnormal site/project costs relating to the Unified Breast Unit scheme include:

- Costs to build the unit on columns as per the main YYF building due to flood plain issues.
- Costs to build the link corridor which is excluded from the hypothetical modern equivalent valuation.
- Costs associated with project delays.

### **Argymhelliad / Recommendation**

The Finance and Performance Committee is asked to note this report and the project specific issues which have impacted on 2023/24 Capital Build impairment values.

### **Amcanion: (rhaid cwblhau)**

#### **Objectives: (must be completed)**

Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	The monitoring and reporting of committee business is a key element of the Health Boards assurance framework
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Choose an item. Choose an item.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Finance
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Improve patient experience by ensuring services are sensitive to the needs of all and prioritise areas where evidence shows take up of services is lower or outcomes are worse Choose an item.

	Choose an item.
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termau: Glossary of Terms:	N/A
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	N/A

Effaith: (rhaid cwblhau) Impact: (must be completed)	
<b>Resource Assessment:</b>	
• <b>Workforce</b>	Not Applicable
• <b>Service Activity &amp; Performance</b>	Yes, outlined within the paper
• <b>Financial</b>	Yes, outlined within the paper
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>  <a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a>	Not Applicable Integration - Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their objectives, or on the objectives of other public bodies

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O: MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	<b>Finance Performance Report – October 2024</b>
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Rob Holcombe - Director of Finance and Procurement
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Suzanne Jones – Interim Assistant Director of Finance

**Pwrpas yr Adroddiad  
Purpose of the Report**

Er Sicrwydd/For Assurance

This report sets out the following:

- The financial performance at the end of October 2024 and the forecast position against the statutory revenue and capital resource limits,
- The savings position for 2024/25,
- The revenue reserve position on the 31<sup>st</sup> October 2024,
- The Health Board’s underlying financial position,
- The cash position,
- Public sector payment policy performance, and
- The Capital position.

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

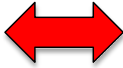


This report sets out the financial performance of Aneurin Bevan University Health Board, as at the 31<sup>st</sup> October 2024 (month 7) for the financial year 2024/25.

The 2024/25 financial performance is measured by comparing actual expenditure with the budgets as delegated and approved by the Board and CEO. The Health Board has statutory financial duties and other financial targets which must be met. The table below summarises these and the Health Board’s performance against them.

**Oct-24**

**Performance against key financial targets 2024/25**

+Adverse / () Favourable

Target	Unit	Current Month	Year to Date	Year-end Forecast	Movement
<b>Revenue financial target</b> To secure that the HB's expenditure does not exceed the aggregate of it's funding in each financial year. <i>This confirms the YTD and forecast variance.</i>	£'000	3,733	29,885	<b>47,856</b>	
<b>Capital financial target</b> To ensure net Capital Spend does not exceed the Capital Resource Limit. <i>This confirms the current month and YTD expenditure levels along with the % this is of total forecast spend.</i>	£'000  £61,867	5,427  8.8%	39,332  63.6%	<b>0</b>	
<b>Public Sector Payment Policy</b> To pay a minimum of <b>95%</b> of all non NHS creditors within 30 days of receipt of goods / invoice (by Number)	%	97.7%	97.4%	<b>&gt;95%</b>	

Performance against requirements 23/24		21/22	22/23	23/24	3 Year Aggregate (21/22 to 23/24)
Ensure the aggregate of the HB's expenditure does not exceed the aggregate of its funding in a 3 year period - Revenue	<b>x</b>	<b>(249)</b>	<b>36,842</b>	<b>49,754</b>	<b>86,347</b>
Ensure the aggregate of the HB's expenditure does not exceed the aggregate of its funding in a 3 year period - Capital	<b>✓</b>	<b>(50)</b>	<b>(43)</b>	<b>(41)</b>	<b>(134)</b>
Prepare & Submit a Medium Term Plan that is signed off by Welsh Ministers	<b>x</b>				

Underlying Financial Position (Brought Forward ULP)	21/22	22/23	23/24	24/25 Forecast
This represents the recurrent expenditure commitments and the recurrent income assumptions that underpin the financial position of the HB moving into future years.	<b>£20.914m Deficit</b>	<b>£89.6m Deficit</b>	<b>£81.4m Deficit</b>	<b>£55m Deficit</b>

The 2024/25 financial year to date budget performance as at month 7 is an adverse variance of **£29.885m**.

The 2024/25 reported forecast is a £47.856m deficit which is a £1m improvement from the £48.9m deficit within the updated annual plan. There remain risks associated with this forecast position, particularly full achievement of saving opportunities, prescribing / drug cost growth, receipt of anticipated allocations and operational demand & workforce pressures.

The 2024/25 forecast of £47.856m is £35m greater than the Welsh Government control total of a £13m deficit.

The Board has made improvements to the financial forecast and has "de-risked" a number of pipeline opportunities. Work continues to progress further opportunities to minimise operational and savings delivery risks.

## Cefndir / Background

Key points to note for month 7 include:

- Year to date position is a deficit of **£29.885m** with a reported full year position of **£47.856m deficit**
- Income includes anticipated funding for a number of areas including;
  - conditional WG recurrent funding
  - CHC real living wage funding where the exact value is yet to be confirmed by WG, and
  - WG coverage for the full costs of the Agenda for Change and the Medical & Dental wage awards.
- Pay Spend in-month reduced by £6.4m compared with September due to the Medical & Dental pay award actioned in the previous month (£7.7m), partially offset with increases in substantive Registered Nurses (£0.6m) and Medical Agency (£0.6m). Operational pressures including enhanced care, sickness and vacancy cover contribute to this pressure.
- Non-Pay Spend (excluding capital adjustments) increased by £1.2m compared with September due to funded expenditure recognised in-month for extension of Regional Ophthalmology outsourcing (£1.7m) and WHSSC spend for Genomics (£0.5m). Drugs costs in Haematology, Gastroenterology, Neurology continued to increase as in prior months, and a focussed piece of work is underway to review profiles and forecasting of secondary care drugs.
- Savings – total annual plan savings were £40.5m with a current forecast delivery of £43.7m. The improved delivery is due to the CTM arbitration case with the resulting benefit of £1.5m greater than plan and medicine management savings for Rivaroxaban. Overall in-month achievement is £4.0m (YTD £20.9m).

***At Month 7, the reported revenue position is a £29.885m deficit and the reported capital position is break-even. There are risks in achieving the reported forecasts.***

The underlying financial deficit coming into the 2024/25 financial year was £81.4m. The underlying position for 2024/25 is currently reported as a **£55m** deficit which was revised following the quarter one review and the recurrent benefit due to the CTM arbitration case in month 4. This position has informed the updated 3 year route map to recovery and will be subject to further review as part of the 2025/26 annual planning process.

## **Asesiad / Assessment**

### **• Revenue Performance**

The financial forecast deficit is summarised by the following elements:-

- Stated underlying deficit - +£81.4m
- New year cost pressures - +£59.8m
- Additional discretionary funding – (£51.8m)
- Identified savings of (£40.5m)

### **Annual Plan Forecast Deficit £48.9m**

As of month 7 the Health Board continues to reflect it's revised year-end forecast deficit of £47.9m, which is £1m lower than the annual plan submission of £48.9m deficit as at 31st of May 2024. A summary of significant movements, updated to reflect in-month changes is as follows:

- CTM arbitration on base LTA case (£1.5m)
- CTM month 5 under-delivery at marginal rates forecast (£1.4m)
- Anticipated income for PADM's / Dispensing Dr's funding (£1.1m), Optometry contract funding (£0.8m), and international recruitment (£0.9m) – total £2.8m
- Resolution of Paediatric case (£1.3m)
- Additional prescribing costs above plan due to increased average price per item using August 24/25 PAR data (+£7.0m)
- Recognition of WHSSC current forecast over-performance (+£1.0m)
- Secondary care acute drugs (+£4.5m)
- Increase in forecast savings (£1.5m)
- Release of reserves held for unplanned pressures and investments (£1.5m)
- Review of balance sheet liabilities, in particular CHC and FNC growth assumptions (£1m)
- Non-recurrent benefits (£3.5m), including review of Agency liabilities (£0.8m), GMS enhanced service review (£0.5m), review of CHC growth assumptions (£0.9m), and VAT on lease cars (£0.6m)
- Net operational pressures in particular Gynaecology medical staff and Nursing maternity leave (+£1.0m)

### **Annual Forecast Deficit @ Month 7 - £47.9m**

The table below describes the updated position following the annual plan submission (31<sup>st</sup> of May) in further detail:-

Category	March submission £'m	May submission £'m	Month 4 £'m	Month 5 £'m	Month 6 £'m	Month 7 £'m
Underlying deficit b/f	81.4	81.4	81.4	81.4	81.4	81.4
Cost pressures identified	59.8	59.8	59.8	59.8	59.8	59.8
WG discretionary funding	(51.8)	(51.8)	(51.8)	(51.8)	(51.8)	(51.8)
Identified savings	(29.1)	(34.4)	(40.5)	(40.5)	(40.5)	(40.5)
Pipeline opportunities	(11.4)	(6.1)	-	-	-	-
<b>Sub-total deficit (£m)</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>
CTM arbitration case benefit & revised performance	-	-	(1.5)	(1.5)	(1.5)	(1.5)
CTM under-delivery at marginal rates				(1.4)	(1.4)	(1.4)
Dispensing Drs, International Recruitment and Optometry funding			(1.1)	(2.8)	(2.8)	(2.8)
Resolution of CHC case					(1.3)	(1.3)
Prescribing average price per item increase and NCSO				3.1	4.5	7.0
WHSSC forecast pressure			0.7	0.7	1.0	1.0
Secondary Care acute drugs					3.2	4.5
Increase in forecast savings				(1.2)	(1.5)	(1.5)
Release of reserves held for unplanned pressures and investments						(1.5)
Review of balance sheet liabilities						(1.0)
Non-recurrent benefits					(2.2)	(3.5)
Other net operational pressures including cover for maternity leave within Maternity (15 WTE), and other variable pay (+£1.0m)			0.9	2.1	1.0	1.0
<b>Total deficit</b>	<b>48.9</b>	<b>48.9</b>	<b>47.9</b>	<b>47.9</b>	<b>47.9</b>	<b>47.9</b>

A summary of the year to date financial performance is provided in the following table, by delegated area.

Summary Reported position - October 2024 (M07)	Full Year Budget £000s	YTD Reported Variance - M07 £000s	Prior month reported variance £000s	Movement from prior month £000s
<b>Operational Divisions:-</b>				
Primary Care and Community	297,949	106	701	(595)
Prescribing	117,133	1,534	586	948
Community CHC & FNC	69,209	1,300	1,280	20
Mental Health & Learning Disabilities	142,306	166	97	69
<b>Total Primary Care, Community and Mental Health</b>	<b>626,596</b>	<b>3,106</b>	<b>2,664</b>	<b>442</b>
Surgery	142,120	4,542	3,254	1,288
Clinical Support Services	128,162	675	669	6
Medicine	165,740	2,101	1,165	936
Urgent Care	40,105	(256)	(145)	(110)
Family & Therapies	135,230	539	(21)	560
Estates and Facilities	93,839	(815)	(848)	33
Chief Operating Officer	9,766	(238)	(271)	34
<b>Total Director of Operations</b>	<b>714,962</b>	<b>6,549</b>	<b>3,803</b>	<b>2,746</b>
<b>Total Operational Divisions</b>	<b>1,341,558</b>	<b>9,656</b>	<b>6,467</b>	<b>3,189</b>
Corporate Divisions	97,397	(1,885)	(758)	(1,127)
Specialist Services	197,239	517	495	22
External Contracts	96,331	(1,692)	(1,450)	(242)
Capital Charges	50,456	(9)	(27)	18
<b>Total Delegated Position</b>	<b>1,782,981</b>	<b>6,587</b>	<b>4,726</b>	<b>1,860</b>
Total Reserves	(29,760)	23,298	21,426	1,872
Total Allocations	(1,740,649)	0	0	0
Other Corporate Income	(12,572)	(0)	(0)	0
<b>Total Reported Position</b>	<b>0</b>	<b>29,885</b>	<b>26,153</b>	<b>3,733</b>

## Summary of key operational points for Month 7

- During October 2024, pay expenditure was £66.3m, a reduction of £6.4m compared with September.
  - Substantive pay spend was £60m (September £67m).
  - Variable pay spend was £6.1m (September £5.5m).

Pay movements include:

- Medical & Dental pay award actioned in prior month including backdated awards (-£7.7m)
  - Increase in substantive Registered Nurses (+£0.6m)
  - Medical Agency (+£0.6m) - operational pressures including sickness and vacancy cover contribute to this pressure.
  - Reduction in WLIs due to increased levels in prior month (-£0.1m)
- Non-Pay Spend (excluding capital adjustments) increased by £1.2m compared with September due to funded expenditure recognised in-month for extension of Regional Ophthalmology outsourcing (£1.7m) and WHSSC spend for Genomics (£0.5m). Drugs costs in Haematology, Gastroenterology, Neurology continued to increase as in prior months, and a focussed piece of work is underway to review profiles and forecasting of secondary care drugs.

Acute secondary care drugs growth presents a significant pressure above planned levels with a £1.3m increase in the forecast at month 7 on top of the increase in forecast of £3.2m in the prior month. Previous NICE indications within Haematology and Dermatology along with continued activity growth in Ophthalmology, Gastroenterology and Neurology contribute to this pressure. A focussed piece of work is underway to review profiles and forecasting of secondary care drugs.

- Demand pressures for elective and urgent care across all services, including primary care, mental health, acute and community hospitals remains above the pre-pandemic levels. There were 232 in-patients fit for discharge at the data capture point in October (262 in September). These are reported as 60 Health delays, 84 Social care delays and 88 joint delays. The top 5 reason categories in relation to delayed days are as follows:

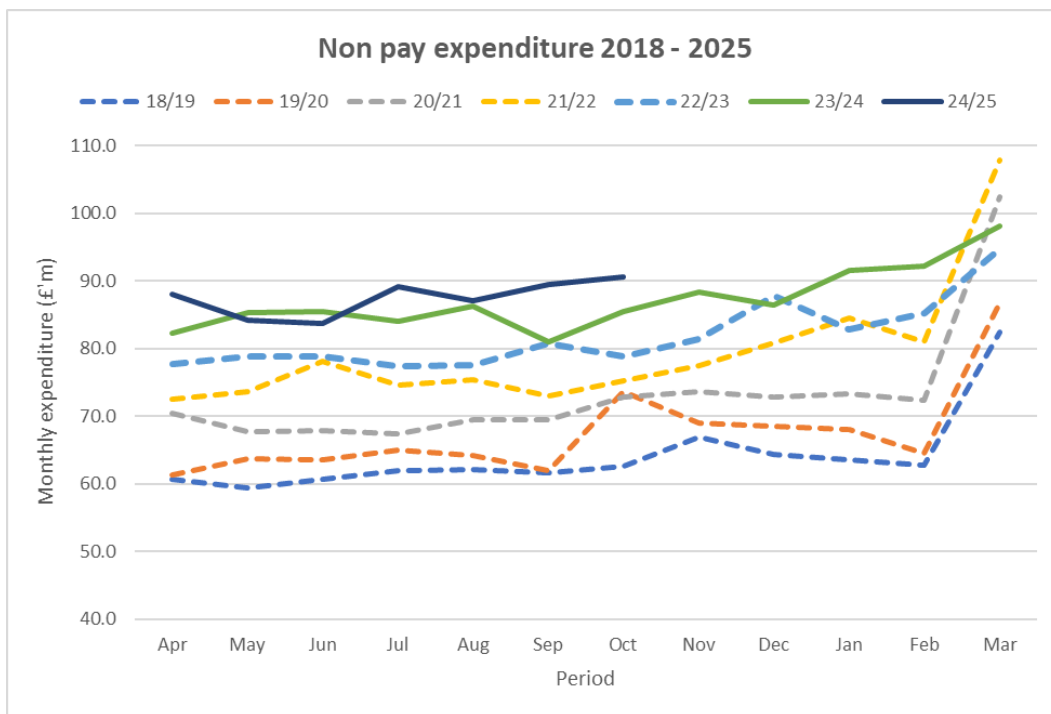
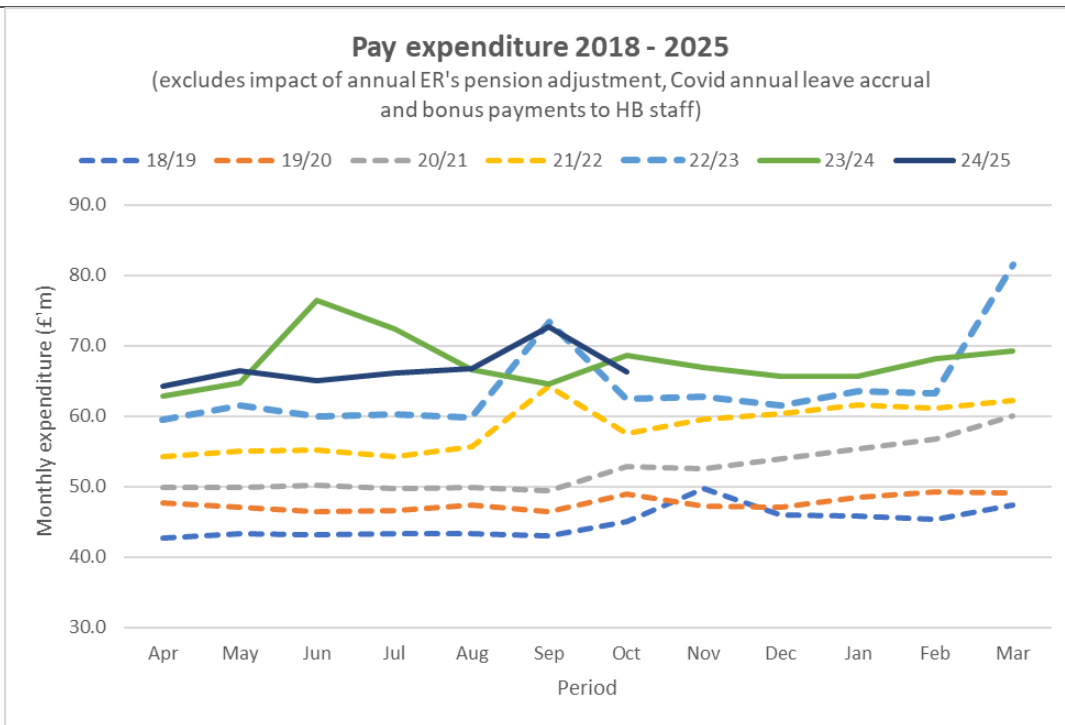
Joint assessment	7.8%
Awaiting Mental Health bed	7.1%
Start of new home care package	6.9%
Awaiting completion of assessment by social care	6.4%
Awaiting specialist bed availability	5.4%

The data reflects the validated *Pathways of Care Delays* reported to Welsh Government.

- The estimated cost for the year of continued blocked bed days for all reasons is c.£15.2m using a £200 cost per bed day. The demand and flow challenges across the Health Board drive surge bed capacity requirements which result in increased demand in high-cost temporary staff, impacting overspends and performance across the Health Board. The delays need to be reduced to avoid the requirement for this capacity and optimise appropriate bed capacity to support financial sustainability, this is being progressed through the discharge and bed reduction saving programme.
- Other in-month significant points include:-
  - Prescribing costs present a significant financial pressure compared with Annual Plan financial forecasts. The average cost per item for 2024/25 has increased from £7.29 (Annual Plan) to £7.71 (August PAR) resulting in an increase in the full-year forecast for Prescribing of £2.1m for October (increased by £2.3m in September). Growth is assumed to be 0.8% for 2024/25 and will be reviewed further using future PAR data. Compared to current M07 budget the year-to-date impact is an overspend of £1.5m (full year £5.8m).
  - CHC costs for Adult Community Care, Mental Health & Learning Disabilities and Children continue to present an underlying financial pressure which shows as a variance in month 7 (£2.7m year to date). This is expected to improve in future months due to the profile of savings achievement. Additional high-cost packages within Learning Disabilities and Paediatrics may present a further pressure in future months.
  - On-going use of variable pay by Mental Health, Medicine and Urgent Care divisions for enhanced care due to increased acuity, as well as sickness, maternity and vacancy cover has contributed to an increase in the forecast spend of £1.2m.

### **Expenditure run-rates**

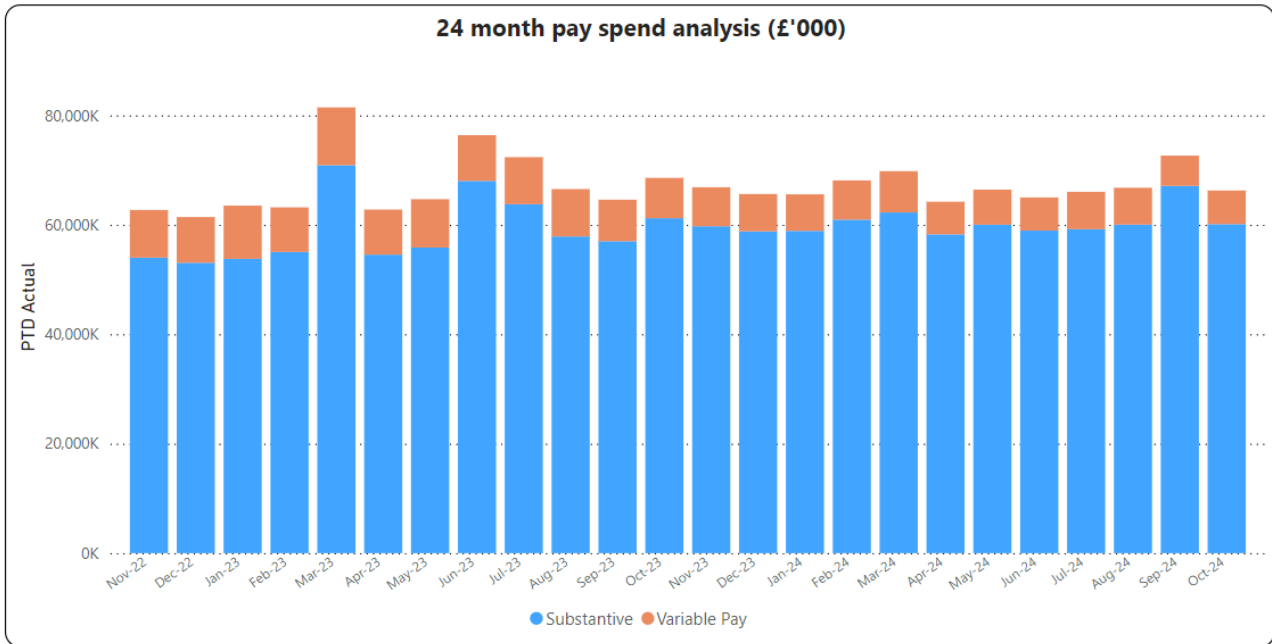
Pay and Non-Pay expenditure run-rates for the last six financial years are shown below; assuming the current level of income, the expenditure run-rates need to reduce in order for the Health Board to meet its annual plan deficit and even more so to a break-even position in future financial years.



## Workforce

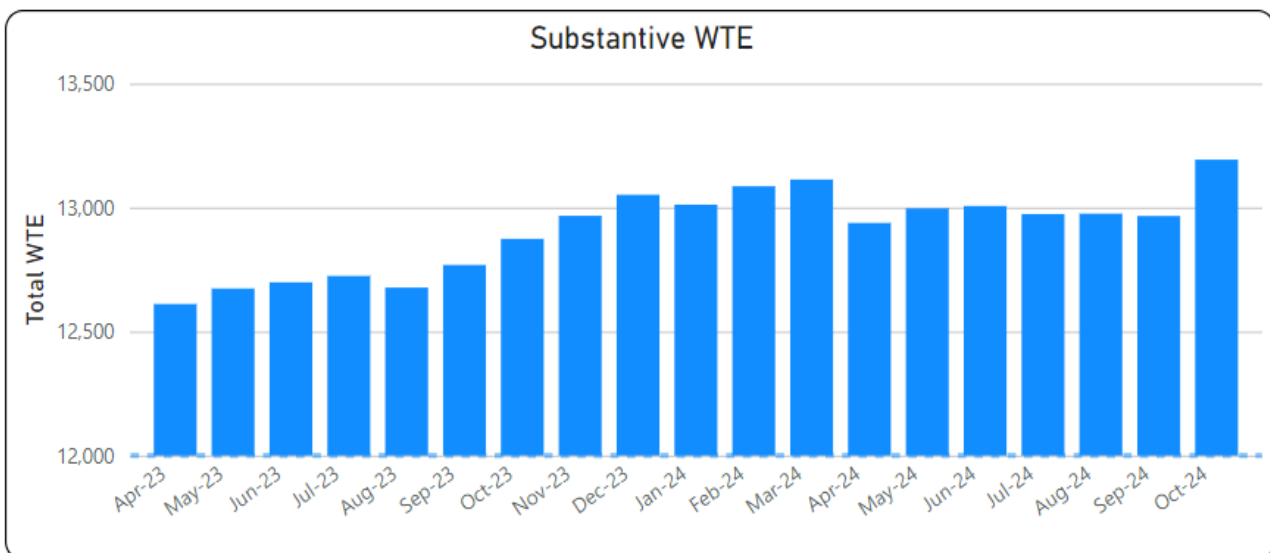
The Health Board spent £66.3m on workforce in month 7 24/25, a reduction of £6.4m compared with September. The overall decrease compared to September is due to payment of the 2023/24 Medical and Dental pay award (including backpay) in the previous month (£7.7m), partially offset with increases in substantive Registered Nurses (£0.6m) and Medical Agency (£0.6m). Operational pressures including enhanced care, sickness and vacant posts continue to provide a pressure on the Health Board position.

Workforce expenditure is shown below differentiating between substantive and variable pay<sup>1</sup>:



**Substantive staff**

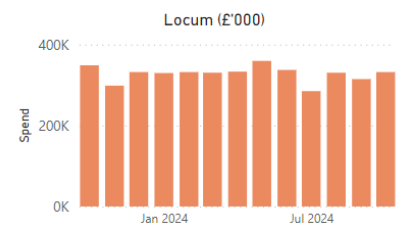
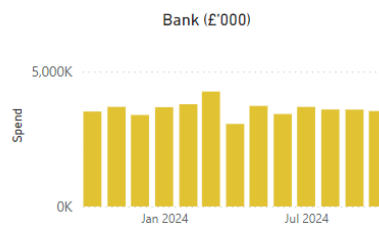
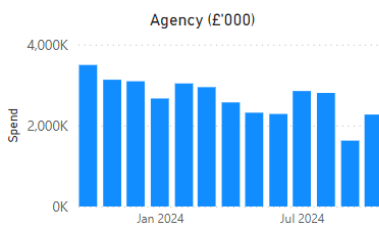
Substantive pay was £60m in October, an overall decrease of £7m compared with September, due to payment of the 2023/24 Medical and Dental pay award (including backpay) in the previous month (£7.7m), partially offset with increases in substantive Registered Nurses (£0.6m). Month 7 includes 13,193 wte employed staff (M6=12,966), this is a positive move to reduce variable pay.



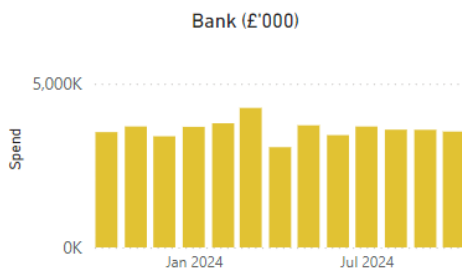
<sup>1</sup> To enable useful comparisons and trends all references to 23/24 pay expenditure exclude the month 12 expenditure for additional employer pension contributions (6.3%/£32.1m).

## Variable pay

Variable pay (Agency, Bank and Locum) was £6.1m in October compared with £5.5m in September. The increase shown in variable pay was due to a reduction in the prior month costs following a detailed review of outstanding variable pay liabilities within Estates and Facilities leading to an overall reduction in Agency costs of £0.6m. Expenditure on Bank and Locum in October remained comparable with prior months. The monthly average variable pay was £7.75m for 2023/24 (£9.2m average 22/23). Vacancy cover, along with sickness, maternity and enhanced care continue to drive a financial pressure as well as pressure on our staff.



## Bank staff



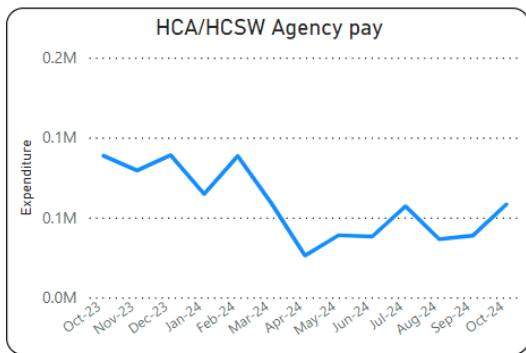
In-month spend of £3.5m, a £54k reduction compared with September, (2023/24 average monthly spend £3.9m).

- Continued pressures in Medicine wards/ Urgent Care, GUH Acute Medicine and GUH ED - £1.5m
- Facilities bank staff - £0.3m
- Community Hospitals/localities - £0.4m
- Mental Health shifts particularly linked to enhanced care / observation - £0.5m
- Continued expenditure in Surgery and Clinical Support Services linked to elective activity - £0.6m
- Family & Therapies (Maternity leave cover, Neonatal and Paediatrics) - £0.2m

## Agency

Total agency spend in September was £2.3m compared with £1.6m in September. A significant part of this increase was due to a reduction in the prior month costs following a detailed review of outstanding variable pay liabilities within Estates and Facilities leading to an overall reduction in Agency costs.

<p>Medical and Dental Agency pay</p>	<ul style="list-style-type: none"> <li>• In-month spend of £0.9m, an increase of £0.1m compared with September (2023/24 average monthly spend of c.£1.2m). On-going pressures continue at a similar level to the prior period: <ul style="list-style-type: none"> <li>○ On-going expenditure in Mental Health (vacancies), Managed Practices and Community Hospitals - c.£0.2m</li> <li>○ Continued pressures in Medicine wards and Urgent Care to cover operational pressures – c.£0.4m</li> <li>○ Trauma &amp; Orthopaedics costs for junior rota (vacancies), Ophthalmology vacancy cover and ENT c.£0.3m</li> </ul> </li> </ul>
<p>Registered Nursing Agency pay</p>	<ul style="list-style-type: none"> <li>• In-month spend of £1.1m, a similar level compared with September (2023/24 average monthly spend of c.£1.5m).</li> <li>• Reasons for use of registered nurse agency include: <ul style="list-style-type: none"> <li>○ Vacancy, sickness and maternity cover</li> <li>○ Additional service demand</li> <li>○ Enhanced care and increased acuity of patients across all sites, and</li> </ul> </li> <li>• On-going costs in GUH Emergency Department and Medicine wards (total c.£0.7m) linked to enhanced care, sickness pressures as well as vacancy cover. Mental Health and Primary Care agency costs of c.£0.3m mainly linked to enhanced care cover.</li> </ul>
<p>Estates &amp; Ancillary Agency pay</p>	<ul style="list-style-type: none"> <li>• In-month spend of £0.3m on Estates &amp; Ancillary agency, an increase of £0.6m compared with September. The increase was due to a prior month detailed review of outstanding variable pay liabilities within Estates and Facilities leading to an overall reduction in Agency costs in September (£0.7m).</li> <li>• Reasons for use of agency include: <ul style="list-style-type: none"> <li>○ Meeting enhanced cleaning standards,</li> <li>○ Other additional surge capacity,</li> <li>○ Sickness,</li> <li>○ Vacancies</li> </ul> </li> <li>• Estates and Ancillary agency spend averaged £0.65m per month 2023/24.</li> </ul>



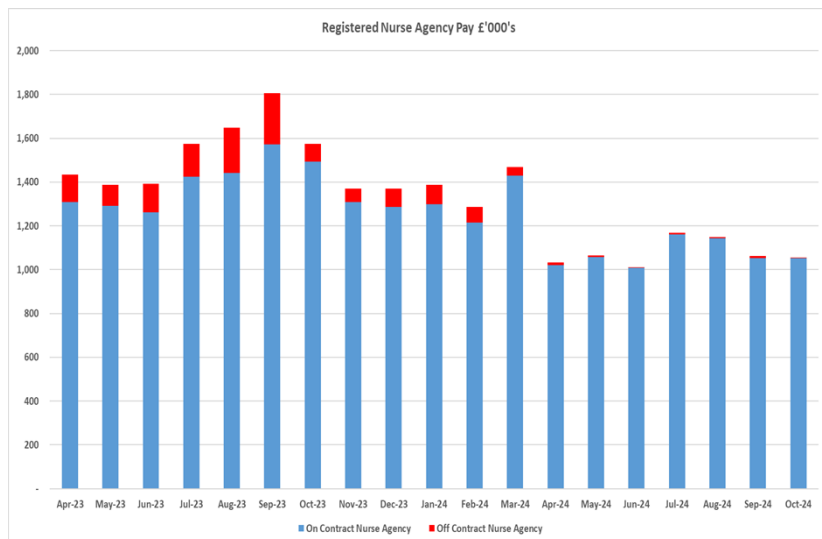
- In month spend of £0.06m on HCSW agency, a similar level to previous months (2023/24 average monthly spend of c.£0.16m).
- Areas where spend remains are:
  - MH&LD £27k
  - Family & Therapies (CAMHS) £22k
  - PCCS (Community hospitals) £7k

### Registered Nurse Agency

Health Board spend on RN Agency in October 2024 is £1.0m, a similar level seen in September 2024. If spend continues at the average of 2024/25 levels throughout the financial year then spend on RN agency would be c.£13m.

Registered nurse agency spend totalled £17.7m in 2023/24, £22m in 2022/23, £22.8m in 2021/22, £18.1m in 2020/21 and £10.2m in 2019/20.

The use of “off-contract” agency i.e. not via a supplier on an approved procurement framework usually incurs higher rates of pay, is minimal but remains a last resort for the Health Board.



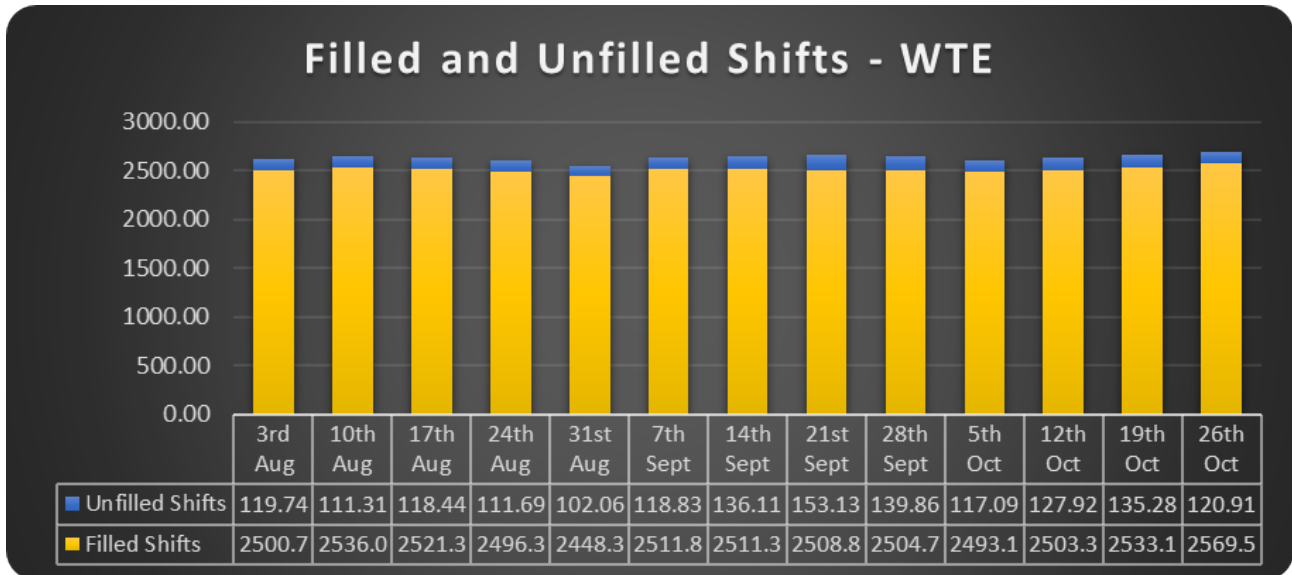
Off-contract Registered Nursing agency costs are now at minimal levels (£4k in October, £11k in September) which is a significant improvement compared to previous financial years. Agency costs reflect the on-going vacancy cover as well as usage for other operational pressures within Mental Health (£3k) and Primary Care & Community (£0.4k) for:

- Enhanced care
- sickness

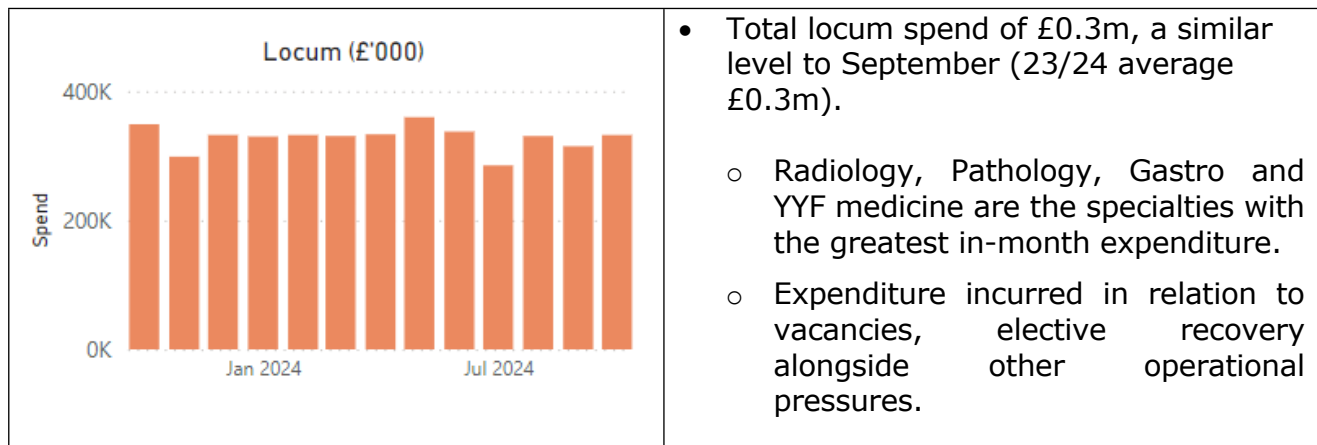
### Implications of Nursing Shift 'Fill Rate'

There are high levels of unfilled shifts within the Health Board. Whilst filling these shifts may improve workforce and service provision, there would be an increased cost. In October there were approximately 90 unfilled registered nursing shifts and

470 unfilled HCSW shifts. The increase in substantive appointments continues to decrease the level of unfilled shifts which should demonstrate service improvement but presents a financial risk in terms of the variable pay saving opportunity due to possible increased availability to cover more shifts. The graph below shows the overall filled and unfilled shifts over the last 3 months.



### Medical locum staff

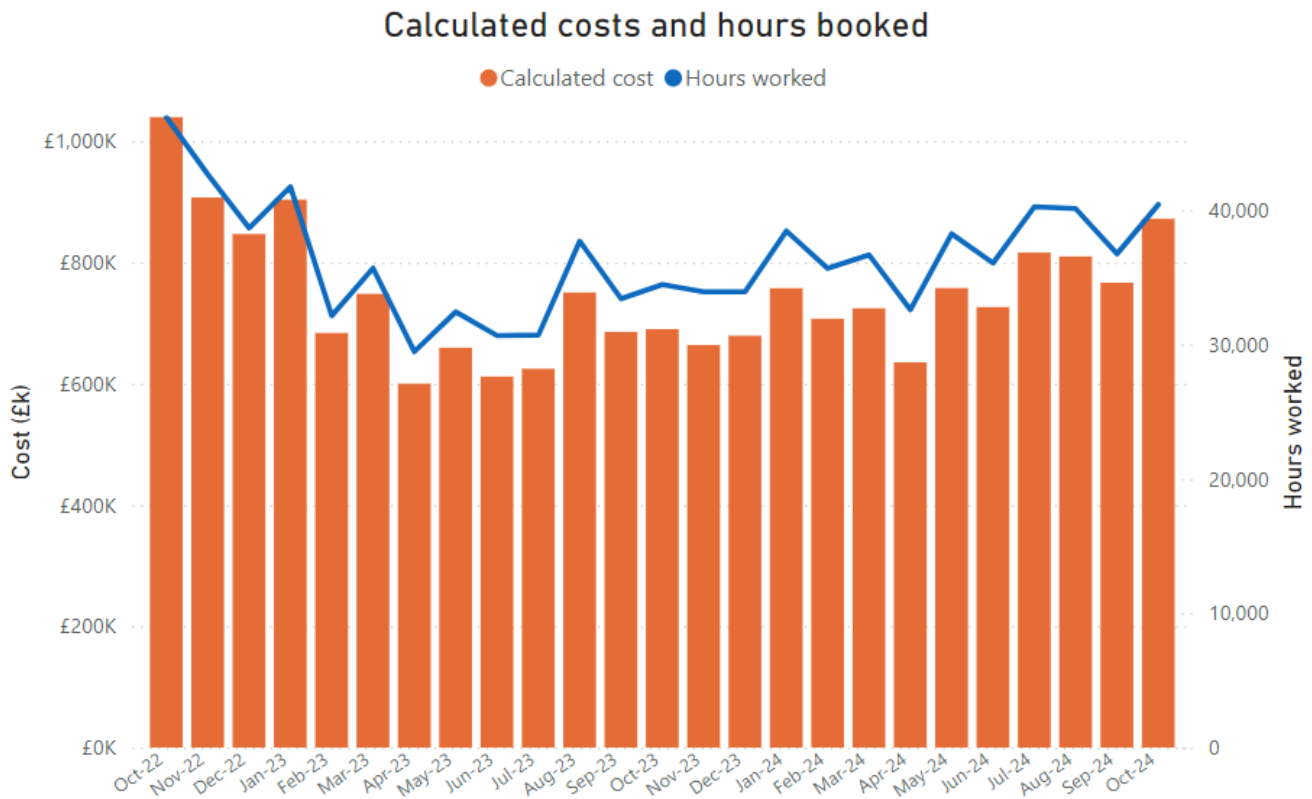


### Enhanced Care

Enhanced Care, also known as 'specialling', can be provided for a variety of reasons ranging from the provision of assistance to mobilise a patient or avoid falls through one-to-one patient monitoring. Enhanced care is designed to ensure an appropriate level of safety and supervision for patients with additional care needs.

The following graph highlights the hours attributed to enhanced care and Mental Health levels of observation for the period October 2022 to October 2024 (£0.9m 'notional calculated' expenditure in October) using bank and agency registered nurses and health care support workers.

## Enhanced Care (inc. MH levels of observation) bank and agency calculated costs and hours booked.



The level of the provision of enhanced care for patients within the Medicine Division for 2024/25 is shown below and is continuously monitored.

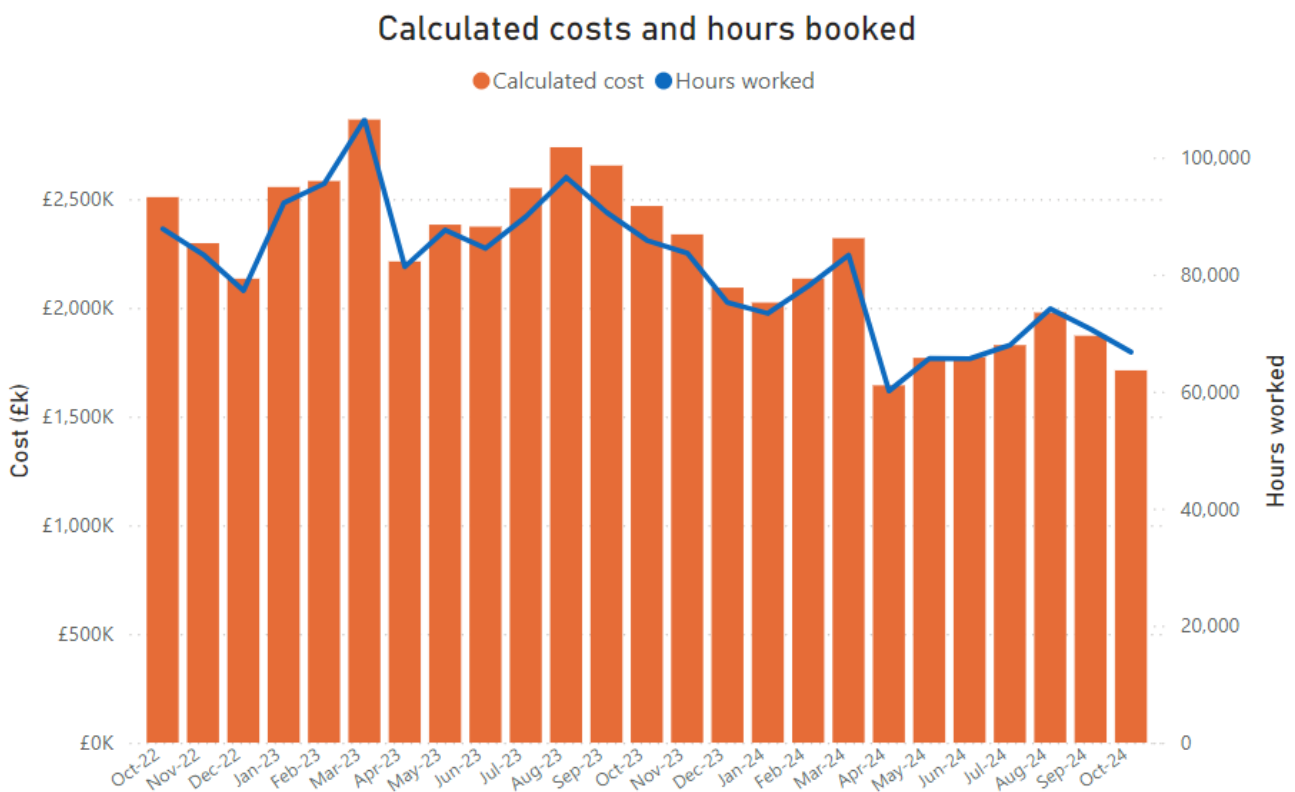
	2023/24 average	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
<b>RGH</b>								
Total no of Medicine beds	192	192	192	192	192	192	192	192
Monthly average enh care patients	34	28	26	21	21	26	25	25
%age of beds in receipt of enh care	18%	15%	14%	11%	11%	14%	13%	13%
<b>NHH</b>								
Total no of Medicine beds	164	164	164	164	164	164	164	164
monthly average enh care patients	22	23	16	18	21	26	30	29
%age of beds in receipt of enh care	13%	14%	10%	11%	13%	16%	18%	18%
<b>GUH</b>								
Total no of Medicine beds	91	91	91	91	91	91	91	91
monthly average enh care patients	12	13	15	12	11	13	12	12
%age of beds in receipt of enh care	13%	14%	16%	14%	13%	14%	13%	13%
<b>YYF</b>								
Total no of Medicine beds	148	148	148	148	148	148	148	148
monthly average enh care patients	24	27	22	24	26	25	24	22
%age of beds in receipt of enh care	16%	18%	15%	16%	18%	17%	16%	15%
<b>Total</b>								
<b>Total no of beds</b>	<b>595</b>	<b>595</b>	<b>595</b>	<b>595</b>	<b>595</b>	<b>595</b>	<b>595</b>	<b>595</b>
<b>Total monthly average enh care patients</b>	<b>92</b>	<b>91</b>	<b>79</b>	<b>75</b>	<b>80</b>	<b>90</b>	<b>91</b>	<b>88</b>
	<b>15%</b>	<b>15%</b>	<b>13%</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>

A review of enhanced care was presented to the Value & Sustainability Board in July. This presents a valuable opportunity to avoid costs and improve patient experience, work is being led by the Nurse Director as a quality and savings initiative.

### Nursing vacancy cover

The graph below presents the bank and agency hours and costs relating to those shifts where 'to cover vacancies' is provided as the reason for use. The graph highlights that in October 2024 variable pay relating to vacancies is c.£1.7m ('notional calculated' expenditure).

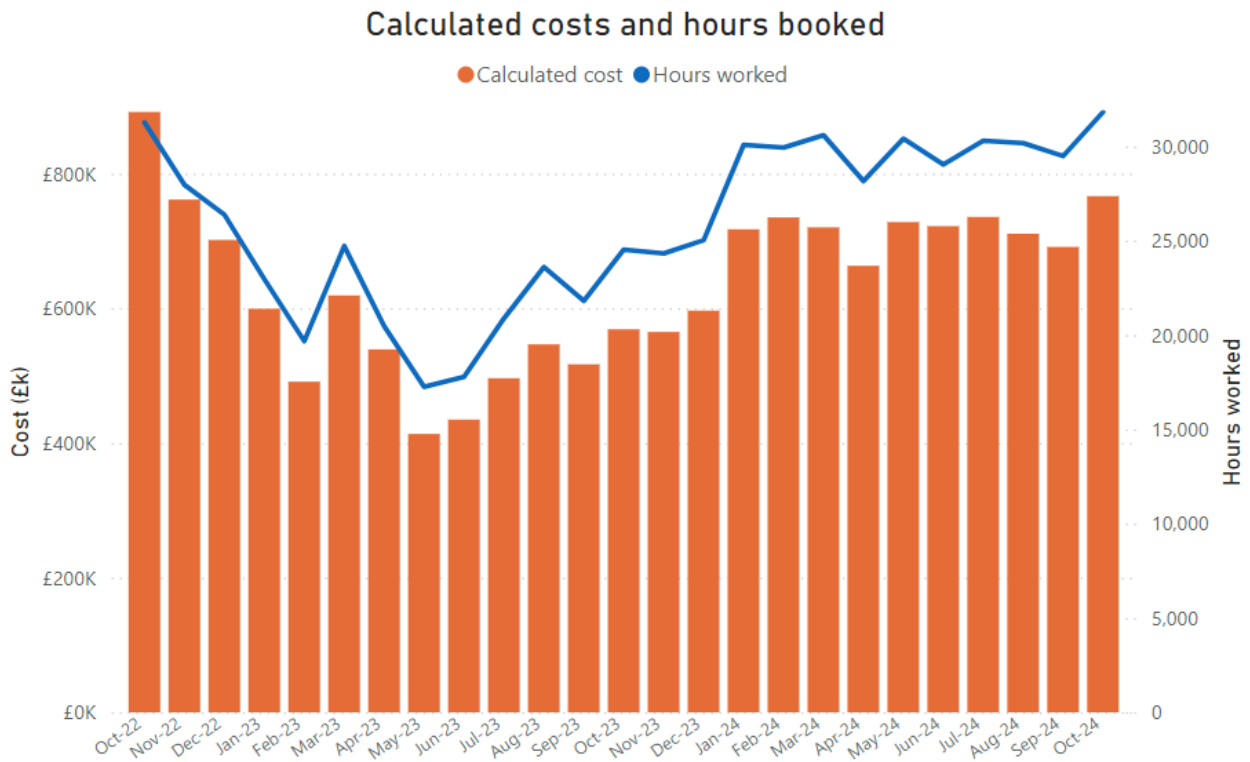
**Calculated bank and agency costs / hours booked to cover shifts resulting from vacancies.**



### Nursing sickness cover

The graph below presents the bank and agency hours and costs relating to those shifts booked to cover sickness as input onto the e-roster system. The graph highlights that in October 2024 variable pay relating to sickness is c.£0.8m ('notional calculated' expenditure).

**Calculated bank and agency costs / hours booked to cover shifts resulting from sickness.**

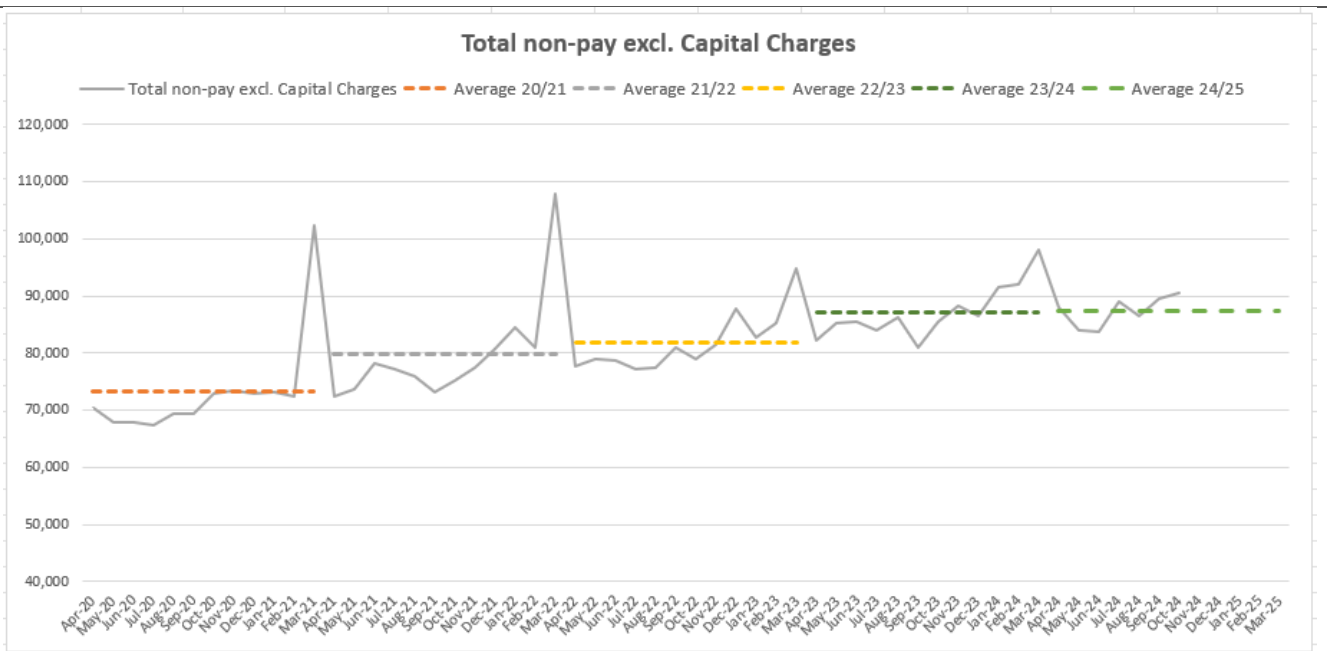


**Non-Pay**

Spend (excluding capital) was £90.6m in October, which is a £1.2m increase when compared with September spend (£89.4m). The increase is due to in-month items listed below, offset in part by significant movements in expenditure seen in the previous month (eg. CHC case resolution, H&S provision, WHSSC Vertex etc.):

- Funded extension of Regional Ophthalmology outsourcing (+£1.7m)
- Funded WHSSC expenditure for Genomics (+£0.5m year-to-date, £0.8m full-year)
- Drugs in Haematology, Gastroenterology, Neurology (+£0.5m)

The graph below presents non-pay expenditure since April 2020 (it should be noted that the peaks are year-end adjustments and Month 12 items):



## Energy

Energy costs remain a volatile cost pressure with a forecast annual growth of £0.1m compared with 2023/24 expenditure following the latest energy forecast received in June. The following table reflects the current position for 2024/25:-

Gas & Electricity	2022/23 Actuals £'000	2023/24 Actuals £'000	2024/25 Forecast £'000	2024/25 Plan £'000
Total Shared Service Contract Energy Cost	21,612	16,834	17,374	18,961
Total Other Energy costs	571	777	396	447
<b>Total</b>	<b>22,183</b>	<b>17,611</b>	<b>17,770</b>	<b>19,408</b>

Other energy costs outside of the shared service contract are under review. Given the volatility of non-commodity energy prices these may have further updates later in the year.

To note the budget relating to the reduced energy forecast (£1.66m) has been taken from Estates & Facilities Division and into reserves to underpin the bottom line.

## CHC

- CHC Mental Health – the patient numbers at the end of October were 430 at a cost of £4.8m (September: 427 patients at a cost of £4.5m).
- CHC Adult / Complex Care - 539 total active placements on 31<sup>st</sup> October at a cost of £4.9m in-month (September: 543 placements at a cost of £4.7m). There was an increase in the number of D2A patients of 4 and an increase of 1 in the number of 'Step Closer to Home' (SCTH) patients in October.
- A reduced number of patients on the step closer to home pathway is impacting the number of patients being discharged. This pathway is funded by the RPB

and has previously had c.49 patients on the pathway but this has reduced to 6 in October. Utilisation is being reviewed.

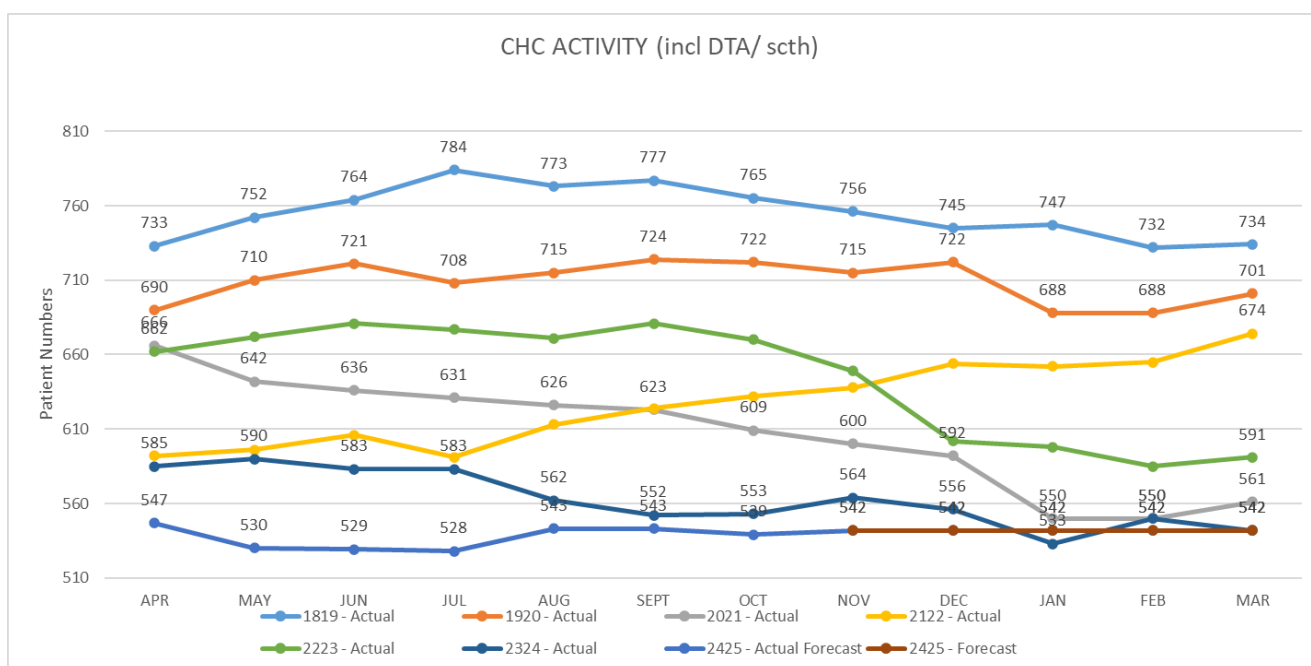
- Newport Local Authority have negotiated and agreed further uplifts to their nursing rates for 2024/25 (8.5% as opposed to the annual plan assumption uplift of 7.7%) which will impact the rate the Health Board pays. Care at Home staffing forecasts have decreased but continue to present a forecast financial pressure.
- The table below summarises the current position (patient numbers and costs):

Activity	October 2024	September 2024	Movement
D2A	16	12	+4
Step Closer to Home	6	5	+1
All Other CHC	517	526	-9
<b>Total</b>	<b>539</b>	<b>543</b>	<b>-4</b>

Activity	2024/25 forecast as at M7 £'000	2024/25 forecast as at M6 £'000	2023/24 out-turn position £'000
D2A	1,617	1,462	2,093
Step closer to home	207	207	407
All other CHC	41,626	41,837	41,053
<b>Total</b>	<b>43,450</b>	<b>43,506</b>	<b>43,553</b>

- FNC - currently 1,073 active placements, which is a decrease of 3 compared with September (expenditure of £1m in both September and October).

Adult Complex Care CHC activity over the last seven financial years is summarised in the chart below: -



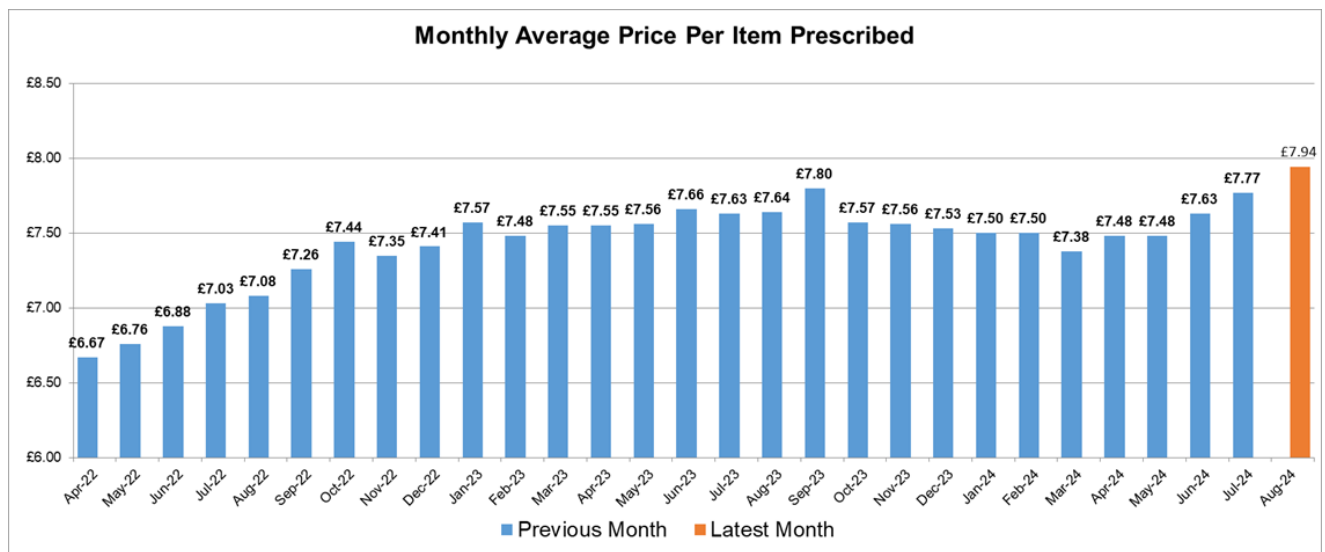
- CHC Paediatric – currently 25 Out of County patients, cost for October of c.£0.2m, a similar level compared with September. Forecast 24/25 spend currently £0.8m which is unchanged from September (2023/24 total cost of £4.1m). In addition, there are 11 internal packages (11 patients) provided during October compared with 10 packages (10 patients) in September.

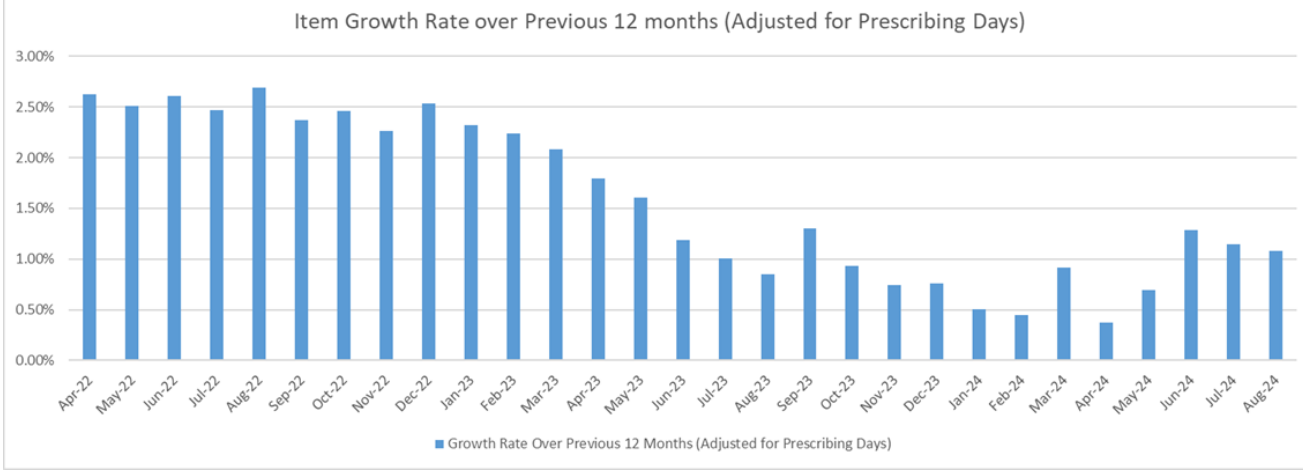
There are 9 external and 6 internal high cost packages which continue to be a cost pressure (>£100k per annum expenditure each).

## Prescribing

- Primary Care prescribing – October 2024 expenditure is £10.8m, with a forecast cost of £123m, the annual plan forecast was £116.9m spend (2023/24 cost was £121.9m). The October 2024 costs are based on August PAR data:
  - Annual Plan item growth rate for 2024/25 of 0.8%, (forecast volume of items based on the number of prescriptions for 24/25 is c.15.9m)
  - The growth rate for the 12 months to August 2024 is 1.27%, adjusted for the number of prescribing days.
  - Forecast average cost per item for 2024/25 is £7.71 (increase of 11p from July PAR) and is reflected in the increased forecast. The annual plan estimated £7.29 cost per item.
  - Average actual cost per item for 2022/23 was £7.21.
  - Average cost per item price for 2023/24 is £7.57.

The graphs below show the monthly average price per item and item growth: -





**Scheduled Care treatments and outpatients**

Elective Treatments for October '24 is 2,470 (September '24: 2,009).

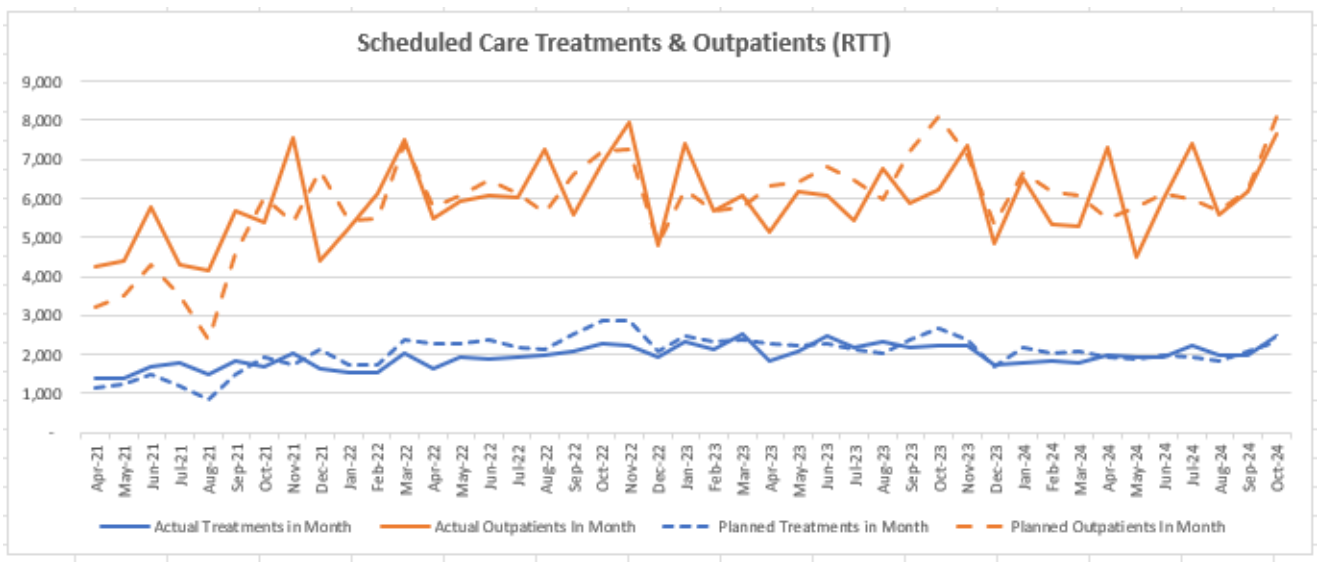
Elective Activity in October has increased by 461 treatments compared with September (23% increase). The number of in month treatments are 156 over plan for October including 103 'backfill' and 25 WLI treatments. Increased activity to reduce Tier 1 waiting list targets remains a priority.

Outpatient activity for October '24 is 7,646 (September '24 was 6,173).

Outpatient activity has increased by 1,473. Activity remains greater than previous years and includes backfill (169), WLI (106) and other activity (470) outside of core in order to reduce waiting list pressures for 104 and 156 week waits.

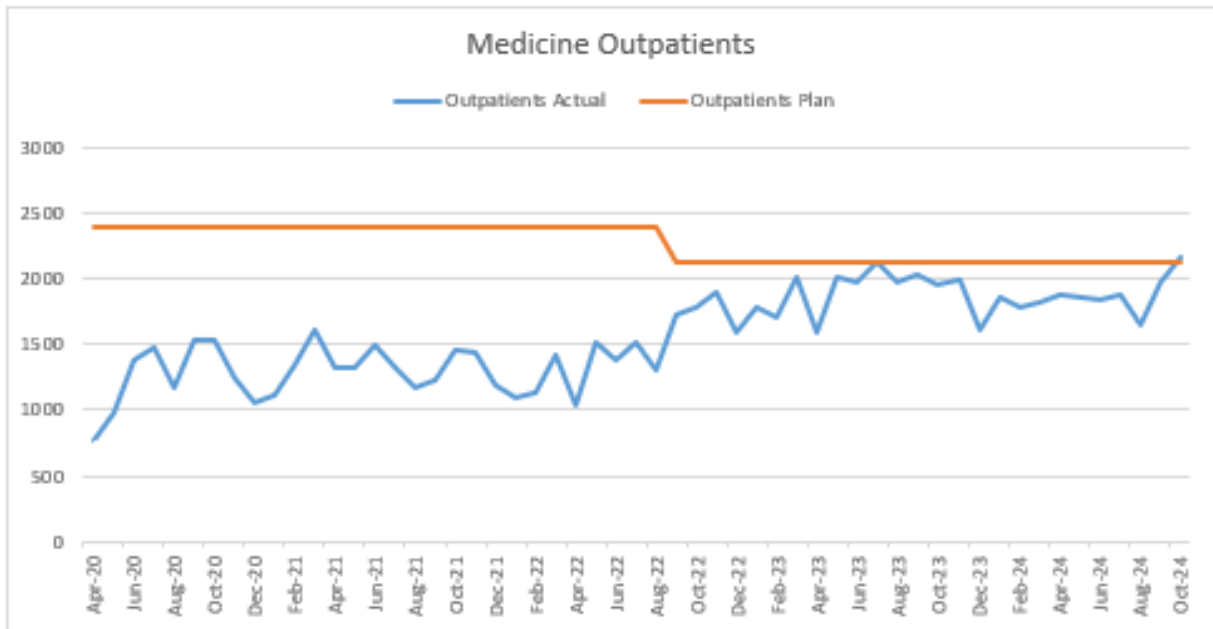
There were WLIs in-month for cancer treatments and elective work to improve the 156 week position for ENT (42 outpatients) and Max Fax (49 outpatients).

There remain significant efficiency opportunities in the delivery of elective care which need to be progressed as part of the Planned Care programme. The graph below presents performance compared to the current plan.



## Medicine Outpatient Activity

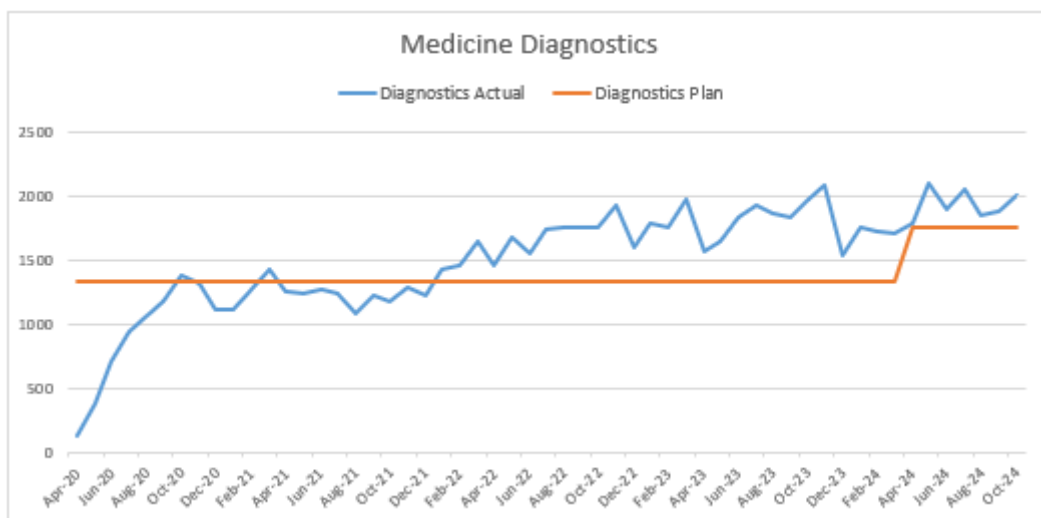
Medicine Outpatient activity for October '24 was 2,169 attendances, which was 53 above plan (September '24 was 1,971 attendances). The activity is presented below:



## Medicine Diagnostics (Endoscopy) Activity

Medicine endoscopy activity for October '24 was 1,999 procedures which is 250 cases more than the updated 2024/25 plan (September '24 activity was 1,872).

The activity undertaken since April '20 is shown below.



## Divisional analysis

Summaries of the Divisional financial positions are included in the appendices. These include expenditure and budget profiles along with a list of savings schemes and their current progress.

The table below identifies operational divisional forecasts. All budget holders are required to achieve a break-even position however a number of forecasts highlight key operational pressures alongside non-delivery of savings and COO budgetary targets.

Summary Reported position - October 2024 (M07)	Full Year Budget £000s	Full-year Forecast at M07 £000s	Full-year Forecast at M06 £000s	Movement £000s
<b>Operational Divisions:-</b>				
Primary Care and Community	297,949	(424)	1,021	(1,445)
Prescribing	117,133	5,849	3,257	2,592
Community CHC & FNC	69,209	596	646	(50)
Mental Health & Learning Disabilities	142,306	437	936	(499)
Surgery	142,120	5,961	5,021	940
Clinical Support Services	128,162	923	875	48
Medicine	165,740	3,664	2,226	1,438
Urgent Care	40,105	178	52	127
Family & Therapies	135,230	2,144	1,980	164
Estates and Facilities	93,839	(483)	(619)	136

Key forecast movement issues include:-

- **Primary Care and Community** – movement due to funding received from Welsh Government for Dispensing Drs and PADMs. Budget of £1.1m delegated to Primary Care in month 7.
- **Prescribing** – significant increase using August PAR data (£1.8m). The average price per item increase is significantly above planned levels (£7.71 to October compared to a plan figure of £7.29). Additional forecast cost increase for National NCSO concession correction (£0.6m).
- **CHC & FNC** – movements on CHC and DTA placements (net £50k increase in cost), with increases due to unachieved savings schemes following legal advice (detailed in the Appendix), offset with reductions due to growth assumptions (net £90k reduction in forecast costs).
- **Mental Health & LD** – Reduced variable pay due to lower occupancy levels in Older Adult wards (-£130k), vacancies (-£8k) and CHC non recurrent balance sheet releases (-£300k).
- **Surgery** – Acute drugs (£0.2m), Nursing with some increased levels of enhanced care (£0.4m) and Non pay including medical agency recruitment fees, lenses and implants (£0.3m). Additional costs for treating 104 & 156 week waiting lists within overall Divisional forecast.

- **Clinical Support services** – theatres / anaesthetics consumable costs reductions and additional pathology income. On-going additional pressures in critical care (staffing and variable pay) and radiology.
- **Medicine** – Acute drugs reflection of run rates including respiratory and gastro (£1.3m), Consultant sickness agency cover (£0.15m) & release of maintenance contract accrual non recurrent (-£0.18m)
- **Urgent Care** – Cover for gaps in middle grades - agency (£0.13m), drugs (£0.08m) & increased RTC income (-£0.07m).
- **Family & Therapies** – Neonates activity & acuity (£0.124m) & paediatrics diabetes consumables (£0.03)
- **Estates and Facilities** – non achievement of bed closure savings (£0.2m) , underachievement of minor works (£0.1m) and reduced Facilities Management non pay i.e. provisions (-£0.1m).

The expectation and requirement is for Divisional forecasts to be break-even, but some of the current Divisional forecast positions present a risk to achieving the planned forecast deficit of £47.9m.

To note the forecast is underpinned by the following:

- COO £1.1m budget surplus
- Budget reserves and additional anticipated income

### **Covid-19 – 2024/25 Revenue Financial Assessment**

Total Covid-19 costs are shown as £12.4m for which funding has been received as part of the Health Board's allocation letter and is broken down as follows:-

- Health Protection and Immunisation (Mass Vaccination) - £10.080m
- PPE - £1.120m
- Adferiad (Long Covid) - £1.216m

The expenditure reported is reflective of the funding.

The Health Board continues to have surge capacity open which is a legacy of Covid-19 responses. The Health Board also continues to incur legacy costs which form part of the underlying deficit linked to estates & facilities costs. The list below is not exhaustive but includes: -

- Enhanced Cleaning
- Additional security and rental of portacabins

## Revenue Reserves

Health Board reserves are held by the Board, until such time as they agree their use or delegate this responsibility to the Chief Executive as Accountable Officer. Agreed funding delegations approved by Board in March 2024 as part of budget setting have been actioned. Those adjustments which are part of the stage 2 budget delegation process were approved on the 22<sup>nd</sup> May and have also been delegated. Some allocations are held in reserves, where their use is directed by Welsh Government or funding is allocated for a specific commitment.

An amount of £1.292m is being held in the reserve '*Innovation and Development fund*' for approval by the CEO and Board as required for in year priorities.

A summary of all Health Board reserves on 31<sup>st</sup> October can be found in the appendices.

## Long Term Agreements (LTA's)

LTAs have been agreed with all provider and commissioners with the exception of CTMUHB. This is currently being taken forward by the Chief Executives and Directors of Finance from each organisation.

From month 5 Aneurin Bevan is reflecting an element of in year underperformance against the contracted activity (£1.4m) and this has been shown as a difference in the Income / Expenditure assumptions in table D between Aneurin Bevan and CTM.

ABUHB has recognised the JCC current end of year forecast deficit risk share of £0.887m, however there are risks reported, on an overall basis, above this that have not yet been recognised. Including:

- Savings achievement – overall plans to be found for £3m
- NHS England wage award – assumed funding from WG
- The transfer of Velindre non-specialist and drugs pass through, where funding will be transferred on a 23/24 basis – no variances against this are currently shown as it was not clarified in the JCC IMTP but could be c£1.2m pressure for ABUHB
- WAST - Risk for Technician re-bandings, if JCC choose to accept responsibility for the cost as a commissioner.
- Any over-performance as a result of meeting the Ministers KPI's i.e. plastic surgery.

JCC are working on options to a breakeven plan, they will provide a full update on the forecast to the JCC and potential options required to break even overall, this may then result in a revised forecast for ABUHB.

## Underlying Financial Position (ULP)

The underlying (U/L) forecast position is a brought forward opening deficit of £81.4m. The closing underlying position assumes recurrent savings planned are fully delivered and is reported in line with the 2024/25 forecast of a £55m deficit.

The underlying deficit was updated in month 4, the analysis of the c/f underlying deficit at that time was as follows:-

- Forecast 2024/25 deficit - £48.9m
- Non-recurrent savings – £6.1m
- **Total £55m**

The underlying deficit will be subject to review to consider further changes in year.

Financial sustainability is an on-going priority and focus for the Health Board and a 3-year recovery plan is being developed following the agreed route map to sustainability as part of the 2025/26 Annual Plan process.

The assessment indicated the cost drivers included in the table below as underpinning the c/f underlying position;

Underlying deficit 2024/25	2024/25 Deficit / (surplus) (£m)
WG 2023/24 non-recurrent funding utilised to support workforce cost growth including variable pay	14
Medical staffing cost increases due to operational acuity including ED safer staffing and demand	13
Nursing pressures - due to nurse staffing act, additional capacity resulting from DTOCs, Acuity and urgent care	12
CHC	10
Medicines management (prescribing and acute drug costs)	19
Covid legacy (estates & facilities)	7
WHSSC / EASC (service growth in excess of funded levels)	6
<b>Total underlying deficit b/f into 2024/25</b>	<b>81</b>

After budget-setting Divisions were expected to break-even whilst the annual plan deficit of £48.9m is shown as a pressure within reserves.

The pressures listed are assumed to be recurrent however will be reviewed as part of on-going underlying deficit assessments to assess whether these can be mitigated and/or whether some of the issues can be made non-recurrent thus reducing the underlying deficit.

Underlying deficit c/f 2024/25	Primary Care & Community £m	Complex Care £m	MH&LD £m	Surgery / CSS £m	Medicine £m	Urgent Care £m	F&T £m	E&F £m	External commissioning £m	Total £m
WG 2023/24 non-recurrent funding utilised to support workforce cost growth	0		3	3	5.5	1	1.5			14
Medical staffing cost increases due to operational acuity including ED safer staffing				1	1.5	3	1			7
Nursing pressures - due to nurse staffing act, additional capacity resulting from DTOCs, Acuity and Urgent Care	0		2.5		2.5	1	1			7
CHC		1.5	3.5				1			6
Medicines management (prescribing and acute drug costs)	7			2	2					11
Covid legacy (estates & facilities)								3		3
WHSSC / EASC (service growth in excess of funded levels)									5	5
Cancer additional activity delivery through WLI and additional diagnostics				2.5						3
<b>Total</b>	<b>7</b>	<b>1.5</b>	<b>9</b>	<b>8.5</b>	<b>11.5</b>	<b>5</b>	<b>4.5</b>	<b>3</b>	<b>5</b>	<b>55.0</b>

It is important to note that although the 2023/24 £64.5m mid-year support allocation is recurrent in the Health Board's 2024/25 allocation letter, it is **conditional** on making progress towards achievement of the WG target control total currently a £13m deficit for ABUHB. If this, or any other funding is clawed back by WG it will directly impact the forecast deficit.

### Savings delivery

As part of the annual plan submitted by the Board to Welsh Government, the financial plan for 2024/25 identified an ambitious savings target of £40.5m.

As at month 7, forecast savings are £43.7m which supports achievement of the £47.9m forecast deficit at present. Mitigating actions would be required for additional operational pressures, for non-delivery of forecast savings or to improve the position and deliver further underlying improvement.

The month 7 savings forecast includes several Divisional schemes which are assumed not to deliver against their initial plan, these are included in the Appendix but include the following:-

- Administrative & Clerical savings – several divisions
- CHC contract price reductions – removed following legal advice.
- CHC hospital admissions / Premium contract cost reduction – removed following legal advice.
- Intersite transport (COO) – contract value likely to be higher than forecast due to additional vehicle usage.
- Bed reconfiguration and efficiency schemes – Medicine and Community Hospitals.

In addition there are savings plans which have a high level of risk given the requirement for further detailed plans and potential delays in implementation, these schemes include:-

- Bed reconfiguration – Primary Care
- Bed day and Theatre efficiencies (Surgery / Clinical Support Services)
- Other schemes including bed contract and CHC savings

Other areas are currently being examined which may develop into further savings plans to mitigate the risks described above these include:-

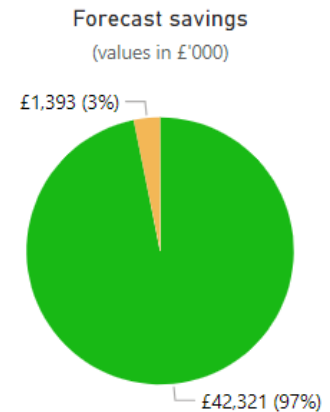
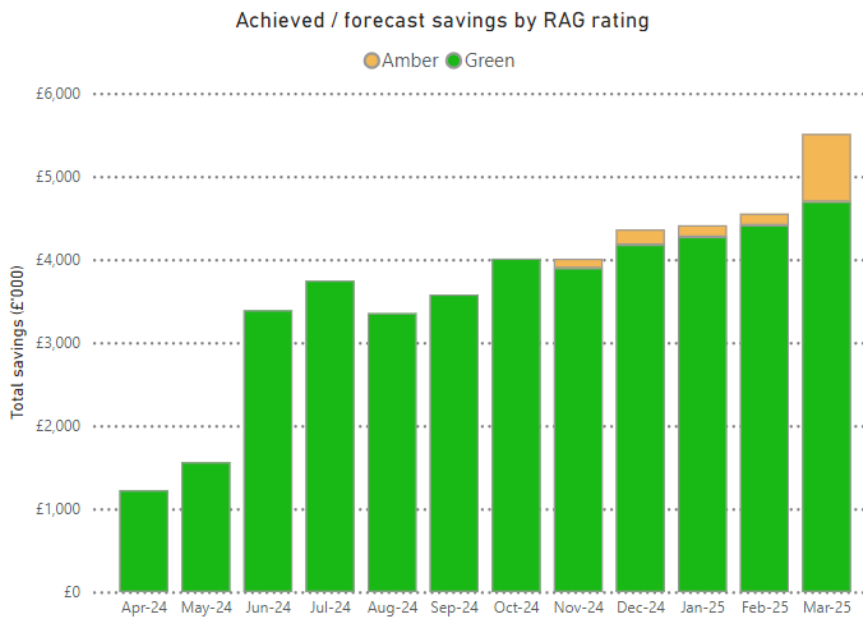
- CHC package reviews
- Non-pay and litigation cost reductions
- Income / funding opportunities
- Variable pay mitigation through review of pay rates and substantive appointments, including enhanced care
- Further medicines management schemes
- Service redesign and theatre efficiency
- Prescribing cost avoidance, off-patent and related reviews
- National V&SB opportunities

Actual savings delivered to date for 2024/25 are £20.9m.

The table below presents the updated savings plan at a Budget holder level:

Savings YTD and forecast position (£'000)

Division	% of total Plan	Annual Plan	YTD Plan	YTD Achieved	YTD Variance	Forecast	Forecast variance to Plan	% Achieved
Clinical Support Services	2.1%	£846	£360	£790	£430	£1,240	£394	146.6%
Complex Care	9.0%	£3,633	£1,232	£1,082	-£150	£2,903	-£731	79.9%
Contracting and Commissioning	1.7%	£706	£355	£1,230	£875	£2,206	£1,500	312.5%
Corporate	17.7%	£7,164	£3,535	£3,505	-£30	£6,271	-£893	87.5%
Estates and Facilities	6.5%	£2,640	£1,267	£2,158	£891	£4,166	£1,526	157.8%
Families and Therapies	2.1%	£857	£423	£345	-£77	£865	£8	100.9%
Medicine	6.9%	£2,801	£1,196	£1,548	£352	£4,015	£1,214	143.4%
Mental Health and Learning Disabilities	14.6%	£5,906	£2,500	£1,795	-£705	£4,934	-£972	83.5%
Primary Care and Community	28.1%	£11,385	£5,562	£6,020	£457	£12,879	£1,494	113.1%
Surgery	4.6%	£1,855	£762	£767	£6	£1,395	-£461	75.2%
Urgent Care	0.2%	£81	£42	£89	£46	£207	£126	254.3%
WHSSC	6.5%	£2,633	£1,462	£1,536	£74	£2,633	-£0	100.0%
<b>Total</b>	<b>100.0%</b>	<b>£40,508</b>	<b>£18,696</b>	<b>£20,865</b>	<b>£2,169</b>	<b>£43,714</b>	<b>£3,205</b>	<b>107.9%</b>



### Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
CHC	14	£3,150	£2,318	£-832	£8,443	£6,712	£-1,731
Medicines Management	16	£1,670	£1,998	£328	£3,518	£5,366	£1,848
Procurement & Non-pay	104	£7,644	£10,018	£2,375	£15,115	£18,401	£3,286
Service Redesign	8	£1,079	£628	£-451	£3,624	£2,510	£-1,114
Workforce	61	£5,153	£5,902	£749	£9,808	£10,724	£916
<b>Total</b>	<b>203</b>	<b>£18,696</b>	<b>£20,865</b>	<b>£2,169</b>	<b>£40,508</b>	<b>£43,714</b>	<b>£3,205</b>

WG Category	Forecast	Non Recurrent	Recurrent	Full year effect of Recurring savings
CHC and Funded Nursing Care	6,712	1,440	5,272	5,278
Commissioned Services	4,839	0	4,839	4,839
Medicines Management	5,365	1,523	3,842	5,399
Pay	12,089	1,397	10,691	14,196
Non Pay	14,708	6,963	7,745	8,234
<b>Total</b>	<b>43,714</b>	<b>11,324</b>	<b>32,390</b>	<b>37,946</b>

The Health Board will continue to pursue further opportunities to mitigate / offset the risk to the planned savings and increases in new operational pressures.

The Health Board continues to operate a Bi-weekly Value & Sustainability Board to identify and monitor savings delivery & new opportunities.

There are significant challenges and some opportunities to achieving the financial forecast for 2024/25, which include:

### **Risks**

- Continuing Healthcare fee uplifts - £0.6m
- Prescribing average price per item (and number of items) growth above August PAR data and associated forecast - £1.4m
- JCC Performance – Risk associated with WHSSC achievement of savings target. Health Board figure calculated based on risk-share agreement - £1.0m
- Additional operational and service pressures outside of the annual plan. This includes costs for Health & Safety issues, Diabetes, CAMHS and the infected blood inquiry. This has increased this month given the continued pressures relating to Acute NICE drugs - £3.4m
- Winter Plan costs above available funding.
- Full wage award funding received.
- Delivery of savings plans including mitigating actions against operational pressures – c.£0.8m
- Delivery of 6 goals target with resultant income clawback risk - £1.4m
- Risks of non-receipt (or full receipt) of anticipated income in particular funding for Optometry and the balance of the International Nurse recruitment - £1.2m
- CTM LTA not signed by CTM and under performance not recovered £1.4m

In addition, there are several further significant challenges to the financial forecast for 2024/25, which are currently assumed to be mitigated by the Health Board or require further information to enable an accurate financial value to be assigned. These include:

- Ensuring full delivery of savings plans identified in the annual plan including the pipeline opportunity values,
- Receipt of all anticipated allocations including performance requirements to secure full retention,
- Workforce absence / vacancies, availability of staff for safe service delivery,
- Delayed transfers of care due to LA service challenges,
- Funding for any wage award or change in terms and conditions,
- Impact on service delivery and performance on waiting times because of savings required,
- Establishment increases relating to patient safety issues,

- Inflationary impacts including provisions and supplies,
- Additional revenue costs due to IFRS 16,
- Specific economic factors such as supply chain issues and non-pay inflation including travel expense costs.

## **Opportunities**

The following items are listed as opportunities pending further analysis and delivery via the Value & Sustainability Board and relevant Divisions / Departments:

- Variable pay reduction linked to Administration & Clerical and Enhanced Care service review
- Service re-design – bed reductions
- Commissioning – LTAs and EASC
- VAT rebate opportunities,
- Other income / funding opportunities,
- Efficiency delivery,
- Energy forecast changes,
- Work to identify new pipeline opportunities, and
- Maximising the opportunity to change services resulting in improved health outcomes for the population.

## **Capital**

The approved Capital Resource Limit (CRL) as at Month 7 totalled £64.864m, including disposal proceeds of £0.035m. The Health Board confirmed the CRL requirements for All Wales Capital Programme (AWCP) schemes at the end of October. The revised budget allocations are included in the reported month 7 position and are now fixed (further details below). Any future slippage will need to be managed by the Health Board through brokerage with the Discretionary Capital Programme. The current position is breakeven after netting out the additional VAT recovery achieved on the Grange University scheme (explained below).

The VAT reclaim for the Grange University Hospital scheme submitted in September 2023 has now been agreed by HMRC. The final recovery percentage of 28.19% has generated additional VAT recovery totalling £2.997m. The Health Board will submit a request this month to request approval to use this additional funding to support the overspend on Bevan (Tredegar) Health & Well-being Centre and other essential replacement equipment.

Forecast overspends totalling £1.977m against various All-Wales Capital Programme (AWCP) schemes (detailed further below) are being offset by a corresponding under spend against the Discretionary Capital Programme (DCP).

Phase 2 of Bevan Health and Well-being Centre (demolition of the existing Health Centre and car-parking) is now expected to complete in December 24. The scheme is forecasting an overspend of £1.753m in 2024/25 which being offset by the DCP. An additional funding request will be submitted to WG to cover unfunded costs in relation to inflation allowances on works and fees, EV charging, foundation changes and the brickwork supply delay.

Slippage of £1.491m was requested against the works at NHH Satellite Radiotherapy Centre due to delays in relation to asbestos. The handover of the building is now expected to be delayed until April 2025. The overall scheme is forecast to be £0.541m under budget largely because of additional VAT recovery.

Construction of 19 Hills Health and Well-being Centre (Newport East) is nearing completion. Phase 1 handover is forecast to be 6th December 2024. The overall project budget remains under pressure due to additional asbestos and utility costs with an overall forecast overspend of £139k which is currently being funded by DCP.

A forecast over spend of £0.110m is being reported against the RGH Blocks 1 & 2 Demolitions and Car Park scheme because of higher than anticipated asbestos removal costs (£0.100m) and costs to secure the building during the delay due to nesting birds (£0.010m). This overspend is being funded via the DCP.

The CAMHS Sanctuary Hub scheme is complete, and the building has been handed over to the Health Board. The Health Board are submitting a request to WG to obtain approval to reallocate the additional VAT recovery savings generated to fund a disabled access ramp and other essential expenditure linked to the scheme objectives.

Slippage of £1.881m has been requested in relation to the Grange Emergency Department Extension scheme due to reported delays. The anticipated completion of Phase 1 is now April 2025 with Phase 2 estimated to be July 2025.

Slippage of £0.592m has been requested for the Abervalley Health & Well-being Centre scheme whilst further discussions are ongoing in relation to the proposed site.

Additional funding has been received in month in relation to the Electronic Prescribing and Medicines system (£0.321m) and the second MRI machine (£2.5m) and the Discharge Lounge (£1.5m) schemes for the Grange University Hospital.

The Health Board Discretionary Capital Programme (DCP) funding available for 2024/25 is £8.805m made up of:

- 2024/25 DCP Funding - £10.814m
- Less 30% EFAB contribution - (£0.725m)
- Less 2023/24 AWCP scheme brokerage - (£1.669m)
- Plus 2023/24 DCP scheme brokerage - £0.350m

- Plus Disposal Proceeds - £0.035m

The current forecast spend for approved DCP schemes is £6.828m. This equates to an under spend of £1.977m which is required to offset the reported overspends on AWCP schemes and includes the release of the provision set up within the DCP in 2023/24 in relation to Bevan Health and Well-being Centre totalling £1.115m.

During October, urgent works schemes totalling £0.029m have been approved for replacement ultrasound probes. The contingency budget remaining at Month 7 is £0.282m.

### **Cash**

The cash balance at the 31<sup>st</sup> October is £4.102m, which is below the advisory figure set by Welsh Government of £6m.

### **Public Sector Payment Policy (PSPP)**

The Health Board has achieved the target to pay 95% of the number of Non-NHS creditors within 30 days of delivery of goods in October (97.9%) and for the year to date (97.5%). ABUHB is continuing to work with those departments where invoices are being processed outside of the 30-day payment terms and where the NHS payment rate is below target.

The Health Board performance for the number of NHS creditors within 30 days of delivery of goods in October is 90%, which is a reduction compared with September (93.6%) and remains below target. NHS Invoices in breach of the 30-day payment terms continue to be followed up accordingly with Divisional Managers as necessary. Further correspondence will be sent to other Health Board's to reiterate the need for purchase orders to be provided in advance and not retrospectively.

<b>Category</b>	<b>Invoices</b>	<b>In Mth %</b>	<b>YTD %</b>
NHS	Value	99.3	97.3
	Number	90.0	91.0
Non NHS	Value	96.8	96.0
	Number	97.9	97.5

## Argymhelliad / Recommendation

### **The Board is asked to note for assurance:**

- The financial performance at the end of October 2024 and forecast position against the statutory revenue and capital resource limits,
- The savings position for 2024/25,
- The revenue reserve position on the 31<sup>st</sup> October 2024,
- The Health Board's underlying financial position,
- The cash position,
- Public sector payment policy performance, and
- The capital position.

### **ATTACHMENTS:**

- Appendix A – Further detailed financial performance information
- Appendix B - The Health Board's monthly monitoring return (MMR) for October 2024 (month 7) submitted to Welsh Government on submitted to Welsh Government on 13<sup>th</sup> November 24.

### **Amcanion: (rhaid cwblhau)**

#### **Objectives: (must be completed)**

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Strategic Risk Register
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	7. Staff and Resources Governance, Leadership & Accountability All Health & Care Standards Apply Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Adults in Gwent live healthily and age well
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Finance
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Improve the Wellbeing and engagement of our staff Choose an item. Choose an item. Choose an item.

**Gwybodaeth Ychwanegol:  
Further Information:**

<p>Ar sail tystiolaeth: Evidence Base:</p>	<p>ABUHB efficiency compendium</p>
<p>Rhestr Termau: Glossary of Terms:</p>	<p>A&amp;C – Administration &amp; Clerical  A&amp;E – Accident &amp; Emergency  A4C - Agenda for Change  AME – (WG) Annually Managed Expenditure  AQF – Annual Quality Framework  AWCP – All Wales Capital Programme  AP – Accounts Payable  AOF – Annual Operating Framework  ATMP – Advanced Therapeutic Medicinal Products  B/F – Brought Forward  BH – Bank Holiday  C&amp;V – Cardiff and Vale  CAMHS – Child &amp; Adolescent Mental Health Services  C/F – Carried Forward  CHC – Continuing Health Care  Commissioned Services – Services purchased external to ABUHB both within and outside Wales  COTE – Care of the Elderly  CRL – Capital Resource Limit  Category M – category of drugs  CEO – Chief Executive Officer  CEAU – Children’s Emergency Assessment Unit  CTM – Cwm Taf Morgannwg  D&amp;C – Demand &amp; Capacity  DCP – Discretionary Capital Programme  DHR – Digital Health Record  DNA – Did Not Attend  DOSA – Day of Surgery Admission  D2A – Discharge to Assess  DoLS - Deprivation of Liberty Safeguards  DoF – Director(s) of Finance  DTCO – Delayed Transfer of Care  EASC – Emergency Ambulance Services Committee  ED – Emergency Department  EDCIMS – Emergency Department Clinical Information Management System  eLGH – Enhanced Local general Hospital  EFAB – Estates Funding Advisory Board  ENT – Ear, Nose and Throat specialty</p>

EoY – End of Year  
 ETTF – Enabling Through Technology Fund  
 F&T – Family & Therapies (Division)  
 FBC – Full Business Case  
 FNC – Funded Nursing Care  
 GDS – General Dental Services  
 GMS – General Medical Services  
 GP – General Practitioner  
 GWICES – Gwent Wide Integrated Community  
 Equipment Service  
 GUH – Grange University Hospital  
 GIRFT – Getting it Right First Time  
 HCHS – Health Care & Hospital Services  
 HCSW – Health Care Support Worker  
 HIV – Human Immunodeficiency Virus  
 HSDU – Hospital Sterilisation and Disinfection  
 Unit  
 H&WBC – Health and Well-Being Centre  
 IMTP – Integrated Medium Term Plan  
 INNU – Interventions not normally undertaken  
 IPTR – Individual Patient Treatment Referral  
 I&E – Income & Expenditure  
 ICF – Integrated Care Fund  
 LoS – Length of Stay  
 LTA – Long Term Agreement  
 LD – Learning Disabilities  
 MH – Mental Health  
 MSK – Musculoskeletal  
 Med – Medicine (Division)  
 MCA – Mental Capacity Act  
 MDT – Multi-disciplinary Team  
 MMR – Welsh Government Monthly Monitoring  
 Return  
 NCA – Non-contractual agreements  
 NCN – Neighbourhood Care Network  
 NCSO – No Cheaper Stock Obtainable  
 NI – National Insurance  
 NICE – National Institute for Clinical Excellence  
 NHH – Neville Hall Hospital  
 NWSSP – NHS Wales Shared Services  
 Partnership  
 ODTC – Optometric Diagnostic and Treatment  
 Centre  
 OD – Organisation Development  
 PAR – Prescribing Audit Report  
 PCN – Primary Care Networks (Primary Care  
 Division)  
 PER – Prescribing Incentive Scheme  
 PICU – Psychiatric Intensive Care Unit

PrEP – Pre-exposure prophylaxis  
 PSNC –Pharmaceutical Services Negotiating Committee  
 PSPP – Public Sector Payment Policy  
 PCR – Patient Charges Revenue  
 PPE – Personal Protective Equipment  
 PFI – Private Finance Initiative  
 RGH – Royal Gwent Hospital  
 RN – Registered Nursing  
 RRL – Revenue Resource Limit  
 RTT – Referral to Treatment  
 RPB – Regional Partnership Board  
 RIF – Regional Integration Fund  
 SCCC – Specialist Critical Care Centre  
 SCH – Scheduled Care Division  
 SCP – Service Change Plan (reference IMTP)  
 SLF – Straight Line Forecast  
 SpR – Specialist Registrar  
 STW – St.Woolos Hospital  
 TCS – Transforming Cancer Services (Velindre programme)  
 T&O – Trauma & Orthopaedics  
 TAG – Technical Accounting Group  
 UHB / HB – University Health Board / Health Board  
 USC – Unscheduled Care (Division)  
 UC – Urgent Care (Division)  
 ULP – Underlying Financial Position  
 VCCC – Velindre Cancer Care Centre  
 VERS – Voluntary Early Release Scheme  
 WET AMD – Wet age-related macular degeneration  
 WG – Welsh Government  
 WHC – Welsh Health Circular  
 WHSSC – Welsh Health Specialised Services Committee  
 WLI – Waiting List Initiative  
 WLIMS – Welsh Laboratory Information Management System  
 WRP – Welsh Risk Pool  
 YAB – Ysbyty Aneurin Bevan  
 YTD – Year to date  
 YYF – Ysbyty Ystrad Fawr

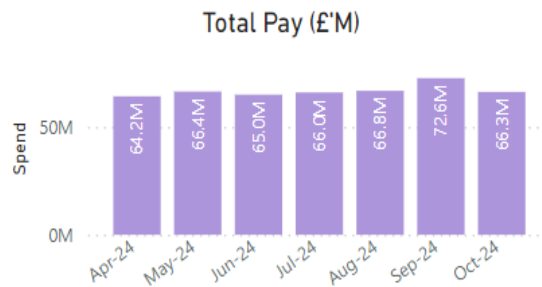
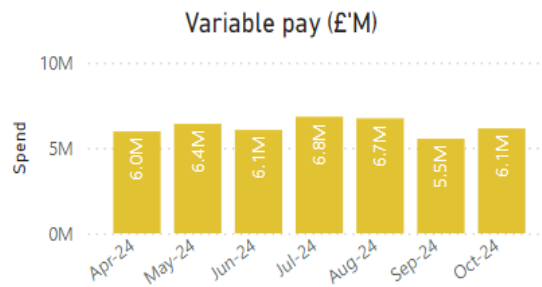
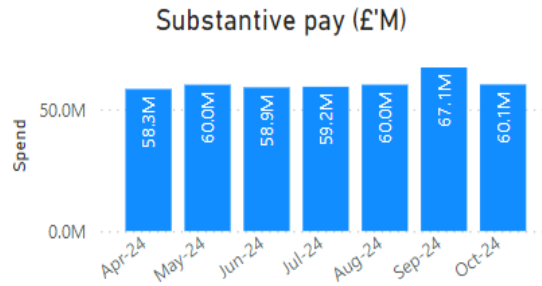
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Finance & Performance Committee
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<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
	<b>Is EIA Required and included with this paper</b>
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>  <a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a>	Long Term - The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs Prevention - How acting to prevent problems occurring or getting worse may help public bodies meet their objectives

<b>Aneurin Bevan University Health Board</b>
<b>Finance Report – October (Month 7) 2024/25</b>
<b>Appendices</b>

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**Pay Summary (1) (excluding 6.7% Pension employer costs paid in March of each year):**



**Substantive (£'000)**

Pay category	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
ADD PROF SCIENTIFIC AND TECHNICAL	2,330	2,361	2,354	2,344	2,336	2,349	2,310
ADDITIONAL CLINICAL SERVICES	7,918	8,320	8,054	8,118	8,214	7,890	7,990
ADMINISTRATIVE & CLERICAL	9,664	9,847	9,619	9,572	9,659	9,409	9,546
ALLIED HEALTH PROFESSIONALS	4,093	4,098	4,038	4,040	4,070	4,135	4,118
ESTATES AND ANCILLIARY	3,008	3,191	3,061	3,038	3,157	3,062	3,082
HEALTHCARE SCIENTISTS	1,130	1,168	1,157	1,155	1,153	1,134	1,184
MEDICAL AND DENTAL	13,663	14,042	13,936	14,184	14,435	22,601	14,744
NURSING AND MIDWIFERY REGISTERED	16,450	16,996	16,726	16,745	17,018	16,533	17,153
STUDENTS	2	2	2	2	2	2	2
<b>Total</b>	<b>58,256</b>	<b>60,025</b>	<b>58,946</b>	<b>59,199</b>	<b>60,043</b>	<b>67,114</b>	<b>60,129</b>

Change	%	Avg 23/24
-39	-1.7%	2,245
100	1.3%	8,134
137	1.5%	10,394
-16	-0.4%	4,140
21	0.7%	3,015
50	4.4%	1,148
-7,857	-34.8%	14,112
620	3.7%	16,722
0	0.1%	3
<b>-6,985</b>	<b>-10.4%</b>	<b>59,912</b>

**Variable pay (£'000)**

Pay category	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
Agency	2,571	2,318	2,286	2,852	2,805	1,627	2,271
Bank	3,060	3,727	3,427	3,690	3,595	3,590	3,537
Locum	333	360	337	285	330	315	332
<b>Total</b>	<b>5,964</b>	<b>6,404</b>	<b>6,051</b>	<b>6,828</b>	<b>6,730</b>	<b>5,532</b>	<b>6,140</b>

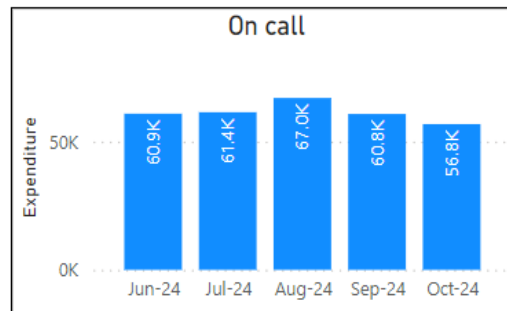
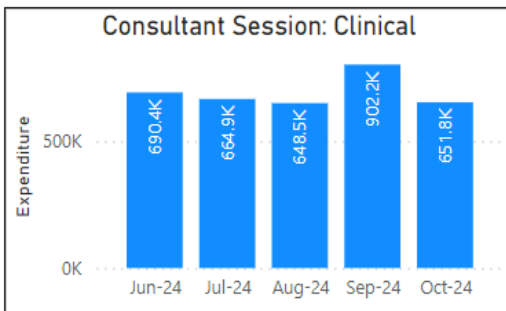
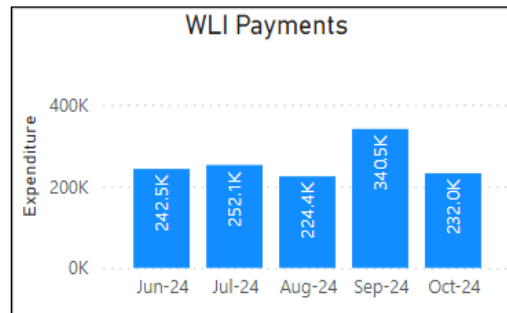
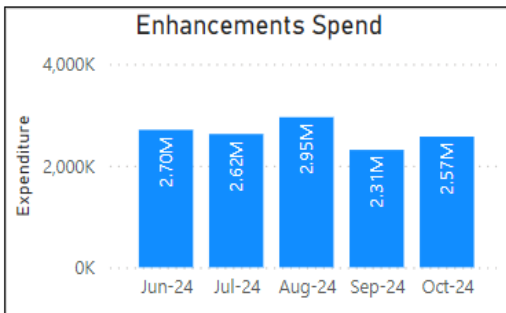
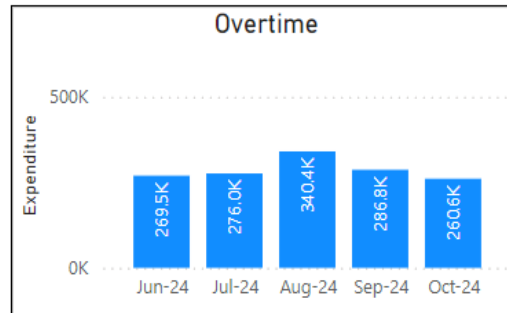
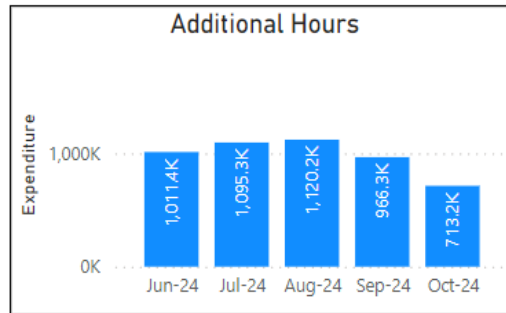
Change	%	Avg 23/24
644	39.6%	3,527
-54	-1.5%	3,919
17	5.5%	299
<b>608</b>	<b>11.0%</b>	<b>7,746</b>

**Total pay (£'000)**

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
Pay	64,221	66,429	64,997	66,026	66,774	72,646	66,269

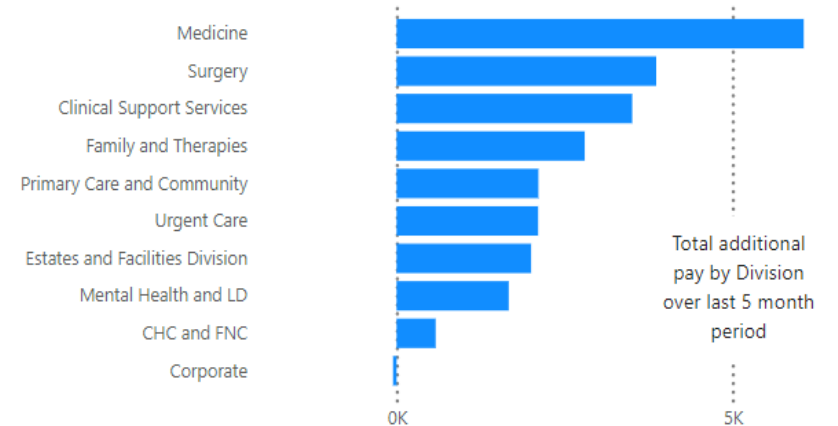
Change	%	Avg 23/24
-6,377	-8.8%	67,658

## Pay Summary (2): Substantive Pay



Total additional pay by Division (£'000)

Division	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Total
Medicine	1,231	1,250	1,288	1,131	1,160	<b>6,060</b>
Surgery	705	746	823	842	748	<b>3,864</b>
Clinical Support Services	727	661	696	758	664	<b>3,507</b>
Family and Therapies	604	536	610	522	529	<b>2,800</b>
Primary Care and Community	394	407	454	421	434	<b>2,111</b>
Urgent Care	393	443	460	395	415	<b>2,107</b>
Estates and Facilities Division	410	389	446	361	396	<b>2,002</b>
Mental Health and LD	337	349	367	297	319	<b>1,669</b>
CHC and FNC	117	130	144	80	111	<b>582</b>
Corporate	59	58	64	57	-291	<b>-53</b>
<b>Total</b>	<b>4,978</b>	<b>4,970</b>	<b>5,352</b>	<b>4,865</b>	<b>4,484</b>	<b>24,650</b>

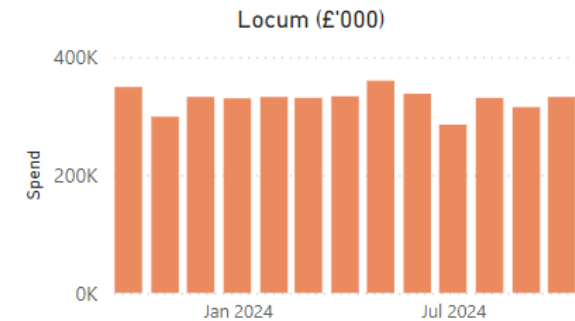
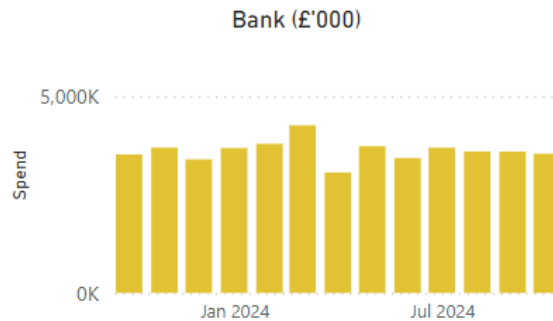
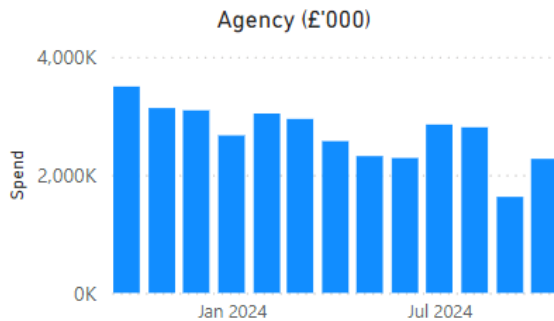


### Pay Summary (3): Variable Pay (£'k)

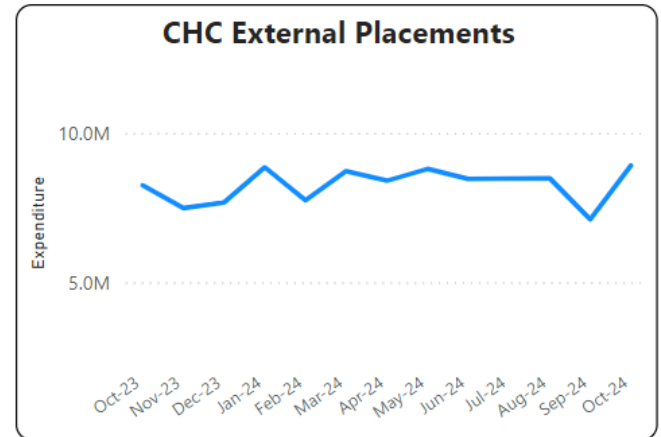
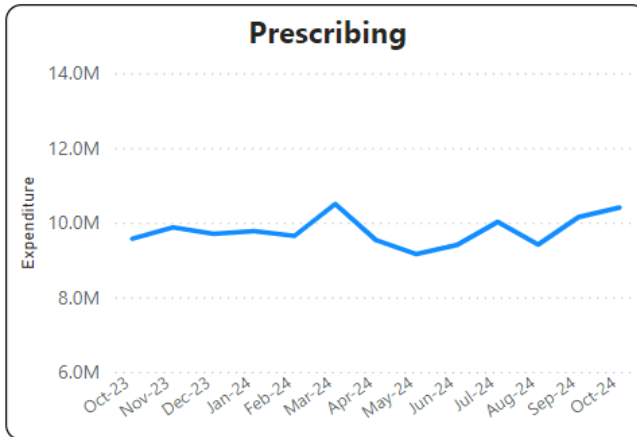
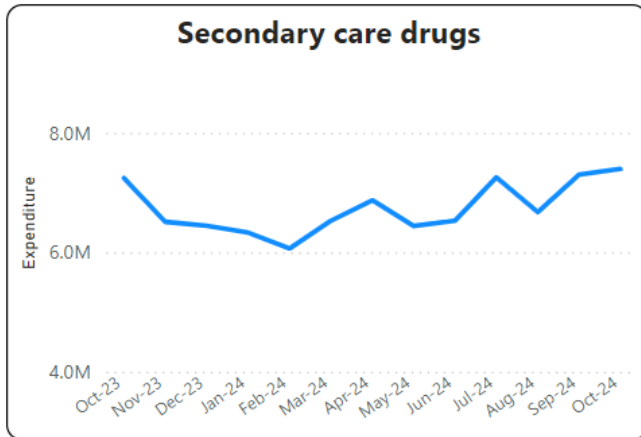
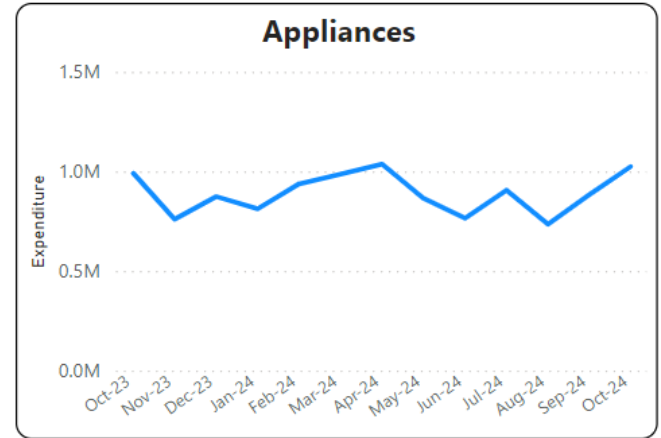
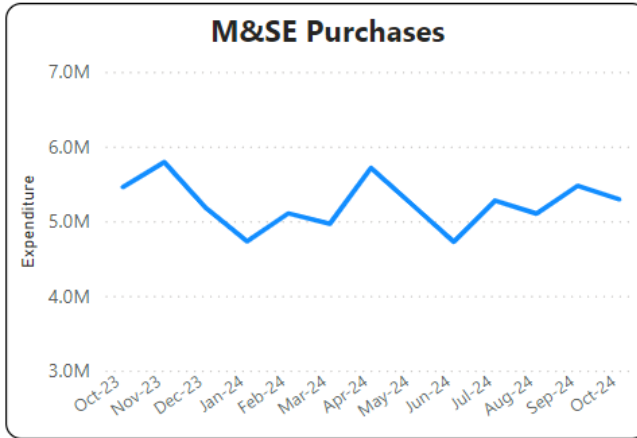
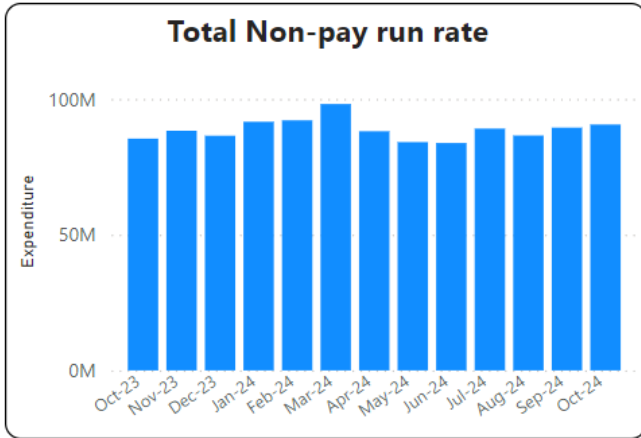
Pay category	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
<b>Agency</b>													
Admin & Clerical Agency	86	38	29	67	82	59	28	8	19	-4	6	12	-6
Allied Health Prof Agency	123	165	135	120	86	82	102	105	162	132	128	105	132
Estates & Ancilliary Agency	489	246	281	239	184	232	205	139	78	188	176	-446	78
Medical Agency	1,091	1,187	1,166	690	1,274	938	1,124	869	902	1,201	1,227	792	876
Nurse HCA/HCSW Agency	89	79	89	65	88	59	26	39	38	57	37	39	58
Other Agency	46	47	21	99	39	109	53	94	77	109	82	63	76
Registered Nurse Agency	1,574	1,369	1,371	1,388	1,286	1,469	1,034	1,064	1,011	1,169	1,150	1,064	1,056
<b>Total</b>	<b>3,497</b>	<b>3,132</b>	<b>3,093</b>	<b>2,668</b>	<b>3,040</b>	<b>2,948</b>	<b>2,571</b>	<b>2,318</b>	<b>2,286</b>	<b>2,852</b>	<b>2,805</b>	<b>1,627</b>	<b>2,271</b>
<b>Bank</b>													
Admin & Clerical Bank	82	89	87	95	84	119	68	79	75	93	82	76	70
Estates & Ancilliary Bank	216	224	243	254	235	263	218	257	249	263	260	256	252
Nurse HCA/HCSW Bank	1,520	1,572	1,473	1,711	1,523	1,784	1,428	1,680	1,548	1,614	1,656	1,649	1,589
Other Bank	2	-2	0	0	0	0	1	0	1	0	-1	0	0
Registered Nurse Bank	1,699	1,808	1,589	1,620	1,949	2,093	1,345	1,711	1,555	1,721	1,598	1,608	1,625
<b>Total</b>	<b>3,519</b>	<b>3,692</b>	<b>3,392</b>	<b>3,681</b>	<b>3,790</b>	<b>4,259</b>	<b>3,060</b>	<b>3,727</b>	<b>3,427</b>	<b>3,690</b>	<b>3,595</b>	<b>3,590</b>	<b>3,537</b>
<b>Locum</b>													
Medical Locum	349	299	332	330	332	330	333	360	337	285	330	315	332
<b>Total</b>	<b>349</b>	<b>299</b>	<b>332</b>	<b>330</b>	<b>332</b>	<b>330</b>	<b>333</b>	<b>360</b>	<b>337</b>	<b>285</b>	<b>330</b>	<b>315</b>	<b>332</b>
<b>Total</b>	<b>7,365</b>	<b>7,122</b>	<b>6,817</b>	<b>6,678</b>	<b>7,162</b>	<b>7,537</b>	<b>5,964</b>	<b>6,404</b>	<b>6,051</b>	<b>6,828</b>	<b>6,730</b>	<b>5,532</b>	<b>6,140</b>

Change	%
-17	-147.8%
27	25.7%
524	-117.5%
84	10.7%
20	50.8%
14	22.0%
-7	-0.7%
<b>644</b>	<b>39.6%</b>
-6	-7.8%
-4	-1.6%
-60	-3.7%
0	-158.6%
17	1.1%
<b>-54</b>	<b>-1.5%</b>
17	5.5%
<b>17</b>	<b>5.5%</b>
<b>608</b>	<b>11.0%</b>

Avg 23/24
59
153
401
1,222
157
60
1,475
<b>3,527</b>
95
210
1,614
0
2,001
<b>3,919</b>
299
<b>299</b>
<b>7,746</b>



**Non-Pay Summary:**



## Referral to Treatment (RTT):

- Elective Treatments for Oct '24 was 2,470 (Sep '24: 2,009. 2023/24 total: 24,688, 22/23 total: 22,327, 19/20 total: 28,004)

Planned Treatments (M07)						Actual Treatments (M07)						Treatment Variance (M07)				
Treatment	Core	Backfill	WLI	Other	Total	Treatment	Core	Backfill	WLI	Other	Total	Treatment	Core	Backfill	WLI	Total
N107-Dermatology	200	0	0	0	200	N107-Dermatology	246	21	0		267	Derm	46	21	0	67
N147-ENT	138	0	0	0	138	N147-ENT	152	37	12		201	ENT	14	37	12	63
N105-General Surgery	331	0	0	0	331	N105-General Surgery	422	45	0		467	GS	91	45	0	136
N146-Oral Surgery	258	0	0	0	258	N146-Oral Surgery	276	0	0		276	Max Fax	18	0	0	18
N148-Ophthalmology	272	0	0	0	272	N148-Ophthalmology	367	0	13		380	Ophth	95	0	13	108
N108-Rheumatology	0	0	0	0	0	N108-Rheumatology	0	0	0		0	Rheum	0	0	0	0
N115-Trauma & Orthopaedics	607	0	0	0	607	N115-Trauma & Orthopaedics	584	0	0		584	T&O	(23)	0	0	(23)
N106-Urology	508	0	0	0	508	N106-Urology	295	0	0		295	Urology	(213)	0	0	(213)
<b>Total</b>	<b>2,314</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,314</b>		<b>2,342</b>	<b>103</b>	<b>25</b>	<b>0</b>	<b>2,470</b>		<b>28</b>	<b>103</b>	<b>25</b>	<b>156</b>

- Outpatient activity for Oct '24 was 7,646 (Sep '24: 6,173. 2023/24 total: 71,165, 22/23 total: 65,873, 19/20 total: 75,707)

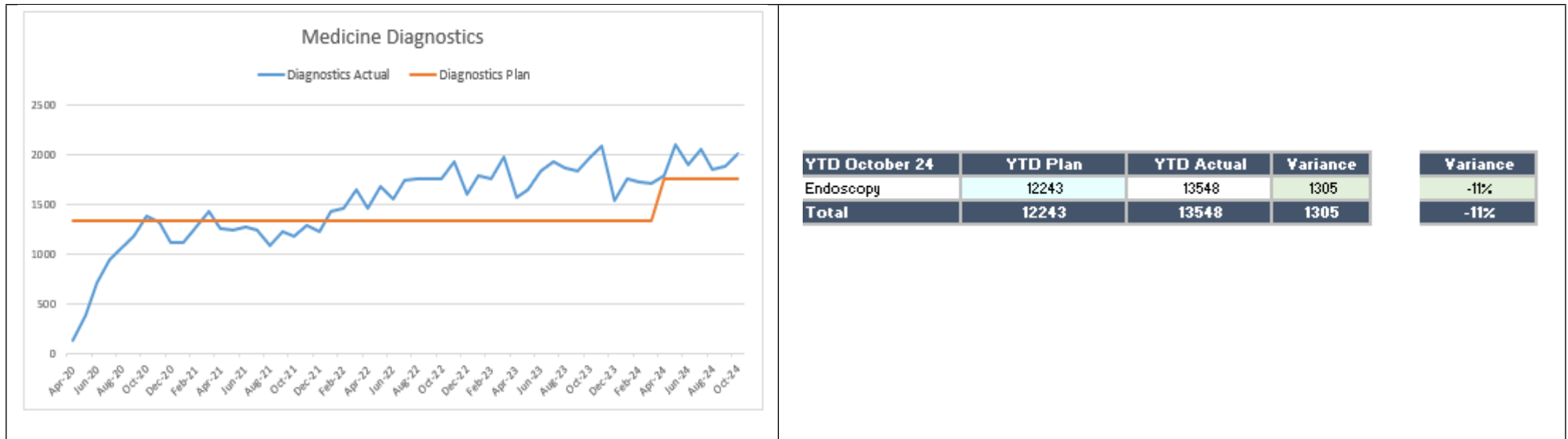
Planned Outpatients (M07)						Actual Outpatients (M07)						Outpatient Variance (M07)					
Outpatient	Core	Backfill	WLI	Other	Total	Outpatient	Core	Backfill	WLI	Other	Total	Outpatient	Core	Backfill	WLI	Other	Total
N107-Dermatology	1,523	0	0	0	1,501	N107-Dermatology	1,316	0	0	470	1,786	Derm	(207)	0	0	470	285
N147-ENT	507	0	0	0	716	N147-ENT	768	0	42	0	810	ENT	261	0	42	0	94
N105-General Surgery	1,889	0	0	0	1,916	N105-General Surgery	1,512	162	0	0	1,674	GS	(377)	162	0	0	(242)
N146-Oral Surgery	325	0	0	0	409	N146-Oral Surgery	376	0	49	0	425	Max Fax	51	0	49	0	16
N148-Ophthalmology	666	0	0	0	797	N148-Ophthalmology	1,009	7	0	0	1,016	Ophth	343	7	0	0	219
N108-Rheumatology	230	0	0	0	194	N108-Rheumatology	204	0	0	0	204	Rheum	(26)	0	0	0	10
N115-Trauma & Orthopaedics	1,125	0	0	0	2,029	N115-Trauma & Orthopaedics	1,004	0	0	0	1,004	T&O	(121)	0	0	0	(1,025)
N106-Urology	528	0	0	0	536	N106-Urology	712	0	15	0	727	Urology	184	0	15	0	191
<b>Total</b>	<b>6,793</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,098</b>		<b>6,901</b>	<b>169</b>	<b>106</b>	<b>470</b>	<b>7,646</b>		<b>108</b>	<b>169</b>	<b>106</b>	<b>470</b>	<b>(452)</b>

**Medicine Outpatients activity for October '24 was 2,169 (Sep '24: 1,971, 2023/24: 22,708 2022/23: 19,258):**

Oct-24			
	Assumed monthly activity	Actual activity	Variance
Gastroenterology	475	421	-54
Cardiology	430	467	37
Respiratory (inc Sleep)	455	479	24
Neurology	257	309	52
Endocrinology	186	208	22
Geriatric Medicine	313	285	-28
<b>Total</b>	<b>2116</b>	<b>2169</b>	<b>53</b>

Oct-24				
YTD Oct-24	YTD Plan	YTD Actual	Variance	Variance
Gastroenterology	3325	2748	-577	17%
Cardiology	3010	2620	-390	13%
Respiratory (inc Sleep)	3185	3003	-182	6%
Neurology	1799	2074	275	-15%
Endocrinology	1302	1060	-242	19%
Geriatric Medicine	2191	1727	-464	21%
<b>Total</b>	<b>14812</b>	<b>13232</b>	<b>-1580</b>	<b>11%</b>

**Medicine Diagnostics activity for October '24 was 1,999 (Sep '24: 1,872, 2023/24: 21,466, 2022/23: 20,748):**



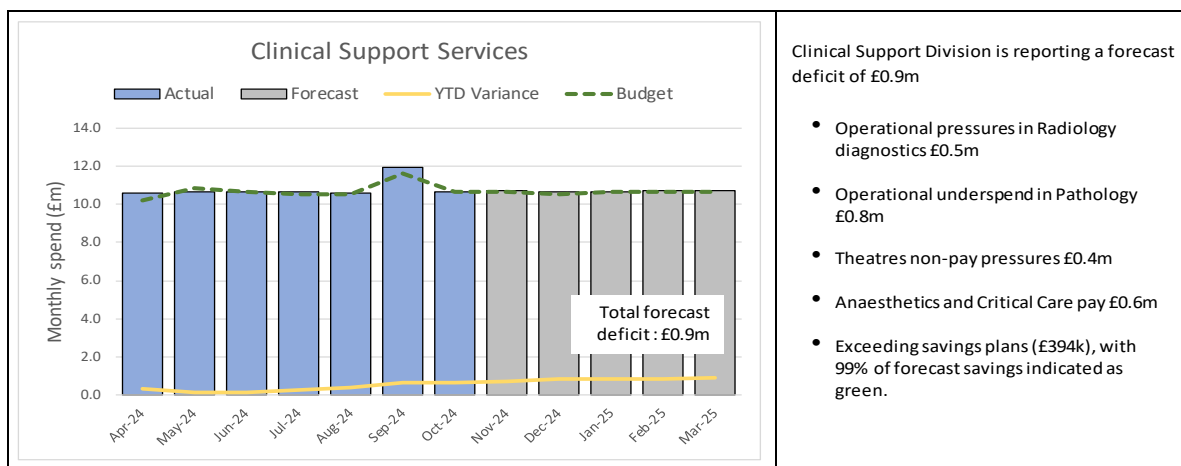
## RAG rating category definitions

Savings schemes are categorised as *Red*, *Amber* or *Green* according to the certainty of the forecast achievement. Definitions for each rating are as follows:

- **Green scheme:** Started delivering in the current month or prior month and is expected to continue delivering for the remaining period.
- **Amber scheme:** Agreed plan in place and expected to deliver starting in a future month. Not yet started, therefore Amber due to the time factor risk.
- **Red scheme:** No plan in place and not expected to achieve.

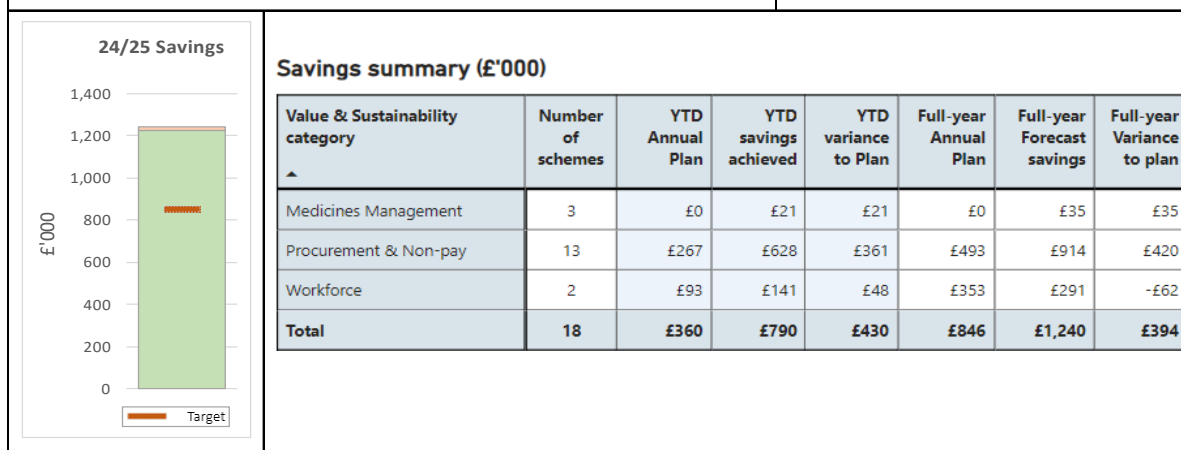
The definitions are consistent with Welsh Government guidance and have been communicated to Divisions.

# Divisional analysis – Clinical Support Services



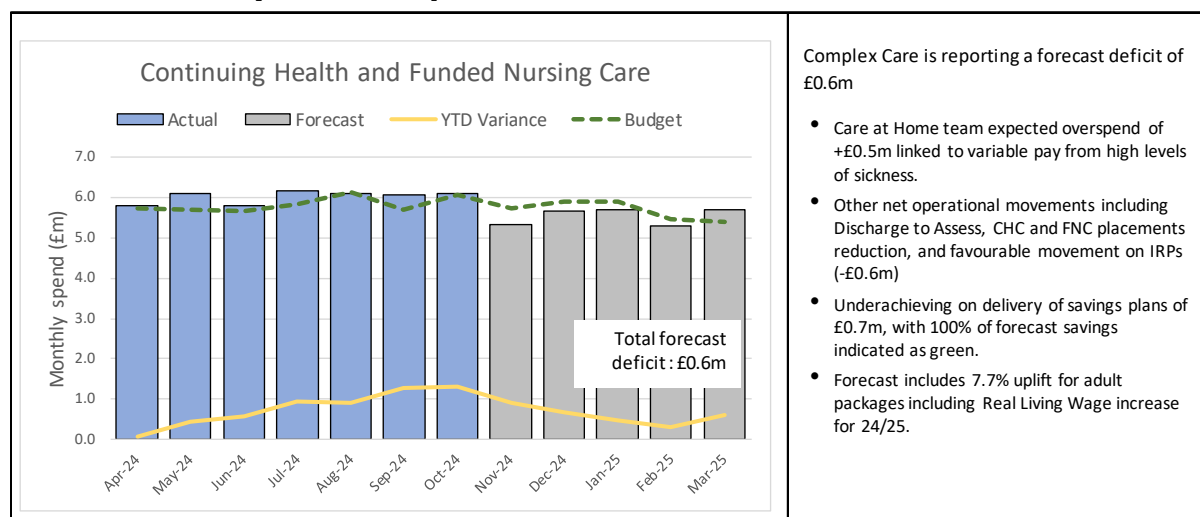
Clinical Support Division is reporting a forecast deficit of £0.9m

- Operational pressures in Radiology diagnostics £0.5m
- Operational underspend in Pathology £0.8m
- Theatres non-pay pressures £0.4m
- Anaesthetics and Critical Care pay £0.6m
- Exceeding savings plans (£394k), with 99% of forecast savings indicated as green.



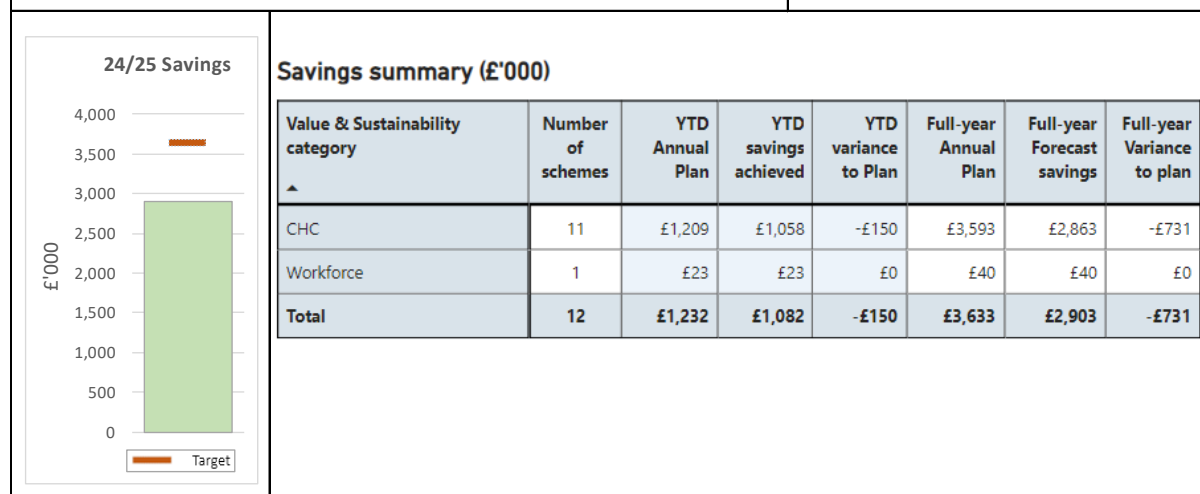
Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
CSS-01	Administration & Clerical review	R	Month 1	Green	81	123	158	35
CSS-02	Pathology - repatriation of tests	R	Month 1	Green	6	43	21	(22)
CSS-03	PFI saving (Llanwenarth suite)	R	Month 1	Green	175	300	300	0
CSS-04	Theatre Efficiencies	R	Month 1	Green	60	230	133	(97)
CSS-05	FIT Testing (Novation into Siemen's Managed Service cc	R	In Year	Green	15	0	29	29
CSS-06	Decommissioning NovaView Service & Maintenance	R	In Year	Green	11	0	19	19
CSS-07	Quantiliser Maintenance	NR	In Year	Green	3	0	5	5
CSS-08	Urine Collection Tubes	R	In Year	Green	6	0	10	10
CSS-10	Fuji - Equipment Inventory Review	R	In Year	Amber	0	0	7	7
CSS-11	MIU General Room - RGH - Decommissioned	R	In Year	Amber	0	0	3	3
CSS-12	MIU General Room - RGH - Replacement	NR	In Year	Amber	0	0	4	4
CSS-13	Drugs - Sevoflourane	R	In Year	Green	5	0	8	8
CSS-14	Maintenance Contracts (Theatres, Radiology, Pathology	NR	In Year	Green	322	0	322	322
CSS-15	Price Reduction in Ethicon suturing materials (Theatres)	NR	In Year	Green	24	0	50	50
CSS-16	Radiology - Contrast Media	R	In Year	Green	16	0	27	27
CSS-17	Paracetamol IV to Oral Omnicell Implementation	R	In Year	Green	0	0	0	0
OPPS2-01	WHSSC Liver	R	Month 1	Green	52	116	116	0
OPPS2-02	Additional Savings Targets - Pathology NR maintenance	R	Month 1	Green	15	34	28	(7)
					<b>790</b>	<b>846</b>	<b>1,240</b>	<b>394</b>

## Divisional analysis – Complex Care



Complex Care is reporting a forecast deficit of £0.6m

- Care at Home team expected overspend of +£0.5m linked to variable pay from high levels of sickness.
- Other net operational movements including Discharge to Assess, CHC and FNC placements reduction, and favourable movement on IRPs (-£0.6m)
- Underachieving on delivery of savings plans of £0.7m, with 100% of forecast savings indicated as green.
- Forecast includes 7.7% uplift for adult packages including Real Living Wage increase for 24/25.



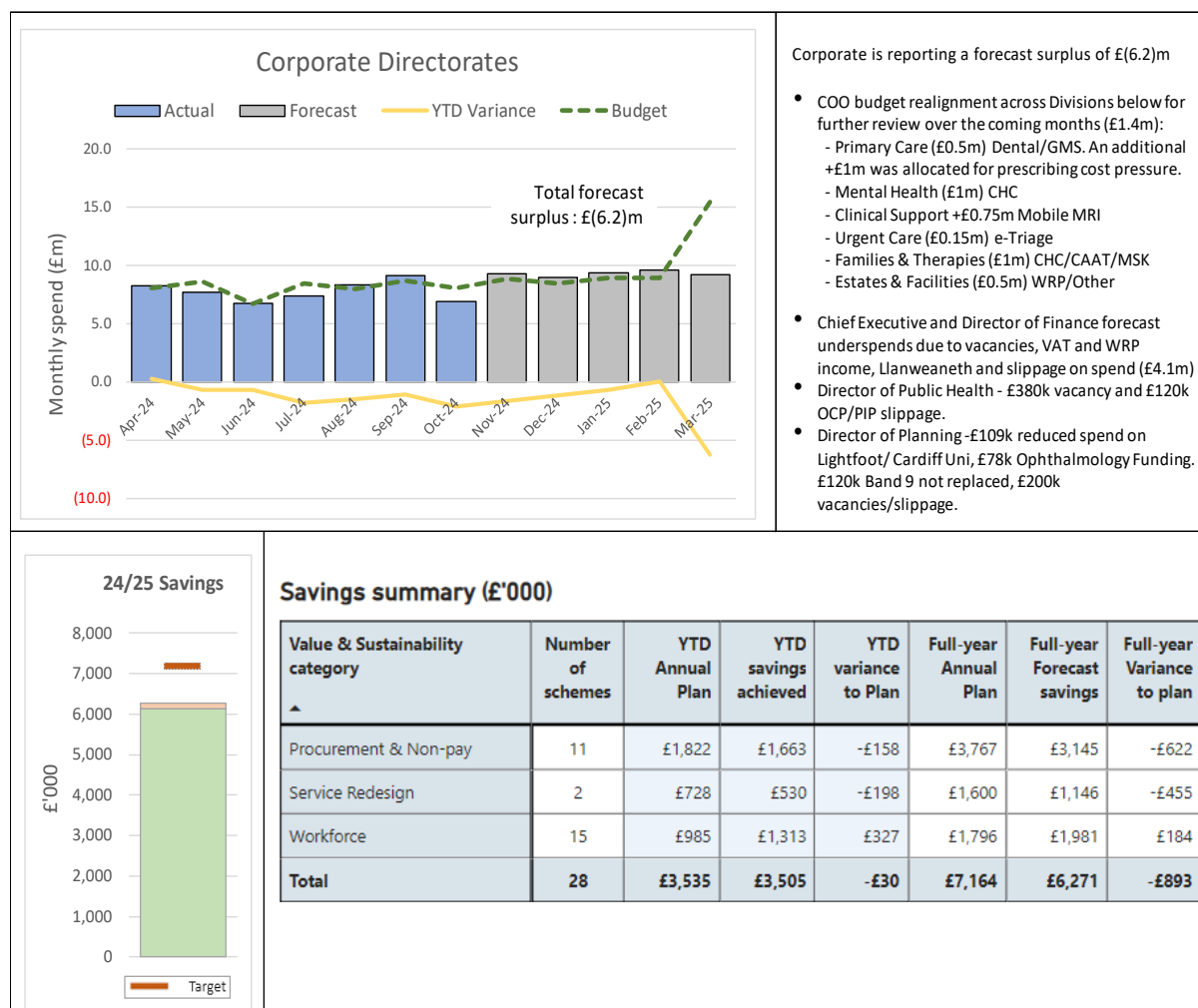
Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
CHC-01	Contract Adjustments - hospital admissions and days af	R	Month 1	Red	0	314	0	(314)
CHC-02	Removal of CHC Premium for Gwent Care Homes with o	R	Month 1	Red	0	179	0	(179)
CHC-03	23/24 staff vacancies - no further recruitment	R	Month 1	Green	23	40	40	0
CHC-04	Deputyship SLA	R	Month 1	Red	0	35	0	(35)
CHC-05	Cwmgelli Enhanced Care contract	R	Month 1	Green	19	33	28	(6)
CHC-06	Travel (Mileage rate reduction of 5p)	R	Month 1	Green	7	12	12	0
CHC-07	CHC - Adult reviews	NR	Month 1	Green	240	1,440	1,440	0
CHC-08	Reduction in hospital payments for independent provic	R	Month 1	Red	0	203	0	(203)
CHC-09	New Direction Retainer	R	Month 1	Green	36	62	62	0
CHC-10	Administration & Clerical review	R	Month 1	Green	12	15	21	6
CHC-11	FNC activity reduction schemes	R	Month 1	Green	477	700	700	0
CHC-12	CHC Care at Home and other vacancies	R	Month 1	Green	267	600	600	0
					<b>1,082</b>	<b>3,633</b>	<b>2,903</b>	<b>(731)</b>

**Complex Care continued...**

**Red savings schemes (listed above) over £200k**

Business Unit	Savings Scheme Number	Scheme / Opportunity	Current Year Annual Plan £'000	Reason for unachievement
CHC	CHC-08	Reduction in hospital payments for independent providers for CHC & FNC patients	203	The savings target for Scheme CHC-08 is incorporated within scheme CHC-01 currently shown as Amber
CHC	CHC-01	Contract Adjustments - hospital admissions and days after death	314	Following receipt of legal advice on provider feedback, savings target removed for 24/25
CHC	CHC-02	Removal of CHC Premium for Gwent Care Homes with one to one placements	179	Following receipt of legal advice for CHC-01, savings target removed for 24/25

## Divisional analysis – Corporate



Savings Scheme Number	Scheme / Opportunity	R/NR	Annual Plan v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
CEO-01	Administration & Clerical review	R	Month 1	Green	24	53	52	(1)
COO-01	Administration & Clerical review	R	Month 1	Green	8	20	17	(3)
CORP-01	Generic CIP - Pay	R	Month 1	Green	22	53	44	(9)
CORP-02	Generic - Non-pay	NR	Month 1	Green	8	15	14	(1)
CORP-03	Hybrid mail	R	Month 1	Green	105	300	180	(120)
CORP-04	Intersite transport	R	Month 1	Green	424	1,300	966	(334)
CORP-05	Healthcare Pathways	R	Month 1	Red	0	120	0	(120)
CORP-06	Health Protection - Caerleon House	R	Month 1	Amber	0	273	150	(123)
CORP-07	Health Protection - Newport	R	Month 1	Green	128	220	220	0
CORP-08	Health Protection - LA / TTP	R	Month 1	Green	312	534	534	0
CORP-09	Health Protection - Microbiology	R	Month 1	Green	170	291	291	0
CORP-10	VAT income / over-recovery	NR	Month 1	Green	220	300	345	45

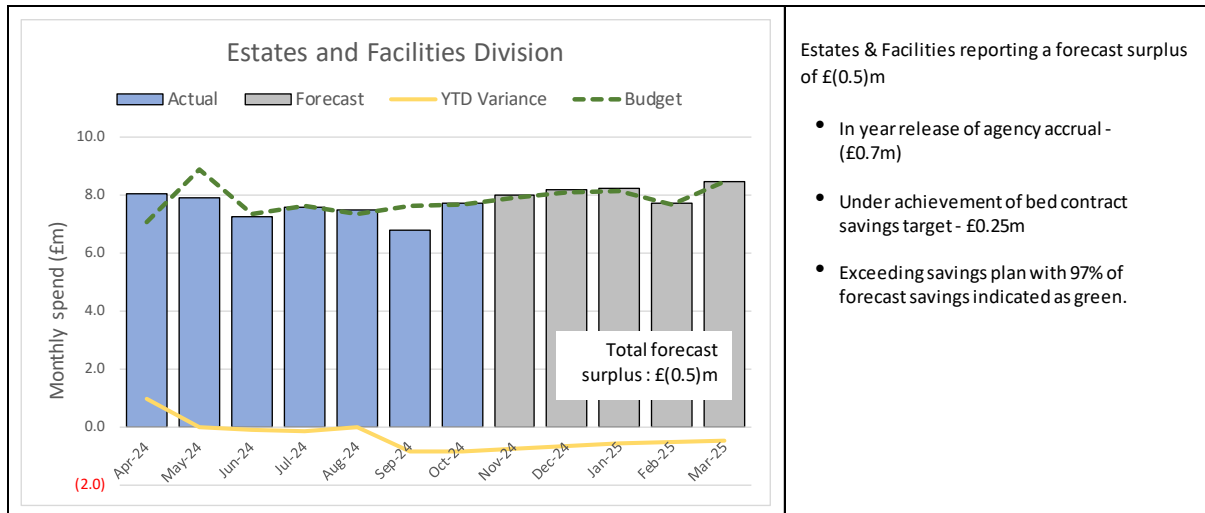
**Corporate savings schemes continued...**

Savings Scheme Number	Scheme / Opportunity	R/NR	Annual Plan v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
CORP-11	Finance administration savings	R	Month 1	Green	94	161	161	0
DIG-02	Administration & Clerical review	R	Month 1	Green	532	319	596	277
FIN-03	Administration & Clerical review	R	Month 1	Green	81	139	139	0
GOV-01	Administration & Clerical review	R	Month 1	Green	9	19	20	1
MEDR-01	Administration & Clerical review	R	Month 1	Green	25	59	49	(10)
NUR-01	Administration & Clerical review	R	Month 1	Green	22	53	44	(9)
PLA-01	Administration & Clerical review	R	Month 1	Green	57	68	81	13
THE-01	Administration & Clerical review	R	Month 1	Green	8	19	16	(3)
WOD-01	Administration & Clerical review	R	Month 1	Green	128	122	171	49
CORP-13	Litigation cost reductions	R	Month 1	Green	171	385	385	0
CORP-14	Other specific funding benefits	NR	Month 1	Green	133	300	300	0
CORP-15	Recovery of agency fees	NR	Month 1	Green	334	700	812	112
OPPS2-03	WRP	R	Month 1	Red	0	335	0	(335)
OPPS2-03a	WRP	NR	In Year	Green	335	0	335	335
OPPS2-04	Further litigation schemes	R	Month 1	Green	156	350	350	0
OPPS2-05	Further Corporate schemes / opportunities inc. Public Health	R	Month 1	Red	0	655	0	(655)
					<b>3,505</b>	<b>7,164</b>	<b>6,271</b>	<b>(893)</b>

**Red savings schemes (listed above) over £200k**

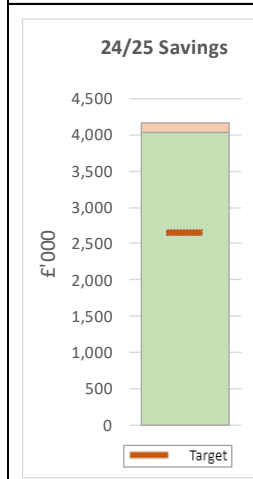
Savings Scheme Number	Scheme / Opportunity	Current Year Annual Plan £'000	Reason for unachievement
OPPS2-05	Further Corporate schemes / opportunities inc. Public Health	655	Unachievement due to no specific plan. Mitigated by overachievement in other areas
OPPS2-03	WRP	335	Savings are achieving in full for 24/25, however will not achieve on a recurrent basis. The 2024/25 achievement is reflected in scheme OPPs-03a

# Divisional analysis – Estates & Facilities



Estates & Facilities reporting a forecast surplus of £(0.5)m

- In year release of agency accrual - (£0.7m)
- Under achievement of bed contract savings target - £0.25m
- Exceeding savings plan with 97% of forecast savings indicated as green.

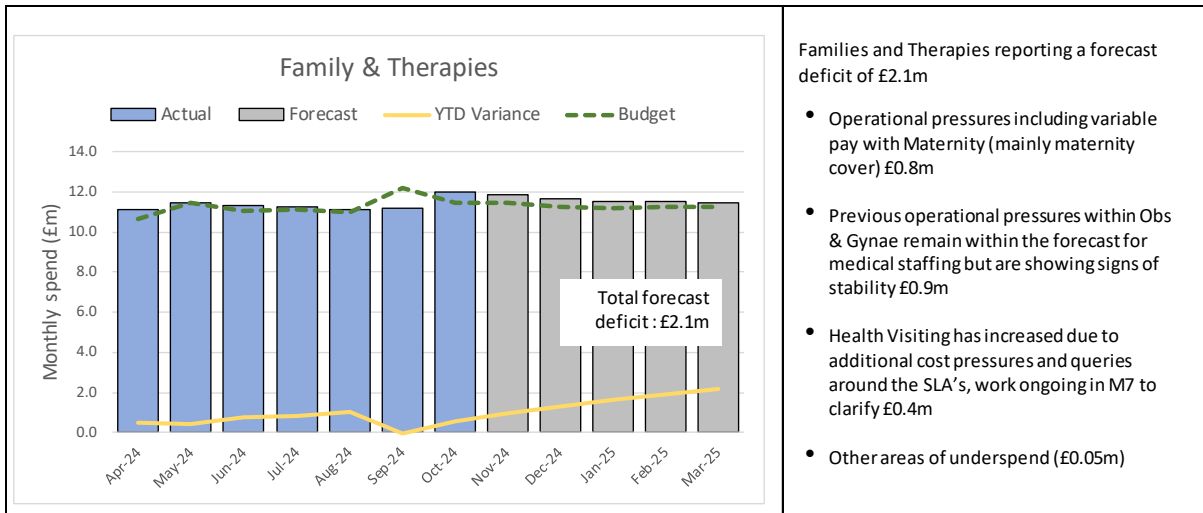


### Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
Procurement & Non-pay	10	£978	£1,819	£841	£2,026	£3,483	£1,457
Workforce	3	£289	£339	£51	£614	£683	£69
<b>Total</b>	<b>13</b>	<b>£1,267</b>	<b>£2,158</b>	<b>£891</b>	<b>£2,640</b>	<b>£4,166</b>	<b>£1,526</b>

Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
EF-01	Window Cleaning Capped at 1 clean per year per site	R	Month 1	Green	11	19	19	0
EF-02	Cease Liftshare software	R	Month 1	Green	8	14	14	0
EF-03	COVID A&E Portacabin	R	Month 1	Green	184	316	316	0
EF-04	Administration & Clerical review	R	Month 1	Green	67	114	114	0
EF-05	Discharge Lounge Portacabin	R	Month 1	Green	36	62	62	0
EF-06	NWSSP Energy Saving	NR	In Year	Green	736	0	1,657	1,657
EF-07	NHH Ward Closure 4:3	R	In Year	Amber	0	0	69	69
OPPS2-06a	Rates Rebates - Newport Sites	NR	Month 1	Green	686	930	980	50
OPPS2-06b	Rates Rebates - NHH	NR	Month 1	Amber	0	70	70	0
OPPS2-07	Enhanced Cleaning	R	Month 1	Green	273	500	500	0
OPPS2-08	Bed contract	R	Month 1	Green	42	500	250	(250)
OPPS2-09	WRP	R	Month 1	Red	0	115	0	(115)
OPPS2-09a	WRP	NR	In Year	Green	115	0	115	115
					<b>2,158</b>	<b>2,640</b>	<b>4,166</b>	<b>1,526</b>

## Divisional analysis – Family & Therapies



Families and Therapies reporting a forecast deficit of £2.1m

- Operational pressures including variable pay with Maternity (mainly maternity cover) £0.8m
- Previous operational pressures within Obs & Gynae remain within the forecast for medical staffing but are showing signs of stability £0.9m
- Health Visiting has increased due to additional cost pressures and queries around the SLA's, work ongoing in M7 to clarify £0.4m
- Other areas of underspend (£0.05m)

**24/25 Savings**

£'000

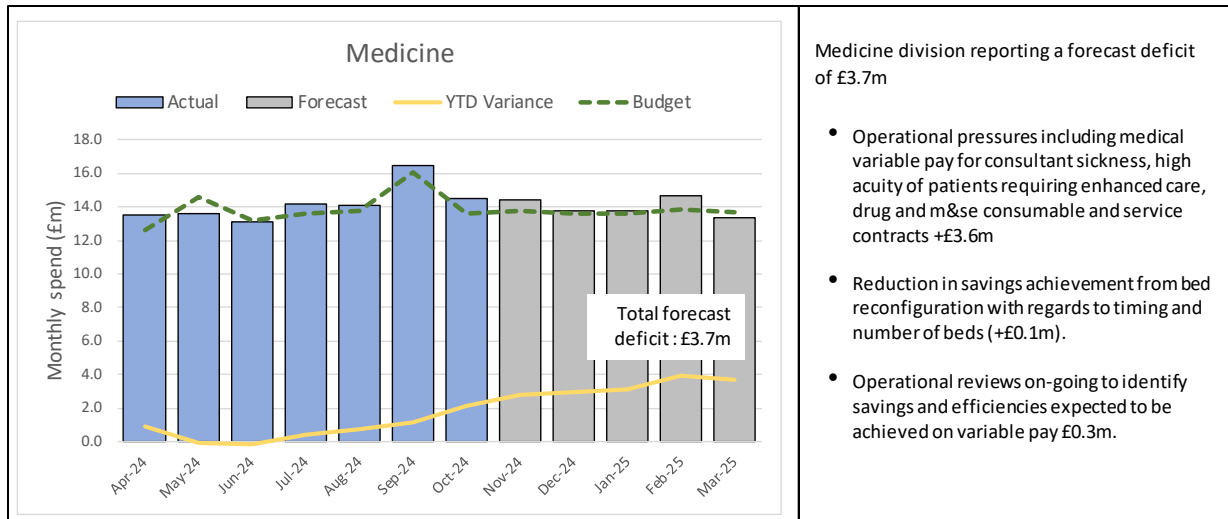
Target

**Savings summary (£'000)**

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
Medicines Management	3	£115	£117	£2	£200	£205	£5
Procurement & Non-pay	8	£185	£174	£-10	£380	£383	£3
Workforce	2	£123	£54	£-69	£277	£277	£0
<b>Total</b>	<b>13</b>	<b>£423</b>	<b>£345</b>	<b>£-77</b>	<b>£857</b>	<b>£865</b>	<b>£8</b>

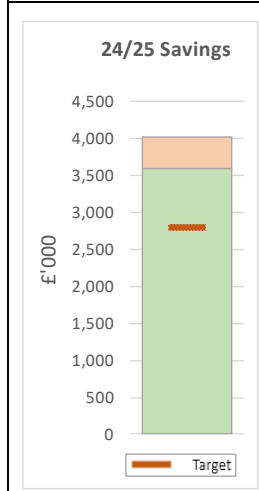
Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
				Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
Maternity - Easy Pay Kiosk Additional Income (Ultrasound)	R	Month 1	Green	7	50	35	(15)
TRUCLEAR - Replacing Myosure consumables	R	Month 1	Green	79	177	177	0
Konica Photocopier / Printer Review	R	Month 1	Green	18	40	40	0
Reduction in Mileage by 5p per mile	R	Month 1	Green	31	53	53	0
Reduction in Variable pay	R	Month 1	Green	15	34	34	0
SRH - Billing C&V for MIV drug costs for C&V patients treated in ABUHB	R	Month 1	Green	111	200	195	(6)
Medtronic pump & Sensor All Wales procurement savings	R	Month 1	Green	35	60	60	0
Administration & Clerical review	R	Month 1	Green	39	243	243	0
HIV - Dovato Switches	R	In Year	Green	5	0	10	10
Switching to SOL Gases	R	In Year	Green	2	0	8	8
Enteral Feeding tubes	R	In Year	Green	2	0	8	8
CTG Wallets	R	In Year	Green	1	0	2	2
Paracetamol IV to Oral Omnicell Implementation	R	In Year	Green	0	0	1	1
				<b>345</b>	<b>857</b>	<b>865</b>	<b>8</b>

# Divisional analysis – Medicine



Medicine division reporting a forecast deficit of £3.7m

- Operational pressures including medical variable pay for consultant sickness, high acuity of patients requiring enhanced care, drug and m&se consumable and service contracts +£3.6m
- Reduction in savings achievement from bed reconfiguration with regards to timing and number of beds (+£0.1m).
- Operational reviews on-going to identify savings and efficiencies expected to be achieved on variable pay £0.3m.



## Savings summary (£'000)

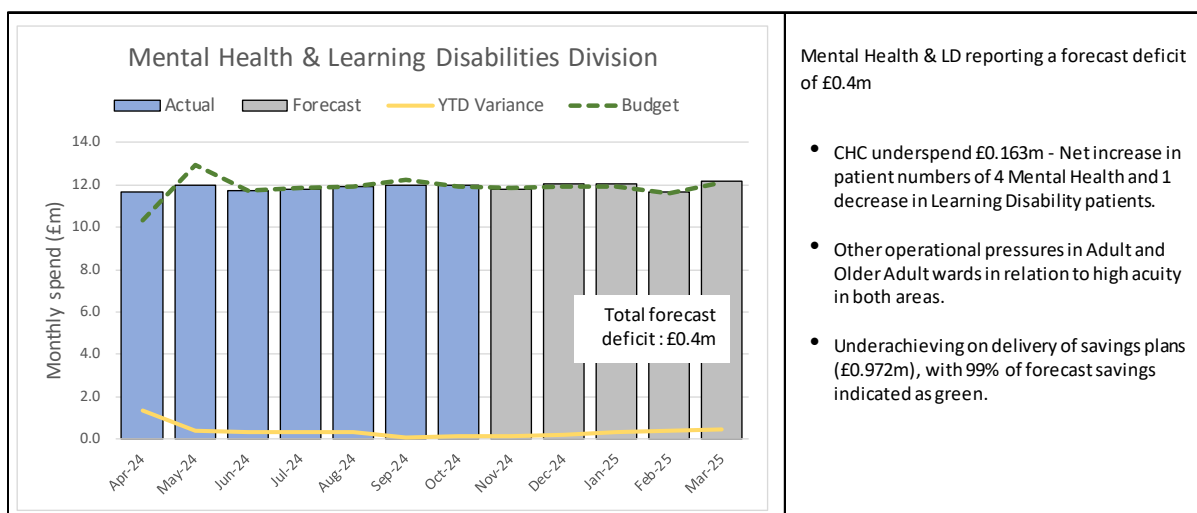
Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
Medicines Management	4	£0	£98	£97	£1	£604	£603
Procurement & Non-pay	14	£36	£235	£199	£42	£502	£461
Service Redesign	2	£145	£99	-£46	£870	£687	-£183
Workforce	7	£1,015	£1,117	£101	£1,889	£2,222	£333
<b>Total</b>	<b>27</b>	<b>£1,196</b>	<b>£1,548</b>	<b>£352</b>	<b>£2,801</b>	<b>£4,015</b>	<b>£1,214</b>

Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
Med-01	Medicines Management review across Directorates. Horizon Scanning	NR	Month 1	Green	50	1	93	93
Med-02	Reconfiguration of beds across 3 wards with the net reduction of 14 beds for Medicine	R	Month 1	Green	992	1,558	1,693	136
Med-03	No backfill for 0.40 band 7 sleep nurse wef	R	Month 1	Green	14	24	24	0
Med-04	Procurement of Medtronic pumps at reduced rate for a set period of time	NR	Month 1	Green	17	27	17	(10)
Med-05	Reduced catalogue price for Medtronic sensors	NR	Month 1	Green	43	15	74	59
Med-06	Reconfiguration of beds Medicine	R	Month 1	Green	99	750	687	(63)
Med-07	Administration & Clerical review	R	Month 1	Red	0	158	0	(158)
Med-08	Cardiology backfill sessions	R	Month 1	Red	0	120	0	(120)
Med-09	Cardiology insourcing below plan	R	Month 1	Green	67	150	150	0
Med-10	Reduced catalogue price for Dexcom pumps and consumables	NR	In Year	Green	53	0	97	97
Med-15	Natalizumab - contract change	NR	In Year	Green	47	0	130	130
Med-17	Medical Rota - IMT Doctors (1 in 16 to 1 in 22 on call rota)	R	In Year	Green	26	0	70	70
Med-18	Respiratory CPAP purchase	NR	In Year	Green	36	0	80	80

Medicine savings schemes continued...

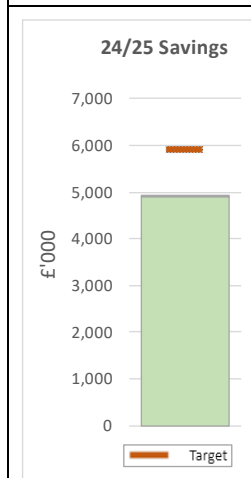
Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
Med-19	Gastroenterology Switch in product type Polyp Trap	R	In Year	Green	0	0	1	1
Med-20	Cardiology Reduction in Echo Insourcing reliance	R	In Year	Green	11	0	30	30
Med-21	Cardiology Recruitment Slippage CR/HF Hub	NR	In Year	Amber	0	0	45	45
Med-22	Gastroenterology Consent forms - Cessation of leaflet	R	In Year	Green	6	0	11	11
Med-23	Respiratory CPAP Mask Renewals	R	In Year	Green	35	0	60	60
Med-24	Respiratory CPAP Mask new set ups	R	In Year	Green	12	0	20	20
Med-25	Cardiology Mini comp tender Stents (Cath Lab)	R	In Year	Green	2	0	9	9
Med-27	Gastroenterology Out of Area drug cost recovery for Ward Attenders	NR	In Year	Green	8	0	50	50
Med-28	Neurology Out of Area drug cost recovery for Ward Attenders	NR	In Year	Green	8	0	50	50
Med-29	Acute Medicine Substantiate RNs in Line with Rosters	R	In Year	Green	19	0	240	240
Med-30	Diabetes Insulet Rebate	NR	In Year	Green	4	0	4	4
Med-31	GACU Giving Sets - Alternative Product with reduced Port	R	In Year	Green	0	0	0	0
Med-32	Paracetamol IV to Oral Omnicell Implementation	R	In Year	Green	0	0	1	1
Med-33	Drug switch Ustekinumab	R	In Year	Amber	0	0	380	380
					<b>1,548</b>	<b>2,801</b>	<b>4,015</b>	<b>1,214</b>

## Divisional analysis – Mental Health and Learning Disabilities



Mental Health & LD reporting a forecast deficit of £0.4m

- CHC underspend £0.163m - Net increase in patient numbers of 4 Mental Health and 1 decrease in Learning Disability patients.
- Other operational pressures in Adult and Older Adult wards in relation to high acuity in both areas.
- Underachieving on delivery of savings plans (£0.972m), with 99% of forecast savings indicated as green.



### Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
CHC	3	£1,942	£1,260	£-682	£4,850	£3,850	£-1,000
Procurement & Non-pay	1	£46	£0	£-46	£103	£0	£-103
Workforce	7	£513	£535	£22	£953	£1,084	£131
<b>Total</b>	<b>11</b>	<b>£2,500</b>	<b>£1,795</b>	<b>£-705</b>	<b>£5,906</b>	<b>£4,934</b>	<b>£-972</b>

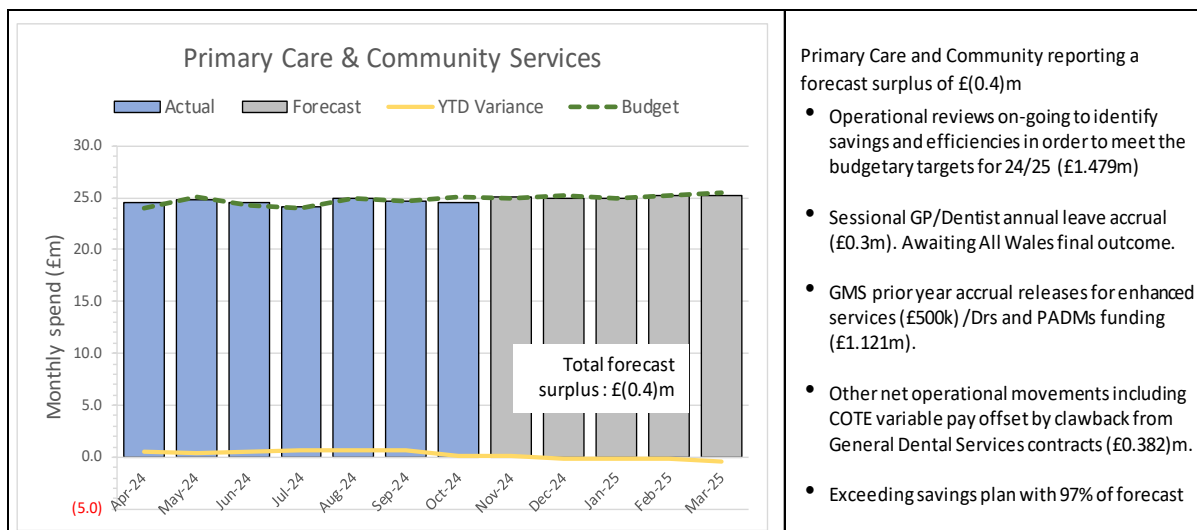
Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
MH-01	Reduction in variable pay agency premium B2 HCSW	R	Month 1	Green	129	192	192	0
MH-02	Ty Lafant ward LD reduction to VP	R	Month 1	Green	128	199	199	0
MH-03	Mitchell Close	R	Month 1	Red	0	103	0	(103)
MH-04	Medical Agency Reduction	R	Month 1	Green	63	169	169	0
MH-05	Reduction in PHP Leadership PHPs	R	Month 1	Green	31	54	54	0
MH-06	MH&LD CHC reduction	R	Month 1	Green	993	3,250	3,250	(0)
MH-07	Administration & Clerical review	R	Month 1	Amber	0	140	41	(99)
MH-07a	Administration & Clerical review	NR	In Year	Green	61	0	99	99
MH-08	MH&LD CHC further reductions	R	Month 1	Green	267	600	600	0
MH-09	MH&LD variable pay schemes	R	Month 1	Green	122	200	331	131
OPPS2-10	West Sussex	NR	Month 1	Red	0	1,000	0	(1,000)
					<b>1,795</b>	<b>5,906</b>	<b>4,934</b>	<b>(972)</b>

**Mental Health and Learning Disabilities continued...**

**Red savings schemes (listed above) over £200k**

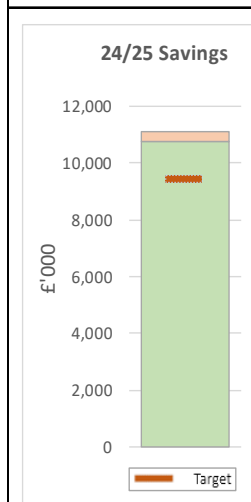
Business Unit	Savings Scheme Number	Scheme / Opportunity	Current Year Annual Plan £'000	Reason for unachievement
Mental Health and Learning Disabilities	OPPS2-10	West Sussex	1,000	Currently with West Sussex Legal team for a response. If wish to progress likely with lead into a legal dispute which could be costly. Working towards full recovery of costs however current assumption that saving will not be achieved in the near future.

## Divisional analysis – Primary Care and Community



Primary Care and Community reporting a forecast surplus of £(0.4)m

- Operational reviews on-going to identify savings and efficiencies in order to meet the budgetary targets for 24/25 (£1.479m)
- Sessional GP/Dentist annual leave accrual (£0.3m). Awaiting All Wales final outcome.
- GMS prior year accrual releases for enhanced services (£500k) / Drs and PADMs funding (£1.121m).
- Other net operational movements including COTE variable pay offset by clawback from General Dental Services contracts (£0.382)m.
- Exceeding savings plan with 97% of forecast



### Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
Medicines Management	4	£595	£895	£300	£1,330	£2,380	£1,050
Procurement & Non-pay	35	£1,984	£2,308	£324	£3,880	£4,505	£625
Service Redesign	2	£147	£0	£-147	£794	£379	£-415
Workforce	19	£1,877	£2,173	£296	£3,395	£3,843	£449
<b>Total</b>	<b>60</b>	<b>£4,603</b>	<b>£5,377</b>	<b>£774</b>	<b>£9,398</b>	<b>£11,107</b>	<b>£1,708</b>

Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
PCC-02	Managed practices to independant status from 01/04/24	R	Month 1	Green	1,125	1,928	1,928	0
PCC-03	Revise Academy Offer	NR	Month 1	Green	249	426	426	0
PCC-04	Stoma Team Phase 2	NR	Month 1	Green	87	149	149	0
PCC-05	NHS wales reduction in enhanced mileage rate	R	Month 1	Green	35	60	60	0
PCC-06	Reduction in Medication/NonPay stock - Reduction in Drugs moving STW to RGH by using omnicell cabinets and bed side lockers, opportunity to introduce across other sites for bigger savings if found beneficial	R	Month 1	Green	18	30	30	0
PCC-07	Pharmacy Closures - Benefits within various fees & services (mainly establishment fee). Four community pharmacies due to close by April 24 along with one additional pharmacy following this. Saving of £35k each in the year though this would be a one-off saving	NR	Month 1	Green	102	175	175	0
PCC-08	Staffing - Current B5 post holder reduction in hours	R	Month 1	Green	4	10	10	(0)
PCC-09	Staffing - Review of nursing rota and opportunities to decrease specialist nurse rate	R	Month 1	Green	2	5	5	0
PCC-10	Staffing - Currently have one agency GP, bring this peron on substantive contract so cost of fees removed	R	Month 1	Green	4	10	10	(1)

**Primary Care & Community savings schemes continued...**

Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
PCC-11	Reduction in Chepstow beds - 2 - Reducing 2 beds within Cas Gwent ward	R	Month 1	Green	90	204	204	(0)
PCC-12	E-rostering scrutiny and efficiency. Adopting additional scrutiny, process transparency and further/refresh training	R	Month 1	Green	0	10	10	0
PCC-13	Staffing structure review -Remove 8a role from structure	R	Month 1	Green	35	65	65	1
PCC-14	Redeployment of Business Administrator - Redeployment of B3 administrator following end of secondment. Role not required due to apprentice in post.	R	Month 1	Green	16	28	28	0
PCC-15	Business Intelligence / Data Analyst - If Data Analyst / Business Partner model continues to be provided by Information Services (current agreed via ACD/SPPC) there will be less requirement to backfill vacancy for a dedicated band 6 performance manager. Workplan/commitment needed from Corporate Information to reassure that work will be progressed on Division's behalf. May necessitate permanent recruitment of B6 business manager from within current structure, thereby releasing a band 5 role.	R	Month 1	Green	26	44	44	(0)
PCC-16	Review Management structure	R	Month 1	Green	44	76	66	(10)
PCC-17	Review Admin Structure	R	Month 1	Green	5	32	27	(5)
PCC-18	Review Professional structure	R	Month 1	Green	29	76	76	0
PCC-19	Removal of vacant part time physio post	R	Month 1	Green	11	18	18	0
PCC-20	111 funding redistribution	NR	Month 1	Amber	0	215	215	0
PCC-21	Non pay other - Look at opportunities including prescribing, Opex and Wireless Logic	R	Month 1	Green	5	10	10	0
PCC-22	Non pay premises rent - Explore accomodation opportunities. Currently UPC/GP OOH pick up costs for all P&CC care space within VPH which also includes SPA	R	Month 1	Red	0	30	0	(30)
PCC-23	Non-Pay reduction	R	Month 1	Green	25	22	34	12
PCC-24	Non-Pay reduction	R	Month 1	Green	12	10	12	2
PCC-25	Non-Pay reduction	R	Month 1	Green	7	10	10	0
PCC-26	Non-Pay reduction	R	Month 1	Green	4	10	10	0
PCC-27	Stock - Bring stock values in to balance sheet	NR	Month 1	Amber	0	66	66	0
PCC-28	Non pay review - Review stock, supplier usage, waste levels and training with a view to securing better prices / using less . Target 15% reduction.	R	Month 1	Green	61	109	109	0
PCC-29	Income opportunities - Increase charges to Llanarth Court to ensure costs are covered. Explore any other income generating opportunities	R	Month 1	Green	66	7	69	62
PCC-30	GDS contracts - Review service / number of sessions provided within the GDS contracts for OOHs, Blaenavon and Abertillery	R	Month 1	Green	35	60	60	0
PCC-31	Cessation of Hygiene Waste collection - Cessation of PHS contract and adoption of HB service supplier at saving of £2,000 per annum	R	Month 1	Green	1	2	2	0
PCC-32	Non Pay - Non Pay spend review to bring into line with budget for 24-25	R	Month 1	Green	5	5	5	0
PCC-33	Chase Project - Removal of this project	R	Month 1	Green	10	10	10	0
PCC-34	License Fees - No Longer needed	R	Month 1	Green	6	6	6	0
PCC-35	Reconfiguration of beds PCCS	R	Month 1	Green	0	750	350	(400)

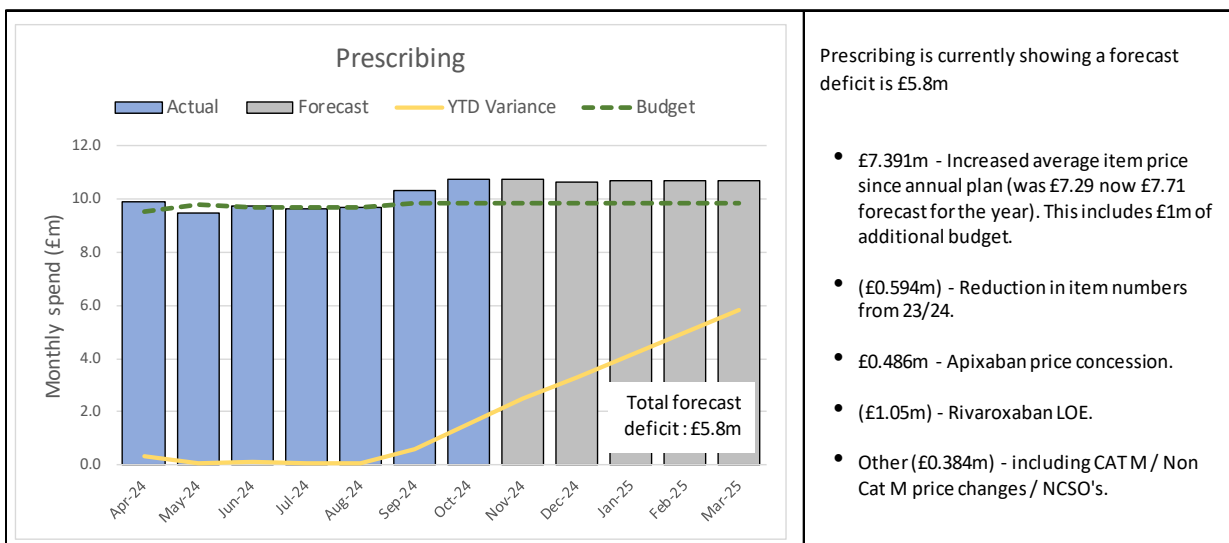
## Primary Care & Community savings schemes continued...

Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
PCC-36	Glyn Ebbw Closure	R	Month 1	Green	0	44	29	(15)
PCC-37	Staffing Structures in Community Dental Services	R	Month 1	Green	79	100	100	(0)
PCC-38	Additional clinical sessions LES	R	Month 1	Red	0	673	0	(673)
PCC-38a	Additional clinical sessions LES	NR	In Year	Green	393	0	673	673
PCC-39	Reduction in NCN areas	R	Month 1	Green	5	30	30	0
PCC-40	Relinquish Comms and Engagement agreement	R	Month 1	Red	0	30	0	(30)
PCC-41	GDS clawback savings - Corporate assessment	R	Month 1	Green	117	200	200	0
PCC-42	Dental patient charges	R	Month 1	Green	853	1,600	1,600	0
PCC-43	Administration & Clerical review savings (2%)	R	Month 1	Red	0	254	0	(254)
PCC-43a	Administration & Clerical review savings (2%)	NR	In Year	Green	241	0	289	289
PCC-44	Anti-viral cost mitigation / GP stock	R	Month 1	Red	0	1,300	0	(1,300)
PCC-44a	Anti-viral cost mitigation / GP stock	NR	In Year	Green	578	0	1,300	1,300
PCC-45	Optometry contract reduction	R	Month 1	Green	222	500	500	0
PCC-46	Nurse led Imms Team - under GMS Contract	R	In Year	Green	101	0	202	202
PCC-47	SLAs-Carers Collective Torfaen	NR	In Year	Green	26	0	45	45
PCC-48	SLAs-Carers Collective Monmouth	NR	In Year	Green	14	0	25	25
PCC-49	SLAs-British Red Cross Pan Gwent – Newport Hub	NR	In Year	Green	5	0	14	14
PCC-50	SLAs-Age Cymru Caerphilly	NR	In Year	Green	8	0	14	14
PCC-51	Llanarth House rates rebate	NR	In Year	Amber	0	0	44	44
PCC-52	Ruperra - RTG Ward - Bed reduction and revised model	R	In Year	Green	171	0	430	430
PCC-53	GMS-HB Improvement Grant funding	NR	In Year	Green	117	0	200	200
PCC-55	SLAs - National Exercise Referral Scheme	NR	In Year	Green	7	0	12	12
PCC-56	ODTC & WET AMD - Activity cap	NR	In Year	Green	22	0	50	50
PCC-57	Rivaroxaban LOE - Price reduction	R	In Year	Green	300	0	1,050	1,050
PCC-58	Procurement saving for IV Giving Sets Switch	R	In Year	Amber	0	0	0	0
PCC-59	Hospital Pharmacy - Temperature Monitoring	R	In Year	Green	1	0	4	4
					5,377	9,398	11,107	1,708

### Red savings schemes (listed above) over £200k

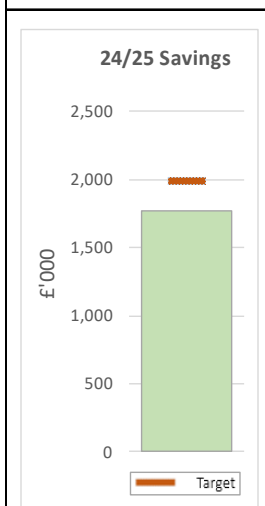
Savings Scheme Number	Scheme / Opportunity	Current Year Annual Plan £'000	Reason for unachievement
PCC-44	Anti-viral cost mitigation / GP stock	1,300	Savings are achieving in full for 24/25, however will not achieve on a recurrent basis. The 2024/25 achievement is reflected in scheme PCC-44a
PCC-38	Additional clinical sessions LES	673	Savings are achieving in full for 24/25, however will not achieve on a recurrent basis. The 2024/25 achievement is reflected in scheme PCC-38a
PCC-43	Administration & Clerical review savings (2%)	254	Savings are achieving for 24/25, however will not achieve on a recurrent basis. The 2024/25 achievement is reflected in scheme PCC-43a

## Divisional analysis – Prescribing



Prescribing is currently showing a forecast deficit is £5.8m

- £7.391m - Increased average item price since annual plan (was £7.29 now £7.71 forecast for the year). This includes £1m of additional budget.
- (£0.594m) - Reduction in item numbers from 23/24.
- £0.486m - Apixaban price concession.
- (£1.05m) - Rivaroxaban LOE.
- Other (£0.384m) - including CAT M / Non Cat M price changes / NCSO's.

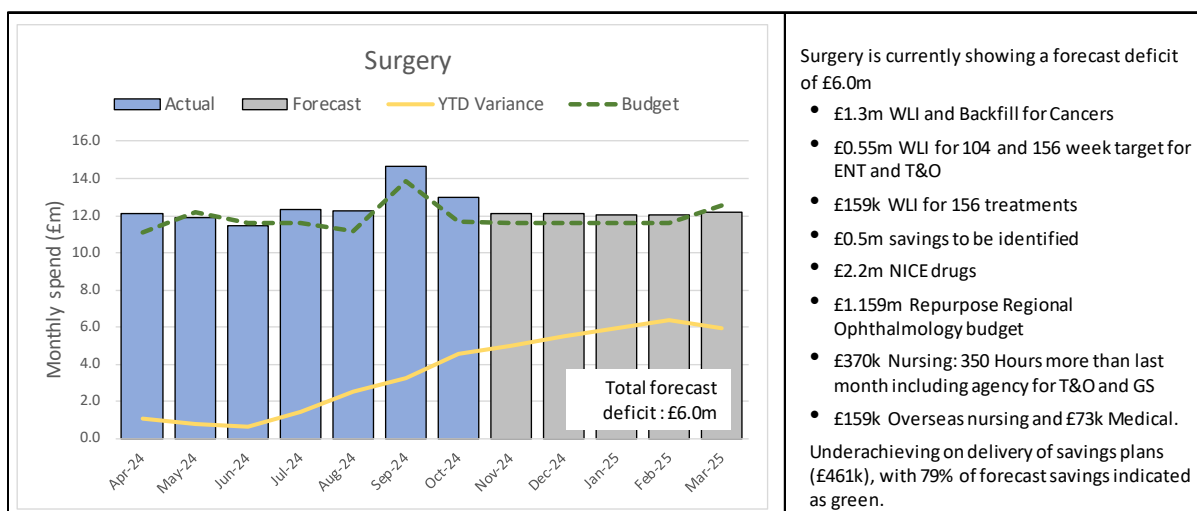


### Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
Medicines Management	1	£959	£643	-£316	£1,987	£1,773	-£214
<b>Total</b>	<b>1</b>	<b>£959</b>	<b>£643</b>	<b>-£316</b>	<b>£1,987</b>	<b>£1,773</b>	<b>-£214</b>

Division	Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
						Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
Prescribing	PCC-01	Prescribing savings options / opportunities	R	Month 1	Green	643	1,987	1,773	(214)
						643	1,987	1,773	(214)

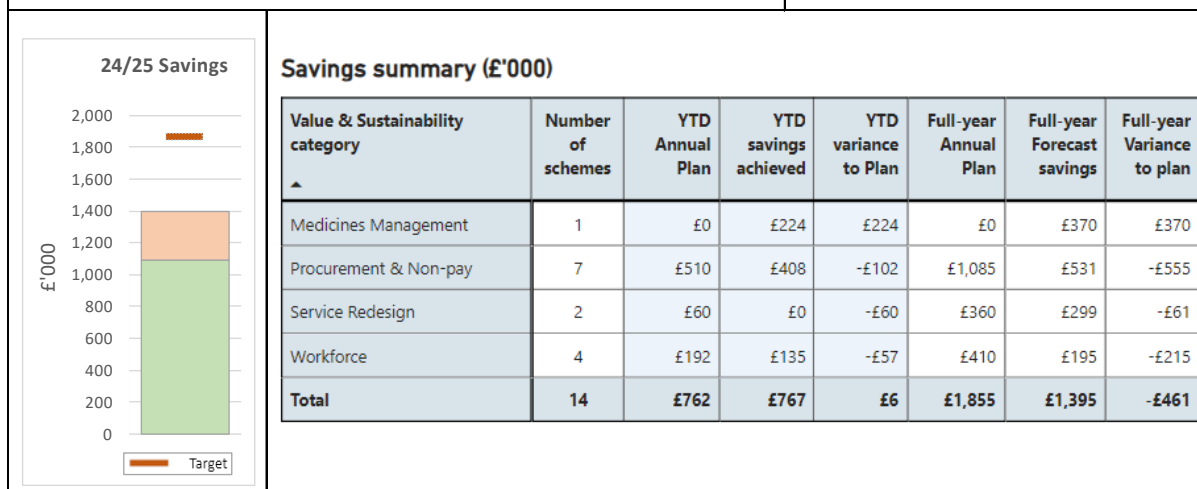
## Divisional analysis – Surgery



Surgery is currently showing a forecast deficit of £6.0m

- £1.3m WLI and Backfill for Cancers
- £0.55m WLI for 104 and 156 week target for ENT and T&O
- £159k WLI for 156 treatments
- £0.5m savings to be identified
- £2.2m NICE drugs
- £1.159m Repurpose Regional Ophthalmology budget
- £370k Nursing: 350 Hours more than last month including agency for T&O and GS
- £159k Overseas nursing and £73k Medical.

Underachieving on delivery of savings plans (£461k), with 79% of forecast savings indicated as green.



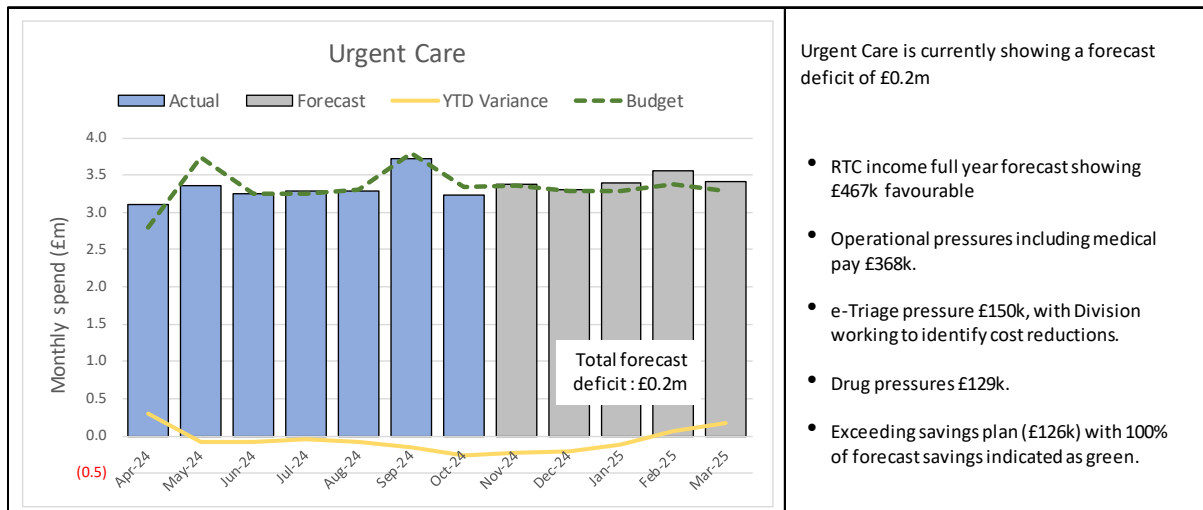
Savings Scheme Number	Scheme / Opportunity	R/N/R	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
SUR-01	Ophthalmology Phaco Lenses and Procedure packs	R	Month 1	Green	46	79	79	0
SUR-02	Intensity Banding for On-call	R	Month 1	Red	0	44	0	(44)
SUR-03	Orthopaedics: Femoral Heads	R	Month 1	Green	32	45	51	6
SUR-04	Orthopaedics: rationalisation of suppliers for hips and knees	R	Month 1	Green	29	50	50	0
SUR-05	Trauma Contract	R	Month 1	Green	50	60	100	40
SUR-06	Bed Day Efficiencies	R	Month 1	Amber	0	205	171	(34)
SUR-07	Theatre Efficiencies	R	Month 1	Amber	0	155	128	(27)
SUR-08	Reduce Machen Ward Sat - Mon	R	Month 1	Red	0	179	0	(179)
SUR-10	Administration & Clerical Review	R	Month 1	Green	95	187	105	(82)
SUR-11	National priorities/best value biosimilars & Haematology	R	In Year	Green	224	0	370	370
SUR-12	Agency reduction with all junior clinical fellow posts now filled	NR	In Year	Green	40	0	90	90
OPPS2-11	WRP	R	Month 1	Red	0	251	0	(251)
OPPS2-11a	WRP	NR	In Year	Green	251	0	251	251
OPPS2-12	Consignment / other M&SE disposables	R	Month 1	Red	0	600	0	(600)
					<b>767</b>	<b>1,855</b>	<b>1,395</b>	<b>(461)</b>

**Surgery continued...**

**Red savings schemes (listed above) over £200k**

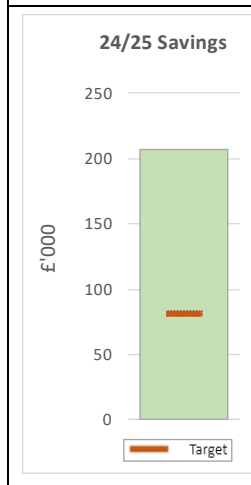
Savings Scheme Number	Scheme / Opportunity	Current Year Annual Plan £'000	Reason for unachievement
OPPS2-12	Consignment / other M&SE disposables	600	Original plan for Consignment Stock saving determined unachievable following technical advice
OPPS2-11	WRP	251	Savings are achieving in full for 24/25, however will not achieve on a recurrent basis. The 2024/25 achievement is reflected in scheme OPPS2-11a
SUR-08	Reduce Machen Ward Sat - Mon	179	Machen ward unable to close on weekends so far due to shortages of beds in GUH.

## Divisional analysis – Urgent Care



Urgent Care is currently showing a forecast deficit of £0.2m

- RTC income full year forecast showing £467k favourable
- Operational pressures including medical pay £368k.
- e-Triage pressure £150k, with Division working to identify cost reductions.
- Drug pressures £129k.
- Exceeding savings plan (£126k) with 100% of forecast savings indicated as green.

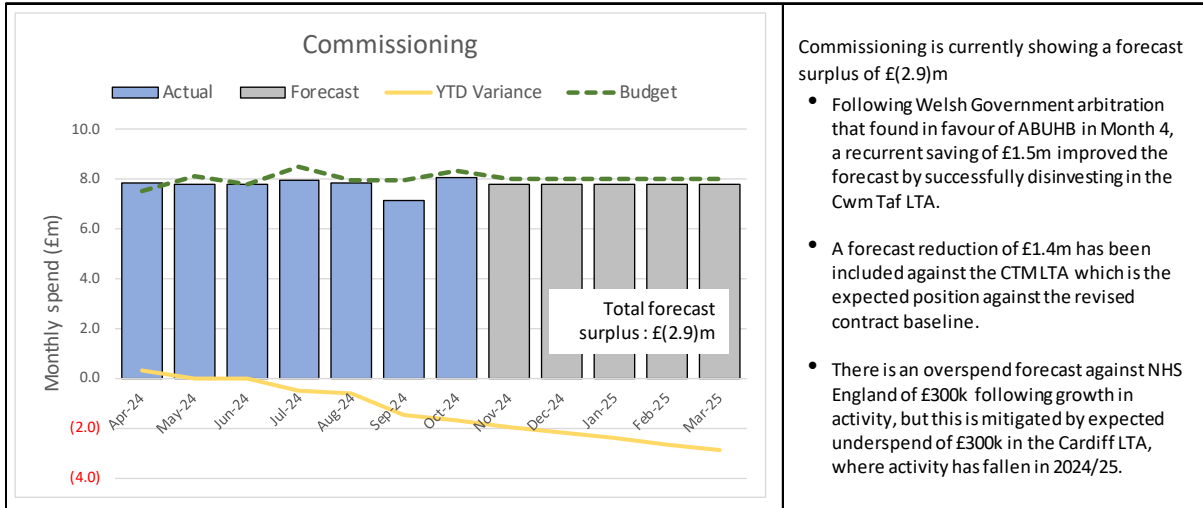


### Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
Procurement & Non-pay	1	£0	£17	£17	£0	£100	£100
Workforce	1	£42	£72	£30	£81	£107	£26
<b>Total</b>	<b>2</b>	<b>£42</b>	<b>£89</b>	<b>£46</b>	<b>£81</b>	<b>£207</b>	<b>£126</b>

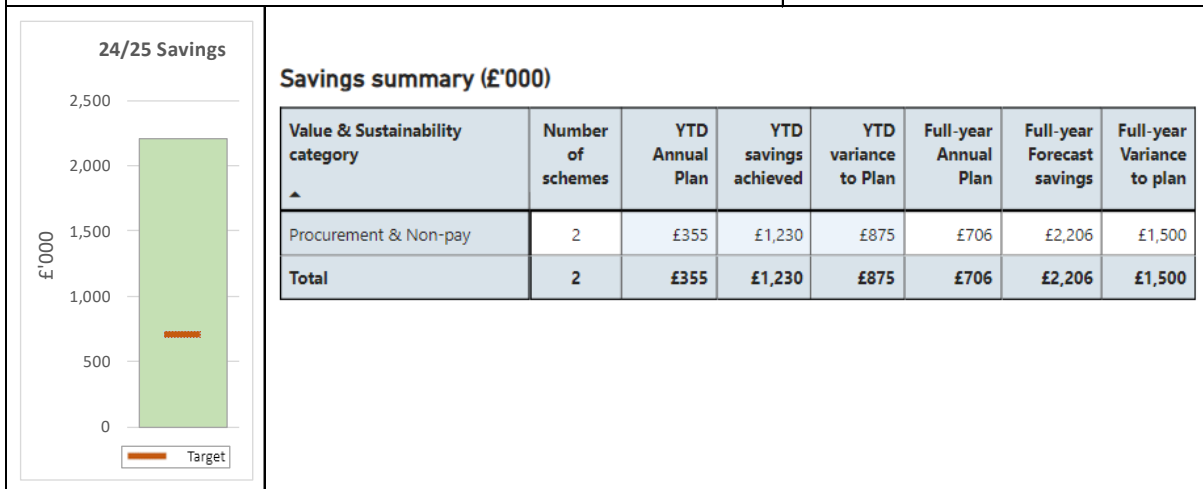
Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
URG-01	Administration & Clerical review	R	Month 1	Green	72	81	107	26
URG-02	RTC Income	NR	In Year	Green	17	0	100	100
					<b>89</b>	<b>81</b>	<b>207</b>	<b>126</b>

## Divisional analysis – External Commissioning



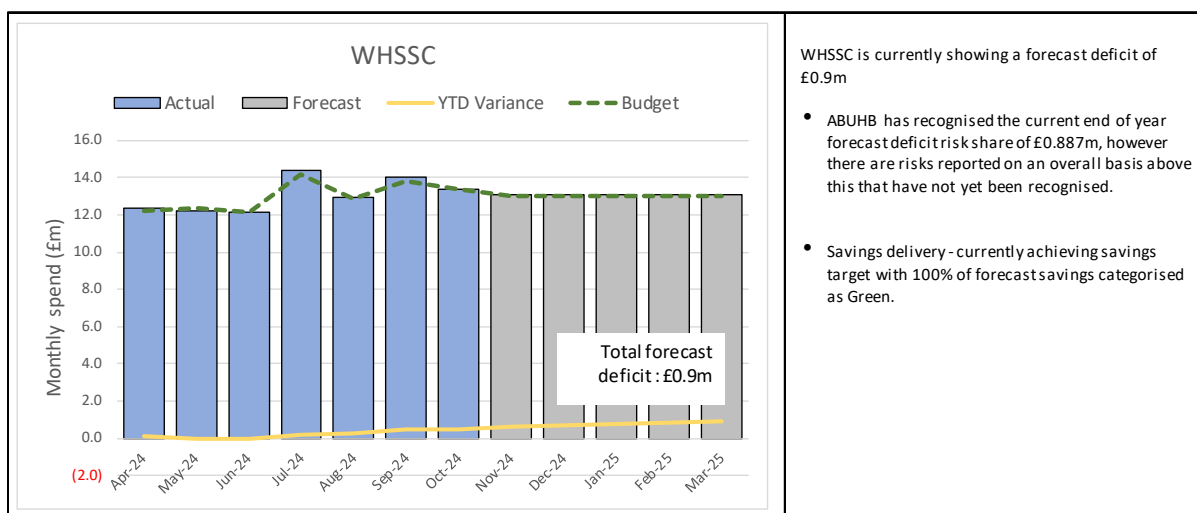
Commissioning is currently showing a forecast surplus of £(2.9)m

- Following Welsh Government arbitration that found in favour of ABUHB in Month 4, a recurrent saving of £1.5m improved the forecast by successfully disinvesting in the Cwm Taf LTA.
- A forecast reduction of £1.4m has been included against the CTMLTA which is the expected position against the revised contract baseline.
- There is an overspend forecast against NHS England of £300k following growth in activity, but this is mitigated by expected underspend of £300k in the Cardiff LTA, where activity has fallen in 2024/25.



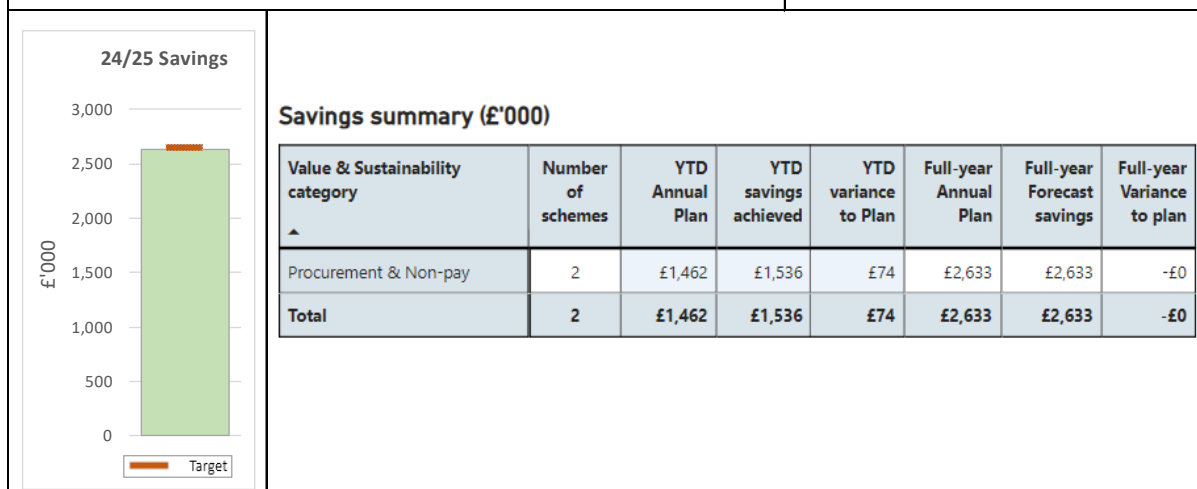
Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
COMM-01	Reduction in expenditure for robotic surgery (repat)	R	Month 1	Green	180	406	406	0
COMM-02	LTA reviews	R	Month 1	Green	1,050	300	1,800	1,500
					<b>1,230</b>	<b>706</b>	<b>2,206</b>	<b>1,500</b>

## Divisional analysis – WHSSC



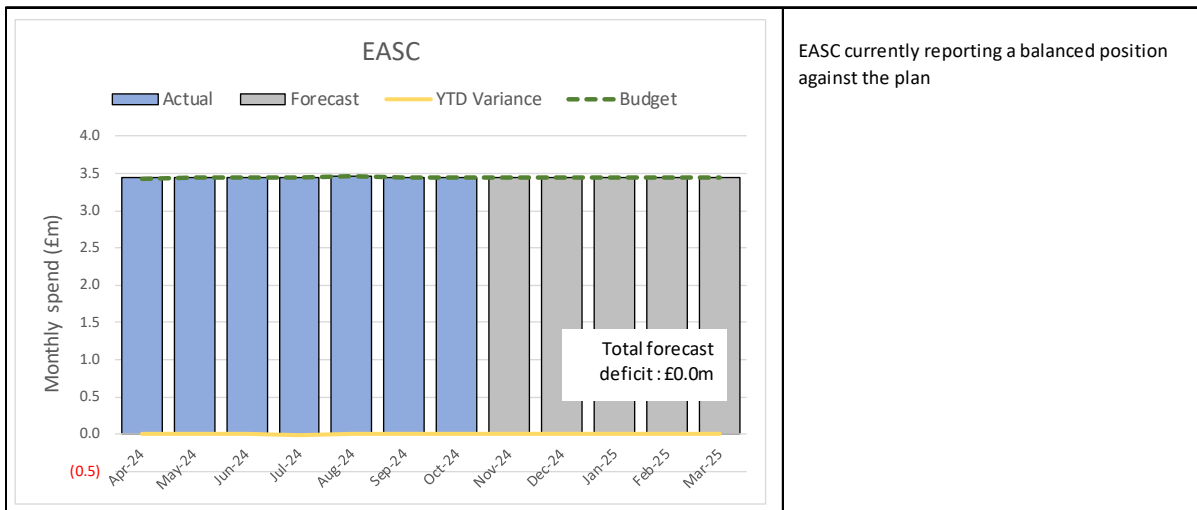
WHSSC is currently showing a forecast deficit of £0.9m

- ABUHB has recognised the current end of year forecast deficit risk share of £0.887m, however there are risks reported on an overall basis above this that have not yet been recognised.
- Savings delivery - currently achieving savings target with 100% of forecastsavings categorised as Green.

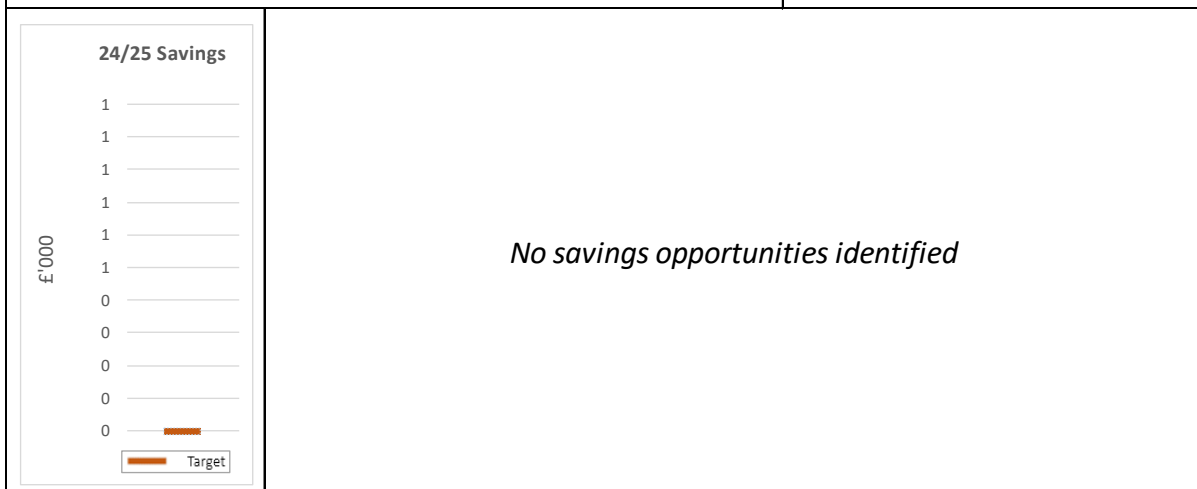


Savings Scheme Number	Scheme / Opportunity	R/NR	IMTP v In Year scheme	Scheme RAG rating	YTD	Full year		
					Achieved £'000	Plan £'000	Forecast £'000	Variance £'000
WHSSC-01	WHSSC Savings Schemes	R	Month 1	Green	1,224	2,099	2,099	(0)
WHSSC-02	WHSSC Savings Schemes	R	Month 1	Green	312	534	534	0
					<b>1,536</b>	<b>2,633</b>	<b>2,633</b>	<b>(0)</b>

# Divisional analysis – EASC



EASC currently reporting a balanced position against the plan



## Reserves

### Reserves Delegation:

Following Board budget delegation undertaken in month 2 the reserves position at 31<sup>st</sup> of October 24 is (£29.760m). This consists of the revised recurrent deficit for 24/25 of £48.859m, specific commitment reserves of £7.751m, allocations to be delegated of £9.111m and items retained to support the deficit position of £2.236m.

The specific commitment reserves include targeted funding to support additional expenditure relating to RTT. An Innovation and Development reserve of £1.292m remains within reserves for new pressures and investments. From the original £2.0m held for Innovation and Development, a number of Executive approved funding decisions have been made including expansion of the Multiple Sclerosis service (£0.257m), ED business case (£247k), and Creo Endoscopy (£0.148m).

Funding will continue to be reviewed with further anticipated allocations being retained within reserves pending delegation.

#### 7769-ALLOCATIONS TO BE DELEGATED

Description	24/25
Mental Health 111 Press 2 service funding 24-25 (tranche 1)	142,857
Mental Health 111 Press 2 service funding 24-25 (tranche 2)	141,659
Real Living Wage (RLW) - 24/25	1,228,074
International Nurses 24-25	894,000
PCC Optometry funding 24-25	827,000
Planned Care - 104 week wait gap for Orthopaedics	3,816,000
Planned Care - Diagnostic Schemes	1,307,000
EPMA Funding	754,414
<b>Confirmed / Anticipated Allocations to be apportioned</b>	<b>9,111,004</b>

#### 7788-COMMITMENTS TO BE DELEGATED

Description	24/25
Innovation and Development Fund	1,291,824
Approved Business Case: ED Staff	57,579
Approved Business Case: Discharge/Transfer lounge	189,000
Innovation and Development Fund - RTT	1,000,000
Inflationary pressures reserve	1,220,000
Newport East HWBC (GDS contract increase)	48,000
Newport East HWBC (E&F costs)	66,000
GUH ED Extension	161,000
Prescribing price & volume growth 2024/25	1,800,000
Energy underspend at M4	1,657,000
Pay Matrix: Income via: PHW (core)	(118,000)
TEC Cymru and VC - Pay award element of budget	0
Junior Doctors income adjustment	379,080
<b>Total Commitments</b>	<b>7,751,483</b>

#### 7501-SUPPORTING FINANCIAL POSITION

Description	24/25
Balance at month 6	1,705,289
DHCW Project	130,000
WRP adjustment	395,688
IT Revenue to capital M7	5,130
<b>Total Supporting financial position reserve</b>	<b>2,236,107</b>

#### 7515-IMTP 23/24 DEFICIT

Description	24/25
23/24 recurrent deficit	(112,848,200)
Underlying deficit	28,800,000
Inflationary uplift (conditional recurrent)	35,700,000
Energy	9,854,000
2024/25 budget-setting	(10,364,387)
<b>Total IMTP 23/24 recurrent deficit</b>	<b>(48,858,587)</b>

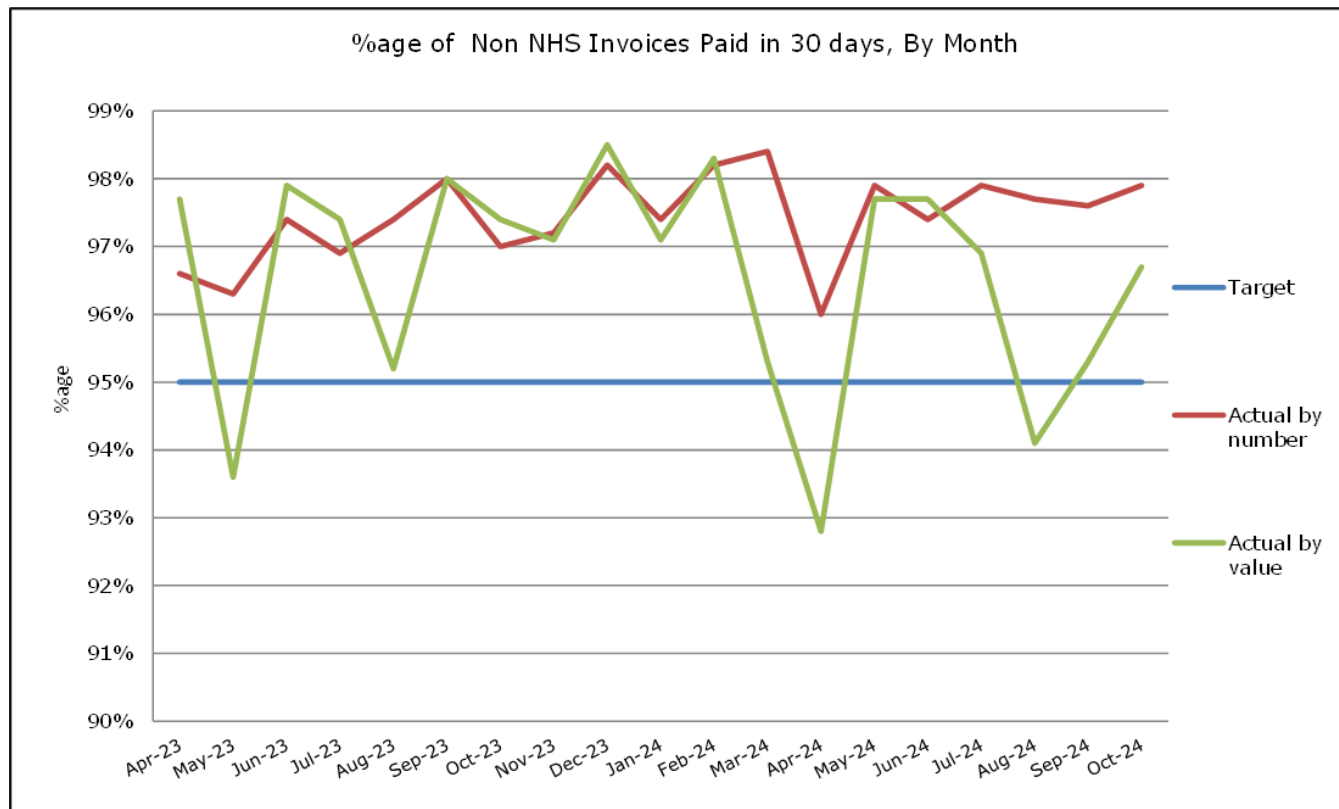
Totals **(29,759,993)**

## Cash Position

The cash balance at the 31<sup>st</sup> October is £4.102m, which is below the advisory figure set by Welsh Government of £6m.

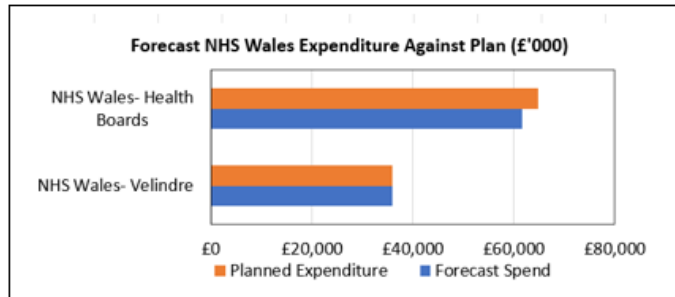
## Public Sector Payment Policy (PSPP)

The HB has achieved the target to pay 95% of the number of Non-NHS creditors within 30 days of delivery of goods/services in October and cumulatively. There has been an increase in the number of NHS invoices paid within 30 days this month.



## Contracting & Commissioning – LTA Spend & Income

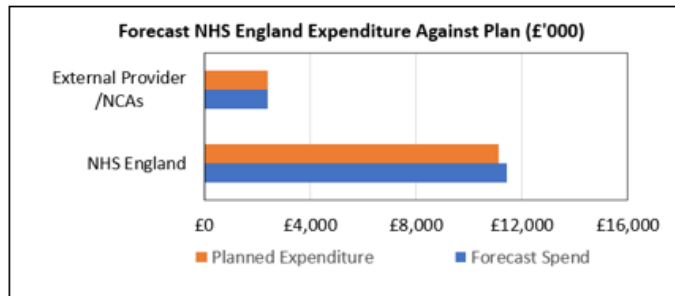
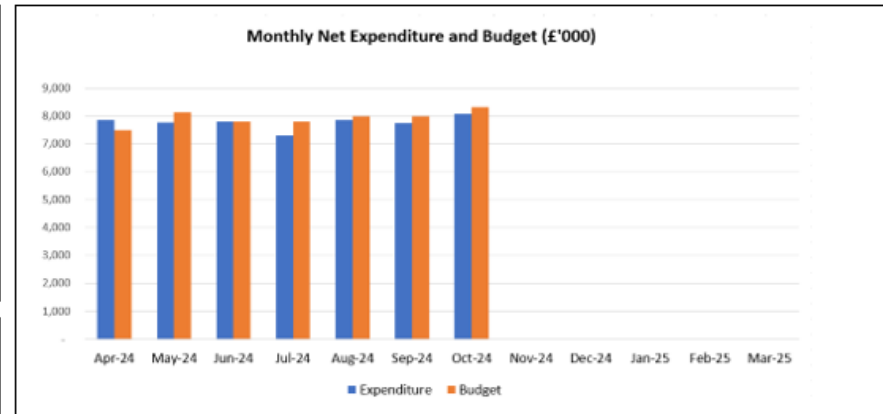
At Month 7 the year to date financial performance for Contracting and Commissioning is £1,692k underspend against the delegated budget, with a forecast year of £2.9m underspend. The key elements contributing to this position at Month 7 are as follows:



**NHS Wales Expenditure**

Expenditure in NHS Wales contracts is forecast to be £3.2m less than plan after the disinvestment from Cwm Taf was supported by Welsh Government.

An uplift of 3.67% as per WG guidance was applied to contracts in 2024/25.

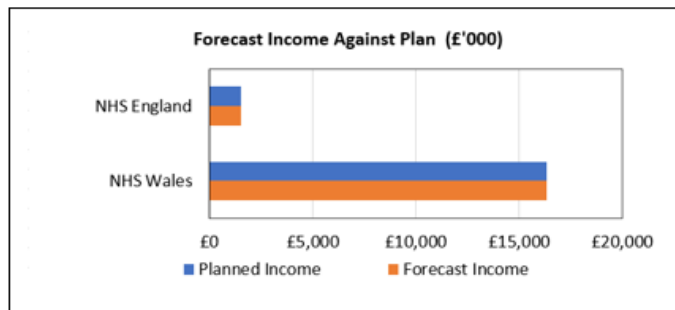


**NHS England Expenditure**

Contract Expenditure with NHS England organisations is expected to be c£11.4m in 2024/25 and will continue to be monitored and managed regularly.

Month 6 monitoring that has been received is in line with expected activity levels.

- Key Issues 2024-25**
- All LTAs have been signed in line with the WG deadline of the end of June 2024 apart from the Cwm Taf LTA which has been signed by ABUHB following WG arbitration decision but currently awaiting the Cwm Taf signed copy back
  - The nationally agreed core uplift of 3.67% has been funded and is reflected in the above position
  - Infectious diseases support has been formally commissioned from Cardiff from 2024/25 ensuring that ABUHB patients and clinicians have access to specialist advice and treatment pathways for this service going forwards
  - A saving of £406k for robotic surgery repatriation is being forecast to be achieved in 2024-25
  - A recurrent annual saving of £1.8m from LTA negotiations with Cwm Taf has been achieved against a target of £300k which results in a £1.5m benefit.
  - An additional c£1.4m underspend as a result of reduced activity is being forecast against the revised CTM LTA baseline however CTM are not in agreement with this assumption and so this represents a risk to the forecast outturn position**
  - The expenditure being forecast for cancer services at Velindre is in line with provider expectations and ABUHB IMTP planning assumptions.
  - ABUHB are working through a potential rebasing of the Velindre contract to ensure allocation matches the actual activity share but this is not yet agreed



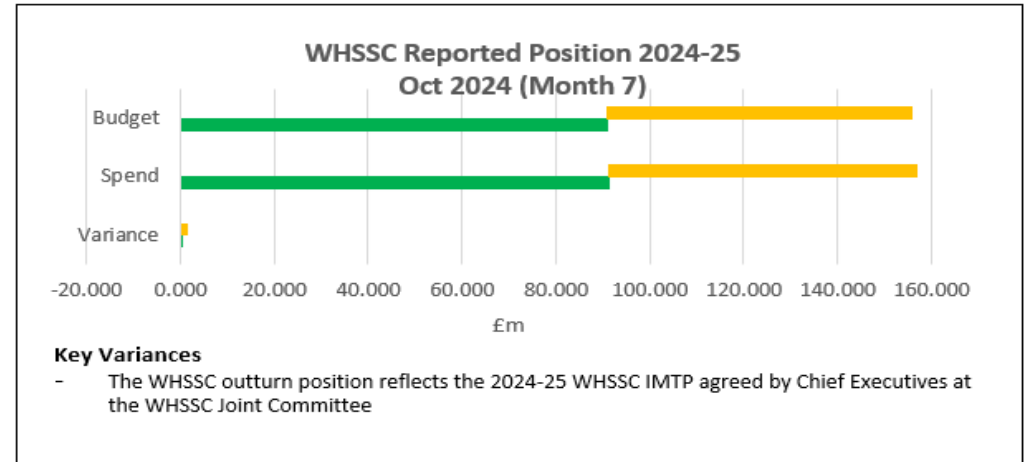
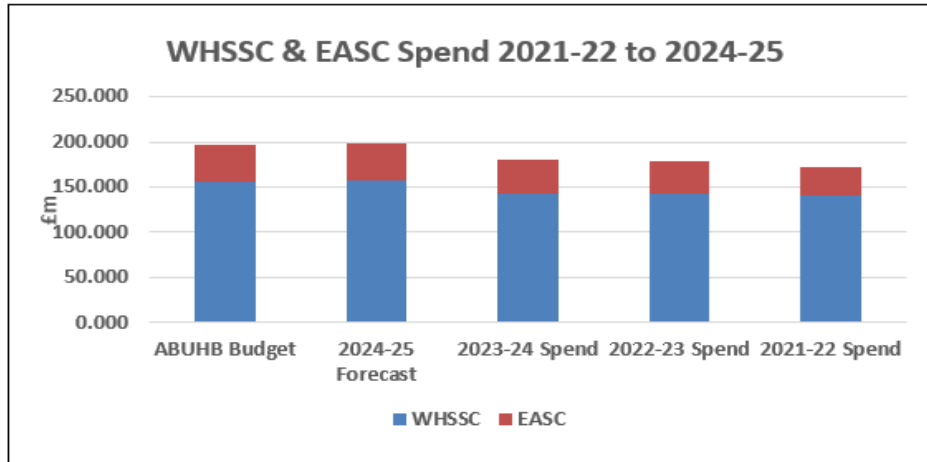
**Provider Income**

Provider income of c£17.8m is being planned and forecast in 2024/25 and will continue to be monitored and managed regularly.

Month 6 activity provided by ABUHB has been in line with previous years performance and is monitored monthly

## JOINT COMMISSIONING COMMITTEE (formerly WHSSC & EASC) Financial Position 2024-25

The Month 7 financial performance for the Joint Commissioning Committee is a forecast overspend of £0.887m. The Month 7 position reflects the agreed IMTP and budget delegation for the Specialised Services (WHSSC) and EASC elements.



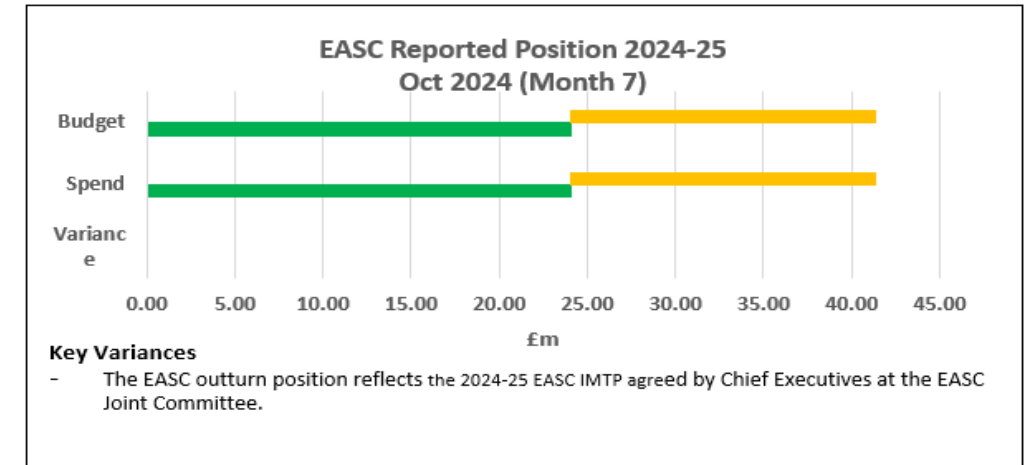
**Key Issues 2024-25**

**Specialised Services**

- Forecasts based on M6 of Activity and NICE drugs data where available
- Key issues driving overspend
  - Overperformance in C&VUHB (Specialised Cardiology, ALAS, NICE drugs)
  - Individual patient treatments
  - Offset by underspends on Mental Health Placements and Slippage on Developments
  - Key risk around delivery of savings plans

**EASC**

- Confirmation of final WG Allocations
- Slippage against Plan
- Activity Reporting



## Balance Sheet

Balance sheet as at 31st October 2024			
	2024/25 Opening balance £000s	31st October 2024 £000s	Movement £000s
<b>Fixed Assets</b>	910,187	934,962	24,775
<b>Other Non current assets</b>	149,418	137,928	(11,490)
<b>Current Assets</b>			
Inventories	9,844	10,550	706
Trade and other receivables	136,632	134,589	(2,043)
Cash	4,145	4,102	(43)
Non-current assets 'Held for Sale'	0	0	0
Total Current Assets	150,621	149,241	(1,380)
<b>Liabilities</b>			
Trade and other payables	218,038	209,900	(8,138)
Provisions	221,474	194,745	(26,729)
	439,512	404,645	(34,867)
	<b>770,714</b>	<b>817,486</b>	<b>46,772</b>
<b>Financed by:-</b>			
General Fund	581,390	622,485	41,095
Revaluation Reserve	189,324	195,001	5,677
	<b>770,714</b>	<b>817,486</b>	<b>46,772</b>

### Fixed Assets

- An increase in net additions of £36.21m in relation to new 2024/25 capital expenditure incurred.
- A reduction of £24.44m for depreciation charges. A decrease of £0.587m for IFRS16 related charges.
- An increase in indexation costs of £13.59m

**Other Non-Current Assets:** This relates to a decrease in Welsh Risk Pool claims due in more than one year £12.2m, an increase in intangible assets of £0.4m and an increase in ICR income due in more than one year of £0.3m since the end of 2023/24.

**Inventories:** The increase in year relates to changes in stock held within the divisions

**Current Assets, Trade & Other Receivables:** The main movements since the end of 2023/24 relate to:

- A decrease in the value of debts outstanding on the Accounts Receivable system since 2023/24 to the end of October £3.3m
- A decrease in the value of both NHS & Non-NHS accruals of £3.6m, of which £6.7m relates to a decrease of Welsh Risk Pool claims due in less than one year, £3.9m relates to an increase in NHS & Non NHS accruals and £0.8m relates to a decrease in VAT and other debtors since the end of 2023/24.
- An increase in the value of prepayments held £4.9m

**Cash:** The cash balance held at the end of October is £4.102m.

### Liabilities, Provisions:

- The movement since the end of 2023/24 relates to a number of issues the most significant of which are:- An increase in Capital accruals (£0.8m), an increase in NHS Creditor accruals (£0.3m), a decrease in the level of invoices held for payment from the year end (£11.1m), an increase in non NHS accruals (£19.0m), a decrease in Tax & Superannuation (£1.4m), a decrease in other creditors (£14.3m), a decrease in the liability for lease payments (£0.5m), an increase in payments on account £0.9m)
- Due to a decrease in the provision for clinical negligence and personal injury cases based on information provided by the Welsh Risk Pool of £23.9m and a decrease in other provisions of £2.8m.

**General Fund:** This represents the difference in the year-to-date resource allocation budget and actual cash draw down including capital.

**Health Board Income**  
**WG Funding Allocations: £1.7bn**

Confirmed Allocations as at October 2024 (M7 2023/24)

	£'000
HCHS	1,530,044
GMS	113,886
Pharmacy	34,917
Dental	34,643
<b>Total Confirmed Allocations - October 2024</b>	<b>1,713,490</b>
<b>Plus Anticipated Allocation - October 2024</b>	<b>27,159</b>
<b>Total Allocations - October 2024</b>	<b>1,740,649</b>

**Other Income:**

The HB receives income from a number of sources other than WG, based on the year-to-date income, this is forecast to be approximately £116.7m. (£114m for 23/24). The majority of this income is delegated to budget holders and therefore nets against their delegated budget positions. The main areas for income are: other NHS Bodies, Frailty, Education & Training, Dental, Child Health Projects, Managed Practices, Retail and Catering.

Estimated funding (allocations & income) for the UHB totals £1.86bn (£1.88bn for 23/24).

**WG anticipated allocations: £27.2m**

WG Revenue Resource Limit : Anticipated Allocations (October)			
Funding Type	Description	Value £'000	Recurrent / Non Recurrent
GMS	GMS Refresh	1,603	R
HCHS	Capital - DEL Depreciation - Baseline Surplus/Shortfall	(2,202)	NR
HCHS	Capital - DEL Depreciation - Strategic	1,904	NR
HCHS	Capital - DEL Depreciation - Accelerated	190	NR
HCHS	Capital - DEL Depreciation - IFRS 16 Leases	3,721	NR
HCHS	Capital - AME Depreciation - IFRS 16 Leases (Peppercorn)	109	NR
HCHS	Capital - AME Depreciation - Donated Assets	325	NR
HCHS	Capital - AME Depreciation - Impairments	45,518	NR
HCHS	Capital - AME Depreciation - Impairment reversals	(43,131)	NR
HCHS	Capital - Removal of Donated assets / Gvnt grant receipts	(50)	NR
HCHS	Revenue Interest Expense (IFRS16) Equipment	204	NR
HCHS	Revenue Interest Expense (IFRS16) Property	129	NR
HCHS	Revenue Lease Payment Budget Reduction (IFRS16 Equip)	(2,505)	NR
HCHS	Revenue Lease Payment Budget Reduction (IFRS16 Prop)	(1,469)	NR
HCHS	Real Living Wage 24/25	4,001	R
HCHS	Clinical Excellence Awards (CDA's)	298	R
HCHS	WHSSC - National Specialist CAMHS improvements (Tier 4)	234	R
HCHS	Same Day Emergency Care (SDEC)	725	R
HCHS	Urgent Primary Care	647	R
HCHS	VBH: Heart Failure and Rehab in the Community	506	R
HCHS	New Medical Training Posts 2017-2022 cohorts	1,400	R
HCHS	Welsh Risk Pool Risk Share agreement 23-24	(5,115)	NR
HCHS	Planned Care Transformation-3Ps funding	174	NR
HCHS	MCA and DoLs	189	NR
HCHS	MCA - IMCA service	217	NR
HCHS	Planned Care Transformation-Clinical Support SLAs	38	NR
HCHS	Planned Care Transformation-Pathway Alliance Editor Cost	63	NR
HCHS	International recruitment funding 24-25	404	NR
HCHS	Primary Care - Optometry funding 24-25	827	NR
HCHS	RIF-National Dementia Advocacy scheme (Age Cymru)	384	NR
HCHS	Medical and Dental Pay Award 24/25	12,331	R
HCHS	Planned Care - 104 week wait gap for Orthopaedics	3,816	NR
HCHS	Planned Care - Diagnostic Schemes	1,307	NR
HCHS	EPMA Funding	226	NR
HCHS	Mental Health 111 Press 2 service funding	142	R
	<b>Total Anticipated: Per Ledger</b>	<b>27,159</b>	

## Capital Planning & Performance

Summary Capital Plan Month 7 2024/25	2024/25				
	Original Plan £000	Revised Plan £000	Spend to M7 £000	Forecast Outturn £000	Variance £000
<b>Source:</b>					
<b>Discretionary Capital:</b>					
Approved Discretionary Capital Funding Allocation	10,814	10,814		10,814	0
Less EFAB Contribution	-725	-725		-725	0
Less AWCP Brokerage 23/24	-230	-1,669		-1,669	0
Less DCP Brokerage 23/24	0	350		350	0
NBV of Assets Disposed	0	35		35	0
<b>Total Approved Discretionary Funding</b>	<b>9,859</b>	<b>8,805</b>		<b>8,805</b>	<b>0</b>
<b>All Wales Capital Programme Funding:</b>					
AWCP Approved Funding	42,399	54,417		54,417	0
Funding return re: additional Grange University Hospital VAT Recovery		0		-2,997	-2,997
<b>Total Approved and Anticipated AWCP Funding</b>	<b>42,399</b>	<b>54,417</b>		<b>51,420</b>	<b>-2,997</b>
<b>IFRS16 Lease Funding:</b>					
Approved IFRS16 Lease Funding	0	1,642		1,642	0
<b>Total Approved IFRS16 Lease funding</b>	<b>0</b>	<b>1,642</b>		<b>1,642</b>	<b>0</b>
<b>Total Capital Funding / Capital Resource Limit (CRL)</b>	<b>52,258</b>	<b>64,864</b>		<b>61,867</b>	<b>-2,997</b>
<b>Applications:</b>					
<b>Discretionary Capital:</b>					
Commitments B/f From 2023/24	284	356	218	370	14
Statutory Allocations	1,076	1,026	394	1,039	13
Divisional Priorities	3,414	3,187	1,250	3,145	-42
Corporate Priorities	1,267	462	92	462	0
Informatics National Priority & Sustainability	2,257	2,645	1,689	2,645	0
Release of DCP Provision re: Tredegar H&WBC	0	-1,115	-1,115	-1,115	0
Remaining DCP Contingency	1,562	2,244	0	282	-1,962
<b>Total Discretionary Capital</b>	<b>9,859</b>	<b>8,805</b>	<b>2,528</b>	<b>6,828</b>	<b>-1,977</b>
<b>All Wales Capital Programme:</b>					
Grange University Hospital (VAT Recovery)	-3,517	-3,484	-9	-6,481	-2,997
Tredegar Health & Wellbeing Centre Development	0	0	1,525	1,753	1,753
NHH Satellite Radiotherapy Centre	15,755	13,980	10,016	13,980	0
YYF Breast Centralisation Unit	0	111	-2	111	0
Newport East Health & Wellbeing Centre Development	12,754	12,119	11,406	12,218	99
RGH Endoscopy Unit	0	4	5	5	1
RGH – Block 1 and 2 Demolition and Car Park	230	279	-2	389	110
EFAB Schemes	2,612	2,889	1,192	2,889	0
ICF Schemes	0	8	-1	8	0
ED Waiting Area Funding	0	55	54	56	1
CAMHS Sanctuary Hub	1,202	1,226	1,054	1,226	0
GUH ED Extension	10,879	9,474	3,138	9,474	0
IRCF - Abervalley H&WBC	742	150	145	150	0
IRCF - Dixton H&WBC	742	742	210	742	0
Housing with Care Fund - 2023/24 & 2024/25 Schemes	0	340	160	340	0
Digital Year End Funding 2023/24	0	73	54	73	0
Diagnostics Funding 2023/24	0	35	37	47	12
Ty Gwent	1,000	1,219	267	1,219	0
End Of Year Funding 2023/24	0	49	27	50	1
Head Lease for Chepstow Community Hospital	0	5,490	5,441	5,490	0
Diagnostic Equipment Funding 2024/25	0	606	144	606	0
Digital Priorities Investment Funding - RISP & EPMA	0	862	101	862	0
Backlog Maintenance 2024-25	0	4,231	242	4,231	0
End of Year Funding 2024/25	0	4,000	0	4,000	0
Prior Year AWCP IT VAT provision release	0	-41	-41	-41	0
<b>Total AWCP Capital</b>	<b>42,399</b>	<b>54,417</b>	<b>35,162</b>	<b>53,397</b>	<b>-1,020</b>
<b>Total IFRS16 Lease Expenditure</b>	<b>0</b>	<b>1,642</b>	<b>1,641</b>	<b>1,642</b>	<b>0</b>
<b>Total Programme Allocation and Expenditure</b>	<b>52,258</b>	<b>64,864</b>	<b>39,332</b>	<b>61,867</b>	<b>-2,997</b>
<b>Forecast Break Even against Overall Capital Resource Limit</b>					<b>0</b>

## ANEURIN BEVAN UNIVERSITY HEALTH BOARD

### MONITORING RETURN FOR MONTH 7 2024/25

#### Director of Finance Commentary for the Period Ended 31<sup>st</sup> October 2024

##### Introduction

The purpose of this narrative is to provide a commentary on the financial monitoring returns being submitted to the Welsh Government (WG) by the Aneurin Bevan University Health Board (ABUHB) for the period to 31<sup>st</sup> October 2024 (Month 7, 2024/25). This commentary will provide an overview of the financial position and performance of the Health Board as at month seven of the 2024/25 financial year. It will also provide a detailed narrative, where required, on each of the tables within the accompanying returns, in the format prescribed by WG.

This commentary will also respond, as far as is possible, to the issues highlighted in the WG response letter, the Health Board's response is recorded in the action log included as an Annex 1 to this commentary.

*As at Month 7, ABUHB is reporting a year to date deficit of £29.885m with a forecast year end deficit of £47.9m. The forecast is currently £1m lower than the annual plan submission of £48.9m deficit as at 31<sup>st</sup> of May 2024. There remain risks associated with this forecast position, particularly full achievement of saving opportunities, prescribing I drug cost growth, receipt of anticipated allocations and operational demand & workforce pressures, more detail is provided in this report.*

There are no costs included or funding anticipated for any further pay awards planned for the coming months, and it is expected that all wage awards and any terms and conditions changes actioned within the year will be cost neutral to the Health Board.

##### Actual YTD

The month six reported financial position shows a **£29.885m overspend position**; this is presented on the face of **Table B - Monthly Positions**. The table below details the outturn financial position analysed across the Health Board's organisational structure of Divisions and Corporate Directorates. Funding has been delegated following Board approval and subsequent Chief Executive agreement, further delegation of reserve budgets to services is ongoing: -

## Key messages for Month 6

Summary Reported position - October 2024 (M07)	Full Year Budget £000s	YTD Reported Variance - M07 £000s	Prior month reported variance £000s	Movement from prior month £000s
<b>Operational Divisions:-</b>				
Primary Care and Community	297,949	106	701	(595)
Prescribing	117,133	1,534	586	948
Community CHC & FNC	69,209	1,300	1,280	20
Mental Health & Learning Disabilities	142,306	166	97	69
<b>Total Primary care, Community and Mental Health</b>	<b>626,597</b>	<b>3,106</b>	<b>2,664</b>	<b>442</b>
Surgery	142,120	4,542	3,254	1,288
Clinical Support Services	128,162	675	669	6
Medicine	165,740	2,101	1,165	936
Urgent Care	40,105	(256)	(145)	(110)
Family & Therapies	135,230	539	(21)	560
Estates and Facilities	93,839	(815)	(848)	33
Chief Operating Officer	9,766	(238)	(271)	34
<b>Total Director of Operations</b>	<b>714,962</b>	<b>6,549</b>	<b>3,803</b>	<b>2,746</b>
<b>Total Operational Divisions</b>	<b>1,341,558</b>	<b>9,656</b>	<b>6,467</b>	<b>3,189</b>
Corporate Divisions	97,397	(1,885)	(758)	(1,127)
Specialist Services	197,239	517	491	22
External Contracts	96,331	(1,692)	(1,450)	(242)
Capital Charges	50,456	(9)	(27)	18
<b>Total Delegated Position</b>	<b>1,782,981</b>	<b>6,587</b>	<b>4,726</b>	<b>1,860</b>
Total Reserves	(29,760)	23,298	21,426	1,872
Total Allocations	(1,740,649)	0	0	0
Other Corporate Income	(12,572)	0	0	0
<b>Total Reported Position</b>	<b>0</b>	<b>29,885</b>	<b>26,153</b>	<b>3,733</b>

The financial position at 31<sup>st</sup> October 2024 shows a £29.885m deficit position, with the key issues in the month described below.

Expenditure within the Health Board for total pay reduced by £6.4m in comparison with September. Variable pay was £6.1m in-month which was an increase of £0.6m compared with the prior month. The overall decrease compared to September is due to payment of the 2023/24 Medical and Dental pay award (including backpay) in the previous month (£7.7m), partially offset with increases in substantive Registered Nurses (£0.6m) and Medical Agency (£0.6m). Operational pressures including enhanced care, sickness and vacant posts continue to provide a pressure on the Health Board position. The focus remains on minimising variable pay with a range of operational actions and savings plans including service re-design and capacity reduction.

Non-pay expenditure (excluding capital adjustments) increased by £1.2m compared with September due to significant movements in the prior month including CHC and a Health & Safety provision (detailed in September MMR), along with additional expenditure recognised in-month for extension of Regional Ophthalmology

outsourcing (£1.7m) and WHSSC spend for Genomics (£0.5m). Drugs costs in Haematology, Gastroenterology, Neurology continued to increase as in prior months, and a focussed piece of work is underway to review profiles and forecasting of secondary care drugs.

Enhanced care shifts/ costs have increased significantly compared to September, with an additional 2,700 hours of Nurse Bank and Agency attributed to Enhanced Care. Mental Health remains an area of concern with continued high levels of acuity and absence cover, along with continued cost pressures in Medicine and Surgery Division due to the high acuity of patients.

CHC costs for Adult Community Care, Mental Health & Learning Disabilities and Children continue to present an underlying financial pressure which shows as a variance in month 7 but is expected to improve in future months due to the profile of savings achievement. Fee uplifts had been assumed at around 7.7% for Adult and Mental Health packages however some uplifts have been agreed at a lower percentage. There remains a risk that Providers could approach the Health Board which could lead to revised uplifts, however, payment for these will no longer be backdated. Additional high-cost packages within Learning Disabilities and Paediatrics may present a further pressure in future months. **The Real Living Wage impact for 2024/25 above National Living Wage has been anticipated (c.£4m). The Health Board is assuming this will be cost neutral (ie funded by WG).**

Prescribing costs present a financial pressure compared with IMTP financial forecasts, and this is reflected in the year. The average cost per item for 2024/25 has increased from £7.29 (Annual Plan) to £7.71(August PAR) resulting in an increase in the full-year forecast for Prescribing of £2.1m for October (plus £2.3m September). Growth is assumed to be 0.8 % for 2024/25 and will be reviewed further using future PAR data.

Energy costs reflect the latest forecast received on the 10<sup>th</sup> June as well as further local Divisional forecasts. The annual plan estimating growth of £2.069m has been reduced to c.£0.1m. The price and usage are being monitored. This forecast remains under review from the Estates & Facilities Division.

On-going acute secondary care drugs growth presents a significant pressure above planned levels. Previous NICE indications within Haematology and Dermatology along with continued activity growth in Ophthalmology, Gastroenterology and Neurology contribute to this pressure. The National V&SB procurement and Medicines Management savings opportunities are being reviewed and actions are being progressed to deliver any opportunities not within the current plan. Any further savings or mitigating actions deliverable for ABUHB in 24/25 will be progressed as soon as possible.

## 1. Actual YTD and Forecast Under/ Overspend (Tables A, B, B2 & B3)

### Table A - Movement of Opening Financial Plan to Outturn

The Board's identified aims for the 2024/25 financial plan are to achieve an improved revenue position compared with 2023/24, a positive movement towards achieving the WG control total, and an improved underlying deficit through achieving at least 2% savings.

As of month 7 the Health Board continues to reflect its revised year-end forecast deficit of f47.9m, which is flm lower than the annual plan submission of f48.9m deficit as at 31<sup>st</sup> of May 2024. A summary of significant movements, updated to reflect in-month changes is as follows:

- CTM arbitration on base LTA case (fl.5m)
- CTM month 5 under-delivery at marginal rates forecast (fl.4m)
- Anticipated income for PADM's / Dispensing Dr's funding (fl.1m), Optometry contract funding (£0.8m), and international recruitment (£0.9m) - total f2.8m
- Resolution of Paediatric case (fl.3m)
- Additional prescribing costs above plan due to increased average price per item using August 24/25 PAR data (+f7.0m)
- Recognition of WHSSC current forecast over-performance (+fl.0m)
- Secondary care acute drugs (+f4.5m)
- Increase in forecast savings (fl.5m)
- Release of reserves held for unplanned pressures and investments (fl.5m)
- Review of balance sheet liabilities, in particular CHC and FNC growth assumptions (flm)
- Non-recurrent benefits (£3.5m), including review of Agency liabilities (f0.8m), GMS enhanced service review (£0.5m), review of CHC growth assumptions (£0.9m), and VAT on lease cars (£0.6m)
- Net operational pressures in particular Gynaecology medical staff and Nursing maternity leave (+fl.0m)

A reconciliation of the Annual Plan to the month 7 position is presented below:-

Category	March submission £m	May submission £m	Month4 £m	Months £m	Month6 £m	Month7 £m
Underlying deficit b/f	81.4	81.4	81.4	81.4	81.4	81.4
Cost pressures identified	59.8	59.8	59.8	59.8	59.8	59.8
WGdiscretionary funding	(51.8)	(51.8)	(51.8)	(51.8)	(51.8)	(51.8)
Identified savings	(29.1)	(34.4)	(40.5)	(40.5)	(40.5)	(40.5)
Pipeline opportunities	(11.4)	(6.1)				
<b>Sub-total deficit (£m)</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>	<b>48.9</b>
CTM arbitration case benefit & revised performance			(1.5)	(1.5)	(1.5)	(1.5)
CTM under-delivery at marginal rates				(1.4)	(1.4)	(1.4)
Dispensing Ors, International Recruitment and Optometry funding			(1.1)	(2.8)	(2.8)	(2.8)
Resolution of CHC case					(1.3)	(1.3)
Prescribing average price per item increase and NCSO				3.1	4.5	7.6
WHSSC forecast pressure			0.7	0.7	1.0	1.0
Secondary Care acute drugs					3.2	4.4
Increase in forecast savings				(1.2)	(1.5)	(1.5)
Release of reserves held for unplanned pressures and investments						(1.5)
Review of balance sheet liabilities						(1.0)
Non-recurrent benefits					(2.2)	(3.5)
Other net operational pressures including cover for maternity leave within Maternity (15 WTE), and other variable pay (+£1.0m)			0.9	2.1	1.0	1.0
<b>Total deficit</b>	<b>48.9</b>	<b>48.9</b>	<b>47.9</b>	<b>47.9</b>	<b>47.9</b>	<b>47.9</b>

Please note that the month 7 table shown above has been expanded to show increased clarity.

As at month 6, the savings forecast is now £43.7m against the plan of £40.5m. The level of savings is broadly in line with the previous month, with some offsetting movements across various schemes. The Health Board continues to identify new schemes and to review performance on existing schemes in order to maximise the total achievement for the year. CTM underperformance benefit of £1.4m, although included in the Health Board forecast, is not currently part of the reported savings forecast achievement for the year.

The carry forward underlying deficit for 2025/26 is determined as £55m. This is reflective of the 2024/25 recurrent forecast deficit, after accounting for non-recurrent savings, costs and funding including the benefits described above, however, this will be reviewed as part of the IMTP process.

A high level 'route map' to recurrent financial recovery has been developed with the detail being worked up by Finance, Planning and Workforce business partners and the divisions.

The Executives and Board have allocated leads for the National Value & Sustainability themes as part of revised escalation arrangements as part of the ABUHB Value and Sustainability Board to progress savings, mitigations and delivery of core themes:-

- CHC - Executive Lead Leanne Watkins
- Medicines Management - Executive Lead Leanne Watkins
- Non-pay - Executive Lead Rob Holcombe
- Workforce - Executive Lead Sarah Simmonds

- Service reconfiguration - Executive Lead Hannah Evans
- Prevention - Executive Lead Tracy Daszkiewicz
- Digital - Executive Lead Paul Solloway

Updates are provided and discussed on a fortnightly basis.

### **Table B - Monthly Positions**

The year to date reported position is a £29.88Sm deficit position (compared with the forecast MMR profile year to date deficit of £29.853m).

Material differences of actual expenditure compared to month 6 and the forecast are as follows:-

- *Primary Care Contractor*- the in-month and forecast expenditure is lower than forecast due to a detailed review of the forecast position. The forecast includes profiled spend for the optometry contract and the IT refresh expected in month 12.
- *Primary Care - Drugs and Appliances* - forecast expenditure has significantly increased using PAR data received to August 2024/25 (£2.0m). Additional costs incurred for the National NCSO concession correction (£0.6m) has contributed to a total forecast increase of £2.6m
- *Provider Services - Pay* - in-month pay costs were lower than forecast due to estimates relating to the cost of the pay award actioned in the previous month. The full year forecast has increase to reflect additional Medical and Nurse Agency costs with regards to Enhanced Care, sickness and maternity.
- *Provider Services - Non-Pay* - expenditure is lower than forecast in month 6 due to the volatility of the profiled expenditure in various areas. These movements include a significant reduction in non-cash limited spend (£0.6m) as a result of dispensing/prescribing adjustments, with the contra to this adjustment seen as a movement in *Welsh Government Income (non-RRL)*. The forecast will require further amendments given the impact of areas such as RPB, which is under several categories.
- *Secondary Care drugs* - Secondary care acute drugs costs are providing an ongoing pressure. In-month and forecast increases to the acute drugs position relate to Nephrology (NICE guidance), Gastroenterology, Neurology and Haematology. Work is ongoing to understand if this is driven by price or quantity or acuity.
- *Healthcare Services Provided by Other NHS Bodies* - in-month and forecast expenditure has increased reflecting the extended Regional Ophthalmology outsourcing on behalf of the three health boards (AB, CTM, C&V). The income

recharge to C&V and CTM is shown on *Other Income*. WHSSC Genomics funding received in-month is also reflected and contributes £0.5m to the increase in in-month spend. There is continued concern with the forecast deficit being reported by JCC for specialised services.

- *Continuing Care and Funded Health Care* - in-month and forecast expenditure increased due to additional packages in Adult Mental Health along with associated increase in Respite.
- *Joint Financing and Other* - In-month spend less than forecast due to the profile of Regional Partnership Board expenditure.

***In response to Action point 6.1*** - Reserves within the Health Board do not contain expenditure, and all actual and forecast expenditure is shown within the appropriate lines in Table B. The reserves contain budget only, the majority of which is awaiting delegation, for example, anticipated funding for Planned Care Orthopaedics and Diagnostics is currently held in reserves and will be delegated against an agreed plan.

***In response to Action point 6.3*** - Income has been profiled in line with expenditure and budgets. This reflects our current deficit position in the year-to-date, and shows how this is forecast is expected to move over the remaining months of the year.

***In response to Action point 6.4*** - All anticipated income is reflected in the current reported position, therefore receipt of income that is currently anticipated will not impact the forecast. Should any anticipated income not be confirmed, this will result in a worsening of the current forecast.

Table D shows the year-to-date and forecast depreciation position for the Health Board based on the final asset values for 2023/24 and the 2024/25 capital schemes approved in the CRL issued on 1st November 2024. The DEL and AME depreciation figures included in Month 7 have been revised and are now as per the November Non-Cash return submitted on 4th November 2024.

AME Impairment estimates have been revised in the November Non-Cash return to reflect known slippage on schemes. These will again be subject to variation at year end when projects complete in Q4 of 2024/25 and final housekeeping valuations are undertaken. The anticipated allocations included at Month 7 are summarised in the table below:

	November Non-Cash Return / M07-25MMR
<b>Anticipated Allocations</b>	<b>£000</b>
DEL - Baseline Depreciation Shortfall	-2,202
DEL Strategic depreciation Support	1,904
DEL Accelerated Depreciation	190
DEL IFRS16 Leases Depreciation	3,721
DEL Impairment Funding	0
<b>Total DEL Funding</b>	<b>3,613</b>
AME Donated Asset Depreciation	325
AME Impairment Funding	16,832
AME Reversals of Impairment Funding	-14,445
AME IFRS16 Leases Depreciation	109
<b>Total AME Funding</b>	<b>2,821</b>
<b>Donated &amp; Granted Assets Credit</b>	<b>-50</b>
<b>Total Allocations (excluding DEL Baseline)</b>	<b>6,384</b>

Section F describes the 2024/25 energy costs forecast, the breakdown of the full year energy cost forecast is as follows:-

- Shared service contract element - £17.374m
- Other gas and electricity costs - £0.396m
- Total forecast energy costs in section F - £17.770m

It should be noted that this forecast does not include energy management related contracts, water, sewage, staffing and other fuel costs which are part of the utilities directorate within the Health Board.

The reduction in the energy forecast has been shown as a distinct in year savings plan. It should be noted that there is some risk linked to non-commodity prices if they increase later in the year.

#### **Table B2 - Pay & Agency (Section A)**

This table has been completed in line with the guidance. Pay expenditure forecast costs have continued to increase due to sustained operational pressures especially relating to enhanced care nursing, maternity nursing (maternity leave pressures), Gynaecology medical staffing (vacancies and other specific issues) and medical sickness cover. Additional forecast costs for RTT performance (104 and 156-week waits) are also included in the forecast.

### Table B3 - Covid-19

Total Covid-19 costs are shown as £12.4m for which funding has been received as part of the Health Board's allocation letter and is broken down as follows:-

- Health Protection and Immunisation (Mass Vaccination) - £10.080m
- PPE - £1.120m
- Adferiad (Long Covid) - £1.216m

The Health Board continues to have surge capacity open which is a legacy of Covid-19. The Health Board also continues to incur legacy costs which form part of the underlying deficit linked to estates & facilities costs. The list below is not exhaustive but includes: -

- Enhanced Cleaning
- Additional security and rental of portacabins

## 2. Underlying Position (Tables A1)

The Underlying (U/L) position is a brought forward value of £81.4m with a forecast carry forward deficit into 2025/26 of £55m.

This is reflective of the annual plan submission of £52m with a number of additional costs incurred outside of the submitted financial plan which result in recurrent expenditure. These include:-

- Additional cancer and urgent diagnostic activity requiring WIs and mobile MRI capacity - £2.5m. The MRI capacity requirement is assumed to be recurrent and therefore the additional costs are required.
- Increased prescribing costs through increased average price per item alongside additional direct delivery vaccines - flm. Average price per item costs continue to increase with some off-set due to lower volume growth rates. Rebates and savings plans are mitigating some of this pressure however NCSO and Category M prices are also presenting a recurrent pressure. Given the on-going increases in this pressure it's impact on the underlying position will need to be reviewed.
- Gynaecology and Maternity variable pay pressures through increased vacancies, sickness and increased maternity cover £0.5m. Divisional assurance meetings will review the position and potential actions to mitigate where possible.
- CTM arbitration case benefit (fl.5m)
- WHSSC pressures forecast as at month 4 (£0.7m)
- Assumes level of recurrent savings are maintained at previous levels (fl.5m)

The underlying deficit position is under regular review and forms part of the draft 3-year 'route map' which will be discussed at the next ABUHB Board meeting.

As part of internal Divisional assurance, specific Divisional financial performance meetings and Executive Committee meetings; the elements and cost drivers making up the underlying deficit are under regular review in order to ensure an up to date picture and to review actions to address the growth/pressure.

The underlying position has been held again this month and will be **subject to review in future months**.

### 3. Risk Management (Table A2)

The risks listed in table A2 which present a significant financial risk to the Health Board include:-

- Continuing Healthcare fee uplifts - £0.6m
- Prescribing average price per item (and number of items) growth above August PAR data and associated forecast - £1.4m
- JCC Performance - Risk associated with WHSSC achievement of savings target. Health Board figure calculated based on risk-share agreement - £1.0m
- Additional operational and service pressures outside of the annual plan. This includes costs for Health & Safety issues, acute NICE drugs, Diabetes, CAMHS, Winter and the infected blood inquiry - £3.4m
- Delivery of savings plans including mitigating actions against operational pressures - c.£0.8m
- Delivery of 6 goals target with resultant income clawback risk - £1.4m
- Risks of non-receipt (or full receipt) of anticipated income in particular funding for Optometry and the balance of the International Nurse recruitment - £1.2m
- CTM LTA not signed by CTM and under performance not recovered £1.4m

The following items are listed as opportunities pending further analysis and delivery via the Value & Sustainability Board and relevant Divisions/ Departments:-

- Variable pay reduction linked to Administration & Clerical and Enhanced Care service reviews
- Service re-design - bed reductions
- Commissioning- LTAs and EASC

In addition, there are a number of further challenges to the financial forecast for 2024/25, these are not included in the risk table as they are currently assumed to be

mitigated by the Health Board or require further information to enable an accurate financial value to be assigned. These include:

- Ensuring full delivery of savings plans identified in the annual plan including the pipeline opportunity values,
- Receipt of all anticipated allocations including performance requirements in order to secure full retention,
- Workforce absence/ vacancies, availability of staff for safe service delivery,
- Delayed transfers of care due to LA service challenges,
- Funding for any wage award or change in terms and conditions,
- Impact on service delivery and performance on waiting times because of savings required,
- Establishment increases relating to patient safety issues,
- Inflationary impacts including provisions and supplies,
- Additional revenue costs due to IFRS 16,
- Specific economic factors such as supply chain issues and non-pay inflation including travel expense costs

Opportunities, which cannot be quantified at this time, for the Health Board include:

- Other income/ funding opportunities,
- Energy forecast changes,
- Work to identify new pipeline opportunities, and
- Maximising the opportunity to change services resulting in improved health outcomes for the population.

#### **4. Ring Fenced Allocations (Tables N,0 & P)**

Ringfenced tables have been completed as per the guidance.

Tables N (GMS) and O (Dental) has been completed in line with guidance. The Health Board can confirm it will spend a minimum of the ringfenced value in each of these areas. **(action point 6.12)**

#### **5. Agency/ Locum (Premium) Expenditure (Tables B2 Sections B & C)**

Variable and agency expenditure continues at a high level, albeit reduced compared with 2023/24. Expenditure in month 7 of £6m was £0.3m higher than reported in September. The main reason for the increase was additional enhanced care nursing,

medical cover for sickness, and a continuation of cover for high levels of maternity leave. Medical cover for vacant posts and additional RTT activity continue and have been incorporated in the forecast for future months.

## 6. Savings (inc. Accountancy Gains & Income Generation) (Tables C, CI, C2 & C3)

As part of the annual plan submitted by the Board to Welsh Government (March 2024), the financial plan for 2024/25 identified two elements to the savings plans for 2024/25:-

- Divisional plans alongside Corporate schemes and targets - £29.1m
- Pipeline opportunities - £11.4m

Following identification of further savings schemes in prior months, all pipeline opportunities are reported under specific schemes within the savings tracker.

category	March submission (Plan)	May submission (Plan)	Month4	Months	Month6	Month7
Savings forecast (fm) - Green	(25.2)	(19.3)	(38.1)	{38.9	(40.0)	(42.3)
Savings forecast (fm) - Amber	(3.9)	{15.1	(4.2)	(4.6)	(3.6)	{1.4
Pipeline opportunities (£m) - Red	(11.4)	(6.1)				
<b>Total Savings forecast (as per tracker)</b>	<b>(40.5)</b>	<b>(40.5)</b>	<b>(42.3)</b>	<b>(43.5)</b>	<b>(43.6)</b>	<b>(43.7)</b>
CTM under-performance (not currently shown on savings tracker due to risk)				(1.4)	(1.4)	(1.4)
<b>Total Savings Improvement including CTM under-performance</b>				<b>(44.9)</b>	<b>(45.0)</b>	<b>(45.1)</b>

The Health Board will continue to pursue further opportunities to mitigate/ offset the risk to the planned savings and increases in new operational pressures.

Savings achieved to month 7 (year to date) total £20.9m, which exceeds the planned savings target to this period of £18.7m. The additional savings above plan relate to a wide range of areas including CTM contract performance, Primary Care drugs off-patent (Rivaroxaban), energy forecast reduction, Welsh Risk Pool income (insurance claim) as well as smaller workforce and medicines management savings.

CTM performance variance may be at risk if CTM do not sign the LTA in line with the WG arbitration direction. The £1.4m underperformance will be included as part of the Health Board reported savings once the outstanding issue with CTM has been resolved.

The Health Board continue to operate a Bi-weekly Value & Sustainability Board to identify and monitor savings delivery & new opportunities.

## 7. Income Assumptions 2023/24 (Tables D, E & EI)

### Table D - Welsh NHS Assumptions

This table has been completed in line with the guidance.

### Table E - Revenue Resource Limit

This table has been completed in line with the guidance. The Month 7 financial position is based on total allocations of £1,740.6m, of which £1,713.5m are received and £27.16m are anticipated.

Allocations are anticipated on receipt of a notification from WG, including Policy Leads and finance colleagues.

The Health Board's forecast is reliant on the receipt of all anticipated allocations including.

- Optometry contract (c.£0.8m-fl.1m) - received WG correspondence on the 9<sup>th</sup> September which should result in additional income. Currently reviewing against forecast expenditure.
- International recruitment (c.£0.4m) - received £0.5m in month 7, with £0.4m remaining as anticipated.
- Real Living Wage (c.£4.0m) as detailed above.

The Health Board has been made aware of additional targets that must be met in order to receive the full value of the local 6 Goals funding. This could be a risk to funding of c.£1.4m, and at this stage the Health Board is assuming it will receive all of this funding.

A list of anticipated allocations is included in Table E.

The Capital MMR table shows the outturn capital charges position for the Health Board. The position confirms the DEL and AME outturn positions which includes the allocation adjustments agreed with WG colleagues. All figures are subject to change.

***In response to Action point 6.5*** - Table E has been updated to reflect the updated Working Balances Support as at Month 7, for Revenue, Capital & IFRS 16.

## 8. Healthcare Agreements and Major Contracts

LTAs have been agreed with all provider and commissioners with the exception of CTMUHB. This is currently being taken forward by the Chief Executives and Directors of Finance from each organisation.































<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O: MEETING OF:</b>	Finance & Performance Committee
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	<b>Value &amp; Sustainability Board Assurance Report</b>
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Rob Holcombe, Director of Finance and Procurement
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Chris Commins – AFD 'Out of Hospital' Greg Bowen – AFD 'Hospital and Corporates'

**Pwrpas yr Adroddiad** (dewiswch fel yn addas)  
**Purpose of the Report** (select as appropriate)

Er Sicrwydd/For Assurance

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

Aneurin Bevan University Health Board (ABUHB) has established a Value & Sustainability Board (V&SB) in order to improve the financial and operational sustainability for Aneurin Bevan University Health Board.

The original 2024/25 Annual plan identified £29.1m of savings and £11.4m of opportunities to be progressed. The opportunities are being progressed through the V&SB and divisional routes, with positive progress being made.

Actual achievement is reported as part of the monthly Board Financial Performance report.

**As at month 7 the savings position is reported as £43.7 (green and amber), £3.2m above target levels.**

The table below illustrates the V&SB category savings performance.

## Savings summary (£'000)

Value & Sustainability category	Number of schemes	YTD Annual Plan	YTD savings achieved	YTD variance to Plan	Full-year Annual Plan	Full-year Forecast savings	Full-year Variance to plan
CHC	14	£3,150	£2,318	-£832	£8,443	£6,712	-£1,731
Medicines Management	16	£1,670	£1,998	£328	£3,518	£5,366	£1,848
Procurement & Non-pay	104	£7,644	£10,018	£2,375	£15,115	£18,401	£3,286
Service Redesign	8	£1,079	£628	-£451	£3,624	£2,510	-£1,114
Workforce	61	£5,153	£5,902	£749	£9,808	£10,724	£916
<b>Total</b>	<b>203</b>	<b>£18,696</b>	<b>£20,865</b>	<b>£2,169</b>	<b>£40,508</b>	<b>£43,714</b>	<b>£3,205</b>

Further Opportunities are constantly being sought and the QIA reviews are progressing to ensure all options are impact assessed for future consideration as part of the three year route map to sustainability.

### Cefndir / Background

ABUHB established a V&SB during 2023/24 as part of its governance arrangements to improve the financial and operational sustainability of the Board.

Welsh Government has established a similar format of governance and ABUHB has aligned with this approach.

The Board has established several workstreams under this programme, all with an identified executive lead, as follows:

Medicines management – Director of Public Health  
 Workforce/Variable Pay – Director of Workforce & OD  
 Service Re-Design – Director of Planning  
 Continuing Health Care – Chief Operating Officer  
 Non-Pay – Director of Finance  
 Prevention - Director of Public Health - enabler  
 Digital – Director of Digital - enabler

These workstreams consider and progress both national and local opportunities.

This report provides an update on progress of the programme workstreams for the committee for the end of October 2024.

### Asesiad / Assessment

#### **Medicines Management V&S update December 2024**

ABUHB V&SB Group Executive lead - Director of Public Health

## **Medicines Management Programme Board Actions**

The Clinical Director of Pharmacy provided an update on the National Priorities to the November Medicines Management Programme Board. The National Priorities have now been streamlined from 13 down to 10. This highlight report includes an update on the respective priorities of work and information where schemes aren't progressing as planned.

### **Biosimilars & Generics**

Schemes to switch to lowest acquisition cost biosimilars and generic products in Secondary Care are continuing to be progressed and have produced savings c. £100k per month. The opportunity remains at c. £50k per month (use of generic Teriflunomide and Fingolimod, both Neurology is c. £35k of this figure).

### **Ustekinumab Biosimilar**

The Ustekinumab switch is now being progressed and savings have been identified across Gastroenterology, Dermatology and Rheumatology totalling £288k in year, with a full year forecast of approximately £1.1m against drugs. These savings relate to the maintenance dose via Homecare. A further opportunity is being explored around switching the IV induction for new patients, circa £25k per month.

In additional, GP Practices are being encouraged to switch from Edoxaban to Rivaroxaban through a Local Enhanced Service.

### **Medicines Management Programme Board Divisional Updates**

Following the distribution of key themes from the Divisional Therapeutic reviews, updates have been requested from the respective Divisions in terms of any progress, support required or barriers to progression and these will be regularly reviewed at future Medicines Management Programme Boards.

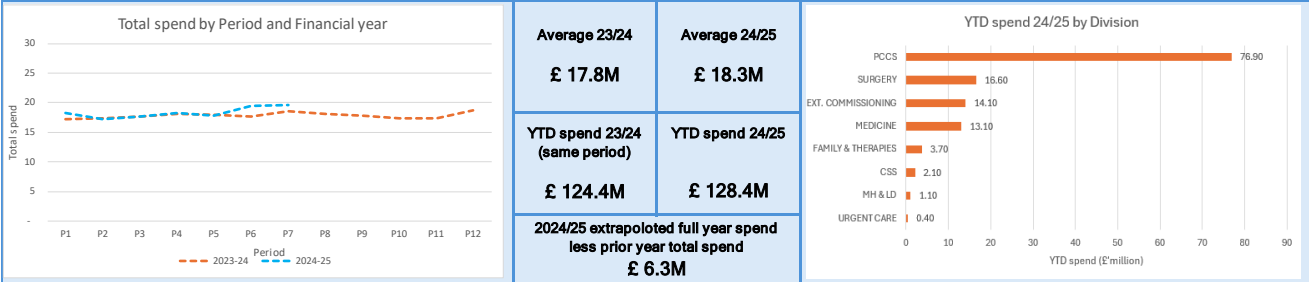
### **Medicines Management Programme Board Month 7 Finance Review**

A detailed Finance update for Month 7 was presented at the November Medicines Management Programme Board.

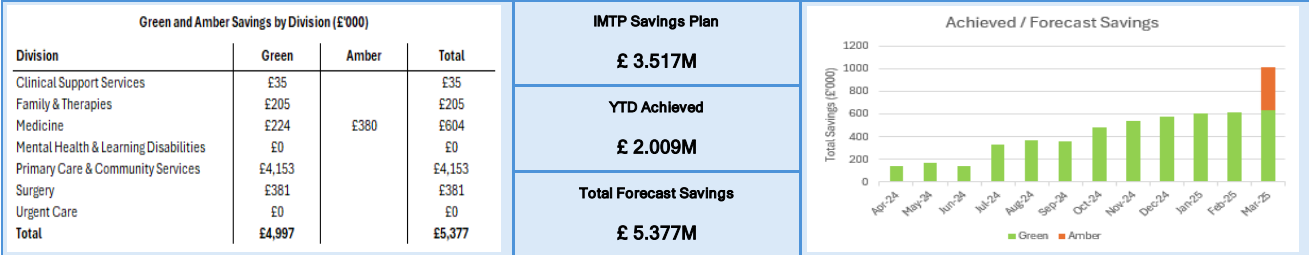
Savings delivered in 2023/24 were £6.0m. Savings of £5.37m are forecasted for 2024/25 which is an increase of £1.2m from that reported at the last Finance & Performance Committee in September. The main increase being due to Rivaroxaban. A number of further potential opportunities are being progressed within Divisions and their local Pharmacy teams.

## Medicines Management Spend Summary 2024/25

01/04/2023 30/10/2024



## Medicines Management Savings Summary 2024/25



## Enhanced Medicines Management Information

The Finance team have been working with colleagues in Pharmacy and Information to ultimately produce a dashboard to easily identify any key movements within the month along with a more detailed analysis of the top expenditure areas. This should also help with informing future forecasts and will be reviewed through the Medicines Management Programme Board.

## Value & Sustainability - Medicines Management 2024/25

01/04/2022 31/10/2024



## Medicines Management savings summary 2024/25 (£'000)



Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board

## Value & Sustainability Board – Workforce Update December 24

ABUHB V&SB Executive lead – Director of Workforce & OD

### **ABUHB Variable Pay Programme Board**

Continuous focus on Variable Pay reduction across the Health Board. Variable Pay Reduction Board established which meets on a monthly basis to inform V&SB meeting pack.

Key Focus Areas:

- Stopping HCSW agency and RN off contract agency, linked to recruitment of substantive staff (82 offers made end of Nov 24) - £500k annual opportunity
- International Recruitment Initiative - £1m opportunity
- Roster Deep Dives – £ impact TBC
- Retention, Sickness and Wellbeing, Establishment Control and Vacancy Management, Job Descriptions, Optional Models of Care / Team Design - £ impact TBC
- Review of Enhancements on Specialist Bank Rates – £2m annual opportunity
- Review of Medical Agency Spend – £1m annual opportunity
- Admin Review - £2.4m annual opportunity bringing HB in line with All Wales average
- Enhanced Care Protocols and usage - £2m - £4m annual opportunity

Challenges:

- Upcoming Winter pressures
- Planned Care recovery with increasing levels of variable pay, and future risk of fatigue / increased sickness
- National and International skill shortage
- Demographic profile of workforce
- Sickness absence remains high at 6.2%
- Industrial Action
- RNC request for re-evaluation on standard job descriptions

### **National Work**

Included in the national update for this workstream for October 24 were the following focus areas

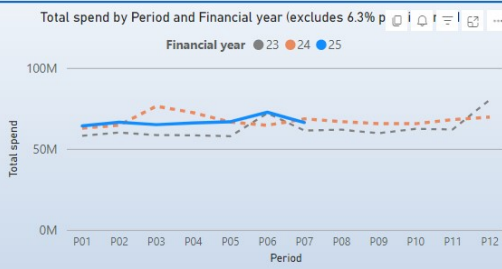
- 1) Monitoring reduction in agency costs through a clear control framework
- 2) Development of a clear, approved international recruitment plan for hard to recruit areas
- 3) NSLA – Clarity, training and education of ward managers on roster management
- 4) Corporate benchmarking – undertake exercise across NHS Wales against ESP and Band 9 roles

Local ABUHB work aligned to national priorities but continuously reviewed and updated.

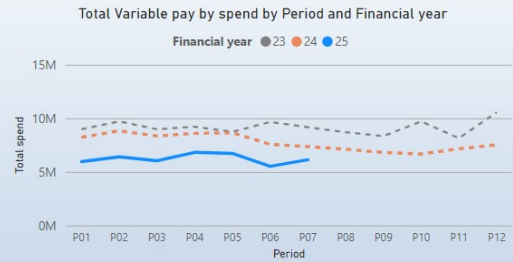
**APPENDIX A attached.**

## Value & Sustainability - Workforce 24/25

01/04/2022 31/10/2024



Average 23/24	Average 24/25
67.6M	66.8M
YTD spend 23/24 (same period)	YTD spend 24/25
475.9M	467.4M
Extrapolated 24/25 to full year less prior year total spend	
-10.6M	



### Workforce savings summary 2024/25 (£'000)

Division	Green	Amber	Total
Clinical Support Services	£291		£291
Complex Care	£40		£40
Corporate	£1,981		£1,981
Estates and Facilities	£614	£69	£683
Families and Therapies	£277		£277
Medicine	£2,177	£45	£2,222
Mental Health and Learning Disabilities	£1,043	£41	£1,084
Primary Care and Community	£3,843		£3,843
Surgery	£195		£195
Urgent Care	£107		£107
<b>Total</b>	<b>£10,569</b>	<b>£155</b>	<b>£10,724</b>

Annual Plan savings (£'K)

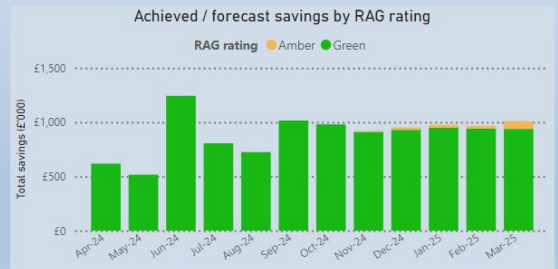
**£9,808**

YTD achieved (£'K)

**£5,902**

Total Forecast savings (£'K)

**£10,724**



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## Value & Sustainability Board – Service Re-Design Update December 24

ABUHB V&SB Executive lead – Director of Planning

### ABUHB Service Re-Design

Working group consisting of Planning and Finance colleagues meeting fortnightly with Exec Director of Planning to update on progress and inform the pack to be presented at the monthly V & SB meeting. The group feeds in information from relevant established programmes on any Service Re-Design related topics.

Achievements to date:

- Inpatient Re-Configuration (Bed Reductions Phases 2 and 3) - £1m in current forecast for 24-25, options appraisal to scope further bed reduction opportunities across the Divisions of Medicine/MH&LD/PCC, to be shared with Chief Operating Officer/Executive Director of Nursing end of September
- Inpatient Re-configuration (Bed Reductions Phase 1) - £0.7m additional opportunity in forecast driven from revision of staffing assumptions for Ready to Go ward and additional medical staff benefits to be measured, model to be evaluated with potential to spread across other sites
- Managed Practices - £1.9m in current 24-25 forecast
- Intersite Transport - £1.3m in current 24-25 forecast

Evaluation of service changes, both financial and non-financial, is now required.

Next Steps / Opportunities:

- INNUS – awaiting information of the 8 procedures identified as part of the All-Wales project. When visible, intention is to cost this and assess performance impact.
- Inpatient Re-configuration (Phase 4 Bed reductions, 3 Wards) - £7.5m
- Medical Model – £ impact TBC
- Ambulatory Care Optimisation - £ impact TBC

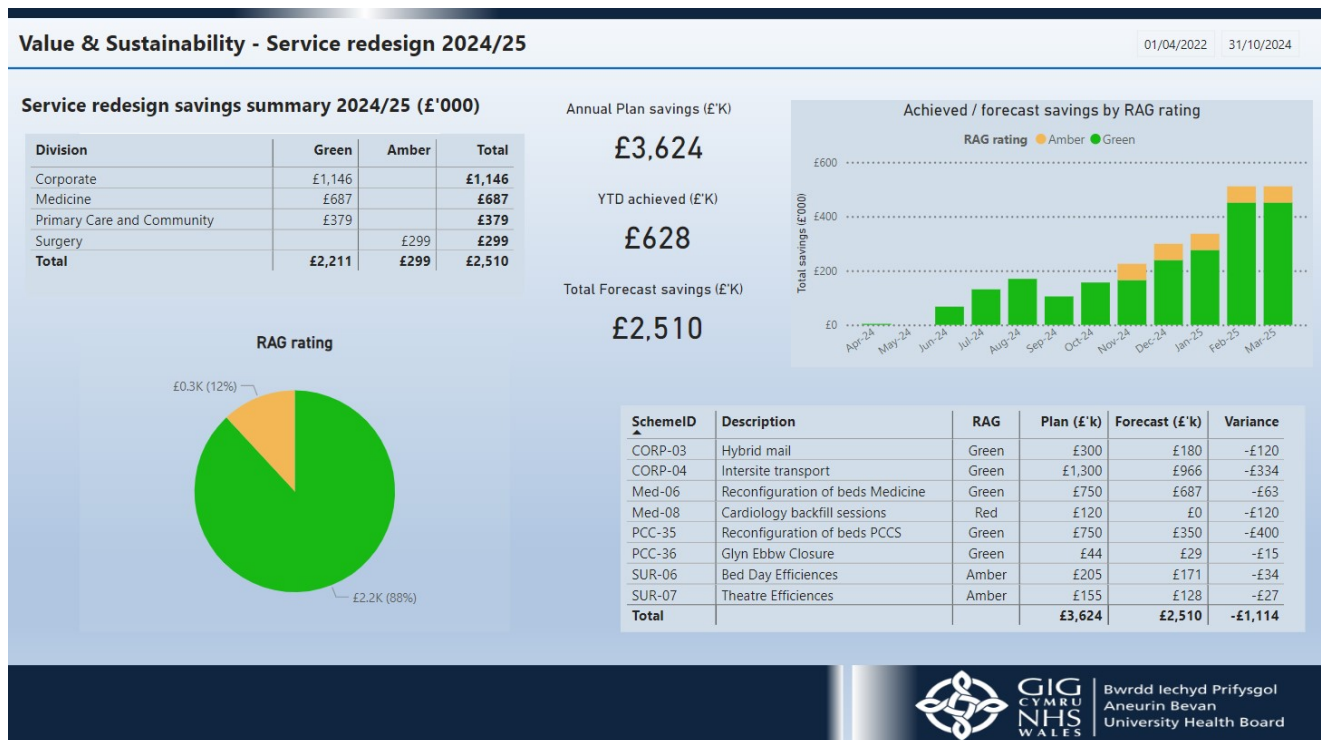
- Service Estate changes - £ impact TBC
- Service Efficiencies (Theatres, O/P's, Diagnostic) – £ impact TBC
- Ambulatory Care Optimisation / St Woolos Hospital Rationalisation – £ impact TBC

## National Work

Key focus areas / priorities from the national update October 24:

- Innovation / Value / Technology
  - Launch policy and universal criteria for low value interventions
  - Digital developments focussed on admin intensive processes
  - Digital booking tools
  - Utilisation of 111 to direct patients
- Planned Care / Elective services
  - SOS/PIFU roll out
  - Diagnostic referral pathways – review of high volume pathways
  - Full implementation of health pathways work
- Estate rationalisation
- Pathways of Care Delays – Surge beds
  - Review of bed occupancy
  - Full deployment of Trusted Assessor
  - Deployment of further faster actions, inc. maximisation of virtual wards
- Assessment of service resilience and consolidation opportunities

## APPENDIX B attached.



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## Continuing Healthcare V&S update December 2024

ABUHB V&SB Executive lead – Chief Operating Officer

### Value & Sustainability CHC delivery

As at Month 7 savings of £6.871m have been identified against a plan of £8.443m. £5.252m are currently rated green and £1.619m rated amber. Work is progressing across the three Divisions to make up the shortfall against the Annual Plan.

### Key Highlights Of Period

#### Positive Progress During Period

##### Complex Care

Work has now commenced on the Divisional top 50 high-cost placements (similar to the work previously undertaken in the Mental Health & Learning Disabilities Division) and the initial reviews are expected to be complete in December. Work will then commence around right sizing placements based on clinical need, where appropriate.

A review of the FNC assessment process is about to commence and an update will be provided to the next Finance & Performance Committee.

##### Mental Health & Learning Disabilities

The Pathway Panel Terms of Reference have now been completed and are being implemented

The Quality Assurance Panel Terms of Reference have also been refreshed and approved

Monthly disputes review meetings in place to ensure internal actions and escalation to Senior Management Team / Execs where required

Commissioning structure/accountability change proposed and agreed by SMT to move budget accountability to Directorate and the first meeting to progress this has now taken place

8 housing projects have been identified in order to promote efficient and effective service delivery

##### Family & Therapies

A plan is in place to scrutinise all invoices over £100k

The Dispute panel has recently resolved an ongoing case and this has been reflected in the Month 6 financial position

### Next Steps

##### Complex Care

Continue to build on positive work to manage / reduce Enhanced Care in care homes, including internal training on the Enhanced Care framework

Review protocol for use of cohort model care home  
Implement changes linked to FNC assessment and evaluation following review

#### Mental Health & Learning Disabilities

Finalise the disputes process policy  
Joint LA / HB Complex Care Board to be re-established as forum to discuss joint issues  
Further focus on the review process for commissioned packages  
Commissioning structure / accountability meeting held with Directorates

#### Family & Therapies

Two disputes have been resolved which will be reflected in the Month 8 financial position (£15k)

### **Challenges**

#### Complex Care

Legal advice in respect of contract adjustments do not support implementation of changes to deliver efficiencies  
Delay with step down pathway for cohort model / increase in one to one  
Identifying call management system for CAHT  
Potential resource pressures linked to changes for D2RA

#### Mental Health & Learning Disabilities

Vacancies in Commissioning team out to advert  
High-cost Transition cases – plans emerging  
Funding disputes, action plans now in place  
Limited in-house repatriation services available

#### Family & Therapies

Repeated “over commissioning” of healthcare professionals within social care packages  
Mitigation plans: early planning and no surprises approach with Local Authorities  
Staffing challenges due to maternity leave, retire and return on reduced hours and long term sick

### **Mitigations**

#### Complex Care

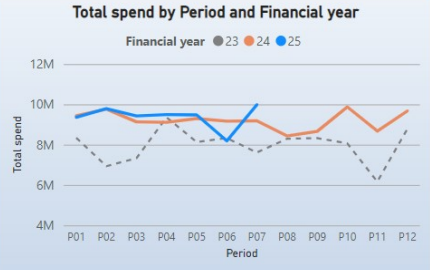
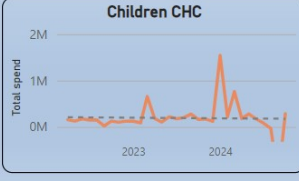
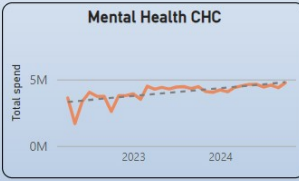
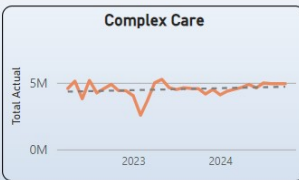
Divisional locality peer reviews of high-cost placement commenced  
Potential funding linked to changes for D2RA and H2H

#### Mental Health & Learning Disabilities

Temporary Case Manager appointed until March 2025  
Cross divisional transition group established to ensure oversight and horizon scanning of transition cases and Directorate accountability  
Dispute process policy being redrafted with revised escalation process, dialogue with LA in progress

#### Family & Therapies

Permanent Case Manager recruited, start date Jan 25



Budget and expenditure 2024/25 (£'000)

Division	Annual Budget %	Annual Budget	YTD Budget (k)	YTD Spend	YTD Variance
CHC and FNC	49.8%	55,132	32,597	33,941	1,344
Family and Therapies	0.6%	666	426	-169	-595
Mental Health and LD	49.6%	54,979	31,918	31,936	18
<b>Total</b>	<b>100.0%</b>	<b>110,777</b>	<b>64,941</b>	<b>65,708</b>	<b>766</b>

Average spend 23/24	Average spend 24/25	YTD spend 23/24 (same period)	YTD spend 24/25	YTD budget variance 24/25
9.2M	9.4M	65.1M	65.7M	0.8M

CHC savings summary 2024/25 (£'000)

Division	Green	Total
Complex Care	£2,863	£2,863
Mental Health and Learning Disabilities	£3,850	£3,850
<b>Total</b>	<b>£6,712</b>	<b>£6,712</b>

Annual Plan savings (£'K)	YTD achieved (£'K)	Total Forecast savings (£'K)
£8,443	£2,318	£6,712

Achieved / forecast savings by RAG rating



Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board

## Value & Sustainability Board – Non-Pay Update December 24

ABUHB V&SB Executive lead – Director of Finance & Procurement

Established Non-Pay Programme Board chaired by the DOF which meets monthly with representation from all Divisions across the Health Board. This Board supports identification and delivery of procurement opportunities, and the output of this group informs the pack to be presented at the monthly V & SB meeting. The attendees at the Board feeds in information and updates the Board on progress at Divisional level and any updates in terms of National work.

Key updates:

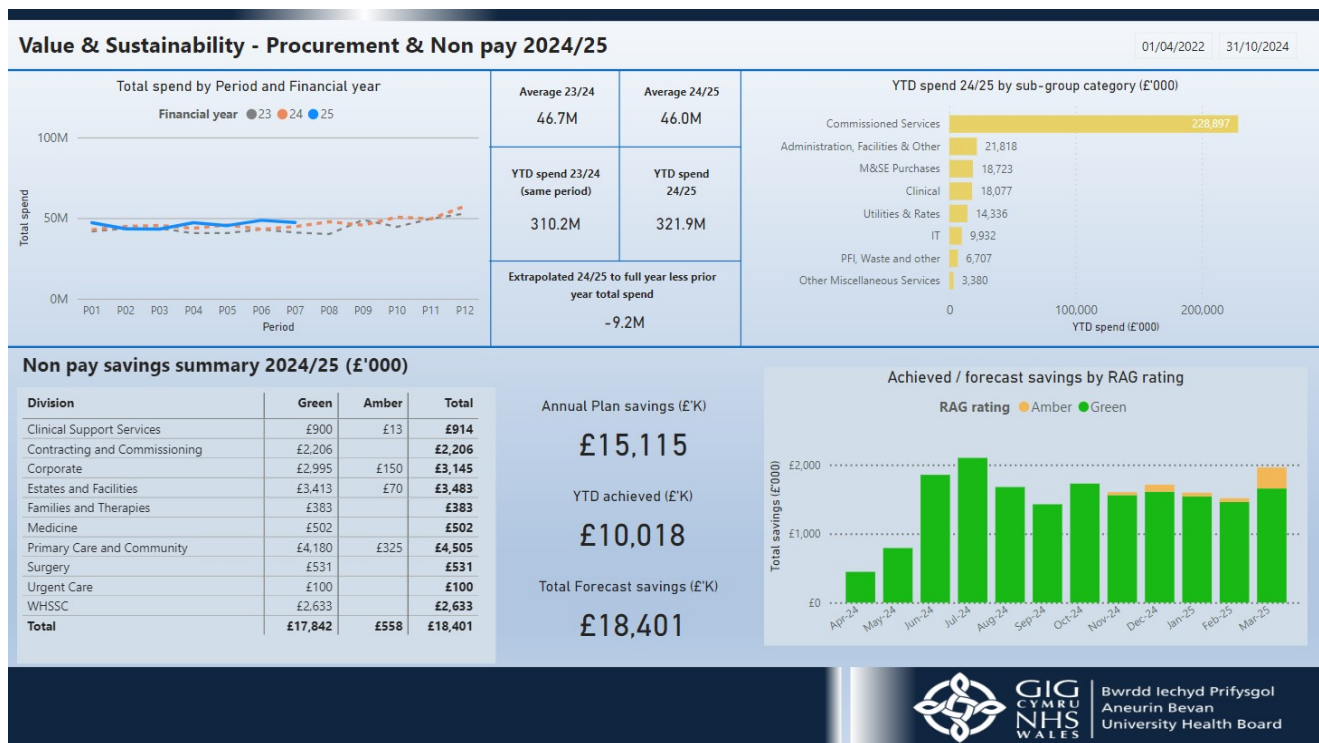
- £18.4m expected delivery for 2024/25 against £9.8m plan – further opportunities progressing.
- Ty Gwent office move completed – £0.5m saving for 2025/26
- Excellent engagement from services
- Theatre Improvement – Sub-group set up to provide a dedicated focus in this area. Procurement pushing national priorities and local opportunities.
- Contract Management – new process now live in ABUHB which covers any new contracts > £100k in value. 40 contracts identified & working through each of them starting with highest value. Key successes in CCS.

- Commissioning - LTA Arbitration with CTM successfully achieved £1.8m savings, £1.5m above estimates in plan. Additional In year delivery cost reduction of £1.5m (not formally reported as a saving).

## National Work

Non-Pay theme at the All Wales V & SB Board focusses on procurement and covers the following priorities:

- Price & volume
- Contract negotiations and management
- National level market share negotiations
- Maintenance of service contracts
- Specific opportunity areas
- Digital equipment (laptops) national procurement potential



## Value & Sustainability Board – Prevention Update December 24

ABUHB V&SB Executive lead – Director of Public Health

Focus on CVD Hypertension and Diabetes and Contraception , working with GPs and key NCN groups to progress.

Progressing this work will be through the ABUHB Diabetes Strategy Group, NCN for a and working with WG as part of the national diabetes improvement work.

**APPENDIX C attached.**

# Value & Sustainability Board – Digital Update December 24

ABUHB V&SB Executive lead – Director of Digital

## Positive Progress to date:

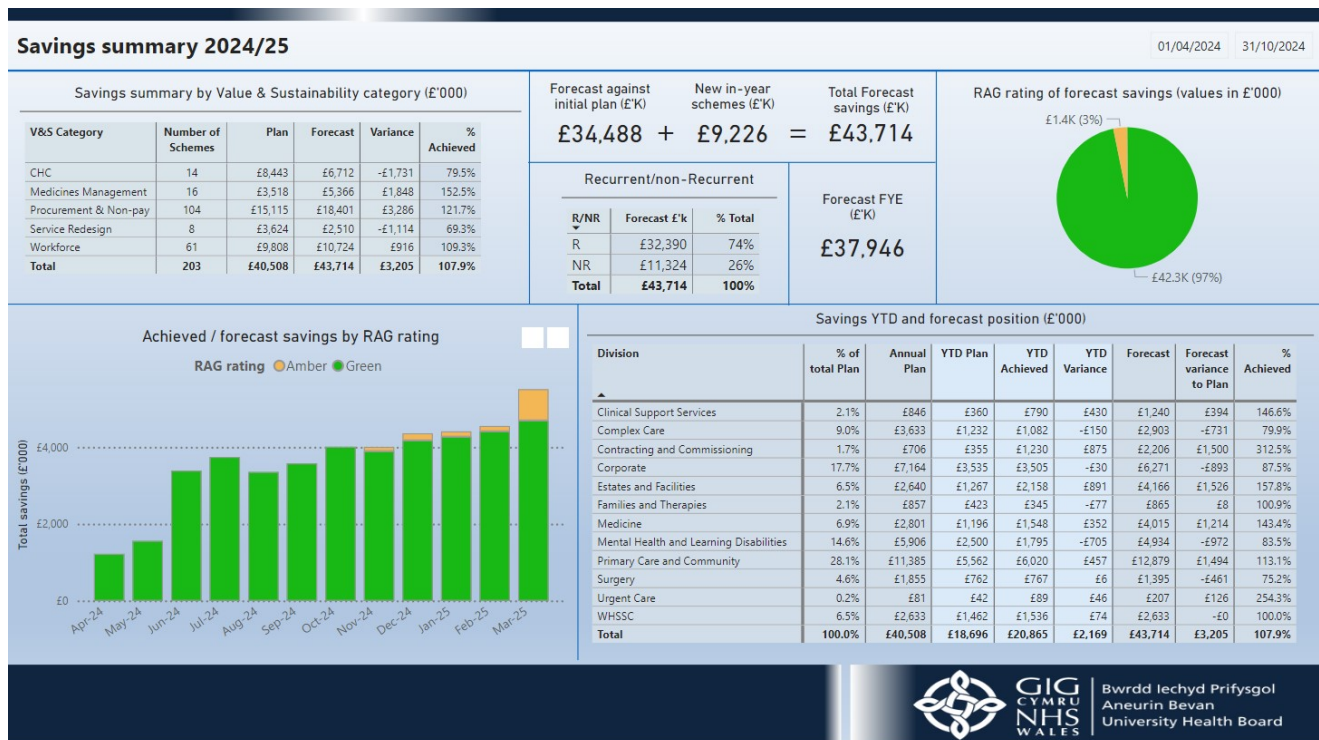
- Microsoft Teams voice Proof of concept continue to progress for TY Gwent
- Hybrid Mail – Phase two underway for commencement to digital letters go live
- Continued challenge on new IT equipment requests
- Telephony Credits agreed

## Next Steps / Opportunities:

- Continue to query and discuss alternative options
- Continue the audit process for Mobiles and Telephony lines - £32k YTD
- Pursue funding letters still outstanding
- Further Robotic Process automation and optimising the use of office 365 functionality across the organisation.

## Summary

The below graphic presents the overall 2024/25 savings achievement planned for 2024/25. Further work on future opportunities is continuing and the Quality Impact Assessment process will be reviewing further opportunities as part of the three year route map to recovery.



## Argymhelliad / Recommendation

The Finance & Performance Committee is requested to receive this report for assurance.



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<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	The monitoring and reporting of committee business is a key element of the Health Boards assurance framework
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Choose an item. Choose an item. Financial Balance
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Choose an item. Choose an item. Improve patient experience by ensuring services are sensitive to the needs of all and prioritise areas where evidence shows take up of services is lower or outcomes are worse

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	National V&SB Board
Rhestr Termau: Glossary of Terms:	V&SB – Value & Sustainability Board WG – Welsh Government SDEC – Same Day Emergency Care O/P – Out patient INNU – intervention not normally undertaken MH – mental health LD – learning disabilities 'k' – thousand Tbc – to be confirmed QIA – quality impact assessment
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	N/A

**Effaith: (rhaid cwblhau)**  
**Impact: (must be completed)**

<b>Resource Assessment:</b>	
• <b>Workforce</b>	Yes, outlined within the paper
• <b>Service Activity &amp; Performance</b>	Yes, outlined within the paper
• <b>Financial</b>	Yes, outlined within the paper
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<p><b>No does not meet requirements</b></p> <p>An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a></p>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>  <a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a>	<p>Not Applicable</p> <p>Long Term - The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs</p>

# Workforce Workstream

Value and Sustainability Board

**October 2024**

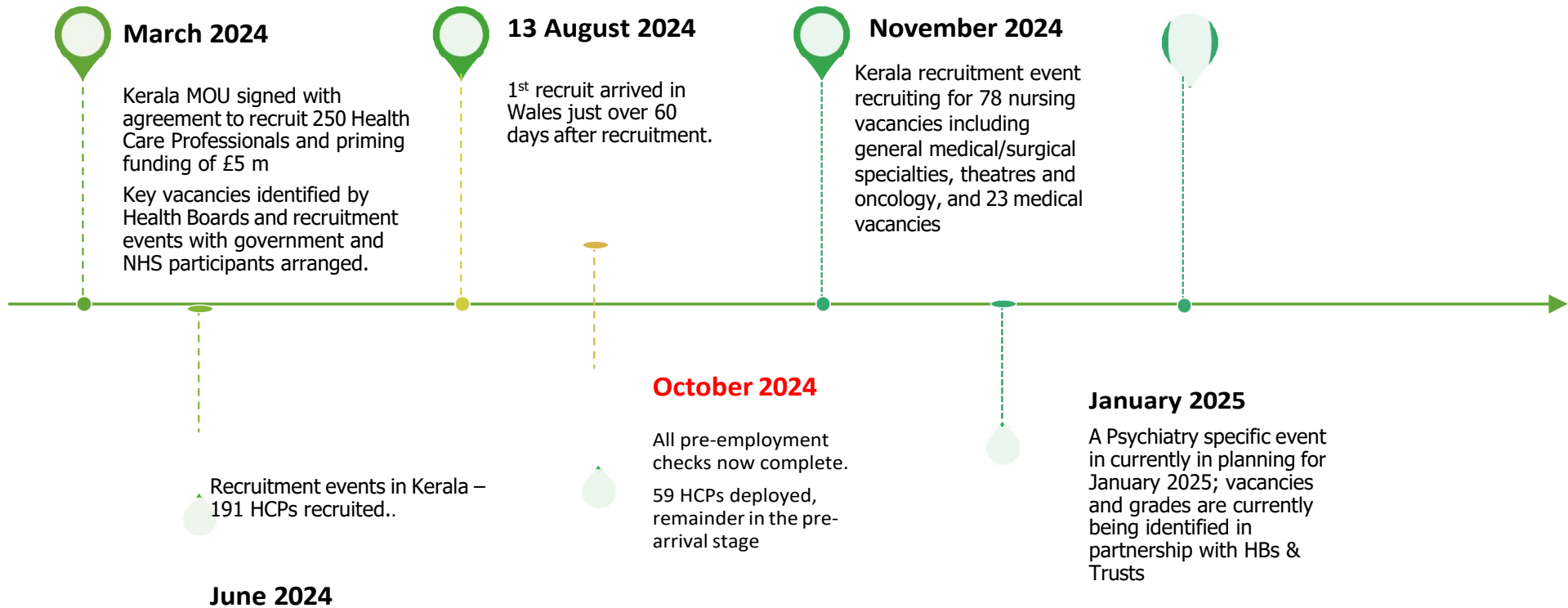
## Focus areas

- Monitoring reduction in **agency costs** through a clear control framework.
- Development of a clear, approved **international recruitment** plan for hard to recruit to areas- £5m.
- **Nurse Staffing Levels (Wales) Act 2016** Clarity, training and education of ward managers, roster management.
- Undertake a **corporate benchmarking** exercise across NHS Wales against ESP and Band 9 roles

# International Recruitment

Deliver a clear plan to recruit into  
hard to fill roles - £5 million 2024-25

# Progress to date and Plans



# Funding and savings

- In the current round of recruitment, £2,143,628 has been spent in the year to date, with £1,142,724 being funded via WG funding allocations.
- Since international recruitment activity (which started pre Kerela) started 1,121 recruits have landed and a further 151 are currently in the pre-arrival stage.
- There is now a move away from reliance on commercial recruitment agencies to in-country events, realising minimum opportunity cost savings in the region of circa £889k in introductory fees.
- **Future plans** - Health Boards and Trusts are considering their requirements for 25-28 to be clearly outlined in their IMTP submissions to support resource and funding requirements.

# Further Plans – Medical and Dental

- NWSSP are currently working with the GMC to add the grade of ‘Specialist Doctor’ to their GMC sponsorship programme.
- Recruitment in November will focus on the grade of International Senior Fellowship Portfolio Pathway (ISFPP) doctor (equivalent to the Specialist Doctor/Locum Consultant grade).
- The offer will be a (2+1) contract and provide professional development to complete their chosen higher specialty portfolio of evidence to enable entry onto the specialist register.
- NWSSP will provide the Sponsorship Registration Certificate (SRC) and the relevant NHS Wales organisation will be the employer. Four Health Boards/Trusts have agreed to participate in the pilot recruitment event.
- Pathways to employment for Dental Practitioners continues in the scoping phase.

## Further opportunities – Nursing

- Additional supply routes have now been identified for sourcing Registered Mental Health Nurses internationally.
- It has been agreed that the most reliable approach would be to source qualified RMNs with 12-24 months experience via the commercial agency route.
- In the new year, plans are to scope the delivery of OSCE on a regional basis.
- More updates will be provided as this workstream progresses which may require funding in the next financial year.

# Nurse Staffing Levels

Clarity on headroom, improved training and roster management

# Progress and next steps

- CNO office undertook a review with all 25B wards through national nurse staffing programme representatives. Confirmation the 26.9% headroom is consistently applied across 25B Wards
- Finance and Performance Team working with Swansea Bay on pilot for Ward Manager training.
- Rostering Principles from seven Health Boards and Velindre submitted to FP&D. Nursing and Workforce leads will review and revise rostering principles across Wales.
- Data analysis highlights the need to follow up to look at variation on the data submitted. Financial Planning and Delivery team will pull the work previously completed and work with the CNO's team.

# Corporate Benchmarking

Design and deliver a programme of targeted benchmarking

# Progress and Plans

- As agreed in April V&S Board, a sub-group has been established to develop a scope for the project.
- Information on the approach and methodology for previous large scale Corporate Bench marking has been considered and other potential options to target smaller scale opportunities also being developed. An update will be provided in the new year.
- ESP review is underway and due to report at the end of the year and data commission on Band 9 roles is being developed.

# Agency Reduction Programme

Reduce Agency spend whilst  
maintaining safe, sustainable staffing  
levels

# Programme Aims

The aim of the programme is to reduce the deployment of Agency staff across Wales by incentivising substantive employment within the NHS or providing flexible capacity through the NHS Bank.

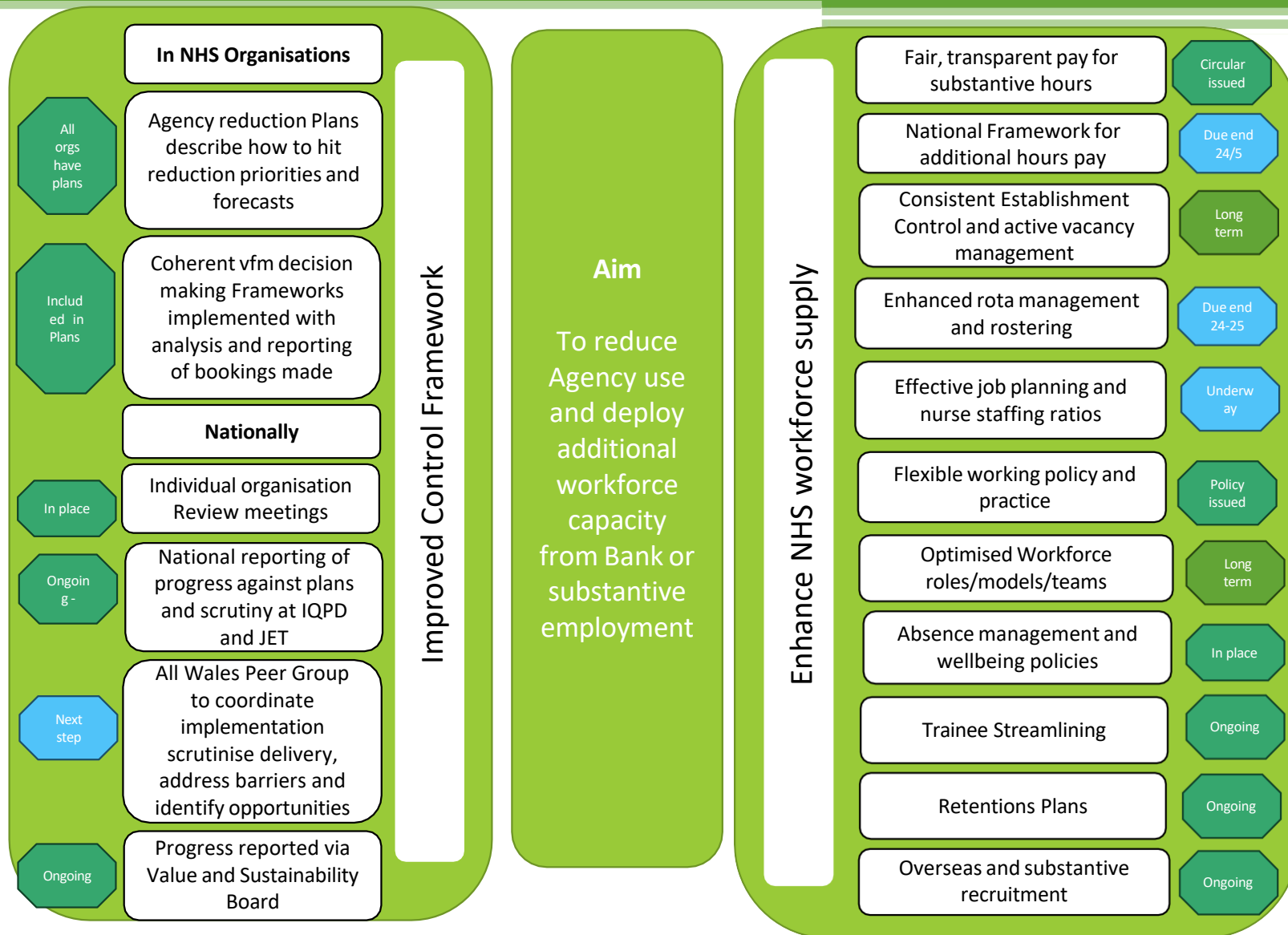
- The benefits of the Programme are:-
- Enhanced quality and safety and patient experience by delivering more care by our own workforce who are employed and familiar with our organisations and processes.
- Better value for money for NHS resources; reducing the additional costs of agency premium rates.
- Transparent, consistent, and equitable application of existing agreed national terms and conditions, ensuring we pay our substantive workforce and those employed through the NHS Staff Bank at the appropriate contractual rate and with clear rates for additional hours.
- Avoiding inter-organisation competition for people leading to increase in costs for the NHS with no extra workforce capacity for the additional costs.
- Identification of measures to address long standing hard to fill roles which are most reliant on agency cover.

# Agency Reduction Programme

Comprises **two parts** with simultaneous action to:-

- **Improved Control Framework** – to drive down Agency workforce deployment and expenditure across Wales with progress reported into the Value and Sustainability Board;
- **Enhanced Workforce Supply** – to increase the workforce capacity to cover the additional hours needed to ensure patient safety in the most cost-effective way either through Bank or increased hours from our substantive workforce and substantive recruitment. This work is governed and implemented in social partnership through the Wales Partnership Forum (employers, unions and government).

# Agency Reduction Programme – Update October 24



# Impact to date

- Agency spend for the full year in 2023/24 was £262.0m.
- At M05 the 2024/25 forecast agency spend is £180.6m, a £81.4m reduction on 2023/24 spend.
- NHS organisations report that £10.7 million of the reduction is has been saved.
- No significant increase in the variable pay bill which fits with Health Board reports that reduction in vacancies is the main reason for the reduced spend. This supports the programmes quality and safety aims by increasing the substantive workforce as well as providing better value for money by reducing the expenditure on agency premiums.
- For many actions there will be a time lag to see the changes, for example reduced vacancies and turnover due to the time taken to see the impact of recruiting and on boarding international recruits etc.
- At the end of the financial year, we will provide a more comprehensive analysis of benefits realised against the aims of the overall Programme.

## Agency Spend Reduction 23-24 to 24-25 by organisation

Health Board / Trust	2023/24 Agency Actual (£m)	2024/25 Agency FYF (£m)	Variance (£m)
Aneurin Bevan UHB	42.6	30.9	-11.7
Betsi Cadwaladr UHB	67.5	50.0	-17.5
Cardiff & Vale UHB	15.3	7.7	-7.6
Cwm Taf Morgannwg UHB	49.1	41.0	-8.2
Hywel Dda UHB	33.1	17.4	-15.7
Powys THB	12.6	11.4	-1.2
Swansea Bay UHB	35.0	18.0	-17.1
Trusts	6.7	4.3	-2.4
<b>Total</b>	<b>262.0</b>	<b>180.6</b>	<b>-81.4</b>

## Agency Spend Reduction 23-24 to 24-25 by staff group

Staff Type	Aneurin Bevan UHB	Betsi Cadwaladr UHB	Cardiff & Vale UHB	Cwm Taf Morgannwg UHB	Hywel Dda UHB	Powys THB	Swansea Bay UHB	Trusts	Total
Admin & Clerical	0.3	0.9	0.4	0.6	0.0	0.0	0.9	2.2	5.4
Medical & Dental	13.7	20.1	0.3	11.4	4.6	3.6	6.9	0.4	61.0
Nursing & Midwifery	12.3	23.2	5.7	21.9	11.4	5.0	3.3	0.0	82.8
Prof Scientific & Tech	0.4	0.2	0.0	0.1		0.4	0.1	0.0	1.2
Add. Clinical Services	0.4	0.3	0.0	2.3	0.2	1.6	1.8	0.3	6.9
Allied Health Prof	1.5	5.2	0.9	0.9	1.0	0.8	2.1	0.1	12.5
Healthcare Scientists	0.5	0.1	0.1	0.8	0.2	0.0	2.1	0.6	4.4
Estates & Ancillary	1.8	0.1	0.1	3.0	0.0		0.8	0.7	6.4
Students						0.0			0.0
<b>Total</b>	<b>30.9</b>	<b>50.0</b>	<b>7.7</b>	<b>41.0</b>	<b>17.4</b>	<b>11.4</b>	<b>18.0</b>	<b>4.3</b>	<b>180.6</b>

## Agency Spend Reduction 23-24 to 24-25 by reason

Reason for Agency Use	2023/24 Agency Actual (£m)	2024/25 Agency FYF (£m)	Variance (£m)
Vacancy	192.9	132.0	-60.8
Additional Activity	37.4	23.8	-13.6
Sickness	20.9	15.9	-5.0
Annual Leave	4.3	4.0	-0.3
Maternity, Paternity & Adoption	2.9	3.2	0.2
Other	3.7	1.7	-2.0
<b>Total</b>	<b>262.0</b>	<b>180.6</b>	<b>-81.4</b>

# Activity Update

- **Baselining December – March**
- The Circular set out the proposed main elements of the Agency Reduction Programme and signalled the key elements we would expect to see in an effective Agency Control Framework. We also required all organisations to submit baseline data on agency bookings by profession and Agency Reduction Plan on a page.
- Plans were robust and aligned to wider workforce plans
- Baseline data on Agency bookings was not available in a consistent or comprehensive format due to the different approaches taken to procurement, recording and reporting in different organisations.
- Rather than spend significant time trying to improve the national data quality on Agency bookings, we met individual organisations to understand the differences and identify any issues and best practice that could inform future phases of this work.
- We will continue to find ways to analyse booking data in more detail in targeted areas where progress is slower or becomes stuck.

# NHS Implementation – April 24 onwards

- **Circular 031/2024 Agency Workforce Reduction programme and control framework 2024-2025** in June 2024. This requires all NHS organisations to:-
- Continue to implement their Agency Reduction Plans aligned to their IMTPs and report regularly to their Board on progress.
- Submit quarterly data in national agreed format from the end of the first quarter to track organisations delivery against plans which will report into the Agency Tripartite Group and the Value and Sustainability Board.
- Focussed accountability through discussion of progress at NHS JET and IPQD meetings using the reporting format agreed nationally.
- **Next steps** – given the issues with data collection we are reviewing standardised formats based on learning from the meetings with individual organisations.

# National Implementation – April 24 onwards

**Actions have been completed on some measures to enhance workforce supply**

- Guidance issued on fair national rates of pay for substantive roles June 24
- Policies on flexible working have been agreed and issued
- Pension flexibility guidance agreed and issued
- Retentions plans, guidance and support in place

# National actions – next steps

**The focus for implementation to the end of this financial year are:-**

- Develop national reporting template to support Board reporting and ET and IQPD scrutiny.
- Understand the trends in roles/functions that are still filled via Agency to identify how to eradicate this activity.
- Analyse financial impact of a range of potential national additional hours rates and continue wider non pay incentivisation work.
- Enhanced rota management and rostering principles and standards
- Scope the potential for consistent establishment control

**Focus Area** Clinical Variation and Service Reconfiguration

**Key Aims and Objectives**

**Aim:**

- To identify key actions across a number of policy and operational areas to determine scope of opportunity in respect of:
  - Reducing unwarranted clinical variation
  - Ensuring sustainable service configuration
  - Guarding against inequity of access
  - Delivering recurrent financial benefits for NHS Wales

**Objectives:**

- Identify savings, options and choices being implemented in organisations and potential for scaling on a national basis;
- Develop a proposal for short, medium and long term high value areas for financial improvement, for consideration and implementation across the system
- Support the development and implementation of once for Wales approaches

**Focus areas/Priorities**

- Innovation / Value / Technology
  - Launch policy and universal criteria for low value interventions
  - Digital developments focussed on admin intensive processes
  - Digital booking tools
  - Utilisation of 111 to direct patients
- Planned Care / Elective services
  - SOS/PIFU roll out
  - Diagnostic referral pathways – review of high volume pathways
  - Full implementation of health pathways work
- Estate rationalisation
- Pathways of Care Delays – Surge beds
  - Review of bed occupancy
  - Full deployment of Trusted Assessor
  - Deployment of further faster actions, inc. maximisation of virtual wards
- Assessment of service resilience and consolidation opportunities

**Scope**

**Areas in scope**  
All services currently in scope until further work undertaken to determine opportunities.

**Areas not in scope**  
At this point, no areas have been deemed out of scope.

**Leadership** **Other Support Roles**

<b>WG Lead</b>	Nick Wood / Samia Edmonds	<b>Leadership Experts</b>	
<b>CEO Lead</b>	Paul Mears / Carol Shillabeer	<b>Other Peer Group Leads</b>	Hannah Evans
<b>DoF Lead</b>	Huw Thomas	<b>Other Support Roles</b>	Bec Luffman
<b>Clinical Lead</b>	TBC	<b>Other Support Roles</b>	Mark Bowling / Claire Green / Hywel Pullen/David Osborne

**Governance and Leadership (Working groups, supporting infrastructure)** **Frequency of Meetings**

Workstream leadership working group	Monthly
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**Key Actions and Deliverables** **By when**

1	Commission review of estates from Health Boards and Trusts	Completed
2	Innovation / Value / Technology: Issue updated guidance on low value interventions to the system. Identify high value actions. RTT guidance to be re-issued.	Completed
3	Fragile services review	Phase 1 complete Phase 2 – Presentation to January VSB
4	Pathways of Care: • Undertake review of bed occupancy across Wales • Identify opportunity to release capacity	Nov VSB presentation
5	Opportunities to be modelled and actions confirmed	Ongoing

**Any other additional context / narrative**

Actions and opportunities to be mapped across to existing programmes of work for delivery where appropriate.  
Actions to focus on outcomes and quality, as well as finance.

**Focus Area** Clinical Variation & Service Reconfiguration

Key Activities	Opportunity	Progress and Next Steps	Milestone Date of Delivery	Opportunity £('000s)	V&S Scheduled Update Month
1 Innovation / Value / Technology	Low value interventions: - Released capacity - Positive impact on waiting lists	<ul style="list-style-type: none"> <li>Engagement with clinical implementation groups</li> <li>Clinical coding group to pursue coding issues</li> <li>Rolling programme of 8 interventions to be implemented</li> <li>Agreement on process for patients currently on waiting lists</li> </ul>	Ongoing Ongoing Ongoing Sept 2024		TBC
2 Innovation / Value / Technology	High Value Pathways development	<ul style="list-style-type: none"> <li>6 pathways identified for national roll out.</li> <li>In discussion re future oversight mechanism within VSB structure</li> </ul>	Complete Oct 2024		TBC
3 Pathways of Care – Surge beds	Reduction in pathways of care delays Hospital delays eliminated (target % tbc)	<ul style="list-style-type: none"> <li>Pathways of Care assessed to highlight opportunities to reduce bed occupancy.</li> <li>20% reduction target identified for each Local Authority area.</li> </ul>	TBC TBC		
4 Assessment of service resilience and consolidation opportunities	Consolidation of resources e.g. workforce Prioritisation based on degree of fragility	<ul style="list-style-type: none"> <li>Assessment commissioned from NHS Executive</li> <li>Phase 1 report completed</li> <li>Phase 2 scoped</li> <li>Further update to January VSB</li> </ul>	Complete April 2024 August 2024 January 2025		January 2025

**Risks Identified**

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**Mitigations**

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**Focus Area** Clinical Variation & Service Reconfiguration

Key Activities	Opportunity	Progress and Next Steps	Milestone Date of Delivery	Opportunity £('000s)	V&S Scheduled Update Month
5 Consolidation / repurposing of existing estate	Disposal of freehold property Termination of leases / renewing leases on a renewed footprint Sharing accommodation with other NHS bodies / wider public sector Letting surplus accommodation to the private sector	<ul style="list-style-type: none"> <li>Review of non-clinical space commissioned from HBS and Trusts with a view to rationalisation of non-clinical estate.</li> <li>Continue to work with organisations to review use of estate/ opportunities to consolidate as leases expire</li> <li>Update on opportunities identified to be presented at the September <u>meeting</u></li> </ul>	Completed Completed Ongoing Sept 2024		September
6 Innovation / Value / Technology	Planned Care productivity and efficiency gains – fallow lists, HVLC, GIRFT, waiting list management, outpatients, digital pre-assessment etc	<ul style="list-style-type: none"> <li>Planned Care Programme to issue fallow list data to HBS. HB assessment of feasibility.</li> <li>Further assessment of opportunities to identify additional priorities.</li> <li>PCP to identify monitoring mechanism and work with FP&amp;D colleagues to quantify impact.</li> <li>Focus of discussion at Nov workstream meeting</li> </ul>	April 2024 May 2024 Sept 2024 Nov 2024		November
7 Innovation / Value / Technology	Development of a consistent model of virtual wards across Wales Resources focussed on those at greatest risk of exacerbation of condition / admission to hospital	<ul style="list-style-type: none"> <li>Focus of discussion at Nov workstream meeting</li> </ul>	Nov 2024		TBC
8					

**Risks Identified**

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**Mitigations**

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# Summary of Progress – October

## Completed

- Review of estates by HBs and Trusts
- Updated guidance on low value interventions and associated governance structure
- High value actions identified
- Clinical effectiveness group established
- 6 optimum pathways developed. Metrics developed and HB expectations set
- Theatre productivity opportunities issued to HBs for assessment of scale of gains available
- Phase 1 review of fragile services / service resilience

## Key Activities for October

- Phase 2 of fragile services review ongoing
- Establish Virtual Ward T&F group
- Rolling programme of INNU guidance to continue
- Workstream to review progress on theatre productivity / efficiency and prepare update for November V&SB
- Areas of focus for 2025 under review

# ABUHB V&SB Focus Group –

Update as at 15<sup>th</sup> November 2024

Scope – Public Health

Aims and Objectives – Increased healthy life expectancy and reduce differences in life expectancy and healthy life expectancy between communities

Exec Lead – Tracy Daszkiewicz

SRO – Beveleigh Evans

Clinical Leads –

Finance Lead – Caroline Hobbs & Lisa Andrews

## Positive Progress During Period:

- CVD – Hypertension - a case finding approach service model has been developed. This service will be offered to GP practices and community pharmacies in Gwent, It will up and running by the end of January 2025.
- Diabetes – All Wales Diabetes Prevention Programme (AWDPP) has been expanded further to three NCNs (Caerphilly South & East, and Blaenau Gwent East)

## Next Steps:

- CVD – Hypertension - a case finding approach service model will be presented at the Exec Committee meeting in December 2024.
- CVD – Hypertension – ‘Treating (the known cases of hypertension) to the Target’ model has been developed. This will be rolled out in 2025-26 subject to the funding availability.
- Diabetes - Start to do the initial planning and preparing to move into Newport, if funding continues.
- Explore options of group interventions

## Challenges:

- CVD – Hypertension- a case finding service is funded through Early Year and Prevention money, which is non-recurrent. Therefore funding source will need to be identified for this service 2025-26.
- Diabetes - AWDPP funding is due to end March 2025. The uncertainty and delay in notification could affect the delivery of the programme into Newport – If funds do not continue, current capacity will need to be reduced. Retention of staff would be difficult.
- Staff sickness; Multiple long-term sickness which has affected delivery and could in the future.

## Mitigations:

- CVD & Diabetes: Integrate the CVD and Diabetes prevention programmes to generate efficiencies

# ABUHB V&SB Focus Group – LARC

Update as at 19<sup>th</sup> November 2023

Scope – Public Health

Aims and Objectives – Increased access to long lasting conception

Exec Lead – Tracy Daszkiewicz

SRO – Beveleigh Evans?

Clinical Leads –

Finance Lead – Caroline Hobbs & Lisa Andrews

Positive Progress During Period:

- Health Needs Assessment (HNA) instigated
- Focus groups underway with health professions and service providers
- Patient facing surveys being conducted later this month

Next Steps:

- Continue with evidence base in HNA
- Scope possible pharmacy model options

Challenges:

- Primary care funding for practices providing coils and implants in LARC enhanced services hardly covers the costs of providing the service.
- The rate of GPs being accredited LARC fitters is falling as a result of this, particularly among male GPs (data will be verified in HNA)
- There is often not enough physical space in the practice to carry out procedures
- Staff availability for chaperones or assistants if required

Mitigations:

- Some service coverage is in place with limited options

Key Actions and Decisions Required	By When	Risks	Mitigation
CVD – Paper on Hypertension – A case finding approach to be presented to execs followed by business to PIP early 2025	Dec – 24 Feb - 25	Funding is not available	Integrate the CVD and Diabetes prevention programmes to generate efficiencies
Diabetes – Extend the AWDPP to Newport	March 2025	Staff sickness Staff recruitment and retention	Integrate the CVD and Diabetes prevention programmes to generate efficiencies

Opportunity Description	Lead	Value of Opportunity 23/24 £m	23/24 Delivery £m	24/25 Opportunity £m
Prevention & Proactive Care	Tracy Daszkiewicz	TBC	TBC	TBC

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O: MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	<b>Analysis of Health Board Opportunities identified through national benchmarked</b>
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Rob Holcombe, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Fidelma Davies, Head of Strategic Financial Planning

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA  
SBAR REPORT**

**Executive Summary**

The annual review and analysis of the key national benchmarking publications for 2023/24 has highlighted significant efficiency opportunities in several key acute inpatient and outpatient service areas, at a calculated worth of £19.6m. The key findings are detailed in the Health Board's Efficiency Compendium, and are summarised below:

Table 1: Summary by division of indicative benefit value – using 2023 data:

Summary	CHKS Efficiency Opportunities		STATSWales Efficiency Opportunities	NHSBN Efficiency Opportunities - (released to date)		EFPMS	Efficiency Opportunities
	Bed Gains	Annual OP slots Gained	GP Referrals	Theatre Sessions Gained	Others...		
	£m	£m	£m	£m	£m	£m	TOTAL £m
Surgery	£4.295	£0.530	£1.140	£1.218			£7.183
Medicine	£5.739	£0.330					£6.069
F&T	£1.283	£0.049		£0.251			£1.583
PC&Comm	£0.205						£0.205
Estates and Facilities						£4.552	£4.552
<b>TOTAL</b>	<b>£11.522</b>	<b>£0.910</b>	<b>£1.140</b>	<b>£1.469</b>	<b>£0.000</b>	<b>£4.552</b>	<b>£19.592</b>

This is a calculated financial worth of the efficiency benefit to give scale and focus on priority areas. It is important to note that this is an improvement value and not necessarily a cash releasing saving.

It should be recognised that positive service improvements, such as the launching of the T&O day case arthroplasty service and others resulting in bed releasing benefits, have been in progress during 2024 and will continue in the future. The impact of these, noting that they would not be reflected in the current benchmarking, should be considered when Divisions assess the benchmarking results.

The keys areas identified from the 2023 data benchmarking against peer groups are:

### Beds:

Based on the reported 2023 ALOS data for peer groups, there is substantial opportunity for efficiency improvement in terms of bed days. Converted into beds to give scale, this would be approximately 200 beds (calculated worth of £11.5m). Categorized as:

- More proactive discharge planning for the acute phase of care (142 beds),
- Improved Readmission rates (41 beds),
- Improved day case rates (12 beds), and
- Improved day of surgery admission (4 beds).

### Outpatients:

Efficiency gains relating to Outpatient capacity have a calculated worth, of circa £2.050m and comprise of:

- Reducing Outpatient DNA rates to the national target of 5%, releasing approximately 4,992 appointment slots per annum,
- Reducing New to FUP ratios. This would release significant capacity in outpatients (19,757 slots per annum), and
- Reducing GP referrals to the lowest in Wales per annum, releasing circa 32,579 slots.

### Theatres:

Efficiency improvement, at a total calculated worth of approximately £1.5m (or £3.5m if using WLI costs), by:

- Reducing cancelled operations (with 1 or less days of scheduled operation) thereby providing an additional annual capacity of 797 theatre sessions, and
- Increasing cases per theatre list to the benchmarking upper quartile, improving capacity by an additional 672 theatre sessions per annum.



## Estates and Facilities Performance Management System (EFMS):

The comprehensive data collection for 2022/23 identifies an opportunity to organisational average (at 50%) valued at £4.5m, with significant efficiencies to be investigated relating to:

- Building and engineering £1.016m
- Cleaning £0.949m
- Gas and electric £0.990m
- Energy £0.709m

## Developments for the 2024/25 Compendium refresh:

1. The CHKS product commissioned by the HB, sets out not only those areas of efficiency improvement but also areas of positive comparative performance by Aneurin Bevan services. It is important to recognise these positive achievements, and it is hoped that highlighting examples of internal sources of good practice in this way will facilitate cross divisional learning. An example of a section of this commissioned CHKS product is displayed in Appendix 1a.

In addition, there are pivots of the benchmarking analysis by Division (Appendices 1b) and by Specialty (Appendices 1c), providing the top 5 areas of efficiency improvement for each specialty and Division.

2. Included in the refresh is the movement in Average Length of Stay (ALOS) of the Health Board's own performance between 2022/23 and 2023/24 – measured as a % increase or decrease in days. Measuring this movement will help track the specialty journey towards best in class.

3. The current and future productivity, outcome and financial challenges for the Health Board requires transformational change and service improvement that takes full advantage of learning from published best practice, innovation and exemplar services.

To support divisions the 'Best practice case studies, webinars, journals and awards for best practice' tab has been refreshed and updated with links to the latest known publications. There are a range of categories including clinical decision support, digital technology, discharge processes and decarbonisation.

4. Where relevant, signposting, links and screen shots of useful pages from the Financial Planning and Delivery (FP&D) VAULT have also been included.



5. Currently the Compendium is heavily acute sector based, but we are working with colleagues from FP&D and the NHS Executive to develop benchmarking that encompass more non acute services, for example CHC, Mental Health, CAMHs, district nursing, diagnostics, corporate services etc.

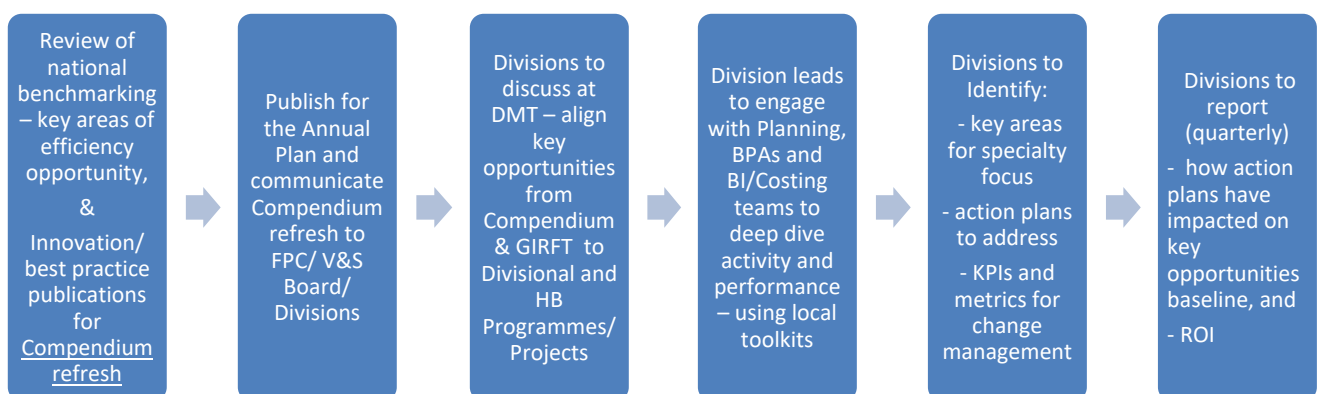
6. Also, as and when further national NHS Benchmarking Network (NHSBN) reports are finalised, the analysis and conclusions will be included in the Compendium. Where appropriate, a calculated worth of opportunity will be added to the £19.6m efficiency pipeline summary.

The Compendium can be found here [ABUHB Applications \(cymru.nhs.uk\)](http://ABUHB.Applications.cymru.nhs.uk) for all staff to access.

This resource is shared throughout the organisation and this refreshed version will be promoted for use in identifying efficiency action plans throughout divisions and transformational working groups. It will be of relevance to key Programmes such as:

- Planned Care Programme – Theatre Efficiency Group
- 6 Goals Programme – demand and discharge improvement, and
- MSK VBH – management of referrals.

To address the Wales Audit recommendations in the recent 2024 Efficiency Report, the schematic below illustrates the framework within which the benchmarking business intelligence is expected to be deployed:



**Recommendation:**

Given the significant financial challenges facing the Health Board in 2024/25 and beyond the Committee is requested to:



- Discuss and provide views on the content of this report.
- Note next steps to promote this refreshed tool and usage within ABUHB.
- Focus on areas highlighted as improvement opportunities.

## **Seyllfa / Situation**

The purpose of this report is to provide the Finance and Performance Committee with a review of the key national benchmarking reports that are stored in the Compendium refresh, namely:

- national NHSBN reported results,
- the Comparative Health Knowledge System (CHKS) analysis of the Health Board’s performance against key elective and non-elective productivity and efficiency indicators,
- the statistical data for Wales held on StatsWales, and
- the Welsh Governments Estates and Facilities management System (EFMS).

(To note: the Compendium stores additional resources to those named above).

Performance measures in the Compendium are relative to peer groups. This annual benchmarking exercise enables the Health Board to assess relative efficiency and opportunity for improvement. Using the Health Board costing information these non-financial metrics have been converted into an indicative financial worth of the efficiency opportunity, but they may not convert into a cash releasing saving.

The calculated worth of the CHKS, NHSBN, StatsWales and EFMS efficiency assessment of the Aneurin Bevan University Health Board is £19.6m. This is analysed by Division and set out in the tables 1.1 to 1.3 below:

Tables 1.1 & 1.2 Summary by Division of indicative benefit value by benchmarking source using 2023 data:

Summary	CHKS Efficiency Opportunities		STATSWales Efficiency Opportunities	NHSBN Efficiency Opportunities - (released to date)	
	Bed Gains	Annual OP slots Gained	GP Referrals - OP slots gained	Theatre Sessions Gained	Others...
Surgery	74	14,427	32,579	1,218	
Medicine	99	8,991			
F&T	22	1,331		251	
PC&Comm	4				
Estates and Facilities					
<b>TOTAL</b>	<b>200</b>	<b>24,749</b>	<b>32,579</b>	<b>1,469</b>	<b>-</b>



Summary	CHKS Efficiency Opportunities		STATSWales Efficiency Opportunities	NHSBN Efficiency Opportunities - (released to date)		EFPMs	Efficiency Opportunities
	Bed Gains £m	Annual OP slots Gained £m	GP Referrals £m	Theatre Sessions Gained £m	Others... £m	£m	TOTAL £m
Surgery	£4.295	£0.530	£1.140	£1.218			£7.183
Medicine	£5.739	£0.330					£6.069
F&T	£1.283	£0.049		£0.251			£1.583
PC&Comm	£0.205						£0.205
Estates and Facilities						£4.552	£4.552
<b>TOTAL</b>	<b>£11.522</b>	<b>£0.910</b>	<b>£1.140</b>	<b>£1.469</b>	<b>£0.000</b>	<b>£4.552</b>	<b>£19.592</b>

To note CHKS: Coding causes a time lag to publication, so Jan 2023 to Dec 2023 data used.  
To note CHKS: Uncoded activity will impact on certain analysis that drills down to HRG levels.

Table 1.3 Summary of Bed Gain Opportunity by Treatment Category – 2023 data:

Summary	Bed Opportunity	
	Bed Gain Opportunity	SubTotal £m
Elective ALOS	15	0.855
Non elective ALOS	127	7.342
Readmission Rates	41	2.381
Day of Surgery Admission	4	0.233
Day Case Rate	12	0.711
<b>TOTAL</b>	<b>200</b>	<b>11.522</b>

## Cefndir / Background

### CHKS:

CHKS produces an annual report focussing on selected comparative efficiency indicators and peer groups that have been agreed with the Welsh Government.

If the Health Board is a significant outlier when compared across the peer groups, it is 'flagged' as an area of opportunity for improvement and should be investigated at a more granular level by the Division.

The peer groups are (See **Appendix 2** for details):

- Health Boards in Wales,
- Capita peer group (considered a similar mix to urban and rural areas within Wales), and
- Foundation Trusts rated as outstanding by the Care Quality commission (CQC),
- Northumbria Foundation NHS Trust.









Day of Surgery Admissions (DOSA) – in general the performance has improved on the previous year's rates, except for General Surgery and Urology where slight decreases of 0.14% and 1.67% respectively have been recorded.

The DOSA rate for General Surgery (69%) is also below that of the peer groups, especially Capita peer group, which is recorded as 95%.

T&O DOSA rate has improved to 37.95%. However, it remains materially below all peer groups, which are at circa 97%, resulting in a bed gain opportunity of 4 beds as set out in table 5 below.

Table 5: DOSA Bed Gain Opportunity (Jan 2023 to Dec 2023)

		Average Length of Stay (excludes 0 LOS)			Calculated worth of opportunity £m	AB ALOS % change from 2022 to 2023
		AB	Top Hospital Peer Group	Beds Gained Opportunity		
SC	General surgery	69.82%	95.57%	1	0.051	-0.14%
	Trauma & Orthopaedics	37.95%	97.96%	3	0.181	32.81%
<b>Bed gain Opportunity</b>				4	0.233	

Day case Rates - Overall the previous level of performance has been maintained by most of the specialities.

However, there remain the following opportunities of 12 beds/ £0.711m should the day case rate be improved to peer group levels:

Table 6: Day Case Rate Bed gain opportunity (Jan 2023 to Dec 2023)

		AB	Top Hospital Peer Group	Beds Gained Opportunity	Calculated worth of opportunity £m	AB ALOS % change from 2022 to 2023
Scheduled Care	General Surgery	78.25%	83.23%	4	0.221	-0.55%
	Urology	76.35%	77.48%	3	0.166	-1.67%
	Trauma & Orthopaedics	56.54%	57.94%	1	0.063	2.88%
	ENT	48.11%	77.07%	2	0.106	-17.22%
F&T	Gynaecology	67.79%	78.30%	3	0.156	3.86%
<b>Bed gain Opportunity</b>				12	0.711	

(Please note that this peer group performance comparison is a different benchmarking exercise to that conducted by the BI department, where performance is compared to BADS target.)

Readmission Rates (within 7 days) – Overall the level of performance has worsened since 2022/23.

The specialties with the largest number and % of readmissions when compared to peer groups are set out in table 7. In total the bed gain opportunity is 41 beds/ £2.4m.

Table 7: Readmission Rate reduction bed gain opportunity (Jan 2023 to Dec 2023)



		Readmission Rates			Calculated worth of opportunity £m	AB ALOS % change from 2022 to 2023
		AB	Top Hospital Peer Group	Beds Gained Opportunity		
Surgery	General Surgery	11.05%	5.41%	17	0.990	14.20%
	Urology	7.42%	3.11%	4	0.244	16.17%
	Trauma & Orthopaedics	5.87%	2.52%	8	0.433	13.99%
	ENT	10.66%	4.33%	2	0.097	76.85%
Medicine	General Medicine	9.07%	7.30%	11	0.618	3.70%
<b>Bed gain Opportunity</b>				<b>41</b>	<b>2.381</b>	

**OP DNA Rates** – overall DNA rates continue to outperform those of the peer groups, with no significant opportunities emerging from a peer comparison. Therefore, as in previous years the comparison has been made against the aspirational achievement of a 5% rate. It should be noted that positive improvements have been seen, as follows:

- ✓ The 5% rate for NEW OP DNAs is already being achieved by General Surgery, ENT, Ophthalmology, Cardiology, Neurology, Haematology, Dermatology, Rheumatology, Obstetrics and Gynaecology.
- ✓ The 5% rate for FUP DNAs is being achieved by Urology, ENT, Ophthalmology, Oral surgery, Orthodontics, Haematology, Neurology and Dermatology.

If lessons could be learnt from these top performing specialties, gains could be found in the specialties as set out in table 8:

Table 8: OP DNA rates reduction – capacity gains (Jan 2023 to Dec 2023)

		NEW OP appointments gained if Reduced to 5% DNAs			FUP OP appointments gained if Reduced to 5% DNAs			TOTAL OP		Calculated worth of opportunity £m
		Slots/ annum	Slots/ week	Reduction in DNAs Required	Slots/ annum	Slots/ week	Reduction in DNAs Required	Total slots per annum	Total Slots per week	
Surgery	GS				110	2	12%	110	2	0.004
	T&O	590	11	29%	224	4	10%	814	16	0.030
	Urology	132	3	25%				132	3	0.005
Medicine	Gastro	338	7	48%	248	5	35%	586	11	0.022
	Endo & Diabetes	141	3	2.72	784	15	59%	925	18	0.034
	Cardiology				146	3	18%	146	3	0.005
	Geriatric	191	4	57%	365	7	55%	555	11	0.020
	Respiratory	394	8	39%				394	8	0.014
F&T	Paediatric				580	11	50%	580	11	0.021
	Gynaecology							-	-	-
	Obstetrics				603	12	46%	603	12	0.022
	Midwifery				148	3	25%	148	3	0.005
<b>Appointment Slots gain Opportunity</b>		<b>1,785</b>	<b>34</b>		<b>3,207</b>	<b>62</b>		<b>4,992</b>	<b>96</b>	<b>0.183</b>



It should also be noted that although performance comparisons to peers is positive, there has been notable deterioration in DNA performance rates in the following specialties, see table 9.

Table 9: OP DNA Performance rate comparison: 2022 to 2023:

NEW OP DNA rates	Performance change from 2022 to 2023	FUP OP DNA rates	Performance change from 2022 to 2023
General Internal Medicine	47.14%	Palliative Medicine	36.74%
Geriatric Medicine	78.74%	Geriatric Medicine	5.78%
		Obstetrics	2.11%

OP Follow Up to New ratios – In general the Health Board follow up to new ratios have increased since last year, and the following specialties set out in table 10 below are also being outperformed by the Peer Groups:

Table 10: OP FUP to New ratios reduction – capacity gains (Jan 2023 to Dec 2023)

		Appointment slots gained if Reduced FUP to New Ratio				Calculated worth of opportunity £m
	AB	Top performing Peer Group	Slots gained per Annum	Slots gained per week		
Surgery	Urology	2.00	1.63	2,313	44	0.085
	T&O	1.52	1.43	2,434	47	0.089
	ENT	1.35	1.17	1,288	25	0.047
	Oral Surgery	1.84	1.29	1,791	32	0.066
	Dermatology	1.86	1.66	1,657	32	0.061
	Rheumatology	4.16	2.76	3,889	75	0.143
Medicine	General Medicine	2.22	1.30	436	8	0.016
	Cardiology	1.47	0.94	3,173	61	0.117
	Renal Medicine	9.08	8.08	612	12	0.022
	Neurology	1.63	1.52	400	8	0.015
	Geriatric Medicine	2.02	1.64	1,764	19	0.065
<b>Appointment Slots gain Opportunity</b>				<b>19,757</b>	<b>362</b>	<b>0.726</b>

**Areas of efficiency opportunity – StatsWales:**

Table 11 below shows the specialties where the Aneurin Bevan Health Board is an outlier in relation to the number of referrals from GPs into the acute sector, when comparisons are standardised per 10,000 population. The calculated worth if each referral converted into an outpatient appointment would be circa £1m, spread across the specialties as detailed below:



Table 11:

**Monthly GP referral rates per 10,000 population (12 months - april 2023 to march 2024)**  
**StatsWales**  
**ANNUAL REFERRALS AVOIDED**

	ABHB average Annual referrals	ABHB referral rate	"Lowest" referral rate in Wales	Avoided Referrals to "Lowest" in Wales	Per week	£m	£m
<b>GP Referrals per 10k</b>							
General Surgery	21673	30.70	18.56	8,570	165	0.300	
Urology	9736	13.79	8.92	3,439	66	0.120	
Orthopaedics	18685	26.47	10.37	11,364	219	0.398	
ENT	10771	15.26	13.46	1,269	24	0.044	
Ophthalmology	7472	10.58	2.00	6,060	117	0.212	
Oral Surgery	4115	5.83	3.17	1,877	36	0.066	<b>1.140</b>

**Areas of efficiency opportunity – NHSBN:**

Theatres:

The NHSBN report on Theatres includes benchmarking of peer groups for cancelled operations and cases per list. The last published NHSBN report covers the period 2021/22, but it is still relevant when compared to the 2023/24 activity of the Health Board, as peer groups performance remains an aspirational target. The results are displayed in the tables 12 and 13 below:

Table 12: NHSBN benchmarking outputs (2021/22) for Cancelled Operations compared to Aneurin Bevan Health Board 2023/24 performance.

Benchmarking Peer	Upper Quartile	NHSBN			No. of Operations gained	Ave Ops per session	Theatre Sessions Gained	Theatre Sessions Opportunity - Calculated worth @ £1000/ session	Theatre Sessions Opportunity - Calculated worth @ WLI £2400/ session
		ABHB Annual number of Cancelled Elective Ops	ABHB % of Cancelled ops	BM Upper Quartile					
Cancelled Ops (AB)	Ear Nose & Throat	140	11%	2.5%	104	1.9	54	£ 53,887	£ 129,330
	General Surgery	311	8%	3.61%	180	1.8	102	£ 102,068	£ 244,962
	Obs and Gynae	243	8%	1.87%	193	2.5	79	£ 78,587	£ 188,608
	Ophthalmology	454	15%	2.46%	389	3.8	103	£ 103,079	£ 247,389
	Oral and Maxillofacial Surgery	71	3.0%	1.94%	26	7.8	3	£ 3,381	£ 8,115
	Trauma & Orthopaedics	719	12.0%	2.19%	590	2.3	252	£ 252,117	£ 605,081
	Urology	666	14.0%	1.58%	594	2.9	204	£ 203,936	£ 489,447
							<b>797</b>	<b>£ 797,055</b>	<b>£ 1,912,932</b>

Note - cancelled within zero/ 1day of booking/ electives only

note – this report is assuming the responsibility for managing theatre efficiency improvement is agreed between the divisions of Surgery, Families and CSS.

Table 13: NHSBN benchmarking outputs (2021/22) for Cases per List compared to Aneurin Bevan Health Board 2023/24 performance.



Benchmarking Peer	Upper Quartile	NHSBN			Sessions	Sessions	Theatre Sessions Gained	Theatre Sessions Opportunity - Calculated worth @ £1000/ session	Theatre Sessions Opportunity - Calculated worth @ WLI £2400/ session
		ABHB Annual number of Elective ops	ABHB Avg Cases Per List	BM Upper Quartile	AB	Compared to Upper Quartile	Compared to Upper Quartile	£	£
Cases Per List	Ear Nose & Throat	1,220	1.9	2.4	631	510	121	£ 120,540	£ 289,295
	General Surgery	4,092	1.8	1.7	2,325	2393		£ -	£ -
	Obs and Gynae	3,152	2.5	2.8	1,282	1110	172	£ 172,141	£ 413,138
	Ophthalmology	3,106	3.8	4.5	822	692	130	£ 130,241	£ 312,577
	Oral and Maxillofacial Surgery	2,479	7.8	3.0	319	818		£ -	£ -
	Trauma & Orthopaedics	6,011	2.3	2.6	2,570	2321	249	£ 249,151	£ 597,961
	Urology	4,786	2.9	2.9	1,642	1673		£ -	£ -
							672	£ 672,072	£ 1,612,972
							1,469	£ 1,469,127	£ 3,525,904

The efficiency opportunity is measured in theatre sessions gained, totalling 1,469 sessions, at a calculated benefit value of £1.5m. This is calculated using a cost per session average estimate taken from the Health Board's Unit Analyser Costing System. If a WLI value is used, this value would increase to £3.5m.

Table 14 assesses the Health Board performance movement between 2022/23 and 2023/24. Table 14 shows there have been improvements in the Health Board's performance in both measures, moving closer to the peer benchmark. However, an improvement opportunity remains, as set out above.

Table 14: Performance Movement between 2022/23 and 2023/24

Benchmarking Peer	Upper Quartile	Movement 2022/23 to 2023/24	Benchmarking Peer	Upper Quartile	Movement 2022/23 to 2023/24
		ABHB % of Cancelled ops inc/(dec)	Cases Per List	Ear Nose & Throat	0.09
Cancelled Ops (AB)	Ear Nose & Throat	-4%		General Surgery	0.22
	General Surgery	-6%		Obs and Gynae	0.85
	Obs and Gynae	-7%		Ophthalmology	0.25
	Ophthalmology	-2%		Oral and Maxillofacial Surgery	6.02
	Oral and Maxillofacial Surgery	-8%		Trauma & Orthopaedics	0.03
	Trauma & Orthopaedics	-8%		Urology	1.60
	Urology	-23%			

Other NHSBN reports for 2024/25:

The Health Board has taken part in the following National NHS Benchmarking submissions this year:

- Emergency Care,
- Acute Pharmacy,
- Managing Frailty,
- Outpatients,
- District Nursing, and





There is a selection of readily available costing information that is accessible via the costing applications and tools stored on the Costing Teams SharePoint page [Costing \(sharepoint.com\)](https://sharepoint.com) :

**Resource Allocation Dashboard** - The dashboard hosted by the Costing team shows the allocation of the Health Board's resources by geographical area, containing data up until 2021/22. The dashboard can drill into counties, GP clusters and individual GP Practices. This ability to perform internal benchmarking and identify outlying GP practices is a tool to help locate the drivers of acute sector demand, for example GP referrals. An example of this tool is displayed in Appendix 4.

This resource tool is to be replaced by the All Wales hosted dashboard called PRIA. It will include 2023/24 data and will be available to the costing team by December 2024.

**Unit Cost Analyser** - This dashboard is designed to enable investigation of costs that make up both Outpatient and Inpatient attendances. These costs can be examined at a high level or in more detail by using the selection boxes for Division, Specialty, Point of Delivery and Site. This contains data up to 2022/23 and is due to be updated with 2023/24 data by December 2024.

**All Wales Consolidated Welsh Costing Return** – this is Welsh Health Boards Provider Analysis of all costs and activity by speciality and patient category. Currently populated by 2022/23 data, and due to be updated for 2023/24 by December 2024.

**All Wales Programme Budgeting Data** – this sets out the Health Board resident population costs by Programme Budget Category. It is currently populated with 2022/23 data and is due to be updated for 2023/24 in December.

Understanding patient level costing supports service improvement and transformation by enabling interrogation of variances in resources used across activities, sites and specialties. Using this business intelligence layered with the non-financial benchmarking data facilitates better decision making.

### **Conclusion:**

Although there have been some improvements in performance since 2022/23, and some success stories that should be learnt from, there remains a calculated worth of efficiency opportunity gains valued at £19.6m.



There is considerable opportunity for efficiency improvements in terms of bed days, totalling 200 beds (calculated worth of £11.5m). In particular:

- More proactive discharge planning for the acute phase of care (142 beds).
- Improved Readmission rates (41 beds),
- Improved day case rates (12 beds), and
- Improved day of surgery admission (4 beds).

A push towards a 5% Outpatient DNA rate and reducing New to FUP ratios would also release significant capacity in outpatients (24,749 slots per annum; £0.910m).

Reducing GP referrals to the lowest rates in Wales would release a further 32,579 appointment slots, and have an efficiency calculated worth of circa £1.140m.

Reducing cancelled operations (within 1 or less days of scheduled operation) and increasing cases per theatre list to the upper quartile would provide additional capacity of 1,469 theatre sessions to the calculated benefit value of circa £1.5m.

Achieving a minimum of 50% of the Health Board Estate and Facilities efficiency opportunities as identified by the latest EFMS report could result in a £4.5m benefit.

The Compendium also includes links to:

- A refreshed repository of case studies and best practice,
- the Business Intelligence and Costing applications and toolkits, designed to support and facilitate more detailed data mapping and analysis required for service transformation, and
- the FP&D all Wales repository, the VAULT.

### **Recommendations:**

Given the significant financial challenges facing the Health Board in 2023/24 and beyond the Committee is requested to:

- Discuss and provide views on the content of this report.
- Note next steps to promote this refreshed tool and usage within ABUHB.
- Focus on areas highlighted as improvement opportunities.



<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Strategic Risk Register
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	7. Staff and Resources Governance, Leadership & Accountability All Health & Care Standards Apply Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Adults in Gwent live healthily and age well
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Finance
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Improve the Wellbeing and engagement of our staff Choose an item. Choose an item. Choose an item.

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	ABUHB efficiency compendium
Rhestr Termau: Glossary of Terms:	N/A
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Finance & Performance Committee

<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>Is EIA Required and included with this paper</b> <b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change.



	<p>If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a></p>
<p><b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b></p> <p><a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a></p>	<p>Long Term - The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs</p> <p>Prevention - How acting to prevent problems occurring or getting worse may help public bodies meet their objectives</p>



**Example of Commissioned CHKS Product showing performance better than Peer Group as well as outlying areas for improvement**

ELECTIVE INPATIENTS - Average Length of Stay (excludes 0 los) - Bed Day Opportunity (BDO)												
Specialty - ELECTIVES	Total Days	ABUHB Spells	ABUHB ALoS	performance change	Wales ALoS	Capita Peer ALoS	CQC Outstanding Foundation Trusts ALoS	Northumbria ALoS	Wales BDO	CP BDO	CQC BDO	Northumbria BDO
100 - General Surgery	5347	1543	3.47	2.52%	4.59	4.43	5.55	3.47				
101 - Urology	2652	1017	2.61	20.51%	2.63	2.27	2.36	1		346	254	1637
110 - Trauma & Orthopaedics	11538	2770	4.17	-1.41%	3.44	3.37	3.07	1.7	2022	2216	3047	6842
120 - Ear Nose and Throat	880	506	1.74	-19.98%	2.39	1.98	2.4	-				-
130 - Ophthalmology	242	70	3.46	-49.65%	8.37	1.51	1.58	-		137	132	-
140 - Oral Surgery	863	143	6.03	38.65%	5.25	3.25	2.91	1	112	398	446	719
190 - Anaesthetics	10	3	3.33	-72.22%	89.75	-	-	-		-	-	-
301 - Gastroenterology	383	108	3.55	-16.12%	9.43	6.31	3.81	4.09				
303 - Haematology (Clinical)	87	12	7.25	123.08%	11.35	11.34	13.75	30.86				
320 - Cardiology	28	10	2.8	-67.17%	3.53	4.51	3.37	3				
330 - Dermatology	5	3	1.67	-91.50%	4	2.82	6.22	-				-
340 - Respiratory Medicine	82	42	1.95	-21.58%	4.49	7.06	6.83	4.14				
341 - Respiratory Physiology	116	109	1.06	6.42%	1.02	1.05	1.04	-	4	1	2	-
420 - Paediatrics	63	28	2.25	29.90%	6.12	4.02	5.12	3.27				
430 - Geriatric Medicine	58	12	4.83	10.23%	45.04	16.75	13.07	25.33				
502 - Gynaecology	1331	747	1.78	-2.29%	3.04	1.79	1.83	1.48				224
811 - Interventional Radiology	9	6	1.5	-56.25%	1	-	-	-	3	-	-	-

ABuHB performance

ABuHB performance compared to previous year

Performance metrics of 4 peer groups

ABuHB comparative performance:

1. Significant improvement opportunities eg bed day opportunity (yellow);
2. performance better than peer group (grey)



Example of Specialty Summary of Top 5 Areas for Improvement

ABUHB - CHKS ANALYSIS (12 months Jan 2023 to Dec 2023)

Obs and Gynae

ABuHB performance change compared to previous year

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales Capita CQC Northumbria				Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ Readmissions	DCO*/ Avoided/	OP Rates/ Operations	Gained				
Non Electives AVLOS	501 - Obstetrics	12628	5007	2.52	2.88	2.69	2.61	2.08				2203	6		0.349	1.00%	
Theatre efficiency - Cases per list	502 - Gynaecology		3,152	2.50			2.80					1282		172	0.172	0.85%	
Day Case Rates	502 - Gynaecology	1787	2636	67.79%	68.83%	68.31%	78.30%				27	14	277	3	0.156	3.86%	
Theatre efficiency - Cancelled ops	502 - Gynaecology	243	3,152	8.00%			1.87%							79	0.079	-7.00%	
FUP - OP DNA Rates	502 - Gynaecology	1304	14024	9.30%	7.42%	5.81%	5.71%		5.00%			603			0.022		

Top 5 areas of efficiency improvement for the Specialty

ABuHB rate for comparison

Peer Group rates for comparison

Opportunity gain

Subtotal 0.778  
Opportunity gain converted into beds, slots and theatre sessions = Efficiency Calc worth



Division Summary of Top 5 Areas for Improvement

Medicine

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales				Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Operations Gained	Readmissions Avoided/						
Readmission Rates (within 7 days)	300 - General Internal Medicine	3395	37436	9.07%	7.64%	8.20%	7.30%			3153	1918	3903		11	0.618	3.70%	
Non Electives AVLOS	430 - Geriatric Medicine	106750	5283	20.21	35.56	14.72	16.71	18.03			29004	18491	11517	79	4.589	-6.00%	
	314 - Rehabilitation Medicine	88374	3080	28.69	49.67	28.04	48.79	29.34			2002			5	0.370	-9.00%	
	302 - Endocrinology & Diabtetes	5477	336	16.30	20.46	12.24	18.00	-			1364		-	4	0.216	-8.00%	
OP FUP to New Ratios	320 - Cardiology	11362	5986	1.47	1.47	1.56	0.94					3173			0.117		
	430 - Geriatric Medicine	5916	4643	2.02	2.12	1.64	1.81				1764	975			0.064	58.82%	
	300 - General Internal Medicine	271	474	2.22	1.77	2.33	1.3			213		436			0.016	288.00%	
NEW - OP DNA Rates	302 - Endocrinology & Diabtetes	334	3858	8.66%	12.74%	11.43%	15.39%		5.00%	141					0.005		
	430 - Geriatric Medicine	336	2907	11.56%	8.76%	6.76%	8.79%		5.00%	191					0.007	78.00%	
FUP - OP DNA Rates	300 - General Internal Medicine	316	3615	8.74%	11.96%	6.34%	10.75%		5.00%	135					0.005		
	302 - Endocrinology & Diabtetes	1336	11040	12.10%	11.34%	12.10%	13.38%		5.00%	784					0.028		
	430 - Geriatric Medicine	658	5864	11.22%	8.00%	5.74%	8.33%		5.00%	365					0.013	5.78%	

\* BDO Bed day opportunity Total 5.388  
 \* DCO Day Case opportunity



Division Summary of Top 5 Areas for Improvement

SURGERY (Top 5)

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP or Readmission rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC %/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales				Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*	DCO*	OP Rates	Readmissions Avoided				
Readmission Rates (within 7 days)	100 - General Surgery	2559	23156	11.05%	6.81%	7.40%	5.41%			4704	4048	6256		17		0.990	14.20%
Electives AVLOS	101 - Urology	2652	1017	2.61	2.63	2.27	2.36	1.00			346	254	1637	4		0.259	20.50%
Electives AVLOS	110 - Trauma & Orthopaedics	11538	2770	4.17	3.44	3.37	3.07	1.70			2216	3047	6842	8		0.482	-1.40%
Readmission Rates (within 7 days)	110 - Trauma & Orthopaedics	758	12914	5.87%	3.05%	2.67%	2.52%			2305	2616	2738		8		0.433	13.99%
GP Referrals	110 - Trauma & Orthopaedics	18685		26.47	10.37					11364						0.398	

Top 5 Total 2.562



Specialty Summary of Top 5 Areas for Improvement

Orthopaedics

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales	Capita	CQC	Northumbria	Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Readmissions Avoided/ Operations Gained							
Electives AVLOS	110 - Trauma & Orthopaedics	11538	2770	4.17	3.44	3.37	3.07	1.70			2216	3047	6842	8		0.482	-1.40%
Readmission Rates (within 7 days)	110 - Trauma & Orthopaedics	758	12914	5.87%	3.05%	2.67%	2.52%			2305	2616	2738		8		0.433	13.99%
GP Referrals	110 - Trauma & Orthopaedics	18685		26.47	10.37					11364						0.398	
Theatre efficiency - late cancellations	110 - Trauma & Orthopaedics	719	6,011	12%			2.19%					590			252	0.252	-8.00%
Theatre efficiency - Cases per list	110 - Trauma & Orthopaedics													249	0.249	0.03	
Day Case Rates	110 - Trauma & Orthopaedics	3862	6830	56.54%	56.86%	54.36%	57.94%					400		1	0.063	2.88%	
DOSA	111 - Trauma & Orthopaedics	732	1929	37.95%	91.46%	97.84%	97.96%			1032	1155	1158		3	0.181	32.81%	
OP FUP to New Ratios	110 - Trauma & Orthopaedics	36973	27047	1.52	1.53	1.75	1.43					2434			0.089		
NEW - OP DNA Rates	110 - Trauma & Orthopaedics	2007	28353	7.08%	7.12%	6.04%	9.21%		5.00%	590						0.022	
FUP - OP DNA Rates	110 - Trauma & Orthopaedics	2338	42288	5.53%	8.38%	7.29%	8.52%		5.00%	224						0.008	

\* BDO Bed day opportunity  
\* DCO Day Case opportunity

2.178



Specialty Summary of Top 5 Areas for Improvement

Urology

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales	Capita	CQC	Northumbria	Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Readmissions Avoided/ Operations Gained							
Non Electives AVLOS	100 - Urology	5296	1269	4.17	8.25	4.82	4.76	1.00					4023	11		0.636	-12.00%
Electives AVLOS	101 - Urology	2652	1017	2.61	2.63	2.27	2.36	1.00			346	254	1637	4		0.259	20.50%
Readmission Rates (within 7 days)	110 - Urology	636	8569	7.42%	3.11%	4.56%	4.10%			1540	1022	1186		4		0.244	16.17%
Theatre efficiency - late cancellations	112 - Urology	666	4,786	14%			1.58%					594			204	0.204	-23.00%
Day Case Rates	105 - Urology	4077	5340	76.35%	83.89%	80.77%	77.48%			1051		157		3		0.166	-1.67%
GP Referrals	111 - Urology		9736	13.79	8.92					3439						0.120	
OP FUP to New Ratios	107 - Urology	12484	6252	2	2.02	2.32	1.63					2313				0.085	
NEW - OP DNA Rates	108 - Urology	526	7885	6.67%	9.26%	8.41%	9.42%		5.00%					132		0.005	
Theatre efficiency - Cases per list	113 - Urology		4,786	2.90			2.90										1.60
										*	BDO	Bed day opportunity				<u>1.719</u>	
										*	DCO	Day Case opportunity					



Specialty Summary of Top 5 Areas for Improvement

GENERAL SURGERY

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP or Readmission rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales			Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Readmissions Avoided	Capita	CQC				
Readmission Rates (within 7 days)	100 - General Surgery	2559	23156	11.05%	6.81%	7.40%	5.41%			4704	4048	6256	17		0.990	14.20%
GP Referrals	100 - General Surgery		21673	30.7	18.56					8570					0.300	
Day Case Rates	100 - General Surgery	6323	8080	78.25%	75.87%	80.22%	83.23%				552	1395	4		0.221	-0.14%
Theatre efficiency - late cancellations	100 - General Surgery	311	4,092	8%		3.61%							102		0.054	-6%
DOSA	101 - General Surgery	1025	1468	69.82%	79.00%	96.00%	93.00%			134	378	334	1		0.051	-0.55%
FUP - OP DNA Rates	100 - General Surgery	930	16398	5.67%	7.69%	5.47%	6.37%		5.00%	110					0.004	

\* BDO Bed day opportunity  
 \* DCO Day Case opportunity  
 1.620



Specialty Summary of Top 5 Areas for Improvement

ENT

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales	Capita	CQC	Northumbria	Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Readmissions Avoided/ Operations Gained							
Theatre efficiency - Cases per list	113 - Urology	1220		1.90	2.4										121	0.289	1.60
Day Case Rates	105 - Urology	637	1324	48.11%	63.47%	73.75%	77.07%			354	591	667		2		0.106	-17.22%
Readmission Rates (within 7 days)	110 - Urology	336	3152	10.66%	5.18%	4.49%	4.33%			530	597	613		2		0.097	76.85%
Theatre efficiency - late cancellations	112 - Urology	140	1,220	11%			2.50%					104			54	0.054	-4.00%
GP Referrals	111 - Urology		10771	15.26	13.46					1269						0.044	
OP FUP to New Ratios	107 - Urology	9675	7155	1.35	1.17	1.17	1.23			1288	1288	859				0.047	0.12%
										*	BDO	Bed day opportunity					<b>0.637</b>
										*	DCO	Day Case opportunity					



Specialty Summary of Top 5 Areas for Improvement

Ophthalmology

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales	Capita	CQC	Northumbria	Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Readmissions Avoided/ Operations Gained							
GP Referrals	130 - Ophthalmology		7472	10.58	3.17					1877						0.212	
Theatre efficiency - Cancelled ops	130 - Ophthalmology	454	3,106	15.00%			2.46%					389			103	0.103	-2.00%
Theatre efficiency - Cases per list	130 - Ophthalmology	3106		3.80			4.50								130	0.130	0.25
										*	BDO	Bed day opportunity				0.445	
										*	DCO	Day Case opportunity					



Specialty Summary of Top 5 Areas for Improvement

Haematology

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales	Capita	CQC	Northumbria	Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/ Readmissions Avoided/ Operations Gained							
Non Electives AVLOS	303 - Haematology (Clinical)	2039	226	9.02	10.02	10.72	12.32	2.00					1587	4		0.251	22.00%
										* BDO		Bed day opportunity				0.251	
										* DCO		Day Case opportunity					



Specialty Summary of Top 5 Areas for Improvement

Oral Surgery

Benchmarking	Specialty	Metric	Total	ABUHB ALoS/ DC %/ OP rates	Wales ALoS/ DC %/ rates	Capita average ALoS/ DC %/ rates	CQC ALoS DC%/ rates	Northumbria ALoS	DNA rate reduced to 5%	Wales				Bed Opportunity	Theatre sessions gained	Efficiency Opportunity Value £m	performance change
										BDO*/ DCO*/ OP Rates/	Readmissions Avoided/ Operations Gained						
Electives AVLOS	140 - Oral Surgery	863	143	6.03	5.25	3.25	2.91	1.00			398	446	719	2	0.114	38.70%	
OP FUP to New Ratios	140 - Oral Surgery	4619	3256	1.84	1.29	1.34	1.33			1791	1628	1661		0.066			
GP Referrals	140 - Oral Surgery		4115	5.83	3.17					1877				0.066			
Theatre efficiency - Cancelled ops	140 - Oral Surgery	71	2,479	3.00%			1.94%					26		3	0.008	-4.00%	

\* BDO Bed day opportunity  
 \* DCO Day Case opportunity  
0.245



## Peer Groups

### Welsh Health Boards

Aneurin Bevan University Health Board  
 Bettws Cadwalader HB,  
 Cwm Taf Morgannwg HB  
 Cardiff and Vale University HB  
 Hywel Dda HB  
 Swansea Bay University HB

### Capita Peer

University Hospitals Bristol and Weston NHS Foundation Trust,  
 North Bristol NHS Trust,  
 County Durham and Darlington NHS Foundation Trust,  
 Torbay and South Devon NHS Foundation Trust,  
 Royal Devon University Healthcare NHS Foundation Trust,  
 Wye Valley NHS Trust,  
 South Tees Hospitals NHS Foundation Trust,  
 University Hospitals of Morecombe Bay NHS Foundation Trust,  
 Southport and Ormskirk Hospital NHS Trust.

### English foundation Trusts Overall rates 'Outstanding' by CQC

University Hospitals Bristol and Weston NHS Foundation Trust,  
 Frimley Health NHS Foundation Trust,  
 Northern Care Alliance NHS Foundation Trust,  
 The Newcastle Upon Tyne Hospitals NHS Foundation Trust,  
 Northumbria Healthcare NHS Foundation Trust,  
 University Hospitals Sussex Hospitals Foundation Trust.

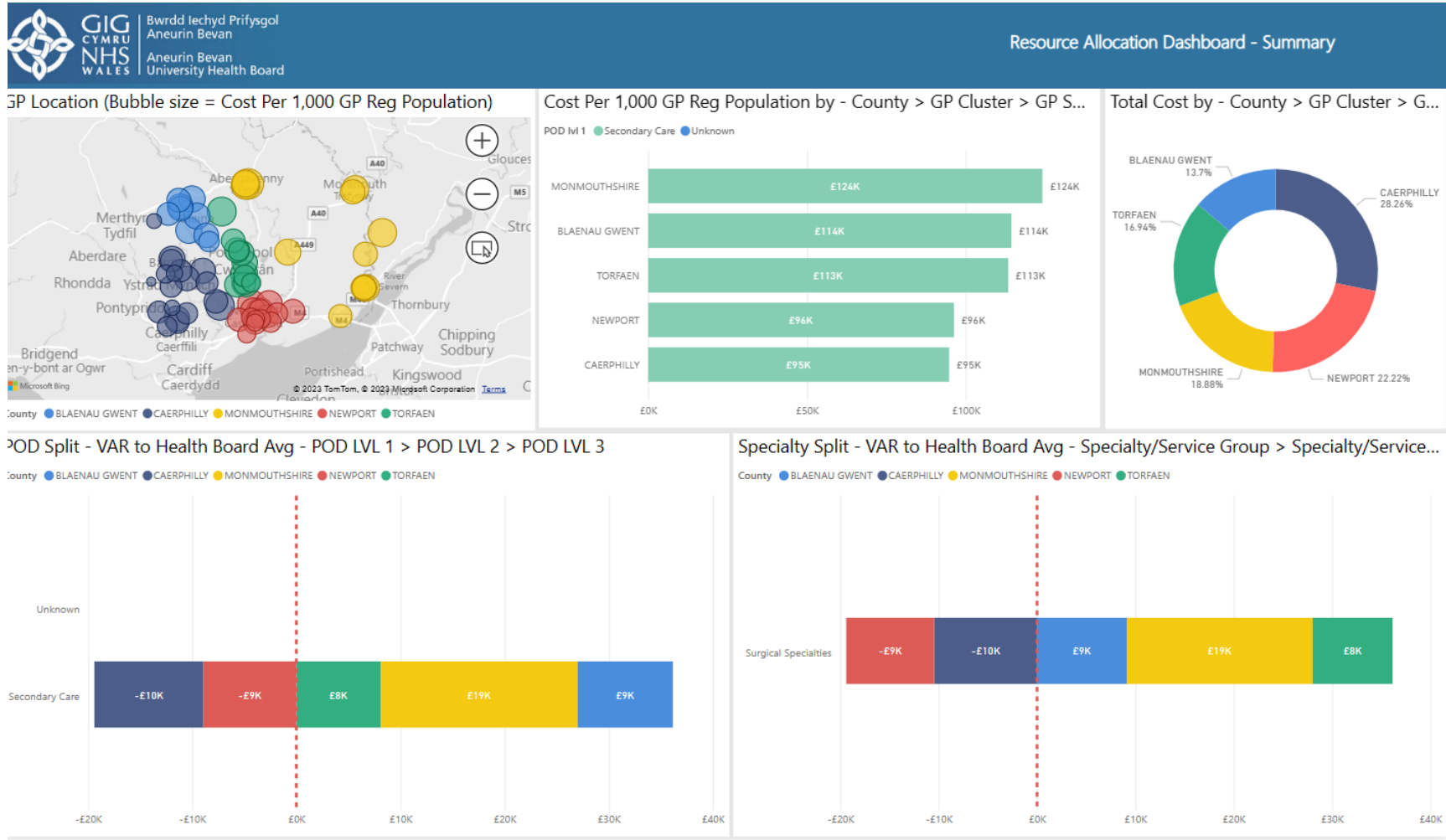
**Northumbria Foundation NHS Trust:** Since the opening of the Grange University Hospital it is difficult to make some specialty comparisons across the peer groups in CHKS, as transfers between the Aneurin Bevan Health Board hospitals creates a new spell every time a patient steps up/down. This results in a greater number of spells, and therefore an artificially lower length of stay for the Health Board in the affected specialities. This is particularly noticeable in the specialties of General Surgery and Cardiology, where prior to GUH there were significant bed gain opportunities (21 and 8 beds, respectively), which are no longer visible.

CHKS are working to resolve the issue by capturing provider spells rather than hospitals spells in future, but in the meantime we are using Northumbria Healthcare NHS Foundation Trust (as the model hospital for GUH), as the best proxy that has a similar 'step up/down' model reflected in its length of stay.





## Aneurin Bevan Health Board Resource Allocation Dashboard 2021/22



<b>DYDDIAD Y CYFARFOD:</b> <b>DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O:</b> <b>MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD:</b> <b>TITLE OF REPORT:</b>	<b>Finance and Performance Committee – Review of Committee Forward Work Plan 2024/25</b>
<b>CYFARWYDDWR</b> <b>ARWEINIOL:</b> <b>LEAD DIRECTOR:</b>	Director of Corporate Governance
<b>SWYDDOG ADRODD:</b> <b>REPORTING OFFICER:</b>	Director of Corporate Governance

**Pwrpas yr Adroddiad** (dewiswch fel yn addas)  
**Purpose of the Report** (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA**  
**SBAR REPORT**

**Sefyllfa / Situation**

The Finance and Performance Committee (the Committee) is asked to review the agreed Committee Forward Work Plan appended to this report as Appendix A.

The Forward Work Plan has been developed with due regard to recommendations from the Committee Self-Assessment 2023/24 and to enable the Committee to: -

- Fulfil its Terms of Reference;
- Seek assurance and provide scrutiny on behalf of the Board, in relation to those items identified within the Committees terms of reference, and,
- Seek assurance that governance, risk, and assurance arrangements are in place and working well.

**Cefndir / Background**

In line with good governance practice, the Committee has a Forward Work Plan that has been developed to ensure statutory requirements for items of Committee business are scheduled in across the year. The Forward Work Plan can therefore be utilised as a tool for informing and pre-empting committee business and support the agenda setting process.

The Forward Work Plan is designed to assist the Committee in the review of its programme of business. It captures the timing of report submissions, identifies items that have been deferred, and captures new requests for reports. The plan also allows the Committee to monitor and review its business at each meeting.

During the period of September to December 2024 the following requests and/or changes to the Forward Work Plan have been included:

**Items deferred on the Forward Work Programme:**

- Annual Review of Committee Effectiveness 2024/25
- Theatres Utilisation Programme
- Stroke Improvement Plan Update Report
- Corporate Information Report (FOI)

**Items added on the Forward Work Programme:**

- None

**Items removed on the Forward Work Programme:**

- Overview of Audit Recommendation Tracking as this will be covered within future risk reports

**Argymhelliad / Recommendation**

The Committee is requested to **NOTE** the updated Finance and Performance Committee Forward Work Plan as provided in **Appendix A**.

<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	The monitoring and reporting of committee business is a key element of the Health Boards assurance framework
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Choose an item. Choose an item. The Committee Forward Programme monitors delivery of objectives.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance

Amcanion cydraddoldeb strategol Strategic Equality Objectives <a href="#">Strategic Equality Objectives 2020-24</a>	Not Applicable Choose an item. Choose an item. Choose an item.
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<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termau: Glossary of Terms:	N/A
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	N/A

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Resource Assessment:</b>	A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following:
• <b>Workforce</b>	Not Applicable
• <b>Service Activity &amp; Performance</b>	Not Applicable
• <b>Financial</b>	Not Applicable
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed</b>	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>	Not Applicable Choose an item.

<https://futuregenerations.wales/about-us/future-generations-act/>

## **Annual Programme of Business for 2024-25**

### **Finance and Performance Committee**

This Annual Programme of Business has been developed with reference to:

- Aneurin Bevan University Health Board's Standing Orders;
- The Health Board's Integrated Medium-Term Plan and related Annual Delivery Plan;
- The outcomes of the Committee's self-assessment for 2023/24
- The Board's Strategic Risk Register; and
- Key statutory, national and best practice requirements and reporting arrangements.

The purpose of the Finance & Performance Committee is to provide assurance to the Board on the achievement of the Board's aims and objectives as set out in its Integrated Medium-Term Plan. In doing so, the Committee will seek assurance that there is:

- ongoing development of an improving performance culture which continuously strives for excellence and focuses on improvement in all aspects of the health board's business, in line with the Board's Performance Management Framework;
- that arrangements for financial management and financial performance are sufficient, effective and robust;
- that services are improving efficiency and productivity and financial plans are being delivered;

- there is timely and appropriate access to health care services to achieve the best health outcomes within agreed targets, for directly provided and commissioned services; and
- risks are suitably identified, mitigated, residual risks controlled, and corrective actions are taken as required to sustain or improve performance.

Where required, the Committee will provide accurate, evidence based (where possible) and timely advice to the Board in respect of citizen experience and the quality and safety of directly provided and commissioned services.

MATTERS TO BE CONSIDERED (Report Title)	Lead	Frequency of Report	Schedule of Meetings			
			QTR 1 Apr to June  <i>17<sup>th</sup> June 2024</i>	QTR 2 July to Sept  <i>9<sup>th</sup> September 2024</i>	QTR 3 Oct to Dec  <i>16<sup>th</sup> December 2024</i>	QTR 4 Jan to Mar  <i>17<sup>th</sup> February 2025</i>
<b>Preliminary Matters</b>						
Attendance and Apologies	Chair	SI	✓	✓	✓	✓
Declarations of Interest	All	SI	✓	✓	✓	✓
Minutes of the Previous Meeting	Chair	SI	✓	✓	✓	✓
Action Log and Matters Arising	Chair	SI	✓	✓	✓	✓
Reflections of the meeting held	Chair	SI	✓	✓	✓	✓
<b>Committee Governance</b>						
Development of Committee Annual Programme of Business 2024/25	Chai DoCG	AN	✓			
Review of Committee Programme of Business 2024/25	Chair	SI	✓	✓	✓	✓
Committee Risk Report	Chair DoCG	SI	✓	✓	✓	✓
Annual Review of Committee Terms of Reference	Chair DoCG	AN				✓
Annual Review of Committee Effectiveness 2024/25	Chair DoCG	AN			✓ <b>D</b>	✓

Outcome of annual Review of Committee Effectiveness 2024/25	Chair DoCG	AN				✓
Committee Annual Report 2024/25	Chair DoCG	AN				✓
<b>Performance Management</b>						
Annual Review of Performance Management Framework	DoSP&P	AN				✓
IMTP/Performance Ambitions for Future Years	DoF&P/DoSP&P	AN				✓
Performance Management Framework Review Report	DoSP&P	SI	✓	✓	✓	✓
Performance Report	DoSP&P	SI	✓	✓	✓	✓
Reporting on Benefits Realisation Projects (when available)	DoF&P/DoSP&P					
Benefits Realisation <ul style="list-style-type: none"> <li>• Robotic Process Automation-cost and benefit realisation</li> </ul>	DoD	AN			✓	
<b>Financial Performance</b>						
Monthly Finance Report and Monitoring Returns	DoF&P	SI	✓	✓	✓	✓
Financial Outlook for Future Financial Year, including Revenue Budget Allocation letter	DoF&P	AN				✓
Value and Sustainability Assurance Reporting	DoF&P	SI	✓	✓	✓	✓

Efficiency Opportunities and Update Report	DoF&P	SI	✓	✓	✓	✓
Commissioning Update Report to include: <ul style="list-style-type: none"> <li>• Primary Care</li> <li>• CHC</li> <li>• Intra NHS Agreements</li> <li>• SLAs</li> </ul>	DoF&P	AN				✓
<b>Service Activity and Performance</b>						
Welsh Government Performance Escalation Report (Targeted Intervention & Enhanced Monitoring)	DoSP&P	SI	✓	✓	✓	✓
Outpatient Transformation Programme Update	COO	-	✓			
Stroke Improvement Plan Update Report	DoT&HS	-		✓ <b>D</b>	✓	
Theatres Utilisation Programme	COO	-			✓ <b>D</b>	✓
Focused Performance Report – To be Agreed in-line with Delivery Profiles	MD	AN		✓		
Focused Performance Report – Discharge Programme & Delays			✓ <b>D</b>	✓		
2024/25 Performance Reporting: Focused review of Mental Health Services performance						✓
<b>Information Management</b>						

Information Governance Report, including SIRO Report	DoD	SI	✓	✓	✓	✓
Freedom of Information Act Report	DoCG	BI-AN		✓D	✓D	✓
<b>Digital and IM&amp;T</b>						
Assurance reports from the Digital, Data and Technology Group	DoD	SI	✓	✓	✓	✓
Update on the Delivery of Specific Digital Programmes (if not covered by the above) to include:- <ul style="list-style-type: none"> <li>Digital and information management and technology (IM&amp;T) systems</li> <li>Radiology Informatics System Procurement (RISP) Programme Update</li> </ul>	DoD	Bi- AN	✓	✓D	✓	✓
<b>Capital, Estates and Facilities</b>						
Capital Programme Report	DoSP&P	SI	✓	✓	✓	✓
Delivery of Specific Business Cases (when available)	DoSP&P					
Estates Compliance including compliance with Health Technical Memorandums	COO	Bi-AN		✓D	✓	✓
Capital Builds Impairment Report	DoSP&P/DoPH	-			✓	

<b>Lead Officer</b>	
<b>Key</b>	
CEO	Chief Executive
DoCG	Director of Corporate Governance
DoF&P	Director of Finance & Procurement
DoSP&P	Director of Strategy, Planning & Partnerships
COO	Chief Operating Officer
DPH	Director of Public Health
DoT&HS	Director of Therapies & Health Science
DoW&OD	Director of Workforce & Organisational Development
DoN	Director of Nursing
MD	Medical Director
DOD	Director of Digital
Chair	Chair

<b>Frequency of Inclusion</b>	
<b>Narrative of Reason why Included in the FWP – other reasons to be developed as part of FWP discussions</b>	
<b>SI</b>	Standing Item
<b>An</b>	Annual
<b>1/4ly</b>	Quarterly
<b>BI</b>	1/2 yearly
<b>Schedule of Meetings</b>	
<b>v</b>	Scheduled agenda item in FWP
<b>D</b>	Deferred from this agenda
<b>vD</b>	Deferred Scheduled agenda item
<b>W</b>	Withdrawn from FWP
<b>T</b>	Transferred to another Committee
<b>IC</b>	Matter discussed In Committee

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	16 December 2024
<b>CYFARFOD O: MEETING OF:</b>	Finance and Performance Committee
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Committee Risk Report
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Director of Corporate Governance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Head of Corporate Risk and Assurance

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Er Sicrwydd/For Assurance

The purpose of this report is to provide the Finance and Performance Committee (the Committee) with a detailed overview of the current strategic risks delegated to it by the Board.

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation & Cefndir / Background**

At the last Committee meeting in September 2024, the Risk Register included **two** high-level risks, encompassing a total of **five** sub-risks. These risks were identified as areas requiring focused scrutiny and assurance by the Committee on behalf of the Board.

Since the last report to the Committee and the subsequent review of strategic risks, the Board on 25 September 2024, approved the reduction in the risk score for SRR 006A, moving from 15 (Extreme) to 12 (High). This adjustment reflects the improvements in mitigation strategies and the increased effectiveness of current control measures.

In addition, at the Board's most recent meeting on 26 November 2024, it approved the reduction in the risk score for SRR 00II, moving from 16 (Extreme) to 12 (High). Following the implementation of additional controls, a comprehensive improvement plan, and targeted actions for areas under focused scrutiny, there



have been measurable improvements both operationally and culturally which are evidenced by enhanced performance across key areas.

**Asesiad / Assessment**

**Committee Strategic Risk Register (SRR)**

In line with best practice, all strategic risks have been thoroughly reviewed to confirm that the control environment remains robust and adequate for managing the identified risks. Table 1 provides a high-level overview of the strategic risks with detailed information provided in **Appendix A** (Strategic Risk Dashboard and individual risk assessments).

Table 1

Risk Details	High-Level Risk Description	Sub-Risk	Risk Level L x I	Within Appetite
<b>SRR 001G</b> Director of Finance & Procurement  <b>Theme</b> Financial Sustainability  <b>Appetite</b> Cautious Score 13 and below	There is a risk that the Health Board will be unable to deliver and maintain high quality safe and sustainable services which meet the changing needs of the population.	g) Due to the failure to deliver a sustainable financial position and longer-term financial plan	5 x 4= 20 <b>Extreme</b>	N
<b>SRR 001I</b> Director of Strategy, Planning & Partnerships  <b>Theme</b> Compliance & safety  <b>Appetite</b> Minimal Score 8 and below		i) Due to a failure to implement the required performance improvements in some areas of the organisation in line with the Health Board's Performance Management Framework domains of Quality and Safety, Operational Delivery, and Finance.	3 x 4= 12 <b>Extreme</b>	N
<b>SRR 006 A – C</b> Director of Digital  <b>Theme</b> Service Delivery  <b>Appetite</b>	There is a risk that the Health Board has inadequate digital infrastructure and systems to maintain high-quality, safe service delivery.	a) Due to the full or partial failure of existing digital infrastructure and systems.	3 x 4= 12 <b>High</b>	Y
		b) Due to an adverse impact on service delivery in the	3 x 4= 12 <b>High</b>	Y



Open Score 17 and below	implementation of new digital systems.		
	c) Due to a failure to develop digital solutions that are sustainable and fit for the future	<b>3 x 4 = 12 High</b>	<b>Y</b>

Many of the strategic sub-risks are within the Health Board’s risk appetite for their respective domains. However, six sub-risks exceed the Board’s agreed thresholds, with two of these falling under the purview of this Committee. To improve scrutiny and oversight, and with support from the Audit, Risk, and Assurance Committee, the approach to risk reporting has been revised. Rather than presenting all risks at each Committee meeting, future reports will highlight one to two priority risks that exceed the Board’s risk appetite. This targeted approach enables deeper analysis of high-exposure risks, allowing Committees to provide more focused assurance on the effectiveness of management and mitigation strategies. By concentrating on key risks, this method aims to enhance oversight and support more informed decision-making.

In recognition of the approved reduction in score for SRR 001I the Committee is asked to undertake a focused review of **SRR 001G: Failure to deliver a sustainable financial position and longer-term financial plan.**

**SRR 001G**

The Health Board is currently forecasting a year-end deficit of £47.856m for the 2024/25 financial year, representing a £35m variance from the Welsh Government’s control total of £13m. The forecast has improved slightly by £1m since the previous projection of £48.9m; however, significant risks remain. These include reliance on achieving £43.6m in forecasted savings, operational demand exceeding expectations, workforce cost pressures due to sickness and vacancies, and the full receipt of anticipated allocations from the Welsh Government.

Key risks identified include cost growth in prescribing and drugs, with average costs per prescription item increasing beyond plan, alongside fee uplifts in Continuing Healthcare (CHC) and Funded Nursing Care (FNC) that exceed assumptions. Operationally, delayed discharges remain a challenge, resulting in additional surge capacity requirements and associated costs. Enhanced care provision continues to drive nursing costs, particularly in Mental Health wards and acute care. Specific risks also stem from unresolved Long-Term Agreements (LTAs), particularly with CTMUHB, and anticipated funding uncertainties linked to NHS England wage awards and Welsh Government allocations.

Mitigating actions include a comprehensive review of savings plans through the Value & Sustainability Board, focusing on opportunities in medicines management, service redesign, and prescribing cost reductions. A discharge and bed reduction program aims to alleviate delayed transfers of care, improve



patient flow, and reduce costs. Workforce initiatives are addressing agency reliance through substantive recruitment, while strategic cash support of £47.856m has been requested to cover the forecasted deficit. The Health Board continues to pursue capital adjustments to manage project overspends and is engaging with stakeholders, including Welsh Government and partner organisations, to secure funding and finalise agreements. In parallel, a three-year recovery plan is under development to address the underlying deficit and align with sustainability objectives.

Given the high-profile nature of this risk, the Health Board’s financial management and associated challenges are under close and continuous scrutiny. This entails an ongoing cycle of review and the implementation of additional measures to ensure that mitigation efforts are effective and achieving their intended outcomes. These proactive steps aim to provide assurance that the Health Board is taking all feasible actions to manage this risk within its remit.

As of December 2024, the Finance and Committee Risk Register remains unchanged for this reporting period. It continues to include **two** high-level risks and **five** associated sub-risks. Of these, **two** are being managed outside their agreed risk thresholds, exceeding the Health Board’s appetite for risk in these domains.

**Argymhelliad / Recommendation**

The Committee is requested to:

- **NOTE** the delegated Committee risks as detailed within the Strategic Risk Register, ensuring alignment with the Board's Strategic Objectives;
- **NOTE** the reduction in score and exposure or SRR 001I and SRR 006A;
- **CONSIDER** whether it has sufficient assurance that the strategic risks are being assessed, managed, and reviewed appropriately and effectively, considering the detailed analysis and ongoing mitigation efforts outlined in this report.

<b>Amcanion: (rhaid cwblhau)</b>	
<b>Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	SRR 001 G & I SRR 006 A,B & C
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability 2.1 Managing Risk and Promoting Health and Safety Choose an item. Choose an item.



Blaenoriaethau CTCI IMTP Priorities  <a href="#">Link to IMTP</a>	Choose an item.  The Strategic Risk Register assesses risk that could impact achievement of all strategic priorities.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance
Amcanion cydraddoldeb strategol Strategic Equality Objectives  <a href="#">Strategic Equality Objectives 2020-24</a>	Choose an item. Choose an item. Choose an item. Choose an item. N/A

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termau: Glossary of Terms:	Contained within the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	The Board and respective Committees of the Board have considered risks contained within the Strategic Risk Register

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
	<b>Is EIA Required and included with this paper</b>
<b>Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA)</b> completed	<b>No does not meet requirements</b>  An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact <a href="mailto:ABB.EDI@wales.nhs.uk">ABB.EDI@wales.nhs.uk</a>
<b>Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working</b>  <a href="https://futuregenerations.wales/about-us/future-generations-act/">https://futuregenerations.wales/about-us/future-generations-act/</a>	Choose an item. Choose an item. N/A





RISK THEME		FINANCIAL SUSTAINABILITY			
SRR 001	The Health Board will be unable to deliver and maintain high-quality, safe, and sustainable services that meet the needs of the population.			Publication Status	Public
Strategic Threat	G. Due to the failure to deliver a sustainable financial position and longer-term financial plan.			Risk Appetite Level – Open Willing to consider all potential options, subject to continued and/or establishment of controls; recognising that there could be a high-risk exposure.	
Impact	<ul style="list-style-type: none"> <li>Breach of statutory duty to breakeven over 3 years.</li> <li>Instigation of NHS Wales Escalation &amp; Intervention Arrangements.</li> <li>Non-delivery of health board priorities, required improvements, and achieving longer-term sustainability.</li> <li>Prioritisation and possible disinvestment in service delivery.</li> <li>Reputational damage and loss of public confidence</li> </ul>			Risk Appetite Threshold - Score 17 and below. Risks relating to recruitment and retention of the right people with the appropriate skills and risks relating to the successful delivery of our people strategy which would include culture and wellbeing.	
				SUMMARY The current risk level is <b>OUTSIDE</b> of target level but <b>WITHIN</b> the appetite threshold. The target level to be achieved is <b>WITHIN</b> the set appetite threshold.	
				Expected Date Target Score will be Achieved –	
Lead Director	Director of Finance and Procurement	Risk Exposure	Current Level	Target Level	
Monitoring Committee	Finance & Performance Committee	Likelihood	5 (Almost certain) x	2 (Unlikely) x	
Initial Date of Assessment	01 June 2023	Impact	4 (Major)	4 (Major)	
Last Reviewed	01 December 2024	Risk rating	= 20 (Extreme)	= 8 (Moderate)	
Next Review (Monthly based on risk score)	01 January 2024				

Current Key Controls <i>(What controls/ systems &amp; processes do we already have in place to assist in managing the risk and reducing the likelihood/ impact of the threat)</i>	Plans to Improve Control <i>(What further controls are required to reduce the risk exposure to within a tolerable range?) (Short, Medium, and Long-Term Plans need to be included)</i>
<ul style="list-style-type: none"> <li>IMTP 2023/24-25/26</li> <li>IMTP Delivery Framework</li> <li>Accountability Framework</li> <li>Performance Framework</li> <li>Scheme of Delegation</li> <li>Standing Financial Instructions (SFIs)</li> <li>Standing Orders (SOs)</li> <li>Final budget delegation</li> <li>Financial Control Procedure (FCP) Budgetary control</li> <li>Financial Budget Intelligence (FBI)</li> <li>Appropriately trained Finance Team (capacity &amp; capability)</li> <li>Budget holder training</li> <li>Cost intervention procedures</li> <li>23/24 savings plans &amp; opportunities.</li> <li>Health Board financial escalation processes.</li> <li>Health Board Pre-Investment Panel (PIP) process.</li> <li>Financial assessment and review to incorporate the financial impact of COVID-19 and other key costs.</li> <li>Executive groups and structures established to deliver statutory duties.</li> <li>Assessment of financial control environment within divisions and corporate teams.</li> <li>Financial Escalation Meetings</li> <li>Regular organisational Recovery plan meetings and briefings</li> <li>Value &amp; Sustainability Board established.</li> <li>Revised accountability arrangements part of Executive governance.</li> <li>3-year route map to sustainable recovery developed and approved by Board July 24.</li> </ul>	<ul style="list-style-type: none"> <li>Revised V&amp;SB approach for 2024/25 to help drive financial recovery, separating thematic and divisional scrutiny.</li> <li>Focus on future opportunity development to deliver 3-year financial plan – through programmes under the VS&amp;B structure.</li> </ul>

Sources of Assurance <i>(Evidence that the controls/ systems which we are placing reliance on are effective)</i>	Gaps in Assurance <i>(Insufficient evidence as to the effectiveness of the controls or negative assurance)</i>	Actions to Address Gaps <i>(What further evidence is required to provide the effectiveness of controls)</i>
<b>Level 1 Operational</b> <i>(Implemented by the department that performs daily operation activities)</i>		
<ul style="list-style-type: none"> <li>Adherence to SO/SFI/FCPs</li> <li>Regular AFD meetings to discuss position and performance.</li> <li>Divisional Assurance meetings are in place to implement savings plans and deliver service and workforce plans within available resources – part of Chief Operating Officer governance.</li> </ul>		<ul style="list-style-type: none"> <li>Greater focus is required on service, workforce, and financial plans all balancing to achieve financial sustainability.</li> <li>Development of detailed 3-year recovery plan.</li> </ul>
<b>Level 2 Organisational</b> <i>(Executed by risk management and compliance functions)</i>		
<ul style="list-style-type: none"> <li>Regular monitoring at the Executive Team reviewing the level of deliverable recurrent savings along with assessing cost avoidance and deferred investments.</li> <li>Performance escalation meetings established.</li> <li>Financial assessment and review report to the Board and Finance &amp; Performance Committee</li> <li>Financial Governance and Accounting reports to the Audit, Risk and Assurance Committee.</li> <li>Board Briefing sessions on the financial position. .</li> </ul>		<ul style="list-style-type: none"> <li>2024/25 IMTP plans focussed on ‘living within’ budget levels.</li> <li>2024/25 savings plan to be delivered.</li> <li>Detailed delivery plans will be a constant development over next 2 years.</li> </ul>
<b>Level 3 Independent</b> <i>(Implemented by both auditors internal and external independent bodies)</i>		
<ul style="list-style-type: none"> <li><b>Internal Audit Reviews 2023-24</b></li> <li>IMTP planning Q1. <b>Outcome – Reasonable Assurance.</b></li> <li><b>Internal Audit Reviews 2024-25</b></li> <li>IMTP – Service Plans (Q2)</li> </ul>	<p><b>Internal Audit Reviews 2023 – 24</b></p> <ul style="list-style-type: none"> <li>Savings Programmes – Reported to ARAC - Reasonable Assurance</li> <li>Financial Controls – Reported to ARAC July 2024 – Substantial Assurance</li> <li>Asset Management Q3 – Reported to ARAC April 2024 - Reasonable Assurance</li> </ul> <p><b>External Audit Reports 2023 -24</b></p> <ul style="list-style-type: none"> <li>Efficiency Review 23/24 Q3/Q4 – Not yet reported.</li> <li>Structured Assessment - Received at ARAC November 2023.</li> <li>Audit of Financial Statements Q4 2023/24 – True &amp; Fair view given, minor recommendations, qualified on deficit and 3-year IMTP not agreed.</li> <li>Financial assessment and review reports to Welsh Government – monthly</li> <li>Enhanced monitoring T.I. meetings with Welsh Government – monthly</li> </ul>	
<b>Assurance Rating</b> <i>(Overall Assessment of controls and assurances)</i>		
<b>Negative</b> – Insufficient evidence that the controls in place are working effectively.	<b>Reasonable</b> - adequate evidence that the controls in place are working effectively.	<b>Positive</b> - robust evidence that the controls in place are working effectively.
<b>Reasonable Assurance</b>		

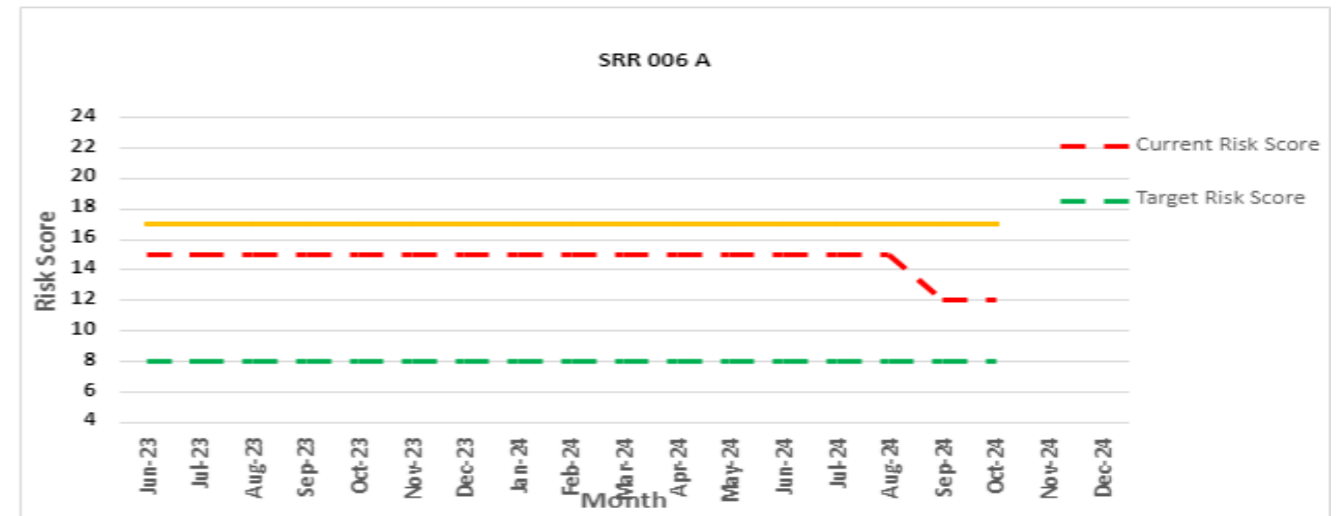
RISK THEME		COMPLIANCE AND SAFETY			
SRR 001	The Health Board will be unable to deliver and maintain high-quality, safe, and sustainable services that meet the needs of the population.			Publication Status	Public
Strategic Threat	i. Due to a failure to implement the required performance improvements in some areas of the organisation in line with the Health Board's Performance Management Framework domains of Quality and Safety, Operational Delivery, and Finance.			Risk Appetite Level - MINIMAL Ultra-safe leading to only minimum risk exposure as far as practicably possible: a negligible/low likelihood of occurrence of the risk after application of controls.	
Impact	<ul style="list-style-type: none"> <li>Unintended patient harm</li> <li>Negative patient/public experience</li> <li>Loss of patient/public trust and confidence</li> <li>Reduced staff morale leading to potential absence from work</li> <li>Scrutiny from external organisations (AW/HIW/WG)</li> <li>Punitive Action</li> <li>Adverse publicity</li> <li>Financial implications</li> </ul>			Risk Appetite Threshold – SCORE 8 AND BELOW Risks relating to all aspects of patient safety but also including safeguarding, staff & public security in addition to risks relating to compliance and/or legal implications.	
				SUMMARY The current risk level is <b>OUTSIDE</b> of target and the appetite threshold. The target level to be achieved is <b>WITHIN</b> the set appetite threshold.	
				Expected Date Target Score will be Achieved –	
Lead Director	Director of Strategy, Planning & Partnerships	Risk Exposure	Current Level	Target Level	
Monitoring Committee	Finance & Performance Committee	Likelihood	3 (Possible) x	2 (Unlikely) x	
Initial Date of Assessment	19 April 2024	Impact	4 (Major)	4 (Major)	
Last Reviewed	01 November 2024	Risk rating	= 12 (Moderate)	= 8 (Moderate)	
Next Review (Quarterly based on risk score)	01 February 2024				

Current Key Controls <i>(What controls/ systems &amp; processes do we already have in place to assist in managing the risk and reducing the likelihood/ impact of the threat)</i>	Plans to Improve Control <i>What further controls are required to reduce the risk exposure to within a tolerable range? (Short, Medium, and Long-Term Plans need to be included)</i>
<ul style="list-style-type: none"> <li>Performance Management and Assurance Framework</li> <li>Executive Accountability letters</li> <li>Divisional Directors Accountability letters</li> <li>Monthly Assurance meetings with fortnightly meetings for Urgent Care and MH&amp;LD Divisions in place</li> <li>Escalation processes triggered for Divisions in escalation – including improvement plans and fortnightly oversight (as above) with agendas that focus on priority areas. Reviewed post End of Year and proposed adjustments awaiting sign off</li> <li>Reporting through to Finance and Performance Committee via Executives</li> <li>Specific areas of focus are discussed at Value and Sustainability Board</li> <li>System wide way of working to progress an operational framework, develop winter plans, escalation processes, etc.</li> <li>External scrutiny via Welsh Government and NHS Executive</li> </ul>	<ul style="list-style-type: none"> <li>6-month review of Performance Management and Assurance</li> <li>Alignment of internal mechanisms to national escalation</li> <li>Focussed agendas targeting specific areas of concern and areas for improvement – working with the Business Partners to ensure a joined-up approach.</li> <li>Standardised Divisional Assurance Templates (pre-populated)</li> <li>Commission external reviews to support improvements where required.</li> <li>Appropriate Business Partnering Support and analytical support</li> <li>Realign capacity and/or redefine roles to provide explicit support</li> </ul>

Sources of Assurance <i>(Evidence that the controls/ systems which we are placing reliance on are effective)</i>	Gaps in Assurance <i>(Insufficient evidence as to the effectiveness of the controls or negative assurance)</i>	Actions to Address Gaps <i>(What further evidence is required to provide the effectiveness of controls)</i>
<b>Level 1 Operational</b> <i>(Implemented by the department that performs daily operation activities)</i>		
<ul style="list-style-type: none"> <li>DMTs in place for all Divisions</li> <li>Divisional oversight arrangements – monthly/fortnightly meetings</li> <li>Divisional plans in place and focussed agendas</li> <li>Cross Divisional meeting monthly – progress the wider system way of working.</li> <li>System Leadership Team for awareness and updates</li> </ul>	<ul style="list-style-type: none"> <li>12-month Performance Management Framework review in the Autumn</li> </ul>	<b>Internal Audit 2024/25 Plan</b> <ul style="list-style-type: none"> <li>Findings and recommendations from the Divisional Governance Arrangements (Q2)</li> </ul>

<ul style="list-style-type: none"> <li>Capacity to run the performance framework and reporting requirements has been strengthened with the appointment of the Head of Systems Planning and Performance and analytical team who will fully be in place by January 2025 alongside the Business Partnering Support</li> </ul>		<ul style="list-style-type: none"> <li>Findings and recommendations from the Directorate Review - Mental Health and Learning Disabilities (Q2)</li> </ul>
<b>Level 2 Organisational</b> <i>(Executed by risk management and compliance functions)</i>		
<ul style="list-style-type: none"> <li>Established reporting to the Executive Committee</li> <li>Established reporting to the Finance and Performance and Patient, Quality and Safety Committee</li> <li>Established reporting to the Board</li> <li>Routine reporting through the IQPD process</li> </ul>		
<b>Level 3 Independent</b> <i>(Implemented by both auditors internal and external independent bodies)</i>		
<ul style="list-style-type: none"> <li>Internal Audit 2024/25 Plan</li> <li>Directorate Review - Mental Health and Learning Disabilities (Q2)</li> <li>Divisional Governance Arrangements (Q2)</li> <li>HIW Inspections</li> <li>Llais for feedback</li> </ul>		
<b>Assurance Rating</b> <i>(Overall Assessment of controls and assurances)</i>		
<b>Negative</b> – Insufficient evidence that the controls in place are working effectively.	<b>Reasonable</b> - adequate evidence that the controls in place are working effectively.	<b>Positive</b> - robust evidence that the controls in place are working effectively.
<b>Reasonable Assurance</b>		

RISK THEME	SERVICE DELIVERY				
SRR 006	There is a risk that the Health Board has inadequate digital infrastructure and systems to maintain high-quality, safe service delivery.			Publication Status	Public
Strategic Threat	a. Due to the full or partial failure of existing digital infrastructure and systems.			Risk Appetite Level - OPEN Willing to consider all potential options, subject continued application and /or establishment of controls; recognising that there could be a high-risk exposure.	
Impact	<ul style="list-style-type: none"> <li>Harm or injury to patients and/or staff</li> <li>Adverse impacts on delivery of care to patients across acute and non-acute settings</li> <li>Data breaches</li> <li>Litigation &amp; Financial Penalties</li> <li>Reputational damage and loss of public confidence</li> </ul>			Risk Appetite Threshold - Score 17 and below Risk related to all aspects of our ability to deliver, manage and improve service quality and performance along with all risks relating to the current performance of our infrastructure such as IM&T and Estates including our ability to deliver associated strategy.	
				SUMMARY The current risk level is <b>OUTSIDE</b> of target level but <b>WITHIN</b> appetite threshold. The target level to be achieved is <b>WITHIN</b> the set appetite threshold.	
				Expected Date Target Score will be Achieved –	
Lead Director	Director of Digital	Risk Exposure	Current Level	Target Level	
Monitoring Committee	Finance & Performance Committee	Likelihood	3 (Possible) x	2 (Unlikely) x	
Initial Date of Assessment	01 June 2023	Impact	4 (Major)	4 (Major)	
Last Reviewed	01 September 2024	Risk rating	= 12 (High)	= 8 (Moderate)	
Next Review (Quarterly based on risk score)	01 December 2024				

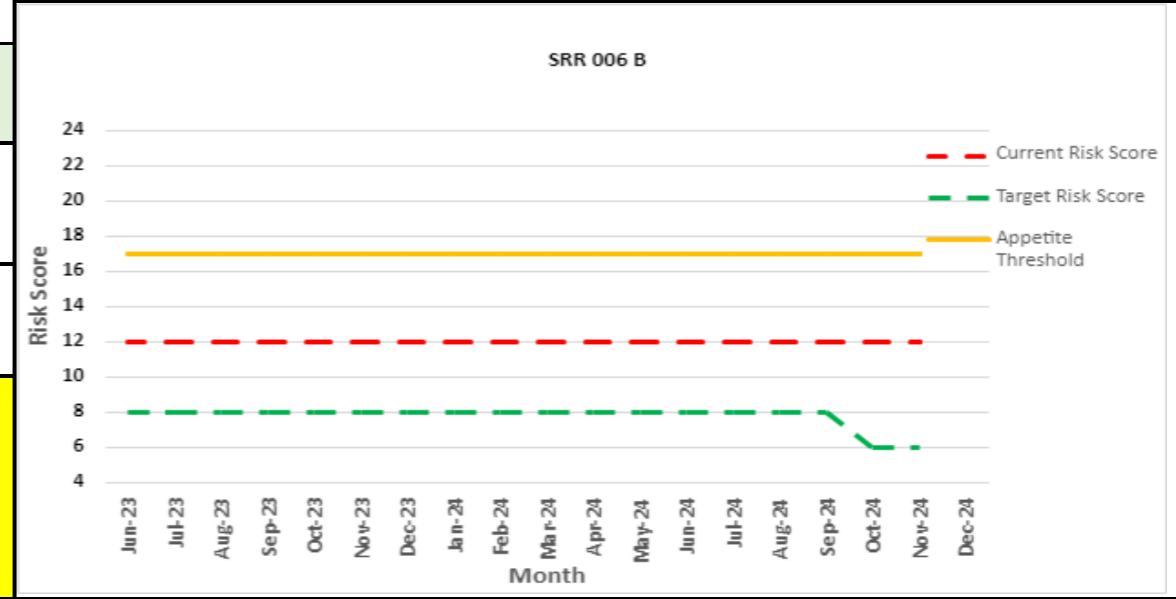


Current Key Controls <i>(What controls/ systems &amp; processes do we already have in place to assist in managing the risk and reducing the likelihood/ impact of the threat)</i>	Plans to Improve Control <i>What further controls are required to reduce the risk exposure to within a tolerable range? (Short, Medium, and Long-Term Plans need to be included)</i>
<ul style="list-style-type: none"> <li>Remedial Action Plan revised and updated to capture further recommendations against NIS CAF assessment in Jan 2024. This Action Plan has also supported ABUHB risk remediation responses to ABUHB's NIS CAF Risk Register which by CRU to address risks identified during the NIS CAF assessment. The remedial actions proposed have been accepted by CRU and progress will be reviewed annually.</li> <li>Director of Digital (SIRO) and Chief Information Officer (Deputy SIRO) SIRO trained.</li> <li>New Information Governance and Cyber Security governance and assurance processes reviewed and implemented.</li> <li>Governance group terms of reference agreed. Meetings started in November 2023.</li> <li>Cyber is fully engaged with IG colleagues to implement the recommendations of the Templar report. Cyber now supports all the Governance and Assurance Groups intending to increase cyber security awareness and build cyberculture amongst non-ICT staff</li> <li>Scheduled monthly vulnerability scans of all ABUHB-managed servers to include third-party servers. The results of these scans will now be reported in the Monthly Cyber Report.</li> <li>Working with Business Systems and Desktop Teams to ensure that patching compliance for internally managed systems and third-party systems is monitored and reported monthly. Monthly review meetings are held between Cyber, and the Teams review compliance levels against policy. Results are captured within the monthly Cyber Report.</li> <li>Implement the recommendations from Templar report:</li> <li>Work with Information Governance around implementing the controls required to achieve ISO27001 accreditation.</li> <li>Battle tested OUR cyber incident response, communication cascade and reporting to Cyber Resilience Unit. This will be incorporated into the overall action plan.</li> <li>Working with ICT Support Teams and the Log4j version 2 vulnerability has been resolved within the Health Board. The least important service impacting Version 1 is being managed through ICT Departmental risk management process. Risk impact reduced as recent loss of power at key sites, incorporating our data Centre allowed is to failover in a seamless fashion from one DC to the other with no service impact.</li> </ul>	<ul style="list-style-type: none"> <li>Implement the recommendations from Templar report:</li> <li>Work with Information Governance around implementing the controls required to achieve ISO27001 accreditation.</li> <li>A recent cyber incident at several London Hospitals presented an opportunity for ABUHB to battle test its cyber response, communication cascade and reporting to Cyber Resilience Unit. This will be incorporated into the overall action plan.</li> </ul>




- Maintained the use of Trustware for all emails Trustwave provides inspection and protection from malicious links embedded within emails. ·
- Begun the roll out simulated phishing campaigns. The initial phishing has been tested on the ICT Department and reported within the Cyber Report. Cyber will continue campaigns during 2023 to increase email security awareness among staff. ·
- Introduced scenario-based incident response exercising using National Cyber Security Centre developed 'Exercise in a box' the aim is to assess our current skills in responding to real-life cyber security incident scenarios and to identify improvements. Cyber plans to run several more exercises during 2023.

Sources of Assurance <i>(Evidence that the controls/ systems which we are placing reliance on are effective)</i>	Gaps in Assurance <i>(Insufficient evidence as to the effectiveness of the controls or negative assurance)</i>	Actions to Address Gaps <i>(What further evidence is required to provide the effectiveness of controls)</i>
<b>Level 1 Operational</b> <i>(Implemented by the department that performs daily operation activities)</i>		
<ul style="list-style-type: none"> <li>• Internal directorate meetings setup monthly to monitor risks to regularly update and to provide assurance over outstanding action plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Oversight from NHS Wales Cyber Resilience Unit.</li> </ul>	<ul style="list-style-type: none"> <li>• An assessment against CAF was undertaken by CRU in January '24 and the report along with its recommendations has been circulated to key stakeholders.</li> </ul>
<b>Level 2 Organisational</b> <i>(Executed by risk management and compliance functions)</i>		
<ul style="list-style-type: none"> <li>• Regular reporting on progress to the Finance &amp; Performance Committee on the cyber security action plan.</li> </ul>		
<b>Level 3 Independent</b> <i>(Implemented by both auditors internal and external independent bodies)</i>		
<ul style="list-style-type: none"> <li>• Cyber security Audit in April 2023 provided Digital with a substantial audit for its cyber security improvement plan, reporting and backup systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Latest local survey saw a reduction in staff wellbeing</li> </ul>	
<b>Internal Audit 2024/25</b>		
<ul style="list-style-type: none"> <li>• Technical Continuity – planned for Q3</li> </ul>		
<b>Assurance Rating</b> <i>(Overall Assessment of controls and assurances)</i>		
<b>Negative</b> – Insufficient evidence that the controls in place are working effectively.	<b>Reasonable</b> - adequate evidence that the controls in place are working effectively.	<b>Positive</b> - robust evidence that the controls in place are working effectively.
<b>Reasonable Assurance</b>		

RISK THEME	SERVICE DELIVERY				
SRR 006	There is a risk that the Health Board has inadequate digital infrastructure and systems to maintain high-quality, safe service delivery.			Publication Status	Public
Strategic Threat	b. Due to an adverse impact on service delivery in the implementation of the new digital systems.				
Impact	<ul style="list-style-type: none"> <li>Harm or injury to patients and/or staff</li> <li>Adverse impacts on delivery of care to patients across acute and non-acute settings</li> <li>Data breaches</li> <li>Litigation &amp; Financial Penalties</li> <li>Reputational damage and loss of public confidence</li> </ul>			<b>Risk Appetite Level - OPEN</b> Willing to consider all potential options, subject continued application and /or establishment of controls; recognising that there could be a high-risk exposure.	
				<b>Risk Appetite Threshold - Score 17 and below</b> Risk related to all aspects of our ability to deliver, manage and improve service quality and performance along with all risks relating to the current performance of our infrastructure such as IM&T and Estates including our ability to deliver associated strategy.	
				<b>SUMMARY</b> The current risk level is <b>OUTSIDE</b> of target level but <b>WITHIN</b> appetite threshold. The target level to be achieved is <b>WITHIN</b> the set appetite threshold	
				<b>Expected Date Target Score will be Achieved –</b>	
Lead Director	Director of Digital	Risk Exposure	Current Level	Target Level	
Monitoring Committee	Finance & Performance Committee	Likelihood	3 (Possible) X	2 (Unlikely) X	
Initial Date of Assessment	01 June 2023	Impact	4 (Major)	3 (Moderate)	
Last Reviewed	01 November 2024	Risk rating	= 12 (High)	= 6 (Moderate)	
Next Review (Quarterly based on risk score)	01 February 2025				



Current Key Controls <i>(What controls/ systems &amp; processes do we already have in place to assist in managing the risk and reducing the likelihood/ impact of the threat)</i>	Plans to Improve Control <i>(What further controls are required to reduce the risk exposure to within a tolerable range? (Short, Medium, and Long-Term Plans need to be included))</i>
<ul style="list-style-type: none"> <li>Adoption of formal project management methodologies PRINCE 2 to ensure project plans are developed in conjunction with services.</li> <li>Formal governance arrangements in place through project boards and programme boards where risks and issues are managed and mitigated.</li> <li>Each project has a senior responsible officer from the service who can provide challenge and assurance over the delivery of the project work packages.</li> <li>Each clinical project has a clinical lead who would advise and support potential impacts on service delivery caused by the implementation of new digital services.</li> <li>Business change team in place to support services in improvement of clinical and administrative processes.</li> <li>Benefits team in place who identify, track, and ensure any benefits are realised which will ultimately improve service delivery.</li> <li>Projects support backfilling of clinical time where required.</li> <li>Assurance activities included in project framework including clinical safety, information governance, health records and cyber security.</li> <li>An overarching Digital Portfolio Progress Group is in place to receive programme updates, manage risk and issue escalations and provide multi-disciplinary assurance over digital projects.</li> <li>Business change work includes a service readiness impact assessment to enable the project team to develop a realistic plan that incorporates service change requirements.</li> <li>Aggregated view of risks and issues available to pick up common themes and impact for early intervention or escalation.</li> <li>Aggregated view of digital Lessons Learned available and lessons are reviewed during project initiation for best chance of success.</li> <li>Information Governance Sub Committee and Cyber Security Subgroup established</li> <li>Formal divisional engagement meetings in place monthly to discuss new programmes of work and provide update on critical programmes/projects</li> </ul>	<ul style="list-style-type: none"> <li>Additional governance being put in place with the Digital, Data and Technology Sub-Committee which will report to the Finance &amp; Performance Committee</li> </ul>

Sources of Assurance <i>(Evidence that the controls/ systems which we are placing reliance on are effective)</i>	Gaps in Assurance <i>(Insufficient evidence as to the effectiveness of the controls or negative assurance)</i>	Actions to Address Gaps <i>(What further evidence is required to provide the effectiveness of controls)</i>
<b>Level 1 Operational</b> <i>(Implemented by the department that performs daily operation activities)</i>		
<ul style="list-style-type: none"> <li>Project Boards meet monthly and report into the bi-monthly Digital Portfolio Progress Group (DPPG)</li> <li>Digital Directorate meetings being held monthly to monitor risks to regularly update and to provide assurance over outstanding action plans.</li> <li>Risk management approach and escalation processes in place in line with the Health Board's Risk Framework</li> </ul>	<ul style="list-style-type: none"> <li>Escalation of risks and issues done on an Ad hoc basis to Director of Digital and Executive Committee in the absence of DDaT Sub-committee</li> </ul>	<ul style="list-style-type: none"> <li>Additional governance being put in place with the Digital, Data and Technology Sub-Committee which will report to the Finance &amp; Performance Committee</li> </ul>
<b>Level 2 Organisational</b> <i>(Executed by risk management and compliance functions)</i>		
<ul style="list-style-type: none"> <li>Regular Reporting to the Finance &amp; Performance Committee</li> </ul>		
<b>Level 3 Independent</b> <i>(Implemented by both auditors internal and external independent bodies)</i>		
<ul style="list-style-type: none"> <li>Cyber security Audit in April 2023 provided Digital with a substantial audit for its cyber security improvement plan, reporting and backup systems.</li> </ul> <p><b>Internal Audit 2023/24</b></p> <ul style="list-style-type: none"> <li>Benefits Management review – Outcome Substantial Assurance</li> <li>Stakeholder Engagement on IT Projects 2023/24 Q3 – Outcome Substantial Assurance</li> </ul> <p><b>Internal Audit 2024/25</b></p> <ul style="list-style-type: none"> <li>Implementation of the Welsh Intensive Care System – planned for Q1</li> </ul>		
<b>Assurance Rating</b> <i>(Overall Assessment of controls and assurances)</i>		
 <b>Negative</b> – Insufficient evidence that the controls in place are working effectively.	 <b>Reasonable</b> - adequate evidence that the controls in place are working effectively.	 <b>Positive</b> - robust evidence that the controls in place are working effectively.
<b>Reasonable Assurance</b>		

<b>SRR 006</b>	There is a risk that the Health Board has inadequate digital infrastructure and systems to maintain high-quality, safe service delivery.			<b>Publication Status</b>	<b>Public</b>
<b>Strategic Threat</b>	c. Due to failure to develop digital solutions that are sustainable and fit for the future.			<b>Risk Appetite Level – OPEN</b> Willing to consider all potential options, subject continued application and /or establishment of controls; recognising that there could be a high-risk exposure.	
<b>Impact</b>	<ul style="list-style-type: none"> <li>Harm or injury to patients and/or staff</li> <li>Adverse impacts on delivery of care to patients across acute and non-acute settings</li> <li>Data breaches</li> <li>Litigation &amp; Financial Penalties</li> <li>Reputational damage and loss of public confidence</li> </ul>			<b>Risk Appetite Threshold - Score 17 and below</b> Risk related to all aspects of our ability to deliver, manage and improve service quality and performance along with all risks relating to the current performance of our infrastructure such as IM&T and Estates including our ability to deliver associated strategy.	
				<b>SUMMARY</b> The current risk level is <b>OUTSIDE</b> of target level but <b>WITHIN</b> appetite threshold. The target level to be achieved is <b>WITHIN</b> the set appetite threshold	
<b>Expected Date Target Score will be Achieved –</b>					
<b>Lead Director</b>	Director of Digital	<b>Risk Exposure</b>	<b>Current Level</b>	<b>Target Level</b>	
<b>Monitoring Committee</b>	Finance & Performance Committee	<b>Likelihood</b>	3 (Possible) x	2 (Unlikely) x	
<b>Initial Date of Assessment</b>	01 June 2023	<b>Impact</b>	4 (Major)	4 (Major)	
<b>Last Reviewed</b>	01 November 2024	<b>Risk rating</b>	= 12 (High)	= 8 (Moderate)	
<b>Next Review</b> (Quarterly based on risk score)	01 February 2025				

<b>Current Key Controls</b> <i>(What controls/ systems &amp; processes do we already have in place to assist in managing the risk and reducing the likelihood/ impact of the threat)</i>	<b>Plans to Improve Control</b> <i>What further controls are required to reduce the risk exposure to within a tolerable range? (Short, Medium, and Long-Term Plans need to be included)</i>
<ul style="list-style-type: none"> <li>New Digital Service Request process in place which provides governance in several key areas:</li> <li>Automation of request process via ‘Seren’ the ICT Portal</li> <li>Information Governance – ensuring new services have appropriate controls to keep patient information safe.</li> <li>Cyber Security – ensuring new services adopted or developed meet the requirements of the cyber assessment framework.</li> <li>Patient Safety – ensuring services do not introduce any patient safety risks.</li> <li>Records – ensuring new systems comply with the requirements of records management.</li> <li>Strong business analysis function in operation which ensures the “as-is” and “to-be” process mapping is undertaken which provides assurance that new services implemented are fit for purpose and delivery what stakeholders require.</li> <li>Business change function which ensures implemented systems are effective and deliver the benefits required.</li> <li>Formal framework in place for the adoption of new digital services and best practice guidance followed.</li> <li>Annual planning processes include formal DDAT Annual Operational Plan aligned with service priorities identified in IMTP process</li> <li>New Digital Request processes include fortnightly senior leadership scrutiny of requests,</li> <li>New prioritisation framework &amp; tool Monthly/quarterly Operational delivery aligned to ITIL standards</li> <li>Annual operational plan completed and aligned with IMTP</li> <li>Divisional Digital Oversight meetings with senior Digital &amp; Divisional staff to support identification of digital alignment with service priorities for Urgent Care, MH &amp; LD, CSS, Division of Surgery &amp; PCCS in place</li> <li>Software Development uses an agile product management methodology using DevOps software for managing its backlog, delivery plan and sprints</li> </ul>	<ul style="list-style-type: none"> <li>Monthly/quarterly Divisional Digital Oversight meetings with senior Digital &amp; Divisional staff to support identification of digital alignment with service priorities to be arranged for Division of Medicine,</li> <li>Portfolio optimisation to ensure the resources of the service are aligned to key priorities</li> <li>New Digital Request quarterly reporting to DDAT sub-committee</li> <li>New governance structures to be put in place further to directorate restructuring</li> <li>Development of product management approach to delivery of core software applications and extending use of agile processes to ICT</li> </ul>

Sources of Assurance <i>(Evidence that the controls/ systems which we are placing reliance on are effective)</i>	Gaps in Assurance <i>(Insufficient evidence as to the effectiveness of the controls or negative assurance)</i>	Actions to Address Gaps <i>(What further evidence is required to provide the effectiveness of controls)</i>
<b>Level 1 Operational</b> <i>(Implemented by the department that performs daily operation activities)</i>		
<ul style="list-style-type: none"> <li>Quarterly reporting to DDAT sub-committee</li> </ul>	<ul style="list-style-type: none"> <li>If the NDSR process delivers anticipated improvements</li> <li>The outcome of the EDRMS audit</li> </ul>	<ul style="list-style-type: none"> <li>Monitor the performance of the NDSR process</li> <li>Audit into the effectiveness and appropriateness of the electronic document and records management solution (EDRMS) in use for the management of digital health records and the provision of scanning services.</li> </ul>
<b>Level 2 Organisational</b> <i>(Executed by risk management and compliance functions)</i>		
<ul style="list-style-type: none"> <li>Regular Reporting to the Finance &amp; Performance Committee</li> </ul>		
<b>Level 3 Independent</b> <i>(Implemented by both auditors internal and external independent bodies)</i>		
<ul style="list-style-type: none"> <li>Cyber security in April 2023 provided Digital with a substantial audit for its cyber security improvement plan, reporting and backup systems.</li> </ul> <p><b>Internal Audit 2023/24</b></p> <ul style="list-style-type: none"> <li>LINC Programme– Outcome <b>Reasonable assurance</b></li> <li>Network Infrastructure (VPN) - Outcome <b>Reasonable assurance</b></li> </ul> <p><b>Internal Audit 2024/25</b></p> <ul style="list-style-type: none"> <li>Electronic document and records management solution -planned for Q4</li> </ul>		
<b>Assurance Rating</b> <i>(Overall Assessment of controls and assurances)</i>		
<b>Negative</b> – Insufficient evidence that the controls in place are working effectively.	<b>Reasonable</b> - adequate evidence that the controls in place are working effectively.	<b>Positive</b> - robust evidence that the controls in place are working effectively.
<b>Reasonable Assurance</b>		