

The value & sustainability challenges & opportunities in NHS Wales

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ORGANISATIONS IN WALES – the 'HEALTH & CARE LANDSCAPE'

WELSH GOVERNMENT

7 HEALTHBOARDS
&
3 TRUSTS

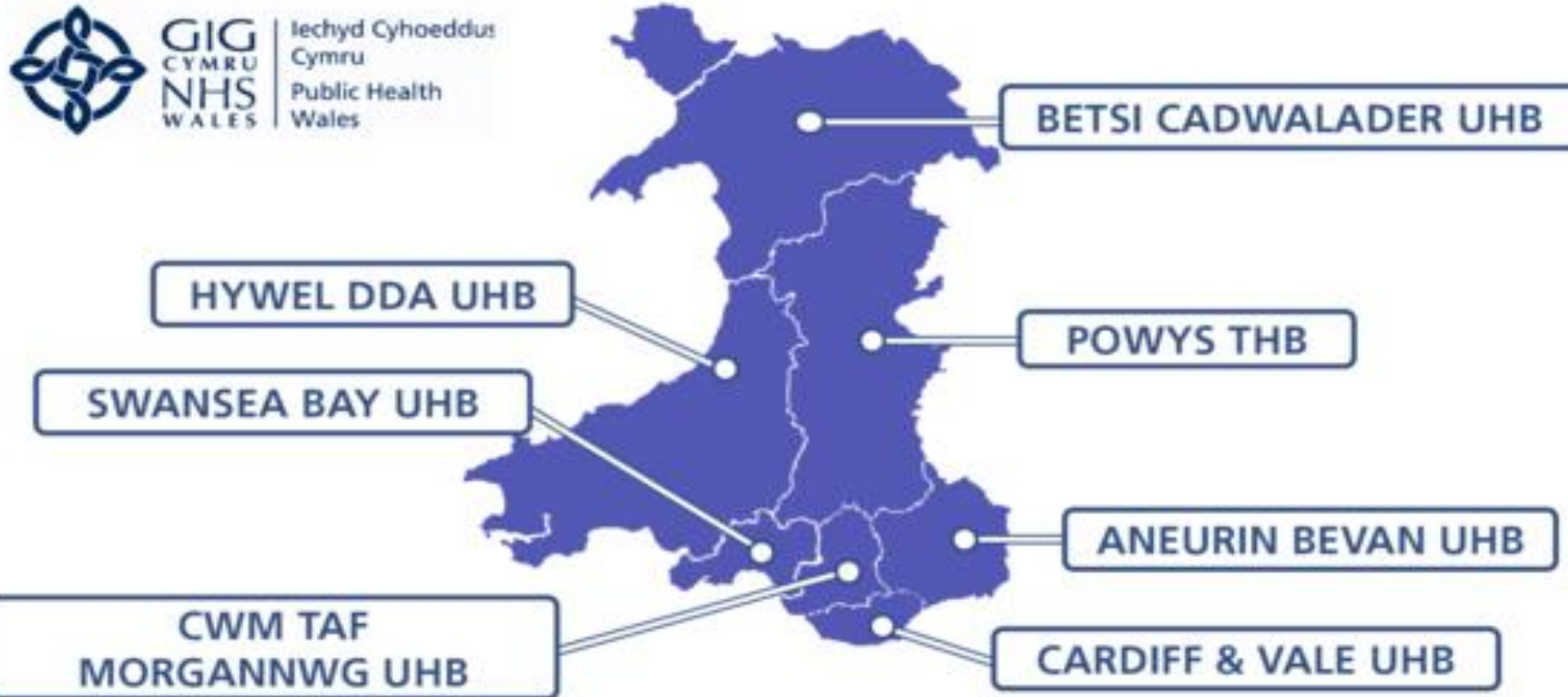
DIGITAL HEALTH & CARE WALES

NHS EXECUTIVE

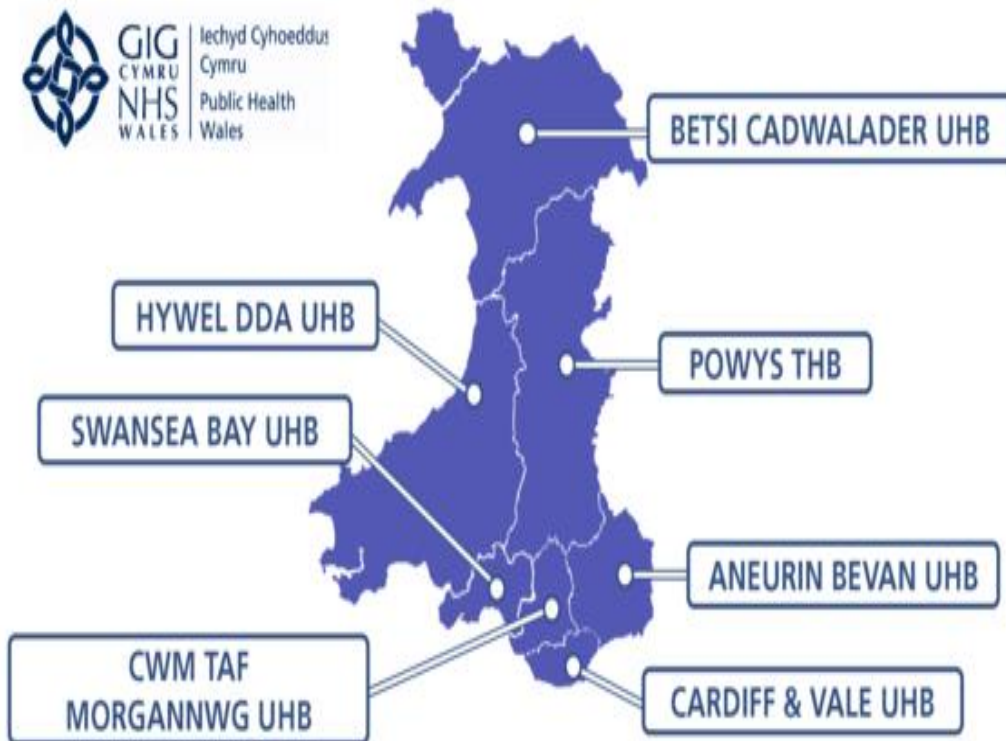
NHS SHARED SERVICES

22 LOCAL AUTHORITIES

HEALTH BOARDS ACROSS WALES



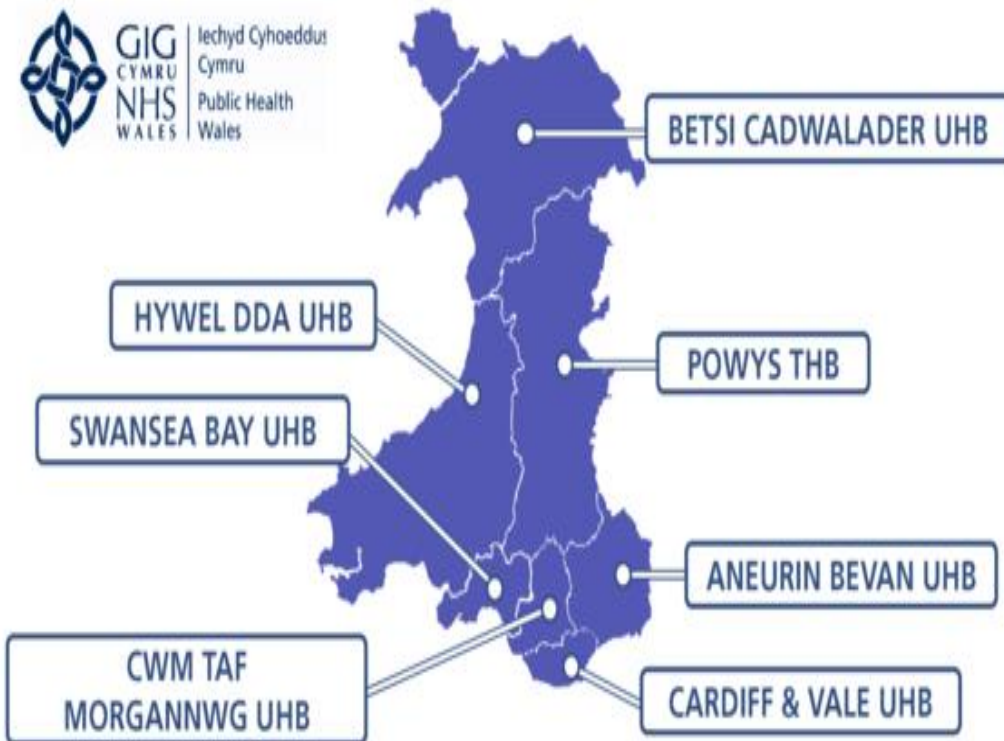
HEALTH BOARDS ACROSS WALES - POPULATIONS



Population of local health boards

Aneurin Bevan University Health Board	591,396
Betsi Cadwaladr University Health Board	688,201
Cardiff and Vale University Health Board	505,581
Cwm Taf Morgannwg University Health Board	444,037
Hywel Dda University Health Board	385,094
Powys Teaching Health Board	133,891
Swansea Bay University Health Board	383,440
Total	3,131,640

HEALTH BOARDS ACROSS WALES - ALLOCATIONS



2024/25 financial allocations for local health boards

	£bn
Aneurin Bevan University Health Board	1.7
Betsi Cadwaladr University Health Board	2.0
Cardiff and Vale University Health Board	1.2
Cwm Taf Morgannwg University Health Board	1.3
Hywel Dda University Health Board	1.1
Powys Teaching Health Board	0.4
Swansea Bay University Health Board	1.2
Total	8.9

NHS Wales funding >50% WG total budget

What do Health Boards do?

Health promotion/
prevention

Primary
Care

Community
Care

Local/
Community
Hospital
Care

District
Acute
General
hospital
Care

Specialised
services
(commission &
provide)

Continuing
Health
Care

HB's responsible for Full Spectrum of Healthcare

STRATEGIC DRIVE TO SHIFT RESOURCES UPSTREAM

Expectation of strong partnership working across NHS Wales & with Local Authority partners & 3rd Sector

STRATEGIC FINANCIAL CONTEXT

- 3.67% REVENUE ALLOCATION UPLIFT 24/25
- REVENUE CONTROL TOTALS TO BE MET
- NO MORE WG FUNDING IN YEAR
- ALL SERVICE PERFORMANCE TARGETS TO BE ACHIEVED

PLUS

- MACRO ECONOMIC FACTORS
- POLITICAL AGENDA
- PUBLIC & STAKEHOLDER EXPECTATIONS
- OTHER WG POLITICAL COMPETING & COMPLIMENTARY PRIORITIES
 - Foundation Economy
 - Net Zero
 - Well being of future generations act

WALES ORGANISATIONS FINANCIAL OVERVIEW

2023/24 (Draft)

NATIONAL NHS DEFICIT £190m

6 HBs in DEFICIT

Significant underlying deficits c.£0.5bn

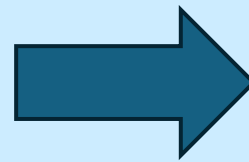
3 HB's not achieving control totals

WG IDENTIFIED £450m extra for NHS
from other WG portfolios

Most HBs in ESCALATION

Savings £230m

CAPITAL LIMITATIONS (c£0.4bn)



2024/25 OUTLOOK (Draft)

NATIONAL NHS DEFICIT £200m

6 HBs in DEFICIT

Significant underlying deficits c.£0.5bn

5 HB's not achieving control totals

£0.6bn revenue uplift - No additional
support funding available

All HBs in ESCALATION

Savings £260m

CAPITAL LIMITATIONS

COST DRIVERS

PRICE INFLATION

MEDICINES

CONTINUING HEALTH CARE

DELAYED TRANSFERS OF CARE

VARIABLE PAY

SPECIALISED SERVICES

FINANCIAL CHALLENGES

WG TARGETS
FINANCE AVAILABILITY
REV & CAP

WORKFORCE
&
CULTURE

ACUITY DEMAND & WAITING LISTS
&
COVID LEGACY

SOCIAL CARE

RECURRENT
CASH OUT SAVINGS &
EFFICIENCIES

TECHNOLOGY & DRUGS

RECURRENT CHALLENGE & RECOVERY

- UNDERLYING POSITIONS ARE THE GREATEST FINANCIAL CHALLENGE DRIVING DEFICITS ACROSS WALES
- NON-RECURRENT COVID FUNDING, WHILE POSITIVE, HAS LEFT A LEGACY OF UNPLANNED OVERTRADING
- SERVICE RECOVERY WILL COST MORE THAN THE FUNDING AVAILABLE IN ONE FINANCIAL YEAR

ABUHB 3 YEAR STRATEGY:

UTILISE NEW ANNUAL ALLOCATION UPLIFTS TO CONSUME NEW ANNUAL COST PRESSURES

GENERATE RECURRENT SAVINGS EACH YEAR TO REDUCE UNDERLYING DEFICIT & EVENTUALLY BALANCE RECURRENTLY

OPPORTUNITIES – WALES VALUE & SUSTAINABILITY BOARDS

WORKFORCE

CLINICAL VARIATION/SERVICE
RECONFIGURATION

MEDICINES

NON-PAY & PROCUREMENT

DIGITAL & SYSTEM EFFICIENCY

CHC & COMMISSIONING

OPPORTUNITIES – ‘TOOLS’

COMMUNICATE

EFFICIENCY - benchmarking

REDESIGN - GIRFT

GOVERNANCE – grip & ctrl

BUSINESS INTELLIGENCE

VALUE BASED & PRUDENT CARE

REGIONAL/JOINT WORKING

FOCUS ON ‘CORE’

QUALITY & SAFETY

SKILL MIX

BUDGET SETTING

EQUITY

INNOVATION & DIGITAL

EVIDENCE BASED CARE

BACK OFFICE

LOGISTICS

CAPITAL

PRIORITISE

CULTURE

SIMPLIFY SYSTEMS

TECHNOLOGY

GENOMICS

A.I.

CENTRALISATION V LOCAL

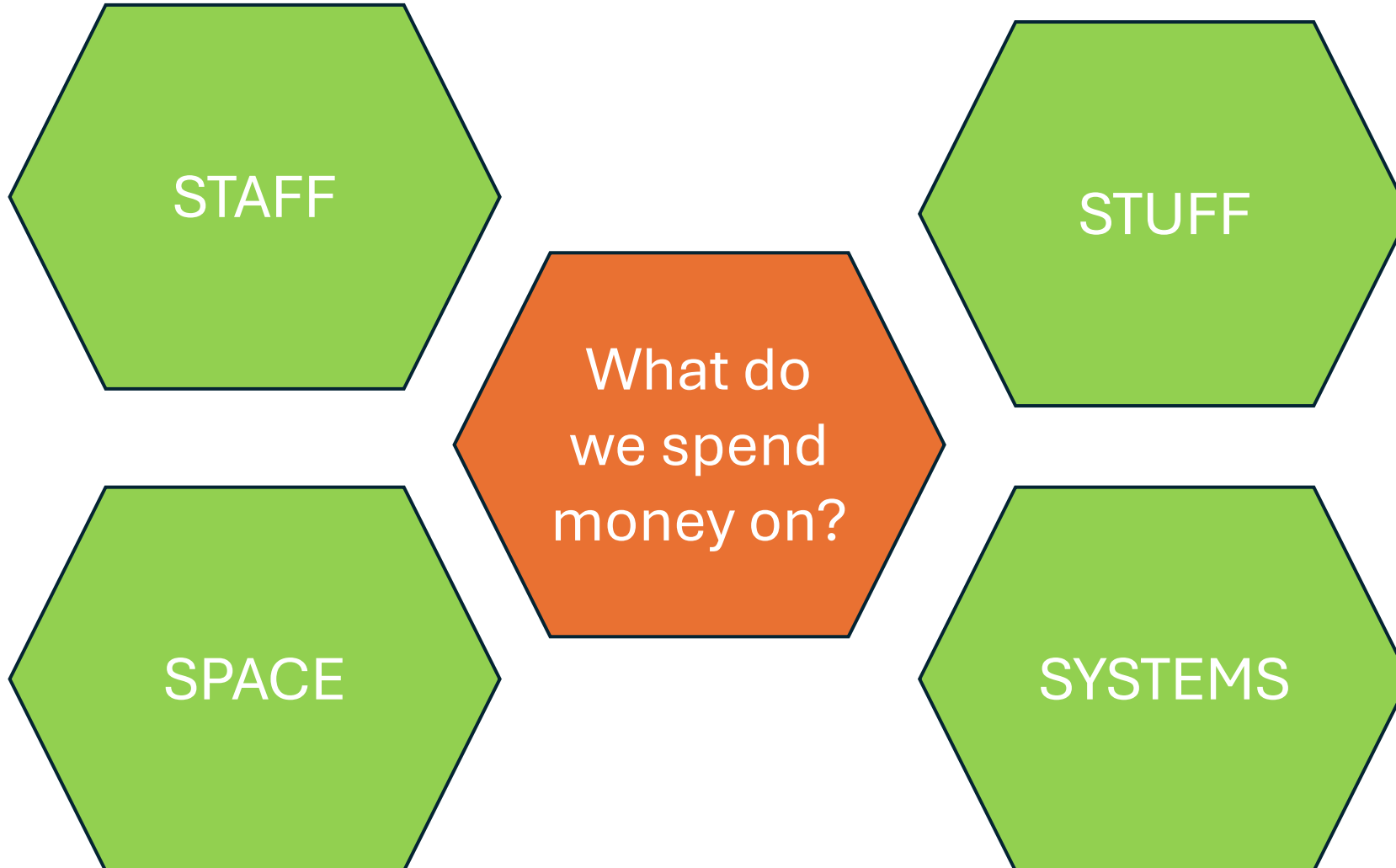
SHIFT OUT OF HOSPITAL

PUBLIC HEALTH

SERVICE STRATEGY

ESTATE

APPROACH TO SUSTAINABILITY – UNDERSTAND YOUR BUSINESS – ‘4S’

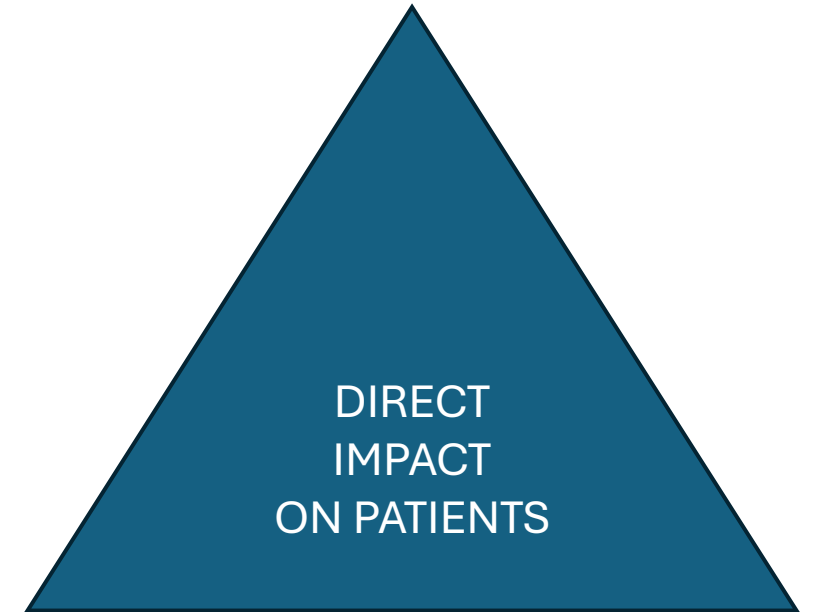


‘KNOWING THE BUSINESS’

UNDERSTAND BASELINES, CHALLENGES, LIMITING FACTORS & OPPORTUNITIES & CULTURE!

PATHWAY TO SUSTAINABILITY – STRATEGIC STEPS

1. HOW - MAXIMISE EFFICIENCY & VALUE
2. WHAT - EVIDENCED BASED CARE ONLY
3. WHERE – CENTRALISE v LOCAL
4. TARGET performance - LIMIT CAPACITY
5. RATIONALISE/DECOMMISSION SERVICES



PATIENT SAFETY CANNOT BE COMPROMISED

FINANCE TEAM PRIORITIES

ENSURE PERSONAL &
COLLEAGUES WELLBEING

GOOD GOVERNANCE ADVOCATES

**Knowledge
Skills
Training**

EXCELLENCE IN REPORTING &
FORECASTING

FOCUS ON REDUCING COSTS
AND IMPROVING PATIENT VALUE &
OUTCOMES

THANK YOU