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Bwrdd Iechyd Prifysgol  
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University Health Board



<b>Meeting Date</b>	<b>22<sup>nd</sup> August 2018</b>		<b>Agenda Item</b>	<b>4b</b>
<b>Report Title</b>	<b>Recovery &amp; Sustainability Programme</b>			
<b>Report Author</b>	Dorothy Edwards, Deputy Director of Recovery & Sustainability			
<b>Report Sponsor</b>	Lynne Hamilton, Director of Finance			
<b>Presented by</b>	Dorothy Edwards, Deputy Director of Recovery & Sustainability			
<b>Freedom of Information</b>	Open			
<b>Purpose of the Report</b>	This report provides an update on delivery of the Recovery and Sustainability Programme.			
<b>Key Issues</b>	<p>The Recovery and Sustainability Programme has met one occasion since the last formal report to Committee in June 2018. The programme is not on track to deliver against the £21m savings programme and performance has deteriorated since the last formal report. Although numerous actions are underway, slippage within the programme is leading to a worsening of the financial position as reported through the financial update. There are a range of reasons contributing to this position, and further mitigating action is now required to ensure that the Health Board can meet its planned deficit position and comply with the control total set by Welsh Government. Further support from Welsh Government has been received and this will be deployed to strengthen project management in a number of key areas to support work stream which is a key issue from the Q1 review undertaken in July.</p>			
<b>Specific Action Required</b> <i>(please ✓ one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>	<b>Approval</b>
			✓	
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>Note</b> the current delivery assessment as at July/August 2018</li> </ul>			

# RECOVERY & SUSTAINABILITY PROGRAMME UPDATE

## 1. INTRODUCTION

Performance and Finance Committee have agreed to receive a monthly update on the delivery of the Recovery and Sustainability (R&S) Programme. This report provides an update on progress as at July/August 2018.

## 2. BACKGROUND

Performance and Finance Committee (PFC) have previously received reports on the delivery of the R&S Programme. At the June meeting, the Committee noted the financial position which indicated that the Health Board was 'off track' in delivering its monthly financial trajectory and that there were significant risks in work streams not delivering the anticipated savings in 2018/19. This was due, in part, to work stream being slower to mobilise plans and therefore significant benefit would not be achievable during the current financial year.

In July, the Committee noted that the Health Board had identified a range of mitigating opportunities to support the position and offset the non delivery of savings. The Committee also noted the deployment of these mitigating actions against specific work streams and that work streams would still be expected to develop plans to deliver in full in 2019/20.

The R&S Programme Board met in July and a brief review of progress across quarter 1 was considered. A mixed picture was presented and the Programme Board recognise the significant risks within the programme. There are 3 work streams where there are no granular plans in place that identify savings in line with the Board's financial plan:

- Reducing Waste, Harm and Variation
- Workforce Redesign.
- Mental Health Services.

On mental health services, there is now an agreed approach which will transform mental health service delivery for older people with a mental health problem but this is subject to agreement with Welsh Government and, if approved, may deliver a small financial benefit in 2018/19 but will support the delivery of savings in 2019/20. This work stream was scrutinised by Committee in May 2018.

Two of the work streams – workforce redesign and reducing waste, harm and variation were scrutinised by the Committee in July and there is an expectation that plans will be developed and presented to the Committee in due course.

The biggest single area within the savings programme is **service remodelling** and whilst there has been considerable focus in this area both at a corporate and Unit level, the plans to transform services and reduce inpatient capacity will only deliver a small financial benefit during 2018/19. The Board approved a number of schemes that had been subject to public engagement at their meeting in July 2018.

Mobilisation of these schemes is progressing in a phased way. It is imperative that the focus is maintained in this work stream to ensure that the full year benefits are realised in 2019/20. Planning is now underway for a further range of changes including the future provision of Singleton Minor Injuries Unit, the future of the day hospital in Maesteg Hospital and the delivery of GP Out of Hours services. All of these will come through for Board consideration later this year prior to formal engagement/consultation.

There are other work streams where good progress is being made towards delivery of milestones (for example, procurement) and other services where again progress is being made (eg. staff health and well being) but where there is no clear line of sight to savings delivery. This is a risk as both e-rostering and staff health and well being are supported through national 'Invest to save' funding which will need to be repaid.

All work streams need to focus on developing plans that lead to full savings identification and delivery in preparation for 2019/20 to support the Board's ambition towards a reduced deficit plan for 2019/20.

An updated delivery assessment is attached at Appendix 1.

Some other general themes from the quarter 1 review included:

- The lack of dedicated programme/project management capacity is impacting on delivery and will be addressed through additional funding Welsh Government have made available to support our Targeted Intervention work programme.
- We are better placed than in 2017/18 to correlate work stream progress against financial delivery (through the savings tracker) but this needs further refinement
- There is a need to upskill a range of individuals with project/programme management skills to develop a consistent approach across the programme.
- There is an opportunity to better align programmes across the Health Board so that transformation efforts are aligned. This will be taken forward by the Director of Transformation who has been appointed in line with the Targeted Intervention Resource package.

### **3. GOVERNANCE AND RISK ISSUES**

The risk register is reviewed at Programme Board on a monthly basis profile for the programme is set out below. This will be updated in September 2018.

Work Stream	Green	Yellow	Amber	Red	Total Open	Closed (in July)	Transferred to Issues Log
Overall Programme			2	4	6	0	
Workforce Delivery	1	4	5	2	12	2	4
Service Remodelling			3	3	6	0	1
Value Based Procurement			2	2	4	0	
Medicines Management	1	2			3	0	
Value & Variance			7		7	0	
Workforce Redesign			4	1	5	0	
Mental Health			1	2			
<b>TOTALS</b>	<b>2</b>	<b>6</b>	<b>24</b>	<b>14</b>	<b>46</b>	<b>2</b>	<b>5</b>

#### 4. FINANCIAL IMPLICATIONS

Failure to deliver the savings identified within the financial plan or to identify mitigating actions, will impact on the Health Board's ability to contain its deficit to that set out in the financial plan. Although the Health Board has reported that 75% of its savings plans have been identified (as at June 2018), further work is being undertaken to validate the savings tracker and assess the deliverability of schemes. This is covered elsewhere within the financial report to Committee alongside further mitigating actions.

#### 5. RECOMMENDATION

Members are asked to:

- **Note** the current delivery assessment as at July/August 2018

Governance and Assurance							
<b>Link to corporate objectives</b> (please ✓)	Promoting and enabling healthier communities		Delivering excellent patient outcomes, experience and access		Demonstrating value and sustainability		Embedding effective governance and partnerships
					✓		
<b>Link to Health and Care Standards</b> (please ✓)	Staying Healthy	Safe Care	Effective Care	Dignified Care	Timely Care	Individual Care	Staff and Resources
							✓
<b>Quality, Safety and Patient Experience</b>							
A Quality Impact Assessment (QIA) process is in development and the process has been tested using the service remodelling schemes over the last 3 months. It will now be amended and formalised so that it becomes embedded in the development of the 3 year plan from 2019/20.							
<b>Financial Implications</b>							
Failure to deliver the agreed savings plan will have an adverse impact on the Health Board's overall position and its ability to meet its control total.							
<b>Legal Implications (including equality and diversity assessment)</b>							
Equality Impact Assessments have been undertaken on individual schemes and made available to the Board to support decision making. There is a further discussion about how to resource this work in the medium term and to ensure that staff are skilled at undertaking EQIA's to the required standard.							
<b>Staffing Implications</b>							
Management capacity within the programme has been highlighted as a risk and is included on the Programme risk register. Some additional support has been made available by Welsh Government. The implications of staff of proposed service changes have been addressed through staff consultation and engagement in line with the Organisational Change Policy.							
<b>Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)</b>							
The Recovery and Sustainability Programme has been established to provide a framework for the Health Board to deliver sustainable performance improvements and to use its resources wisely to meet the needs of its population.							
<b>Report History</b>		PFC Reports in April, May, June 2018					
<b>Appendices</b>		Programme Delivery Assessment					