

ABM University LHB
Unconfirmed Minutes of the Performance and Finance Committee
held on 21st December 2017 in the IM&T Meeting Room, Health Board HQ

Present:

Andrew Davies	Chair (in the chair)
Emma Woollett	Vice-Chair (via Skype)
Alex Howells	Interim Chief Executive
Martin Sollis	Independent Member
Lynne Hamilton	Director of Finance
Jackie Davies	Independent Member
Kate Lorenti	Acting Director of Human Resources
Chris White	Interim Chief Operating Officer

In Attendance:

Darren Griffiths	Assistant Director of Strategy
Val Whiting	Acting Assistant Director of Finance
Samantha Lewis	Assistant Director of Finance
Rob Royce	Director of Recovery and Sustainability
Dorothy Edwards	Deputy Director of Recovery and Sustainability
Liz Stauber	Committee Services Manager
Matthew John	Assistant Director of Informatics (for minute 88/17)
Lee Morgan	Head of Information (for minute 88/17)
Hamish Laing	Medical Director (for minute 88/17)
Emily Smith	ABMU Informatics (for minute 88/17)

Minute	Item	Action
83/17	APOLOGIES Apologies were received from Sian Harrop-Griffiths, Director of Strategy and Steve Combe, Director of Corporate Governance.	
84/17	WELCOME/INTRODUCTORY REMARKS Andrew Davies welcomed everyone to the meeting, in particular Val Whiting who had recently joined the organisation as the interim assistant director of finance.	
85/17	MINUTES OF PREVIOUS MEETINGS The minutes of the meeting held on 14 th November 2017 were received and confirmed as a true and accurate record.	

86/17 MATTERS ARISING**(i) 68/17 Capital Programme**

Andrew Davies asked whether the queries surrounding the approval ability of the investment and benefits groups had been resolved. Lynne Hamilton advised that the decisions made to date by the group had been in-line with standing orders but a report was to be received by the board in January 2018 which detailed plans to review the decision making capacity of the capital committees and the investment and benefits group.

(ii) 71/17 Continuing Healthcare

Andrew Davies queried whether a final decision had been made in relation to the pooled budgets and the expectations in relation to Bridgend given the proposed boundary changes. Emma Woollett advised that the matter of pooled budgets had been discussed at a recent meeting of vice-chairs with the Cabinet Secretary and a 'roadshow' was to take place in the new year. Darren Griffiths undertook to discuss the matter with the Director of Strategy and Assistant Director of Strategy to determine if any further information had been received or whether further clarity needed to be sought by the Western Bay Regional Partnership Board.

DG

87/17 ACTION LOG

The action log was **received** and **noted**.

88/17 DIGITAL BALANCED SCORECARD

Hamish Laing, Emily Smith, Lee Morgan and Matthew John were welcomed to the meeting.

A report and presentation outlining the digital balanced scorecard were **received**.

In introducing the balanced scorecard, the team highlighted the following points:

- The balanced scorecard was a work in progress to seek the committee's feedback and comments;
- It was divided into four quadrants; people, operations, finance and governance and customers and stakeholders (specifically including quality);
- The 10th working day would be set as a single cut-off date for all datasets, recognising that the information in relation to 'operations'

- needed to be in real-time;
- The dashboard would enable all business intelligence to be held in one place to provide consistent reporting data;
- It was envisaged that the dashboard would be used by the board, Performance and Finance Committee and the delivery units on a monthly basis to monitor performance, make decisions, seek assurance and plan for the future;
- 40 indicators had been selected in the first instance but these could be added to or removed depending on what users felt was beneficial;
- The dashboard would identify trends and trajectories and also highlight any service changes responsible for outliers in data;
- Multiple indicators could be selected for comparison or to determine correlation;
- Using an electronic system enabled charts and data to be directly input into various documents for reporting;
- The aim was for the dashboard to be 'live' from 1st April 2018.

In discussing the report, the following points were raised:

Andrew Davies complimented the system, adding that that the lack of real-time reporting had been a concern for the board for some time. He asked if the relationship established with colleagues in the North Midlands trust had assisted with the development of the system. Hamish Laing advised that while elements were similar, the technology differed. He added that the aim for the health board was to be more prudent in its reporting and relate it to ward to board assurance.

Emma Woollett welcomed the dashboard and added that the 'traffic light' system for the run charts would be useful to have on the front page, however it should be acknowledged that the 'red, amber, green' system would not work for all indicators. She stated that it might be useful to have a list of the indicators for which it was relevant. Hamish Laing responded that the health board was a member of the Advisory Board which was providing advice as to 'best practice' intelligence systems in the UK therefore the suggestion could be discussed with that organisation to determine what others were doing in this area.

Chris White acknowledged the 10th working day cut off for datasets but queried the amount of real-time data available. Lee Morgan stated that each indicator had significant current data available, for example performance in relation to the four-hour unscheduled care target was updated every 24 hours.

Darren Griffiths advised that the development of the dashboard would be reflected in the performance reports produced for the board and its sub-

committees. Lee Morgan added that once the dashboard was fully developed, it could be used 'live' during meetings to provide real-time data.

Martin Sollis referenced the recently developed ward to board dashboard and queried how the experience of the staff using it had been taken into account to create the business intelligence system as the objectives needed to be aligned and verified. Lee Morgan advised that work was being undertaken with the delivery units to determine what needed to be measured as part of the ward to board dashboard to ensure they were aligned.

Andrew Davies commended the team's work to date, adding it was a good example of the health board's commitment to working digitally.

LS

Matthew John suggested that the presentation be circulated for committee members to provide comments or feedback. This was agreed.

Resolved:

- The report be **noted**.
- The presentation be circulated to committee members for comment.

LS

89/17

FINANCIAL POSITION UPDATE

A report regarding the financial position was **received**.

In introducing the report, Lynne Hamilton highlighted the following points:

- The overspend currently stood at £24.4m which was close to the required run rate for control target of £36m;
- Not all of the savings expected from the capacity redesign workstream would be realised in this financial year;
- Pay expenditure had decreased however variable pay had been under pressure since November 2017 as a result of service pressures and the medical agency cap;
- The delivery units had a greater understanding of their variable pay expenditures and this was a positive development;
- The vacancy control panel was reducing the number of administration and clerical vacancies which were filled;
- In relation to non-pay expenditure, the most challenging area was the spend on drugs, particularly the volatility with regard to primary care costs;
- £500k had been originally allocated for winter pressures and an additional £1.5m had now been identified to mitigate any risks of increased service pressures. Surge capacity was also regularly reviewed to ensure it was still required.

In discussing the report, the following points were raised:

Martin Sollis queried if any issues had been escalated as a result of the medical agency cap. Alex Howells advised that no service risks had been reported but a number of breaches had occurred which was to be expected for the first month as a number of commitments had already been made and a number had also been agreed for the Christmas bank holidays. Chris White added that actions were being taken to mitigate the size of the breaches with reduced rates being negotiated.

Martin Sollis queried the confidence level that the monies allocated for winter pressures were sufficient. Samantha Lewis advised that it was in-line with the requirements of previous years but it was being monitored on a weekly basis. Alex Howells added that it had been made clear to the units that the service redesign work to close wards had established a new baseline and any additional beds over this period were surge capacity only rather than permanent additions.

Emma Woollett commented that the work to reduce the requirements for administration and clerical posts was impressive but it was important the message was given that this was impacting on the corporate 'core' of the organisation and was not limited to the units. Alex Howells added that this was an opportunity to reconsider the roles of administration and clerical staff to develop and streamline roles to provide a more flexible workforce. Kate Lorenti stated that Morrision Hospital was undertaking a review of administration and clerical roles to consider workforce models.

Andrew Davies noted that in previous years, it was only at this point that the financial position was addressed, adding that through Alex Howell's leadership and the work of Lynne Hamilton and her team, a 'grip' on financial management and reporting was evident. He added this was a further example of how the health board used a robust focus to improve.

Resolved: The report be **noted**.

90/17 ACTION PLAN TO £36M

The action plan to achieve the £36m control target was **received**.

In introducing the report, Lynne Hamilton highlighted the following points:

- The committee and the board approved the plan in September 2017;
- The red and black saving programmes had reduced by £5m as a result of schemes yet to be realised within the workforce and capacity redesign workstreams;
- Several risks identified in an earlier iteration of the plan had been resolved, releasing the monies allocated, and a management plan

was in place for the risks which remained;

- Consideration was required as to how the workforce agenda would be supported to provide services using different skill mixes;
- The service redesign work needed to progress as soon as possible to provide the baseline for 2018-19 and engagement was to be undertaken with ABM Community Health Council.

In discussing the report, the following points were raised:

Andrew Davies paid tribute to the work of Lynne Hamilton and her team, adding it had enabled the board to make a number of key decisions.

Martin Sollis queried whether Welsh Government had been advised of the reserves position. Samantha Lewis confirmed that it had, adding that a draft reserves policy was to be brought to the committee in January 2018.

Emma Woollett queried if the 'at risk' schemes in relation to the capacity redesign work definitely would not be achieved. Alex Howells advised that they would 'slip' to the next financial year however they had not been identified until late into 2017-18 and had been dependent on other opportunities. She added that this had provided good examples and lessons learned to take forward to next year.

Resolved: The report be **noted**.

91/17 WORKFORCE METRICS UPDATE

A report providing an update in relation to workforce metrics was **received**.

In introducing the report, Kate Lorenti highlighted the following points:

- Sickness absence rates stood at 5.56% which was a concern;
- The target of 5% by March 2018 would not been reached for sickness performance and consideration needed to be given as to how best to support staff to remain in work;
- Nursing vacancies remained high;
- In relation to 'time to recruit', the health board was performing well, but an improvement was required in relation to the time taken for managers to submit a vacancy request;
- Completion of personal appraisal and development reviews (PADR) stood at 62% against a target of 85%, but work was being undertaken with administrators to ensure the data was being input into the electronic staff record correctly;
- Compliance with mandatory training was disappointing.

In discussing the report, the following points were raised:

Andrew Davies queried if the sickness absence trend was similar across Wales. Kate Lorenti confirmed that it was and the health board's performance was not the worst in Wales. She added that an informal discussion had taken place at the all-Wales directors of workforce meeting with regard to the policy. Jackie Davies stated that while the policy needed to be followed, it was important that there was a 'balancing act' in order to enable staff to remain in or return to work more flexibly.

Andrew Davies noted the increase of disciplinary cases in July 2017 and sought an explanation. Kate Lorenti advised that new reporting had enabled identification of staff looking at family records but a consistent disciplinary process was required. Jackie Davies concurred, adding that the first step was an email warning however not all were being received by staff who continued to look at such records. She stated that managers needed to be confirming with staff that not only had they received the email but that they understood that it was a warning not to do it again.

Martin Sollis noted the number of vacancies and queried to what extent had workforce been considered as part of the service redesign process. Kate Lorenti responded that the delivery units had been asked to consider service transformation and plans were to be submitted in January 2018 to consider what workforce requirements were needed to support them. Samantha Lewis added that the number of nursing vacancies had already reduced as a result of service redesigns.

Emma Woollett complimented the report but noted that the health board's sickness absence rate was significantly higher than that of English trusts. She queried what was being undertaken to ensure that the mandatory training for staff was kept to the minimum required for their roles. Kate Lorenti advised that this had been considered two years ago to ensure it was accurate but it was time to review the position. She added that the majority was now available online and did not require a significant amount of time to complete, especially as a phone 'application' was now available.

Andrew Davies commented that it was pleasing to see the turnover of nursing staff reducing and queried whether exit interviews were being undertaken for those who did leave. Kate Lorenti stated that there was no central resource for undertaking exit interviews therefore priority was given to nursing staff who had been in post for less than two years as this was the staff group most likely to move on.

Andrew Davies noted that compliance with mandatory dementia training was low. Kate Lorenti advised that all new staff completed the training as part of the induction process but undertook to find out more details as to the lack of compliance.

KL

Resolved: - The report be **noted**.

- Clarity be sought as to the low compliance with dementia training. **KL**

92/17 **SUMMARY OF HALF-YEAR PERFORMANCE REVIEWS**

A report providing a summary of the half-year performance reviews was **received**.

In introducing the report, Darren Griffiths highlighted the following points:

- Where possible an independent member was present at the performance reviews;
- Prior to each review, the units were given a detailed performance statement to which they then responded at the meeting;
- Not all of the targeted intervention areas were discussed at every performance review as other fora may have met at a similar time to discuss such data;
- Infection control had been the main focus of the quarter two reviews as this was where the issues in performance had been evident;
- Work was progressing to include SMART actions.

In discussing the report, the following points were raised:

Emma Woollett stated that it was useful for the committee to see the overall picture and she endorsed the use of SMART targets, adding that cross-unit working should also be encouraged.

Andrew Davies queried whether it was felt that having independent members at the reviews added value. Alex Howells advised that they had not been in attendance at every review due to availability but those who had attended a meeting had maintained an 'observer' status for much of the session with an opportunity ask questions at the end. Emma Woollett commented that this approach had been crucial as otherwise there would have been a risk of 'blurring the lines' of the executive team's role.

Resolved: The report be **noted**.

93/17 **DELAYED TRANSFERS OF CARE**

A report providing an update in relation to delayed transfers of care was **deferred** in order to be included as part of the unscheduled care 'deep dive' at the next meeting.

CW

94/17 **PLANNED CARE DEEP DIVE**

A presentation outlining performance in relation to planned care and referral to treatment time (RTT) was **received** and highlighted the following points:

- Corporate planned care objectives had been established at the beginning of 2017-18 for the health board to deliver efficiency and productivity and RTT performance was a symptom of areas where this had not been achieved;
- The test now was to determine how well some elements of the plan had been implemented and the lessons learned;
- There were five main areas of the national planned care programme as well as a number of sub-groups which were clinically-led;
- Recovery and sustainability needed to be integrated within the health board's demand and capacity plans;
- There were a number of performance targets which the health board was required to meet;
 - 95% of patients to receive treatment within 26 weeks;
 - No patient to wait more than 36 weeks for treatment;
 - No diagnostic test wait to be more than eight weeks;
 - Aim to reduce 'delayed follow-up' numbers;
- The health board's performance in relation to 36 weeks was the second worst in Wales and there were a large number of patients waiting more than 52 weeks, however this was reducing;
- ABMU's diagnostic performance compared well across Wales and would be close to nil patients waiting at year-end;
- The non-achievement of the RTT target for 2016-17 had resulted in a 'claw back' of additional monies by Welsh Government and an independent review of that year's waiting list by another health board had identified missed opportunities to consider this year;
- A plan had been established for all performance targets for 2017-18, detailing baselines which the delivery units were tasked to develop plans to improve;
- The work required to deliver the plan required funding of £10m;
- A revised year-end plan was now in place which required no more than 1,000 patients to be waiting for 26 weeks, 36 weeks to be no more than 2,640 patients waiting (although the current plan stood at 3,145) and the 52 week position to not deteriorate below that of quarter one. Performance was on track for nil waiting for diagnostics and therapy services;

- Discussions were to be undertaken between Lynne Hamilton and Chris White to understand the relationship between activity, performance and finance and units were to be held more to account;
- A number of actions were in place for the next quarter and the delivery units needed to be given the tools to make decisions;
- Engagement was being undertaken with clinicians;
- Consideration was required as to whether to recruit substantive theatre staff for a number of Singleton Hospital theatres which were currently under-used;
- A number of theatre efficiency policies were not being implemented correctly and this needed to be addressed;
- Consideration needed to be given to replacing traditional outpatient services to make best use of time and resources;
- The health board's Medical Director had a focus on patients waiting a significantly long time as not only did this impact on performance, it was providing a poor patient experience;
- The NHS Wales executive board was looking to fund 'transformational ideas' and as such, the health board needed to consider innovative plans for the coming year.

In discussing the report, the following points were raised:

Andrew Davies advised that the all-Wales chairs' group had received several presentations from the national planned care programme and felt it was an opportunity to share best practice of other health boards. He added that there should be an appetite for regional solutions and to apply some of the lessons identified as part of the financial and cancer performance improvement work.

Martin Sollis noted that a significant amount of work was being undertaken to achieve the targets and there was more confidence that those set by Welsh Government were achievable. He added while there was a lot work still to be undertaken, there was now a degree of optimism as well as something to build on for the following year.

Emma Woollett stated that efficiency and productivity were fundamental but it would require significant cultural change to treat patients chronologically. Chris White concurred, adding that it was in the health board's 'gift' to treat the cohort of patients within the next quarter differently. He added that there were options to provide services differently out-of-hours or through 'in-sourcing'. Andrew Davies requested that a report be received in relation to this early in January 2018. This was agreed.

CW/KL

Resolved: - The report be **noted**.

- A report be received early in January 2018 in relation to providing services differently out-of-hours or through 'in-sourcing'. **CW/KL**

95/17 INVEST TO SAVE UPDATE

A report providing an update in relation to applications for Welsh Government's 'invest to save' scheme was **received**.

In introducing the report, Lynne Hamilton advised that confirmation had recently been received from Welsh Government that seven of the applications had been approved.

Resolved: The report be **noted**.

96/17 ANY OTHER BUSINESS

There was no further business and the meeting was closed.

97/17 DATE OF NEXT MEETING

The next scheduled meeting was noted to be 24th January 2018.