ABM University LHB
Unconfirmed Minutes of the Performance and Finance Committee
held on 28th November 2018
in the Millennium Room, Health Board HQ

Present:

Emma Woollett	Vice-Chair (in the chair)
Sam Lewis	Assistant Director of Finance (until minute 252/18)
Maggie Berry	Independent Member
Dorothy Edwards	Deputy Director of Recovery and Sustainability (until minute 252/18)
Val Whiting	Assistant Director of Finance (until minute 252/18)
Martin Sollis	Independent Member
Chris White	Chief Operating Officer
Lynne Hamilton	Director of Finance (until minute 252/18)
Siân Harrop-Griffiths	Director of Strategy
Hazel Robinson	Director of Workforce and Organisational Development (OD)
Darren Griffiths	Associate Director - Performance

In Attendance:

Nicola Johnson	Head of IMTP (integrated medium term plan) Development (for minute 251/18)
Liz Stauber	Committee Services Manager
Malcolm Thomas	Assistant Director – Recovery and Sustainability (from minute 253/18 to 256/18)
Jason Crowl	Unit Nurse Director, Primary Care and Community Services (for minute 252/18)

Minute	Item	Action
246/18	**APOLOGIES** Apologies were received from Jackie Davies, Independent Member.	
247/18	**DECLARATIONS OF INTEREST** There were no declarations of interest.	
248/18	**MINUTES OF PREVIOUS MEETINGS** The minutes of the previous meeting were **received** and **confirmed** as a true and accurate record, except to note the following amendment: 235/18 Monthly Performance Report	

Emma Woollett stated it would be useful for the committee to receive monthly updates on the issue but with *the expectation that progress on the strategic direction would take some time.*

248/18 MATTERS ARISING

There were no matters arising.

249/18 ACTION LOG

The action log was **received** and **noted** with the following updates:

Action Point Two

Emma Woollett queried as to whether there was a regular dialogue with the communications team in relation to finance and performance. Sam Lewis advised that a process was starting to develop in order to ensure the messages were being publicised appropriate. Dorothy Edwards added that the next recovery and sustainability bulletin to staff would have a finance focus.

Action Point Three

Chris White confirmed that he had met with the emergency medicine and quality improvement leads at Morriston Hospital to discuss new models of workforce to support the service out-of-hours. Emma Woollett commented that it would be useful to have regular updates to the committee as to progress. **CW**

Action Point Four

Chris White advised that he had asked for feedback with regard to the issues relating to staffing levels on stroke wards from the relevant units and no concerns had been raised to date. He added that he had also discussed met with speech and language therapists to discuss the issues in relation to swallowing assessments and staffing models, emphasising that it was a board-wide post.

Action Point Six

Hazel Robinson stated that nurse training places were commissioned on a national basis however the health board was proactive in taking up places allocated to but not required by other organisations to bolster its numbers.

250/18 FINANCIAL POSITION

A report setting out the monthly financial position was **received.**

In introducing the report, Sam Lewis and Dorothy Edwards highlighted the following points:

- The overall position continued to improve but the change from period seven to period eight had been marginal;
- Since the month-end closure of the ledger, confirmation had been received from Welsh Government of an additional £10m to reduce forecast deficit position to £10m;
- A deterioration in the Morriston Hospital position had been evident which had been offset by an improvement at Princess of Wales Hospital. The mental health and learning disabilities position had also deteriorated and a meeting was to take place with the unit to determine the reasons as to why;
- There had been a decrease in income due to a reduction in commissioned services activity;
- Agency spend had not decreased due to sickness levels and increased capacity. This would be analysed in more depth for the next report;
- The reduction in drug spend reflected the release of a pharmacy over-accrual;
- The risks and opportunities log had been reviewed in light of the additional monies;
- Discussions were being undertaken as to what was required to deliver planned care performance by the end of the year, which could be an additional £2.5m/£3m;
- The savings schemes continued to be pursued but plans for the following year were also now in focus;
- The units had been tasked with providing more granular recovery and sustainability plans;
- Project management resources were to be bolstered with targeted intervention resources.

In discussing the report, the following points were raised:

Emma Woollett queried the confidence that the level of cover was robust bearing in mind the level of vacancies. Sam Lewis responded that it remained static for this year but the new e-rostering system would be able to provide the detail as to the areas most using agency staff in order to encourage more upfront planning. Hazel Robinson concurred, adding that it should prevent any role which did not need to be filled from being filled via agency.

Maggie Berry sought more clarity as to the challenges preventing delivery of planned care as monies were being invested. Darren Griffiths responded

that plans had been put in place for the start of the year with external resources to support out-of-hours work, but they had been unable to undertake the work as planned, and the monies had not been invested. He added that this had provided more intelligence for the next year's plan.

Maggie Berry noted the challenges with regard to nursing staff not wishing to work out-of-hours due to a lack of enhanced pay similar to that of medical staff. She queried if there was anything which could be done to address this. Hazel Robinson responded that pay rates were agreed nationally and were something to which health boards had to adhere. However, the organisation had more discretion over its rates for bank staff and this was being used to address the issue. Darren Griffiths added that if this was achieved, it would reduce the risk and a process was currently being considered to provide more in-house solutions.

Martin Sollis stated that it was important not to lose sight of the investment into planned care this year when considering the one for next, as the additional performance monies may not be available and delivery of this target was as critical as to that of finance.

Martin Sollis commented that he would expect changes in theatre consumables to be captured via the stock system. Sam Lewis advised that a theatre stocktake was only undertaken at the end of the financial year but an invest to save bid had just been agreed for an electronic system.

Resolved: The report be **noted.**

251/18 IMTP and Financial Plan

A report and two presentations setting out the work to develop the financial and performance plans were **received.**

(i) Finance

In introducing the finance presentation Val Whiting highlighted the following points:

- The slides had been updated further since they were presented to the board the previous week;
- Welsh Government was planning a 2% uplift followed by a 1% without a performance fund;
- Consideration was needed as to how to access other elements of national funding;
- The financial plan had three phases; how to manage a reduced deficit position (phase a), how to manage growth (phase b) and high value opportunities (phase c);

- For phase a, the full year saving required was £25m, with £8.3m recurring. Following a review of the figures, the plan was £7m short for delivery confidence;
- If all the material savings plans were delivered in phase a, there would still be a shortfall of £3.8m;
- Phase b had £15.7m gap, some of which would be offset by 'skinny' budgets;
- The original savings requirement of £3.3m for phase c had been revised to £10m;
- The clinical services plan had two improvement scenarios;
    - Scenario b – consistent with 50th percentile performance against peers which was achievable in two to three years;
    - Scenario c – consistent with 75th percentile performance but was dependent on system transformation and would take up to 10 years to achieve;
- Bed impact scenarios had been developed to consider the number which could be removed against the potential savings. One scenario saw the taking out of 183 beds, saving £7.8m with the other closing 349 beds, saving around £14m;
- Insufficient data was available in terms of outpatient efficiencies but the plan had been modelled based on a 10% reduction in 'did not attends' and reduced follow-up ratio, equating to a saving of £1.4m;
- Theatre efficiency had been estimated by site under the two scenarios, equating to net savings of between £3.6m and £4.3m.

In discussing the report, the following points were raised:

Siân Harrop-Griffiths referenced the service remodelling at Singleton Hospital, noting that it did not deliver as expected, and queried if the savings level within the proposed plan was realistic. Val Whiting advised that the provisions for the Nurse Staffing Levels (Wales) Act 2016 were separate and a conversation was taking place with the units as to the need to return savings to the corporate pot as opposed to reinvesting them. Martin Sollis queried as to whether there would come a point when the budgets were reviewed in order to remove the savings which were being made. Lynne Hamilton advised that this was in progress. Val Whiting concurred, adding that it was a critical part of the governance arrangements.

Martin Sollis noted that savings had been assumed for Princess of Wales Hospital and queried as to why given the impending boundary change for Bridgend. Val Whiting advised that these were notional and were either cost neutral or supported by Welsh Government.

Siân Harrop-Griffiths referenced the bed scenarios, adding that they did not take into account the work required within primary and community services to provide the alternative services.

Martin Sollis stated that the external demand and capacity work had not identified any opportunities with regard to theatre capacity. Val Whiting advised that the plan for theatres was to move to 50 weeks usage, reducing the number in-line with the relevant bed scenarios.

Chris White commented that it was assumed that some of the figures would not be applicable until the new financial year but for some it would be beneficial to start sooner.

Emma Woollett stated that it was vital that the health board 'owned' its opportunities, particularly in relation to outpatients and theatres. She added that the bed scenarios were more transformational.

Siân Harrop-Griffiths commented that the plan provided a real opportunity to submit a transformational bid for the 'hospital to home' programme in 2021 and a business case needed to be developed.

Lynne Hamilton advised that the executive board had discussed the plan, along with that of performance, earlier that morning and the Chief Executive had been explicit as to the need to deliver a balanced plan, but for this to be a one-year plan in the interim with a view to submitting a three-year in spring 2019.

Siân Harrop-Griffiths sought clarity as to what funding assumptions from Welsh Government had been included. Sam Lewis advised that the allocation letter from Welsh Government had been received and included but consideration was needed as to what the health board structure would be like once Bridgend had transitioned to Cwm Taf University Health Board. She added that regional partnership working also needed to be strengthened.

Emma Woollett stated that as she understood it, there was currently a £10m savings gap, £5m of which could be offset through the outpatient and theatres work. She added that it was unclear as to where the remaining £5m savings would be achieved. Lynne Hamilton responded that this had to be the next area of focus and would be part of the January 2019 update to the committee and health board.

Martin Sollis commented that in addition to the things the health board should be doing, there were also things that it should stop doing and these were also opportunities to look at. Siân Harrop-Griffiths concurred, adding that the new appointments to the executive team would support this.

Emma Woollett summarised that members were supportive of the process to develop the plan to date and would be happy to receive further updates via email given the next meeting of committee was not until eight days before the submission date. She added that while not all the granularity

would be available, the committee did need a higher level of detail.

(ii) Performance

In introducing the presentation for the performance section of the plan, Darren Griffiths highlighted the following points:

- Bridgend services had not been included within the plan;
- The approach taken was on a speciality and unit basis, which had been supported by the NHS Wales Delivery Unit;
- Adjustments had been made for urgency and capacity requirements;
- The process was clear this year with regard to the investment needed for a sustainable model;
- The planned care profile for 2019-20 was 1,902 cases waiting more than 36 weeks; without an investment of £10m, this number would increase to 5,000, excluding gastroenterology cases and cardiology;
- Theatre utilisation was a significant part of the plan and the organisation's 'appetite' needed to be right;
- Good progress had been made in relation to 'treat in turn';
- There was confidence in Singleton Hospital's ability to deliver well against orthopaedics but not to a sustainable place and it was reliant on other initiatives;
- The plastic surgery model needed to be re-tested;
- A bold diagnostics model was in development but the scale of the delayed follow-ups backlog was a challenge. The aim was to get to a sustainable '0' position;
- The level of backlog for planned care needed to be agreed to eliminate 52 week waits;
- There were three potential approaches to cancer but the most favourable was a tumour-site specific approach;
- It was challenging to plan for stroke performance and more granular actions were needed for unscheduled care. More work was to be taken in these areas as well as healthcare acquired infections;
- There was a good resilience with the performance system;

In discussing the presentation, the following points were:

Emma Woollett stated that eliminating the ongoing gap through efficiency was critical to delivery.

Emma Woollett commented that if the scenarios were able to provide a robust and sustainable performance which could be delivered, it would also support financial performance as well. Darren Griffiths concurred, adding

once all the available options had been identified, the organisation would have more choices.

Martin Sollis stated that he agreed that the approach to performance was the right one as inefficiencies within the systems were inexcusable, and the organisation should be aiming to be better than it currently was. Emma Woollett concurred, adding that she felt that the right things had been included within the plan.

Emma Woollett noted that the submission date for a three-year plan would be June 2019, but the work needed to commence now to have an impact. Chris White agreed, adding that the health board had avoided a 'bounce back' of performance at the start of the current financial year and a constant validation process was being undertaken to ensure this continued.

Emma Woollett stated that if performance was not delivering, it was vital that the health board evidenced that it was continuing to take action.

Nicola Johnson advised that the assumptions needed to be tested against the financial plan as not all had been funded.

Siân Harrop-Griffiths commented that in terms of 'worst case scenarios' the plan would just maintain the current position. Darren Griffiths advised that 'push back' had been given to seek more gains within performance. Siân Harrop-Griffiths noted that Princess of Wales Hospital had been removed from the plan so an improvement was needed.

Chris White advised that work was being undertaken in Morriston Hospital to develop an assessment unit within the emergency department to assist with the four, eight and 12-hour waits.

Emma Woollett stated that both the finance and performance plans provided a more positive picture than the previous year and offered her congratulations to all involved. She added that there was still a significant amount of work to be done and consideration was needed as to the level of project management resource required. Lynne Hamilton concurred, adding that resources were needed that knew how to get into the detail in order to generate a future state. She added that the various processes needed support, such as workforce and data analysts, and the discussion had provided good feedback to relay to the executive team.

Resolved: The report be **noted.**

252/18 CONTINUING HEALTHCARE QUARTER TWO

Jason Crowl was welcomed to the meeting.

The quarter two report outlining performance in relation to continuing healthcare was **received.**

In introducing the report, Jason Crowl highlighted the following points:

- There was an increased focus within the local authorities with regard to pooled budgets;
- The changes in bed provision within mental health services was increasing the continuing healthcare requirements within primary and community services for one-to-one care;
- A deep dive of expenditure within mental health was to be undertaken in quarter three;
- The number of continuing healthcare users had dipped over the summer but was now increasing, which was impacting on the number of available care home beds;
- A higher overspend was now being predicted due to increased costs within mental health and learning disabilities and primary and community services;
- Work was being undertaken to determine the impact of the upcoming boundary change.

In discussing the report, the following points were raised:

Maggie Berry noted that some patients were outside of Wales for their continuing healthcare placements and queried the work being undertaken to bring them closer to home. Jason Crowl stated that the majority were mental health and learning disabilities patients and work was being undertaken to understand all the cases. He added that the intention for the next iteration of the report was to include a breakdown of the costs.

Maggie Berry queried if there was a general issue in relation to older persons. Jason Crowl advised that the adult framework was to change the following year, with a different focus in terms of complexity. He added that in relation to older people, they tended to need more specialist, one-on-one care than elderly medicine services could provide.

Maggie Berry sought further details as to the transition process from patients moving from children's services to adult. Jason Crowl responded that generally with children's services, there were elements of personal care provided and the care had to support children into the transition into adulthood. He undertook to provide further details as to the numbers of patients who transition in a future report.

JC

Emma Woollett complimented the report, adding that it provided a clearer picture of a technically complex process and how it provided for patients. Chris White concurred, adding his thanks to Jason Crowl for providing such clarity.

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

- Details of the numbers of patients transitioning from children's services to adult be included in a future iteration. **JC**

253/18 MONTHLY PERFORMANCE REPORT

The monthly performance report was **received**.

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

- Some of the figures were in draft due to the timing of the meeting;
- Positive feedback had been received at the joint executive team meeting with Welsh Government;
- The 36 week planned care position had improved by 180 cases in November 2018 and the outpatient position was under control. It was planned for the trajectory to 'kick up' in December 2018 with a goal of 3,045 but it was around 3,120 currently.
- Stroke performance remained strong and was starting to show resilience;
- The cancer trajectory was improving;
- There had been fewer attendances to the emergency department during the period however the number of emergency admissions had not reduced;
- The four-hour wait metric had remained 'flat' for a number of months and need to improve to the 80s;
- The one-hour and 12-hour waits remained high but were better than previous years.

In discussing the report, the following points were raised:

Chris White advised that a meeting was taking place with the units that evening to further discuss planned care performance and discussions had been undertaken with Welsh Government quality and delivery leads to discuss the plans on a cohort by cohort basis.

Maggie Berry noted that the majority of cases were orthopaedic. Darren Griffiths concurred, adding it was around 1,900 cases.

Martin Sollis stated that based on the numbers predicted for December 2018, there should assurance that the health board would avoid clawback of planned care monies. He queried given this was a period of high pressure for the health board, was there confidence that the target of 2,600 would be achieved by the end of the year. Chris White advised that the position was not without its challenges but it was hoped that the right process was now in place to deliver. Darren Griffiths added that there had been plans for a number of cases to be outsourced in quarter three but the

circumstances had changed, however alternative arrangements were in place for quarter four.

Martin Sollis stated that it was encouraging to see the healthcare acquired infection performance improving.

Maggie Berry commented that performance in relation to discharge summaries was disappointing. Darren Griffiths responded that this area of the report was under review as not all specialties provided summaries but yet were included in the figures, so a way to isolate them was required. Emma Woollett referenced the discharge information group, adding that it should be considering such issues.

Emma Woollett stated that she had had a discussion with the health board's Chairman with regard to the organisation's values being incorporated into workforce processes, such as personal appraisal and development reviews (PADR). Hazel Robinson responded that while the health board was implementing a values-based PADR process, it was not universally tested as to how staff were working to the values. Emma Woollett suggested that the content of workforce processes be reviewed in due course with a view to incorporating the organisation's values, particularly recruitment and PADRs. This was agreed. **HR**

Martin Sollis noted that the vacancy metric was based on a single month, adding that it would be useful to see trends as part of the planning process for the upcoming year.

Resolved:

- The report be **noted.**
- The content of workforce processes be reviewed in due course with a view to incorporating the organisation's values, particularly recruitment and PADRs **HR**

254/18 MEDICAL AGENCY CAP

A report setting out compliance against the medical agency cap was **received.**

In introducing the report, Hazel Robinson highlighted the following points:

- Agency usage had increased by 800 hours;
- The report broke down usage by grade but the costs for the reporting period were to be reviewed as they had increased by £400k, which seemed out of proportion;
- The majority of the breaches were middle-grade doctors for which the breach was marginal, for example £20, and this was to be the focus of a specific piece of work to bring the cap rate down;

- Meetings were to take place with Chris White and the Medical Director to discuss ways in which to reduce usage and expenditure to support the units to understand the gravity of the situation. As part of the conversation, the approval process for agreeing payments over the cap were to be reviewed to understand local processes;
- Work was required in relation to recruitment and retention and a strategy was to be presented to the Workforce and OD Committee in January 2019 to reduce vacancy levels, which included a 'design your own job' initiative.

In discussing the report, the following points were raised:

Chris White advised that he had met with the medical human resources manager to discuss the unusual increase in costs to determine whether it was inclusive of pre-booked shifts, in which case the costs should be lower the following month. He added that this was to be considered as part of the re-calculation of the costs.

Martin Sollis referenced the work being undertaken by Kendall Bluck Consulting with regard to staffing within the Morriston Hospital emergency department and queried if the report would be ready in January 2019, given the length of time that the process had been taken. Hazel Robinson responded that it had a significant amount of time to commission the work in order to comply with the procurement process, and the company was currently undertaking an off-site analysis of data before spending time in the department. She added that initial feedback was expected in January 2019 followed by the report in February 2019.

Resolved: The report be **noted.**

255/18 THEATRE EFFICENCY

Malcolm Thomas was welcomed to the meeting.

A report providing an update in relation to the work to improve theatre efficiency was **received.**

In introducing the report, Malcolm Thomas highlighted the following points:

- The committee's feedback following the report to the October 2018 meeting had been shared with the units and action plans had been developed;
- More work was required round the trajectories and plans for 2019-20;
- The theatre efficiency board met in November 2018 and had developed a number of further improvement actions;

- Previously the theatre team was one entity but upon the creation of the units, responsibilities had been devolved, which in some cases was proving challenging. As a result, a working collaborative of the three teams had been established;
- Plans were in place to move theatre personnel to support other areas when their lists were cancelled due to service pressures;
- Data quality continued to be a challenging area;
- A small task and finish group was to be established to determine how to provide assurance to clinical teams;
- Demand and capacity modelling was to be undertaken to determine the theatre performance trajectory for 2019-20;
- There was currently a high sickness level and work was being undertaken to reduce this.

In discussing the report, the following points were raised:

Martin Sollis commented that actions needed to be quantified and implemented in order to see what could be achieved and what the inefficiencies were. He queried as to whether there were opportunities in relation to changing the role of some of the units. Chris White advised that the clinical services plan would consider the roles of the hospitals against the current position. He added that the Bridgend boundary change would also provide an opportunities, for example, consideration could be given to developing Neath Port Talbot Hospital into an elective centre.

Emma Woollett stated that there was no reason why theatre lists should be starting late and/or finishing early. Maggie Berry concurred, adding that the target of 60% starting and finishing on time should be tighter. Malcolm Thomas advised that the targets were not currently aspirational but were something to work towards in the first instance.

Maggie Berry noted the ‘unreasonable behaviour’ cited as one of the challenges and sought further details. Hazel Robinson concurred, adding that she was not aware of such issues and queried as to whether these needed to be escalated. Malcolm Thomas advised that until recently, the theatre efficiency board had not had a regular clinician in attendance, but this had since changed and it was hoped that this would strengthen clinical engagement. He added that the unit medical directors were also in attendance and could relay any issues or feedback discussed.

Sian Harrop-Griffiths raised concern that some of the efficiency targets were over-ambitious and queried as to whether the service needed project management resources to progress. Malcolm Thomas responded that project management resources would assist but in the meantime, it was critical that staff were moved should their own lists be unable to take place.

Chris White commented that the 'suite' of metrics were sensible but could not be compared with services within England, as those did not cancel patients on the day of the operation. He added that within Wales, this was common practice to give a patient the maximum chance of having the procedure. Martin Sollis queried as to whether patients remained admitted until their procedure could be undertaken. Chris White advised that this was only the case when there was a list the following day which the patient could be potentially added to.

Darren Griffiths advised that cancellations on the day was an important metric as it was lost capacity and these needed to be addressed with some urgency.

Maggie Berry stated that there was a link between patient cancellations and the pre-operative assessment. Malcolm Thomas responded that the review of the pre-operative process was complete and the Swansea hospitals were out to consultation with a view to centralising the service at Morriston Hospital. He added that the new guidelines for clinicians and anaesthetists to determine whether patients were medically ready for the procedure had also been implemented.

Emma Woollett commented that the work needed to align with the performance and financial plan and more granularity was also needed.

Resolved: The report be **noted.**

256/18 MONTHLY VACANCY PANEL DECISIONS

A report setting out the decisions of the monthly vacancy panel was **received** and **noted.**

257/18 PERFORMANCE AND FINANCE COMMITTEE WORK PROGRAMME 2018/19

The 2018/19 work programme was **received** and **noted.**

258/18 ANY OTHER BUSINESS

There was no further business and the meeting was closed.

259/18 DATE OF NEXT MEETING

The next scheduled meeting was noted to be 22nd January 2018.