



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



Meeting Date	26th September 2018	Agenda Item	3b
Report Title	Update on POW Deep Dive Recovery Actions		
Report Author	Mandy Pady – Unit Finance and Business Partner		
Report Sponsor	Jamie Marchant – Service Director		
Presented by	Jamie Marchant – Service Director		
Freedom of Information	Open		
Purpose of the Report	<p>As requested at the Committee meeting held on 22nd August 2018 this report provides an update to members on the progress of actions identified in the Deep Dive Review as being delivered by the Princess of Wales Hospital Deliver Unit, and the financial trajectory linked to these actions.</p> <p>In addition it seeks to outline the further progress made by the Unit to develop proposals and plans to deliver the £2.5m control total set.</p>		
Key Issues	<p>By the end of Quarter 1 it was clear that the Princess of Wales Hospital Delivery Unit was facing significant financial challenges and was reporting a high level of over spending against budget.</p> <p>As a means of assessing the financial risks and opportunities and providing assurance about the financial governance within the Unit a corporate led “Deep Dive” financial review was commissioned.</p> <p>As part of this process the Unit team outlined actions that they were already progressing. These actions have been quantified as £0.5m. Whilst the impact of these actions was already built into the Unit Year-end projection at the time of the meeting a detailed trajectory has since been developed.</p> <p>Since the FPC meeting at which the request for this update was made, the Delivery Unit has been set a control total of £2.5m linked to the Welsh Government’s requirement that the Health Board deliver a £20m year-end position.</p> <p>In order to deliver this challenging position the Unit has developed a plan that includes both new actions that</p>		

	services have identified as part of the ongoing recovery program and options, including those highlighted by the “Deep Dive” and others, that require support from the wider organisation to be progressed.			
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance	Approval
	✓			
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • NOTE the progress made on the Delivery Unit actions identified • NOTE that whilst there are savings associated with these actions as outlined, these were already being progressed prior to the Q1 review and included in the Delivery Unit year end forecast position of £3.2m. • NOTE the further progress made to deliver the £2.5m control total target 			

Update on POW Deep Dive Recovery Actions

1. INTRODUCTION

As requested at the Committee meeting held on 22nd August 2018 this report provides an update to members on the progress of actions identified in the Deep Dive Review as being delivered by the Princess of Wales Hospital Delivery Unit, and the financial trajectory linked to these actions.

In addition it seeks to outline the further progress made by the Unit to develop plans to deliver the £2.54m control total set.

2. BACKGROUND

By the end of Quarter 1 it was clear that the Princess of Wales Hospital Delivery Unit was facing significant financial challenges and was reporting a high level of over spending against budget.

As a means of assessing the financial risks and opportunities and providing assurance about the financial governance within the Unit a corporate led “Deep Dive” financial review was commissioned.

This work identified a number of actions that were being taken by the Delivery Unit Team plus further areas where support from the wider organisation would be required to resolve them. These, along with the detail of the review, were presented at the August meeting of this Committee where the Delivery Unit was tasked with providing an update and financial trajectory on the actions within its gift to deliver.

Update on Actions and Financial Trajectory

The table below provides an update and details of the associated savings / cost reductions linked to the DU actions.

	September	October	November	December	January	February	March	2018/19	Notes
CSS									
Appointment of Substantive Anaesthetists	-	-	-	-	6,000	11,000	11,000	28,000	
Critical Care Sickness Review		23,000	23,000	23,000	23,000	23,000	23,000	138,000	
Radiology Workforce Redesign	3,600	2,700	4,240	3,970	15,825	15,225	12,918	58,478	
Review of Drugs Costs		1,000	1,000	2,000	1,500	1,000	1,000	7,500	
Total Savings CSS Actions	3,600	26,700	28,240	28,970	46,325	50,225	47,918	231,978	
Surgery									
Urology Sickness	-	-	-	-	-	-	-	0	Currently no planned return
Obs& Gynea Recruitment	1,820	1,820	9,246	11,386	17,957	17,957	17,957	78,143	
T&O Recruitment		10,403	13,479	13,479	13,479	13,479	13,479	77,798	
Ward Recruitments		12,813	14,749	14,749	14,749	14,749	14,749	86,558	
Total Savings Surgery Actions	1,820	25,036	37,474	39,614	46,185	46,185	46,185	242,499	
Medicine									
Ward 18 Recruitment			1,400	1,400	1,400	1,400	1,400	7,000	
Temporary Ward Closure	33,600							33,600	
Bariatric Patient	6,000	6,000	6,000	6,000	6,000	6,000	6,000	42,000	
ECG Consumables	-	-	-	-	-	-	-	0	Robust procedure already managed by DFMT
Total Savings Medicine Actions	39,600	6,000	7,400	7,400	7,400	7,400	7,400	82,600	
DU Wide									
Review of Blood Products								TBC	Part of Corporate HB wide Non Pay Deep dive process
Total Cost Savings Delivered through DU Actions already in Forecast	45,020	57,736	73,114	75,984	99,910	103,810	101,503	557,077	

As can be seen the actions will result in an improvement in the financial performance of the unit however it is important to note that ALL these actions were already in progress and consequently were incorporated in year-end projection of £3.2m.

Update on Further Actions to Deliver Control Total

Since the meeting at which the request for this information was made the Delivery Unit has been set a control total of £2.54m linked to the Welsh Government's requirement that the Health Board deliver a £20m year-end position.

In order to deliver this challenging position the Unit has developed a plan that includes both new actions that services have identified as part of the ongoing recovery program and options highlighted by the "Deep Dive" that required support from the wider organisation to be progressed.

The table below outlines these proposals.

Proposal	Value £000	Risk Rating
Initial Year End Projection	3,183	
Sustainable Site Management Model	(44)	Low
Investment in HSDU Core Capacity	TBC	High (risk linked to HR uncertainties)
Cease 3 Unfunded Theatre Sessions	(60)	Low
Cease Urology Out of Hours Service at POW	(206)	Medium
Review funding position of Radiology Sessions in NPT	(151)	High (if decision is to cease cover NOT fund)
ED V&A Training fund through corporate endowments	(12)	Medium
Cease Obs and Gynae agency cover	TBC	High
Cardiac Capacity Increase	(170)	Medium
Parkinsons PKD Monitoring	(6)	Medium
Revised Year End Projection	2,537	

Note Risks are rated as follows:

Low = Entirely in Unit control

Medium = Quality, safety and delivery risk low but needs Organisational support

High = Quality, safety and delivery risk high

3. GOVERNANCE AND RISK ISSUES

A key requirement set out to Units when developing their plans was to ensure that prior to decisions being taken any quality and safety implications had been considered.

The quality and safety implications of all service change proposals included in the POWHU plan to deliver the control total have been assessed, documented and agreed by both Service Group Managers and Clinical Directors. This work was shared as part of the submission process.

4. FINANCIAL IMPLICATIONS

The financial implications of the Delivery Unit actions identified in the Q1 review have been detailed in the body of the report, were included in the existing year-end financial assessment and as such were already included in the £3.2m projection.

Should the Delivery Unit be supported to take all the further recovery actions identified it has a high level of confidence in the delivery of the control total.

5. RECOMMENDATIONS

Members are asked to:

- **NOTE** the progress made on the Delivery Unit actions identified
- **NOTE** that whilst there are savings associated with these actions as outlined, these were already being progressed prior to the Q1 review and included in the Delivery Unit year end forecast position of £3.2m.
- **NOTE** the further progress made to deliver the £2.5m control total target

