

**Swansea Bay University Health Board**  
**Unconfirmed Minutes of the Performance and Finance Committee**  
**held on 19<sup>th</sup> November 2019**  
**in the Millennium Room, Health Board HQ**

**Present:**

Reena Owen	Independent Member (in the chair)
Martin Sollis	Independent Member
Nuria Zolle	Independent Member
Maggie Berry	Independent Member
Chris White	Chief Operating Officer/Director of Therapies and Health Science
Lynne Hamilton	Director of Finance
Mark Child	Independent Member
Siân Harrop-Griffiths	Director of Strategy
Darren Griffiths	Associate Director of Performance

**In Attendance:**

Hannah Evans	Director of Transformation
Pam Wenger	Director of Corporate Governance
Sam Lewis	Assistant Director of Finance
Val Whiting	Assistant Director of Finance
Michelle Shorely	Assistant Director of Finance
Dorothy Edwards	Deputy Director of Recovery and Sustainability (from minute 192/19)
Liz Stauber	Interim Head of Corporate Governance

Minute	Item	Action
185/19	<b>WELCOME AND APOLOGIES</b>	
	Reena Owen welcomed everyone to the meeting. No apologies for absence were received.	
186/19	<b>DECLARATIONS OF INTEREST</b>	
	There were no declarations of interest.	
187/19	<b>MINUTES OF PREVIOUS MEETINGS</b>	
	The minutes of the meeting held on 22 <sup>nd</sup> October 2019 were <b>received</b> and <b>confirmed</b> as a true and accurate record.	
188/19	<b>MATTERS ARISING</b>	

There were no matters arising.

**189/19 ACTION LOG**

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

**190/19 MONTHLY PERFORMANCE REPORT**

The monthly performance report was **received**.

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

- Unscheduled care remained under significant pressure, with ambulance handovers and red-response calls challenged and the main elements of the improvement plan not due to take affect until December 2019;
- In relation to healthcare acquired infections, *clostridium difficile* performance was above profile even though it had been scheduled to dip in October 2019;
- There were improvements noted within the workforce metrics, with statutory and mandatory training compliance at 79.6% and PADR (personal appraisal and development review) compliance at 67%;
- Planned care performance continued to be significantly affected by the operational pressures, with challenges faced in outpatients, inpatients and day cases. However diagnostics, endoscopy and therapy waits were performing well;
- Stroke performance remained stable, with cancer access reaching 86% in September 2019.

In discussing the report, the following points were raised:

Nuria Zolle queried if the cross-organisation demand and capacity requirements were known in order for the health board to know whether it was prioritising appropriately. Darren Griffiths responded that modelling was undertaken at the start of the year for cancer and planned care by speciality and tumour site. Chris White added that work was being undertaken to align the unscheduled care demands on the front door to determine capacity needs. He stated that in terms of prioritisation, this was a challenge, but cancelling cancer operations was always the last course of action taken. Siân Harrop-Griffiths advised that three years previously, specific work demand and capacity and bed requirements had been reviewed through externally commissioned work, which had been used as part of the planning process for the clinical services plan and service remodelling.

Mark Child commented that focussing purely on percentages could sometimes mask what was actually occurring and queried if more people were attending the emergency departments, as this would prevent the interventions from having a full impact. Chris White stated that the issues were predominantly related to the system and the challenge was to achieve the four-hour wait targets. He added that more work was being undertaken by primary care and the Welsh Ambulance Services NHS Trust (WAST) to prevent unnecessary conveyances to hospital, therefore the patients who were attending had high acuity levels. He added that initiatives such as hospital to home and early supported discharge would help with the flow from the wards to the 'back door' which would provide capacity for new patients.

Martin Sollis stated that performance within the targeted intervention areas was deteriorating despite the board supporting revised ones, as the actions in place appeared to be the right things to do. He queried if Welsh Government and the NHS Wales Delivery Unit remained supportive of the action. Reena Owen concurred and queried if the position was similar across Wales. Chris White advised that all health boards' performance positions were deteriorating but Swansea Bay University Health Board's was doing so at a slower rate than others. Siân Harrop-Griffiths added that in terms of support for the actions being taken, there did not appear to be any disagreeing views externally but the challenge was to translate these into delivery.

Mark Child noted the consultant pension issues and queried the impact that this was having. Darren Griffiths responded that a national proposal to address the issues was to be circulated that week which would hopefully help to unlock more activity. Lynne Hamilton advised that it had already been considered by the all-Wales directors of finance and workforce peer groups and the learning from this year would need to be applied in the future.

Martin Sollis stated that assurance was needed that the Quality and Safety Committee was looking at themes in relation to the rise in formal complaints and reduction in patient feedback. Reena Owen undertook to raise this with the chair of the committee.

RO

**Resolved:**

- The report was **noted**.
- Consideration of the themes in relation to the risk in formal complaints and reduction patient feedback be referred to the Quality and Safety Committee.

RO

191/19

**WINTER PLAN 2019/20**

The winter plan 2019/20 was **received**.

In introducing the report, Chris White highlighted the following points:

- The winter plan was to be received by the health board in November 2019;
- It set out the way in which patient flow would be maintained during the winter months through initiatives such hospital to home, as well as interventions within primary care and the Welsh Ambulance Service NHS Trust to treat more people at home rather than convey them to hospital;
- Escalation plans had been revised to take into account acuity and to be more 'aggressive' moving between levels three and four.

In discussing the report the following points were raised:

Nuria Zolle queried as to whether any new actions were in place and if partnership working with the third sector was being undertaken. She added it was also unclear as to whether additional funding had been provided.

Chris White advised that £5m in total had been invested from various funding streams and there was partnership working with a number of third sector organisations, such as the Red Cross and mental health charities. He added that the implementation of the system, Signal, was new and enabled clinical staff to see who was in each bed supporting better planning.

Siân Harrop-Griffiths noted that £2.2m had been provided through the Regional Partnership Board which was supportive of the extension of the hospital to home programme. Chris White concurred, adding that the out-of-hospital system needed to be transformed with wraparound services available to help people remain at home.

Reena Owen queried as to whether assurance could be provided that there was capacity within the social care and third sectors for the early supported discharge model. Chris White responded that patients would only be discharged once they were ready and this would be based on rehabilitation indicators. He added that the hospital to home programme would enable patients to be prioritised appropriately. Siân Harrop-Griffiths stated that the directors of social services were supportive of the plans within the Regional Partnership Board.

**Resolved:** The report was **noted**.

## **192/19      QUARTER TWO ANNUAL PLAN**

A report setting out the quarter two annual plan was received.

In introducing the report, Siân Harrop-Griffiths highlighted the following points:

- The report set out the half-year position of progress against the annual plan;
- 11 actions were 'red', and the relevant leads had been asked to review these and the reasons why in order to determine if they were still achievable.

In discussing the report the following points were raised:

Nuria Zolle sought clarity as to why the amber actions required a review. Siân Harrop-Griffiths responded that in previous years, some had remained amber for the duration so consideration was needed this year to determine if they were still achievable.

Martin Sollis stated that it would be useful for further iterations to include milestones and tangible outcomes.

Mark Child noted that one of the 'red' actions related to partnership working for improving wellbeing, which was a critical area of the plan, and queried if there was confidence that an improvement could be made. Siân Harrop-Griffiths responded that this year needed to be delivery focussed with prevention and improved wellbeing becoming a priority in subsequent years, and she was due to discuss with the interim Director of Public Health ways in which to take this forward. She added that this would be incorporated into the next iteration of the report.

**Resolved:**

- The report be **noted**.
- The quarter two report on the implementation of the annual plan 2019-20 be **endorsed**.
- An update report on the actions proposed relating to prevention and improved wellbeing be included in a future iteration.

**SHG**

**193/19**

**FINANCIAL POSITION AND RECOVERY ACTIONS**

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

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

- The period seven position was a deficit of £1.4m with a cumulative deficit of £8.6m;
- Pay was a key challenge to the position and some deep dives had been undertaken as it had been underspent by £10m in 2018-19 but overspent by £500k in the current year due to the Bridgend diseconomies of scale, nursing and administration and clerical costs;

- Within non-pay, the biggest challenges were the category M primary care drugs and continuing healthcare;
- Each of the units and corporate functions had control totals to reach if the health board was to recover its position;
- Since the completion of the report, the health board's proportion of the Welsh Risk Pool contribution based on the new risk sharing protocol, had risen from £1.4m to £2.4m and Welsh Government advice was this was to be recognised within the forecast rather than as a risk;
- Options and recommendations were being developed to work in stages towards breakeven, starting at £15.9m, then £8.7m followed by £5m, finishing at balance, and these would be discussed further at the board in November 2019;
- Other risks to consider included not receiving the £10m from Welsh Government in-line with previous years as a display of confidence and the return to Welsh Government of the £6.5m planned care monies which would increase the deficit forecast to £32m.

In discussing the report, the following points were raised:

Nuria Zolle sought assurance that sufficient planning was being undertaken to address the increasing variable pay expenditure. Sam Lewis advised that the expenditure was aligned to the additional surge capacity in place to respond to the unprecedented operational pressures. She added that as there was no more additional capacity available, the expenditure would not increase further.

Martin Sollis referenced the risk related to the non-receipt of the £10m and return of £6.5m, adding that neither of these sources of funding were recurrent. He stated that the organisation needed to be mindful of the controls it had in place, with a balance between accountability and quality and safety, to move to a more recurrent position. Sam Lewis advised that there was a table in the monitoring return sent to Welsh Government which highlighted the areas in which recurrent savings could be made and which ones were non-recurrent. Martin Sollis responded that a significant number of the health board's savings would be non-recurrent and the board needed to be mindful of this as there was a risk its deficit would increase to £30m and there needed to be accountability controls to close down unnecessary expenditure. Lynne Hamilton stated that KPMG (the external financial support commissioned by Welsh Government) had made it clear that any decisions made this year needed to be mindful of any potential impact in subsequent years and as such, the board was going to be presented with a number of choices to reach a range of forecast positions, and decisions would need be made, bearing in mind the level of non-recurrent savings.

Reena Owen advised that she had asked for a workshop for independent members to be arranged in order to provide more of an understanding of the financial report and financial control systems in place..

Martin Sollis queried if the board report would outline the potential range of non-essential spend. Sam Lewis confirmed it would set out what the executive board recommended was targeted and the corresponding scales. Lynne Hamilton concurred, adding that all needed to understand the extent to which there was controllable expenditure.

Mark Child stated that there needed to be a clear timescale as to when the board could expect to achieve breakeven in order for it to plan for its delivery over the coming years. Lynne Hamilton responded that for an organisation this size, a medium plan and framework for five years was needed and previous feedback on last year's financial performance from Welsh Government was that the organisation could do better for this year. However it was now recognising the challenges the health board faced.

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

#### **194/19            EFFICIENCY FRAMEWORK**

A report in relation to the efficiency framework was **deferred** to the next meeting

#### **195/19            PERFORMANCE MANAGEMENT, GOVERNANCE AND ACCOUNTABILITY**

A report in relation to the performance management, governance and accountability was **received**.

In introducing the report, Darren Griffiths highlighted the following:

- The way in which performance was managed within the health board was across six levels, including quarterly performance reviews, a monthly financial management group and service improvement groups;
- The quarterly performance review remit had been broadened to include public health and governance, rather than be limited to the targeted intervention areas;
- In terms of the performance management for individuals, objectives were set during PADRs, with formal discussions with a capability focus taking place with managers should delivery not be as expected;

- A more comprehensive performance management framework would be developed in quarter four of 2019-20 for implementation in 2020-21.

In discussing the report, the following points were raised:

Reena Owen queried the extent to which staff understood how they could contribute to the health board's aims and objectives. Siân Harrop-Griffiths commented that the organisational strategy's aims and objectives needed to be aligned to an outcome framework but consideration was required as to how this would be structured.

Martin Sollis stated that there needed to be a transformational approach to performance management and budgets should be set and lived within.

Pam Wenger commented that the report was helpful as it set out the performance management process, but the aim was to have a framework which aligned with governance and accountability. She added once this was in place, the committee would be in a better position to know what was off track in order to scrutinise the reasons why.

Nuria Zolle stated that the report described the process well given the transformational agenda but the role of the board was a gap and it would be useful for it to be a part of the development of the framework. Darren Griffiths concurred, adding that a draft would be shared with the committee in spring 2020 for comments in order to ensure the escalation process was correct.

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

#### **196/19 MONITORING RETURNS**

The monthly monitoring return was **received** and **noted**.

#### **197/19 HIGH VALUE EFFICIENCY GROUP**

A report providing a summary of the discussions at the recent high value efficiency group was **received** and **noted**.

#### **198/19 PERFORMANCE AND FINANCE COMMITTEE WORK PROGRAMME 2019/20**



The committee's work programme was **received** and **noted**.

**199/19 ITEMS FOR REFERRAL TO OTHER COMMITTEES**

Items for referral to other committees were discussed earlier in the meeting.

**200/19 ANY OTHER BUSINESS**

There was no further business and the meeting was closed.

**201/19 DATE OF NEXT MEETING**

The next scheduled meeting was noted to be **17<sup>th</sup> December 2019**.