

Swansea Bay University Health Board
Unconfirmed
Minutes of the Performance and Finance Committee
held on 20th December 2022 at 9.30am
Microsoft Teams

Present:

Reena Owen	Independent Member (in the chair)
Steve Spill	Vice Chair
Pat Price	Independent Member

In Attendance:

Hazel Lloyd	Director of Corporate Governance
Liz Stauber	Head of Corporate Governance
Darren Griffiths	Director of Finance and Performance
Paul Mapson	Special Advisor
Meghann Protheroe	Head of Performance
Sam Moss	Deputy Director of Finance
Ross Hughes	Internal Audit
Peter Herring	Finance Improvement Director (Morrison Hospital) (for minute 180/22)

Minute	Item	Action
174/22	WELCOME AND APOLOGIES	
	The Chair welcomed everyone to the meeting. Apologies were received from Sian Harrop-Griffiths, Director of Strategy and Inese Robotham, Chief Operating Officer.	
175/22	DECLARATIONS OF INTEREST	
	There were no declarations of interest.	
176/22	MINUTES OF PREVIOUS MEETING	
	The minutes of the meeting held on 22 nd November 2022 were received and confirmed as a true and accurate record.	
177/22	MATTERS ARISING	

	There were no matters arising.	
178/22	ACTION LOG	
	<p>The action log was received and noted with the following updates provided:</p> <p>Reena Owen advised that there were three deep dives on the action log scheduled for February 2023 which was too many for one meeting therefore the timings would be reviewed in the new year as part of the agenda planning meetings.</p> <p>Steve Spill referenced the breakdown of continuing healthcare beds, which had been circulated as an action from the previous meeting. He stated that it was a very useful diagram for members to receive and passed on his thanks to the author.</p>	
179/22	WORK PROGRAMME	
	The work programme for 2022-23 was received and noted .	
180/22	MONTH EIGHT FINANCIAL POSITION	
	<p>A report setting out the month eight financial position, including an update on the improvement work at Morriston Hospital, was received.</p> <p>In introducing the report, Sam Moss and Peter Herring highlighted the following points:</p> <p>(i) <u>General Finance Update</u></p> <ul style="list-style-type: none"> - The month eight position was an overspend of £400k with a cumulative deficit position of £4.1m; - The key driver of the deficit position was Morriston Hospital; - The delegated budgets had a total overspend of £16m, the majority of which had been offset by balance sheet and reserves opportunities to reach the £4.1m cumulative position. <p>In discussing the general finance update, the following points were raised:</p> <p>Steve Spill stated that while Morriston Hospital was making a significant contribution to the deficit position, Neath Port Talbot/Singleton Service Group had a £2.5m overspend. Sam Moss advised that this was primarily due to non-delivery of savings, clinical supplies growth and medication costs. In addition, non-delivery of savings and continuing healthcare costs were</p>	

increasing the expenditure in mental health and learning disabilities. It was hoped that any lessons learned from the Morriston Hospital improvement plan could be applied to the other service groups.

Reena Owen asked if confirmation had been received as to whether the Covid costs would be funded by Welsh Government. Darren Griffiths responded that the numbers had been scrutinised internally and by the NHS Wales Financial Delivery Unit and totalled £32m. It had been confirmed that these would be funded in their entirety by Welsh Government, but the timing was unknown. The costs set by the health board had originally included drug costs but on review, the health board was an outlier based on the amount, and had made the decision to remove these and describe them as operational pressure costs as this was more accurate.

Reena Owen queried the likelihood of the local authorities being able to provide the monies for the continuing healthcare cases incorrectly charged to health. Darren Griffiths advised that the external review of continuing healthcare had identified around £2.5m of opportunities in this regard, but it would also be important not to destabilise the partnership with social care. The Chief Executive was actively engaged with the directors of social services for both local authorities and it was anticipated that the work would commence in quarter four. Pat Price queried if the local authorities were intending on carrying out a similar exercise. Darren Griffiths responded that this was not to knowledge of the health board but there was a system in place, which meant that patients did not have to wait for care packages while discussions were ongoing around finance – arrangements would just be adjusted once agreements were in place.

(ii) Morrison Improvement Plan

- A control target had originally been set for Morrison Hospital at £9m for its cost pressures of £13m, which had since risen to £18m;
- The gap in the cost pressures would not be addressed by cost improvement plans (CIPs) and focus needed to be given to reducing the run rate and a number of opportunities had been identified:
 - Nursing – three key areas were affecting nursing budgets:
 - Unavailability – rosters were currently budgeted with a 37% uplift to cover study, sickness, annual and special leave whereas standard would be 26.9%. A challenge had been set to reduce this to 31% as the current position was leading to 76 whole time equivalents above the required headroom;
 - Recruitment – a significant number of new nurses had been recruited both through international campaigns and recently graduated nurses. These were more than

sufficient to cover the vacancies, surge capacity and unavailability numbers but the benefit was not evident as bank and agency usage continued;

- Bank staff – use of bank staff was low (5%) with the majority of temporary staff being agency. More incentives were needed to encourage staff to join the bank rather than an agency;
- Medicine – there were eight main cost centres increasing the medical expenditure, particularly for specialist registrars. The service group had been asked to complete a deep dive on the number of medical staff brought on during the pandemic and use of medical agency staff as some establishments were oversubscribed;
- Non-pay – the majority of the non-pay overspend was in clinically driven areas and related directly to clinical activity, which made it challenging to address. A £1m saving target had been set as well as stopping discretionary payments and monitoring any underspends. There would be other opportunities through procurement reviews.

In discussing the improvement plan for Morriston Hospital, the following points were raised:

Paul Mapson commented that his previous experience of roster headroom in NHS England was 22% and anything near 30% was expected to have a major recovery plan. The levels in Morriston Hospital demonstrated significant issues around nursing establishment controls and provided massive opportunities. This was not about reducing staffing but rather better organisation of rosters and planning for lost time. Generally agency staff was used for short-term gaps, but where these gaps were planned, rosters could be arranged better in advance. Minimum availability cover should be included in rosters and enhanced as needed. Darren Griffiths responded that a number of the senior nurses within Morriston Hospital were in acting-up positions and an Assistant Director of Nursing and Patient Experience had been allocated to work alongside the service group team to support appropriate rostering. It was important to help them see the difference between establishments, budgets and vacancies, as this was not about reducing staffing, but improving the run rate through efficient rotas. In terms of medical establishments, the redesign of acute medical services would help return these to the right levels.

Pat Price referenced the variation in sickness levels across the wards and it would be of benefit to understand the causes, whether it be leadership, work place stress or vacancies. Reena Owen concurred, adding that it would be of benefit to refer such issues to the Workforce and OD Committee, or, as both

	<p>committees had a vested interest in the information, having a joint meeting or report. She undertook to discuss this further with the Director of Corporate Governance and Chair of the Workforce and OD Committee. It would also need to cover availability planning and data as well as traction on recruitment.</p> <p>Peter Herring advised that three deep dives had been completed of rosters and issues had been identified within all of them, so having a senior member of the corporate team providing support was essential as they would know how to work with the nurses. Consideration was being given as to whether scrutiny meetings were needed to look at whether the right actions were being taken.</p> <p>Reena Owen queried the confidence that if all the proposed actions were addressed, the run rate of the service group would reduce. Darren Griffiths responded that there was limited confidence currently that Morriston Hospital could deliver the position and a further discussion would be undertaken at the executive team the following day. Conversations would also take place with the service group during the week. There would be some traction from the actions but not the £5m needed to close the gap in run rate from £18m to £13m. Opportunities were in the balance sheet to help with the position if needs be to ensure the overall financial position at year-end was balanced. However, the preference was for this to be achieved as easily as possible in order to support the 2023-24 opening position.</p> <p>Reena Owen suggested a further update be received from the finance improvement director for Morriston Hospital in three months. This was agreed.</p>	<p>RO</p> <p>DG/PH</p>
<p>Resolved:</p>	<ul style="list-style-type: none"> - The report be noted; - the risk handling for the risks noted be agreed; - Further update be received in three months from the finance improvement director for Morriston Hospital; - Discussion be undertaken with the Director of Corporate Governance and Chair of the Workforce and OD Committee as to a potential joint committee or report to look at sickness variation, availability planning and data as well as traction on recruitment. 	<p>DG/PH</p> <p>RO</p>
<p>181/22</p>	<p>PERFORMANCE REPORT FOR MONTH EIGHT</p>	
	<p>A report setting out the month eight performance position was received.</p> <p>In introducing the report, Meghann Protheroe highlighted the following points:</p> <ul style="list-style-type: none"> - For urgent and emergency care, the four hour target was at 70.4% which was just below the 72% trajectory, 12 hour waits had reduced 	

from 1,456 from 1,584 the previous month and ambulance handovers were above the trajectory;

- There had been a deterioration in cancer performance to 51% but an improvement reported in the backlog;
- The number of clinically optimised patients was reducing, with a daily average of 279;
- Planned care had seen a decrease in the numbers waiting 26, 36 and 52 (stage one) weeks and a consistent reduction in the number waiting more than 104 weeks for treatment – all areas were outperforming the trajectories submitted to Welsh Government;
- Eight-week diagnostic waits had reduced to 5,627 and specific endoscopy waits were also decreasing but remained above trajectory;
- 100% of those waiting for follow-up appointments were above the target but internal and external validation work had now commenced;
- Sickness rates were above trajectory as was agency spend.

In discussing the report, the following points were raised:

Reena Owen stated that progress was evident within planned care and this was to be commended however cancer performance was not where it needed to be. Darren Griffiths concurred, adding that there was more that could be done and cancer waits had been a focus of the recent joint executive team meeting with Welsh Government. Following discussions at the Management Board, it had been agreed that the targeted tumour site plans would be developed to target the pressures specific to those specialities, for example staffing or equipment. The pace to reduce the backlog was also frustrating as a number of these patients would not have cancer.

Pat Price queried whether the planned care improvements had been discussed within Management Board to determine sustainability. Darren Griffiths responded that while it was sustainable to a degree, it was not fully sustainable as the various waves of Covid had led to dips in demand which would appear in the near future and the healthcare engineering team was undertaking a piece of work to try and plot the expected trajectory of cases. However, the ring-fenced beds in Morriston Hospital for complex orthopaedic cases were working well and clearing 20 long-waiting patients per week.

Steve Spill noted that 28.5% of staff sickness rates were attributed to stress/anxiety, adding that this was something, which needed to be addressed, as it was important to have a well-managed happy workforce.

Darren Griffiths referenced the ongoing industrial action and stated that 300 derogation lists had been requested to enable as many services to continue as possible – the average in other organisations was around 40. For the

	<p>action which took place on 15th December 2022, 700 outpatient appointments had been cancelled but as the next day had been originally set aside for clinical audit, the plans were swapped so this took place on the day of the strike and all elective surgery rescheduled for the 16th December 2022 in place of the audits. In terms of the industrial action on 20th December 2022, around 650 outpatient appointments had been cancelled but the level of elective surgery was already reduced given it was the run up to Christmas but urgent cancer treatments surgeries were hoped to continue.</p>	
Resolved:	<ul style="list-style-type: none"> - The report be noted. 	
182/22	HEALTH BOARD RISK REGISTER	
	<p>A report setting out the entries on the health board risk register relating to the Performance and Finance Committee was received.</p> <p>In introducing the report, Hazel Lloyd highlighted the following points:</p> <ul style="list-style-type: none"> - 11 risks were allocated to the committee – this had been reduced from 13 since the last update; - Six had a risk score of 20 or more and these were subject to review by the Risk Scrutiny Panel as well as the Deputy Chief Executive. 	
Resolved:	<ul style="list-style-type: none"> - The report be noted. 	
183/22	IMPROVEMENT ACTION PLANS FOR PLANNED CARE	
	<p>A report providing an update on planned care performance was received and noted giving the operational pressures relating to the industrial action, with members invited to submit any questions in writing outside of the meeting.</p>	
184/22	DIGITAL TRANSFORMATION PROGRESS AGAINST THE PLANS	
	<p>A report providing an update on digital transformation progress against the plans was received and noted giving the operational pressures relating to the industrial action, with members invited to submit any questions in writing outside of the meeting. It was agreed that given the importance of this work, that the report would be brought back to the January 2023 meeting.</p>	MJ
185/22	FINANCIAL MONITORING RETURN FOR MONTH EIGHT	

	A report regarding the financial monitoring return for month eight was received and noted .	
186/22	ITEMS FOR REFERRAL TO OTHER COMMITTEES	
	It was agreed that a discussion be undertaken with the Director of Corporate Governance and Chair of the Workforce and OD Committee as to a potential joint committee or report to look at sickness variation, availability planning and data as well as traction on recruitment.	RO
187/22	ANY OTHER BUSINESS	
	There was no further business discussed and the meeting was closed.	
188/22	DATE OF NEXT MEETING	
	The next scheduled meeting is Tuesday 24 th January 2023.	