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Bwrdd Iechyd Prifysgol  
Bae Abertawe  
Swansea Bay University  
Health Board



		Agenda Item	2.4 ii
<b>Freedom of Information Status</b>	Open		
<b>Reporting Committee</b>	Performance and Finance Committee		
<b>Author</b>	Claire Mulcahy, Corporate Governance Manager		
<b>Chaired by</b>	Reena Owen, Independent Member		
<b>Lead Executive Director (s)</b>	Darren Griffiths, Director of Finance and Performance		
<b>Date of meeting</b>	25 January 2022		

**Summary of key matters considered by the committee and any related decisions made.**

- Financial Position (Month Nine)**

The month nine financial position was an overspend of £1.884m and £17.57m cumulatively. Income budgets had reported an under-achievement of £2.183m. The underspend within pay budgets had continued in-month at a value of £8.201m and the underspend was across all pay bands. Non-pay budgets overspent in-month and the key drivers continue to be ChC (continuing healthcare) costs. The impact of increasing utility prices was seen in December 2021, causing cost pressures of £300k. Some £28.124 of green and amber savings schemes have been identified although some slippage would reduce the forecast delivery slightly. The recurrent full year impact of savings was £24.9m, which leaves a gap of £2.75m in the savings requirement and work was underway to address as a matter of urgency. Within the £24.9m recurrent savings, £5m were amber schemes relating to bed efficiencies. The draft financial framework for 2022-23 sets a savings requirement of 4% equating to £27m, of which between 55% and 85% of savings had been identified to date. The health board COVID-19 expenditure for 2021-22 was £113.495m. The funding for the COVID-19 programme costs had been issued to the health board with the expectation that this would be fully managed within the allocations issued. The forecast deficit remained at £24.405m and key areas of movement were; £27.1m of cost pressures, £2.5m investments to enable savings and £4.7m slippage on plan due to contractors unable to deliver services as planned. The three significant risks relating to finance were; *Residual cost base (score of 20)*; *Resources level lower than recovery plan ambition (score of 15)* and *Savings Schemes related to bed release (score of 15)*. The Capital discretionary allocation would be reduced next year and a report would be received on the detail in due course;

Welsh Government issued the 2022-23 allocation letter in December 2021 and the key headlines for the health board were as follows; *2.8% uplift on core budgets; 3% uplift to Mental Health budgets; Pay inflation funding would be held centrally by Welsh Government; £21.6m recovery monies for planned and unscheduled care; Support of £1.9m for Value Based Healthcare; A Regional Integration Fund (RIF) had been created from the previous Integrated Care Fund and Transformation Fund;*

Primary Care contracts would be subject to further allocation adjustments in due course. The following risks were highlighted to members; pressures on savings programmes, increasing

utility prices and LTA (long term agreement) arrangements.

Key Matters raised by members;

- *Utilisation of the full additional funding in year*; assurance could not be given but plans for key pieces of equipment, outsourcing and insourcing were in place. A level of benefit would be seen from the increase in funding;
- *ChC Savings target*; Members felt this was unrealistic as demand was not reducing and was a concern. A review of high costs cases and appropriateness of packages of care was underway.
- *Bed Release Scheme Savings*; further information sought and report to Committee February 2022.

- **Continuing Healthcare Performance - Quarter two**

The implementation of the revised ChC National Framework had been delayed until March 2022. During quarter two, concerns had been escalated for one care home in Swansea and actions were being taken to address. The sustainability of the care home sector remained a concern and the hardship fund was due to end on the 1st October 2022. Fee setting discussions with local authorities were underway. Case numbers within Mental Health and Learning Disabilities (MHL) were increasing and in turn there was increasing therapies expenditure within primary care and community service group. A review of commissioned packages was underway within MHL due to the high number of complex cases and the aim was to develop the interface and collaboration between health and social care. Following an external review of all children's continuing care packages, the final report was completed and recommendations outlined in November 2021.

Key Matters raised by members;

- *Care home sustainability issues.*

### Key risks and issues/matters of concern of which the board needs to be made aware.

- **Integrated Performance Report (Month Nine)**

The national single cancer pathway performance figure for November 2022 was 63% and the backlog was increasing. The numbers of staff self-isolating due to COVID-19 had increased during December 2021. The number of new cases of COVID-19 was 587 today and there were currently 81 inpatients with COVID-19. There had been one COVID-19 death during December 2022. The number of ambulance handovers over 1 hour had reduced in December 2021. The red ambulance response time was 46.4% in December 2021 and 56% in January 2022. Attendances at emergency department stood at a total 9,000 for December 2021. The number of patients waiting over 12-hour against the 750 target was 1,001. There were 257 clinically optimized patients in the system to date. The number of e.coli infections had reduced but a deterioration in s.aureus bacteraemia, clostridium difficile, klebsiella and Pseudomonas had been recorded in December 2021. Compliance against the 80% serious incident closure target remained at 0% during December 2021. In October 2021, the health board had received 135 formal complaints; Sickness absence had recovered slightly in November 2021 but dipped again in December 2022. Dental access was not yet running at pre-COVID-19 levels but the number of new patients had increased. Therapy waiting times were below target but recovery plans were in place for both Speech and Language therapy and Podiatry. The total number of patients on the waiting list had increased by 30k patients in comparison to December 2019 and recovery ambition was very important. The number of patients waiting over 8 weeks for endoscopy diagnostics was 3,000. A recovery plan had been requested but not was not manifesting in a reduction of numbers. Performance in the adult mental health measures was good but patients in receipt of valid care and treatment plans had reduced in November 2021.

Key Matters raised by members;

- *Hours lost in Critical Care Discharges*; it was advised that figures represented a comparison to the first wave of COVID-19 in which demand was very different to the second wave. Pressures on the system currently include COVID-19, elective procedures and 100% occupancy rates.
- *Therapy waiting times*; members did not feel assured there was enough change underway within Speech and Language and Podiatry and both needed close monitoring.
- *Serious incidents Closures*; further information sought on the new national target and metrics;
- *CAMHS Performance*; it was important to highlight that although 97% performance in one area, there were three other measures within CAMHS which were performing poorly
- *Ambulance Handover Times*; Members were pleased to see an improvement in handover times and sought assurance that this would continue. Progress in the urgent care work streams and the handover vehicle were but due to pressures with COVID-19 workforce and care home sector therefore this level of performance could not be sustained.

- **Performance and Finance Risk Register**

There were ten risks assigned to the Performance and Finance Committee, of which six were scored at 20 or above. There were 2 key changes to highlight; the increased risk scoring for *Access to Cancer Services* from 20 to 25 and the addition of the *Risk of Closure of Burns Service* assessed to score 25.

Key Matters raised by members;

- *Closure of Burns Service* – concerns were raised concerning the visibility of the risk and the mitigating actions in place.

- **Cancer Performance**

The Single Pathway Cancer performance figures for November 2021 sat at 63% against the 75% target. In terms of backlog, the total number of patients fluctuated daily but currently stood at 723, of which 85% sat within the top five tumour sites. Of the backlog, 41% was within the lower gastrointestinal tumour site with 36% awaiting FIT test results. The business case for the implementation of FIT testing within primary care services had been signed off and this would have a substantial impact on the backlog. Of the backlog, 17% sat within Urology due to theatre time pressures but diagnostics was now back on line within Neath Port Talbot and therefore improvement should be seen. The urgent and emergency care pressures at Morriston were also impacting on theatre time for the more complex patients. Of the backlog, 64% was in the diagnostic stage awaiting FIT or endoscopy. Robust action plans were in place to tackle endoscopy waits. It was important to note that only 20% of the backlog of patients had been diagnosed;

The key issue impacting on the achievement of the trajectory was the impact of COVID-19 staff absence on the individual teams. Action plans to improve performance were in place but the key priority for the health board was to tackle the backlog. The Chief Executive was keen to eradicate the backlog and this was now the primary focus. The vacancy plans included the appointment of performance managers and this was in train. There were consultant vacancies in gynaecology, oncology and breast surgery and plans in place to recruit and an advert for a hysteroscopy nurse had been placed. There was confidence in the improvement of the position but it was important to highlight a likely deterioration in performance before the improvement due to the backlog priority.

Key Matters raised by members;

- *Deterioration in performance before an improvement is evident*; focus on the backlog was a priority in order for an increased focus on performance. Members supported this stance.
- Assurance sought that the patients most in need of urgent care were seen as priority rather seen based on length of wait and it was advised that the pathway was being managed appropriately and based on clinical need.
- *Outcomes of escalation process*; members queried whether escalation had seen anything reversed. A myriad of reasons for lack of improvement but primarily COVID-19 restrictions and impact on workforce;
- Pace of mitigating actions set out in in the risk register report.

**Delegated action by the committee.**

There were none.

**Main sources of information received.**

- Finance Report
- Integrated Performance Report
- Continuing Healthcare Report – Quarter two
- Performance and Finance Risk Register
- Cancer Performance Report

**Highlights from sub-groups reporting into this committee.**

No reports received from sub-groups.

**Matters referred to other committees.**

Nil.

**Date of next meeting**

**22<sup>nd</sup> February 2022**



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<b>Author</b>	Claire Mulcahy, Corporate Governance Manager
<b>Chaired by</b>	Reena Owen, Independent Member
<b>Lead Executive Director (s)</b>	Darren Griffiths, Director of Finance and Performance
<b>Date of meeting</b>	22 February 2022

**Summary of key matters considered by the committee and any related decisions made.**

- Financial Position (Month Ten)**

The month ten financial position was an overspend of £1.672m and £19.241m cumulatively. Additional resource of £700k had been returned to the health board from Cwm Taf Morgannwg University Health Board (CTMUHB) and was included within the position. Income budgets reported an under-achievement of £1.62m and £600k of COVID response funding had been used to offset. The underspend within pay budgets had continued in-month at a value of £8.7m for month ten and was across all pay bands. Discussion with service delivery groups was underway with regards to the potential extraction of vacancies in the next financial year.

Non-pay budgets have overspent in-month and the key drivers continue to be ChC (continuing healthcare) costs. Emerging pressures were being seen by increasing utility prices at around £350k per month although due to the pre-purchase of some utilities until March 2022, the full impact would not be seen until next financial year.

The non-pay position also included a shortfall in savings delivery within some service groups. The health board had identified £28.266 of green and amber savings schemes although some slippage would reduce the forecast delivery to £27.978m. Within the £24.9m recurrent savings, £7m were schemes relating to bed utilization efficiencies. To address the shortfall, further savings of £2m have been requested from both nursing and medical directorates, £1m from the Singleton and NPT service group and £1.6m from Morriston. The draft financial framework for 2022-23 sets a savings requirement of 4% equating to £27m. The total identified at present totals £17m and service groups and corporate directorates have been tasked to identify 85% of the £27m by the end of February and 100% by the end of March. The health board COVID-19 expenditure for 2021-22 was £113.495m. The funding for the COVID-19 programme costs i.e. Vaccinations, PPE (personal protective equipment), Test and Trace had been issued to the health board with the expectation that this would be fully managed within the allocations issued.

There were four significant risks relating to finance; *Residual cost base (risk rated at 20)*;

*Resources level lower than recovery plan ambition (risk rated at 15); Availability of Capital (risk rated at 20) – reopened for 2022/2 and Savings Schemes related to bed release (risk rated at 15)*

**- Maturity Matrix**

The health board undertook a governance maturity assessment as a self-reflection to inform drive and enhance improvements in governance processes and ways of working. The maturity element titled 'Money/Value for Money' covers maturity based on good financial discipline and control, transparency and effective decision-making. The assessment placed the health board at early progress level. During 2021-22, work has been carried out on the system of financial control and this covered eight key areas; planning, budget planning, budget delegation, budget control; reserves, accountability and performance management, board reporting and business cases. It was recognized that whilst progress has been made further action was required to progress the health board's financial maturity.

Key Matters raised by members;

- *Returned monies from CTMUHB for CAMHS for undelivered planned development;* further information sought on this detail as CAMHs remained a concern for members;
- *Budgets; Accountability and governance;* members were assured that there was a deeper penetration into the services groups in terms of accountability for budgets and a robust governance in place. A training programme for budget holders/clinical staff was underway.
- *Reputational risk if controlled deficit not achieved;*

**Key risks and issues/matters of concern of which the board needs to be made aware.**

**• Bed Efficiency Savings**

The KPMG and CAPITA reviews suggested that the health board had too many beds by 250 to 300 and length of stay was too long. Within this year's financial plan, the health board aimed to act on the suggestions with a focus on doing the right thing for patients. Service model changes included the Virtual Ward and the Acute Medical Services Redesign programme. The anticipated bed release opportunity based on these changes was 173 which would equate to £6.9m in recurrent savings and £9.471m full year for 2021/22. During, 2021-22, changes took place in the planning process due to COVID-19 pressures; slippage in the Acute Medical Services redesign programme, the growing clinically optimized patients position and issues with recruitment and due to these elements, the forecasted benefits were not able to impact this year. Discussions surrounding occupancy levels on the acute sites had indicated a frequent 100% and over occupancy level, which posed risks for quality and safety and work environments for staff. The health board required a reduction to 95% occupancy level but was on average 100 beds short. In order to reach 100% occupancy, the health board needed to retain 50 beds in the system. The health board had been able to mitigate the non-delivery of savings for this year but there was still the ambition to move forward next year and this would require a balanced discussion.

Key Matters raised by members;

- *Cash Release Vs Performance;* A focus and improvement in performance in areas such waiting times, length of stay would in turn result in cash release.
- Members stressed the need for focus on bed efficiency rather than savings; more efficient use of bed would equate to savings.
- *Bed cost per day;* currently, with over occupancy, the cost to the health board was around £5.5m. This needed to remain due to current pressures in the system, reaching the 95% target occupancy was not possible now and the experience of patients and staff safety and wellbeing was paramount.
- *Mitigating action undertaken in relation to the quality impacts of changes;* members

were assured that quality impact assessments were undertaken for all changes.

- *Public message on Bed Reconfiguration*; it was important to describe the message of bed reconfiguration positively in line with improving quality and in the context of the development of centres of excellences and the positive impact on theatre lists and elective procedures.
- *The Risk rating and description to be reviewed and an update report be received in April 2022.*

### • **Integrated Performance Report**

Admissions growth for COVID-19 was on a downward trajectory with 40 inpatients within the last 7 days. As of today, there were 263 patients in the system with 75 confirmed COVID-19, 170 in recovery, 17 suspected and 1 patient in critical care. Within the last 7 days, 256 staff were absent due to self-isolation. Performance against the 4hr target stood at 72.6% for January and 76% in February 2022 and in January, the amount of 12-hour delays stood at 1,142 and was 643 to date. January 2022 saw challenges in ambulance handover times over 4- hours with 50.9% performance against the 65% target. There were currently 276 clinically optimized patients in the system. The national single cancer pathway figure for December 2021 was 54%. January 2022 was 50% to date. Positively, the cancer backlog had reduced from 683 to 581 and this was primarily due to the introduction of FIT testing within primary care. The number of *e.coli* infections had reduced but a deterioration was seen in *s.aureus bacteraemia*. The *Clostridium difficile* number had remained static since September 2021. In December 2021, the number of healthcare acquired pressure ulcers had increased. Increases were also evident in the community. Compliance against the 80% serious incident closure target saw an improvement in January 2022 due to the removal of mental health backlog and performance stood at 25% for the period. In-month sickness absence levels stood at 8.54% December 2021. The number of GP practices reporting escalation over level 3 was six for January 2022 and sustainability remains a concern. An improvement had been seen in access to restorative dentistry. Waiting times for Podiatry had increased in January 2022 whilst Audiology waiting times remained low and performance within Speech and Language Therapy had started to improve. In January 2022, there was a further increase in the number of patients waiting over 8 weeks for specified diagnostics. Endoscopy waits over 8 weeks continued to rise and recovery actions were being undertaken to address including £2m funding to increase capacity. Performance in the adult mental health measures continued to be maintained. The system had started to recover within Child and Adolescent Mental Health (CAMHS) and a small improvement had been evident in Neurodevelopment Disorder (NDD) performance;

Key Matters raised by members;

- *Concern surrounding cancelled elective surgeries* – the impact on patient experience and their mental health and wellbeing.
- *All-Wales discussion on COVID-19 restrictions and impacts on waiting lists* – new infection control and testing guidance to be issued by Welsh Government as well as risk assessments in clinical areas;
- *Therapies Performance particularly Podiatry* – members were assured that a plan was being worked through and would be shared outside of committee.
- *Urgent and Emergency Care performance*; This was still a concern for members but were advised that SBUHB was 3<sup>rd</sup> in Wales in terms of emergency department performance.

### • **Theatre Efficiency**

Theatre sessions had increased by 26 sessions in November 2022 and had been maintained, as well as further sessions delivered on weekends and via outsourcing. Areas of improvement had been seen in Ear Nose and Throat (ENT), gynaecology, plastics and orthopaedics. In October 2021, there were 918 elective cases carried out and in January 2022 this had

increased to the 1,145 and aligned with the performance trajectory. The biggest step change was seen in Singleton Theatres and cases had increased since November 2021. Theatres had been utilized across all three sites with NPT performing lower than others but increased focus was underway to improve. Theatre utilization was affected by many important contributors and variables and this included; *patient pre-assessments, theatre allocations, booking and scheduling, availability of beds and trolleys and the efficiency of the on the day process and turnover*. Neath Port Talbot covered theatre lists for two health boards CTMUHB and SBUHB at 50% occupancy each and work took place in January 2022 to improve utilization at NPT with a focus on the SBUHB lists using a multidisciplinary approach; patient pathway, theatre and surgical teams. There had been a focus on robustness of booking lists and this has been supported by a digital dashboard. Themes had emerged from data collation and indicated that not all slots were allocated in a timely manner and recurrent poor utilization of lists. There were plans to address in those particular specialties and it was noted there had been an 8% improvement in SBUHB lists at NPT. In terms of benchmarking at an all-Wales level, the health board was within quartile 4 with Singleton at the top end of the quartile, NPT had moved up to quartile 2. The Theatre Quality Improvement Group had been established.

Key Matters raised by members;

- *Theatre utilisation does not equate to good outcomes* – theatre utilisation was a blunt tool and did not give a full picture but there was a focus on safety in theatres and the new improvement group had a focus on quality and outcomes.
- *Workforce Issues* – recruitment and sickness was an issue across all theatres. A recruitment process was underway and this had been successful so far.
- A further report be received in August 2022 to include information in quality assurance and information on the workforce issues impacting on theatre efficiency

- **Stroke Performance and Recovery**

Challenges included access to the stroke unit and CT scanning as well as the inability to thrombolise patients within the 45-minute target. Positively, once patients were in the system, the health board did well in terms of assessment access, therapies and rehabilitation. In regards to performance at an all-Wales level, the health board was in a reasonable position but overall Wales was not performing well. There was not a Hyper Acute Stroke Unit (HASU) within Wales that worked to the standards of those in England. The ambition was to create an HASU within SBUHB that would also service Hywel Dda University Health Board (HDUHB) patients. Preparation of the business case was underway and would be presented to management board in March 2022. The development of a HASU was a priority for the health board and a £500k allocation had been rolled over into the next financial year. There was a need to recruit additional consultants and specialist nurses, as well as the ability to ring-fence Ward G beds for Stroke patients but the current pressures in the unscheduled care system prevent this. The recruitment of Specialist Stroke Consultants was a challenge therefore Neurology Consultant posts were being considered instead and Advanced Nurse Practitioners that can support the teams.

Key Matters raised by members;

- Concerns with performance figures particularly with access and CT scan waits;
- *Funding and Business Case for the HASU*; £500k was to be carried through from this year but a business was yet to be agreed therefore not factored into the budget. Clarification on the full funding requirement via the business case was needed.
- *Actions Plans to address performance issues*; members were not assured that plans were in place to address performance in the short-term and a further more detailed report was required to set out improvement plans alongside the improvements in the wider system.

**Delegated action by the committee.**

Nil.

**Main sources of information received.**

- Financial Position Update
- Bed Efficiency Savings
- Integrated Performance Report
- Theatre Efficiency
- Stroke Performance and Recovery

**Highlights from sub-groups reporting into this committee.**

No reports received from sub-groups.

**Matters referred to other committees.**

Nil.

**Date of next meeting****22<sup>nd</sup> March 2022**