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Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



| | | Agenda Item | 3iii (a) |
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| Freedom of Information Status | | Open | |
| Reporting Committee | Performance and Finance Committee | | |
| Author | Emma Woollett, Vice Chair | | |
| Chaired by | Emma Woollett, Vice-Chair | | |
| Lead Executive Director (s) | Lynne Hamilton, Director of Finance | | |
| Date of last meeting | 23 May 2018 | | |

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

- Meeting on 23rd May 2018**

Financial performance and recovery and sustainability plan - the committee was pleased to see that, at the end of period one, we remain on track overall. Of particular note is that the pay and non-pay position which have both held, avoiding the “bounce back” that was feared, and the units as a whole should be acknowledged and congratulated for this. However, there is now significant risk around the savings delivery plans, with executive-led workstreams currently only identifying £9.5m of the required £21m.

Members debated a wide-ranging proposal from the Director of Finance in response to the concerns regarding the workstreams. Rather than going back to the traditional cost improvement programmes (CIPs) approach, alternative savings opportunities have been identified that would enable us to meet our year-end commitments through a collaborative board-wide approach. This included the use of ‘tiger teams’ comprising specialists from a number of areas of the health board, including finance and workforce, to rapidly deploy actions and a board-wide workshop to focus on efficiencies. The committee endorsed this, but was clear that the executive-led workstreams still need to deliver the sustainable solutions identified in the recovery and sustainability plan and explicitly signed up to by all executive directors and service directors in time to keep us on track for next financial year. It also asked that an additional control be added that focussed on the recruitment and replacement of staff, including clinicians, following the success of the scrutiny panels for administration, clerical and medicines management posts.

The committee was also clear that, should the mitigating savings opportunities not be substantially firmed up by July 2018, it would expect the Director of Finance to impose turnaround controls, as not meeting our end-year commitment to Welsh Government would be reputationally disastrous. Going forward, it was agreed that escalation reports from individual workstreams would be included on future agendas, starting with the three of most concern; review of mental health services, which was received at this meeting, workforce redesign and reducing waste, harm and variation.

Performance trajectories – unscheduled care and stroke performance are improving

although both remain somewhat below trajectory. Unscheduled care performance was 75.6% in April, up from 71.4% in March, but well short of the 83% trajectory. The main area of focus is Morriston Hospital, where April performance was 63.5% however it was noted that the NHS Elect work being undertaken at Princess of Wales Hospital was having an effect, with improved handovers and performance at 80%.

Referral to treatment time (RTT – planned care) performance is on track for outpatients and therapies, but diagnostic waits have been heavily affected by the inclusion of cardiac diagnostics within the figure, which has deteriorated from 29 to 702. Work is underway to eliminate these waits over the financial year. 3,398 patients waited more than 36 weeks for treatment, marginally above the trajectory figure of 3,357, and the £2m allocated within the 2018-19 financial year was being invested. The committee discussed a report on demand and capacity planning which highlighted the need and potential for significant efficiencies to address sustainably the ongoing capacity gap as well as the need for significant investment in backlogs in order to deliver required reductions in the waiting list over the next year.

In terms of healthcare acquired infections, there was a reduction in the number of infections for both *clostridium difficile* and *staphylococcus aureus*, although both remain slightly above trajectory. *E.coli* infections have increased, but remain below trajectory.

Medical agency cap - the committee received a much improved paper which demonstrated both where we perform relative to other health boards and where there may be opportunities to improve. The committee asked for an action plan within the next report.

- **Meeting on 27th April 2018**

Unscheduled Care update – The committee was pleased to welcome the operations manager for ABMU in the Welsh Ambulance Service NHS Trust (WAST) and to hear that the two organisations have a very constructive relationship, including challenging discussions when necessary. Actions by delivery unit were discussed; while there is much effort, the committee was keen to encourage delivery units to focus on outcomes and expected delivery dates for actions. In relation to joint plans with WAST, the work with the Acute Clinical Team was identified as a particularly successful trial, and work is underway to produce a formal evaluation. The committee was keen to see a business case for rollout in good time to prepare for next winter.

RTT assurance and delivery update – our year-end position was positive for outpatients (292 against a target of less than 1000) and therapies (0 > 14 weeks, on target). We had 29 patients waiting more than eight weeks for diagnostic tests (against a target of 0) but our performance for those waiting more than 36 weeks and 52 weeks was significantly off target (3,363 and 1,729 respectively), resulting in a claw back of £7.4m from Welsh Government for the financial year 2017-18. Of the 3,363 patients waiting more than 36 weeks, all are waiting for surgery. Action plans are in place by specialty and delivery unit.

Delayed Follow Ups – the committee was pleased to hear that progress had been delivered since the last update in February although absolute numbers remain very high. A further update will be provided in six months.

Period 12 update – our year-end financial deficit was £32.4m against a forecast of £30m. The variance was attributable to the £7.4m 'clawback' imposed by Welsh Government for failure to deliver RTT targets.

Workforce metrics – the new Director of Workforce and Organisational Development set out

her priorities director in terms of workforce metrics. Although there are some signs of improvement in month, sickness rates are still high, and a focus was to be given to the members of staff signed-off for three to six months. Whilst recruitment effectiveness is important to maintaining establishment, understanding why people leave and improving retention is a key priority. Other areas requiring improvement are personal appraisal and development review (PADR) compliance (particularly in non clinical areas) and Statutory and Mandatory training compliance.

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

Recovery and sustainability - the committee is concerned that there is insufficient understanding across the health board that individuals must be held to account for performance that they have signed up to. Delivery of service improvement, efficiencies and savings is everybody's business, and failure to deliver cannot be an option. Engagement and communication are crucial to ensuring the collaborative approach to saving outlined by the Director of Finance, but it is not clear that there is sufficient resource to do this effectively. As a starting point, the committee suggested better use of the intranet bulletin by publicising 'good news' stories as well as collating and acknowledging ideas put forward by staff in response.

Cancer - performance for April 2018 was well off trajectory and of concern. Urgent suspect cancer performance was 73% against a trajectory of 83% and non-urgent suspected cancer was 88% against a trajectory of 98%. The committee received an escalation report from the outgoing and incoming cancer leads. This highlighted that, whilst there has been significant progress in terms of understanding, there is still insufficient grip within the services themselves of what actions will be taken to address the issues. Key services of concern are breast and urology at Princess of Wales Hospital and, increasingly, lower gastro-intestinal at all sites.

Delegated action by the committee:

The committee approved its annual report 2017-18, subject to any comments received from members (appendix 1) and its terms of reference, subject to the inclusion of assistant directors of strategy and finance being included within the terms of reference (appendix 2).

Main sources of information received:

Board performance report – this was the final iteration of the integrated board performance report that the committee would receive as a new monthly report was in development;

End-of-Year – members received and discussed the report outlining performance against the previous year's annual plan;

Analytical Review of the Accounts 2017-18 – the committee received a report which outlined areas which worked well as part of the previous year's financial management process and others which could be improved upon in order to gain lessons learned.

Other reports received by the committee for information only comprised:

- Report from unscheduled care delivery board;
- Wales Audit Office reports: Outpatient Services and Discharge Planning – both referred from the Audit Committee for information;
- Committee's work plan for 2018-19.

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| Highlights from sub-groups reporting into this committee: | |
| None received. | |
| Matters referred to other committees | |
| None identified. | |
| Date of next meeting | 20 June 2018 |