

## Bundle Finance & Performance Committee 26 March 2019

### AGENDA

11.20am Boardroom, Carlton Court St Asaph Business Park LL17 0JG

- 12 11:20 - FP19/55 Apologies for absence
- 13 FP19/56 Declaration of Interests
- 14 11:20 - FP19/57 Draft minutes of the previous meeting held on 26.2.19 and summary action plan  
FP19.57a Minutes FPC 26.2.19 v.03 draft Public session.docx
- 15 Finance and Planning
- 15.1 11:35 - FP19/58 Finance Report Month 11  
*Mr Russ Favager*  
*Recommendation*  
*It is asked that the report is noted, including the forecast outturn of £42.0m and recognising the current risks to the financial position.*  
FP19.58 Finance Report - Month 11 SH (2).docx
- 15.2 12:35 - FP19/59 Turnaround Programme Savings Report – Month 11 2018/19  
*Mr Geoff Lang*  
*Recommendation*  
*That the Committee –*
  - *Note the forecast position for Divisional savings schemes which currently stands at £38.3m, compared to £38.9m in month 10.*
  - *Note the key movements in delivery and savings forecast during the month along with the factors driving this*
  - *Note the escalation activity which is ongoing to secure delivery of savings to year end*
  - *Note the ongoing development of savings schemes for 2019/20; the schemes identified to date and the further areas being explored*
  - *Note the potential areas identified for efficiency gains*FP19.59a Savings report M11 cover sheet.docx  
FP19.59b Savings report M11 Report.docx
- 15.3 12:55 - FP19/60 Establishment of Finance and Performance SubCommittee  
*Mr John Cunliffe Vice Chair Finance and Performance Committee*  
FP19.60a Savings programme sub-committee establishmentcover sheet.docx  
FP19.60b Savings Programme Sub-Committee draft TOR.DOC
- 15.4 13:00 - Lunch break
- 15.6 13:30 - FP19/61 Capital Programme report Month 11  
*Mr Mark Wilkinson*  
*Mr Neil Bradshaw in attendance*  
FP19.61a Capital M11\_coversheet.docx  
FP19.61b Capital Programme Report Month 11.docx  
FP19.61c Capital Appendix 2a YGC Report Feb 2019.doc  
FP19.61d Capital Appendix 2b YG ED Report Feb 2019.docx  
FP19.61e Capital Appendix 3 - Discretionary capital programme monitoring report.pdf
- 15.9 13:45 - FP19/62 no item
- 16 Performance
- 16.1 14:00 - FP19/63 Integrated Quality and Performance report  
*Mr Mark Wilkinson*  
*The Finance & Performance Committee is asked to note the report and to assist in addressing the governance issues raised.*  
FP19.63a IQPR Coversheet - February 2019 FINAL.docx  
FP19.63b IQPR FP report - February 2019 FINAL.pdf
- 16.4 14:30 - FP19/64 Referral to Treatment (RTT) update  
*Dr Evan Moore*  
*Recommendation*  
*To note the report*  
FP19.64a RTT coversheet.docx  
FP19.64b RTT update.docx
- 16.5 14:45 - FP19/65 Unscheduled Care 90 day plan update report

*Mr Trevor Hubbard in attendance*

*Recommendation*

*It is recommended that Finance and Performance Committee note:*

- The achievement against the 90 day measures and how use of the 90 day plan methodology is driving improvement and change.*
- The ongoing focus to improve the partnership working relating to the Health Board's Unscheduled Care Improvement journey. See appendix 2*
- The ongoing risk associated with continuing challenges with flow and ED which as yet is only yielding minimal improvement in the Health Board's 4 hour performance.*

FP19.65a USC 90 DAY PLAN UPDATE coversheet V2.0.docx

FP19.65b USC 90 day plan paper for March FP.pdf

17

Governance

18

FP19/66 Issues of significance to inform the Chair's assurance report

19

FP19/67 Summary of InCommittee business to be reported in public

*Mr Russ Favager*

*Recommendation*

*To note the report*

FP19.67 InCommittee items reported in public.docx

20

FP19/68 Date of next meeting Wednesday 24.4.19 9.00am Boardroom, Carlton Court



**Finance & Performance Committee**  
**Draft minutes of the meeting held in public on 26.2.19**  
**in Carlton Court, St Asaph**

**Present:**

Mr Mark Polin	BCUHB Chair – Committee Chair
Mr John Cunliffe	Independent Member
Mrs Lyn Meadows	Independent Member
Ms Helen Wilkinson	Independent Member

**In Attendance:**

Ms Val Attwood	Associate Director of Contracting ( <i>part meeting</i> )
Mr Neil Bradshaw	Assistant Director Strategy- Capital
Mr Andrew Doughton	Wales Audit Office - <i>observer</i>
Mr Russell Favager	Executive Director of Finance
Mrs Sue Green	Executive Director Workforce and Organisational Development (OD)
Mr Trevor Hubbard	For Executive Director Nursing and Midwifery
Mr Michael Hearty	Financial Advisor
Ms Sue Hill	Finance Director – Operational
Mr David Jenkins	Independent Advisor
Mr Geoff Lang	Turnaround Director
Dr Evan Moore	Executive Medical Director
Mr Steve Vaughan	Interim Director Secondary Care ( <i>part meeting</i> )
Mr Ed Williams	Head of Performance – observer ( <i>part meeting</i> )
Mr Mark Wilkinson	Executive Director of Planning & Performance
Mrs Meinir Williams	Interim Associate Director Unscheduled Care ( <i>part meeting</i> )
Ms Diane Davies	Corporate Governance Manager

Agenda Item Discussed	Action By
<b>FP19/22 Apologies for absence</b>  Apologies for absence were received from Mrs Gill Harris and Dr Jill Newman.	
<b>FP19/23 Declaration of Interests</b>  None declared.	
<b>FP19/24 Draft minutes of the previous meeting held on 17.1.19 and summary action plan</b>  <b>FP19/24.1</b> The minutes were agreed as an accurate record.  The closed actions were accepted and updates provided as follows:	

**FP19/12.3** The Chairman advised that he and the Chief Executive had made the decision to commission a task group to explore BCU's RTT position, and that the latter was in the process of framing the specification. The Committee stressed the need to have clarity on what constituted RTT. He also advised that the Orthopaedic Business Case was being revised in order to resolve outstanding issues and encouraged the Executive Director of Planning and Performance to move this forward at pace.

**FP19/8** It was reported that the draft Digital Strategy had been discussed at the recent Information Governance and Informatics Committee and would be submitted to the March Board meeting.

**FP19/24.2** The Chairman stated by the March Board meeting there needed to be a clear understanding of the plan and its priorities, including what needed to be achieved and capabilities understood. He emphasised the importance of aligning capacity within the organisation to meet the priorities outlined, with any known variance to be escalated to the Board. He stressed the need for confidence in the savings plan which needed to deliver more than the current year and be supported adequately by the Programme Management Office. The Turnaround Director advised that an InCommittee paper to be discussed later in the day addressed these issues. A discussion on capability ensued, with particular reference to Area Teams and also whether plans were in place to address potential resistance to change. The Financial Advisor emphasised the importance of the organisation having a mission statement, supported by effective leadership and executive engagement. The Chairman advised that consideration was being given to aligning Independent Members with various workstreams, and that he would be establishing a F&P Sub Committee, chaired by an IM or the Financial Advisor, to address in detail savings, transformation and turnaround.

#### **FP19/25 Finance report Month 10**

**FP19/25.1** The Executive Director of Finance introduced this item. He reported that the position for month 10 was at a variance of £1m, as in the previous month. This comprised £500k of undelivered turnaround scheme savings plans and an overspend in Mental Health care packages which had been offset by under-spending in Primary Care, WHSSC contracts and other budgets. He advised that BCU was at £2.9m variance with the profiled plan to deliver £35m and off target in respect of £4.7m of savings.

**FP19/25.2** The Executive Director of Finance advised that Area Teams had overspent £600k in month due to under delivery of savings and £300k overspend in Continuing Healthcare (CHC). Elderly Mentally Infirm CHC continued to be the key issue with costs increasing by £500k in actual spend compared to December 2018. In respect of Contracts, a £200k underspend in month was reported mainly due to the WHSSC contract. It was noted that the contract performance excluded the impact of HRG4+ which was explained, including the expectation that this would not be a financial risk to the Health Board in the current year.

**FP19/25.3** It was noted that the Secondary Care Division was £1m overspent in the month, £6.2m year to date, and an increase of £300k from December 2018. £700k of the £1m related to failure to deliver savings. Drug costs were overspent by £200k due to an increase in oncology drugs. The Executive Director of Finance advised that Wrexham Maelor had an average of 29 escalation beds open in January 2019 - ranging from 17 to 43. Discussion ensued on BCU's policy in respect of escalation beds which included the

effect on establishment and also within community services.

**FP19/25.4** It was noted that Mental Health and Learning Disabilities Division was £500k overspent in the month, being a deterioration of £100k from December. The overspend continued to relate to non-achievement of savings and increased cost of packages of care which was £500k overspent in month. The Committee questioned how the Division's position continued to worsen, given the number of accountability meetings taking place. Following the Executive Director of Finance's response regarding managing the increased packages of care, the Independent Advisor questioned what level of support was being provided and the fundamental need to understand the root causes. The Executive Director of Workforce and OD explained the progress being made with rostering, establishment control and proof of concept work being undertaken in respect of admin support. The Turnaround Director commented that there was more rigour and challenge in place in respect of capability, planning and the actions required.

**FP19/25.5** The Executive Director of Finance advised that January pay was a £700k decrease on December however, after removing the effect of the pay award it was an increase of £1.5m on December although separate funding from RTT and winter funding had offset this increase. He advised that, disappointingly, Agency spend was £2.8m, being an increase of £0.5m (4.5%) on December and Nurse Agency spend had overtaken Medical Agency as BCU's greatest usage. Following his advice, that with 566 nursing vacancies it was unlikely that nurse agency expenditure would reduce significantly in the short term, the Chairman questioned the reasons for the increase. The Executive Director of Workforce and OD explained the increases and advised that whilst there would be downturn in March, stabilisation was expected in the new financial year. Discussion ensued on nurse staffing, including questioning potential premium payments whilst being mindful of potential effects on the region's health and social care system.

**FP19/25.6** The Executive Director of Finance reported that in respect of non-pay spend, CHC and Funded Nursing Care had remained at a consistent level throughout the year which was of concern given the number of savings schemes that were targeted within these areas. He also reported that in respect of savings BCU was £4.8m behind plan and forecasted to be at £6.1m variance at year end, with the requirement to deliver £8.6m savings within months 11 and 12. He highlighted that £600k was deemed to be high risk, mainly around the East Area Team. The Financial Advisor questioned the maturity of the 2019/20 savings plan development drawing particular attention to weakness in scheme planning and development of metrics. In response, the Turnaround Director confirmed that low confidence regarding the 30% deliverable by the end of March was due to developing how these would be carried out. The Chairman questioned when Secondary Care and MHLTD staffing costs would improve going forward and whether savings were married up to the workforce plan which was confirmed. The Committee raised concern that £1.9m of savings schemes were rated as amber and £0.6m were red rated, which would result in an increased shortfall of £8.6m should they not be delivered. The Chairman also questioned what controls were in place to address any issues that might arise within the next 5 weeks. The Executive Director of Finance confirmed that monitoring was taking place weekly at Executive Team meetings. It was agreed that the Committee would be provided with Savings action updates following each weekly Executive Team meeting going forwards.

GL/RF

**FP19/25.7** The Executive Director of Finance reported that in respect of RTT, BCU had received £11.3m but had spent £15.3m to date. Therefore £4m was currently spent at

risk and should the RTT targets not be achieved some of this resource would be clawed back which was expected to be in the region of £600k for every 250 patients not treated by the agreed time. The Chairman advised that the Chief Executive was in discussion that day regarding RTT clawback with Welsh Government (WG), which included the possibility of additional monies should performance deliver ahead of target. The Executive Director of Finance advised that the current year end forecast by Divisions would be £7m overspent that related to the £42m forecast deficit.

**FP19/25.8** The Executive Director of Finance drew attention to the delivery risks of the position within the report. He advised that some related to potential clawback of resources by WG eg RTT, GMS, GDS, while others were around operational performance. The key risks, in his opinion, were packages of care, expenditure on unscheduled care, expenditure on planned care in excess of the monies earmarked by Welsh Government and delivery of savings in months 11 and 12.

**FP19/25.9** It was noted that further enhanced financial controls were implemented from 1<sup>st</sup> February which enhanced the existing financial governance around discretionary spend. The importance of escalating breaches of the controls was emphasised. Following discussion on accountability, the Chairman requested that recent correspondence between the Chief Executive, Director General NHS Wales and responses be shared with the members.

RF/SH

**It was resolved that the Committee**

- Noted the report, including the forecast outturn of £42.0m and recognising the significant risks to the financial position.

**FP19/26 Turnaround Programme Savings report – Month 10 2018/19**

**FP19/26.1** The Turnaround Director presented this item. He highlighted the Forecast Savings Programme within the report which demonstrated the savings that had been built into specific plans by Divisions, with a forecast delivery of £38.9m, an increase of £0.1m from month 9. This was short of the £45m target set by the Board and the residual element related to savings schemes not identified in full and therefore not forecast to deliver. He also drew attention to the outstanding savings requirements listed and it was noted that the report included the delivery risk associated with the savings schemes which had been assessed. It was noted that whilst there was ongoing volatility relating to Medical Agency there had been increased stability within Nursing. Positive progress had also been achieved in Medicines Management, especially in respect of GP spending.

**FP19/26.2** The Turnaround Director reported that the savings achievement was £3.2m adrift from target which was related mainly to additional savings applied to Divisions during the year, however the original schemes were generally delivering. He advised that cash releasing savings were a main focus. He commented that £35m had been the target for the organisation and that the Executive Management Group had significant work across BCU to address rather than within particular Divisions. He reported that there was clarity on leads within the Programme Management Office, and that there was ongoing equality and quality impact assessments taking place.

**FP19/26.3** Discussion ensued in respect of the schemes which had not been developed to date, in which the Turnaround Director advised that there would be organisational learning applied to the following year's approach.

**FP19/26.4** The Chairman questioned the savings plan proposals, including the issue that EMG had identified some without clarity on resource. He raised his concern about commencing the financial year with poorly formed savings plans and lack of clarity and expressed a lack of confidence in the plans to year end. He stated that whilst work was progressing he intended to move forward with the review, anticipating that following a tendering process work would commence and be concluded by 30.6.19.

**FP19/26.5** The Committee raised its concern regarding the lack of transformational savings. The Independent Advisor advised that the organisation needed to view savings as a stepping stone that would lead to significant change in order to improve internal support. However, it was his opinion that the current type of plans were no different to the previous year and he encouraged greater clarity. The Executive Director of Workforce & OD commented that there was a fundamental difference in current planning as there was more triangulation around finances.

**It was resolved that the Committee**

- Note the forecast position for divisional savings schemes which currently stands at £38.9m, compared to £38.8m in month 9
- Note the additional savings which have been delivered against the turnaround targets and the remaining gap of £6.1m against the full £45m target
- Note the key movements in delivery and savings forecast during the month
- Note the shortfall against turnaround savings targets which remains a key risk to delivery in 2018/19
- Note the escalation activity which is ongoing to secure further in year savings including additional financial controls
- Note the ongoing development of savings schemes for 2019/20; the schemes identified to date and the further areas being explored.

**FP19/27 External Contracts Update**

**FP19/27.1** The Associate Director of Contracting joined the meeting to present the report which provided a summary of activity by the Healthcare Commissioning Team and the headline successes and challenges in Quarter 3 of the 18/19 financial year. She advised that the current forecast underspend was £3m and also drew attention to current issues in respect of various services provided by the Countess of Chester hospital and mitigation plans being worked through.

**FP19/27.2** Key activities and benefits within quarter 3 were highlighted including RTT and waiting list support. A discussion ensued on capacity flexibility available within this area which included questioning outsourcing and internal theatre utilisation issues.

**FP19/27.3** The Associate Director of Contracting drew attention to the fragility of the nursing home market and assured that this risk was being monitored by the Health Board. In response to the Committee's question, she also confirmed that quality monitoring was in the process of being addressed.

**It was resolved that the Committee**  
noted the report

*The Associate Director of Contracting left the meeting*

<p><b>FP19/32 Workforce Quarterly Performance report Quarter 3 2018/19</b></p> <p><b>FP19/32.1</b> The Executive Director of Workforce and OD presented the report which provided an overview of the performance of the workforce against key priority areas that impact on the Health Board's ability to deliver safe, timely and cost effective care and services.</p> <p><b>FP19/32.2</b> The Committee questioned vacancy and retention. The Executive Director of Workforce and OD advised the Chairman regarding ongoing work to potentially increase numbers of substantive staff within nurse agency and the challenges involved. She confirmed that the creation of an establishment resource centre would provide transformational improvements, as opposed to Shared Services' transactional support, and would be subject to Investment to Save funding and therefore not included within the current plan.</p> <p><b>FP19/32.3</b> In the discussion which followed regarding over 60s turnover and retire &amp; return processes, it was noted that this was an important area to address on a case by case basis. It was also noted that work was ongoing to address vacancy rates within Estates, given the Committee had questioned why vacancy rates were high when current unemployment rates were also high.</p> <p><b>It was resolved that the Committee</b> noted the report</p>	
<p><b>FP19/28 Capital Programme month 10</b></p> <p><b>FP19/28.1</b> The Assistant Director Strategy- Capital joined the meeting to present this item which provided progress on delivery of the approved capital programme and progress on expenditure against the Capital Resource Limit. Following a question raised by the Committee, he explained the governance arrangements in respect of the Capital Programme Management Group and their assessment of risk which also met recommendations following the YGC project. The Assistant Director Strategy - Capital agreed to amend the term 'scrutinise' in respect of the appendices provided. He confirmed that the Ysbyty Wrexham Maelor Programme was being reported at the Strategy, Partnerships and Population Health Committee and that slippage was not a capacity issue but caused by late submission of the YWM programme.</p> <p><b>FP19/28.2</b> The Assistant Director Strategy - Capital was pleased to confirm completion of the Ysbyty Glan Clwyd scheme, drawing attention to the 700 tonnes of asbestos which had been removed, potential gain share and management of brokerage. The Committee requested that he liaise with the Chief Executive to ensure a staff communication was issued to thank staff for their patience during the disruption. A discussion ensued on design modifications and consequences during the project.</p> <p><b>FP19/28.3</b> The Committee questioned progress regarding utilisation of the contingency of the Ysbyty Gwynedd Emergency Department scheme, and it was confirmed that, as Interserve were projecting gain share, the scheme would be delivered within target. It was also noted that a gateway review would also be undertaken in due course. The Assistant Director Strategy- Capital verbally updated the Committee on progress with the red rated schemes within the Discretionary Capital Programme.</p>	<p>NB</p>



<p><b>It was resolved that the Committee</b> noted the report</p> <p><i>The Assistant Director Strategy- Capital left the meeting</i></p>	
<p><b>FP19/29 Integrated Quality and Performance report Month 10</b></p> <p><b>FP19/29.1</b> The Executive Director of Planning and Performance presented this item. He drew attention to challenges being experienced within Endoscopy services which included recruitment, estate and accreditation and advised that the Quality, Safety and Experience (QSE) Committee were addressing quality and safety issues. He drew attention to Cancer services performance and the effect on RTT also.</p> <p><b>FP19/29.2</b> The Committee was pleased to note zero waiting time in respect of planned care diagnostic waits reported. The Committee discussed Planned care follow up backlog performance and, in response to the Independent Advisor's question regarding awareness, noted that an audit report would shortly be considered at the QSE Committee.</p> <p><b>FP19/29.3</b> A discussion ensued in respect of the Financial Advisor's enquiry regarding ascertainment of the level of urgency to change current 'red' performance areas. This included discussion of Key Performance Indicators, key priorities, Executive Team commitment and effective sharing of briefings and their quality. The Committee requested that the narrative be improved in respect of areas of concern raised eg ambulance handovers, RTT etc within the IQP report in order that the Committee was better sighted on these areas.</p> <p><b>FP19/29.4</b> The Committee also expressed concern regarding accountability which was understood to be addressed within the developing accountability framework. A discussion followed regarding commissioning and provider perspectives, in which it was agreed that the Executive Team would explore further BCU's utilisation of these as an integrated Health Board. The Committee suggested that, in consideration of such a cultural shift, the organisation should be mindful of a more co-production approach rather than top down. The Financial Advisor commented that in England the approach within integrated care also considered meeting demand and incentivising delivery.</p> <p><b>FP19/29.5</b> With regard to long term sickness and stress indicators within the report, the Committee questioned whether the PADR process could more proactively address this area. In consideration of primary care and pathways, the Committee requested improved quality narrative within future reports which would include actions being undertaken to address issues.</p> <p><b>It was resolved that the Committee</b> Noted the report</p>	<p>MW</p> <p>MW</p> <p>MW</p>
<p><b>FP19.33 Lease Car Policy F02</b></p> <p>It was noted that the Policy detailed minor amendments, including a change to the operational principles, to support the strategy for the reduction in overall travel costs. The Executive Director of Finance advised that the Local Partnership Forum had recently reviewed the draft policy.</p> <p><b>It was resolved that the Committee</b></p>	

approve the revised policy, FO2 Lease Car Policy	
<p><b>FP19/34 Shared Services Partnership (SSP) Committee quarterly assurance report</b></p> <p>The Committee questioned clarity regarding responsibilities between Shared Services and BCUHB. The Executive Director of Workforce &amp; OD explained services provided by SSP in respect of the different areas or Recruitment. The Committee also questioned the level of SSP understanding regarding BCU's savings requirement and level of challenge provided. In the ensuing discussion it was agreed that the Executive Director of Finance would provide members with a briefing on procurement benchmarking.</p> <p><b>It was resolved that the Committee</b> noted the report</p>	RF/SH
<p><i>The Interim Secondary Care Director and Associate Director Unscheduled Care joined the meeting</i></p> <p><b>FP19/30 Referral to Treatment (RTT)</b></p> <p><b>FP19/30.1</b> The Interim Director Secondary Care advised that the snapshot for January would show an increase to approximately 8000 patients which was disappointing. However, the operational teams were focussed on managing a reduction in the cohort of patients waiting, which continued to reduce in line with the requirement to meet outturn consistent with the 31.3.18 year end position, with the cohort reducing. The Interim Director Secondary Care advised the forecast year end position to be 5,611 and outlined various actions that were being undertaken within specialties. However, he explained that current focus was on ensuring understanding of data inconsistencies and that there was an issue with data quality which was still being resolved.</p> <p><b>FP19/30.2</b> Discussion ensued in which the Chairman voiced his concern regarding accuracy and requested that the Executive Team provide weekly updates to members on RTT following Executive Team meetings going forward. It was agreed that the Executive Medical Director would provide a member briefing following the meeting. The Chairman suggested that a task and finish group be established in order to understand BCU's position before 1.4.19.</p> <p><b>It was resolved that the Committee</b> Noted the report</p> <p><b>FP19/31 Unscheduled Care 90 day plan and Winter Resilience update report</b></p> <p><b>FP19/31.1</b> The Associate Director Unscheduled Care advised that there had been performance improvements at YWM, in the West and also YGC during February which were better than the previous year. She reported on a seismic shift in patient handovers especially at YWM, there had been a decrease in ambulance presentations and internal delays were being worked through at all 3 sites site with modelling. The Associate Director Unscheduled Care advised on escalation levels, GPOOH improvements and the service's de-escalation from special measures, demand management via SICAT and challenges with patient flow. She also reported that Welsh Government funding support with the Red Cross was helping patients.</p> <p><b>FP19/31.2</b> Discussion ensued on data quality and documentation issues which were being addressed. The Executive Director Workforce &amp; OD stated there was a need to</p>	RF EM

<p>improve understanding of surge capacity from a quality and safety perspective and also financially. It was agreed that the Associate Director Unscheduled Care would provide greater detail on the impacts to managed practices following recruitment to SICAT in a future report.</p> <p><b>FP19/31.3</b> Following discussion on confidence in demand management it was suggested by the Executive Director of Workforce &amp; OD that the area be explored further by the Care Closer to Home Group. It was also noted that Frailty model appeared to be less visible as a plan. Following the Chairman's question as to whether the organisation had the necessary analytical capacity to provide understanding on these issues, it was agreed that a full assessment of capability and demand management should be undertaken by the Planned Care Transformation Group.</p> <p><b>It was resolved that the Committee</b></p> <ul style="list-style-type: none"> <li>• Noted the content of the paper and progress made against the first cycle of the 90 day plan, moving forward into the second cycle.</li> <li>• Recognised the achievement against the 90 day measures and how use of the 90 day plan methodology is driving improvement and change.</li> <li>• Noted the ongoing focus to improve the partnership working relating to the Health Board's Unscheduled Care Improvement journey.</li> <li>• Noted the ongoing risk associated with continuing challenges with flow and ED, which as yet is only yielding minimal improvement in the Health Board's 4 hour performance.</li> </ul>	<p>MeW</p> <p>MW</p>
<p><b>FP19/35 Issues of significance to inform the Chair's assurance report</b></p> <p>To be completed outside of the meeting.</p>	
<p><b>FP19/36 Summary of In Committee business to be reported in public</b></p> <p><b>It was resolved that the Committee</b> note report.</p>	
<p><b>FP19/37 Date of Next Meeting</b></p> <p>9.00am 26.3.19</p>	
<p><b>FP19/38 Exclusion of the Press and Public</b></p> <p><b>It was resolved that</b> representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest in accordance with Section 1(2) Public Bodies (Admission to Meetings) Act 1960.</p>	



<b>Report Title:</b>	Finance Report Month 11 2018/19
<b>Report Author:</b>	Ms Sue Hill, Finance Director – Operational Finance
<b>Responsible Director:</b>	Mr Russell Favager, Executive Director of Finance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	The purpose of this report is to provide a briefing on the financial performance and position of the Health Board for the year to date and forecast for the year, together with actions being undertaken to tackle the financial challenge.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This report is subject to scrutiny by the Finance and Performance Committee prior to submission to the Board.
<b>Governance issues / risks:</b>	This report does not impact on Governance issues or risks.
<b>Financial Implications:</b>	<p>The Health Board approved an Interim Financial Plan on the 28<sup>th</sup> March 2018 which would deliver a deficit budget of £35.0m after delivery of £45.0m savings, £22.0m of which were cash releasing. The Health Board's forecast deficit was increased at Month 9 to £42.0m. This was to reflect the significant risks around the underperformance of savings plans and cost pressures around Continuing Healthcare (CHC) and Mental Health. The Health Board's forecast at Month 11 has remained at a deficit of £42.0m.</p> <p>At the end of Month 11 the Health Board is overspent by £36.5 m. Of this, £32.9m relates to the Health Board's planned budget deficit and £3.6m represents an adverse variance against the financial plan.</p> <p>The original plan for Month 11, based on a £35.0m budget deficit, was an in-month deficit of £2.2m. The actual position was £2.9m, £0.7m higher than plan. The key reasons for the in-month over spend are outlined below.</p> <ul style="list-style-type: none"> <li>• Under delivery against savings plans across most divisions (£0.8m).</li> <li>• Over spends on Prescribing (£0.4m) and premises and fixed plan (£0.4m).</li> <li>• Offsetting under spends seen in contracts, pay and income.</li> </ul> <p>Following the revision of the forecast for the year to £42.0m, the position for February was expected to be £4.1m, with the actual</p>

	<p>performance being £1.2m better than this. This is mainly due to unplanned income for Mental Health and an improvement in the forecast outturn for the WHSCC contracts.</p> <p>At the end of February the Health Board has spent £16.6m on additional activity to reduce the long waiting lists. Funding of £11.3m has been received from Welsh Government for activity up to the end of October, leaving a balance of £5.3m unfunded expenditure. Welsh Government have now confirmed the balance of RTT funding for the second half of the year will be received in March, but the potential clawback of resources received if waiting times do not meet the requirement from Welsh Government remains a financial risk for the year end forecast.</p> <p>Savings achieved to date are £34.2m against a plan of £40.0m, £5.8m behind the year to date profile and representing 76.0% of the full year target. Savings are forecast to deliver £38.3m of the £45.0m Health Board target, a shortfall of £6.7m. This represents a deterioration of £0.6m on last month's forecast.</p> <p>Welsh Government has confirmed Strategic Cash Support for 2018/19 of £38.0m, along with £11.8m funding towards revenue working capital balance. The Health Board will internally manage a further £4.0m cash to ensure a balanced revenue cash position as at 31<sup>st</sup> March 2019.</p>
<b>Recommendation:</b>	It is asked that the report is noted, including the forecast outturn of £42.0m and recognising the current risks to the financial position.

<b>Health Board's Well-being Objectives</b> <i>(Indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	✓	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	✓
1.To improve physical, emotional and mental health and well-being for all		1.Balancing short term need with long term planning for the future	✓
2.To target our resources to those with the greatest needs and reduce inequalities	✓	2.Working together with other partners to deliver objectives	
3.To support children to have the best start in life		3. those with an interest and seeking their views	

4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	✓
5.To improve the safety and quality of all services		5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity			
7.To listen to people and learn from their experiences			
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b> Costs associated with implementing improvements arising from Special Measures are included within departmental budgets.			
<b>Equality Impact Assessment</b> Not applicable.			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*

Board/Committee Coversheet v9.01 draft



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NHS  
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Betsi Cadwaladr  
University Health Board

# Executive Director of Finance Report Month 11 2018/19

Russell Favager

Executive Director of Finance  
Betsi Cadwaladr University Health Board

# 1.Executive Summary

## 1.1 Purpose

- The purpose of this report is to outline the financial position and performance for the year to date, confirm performance against financial savings targets and highlight the financial risks and outlook to year end.

## 1.2 Summary of key financial targets

Key Target		Annual Target	Year to Date Target	Year to Date Actual	Forecast Risk
Achievement against Revenue Resource Limit	£000	(35,000)	(32,920)	(36,504)	
Performance against savings and recovery plans	£000	45,000	40,005	34,243	
Achievement against Capital Resource Limit	£000	49,308	31,991	29,354	
Compliance with Public Sector Payment Policy (PSPP) target	%	95.0	95.0	95.0	
Revenue cash balance at month-end	£000	8,042	8,042	2,425	

Monthly Performance Against Key Targets	M01 £m	M02 £m	M03 £m	M04 £m	M05 £m	M06 £m	M07 £m	M08 £m	M09 £m	M10 £m	M11 £m	Year to Date £m
Revenue Resource Rate	(3.5)	(3.5)	(3.3)	(3.9)	(3.3)	(2.8)	(2.9)	(3.4)	(3.6)	(3.4)	(2.9)	(33.6)
Savings Delivery	1.8	1.6	3.4	2.8	2.5	3.5	3.1	3.6	3.4	4.6	3.9	34.2
Capital Resource Rate	n/a	6.9	(1.0)	1.3	2.7	1.6	1.6	3.2	3.2	2.8	7.1	29.4
Compliance with Public Sector Payment Policy (PSPP)	94%	95%	96%	97%	95%	95%	95%	94%	95%	93%	96%	95%
Revenue cash balance at month-end	6.7	6.7	3.4	3.5	4.9	2.0	2.9	4.3	1.1	0.2	2.4	2.4



# 1.Executive Summary

## 1.3 Revenue position

- At the end of Month 11 the Health Board is overspent by £36.5 m. Of this, £32.9m relates to the Health Board's planned budget deficit and £3.6m represents an adverse variance against the financial plan.
- The original plan for Month 11, based on a £35.0m budget deficit, was an in-month deficit of £2.2m. The actual position was £2.9m, £0.7m higher than plan. The key reasons for the in-month over spend are outlined below.
  - Under delivery against savings plans across most divisions (£0.8m).
  - Over spends on Prescribing (£0.4m) and premises and fixed plan (£0.4m).
  - Offsetting under spends seen in contracts, pay and income.
- Following the revision of the forecast for the year to £42.0m, the position for February was expected to be £4.1m, with the actual performance being £1.2m better than this. This is mainly due to unplanned income for Mental Health and an improvement in the forecast outturn for the WHSCC contracts.
- At the end of February the Health Board has spent £16.6m on additional activity to reduce the long waiting lists. Funding of £11.3m has been received from Welsh Government for activity up to the end of October, leaving a balance of £5.3m unfunded expenditure. Welsh Government have now confirmed the balance of RTT funding for the second half of the year will be received in March, but the potential clawback of resources received if waiting times do not meet the requirement from Welsh Government remains a financial risk for the year end forecast.
- Savings achieved to date are £34.2m against a plan of £40.0m, £5.8m behind the year to date profile and representing 76.0% of the full year target. Savings are forecast to deliver £38.3m of the £45.0m Health Board target, a shortfall of £6.7m. This represents a deterioration of £0.6m on last month's forecast.
- The Health Board's forecast at Month 11 has remained at a deficit of £42.0m. This reflects the significant risks around the underperformance of savings plans and cost pressures around Continuing Healthcare (CHC) and Mental Health. Work is ongoing to address the savings shortfall and establish plans that will impact on the position.

## 1.4 Balance Sheet

- The Capital Resource Limit at Month 11 is £49.3m. Year to date expenditure is £29.4m against the plan of £32.0m. The year to date slippage of £2.6m will be recovered throughout the remainder of the year and the Health Board is forecasting to achieve its Capital Resource Limit.
- The Health Board is required to pay 95.0% of non-NHS invoices within 30 days of receipt of a valid invoice. There were significant improvements in performance over the first part of the year. The performance in November to January was poor, however, this has recovered again in February. As a result the Health Board has met the required target with a year to date compliance figure of 95.0%.

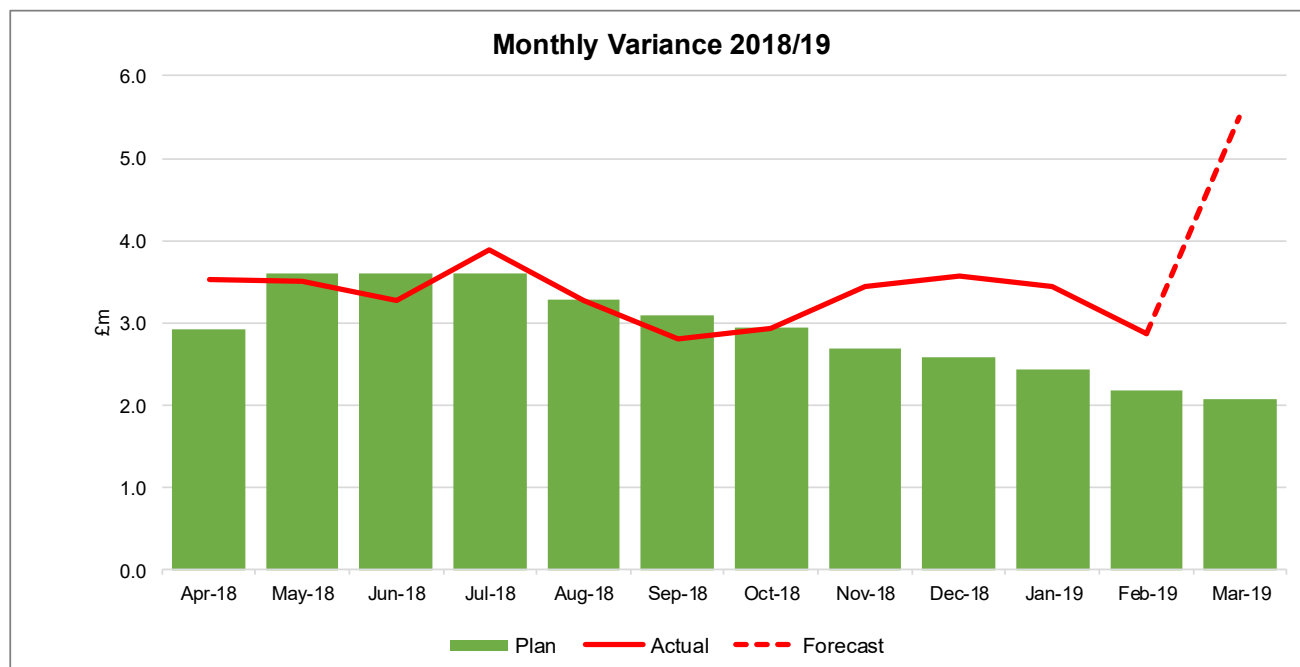
# 1.Executive Summary

- Welsh Government has confirmed Strategic Cash Support for 2018/19 of £38.0m, along with £11.8m funding towards revenue working capital balance. The Health Board will internally manage a further £4.0m cash to ensure a balanced revenue cash position as at 31<sup>st</sup> March 2019.

## 2.Revenue Position

### 2.1 Health Board performance

- The Health Board's in-month reported position is £0.7m higher than planned, giving a year to date £3.6m adverse variance against the 2018/19 financial plan. The forecast performance for the year is illustrated in the following graph:



### 2.2 Financial performance by division

- The table below provides an analysis of the Month 11 budget to actual position for the Health Board's operating divisions.

Variances	West £m	Centre £m	East £m	North Wales £m	Total £m
Area Teams	0.9	(0.5)	0.8	(1.1)	0.1
Contracts				(3.2)	(3.2)
Provider Income				(0.4)	(0.4)
Secondary Care	0.7	2.6	2.9	0.6	6.8
Mental Health				3.4	3.4
Corporate				(1.5)	(1.5)
Other				(1.6)	(1.6)
<b>Variance from Plan</b>	<b>1.6</b>	<b>2.1</b>	<b>3.7</b>	<b>(3.8)</b>	<b>3.6</b>
Planned Deficit					32.9
<b>Total</b>	<b>1.6</b>	<b>2.1</b>	<b>3.7</b>	<b>(3.8)</b>	<b>36.5</b>

## 2.Revenue Position

### 2.3 Commentary by division

- In addition to this section, further detailed commentary by division is provided within Appendix 1.

#### 2.3.1 Areas

- There were under spends earlier in the year from GPs' rate rebates within North Wales Wide services. Within the Centre Area under spends arose from decreased Out of Area CAMHS activity, along with a reduction in the number of Out of Area Neonatal placements. However over spends in the West and East Areas are now negating these to give an overall adverse position of £0.1m for the year to date.
- The Month 11 position saw a £0.4m improvement from January, with a £0.2m in-month over spend. Under delivery of savings has again been a significant issue this month for the Area Teams, with £0.2m of unachieved savings contributing to the in-month position.
- General Medical Services (GMS) are over spent by £0.4m in the month. This is due to costs identified that are associated with the Warfarin Directed Enhanced Service (DES) not previously charged to GMS. This correction has moved £0.4m from Primary Care Drugs into GMS Enhanced Services to reflect the true cost of the Enhanced Service. There has not been a corresponding reduction in Prescribing costs as growth in expenditure has offset the benefit from the transfer.
- Continuing Healthcare (CHC) has improved significantly in February. Although there continues to be a risk, particularly for the West Area, the Areas in total are £0.2m under spent on CHC in February (£1.4m year to date).
- Overall, there is a £0.4m under spend on pay in the month, with agency costs reducing back in line with the average spend (£0.4m), following the rise in January. Drugs within specialty services, notably Diabetes and Dermatology, continue to over spend with a £0.1m adverse variance in the month (£1.3m year to date).

#### 2.3.2 Contracts

- Contracts are reporting an under spend up to Month 11 of £3.2m, with a £0.5m favourable position in-month. This primarily relates to the WHSCC contracts which are showing a £0.9m under spend in February. This has been counterbalanced by pressures in local contracts, notably the Countess of Chester (CoCH) contract where the position has deteriorated by £0.1m due to non-elective activity. Additionally there have been pressures from anticipated charges for major trauma activity arising from an increased volume of patients admitted during January and February.
- It should be noted that the current WHSSC position and year end forecast excludes the potential significant financial impact of HRG4+ which has still not been concluded and remains a financial risk for 2018/19.

## 2.Revenue Position

### 2.3.3 Secondary Care

- The Secondary Care Division has a year to date over spend of £6.8m, with Ysbyty Glan Clwyd (£2.6m) and Wrexham (£2.9m) constituting the majority of this. The in-month over spend for the division is £0.6m, a decrease of £0.4m on the January position.
- Failure to achieve savings plans has been the significant issue once again this month, although at a lower rate than in January. £0.5m of the in-month over spend relates to non-delivery against savings targets (£0.7m in Month 10).
- Pay costs are over spent by £0.4m (£3.0m for the year to date), the majority of which relates to Wrexham and is a result of high nursing agency expenditure. Agency costs in total have increased slightly from Month 10, with a total spend of £1.9m (£19.1m year to date). However, whilst medical agency costs are reducing, nurse agency costs have risen significantly; by £0.2m from January, with an in month spend of £1.2m. Actions to strictly monitor the approval of agency requests have been further enhanced from February and these are combined with renewed efforts to recruit to vacant posts in a bid to reduce agency requirements.
- Drugs costs are under spent in Month 11; by £0.1m as opposed to a £0.2m over spend in Month 10. This is due to expenditure on Oncology drugs reducing after a spike in January. Benefits arising from year end stock takes recognised this month have resulted in a Clinical Supplies under spend of £0.5m.
- Recovery Plans have previously been produced by all three hospital sites the scrutiny of those plans has been extended to incorporate joint plans with the Area Teams on a locality basis.
- Fortnightly targeted intervention meetings are taking place with the Executive Team to discuss the position and consider what other recovery actions can be taken. However a number of these recovery plans have not delivered and additional targeted meetings are taking place with the Chief Executive and Executive Director of Finance.

### 2.3.4 Mental Health

- Mental Health is under spent by £0.5m in Month 11, reducing the year to date over spend to £3.4m. This is a significant improvement on prior months and is due to the receipt of Welsh Government Transformational funding and Psychological Therapies funding which was not expected to be received this year. This has provided a year to date benefit of £2.0m.
- Despite this improvement, savings plans continue to under achieve (£0.2m in the month). CHC costs also remain over spent (£0.2m in the month and £2.9m year to date), although at a lower rate than in previous months.

## 2.Revenue Position

- Drugs cost pressures persist, with an adverse variance of £0.1m in February (£0.6m year to date). Pay costs are also overspending, contributing £0.2m to the in-month over spend (£1.5m year to date). This includes £0.2m of agency costs (£3.8m year to date), although these are reducing and February saw one of the lowest spends for the year.
- A Recovery Plan for Mental Health is in place and is being actively monitored by the Executive Director of Finance and the Director of Turnaround on a weekly basis. Key improvements, particularly in relation to CHC, need to be delivered in order to achieve the year end forecast position.

### 2.4 Pay

- Total Health Board pay (excluding Primary Care functions) is £657.7m, which is an under spend against plan of £2.0m.
- February's pay expenditure has decreased by £0.8m from the previous month to bring costs back down to the average for the year. January's pay costs were inflated by additional work funded through RTT (£0.5m) and winter funding (£0.7m).

#### Actual Pay Costs

	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	YTD Variance
Staff Group	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Administrative & Clerical	7.6	7.5	7.5	7.6	7.5	7.3	7.6	9.0	7.7	7.8	7.8	(5.5)
Medical & Dental	13.4	13.5	13.6	13.7	13.9	13.8	13.9	14.1	16.0	14.3	13.6	5.0
Nursing & Midwifery Registered	19.0	18.8	19.1	19.0	18.7	18.8	19.3	22.4	19.4	19.7	19.8	(6.5)
Additional Clinical Services	9.0	9.0	9.1	8.9	8.9	9.1	9.5	11.1	9.3	9.5	7.7	6.6
Add Prof Scientific & Technical	1.7	1.7	1.7	1.6	1.7	1.7	1.8	2.0	1.8	1.9	3.6	(1.0)
Allied Health Professionals	3.3	3.2	3.2	3.3	3.3	3.4	3.5	3.9	3.4	3.6	3.4	(0.7)
Healthcare Scientists	1.1	1.1	1.1	1.1	1.0	1.2	1.2	1.2	1.3	1.0	1.1	0.1
Estates & Ancillary	2.9	2.9	2.8	2.7	2.8	2.8	2.9	3.5	2.9	3.0	3.0	(0.1)
<b>Health Board Total</b>	<b>58.1</b>	<b>57.8</b>	<b>58.1</b>	<b>58.0</b>	<b>57.9</b>	<b>58.2</b>	<b>59.7</b>	<b>67.2</b>	<b>61.8</b>	<b>60.9</b>	<b>60.1</b>	<b>(2.0)</b>
Primary care	1.5	1.6	1.6	1.7	1.8	1.7	1.7	1.9	1.9	1.8	1.8	3.3
<b>Total Pay</b>	<b>59.6</b>	<b>59.4</b>	<b>59.8</b>	<b>59.7</b>	<b>59.7</b>	<b>59.9</b>	<b>61.4</b>	<b>69.1</b>	<b>63.7</b>	<b>62.7</b>	<b>61.9</b>	<b>1.3</b>

Pay Award							(1.3)	(9.3)	(3.8)	(1.6)	(1.6)	
<b>Health Board Pay Excluding Pay Award</b>	<b>58.1</b>	<b>57.8</b>	<b>58.1</b>	<b>58.0</b>	<b>57.9</b>	<b>58.2</b>	<b>58.4</b>	<b>57.9</b>	<b>58.0</b>	<b>59.3</b>	<b>58.5</b>	

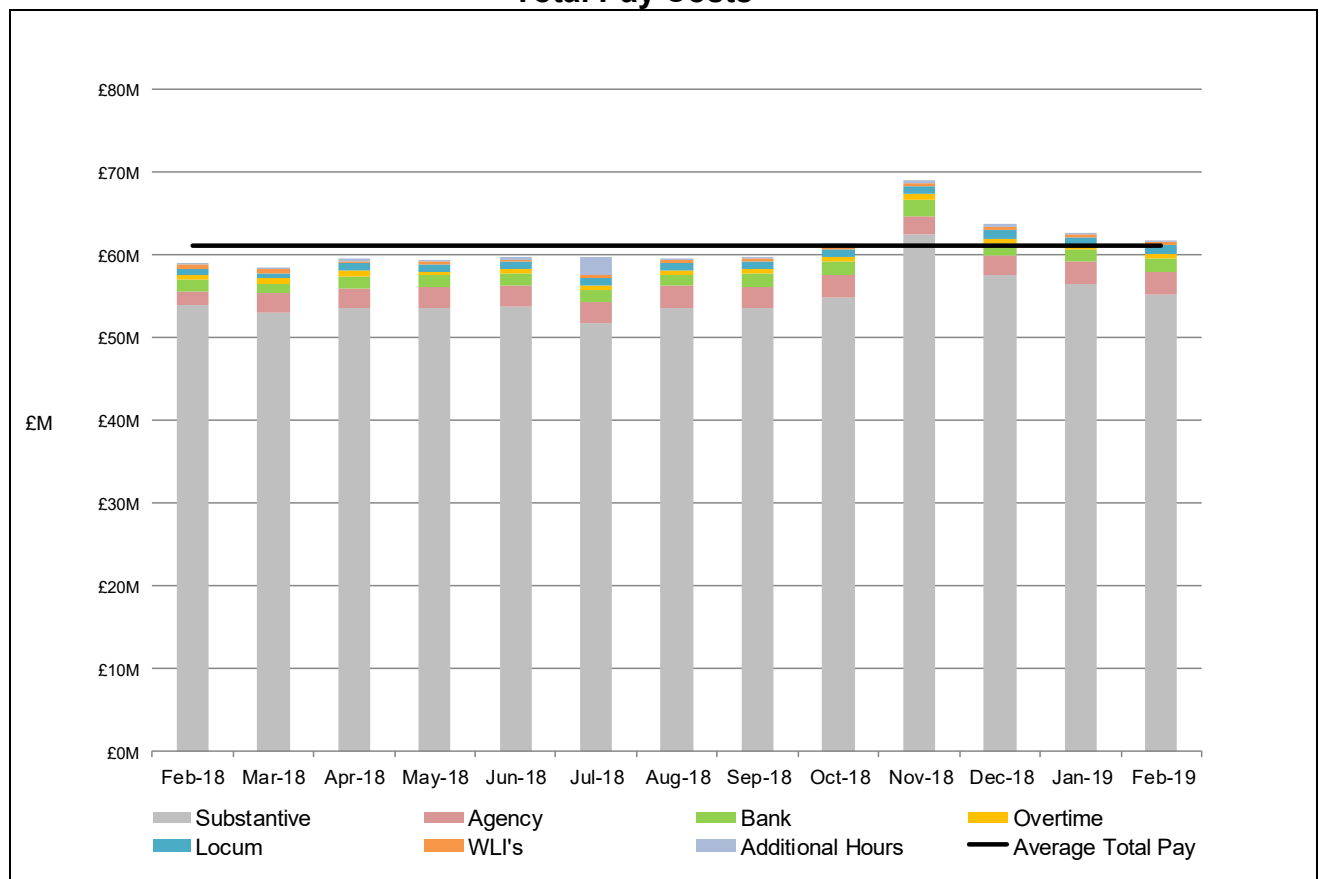
- Analysis of pay by staff group:
  - Medical and Dental pay is £5.0m overspent (£0.1m under spent in the month), as a result of cost pressures arising from agency doctors, offset by vacancies across the organisation. Costs have fallen by £0.7m in Month 11 reflecting the reduction in medical agency, combined with a reduction in staffing numbers and some realignment of costs.
  - Additional Clinical Services (including Health Care Support Workers) to cover nursing vacancies, is the key contributing reason behind the £6.6m adverse

## 2.Revenue Position

variance. Recruitment and retention of qualified nursing staff, particularly on wards within both Secondary Care and Mental Health, remains a significant risk for the Health Board. The significant number of vacancies that remain is evident from the £6.5m year to date under spend on Nursing and Midwifery staff.

- Note that during Month 11, £1.8m of costs relating to the year to date were transferred from Additional Clinical Services to the Additional Professional Scientific and Technical staff group. These relate to posts within Theatres that have been reclassified following a review of workforce classifications.
- Total pay, including Primary Care, is £676.8m, a year to date over spend of £1.3m. The chart below emphasises the proportion of this which continues to come from agency, bank, overtime, locum, WLI and additional hours costs; 10.8% (£6.7m) of total pay for Month 11 (10.1% or £6.3m in Month 10). This is offset by additional income for RTT and winter pressures.

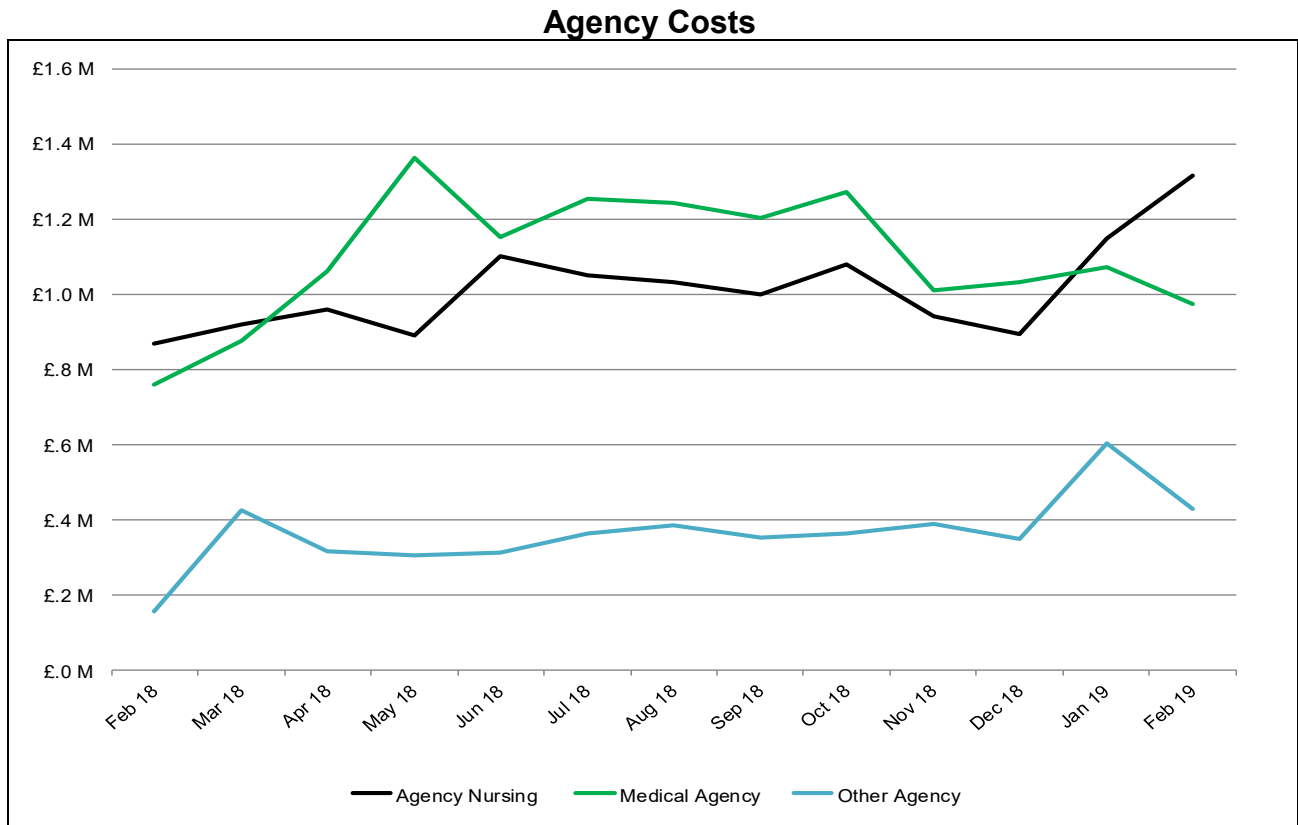
**Total Pay Costs**



- Expenditure on agency staff for Month 11 is £2.7m, representing 4.5% of total pay, a decrease of £0.1m on January. Agency controls are being reinforced but it is unlikely nurse agency expenditure will reduce significantly in the short term due to the number of vacant posts, the number of escalation beds open across the Health Board and the requirement to meet the Nurse Staffing Levels (Wales) Act.

## 2.Revenue Position

- The chart below shows the trend of agency costs for the previous thirteen months. This highlights the variability in both nursing and medical agency costs throughout the year.



- Medical agency costs decreased by £0.1m from January to an in-month spend of £1.0m. The areas primarily responsible are Ysbyty Glan Clywd (£0.3m), Ysbyty Gwynedd (£0.2m), Mental Health (£0.2m), Women's Services (£0.1m) and East Area (£0.1m) accounting for 93.0% of the month's spend. Spend on medical agency in Month 11 was at the lowest level for the year so far.
- Nurse agency costs totalled £1.3m for the month, a £0.2m increase from the prior month. Agency nurses continue to support the sustained pressures arising from unscheduled care and provide cover for the large number of vacancies in Secondary Care. The use of agency nurses is particularly an issue for Wrexham (£0.8m in-month) and Ysbyty Glan Clwyd (£0.3m in-month), which together account for 85.8% of these costs in February (80.6% for the year to date). In contrast to medical agency, nurse agency costs are at the highest level for the year to date due to increased costs seen in Wrexham.
- Targeted actions are being overseen by the Executive Director of Nursing and Midwifery in areas of high nurse agency usage continue, with a focus on reducing costs whilst maintaining quality and safety of patients. Scrutiny of nursing rota management to ensure the effective use of substantive staff, increased review of agency requests and recruitment drives for Registered Nurses and Health Care Support Workers remain. In order to achieve a significant reduction in nurse agency



## 2.Revenue Position

costs, the Health Board needs to increase the number of staff available via the Bank and recruit nurses on a substantive basis to vacant posts.

- Other agency costs have reduced by £0.2m to £0.4m for Month 11. The spike in January predominantly related to increased CAMHS staff in order to meet targets.

### 2.5 Non-pay

- Non-pay costs in Month 11 are £73.0m, a decrease of £1.0m on the prior month. Total non-pay to-date is £802.4m giving a cumulative over spend of £9.5m against the planned budget.

#### Actual Non-Pay Costs (excluding non-cash limited adjustments)

Description	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	YTD
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	Variance £m
Primary Care	16.6	16.2	16.5	17.7	16.9	16.0	16.4	18.4	17.0	17.4	17.9	(5.7)
Primary Care Drugs	8.4	8.4	8.4	8.7	8.7	8.5	8.6	8.9	8.1	8.8	7.7	3.0
Secondary Care Drugs	5.0	5.7	5.3	5.7	5.8	5.5	6.4	5.7	5.9	6.1	5.5	1.5
Clinical Supplies	5.2	5.9	5.5	5.2	5.3	5.1	5.6	6.3	5.4	5.5	5.1	0.2
General Supplies	1.1	3.4	1.9	1.9	1.7	2.5	2.1	2.3	2.0	2.1	2.1	0.8
Healthcare Services Provided by Other NHS Bodies	20.5	20.3	20.4	20.9	19.5	19.1	19.5	20.5	20.4	20.2	20.4	(4.5)
Continuing Care and Funded Nursing Care	8.0	8.5	8.5	8.3	8.5	8.3	8.2	8.6	8.8	8.6	8.4	4.1
Other	6.3	5.2	5.8	6.3	6.3	4.6	6.3	4.6	5.6	5.4	5.9	10.1
<b>Total</b>	<b>71.1</b>	<b>73.5</b>	<b>72.3</b>	<b>74.7</b>	<b>72.8</b>	<b>69.6</b>	<b>73.1</b>	<b>75.2</b>	<b>73.1</b>	<b>74.0</b>	<b>73.0</b>	<b>9.5</b>

- Primary Care expenditure has increased by £0.5m in Month 11. This primarily relates to costs identified that are associated with the Warfarin Directed Enhanced Service (DES) not previously charged to General Medical Services (GMS). The correction has moved £0.4m from Primary Care Drugs into GMS Enhanced Services within Primary Care to reflect the true cost of the Enhanced Service.
- Primary Care Drugs costs have fallen by £1.1m in Month 11, which relates to the low number of prescribing days in the month (20 versus 23 in January). Despite the transfer of £0.4m of Warfarin costs to GMS, this is not evidenced in the figures as growth in expenditure has offset the benefit received. Of the year to date over spend of £3.0m, £2.5m relates to Community dressings. Prescribing continues to show significant savings on drugs that have been targeted as part of savings plans, however growth in other drugs (e.g. anti-psychotic drugs) in terms of cost and activity have reduced the savings benefit. Whilst expenditure is below last year's levels, it is not in line with the budget set and therefore continues to over spend.
- Secondary Care Drugs have reduced by £0.6m, back to average levels for the year. The year to date over spend of £1.5m primarily relates to the Area Teams, where cost pressures are evident in Dermatology (£1.1m) and Diabetes (£0.7m), and also to Mental Health (£0.6m).
- Clinical Supplies costs have decreased by £0.4m from last month to the lowest level for the year, primarily due to benefits arising from year end stock takes which have been recognised this month. Over spends in vaccines (£0.4m) and continence

## 2.Revenue Position

products (£0.3m) are the key drivers behind the year to date adverse variance of £0.2m, offset by under spends on equipment hire (£0.5m).

- The costs of General Supplies have remained in line with Month 10, with a year to date over spend of £0.8m. The main areas of over spend are provisions within Catering (£0.8m) and legal and professional fees (£0.3m).
- Healthcare Services provided by other NHS has remained at a stable level, with the significant under spend on the WHSCC contract being reported here.
- CNC / FNC expenditure has fallen by £0.2m in-month. This consists of a reduction of £0.8m on CHC offset by an increase of £0.6m on FNC. CHC costs have fallen in all divisions, which is encouraging but the Health Board has also incurred increased FNC costs in all divisions. Overall, expenditure on CHC/FNC for Area Teams has remained consistent, with a £0.2m reduction in Mental Health. Despite these in-month movements, CHC is still £4.3m over spent for the year to date, partially offset by a £0.2m under spend against FNC. Of the CHC over spend, £2.9m relates to Mental Health, and £1.4m to the Area Teams (£1.7m West, £0.7m Centre and (£1.0m) East).
- Other costs covers a range of expenditure headings including Premises costs and Establishment expenses. The key areas of over spend are slippage on savings schemes (£5.8m), transport and travel costs (including Non-Emergency Patient Transport Service - NEPTS) (£1.3m), permanent injury benefit costs (£0.6m), postage (£0.4m), advertising and staff recruitment (£0.3m), office equipment and materials (£0.3m), computer costs (£0.3m), furniture and fittings (£0.2m), rents (£0.2m) and photocopying (£0.2m).

### 2.6 Contract performance

## 2.Revenue Position

	18/19 Budget / Plan £m	Forecast Outturn £m	Forecast Variance £m	Current Month Actual £m	Current Month Variance £m
Countess of Chester	20.9	20.8	(0.1)	19.3	0.1
Robert Jones & Agnes Hunt	13.2	13.2	0.0	12.1	0.0
Royal Liverpool	4.9	4.8	(0.1)	4.4	(0.1)
Other	11.2	11.7	0.5	10.9	0.7
<b>English Contracts</b>	<b>50.2</b>	<b>50.5</b>	<b>0.3</b>	<b>46.7</b>	<b>0.7</b>
<b>Welsh Contracts</b>	<b>9.7</b>	<b>9.8</b>	<b>0.1</b>	<b>8.9</b>	<b>0.0</b>
<b>WHSSC</b>	<b>120.3</b>	<b>115.6</b>	<b>(4.7)</b>	<b>106.0</b>	<b>(4.3)</b>
<b>NCA's</b>	<b>3.8</b>	<b>4.3</b>	<b>0.5</b>	<b>3.9</b>	<b>0.4</b>
<b>Total Other</b>	<b>0.3</b>	<b>0.3</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>
<b>Outsourcing</b>	<b>3.6</b>	<b>3.6</b>	<b>0.0</b>	<b>3.6</b>	<b>0.0</b>
<b>Total</b>	<b>187.9</b>	<b>184.1</b>	<b>(3.8)</b>	<b>169.4</b>	<b>(3.2)</b>

- The year end forecast variance for Contracts has improved by £0.7m to £3.8m under spent.
- Whilst locally managed contracts have over performed this month, the WHSSC contracts continue to under spend. Non-contracted activity (NCAs) is also consistently a key pressure.

## 2.Revenue Position

### 2.7 Reserves

	Opening Budget £'000	Budget Movements P01 to P11 £'000	Annual Budget at P11-19 £'000	Amount Released to Support Position £'000	Balance Remaining P11-19 £'000	Forecast Drawings for P12 £'000	Forecast Uncommitted Balance £'000
Reserves	17,961	(14,886)	3,075	(1,240)	1,835	1,538	297
WG Funding Received (to be Allocated)	1,488	199	1,687	0	1,687	1,687	0
<b>Total</b>	<b>19,449</b>	<b>(14,687)</b>	<b>4,762</b>	<b>(1,240)</b>	<b>3,522</b>	<b>3,225</b>	<b>297</b>

- The total remaining balance on reserves at the end of February is £4.8m and this includes £1.7m of additional Welsh Government resource allocations to be allocated to divisions. £1.2m of the remaining uncommitted reserves have been released to support the financial position. The estimated remaining commitment against reserves is £3.2m, leaving a remaining uncommitted balance of £0.3m.

## 3. Savings Requirement

### 3.1 Savings / Recovery Plan Requirement

- The financial plan set for the Health Board for 2018/19 identified a savings requirement of £45.0m to deliver a deficit budget of £35.0m, £22.0m of this was cash releasing.
- All schemes have a Lead Director, Accountable Officer, Finance and Programme Monitoring Office (PMO) lead and require a project initiation document. The quality impact assessment ensures that quality and safety are appropriately considered.
- Savings plan delivery is managed through the PMO and is monitored by the PMO Monitoring Group, which meets monthly and is chaired by the Chief Executive. Benchmarking data and the National Efficiency Framework provide a number of benchmarks and help identify savings opportunities for the Health Board.
- The Director of Turnaround continues with the process of recruiting to his team following receipt of additional resources from Welsh Government. Recruitment of the multi-disciplinary clinical Change Team is ongoing, with positive interest from a number of disciplines.

### 3.2 Identified Savings / Plans

- The value of identified schemes for the year remains at £1.9m below the target of £45.0m. Non-achievement of the savings targets is having a detrimental effect on the Board's financial performance. Performance reported at Month 11 is based on latest forecasts.
- Savings achieved to date in 2018/19 are £34.2m against a plan of £40.0m (85.5% achieved), £5.8m behind the year to date profile. Savings achieved represent 76.0% of the full year target. The savings shortfall to date of £5.8m (Month 10, £4.7m) is largely due to under-delivery on Mental Health (£2.3m), transactional (£1.6m) and workforce schemes (£1.9m).
- At this point in 2017/18 savings delivery amounted to £35.3m, which equated to 78.6% of the £44.9m full year target, including £9.5m recovery actions.
- A number of resource utilisation schemes, assessed as not delivering cash savings this year, have been replaced by £7.7m of identified Turnaround Actions, with additional requirements placed upon divisions to ensure delivery. At Month 11, divisional plans and reports reflect £6.2m of this requirement, which remains consistent with Month 10.
- Work continues on the resource utilisation schemes which will form an important part of the Board's efficiency programme for 2019/20.
- At Month 11, savings are forecast to deliver £38.3m (85.1%) of the £45.0m Health Board target, a shortfall of £6.7m. Forecast delivery against the £7.7m turnaround actions reported by divisions has reduced to £1.6m (20.8% of the actions).

### 3. Savings Requirement

- The deterioration of £0.6m from last months reported forecast is due to a decrease in Mental Health CHC of £0.4m and £0.2m of non-pay turnaround schemes. Escalation interventions are continuing.
- The Table below presents the savings plans by division and risk rating.

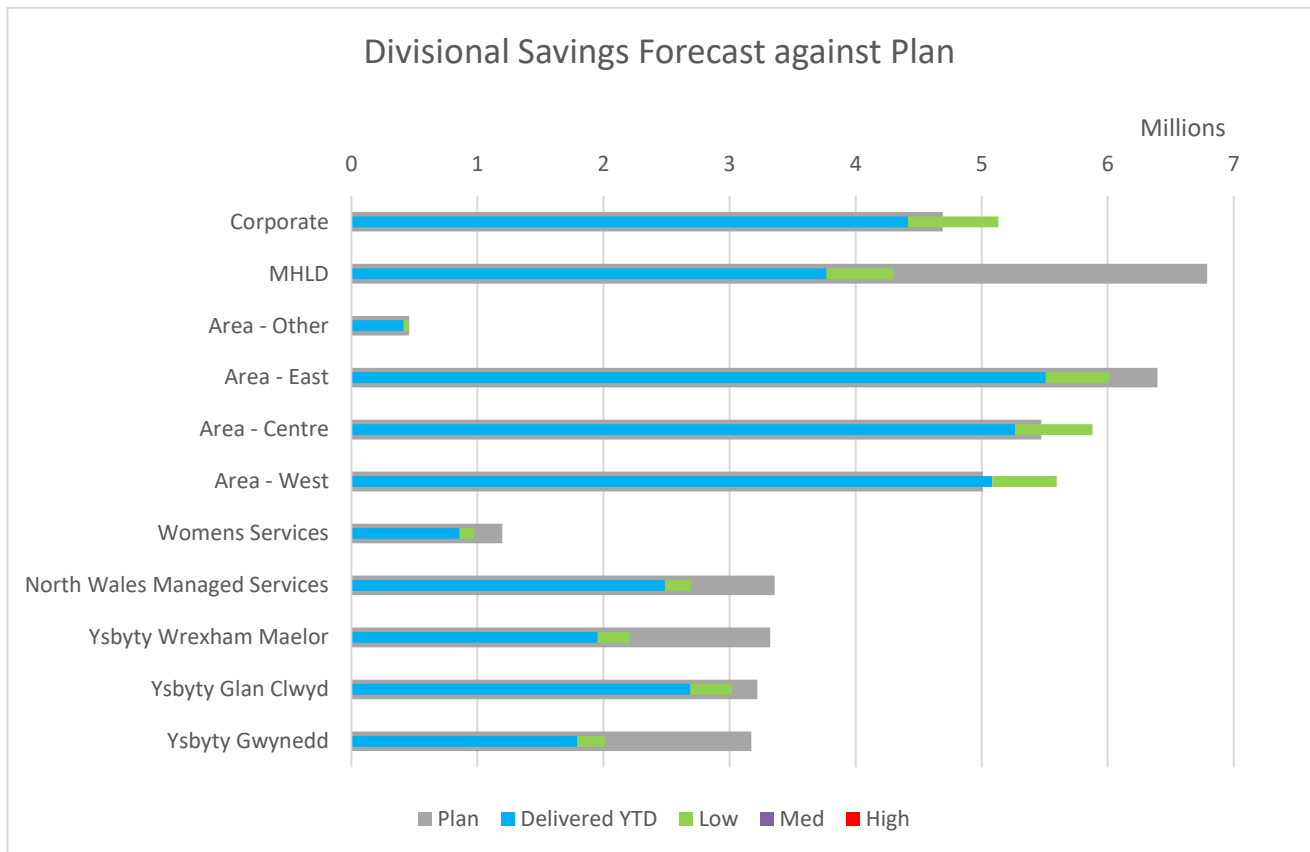
2018/19	Savings Target	Savings Identified	Excess / (deficit) of savings identified	YTD Plan (£45m)	YTD Delivered	Variance	Rest of Year Delivery	Forecast Delivery	Forecast Risk Rating				Forecast Variance to Plan	Forecast Variance to Requirement
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	Action YTD £'000	Low £'000	Med £'000	High £'000	£'000	£'000
Ysbyty Gwynedd	3,172	3,172	0	2,841	1,791	(1,050)	222	2,013	1,791	222	0	0	(1,159)	(1,159)
Ysbyty Glan Clwyd	3,738	3,220	(517)	3,377	2,692	(685)	328	3,020	2,692	328	0	0	(201)	(718)
Ysbyty Wrexham Maelor	3,322	3,322	0	2,853	1,954	(898)	256	2,211	1,954	256	0	0	(1,111)	(1,111)
North Wales Managed Services	3,581	3,357	(224)	3,193	2,486	(707)	213	2,699	2,486	213	0	0	(658)	(882)
Womens Services	1,198	1,198	0	1,079	859	(221)	117	976	859	117	0	0	(222)	(222)
Secondary Care Divisional	70	0	(70)	0	0	0	0	0	0	0	0	0	0	(70)
Secondary Care	15,080	14,269	(811)	13,343	9,782	(3,561)	1,136	10,918	9,782	1,136	0	0	(3,351)	(4,162)
Area - West	5,012	5,012	(0)	4,394	5,086	693	510	5,596	5,086	510	0	0	584	584
Area - Centre	5,474	5,474	0	4,888	5,265	377	616	5,881	5,265	616	0	0	407	407
Area - East	6,395	6,395	(0)	5,719	5,508	(211)	503	6,011	5,508	503	0	0	(384)	(384)
Area - Other	458	458	0	419	414	(5)	44	458	414	44	0	0	0	0
Area Teams	17,339	17,339	(0)	15,420	16,274	854	1,673	17,947	16,274	1,673	0	0	608	608
MHLD	7,594	6,790	(804)	6,796	3,769	(3,027)	531	4,300	3,769	531	0	0	(2,490)	(3,294)
Corporate	4,987	4,692	(295)	4,446	4,418	(28)	714	5,132	4,418	714	0	0	441	145
Divisional Total	45,000	43,090	(1,910)	40,005	34,243	(5,762)	4,054	38,297	34,243	4,054	0	0	(4,792)	(6,703)

- The risk profile and anticipated delivery of schemes continues to be critically reviewed. There has been a £3.9m increase in-month in the value of delivered schemes. The Month 10 medium (£1.9m) and high (£0.6m) risk schemes have reduced to nil at Month 11.

#### 3.3 Savings Performance by Division

- In Month 11 there has been a decrease in the year end forecast of £0.6m. Mental Health has again reduced its forecast savings by £0.3m in-month (Month 10, £0.3m), reflecting the continued shortfall in savings delivery from packages of care, including Continuing Healthcare. The division is seeking to address this through their recovery plan actions.

### 3. Savings Requirement



- Work is continuing with support from the Director of Workforce to identify further workforce opportunities with Mental Health and Secondary Care. This will be developed to target areas where use of the workforce can be optimised leading to in-year savings. The enhanced establishment control measures introduced by the Director of Workforce continues across all divisions.
- Escalation financial accountability reviews for Mental Health and Secondary Care are taking place on a fortnightly basis, tracking recovery actions as appropriate. Meetings have also been held with Area teams to ensure identification and delivery of their savings requirements.
- Further controls have been introduced to manage levels of expenditure to year end and specific measures are in place to reduce travel and procurement costs.

#### 3.4 2019/20 Savings Plans

- Identification of savings opportunities for 2019/20 and future years continues and is being fed into the work to develop the Board's 3 year plan. The plan will be presented to the Board this month alongside the budget for the year ahead.
- The 2019/20 savings plans received from divisions and directorates continue to be developed into and underpinned by detailed project documentation. This includes quality and equality impact assessments. Plans continue to be scrutinized to assess deliverability and have been risk rated against the Finance Delivery Unit guidance.

## 4. Revenue Forecast Position

### 4.1 Financial year forecast revenue position

- The Health Board's forecast at Month 11 remains at a deficit of £42.0m, as notified to Welsh Government in January.
- The forecast by division is shown below.

FOT	£000	M7	M8	M9	M10	M11
Divisions	Variance	Variance	Variance	Variance	Variance	Variance
<b>Planned deficit</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>
West Area	1,446	976	1,166	1,166	1,166	1,166
Central Area	(1,300)	(526)	(526)	(517)	(526)	(526)
East Area	0	0	750	750	1,200	1,200
Other North Wales	(500)	(548)	(1,000)	(1,010)	(1,000)	(1,000)
Commissioner Contracts	(3,600)	(3,600)	(3,100)	(3,100)	(3,800)	(3,800)
Provider Income	0	(200)	(200)	(7)	0	0
<b>Total Area Teams</b>	<b>(3,954)</b>	<b>(3,898)</b>	<b>(2,910)</b>	<b>(2,718)</b>	<b>(2,960)</b>	<b>(2,960)</b>
Ysbyty Gwynedd	350	636	850	850	1,200	1,200
Ysbyty Glan Clwyd	3,500	2,947	3,100	3,115	3,100	3,100
Ysbyty Maelor Wrexham	3,200	3,109	3,311	3,400	3,400	3,400
North Wales Hospital Services	600	907	1,211	1,416	1,100	1,100
Women's Services	(380)	(18)	82	(227)	(391)	(391)
<b>Total Secondary Care</b>	<b>7,270</b>	<b>7,581</b>	<b>8,554</b>	<b>8,554</b>	<b>8,409</b>	<b>8,409</b>
Mental Health & LDS	3,517	4,536	4,536	4,536	4,373	4,373
Corporate Budgets	0	(200)	(852)	(1,282)	(1,370)	(1,370)
Other Budgets	3,346	(1,292)	(617)	(2,090)	(1,452)	(1,452)
<b>Corporate and Other</b>	<b>3,346</b>	<b>(1,492)</b>	<b>(1,469)</b>	<b>(3,372)</b>	<b>(2,822)</b>	<b>(2,822)</b>
Turnaround Actions	(10,179)	(6,727)	(1,711)			
<b>Variance to Plan</b>	<b>(0)</b>	<b>0</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
<b>Forecast deficit</b>	<b>35,000</b>	<b>35,000</b>	<b>42,000</b>	<b>42,000</b>	<b>42,000</b>	<b>42,000</b>

- The forecast outturn of £42.0m is based on a variance to plan of £5.5m in Month 12, compared to an average run rate of circa £3.5m (Month 11 benefited from unplanned income which improved the run rate to £2.9m).
- The forecast includes the clawback of £1.0m of the total forecast RTT income of £19.5m, so if the Health Board achieves the RTT target of 5,714 (patients waiting over 36 weeks) then the forecast will improve by £1.0m.
- The Health Board is managing specific risks which are described in the risk table (Section 4.2). The forecast for Month 12 includes £1.0m expenditure above the average run rate for:
  - CHC packages of care £0.3m
  - Primary Care drugs £0.3m
  - English Contract income risk £0.4m



## 4. Revenue Forecast Position

### 4.2 Risks

- The current full year forecast of £42.0m reflects the interim financial plan deficit budget approved by the Board (£35.0m) plus expected under delivery of savings schemes (£6.7m) and increased activity and cost pressures for Mental Health and CHC (£0.3m). The table below outlines the outstanding key risks to achieving this forecast.

	Risks £'m	Risk level	Explanation
<b>Risks</b>			
Prescribing	(1.1)		Current run rates pressures indicate a potential risk of up to £1.1m. In addition to this, recent months saw an increase in the National Prices of a range of drugs due to the No Cheaper Supply Obtainable (NCSO). This is monitored monthly and additional savings plans are being put in place to mitigate this risk.
WHSSC position	(0.7)		WHSSC are reporting the best case in their position and there is a £0.7m difference between this and the most prudent position for the Health Board.
GDS forecast under spend	(0.4)		Forecast under spend on GDS, as per the Quarter 3 return, leading to a potential funding clawback by Welsh Government. GDS forecast continues to be reviewed.
GMS forecast under spend	(1.0)		Forecast under spend on GMS, as per the Quarter 3 return and adjusted for additional spend, leading to a potential funding clawback by Welsh Government. GMS forecast continues to be reviewed.
CHC (FNC)			The Health Board has not made a provision for any potential impact of the Funded Nursing Care (FNC) Supreme Court Judgement (SCJ) in our reported CHC position.
HRG4+			Discussion on WHSSC commissioned services has not been concluded and has a potential financial implication for the Health Board, which is being managed at a national level.
Continuing Healthcare Packages (CHC)			The Health Board is experiencing significant ongoing pressures in relation to both the underlying number and cost of care packages.

## 5. Balance Sheet

### 5.1 Cash

- The closing cash balance as at 28<sup>th</sup> February 2019 was £12.6m which included £10.2m of cash held for capital expenditure. The revenue cash balance of £2.4m was within the internal target set by the Health Board.
- Welsh Government has confirmed Strategic Cash Support for 2018/19 of £38.0m, along with £11.8m funding towards revenue working capital balances. The Health Board will internally manage a further £4.0m cash to ensure a balanced revenue cash position as at 31<sup>st</sup> March 2019.

Revenue cash requirements 2018/19	£000
Opening revenue balance	706
Forecast revenue deficit	(42,000)
Working capital balances	(11,838)
<b>Underlying forecast revenue cash shortfall</b>	<b>(53,132)</b>
<b>Funding requests</b>	
Approved strategic cash assistance	38,000
Approved working capital balances support	11,838
Cash shortfall to be internally managed	4,000
<b>Forecast closing revenue cash balance</b>	<b>706</b>

- A further £9.0m cash support has been approved for capital working balances which are forecast to reduce as major infrastructure schemes are completed during 2018/19.

### 5.2 Accounts Payable

- The Health Board is required to pay 95.0% of non-NHS invoices by number within 30 days of receipt of a valid invoice.
- There were significant improvements in performance over the first part of the year. The performance in November to January was poor, however this has recovered again in February. As a result the Health Board has met the required target with a year to date compliance figure of 95.0%.

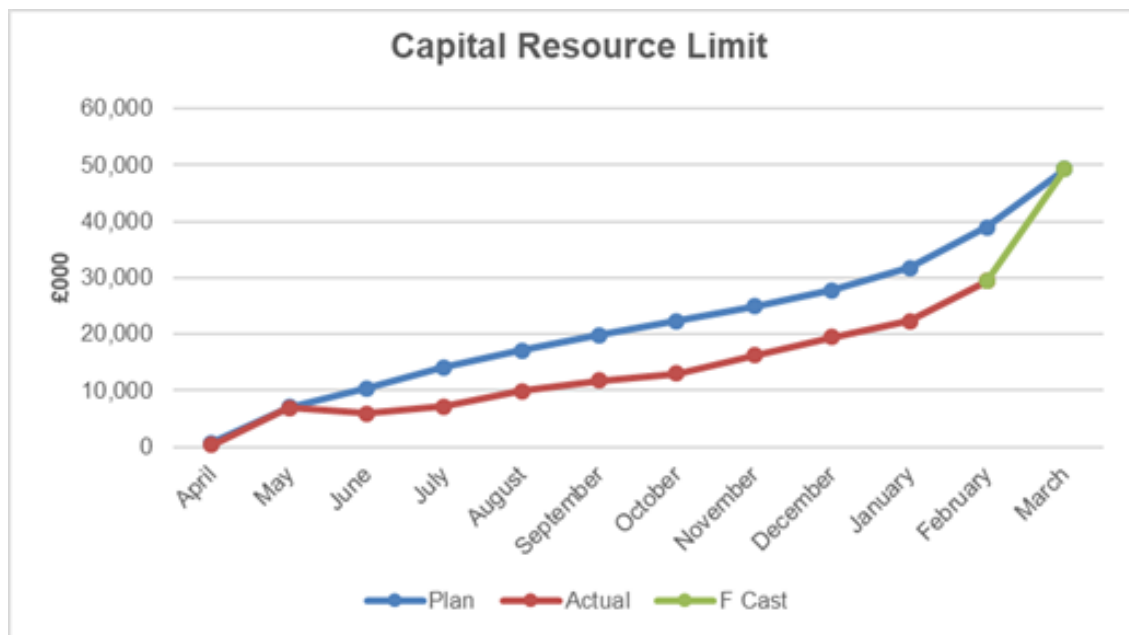
### 5.3 Capital expenditure

- The Capital Resource Limit at Month 11 is £49.3m. There is significant investment in a number of key projects including the YGC redevelopment, the SuRNICC, the redevelopment of the Emergency Department in YG, the Substance Misuse Elms development, the MRI scanner and the Hybrid Theatre in YGC. In addition, the

## 5. Balance Sheet

Health Board has received allocations for upgrades across the Health Board estate and IT.

- Year to date expenditure is £29.4m against the plan of £32.0m. As shown on the chart below, the year to date slippage of £2.6m will be recovered throughout the remainder of the year and the Assistant Director of Planning - Capital is forecasting that the Health Board will achieve its Capital Resource Limit, subject to risks associated with any funding adjustments.



## 6. Conclusions and Recommendations

### 6.1 Conclusions

- The Health Board's forecast was increased from a deficit of £35.0m to £42.0m in Month 9, following discussions with the Accountable Officer and Chairman.
- The increased forecast reflects the significant risks that the Health Board faces around:
  - Delivery of the planned savings of £45.0m, which are currently forecasting to achieve £38.3m, missing the target by £6.7m.
  - Increased activity and cost pressures for Mental Health and CHC.
- The Month 11 position is a deficit of £0.7m against the budget, giving a year to date position which is £3.6m higher than the forecast deficit spend. Year to date over spends continue in Secondary Care (£6.8m) and Mental Health (£3.4m), the key reasons for which are under delivery against savings plans and over spends on CHC. Additional funding from Welsh Government was received for Mental Health in February, giving the division an in-month under spend; nevertheless, critical risks around the delivery of their forecast position remain. CHC and the ambitious savings targets for the remainder of the year also continue to be risks within the Health Board's forecast.
- During February, the significant issues contributing to the over spent position were under delivery against savings plans across most divisions (£0.8m), over spends on Prescribing (£0.4m) and premises and fixed plan (£0.4m), offset by under spends against in contracts, pay and income.
- Savings are forecast to deliver £38.3m of the £45.0m Health Board target, a shortfall of £6.7m. This represents a deterioration of £0.6m on last month's forecast. Non-achievement of the savings targets continues to have a detrimental effect on the Board's financial performance.
- Focus on the delivery of savings is critical to achievement of the financial forecast and delivering a reduction on the underlying run rate on expenditure. There are a number of known risks to achieving the forecast position, as outlined in Section 4 and the Health Board has put in place additional financial controls to support achievement of the revised financial position
- At the end of February the Health Board has spent £16.6m on additional activity to reduce the long waiting lists. Funding of £11.3m has been received from Welsh Government for activity up to the end of October, leaving a balance of £5.3m unfunded expenditure. Welsh Government have now confirmed the balance of RTT funding for the second half of the year will be received in March, but the potential clawback of resources received if waiting times do not meet the requirement from Welsh Government remains a financial risk for the year end forecast.
- The issue of the potential impact of HRG4+ on WHSSC commissioned services is still under discussion with NHSE and remains a financial risk for 2018/19, as identified in Section 4.

## 6. Conclusions and Recommendations

- Continuing Health Care (CHC) expenditure values do not include any potential impact of the Funded Nursing Care (FNC) Supreme Court Judgement (SCJ) in our reported CHC position. The result of the FNC SCJ ruling means that a further legal opinion has been sought with regards to CHC fees.
- Achieving the financial plan, whilst not compromising the quality and safety of services, is an important element in developing trust with Welsh Government, Wales Audit Office, Health Inspectorate Wales and the public.
- The turnaround methodology and approach implemented within the Health Board is critical to improving financial performance in both the current year and future years. Welsh Government's investment in turnaround in 2018/19 and 2019/20 is supporting the programme management of savings and transformation. The focus on savings delivery is being maintained throughout the organisation, with mitigating actions identified where savings delivery is at risk and additional measures have been led by the Executive Team to support this activity. There is a requirement to increase the capacity within the turnaround team continues with additional resource being deployed.
- The Health Board recognises the opportunity to prevent unwarranted variation in referrals and clinical pathways, enhancing productivity and challenging existing models of care going forward so that the Health Board becomes less reliant on non-recurring measures to achieve its financial targets.

### 6.2 Recommendations

- It is asked that the report is noted, including the forecast outturn of £42.0m and recognising the significant risks to the financial position.

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
East Area	207.9	0.8	0.2	<p>The East Area reported an over spend of £0.2m for the month and £0.8m for the year to date. The main issue relates to under delivery of savings targets. The East Area had planned to reduce pay and drug costs further in the last quarter of the year, but Month 111 saw a number of departments with rising costs.</p> <p>The Area's main risks are the delivery of savings, the need to reduce variable pay and drug costs within Community Services and hospital based services (Rheumatology, Dermatology and Diabetes), along with the risk of whether GP Prescribing costs will continue to decrease in view of additional NCSO (No Cheaper Supply Obtainable) tariff rises. A further risk is whether the same level of under spend will continue in CHC.</p>	<p>The additional measures introduced in December to scrutinise vacancies and orders will continue until the end of the Financial Year.</p> <p>The Area also continues to closely monitor CHC placements and the cost impact, Medicines Management budgets and the performance of savings plans.</p>
Central Area	187.1	(0.5)	(0.1)	<p>An under spend of £0.1m was reported in-month. However pressure remains around achieving the required savings plans. The year to date under spend of £0.5m primarily arises from a positive performance against Out of Area Contracts, particularly in relation to</p>	<p>Key focus on savings actions, particularly in relation to Prescribing, drugs, travel and CHC.</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>CAMHS and Neonatal, along with vacancies within Therapies.</p> <p>Prescribing costs continue to reduce, as does the Neonatal and Children's Out of Area contract activity</p> <p>Particular key pressures in-month were seen in GMS and GDS as costs increase in line with planned activity.</p>	
West Area	145.0	0.9	0.0	<p>The year to date position is £0.9m over spent with a balanced position in-month.</p> <p>The position has improved during February due to reduced costs in drugs (both Primary and Secondary Care) and travel. CHC has over spent in-month, savings have been made which have impacted positively on the forecast.</p>	<p>Weekly CHC meetings are in place to review panel commitments and the delivery of savings schemes. Work has commenced with the Mental Health Team to address the EMI pressures in CHC.</p> <p>The impact of savings in biosimilar products for home care drugs has had a small impact, but not as much as expected. Pharmacy are currently reviewing prescribing patterns and caseload numbers.</p> <p>A continual review of spend levels and actions is being undertaken and further enforced, with regular review meetings established to monitor recovery actions.</p>
Other North Wales	11.6	(1.1)	0.1	The year to date under spend relates to income received in relation to GP	

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>Rates Rebates, which is held centrally covering all GP Practices across the 3 Areas.</p> <p>Key pressures arise from the Director of Therapies post.</p>	
Commissioning	169.3	(3.2)	(0.5)	<p>The WHSSC position has reduced further in-month and is showing a large under spend for the year due to a reassessment of the forecast outturn following a write back of provisions and reserves.</p> <p>There continues to be pressures coming from three of the English contracts; Liverpool Heart and Chest, Alder Hey and Walton. The impact on the English contracts due to the introduction of HRG4+ remains unresolved; any risk associated with HRG4+ is not factored into the current position. WHSCC have advised that they are working with Welsh Government on a revenue backed solution.</p> <p>In addition to the previously reported pressures on the locally managed contracts, the Month 11 position has</p>	<p>The issue of costing based on coding changes for previously uncharged activity is being raised with the Countess of Chester Hospital.</p> <p>Ongoing challenge of Non Contracted Activity that does not have prior approval.</p>



## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				deteriorated due to anticipated charges for major trauma activity following an increase in patient activity.	
Provider Income	(17.8)	(0.4)	0.0	A balanced position was achieved in-month, with a year to date under spend of £0.4m.	Ongoing discussions with West Cheshire and Shropshire regarding contract pricing. Awaiting formal response of negotiated position for 2018/19 from Shropshire following the recent Director of Finance meeting.
Mental Health and Learning Disabilities	110.7	3.4	(0.5)	<p>The Month 11 position is £0.5m under spent due to the receipt of Welsh Government Transformational funding and Psychological Therapies funding, which was not expected to be received this year. This has provided a year to date benefit of £2.0m.</p> <p>The year to date over spend primarily relates to CHC (£3.0m), drugs (£0.6m) and inpatient nursing costs (£1.2m). Under delivery of savings included in the variances above amount to £3.0m, of which £1.6m is CHC and the balance largely pay related schemes (medical agency, sickness and implementation of middle management structure for the Division).</p> <p>Inpatient nursing costs in particular are</p>	<p>Ongoing escalation meetings in relation to financial performance with Executive Director of Finance and Director of Turnaround. Targeted fortnightly meetings with the Chief Executive and Executive Director of Finance.</p> <p>Division presented and held to account at Finance &amp; Performance Committee meetings to confirm the forecast outturn and to provide assurance on confidence of delivery to revised forecast of £4.4m. The forecast position has reduced by £0.2m as a result of the additional funding received from Welsh Government, offset by increased CHC costs due to underperformance against savings targets.</p> <p>Run rate reductions in agency, bank and overtime costs seen as a result of</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>a cost pressure due to agency utilisation and 1:1 observational costs. There has been a reduction in both overall pay costs and agency expenditure compared to the previous month. Admin &amp; Clerical agency usage has ceased.</p> <p>There has been a deterioration in the forecast outturn spend for CHC / Packages of Care due to the non-delivery of savings at targeted levels. Efficiencies which have been realised through repatriation of cases and right sizing / price negotiations are continuing to be reported through savings, but these are offset by growth. There is an assumption that future applications and growth will be offset by future efficiencies and there will be a reduction in package costs to the year end, which carries some risk.</p>	<p>additional financial controls had an initial impact and further scrutiny is being put in place. This work is now being escalated to ensure the reduced trend is maintained and improved. Weekly e-roster meetings are now in place and 1:1 usage is reviewed on a daily basis. Weekly Vacancy Control meetings are continuing to take place.</p> <p>Drugs costs have increased by £19k against run rates and work is ongoing to assess the reasons for this to ascertain potential for spend reduction.</p> <p>Work with the NCCU continues to identify opportunities for right sizing and repatriation of patients closer to home. Opportunities are being pursued with legal advice to ensure responsible commissioner guidance is enacted to confirm the correct organisation is paying for their population care.</p> <p>Further targeted meetings with the Chief Executive and Executive Director of Finance have taken place, to obtain reassurance of continued actions being taken to contain costs whilst ensuring safe</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
					<p>service provision. The Division has put in place monthly meetings with the Mental Health areas to discuss financial and service performance and to hold them to account. The meetings include the Director of MHL, Director of Operations and Service Delivery, Chief Finance Officer and Heads of Nursing. Clinical Directors will be included in future meetings.</p> <p>The Division will ensure it adheres to the additional system controls which have been implemented from February 2019.</p>
Ysbyty Glan Clwyd	107.2	2.7	0.2	<p>The Month 11 position was over spent by £0.2m to give a year to date adverse variance of £2.7m. Savings scheme slippage continues to be a significant contributing factor to both the in-month (£0.3m) and year to date (£2.3m) positions.</p> <p>Pay remains an area of pressure for medical staffing. General Surgery and Orthopaedics continue to over spend. General Surgery has recently been unable to appoint to vacant posts.</p> <p>There is a significant over spend for nursing in the Emergency Department</p>	<p>Help from Workforce has been sought to assist with the recruitment of both medical and nursing staff to aid in the reduction of premium spend being incurred. Work is also ongoing to try and resolve retention issues within nursing as the level of vacancies remains very high.</p> <p>Tighter controls have been put in place for Oracle authorisation levels and work is ongoing to review opportunities with Procurement.</p> <p>Tighter controls have been introduced for internal locums with approval before</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>due to the use of agency staff to fill gaps and provide additional staffing above the funded establishment. The year to date over spend for the Emergency Department is £0.7m.</p> <p>Drugs expenditure has fallen in-month. However, Gastroenterology and Respiratory drugs continue to see pressures.</p> <p>The non-pay over spend is particularly due to pressures relating to Non-Emergency Patient Transport Service (NEPTS), advertising and staff recruitment and legal expenses.</p>	<p>payment is made to come from either the Hospital Director or Hospital Medical Director.</p> <p>Papers for both the Emergency Department and General Surgery are being discussed with the Secondary Care Management Team with a view to changing the establishment to alleviate the current pressures being seen.</p> <p>Tighter controls have been put in place for the use of 1:1's and assistance from Workforce has been sought to help in areas where sickness is at a high level. Workforce are also assisting with the introduction of support to help ensure that there are robust roster controls.</p> <p>Pharmacy are meeting with the Ophthalmology team to review the use of AMD drugs and discuss the proposed switch to Avastin.</p> <p>Discussions are ongoing to review the contract for NEPTS and to seek an alternative to improve the position. Tighter controls have been put in place for Oracle authorisation levels and work is ongoing to</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
					review opportunities with Procurement. The procuring of the service based on shifts is helping to reduce one off journey costs.
Wrexham Maelor	94.7	2.9	0.5	<p>The in-month position was an over spend of £0.5m, giving a year to date adverse variance of £2.9m. Savings scheme slippage of £0.9m is the significant contributing factor to the position.</p> <p>There remain a large number of nursing vacancies which, together with the use of unfunded escalation beds, has continued to result in high use of agency nursing staff in order to maintain safe staffing levels. Nursing agency costs have increased by £0.2m to £0.8m in the month (£5.7m year to date). Due to the high number of nursing vacancies, not all shifts can be covered even using agency and so additional Health Care Support Worker (HCSW) bank staff are being used to increase staffing levels. The overall nursing budget is £2.0m over spent for the year, which is showing against Additional clinical services due to the use of HCSWs.</p>	<p>A recruitment campaign has been running through social media, targeting high risk wards. However so far this has not attracted many applicants and so further recruitment avenues are being considered. Further support is being provided to give advice on actions that can be taken to improve recruitment and the attractiveness of the Health Board in a competitive market.</p> <p>Additional scrutiny of rostered numbers on shifts is now being undertaken together with assessment of 1:1 nursing requirements. All staff sickness has been reviewed and a number of staff have returned to work. Further work is being done on ordering, approval and use of agency nurses.</p> <p>Work ongoing with Area teams to improve discharge processes and bring the number of medically fit for discharge patients in beds down.</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>Medical agency costs were minimal in the month. There are ongoing consultant vacancies in Emergency Department, Acute Medicine, Renal and Gastroenterology. None of these are currently covered by agency, though a Gastroenterology agency consultant will be starting in the new year.</p> <p>The Emergency Department financial performance is a critical area, with a £0.1m over spend in February.</p> <p>Clinical supplies costs fell again this month, due to higher stock levels reported through the year end stock takes.</p>	<p>A new management team for the Emergency Quarter is now in post. They are conducting a review of the clinical and financial performance of the department and the Finance team are working closely with them to review options for reducing costs. All new appointments to the Specialty Registrar posts are now working, although some need additional support to be able to play a full role in the rota. The last agency consultant has now converted to NHS locum and there are no long term agency doctors working in the department.</p> <p>Options on how to make the vacant consultant Medicine role more attractive are being examined and a business case prepared. The Gastroenterology consultants have been taken off the General Medicine on call rota to be able to support the GI rota. Prospective candidates are being sought for the Gastroenterology vacancies, which have now been advertised.</p> <p>The key area of over spend relates to the premium costs of agency nurses. Actions to reduce costs are being made, such as tighter recruitment process, greater</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
					<p>scrutiny of Oracle orders, scrutiny and challenge of drug costs. A process mapping workshop is taking place in March to review and challenge the end to end process from requesting an agency nurse all the way through to payment.</p> <p>Work ongoing with Pharmacy and Operational teams to develop further opportunities in Medicine Management such as Avastin.</p>
Ysbyty Gwynedd	89.8	0.7	(0.2)	<p>An in-month under spend of £0.2m has reduced the year to date adverse variance to £1.7m. The improvement in-month primarily relates to 111 funding, a reduction in drugs and decreases in other non-pay costs (security, advertising and ICDs/pacemakers).</p> <p>Medical agency costs have reduced in Month 11 and nurse agency costs remain low. Medical pay within General Surgery remains a concern, with clinical lead meetings taking place to review rotas.</p> <p>There remain significant pressures in nursing on the unscheduled care</p>	<p>Enhanced establishment control through the weekly vacancy control panels is being used to manage vacancies within funding, control changes in contracted hours and manage the impact of medical contract changes.</p> <p>Performance monitoring, financial review and workforce review has been enhanced by monthly Turnaround meetings with clinical leads for Emergency, unscheduled and scheduled care. Recent focus has been on sickness and rota management, mandatory training, management of follow up patients, drugs review and lengths of stay.</p> <p>Reviews of senior and mid-tier medical</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>wards with an over spend of £0.1m to date. Other significant pressures remain in under achieved private patient income (£0.2m) and under performance against savings targets.</p> <p>The delivery of the site's savings requirements remains a risk, with efforts on-going regarding recovery actions and identifying further targeted opportunities.</p>	<p>establishments, actual payments and job plans has been undertaken with a clear baseline developed against which medical pay costs and activity can be monitored.</p> <p>A detailed review of non-pay spend has been undertaken, justifying high cost spend items/areas and ensuring the correct treatment of capital items.</p> <p>Ward level staffing reviews have been undertaken to review current establishment and requirements going forward. Recent appointments at Head of Nursing, Matron and Sister levels will facilitate progress and consistency.</p> <p>Review of medical posts currently covered by agency staffing is underway, with a focus on those that have been long standing. Discussions are ongoing with Medacs, who plan to support recruitment efforts.</p>
Women's	35.0	(0.4)	(0.1)	<p>There was an under spend of £0.1m in-month, £0.4m year to date. This is mainly pay related due to vacancies.</p> <p>Nursing &amp; midwifery is under spent, offset by a significant over spend in</p>	<p>Recruitment continues to progress well regarding medical posts. However sickness and staff on restricted duties are impacting on agency levels. This is being monitored and workforce plans have been requested to assess future risks and</p>



## Appendix 1 – Divisional Commentary


Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>medical staffing due to the use of agency and internal locum cover to fill gaps. However there has been an in-month reduction in medical agency costs this month.</p> <p>Non-pay has a year to date over spend of £0.1m. This is attributable to the Countess of Chester (CoCH) Obstetrics Contract, drugs for complex patients and a shortfall in savings delivery. The directorate has also funded the Deloitte Review and incurred costs totalling £0.06m.</p> <p>The key risk relates to performance of the CoCH contract, addressing RTT via outsourcing and use of medical agency/internal locums due to the number of gaps in rotas.</p>	<p>mitigating actions.</p> <p>Requisitions review performed daily and challenged as appropriate. Additional financial controls across the Health Board have been implemented, regarding non-essential discretionary spend, recruitment, variable pay and agency.</p> <p>Monthly Directorate Finance &amp; Performance meetings take place and these are supported by monthly local budget meetings and Senior Management Team Meetings. All Business Cases regarding new service developments have to be submitted and approved at F&amp;P.</p> <p>The directorate has identified recurrent solutions to address the 2019/20 savings target, however Executive approval is required if these are to be implemented. Alternative savings options continue to be explored.</p>
North Wales Wide Services	93.4	0.9	0.2	The year to date over spend of £0.9m is largely attributable to non-pay; mainly due to a shortfall on savings targets (£0.8m) and pressures on contracts (£0.4m), offset by ITU/HDU under spend (£0.2m). Retrospective	The additional measures introduced in December to scrutinise vacancies and orders will continue. A detailed review of no-pay spending will be undertaken, justifying high cost spend and ensuring the correct treatment of capital items.

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				<p>drug rebate income has partially mitigated the drug pressures.</p> <p>Pay is underspent with vacancies within additional clinical services and admin &amp; clerical mitigating an over spend on medical pay due to agency costs.</p> <p>The key financial risks relate to the ITU/HDU contract with English providers, projected NICE costs and drug rebates.</p>	<p>Work is ongoing as part of the benchmarking exercise undertaken with Keele University, following a successful initial meeting in February.</p>
Corporate	112.8	(1.5)	(0.6)	<p>Overall Corporate was under spent by £0.6m in the month, increasing the year to date favourable variance to £1.5m.</p> <p>Most Corporate departments are reporting a small under spend for the period and year to date. The cumulative favourable position is mainly due to staff vacancies, particularly for the WCCIS Informatics project. However recruitment to Informatics IT projects has commenced and vacancies are starting to be filled, although this is slower than anticipated.</p>	<p>New Establishment Controls process will ensure greater scrutiny of corporate vacancies.</p> <p>Work continues to identify recurrent savings opportunities. There are currently a number of staff restructuring proposals underway.</p> <p>The implementation of enhanced controls on non-pay expenditure is having an impact, including restrictions on travel.</p> <p>The Estates department is preparing a short tender to implement utility invoice management software. This should provide</p>

## Appendix 1 – Divisional Commentary

Operational Divisions	Spend YTD £m	Variance YTD £m	Variance In Month £m	Year to Date Summary	Actions Being Taken
				The largest over spend continues within Estates & Facilities, which is mainly due to Facilities pay costs, postage, catering provisions and under achievement against savings. Utilities costs continue to be over spent due to the water leak at Wrexham, partially offset by underspending on energy costs.	enhanced resilience, reporting and scrutiny of all energy and rates invoices, with the potential to identify billing issues more quickly, whilst streamlining invoice processing.
Other	46.2	(1.6)	1.5	Other budgets include Reserves, Losses, Medical Education & R&D and capital charges	
<b>Total variance against plan</b>		<b>3.6</b>	<b>0.7</b>		
Planned budget deficit		32.9	2.2		
<b>Total</b>		<b>36.5</b>	<b>2.9</b>		

<b>Finance and Performance Committee</b>  <b>26.3.19</b>	 <b>GIG CYMRU NHS WALES</b>   Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board  <b>To improve health and provide excellent care</b>
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<b>Report Title:</b>	<b>Turnaround Programme Savings Report – Month 11 2018/19</b>
<b>Report Author:</b>	Director of Turnaround
<b>Responsible Director:</b>	Director of Turnaround
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	To provide an update report to the Committee regarding progress in the identification and delivery of savings in line with the Board's financial plan for the year.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This paper has not received previous scrutiny.
<b>Governance issues / risks:</b>	Achievement of the Board's savings programme is critical to delivery of the financial position in 2018/19. The report highlights performance to date and the savings requirement which is yet to be fully addressed.
<b>Financial Implications:</b>	There are no additional costs arising from this paper however non achievement of savings will have a detrimental effect on the Board's required financial performance for the year.
<b>Recommendation:</b>	<p>That the Committee –</p> <ul style="list-style-type: none"> <li>• Note the forecast position for Divisional savings schemes which currently stands at £38.3m, compared to £38.9m in month 10.</li> <li>• Note the key movements in delivery and savings forecast during the month along with the factors driving this</li> <li>• Note the escalation activity which is ongoing to secure delivery of savings to year end</li> <li>• Note the ongoing development of savings schemes for 2019/20; the schemes identified to date and the further areas being explored</li> <li>• Note the potential areas identified for efficiency gains</li> </ul>

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental		1.Balancing short term need with long	√

health and well-being for all		term planning for the future	
2.To target our resources to those with the greatest needs and reduce inequalities	√	2.Working together with other partners to deliver objectives	
3.To support children to have the best start in life		3. Involving those with an interest and seeking their views	
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	√
5.To improve the safety and quality of all services		5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity			
7.To listen to people and learn from their experiences	√		
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>			
<b>Financial Recovery</b>			
<a href="http://www.wales.nhs.uk/sitesplus/861/page/81806">http://www.wales.nhs.uk/sitesplus/861/page/81806</a>			
<b>Equality Impact Assessment</b>			
Impact assessments are undertaken for individual savings schemes as they are developed.			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*

## Turnaround Programme Savings Report – Month 11 2018/19

### Purpose

To provide an update report to the Committee regarding progress in the identification and delivery of savings in line with the Board's financial plan for the year.

### Introduction

The initial financial plan set for the Health Board for 2018/19 identified a requirement to generate in year savings of £45m, which was signed off by the Board in March 2018. Identifying these savings and securing their delivery is the subject of regular reports to the Committee. This report should be read alongside the finance report and provides a greater degree of detail regarding savings achieved and risks to delivery.

### Savings identification, Forecast and Risk

The savings programme for the year is summarised in the tables below. Table 1 sets out the current forecast delivery of the savings programme –

Table 1 – Forecast Savings Programme

Source	Total Requirement £m	Forecast £m	Delivered M11 £m	Low £m	Med £m	High £m
1% transactional	10.0	12.7	11.4	1.4	0.0	0.0
<b>Reducing input costs</b>						
Medicines Management	6.0	10.2	9.3	0.9	0.0	0.0
Procurement	4.0	0.7	0.6	0.1	0.0	0.0
	10.0	10.8	9.9	1.0	0.0	0.0
<b>Improved deployment of resources</b>						
Workforce	5.0	6.0	5.2	0.8	0.0	0.0
	5.0	6.0	5.2	0.8	0.0	0.0
<b>Improved utilisation of resources</b>						
Theatre efficiency	1.0	0.5	0.4	0.0	0.0	0.0
Acute Length of Stay	1.0	0.0	0.0	0.0	0.0	0.0
Community hospitals	2.0	0.3	0.2	0.1	0.0	0.0
Outpatients	2.0	0.0	0.0	0.0	0.0	0.0
Clinical variation: primary care	2.0	0.0	0.0	0.0	0.0	0.0
Clinical variation: secondary care	2.0	0.7	0.6	0.1	0.0	0.0
	10.0	1.4	1.3	0.2	0.0	0.0
<b>Service transformation</b>						
CHC	5.0	3.9	3.6	0.3	0.0	0.0
MHLD	4.0	2.4	2.0	0.3	0.0	0.0
Estates	1.0	1.0	0.9	0.1	0.0	0.0
	10.0	7.3	6.5	0.8	0.0	0.0
	45.0	38.3	34.2	4.1	0.0	0.0
<b>Percentage</b>		85%	89%	11%	0%	0%

The table above shows the savings that have been built into specific plans by Divisions, which have a forecast delivery of £38.3m, a decrease of £0.6m from month 10. This is clearly short of the £45m target set by the Board and the residual element relates to savings schemes not identified in full and therefore not forecast to deliver. The outstanding areas are as follows –

**Table 2 – Outstanding Savings Requirements**

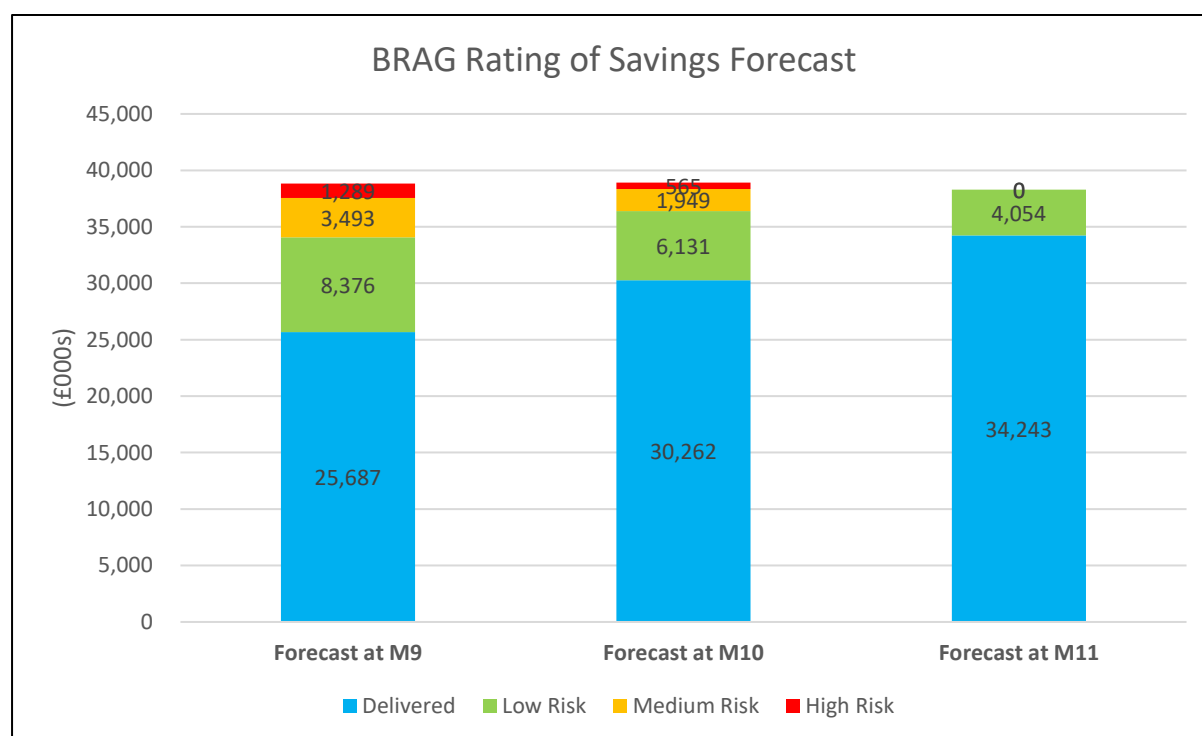
**Turnaround Actions – balance not in forecast**

Source	Balance not in Forecast £m
1% transactional	1.5
<b>Reducing input costs</b>	
Medicines Management	0.8
Procurement	0.6
	1.4
<b>Improved deployment of resources</b>	
Workforce	1.7
	1.7
<b>Divisional Plans not submitted</b>	
Mental Health	0.8
Corporate	0.2
	1.0
<b>Shortfall - Turnaround Actions</b>	5.6
<b>Percentage</b>	12%
<b>Divisional Plans - balance not in forecast</b>	
Source	Balance not in Forecast £m
<b>Divisional Plans not submitted</b>	
Glan Clwyd	0.5
North Wales Managed Services	0.2
Secondary Care Divisional	0.1
Corporate	0.3
	1.1
<b>Shortfall - Divisional Savings</b>	1.1
<b>Percentage</b>	2%

This programme and savings requirement reflects the changes agreed in month 6 and the introduction of an additional £7.7m of turnaround schemes to replace the under-performing resource utilisation schemes. These additions were intended to maintain the programme at £45m, however at the end of December forecast savings stood at £38.8m, which was 86% of the target level. At this point the Board's financial forecast for the year was adjusted, reflecting this reduced level of anticipated delivery of £38.8m. At the end of February the forecast has reduced to £38.3m, 85% of the full year target level and £0.5m short of the December forecast.

The delivery risk associated with the savings schemes which contribute to the forecast delivery of £38.3m has been assessed and is summarised in the table below. The forecast savings level reflects the fact that elements of the Turnaround savings will now not be delivered at Divisional level. The current risk profile and the movement within the programme during the past 3 months is shown in the table below –

Table 3 – Risk Profile and Values



<b>BRAG Including Deficit Reduction</b>			
	Forecast at M9	Forecast at M10	Forecast at M11
<b>Delivered</b>	25,687	30,262	34,243
<b>Low Risk</b>	8,376	6,131	4,054
<b>Medium Risk</b>	3,493	1,949	0
<b>High Risk</b>	1,289	565	0

As noted previously, the reduction in savings forecast from £45m in month 9 has been reflected in the revised forecast out-turn budgetary position of the Health

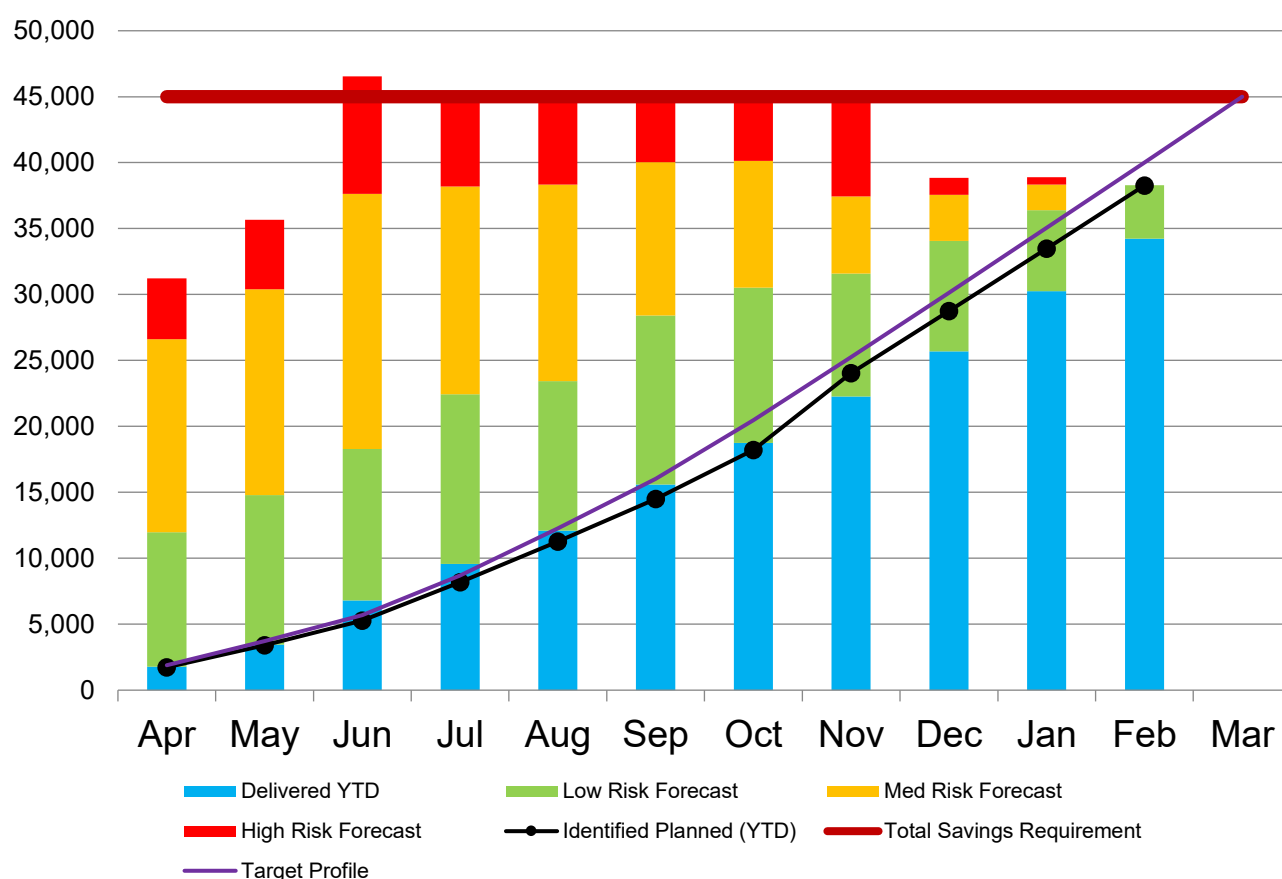


Board. This equated to £6.2m (14%) of the initial target. Focussing on the total savings which are expected to be delivered by year end, the above graph shows that at month 11 the remaining savings are all assessed as low risk. Month 10 showed 1.5% of the required savings were assessed as red risk and 5% assessed as amber. This is a positive move in risk profile however the savings must be delivered if the projected out-turn is to be achieved.

Despite the late stage in the financial year there remains 10.6% of the annual savings target to be delivered (22.2% at month 10) which reflects the heavy reliance upon savings in quarter 4 within the annual savings plan. The required trajectory of savings across the financial year to deliver £45m is shown below alongside the risk profile and delivery to date. The graph clearly shows the growing gap between savings secured to date and profile which is reflected in the change to the Board's anticipated financial position at year end. This growing gap reflects the delay in savings delivery arising from the under-performance of resource utilisation schemes earlier in the year and the fact that turnaround schemes have not been fully defined and implemented as required.

Table 4 – Savings Profile to

### Total 2018/19 Savings Performance



## Divisional Savings Achievement

Savings achievement at the end of month 11 is £34.2m, against a total year to date savings requirement profile of £38.2m, giving a negative variance of £4.0m. As at month 10 the cumulative gap in delivery was £3.2m. Variance reporting at a Divisional level includes the full value of savings including Turnaround requirements.

At the same point in 2017/18 savings delivered amounted to £35.3m, indicating a decrease in savings secured of £1.1m in comparison to the previous year.

The savings requirements set against each operating Division, the value of schemes identified, delivery to date and forecast are summarised in the table below –

Table 5 – Savings Achievement

2018/19	Savings Target	Savings Identified	Excess / (deficit) of savings identified	Total	YTD Planned	YTD Delivered	Variance	Rest of Year Delivery	Forecast Delivery	Forecast Variance to Requirement
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ysbyty Gwynedd	3,172	3,172	0	3,172	2,841	1,791	(1,050)	222	2,013	(1,159)
Ysbyty Glan Clwyd	3,738	3,220	(517)	3,220	2,879	2,692	(187)	328	3,020	(718)
Ysbyty Wrexham Maelor	3,322	3,322	0	3,322	2,853	1,954	(898)	256	2,211	(1,111)
North Wales Managed Services	3,581	3,357	(224)	3,357	2,979	2,486	(492)	213	2,699	(882)
Womens Services	1,198	1,198	0	1,198	1,079	859	(221)	117	976	(222)
Secondary Care Divisional	70	0	(70)		0	0	0	0	0	(70)
<b>Secondary Care</b>	<b>15,080</b>	<b>14,269</b>	<b>(811)</b>	<b>14,269</b>	<b>12,630</b>	<b>9,782</b>	<b>(2,848)</b>	<b>1,136</b>	<b>10,918</b>	<b>(4,162)</b>
Area - West	5,012	5,012	(0)	5,012	4,394	5,086	693	510	5,596	584
Area - Centre	5,474	5,474	0	5,474	4,888	5,265	377	616	5,881	407
Area - East	6,395	6,395	(0)	6,395	5,719	5,508	(211)	503	6,011	(384)
Area - Other	458	458	0	458	419	414	(5)	44	458	0
<b>Area Teams</b>	<b>17,339</b>	<b>17,339</b>	<b>(0)</b>	<b>17,339</b>	<b>15,420</b>	<b>16,274</b>	<b>854</b>	<b>1,673</b>	<b>17,947</b>	<b>608</b>
MHLD	7,594	6,790	(804)	6,790	6,052	3,769	(2,283)	531	4,300	(3,294)
Corporate	4,987	4,692	(295)	4,692	4,169	4,418	249	714	5,132	145
<b>Divisional Total</b>	<b>45,000</b>	<b>43,090</b>	<b>(1,910)</b>	<b>43,090</b>	<b>38,271</b>	<b>34,243</b>	<b>(4,028)</b>	<b>4,054</b>	<b>38,297</b>	<b>(6,703)</b>
<b>Total BCUHB Savings</b>	<b>45,000</b>	<b>43,090</b>	<b>(1,910)</b>	<b>43,090</b>	<b>38,271</b>	<b>34,243</b>	<b>(4,028)</b>	<b>4,054</b>	<b>38,297</b>	<b>(6,703)</b>

With regard to savings identified, the table continues to show a shortfall in secondary care and corporate areas which is consistent with previous months' reporting. As has been noted in previous reports, there is a significant underspend in corporate areas which is more than offsetting the shortfall in defined savings schemes. Secondary care however faces an overspend position. The shortfall in identification of initial savings within secondary care is now compounded by the requirement to deliver additional turnaround savings. It is clear that the full extent of these savings requirements will not be met in year. The deficit in savings identified for mental health relates to the Division's share of the Turnaround savings requirement which has not been allocated to the Divisional budget in light of the existing recovery plan and delivery shortfall.

Savings delivered to date have been analysed between recurrent and non-recurrent schemes as shown in the table below –

Table 6 – Recurrent and Non-Recurrent Savings

	Year-to-Date											Full Year Forecast				
	Budget Reduction					Spend Reduction					Total Variance	Budget Reduction		Spend Reduction		Total
	Planned Rec	Achieved Rec	Planned Non Rec	Achieved Non Rec	Variance	Planned Rec	Achieved Rec	Planned Non Rec	Achieved Non Rec	Variance		Rec	Non Rec	Rec	Non Rec	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
Ysbyty Gwynedd	1,009	831	0	0	(178)	1,832	960	0	0	(872)	(1,050)	916	0	1,097	0	2,013
Ysbyty Glan Clwyd	1,006	991	0	0	(15)	1,872	1,701	0	0	(172)	(187)	1,084	0	1,935	0	3,020
Ysbyty Wrexham Maelor	887	899	345	345	12	1,621	711	0	0	(910)	(898)	1,017	414	780	0	2,211
North Wales Managed Services	1,183	1,257	0	0	74	1,795	1,230	0	0	(566)	(492)	1,319	0	1,380	0	2,699
Womens Services	646	448	434	411	(221)	0	0	0	0	0	(221)	522	453	0	0	976
Secondary Care Divisional	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Area - West	2,189	3,187	557	359	801	1,648	1,540	0	0	(108)	693	3,481	406	1,710	0	5,596
Area - Centre	3,293	4,500	651	66	622	945	699	0	0	(246)	377	5,041	66	774	0	5,881
Area - East	480	0	0	0	(480)	4,443	5,288	796	221	269	(211)	0	0	5,756	255	6,011
Area - Other	376	376	43	38	(5)	0	0	0	0	0	(5)	410	48	0	0	458
MHLD	5,288	3,561	0	0	(1,726)	764	208	0	0	(557)	(2,283)	4,057	0	215	28	4,300
Corporate	3,202	3,698	245	56	307	366	345	355	319	(58)	249	4,295	71	377	390	5,132
<b>Total</b>	<b>19,559</b>	<b>19,748</b>	<b>2,274</b>	<b>1,276</b>	<b>(809)</b>	<b>15,286</b>	<b>12,680</b>	<b>1,152</b>	<b>540</b>	<b>(3,219)</b>	<b>(4,028)</b>	<b>22,142</b>	<b>1,457</b>	<b>14,025</b>	<b>673</b>	<b>38,297</b>

Delivery of recurrent savings is essential if the Health Board is to reduce its underlying deficit. The data above shows levels of recurrent savings at 94% of budget reduction savings, which is consistent with month 10, and 95% of spend reduction savings (92% at month 10). This shows a slight increase in the recurrent component of the spend reduction category.

The overall underperformance in savings delivery against planned for year to date and full year has been heavily influenced by the allocation of the additional Turnaround savings targets. The table below shows the Turnaround savings requirements and the level of achievement against this component of the overall savings target –

Table 7 – Forecast Delivery against turnaround savings targets

Additional Savings Targets - Delivery Summary						
2018/19	Additional Savings Target	Forecast Savings	Variance	YTD Planned	YTD Delivered	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Ysbyty Gwynedd	815	353	(463)	685	307	(378)
Ysbyty Glan Clwyd	891	52	(839)	749	38	(711)
Ysbyty Wrexham Maelor	825	0	(825)	672	0	(672)
North Wales Managed Services	701	178	(523)	591	127	(464)
Womens Services	248	208	(40)	209	187	(22)
Secondary Care Divisional			0			0
<b>Secondary Care</b>	<b>3,480</b>	<b>791</b>	<b>(2,689)</b>	<b>2,905</b>	<b>658</b>	<b>(2,247)</b>
Area - West	662	406	(256)	557	359	(198)
Area - Centre	774	66	(708)	651	66	(585)
Area - East	945	255	(690)	796	221	(576)
Area - Other	48	48	0	43	38	(5)
<b>Area Teams</b>	<b>2,429</b>	<b>775</b>	<b>(1,654)</b>	<b>2,047</b>	<b>684</b>	<b>(1,363)</b>
MHLD	0	0	0	0	0	0
Corporate	327	71	(257)	245	56	(189)
<b>Divisional Total</b>	<b>6,236</b>	<b>1,636</b>	<b>(4,600)</b>	<b>5,197</b>	<b>1,398</b>	<b>(3,799)</b>
<b>Total BCUHB Savings</b>	<b>6,236</b>	<b>1,636</b>	<b>(4,600)</b>	<b>5,197</b>	<b>1,398</b>	<b>(3,799)</b>

As noted above, the Turnaround savings requirement for Mental Health has not been reflected in the budget position and therefore is not reported in this table. This savings requirement is £804k and will therefore be a further full year shortfall in addition to that shown above. As may be seen from the table above, there is a year to date shortfall of £3.8m (£3.0m at month 10) on this component of savings, which represents 95% of the overall savings under-performance year to date.

Significant movements in forecast savings delivery for all other schemes are noted in the following areas –

Across the acute sector challenges in delivering savings remain.

- Ysbyty Gwynedd is reporting a decrease in forecast full year savings of £62k over the month 10 position. Year to date savings are £1,050k below profile, with £378k of this relating to underachievement of the additional Turnaround savings. Significant movements in month include a reduction in forecast savings on e-rostering improvements of £85k.
- Ysbyty Glan Clwyd is reporting an increase in forecast full year savings of £38k over the month 10 position. Year to date savings are £187k below profile, with a £711k underachievement of the additional Turnaround savings driving this position. Increased forecast savings of £52k for drugs is the most significant movement in to forecast.
- Ysbyty Wrexham Maelor is reporting an increase in forecast full year savings of £86k over the month 10 position. Year to date savings are £898k below profile, with £672k of this relating to underachievement of the additional Turnaround savings. Forecast drug savings have shown an increase of £76k from last month.
- North Wales Provider services are reporting a decrease in forecast full year savings of £82k over the month 10 position. Year to date savings are £492k

below profile, with a £464k underachievement of turnaround savings driving this position. The reduction in forecast savings is principally due to a reduction in expected savings from drugs of £89k.

- Womens Services are reporting a decrease in forecast full year savings of £31k over the month 10 position. Year to date savings are £221k below profile, with £22k of this relating to underachievement of the additional Turnaround savings. The decrease is mainly due to a reduction in the Medical Agency savings of £23k.

The position for Area Teams remains more positive in terms of overall savings delivery.

- West Area Team is reporting an increase in forecast full year savings of £60k over the month 10 position. Year to date savings are £693k above profile, with £198k underachievement of the additional Turnaround savings. The Area has delivered £406k of turnaround savings to date against a target of £662k. The most significant movement in month is an increase in forecast of drug savings of £34k.
- The Central Area Team is reporting an increase in forecast full year savings of £33k over the month 10 position. Year to date savings are £377k above profile, with £585k underachievement of the additional Turnaround savings. The most significant gain in savings in month is an increase in forecast of £47k in primary care drugs, a £33k increase in staff turnover/incremental drift offset with £50k reduction in Managed Practices.
- The East Area Team is reporting a reduction in forecast full year savings of £279k compared to the month 10 position. Year to date savings are £211k below profile, with £576k underachievement of the additional Turnaround savings. The reduction in forecast relates principally to a reduced forecast in projected turnaround savings of £470k, arising across all areas; a significant reduction in performance against the previously submitted savings plan. Forecast CHC savings have risen by £205k in month to partially offset these reductions.

Mental Health Division continues to face significant challenges in delivering its savings programme. Forecast full year savings have reduced by a further £365k in month 11. This reduction principally relates to a revision to the forecast savings related to CHC which have reduced by £385k. The year to date position shows an underachievement of savings of £2.23m. This excludes any Turnaround savings requirement, which as referenced earlier, has not been applied to the Division's budget.

Escalation arrangements remain in place with Divisions to ensure that initial schemes and additional Turnaround savings are delivered as we move to year end. These take the form of fortnightly meetings held by the Chief Executive with individual Divisions to review the actions they are taking and to assess the anticipated impact of these actions.

## Developing Savings Proposals for 2019/20

- The Health Board timetable for the development of savings proposals for 2019/20 required high level submissions from Divisions by 31<sup>st</sup> January and more detailed plans by 28<sup>th</sup> February. The target issued for cash releasing savings was set at £34.5m and was allocated across service areas based upon benchmarking and cost information. Returns received reflect variable achievement against these key deadlines.
- The Health Board has adopted risk assessment criteria in order to ensure delivery of the requirement for robust project plans to be in place which reflect credible financial profiles, phased in line with timescales and milestones, with consideration to enablers and delivery risks.
- Development and scrutiny of these detailed project plans is on-going to maximise the scale and deliverability of the saving target alongside a pipeline of further opportunities requiring working up to full project plans.
- Plans are being further refined and subject to financial and PMO review with the detailed project documentation, quality and equality assessments in place for the end of March.

The savings schemes received to date are shown below alongside the initial target.

Cash Releasing Savings 2019/20				
Saving Area		Target Allocated £m	Schemes Received £m	Variance £m
Divisional Budget Mgt (1%)	Pay	4.00	1.15	(2.85)
	Non Pay	2.00	3.83	1.82
<b>Subtotal</b>		<b>6.00</b>	<b>4.97</b>	<b>(1.03)</b>
CHC General	Pay	0.00	0.00	0.00
	Non Pay	3.00	1.93	(1.07)
Mental Health	Pay	0.00	1.37	1.37
	Non Pay	2.00	0.00	(2.00)
Community Services	Pay	2.00	0.34	(1.66)
	Non Pay	0.00	0.01	0.01
Workforce Optimisation	Pay	11.00	3.73	(7.26)
	Non Pay	0.00	0.00	0.00
Medicines Management	Pay	0.00	0.00	0.00
	Non Pay	4.50	4.38	(0.12)
Central Procurement	Pay	0.00	0.00	0.00
	Non Pay	4.00	2.96	(1.04)
Contracts	Pay	0.00	0.00	0.00
	Non Pay	0.50	0.46	-0.04
Estates/Assets	Pay	0.00	0.10	0.10
	Non Pay	1.50	0.85	(0.66)
TOTAL CASH RELEASING	Pay	17.00	6.69	(10.30)
	Non Pay	17.50	14.41	(3.09)
<b>GRAND TOTAL</b>		<b>34.50</b>	<b>21.09</b>	<b>(13.41)</b>

Since issuing the target to Divisions, the Committee and the Board have considered a reduction of the cash releasing savings target to £25m for 2019/20, although this has not been confirmed. The requirement for Divisions has not been reduced to reflect this discussion at this stage, as there is a need to ensure that savings delivery is optimised and also to ensure some over-identification of savings to allow for the management of in year delivery risk. As can be seen from the information above savings identified to date amount to £21.1m leaving a shortfall of £13.4m against the original requirement.

There has been a variable response across the organisation in terms of meeting the savings targets set. Work is ongoing in Divisions to identify further savings opportunities and to build these into schemes. The Table below summarises the latest responses from Divisions and the variances against target –

<b>Saving Area</b>	<b>Target Allocated £m</b>	<b>Schemes Received £m</b>	<b>Variance £m</b>
West	3.22	2.70	(0.52)
Centre	4.87	1.90	(2.97)
East	4.85	3.51	(1.34)
Area NW	0.32	0.32	0.00
YG	2.90	1.53	(1.37)
YGC	3.76	1.44	(2.32)
YMW	2.60	1.29	(1.31)
NW Provider	2.59	0.74	(1.85)
Womens	1.05	0.99	(0.06)
Mental Health and LD	3.57	2.34	(1.23)
Corporate	4.27	1.43	(2.84)
Contracts	0.50	0.46	(0.04)
Central Procurement	0.00	2.44	2.44
<b>GRAND TOTAL</b>	<b>34.50</b>	<b>21.09</b>	<b>(13.41)</b>

Note - The central procurement savings in the table are yet to be incorporated into the operating Divisions plans as the schemes are being developed further and therefore are shown as a gross sum.

As part of the validation of savings proposals each scheme has been risk assessed through the Programme Management Office to ensure that it is robust and has sufficient detail to give assurance as to deliverability. Alongside this, both the quality and equality impacts of proposals are being assessed to ensure that they do not lead to unintended adverse consequences. These assessments will drive further work to ensure that there are no red risk schemes reported against the savings target. However, red risks projects will form part of the £34.5m ask of Divisions. This reflects the revised Welsh Government risk assessment framework for savings schemes.

In addition to the savings schemes being driven within individual Divisions there are a number of wider programmes under development which have been identified through the Executive Management Group. These include, but are not limited to:

- Unscheduled care savings linked to the benefits realised from investing in Community resource teams
- Clinical pathway reviews for chronic conditions management eg diabetes
- Commissioning arrangements for CHC
- Corporate support functions; patient contact centres
- Agile working approaches
- Estate rationalisation
- Medicines supply
- Digital dictation and speech recognition
- Repatriation of services – mental health

The further development of these schemes will be managed under the Board's revised arrangements to drive the delivery of the operational plan. Groups are being



established to drive the first tranche of these schemes and to set out clear plans to quantify potential savings and set out a timescale for their delivery. Initial plans will be developed in March and into quarter 1. This will identify those areas which have the potential to add to in year savings delivery for 2019/20, however some will take longer to develop and deliver, feeding into subsequent years plans.

During quarter 1 the external financial review will identify further savings which will feed into the 2019/20 programme for delivery from quarter 2 onwards.

## **Efficiency Gains**

In addition to the cash releasing savings programme, separate streams of work are underway to quantify efficiency gains for the year ahead. These gains will be targeted to improve levels of service delivery during 2019/20, contributing to meeting the gap between demand and capacity in key service areas. The most notable area of benefit will be in planned care where capacity released will be made available to support priorities such as referral to treatment times (RTT). The priority areas for efficiency gain in the year ahead are –


- Outpatient services
- Theatres
- Inpatient length of stay
- Day case surgery
- Primary care pathways

Potential improvements are being modelled with clinical and operational staff to ensure that plans are robust and deliverable. The outcome of this work will be fed into the review of RTT and planned care for quality assurance purposes.

## **Recommendations**

That the Committee –

- Note the forecast position for Divisional savings schemes which currently stands at £38.3m, compared to £38.9m in month 10.
- Note the key movements in delivery and savings forecast during the month along with the factors driving this
- Note the escalation activity which is ongoing to secure delivery of savings to year end
- Note the ongoing development of savings schemes for 2019/20; the schemes identified to date and the further areas being explored
- Note the potential areas identified for efficiency gains

<b>Finance and Performance Committee</b>	 <b>GIG CYMRU NHS WALES</b> Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board <b>To improve health and provide excellent care</b>
<b>26.3.19</b>	

<b>Report Title:</b>	<b>Establishment of Savings Programme Sub-Committee</b>
<b>Report Author:</b>	Director of Turnaround
<b>Responsible Director:</b>	Director of Turnaround
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	To present draft terms of reference for the proposed Savings Programme Sub-Committee for consideration
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This paper has been prepared following a request from the Chairman at the Finance and Performance Committee in February. There has been no other scrutiny or approval.
<b>Governance issues / risks:</b>	The establishment of the proposed Sub-Committee is proposed in order to enhance governance and oversight, thereby supporting effective management of risk.
<b>Financial Implications:</b>	There are no immediate financial implications associated with this proposal.
<b>Recommendation:</b>	That the Committee consider the attached draft terms of reference for the establishment of a Savings Programme Sub-Committee.

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental health and well-being for all		1.Balancing short term need with long term planning for the future	
2.To target our resources to those with the greatest needs and reduce inequalities		2.Working together with other partners to deliver objectives	
3.To support children to have the best start in life		3. Involving those with an interest and seeking their views	
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	
5.To improve the safety and quality of all services		5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity			

7.To listen to people and learn from their experiences			
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>			
<a href="http://www.wales.nhs.uk/sitesplus/861/page/81806">http://www.wales.nhs.uk/sitesplus/861/page/81806</a>			
<b>Equality Impact Assessment</b>			
<i>(If no EqIA carried out, please briefly explain why. EqIA is required where a change of policy or direction is envisaged and/or where budgets are being reduced. It is particularly important that the biggest, most strategic decisions are subjected to an EqIA – see <a href="http://howis.wales.nhs.uk/sitesplus/861/page/47193">http://howis.wales.nhs.uk/sitesplus/861/page/47193</a> )</i>			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*

## **Draft Terms of Reference and Operating Arrangements Savings Programme Sub-Committee**

### **INTRODUCTION**

This Group is established as a Sub-Committee of the Finance and Performance Committee as agreed by the Board on xxxxxxxx

### **PURPOSE**

The purpose of the Sub-Committee is to provide additional and detailed scrutiny of the Health Board's savings plan development and delivery. The Sub-Committee will operate on behalf of the Finance and Performance Committee to maintain robust grip and oversight of the Health Board's savings programme.

It remains the responsibility of the Finance and Performance Committee and the Board to scrutinise the Health Board's overall financial information and when appropriate improvements have been made and is evidenced this Sub-Committee will be stood down.

### **DELEGATED POWERS AND AUTHORITY**

The Group in respect of its provision of advice and assurance is authorised by the Committee to -

- Oversee the development of the Board's savings programme
- Scrutinise, challenge and seek assurance on the robustness of plans which have been developed;
- Receive, scrutinise and challenge further plans as they are developed
- Receive detailed performance reports on the progress of approved schemes and seek assurance on delivery
- Receive, scrutinise and challenge the savings pipeline development to ensure schemes progress to the savings programme
- Make recommendations to the Finance and Performance Committee in relation to the savings programme

### **Authority**

The Group has received delegated authority to undertake any activity within its Terms of Reference seeking relevant information from any employee or Board Committee or Group. It may secure the attendance of other officers with relevant experience or expertise it considers necessary.

### **MEMBERSHIP**

Chair – External Advisor to the Board  
(Vice-Chair to be determined)  
Independent members (number to be confirmed)  
Director of Finance  
Director of Turnaround  
Other Executive Directors – to be confirmed

**IN ATTENDANCE**

Finance Director: Operational Finance

Other Executives shall be invited at the discretion of the Chair.

Secretariat - As determined by the Board Secretary

**GROUP MEETINGS:****Quorum**

At least 2 Independent Members and 2 Executive Directors must be present to ensure the quorum of the Group.

**Frequency of Meetings**

Meetings shall be held no less than monthly and otherwise as the Chair of the Sub-Committee deems necessary.

**REPORTING AND ASSURANCE ARRANGEMENTS**

The Sub-Committee shall:

- Report formally, on a monthly basis, through a Chair's Assurance Report to the Finance and Performance Committee on the Sub-Committee's activities outlining progress to date and key decisions made and
- Bring to the Finance and Performance Committee's specific attention any significant matters under consideration by the Sub-Committee which require escalation to the Committee.

**RELATIONSHIP WITH THE BOARD AND ITS COMMITTEES/GROUPS**

The Sub-Committee has delegated authority from the Finance and Performance Committee to exercise its functions as set out within these Terms of Reference. The Sub-Committee through its Chair and members shall work closely with the Committee Business Management Group of the Board to coordinate the sharing of information and good governance. The Sub-Committee will ensure that its outputs are aligned with the Health Board's strategic goals.

**APPLICABILITY OF STANDING ORDERS TO GROUP BUSINESS**

The requirements of the conducts of business as set out in the Standing Orders are equally applicable to the operation of the Group with the exception of the quorum.

**REVIEW**

These terms of reference and operating arrangements shall be reviewed further in April 2018.


Date Terms of Reference Approved:.....

Signed:.....(Chair)

Date:.....

Revised February 2018

DRAFT

<b>Finance and Performance Committee</b>  <b>26.3.19</b>	 <div data-bbox="1054 197 1145 309"> <b>GIG</b>  CYMRU  <b>NHS</b>  WALES </div> <div data-bbox="1169 210 1414 297"> Bwrdd Iechyd Prifysgol  Betsi Cadwaladr  University Health Board </div> <p data-bbox="946 315 1414 385"><b>To improve health and provide excellent care</b></p>
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<b>Report Title:</b>	Capital Programme Report Month 11
<b>Report Author:</b>	Neil Bradshaw – Assistant Director of Planning – Capital Denise Roberts – Financial Accountant Tax & Capital
<b>Responsible Director:</b>	Mark Wilkinson, Executive Director of Planning and Performance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	The purpose of this report is to brief the Finance and Performance committee on the delivery of the approved capital programme and progress on expenditure against the Capital Resource Limit.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	Progress and expenditure on capital schemes is scrutinised by the Capital Programme Management Team.
<b>Governance issues / risks:</b>	This is a standing report to the committee as required by the Health Board's capital governance procedures.
<b>Financial Implications:</b>	This report confirms the total funding available for 2018/19 and the revised expenditure profile for each project.
<b>Recommendation:</b>	The Committee is asked to receive and scrutinise the contents of this report.

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental health and well-being for all		1.Balancing short term need with long term planning for the future	
2.To target our resources to those with the greatest needs and reduce inequalities	√	2.Working together with other partners to deliver objectives	
3.To support children to have the best start in life		3. those with an interest and seeking their views	
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	√

5.To improve the safety and quality of all services	√	5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity			
7.To listen to people and learn from their experiences	√		
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>			
<a href="http://www.wales.nhs.uk/sitesplus/861/page/81806">http://www.wales.nhs.uk/sitesplus/861/page/81806</a>			
<b>Equality Impact Assessment</b>			
This is a standing report to the committee. There is no proposed change of policy or direction nor are budgets being reduced.			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*





GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board

# Capital Programme Report Month 11 February 2019

Neil Bradshaw – Assistant Director of Planning  
Denise Roberts – Financial Accountant Tax & Capital

Betsi Cadwaladr University Health Board

# Table of Contents

<b>1</b>	<b>Introduction</b>
1.1	Purpose of the Report
1.2	Capital Programme 2018/19
<b>2</b>	<b>Capital Programme</b>
2.1	Introduction
2.2	All Wales Schemes
2.3	Discretionary Capital Programme
2.4	Alternative Funding
<b>3</b>	<b>Finance Report</b>
3.1	Overview
3.2	Capital Resource Limit
3.3	Expenditure and Forecasts at month 11
3.4	YGC Redevelopment Scheme.
<b>4</b>	<b>Conclusion and Recommendations</b>
4.1	Conclusion
4.2	Recommendations

## Appendix

1	Summary of Expenditure Against Resource Limit Approvals
2	Ysbyty Glan Clwyd report Ysbyty Gwynedd Emergency Department report
<b>3</b>	Discretionary capital programme monitoring report

## 1.1 Purpose of Report

The purpose of this report is to brief the Health Board on the delivery of the approved capital programme to enable appropriate monitoring and scrutiny. The report provides an update, by exception, on the status and progress of the major capital projects and the discretionary capital programmes.

The report also provides a summary on the progress of expenditure against the capital resources allocated to the Health Board by the Welsh Government through the Capital Resource Limit (CRL).

## 1.2 Capital Funding 2018/19

The agreed capital funding from all sources may be summarised as follows:

<b>Capital Programme</b>	<b>£ '000</b>
All Wales Capital Programme	32,034
Discretionary Capital	17,274
<b>Total Welsh Government CRL</b>	<b>49,308</b>
Capital Receipts	374
Charitable Funding	1,102
Grant Funding	0
<b>TOTAL</b>	<b>50,784</b>

The CRL as at month 11 is £49,308m. The CRL increased by £1,342m. This can be attributed to:

- The approval of additional Medical Devices discretionary funding, £1,231m;
- The approval of the Eye Care Sustainability capital scheme, £0.084m; and

It should be noted that the capital receipts and donated funding for this financial year has been finalised.

## 2.1 INTRODUCTION

Following implementation of the Health Board's Procedure Manual for Managing Capital Projects, an assessment has been made of the RAG rating for the key domains for each scheme:

This assessment is based upon the Project Managers monthly reports and provides an overview of the status of each scheme. A commentary is provided, as necessary, to highlight key variances.

## 2.2 ALL WALES PROGRAMME

The Health Board has been successful in securing capital investment for the following approved schemes. The table has been updated to reflect the latest changes to the CRL.

Scheme	RAG rating				
	Q	T	C	R	B
Ysbyty Glan Clwyd redevelopment	G	A→	A→	G↓	G
SuRNICC	G	A→	G	G	G
PAS system	A→	A→	R→	A→	A→
ED information system – WEDs (EDCIMS)	R →	R →	R →	R →	R →
Ysbyty Gwynedd Emergency Department	G	A→	A→	G	G
The Elms	G	A→	G	G↓	G
Hybrid Theatre – Ysbyty Glan Clwyd	G	G	G	G	G

### Ysbyty Glan Clwyd redevelopment

A separate report has been provided at Appendix 2.

### Ysbyty Gwynedd Emergency Department

A separate report has been provided at Appendix 2.

## 2.3 DISCRETIONARY CAPITAL PROGRAMME

The Discretionary Capital Programme Monitoring report is provided at Appendix 3. The Health Board has received further discretionary capital from the Welsh Government. Collectively the additional allocations have allowed BCU to bring forward the majority of medical device priorities from 2019/20, provided additional investment in Informatics and purchased replacement imaging equipment. Orders have been placed as required and the Capital Programme Management Team has confirmed that the CRL is expected to be delivered.

## 2.4 ALTERNATIVE FUNDING

### 2.4.1 Estates Rationalisation/Disposal Programme

The following table provides an overview of the disposals for 2018/19. Both Caergwrle Health Clinic and Argyll Road properties have been sold in this financial year.

	NBV	Actual capital receipts 2018/19	Capital Receipt Forecast 2018/19
Land and Property Disposals	£'000	£'000	£'000
Caergwrle Health Clinic	107	114	109
Argyll Road	265	265	265
<b>Total</b>	<b>372</b>	<b>379</b>	<b>374</b>

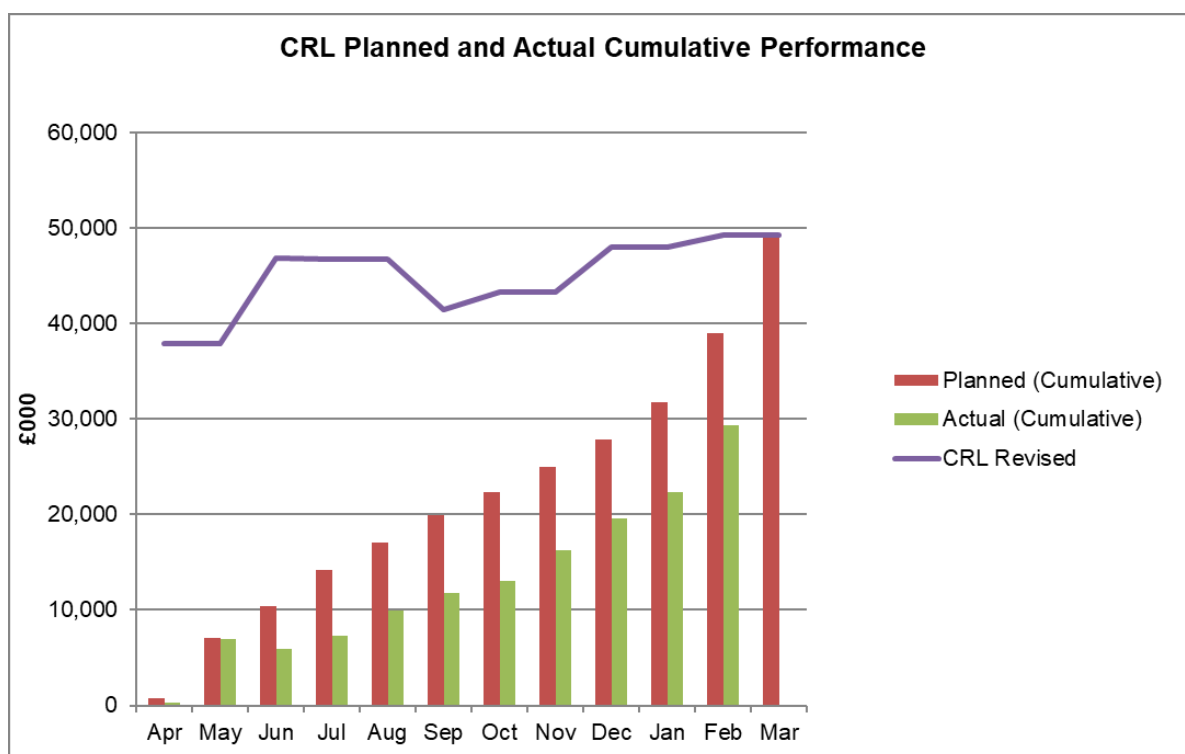
### 3.1 FINANCE OVERVIEW

The capital expenditure in Month 11 reflects a net spend of £7.048m.

The forecast capital profiles for the All Wales schemes have been reviewed by project managers and cost advisors and the CRL adjusted to reflect the revised profiles to year end. Welsh Government has formally frozen the CRL and any further adjustments will need to be managed internally.

### 3.2 Capital Resource Limit

The graph shown below sets out the planned expenditure profile for the year and the actual expenditure to date.



The table below provides a breakdown of the CRL by scheme.

	CRL 2018/19 £'000	2018/19 Expenditure M11 £'000	2018/19 Forecast Out- turn £'000	Variance £'000
<b>All Wales Schemes</b>				
<b>Capital Projects Approved Funding</b>				
Ysbyty Glan Clwyd Redevelopment	8,592	4,888	4,934	(3,658)
Ysbyty Glan Clwyd Redevelopment - Brokerage	4,500	4,099	4,500	0
SuRNICC	1,285	2,459	2,791	1,506
PAS System	409	132	183	(226)
The Elms	1,616	1,075	1,714	98
YGC Hybrid Theatre	2,260	702	2,260	0
Ysbyty Gwynedd Emergency Dept	7,141	5,136	6,091	(1,050)
Central Denbighshire Ruthin - Primary Care Fees	141	21	141	0
Substance Misuse - Holyhead, Anglesey	387	103	200	(187)
Substance Misuse - Shotton, Flintshire	100	16	100	0
Acceleration and implementation of national clinical systems & WiFi Infrastructure	190	0	190	0
MRI Scanner at YGC	2,311	80	2,111	(200)
Digital Cellular Pathology	55	0	55	0
IM & T Discretionary	1,732	0	1,732	0
Additional Medical Devices Equipment February	1,231	0	1,231	0
Eye Care Sustainability	84	0	84	0
<b>Sub-total</b>	<b>32,034</b>	<b>18,711</b>	<b>28,317</b>	<b>(3,717)</b>
<b>All Wales CRL Total</b>	<b>32,034</b>			
<b>Discretionary Schemes</b>				
IM&T	2,642	1,172	2,642	0
Med Devices	4,151	1,954	5,166	1,015
Estates	10,481	7,517	13,183	2,702
<b>Discretionary CRL Total</b>	<b>17,274</b>	<b>10,643</b>	<b>20,991</b>	<b>3,717</b>
<b>TOTAL CRL ALLOCATION 2018/19</b>	<b>49,308</b>			
Development Fund/ Capital Receipts	374	0	374	0
Donated	1,102	1,102	1,102	0
Grant monies	0	0	0	0
	<b>1,476</b>	<b>1,102</b>	<b>1,476</b>	<b>0</b>
<b>Grand Total</b>	<b>50,784</b>	<b>30,456</b>	<b>50,784</b>	<b>0</b>

### 3.3 Expenditure and Forecasts at Month 11

The expenditure reflected in the Month 11 position includes estimates based on the forecast profile of project valuations for February 2019. This is supported by the expenditure profile statements produced by the project managers and cost advisors for each of the All Wales Schemes.

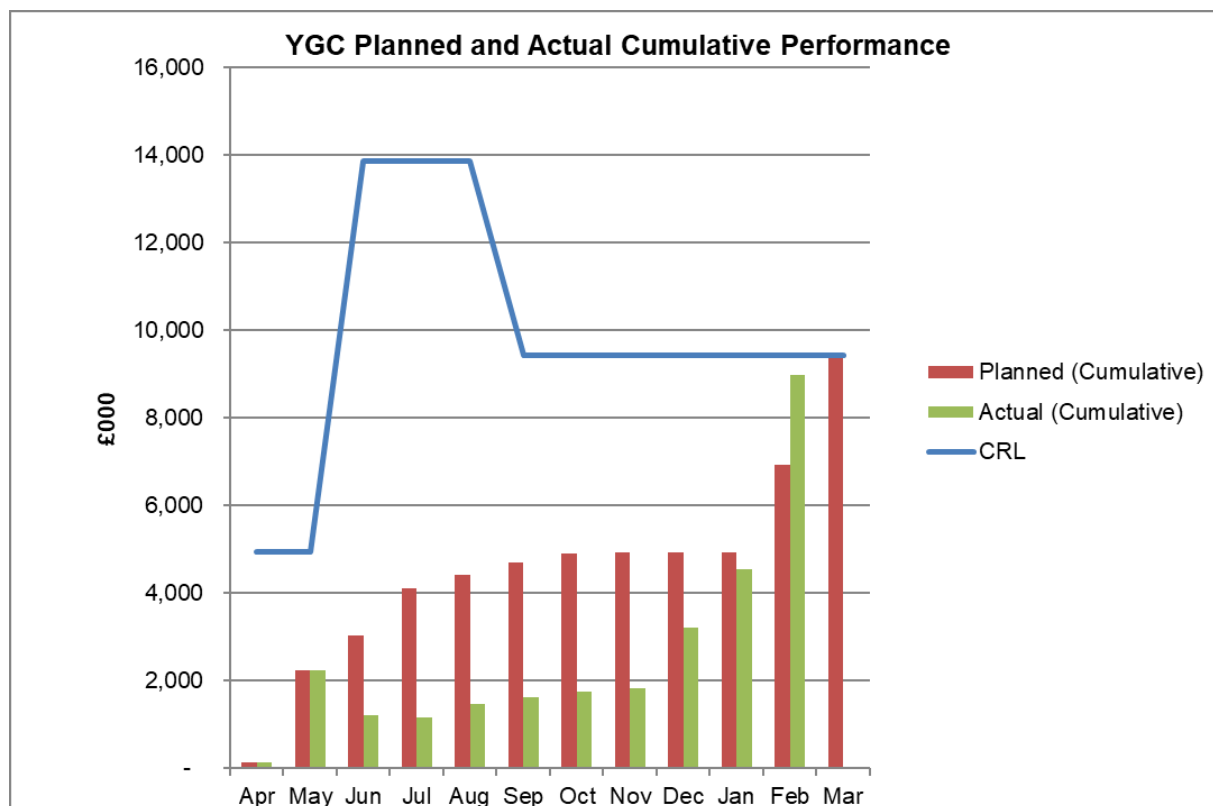
The capital expenditure table for Month 11 reflects the current CRL resource agreed with Welsh Government.

Although the table indicates significant expenditure to be delivered in the final months of the year this is related to the following:

- expected significant payment on YGC following completion of the project;
- YGC MRI and Hybrid theatre equipment purchase in month 12 and;
- additional Informatics, medical devices and imaging equipment scheduled for month 12.

### 3.4 Ysbyty Glan Clwyd Redevelopment

This scheme represents a significant proportion of the planned capital expenditure in 2018/19 and the graph below confirms the planned and actual expenditure profiles.



### 4.1 Conclusions

This report confirms the total funding available for 2018/19 and the revised expenditure profile for each project. Despite the significant additional capital allocated to the Health Board in the last two quarters of the year the Capital Programme Management Team expect the CRL to met.

### 4.2 Recommendations

The Committee is asked to receive and scrutinise the contents of this report.



## Appendix 1 Summary of Expenditure against Resource Limit Approvals

Funding	Year-end target (£'000)	Year to date performance (£'000)	% Spend to date	Risk	Notes
All Wales	32,034	18,711	58%	Green	
Discretionary	17,274	10,643	62%	Green	
<b>Subtotal CRL</b>	<b>49,308</b>	<b>29,354</b>	<b>60%</b>	Green	
Capital Receipts	374	0	0%	Green	
Donated Capital	1,102	1,102	100%	Green	
Grant Capital	0	0	0%	Green	
<b>Total capital resource available</b>	<b>50,784</b>	<b>30,456</b>	<b>60%</b>	Green	

## **Ysbyty Glan Clwyd Redevelopment report – February 2019**

### **1. Purpose of report**

The purpose of this report is to provide an update on the progress of the project to redevelop Ysbyty Glan Clwyd (YGC).

### **2. Introduction**

The Health Board approved the Full Business Case for the redevelopment of YGC in November 2011 and, following approval by the Welsh Government, work commenced on site in February 2012. The works comprises the removal, or making safe, of asbestos materials, meeting FIRECODE requirements and as a consequence the redevelopment of all elements of the original hospital building.

The detail of this report is drawn from the monthly Project Managers and Cost Advisors reports and the regular progress report to Welsh Government as reported to the Project Board. It should be noted that due to the scheduling of the respective meetings the Project Board has not met since the last report to this committee.

### **3. Summary of performance**

#### **Programme**

The final phase of the works, comprising the staff change, final offices phase and main core staircase we completed on 26<sup>th</sup> February as planned. The success of this project is testament to the team work of the hospital staff, the project team, contractors and consultants, the Health and Safety Executive and Denbighshire County Council and the commitment and dedication of many, both individually and collectively during the whole process. To remove approximately 300,000tonnes of contaminated waste over a period of 8 years whilst safely maintaining clinical services and transforming the hospital from a tired outdated building to a modern 21<sup>st</sup> century facility is a significant achievement.

#### **Cost**

The assessment of the estimated “cost to complete” continues to indicate an expected outturn cost of £172million. A further paper is presented to the committee proposing a cost effective methodology to close out the remaining variations (Compensation Events) whilst ensuring the estimated out turn cost is not exceeded.

### **4. Recommendations**

It is recommended that the Committee scrutinise and note the contents of this report.

## **Ysbyty Gwynedd Emergency Department report – February 2019**

### **1. Purpose of report**

The purpose of this report is to provide an update on the progress of the project to refurbish and extend the Emergency Department.

### **2. Introduction**

The Health Board approved the Full Business Case for the ED Scheme in November 2016 and, following approval by the Welsh Government February 2017 work commenced on site in April 2017. The works comprises of 3 phases of work to provide a new ED comprising of Minors, Majors, Resus and a new 23 space assess to admit ward.

The ED development represents the most significant capital project within Ysbyty Gwynedd at this present time. In reviewing the scrutiny and monitoring arrangements of the capital programme it was agreed that the reporting of selected major projects to the Finance and Performance should be the subject of a separate monthly report to give the Committee a greater level of detail and assurance with regard to project progress

The detail of this report is drawn from the monthly Project Managers and Cost Advisors reports and the regular progress report to Welsh Government as reported to the Project Board

### **3. Summary of performance**

#### **Programme**

The Supply Chain Partner, Interserve is working to revised programme (Rv20).

Phase 3 is going well and the expected completion date has not changed and remains at August 2019. The team are critically reviewing the programme together with risks and lessons learnt to mitigate future issues.

#### **Cost**

The commercial review is on-going and the cost advisors have indicated potential cost pressures of £205k. The review has however identified savings of £200k to mitigate these cost pressure.

The Project Team continue to critically review the projected out turn costs and consider any options for further value engineering, and options to improve programme. The SCP has indicated that there is likely to be a gainshare.

### **4. Recommendations**

It is recommended that the Committee scrutinise and note the contents of this report.

**TODAY'S DATE:**

Betsi Cadwaladr University Health Board and Mental Health DISCRETIONARY CAPITAL PROGRAMME 2018/19 - CONTROL PLAN (From: April 2018)												2018/19																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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WMH Additional Side Rooms	G	G	G	G	G	345,000	191,000	154,000	01/04/18	21/12/18	Planned	D	D	D	D	D	D	P	P	P	P	P	P	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	C																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			</

**TODAY'S DATE:**

Betsi Cadwaladr University Health Board DISCRETIONARY CAPITAL PROGRAMME 2018/19 - CONTROL PLAN												2018/19											
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												#	#	#	#	#	#	#	#	#	#	#	#
Scheme	RAG Rating					Code	Budget			Scheme Duration		Programme											
	Q	T	C	R	B		Approved Budget £	Estimated Outturn £	Variance £	Start Date	End Date	S = Project Start D = Design P = Procurement I = Implementation C = Project Close											
												Planned/Actual Prog											
Dental Chair-Buckley	G	G	G	G	G	1J82	10,000	10,320	-320	01/04/18	31/10/18	Planned	S	P	P	P	P	P	C				
												ACTUAL	G	G	G	G	A	A	G				
Bath-Bersham Ward Wrexham Maelor	G	G	G	G	G	1J8K	10,000	9,594	406	01/04/18	30/06/18	Planned	S	P	C								
												ACTUAL	G	G	G								
Gastrosopes and stack-Endoscopy Wrexham	G	G	G	G	G	1J90	263,000	230,376	32,624	01/04/18	31/12/18	Planned	S	D	D	D	P	P	P	I	C		
												ACTUAL	G	G	G	G	G	G	G	G	G		
Fibreoptic Endoscope-Speech Therapy Wrexham Maelor	G	G	G	G	G	1J91	33,810	32,825	985	01/04/18	31/12/18	Planned	S	D	D	D	P	P	I	I	C		
												ACTUAL	G	G	G	G	G	G	G	G	G		
Ultrasound-Radiology Chirk	G	G	G	G	G	1J92	120,000	77,640	42,360	01/04/18	31/10/18	Planned	S	D	D	D	P	I	C				
												ACTUAL	G	G	G	G	G	G	G				
Transnasal Oesophagoscope-ENT Wrexham Maelor	G	G	G	G	G	1J93	23,750	22,072	1,678	01/04/18	31/12/18	Planned		S	D	D	P	P	I	I	C		
												ACTUAL		G	G	G	A	A	G	G	G		
VNG Balance Equipment-Audiology Wrexham Maelor	G	G	A	G	G	1J94	12,000	17,999	-5,999	01/04/18	31/01/19	Planned	S	D	P	P	I	I	I	I	C		
												ACTUAL	G	G	G	G	G	G	A	A	A		
Operating Table- Theatre A Wrexham Maelor	G	G	G	G	G	1J95	53,450	47,591	5,859	01/04/18	31/08/18	Planned		S	P	I	C						
												ACTUAL		G	G	G	G						
Transport Ventilator-Childrens Ward Wrexham Maelor	G	G	A	G	G	1J96	20,160	21,000	-840	01/09/18	31/01/19	Planned						S	P	P	I	C	
												ACTUAL						G	G	G	G	G	
6 Ventilators-ITU Wrexham Maelor	G	G	G	G	G	1J97	166,836	161,497	5,339	01/01/19	31/03/19	Planned									S	P	C
												ACTUAL									G	G	
2 Ultrasound Probes-Radiology Wrexham Maelor	G	G	G	G	G	1J98	18,065	18,065	0	01/01/19	31/03/19	Planned									S	P	C
												ACTUAL									G	G	
Patient Monitors-MAU, ED & ACU Wrexham Maelor	G	G	G	G	G	1J99	353,076	353,076	0	01/01/19	31/03/19	Planned									S	P	C
												ACTUAL									G	G	
Phototherapy Unit-Dermatology Llandudno Hospital	G	G	G	G	G	1K90	29,205	29,700	-495	01/04/18	31/01/19	Planned		S	D	P	P	P	I	I	C		
												ACTUAL		G	G	G	G	G	G	G	A		
Phototherapy Unit-Dermatology Ysbyty Penrhos Stanley	G	G	G	G	G	1K91	29,205	30,250	-1,045	01/04/18	31/01/19	Planned		S	D	P	P	P	I	I	C		
												ACTUAL		G	G	G	G	G	G	G	A		
Thoracoscopy Kit-Respiratory Ysbyty Gwynedd	G	G	A	G	G	1K92	16,037	24,463	-8,426	01/04/18	30/06/18	Planned		S	C								
												ACTUAL		G	G								
2 ECG Machines-Emergency Dept Ysbyty Gwynedd	G	G	A	A	G	1K93	15,000	15,773	-773	01/04/18	30/06/18	Planned	S	P	C								
												ACTUAL	G	G	G								
8 Orthopaedic Drills-Theatres Ysbyty Gwynedd	G	G	G	G	G	1K94	89,664	89,664	0	01/04/18	31/08/18	Planned	S	D	P	I	C						
												ACTUAL	G	G	G	G	G						
Echocardiography-Coronary Care Ysbyty Gwynedd	G	G	A	G	G	1K95	54,000	55,493	-1,493	01/04/18	31/01/19	Planned	S	D	D	D	P	P	I	C			
												ACTUAL	G	G	G	G	G	G	A	A			
2 Cell Salvage Machines-Theatres Ysbyty Gwynedd	G	G	G	G	G	LOF		0	0			Planned											
												ACTUAL											
3 Shavers & Mastoid Drills-Theatres Ysbyty Gwynedd	G	G	G	G	G	1K97	27,580	26,892	688	01/04/18	30/06/18	Planned	S	P	C								
												ACTUAL	G	G	G								
Automated Immunoblotting System-Pathology Ysbyty Gwynedd	G	G	A	G	G	1K98	14,220	14,934	-714	01/04/18	30/06/18	Planned	S	P	C								
												ACTUAL	G	G	G								
Ultrasound-Emergency Dept Ysbyty Gwynedd	G	G	G	G	G	1K99	54,250	51,467	2,783	01/04/18	31/12/18	Planned		S	D	D	D	P	I	I	C		

													ACTUAL			G	G	G	G	G	G	A	G			
Gait Analysis System-Physiotherapy Bangor	G	G	G	G	G	1K9A	39,480	39,480	0	01/04/18	31/01/19	Planned						S	D	D	P	I	I	C		
													ACTUAL					G	G	G	G	G	G	G		
Manikin-Training Ysbyty Gwynedd (SIFT)	G	G	G	G	G	1K9B	60,000	54,250	5,750	01/04/18	31/01/19	Planned						S	D	D	P	I	I	C		
													ACTUAL					G	G	G	G	G	G	G		
5 Ventilators-ITU Ysbyty Gwynedd	G	G	G	G	G	1K9C	139,030	134,581	4,449	01/10/18	31/01/19	Planned									S	P	I	C		
													ACTUAL								G	G	G	G		
Cot Bed-Paediatric Patients Home	G	G	G	G	G	1K9H	7,644	7,644	0	01/12/18	31/12/18	Planned											C			
													ACTUAL										G			
TOE Probe-Coronary Care Ysbyty Gwynedd	G	G	G	G	G	1K9J	11,987	12,011	-24	01/12/18	31/03/19	Planned											S	P	I	C
													ACTUAL										G	G	G	
Pulmonary Equipment & Body Box-Respiratory	G	G	G	G	G	1L90	60,000	58,057	1,943	01/04/18	30/09/18	Planned	S	D	P	I	I	C								
													ACTUAL	G	G	G	G	G	G							
Consultant Microscope-Cellular Pathology Glan Clwyd	G	G	A	G	G	1L91	25,000	26,840	-1,840	01/04/18	31/01/19	Planned	S	D	D	P	P	P	P	P	P	I	C			
													ACTUAL	G	G	G	G	G	A	G	A	A	G			
Microscope-Sexual Health Glan Clwyd	G	G	G	G	G	1L92	40,416	36,000	4,416	01/04/18	31/12/18	Planned		S	D	P	P	P	I	I	C					
													ACTUAL		G	G	G	G	G	G	A	G				
ECG Machine-Stroke Unit Glan Clwyd	G	G	A	G	G	1L93	7,800	8,664	-864	01/04/18	30/09/18	Planned	S	P	P	P	I	C								
													ACTUAL	G	G	G	G	G	G							
Radiation Monitoring System-Medical Physics Glan Clwyd	G	G	A	G	G	1L94	18,000	20,921	-2,921	01/04/18	31/01/19	Planned	S	D	D	P	P	P	P	P	I	C				
													ACTUAL	G	G	G	G	G	A	G	G	A				
2 Ultrasounds-Radiology Glan Clwyd	G	G	G	G	G	1L95	240,000	164,798	75,202	01/04/18	30/11/18	Planned	S	D	D	D	P	P	I	C						
													ACTUAL	G	G	G	G	G	G	G	G					
Echocardiogram-Cardiac Physiology Glan Clwyd	G	G	G	G	G	1L96	85,200	79,673	5,527	01/04/18	31/01/19	Planned	S	D	D	D	P	P	P	P	I	C				
													ACTUAL	G	G	G	G	G	G	G	G	A				
Bariatric Body Trolley-Mortuary Glan Clwyd	G	G	A	G	G	1L97	18,000	18,884	-884	01/04/18	31/01/19	Planned	S	D	D	D	P	I	I	I	C					
													ACTUAL	G	G	G	G	G	G	G	A	A				
Yag Laser-Ophthalmology Abergele Hospital	G	G	A	G	G	1L98	35,400	36,084	-684	01/04/18	31/07/18	Planned	S	D	P	C										
													ACTUAL	G	G	G	G									
Operating Table-Urology Theatre Glan Clwyd	G	G	G	G	G	1L99	41,790	38,787	3,003	01/04/18	31/08/18	Planned	S	D	D	P	C									
													ACTUAL	G	G	G	G	G								
Rapid Infuser-Emergency Dept Glan Clwyd	G	G	G	G	G	1L9A	22,800	21,948	852	01/04/18	28/02/19	Planned		S	D	P	P	P	P	P	I	C				
													ACTUAL		G	G	G	G	A	A	G	A				
Cryoprobe-Respiratory Glan Clwyd	G	G	G	G	G	1L9B	21,600	15,003	6,597	01/04/18	31/07/18	Planned	S	D	P	C										
													ACTUAL	G	G	G	G									
Female Bath-Bryn Heskth	G	G	G	G	G	1L9C	16,782	16,782	0	01/04/18	30/06/18	Planned	S	P	C											
													ACTUAL	G	G	G	G									
5 Antenatal Fetal Monitors	G	G	G	G	G	1L9D	74,935	59,178	15,757	01/04/18	31/12/18	Planned	S	D	D	D	P	P	P	P	I	C				
													ACTUAL	G	G	G	G	G	G	G	G	G				
Upgrade Hardware-Radiotherapy	G	A	G	A	G	1L9E	60,000	0	60,000	01/04/18	31/03/19	Planned				S	D	D	D	D	P	P	I	C		
													ACTUAL				G	G	G	G	G	G	G	G	G	
Beds & Mattresses	G	G	G	G	G	1L9F	100,000	323,071	-223,071	01/04/18	30/09/18	Planned		S	D	D	P	C								
													ACTUAL		G	G	G	G	G							
Diathermy Machine-Endoscopy Glan Clwyd	G	G	G	G	G	1L9G	27,430	27,304	126	01/09/18	31/01/19	Planned						S	D	P	I	C				
													ACTUAL					G	G	A	A	G				
Tissue Embedding Centre-Pathology Glan Clwyd	G	G	G	G	G	1L9H	10,560	10,560	0	01/10/18	31/01/19	Planned							S	P	C					
													ACTUAL						G	G	G					
Audiology Calibration Equipment-Medical Physics Glan Clwyd	G	G	G	G	G	1L9K	8,317	8,317	0	01/01/19	31/03/19	Planned											S	P	C	
													ACTUAL										G	G		
Patient Monitors-Glan Clwyd	G	G	G	G	G	1L9M	207,245	207,245	0	01/01/19	31/03/19	Planned											S	P	C	
													ACTUAL										G	G		
Defibrillators	R	G	R	R	G		0	0	0	01/04/18	31/12/18	Planned														
													ACTUAL													
Patient Monitors inc ED YG	G	R	G	A	G			100,000	-100,000	01/04/18	31/03/19	Planned														
													ACTUAL													
Tympanometer-Audiology Wrexham Maelor	G	G	G	G	G	1J9M	5,000	5,000	0	01/01/19	31/03/19	Planned											S	P	C	
													ACTUAL										G	G		
Camera Stack-ENT Theatre Wrexham Maelor	G	G	G	G	G	1J9N	58,200	58,200	0	01/01/19	31/03/19	Planned											S	P	C	
													ACTUAL										G	G		
Theatre Microscope-Ophthalmology Ysbyty Gwynedd	G	G	G	G	G	1K9I	76,000	76,000	0	01/01/19	31/03/19	Planned											S	P	C	
													ACTUAL										G	G		
Pathfinder-Cardiology Ysbyty Gwynedd	G	G	G	G	G	1K9W	26,617	26,617	0	01/01/19	31/03/19	Planned											S	P	C	

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**TODAY'S DATE:**

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**TODAY'S DATE: 21.01.19**

Betsi Cadwaladr University Health Board DISCRETIONARY CAPITAL PROGRAMME 2018/19 - CONTROL PLAN (From: April 2018)												2018/19											
												Q1			Q2			Q3			Q4		
												30 April 2018	31 May 2018	30 June 2018	31 July 2018	31 August 2018	30 September 2018	31 October 2018	30 November 2018	31 December 2018	31 January 2019	28 February 2019	31 March 2019
Scheme	RAG Rating					Budget			Scheme Duration		Programme												
	Q	T	C	R	B	Approved Budget £	Estimated Outturn £	Variance £	Start Date	End Date	S = Project Start D = Design P = Procurement I = Implementation C = Project Close												
DIGITAL ROADMAP											Planned/Actual Prog												
Local Document Repository/Digital Forms	G	G	G	G	G			£0			ACTUAL Planned	04.06.18 Removed £70k Scheme											
Welsh Patient Administration System (WPAS) East	G	G	G	G	G	£130,000	£0	£130,000			ACTUAL Planned	28.08.18 Removed £130 Scheme											
Welsh Emergency Department System (WEDS) - All Wales Funding	G	G	G	G	G	£20,000	£0	£20,000			ACTUAL Planned	28.08.18 Removed Scheme											
CHAI (Connected Healthcare Administrative Interface). Reallocation of costs	G	G	G	G	G		£11,400	-£11,400			ACTUAL Planned							C					
UNDERPINNING SERVICE TRANSFORMATION											ACTUAL							G					
GDPR-Supporting BCU in meeting the requirements (Search and Indexing software)	G	R	G	G	G	£150,000	£0	£150,000	01.09.18	31.03.19	Planned					S	D	D	D	P	P	I	
IFIT phase 3 (late receipt of funds added 04.06.18)	G	G	G	G	G	£23,000	£36,065	-£13,065	01.03.18	01.06.18	ACTUAL Planned	c				G	G	G	G	R			
DIGITAL INFRASTRUCTURE											ACTUAL	G											
IPT Telephony Programme Continuation. Migration of users to telephony system	G	A	A	A	G	£705,000	£186,000	£519,000			ACTUAL	I	I	I	I	I	I	I	I	I	I		
Cyber Security Gap Analysis and improvements to threat mi	G	G	G	G	G	£60,000	£30,000	£30,000	01.09.18	31.03.19	ACTUAL Planned	A	A	A	A	A	A	A	A	A	A	A	
PSBA Wide Area Network (Core upgrade)	G	G	G	G	G	£80,000	£77,000	£3,000	01.04.18	01.03.19	ACTUAL	I	I	I	I	I	I	I	I	I	I		
- Web Filtering Replacement	G	R	G	G	G	£150,000	£100,998	£49,002	01.05.18	31.01.19	ACTUAL Planned					S	D	D	D	P	P	I	
- LAN Phase 3 Switch Equipment Replacement	G	G	R	G	G	£300,000	£314,607	-£14,607	01.04.18	01.03.19	ACTUAL					G	G	G	G	C			
Network Storage Infrastructure	G	G	G	G	G	£130,000	£178,000	-£48,000	01.09.18	01.03.19	ACTUAL Planned					P	P	P	I	I			
Hardware replacement	G	G	G	G	G	£617,000	£725,589	-£108,589	01.04.18	28.02.19	ACTUAL	I	I	I	I	I	I	I	I	I	I	C	
Mobile Devices Community	G	G	G	G	G	£72,000	£0	£72,000	01.04.18	28.02.19	ACTUAL Planned	G	G	G	G	G	G	G	G	G	G		
National Programme Hardware	G	G	G	G	G	£150,000	£100,000	£50,000	01.07.18	31.12.18	ACTUAL	I	I	I	I	I	I	I	I	I	I	C	
Single Sign On	G	G	G	G	G	£20,000	£0	£20,000	01.06.18	31.12.18	ACTUAL Planned					d	D	D	D	I	I		
Perimeter Security	G	A	A	G	G	£160,000	£160,000	£0	01.06.18	31.01.19	ACTUAL Planned					G	G	A	A	A	C		
Finance Servers to support costing system (late receipts)	G	G	G	G	G	£23,000	£35,990	-£12,990	01.03.18	01.06.18	ACTUAL	S	P	P	D	D	D	I	I	I	C		
Digital Signage for ED (Sept Addition)	G	G	G	G	G	£13,000	£12,822	£178			ACTUAL	G	G	A	A	A	A	A	A	A	A		
Completion of WMH Datacentre. Includes UPS renewal	G	G	G	G	G	£183,000	£183,000	£0	01.11.17	31.07.18	ACTUAL					P	I	C					
Datacentre YGC Fit Out	G	G	A	G	G	£75,000	£75,000	£0	01.08.18	31.12.18	ACTUAL Planned	I	I	I	C			S	D	P	I	I	C
											ACTUAL	G	G	G	G	G	G	G	G	A	A		

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TODAY'S DATE:

Betsi Cadwaladr University Health Board Facilities Schemes DISCRETIONARY CAPITAL PROGRAMME 2018/19 - CONTROL PLAN (From: April 2018)													2018/19															
													Q1			Q2		Q3			Q4							
													30 April 2018	31 May 2018	30 June 2018	31 July 2018	31 August 2018	30 September 2018	31 October 2018	30 November 2018	31 December 2018	31 January 2019	28 February 2019	31 March 2019				
Scheme		RAG Rating					Budget			Scheme Duration		Programme																
		Q	T	C	R	B	Approved Budget £	Estimated Outturn £	Variance £	Start Date	End Date	S = Project Start D = Design P = Procurement I = Implementation C = Project Close																
Pan BCUHB	Code											Planned/Actual Prog																
Sandwich Display-Catering Wrexham Maelor	1F9E	G	G	A	G	G	5,940	6,258	-318	01/04/18	31/12/18	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Cold Room-Catering Mold Hospital	1F9Q	G	G	G	G	G	11,994	11,994	0	01/04/18	28/02/18	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A	G				
Walk in Freezer & Cold Room-Catering Chirk	1F9R	G	G	G	G	G	19,700	19,700	0	01/04/18	28/02/18	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A	G				
Dishwasher-Catering Mold Hospital	1F9T	G	G	G	G	G	5,330	5,330	0	01/04/18	31/01/19	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A	G				
Dishwasher-Catering Deeside Hospital	1F9U	G	G	G	G	G	5,330	5,330	0	01/04/18	31/01/19	Planned						S	P	I	I	C						
												ACTUAL						G	G	G	G	G						
Oven-Catering Mold Hospital	1F9V	G	G	G	G	G	9,628	10,555	-927	01/04/18	31/01/19	Planned						S	P	I	I	I	C					
												ACTUAL						G	G	G	G	G						
Oven-Catering Holywell Hospital	1F9W	G	G	G	G	G	9,628	10,555	-927	01/04/18	31/01/19	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Oven-Catering Wrexham Maelor Hospital	1F9X	G	G	G	G	G	9,628	10,555	-927	01/04/18	31/01/19	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Catering Trailer-Portering Ysbyty Gwynedd	1G9Z	G	G	G	G	G	6,240	6,240	0	01/04/18	30/09/18	Planned				S	P	I	C									
												ACTUAL				G	G	G	G									
Food Delivery Trolley-Catering Ysbyty Gwynedd	1G9A	G	G	G	G	G	10,800	7,971	2,829	01/04/18	31/01/19	Planned						S	P	I	I	I	C					
												ACTUAL						G	G	G	A	A						
Ovens-Catering Ysbyty Gwynedd	1G9B	G	G	G	G	G	43,200	41,133	2,067	01/04/18	31/01/19	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Pressure Steamers-Catering Ysbyty Gwynedd	1G9B	G	G	G	G	G	36,000	28,230	7,770	01/04/18	31/01/19	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Replace Flooring-Catering Ysbyty Gwynedd	1G9B	G	G	G	G	G	36,000	36,000	0	01/04/18	28/02/19	Planned						S	P	I	I	I	C					
												ACTUAL						G	G	G	G	G	G	R				
Furniture-Catering Ysbyty Gwynedd	1G9B	G	G	G	G	G	36,000	36,000	0	01/04/18	28/02/19	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	G	G	G				
Replace Plastic Cladding-Catering Ysbyty Gwynedd	1G9B	G	G	G	G	G	60,000	60,000	0	01/04/18	28/02/19	Planned						S	P	I	I	I	C					
												ACTUAL						G	G	G	G	G	G	R				
Replace Servery-Catering Ysbyty Gwynedd	1G9B	G	G	G	G	G	120,000	120,000	0	01/04/18	15/03/19	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	G	G	G				
Replace Dishwasher-Cancer Centre Glan Clwyd	1H9J	G	G	G	G	G	5,414	5,414	0	01/04/18	30/06/18	Planned		S	P	C												
												ACTUAL		G	G	G												
Food Delivery Trolleys-Llandudno Hospital	1H9Q	G	G	G	G	G	52,350	52,350	0	01/04/18	31/01/19	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A					
Walk in Freezer-Catering Llandudno	1H9R	G	G	G	G	G	18,000	10,480	7,520	01/04/18	28/02/18	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A	G				
Dishwasher-Catering Llandudno	1H9T	G	G	G	G	G	35,665	35,017	0	01/04/18	11/02/18	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A					
Oven-Catering Abergele Hospital	1H9U	G	G	G	G	G	9,628	9,640	-12	01/04/18	31/12/18	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Oven-Catering Llandudno Hospital	1H9V	G	G	G	G	G	10,843	10,855	-12	01/04/18	31/12/18	Planned						S	P	I	C							
												ACTUAL						G	G	G	G							
Blast Chiller-Catering Ysbyty Gwynedd	1N94	G	G	G	G	G	7,800	7,542	258	01/04/18	31/01/19	Planned						S	P	I	I	C						
												ACTUAL						G	G	G	G							
2 Dishwashers-Catering Penrhos Stanley	1N95	G	G	A	G	G	12,000	12,817	-817	01/04/18	28/02/19	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A					
Dishwasher-Catering Eryri Hospital	1N96	G	G	A	G	G	8,400	9,454	-1,054	01/04/18	31/01/19	Planned						S	P	I	I	I	I	C				
												ACTUAL						G	G	G	G	A	A	G				
Dishwasher-Catering Bryn Y Neuadd	1N97	G	G	G	G	G	6,600	6,006	594	01/04/18	31/01/19	Planned						S	P	I	I	I	C					
												ACTUAL						G	G	G	G	G						
Panwash and Hooded Dishwasher-Catering Ysbyty Gwynedd	1N98	G	G	A	G	G	24,000	31,744	-7,744	01/04/18	31/01/19	Planned						S	P	I	I	I	C					

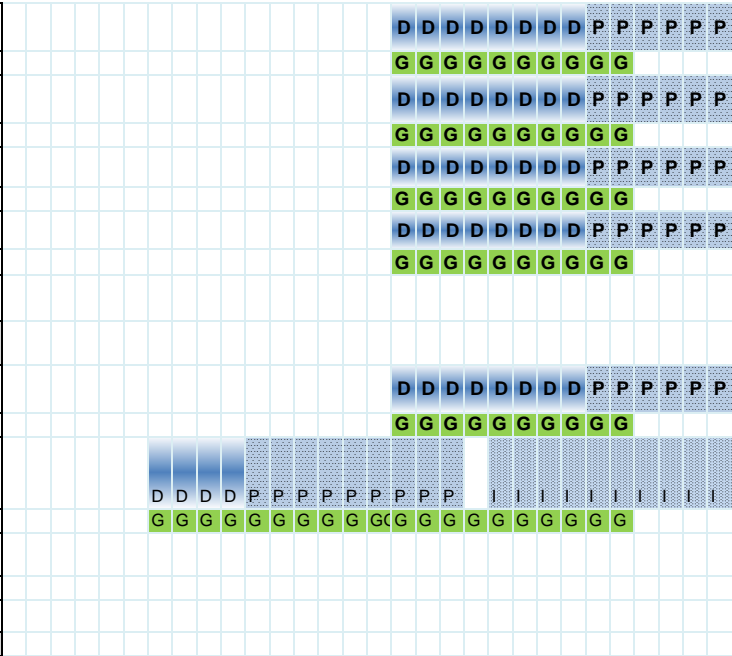
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**TODAY'S DATE:**

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Denbigh Infirmary	Side ward windows for better observation when doors closed (x4)	G	A	G	G	G	2,500	0	2,500	30/12/18		Planned
												ACTUAL
Ruthin Hospital	Side ward windows for better observation when doors closed (x4)	G	A	G	G	G	2,500	0	2,500	30/12/18		Planned
												ACTUAL
Ruthin Hospital	Replacement of all carpeted areas	G	A	G	G	G	10,000	0	10,000	30/12/18		Planned
												ACTUAL
Denbigh Hospital	Replacement of all carpeted areas	G	A	G	G	G	10,000	0	10,000	30/12/18		Planned
												ACTUAL
Sub-total							58,000	0	#REF!			
East - WMH												
WMH	Refurbishment of Surgical and Medical Adult Ward Dirty Utility / Sluice Areas (x16)	G	G	G	G	G			0	30/12/18		Planned
												ACTUAL
WMH	Funding to support the conversion of the space needed for the decant of patients to enable the wards to have the planned programme of HPV cleaning	G	G	G	G	G	265,000	263,749	1,251	15/10/18		Planned
												ACTUAL
Sub-total							265,000	263,749	1,251			
TOTAL							753,500	694,044	59,456			



**RAG Status measured for:**

- Q** Quality of the project in relation to meeting the agreed design brief  
**T** Time, implementation of the project in accordance with the agreed programme  
**C** Assessment of the expected outturn cost compared to the agreed budget  
**R** Overall assessment of risk  
**B** Expectation of realisation of key project benefits

Enter R, A or G

**RAG Rating Definitions**

<b>RED</b>	<b>R</b>	There are significant issues with the project. The project requires corrective action to meet business objectives. The issue cannot be handled solely by the project manager or project team. One or more aspects of project viability — time, cost, scope — exceed tolerances set by the project board.
<b>AMBER</b>	<b>A</b>	A problem has a negative effect on project performance but can be dealt with by the project manager or project delivery team. Action is taken to resolve the problem or a decision made to watch the situation. One or more aspect of project viability — time, cost, scope — is at risk. However, the deviation from plan is within tolerances assigned to the project manager.
<b>GREEN</b>	<b>G</b>	The project is performing to plan. All aspects of project viability are within tolerance.



**For Planned Programme**

Enter S - Project Start      Characters aren't case sensitive  
Enter D - Design  
Enter P - Procurement  
Enter I - Implementation  
Enter C - Project Close

**For Actual Programme reporting**

Enter R (Red) / A (Amber) or G (Green)

Use the DELETE key to clear entries.

<b>Finance and Performance Committee</b>  <b>26.3.19</b>	  <p>Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board</p> <p><b>To improve health and provide excellent care</b></p>
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<b>Report Title:</b>	Integrated Quality & Performance Report
<b>Report Author:</b>	Ed Williams, Head of Performance Assurance
<b>Responsible Director:</b>	Mark Wilkinson, Executive Director of Planning & Performance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	This report provides the committee with a summary of key quality, performance, financial and workforce indicators.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This paper has been scrutinised and approved by the Director of Performance.
<b>Governance issues / risks:</b>	<p><b>Governance</b> This report outlines the key performance and quality issues that are delegated to the Finance &amp; Performance Committee.</p> <p>Timescale and compliance with submission of exception reports is being reviewed to ensure good governance and scrutiny can be achieved. A programme of training for exception report leads in 2019/20 will support this.</p> <p><b>Key Performance Indicators:</b></p> <p><b>The Summary of performance measures under the remit of this committee can be found in the Executive Summary and Graphic Summary Pages of the Integrated Quality &amp; Performance Report (IQPR).</b></p> <p>The Exception Report for the Follow up Backlog position has been removed whilst further assurances in regard what is being done to reduce the backlog are being sought. A verbal update will be provided at Committee.</p> <p>The <b>Financial Balance</b> and <b>Agency Spending</b> is discussed in detail in the Finance Report.</p>
<b>Financial Implications:</b>	N/A
<b>Recommendation:</b>	The Finance & Performance Committee is asked to note the report and to assist in addressing the governance issues raised.

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental health and well-being for all		1.Balancing short term need with long term planning for the future	√
2.To target our resources to those with the greatest needs and reduce inequalities	√	2.Working together with other partners to deliver objectives	√
3.To support children to have the best start in life		3. Involving those with an interest and seeking their views	√
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	√
5.To improve the safety and quality of all services	√	5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity	√		
7.To listen to people and learn from their experiences			
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b> This paper supports the revised governance arrangements at the Health Board and supports the Board Assurance Framework by presenting clear information on the quality and performance of the care the Health Board provides. It also addresses key indicators for mental health and primary care.			
<b>Equality Impact Assessment</b> The Health Board's Performance Team are establishing a rolling programme to evaluate the impact of targets across the Equality & Diversity agenda.			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board



**February 2019**

<b>Cover Page</b>	<b>1</b>	ED – Ambulance Handovers over 1 Hr	18
<b>Table of Contents</b>	<b>2</b>	ED – Ambulance Handovers over 1 Hr Graphs	19
<b>About This Report</b>	<b>3</b>	Stroke Care	20
<b>Summary Dashboard</b>	<b>4</b>	Stroke Care Graphs	21
<b>Executive Summary</b>	<b>5</b>	Delayed Transfers of Care	22
<b>Chapter 1 – Summary Planned Care</b>	<b>6</b>	Out of Hours	23
Referral to Treatment	7		
Cancer	8	<b>Chapter 3 – Summary Finance &amp; Workforce</b>	<b>24</b>
Diagnostic Waits	9	Agency and Locum Spend	25
DNA Rates	10	Financial Balance	26
Activity v Plan	11	Sickness Absence	27
NHSE Contracted Activity	12	PADR	28
		Mandatory Training	29
<b>Chapter 2 – Summary Unscheduled Care</b>	<b>13</b>	Information Governance Training	30
ED & MIU – Under 4 Hours	14		
ED & MIU – Under 4 Hours Graphs	15	<b>Chapter 4 – Summary Primary Care</b>	<b>31</b>
ED – Breaches over 12 Hours	16	<b>Appendix A: Further Information</b>	<b>32</b>
ED – Breaches over 12 Hours Graphs	17		

This **Integrated Quality & Performance Report** is intended to provide a clear view of current performance against **Performance Indicators** that are within the remit of responsibility for the Finance & Performance (F&P) Committee. This report should be used to inform decisions such as escalation and de-escalation of measures and areas of focus and as such the resulting Actions should be recorded and disseminated accordingly using the '**Outcomes & Actions**' sheet provided.

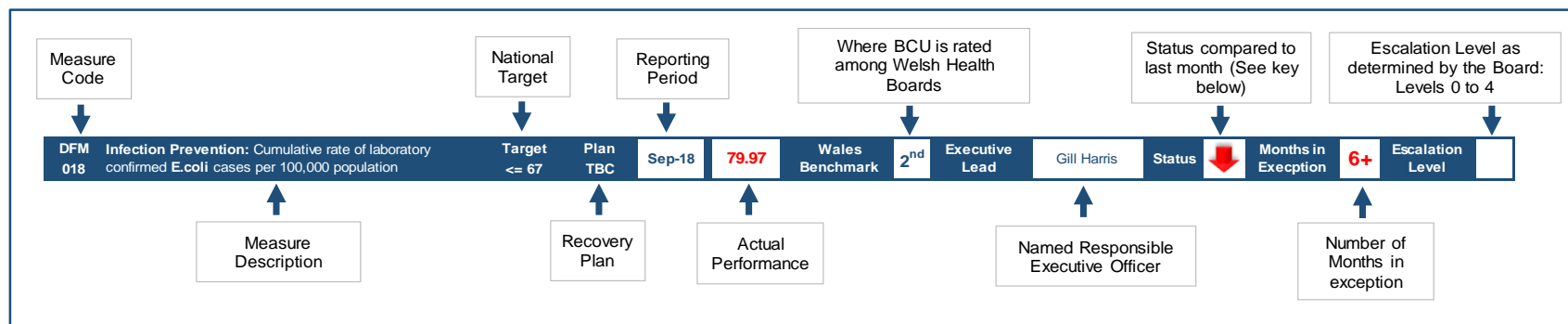
## Escalated Exception Reports

When performance on a measure is worse than expected, the Lead for that measure is asked to provide an exception report to assure the relevant Committee that a) that they have a plan and set of actions in place to improve performance, b) that there are measurable outcomes aligned to those actions and c) that they have a defined timeline/ deadline for when performance will be 'back on track'. Although these are normally scrutinised by Quality & Safety or Finance & Performance Committees, there may be instances where they need to be 'escalated' to the Board. These will be included within the relevant Chapter on an 'as-required' basis.

## Statistical Process Control Charts (SPC)

Where possible SPC charts are used to present performance data. This will assist with tracking performance over time, identifying unwarranted trends and outliers and fostering objective discussions rather than reacting to 'point-in-time' data.

## Description of the Performance Indicator bar Components:

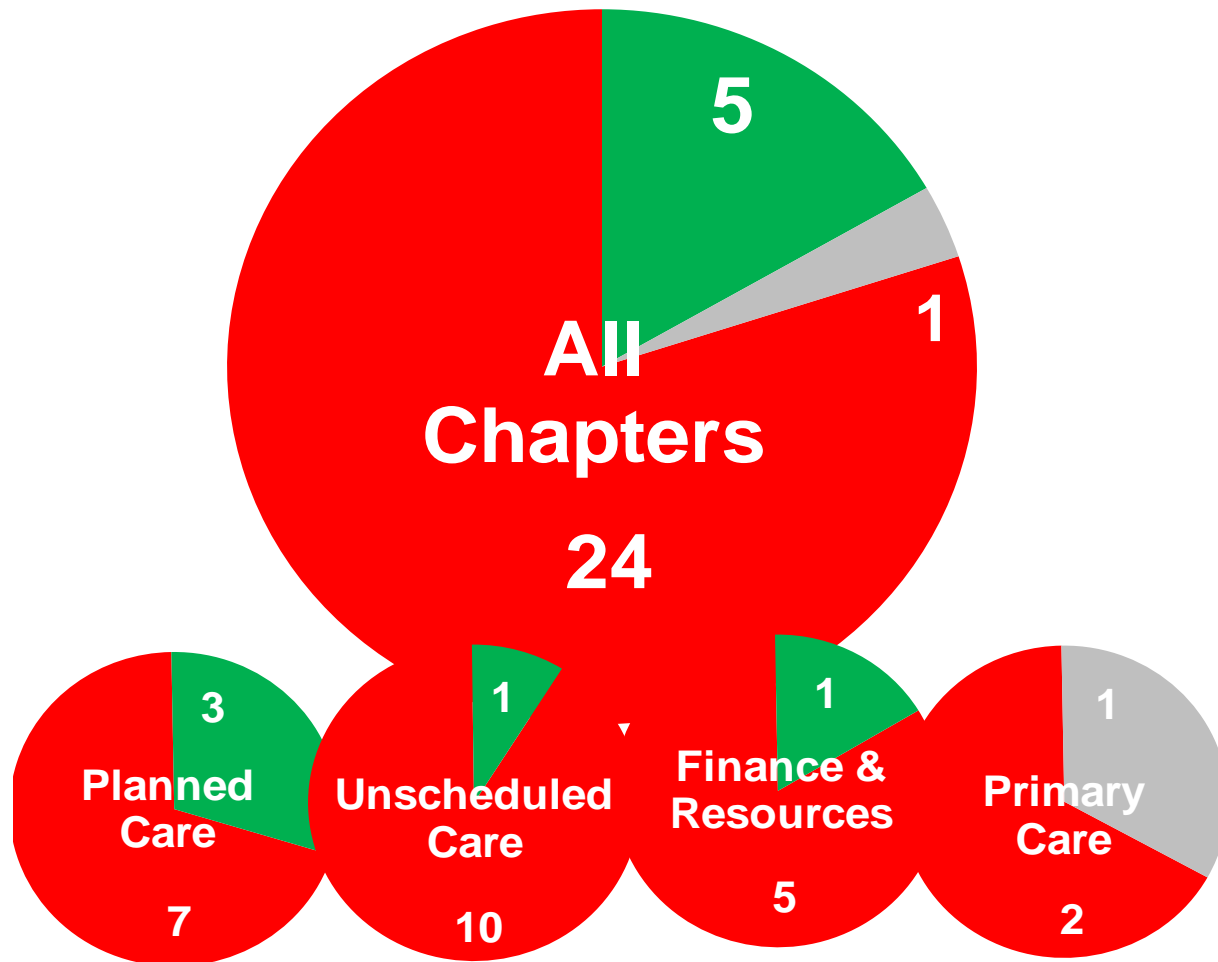


All Performance Indicators in **gold** are part of the **Key Performance Indicators (KPI)** reported to Board

## Status Key:

Achieved & Improved		Achieved but Worse		Achieved Static	
Not Achieved Static		Not Achieved but Improved		Not Achieved Worse	





## Most Improved

Measure	Status	(Target)
Outpatient DNA Rates: New	4.92%	<= 5%
Outpatient DNA Rates: Follow Up	5.91%	<= 7%
Ambulance Handovers over 1 Hour	358	0
Stroke Thombolised DTN 45 Mins	30%	Improve

## Of Most Concern

Measure	Status	(Target)
Emergency Department 4 Hour Waits (inc MIU)	72.45%	>= 95%
Emergency Department 12 Hour Waits	1,430	0
Referral to Treatment (RTT) 36 Week	7,826	0
Financial Balance	1.97%	<= 2.0%
Diagnostic Waits (8 weeks)	2,123	0



## Overall summary of performance

Chapter	Better	Worse	Same	Total
Planned Care	5	5		10
Unscheduled Care	9	2		11
Our Resources	3	3		6
Primary Care	1	1	1	3
<b>Total</b>	<b>18</b>	<b>11</b>	<b>1</b>	<b>30</b>

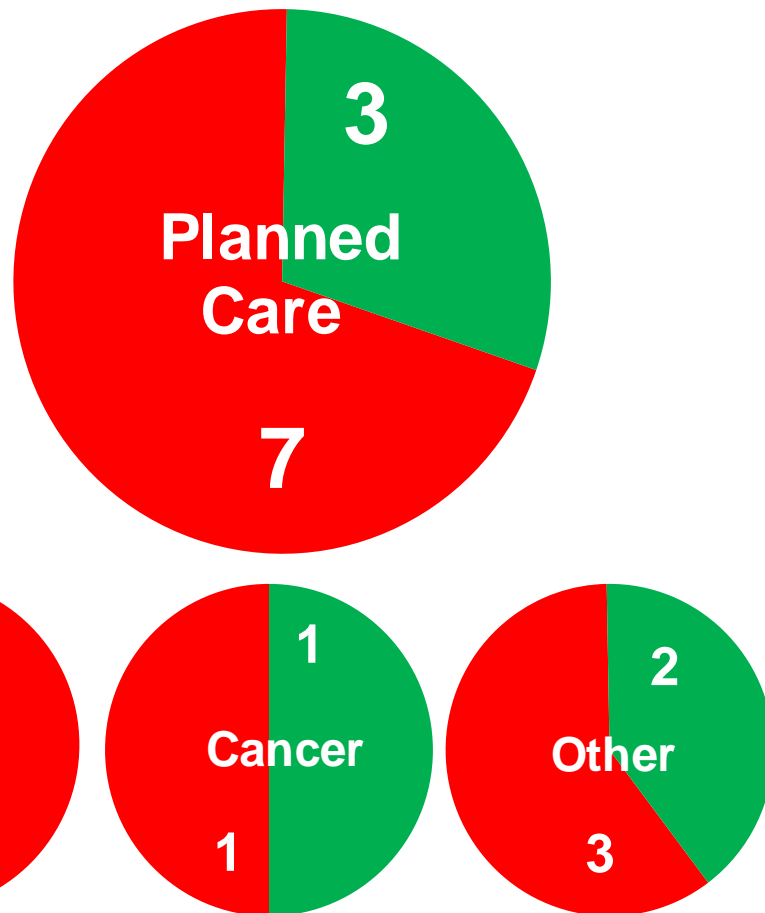
**Planned Care** – Of the 10 measures in this chapter, performance has improved against 5 whilst it has worsened against 5\*. The best case forecast for the RTT 36 Week position at end of March 2019 is 6,118 (404 higher than planned) waiting over 36 weeks for treatment. Most significant concerns are in Dermatology in East and Endoscopy with 1,767 patients waiting over 8 weeks for diagnostic endoscopies. The delays in endoscopy have contributed to more patients waiting beyond the 62 day threshold for cancer treatment, although everything is being done to prioritise urgent suspected cancer cases through endoscopy.

**Unscheduled Care** – Of the 11 Measures in this chapter, performance has improved against 9 whilst it has worsened against 2\*. Performance in our Emergency Departments has improved in February 2019 compared to both January 2019 and February 2018 positions. There has been a significant reduction in delays to ambulance handovers and to patients waiting over 12 hours to be treated in our emergency departments. Performance against 3 of the 4 measures concerning Stroke Care have improved this month. There have also been improvements in performance against our Out of Hours measures which are, as of February 2019 no longer in Special Measures.

**Finance and Use of Resources** – Of the 6 measures in this chapter, performance has improved against 3 measures whilst it has worsened against 3 measures\*. The Health Board's financial position remains a serious concern and details will be provided in the Financial Report.

*\* These summaries will be represented graphically from March 2019's report onwards.*

# Chapter 1 – Summary



## Planned Care

6

Measure	Status	(Target)
Referral to Treatment (RTT): < 26 Weeks	83.92%	>= 95%
Referral to Treatment (RTT): > 36 Weeks	7,826	0
Referral to Treatment (RTT): > 52 Weeks	2,665	0
Diagnostic Waits: > 8 Weeks	2,123	0
Follow-up Waiting List Backlog	82,483	75,000
Cancer: 31 Days (non USC Route)	98.10%	>= 98%
Cancer: 62 Days (USC Route)	87.20%	>= 95%
Outpatient DNA: New	4.92%	<= 5%
Outpatient DNA: Follow up	5.91%	<= 7%
Postponed Procedures	2,848	<= 2,565

**Summary:** Of the 10 measures in this chapter, in comparison to last month, performance has improved against 5 measures and is worse against the remaining 5 measures.

DFM 058	% of patients waiting less than 26 weeks for treatment	Target 95.0%	Plan > 85%	Feb-19	83.92%	Wales Benchmark	7th	Executive Lead	Evan Moore	Status	Months in Exception	6+	Escalation Level	
DFM 059	Number of 36 week breaches- all specialties	Target 0	Plan TBC	Feb-19	7,826	Wales Benchmark	7th	Executive Lead	Evan Moore	Status	Months in Exception	6+	Escalation Level	

## Actions:

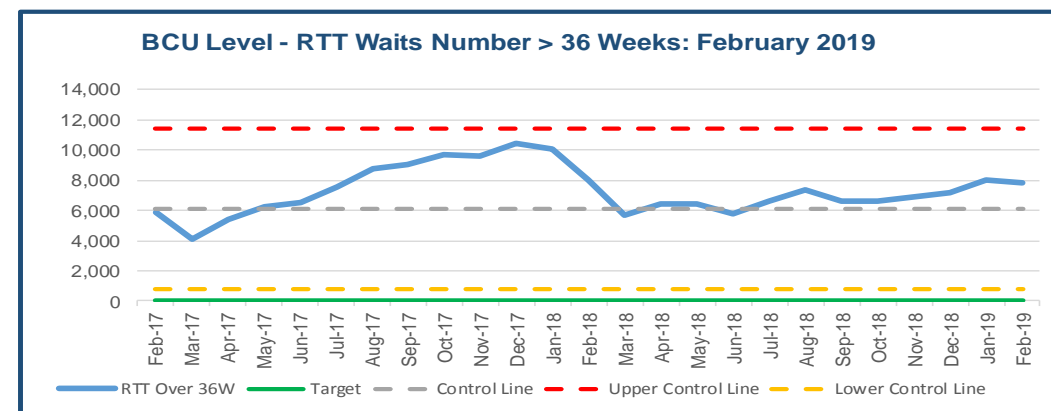
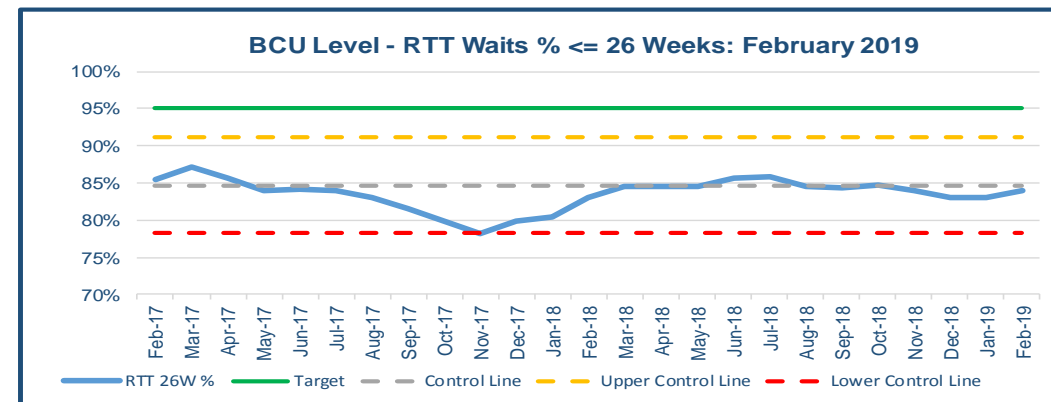
- A summary and site level Patient Treatment List (PTL) now in place at stages of treatment level to ensure targeted approach with treatment pathways. This is replacing the current cohort approach, which can lead to perverse consequences.
- Revised governance for weekly access assurance meetings to include area teams using the new PTL
- New operational PTL meetings set up every Wednesday with each site led by the Associate Director of Planned Care focusing on prioritised approach to booking in response to clinical urgency, chronological wait and prevention of over 36 week breach
- Hospital and Area Directors to oversee and co-ordinate backlog clearance with the Divisional teams
- Develop a Recovery plan for Referral to Treatment (RTT)
- RTT validation test in the East in March 2019 of 780 Trauma & Orthopaedics pathways

## Outcomes:

- Reduced over 36 and 52 week backlog in line with the agreed recovery plan for 2019/20
- Reduced “tip over” rate from 12 month baseline of 36 week plus waits
- Demand and Capacity tool in place operationally for predicting RTT performance

## Timelines:

- Revised weekly access assurance and PTL meetings in March 2019
- Draft recovery plan for RTT by 31st May 2019 for FPC approval
- Reduced backlog of 36 and 52 week waits in Q1 as per recovery plan



DFM 071	% of patients newly diagnosed with cancer not via the USC pathway, treated within 31 days of diagnosis	Target ≥ 98%	Plan ≥ 98%	Jan-19	97.40%	Wales Benchmark	2 <sup>nd</sup>	Executive Lead	Adrian Thomas	Status	↓	Months in Exception	6+	Escalation Level	
DFM 072	Cancer: % of patients referred via the USC pathway definitively treated within 62 days of referral	Target ≥ 95%	Plan	Jan-19	84.40%	Wales Benchmark	5 <sup>th</sup>	Executive Lead	Adrian Thomas	Status	↓	Months in Exception	6+	Escalation Level	

## Actions:

Main areas of concern remain waiting times to endoscopy and urology surgery  
Endoscopy - all sites have only been booking suspected cancer and clinically urgent patients with effect from January 2019. Additional capacity has also been secured through insourced weekend activity and introduction of efficiency improvement measures. Waiting times have reduced on all 3 sites with the expectation that all urgent patients will be booked within 2 weeks by mid-March  
Urology surgery - further meeting planned with English providers re options to increase capacity; in-house lists backfilled by urology surgeons to increase capacity and full urology review underway  
Weekly tracking meetings held to highlight and action individual patient delays  
Transforming Cancer Services Together Programme for early diagnostic pathway improvement in lung, colorectal and urology pathways launched in February 2019.

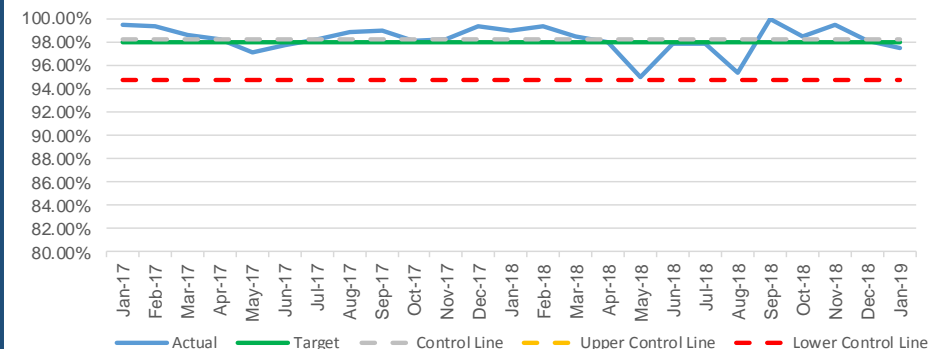
## Outcomes from those Actions:

Main aim is to reduce wait to endoscopy for suspected cancer patients to 2 weeks by mid-March; this will lead to reduction in number of patients still active over day 62 and improved performance against the 62 day target

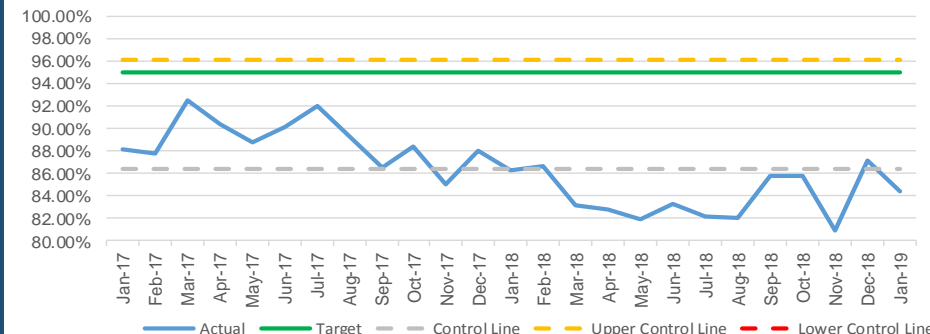
## Timelines:

The current backlog of patients awaiting endoscopy means that we are unlikely to see a significant improvement in performance until Quarter 2 of 2019/20

BCU Level - Cancer Waiting Times - 31 Day - January 2019



BCU Level - Cancer Waiting Times - 62 Day - January 2019



DFM 060	The number of patients waiting more than 8 weeks for a specified diagnostic test	Target 0	Plan	Feb-19	2,123	Wales Benchmark	7th	Executive Lead	Gill Harris Adrian Thomas	Status	Months in Exception	6+	Escalation Level	
DFM 061	The number of patients waiting more than 14 weeks for a specified therapy	Target 0	Plan 0	Feb-19	0	Wales Benchmark	1st	Executive Lead	Adrian Thomas	Status	Months in Exception	N/A	Escalation Level	0

**Actions:** Radiology services continue with provision of additional capacity which has reduced the backlog to 102 now. Mitigation in place during March 19

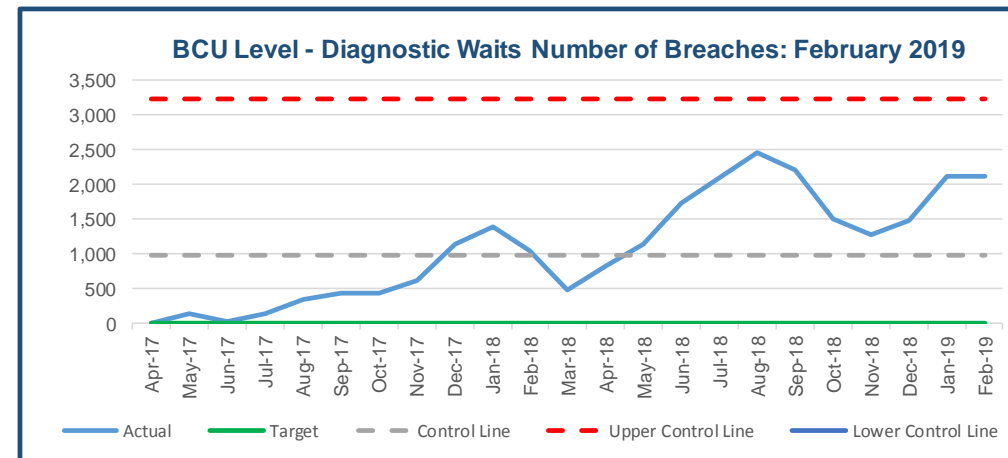
- Cardiology – Locum in place from February and gap now stabilised in Ysbyty Wrexham Maelor (YWM)
- Endoscopy – Activity is currently prioritising high clinical need and urgency. This will lead to a high number of routine waits at the end of March. Clinical prioritisation discussions and approach continue to be strengthened under the leadership of the Secondary Care Medical Director supported by clinical leads.
- The HB is procuring a modular endoscopy unit for an initial period of 8 weeks. While that unit is here we will comprehensively ascertain the extent of the capacity issue that we are seeking to resolve

**Outcomes:** Imaging/Cardiology – current solutions will not fully address backlog. Further activities being planned

- Endoscopy – undertaking procedures on the higher clinical priority patients will have a significant adverse impact on Quarter 4 2018/19, expected to be circa 2,600 waits (pre-validation).

**Timelines:** Imaging - focus to minimise backlogs by end of Q4.

- Cardiology – refresh plan for Quarter 1 with the locum in place
- Endoscopy – backlog expected at circa 2,600 (pre-validation) at Quarter 4. A specific remedial plan for 2019/20 for all endoscopy work streams is in progress



DFM 088	New Outpatient DNA rates for selected specialties	Target ≤ 5%	Plan ≤ 5%	Feb-19	4.92%	Wales Benchmark	2nd	Executive Lead	Gill Harris	Status	Months in Exception	6+	Escalation Level	
DFM 089	Follow up Outpatient DNA rates for selected specialties	Target ≤ 7%	Plan ≤ 7%	Feb-19	5.91%	Wales Benchmark	2nd	Executive Lead	Gill Harris	Status	Months in Exception	6+	Escalation Level	

## Actions:

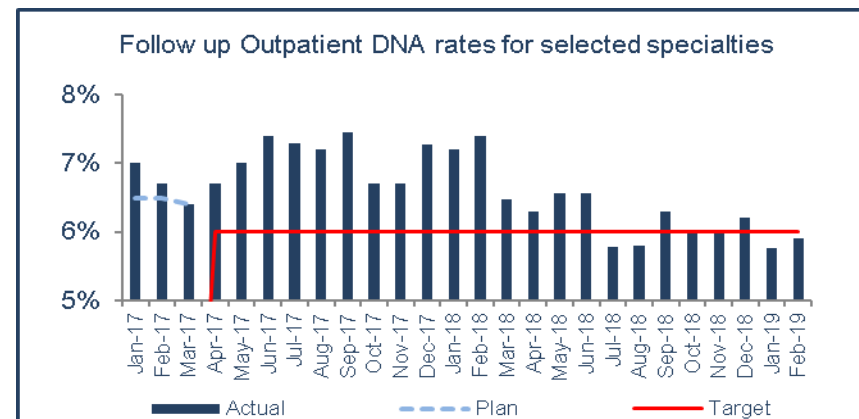
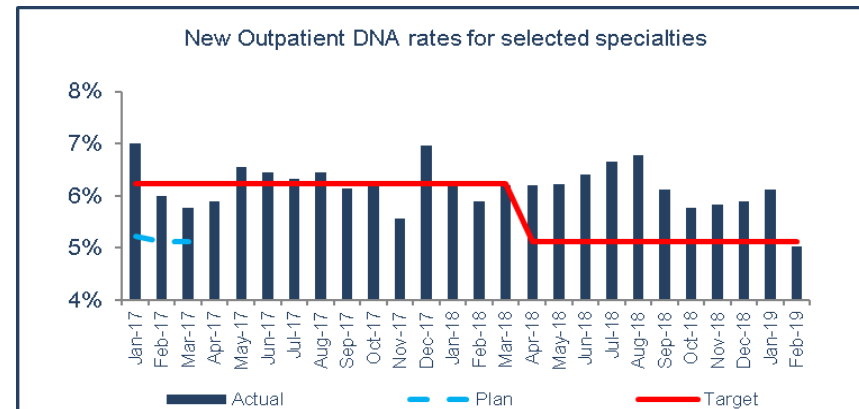
Did Not Attend (DNA) has been targeted for cost avoidance and efficiency savings opportunities as part of the Outpatients Programme Review Group (PRG), to achieve a 10% reduction in DNAs in 2018/19. The Outpatients Planning Cells have been the vehicle to push this work forward, and these have been re-established in Centre, meeting weekly, and a draft plan is available for the reduction of DNAs. There are challenges with supporting the Outpatients Planning Cells in East and West. Updates are provided to the Transforming Outpatients Programme, which meets on a monthly basis and then onwards to the Outpatients PRG. Work is also ongoing to understand the reasons for DNA across all specialties, and agree action plans.

## Outcomes:

The results from the BCUHB DNA public questionnaire were presented to the Transforming Outpatients Programme Board at its meeting on 12th February. An action plan is being developed for presentation to the Planned Care Delivery Group in April to agree reduce DNAs from Q2 onwards.

There continues to be issues around the standardisation of DNA codes within the Patient Administration Systems (PAS) so as to prevent incidences of miscoding, and processes differ across the Health Board. There is also targeted work in Ophthalmology in the West to reduce the number of miscoded DNAs.

**Timeline:** It is estimated that the work to complete the standardisation of DNA codes across all PAS systems is such that it will not be completed before Quarter 3 2019/20. As stated above, the DNA Action Plan will be presented to the Planned Care Delivery Group in April 2019.





### Activity Versus Plan Year to Date - April 2018 to February 2019

	2017/18				2018/19			
	Plan	Actual	Diff	% Diff	Plan	Actual	Diff	% Diff
Emergency Inpatients	82,335	86,422	4,087	<b>4.96%</b>	86,422	89,250	2,828	<b>3.27%</b>
Elective Daycases	29,062	26,353	-2,709	<b>-9.32%</b>	28,503	30,623	2,120	<b>7.44%</b>
Elective Inpatients	13,994	14,698	704	<b>5.03%</b>	13,004	14,979	1,975	<b>15.19%</b>
Endoscopies	18,463	16,223	-2,240	<b>-12.13%</b>	16,223	14,750	-1,473	<b>-9.08%</b>
MOPS (Cleansed DC)	2,003	1,823	-180	<b>-8.99%</b>	1,823	2,122	299	<b>16.40%</b>
Regular Day Attenders	43,665	42,527	-1,138	<b>-2.61%</b>	42,527	43,105	578	<b>1.36%</b>
Well Baby	5,030	4,865	-165	<b>-3.28%</b>	4,865	4,833	-32	<b>-0.66%</b>
New Outpatients	233,770	246,183	12,413	<b>5.31%</b>	214,229	248,180	33,951	<b>15.85%</b>
Review Outpatients	480,531	487,872	7,341	<b>1.53%</b>	487,872	477,035	-10,837	<b>-2.22%</b>
Pre-Op Assessment	28,721	28,159	-562	<b>-1.96%</b>	28,159	30,175	2,016	<b>7.16%</b>
New ED Attendances	197,657	205,000	7,343	<b>3.72%</b>	205,000	210,669	5,669	<b>2.77%</b>
Review ED Attendances	7,793	6,043	-1,750	<b>-22.46%</b>	6,043	5,804	-239	<b>-3.95%</b>
<b>Grand Total</b>	<b>1,143,023</b>	<b>1,166,168</b>	<b>23,145</b>	<b>2.02%</b>	<b>1,134,670</b>	<b>1,171,525</b>	<b>36,855</b>	<b>3.25%</b>

Activity figures are only included up to the end of February 2019 and up to the end of February 2018. The Plan figures for 2018/19 are DRAFT.  
Data Source: Informatics Department SharePoint, 13/02/2019

Integrated Quality and Performance Report  
Finance & Performance Committee Version

**February 2019**

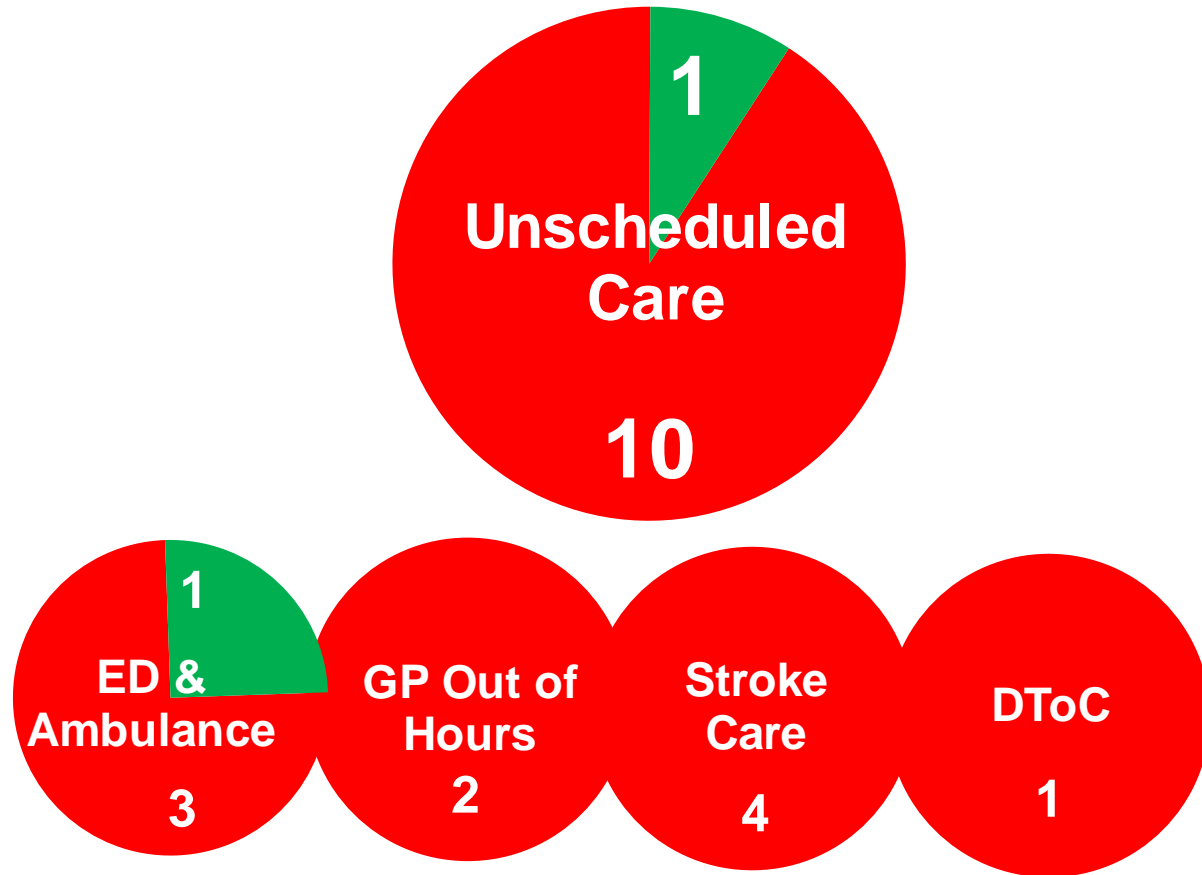
Provider	Provider Code	Total Contract Value (£'000)	Data Month	Elective Inpatient & Daycase (inc. Endoscopy)	Emergency Inpatient (inc. Maternity)	New Outpatient	Follow Up Outpatient
Countess of Chester NHS Foundation Trust	RJR	26,432	Dec	586	617	1,684	3,964
Robert Jones & Agnes Hunt NHS Foundation Trust	RL1	13,295	Dec	175	4	608	1,663
Hywel Dda LHB	7A2	4,078	Jan	108	81	120	222
Royal Liverpool and Broadgreen University Hospitals NHS Trust	RQ6	5,016	Nov	99		159	615
Wirral University Teaching Hospital NHS Trust	RBL	2,591	Dec	86	13	42	134
Shrewsbury & Telford Hospitals NHS Trust	RXW	1,455	Dec	14	18	145	133
Aintree University Hospital NHS Foundation Trust	REM	3,150	Dec	28	12	58	186
The Clatterbridge Cancer Centre NHS Foundation Trust	REN	2,187	Dec	22	5	24	642
University Hospital of North Midlands NHS Trust	RJE	3,096	Dec	4	23	26	59
University Hospital of South Manchester NHS Trust	RM2	752	Dec	0	0	0	0
Liverpool Women's NHS Foundation Trust	REP	891	Nov	5	5	45	97
Shropshire Community Health NHS Trust	RID	255	Nov	0	0	2	3

Data Source: Information Department, 12/03/2019

\* With the exception of Royal Liverpool and Broadgreen University Hospitals NHS Trust (data for October 2018), all English provider outpatient activity relates to the month of November 2018. This is due to a data processing issues experienced by NWIS



## Chapter 2 – Summary



**Summary:** Of the 11 measures in this chapter, in comparison to last month, performance has improved against 9 measures and is worse against the remaining 2 measures.

Integrated Quality and Performance Report  
Finance & Performance Committee Version

## Unscheduled Care

13

Measure	Status	(Target)
Emergency Department 4 Hour Waits (inc MIU)	72.45% ↑	>= 95%
Emergency Department 12 Hour Waits	1,430 ↑	0
Ambulance Handovers within 1 Hour	358 ↑	0
Ambulance Response within 8 minutes	75.00% ↑	>= 65%
Out of Hours: Within 20 Minutes	79.00% ↑	>= 98%
Out of Hours within 60 Minutes	0% ↓	>= 98%
Stroke Care: Admission within 4 Hours	50.53% ↑	>= 59.7%
Stroke Care: CT Scan within 1 Hour	48.96% ↑	>= 54.4%
Stroke Care: Review by consultant 24 Hours	77.00% ↓	>= 84.5%
Stroke Care: Thrombolysed DTN < 45 mins	30.00% ↑	Improve
Delayed Transfers of Care (DToC): NonMH	1,168 ↑	<= 1,030

February 2019

DFM 069	% of new patients spend no longer than 4 hours in A&E (inc Minor Injury Units)	Target ≥ 95.0%	Plan	Feb-19	72.45%	Wales Benchmark	7th	Executive Lead	Gill Harris	Status	↑	Months in Exception	6+	Escalation Level	
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## Actions and Outcomes:

- It is pleasing to report that despite increased numbers of attendances at Ysbyty Gwynedd (YG) and similar numbers at Ysbyty Glan Clwyd (YGC) and Ysbyty Wrexham Maelor (YWM) over the month of February 2019 (with 3 fewer days than January), all areas improved the 4 hour performance when compared to January 2019 and February 2018.
- The Health Board reported a combined performance of 72.5% ( 79.1% West; 76.3% Centre; 61.3% East) which was almost a 6% improvement on January 2019 (66.9%), and more than a 2% improvement compared to February 2018 (70.3%).
- Though the improvement is welcome and delivered the target set through the 90 day improvement plans, it remains to fall short of the quality measure set by Welsh Government (WG), and deserved by our population.
- The tasks which are having the greatest impact on the improvement seen from the first cycle of the 90 day plan are continuing i.e. protecting minors streams, focusing on reducing to zero the number of paediatric breaches, navigation at the point of triage and ensuring good documentation of discharge times. The second cycle focuses on flow out of Emergency Departments (ED), enhancing even further with navigation away from ED at the point of triage, Information Technology (IT) systems and data to support improved ED processes, workforce realignment and pre hospital demand management will help to sustain and improve on the current performance.

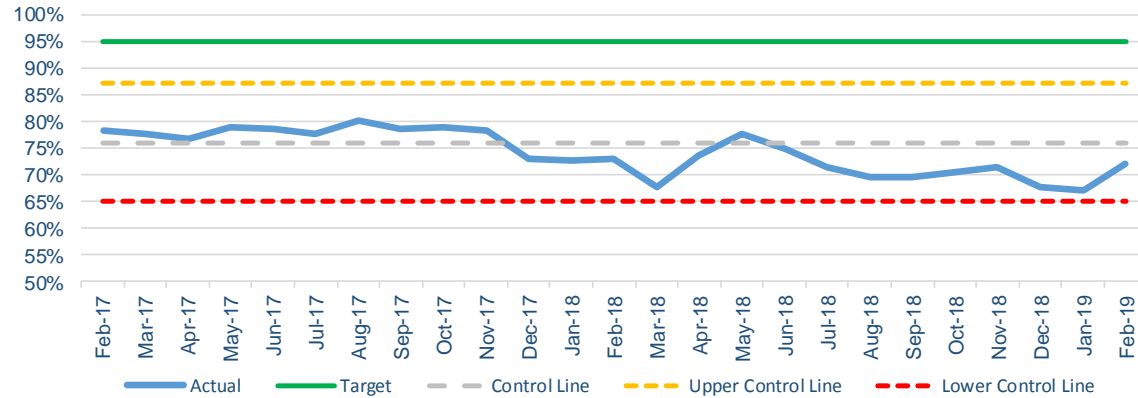
## Timeline:

It is anticipated that the Health Board will continue to deliver improvement against the 4 hr measure, achieving its internal targets set through the second cycle of 90 day plans, and moving closer to the National target set by WG.

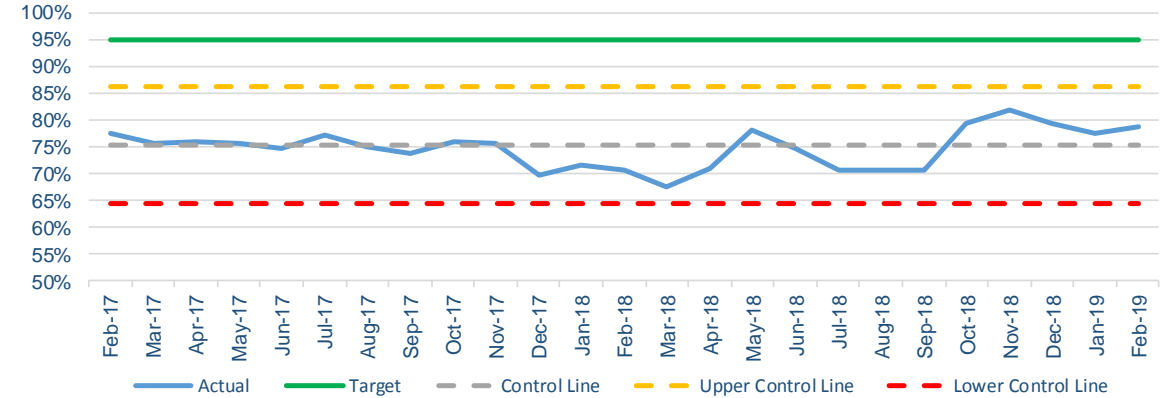


# Chapter 2 – Unscheduled Care ED & MIU under 4 Hours Graphs 15

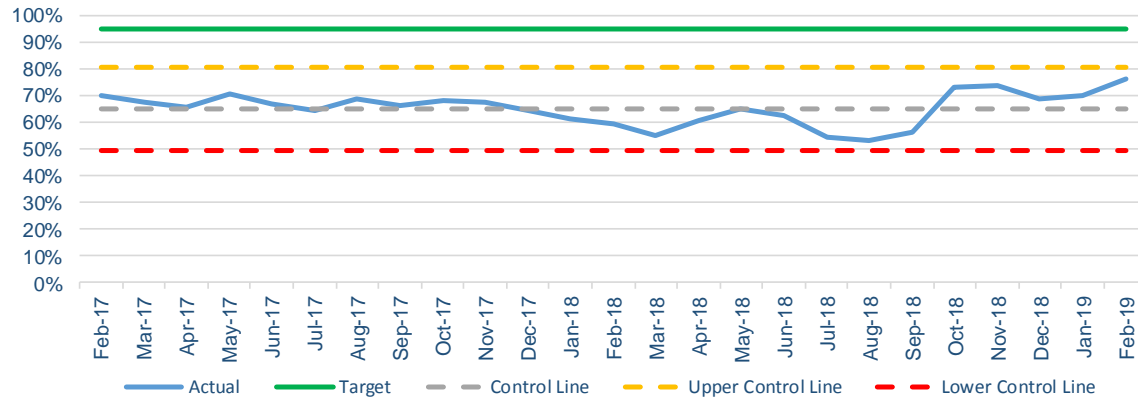
BCU Level - Emergency Department (inc MIU) 4 Hour Waits: February 2019



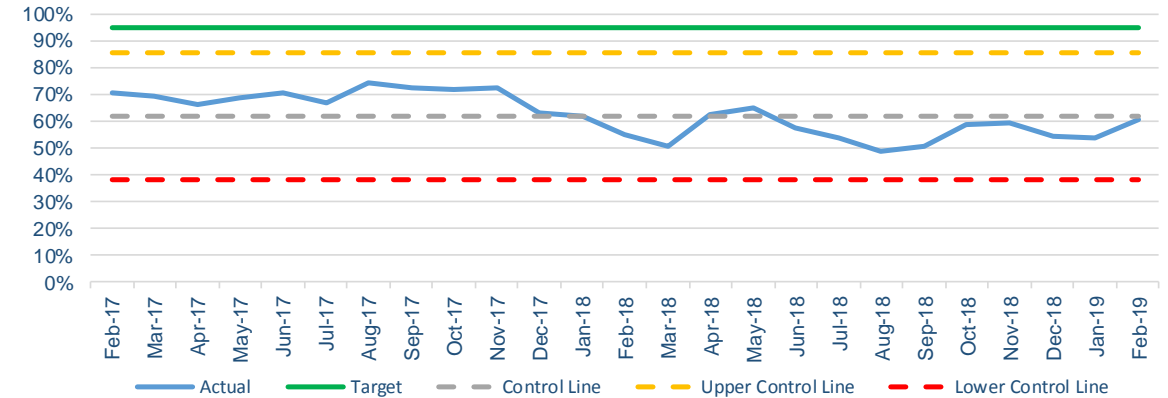
West - Emergency Department (inc MIU) 4 Hour Waits: February 2019



Central - Emergency Department (inc MIU) 4 Hour Waits: February 2019



East - Emergency Department (inc MIU) 4 Hour Waits: February 2019



DFM 070	Number of patients spending 12 hours or more in A&E	Target 0	Plan	Feb-19	1,430	Wales Benchmark	7th	Executive Lead	Gill Harris	Status	↑	Months in Exception	6+	Escalation Level	
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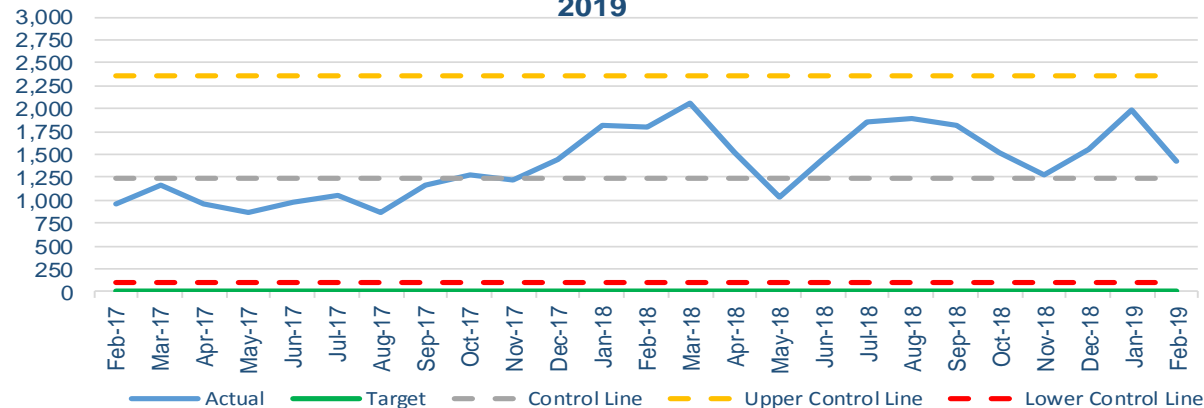
## Actions and Outcomes:

Again it is pleasing to report that all three sites have recovered their positions against the number of patients delayed in our EDs for 12 hours or more. Despite a HB deterioration in January the site teams have worked hard to refocus on improving the flow out of ED into in patient beds. The links to reduced numbers of patients reported as delayed transfers of care (DToC) are inextricable, and sites experienced improved discharge profiles as we moved through February. All three sites saw a sizeable reduction in both the number and lengths of delays when compared to last month and to the same period last year. This contributed to a BCU position of 1430 patients delayed in February 378 fewer than in January of this year, and February 2018 (1808 respectively). We know that improvements against this target has a direct impact not only on the quality and outcomes of care to patients, but also the patient experience. Work is underway to triangulate the improvement on reduction in the number and severity of concerns and incidents reported as a direct result of delays. Though there is still some way to go to eradicate 12 hour breaches, however the focus placed on this quality measure is seeing a positive impact on delays of more than 24 hours, with the HB moving ever closer to this becoming a 'Never Event'

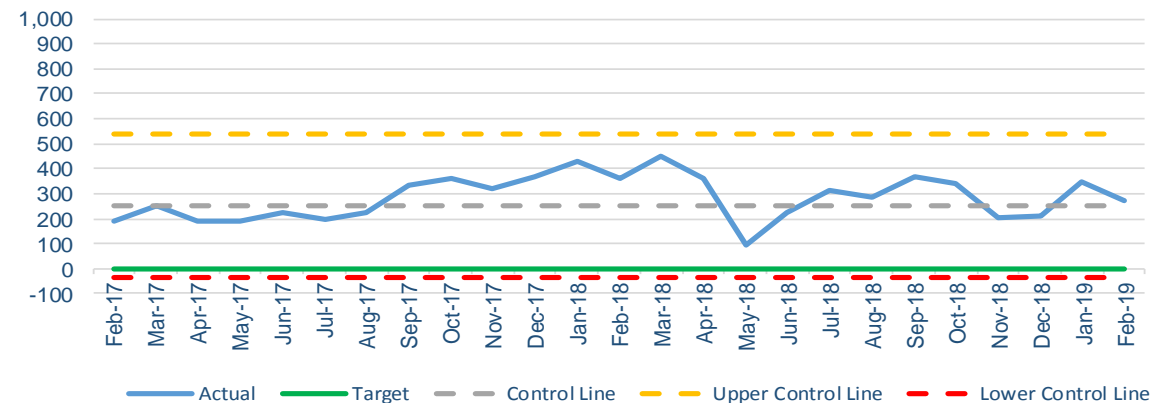
## Timelines:

All three sites are focused on reducing the number of patients who are delayed in ED for 12 hours or more. The ongoing tasks focused through the second cycle of the 90 day plan is supporting improving flow up stream, on wards and in assessment areas. It is anticipated that the HB will continue to improve against the 90 day trajectories as we move into the second cycle.

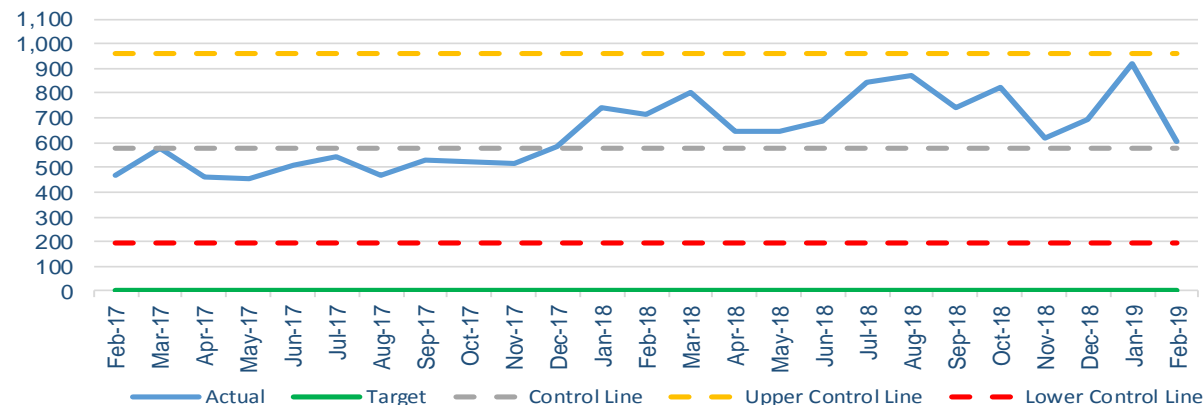
**BCU Level - Emergency Department 12 Hour Waits: February 2019**



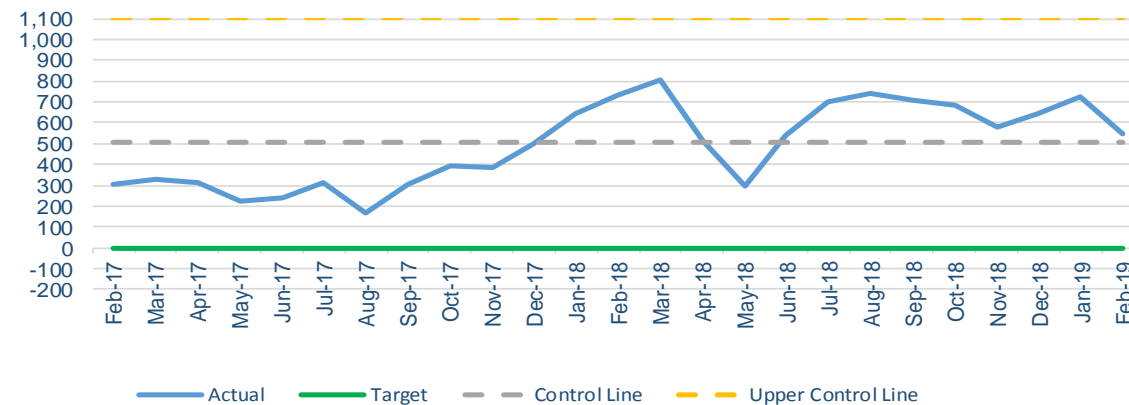
**West - Emergency Department 12 Hour Waits: February 2019**



**Central - Emergency Department 12 Hour Waits: February 2019**



**East - Emergency Department 12 Hour Waits: February 2019**



<b>DFM 067</b>	% of red 1 call responses within 8 minutes	Target >= 65.0%	Plan >= 65%	Feb-19	75.00%	Wales Benchmark	2nd	Executive Lead	Gill Harris	Status	↑	Months in Exception	6+	Escalation Level	
<b>DFM 068</b>	Number of ambulance handovers over one hour	Target 0	Plan 0	Feb-19	358	Wales Benchmark	4th	Executive Lead	Gill Harris	Status	↑	Months in Exception	6+	Escalation Level	

### Actions and Outcomes:

- The Health Board has continued on its improvement journey in regard to patients delayed for >60minutes at the point of ambulance handover
- February has seen the fifth successive month where the number of patients delayed on our Emergency Department (ED) forecourts has significantly reduced.
- All 3 sites saw a further marked reduction compared to January and to February 2018.
- Ysbyty Wrexham Maelor continues to deliver the most remarkable improvement – especially when compared to the same period last year.

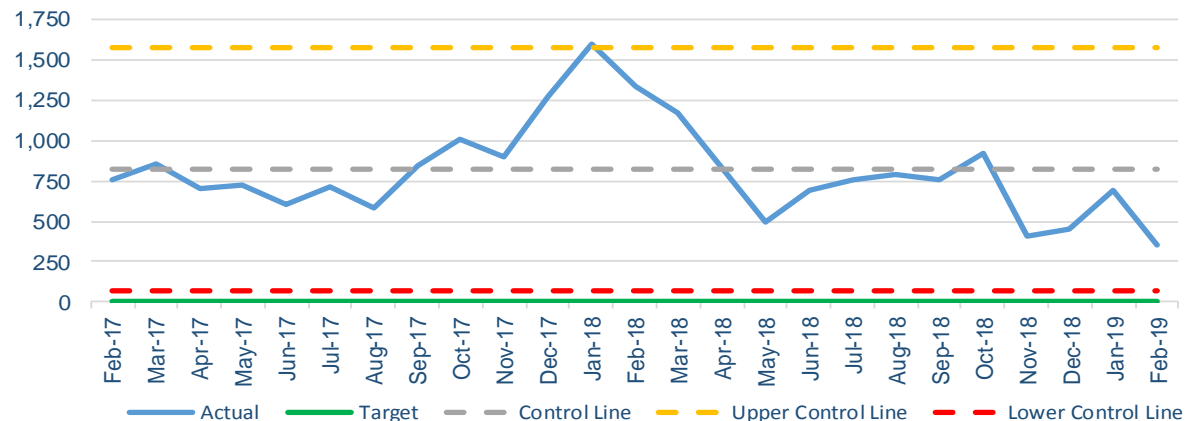
	February 2018	January 2019	February 2019	Trend
Ysbyty Gwynedd	265	264	187	Improved ↑
Ysbyty Glan Clwyd	454	279	99	Improved ↑
Wrexham Maelor Hospital	618	148	72	Improved ↑
BCU Total	1337	691	358*	Improved ↑

\* Equates to a 73% reduction on the same period in 2018

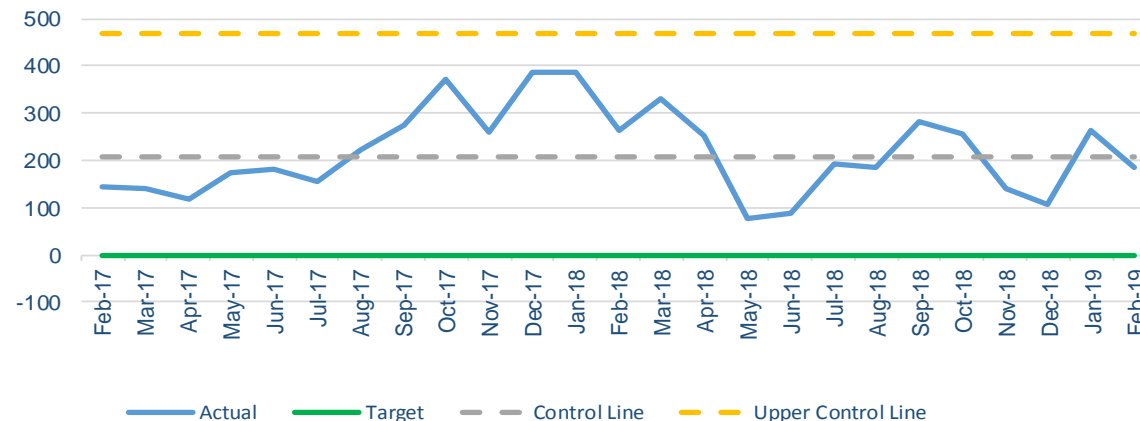
### Timeline:

It is anticipated that this improvement will continue until the Health Board is in a position to consider an ambulance delay as a 'Never Event'.

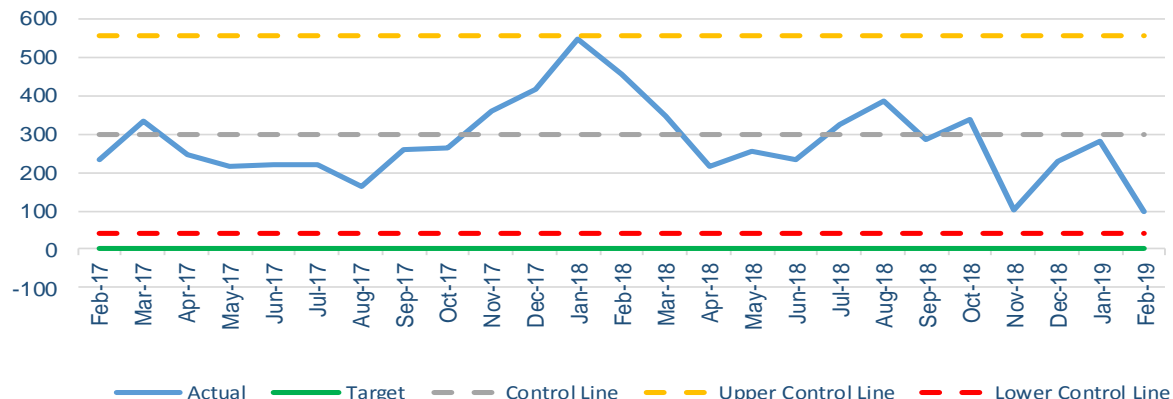
**BCU Level - Ambulance Handovers over 1 Hour: February 2019**



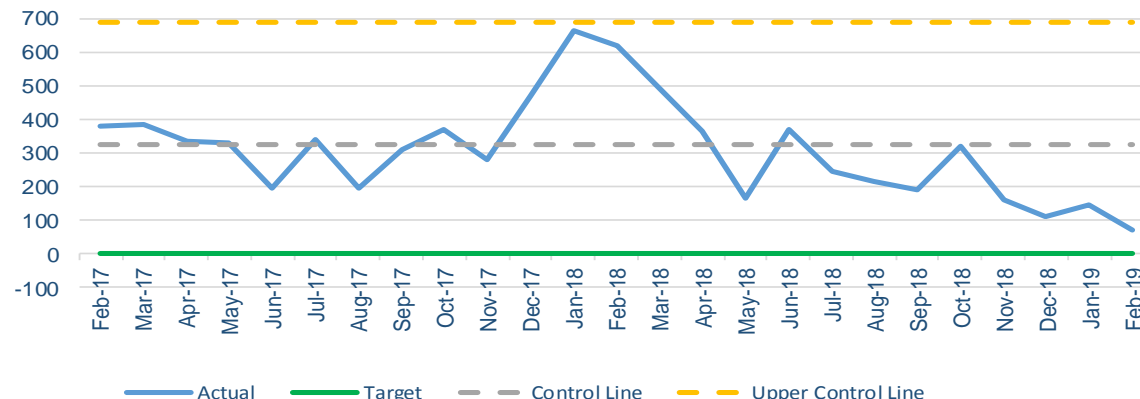
**West - Ambulance Handovers over 1 Hour: February 2019**



**Central - Ambulance Handovers over 1 Hour: February 2019**



**East - Ambulance Handovers over 1 Hour: February 2019**





<b>DFM 063</b>	% of stroke patients who have a direct admission to an acute stroke unit within 4 hours	<b>Target</b> ≥ 59.7%	<b>Plan</b> ≥ 59.7%	<b>Feb-19</b>	<b>50.53%</b>	<b>Wales Benchmark</b>	<b>5th</b>	<b>Executive Lead</b>	Gill Harris	<b>Status</b> ↑	<b>Months in Exception</b>	<b>6+</b>	<b>Escalation Level</b>	
<b>DFM 064</b>	Thrombolysed patients with a door to needle time ≤ 45 minutes	<b>Target</b> Improve	<b>Plan</b>	<b>Feb-19</b>	<b>30.00%</b>	<b>Wales Benchmark</b>	<b>2nd</b>	<b>Executive Lead</b>	Gill Harris	<b>Status</b> ↑	<b>Months in Exception</b>	<b>6+</b>	<b>Escalation Level</b>	
<b>DFM 065</b>	% of stroke patients who receive a CT scan within 1 hour	<b>Target</b> ≥ 54.4%	<b>Plan</b> ≥ 54.4%	<b>Feb-19</b>	<b>48.96%</b>	<b>Wales Benchmark</b>	<b>6th</b>	<b>Executive Lead</b>	Gill Harris	<b>Status</b> ↑	<b>Months in Exception</b>	<b>6+</b>	<b>Escalation Level</b>	
<b>DFM 066</b>	Percentage of patients with suspected stroke seen a stroke specialist consultant physician within 24 Hours	<b>Target</b> ≥ 81.9%	<b>Plan</b> ≥ 81.9%	<b>Feb-19</b>	<b>77.00%</b>	<b>Wales Benchmark</b>	<b>3rd</b>	<b>Executive Lead</b>	Gill Harris	<b>Status</b> ↓	<b>Months in Exception</b>	<b>6+</b>	<b>Escalation Level</b>	

## Actions:

Access to the Acute Stroke Unit (ASU) in February 2019 saw a 10% improvement across the Health Board. Ysbyty Glan Clwyd (YGC) deteriorated but Ysbyty Gwynedd (YG) saw a 9% improvement and Ysbyty Wrexham Maelor (YWM) the most significant improvement of 17%. Whilst all 3 Sites continue to be challenged with Unscheduled Care (USC) pressures which affects the availability of the ASU bed, this is having the biggest impact at YGC. There is to be increased focus at the Safety Huddles and greater emphasis with the Site management Team on retaining 2 ring fenced beds each day.

The Door-to-Needle (DtN) time of 45 minutes has recovered in February to a position of 22% following reduced performance in January with YG and YWM both at 25% and YGC 0%. There is an action plan being developed at all 3 Sites to improve performance following the recent Welsh Government (WG) Delivery Unit (DU) All Wales Review.

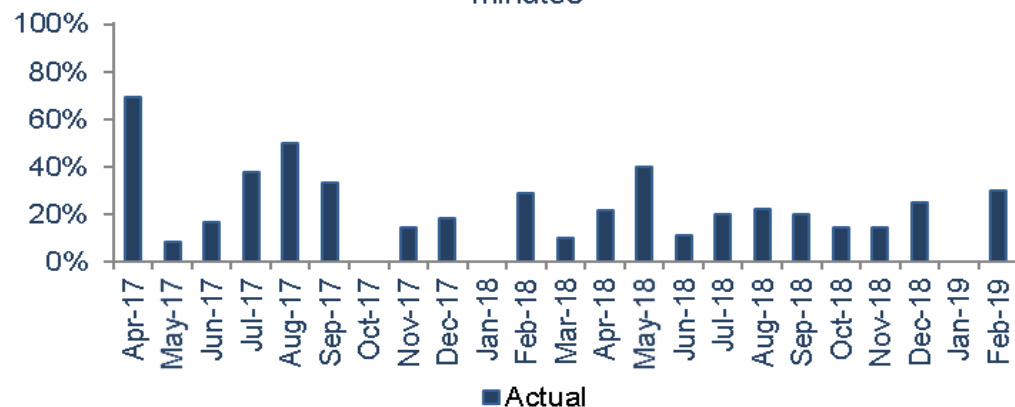
In YWM a Rapid Computerised Tomography (CT) Pathway has been developed to improve the 1 hour CT performance and this is being shared across the Health Board. In Hours with the Clinical Nurse Specialists (CNSs) now Non Medical Requesters the performance has improved, the issue remains Out of Hours (OoH) with slow requesting of CTs by Emergency Department (ED) Teams often due to the pressures within the department for other patients. The Action Plans following the Thrombolysis reviews will address this.

Assessment by a Stroke Consultant will continue to vary each month as this will only happen OoH when they are On Call. There is a review of the options to introduce virtual wards using Telemedicine to take place over the next 3 months but this would require Job Plan changes and would impact on the GIM medical rota across the Health Board.

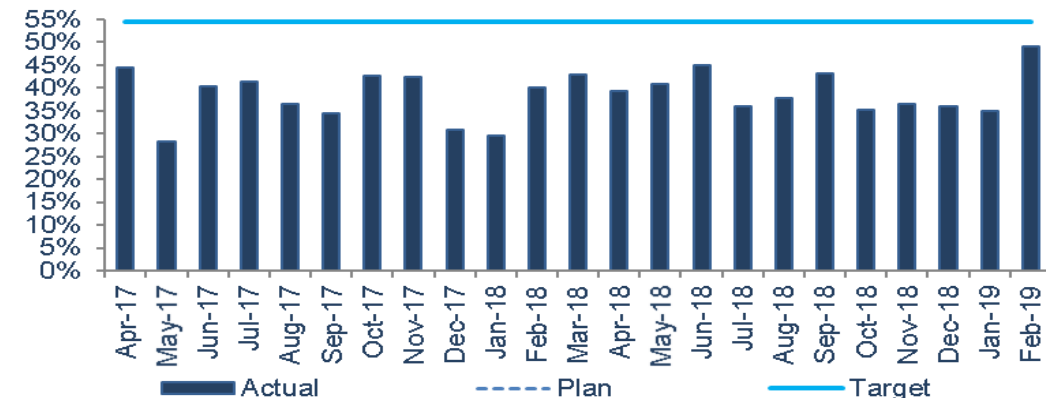
**Outcomes:** Improvement in performance against the 4 hour target, evidenced in month; Improved pathways can be implemented following Review; Improvement in performance against 1 hr CT target



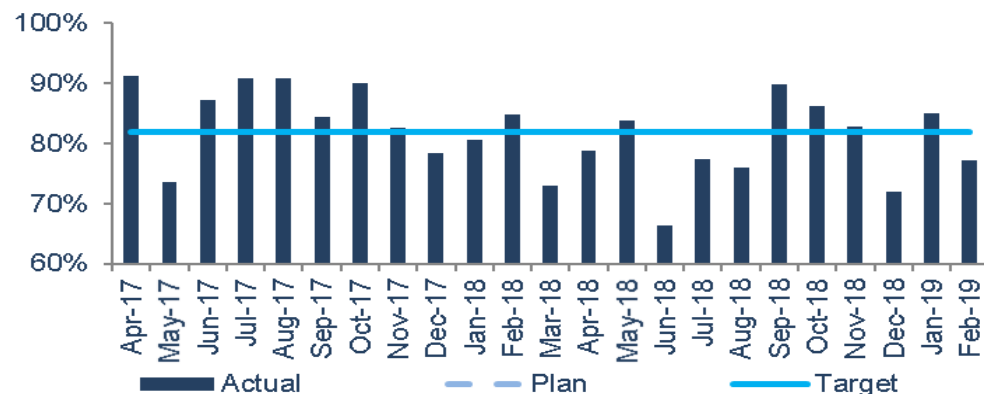
Thrombolysed patients with a door to needle time <= 45 minutes



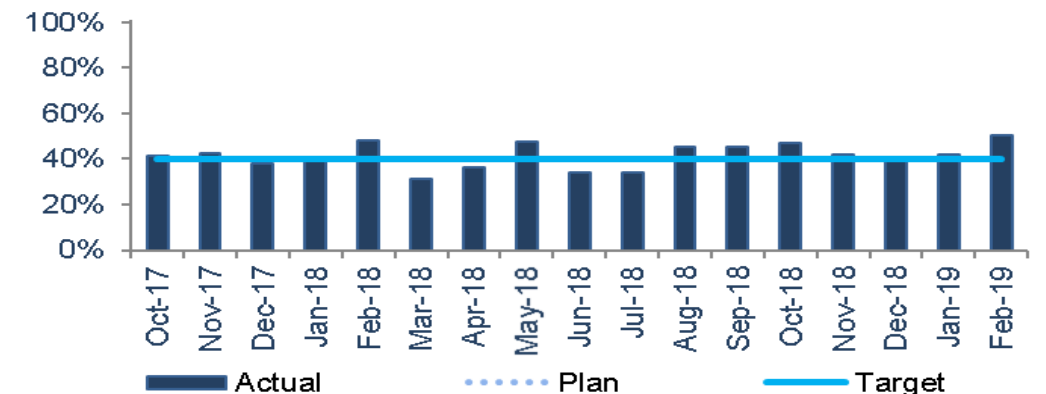
% of stroke patients who receive a CT scan within 1 hour



Percentage of patients with suspected stroke seen a stroke specialist consultant physician within 24 Hours



% of stroke patients who have a direct admission to an acute stroke unit within 4 hours



DFM 031	Number of health board non-mental health delayed transfers of care (Rolling 12 months)	Target ≤ 1,030	Plan TBC	Oct-18	1,168	Wales Benchmark	7th	Executive Lead	Gill Harris	Status ↓	Months in Exception	6+	Escalation Level	
LM2 31a	Delayed Transfers of Care (DToC) per 10,000 population, rolling 12 months Non-Mental Health aged over 65	Target ≤ 2,089	Plan ≤ 2,089	Jan-19	168.57	Wales Benchmark	7th	Executive Lead	Gill Harris	Status ↑	Months in Exception	6+	Escalation Level	
LM2 31b	The number of non-Mental Health Bed Days lost due to Delayed Transfers of Care (DToC)	Target ≤ 129.5	Plan ≤ 129.5	Jan-19	1,227	Wales Benchmark	6th	Executive Lead	Gill Harris	Status ↑	Months in Exception	6+	Escalation Level	

### Actions:

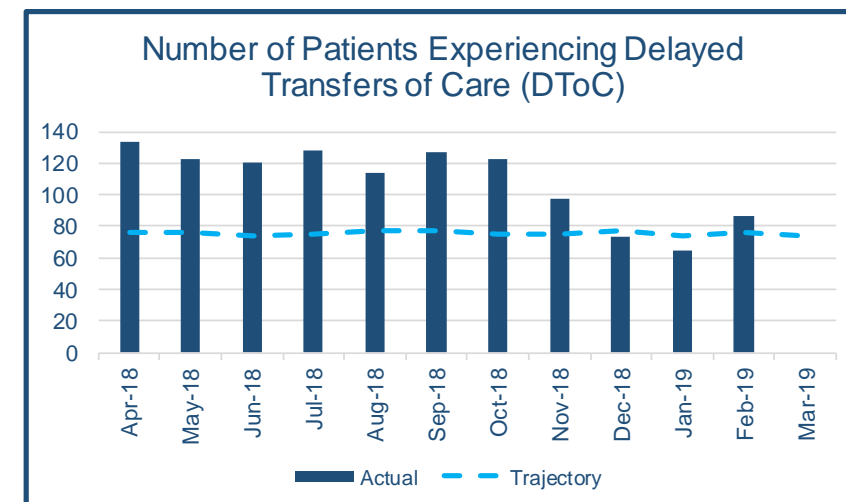
- Arrangements to scrutinize DTOCs continue in each of the Areas with DTOCs being scrutinized daily.
- Weekly and pre-census DToC meetings take place where all patients are discussed and monitored.
- Delays in package of care are escalated to Senior management across all sites.
- Medically Fit for Discharge meetings are continuing weekly across all sites; these meetings also provide education to ward staff in regards to home safe and sound.
- Monthly Census allows for validation of codes between health and LA.
- Relaunch of SAFER focusing on all patients being set an Expected Discharge Date (EDD).
- Communication of the 4 key questions that leads to a patient centred discharge.
- Stranded patients are being identified to ensure a clear plan is in place that leads to a successful discharge.
- In East Area Discharge to Assess model in place, which supports flow for the acute site and has increased bed capacity for January 2019
- Daily review of all POC patients with LA regarding suitability for step down beds.



### Outcomes:

Improve accuracy and Early identification of potential DToC to decrease numbers and Length of stay  
Improve patient experience.

### Timelines:

Trajectory targets for 2019/2020 are currently being discussed



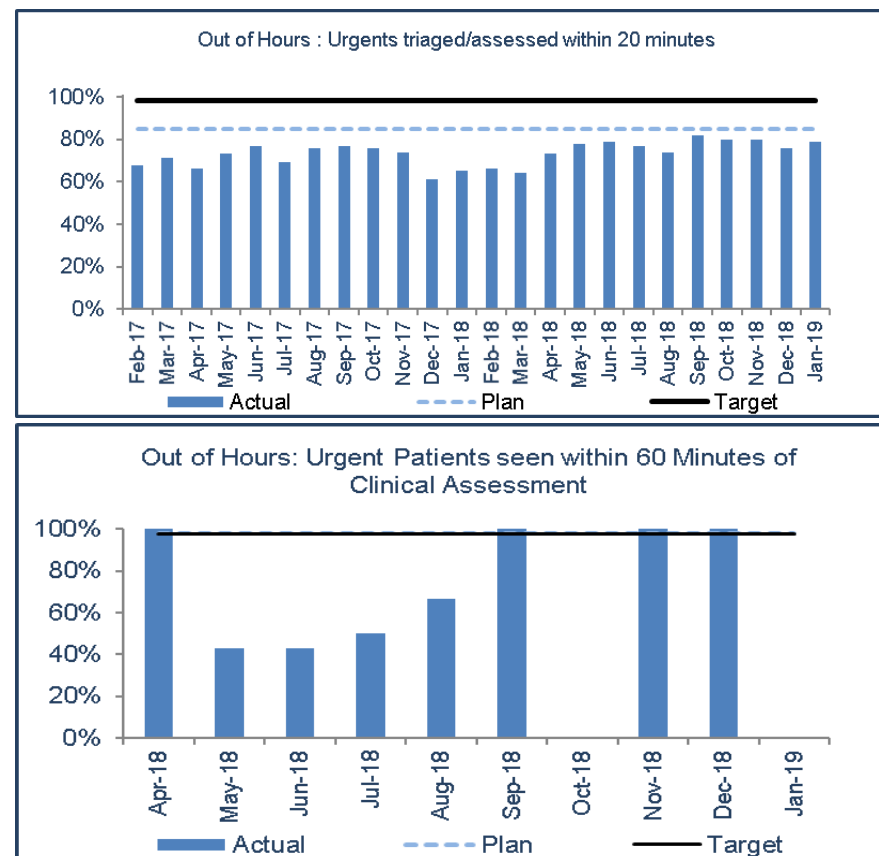
DFM 055	Out of Hours : Urgent patients triaged/assessed within 20 minutes	Target ≥ 98.0%	Plan ≥ 98.0%	Feb-19	81.00%	Wales Benchmark	Executive Lead	Chris Stockport	Status 	Months in Exception	6+	Escalation Level	
DFM 056	Out of Hours : Very Urgent patients seen within 60 minutes of initial clinical assessment	Target ≥ 90.0%	Plan ≥ 90.0%	Feb-19	100%	Wales Benchmark	Executive Lead	Chris Stockport	Status 	Months in Exception	6+	Escalation Level	

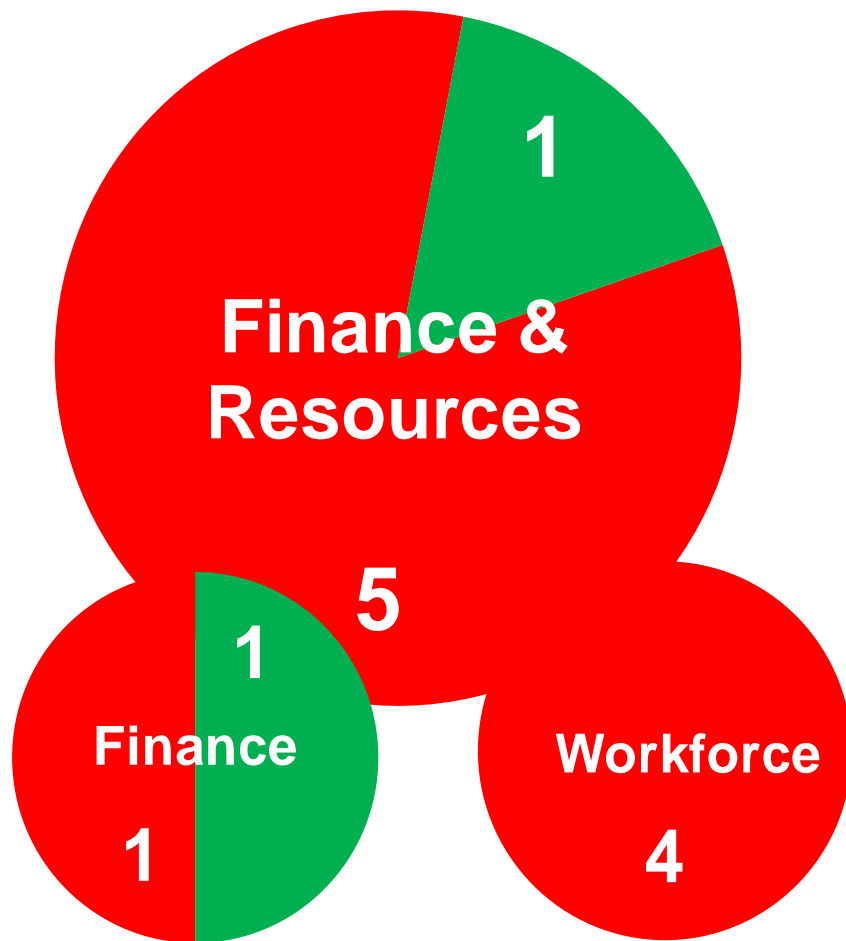
## DFM055 Out of Hours (OOH): Urgent patients triaged/assessed within 20 minutes

The GP OOH service received 10,477 calls in February 2019 compared to 10,712 calls in February 2018 – a decrease of 235 calls (2%). 98% of triage nurse shifts were filled in February 2019 (compared to 97% in January 2019) and 81% of calls assessed as being URGENT were triaged within the 20 minutes performance standard compared to 79% in January 2019.

We still have a few triage nurses that are relatively new to the service and we should therefore see an improvement in our performance against this standard over the next 3 months.

We are currently carrying a vacancy of 1.04 wte Triage nurses and adverts will be placed on NHS Jobs this week.





Measure	Status	(Target)
Finance: Financial Balance	2.70% ↑	<= 2.0%
Finance: Agency & Locum Spend	£2.8m ↓	<= £2.8m
Sickness absence rates (% Rolling 12)	4.96% ↓	<= 4.50%
Mandatory Training (Level 1) Rate (%)	84% ←	>= 85%
Performance Appraisal (PADR) Rate (%)	62.5% ↑	>= 85%
Information Governance Training	81.00% ↑	>= 85%

LM Finance: Agency & Locum Spend

Target  
Reduce

Plan  
≤ £2.8m

Feb-19

£2.7m

Wales  
Benchmark

na

Executive  
Lead

Russ Favager

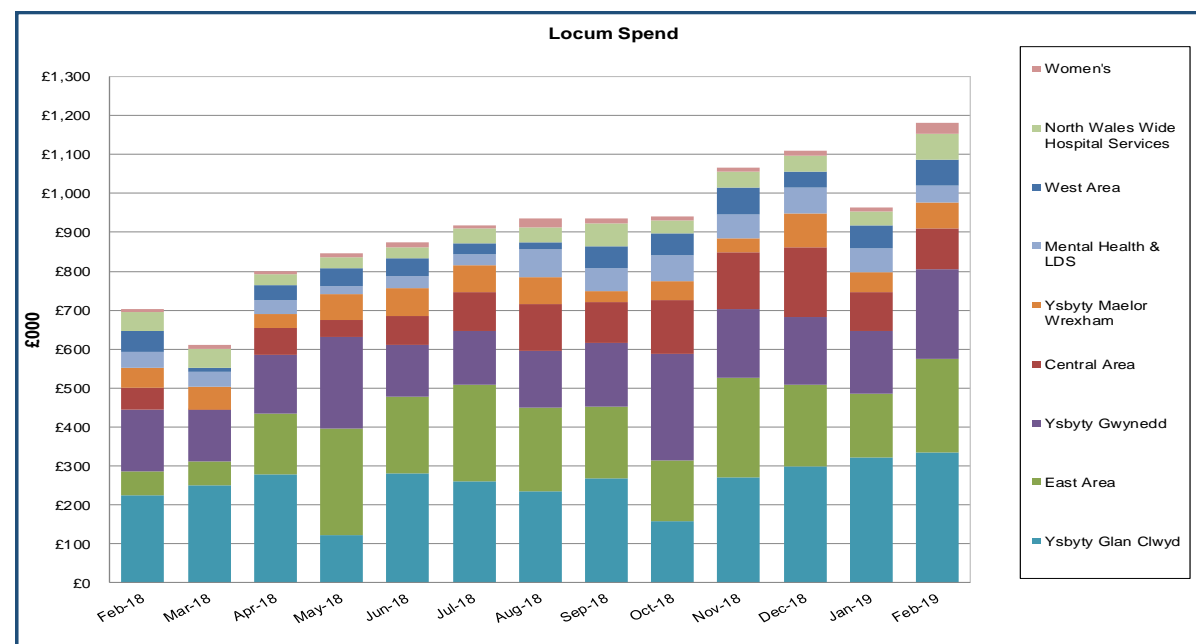
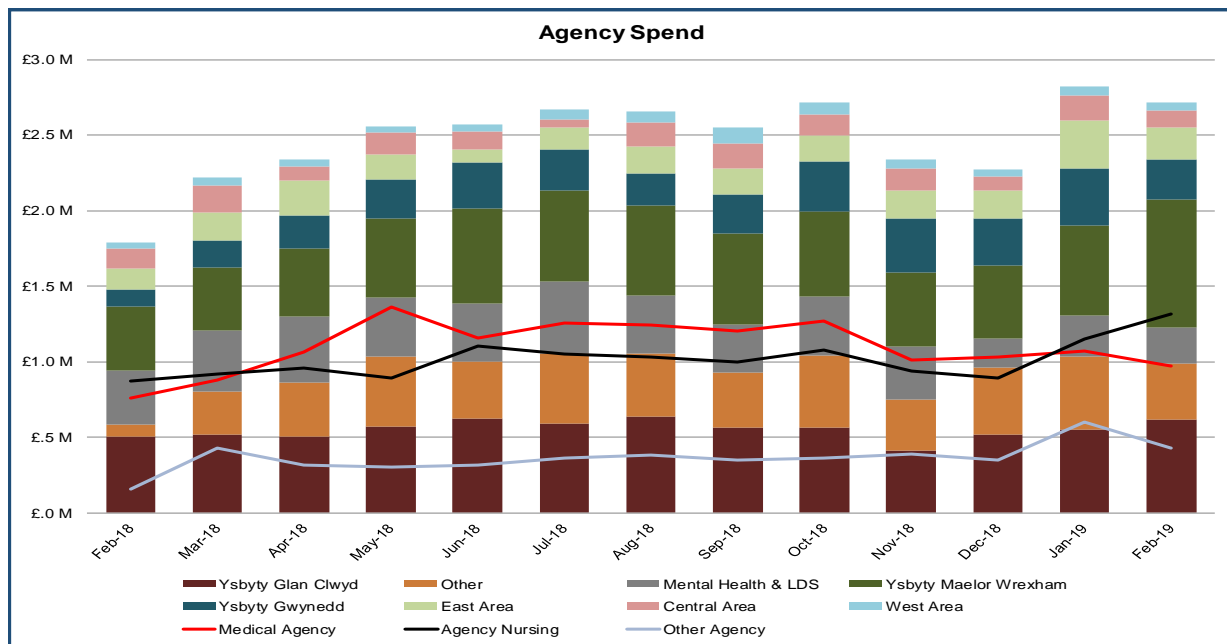
Status



Months in  
Exception

6+

Escalation  
Level



LM Finance: Financial Balance

Target

Plan  
≤ 2.0%

Feb-19

1.97%

Wales  
Benchmark

na

Executive  
Lead

Russ Favager

Status



Months in  
Exception

6+

Escalation  
Level

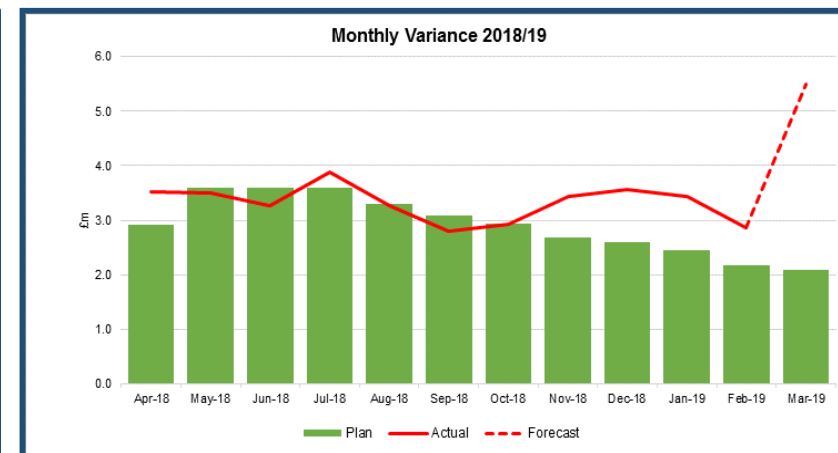
### Actions:

- Additional scrutiny of rosters continues together with assessment of 1:1 nursing requirements
- Tighter establishment control and review of vacancies
- Tighter control of internal locum expenditure.
- Tighter control on non-pay expenditure and Oracle ordering. Work is ongoing to review opportunities with Procurement.
- Recruitment initiatives of medical and nursing staff to reduce payments at premium rates. Initiatives include the use of social media and how to make vacant roles more attractive.
- Detailed monitoring and review of CHC places and focus on numbers.
- CHC equipment purchased through joint stores
- New AMD pathway ready, awaiting approval to switch to Avastin.
- Increased focus on savings actions, particularly prescribing, drugs, travel and CHC.

**Outcomes:** Savings achieved to date in 2018/19 are £34.2m against a plan of £40.0m (85.5% achieved), £5.8m behind the year to date profile. Savings achieved represent 76% of the full year target. The savings shortfall to date of £5.8m (Month 10, £4.7m) is largely due to under-delivery on Mental Health (£3.0m), transactional (£1.9m) and workforce schemes (£2.1m), offset by over-performance on Medicines Management schemes (£2.4m).

Identification of savings opportunities for 2019/20 and future years is progressing and is being fed into the work to develop the Board's 3 year plan. The plan will be presented to the Board in March alongside the budget for the year ahead.

**Timeline** The financial plans and savings schemes are being developed and provisional details have been provided in the Annual Plan 2019/20 which was submitted to Welsh Government in January. Delivery of the Health Board's Financial Plan is dependent upon the delivery of savings targets and this is essential to progress towards a sustainable financial position.





DFM 097	% staff absence due to sickness (rolling 12mths)	Target ≤ 4.5%	Plan ≤ 4.5%	Feb-19	4.97%	Wales Benchmark	Executive Lead	Sue Green	Status	↓	Months in Exception	6+	Escalation Level
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**Actions and outcomes:** The rolling 12 month performance is 4.97% at February 2019, 0.47% above the target of 4.5% by 31st March 2019. Significant work has been undertaken to reduce long term cases and there has been a continued reduction in the numbers of cases from 177 cases over 26 weeks in 2017/18 to 66 in February 2019.

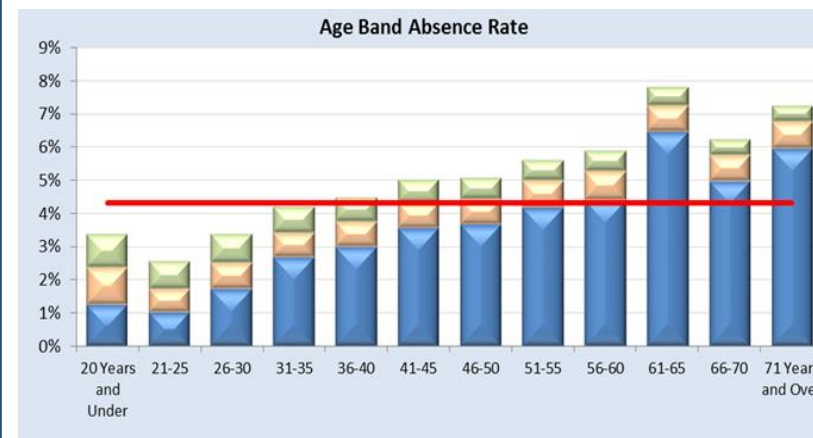
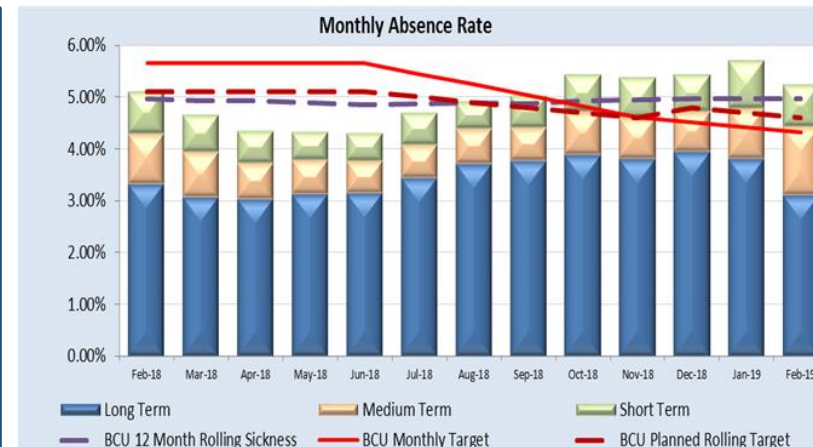
There are still a high number of absences that are recorded as unknown. Local teams are contacting managers where staff absences reasons are recorded as unknown to arrange for absences to be classified correctly. The All Wales Training Attendance Management Training is being rolled out and 11.2% of managers (200) have been trained in the new approach, concentrating on compassionate management and methods to allow staff to remain in work and to return earlier through therapeutic rehabilitation days. These sessions have enabled useful discussions on effective attendance management. A further 19 training sessions delivered by Workforce, Occupational Health and Trade Union partners are planned.

Stress and anxiety continues to be a major cause of absence. Occupational Health have launched How to Create Wellbeing in the Workplace sessions for managers. Locality teams are supporting the use of the All Wales Wellbeing Tools for managers and staff.

**Timelines and Outcomes:** The target for BCU is 4.5% by 31st March 2019 reducing further to 4.2% by 30th September 2019. Changes to enhancements during sickness absence with effect from April were anticipated if the targets were not met on all Wales basis. However this has not yet been confirmed.

The age of the workforce has a correlation with levels of sickness absence as demonstrated by the graph opposite. The Retire and Re-engagement Policy will be reviewed by the end of Q4 2018/19, including an analysis of sickness rates and impact on levels of attendance.

A plan has been developed to sickness rates to deliver the 4.2% Welsh Government target by the end of Quarter 2 2019/20



DFM 093	% of staff (non-medical) undertaking an appraisal - PADR	Target ≥ 85%	Plan ≥ 84%	Feb-19	65.40%	Wales Benchmark	Executive Lead	Sue Green	Status 	Months in Exception	6+	Escalation Level
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PADR compliance was 65.4%, 0.9% above the planned improvement trajectory for February. The biggest increase was 14.5% in Ysbyty Glan Clwyd Following intensive support from the OD team. Across the organisation 1075 staff members were reported as 'never had a PADR' with 515 of new starters not having a 3 month PADR (totalling 1590), without the requirement of a 3 month PADR compliance would be at 68.4%.

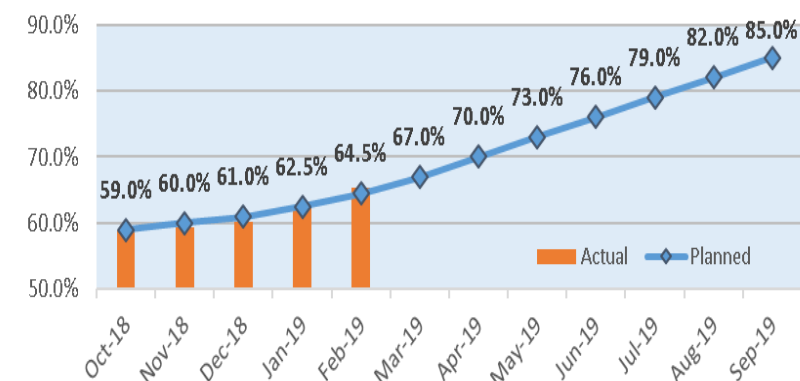
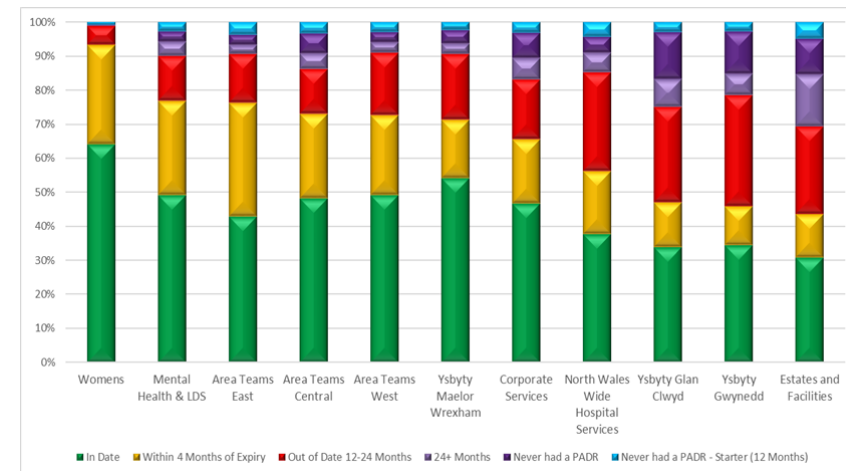
**Actions:** Promote the need to carry out a 3 month PADR with new employees during day 1 of Orientation. This requirement will be integrated into the Managers Checklist for local orientation in the workplace. Support the Divisions with high numbers of new starters in the 'never had a PADR' category, provide reports which gives managers the staff and supervisors details, data will also be provided which highlights the impact of conducting these PADR's can have on Divisional compliance.

Support managers with high numbers of staff in the priority areas of 'never had a PADR' and 'not had a PADR for 24+ months' to identify improvements.

Promote Group PADR's where appropriate and offer to co-facilitate first session with the managers in order to guide and coach the manager for longer term sustainability of compliance.

**Outcomes:** Highlighting the need for a 3 month PADR with new staff and managers at Orientation reinforces the requirement and will lead to a reduction in the 'never had a PADR' category for new starters. Supporting individual Managers allows tailored support to identify the root causes of non-compliance and how these can be overcome to ensure long term sustainability of compliance.

**Timelines:** The Improvement plan ensures performance trajectories have been met to date. Divisional improvement trajectories will be formulated in March to ensure Divisions have identified their local performance trajectory to reach 85% by September 2019..





DFM 096 Mandatory Training %compliance for all completed Level 1 competencies within the Core Skills and Training Framework

Target  
≥ 85%

Plan  
TBC

Feb-19

83.00%

Wales  
Benchmark

Executive  
Lead

Sue Green

Status



Months in  
Exception

6+

Escalation  
Level

The Performance in February 2019 for Mandatory Training Compliance identified a decrease of 1% for level 1 training which is currently at 83% and a maintenance figure of 73% for level 2.

**Actions:** Identify the reasons for reduction in level 1 compliance for any of the mandatory subjects by conducting a full review of the provision, attendance records and Did Not Attend rates.

Identify reasons for a 1 % decrease in compliance for Safeguarding Adults and Information Governance with the Subject Leads.

Identify possible reasons for the 1% decrease in compliance figures for Load handling training,

Review Improvement plan, amend to include areas of deteriorating compliance.

Obtain a report from ESR of activity for E-learning subjects to identify any reduction in enrolments of E-learning courses.

Investigate different training methodologies to support Estates and Facilities staff to increase their overall compliance.

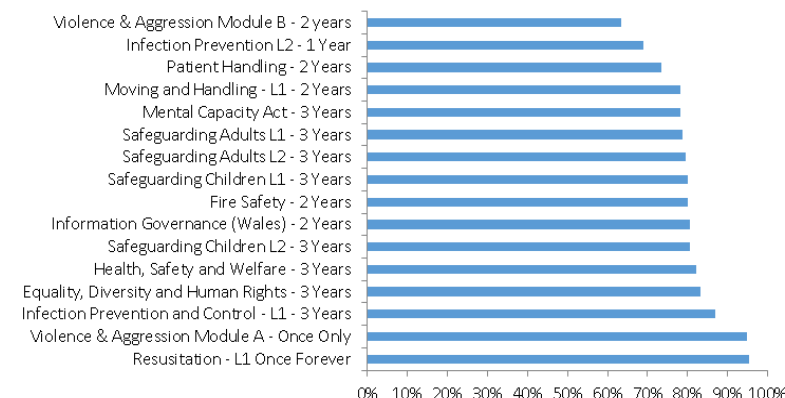
**Outcomes from Actions:** Scrutiny of the provision and attendance data for all mandatory subjects will help us understand if the decrease is due to clinical pressure and inability to release staff or if other factors are contributing. (A similar reduction of 1% compliance was reported in February 2018 indicating possible low attendance due to clinical pressures).

This is the first decrease for Information Governance which currently has a compliance rate of 80%, discussion with Subject Leads will help us better understand the decrease and support accordingly.

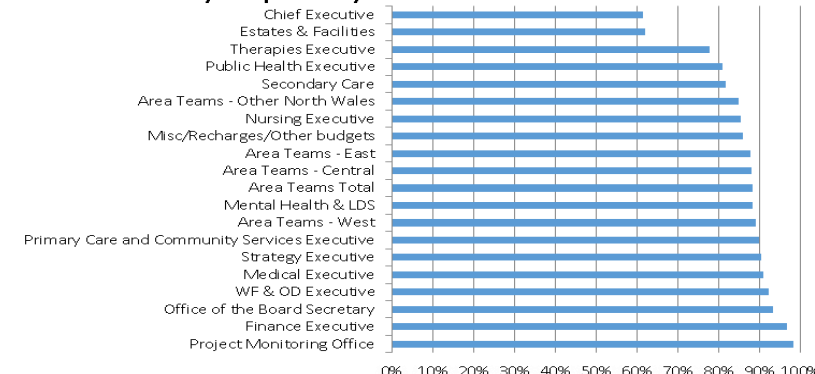
Roll out of Load handling competencies initially within Estates and Facilities, which is currently 48% compliant with training will support improved overall compliance for this subject area.

**Timelines:** With amendments to the Improvement Plan especially in terms of revision of provision, attendance records and addressing Did Not Attend Rates we are confident that we will reach the 85% target rate for level 1 training by the end of April 2019.

Core Mandatory Training Compliance February 2019



Overall February Compliance by Division



<b>DFM 034</b>	Percentage compliance of the completed level 1 Information Governance (Wales) training element of the Core Skills and Training Framework	<b>Target</b> >= 85%	<b>Plan</b> >= 85%	<b>Feb-19</b>	<b>80.00%</b>	<b>Wales Benchmark</b>	<b>N/A</b>	<b>Executive Lead</b>	Sue Green	<b>Status</b>		<b>Months in Exception</b>	<b>6+</b>	<b>Escalation Level</b>	
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### Actions:

The Health Board's level of Information Governance (IG) training compliance decreased by 1% this month, despite a reminder email being issued to all areas with the poorest compliance. However additional Information Asset Owner and Administrator training continues to be delivered which incorporates the mandatory IG requirement. A further targeted email has been issued to the Chief Executives Office from the Senior Information Risk Owner to remind senior leaders of their requirement to undertake their mandatory IG Training, which remains at 58% compliance. A further targeted email will also be issued to the following Directors as these areas still remain a concern:

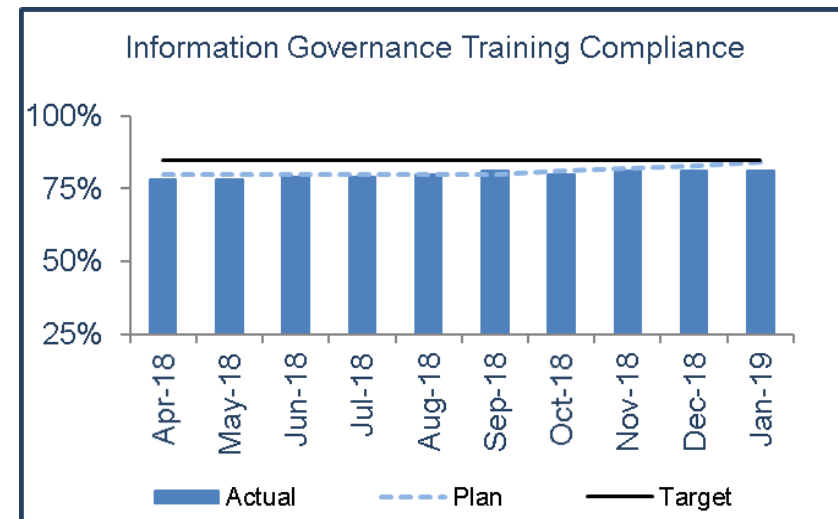
Estates and Facilities = 64%  
 Therapies = 73%  
 Secondary Care = 78%

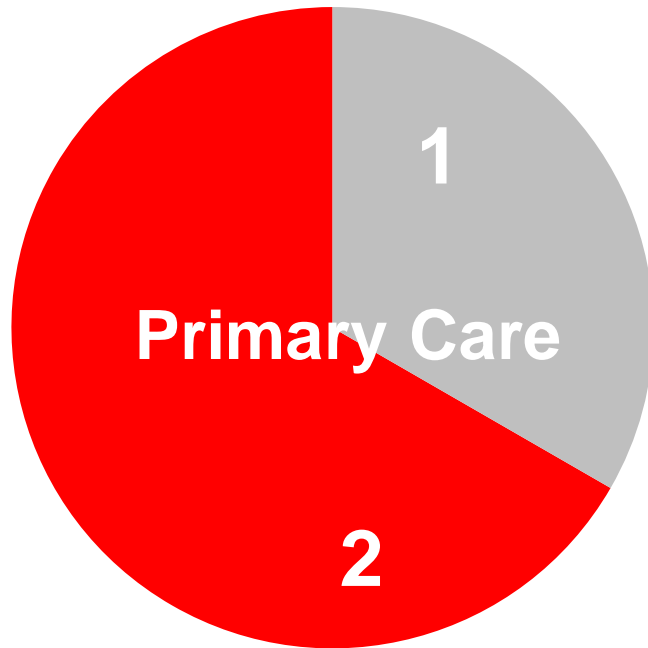
### Outcomes:

Improve compliance across all specialities to over 75%.

### Timelines:

Anticipating reaching target of 85% by the end of March 2019.





Measure	Status	(Target)
Convenient GP Appointment	36.50%	≤ 26%
Did Not Attend GP Appointment	Awaiting Guidance from WG	
Accessing NHS Dentist	49.33%	≥ 54.7%

DFM 057	Percentage of the health board population regularly accessing NHS primary dental care	Target ≥ 54.7%	Plan	Feb-19	49.33%	Wales Benchmark	6th	Executive Lead	Chris Stockport	Status	↓	Months in Exception	6+	Escalation Level	
DFM 052	Percentage of people (aged 16+) who found it difficult to make a convenient GP appointment	Target Reduction	Plan ≤ 26%	17/18	36.50%	Wales Benchmark	3rd	Executive Lead	Chris Stockport	Status	↑	Months in Exception	6+	Escalation Level	
DFM 087	The Percentage of patients who did not attend a GP appointment	Target Reduce	Plan	17/18	Not Yet Published	Wales Benchmark	N/A		Chris Stockport	Status	N/A	Months in Exception	N/A	Escalation Level	N/A

Further information is available from the office of the Director of Performance which includes:

- performance reference tables
- tolerances for red, amber and green
- the Welsh benchmark information which we have presented

Further information on our performance can be found online at:

- Our website [www.pbc.cymru.nhs.uk](http://www.pbc.cymru.nhs.uk)  
[www.bcu.wales.nhs.uk](http://www.bcu.wales.nhs.uk)
- Stats Wales [www.statswales.wales.gov.uk](http://www.statswales.wales.gov.uk)

We also post regular updates on what we are doing to improve healthcare services for patients on social media:



follow @bcuhb

<http://www.facebook.com/bcuhealthboard>

**Finance and Performance Committee****26.3.19**
**GIG**  
 CYMRU  
**NHS**  
 WALES

 Bwrdd Iechyd Prifysgol  
 Betsi Cadwaladr  
 University Health Board

**To improve health and provide  
excellent care**

<b>Report Title:</b>	Referral to Treatment Update
<b>Report Author:</b>	Steven Vaughan, Interim Director of Secondary Care
<b>Responsible Director:</b>	Dr. Evan Moore, Medical Director (Executive Lead for RTT) Adrian Thomas, Executive Director Of Therapies & Health Sciences (Executive Lead for Cancer & Diagnostics)
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	To provide the committee with the monthly update of current position regarding performance, Welsh Government scrutiny, financial implications and remedial actions in place to enhance performance
<b>Approval / Scrutiny Route Prior to Presentation:</b>	Regular update paper requested by Committee
<b>Governance issues / risks:</b>	The update clarifies the performance risk (current forecast means there will be more long waiting patients at the end of 2018/19 than planned). There are potential financial risks associated with current levels of activity being delivered against budget associated with any clawback from not delivering an improved position.
<b>Financial Implications:</b>	The update provides an overview of progress to date delivering planned care during the final quarter of 2018/19 and steps being taken to establish a different performance management framework from 1 <sup>st</sup> April 2019.
<b>Recommendation:</b>	The Committee is asked to note the paper for information

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental health and well-being for all	√	1.Balancing short term need with long term planning for the future	√
2.To target our resources to those with the greatest needs and reduce inequalities	√	2.Working together with other partners to deliver objectives	√
3.To support children to have the best start in life		3. Involving those with an interest and seeking their views	
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	√
5.To improve the safety and quality of all services	√	5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity	√		
7.To listen to people and learn from their experiences			
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>  <i>Strategic &amp; Service Planning</i>  <a href="http://www.wales.nhs.uk/sitesplus/861/page/81806">http://www.wales.nhs.uk/sitesplus/861/page/81806</a>			
<b>Equality Impact Assessment</b>  <i>No change in policy associated with this update</i>			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*

## Referral to Treatment Update - February

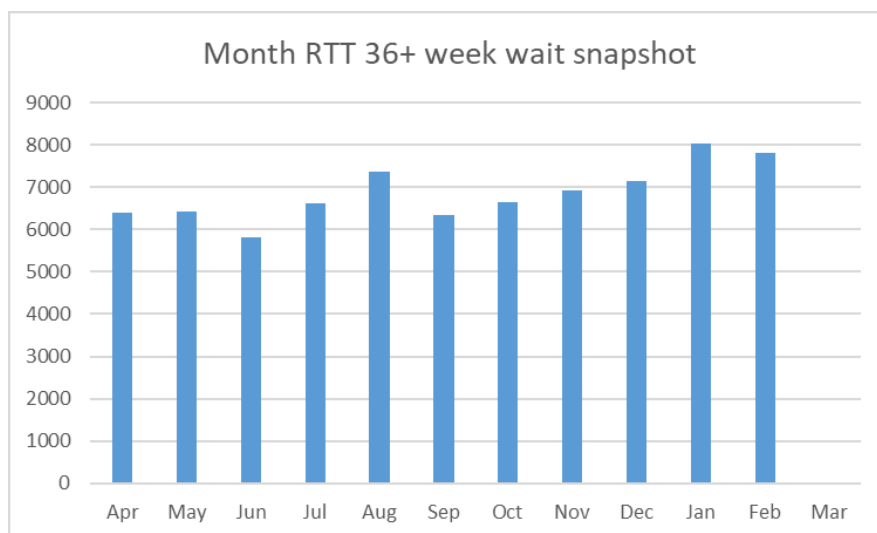
### 1. Introduction

This paper provides a brief update on current performance, actions being to deliver forecast for March 2019 and an overview of process changes for 2019/20.

### 2. Performance

#### *Waiting List snapshot*

The snapshot for February shows a decrease to 7,826 patients in total waiting 36+ week (including 109 English Residents); a reduction of 208 in month. However, the cohort has continued to reduce, on average, by 1,211 patients per week (4,845 over 4 weeks). This means the total 36+ week cohort of patients waiting on 25<sup>th</sup> February was 11,245.



Week ending	Cohort	Weekly reduction
31/12/2018	21,531	
07/01/2019	20,651	(880)
14/01/2019	19,018	(1,633)
21/01/2019	17,601	(1,417)
28/01/2019	16,090	(1,511)
04/02/2019	14,736	(1,354)
11/02/2019	13,565	(1,171)
18/02/2019	12,430	(1,135)
25/02/2019	11,245	(1,185)

As reported previously, there is a significant issue for Dermatology within the East (836 of the remaining cohort) and an increasing backlog in Gastroenterology/General Surgery relating to the focus on clinically urgent patients in Endoscopy (estimated will be c510 at 31<sup>st</sup> March).

### Forecast to 31<sup>st</sup> March

Further to the discussion at the previous committee meeting, the performance metrics are tracking at different rates. The cohort tracker would deliver c5700 if 1,100 patients per week are removed during March. The operational forecasts are still for a total higher than this. The best case forecast from each team at the beginning of March was:

	<i>Actual</i> 31/03/18	<i>Revised</i> Forecast on 05/03 (best case)	<i>Best case</i> v Last Year
<u>Secondary Care</u>			
WMY	1,409	1,527	(118)
YGC	2,076	2,082	(6)
YG	2,157	2,429	(272)
Womens	72	80	(8)
<b>Total</b>	<b>5,714</b>	<b>6,118</b>	<b>(404)</b>
<u>Area</u>			
East	0	0	0
Central	0	0	0
West	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Health Board</b>	<b>5,714</b>	<b>6,118</b>	<b>(404)</b>

This is an lower forecast than previous reports, however there are a number risks to delivery, for example assumptions regarding out/insourced activity being completed per plan, the Dermatology (East) backlog being cleared and continued low level of 'on-the-day' cancellations of surgery. In addition, technical activities such as validation of waiting lists will continue to be driven throughout March.

A verbal update based upon the 25<sup>th</sup> March cohort tracker will be provided to the meeting.

### 3. Diagnostics

#### Cardiology/Radiology

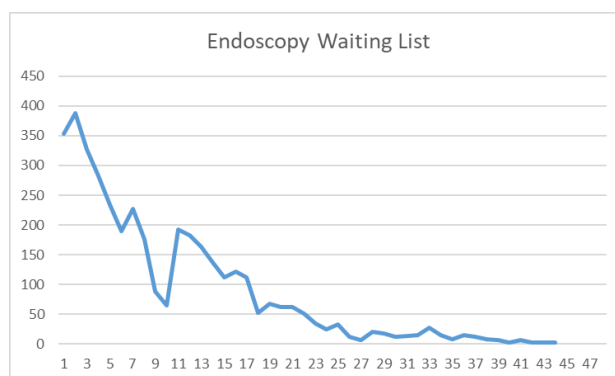
The routine diagnostic waiting times affect delivery of RTT pathways. There are continued pressures in Cardiology (technician absence) and radiology (sub-specialty ultrasound pressures) and endoscopy.

Interim solutions are being put in place for Cardiology and Imaging. There are 254 patients waiting 8+ weeks in Cardiology, this is expected to reduce slightly by 31<sup>st</sup> March (estimate, approximately 230 patients). The radiology backlog has reduced to 102, and the team are trying to mitigate as much as possible during March; there maybe a few patients waiting more than 8 weeks at 31<sup>st</sup> March.



## Endoscopy

Further to the previous updates, priority is focussed on higher risk patients, meaning delays for routine referrals accruing. At the end of February, there are 1767 patients waiting longer than 8 weeks. This is expected to rise to be in the region of 2600 by 31<sup>st</sup> March. As validation of the endoscopy waiting list is starting, it is possible this total will reduce. However, the analysis of the list shows there are some long waiting patients.



A meeting has taken place to review clinical prioritisation and will factor in risks associated with routine long waiting patients.

It has been agreed that the HB will procure a modular endoscopy unit for an initial period of 8 weeks. A site visit was undertaken at Ysybyty Glan Clwyd by Vanguard in conjunction with our Estates team on Tuesday 12<sup>th</sup> March and 2 potential locations have been identified for the unit. The unit does not come fully staffed and now that we have confirmation we can install it we will be able to confirm retention of an endoscopist (s).

While that unit is here we will comprehensively ascertain the extent of the issue that we are seeking to resolve through assessing current work flows, creating a short term demand model, matching this to our capacity and developing 3 month, 6-12 month and sustainable delivery models.

## 4. Next Steps

*Year end* - The key focus is on performance management to ensure delivery of actions supporting Q4 reduction in backlog.


*2019/20* - An Interim Associate Director of Planned Care started work at the Health Board on 25<sup>th</sup> February. Their initial focus is on developing the day-to-day operational governance of waiting list management processes. For RTT/Diagnostics, they are currently:

- Reviewing and updating terms of reference, membership and structure of Health Board wide Access Meeting. This will provide 'performance assurance' by strengthening governance, data driven with clear reports and operational rigour (i.e. monitoring of agreed actions)
- Setting up individual site waiting list meetings - Operational delivery: site specific lead will be the relevant Hospital Director supported by the DGMs/Operational Managers to go through the details around patient status on the PTL. The outcomes from these meetings will feed into the Access Meeting

- Reviewing local policy arrangements for Waiting List Management in line with Welsh Government most recent guidance
- Updating data reporting to enable:
  - Primary focus being on managing the forecast waiting list size (note: current cohort reporting will be an indicator of upcoming demand,
  - Prioritisation of 'treat in turn' (i.e. clinical priority followed by longest waits)

## **5. Recommendation**

The committee is asked to note for information the update.

<b>Finance and Performance Committee</b>	 <b>GIG CYMRU NHS WALES</b> Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board <b>To improve health and provide excellent care</b>
<b>26.3.19</b>	

<b>Report Title:</b>	<b>Unscheduled Care 90 day plan Update Report</b>
<b>Report Author:</b>	Meinir Williams, Managing Director (Interim), Ysbyty Gwynedd and Trevor Hubbard Deputy Director of Nursing
<b>Responsible Director:</b>	Gill Harris, Executive Director of Nursing and Midwifery
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	To update Finance and Performance Committee on the Health Board's February Unscheduled Care performance, describe the impact of the first 90 day improvement cycle and provide a briefing on the second cycle.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	Prior approval by Deputy Director of Nursing and Midwifery for Executive Director of Nursing and Midwifery.
<b>Governance issues / risks:</b>	Not applicable
<b>Financial Implications:</b>	Not applicable
<b>Recommendation:</b>	It is recommended that Finance and Performance Committee note: <ul style="list-style-type: none"> <li>• The achievement against the 90 day measures and how use of the 90 day plan methodology is driving improvement and change.</li> <li>• The ongoing focus to improve the partnership working relating to the Health Board's Unscheduled Care Improvement journey. See appendix 2</li> <li>• The ongoing risk associated with continuing challenges with flow and ED which as yet is only yielding minimal improvement in the HBs 4 hour performance.</li> </ul>

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental health and well-being for all	<b>X</b>	1.Balancing short term need with long term planning for the future	<b>X</b>
2.To target our resources to those with the greatest needs and reduce inequalities	<b>X</b>	2.Working together with other partners to deliver objectives	<b>X</b>

3.To support children to have the best start in life		3. Involving those with an interest and seeking their views	
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being	X	4.Putting resources into preventing problems occurring or getting worse	X
5.To improve the safety and quality of all services	X	5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity			
7.To listen to people and learn from their experiences	X		

**Special Measures Improvement Framework Theme/Expectation addressed by this paper**

<http://www.wales.nhs.uk/sitesplus/861/page/81806>

**Equality Impact Assessment**

*(If no EqIA carried out, please briefly explain why. EqIA is required where a change of policy or direction is envisaged and/or where budgets are being reduced. It is particularly important that the biggest, most strategic decisions are subjected to an EqIA – see <http://howis.wales.nhs.uk/sitesplus/861/page/47193> )*

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*

## **Unscheduled Care and 90 day plan report to Finance and Performance Committee March 2019**

### **1) Purpose of Report**

This report provides an update against the second cycle of the 90 day plans, highlighting the Health Board's Unscheduled Care (USC) performance for February against the 4 hour, 12 hour and >60 minute handover quality measures.

It will also provide the narrative for the Health Board's second cycle of 90 day USC plans and the associated trajectories for delivery.

### **Performance Overview**





February has seen an improvement against both the same period last year and last month. The overall combined 4 hour performance for BCUHB for February 2019 was 72.5% against an agreed trajectory of 72%. The overall performance for February 2018 was 70.3% and 66.9% for last month. Each site reported the following combined performance for February 2019 compared to February 2018;

**Chart 1.0:** Combined 4 hr performance

	<b>West</b>	<b>Central</b>	<b>East</b>	<b>BCUHB</b>
2019	79.1%	76.3%	61.3%	72.5%
2018	78.3%	73.7%	59.3%	70.3%

There continues to be a reduction in the number of patients being delayed in ambulances for 60 minutes or more, which is the most remarkable improvement seen within Unscheduled Care to date. Each site has reported a further reduction in the number of patients delayed outside our EDs. The chart below describes the February performance compared to the same period last year and last month;

**Chart 2.0:** >60 minute ambulance handover





	<b>February 2019</b>	<b>January 2019</b>	<b>February 2018</b>	<b>Trend</b>
YG	187	264	265	
YGC	99	279	454	
YWM	72	148	618	
BCUHB	358	691	1337	

Ysbyty Gwynedd continue to see increased month on month ED attendance, whilst Ysbyty Glan Clwyd and Ysbyty Wrexham Maelor saw marginally lower attendances

for February compared to January – however, daily attendances were comparable with the variation due to fewer days in the month.

All three sites also reported a reduction in the number of patients delayed in ED for 12 hours or more, compared to January 2019 and to the same period last year. This has recovered the HB position against its performance improvement trajectory with tasks to continue this improvement focused within the second cycle of the USC 90 day improvement plan.

**Chart 3.0:** 12 hour breaches

	February 2019	January 2019	February 2018	Trend
YG	275	295	361	
YGC	606	841	711	
YWM	549	672	736	
BCUHB	1430	1808	1808	

## 2) 90 Day plan progress

The Unscheduled Care plan was formally launched at a multi agency event on the 10 October 2018. Since the launch, work has been undertaken to develop and agree the measures used to understand the impact of each task, or grouping of tasks within the 90 day plan. The Health Board are now embarking on the second cycle of our 90 day improvement plans.

The second cycle commenced on 4 March 2019 building on the momentum from the first 90 days. Improvements were seen in February's performance. Delivery plans were received from the West, East and Central and draft trajectories are being finalised. The Governance has been redefined to further strengthen the support in delivery and a streamlined approach to reporting to support delivery. The USC Programme Board was cancelled and replaced with a meeting with the Leadership Group to support delivery.

The Heads of Nursing for each area and acute have been provided, as well as the PMO support, and a 'kick off meeting' is being scheduled in March to work together across the whole pathway supporting management teams to undertake cycles of change. This will be overseen by a Senior Improvement Programme Manager who will manage the programme.

The second cycle of the plan was shared with external partners on 22 February through the North Wales Leadership Group, the need for partner engagement being key to improved delivery was discussed.

Within the Demand plan the scoping of a minor injury facility to support performance at Wrexham is included (to be cost neutral) and further development of the SICAT service.

The Flow plan will include specific elements of Emergency Department improvement to include prevention of non-admitted and paediatric breaches and to work specifically on ambulance handover and turnaround times. It will also focus on the way that the Acute Medicine model works within each site to improve flow through the system. As well as continuing the work on SAFER, the management of outlying patients will be reviewed to prevent multiple moves for patients and extending their length of stay.

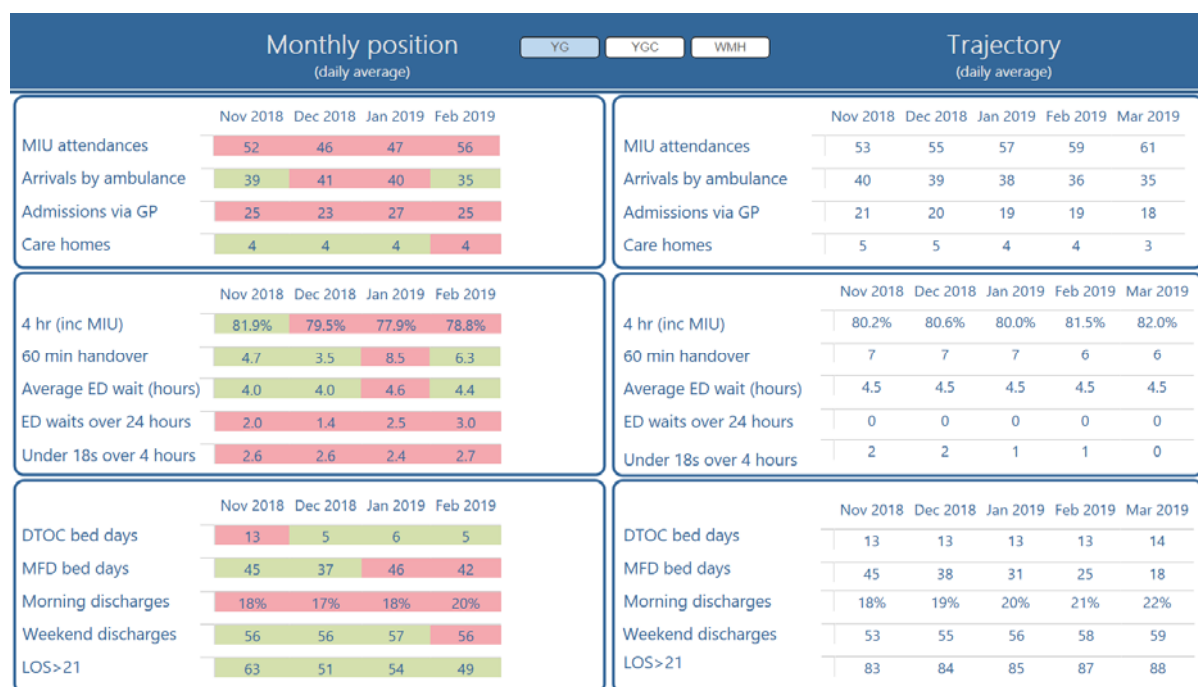
The Discharge plan will continue on most elements from the initial 90 day cycle but will include a review of the 3<sup>rd</sup> sector support to the Health Board over winter to demonstrate how successful it has been.

February's performance is depicted below in charts 1.0 to 1.3.

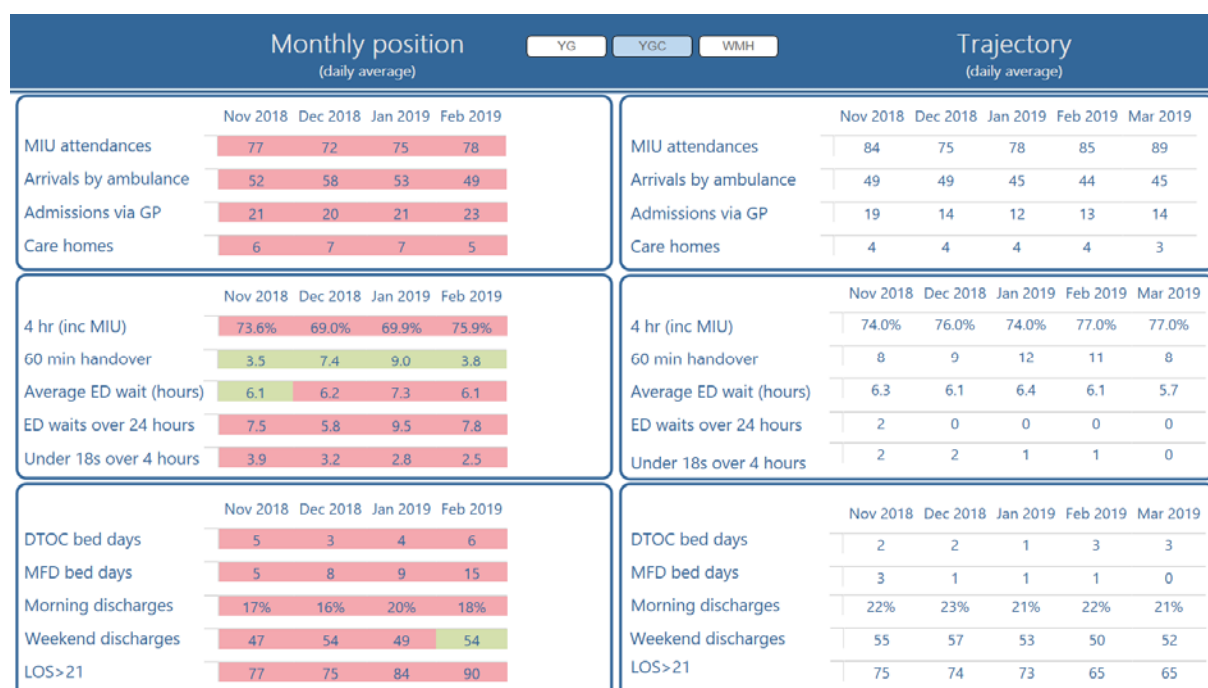
**Chart 1.0 BCUHB Performance**

Monthly position (daily average)					Trajectory (daily average)					
Nov 2018 Dec 2018 Jan 2019 Feb 2019					Nov 2018 Dec 2018 Jan 2019 Feb 2019 Mar 2019					
MIU attendances	145	131	140	154	MIU attendances	159	152	157	166	172
Arrivals by ambulance	135	147	143	124	Arrivals by ambulance	133	131	124	121	120
Admissions via GP	67	61	68	68	Admissions via GP	56	50	47	47	47
Care homes	15	16	15	13	Care homes	15	14	13	12	10
Nov 2018 Dec 2018 Jan 2019 Feb 2019					Nov 2018 Dec 2018 Jan 2019 Feb 2019 Mar 2019					
4 hr (inc MIU)	71.7%	67.6%	66.9%	71.6%	4 hr (inc MIU)	71.7%	73.5%	72.3%	75.8%	77.0%
60 min handover	13.4	14.4	22.3	12.2	60 min handover	24	24	27	26	22
Average ED wait (hours)	5.5	5.6	6.3	5.6	Average ED wait (hours)	5.7	5.5	5.7	5.3	5.1
ED waits over 24 hours	13.9	11.7	17.2	14.5	ED waits over 24 hours	8	5	3	2	0
Under 18s over 4 hours	13.9	11.6	12.5	13.7	Under 18s over 4 hours	10	8	5	3	0
Nov 2018 Dec 2018 Jan 2019 Feb 2019					Nov 2018 Dec 2018 Jan 2019 Feb 2019 Mar 2019					
DTOC bed days	36	26	27	25	DTOC bed days	53	51	48	48	45
MFD bed days	63	84	88	86	MFD bed days	55	46	40	33	26
Morning discharges	19%	18%	19%	20%	Morning discharges	20%	21%	20%	21%	22%
Weekend discharges	166	168	166	177	Weekend discharges	160	165	164	164	169
LOS>21	345	319	331	323	LOS>21	360	354	349	336	331

## Chart 1.1 – West performance

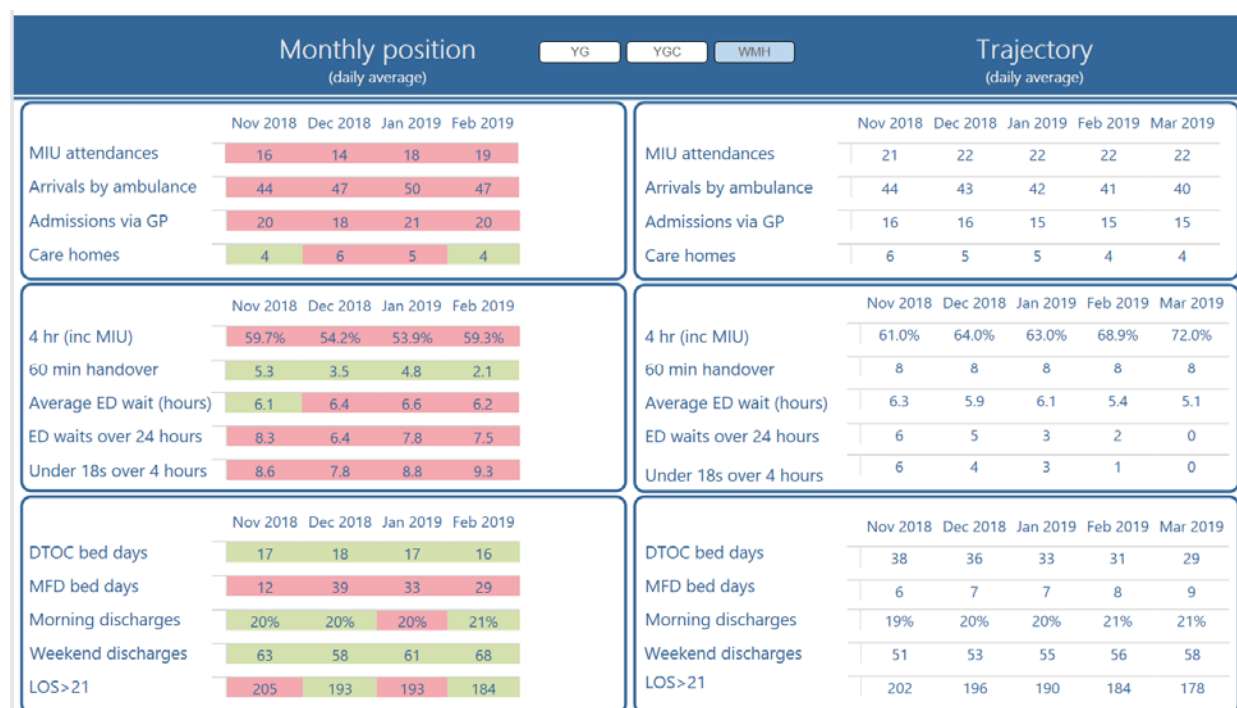


## Chart 1.2 – Centre performance





**Chart 1.3 – East performance**



### Next Steps:

Continued monitoring of the use of winter monies have also been agreed to support planned improvements, including Patient Flow co-ordinators in ED; Progress chasers at ward level and additional support for the site management team.

These winter pilots will be evaluated with a view to extending them if they are successful.

The Executive Team has made the decision to increase seniority, experience and leadership capabilities in management on each of the acute hospital sites to strengthen grip and effectiveness against the 90 day plan actions, and overall operational objectives. This forms part of the new Governance for the 90 day plan delivery.

Streamlined reporting from the 90 day plans with monitoring in place and established to support delivery and report against key objectives. Main focus will be on:

- In addition to the existing work streams there will be an additional focus on non-admitted breaches, ED processes and improving medical engagement.
- There will be further work on a review of the Acute Medical Model and spread of existing practice around SAFER and Board rounds which is not consistently embedded.
- Intention to assess the baseline against using best practice standards to inform priority interventions.
- Review of daily informatics requirements to support operational delivery
- Overnight focus to understand reasons for deteriorating performance and apply PDSA principles to improvement

## 5) **Recommendations**

It is recommended that Finance and Performance Committee note:

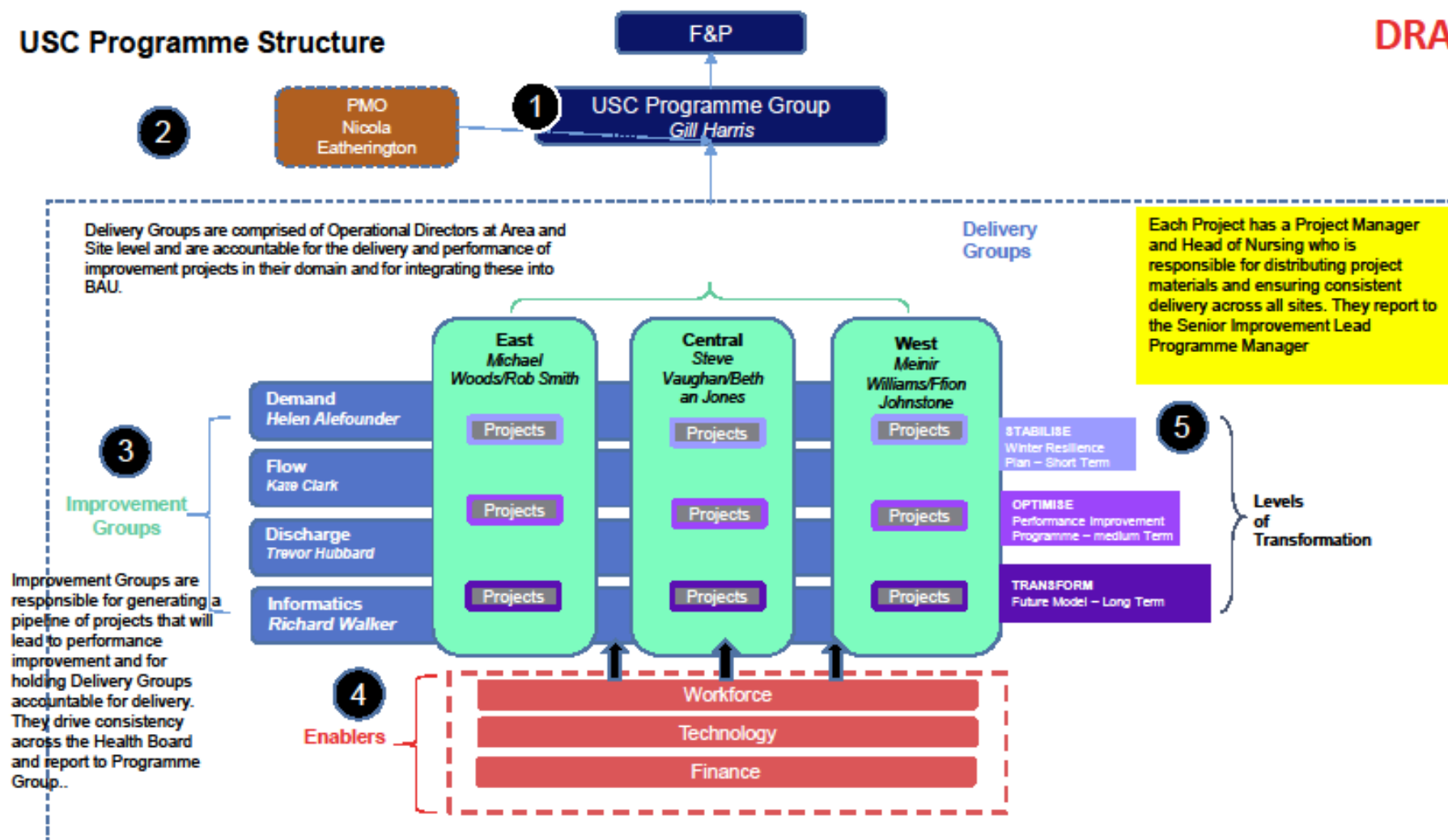
- The achievement against the 90 day measures and how use of the 90 day plan methodology is driving improvement and change.
- The ongoing focus to improve the partnership working relating to the Health Board's Unscheduled Care Improvement journey. See appendix 2
- The ongoing risk associated with continuing challenges with flow and ED which as yet is only yielding minimal improvement in the Health Board's 4 hour performance.

**90 day plan measures definition**

Dem1.1	MIU	<i>Average daily attendances at MIU</i>
Dem1.2	Ambulance	<i>Average Daily arrivals at Emergency Departments by ambulance</i>
Dem2.1	GP admissions	<i>Admissions where source = GP (acute)</i>
Dem2.3	Care home	<i>Emergency admissions where patient postcode is care home (acute)</i>
Flo1.1	>4hr (inc MIU)	<i>Average combined ED and MIU 4hr performance</i>
Flo1.2	60 minute	<i>Average daily number of ambulance handover that exceed 60 mins</i>
Flo1.3	Average wait	<i>Mean wait in ED (hours)</i>
Flo2.1	24 hours	<i>ED wait over 24 hours</i>
Flo2.2	Non-adm >4hr	<i>Patients wait over 4 hours who are not admitted</i>
Flo2.3	Paeds >4hr	<i>Patients wait over 4 hours who are under 18</i>
Dis1.1	Total bed days	<i>Average daily total beds occupied (acute)</i>
Dis1.2	DTOC	<i>Average daily beds occupied with DTOC patients (acute)</i>
Dis1.3	MFD	<i>Average daily beds occupied with MFD patients (acute)</i>
Dis2.1	Morning	<i>Proportion of patients discharges before noon (acute)</i>
Dis2.2	Weekend	<i>Daily average number of discharges on Saturdays &amp; Sundays (acute)</i>
Dis2.3	LOS>21	<i>Number of patients who have been in hospital for over 21 days (acute)</i>

## USC Programme Structure

**DRAFT**



Finance and Performance Committee	 <b>GIG CYMRU NHS WALES</b>   Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board To improve health and provide excellent care
26.3.19	

<b>Report Title:</b>	Summary of In-Committee business to be reported in public
<b>Report Author:</b>	Diane Davies, Business Support Manager
<b>Responsible Director:</b>	Russ Favager, Executive Director Finance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	<p>To report in public session that the following items were considered at the Finance and Performance Committee held in private session on 26.2.19</p> <ul style="list-style-type: none"> <li>• Draft Interim Financial Plan 2019/20</li> <li>• Organisational and governance structure for quality and cost improvement /transformation</li> <li>• Development of 2019/20 Annual Work Programme</li> <li>• North Denbighshire Community Hospital project</li> <li>• Medical and Dental Agency and Locum monthly report</li> </ul>
<b>Approval / Scrutiny Route Prior to Presentation:</b>	The issues were considered by the Committee at its private in-committee meeting
<b>Governance issues / risks:</b>	Standing Order 6.5.3 requires the Board to formally report any decisions taken in private session to the next meeting of the Board in public session. This principle is also applied to Committee meetings.
<b>Financial Implications:</b>	The financial implications were discussed at the meetings
<b>Recommendation:</b>	The Committee is asked to note the report

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	✓	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	✓
1.To improve physical, emotional and mental health and well-being for all	✓	1.Balancing short term need with long term planning for the future	✓
2.To target our resources to those with the greatest needs and reduce inequalities	✓	2.Working together with other partners to deliver objectives	✓

3.To support children to have the best start in life		3. Involving those with an interest and seeking their views	
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being		4.Putting resources into preventing problems occurring or getting worse	✓
5.To improve the safety and quality of all services	✓	5.Considering impact on all well-being goals together and on other bodies	
6.To respect people and their dignity			
7.To listen to people and learn from their experiences			
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>			
<ul style="list-style-type: none"> <li>• Leadership and governance</li> <li>• Strategic and service planning</li> </ul>			
<b>Equality Impact Assessment</b>			
Not applicable for a paper of this nature			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*