

# Bundle Finance & Performance Committee 25 June 2019

## AGENDA

9.30am Boardroom, Carlton Court, St Asaph LL17 0JG

- 1 09:30 - FP19/125 Apologies for absence and Declarations of Interest  
*Mr Michael Hearty*
- 3 Performance
- 3.1 09:30 - FP19/126 Integrated Quality and Performance report  
*Mr Mark Wilkinson*  
*Recommendation:*  
*The Finance & Performance Committee is asked to note the report and to assist in addressing the governance issues raised.*
- FP19.126a IQPR Coversheet May 2019.docx  
FP19.126b IQPR May 2019 FINAL.pdf
- 3.2 10:00 - FP19/127 Annual Plan Progress Monitoring report  
*Mr Mark Wilkinson*  
*Recommendation:*  
*The Committee is asked to note the report*
- FP19.127a Annual Plan Progress Monitoring report coversheet- May 2019.docx  
FP19.127b Annual Plan 201920 Progress Report May 2019 FINAL.pdf
- 3.3 10:20 - FP19/128 Capital Programme report Month 2  
*Mr Mark Wilkinson*  
*Mr Neil Bradshaw in attendance*  
*Recommendation:*  
*The Committee is asked to receive the report*
- FP19.128a Capital Programme Report coversheet Mnth 2.docx  
FP19.128b Capital Programme Report Month 02.docx  
FP19.128c App 2 Capital Programme Report YG ED Report May 2019.docx
- 3.4 10:35 - FP19/129 Presentation: Planned Care Update  
*Mr Mark Wilkinson*
- 3.5 10:50 - FP19/130 Unscheduled Care and Building Better Care update  
*Mrs Deborah Carter*  
*Recommendation:*  
*It recommended that the Committee:*  
*Note the performance for May across BCUHB and for each health economy*  
*Note the update from the Building Better Care programme and focus going forward for phase 3*
- FP19.130 USC and Building Better Care report.docx
- 4 11:05 - Comfort break
- 7 11:15 - FP19/131 Draft minutes of the previous meeting held on 23.5.19 and summary action plan  
FP19.131a Minutes FP 23.5.19 Public session v.04.docx  
FP19.131b Summary Action Log.doc
- 8 Items for assurance
- 8.3 11:30 - FP19/132 Finance Report Month 2  
*Ms Sue Hill*  
*Recommendation:*  
*It is asked that the report is noted, including the forecast position of £35.0m deficit.*
- FP132 Finance report Month 2 v4.doc
- 9 Items for decision
- 9.1 12:10 - FP19/133 Review of Corporate Risk Assurance Framework - risks assigned to Finance and Performance Committee

*Ms Sue Hill*  
*CRR06 Executive Director of Finance*  
*CRR07 Executive Director of Planning and Performance*  
*CRR12 Executive Director of Planning and Performance*  
*CRR11a Executive Director of Nursing and Midwifery*  
*CRR11b Executive Director of Nursing and Midwifery*  
*CRR19 Executive Director of Finance*

*Recommendation:*

*The Committee is asked to:*

*Consider the relevance of the current controls, review the actions in place and consider whether the risk scores remain appropriate;*

*Approve the closure of CRR07;*

*Approve the de-escalation of CRR19.*

[FP19.133a CRR coversheet.docx](#)

[FP19.133b CRR06.pdf](#)

[FP19.133c CRR07.pdf](#)

[FP19.133d CRR11a.pdf](#)

[FP19.133e CRR11b.pdf](#)

[FP19.133f CRR12.pdf](#)

[FP19.133g CRR19.pdf](#)

9.2 12:25 - FP19/134 Proposal for Outsourcing Elective Orthopaedic Work as part of the Orthopaedic Plan

*Mr Mark Wilkinson*

*Recommendation:*

*The Finance & Performance Committee is asked to approve the commissioning the planned levels of additional elective orthopaedic activity as part of a 3 year plan with immediate effect.*

[FP19.134.a Orthopaedic commissioning proposal.docx](#)

[FP19.134b Orthopaedic Outsourcing briefing v3.docx](#)

10 Items for information

10.1 12:45 - FP19/135 Strategic Recruitment Position and Plans

*Mrs Sue Green*

*Recommendation:*

*The Committee is asked to note the report and support the direction of travel.*

[FP19.135 Strategic Recruitment Position and Plans.docx](#)

10.2 12:50 - FP19/136 Turnaround report month 2

*Ms Sue Hill*

*Recommendation:*

*That the Committee notes :*

- *the increase in savings schemes developed and the improved risk profile over the previous month's report*
- *the residual gap in amber / green risk assessed schemes of £10.09m in cash releasing savings and £15.98m in total savings*
- *the impact of the shortfall in savings identification against the budgetary plan of £1.57m.*
- *the achievement of savings of £2.59m, which is £0.38m above profile.*
- *the work ongoing with PwC to finalise schemes in development and to identify further savings to meet the plan requirements by the end of June.*
- *the requirement to increase cash releasing savings and total savings delivered in year by £10m if the control total deficit of £25m is to be achieved.*

[FP19.136a Turnaround Report coversheet.docx](#)

[FP19.136b Turnaround Report.DOCX](#)

11 12:55 - FP19/137 Summary of InCommittee business to be reported in public

*Ms Sue Hill*

*Recommendation:*

*The Committee is asked to note the report*

[FP19.137 InCommitte items reported in public.docx](#)

12 12:55 - FP19/138 Issues of significance to inform the Chair's assurance report

13 12:55 - FP19/139 Date of next meeting 29.7.19 11.00am Boardroom, Carlton Court - note revised date

14 12:55 - Exclusion of the Press and Public

*Resolution to Exclude the Press and Public*

*"That 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."*

Finance and Performance Committee  25.6.19	 Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board  <i>To improve health and provide excellent care</i>
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<b>Report Title:</b>	Integrated Quality & Performance Report (IQPR)
<b>Report Author:</b>	Ed Williams, Head of Performance Assurance, Dr Jill Newman Director of Performance
<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></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>Our report outlines the key performance and quality issues that are delegated to the Finance &amp; Performance Committee. The summary of the report is now included within the Executive Summary page of the IQPR.</p> <p>The <b>Financial Balance</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</i>	√
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		<i>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



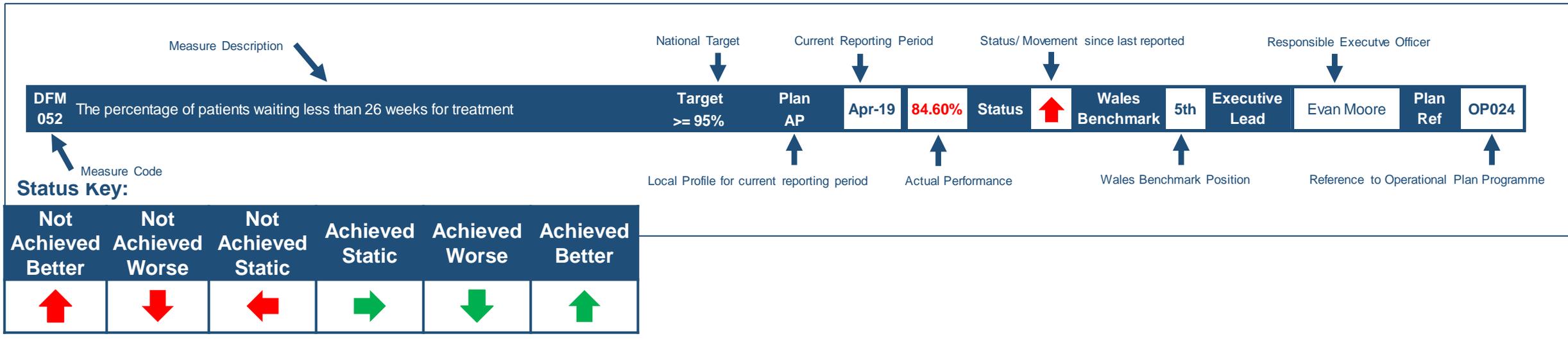
**May 2019**

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This Integrated Quality & Performance Report (IQPR) is intended to provide a clear view of current performance against a selected number of Key Performance Indicators (KPI) that have been grouped together to triangulate information. This report should be used to inform decisions such as escalation and de-escalation of measures and areas of focus. Actions for escalation should be captured in the Chairs report for the Board and minutes of the committee.

The measure code relates to the code applied within the NHS Wales Annual Delivery Framework, which Welsh Government hold the Board accountable for delivering. A key difference in the structure of the IQPR for 2019/20, in comparison to 2018/19 is that it is that the report reflects the organisational priorities as set out in the Annual Plan approved by the Board. The report maps each the measures included against the corresponding work programme within the Annual Plan for 2019/20. This is done via a reference number at the right hand side of the Measure Component Bar (shown below). The next page contains a list of all the Programmes in the Annual Plan in the order of the reference numbers.

### Description of the Performance Indicator bar Components:



### Profiles

For each measure the Executive sponsor is confirming the profile of performance expected to be delivered during the year based on the actions and resourcing set out in the operational plan. The report will track performance against this profile. It is noted that profile set will reflect the reporting requirement and rate of change of performance expected. Therefore some indicators are annual, others bi-annual, quarterly, bi-monthly or monthly.

### 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) they understand the reason(s) for the level of performance being achieved b) that they have a plan and set of actions in place to improve performance, c) that there are measurable outcomes aligned to those actions and d) that they have a defined timeline/ deadline for when performance will be 'back on track', preferably demonstrable through a recovery trajectory. 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.

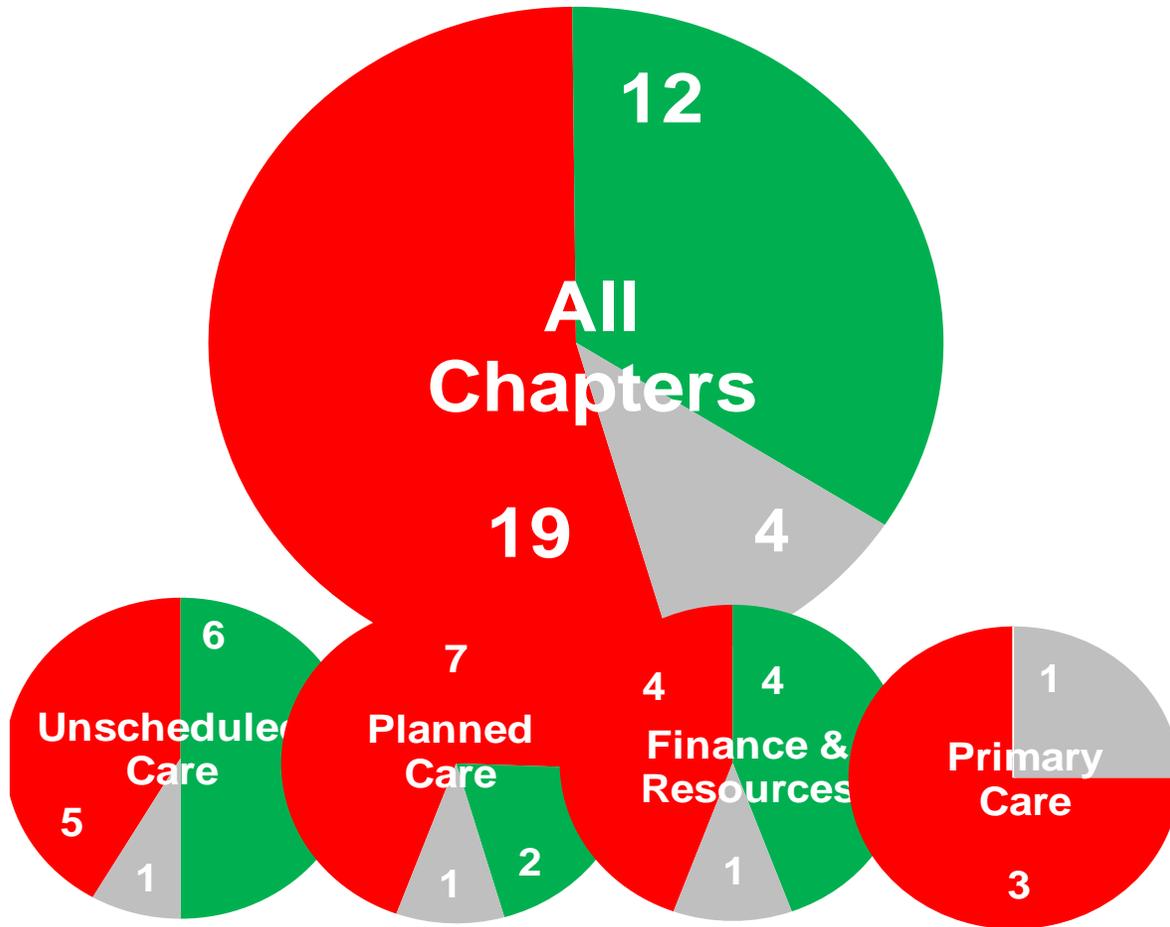
### Cycle of business

This report attempts to:

- a) Set out the actions in the operational plan and there associated measures which come under the TOR for this committee to scrutinise during 2019/20
- b) Provide a report of performance against profile for May 2019 where the measure and profile is reportable monthly

In addition to this report all committees will in future be provided with a RAGP self-assessment of progress against the actions within the operational work programme. This committee will receive this additional report this month.

Annual Plan No	Annual Plan Programme
AP022	Transform Eye Care Pathway to deliver more care closer to home, delivered in partnership with local optometrists
AP024	Systematic reviews and plans developed to address service sustainability for all planned care specialties. Implement Year One plans, for example Endoscopy, Rheumatology and Gynaecology
AP026	Implement new Single Cancer Pathway across North Wales
AP028	Demand: Improved Urgent Care Out of Hours / 111 Service
AP029	Demand: Enhanced Care Closer to Home Pathways
AP031	Demand: Improved Mental Health crisis response
AP033	Flow: Emergency Medical Model
AP037	Discharge: Integrated Health and Social care
AP038	Stroke Services
AP041	Build on Quality Improvement work to develop the BCU improvement system and delivery plan for efficient, value based health care
AP043	Deliver Year One of the 'Health & safety Improvement Programme' focussing on high risk/ high impact priorities whilst creating the environment for a safety culture
AP046	Deliver Year One 'Leadership Development Programme' to priority triumvirates
AP056	Delivery of information content to support flow/ efficiency
NIP	Not in Plan i.e. Measures are required by NHS Wales Delivery Framework, but are not linked to Actions in the Operational Plan



### Most Improved

Measure	Status	(Target)
Cancer: 31 Days (USC Route)	100% ↑	>= 95%
Delayed Transfers of Care (DToC): MH	5 ↑	<=11
Delayed Transfers of Care (DToC): MH	73 ↑	<= 76
Stroke Care: Admission within 4 Hours	55.00% ↑	>= 59.7%
GP Out of Hours Assessment	95% ↑	>= 95%

### Of Most Concern

Measure	Status	(Target)
Emergency Department 4 Hour Waits (inc MIU)	71.21% ↑	>= 95%
Emergency Department 12 Hour Waits	1,594 ↑	0
RTT 36 Weeks	7,499 ↓	0
Diagnostic Waits: Over 8 weeks	2,857 ↓	0
Follow up Backlog	88,079 ↑	<= 75,000

## Overall summary of performance

The table shows the comparative performance for May 2019 with April 2019, demonstrating improvement in 20 and worsened position for 10 of the Indicators reported to the Finance and Performance Committee.

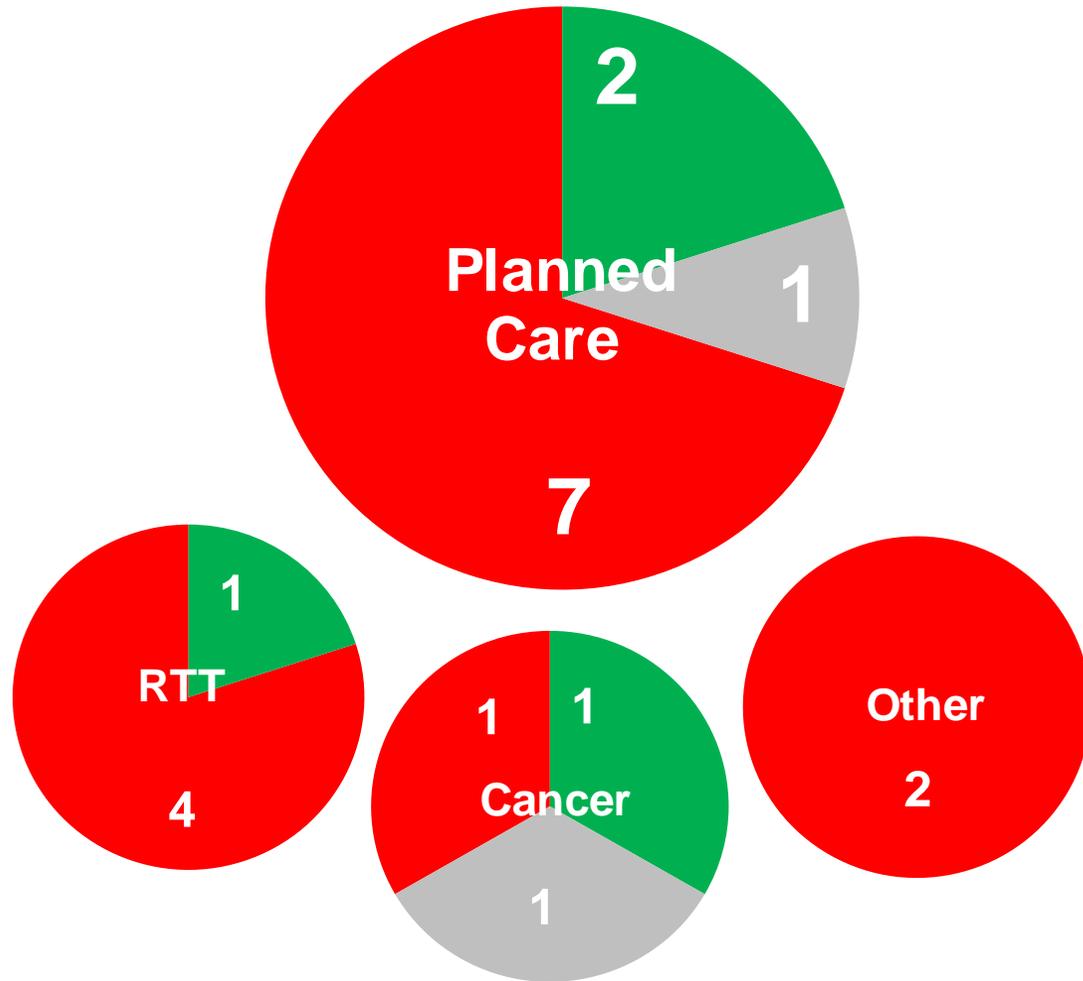
**Planned Care** – Of the 10 measures in this chapter, performance has improved against 3 whilst it has worsened against 5. The final RTT 36 Week position at end of May 2019 is 7,499 waiting over 36 weeks for treatment. Endoscopy with 2,509 patients waiting over 8 weeks accounts for 89% of the 2,857 diagnostic breaches. The delays in endoscopy have contributed to more patients waiting beyond the 62 day threshold for cancer treatment, this is now improving with return to two week waits for USC endoscopy following action to prioritise urgent suspected cancer and clinically urgent review patients.

**Unscheduled Care** – Of the 12 Measures in this chapter, performance has improved against 11 whilst it has worsened against 1. Performance in our Emergency Departments has improved in May 2019 compared to April 2019. Performance against Stroke Admission within 4 Hours further improved in May 2019 and has surpassed the target rate for the second month.

**Finance and Use of Resources** – Of the 10 measures in this chapter, performance has improved against 5 measures whilst it has worsened against 3 measures. Data isn't available for 2 measures. The Health Board's financial position remains a serious concern and details will be provided in the Financial Report.

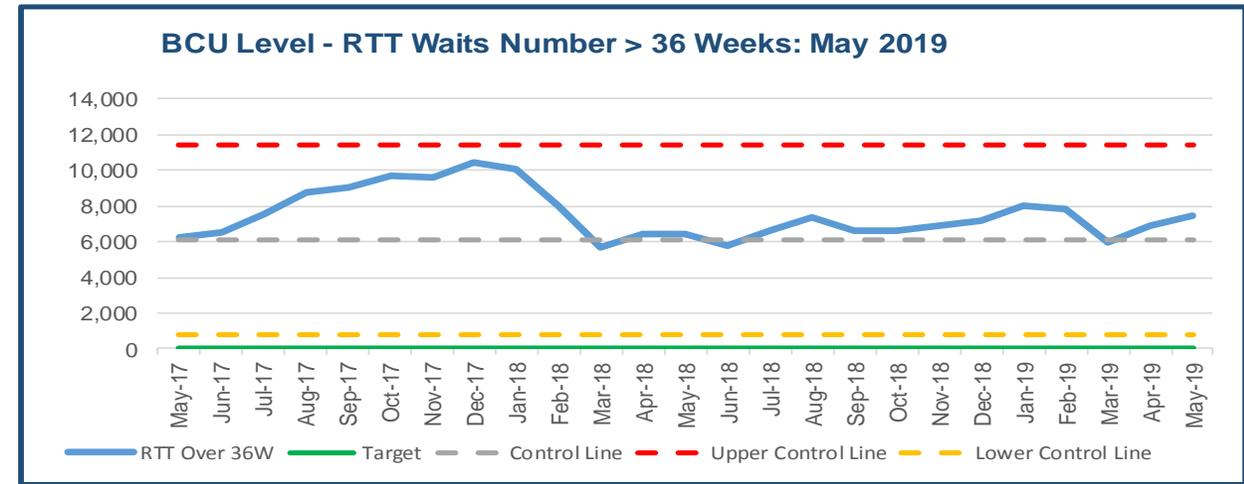
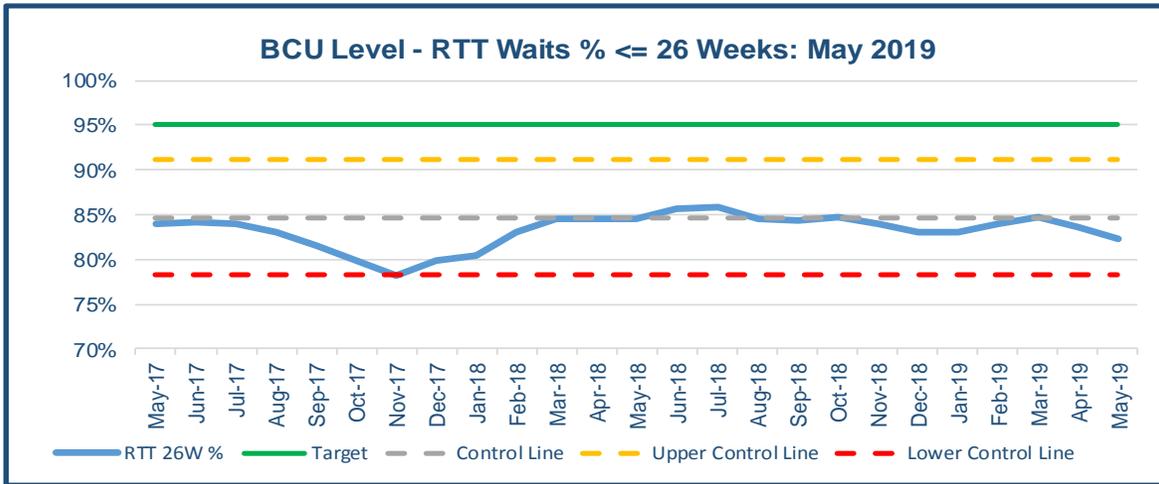
**Primary Care** - Of the 4 measures reported in this chapter, performance has improved against 1 measure and deteriorated against 2 measures. The exception report for NHS Dentists on page 37 explains the difficulty in sourcing the data required for the measure regarding follow up visits to NHS dentists.

Chapter	Better	Worse	Same	No Data	Total
Planned Care	3	5	1	1	10
Unscheduled Care	11	0	0	1	12
Our Resources	5	3	0	2	10
Primary Care	1	2	0	1	4
<b>Total</b>	<b>20</b>	<b>10</b>	<b>1</b>	<b>5</b>	<b>36</b>



Measure	Status	(Target)
Referral to Treatment (RTT): < 26 Weeks	82.22% ↓	>= 95%
Referral to Treatment (RTT): > 36 Weeks	7,499 ↓	0
Referral to Treatment (RTT): > 52 Weeks	2,540 ↓	0
Diagnostic Waits: > 8 Weeks	2,857 ↓	0
Therapy Waits: <= 14 Weeks	0 →	0
Follow-up Waiting List Backlog	88,079 ↑	75,000
Ophthalmology R1	63.90% ↑	>= 95%
Cancer: 31 Days (non USC Route)	100% ↑	>= 98%
Cancer: 62 Days (USC Route)	83.23% ↓	>= 95%
Cancer: 62 Day Single Pathway	N/A	

<b>DFM 052</b>	The percentage of patients waiting less than 26 weeks for treatment	Target $\geq 95\%$	Plan AP	May-19	<b>82.22%</b>	Status	Wales Benchmark	7th	Executive Lead	Evan Moore	Plan Ref	AP024
<b>DFM 053</b>	The number of patients waiting more than 36 weeks for treatment	Target 0	Plan AP	May-19	<b>7,499</b>	Status	Wales Benchmark	7th	Executive Lead	Evan Moore	Plan Ref	AP024
<b>LM05 3a</b>	The number of patients waiting more than 52 weeks for treatment	Target 0	Plan AP	May-19	<b>2,540</b>	Status	Wales Benchmark	N/A	Executive Lead	Evan Moore	Plan Ref	AP024



## Actions:

- Development of weekly PTL at site and specialty level
- Development of RTT weekly/ monthly waiting list profile
- Complete specialty level D&C to identify sustainable gap as well as gap for backlog clearance
- Revised ToR for weekly PTL meeting to focus on proactive management of the WL
- Improve scheduling based on clinical urgency and waiting time chronology
- Use of insource and outsource capacity
- Implementation of clinical harm review process for patient >52 week waits
- Training: assessment of organisational knowledge and Mainstream RTT training programme
- Implementation of schemes to free up follow up capacity for services, eg Supported Discharge, virtual results review clinics
- Review and set up systematic validation per specialty across BCUHB
- Develop and finalise RTT recovery plan
- Draft RTT trajectory

## Outcomes:

- Weekly opening and closing PTL at site and specialty level in place
- Waiting list trajectory to include business as usual as well as recovery action
- D&C with specialty level recovery action signed off
- Targeted approach to backlog clearance
- Additional capacity to address sustainable gap and gap to address backlog informed by D&C
- RTT awareness and improved data quality
- Reduced follow up waiting list and RTT waiting list
- Speciality level recovery plan in place

## Timelines:

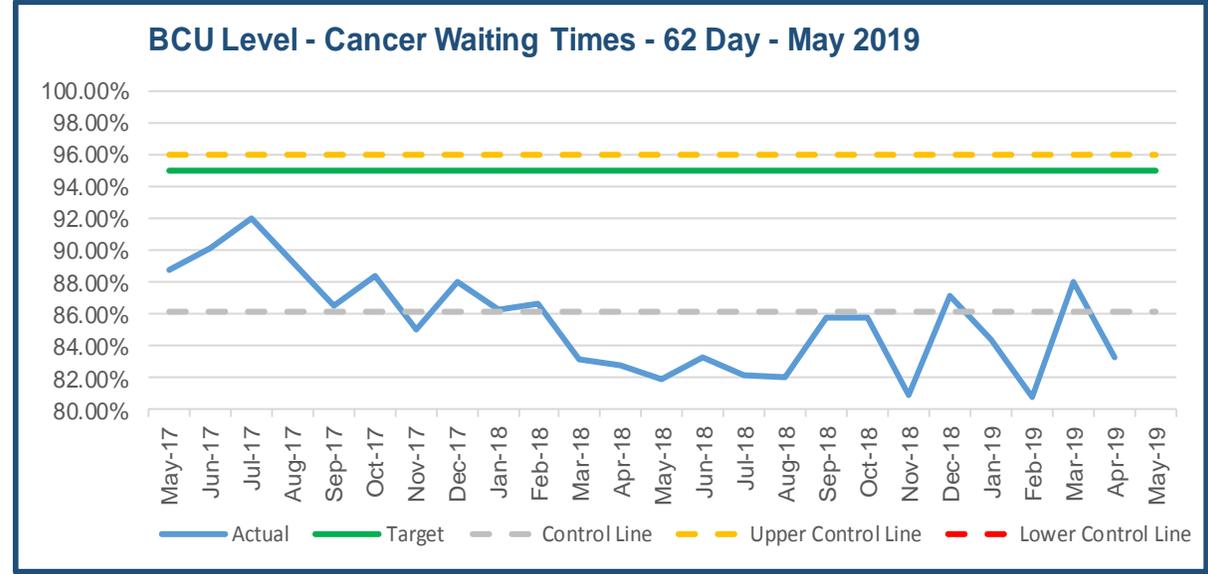
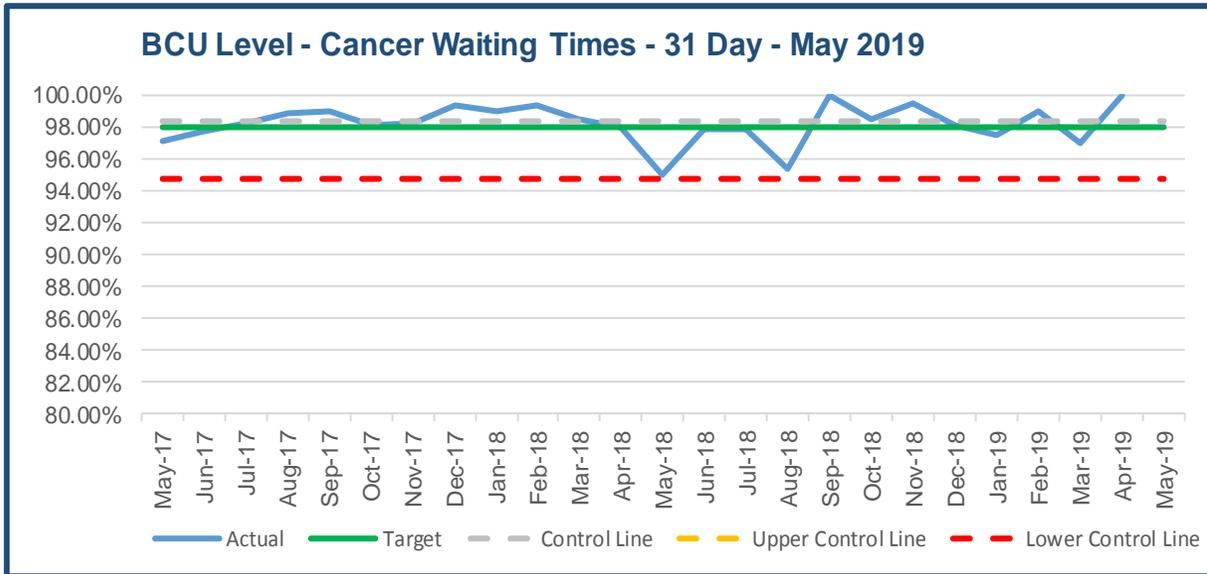
- By 30<sup>th</sup> June 2019
- By 30<sup>th</sup> September 2019
- By 30<sup>th</sup> June 2019
- By 30<sup>th</sup> September 2019
- By 31<sup>st</sup> December 2019
- By 31<sup>st</sup> December 2019
- By 31<sup>st</sup> March 2020
- By 30<sup>th</sup> September 2019

## Referral to Treatment - Actual for Months 1 & 2 with Forecast for Month 3 (2019/2020)

Activity	Stage 1	Stage 2	Stage4	Waiting List over 36weeks	Stage 1	Stage 2	Stage4
General Surgery	0	0	47	General Surgery	20	21	49
Urology	0	165	120	Urology	171	-1	8
Orthopaedics	11	0	317	Orthopaedics	17	-3	64
ENT	0	0	28	ENT	5	-13	-9
Ophthalmology	113	0	351	Ophthalmology	65	0	-38
Max Fax / Oral Surgery	200	0	75	Max Fax / Oral Surgery	-5	-2	16
Cardiology	0	211	0	Cardiology	8	0	-1
Gastro	298	594	0	Gastro	91	-29	-17
Endoscopy	0	1,482	0	<b>List over 8 weeks</b>			
<b>Total</b>	<b>622</b>	<b>2,452</b>	<b>938</b>	Endoscopy( >8weeks)		120	
Cost	Stage 1	Stage 2	Stage4	<p>This information demonstrates the additional internal delivered activity, resource allocated to this and the in-month change in waiting list volume over 36 weeks Referral to Treatment (RTT).</p> <p>The data presented is at health board level and is the activity and cost related to the activity over and above the delivery of the signed off core capacity.</p> <p>The additional activity and costs shown in the table includes diagnostic as well as additional RTT. In future reports it is intended to split this out to differentiate between contribution to 8 week diagnostics and 36 week delivery to RTT.</p> <p>It is noted that while the majority of additional activity relates to long waiters in the case of Urology the activity and expenditure also includes provision for cancer surgery.</p> <p>The change in waiting list is not showing direct correlation to the additional activity. This reflects the complexity and dynamics of waiting list profiles and management.</p>			
General Surgery	0	0	104,186				
Urology	7,256	18,652	220,063				
Orthopaedics	1,034	0	1,233,540				
ENT	0	0	33,593				
Ophthalmology	38,377	0	224,252				
Max Fax / Oral Surgery	15,300	0	70,821				
Cardiology	0	21,370	0				
Gastro	95,384	174,563	0				
Endoscopy	0	612,710	0				
<b>Sub Total</b>	<b>157,351</b>	<b>827,295</b>	<b>1,886,455</b>				
<i>NB - Urology additional includes Cancer outsourced activity</i>							
Validation (YGC)			21,747				
Gastro Vanguard			7,227				
Other Diagnostics (Pathology / Radiology)			617,000				
<b>Total</b>			<b>3,517,075</b>				

Source: Finance Department Report - 19th June 2019

<b>DFM 063</b>	The percentage of patients newly diagnosed with cancer, not via the urgent route, that started definitive treatment within (up to & including) 31 days of diagnosis (regardless of referral route)	<b>Target</b> ≥ 98%	<b>Plan</b> ≥ 98%	<b>Apr-19</b>	<b>100%</b>	<b>Status</b> ↑	<b>Wales Benchmark</b> 4th	<b>Executive Lead</b> Adrian Thomas	<b>Plan Ref</b> AP026
<b>DFM 064</b>	The percentage of patients newly diagnosed with cancer, via the urgent suspected cancer route, that started definitive treatment within (up to & including) 62 days of receipt of referral	<b>Target</b> ≥ 95%	<b>Plan</b> ≥ 83%	<b>Apr-19</b>	<b>83.23%</b>	<b>Status</b> ↓	<b>Wales Benchmark</b> 3rd	<b>Executive Lead</b> Adrian Thomas	<b>Plan Ref</b> AP026
<b>DFM 065</b>	Percentage of patients starting first definitive cancer treatment within 62 days from point of suspicion	<b>Target Improve</b>	<b>Plan AP</b>	<b>May-19</b>	<b>N/A</b>	<b>Status</b> N/A	<b>Wales Benchmark</b> *	<b>Executive Lead</b> Adrian Thomas	<b>Plan Ref</b> AP026



## Actions:

1. Prioritise available endoscopy capacity for USC and other clinically urgent patients awaiting endoscopy
2. Hold additional haematuria clinics in East for USC urology patients
3. Hold additional breast rapid access clinics on all three sites and set up non-radiology clinics for lower risk patients. Review opportunities for patients to be seen at other sites if appropriate in order to maximise available resource
4. Agree urology surgery capacity plan for major surgery
5. Track all patients on a USC pathway in order to ensure all delays escalated and remedial action taken as appropriate

## Outcomes:

All USCs booked within 2 weeks

All USC urology patients seen within 3 weeks

All USC breast patients seen within 3 weeks

All cases booked within target

Reduction in over 62 day backlog to less than 100

Improved 62 day target performance to 90%

## Timelines:

Achieved March 2019 but needs to be sustained to ensure continued improvement in performance

Achieved May 2019

By August 2019 – waiting times reducing as at June 2019 due to additional clinics held. Option appraisal re sustainable solution ongoing

By August 2019

June 2019

September 2019

**DFM 054** The number of patients waiting more than 8 weeks for a specified diagnostic

**Target**  
0

**Plan**  
⇐, 2,633

**May-19**

**2,857**

**Status**



**Wales Benchmark**

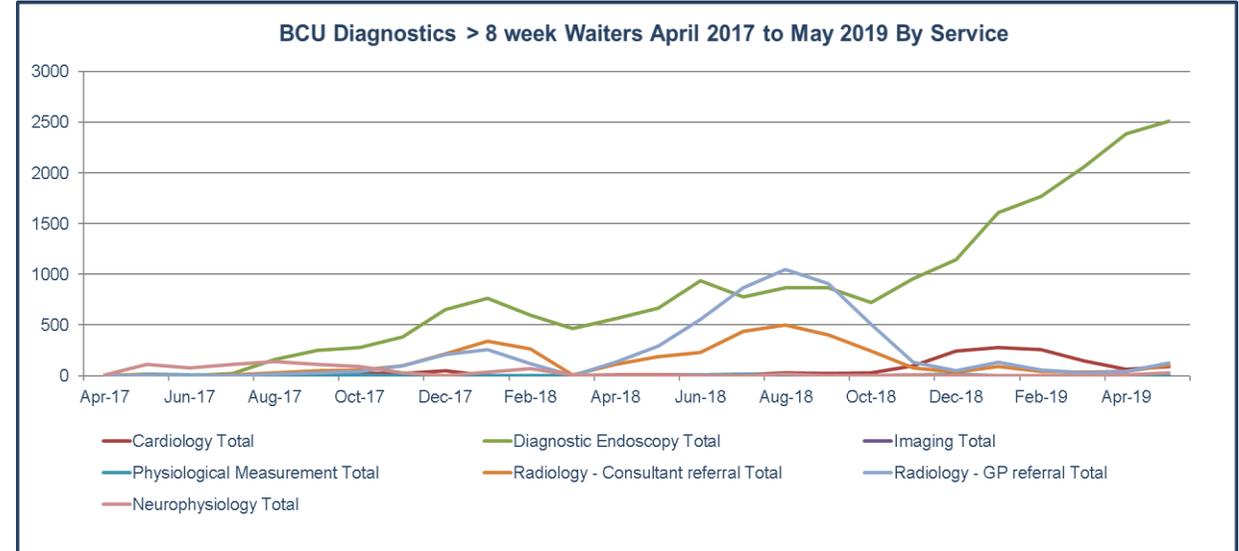
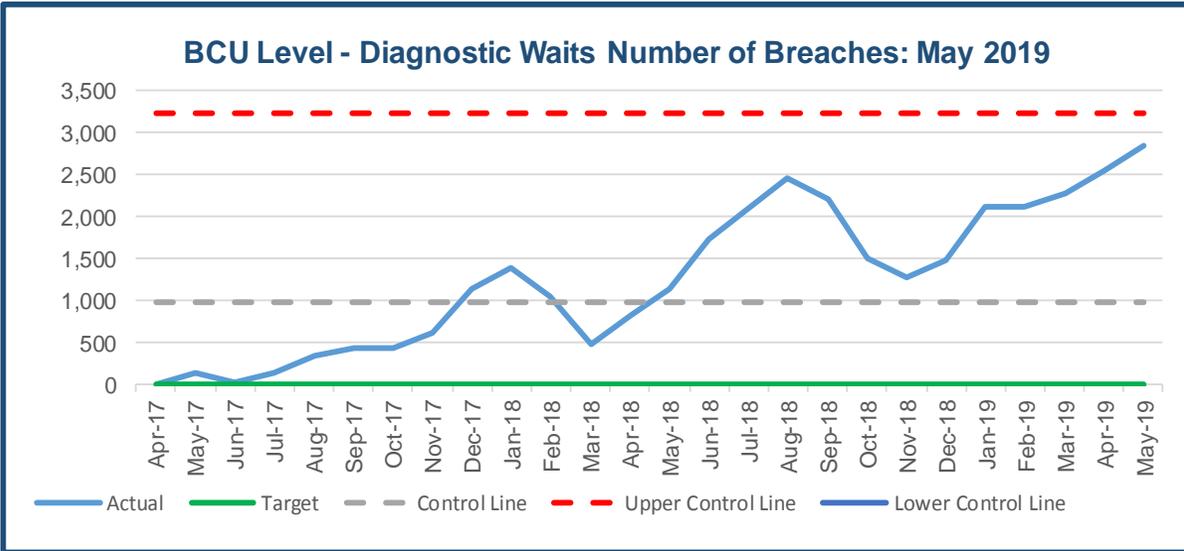
**7th**

**Executive Lead**

Adrian Thomas

**Plan Ref**

AP024



## Actions:

### Radiology

There were 248 breaches in Radiology from a waiting list of 8101 (Performance = 96.9% within target), 218 in Non obstetric US, 23 in CT (primarily cardiac CT in East) , 3 in fluoroscopy, 3 in MRI and 1 in Nuclear Medicine.

We are continuing to use insourcing for CT, MRI and US capacity, although we still do not have a solution for some of the subspecialty US. Cardiac CT was an issue arising through short term consultant absence, but this may now continue beyond June. We are looking to secure additional locum consultants and insourced capacity to recover this position.

We are still looking to progress recruitment at risk to fill additional posts that will replace the insourced capacity at lower cost.

### Endoscopy

Endoscopy delivery lead now in post (April 24th)

Weekly Endoscopy delivery and PTL being set up with each of the 3 leads across BCUHB in May

Endoscopy surveillance PTL being developed and will be ready by the 14th May providing a single source of reference for the endoscopy waiting list position

Endoscopy recovery plan being finalised to include 4 delivery phases: (1) 8 week Vanguard (2) Strengthening insourcing solution (3) Extended Vanguard to clear the surveillance backlog (4) Operational efficiency including the DU recommendations

Business case for 2019/20 submitted and will be reviewed for decision on the 12<sup>th</sup> June 19

Vanguard in YGC base delayed due to water sampling issues. The position is managed with the Vanguard team (source issue is within the Vanguard mobile unit).

**DFM 056** The number of patients waiting for an outpatient follow-up (booked and not booked) who are delayed past their agreed target date for planned care specialities

**Target**  
TBC by WG

**Plan**  
AP

May-19

**88,079**

**Status**



**Wales Benchmark**

7th

**Executive Lead**

Evan Moore

**Plan Ref**

AP024

### Actions:

- Follow up PTL in place
- Development and implementation of robust governance framework with the Secondary Care Medical Director
- Identify specialties for accelerated focus and recovery
- Agree improvement trajectory at specialty level
- Develop business case to support “data deconstruction” and backlog validation
- Refresh D&C model to include follow ups
- Review application of waiting list management principles and adherence to the Welsh Access Policy (Version 7) and BCU supplementary guidance
- Implement See on Symptoms (SoS) and Patient Initiated Contact (PIC)
- PROMs Virtual follow up in Orthopaedics
- Introduction of referral criteria
- E-referral criteria

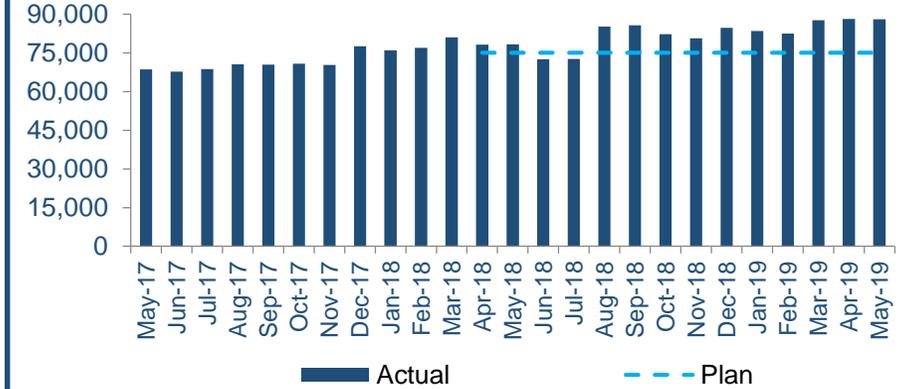
### Outcomes:

- Weekly follow up PTL
- Follow up Recovery plan
- Accountability framework via weekly PTL meetings
- Internal validation team in place for sustainability
- Follow up validation
- Reduce follow ups
- Reduce follow up waiting time

### Timelines:

- Q1 2019/20
- Q1 2019/20
- Q2 2019/20
- Q2 2019/2020
- Q2 2019/20
- Q3-Q4 2019/20
- Q4 2019/20

All patients overdue their target date on the Follow Up Waiting List



<b>DFM 057</b>	95% of ophthalmology R1 patients who are waiting within their clinical target date or within 25% in excess of their clinical target date for care or treatments	<b>Target</b> >= 95%	<b>Plan</b> AP	<b>May-19</b>	<b>63.90%</b>	<b>Status</b>		<b>Wales Benchmark</b>	<b>6th</b>	<b>Executive Lead</b>	Deborah Carter	<b>Plan Ref</b>	AP022
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**Background**  
Eye Care Measure represents a transformative change in the management of planned care in Wales which aims to ensure the patients with greatest clinical risk are seen at a clinically appropriate time to manage their care irrespective of whether they are a new patient or receiving continuing care. BCU have been at the fore in leading this change and are working closely with WG to implement the measure through a radical change programme.  
The measure became live on 1.4.19. with clarification of the definitional aspects and publication of the measure in June 2019. BCU performance in April was 61.7%, improving in May to 63.9%.  
A workshop is taking place on 24<sup>th</sup> May 2019 to refine data quality and ensure consistency across Wales. In order to implement Eye Care measures there are a number of pieces of work which need to take place simultaneously. These are set out in the actions

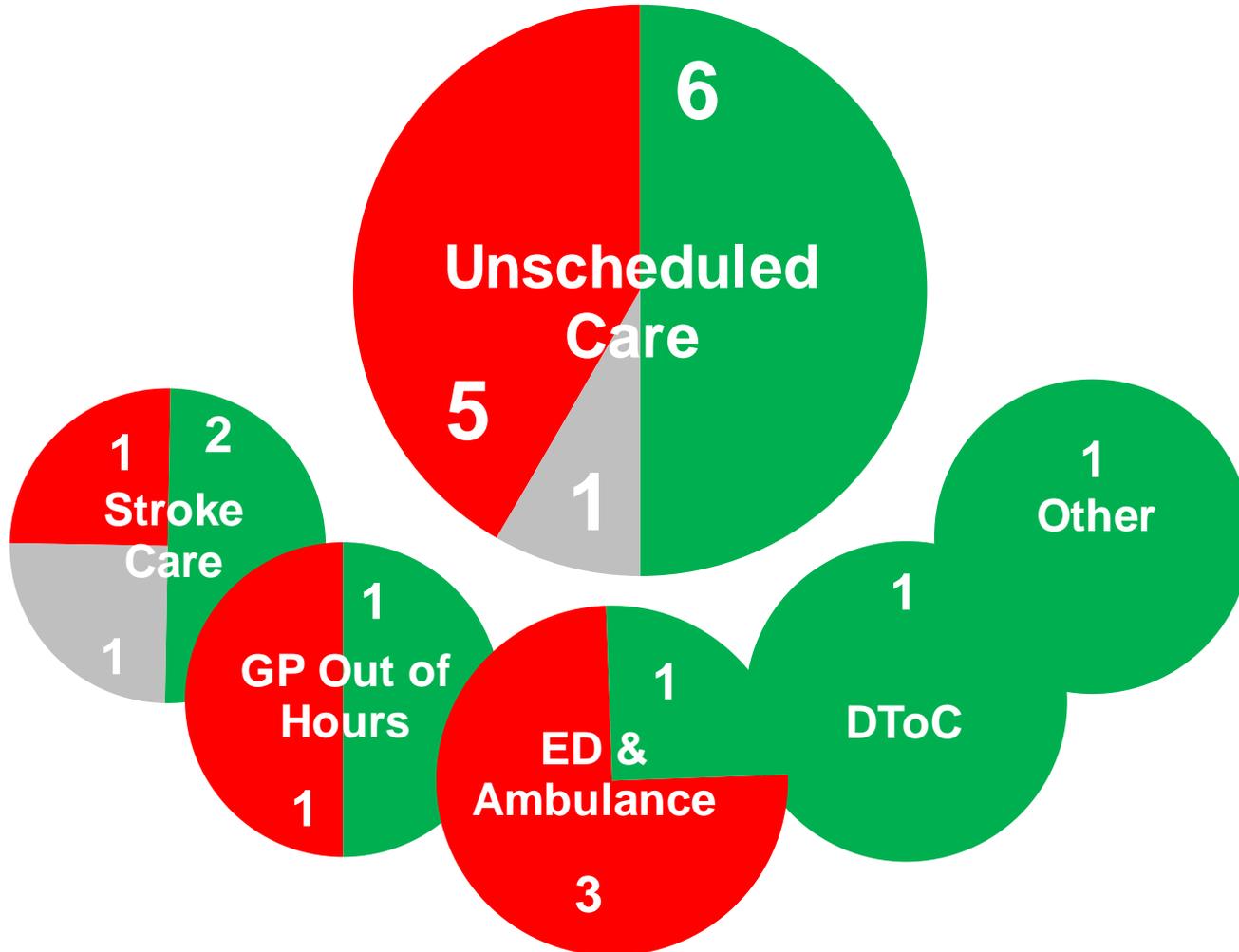
- Objectives of the Programme;**
- a) Deliver integrated model of eye care for the population of North Wales
  - b) Reduce risk of Harm arising due to delays to timely consultation/treatment
  - c) Ensure patients are treated as close to home as is possible for their condition
  - d) Utilise the full range of skills available across the ophthalmic specialties to support the optimal use of whole system service capacity
  - e) Develop and Implement future models of care that support population health need aligned to service capacity
  - f) Embrace technologically enhanced ways of working
- Actions**
- 1. Governance and Leadership of the programme confirmed via Performance and Collaborative to EMG
  - 2. RNIB supported Patient Communication to inform population of changes
  - 3. Data Quality and Validation of waiting list to ensure
  - 4. Patient scheduling to risk factor
  - 5. Pathway Redesign-Cataracts & Glaucoma
  - 6. Demand and Capacity analysis
  - 7. Develop IT Infrastructure

- Outcomes**
- 1. Good governance supporting delivery of the programme using the resources made available via the sustainable eye care fund.
  - 2. Patient information and FAQs made available to current users of hospital eye services, together with information for staff on the service changes planned
  - 3. 10,491 records were externally validated by the end of May 2019 with a 34.5% removal rate. Demonstrating further opportunity for improvement in data quality especially relating to the patients recorded as incorrectly linked pathways in the follow up waiting list who have already been seen by a different clinician.
  - 4. Reduction in volume of overdue patients
  - 5. Optimisation of clinical time and skill to enable highest risk patients to be seen within clinically due time. Work has commenced on the cataract pathway both referral to direct listing and post operative follow up and will expand to 2<sup>nd</sup> eye sequencing. Work is planned on glaucoma management via ODTs and Optometrists.
  - 6. Consistent national approach to development of future service requirements for population
  - 7. Enable image and data flow across health care sectors to support improved clinical pathways

- Timelines**
- 1. Implemented June 2019
  - 2. Commenced May 2019 to be completed June 2019
  - 3. Validation work-stream to continue as part of FU backlog programme and as continuous improvement
  - 4. Scheduling from June 2019. Profile to be developed by August 2019
  - 5. Cataract testing to be completed June 2019, 2<sup>nd</sup> Eye by Dec. 2019, Glaucoma pathway workshop proposed to commence project in July 2019.
  - 6. National workshop July 2019.
  - 7. e-referral Dec 2019  
EPR tender award Oct '19  
EPR Glaucoma pathway March 2020

### BCU HB Activity Summary 2018/19

Specialty	Referrals 2018/19	OPD Activity (Core+Additional) 2018/19	IPDC Additions 2018/19	IPDC Activity (Core+Additional) 2018/19
GENERAL SURGERY	25486	18650	11066	6647
UROLOGY	10926	7533	10335	3851
TRAUMA & ORTHOPAEDICS	17642	13050	11894	6632
ENT	18934	14934	7036	3432
OPHTHALMOLOGY	21361	15906	21219	10079
ORAL SURGERY	11458	6357	4129	1588
RESTORATIVE DENTISTRY	179	87		
ORTHODONTICS	905	974		
PAIN MANAGEMENT	3507	1883	1221	913
GENERAL MEDICINE	1651	1624		
GASTROENTEROLOGY	10528	7004		
ENDOCRINOLOGY	3643	2557		
CARDIOLOGY	12547	9075		
DERMATOLOGY	17353	12054		
THORACIC MEDICINE	5038	3953		
NEPHROLOGY	1408	1058		
RHEUMATOLOGY	3328	2705		
PAEDIATRICS	10025	5831		
GERIATRIC MEDICINE	3067	2439		
GYNAECOLOGY	12644	9406	7865	2557
<b>Total</b>	<b>191630</b>	<b>137080</b>	<b>74765</b>	<b>35699</b>



Measure	Status	(Target)
Out of Hours: Assessment 60 Minutes	95.00% ↑	>= 98%
Out of Hours: Very Urgent 60 Minutes	67% ↑	>= 98%
Stroke Care: Admission within 4 Hours	55.00% ↑	>= 59.7%
Stroke Care: Review by consultant 24 Hours	80.40% ↑	>= 84.5%
Stroke Care: Access to Speech Therapy	70%	Improve
Stroke Care: 6 Month Follow up Assessment	N/A	improve
Ambulance Response within 8 minutes	70.20% ↑	>= 65%
Ambulance Handovers within 1 Hour	614 ↑	0
Emergency Department 4 Hour Waits (inc MIU)	71.21% ↑	>= 95%
Emergency Department 12 Hour Waits	1,594 ↑	0
Hip Fracture Survival 30 days	86.80% ↑	
Delayed Transfers of Care (DToc): MH	5 ↑	<= 70
Delayed Transfers of Care (DToc): non-MH	73 ↑	<= 13

<b>DFM 049</b>	Percentage of OOH/111 patients prioritised as P1CH that started their definitive clinical assessment within 1 hour of the initial call being answered	<b>Target</b> >= 90%	<b>Plan</b> AP	<b>May-19</b>	<b>95%</b>	<b>Status</b> ↑	<b>Wales Benchmark</b> 1st	<b>Executive Lead</b> Chris Stockport	<b>Plan Ref</b> AP028
<b>DFM 050</b>	Percentage of OOH/111 patients prioritised as P1F2F requiring a Primary Care Centre (PCC) base appointment seen within 1 hour following completion of their definitive clinical assessment	<b>Target</b> >= 90%	<b>Plan</b> AP	<b>May-19</b>	<b>67%</b>	<b>Status</b> ↑	<b>Wales Benchmark</b> 5th	<b>Executive Lead</b> Chris Stockport	<b>Plan Ref</b> AP028

**DFM049** Out of Hours: Percentage of OOH patients prioritised as P1CH that started their definitive clinical assessment within 1 hour of the call being answered (Target >=90%)

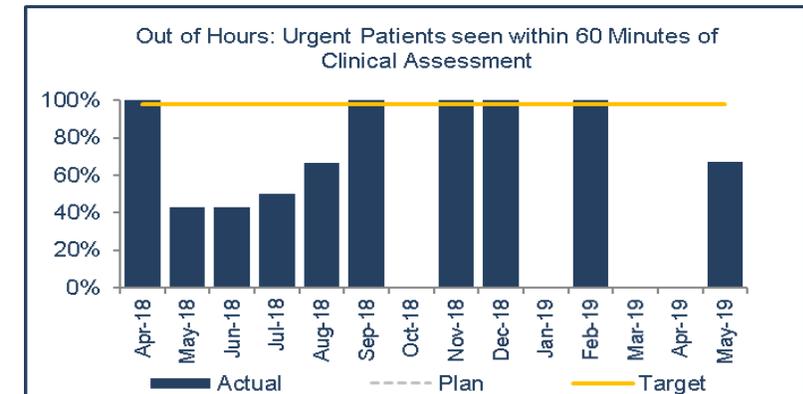
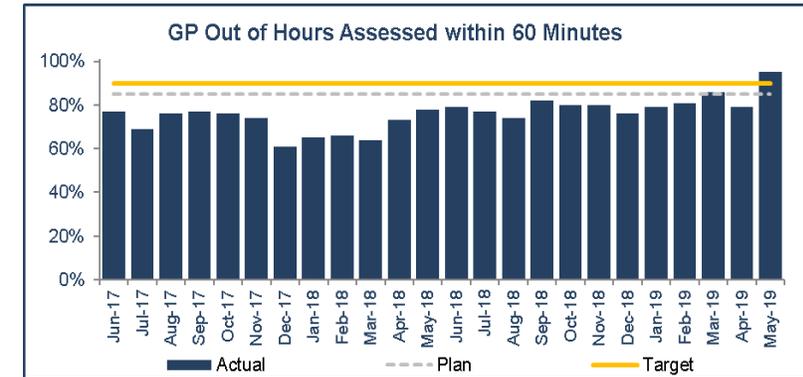
The GP OOH service received 12,327 calls in May 2019 compared to 11,800 calls in May 2018 – an increase of 527 calls (4.4%). 97% of triage nurse shifts were filled in May 2019 (compared to 98% in April 2019) and 95% of calls assessed as being URGENT were triaged within the 60 minutes performance standard. Despite carrying some Triage Nurse vacancies we are hopeful of continuing to achieve this standard each month.

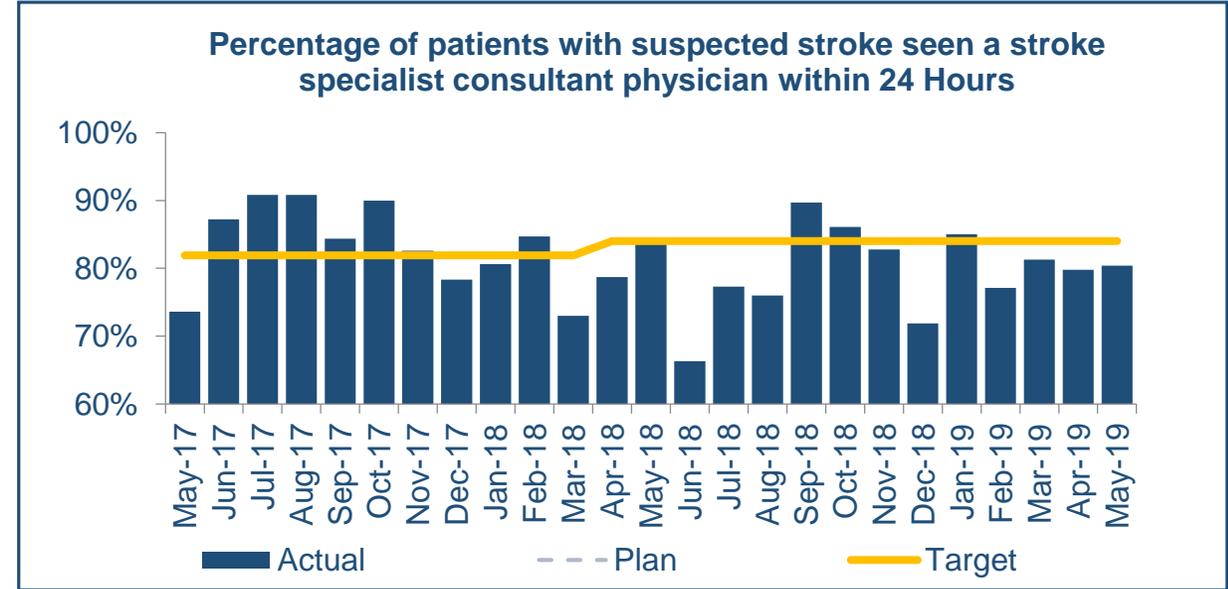
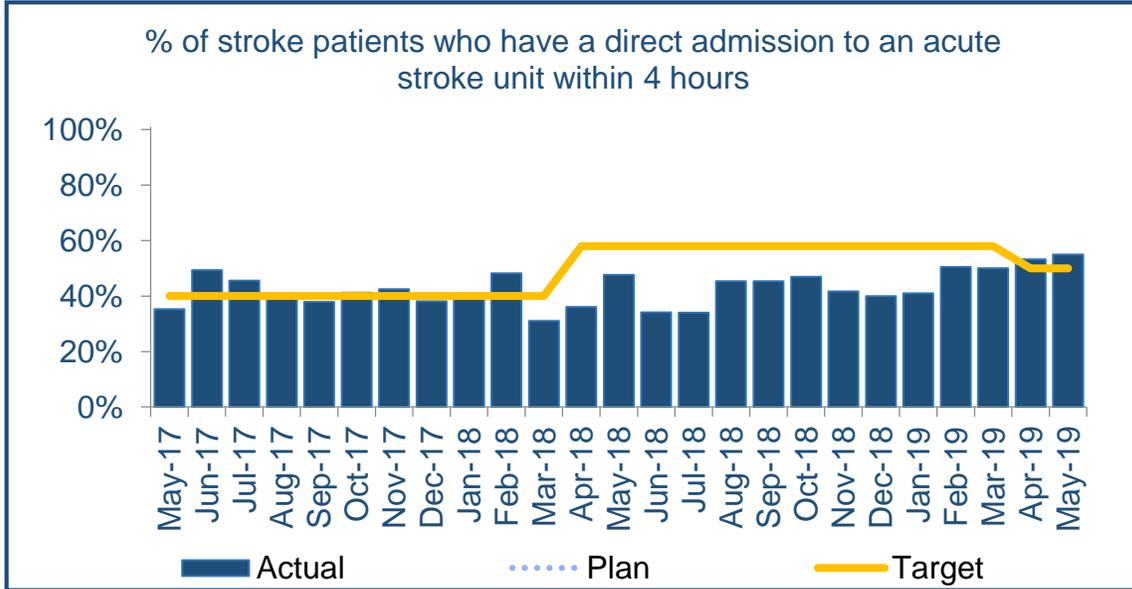
**DFM050** Out of Hours: Percentage of OOH patients prioritised as P1F2F requiring a base appointment seen within 1 hour following completion of their definitive clinical assessment (Target >=90%)

12 patients that were deemed to require a base appointment within 1 hour of the end of their definitive clinical assessment, of which:

- 8 (67%) were seen within the 1 hour target;
- 1 breached by 5 minutes
- 1 breached by 21 minutes
- 1 breached by 34 minutes
- 1 breached by 96 minutes

A review of the clinical record for those cases that breached has been undertaken, and we are able to offer reassurances that no harm or potential harm came to any of the 4 patients. Operational managers will be sending out a communication to all nurses regarding the timeframes and targets set by Welsh Government and further training and on-going support will be provided.





<b>DFM 066</b>	Percentage of patients who are diagnosed with a stroke who have a direct admission to an acute stroke unit within 4 hours of the patient's clock start time	<b>Target</b> >= UK Avg	<b>Plan</b> >= 50%	<b>May-19</b>	<b>55.00%</b>	<b>Status</b>		<b>Wales Benchmark</b>	<b>3rd</b>	<b>Executive Lead</b>	Deborah Carter	<b>Plan Ref</b>	<b>AP038</b>
<b>DFM 067</b>	Percentage of patients who are assessed by a stroke specialist consultant physician within 24 hours of the patient's clock start time	<b>Target</b> >= UK Avg	<b>Plan</b> >= 85%	<b>May-19</b>	<b>80.40%</b>	<b>Status</b>		<b>Wales Benchmark</b>	<b>3rd</b>	<b>Executive Lead</b>	Deborah Carter	<b>Plan Ref</b>	<b>AP038</b>
<b>DFM 068</b>	Percentage of stroke patients receiving the required minutes for speech and language therapy	<b>Target</b> Improve	<b>Plan</b> AP	<b>May-19</b>	<b>70.00%</b>	<b>Status</b>	N/A	<b>Wales Benchmark</b>	<b>N/A</b>	<b>Executive Lead</b>	Deborah Carter	<b>Plan Ref</b>	<b>AP038</b>

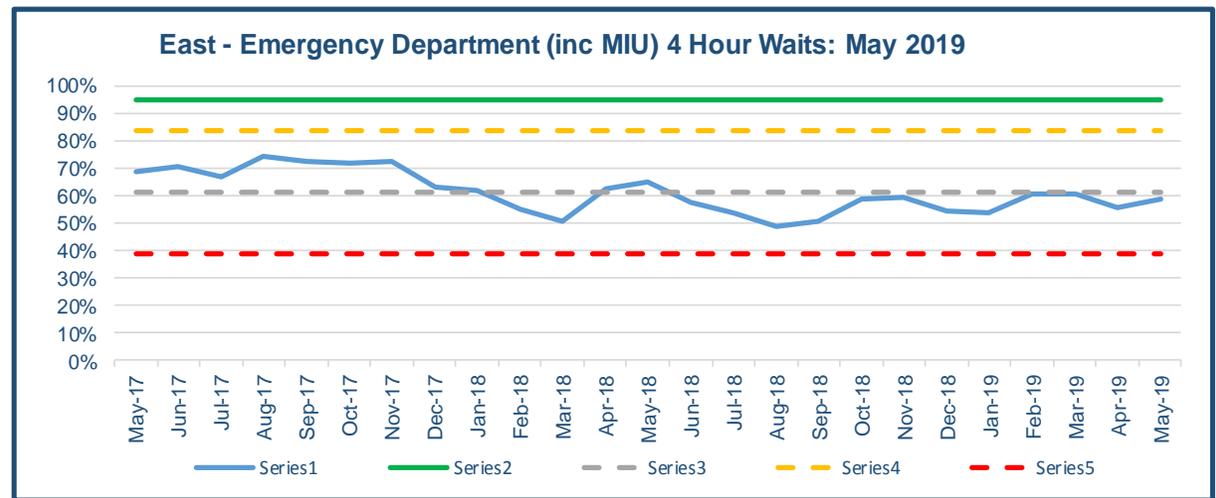
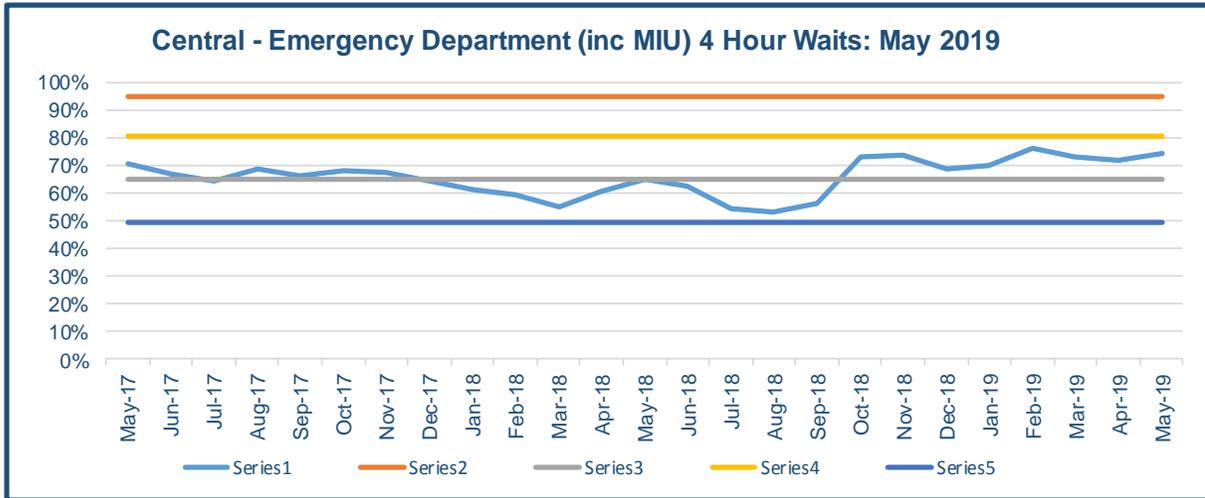
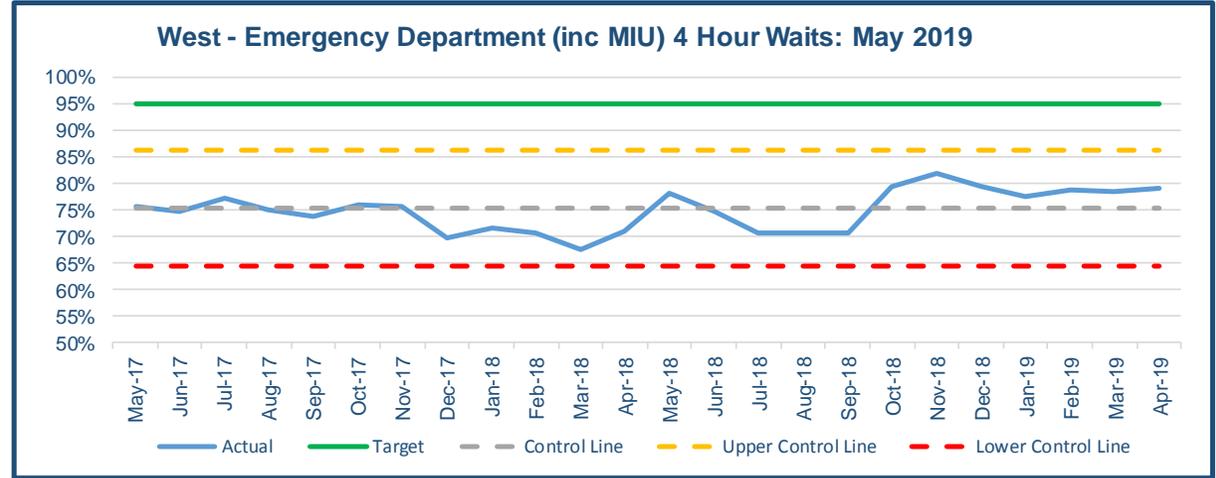
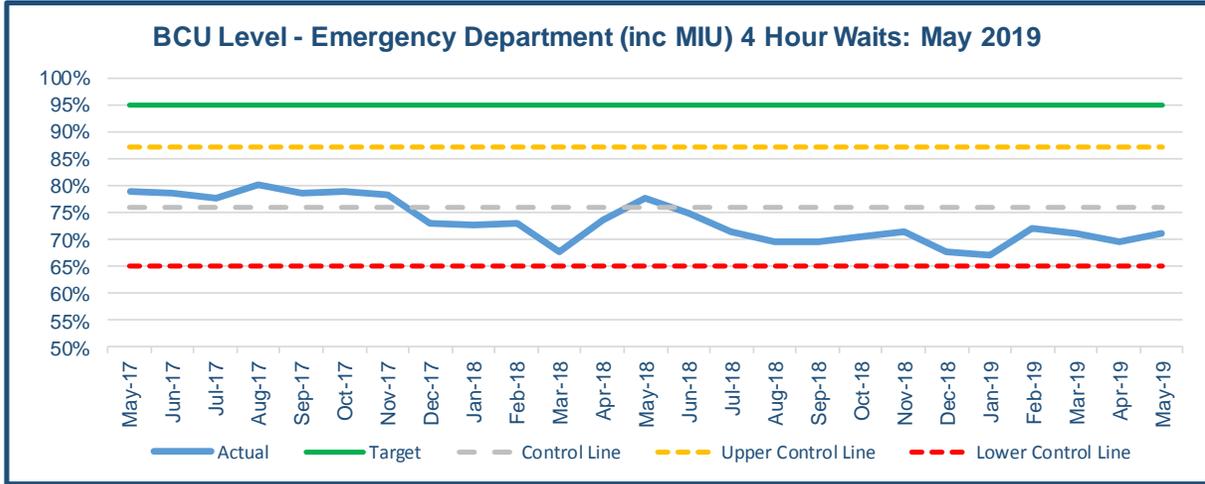
## Actions

Percentage of patients who are diagnosed with a Stroke who have a direct admission to an Acute Stroke Unit within 4 hours of the patient's clock start time 57.5%

Percentage of patients who are assessed by a Stroke Specialist Consultant Physician Within 24 hours of the patient's clock start time 75.5%

ASU has seen a small improvement in month again with the most significant in YGC with a 14% improvement, a continuing improvement in Wrexham and YG showing a slight deterioration. All Sites remain challenged with USC pressures and although the retention of the ring fenced beds is less on an issue, the late assessment of patients in EDs and delayed referrals has impacted on the performance. Work continues on each Site to make progress

Consultant Assessment will fluctuate each month until additional resource is made available as the target can only be achieved when one of the Stroke Consultants is On Call at a weekend to support reviews of patients admitted at this time.



<b>DFM 072</b>	The percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e. A&E) facilities from arrival until admission, transfer or discharge	<b>Target</b> >= 95%	<b>Plan</b> >= 75%	<b>May-19</b>	<b>71.21%</b>	<b>Status</b>		<b>Wales Benchmark</b>	<b>7th</b>	<b>Executive Lead</b>	Deborah Carter	<b>Plan Ref</b>	AP033
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## Actions

ED only	53.72% (64.78% May 2018)
ED combined	58.52% (68.98% May 2018)
Paediatric Attends	1669 of which 273 breached (83.64%)
Admitted patients	2365 of which 1099 breached (53.53%)
Non-admitted patients	4198 of which 1353 breached (67.77%)
Admitted less paed	52.75%
Non-admitted less paed	65.82%

MIU (Mold) activity 636 attends (approx. 20 per day)  
2 breaches

Both April and May's performance was significantly affected by long waits to be seen by Dr's. gaps in rotas and insufficient senior decision making has compounded problems

Flow has tangibly felt better this month however we have been unable to capitalise on this to support performance improvement.

Ongoing work regarding Acute Medical model, ED staffing, increasing MIU activity, SAFER and discharge work continues through the Building better care programme

## Outcomes

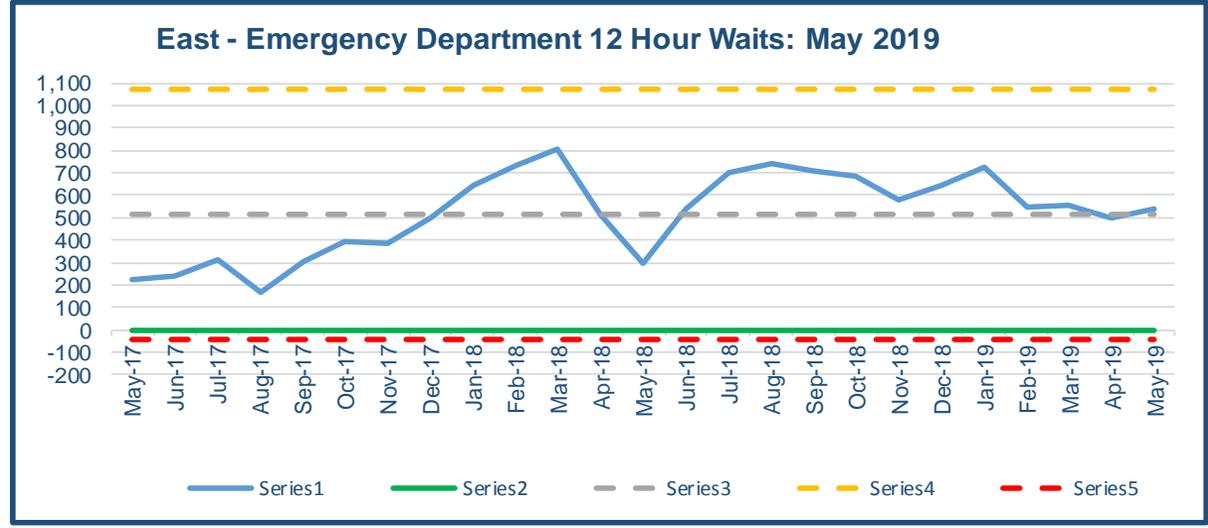
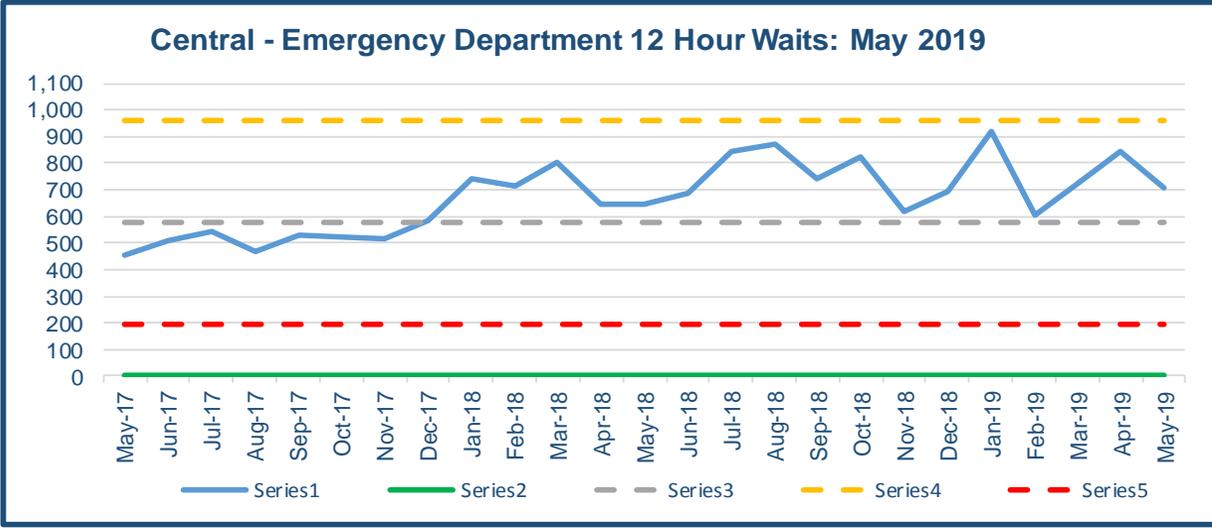
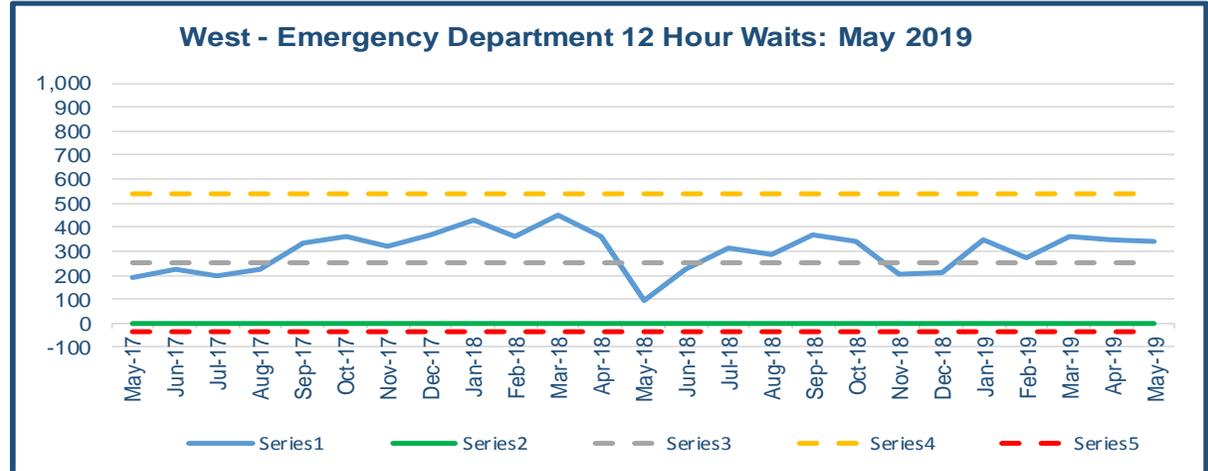
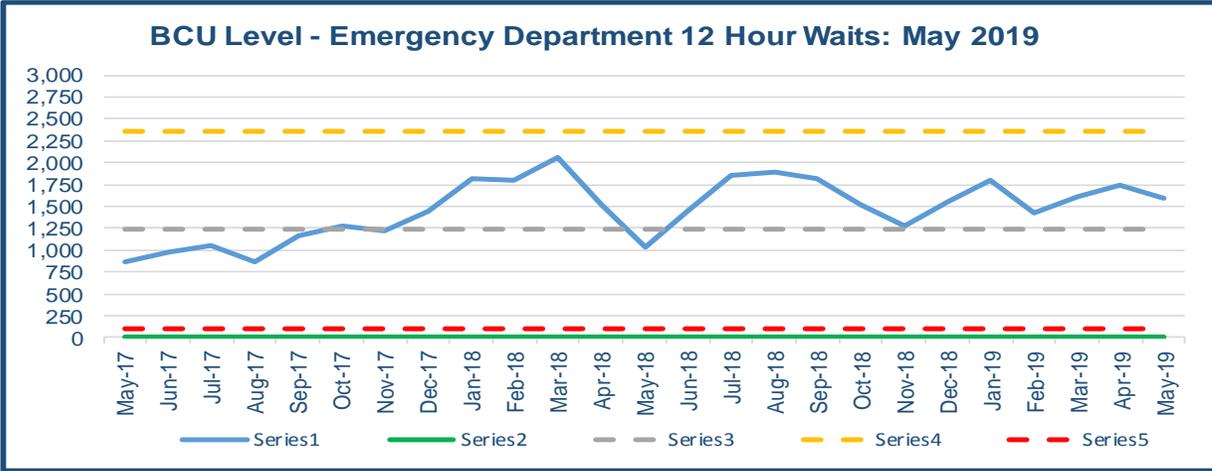
- Immediate recovery plan for June in place to support performance to increase to 70%. This includes:
    1. Additional locum staff
    2. ANP rota
    3. GP in ED support
    4. Paediatric staff support in ED
- Nb. This is at cost and dependant on successful recruitment of agency staff
- Substantive Business case for ED medical staffing supported by secondary care.
  - Locum recruitment to support ambulatory / Acute medical model. Steering group 17<sup>th</sup> June

## Timeline

Locum ED consultant started 04/06/2019

To Executives on 12/06/2019

Locum Acute Physician started 06/06/2019



<b>DFM 073</b>	The number of patients who spend 12 hours or more in all hospital major and minor care facilities from arrival until admission, transfer or discharge	<b>Target</b> 0	<b>Plan</b> ≤ 1,395	<b>May-19</b>	<b>1,594</b>	<b>Status</b> 	<b>Wales Benchmark</b> 7th	<b>Executive Lead</b> Deborah Carter	<b>Plan Ref</b> AP033
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12 hour breaches remain excessive and are still twice that of May 2018. 531 compared to 244.

Whilst the 12 hours have remained static we have seen improvements in the over 24 hrs within ED in the last 5 months

Jan 19	202
Feb 19	166
Mar 19	187
Apr 19	69
May 19	55

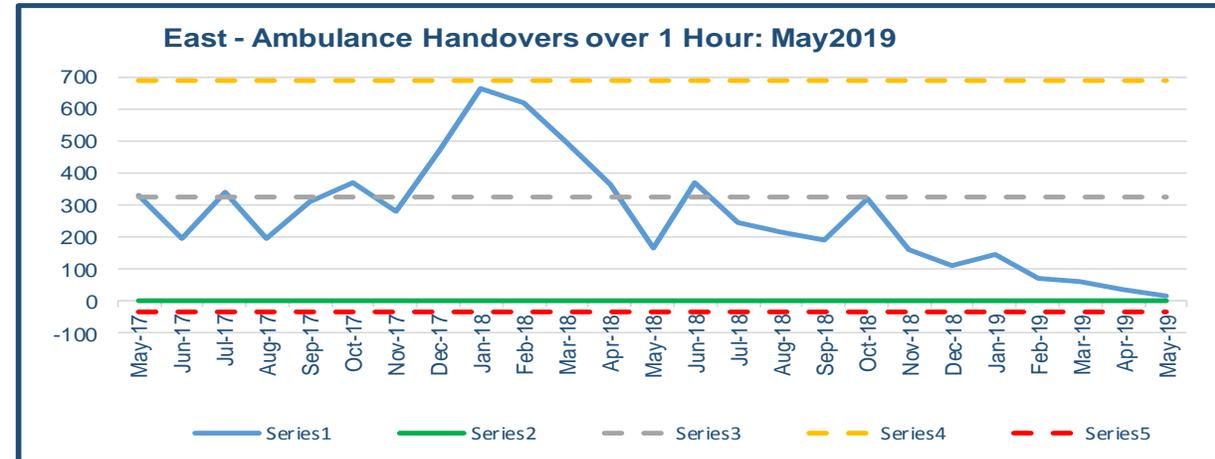
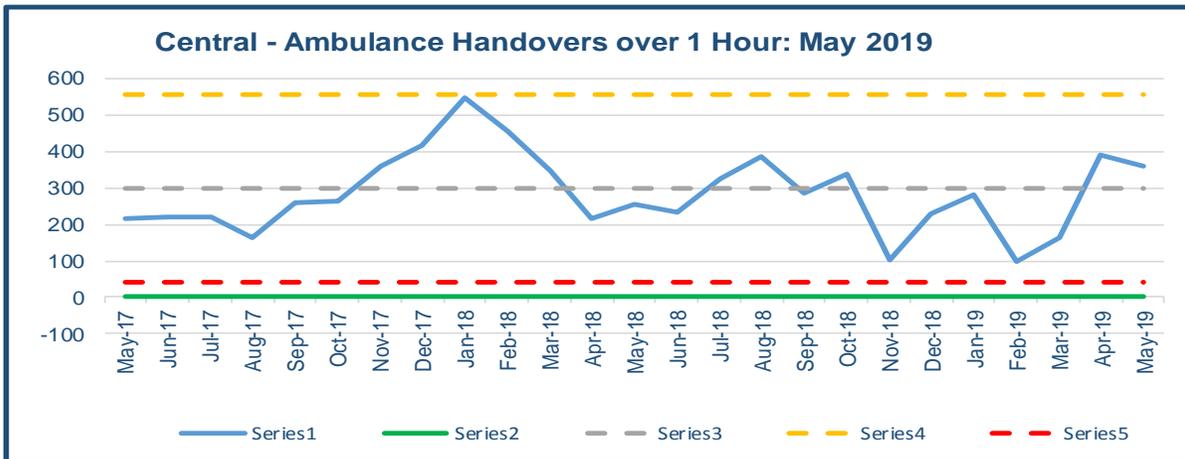
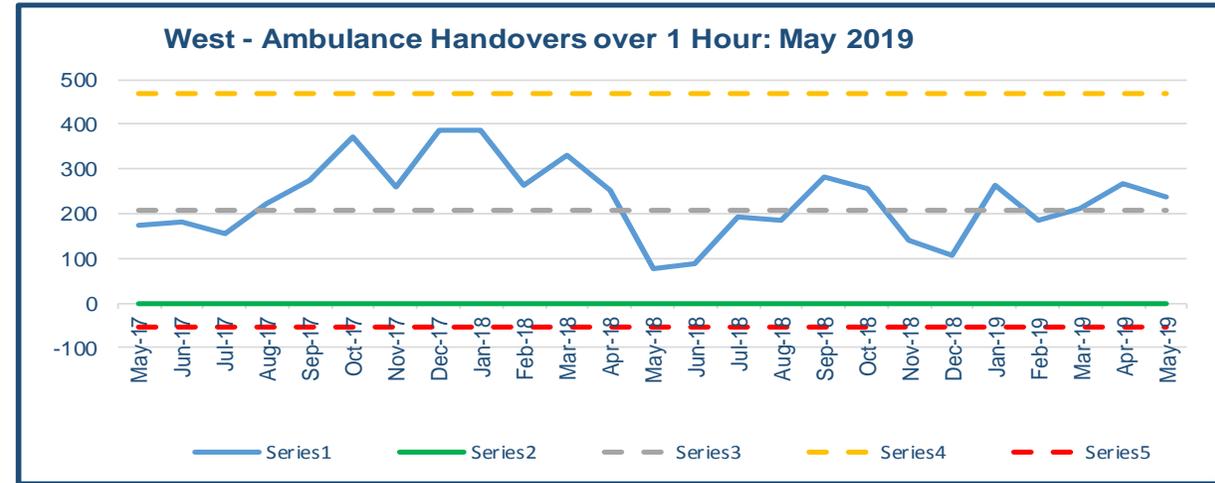
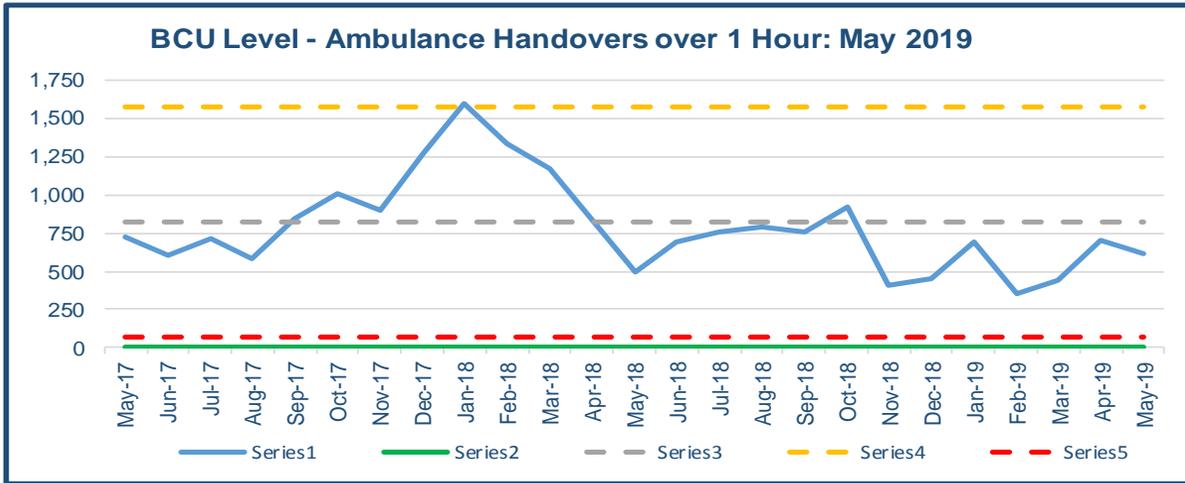
This has been predominantly due to some cultural change tactics within the site. We have adopted a ZERO tolerance to patients spending longer than 24 hours within ED and request harm reviews undertaken on all breaches.

**Outcomes**

Through harm reviews and zero tolerance to patients over 24 hours in ED, we will have zero over 24 hour waits in ED and reduce to trajectory the 12 hour waits

**Timelines**

By 30<sup>th</sup> September 2019



<b>DFM 070</b>	The percentage of emergency responses to red calls arriving within (up to and including) 8 minutes	<b>Target</b> >= 65%	<b>Plan</b> >= 65%	<b>May-19</b>	<b>70.20%</b>	<b>Status</b> 	<b>Wales Benchmark</b> 5th	<b>Executive Lead</b> Deborah Carter	<b>Plan Ref</b> AP029
<b>DFM 071</b>	Number of ambulance handovers over one hour	<b>Target</b> 0	<b>Plan</b> ≤ 341	<b>May-19</b>	<b>614</b>	<b>Status</b> 	<b>Wales Benchmark</b> 5th	<b>Executive Lead</b> Deborah Carter	<b>Plan Ref</b> AP029

**Actions**

Ambulance Handover continues to be a focus. Lost Ambulance hours were 186 (£27108) compared to 857 hours (£125115) in June 18

Mean WAST handovers

Average wait 25 minutes  
Maximum wait 177 (Mean), 58 (Median)

This has been predominantly due to some cultural change tactics within the site. We have adopted a ZERO tolerance to patients spending longer than 1 hour to handover and request harm reviews undertaken on all breaches.

**Outcomes**

Continuing reduction in >60 minutes handovers.

**Timeline**

Zero >60 minute handovers by 30<sup>th</sup> September 2019

<b>DFM 025</b>	Number of health board mental health delayed transfer of care	<b>Target Reduce</b>	<b>Plan &lt;= 13</b>	<b>May-19</b>	<b>5</b>	<b>Status</b>	<b>Wales Benchmark</b>	<b>1st</b>	<b>Executive Lead</b>	Andy Roach	<b>Plan Ref</b>	<b>AP031</b>
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<b>DFM 026</b>	Number of health board non mental health delayed transfer of care	<b>Target Reduce</b>	<b>Plan &lt;= 35</b>	<b>May-19</b>	<b>73</b>	<b>Status</b>	<b>Wales Benchmark</b>	<b>*</b>	<b>Executive Lead</b>	Deborah Carter	<b>Plan Ref</b>	<b>AP037</b>
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**Actions**

Delays in the acute and community continue to be due to placement and package of care;-

Weekly and pre-census DToC meetings where all patients are discussed and monitored. DToCs are scrutinised daily on site and discussed

Delays in package of care are escalated to Senior management early.

MFD's meetings are continuing weekly across all sites

DTOC trajectories are being set for each Area within the USC Plan.

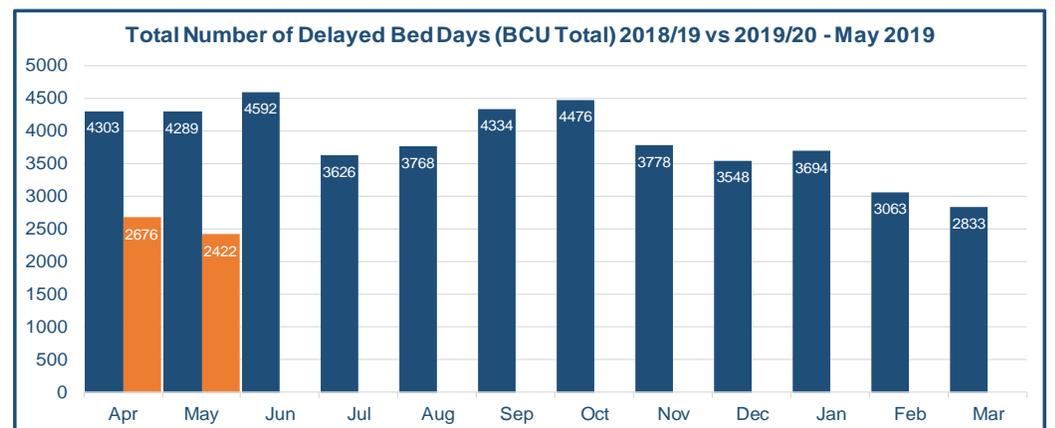
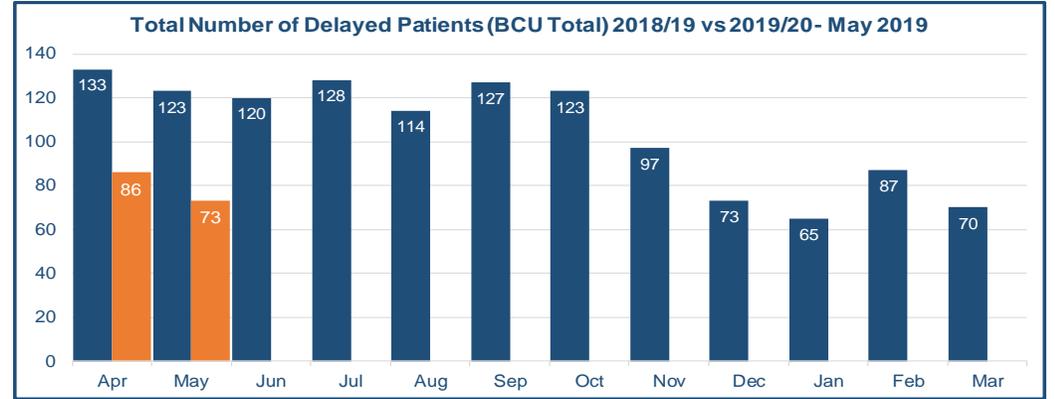
**Outcomes**

Total number of non-mental health DTOCs for May 2019 is 73 which relates to an 15% reduction in numbers since April 2019.

Joint working with local authorities continues in each Area

**Timeline**

30<sup>th</sup> June 2019





Measure	Status	(Target)
Quantity of Biosimilar medicines prescribed	68.50% ↓	<= £2.8m
Critical Care Beddays Lost to DToC	N/A	<= 4.50%
PADR Rate (%)	68.8% ↑	>= 85%
Staff agreed PADR helps improve	54.0% ↑	>= 85%
Staff engagement Score	3.76 ↑	Improve
Mandatory Training (Level 1) Rate (%)	85% ↑	>= 85%
Sickness absence rates (% Rolling 12 months)	5.05% ↓	<=4.5%
Staff happy for BCU to treat Friends/Relatives	67.00% ↑	Improve
Finance: Agency & Locum Spend	£3m ↓	Reduce
Finance: Position against Financial Balance	0	Reduce

LM00 1F Cost of Agency & Locum spend within Month

Target TBA

Plan AP

May-19

£3m

Status



Wales Benchmark

N/A

Executive Lead

Sue Green

Plan Ref

NIP

### Actions

Total spend on agency in May 19 increased by £400k to £3m. Medical Agency increased by £53k; nursing by £84k and allied Health Professionals by £170k. This increase includes a small number of anomalies being investigated further as link to non accrual/payment in April. All clinical divisions/sites increased with the exception of MHLDS which reduced by £51k.

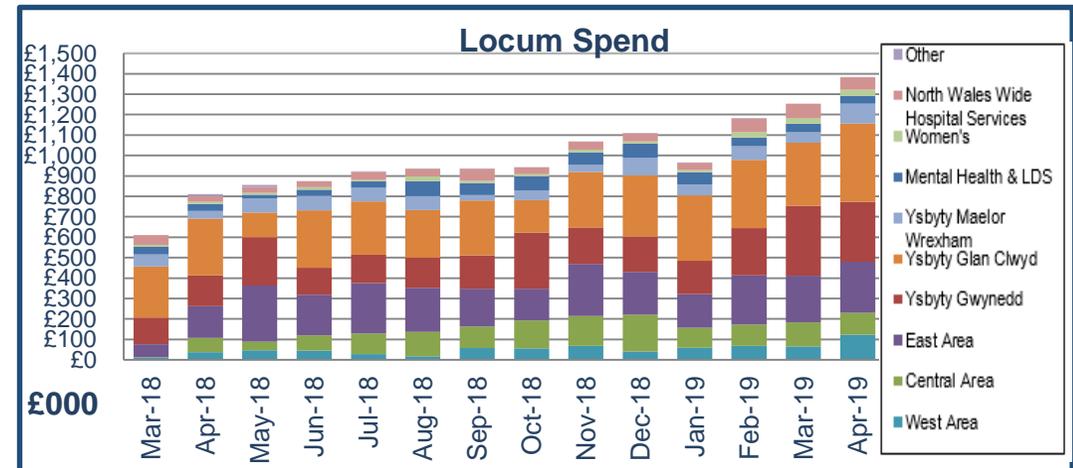
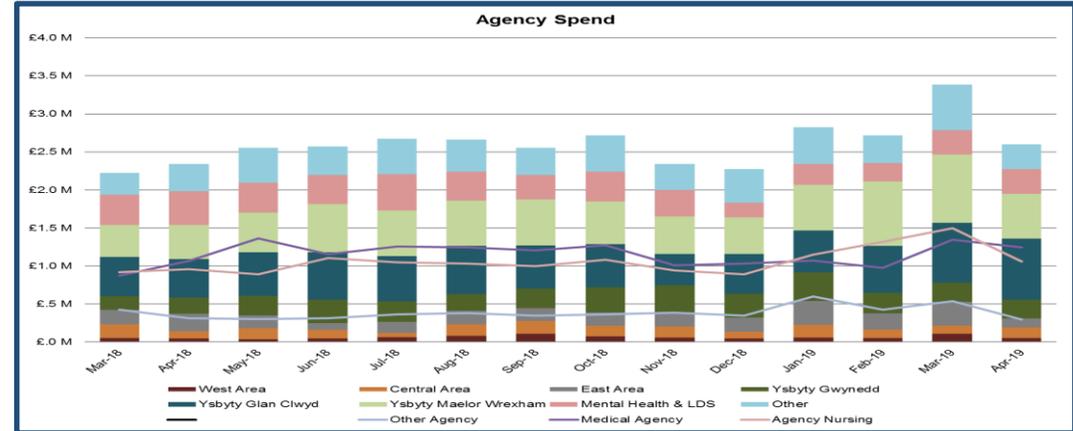
Internal Locum costs reduced by £295k to £1m and whilst not shown graphically WLI also reduced by £43k.

### Outcomes

Further analysis of the data is required to be clear on the drivers for increases and indeed for the reductions given additional work being undertaken for RTT. There will be an element of reduction linked to grip and control but it is important that we use the analysis to confirm efficacy of these actions or highlight other factors/measures to be taken.

### Timeline

Material impact from the Grip and Control delivery plan should be seen from quarter 2 onwards.



DFM 091 Percentage of sickness absence rate of staff

Target TBC by WG

Plan AP

May-19

5.05%

Status



Wales Benchmark

3rd

Executive Lead

Sue Green

Plan Ref

AP043

## Actions

A data set has been developed which highlights hot spots for each Division with regards to MSK, stress, and long term sickness. Specific actions to address these areas have been built into divisional plans for workforce, and the workforce teams staff will be targeting these areas in conjunction with divisional teams in order to deliver maximum impact.

3247 staff were off work in the past year for more than 28 days. Long term sickness cases are regularly scrutinised and interventions implemented to ensure that staff are able to return to work earlier.

6941 staff last year were off work sufficient times to trigger a prompt under the attendance management policy. Managers are being reminded of the policy through training and workforce staff produce monthly reports to identify and support staff who have reached a prompt. This will ensure that support is provided to prevent further re-occurrences. The OD team along with occupational health and workforce officers are progressing with targeted support and interventions for departments that are identified as having absence rates significantly above the organisational average.

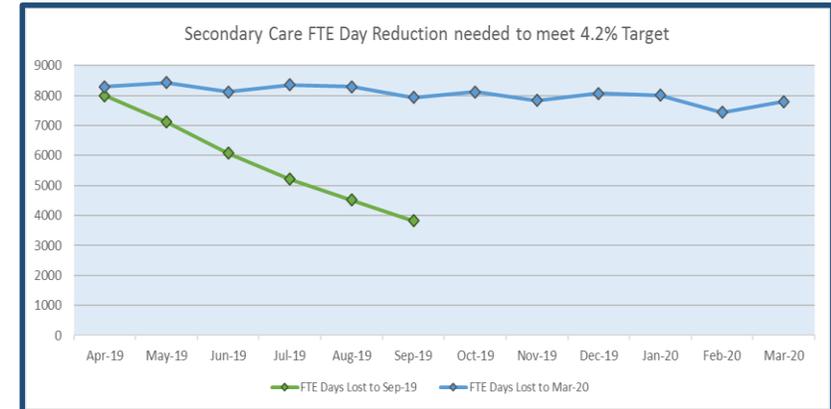
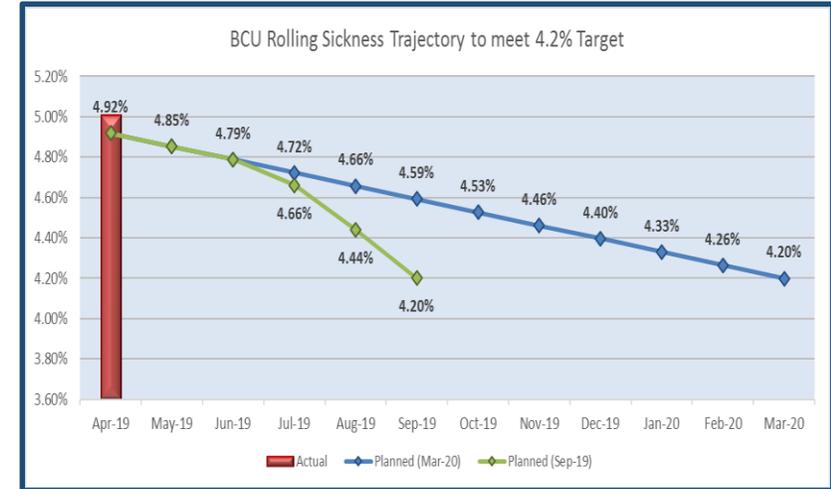
Guidance is being provided to managers to ensure that reasons for absence are being correctly coded. Managers are being advised that other and unknown are not acceptable.

## Outcomes

Long term sickness is being managed across the organisation through increased emphasis on early supported return to work, case conferences and proactive management of cases. Long term sickness now accounts for 62% of absence compared with 72% for the same period last year. However the overall sickness rate has increased and episodes have slightly increased (+29).

The overall rolling sickness absence level continues to climb, reaching 5.05% for the 12 months to the end of May 2019. Divisions have individual improvement trajectories in order to achieve an overall target of 4.2% by March 2020. Although Mental Health and Facilities performance is particularly above standard, only the Women's Division are currently achieving their performance trajectory, with YGC and corporate only marginally above trajectory. The Estates and Facilities / MHL D chart opposite shows the trajectory of improvement required for the Divisions to achieve its target by March 2020. Detailed reports are being shared with managers to enable them to develop improvement plans in conjunction with WOD.

Timeline A considerable improvement is required over the summer months to deliver the 4.2% by the end of March next year. Divisional Objectives have been developed to support achievement of this target and will be regularly monitored at DMTs.



DFM 087	Percentage of headcount by organisation who have had a Personal Appraisal and Development Review (PADR)/medical appraisal in the previous 12 months (excluding doctors and dentists in training)	Target	Plan	May-19	68.80%	Status	↑	Wales Benchmark	5th	Executive Lead	Sue Green	Plan Ref	AP046
		>= 85%	>= 73%										

### Actions

PADR Compliance has seen an increase this month taking the organisational compliance to 68.8%. There has been increases in areas with high numbers of staff such as areas of Secondary care and Estates & Facilities

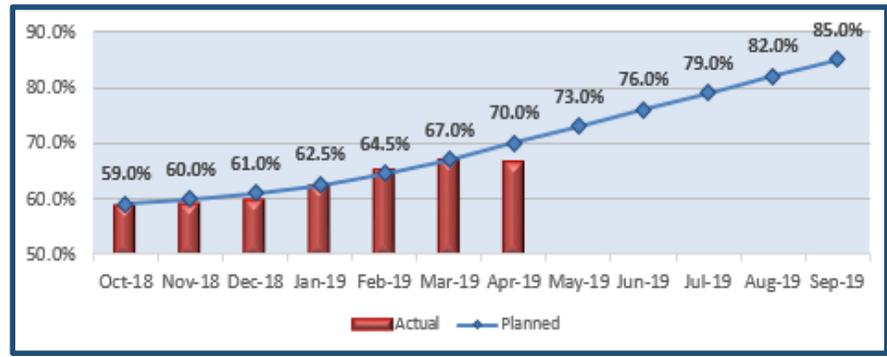
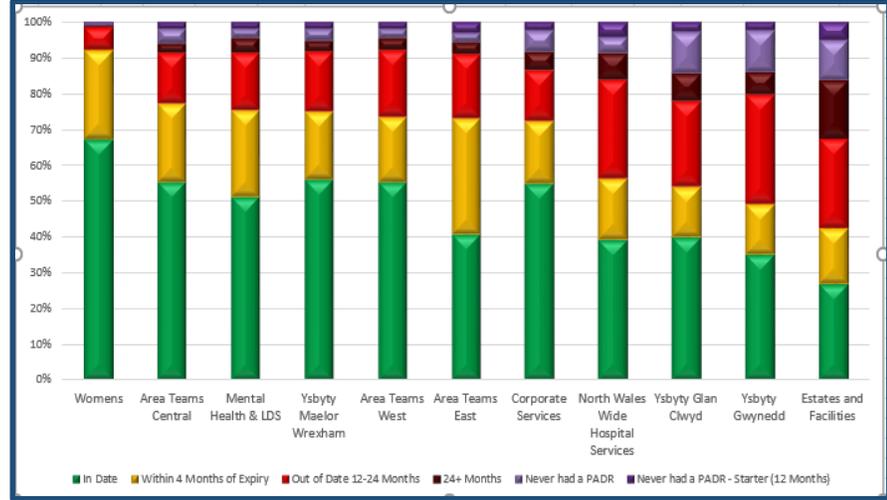
- Continue to share monthly compliance figures with Executives highlighting the overall position in the organisation using a league table
- All Divisions to receive a detailed breakdown of their PADR compliance at differing levels of their hierarchies
- Contact Divisions with significant increases to create case studies to highlight and share best practice
- Identify those who have inputted future PADR dates in error on ESR in order to rectify
- Provide detailed comparable reports to the Director of Estates & Facilities to support the monitoring of the Divisions Improvement Plan. Also liaising with Executive Director of Therapies & Health Sciences to improve compliance in North Wales Wide Hospital Services
- Contact all Division who are 80% and over with details of staff that need a PADR to achieve the national minimum target of 85%

### Outcomes

- Providing an overall and detailed breakdown to all Divisions will support the identification of hot spot areas both on an organisational level and within Divisions to support corrective actions
- Sharing best practice will increase organisational learning allowing other Divisions to implement practices that will impact their compliance
- Contacting those who have inputted future dates in error will lead to any of the PADR's that are out of date to be in date which will directly impact compliance
- Providing support at Executive and Director level will ensure accountability of PADR is cascaded within Divisions
- Supporting Divisions to achieve the minimum target will increase compliance as well as motivation and engagement and encourage other Divisions to increase

### Timeline

The organisation is expected to achieve minimum 85% compliance by Q2 2019/20



DFM 090	Percentage compliance for all completed Level 1 competencies within the Core Skills and Training Framework by organisation	Target >= 85%	Plan >= 85%	May-19	85.00%	Status ↑	Wales Benchmark	1st	Executive Lead Sue Green	Plan Ref AP046
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### Actions

The Performance in May 2019 for Mandatory Training Compliance identified an increase of 1% for both level 1 and level 2 training. Currently level 1 has reached the national target of 85% and level 2 is at 75%.

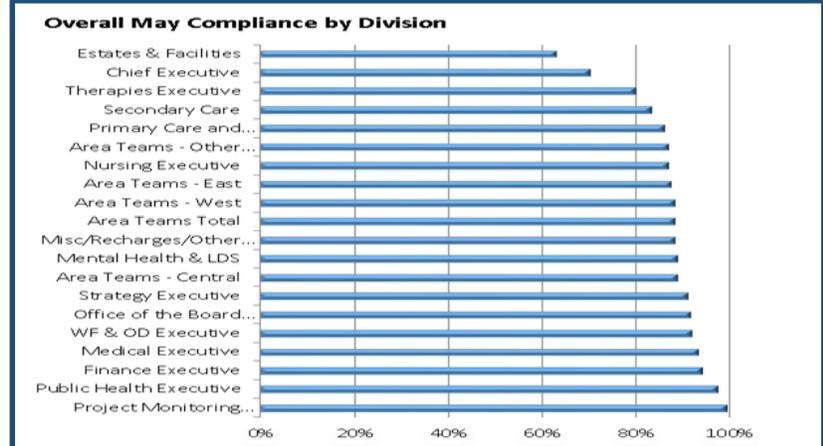
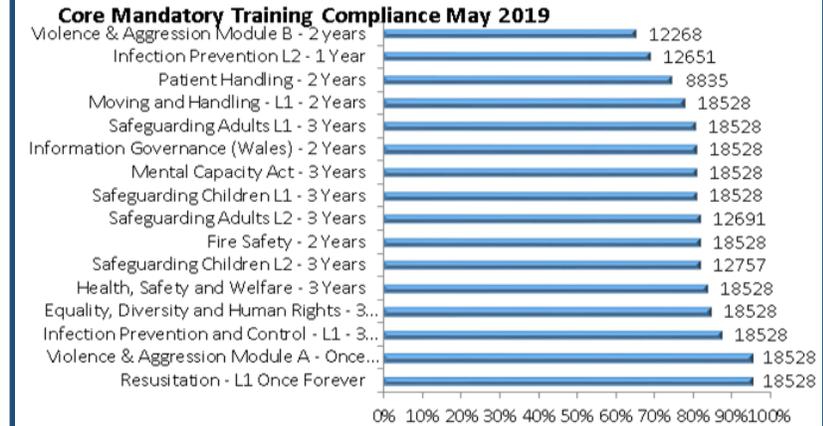
- Identify the reason for no increase in level 1 compliance for a consecutive month in Load Handling by conducting a full review of the provision, methodologies in place, attendance records and 'Did Not Attend' rates, including discussion with the subject lead.
- Identify staff who show as non compliant with Mandatory training and forward detailed report to all Subject Matter experts.
- Review provision of Mandatory training for Medical & Dental staff including a review of training delivered outside of BCUHB.
- Continue to investigate training methodologies to support Estates and Facilities staff to increase their overall compliance along with a review of their process for ensuring training records are uploaded to ESR.

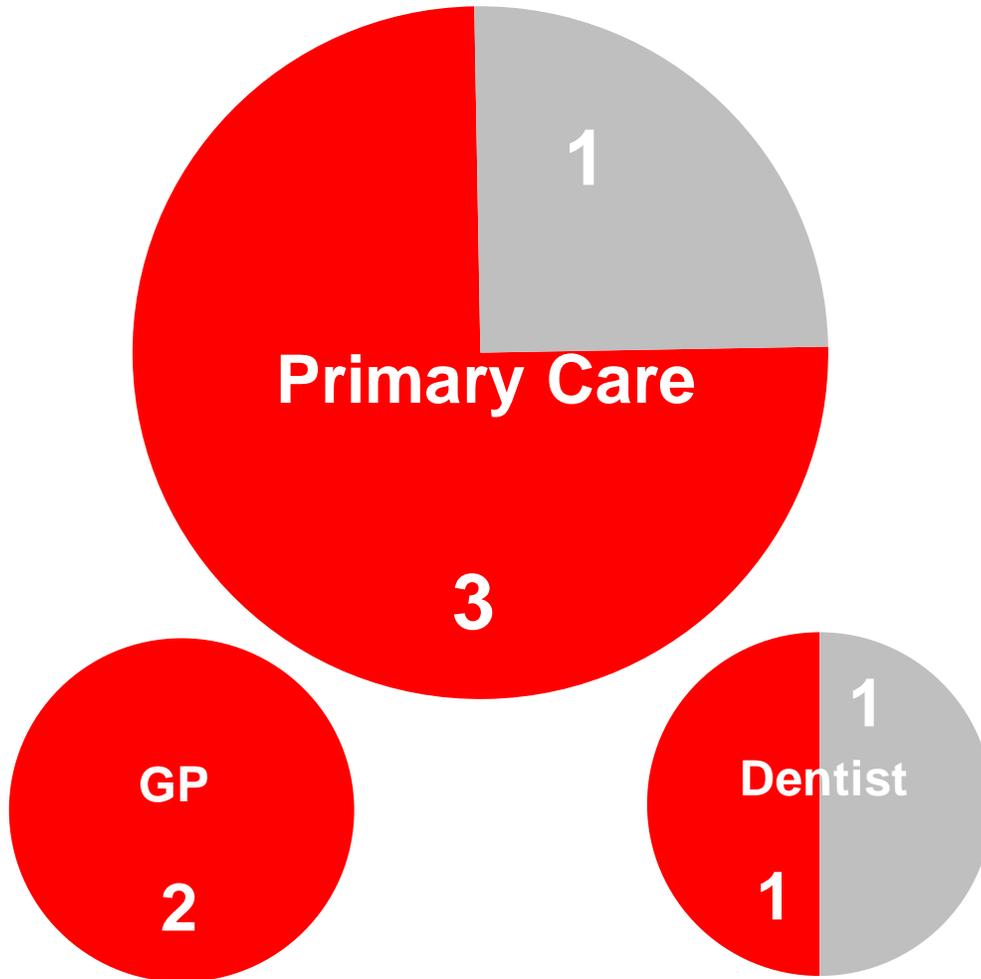
### Outcomes

- Identifying lack of increase in compliance with subject leads will highlight areas requiring improvement in order to sustain an increase.
- Highlighting to Subject Matter experts staff who are non-compliant will further provide opportunities to improve individual compliance and hence support the maintenance of the organisational target.
- Ensuring staff within Medical, Dental, Estates and Facilities can access appropriate training methodologies will support reaching compliance targets, ensuring records are accurate in ESR will improve data quality

### Timeline

With amendments to the Improvement Plan especially in terms of revision of provision, attendance records, reviewing areas of poor compliance including individual compliance records and addressing concerns around processes for uploading completed records to ESR, we anticipate remaining or exceeding the target rate for level 1 training by the end of June 2019





Measure	Status	(Target)
Convenient GP Appointment	36.50% ↓	>= 99%
GP Practice Open 5pm to 6.30pm	80.00% ↑	>= 99%
Accessed NHS Dentist	49.20% ↓	>= 54%
Dentist Follow Up	N/A	Reduce

<b>DFM 047</b>	Percentage of people (aged 16+) who found it difficult to make a convenient GP appointment	<b>Target</b> Reduce	<b>Plan</b> AP	2017/18	<b>36.5%</b>	<b>Status</b>		<b>Wales Benchmark</b>	<b>N/A</b>	<b>Executive Lead</b>	Chris Stockport	<b>Plan Ref</b>	AP013
<b>DFM 048</b>	Percentage of GP practices offering daily appointments between 17:00 and 18:30 hours	<b>Target</b> Improve	<b>Plan</b> AP	Qtr 4 18/19	<b>80.0%</b>	<b>Status</b>		<b>Wales Benchmark</b>		<b>Executive Lead</b>	Chris Stockport	<b>Plan Ref</b>	AP013

**Background**

This data has been collated from all 105 main GP practices across North Wales, with the current figures based on quarter 4 data collection.

The percentage of GP Practices 'Open during core hours or within 1 hour of daily core hours' is 91.4% (96 practices)  
The percentage of GP Practices 'offering appointments between 17.00 and 18.30 at least two days per week' is 98.10%, (103 practices).

The percentage of GP Practices 'offering appointments between 17.00 and 18.30 for 5 days a week' is 80.0% (81 practices) which is a 2.9% improvement on the previous reporting period

**Key Actions**

The Area Teams and PCC Team continue to encourage practices to ensure that patients have good access hours for appointments with a clinician.

The PCC Team are currently conducting an audit of all practices against the BCUHB access standards

**Outcomes**

Non-compliance against the standard will be addressed directly with the practice by the PCC Team.

Percentage of GP practices offering daily appointments between 17:00 and 18:00hrs will show an improvement next reporting period and thereafter until full compliance has been achieved.

**Timeline**

No set target. Ongoing improvement.

<b>DFM 051</b>	Percentage of the health board population regularly accessing NHS primary dental care	<b>Target</b> Improve	<b>Plan</b> AP	Sep-18	49.20%	<b>Status</b>		<b>Wales Benchmark</b>	6th	<b>Executive Lead</b>	Chris Stockport	<b>Plan Ref</b>	AP007
<b>DFM 086</b>	Percentage of adult dental patients in the health board population re-attending NHS primary dental care between 6 and 9 months	<b>Target</b> Reduce	<b>Plan</b> AP	May-19		<b>Status</b>		<b>Wales Benchmark</b>	*	<b>Executive Lead</b>	Chris Stockport	<b>Plan Ref</b>	AP007

DFM 051 “Percentage of the Health Board population regularly accessing NHS primary dental care” is not a measure that is routinely reported by NHSBSA. We can provide the Number of patients seen in the previous 24 months in Betsi Cadwaladr University Health Board expressed as a percentage of the resident population.

Below is the metric currently used by WG to report access rates but you should note that it does not equate to the descriptor in DFM 051 as it includes “urgent” and “casual” access as well as “regular” access (however “regular” is being defined). The 24 month access figure for BCU to end May 2019 is 49.44%

DFM 086 “Percentage of adult dental patients in the Health Board population re-attending for NHS primary dental care between 6 to 9 months” is not a measure routinely reported by NHSBSA. The figure has been requested and we will forward as soon as received.

Again, below is the metric currently used by WG to report re-attendance rates is “% of FP17s for the same patient ID Re-attending between 3 months and 9 months” is reported on a quarterly basis. The figure at end March 2019 for BCU “% of FP17s for the same patient ID Re-attending between 3 months and 9 months” is 53.8%

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)
- Stats Wales [www.bcu.wales.nhs.uk](http://www.bcu.wales.nhs.uk)  
[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  25.6.19	 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>	Annual Plan Progress Monitoring Report (APPMR)
<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>	Our report outlines the progress against Actions in the Annual Plan for 2019/20. Where any Action is scored as Red, a short explanation of why and what is being done to resolve the issue(s) is provided.
<b>Financial Implications:</b>	N/A
<b>Recommendation:</b>	The Finance & Performance 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	√	5.Considering impact on all well-being	

services		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  
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WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board



**May 2019**

This report presents performance against the 2019/20 Annual Plan actions, and is presented in the same order as the plan i.e. health improvement and health inequalities, care closer to home, planned care, unscheduled care, workforce, digital and estates.

The ratings have been self assessed by the relevant lead executive director. All the ratings have been reviewed and approved by the executive team. Consideration will be given as to how assurance on progress can be provided on a periodic basis.

To interpret this report, it is necessary to note the basis of the rating which provides a succinct forecast of delivery, combined with an assessment of relative risk.

Feedback is welcomed on this report and how it can be strengthened. Please email [Jill.Newman@Wales.NHS.UK](mailto:Jill.Newman@Wales.NHS.UK).

RAG	Every Month End	By year end	Actions depending on RAG rating given
<b>Red</b>	Off track, serious risk of, or will not be achieved	Not achieved	Where RAG given is Red: - Please provide some short bullet points explaining why, and what is being done to get back on track.
<b>Amber</b>	Achievement as forecast; work has commenced; some risks being actively managed	N/A	Where RAG is Amber: No additional information required
<b>Green</b>	On track for achievement, no real concerns	Achieved	Where RAG is Green: No additional Information required
<b>Purple</b>	Achieved	N/A	Where RAG is Purple: No additional Information required

**Three Year Outlook and 2019/20 Annual Plan**  
Monitoring of progress against Actions for Year One (2019/20)

**May 2019**

Actions	Exec Lead	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Partnership plan for children progressed with a strong focus on Adverse Childhood Experiences	PH	*	R										Q4
Implement the Together for Children and Young People Change Programme	PC&C	A	A										Q4
Delivery of ICAN campaign promoting mental well-being across North Wales communities	MH&LD	G	G										Q4
Further develop strong internal and external partnerships with focus on tackling inequalities	PC&C	G	*										Q4
Healthy weight services increased	PH	G	G										Q4
Explore community pharmacy to deliver new lifestyle change opportunities	PH	G	G										Q4
Improve outcomes in first 1000 days programmes	PH	G	G										Q4
Further develop strong internal and external partnerships with focus on tackling inequalities	PH	G	G										Q4
Implement Year Three of Quality Improvement Strategy	N&M	G	G										

RAG	Every Month End
Red	Off track, serious risk of, or will not be achieved
Amber	Achievement as forecast; work has commenced; some risks being actively managed
Green	On track for achievement, no real concerns
Purple	Achieved

A meeting is scheduled for July 2019 to review the neurodevelopment pathway. An action plan will be produced following this meeting, and taken forward. This will complete the quarter one action in the plan.

## Three Year Outlook and 2019/20 Annual Plan Monitoring of progress against Actions for Year One (2019/20)

# May 2019

Actions	Exec Leads	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Model for health & well-being centres created with partners, based around a 'home first' ethos	PC&C	*	A										Q4
Define and put in place Model for integrated Primary and Community Care Academy (PACCA) to support GP practices under greatest pressure	PC&C	A	A										Q4
Model for health & well-being centres created with partners, based around a 'home first' ethos	PC&C	A	A										Q4
Establish a local Gender Identity Team	PC&C	A	A							Q3			
Develop and implement plans to support Primary care sustainability	PC&C	*	G										Q4
Implementation of RPB Learning Disability strategy	PC&C	*	G										Q4
Establish framework for assessment for CHC and individual packages of care for people with mental health needs or learning disabilities	MH&LD	G	G										Q4
Put in place agreed model for integrated leadership of clusters in at least three clusters, evaluate and develop plan for scaling up	PC&C	G	G										Q4
Put in place Community Resource Team maturity matrix and support to progress each CRT	PC&C	G	G										Q4
Work through the RPB to deliver Transformational Fund bid	PC&C	G	G										Q4
Plan and deliver digitally enabled transformation of community care	PC&C	G	G										Q4
Develop and Implement a Social prescribing model for North Wales	PC&C	G	G										Q4

RAG	Every Month End
Red	Off track, serious risk of, or will not be achieved
Amber	Achievement as forecast; work has commenced; some risks being actively managed
Green	On track for achievement, no real concerns
Purple	Achieved

\* Awaiting confirmation from Alison Cowell

## Three Year Outlook and 2019/20 Annual Plan Monitoring of progress against Actions for Year One (2019/20)

# May 2019

Implement the new Single cancer pathway across North Wales	T&HS	A	R	Q1									
Stroke Services	MD	A	R	Q1									
Develop Rehabilitation model for people with Mental Health or Learning Disability	MH&LD	*	G										Q4
Fully realise the benefits of the newly established SURNICC service	PH	*	G										Q4
Transform eye care pathway to deliver more care closer to home delivered in partnership with local optometrists	MD	A	A										Q4
Systematic review and plans developed to address service sustainability for all planned care specialties. Implement year one plans for example Endoscopy, Rheumatology, Gynaecology	N&M, T&HS, MD	G	G										Q4
Rheumatology service review	PC&C	G	G				Q2						
Implement preferred service model for acute urology services	MD	G	G										Q4
Business case, implementation plan and commencement of enabling works for Orthopaedics (refer to estates section/ plan)	MD	G	G	Q1									
Centralisation of complex vascular surgery services supported by a new hybrid theatre on YGC site	MD	P	P	Q1									

RAG	Every Month End
Red	Off track, serious risk of, or will not be achieved
Amber	Achievement as forecast; work has commenced; some risks being actively managed
Green	On track for achievement, no real concerns
Purple	Achieved

A programme business case has been prepared to support the implementation of the **single cancer pathway** across North Wales. The programme business case is being presented to the SPPH committee, with the aim of submitting it to the July board for approval.

A **stroke** business case has been developed, supported by a detailed implementation plan. The intention is that this is presented to either the July board, or finance and performance committee.

**Three Year Outlook and 2019/20 Annual Plan**  
Monitoring of progress against Actions for Year One (2019/20)

**May 2019**

Actions	Exec Lead	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
<b>Demand</b> Improved Crisis Intervention Services for Children	N&M PH	A	A										Q4
<b>Dicharge</b> Integrated health and social care	N&M	A	A										Q4
Stroke Services	MD	A	A	Q1									
<b>Demand</b> Improved Mental Health Crisis response	N&M,M H&LD	G	A										Q4
<b>Flow</b> SAFER implementation	N&M	G	A										Q4
<b>Flow</b> Ablett/ PICU for Mental Health (linked to Estates section/ plan)	N&M,M H&LD	G	A										Q4
<b>Demand</b> Improved Urgent Care Out of Hours/ 111 Services	N&M	G	G										Q4
<b>Demand</b> Enhanced Care Closer to Home Pathways	N&M	G	G										Q4
<b>Demand</b> Workforce shift to improve Care Closer to Home	N&M	G	G										Q4
<b>Flow</b> Emergency Medical Model	N&M	G	G	Q1									
<b>Flow</b> Early Pregnancy Service (emergency gynaecology)	PH	G	G										Q4

RAG	Every Month End
<b>Red</b>	Off track, serious risk of, or will not be achieved
<b>Amber</b>	Achievement as forecast; work has commenced; some risks being actively managed
<b>Green</b>	On track for achievement, no real concerns
<b>Purple</b>	Achieved

Three Year Outlook and 2019/20 Annual Plan  
Monitoring of progress against Actions for Year One (2019/20)

May 2019

Actions	Exec Lead	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Deliver Year One Workforce Optimisation Objectives - reducing waste and avoidable variable/premium rate pay expenditure. Demonstrating value for money and responsible use of public funds	WOD	A	A										Q4
Provide 'one stop shop' enabling services for reconfiguration or workforce re-design linked to key priorities under Care Closer to Home; excellent hospital services	WOD	A	A										Q4
Build on QI work to develop the BCU improvement system and delivery plan for efficient value based healthcare	WOD	G	A										Q4
Develop an integrated multi professional education and learning Improvement Programme in liaison with HEIW	WOD	A	G							Q3			
Deliver Year One Leadership Development programme to priority triumvirates	WOD	A	G										Q4
Provide 'one stop shop' enabling services for reconfiguration or workforce re-design linked to key priorities under Care Closer to Home; excellent hospital services	WOD	A	G										Q4
Develop and Deliver Year one Communications Strategy to improve Communications and enhance BCUHB reputation	WOD	A	G										Q4
Establish an integrated workforce improvement infrastructure to ensure all our work is aligned	WOD	G	G				Q2						
Deliver year one Health & Safety Improvement programme, focussing on high risk / high impact priorities whilst creating the environment for a safety culture	WOD	G	G										Q4
Develop a Strategic Equality Plan for 2020-2024	WOD	G	G				Q2						
Develop an integrated workforce development model for key staff groups with health and social care partners	WOD	G	G										Q4
Develop and Deliver Year one Communications Strategy to improve Communications and enhance BCUHB reputation	WOD	G	G										Q4

RAG	Every Month End
Red	Off track, serious risk of, or will not be achieved
Amber	Achievement as forecast; work has commenced; some risks being actively managed
Green	On track for achievement, no real concerns
Purple	Achieved

## Three Year Outlook and 2019./20 Annual Plan

Monitoring of progress against Actions for Year One (2019/20)

# May 2019

Actions	Exec Lead	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Wrexham Maelor Infrastructure	PP&E	R	R	Q1									
Laundry Services	PP&E	A	A										Q4
North Denbighshire	PP&E	G	A										Q4
Statutory Compliance / Estate Maintenance	PP&E	G	G										Q4
Primary Care Project Pipeline	PP&E	G	G										Q4
Well-being Hubs	PP&E	G	G										Q4
Ruthin Hospital	PP&E	G	G										Q4
Vale of Clwyd	PP&E	G	G										Q4
Orthopaedic Services	PP&E	G	G										Q4
Ablett Mental Health Unit	PP&E	G	G										Q4
Hospital Redevelopments	PP&E	G	G										Q4
Central Medical Records	PP&E	G	G										Q4
Residencies	PP&E	G	G										Q4
Integrated Care Fund (ICF) Schemes	PP&E	G	G										Q4

RAG	Every Month End
Red	Off track, serious risk of, or will not be achieved
Amber	Achievement as forecast; work has commenced; some risks being actively managed
Green	On track for achievement, no real concerns
Purple	Achieved

**Wrexham Maelor Infrastructure** - the position is as reported last month. Work continues with our external advisors and we expect the Programme Business Case to be presented to the F&P Committee in July 2019.

Three Year Outlook and 2019/20 Annual Plan  
Monitoring of progress against Actions for Year One (2019/20)

May 2019

Actions	Exec Lead	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Completion of pilot studies to learn lessons to inform wider installation and utilisation of the Welsh Community Care Information System	MD	A	A										Q4
Support the identification of storage solution for Central Library	MD	A	A				Q2						
Delivery of information content to support flow/efficiency	MD	A	A										Q4
Provision of infrastructure and access to support care closer to home	MD	A	A										Q4
Implement Tracker 7 cancer module in Central and East.	MD	A	A				Q2						
Phase three of Welsh Patient Administration Project (PAS) starts. It will replace the Commercial PAS system in the West and standardise processes relating to this system in other sites	MD	G	G										Q4
Reconstitute the Welsh Emergency Department System upgrading the Emergency Department System in the East (phase 1) and extending instances to Central and West (phase 2 and 3)	MD	G	G										Q4
Phase 2 of a local Digital Health Record which will strengthen our investment and approach to the delivery of an electronic patient record	MD	G	G				Q2						
Transition program to review the management arrangements for ensuring good record keeping across all patient record types	MD	G	G										Q4
Rolling programmes of work to maintain / improve the digital infrastructure e.g. migration of telephone infrastructure from an end of life solution to one which is fully supported and capable of underpinning service change e.g. single call centre	MD	G	G										Q4
Support Eye Care Transformation	MD	G	G										Q4

RAG	Every Month End
Red	Off track, serious risk of, or will not be achieved
Amber	Achievement as forecast; work has commenced; some risks being actively managed
Green	On track for achievement, no real concerns
Purple	Achieved

## Three Year Outlook and 2019./20 Annual Plan Monitoring of progress against Actions for Year One (2019/20)

# May 2019

The Annual Plan is included on page 423 of the March 2019 Health Board papers.

The link to these papers is shown below:

<http://www.wales.nhs.uk/sitesplus/documents/861/Agenda%20bundle%20Health%20Board%2028.3.19%20%20V2.0%20updated%2022.3.19-min.pdf>

**Three Year Outlook and 2019./20 Annual Plan**  
Monitoring of progress against Actions for Year One (2019/20)

**May 2019**

<b>Finance and Performance Committee</b>  <b>25.6.19</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>Capital Programme Report Month 2</b>
<b>Report Author:</b>	Neil Bradshaw – Assistant Director of Planning – Capital Denise Roberts – Financial Accountant Tax & Capital
<b>Responsible Director:</b>	Mark Wilkinson, 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 CRL for 2019/20 and, after confirmation of the brought forward requirement, confirms the discretionary capital resource available to support the current programme of projects.
<b>Recommendation:</b>	The Committee is asked to receive 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*



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WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board

# Capital Programme Report Month 02 May 2019

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Denise Roberts – Financial Accountant Tax & Capital

Betsi Cadwaladr University Health Board

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## 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 agreed 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	8,804
Discretionary Capital	12,921
<b>Total Welsh Government CRL</b>	<b>21,725</b>
Capital Receipts	356
Donated Funding	800
Grant Funding	0
<b>TOTAL</b>	<b>22,881</b>

Welsh Government issued the initial allocation for the 2019/20 financial year in March 2019. The CRL for month 2 is unchanged from month 1 £21.725m.

It is anticipated that we will secure other sources of funding including capital receipts, donated funding and Welsh Government grants (Integrated Capital Fund) in this financial year. Separate monitoring reports will be developed and incorporated within this report as appropriate.

It should be noted that both the capital receipts and donated funding is a forecast and the figure may change as the year progresses.

## 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
SuRNICC	G	G↑	G	G	G
PAS system	G	A→	G	A→	G
Substance misuse - The Elms	G	A	G	G	G
Substance misuse - Holyhead, Anglesey	G	G	G	G	G
Substance misuse – Shotton, Flintshire	G	G	G	G	G
ED information system - EDCIMS	R→	R→	A→	R→	R→
Ysbyty Gwynedd Emergency Department	G	A↑	A→	G	G

### Ysbyty Gwynedd Emergency Department

A separate report has been provided at Appendix 2.

## 2.3 DISCRETIONARY CAPITAL PROGRAMME

Following confirmation, and satisfactory audit, of the accruals from 2018/19 the brokerage requirement has increased by £0.591m to £2.146m. The Health Board also managed year-end slippage within the ICF (Integrated Capital Fund). The commitment brought forward from 2018/19 has therefore been confirmed as follows:

Scheme	£	£
Side wards Wrexham Maelor hospital	50,000	
Upgrade Hafan ward Bryn Beryl hospital	200,000	250,000
Internal brokerage		2,146,000
ICF – re-provision 2019/20		371,000
YGC repayment of brokerage		1,500,000
	<b>TOTAL</b>	4,267,000

As a consequence the resource available for 2019/20 is now confirmed as £10.439m. Following confirmation from Welsh Government of additional capital support to take forward the Health Board's orthopaedic plan, the provision previously made within the discretionary programme (Transformation planned care) may now be released to support the revised programme as follows:

<b>Scheme</b>	<b>£</b>	<b>£</b>
<b>Commitments brought forward</b>		
Side wards Wrexham Maelor hospital	50,000	
Upgrade Hafan ward Bryn Beryl hospital	200,000	250,000
<b>Wrexham Maelor business continuity</b>		
Infection isolation facility	1,000,000	
Engineering infrastructure resilience	500,000	
<b>Sub-total</b>	1,500,000	1,500,000
<b>Mental Health – response to external reviews</b>		
Ty Llewellyn	255,000	
Priorities as confirmed by Mental Health division	378,500	
<b>Sub-total</b>	633,500	633,500
<b>Estates</b>		
High risk backlog maintenance - East	250,000	
WMH Fire alarms	150,000	
High risk backlog maintenance – Centre	800,000	
High risk backlog maintenance - West	862,000	
Removal of high risk ACMs	150,000	
Fire precaution works	100,000	
YGC – replacement mortuary vehicle	60,000	
YG catering upgrade	188,000	
<b>Sub-total</b>	2,560,000	2,560,000
<b>Safe Clean Care</b>		1,000,000
<b>Medical Devices</b>		
Enabling works equipment purchased in 2018/19	560,000	
YG Pharmacy robot replacement	700,000	
YG Monitors	334,000	
Contingency for in-year urgent replacements	250,000	
<b>Sub-total</b>	1,844,000	1,844,000
<b>Informatics</b>		3,000,000
<b>Service continuity/transformation</b>		
YG – theatre refurbishment	150,000	
Llanfair PG Primary Care Centre	400,000	
Eyecare measure	180,000	
Transformation/cash releasing programme	1,250,000	
<b>Sub-total</b>	1,980,000	1,980,000
<b>TOTAL</b>		<b>£12,767,500</b>

The programme makes provision for an over-commitment to allow the Health Board to manage any in-year slippage. This is considered to be a prudent measure at this time in the financial year. The ICF programme is currently being reviewed by the Area teams, regional partners and Welsh Government. It is expected that full details of final programme will be included within the next report.

## 2.4 ALTERNATIVE FUNDING

### 2.4.1 Estates Rationalisation/Disposal Programme

The following table provides an overview of the disposals for 2019/20.

	<b>NBV</b>	<b>Actual capital receipts</b>	<b>Capital Receipt</b>
<b>Land and Property Disposals</b>	<b>£'000</b>	<b>2019/20</b>	<b>Forecast 2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Abergele Hospital - Grazing Land	38		38
Blaenua Ffestiniog Health Centre	168		168
Brymbo Health Centre	50		50
Ala Road, Pwylheli	100		100
<b>Total</b>	<b>356</b>	<b>0</b>	<b>356</b>

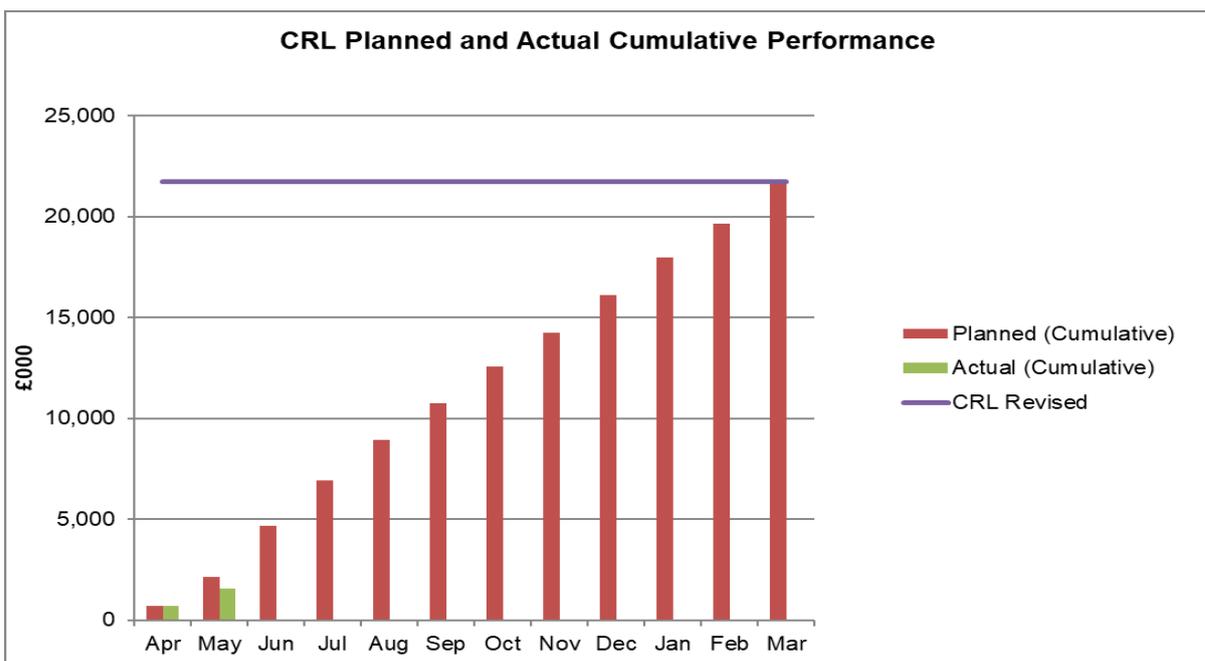
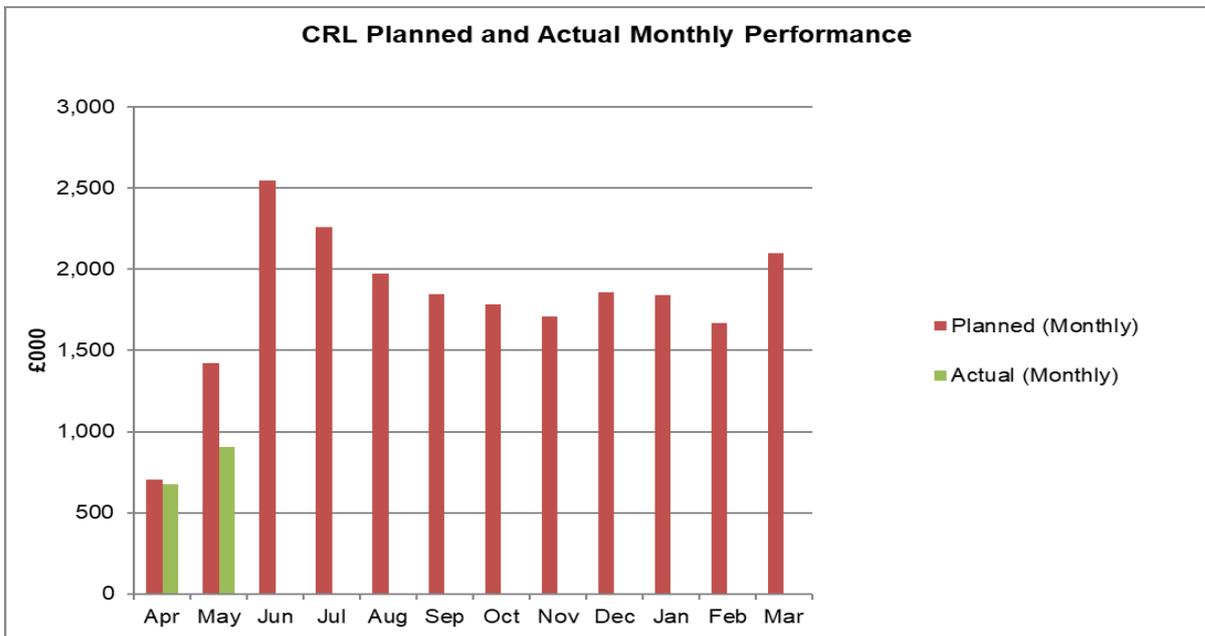
### 3.1 FINANCE OVERVIEW

The expenditure in Month 2 reflects a net spend of £0.903m.

The forecast capital profiles for the All Wales schemes are currently being reviewed by project managers and cost advisors to ensure we have accurate profiles for each scheme by month.

### 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 2019/20 £'000	2019/20 Expenditure M2 £'000	2019/20 Forecast Out- turn £'000	Variance £'000
<b>All Wales Schemes</b>				
<b>Capital Projects Approved Funding</b>				
SuRNICC - FBC works	350	14	574	224
PAS System	996	49	1,255	259
Substance Misuse - The Elms Development	265	390	625	360
Substance Misuse - Holyhead, Anglesey	418	0	676	258
Substance Misuse - Shotton, Flintshire	1,325	0	1,340	15
Emergency Department System	701	0	701	0
Ysbyty Gwynedd - Emergency Department	1,496	585	2,526	1,030
North Denbighshire Community Hospital	2,404	0	2,404	0
Progress Redevelopment of Ablett Unit @ YGC from SOC	849	0	849	0
<b>Sub-total</b>	<b>8,804</b>	<b>1,038</b>	<b>10,950</b>	<b>2,146</b>
<b>All Wales CRL Total</b>	<b>8,804</b>			
<b>Discretionary Schemes</b>				
YGC Brokerage	(1,500)	0	0	1,500
IM&T	3,000	4	2,775	(225)
Med Devices	1,768	148	1,768	0
Estates	9,653	390	6,232	(3,421)
<b>Discretionary CRL Total</b>	<b>12,921</b>	<b>542</b>	<b>10,775</b>	<b>(2,146)</b>
<b>TOTAL CRL ALLOCATION 2018/19</b>	<b>21,725</b>			
Development Fund/ Capital Receipts	356	0	356	0
Donated	800	0	800	0
Grant monies	0	0	0	0
	<b>1,156</b>	<b>0</b>	<b>1,156</b>	<b>0</b>
<b>Grand Total</b>	<b>22,881</b>	<b>1,580</b>	<b>22,881</b>	<b>0</b>

### 3.3 Expenditure and Forecasts at Month 2

The expenditure reflected in the Month 2 position includes estimates based on the forecast profile of project valuations for May 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 2 reflects the current CRL resource agreed with Welsh Government.

### 4.1 Conclusions

This report confirms the CRL for 2019/20 and, after confirmation of the brought forward requirement, confirms the discretionary capital resource available to support the current programme of projects.

### 4.2 Recommendations

The Committee is asked to receive 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	8,804	1,038	12%	Green	
Discretionary	12,921	542	4%	Green	
<b>Subtotal CRL</b>	<b>21,725</b>	<b>1,580</b>	<b>7%</b>	<b>Green</b>	
Capital Receipts	356	0	0%	Green	
Donated Capital	800	0	0%	Green	
Grant Capital	0	0	0%	Green	
<b>Total capital resource available</b>	<b>22,881</b>	<b>1,580</b>	<b>7%</b>	<b>Green</b>	

## Ysbyty Gwynedd Emergency Department report – May 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 (ED).

### 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 (Rv22 no yet accepted).

Phase 3 is generally progressing well with partitions completed, mechanical and electrical first fix elements are nearing completion, with final fix stage ongoing. Commissioning is planned to commence in July. Phase 3, contract completion is now delayed by 2 weeks due to modifications to ventilation systems to accommodate in-consistencies within the existing systems and the subsequent validation of systems. The revised completion date is 6<sup>th</sup> September 2019. The team continue to critically review the programme together with risks and lessons learnt to mitigate future issues

#### Cost

The latest financial report has indicated a small increase in cost however the Cost Advisor has noted this is in line with the financial mitigation of overspend plan as noted in the March report.

### 4. Recommendations

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

<b>Finance and Performance Committee</b>  25.6.19	 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>Unscheduled Care (USC) and Building Better Care Update Report</b>
<b>Report Author:</b>	Nicola Eatherington, Senior Improvement Programme Manager – USC
<b>Responsible Director:</b>	Mrs Deborah Carter, Acting Executive Director of Nursing
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	To update the Finance & Performance Committee on the May Unscheduled Care performance and provide an update on the end of phase 2 of the Building Better Care Programme
<b>Approval / Scrutiny Route Prior to Presentation:</b>	Prior approval from Acting Executive Director of Nursing and Midwifery
<b>Governance issues / risks:</b>	Not applicable
<b>Financial Implications:</b>	Not applicable
<b>Recommendation:</b>	It recommended that the Committee: <ul style="list-style-type: none"> <li>• Note the performance for May across BCUHB and for each health economy</li> <li>• Note the update from the Building Better Care programme and focus going forward for phase 3</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	<b>X</b>	4.Putting resources into preventing problems occurring or getting worse	<b>X</b>

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		
<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

## 1) **Purpose of Report**

This report provides an update against both the unscheduled care performance of each acute site and the second 90 day cycle of the unscheduled care Building Better Care programme for the period of May 2019.

### **Performance Overview**

May has seen an improvement in the performance compared to the previous month but a deterioration in performance from the previous year. Performance remains below trajectory.

### **4 hour performance**

The overall combined 4 hour performance for BCUHB for May 2019 was 71.2%, against an agreed trajectory of 75% and an actual performance of 78.5% for May 2018.

Remedial actions were put in place in the third week of May due to a decline in performance across all three sites. These were:

- Increased grip and control within YGC and a Secondment for an Emergency Department (ED) Performance Improvement Manager (June)
- A pilot in Ysbyty Gwynedd (YG) of having a GP in ED resulted in 35 patients being seen and treated at the point of triage in YG. Both Wrexham Maelor Hospital (WMH) and YG will have GPs in ED in June.
- Additional Consultant shifts at night in YG (June)
- Additional paediatric hours in WMH (June)
- A new Locum Consultant has started in WMH in early June and a request for additional Advanced Nurse Practitioners (ANPs) has been advertised through Agency but so far we have been unable to cover the shifts.

### **Ambulance CAT A performance**

Performance for May was 70.7%, which is an improvement against the previous month and above the 65% trajectory.

### **Over 12 hour ED performance**

Performance improved in May with 1659 patients in ED for more than 12 hours compared to 1738 in April. Our current improvement plan focuses on zero tolerance for patients in ED for more than 24 hours, when it does occur an incident form is submitted via Datix and a harm review take place supporting cultural change and maintaining focus on this priority. Ysbyty Glan Clwyd (YGC) has implemented an escalation point at 10 hours for any patient to prevent 12 hour delays.

## **Ambulance over 60 minutes**

Ambulance handovers to ED over 60 minutes improved during May, however performance is not back to the levels of March. WMH continued to make improvements with only 19 over 60 minute ambulance handovers for the month. Work continues with the Sites and so far in June we have seen 2 days where there were no over 60 minute handovers across BCUHB.

## **West Health Economy**

May (combined) 4hr performance was 78.51% (Trajectory 79.8%), and ED only performance was 69%. 15 days during the month of May had over 80% performance, areas to support improvement include:

- Developing the triage staff to have confidence in appropriate redirection of patients.
- Directorate reset meeting planned with senior engagement.
- Sourcing GP streaming at the front door in line with RCEM (Oct 2017) (Royal College of Emergency Medicine)
- Exploring increasing senior clinical decision maker out of hours (OOH) to maintain flow for clinical care.

Over 12 hrs performance in May was 341 pts (11 patients per day, against the 346 (11.5 Patients per day) in April 2019 and a trajectory of 12 per day. There was a slight increase in 24hrs delays in ED.

Corrective actions include:

- Creation of a 12hr breach RCA (Root Cause Analysis) template that gets presented to Hospital Management Team with timelines of the patient's journey.
- Build in escalation at 6, 8 and 10 hours to reduce the delays using the floor walkers to support.

Over 60 minute handover delays improved in May but is behind trajectory. A continued improvement in lost hours 532 hours (17.1hrs per day) for the month of May against 625 hrs for the month of April (20hrs per day.)

## **Central Health Economy**

May (combined) 4hr performance was 74.5% (0.5% below trajectory), and ED only performance was 60.4%. Paediatric breaches reduced from 125 in April to 95 in May.

The key limiting feature affecting 4hr performance at YGC is crowding in ED due to exit block and having no beds.

Corrective actions include:

- Enhanced grip and control on flow: daily discharge targets and performance management
- Ring-fenced minors team
- Dedicated performance manager in ED

## Unscheduled Care and Building Better Care programme report to Finance and Performance Committee June 2019

- Senior Leadership team led 'Reset'

Over 12 hrs performance in May was 750 pts (25 per day, 85.5%) compared to 647 (87.6%) in May 2018. The trajectory for May 2019 was to have no more than 16 per day. In April 2019 an average of 15 patients per day were in ED over 24 hrs, in May this reduced to 11 per day. Via the corrective actions described above, the aim is to eliminate 24hr waits in ED, and to reduce the number of patients who spend more than 12 hours in the department. As of 10th June 2019 the number of 24hr+ breaches has reduced to <1 per day.

Over 60 minute handover delays improved from 391 (27% of conveyances) in April to 357 (23% of conveyances) in May 2019 – equivalent to 12 per day. The corrective actions to improve ED flow will further improve ambulance handovers.

### **East Health Economy**

May's performance was 53.72%. Both April and May's performance was significantly affected by long waits to be seen by ED doctor, gaps in rotas and insufficient senior decision making has compounded problems.

An additional Locum Consultant started in early June and additional ANPs are out to agency – so far we have been unable to cover these shifts. Work is ongoing to secure GP in ED hours as well as extending Paediatrics hours to support ED.

Ongoing work regarding Acute Medical model, ED staffing, increasing Minor Injury Unit (MIU) activity, SAFER and discharge work continues through the Building better care programme

There has been an increased number of patients who were considered medically fit in a hospital bed in May compared to the last 3 months. This is in part due to greater accuracy in reporting and changes in process.

Since Jan 19 significant improvements have been made to the patients who are waiting in ED over 24 hours. From 202 in January to 55 in May. This has been predominantly due to working with senior medical and nursing colleagues which has affected some cultural change within the site. We have adopted a ZERO tolerance to patients spending longer than 24 hours within ED and request harm reviews undertaken on all breaches against this standard.

Over 60 minute ambulance handovers continued to improve with less than 1 per day during May. In general, ambulance handovers have improved with the lost hours being 186 (£27,108) compared to 857 hours (£125,115) in May 18. The average handover time for the month was 25 minutes and work continues to bring that time down through ongoing actions reinforced by the zero tolerance approach.

### **Building Better Care Programme Overview**

The second cycle of 90 day planning came to an end on 31 May. A Programme Management Office (PMO) review was undertaken with Project Leads, Senior

Improvement Programme Manager and the Deputy Director of Nursing to fully understand the impact and delivery to date, this aimed to explore why an effect is not being seen in our key performance indicators and to ensure the next cycle of planning is focused on key priorities to deliver the outcomes.

A critical success factors dashboard has been developed and is starting to be used across the ED footprint to support a clearer focus of which elements are working and those that are not.

### **Demand update**

During May 2019 SICAT (Single Integrated Clinical Assessment & Triage) has been fully operational 12 hours a day and throughout this time has taken 540 ambulance calls and saved 414 ED attendances. Over a half have been referred to GPs or been given self-care advice. The impact on primary care is being monitored. The service is now 6 months old and continues to develop and evolve due to the success. A trial with Health Visitors is taking place in July working on 999 calls which relate to children under 5. In the next 90 days planning will comprise moving the service to business as usual and work through the actions required to make the link to 111 expansion into Wales.

Work with our MIUs continues to take place. Through the SICAT service it has been identified that there are inconsistencies between MIUs within the same area, in operating hours, conditions they will treat and uncertainty around inclusion and exclusion criteria. Due to summer being a high demand from tourists, we are working on the scope of services of our MIUs and ensuring the lowest common denominator is understood and what competency training is needed to bring them all to the level needed to serve our population.

Additional MIU work in Wrexham is ongoing.

### **Flow update**

Ambulance handovers, patients waiting over 24 hours in ED and a reduction in paediatric breaches was seen during the month of May. BCUHB has a zero tolerance to any of the above and the Acute sites are working with their teams to shift the culture to where these become never events. Towards the end of May we started seeing days with no over 60 minute handovers and no patients in ED for 24 hours.

The review of phase 2 of the 90 day planning cycle highlighted that our initial plan was too cumbersome for a 90 day cycle and unfortunately we lost sequence in some of our improvements projects which means that although we had achieved some parts of the plan we haven't fully embedded or closed off a number of elements from the flow section.

May saw a tightening of the grip and control within each of our Emergency Quadrants (EQs) and our teams formed a better understanding of what is causing the delays. From early June all three sites were commencing detailed breach analysis and instigating weekly deep dives to learn the reasons behind our non-admitted breaches. Due to the current volume, the focus is currently on paediatrics, >12 hours and 'green' breaches. These lessons will help inform the teams on grip and control within in the department and

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process issues. Escalation cards are being written and we are beginning to measure our adherence to the Internal Professional Standards.

**Discharge update**

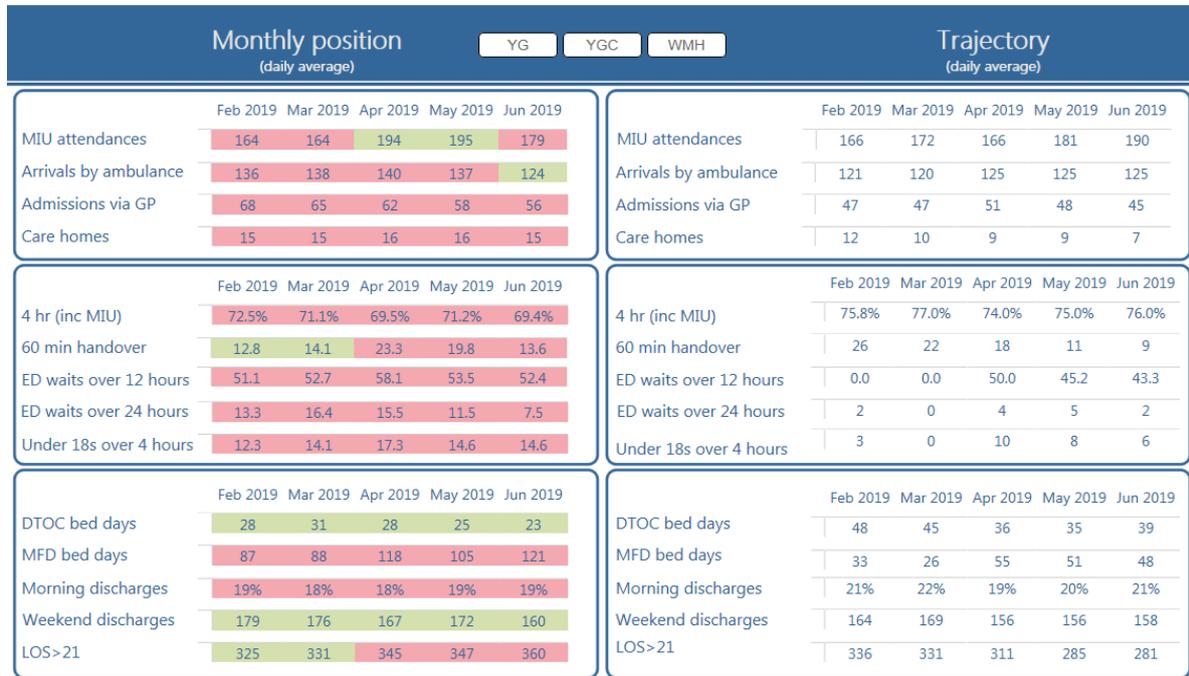
Similar to the flow element of the plan, the discharge element has lost sequence in order of priorities. However, we have had a successful decrease in the number of Delayed Transfers of Care (DTOCs).

The focus for phase 3 is on effective discharge planning and stranded patient reviews for patients with long lengths of stay in order to reduce the number of patients with a Length of Stay (LOS) >21 days.

A focus on the continuation of the SAFER work and effective Board Rounds continues, ensuring every patient has an Expected Date of Discharge (EDD) and a clinical plan. This will support our Medically Fit for Discharge (MFD) work, criteria led discharge, DTOC and reduce our LOS.

Feedback on the pilot of placemats encouraging patients to ask about their discharge plan is due back in June.

**Chart 2.0 BCUHB USC KPIs**



Appendix 2 – USC Building Better Care Risk Register

**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>

## Appendix 2 – USC Building Better Care Risk Register

Risk ID	Date Raised	Raised by	Risk Score	Impact Level	Risk Description. There is a risk that...	Risk Reason. ...because...	Risk Outcome/effect. ...which will cause...	Planned Mitigating Action	Risk Owner	Impact (Drop Down)	Impact Score	Probability (Drop Down)	Probability Score	Date last Reviewed	Risk Status (Open/Accepted /Closed)
R01	01/03/2019	PMO	9	High	Non-completion of all tasks within the 90 day plan due to volume	Limited resources to achieve all the tasks identified in the 90 day plan (including financial resources)	Non achievement of performance against the unscheduled care trajectories.	Priorities the tasks within the plan that will have the biggest impact on achieving the unscheduled care trajectories along with weekly delivery group meetings to monitor progress against the plan. May require additional project management/resource to achieve.	Managing Directors/Area Directors	Moderate	3	Possible	3		
R02	01/03/19	PMO	12	High	Competing priorities, both internally (planned care and financial recovery) and externally (Local Authority and 3rd Sector)	Key stakeholders not aware of the 90 day plan and its impact on them or their potential contribution to the plan.	Inability to achieve key milestones or delay to achieving key milestones.	Engage with key stakeholders and partners in relation to the plan. Include appropriate stakeholders in all appropriate partnership development forums.	Gill Harris	Major	4	Possible	3		
R03	04/04/19	Managing Directors	12	High	High number of medical and nursing vacancies	Struggling to recruit to vacancies	Lack of staff to embed improvements as high reliance on agency cover	Corporate plan to support recruitment	Gill Harris	Major	4	Extremely Likely	3		
R04	05/04/19	PMO	12	High	There will be some delays to the recruitment of project resource (PMO and Improvement Leads) to support the Building Better Care - unscheduled care improvement plan	Numerous posts are vacant in the PMO and Improvement team	Postential delays to the ability to drive the projects and ensure delivery of sustainable change	Interim Senior Improvement Programme Manager in post until August. Identification and recruitment underway in PMO/Improvement team for the additional resource	PMO	Major	4	Extremely Likely	3		



**Finance & Performance Committee**  
**Draft minutes of the meeting held in public on 23.5.19**  
**in Carlton Court, St Asaph**

**Present:**

Mr Mark Polin	BCUHB Chairman
Mr John Cunliffe	Independent Member
Mrs Lyn Meadows	Independent Member
Ms Helen Wilkinson	Independent Member

**In Attendance:**

Mr Neil Bradshaw	Assistant Director Strategy- Capital ( <i>part meeting</i> )
Ms Deborah Carter	Acting Executive Director Nursing and Midwifery ( <i>part meeting</i> )
Mrs Kate Dunn	Head of Corporate Affairs
Mrs Sue Green	Executive Director Workforce and Organisational Development (OD)
Mr Michael Hearty	Independent Finance Adviser
Ms Sue Hill	Interim Executive Director of Finance Director
Mr Geoff Lang	Turnaround Director
Dr Evan Moore	Executive Medical Director ( <i>part meeting</i> )
Dr Jill Newman	Director of Performance ( <i>part meeting via VC</i> )
Mr Tony Uttley	Interim Financial Director – Operational Finance
Mr Mark Wilkinson	Executive Director of Planning & Performance
Ms Emma Wilkins	Financial Delivery Unit
Mr Ed Williams	Head of Performance Assurance ( <i>part meeting</i> )

Agenda Item Discussed	Action By
<p><b>FP19/95 Apologies for absence</b></p> <p><b>FP19/95.1</b> No apologies for absence were received although it was noted Mrs D Carter would need to leave the meeting at an early stage.</p> <p><b>FP19/95.2</b> The Chair welcomed everyone to the meeting and introduced Emma Wilkins from the Financial Delivery Unit. He also informed the Committee of a recent conversation with Welsh Government (WG) which indicated the Board would be encouraged to focus more on delivery of the plan and that the special measures framework and meetings would be reviewed.</p>	
<p><b>FP19/96 Declaration of Interests</b></p> <p>None declared.</p>	
<p><b>FP19/97 Unscheduled Care and Building Better Care report and SICAT presentation</b></p>	

**FP19/97.1** The Interim Executive Director of Nursing & Midwifery presented the paper which provided an update on the Board's Unscheduled Care performance and the Building Better Care Programme. She highlighted with disappointment a deterioration in the March performance but added that recent data offered a more positive picture in terms of the 4 hour target and ambulance waits. In terms of the breaches for children and young people it was highlighted that a 'deep dive' was being undertaken to understand the reasons for a sudden increase in breaches. In terms of what more could be done, the Interim Executive Director of Nursing & Midwifery noted the importance of understanding the challenges around delayed transfers of care from community hospitals and lengths of stay. In response to a question from the Chair, she assured the Committee that she was clear that the Board was implementing the right plan but it would take time to deliver a significant improvement in performance.

**FP19/97.2** A discussion ensued. Using Chart 2.0 on page 5 of the paper as an example, a member raised a point of clarity in how performance was shown as red or green and it was felt there were inconsistencies in terminology such as 'target' and 'trajectory', which would be clarified. The Chair noted that the SICAT model appeared to be working well. It was confirmed that there was now a full complement of staff within the model and that a business case would be developed within the second quarter. The Chair noted a variation in the care home numbers and suggested that as part of addressing this with Local Authorities and the Area Teams, contact be made with Morwena Edwards (Associate BCU Board Member and Director of Social Services). The point was also made that appropriate engagement with the third sector was essential to maximise the ability to deliver improvements within community services.

[Dr E Moore left the meeting]

**FP19/97.3** The Chair referred to a potential review of frequency of special measures monitoring meetings with WG and that this made it paramount that the Committee fully discharged its terms of reference and remit. He felt that the breadth and size of the agenda and papers provided challenges in this regard. He requested that all reports had an executive summary and that their verbal presentation to the Committee be succinct. He also asked officers to consider whether the Committee meetings could run simultaneously with the Savings Programme Group, if the Committee agendas were organised so as to allow decision, assurance and information agenda items to be taken in order. The Interim Executive Director of Finance undertook to consider these suggestions at the agenda setting meeting.

**It was resolved that the Finance and Performance Committee note:**

i. The performance challenges for April and actions being undertaken to

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<p>address these in May</p> <p>ii. The achievement against the 90 day measures and how use of the 90 day plan methodology is driving improvement and change.</p> <p>iii. The ongoing risks associated with delivery of the Building Better Care programme and continuing challenges with flow and ED</p> <p><i>[Mrs D Carter left the meeting]</i></p>	
<p><b>FP19/98 Draft minutes of the previous meeting held on 24.4.19 and summary action plan</b></p> <p><b>FP19/98.1</b> The minutes were approved as an accurate record pending the following amendment: Amend FP19/73.4 to read “FP19/73.4 In discussion on the reporting of savings progress to the Committee, it was agreed that the turnaround director would circulate weekly updates to members. With regards to financial and service planning for 2020/21, the Finance Director – Operational Finance and the Executive Director of Planning and Performance would work together to agree milestones and a timetable. It was noted that work had taken place to put together the building blocks of a governance structure to drive through change. The Independent Financial Advisor emphasised the need to pick up pace at the beginning of the financial year.”</p> <p><b>FP19/98.2</b> Updates were provided to the summary action log.</p> <p><i>[Dr E Moore re-joined the meeting]</i></p>	
<p><b>FP19/99 Savings Programme Group (SPG) Update from meeting held 23.5.19</b></p> <p><b>FP19/99.1</b> The SPG Chair provided a verbal update from the meeting that had been held that morning. He summarised that there was a general under-delivery of savings plans, concerns around continuing health care and nurse staffing and a number of issues relating to the follow up of actions. The group expected to see an improvement in month 2. The group had had a significant discussion around Ysbyty Glan Clwyd (YGC) where there was already a financial gap and a low level of confidence in the ability to develop savings plans to mitigate this gap. The group had also received an update from PWC but no firm numbers had been shared as of yet.</p> <p><b>FP19/99.2</b> A discussion ensued. Members sought assurance that sufficient financial control and grip was in place to deliver the required savings. The Independent Finance Adviser suggested there was a level of assurance around getting to the £31m forecast and that plans were in place, but he was not confident of there being sufficient capacity and ability to get to the £35m and that it was a significant risk to be in this position at Month 1. He advised that the organisation should be considering some short injection of support to</p>	

this delivery.

**FP19/99.3** The Committee Vice-Chair noted that he felt the Divisions were working separately to identify the majority of the savings plans and that more BCU-wide solutions needed to be found. The Executive Director of Workforce & OD added that to achieve this there would need to be improved consistency in managing the accountability of both individuals and teams. Members remained concerned that the accountability reviews were not as joined up as they should be, and that specifically the attendance of Hospital Directors at key meetings needed to be firmed up.

**FP19/99.4** Members set out their concerns around the pace and urgency. The Independent Finance Adviser sensed a change in finance culture and that the number one priority needed to be to stop over spending and to agree a robust savings plan. The Chair felt that more urgently, the organisation needed to be in a position within the next ten days where it was able to clearly articulate the plans for YGC and be assured that these were accepted and understood by the Area Director (Centre).

**FP19/99.5** It was confirmed that the action plan had been considered against the savings plan at the SPG meeting earlier that day, however, the timeline was not as well defined or timely as required. The Turnaround Director indicated that there was a duplication between the £7m pipeline schemes and what was already within the plan and whilst this would be managed it did introduce an element of risk. He added that a large proportion of the £7m was related to efficiency and productivity within secondary care and whilst this was the right area to focus upon it was made more challenging due to referral to treatment (RTT) and elective care pressures. The Chair added that whilst service improvement would have associated costs, it was the right thing to do in terms of quality of care and service delivery, accepting it will affect the financial position. The Executive Director of Workforce & OD noted that there was a need to manage invest to save plans with rigour. The Independent Finance Adviser was keen to avoid developing separate views by BCU and PWC. The SPG would wish to receive a single agreed position together with quantification of grip and control by its next meeting.

**FP19/99.6** The SPG Chair concluded by drawing Committee members' attention to further changes within the terms of reference for the SPG which had been made to reflect the status of the SPG as a group and not a formal sub-committee.

**FP19/100 Cycle of Business 2019/20**

**FP19/100.1** The Interim Executive Director of Finance presented the revised cycle of business which had been strengthened in terms of reporting on RTT,



<p>pertaining to locum and agency costs. It was noted that Wrexham Maelor Hospital was the only acute hospital to have reduced spend significantly and sustained the improvement. There was a need to understand this and whether there would be an impact on performance or an increase in waiting lists as a result.</p> <p><b>FP19/101.4</b> The Independent Finance Adviser referred to Table 3.2 (financial performance by division) and suggested that there be further investigation into the variances in secondary care and mental health which were being reported only one month into the new financial year. He commented that the Committee needed to know whether the variances were due to the wrong financial plan having been set or whether there were exceptional circumstances in-month. He also commented that the Mental Health &amp; Learning Disabilities (MHLDS) Division had previously responded that the investment in leadership across the Division had added costs, however, the question should be asked whether the investment had worked if the Division continued to overspend. Finally he commented that the format of the finance report was much improved. The Chair sought assurance that the Executive Team were asking these challenging questions of budget holders.</p> <p><b>It was resolved that</b> the Committee note the report including the forecast position of £35.0m deficit.</p>	<p>SH</p>
<p><b>FP19/102 Non Pay Costs 2018/19</b></p> <p><b>FP19/102.1</b> The Interim Executive Director of Finance presented the paper which provided a summary of non pay expenditure for the previous financial year, which had overspent by £13.0m. She noted that where there was additional income it was offset against expenditure but this did not come through in the reporting and this was being addressed to ensure more discipline around allocation management. In terms of governance around budgets she confirmed there was now more awareness amongst budget holders of their role to challenge within Standing Financial Instructions and to scrutinise any decision that had a cost impact. A question was asked regarding budget manager training and the Executive Director of Workforce &amp; OD indicated that certain budget management skills would be essential requirements for such post holders but actual processes differed across organisations. Therefore there would be learning requirements for individuals coming into the organisation. The Chair raised a point regarding training costs and it was confirmed there was not a single training budget within BCUHB and that not every cost centre would have a training element.</p> <p><b>FP19/102.2</b> It was agreed that the Interim Executive Director of Finance would look further into non-pay expenditure to ensure more grip and control, robust internal management of budgets (including training) and to understand the extreme variances. A further report would be made back to the</p>	<p>SH</p>

<p>Committee in due course.</p> <p><b>It was resolved that</b> the Committee note the report</p>	
<p><b>FP19/103 Turnaround Programme Savings Report – Month 1 2019/20</b></p> <p><b>FP19/103.1</b> The Chair noted that this report had been considered by the SPG earlier that day and on that basis he did not intend to invite discussion at the Committee.</p> <p><b>FP19/103.2 It was resolved that</b> the Committee –</p> <ul style="list-style-type: none"> <li>• Note the increase in savings schemes developed and the improved risk profile over the previous month's report</li> <li>• Note the residual gap in amber / green risk assessed schemes of £9.78m in cash releasing savings and £16.8m in total savings</li> <li>• Note the impact of the shortfall in savings identification against the budgetary plan of £0.74m in month 1.</li> <li>• Note the achievement of savings of £1.135m in month 1, which is £69k above profile.</li> <li>• Note the work ongoing with PWC to finalise schemes in development and identify further savings to meet the plan requirements by the end of May.</li> </ul>	
<p><b>FP19/104 External Contracts Update</b></p> <p><b>FP19/104.1</b> The Chair invited members to comment on the paper. It was felt the format was much improved but the content raised several quality and safety issues which the Quality, Safety &amp; Experience (QSE) Committee were not necessarily sighted upon, and a mechanism to establish this link was required. A comment was made regarding contract turnover and whether model contracts could be utilised. In terms of communication with GPs concerning the Countess of Chester contract issue it was accepted there was a need for ongoing conversations via the Area Directors. An observation was made by the Independent Adviser that with the volume of contracts across the organisation there would be savings that could be made.</p> <p><b>It was resolved that the Committee</b> note the financial position on the main external contracts at March 2019 and to note the work underway in respect of stabilising wider health / patient care contracts and key risks / related activity.</p>	SH
<p><b>FP19/105 Countess of Chester Hospital update</b></p> <p>It was resolved that the Committee note the update provided.</p>	
<p><b>FP19/106 Capital Programme report Month 1</b></p> <p><i>[Mr Neil Bradshaw joined the meeting]</i></p> <p><b>FP19/106.1</b> The Executive Director of Planning &amp; Performance presented the</p>	

paper, highlighting there had been low levels of capital expenditure so far in the financial year. He drew members' attention to Table 2.3 which had been revised to try and orientate the discretionary capital more clearly under strategic headings.

**FP19/106.2** A discussion ensued. A question was raised regarding the All Wales Emergency Department Information Systems scheme which was showing as red. The Assistant Director Strategy (Capital) confirmed the status had not changed since the previous report and progress was dependent on an all Wales system. The Chair enquired regarding the development of businesses cases in support of the orthopaedic plan and the Assistant Director Strategy (Capital) confirmed that initial priorities had been identified. The Chair asked that the Committee continue to be sighted on progress. With regards to the timeline for the Ablett redevelopment and medical records in central, the Assistant Director Strategy (Capital) confirmed he was on both project groups to ensure timescales aligned.

**It was resolved that** the Committee receive this report.

*[Mr Neil Bradshaw left the meeting]*

**FP19/107 Integrated Quality and Performance report including Three Year Outlook and 2019/20 Annual Plan: Monitoring of Progress against Actions**

*[Mr Ed Williams joined the meeting]*

**FP19/107.1** The Executive Director of Planning & Performance presented the April paper and highlighted that there were 21 measures without trajectories in the report, 3 of which were accounted for under the separate RTT paper. A further 3 had been completed since publication of the Committee papers and the remaining measures were new for 2019-20 and had only recently been confirmed. He drew attention to Slide 10 which summarised the areas of most concern which were Emergency Department waits, RTT, diagnostic waits and follow up backlog. It was noted that the diagnostic waits over 8 weeks related to endoscopy and a business case was in development to provide sustained investment to address the backlog. In the meantime, additional capacity was being commissioned. In terms of the follow up backlog it was confirmed that the QSE Committee had received a detailed report on 21.5.19. The Director of Performance added that key performance indicators had also been mapped to annual operational plan actions and aligned to both the F&P and QSE Committee terms of reference.

**FP19/107.2** A discussion ensued. A general concern was raised that primary care data was patchy and there was a lack of narrative against poor performance. The Executive Director of Planning & Performance accepted there were challenges in improving the quality of this data. He indicated that local improvement groups had been asked to identify what they felt would be most relevant to include, and there were national conversations also. He

<p>would hope to be able to present improved datasets and narrative to the July Committee. The Executive Director of Workforce &amp; OD drew attention to Slide 35 which detailed the risks to achieving the sickness absence target of 4.2% by September 2019, and the view that it was deliverable by March 2020. The Chair raised a point around differences in the planned care profiles and it was reported that there were seasonal variations and historical patterns. In terms of RTT whilst resources had been committed to support this, there was not yet the ability to produce a forecast for the end of June, and the priority was to agree core capacity and review what had been commissioned. The Chair suggested that if there was no visible improvement next month, the Committee should expect a whole new level of approach. With regards to stroke it was confirmed that a paper was going to the Executive Team, and the Chair requested this be discussed at the F&amp;P Committee thereafter.</p> <p><b>FP19/107.3</b> The Executive Director of Planning &amp; Performance went onto to refer to the second paper which demonstrated progress against the annual plan actions, as assessed by the relevant Executive Directors. A discussion took place regarding the definition of the RAG status and a concern that potentially a target could be green for 11 months as ‘on target’ and then turn red at month 12. It was noted the control for this was executive team scrutiny, however, it would be thought through as to whether an additional quarterly layer could be built in. Members also suggested that trigger points be incorporated to assure the Committee that key milestones were in place to deliver by the actual end date. The Executive Director of Planning &amp; Performance would reflect on the comments made in terms of strengthening the language, terminology and structure of the report including reference to pilot studies and their role to establish whether functionality was there. The Chair acknowledged the level of input that the Executives had had into the plan and that he was more confident around delivery, but flagged that any departure from delivery would trigger additional scrutiny.</p> <p><b>It was resolved that</b> the Committee note the report.</p>	<p>MW JN</p> <p>JN</p> <p>MW</p>
<p><b>FP19/108 Referral to Treatment (RTT) 2019/20 Development Plan</b></p> <p><b>FP19/108.1</b> The Executive Director of Planning &amp; Performance presented the paper which detailed the progress in developing the RTT plan for 2019-20 including the work on demand and capacity and service gap identification. The paper outlined services which were sustainable and those that required support to eliminate backlogs and investment to move to sustainability at 36 week delivery. He highlighted that there were six specialties currently without a plan to get to the desired year-end position, and that gastroenterology and dermatology were the most challenged. The Executive Director of Planning &amp; Performance set out the approach being taken to firstly reach an agreed statement of core capacity for the organisation; secondly to test these out; thirdly to understand the additional investment made and the</p>	

<p>activity that was commissioned; and finally to ensure the most challenged specialities were moved onto a clear planned position.</p> <p><i>[Mr E Williams left the meeting]</i></p> <p><b>FP19/108.2</b> A discussion ensued. In response to a request for more detail, the Director of Performance explained that within the single cancer pathway the main pressure was diagnostics where demand was already tight. She confirmed that these patients would be clinically prioritised above others which could potentially adversely affect other targets. With regards to the Eye Care Measure booking would commence in June and this would mean that the follow up backlog would reduce and the clinical risks be resolved but capacity for other patients would be adversely affected. With regards to the commitment to sign off core capacity plans by the end of May it was confirmed this was still the intention with a profile paper being provided to the June F&amp;P Committee. The Chair made reference to the stated risk to delivery that the service gap may be lower or higher than expected and that this risk was being magnified by replication across three sites. The Executive Director of Planning &amp; Performance indicated this was a longer term timeframe relating to PAS and the potential for single booking was being explored.</p> <p><b>It was resolved that</b> the Committee :</p> <ul style="list-style-type: none"> <li>• Note the work underway and timescale for completion of the RTT plan and risks associated with delivery.</li> <li>• Acknowledge that WG is requesting the Board to continue with RTT activity at financial risk while the plan is finalised.</li> </ul>	<p>MW</p>
<p><b>FP19/109 Workforce Intelligence quarter 4 report</b></p> <p><b>FP19/109.1</b> The Executive Director of Workforce &amp; OD presented the paper, noting that the data was from March. She noted that several workforce issues had been picked up as part of earlier agenda items and invited any additional questions from members. A point was made that there appeared to be more challenges within Estates &amp; Facilities than other departments, and the Executive Director of Workforce &amp; OD confirmed that she was working with key officers on vacancy levels in particular. She explained that historically there had been a larger number of staff members on zero contract hours and therefore a lower number of substantive staff than expected.</p> <p><b>FP19/109.2 It was resolved that</b> the Committee note the report</p>	
<p><b>FP19/110 Shared Services Partnership Committee quarter 4 assurance report</b></p> <p><b>It was resolved that</b> the Committee note the report.</p>	

<p><b>FP19/111 Issues of significance to inform the Chair's assurance report</b></p> <p>To be agreed with Chair</p>	
<p><b>FP19/112 Summary of InCommittee business to be reported in public</b></p> <p><b>It was resolved that</b> the Committee to note the report</p>	
<p><b>FP19/113 Date of next meeting</b></p> <p>It was noted that the Committee would next meet on 25.6.19 at 11.00am in the Boardroom, Carlton Court</p>	
<p><b>FP19/114 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>	



Mark Wilkinson / Jill Newman	<b>FP19/80.5 IQPR</b> Ensure trajectory information discussed is included within future IQPR reports (including recovery trajectories)	13.5.19	Included for trajectories confirmed to date in new IQPR. RTT trajectories expected to be completed following operational sign off of 2019-20 plan at end of May 2019, this trajectory will remain subject to resource allocations. Recovery trajectories will be developed as an outcome of escalation of any indicator which is significantly off profile during the year. These will be included in exception reports once need for these is triggered. 23.5.19 Clarification provided as to difference between target and trajectory.	Action to be closed				
Sue Green	<b>FP19/83.1 Draft Committee annual report</b> Provide further explanation regarding supporting narrative re RAG status of objective : Monitor the financial aspects of workforce planning to meet service needs in line with agreed strategic plans	1.5.19	<table border="1"> <tr> <td>Monitor the financial aspects of workforce planning to meet service needs in line with agreed strategic plans.</td> <td></td> <td></td> <td>Paybill review and update reports provided to the Committee on a monthly basis</td> </tr> </table>	Monitor the financial aspects of workforce planning to meet service needs in line with agreed strategic plans.			Paybill review and update reports provided to the Committee on a monthly basis	Action to be closed
Monitor the financial aspects of workforce planning to meet service needs in line with agreed strategic plans.			Paybill review and update reports provided to the Committee on a monthly basis					
<b>Actions from 23.5.19 meeting:</b>								
Deborah Carter	<b>FP19/97.2 Unscheduled Care</b> Liaise with Morwena Edwards in terms SICAT model.	25.6.19	7.6.19 Information has been shared with Morwena Edwards and it has been agreed to discuss further opportunities for working in partnership	Action to be closed				
Sue Hill	<b>FP19/97.3 Unscheduled Care</b> Consider refresh of agenda format and ordering as part of agenda setting.		The agenda is being reviewed in line with cycle of business and the agenda is being ordered by action (decision, assurance, information) rather than subject.	Action to be closed				
Sue Hill	<b>FP19/100.2 Cycle of Business</b> Reflect discussion and suggestions to the CoB.	25.6.19	This has been updated in line with feedback.	Action to be closed				
Sue Hill Mark Wilkinson	<b>FP19/101.2 Finance M1</b> Liaise to develop a bespoke reporting tool for RTT to align the finance to activity plans.	July	This action will be completed for July and a draft report format will be presented for review and feedback. 19.6.19 The IQPR includes our first presentation of additional expenditure on improving access and the associated activity	Action to be closed				

			implications. Feedback is welcomed to assist the development of this aspect of our reporting.	
Sue Green	<b>FP19/101.3 Finance M1</b> Provide paper on recruitment for next meeting	25.6.19	Agenda item June meeting	Action to be closed
Executives [Sue Hill]	<b>FP19/101.4 Finance M1</b> Provide assurance that budget holders were being challenged appropriately regarding overspends	25.6.19	5.6.19 We will provide a sample of Finance meeting minutes with Committee members in July. [Sue Hill]	July
Sue Hill	<b>FP19/102.2 Non Pay Costs</b> Look further into non-pay expenditure to ensure grip and control, robust budget management and understanding extreme variances. Further paper to Committee in due course.	25.6.19	A paper will be presented to F&P in June listing all revised policies and processes to improve level of and focus on, Financial control.	Action to be closed
Sue Hill	<b>FP19/104.1 External Contracts</b> Determine how quality and safety issues from these reports could be shared with the Q&S Committee	July	A summary report will be presented each quarter listing any quality and safety issues with our external contracts, but any urgent issues will be escalated within the Finance report.	
Mark Wilkinson Jill Newman	<b>FP19/107.2 IQPR</b> Provide improved datasets and narrative for primary care information.	July	19.6.19 Improvement Groups (Care Closer to Home for primary care) have been asked to propose the indicators that would best assist committees and Board to gauge progress in implementing their strategies and plans. These can then be incorporated	Action to be closed
Jill Newman	<b>FP19/107.2 IQPR</b> Ensure the F&P Committee was sighted on the stroke paper going to Executive Team		A Programme Business Case for the development of stroke services will be presented to the SPPH committee in July prior to the July Board after suitable executive engagement.	Action to be closed
Mark Wilkinson	<b>FP19/107.3 IQPR</b> Reflect on comments made re language, terminology and structure of the year-end report	25.6.19	Completed	Item to be closed

Mark Wilkinson	<b>FP19/108.2 RTT</b> Provide profile paper to next meeting (once core capacity plans were signed off)	25.6.19	Incorporated into RTT agenda update	Item to be closed
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19.6.19



<b>Report Title:</b>	Finance Report Month 2 2019/20
<b>Report Author:</b>	Ms Sue Hill, Interim Executive Director of Finance
<b>Responsible Director:</b>	Ms Sue Hill, Interim 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, 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's draft financial plan for 2019/20 is a deficit of £35.0m.</p> <p>Welsh Government has set the Health Board a control total of £25.0m and a new plan is currently being developed to move towards this. The Health Board's current plan and budgetary management reflects a deficit of £35.0m. Once the new plan has been agreed, this will need to be reflected in the Health Board's budgetary management and devolved to its various divisions together with related savings targets.</p> <p>At the end of Month 2 the Health Board is overspent by £7.5 m, £1.7m higher than current plan deficit. The Health Board is still forecasting to achieve its current plan deficit, on the basis that actions are being taken to recover the year to date shortfall and respond to any additional emerging costs pressures that may arise over the remainder of the year.</p> <p>The key reasons for the year to date over spend are:</p> <ul style="list-style-type: none"> <li>- Savings required to deliver a £35.0m deficit have been allocated to Divisions and phased into the Health Board's monthly budgets with an anticipated £4.7m of savings by Month 2. Savings achieved to date total £2.6m, £2.1m behind planned delivery.</li> <li>- Over spends in a number of divisions with some off-setting underspends and additional income in other areas.</li> </ul>

	<p>The 2019/20 planned savings programme of £34.5m comprises £25.0m cash releasing and £9.5m cost avoidance and pipeline schemes. At Month 2, the Health Board has identified £31.1m of schemes, a shortfall of £3.4m, but an improvement of £3.6m over last month. Total savings achieved up to Month 2 are £2.6m against budget anticipated savings of £4.7m, £2.1m behind planned delivery.</p> <p>Work continues on the development of further savings and resource utilisation schemes, which will form an important part of the Health Board's efficiency programme for 2019/20.</p>
<b>Recommendation:</b>	It is asked that the report is noted, including the forecast position of £35.0m deficit.

<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</b>			

**paper**

Costs associated with implementing improvements arising from Special Measures are included within departmental budgets.

**Equality Impact Assessment**

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



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board

# FINANCE REPORT

MONTH 2 2019/20

Sue Hill

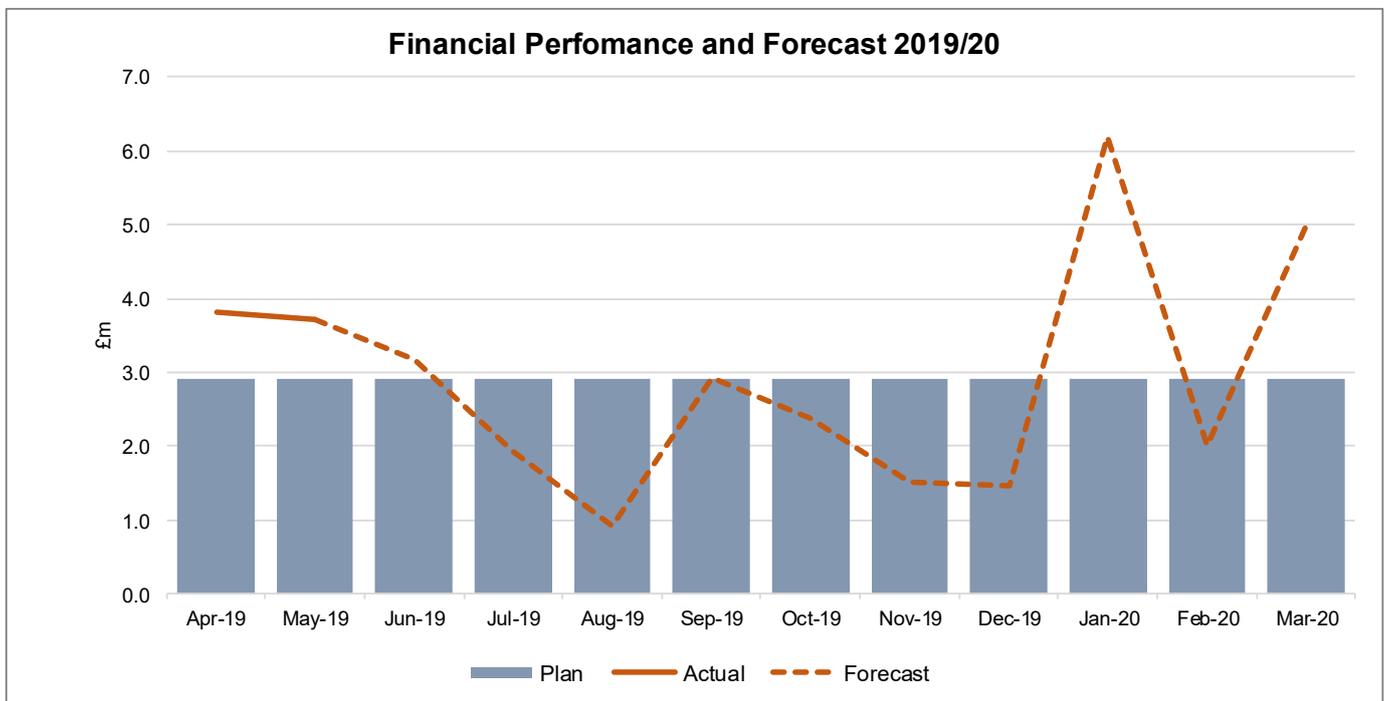
Interim Executive Director of Finance

Betsi Cadwaladr University Health Board

# 1. Executive Summary

## 1.1 Executive Summary

Current Month		Year to Date		Full Year Forecast	
Plan	£2.9m Deficit	Plan	£5.8m Deficit	Plan	£35.0m Deficit
Actual	£3.7m Deficit	Actual	£7.5m Deficit	Forecast	£35.0m Deficit
Variance	£0.8m Adverse	Variance	£1.7m Adverse	Variance	Nil



### Key reasons for the year to date overspend:

- Savings required to deliver a £35.0m deficit have been allocated to Divisions and phased into the Health Board's monthly budgets with an anticipated £4.7m of savings by Month 2. Savings achieved to date total £2.6m, £2.1m behind planned delivery.
- Over spends in a number of divisions with offsetting underspends and additional income in other areas.
- The forecast reflects projected reductions in pay in August, particularly in secondary care, and the purchase of Health care services provided by other NHS Bodies. In January the forecast reflects a substantial increase in CHC payments on the basis that the CHC contracts uplift will be paid and backdated in January. March reflects an increase in relation to finalising contract values with other providers. We will be re-assessing the phasing of budgets as part of the re-planning exercise currently underway.

## 2. Key Targets

### 2.1 Key Targets

Key Target	Annual Target	Year to Date Target	Year to Date Actual	Forecast Risk	Trend
<b>Achievement against Revenue Resource Limit (£'000)</b> To ensure that the Health Board's expenditure does not exceed the aggregate of it's funding in each financial year.	(35,000)	(5,833)	(7,540)		
<b>Performance against savings and recovery plans (£'000)</b> To ensure savings achieve the required target.	34,500	4,731	2,593		
<b>Achievement against Capital Resource Limit (£'000)</b> To ensure net capital spend does not exceed the capital resource limit.	21,725	2,131	1,580		
<b>Compliance with Public Sector Payment Policy (PSPP) target (%)</b> To pay a minimum of 95% of all non NHS creditors within 30 days of receipt of goods/invoice.	95.0	95.0	96.2		
<b>Revenue cash balance (£'000)</b> Cash balance held by the Health Board to not exceed 5% of monthly cash draw down from Welsh Government.	7,875	7,875	2,917		

Performance against Statutory requirements 2019/20	
Ensure the aggregate of the Health Board's expenditure does not exceed the aggregate of its funding in a 3 year period	No
Prepare and submit a Medium Term Plan that is signed off by Welsh ministers	No

### 2.2 Medium Term Plan

- The Health Board has agreed with Welsh Government that it will develop an Annual Operating Plan for 2019/20 which responds to the special measures framework and key areas for improvement.

### 3. Revenue Position

#### 3.1 Month 2 Position

- At the end of Month 2 the Health Board is overspent by £7.5 m, £1.7m higher than financial plan (but slightly closer to plan than the shortfall in Month 1).

The plan for Month 2 was a £2.9m deficit. The actual position was £3.7m, £0.8m higher than plan. The key reasons for the in-month over spend are overspends in a number of divisions with some offsetting underspends and additional income in other areas.

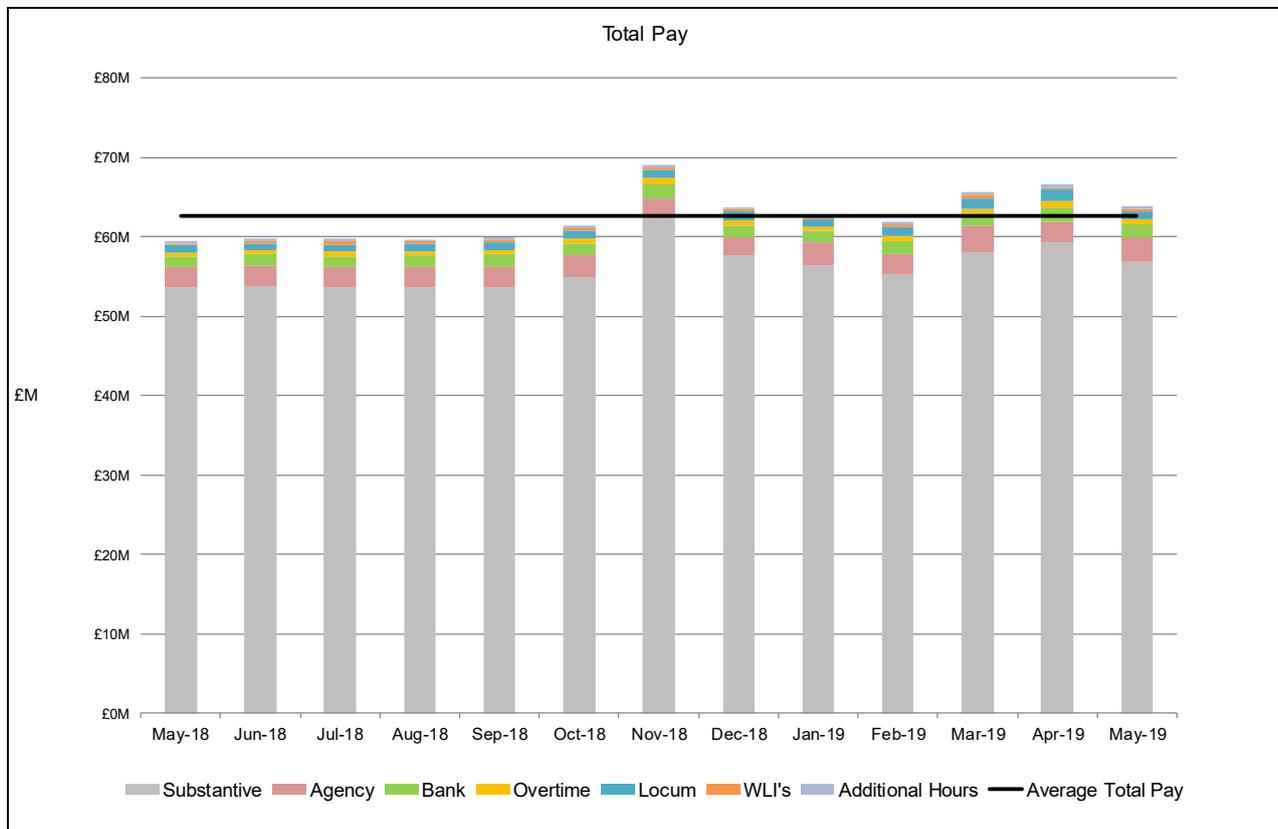
#### 3.2 Financial Performance by Division

	Month 1			Month 2			CUMULATIVE		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>WG RESOURCE ALLOCATION</b>	(124,954)	(124,954)	0	(123,186)	(123,186)	0	(248,139)	(248,139)	0
<b>AREA TEAMS</b>									
West Area	13,195	13,278	83	12,974	12,998	24	26,169	26,276	107
Central Area	17,406	17,294	(112)	17,004	17,075	70	34,411	34,369	(41)
East Area	19,079	19,050	(28)	18,767	18,928	162	37,845	37,979	134
Other North Wales	1,100	834	(266)	1,090	1,072	(18)	2,190	1,906	(284)
Commissioner Contracts	16,287	16,206	(81)	16,263	16,191	(73)	32,550	32,397	(153)
Provider Income	(1,600)	(1,601)	(1)	(1,600)	(1,768)	(168)	(3,200)	(3,370)	(170)
<b>Total Area Teams</b>	<b>65,466</b>	<b>65,062</b>	<b>(405)</b>	<b>64,499</b>	<b>64,496</b>	<b>(3)</b>	<b>129,965</b>	<b>129,558</b>	<b>(408)</b>
<b>SECONDARY CARE</b>									
Ysbyty Gwynedd	8,465	8,712	247	8,303	8,444	141	16,767	17,155	388
Ysbyty Glan Clwyd	9,966	10,392	426	9,835	10,281	446	19,801	20,672	871
Ysbyty Maelor Wrexham	8,781	8,908	126	8,558	8,700	143	17,339	17,608	269
North Wales Hospital Services	8,845	8,994	149	8,704	8,647	(57)	17,549	17,641	93
Womens	3,330	3,370	39	3,228	3,282	54	6,558	6,652	94
<b>Total Secondary Care</b>	<b>39,387</b>	<b>40,375</b>	<b>987</b>	<b>38,627</b>	<b>39,354</b>	<b>727</b>	<b>78,014</b>	<b>79,729</b>	<b>1,714</b>
<b>Total Mental Health &amp; LDS</b>	<b>10,460</b>	<b>10,682</b>	<b>222</b>	<b>10,200</b>	<b>10,156</b>	<b>(44)</b>	<b>20,659</b>	<b>20,838</b>	<b>179</b>
<b>Total Corporate Budgets</b>	<b>10,665</b>	<b>10,709</b>	<b>44</b>	<b>10,691</b>	<b>10,748</b>	<b>57</b>	<b>21,356</b>	<b>21,456</b>	<b>100</b>
<b>Total Other Budgets (Reserves)</b>	<b>1,892</b>	<b>1,952</b>	<b>59</b>	<b>2,085</b>	<b>2,148</b>	<b>62</b>	<b>3,978</b>	<b>4,099</b>	<b>121</b>
<b>TOTAL INCOME AND EXPENDITURE</b>	<b>2,917</b>	<b>3,825</b>	<b>908</b>	<b>2,917</b>	<b>3,716</b>	<b>799</b>	<b>5,833</b>	<b>7,540</b>	<b>1,707</b>

## 4. Pay

### 4.1 Total Pay

- Total Health Board pay (excluding Primary Care functions) is £126.5m, which is an over spend against plan of £0.3m. Total pay including Primary Care is £130.2m, a year to date over spend of £0.8m.

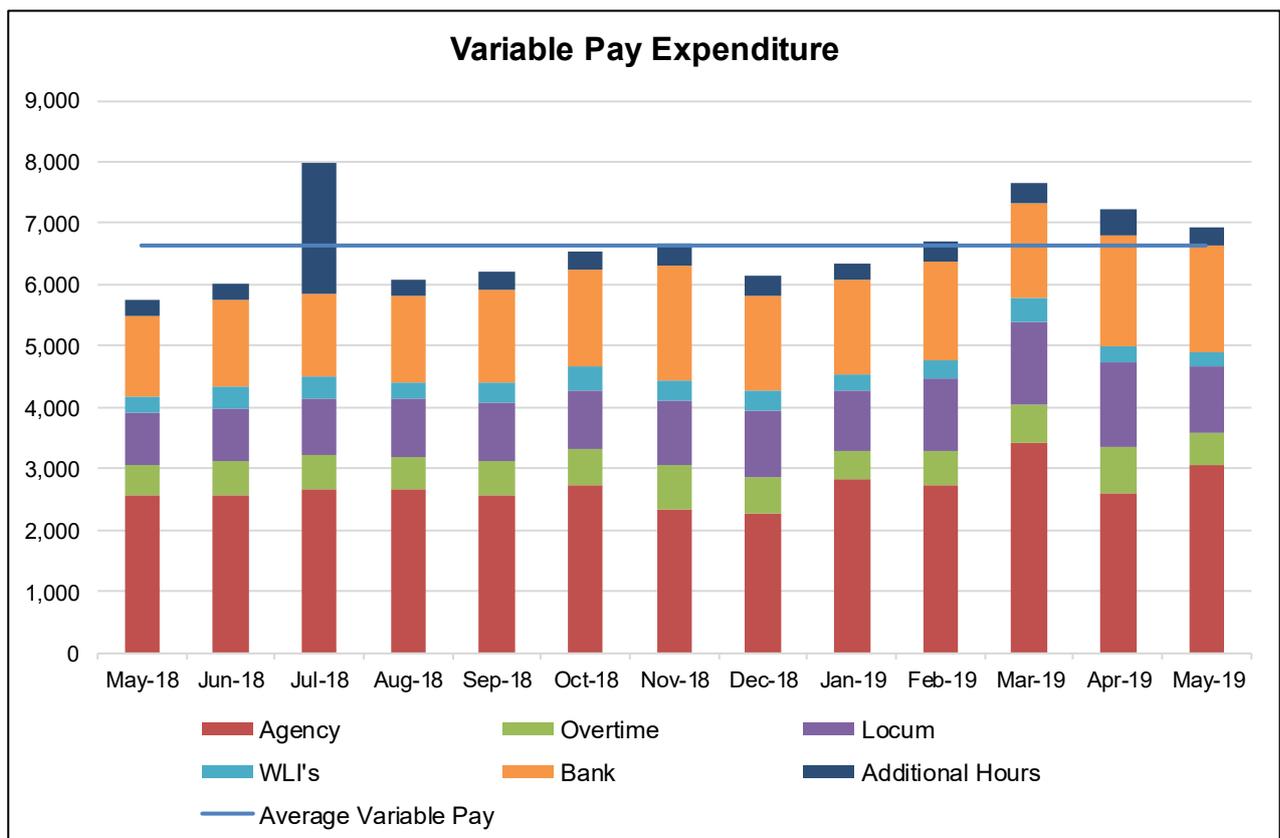


	Month 1 2019/20	Month 2 2019/20	Movement M1 to M2	Monthly Average 2019/20	YTD Variance
	£m	£m	£m	£m	£m
Administrative & Clerical	8.4	8.1	(0.3)	8.3	(1.2)
Medical & Dental	14.3	14.0	(0.3)	14.1	0.9
Nursing & Midwifery Registered	21.3	20.1	(1.2)	20.7	(1.5)
Additional Clinical Services	10.0	9.2	(0.8)	9.6	1.6
Add Prof Scientific & Technical	2.5	2.6	0.1	2.5	(0.1)
Allied Health Professionals	3.7	3.7	0.0	3.7	0.1
Healthcare Scientists	1.2	1.2	0.0	1.2	0.1
Estates & Ancillary	3.2	3.0	(0.2)	3.1	0.0
Savings to be allocated					0.4
<b>Health Board Total</b>	<b>64.6</b>	<b>61.9</b>	<b>(2.7)</b>	<b>63.2</b>	<b>0.3</b>
Primary care	1.9	1.8	(0.1)	1.9	0.5
<b>Total Pay</b>	<b>66.5</b>	<b>63.7</b>	<b>(2.8)</b>	<b>65.1</b>	<b>0.8</b>

- April's pay expenditure included the 1.1% lump sum payable to Agenda for Change staff who were on the top of scale. The cost of this was £2.5m and accounts for the majority of the difference between Month 1 and 2 actual costs.

## 4. Pay

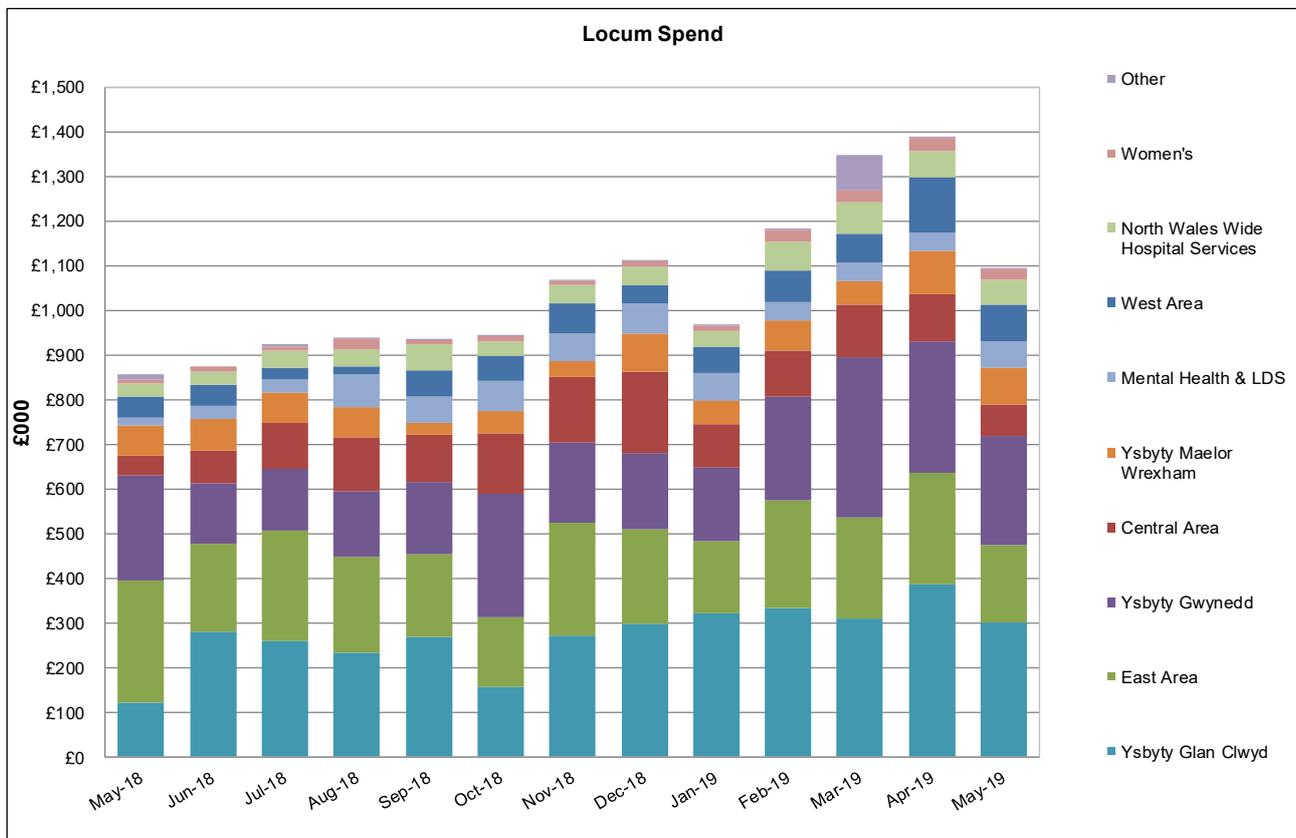
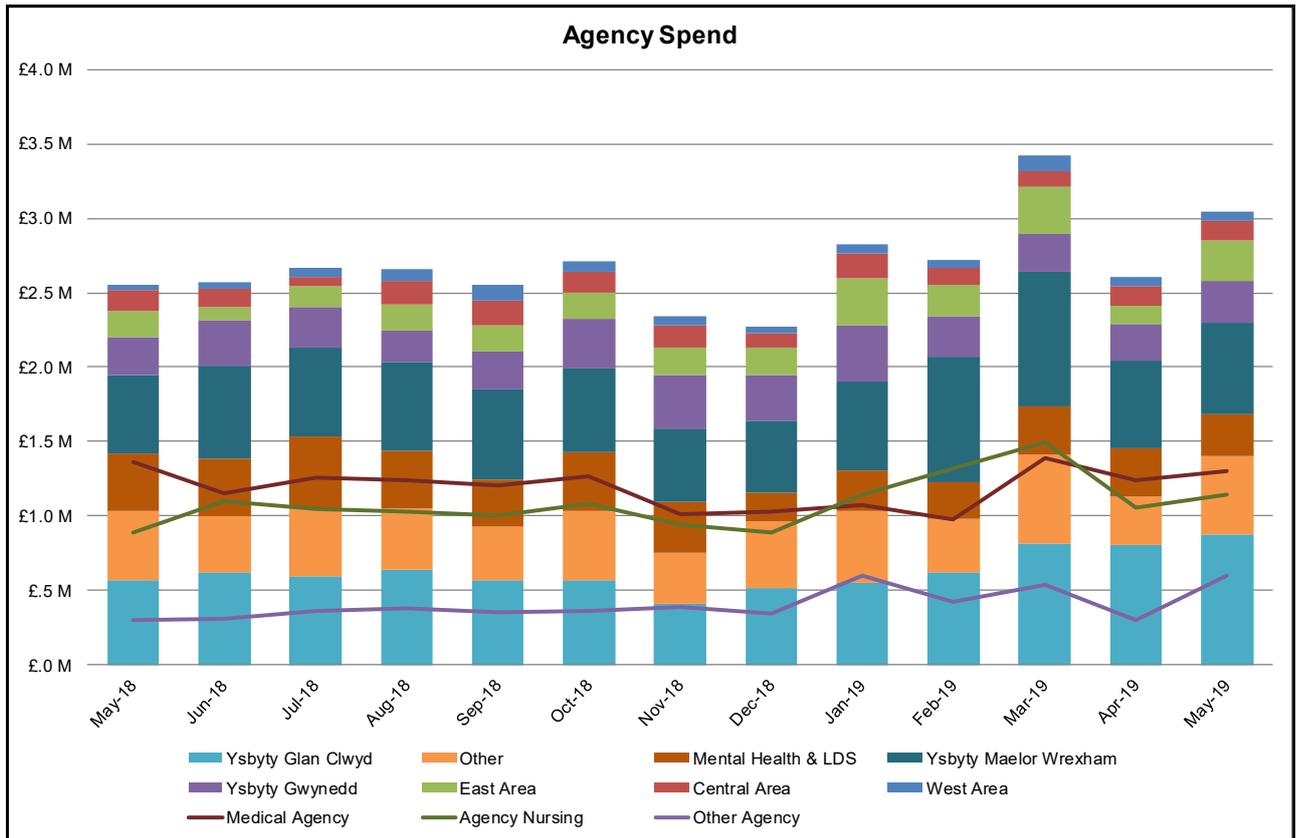
- Medical and Dental pay costs in Month 2 have reduced by £0.3m as a result of reduced locum costs offset by a small increase in agency.
- Over spends continue in areas of high agency usage (Medical and Dental and Additional Clinical Services (for Health Care Support Workers)). The high level of nursing vacancies remains, leading to an under spend on Nursing and Midwifery.
- 10.9% (£6.9m) of total pay for Month 2 (10.9% / £14.1m year to date) related to variable pay; agency, bank, overtime, locum, WLI and additional hours.



### 4.2 Agency and Locum Costs

- Expenditure on agency staff for Month 2 is £3.0m, representing 4.8% of total pay, an increase of £0.4m from April.
- Expenditure on locum staff for Month 2 is £1.1m, representing 1.7% of total pay, a decrease of £0.3m on April expenditure.

# 4. Pay



## 4. Pay

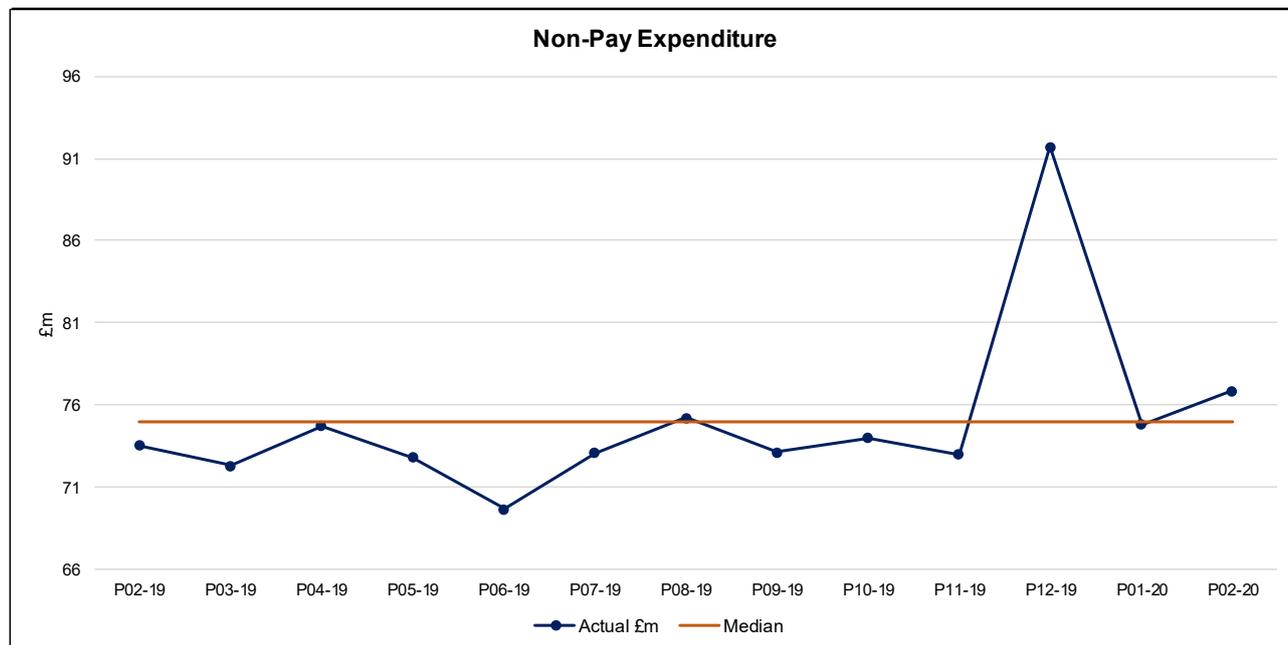
Key Points	
<b>Medical Agency</b>	Costs increased by £0.1m from April to an in-month spend of £1.3m. The areas primarily responsible are Ysbyty Glan Clywd (£0.4m), Ysbyty Gwynedd (£0.2m), Mental Health (£0.3m) and Women's Services (£0.2m) accounting for 81.6% of the month's spend. Medical agency is primarily used to cover vacancies.
<b>Nurse Agency</b>	Costs totalled £1.1m for the month, a £0.1m 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 (£0.6m in-month) and Ysbyty Glan Clwyd (£0.5m in-month), which together account for 90.1% of these costs in May.
<b>Other Agency</b>	Costs have increased by £0.3m to £0.6m for Month 2 and mainly arise from Allied Health Professionals (£0.3m) and Admin and Clerical (£0.2m). The increase in costs primarily relates to East Area CAMHS (£0.1m) and Secondary Care Management (£0.1m).
<b>Locums</b>	Costs primarily relate to specialty doctors (£0.4m), consultants (£0.4m) and specialty registrars (£0.3m) across both Secondary Care (£0.7m) and Area Teams (£0.3m). May expenditure fell in each of these divisions by £0.2m compared to April.

Appendix 2 contains more detailed analysis of movements in pay expenditure, and details of key actions being taken to manage expenditure.

## 5. Non-Pay

### 5.1 Non-Pay

- Non-pay costs in Month 2 are £151.6m, giving an over spend of £2.6m against the planned budget.



	Month 1 2019/20	Month 2 2019/20	Movement M1 to M2	Monthly Average 2019/20	YTD Variance
	£m	£m	£m	£m	£m
Primary Care	16.7	17.0	0.3	16.8	(0.9)
Primary Care Drugs	8.2	8.2	0.0	8.2	0.2
Secondary Care Drugs	5.9	6.0	0.1	5.9	0.7
Clinical Supplies	5.3	5.6	0.3	5.5	(0.1)
General Supplies	1.8	2.3	0.5	2.1	0.8
Healthcare Services Provided by Other NHS Bodies	21.1	20.9	(0.2)	21.1	(0.3)
Continuing Care and Funded Nursing Care	8.3	8.3	0.0	8.3	0.6
Other	5.1	5.9	0.8	5.5	1.6
Capital	2.4	2.6	0.2	2.5	0.0
<b>Total</b>	<b>74.8</b>	<b>76.8</b>	<b>2.0</b>	<b>75.9</b>	<b>2.6</b>

Key Points	
<b>Primary Care</b>	<ul style="list-style-type: none"> <li>Month 1 costs included the reversal of a Primary Care accrual which was no longer required. This reduced expenditure in April by £0.3m, but has no impact in May.</li> <li>Further investment in Dental Services has now been formally agreed and the forecast continues to be a breakeven position for 2019/20.</li> <li>Within General Medical Service (GMS), the expected uptake on the newer Enhanced Services (Diabetes and NOAC) in the first two months has been lower than expected, resulting in a £0.5m under spend forecast for the year. Further uptake of the Enhanced</li> </ul>

## 5. Non-Pay

	<p>Services will be closely monitored to ensure the overall GMS forecast remains robust, particularly in light of the expanding number of Managed Practices, which can be volatile and have a material impact on the Health Board's financial position.</p>
<b>Primary Care Drugs</b>	<ul style="list-style-type: none"> <li>- Prescribing data is received two months in arrears. There are a range of forecasting options used to estimate this two months accrual and BCU uses the lowest forecast methodology in its monthly reported position. March 2019 data was received in May and showed an increase in costs. This increase has not been extrapolated into the 2019/20 position, therefore the anticipated costs included in the position are based on a flat trend from 2018/19. This approach will be kept under review, and there remains a degree of risk in our forecast.</li> <li>- The £0.2m year to date overspend relates to community dressings, which were a significant cost pressure last year and have continued to be in 2019/20. A savings scheme is in place to reduce these costs through: <ul style="list-style-type: none"> <li>• introducing a new dressings formulary to limit the product range;</li> <li>• improving training of district nurses;</li> <li>• switching cheaper products to NHS Denbigh stores; and</li> <li>• reducing stock holding.</li> </ul> </li> </ul>
<b>Secondary Care Drugs</b>	<ul style="list-style-type: none"> <li>- Costs rose throughout 2018/19 and have continued to rise into 2019/20.</li> <li>- Key areas of pressure this year are due to Haematology (£0.3m), Oncology (£0.1m), Dermatology (£0.2m), Diabetes (£0.1m) and Mental Health drugs (£0.1m).</li> </ul>
<b>Clinical Supplies</b>	<ul style="list-style-type: none"> <li>- The under spends seen against ALAC (Artificial Limb and Appliance Centres) and patient appliances last month have reversed, with costs increasing by £0.2m, in line with budgets.</li> <li>- General Medical &amp; Surgical supplies costs have also increased, linked to Theatres within Secondary Care (£0.1m).</li> <li>- Cost pressures previously seen in vaccines and continence products have not yet materialised.</li> </ul>
<b>General Supplies</b>	<ul style="list-style-type: none"> <li>- The £0.5m increase in costs in May relates in Medical Education and is offset by income.</li> <li>- Catering provisions (£0.1m) and translation costs (£0.1m), are the primary areas where cost pressures are evident.</li> </ul>
<b>Healthcare Services provided by other NHS Bodies</b>	<ul style="list-style-type: none"> <li>- The WHSCC contract has a year to date under spend of (£0.3m).</li> <li>- It is currently forecast that Commissioning contracts will breakeven by the end of the year.</li> </ul>
<b>Continuing Health Care</b>	<ul style="list-style-type: none"> <li>- Expenditure has continued at the same level in Month 2, and we have reflected risk in our reported risk position accordingly.</li> </ul>

## 5. Non-Pay

<b>(CHC) and Funded Nursing Care (FNC)</b>	<ul style="list-style-type: none"> <li>- CHC is £0.6m over spent for the year, with FNC being balanced.</li> <li>- The key risk area relates to Mental Health, with a £0.4m over spend for 2019/20.</li> <li>- The Area teams are £0.2m over spent, with the main area of pressure continuing to be in the West. The Areas are particularly impacted by Elderly Mental Health CHC cases where costs and cases continue to rise.</li> </ul>
<b>Other Costs</b>	<ul style="list-style-type: none"> <li>- This category includes all other areas of non-pay expenditure.</li> <li>- The increased expenditure in includes:             <ul style="list-style-type: none"> <li>• Travel costs (£0.2m) – primarily around travel &amp; subsistence and vehicle running costs; and</li> <li>• Estates statutory compliance costs (£0.1m).</li> </ul> </li> <li>- The over spend position for the year relates to:             <ul style="list-style-type: none"> <li>• Unallocated/unidentified savings schemes across Divisions (£1.5m) – of the £2.1m shortfall of savings against planned and budgeted delivery, £1.5m sits in Other Non-pay and £0.6m is allocated across other expenditure categories;</li> <li>• Travel (£0.2m) – pressures on lease car costs and Non-Emergency Patient Travel Service (NEPTS);</li> <li>• Power (£0.1m) - re-billing issues from 2018/19, no budget increases for inflationary growth, increased costs at YGC possibly due to the site being fully operational following the redevelopment and no additional funding for the new YG ED scheme; and</li> <li>• Postage (£0.1m) - anticipated savings from centralising mail haven't met the expected levels. There are several projects ongoing to reduce post charges from franked mail, as well as moving locally franked mail onto the central mail hub.</li> </ul> </li> </ul>
<b>Capital</b>	<ul style="list-style-type: none"> <li>- Capital costs include depreciation and impairment costs, which are fully funded.</li> </ul>
<b>General</b>	<ul style="list-style-type: none"> <li>- An analysis of non-pay costs was presented at the last Committee meeting. An update following that analysis is attached as Appendix 3.</li> </ul>

## 6. RTT

### 6.1 RTT Year to Date Costs

Expenditure Category		Total spend M01 £'000	Total spend M02 £'000	Cummulative spend to date £'000
Medical Costs		215	293	508
Theatre Staff		42	66	109
Theatre Non Pay		46	105	150
Other Staffing		57	54	111
Other Non Pay		246	359	605
Ward / Outpatients		176	172	348
Outsourced Activity		-	57	57
Insourcing		176	226	402
<b>Total Expenditure</b>		<b>958</b>	<b>1,332</b>	<b>2,290</b>
Diagnostics	Audiology	-	-	-
	Cardiology	-	14	14
	Gastro / Endoscopy	223	343	566
	Max Fax	-	-	-
	Neurophysiology	-	-	-
	Ophthalmology	53	18	71
	Pathology	-	-	-
	Radiology	180	228	408
	Respiratory	-	-	-
	Urology	-	12	12
<b>Sub Total</b>		<b>456</b>	<b>615</b>	<b>1,071</b>
Inpatients Daycases Outpatients	Anaesthetics	-	1	1
	Dermatology	-	-	-
	ENT	7	13	20
	General Surgery	16	44	60
	Gen Med	-	2	2
	Gynaecology	-	-	-
	Max Fax	13	12	25
	Oral	-	47	47
	Ophthalmology	14	97	111
	Orthopaedics	288	477	765
	Other	-	-	-
	Rheumatology	-	-	-
	Urology	157	16	173
WPAS Validators	7	7	14	
<b>Sub Total</b>		<b>502</b>	<b>716</b>	<b>1,219</b>
<b>Total Expenditure</b>		<b>958</b>	<b>1,331</b>	<b>2,290</b>

- At the end of May the Health Board has spent £2.3m on additional activity to reduce the long waiting lists.
- Welsh Government RTT income, which it is anticipated will be received to fund this activity, is included in the position for the full year (£13.7m in total). Discussions continue with Welsh Government regarding this funding.

## 7. Allocations

### 7.1 Allocations

Description	Value £m 19/20	Reccurent (R) / Non- recurrent (NR)
<b>Allocations Received</b>		
Total Confirmed Funding	1,465.6	R
<b>Sub-total Allocations Received</b>	<b>1,465.6</b>	
<b>Allocations Anticipated</b>		
Substance Mis-use	5.1	NR
IM & T Refresh programme	1.9	NR
Consultant Clinical Excellence Awards	0.4	NR
Vocational Training	1.0	NR
SpRs	0.4	NR
WAST Emergency Services Mobile Communications Programme (ESMCP)	0.3	NR
Special Measures Support - Turnaround Function	0.1	NR
Funding for additonal 1% Doctor Dentist Review Body	1.7	NR
Unsocial Hours during Sickness Absence	0.8	NR
Additonal costs for PWC - Estimated	0.5	NR
Treatment Fund	1.7	NR
Invest to save funding	0.2	NR
Immunisation Funding	0.4	R
Capital charges adjustment - Donated Assets	0.9	NR
Consultant Clinical Excellence Awards	0.1	R
RTT funding	13.7	NR
All other anticipated income	0.2	Both
<b>Sub-total Allocations Anticipated</b>	<b>29.4</b>	
<b>Total Allocations as at Month 2</b>	<b>1,495.0</b>	
<b>Recurrent Allocations</b>	<b>1,466.3</b>	
<b>Non-recurrent Allocations</b>	<b>28.7</b>	

- Planned income for the Health Board is expected to reach £1,495.0m for 2019/20, all of which is reflected within the current forecast. Welsh Government allocations form the majority of the Health Board's funding. Confirmed allocations total £1,465.6m year to date, with further anticipated allocations in year of £29.4m.
- RTT funding that has been anticipated in the above has not been reflected in the ledger.

## 8. Savings

### 8.1 Savings Delivery

2019/20	March Submission to WG	Savings Budget	Savings Identified		Excess / (deficit) of savings identified	Planned Risk Rating			Total	Forecast Delivery			Forecast Variance to WG Submission	Forecast Variance to Budget	Forecast Variance to Identified Savings
			Cash Releasing £'000	Cost Avoidance £'000		£'000	Low £'000	Med £'000		High £'000	£'000	Cash Releasing £'000			
Ysbyty Gwynedd	1,534	2,901	970	540	(1,391)	1,056	296	158	1,510	937	517	1,454	(80)	(1,447)	(56)
Ysbyty Glan Clwyd	1,439	3,758	502	839	(2,418)	846	232	264	1,341	500	735	1,235	(204)	(2,523)	(105)
Ysbyty Wrexham Maelor	1,292	2,598	1,076	300	(1,222)	1,010	213	153	1,376	1,114	300	1,414	122	(1,184)	38
North Wales Managed Services	742	2,592	717	0	(1,875)	700	17	0	717	718	0	718	(24)	(1,873)	1
Womens Services	994	1,048	179	189	(680)	368	0	0	368	183	221	405	(590)	(643)	37
<b>Secondary Care</b>	<b>6,002</b>	<b>12,897</b>	<b>3,444</b>	<b>1,867</b>	<b>(7,585)</b>	<b>3,979</b>	<b>757</b>	<b>575</b>	<b>5,311</b>	<b>3,453</b>	<b>1,774</b>	<b>5,227</b>	<b>(775)</b>	<b>(7,670)</b>	<b>(84)</b>
Area - West	2,704	3,216	2,004	700	(512)	2,704	0	0	2,704	2,081	700	2,781	77	(435)	77
Area - Centre	3,720	4,870	3,734	0	(1,136)	3,509	60	165	3,734	3,900	0	3,900	180	(970)	166
Area - East	3,506	4,851	3,882	424	(545)	2,760	496	1,050	4,306	2,454	424	2,878	(628)	(1,973)	(1,428)
Area - Other	320	318	513	0	196	148	165	200	513	513	0	513	193	196	0
Contracts	463	500	350	113	(38)	154	50	259	463	350	113	463	0	(38)	0
<b>Area Teams</b>	<b>10,713</b>	<b>13,755</b>	<b>10,484</b>	<b>1,237</b>	<b>(2,035)</b>	<b>9,276</b>	<b>771</b>	<b>1,674</b>	<b>11,720</b>	<b>9,298</b>	<b>1,237</b>	<b>10,535</b>	<b>(178)</b>	<b>(3,220)</b>	<b>(1,186)</b>
MHLD	2,340	3,575	1,732	807	(1,036)	1,633	77	829	2,539	1,503	807	2,310	(30)	(1,265)	(229)
Corporate	1,416	4,273	2,185	12	(2,077)	1,642	385	170	2,197	2,165	12	2,177	761	(2,097)	(20)
<b>Divisional Total</b>	<b>20,470</b>	<b>34,500</b>	<b>17,844</b>	<b>3,923</b>	<b>(12,733)</b>	<b>16,529</b>	<b>1,990</b>	<b>3,248</b>	<b>21,767</b>	<b>16,419</b>	<b>3,830</b>	<b>20,248</b>	<b>(222)</b>	<b>(14,252)</b>	<b>(1,519)</b>
<b>Not allocated to Divisions</b>	<b>4,530</b>		<b>6,671</b>	<b>2,633</b>	<b>9,304</b>			<b>9,304</b>	<b>9,304</b>				<b>(4,530)</b>	<b>0</b>	<b>(9,304)</b>
<b>Total Identified BCUHB Savings</b>	<b>25,000</b>	<b>34,500</b>	<b>24,515</b>	<b>6,556</b>	<b>(3,429)</b>	<b>16,529</b>	<b>1,990</b>	<b>12,552</b>	<b>31,071</b>	<b>16,419</b>	<b>3,830</b>	<b>20,248</b>	<b>(4,752)</b>	<b>(14,252)</b>	<b>(10,823)</b>

## 8. Savings

2019/20	March Submission to WG YTD Profile	YTD Budget	YTD Planned as per tracker		YTD Delivered		YTD Variance to WG Submission	YTD Variance to Budget	YTD Variance to Plan	Rest of Year Delivery
	£'000	£'000	Cash Releasing £'000	Cost Avoidance £'000	Cash Releasing £'000	Cost Avoidance £'000	£'000	£'000	£'000	£'000
<b>Based on £34.5m</b>										
Ysbyty Gwynedd	186	401	92	90	70	21	(95)	(310)	(92)	1,363
Ysbyty Glan Clwyd	87	610	34	0	63	0	(24)	(547)	29	1,172
Ysbyty Wrexham Maelor	56	323	81	0	94	0	38	(230)	13	1,321
North Wales Managed Services	51	392	47	0	45	0	(7)	(347)	(3)	674
Womens Services	61	169	30	31	44	86	69	(39)	69	275
<b>Secondary Care</b>	<b>442</b>	<b>1,894</b>	<b>285</b>	<b>121</b>	<b>315</b>	<b>107</b>	<b>(19)</b>	<b>(1,472)</b>	<b>16</b>	<b>4,804</b>
Area - West	449	472	291	117	424	84	59	36	101	2,273
Area - Centre	304	601	443	0	705	0	401	104	262	3,195
Area - East	521	727	450	71	476	71	26	(180)	26	2,331
Area - Other	16	59	24	0	24	0	8	(35)	0	489
Contracts	19	19	19	0	19	0	0	0	0	444
<b>Area Teams</b>	<b>1,308</b>	<b>1,878</b>	<b>1,226</b>	<b>188</b>	<b>1,648</b>	<b>155</b>	<b>495</b>	<b>(75)</b>	<b>389</b>	<b>8,732</b>
MHLD	162	377	41	44	20	44	(97)	(313)	(21)	2,245
Corporate	195	581	308	2	301	2	108	(278)	(7)	1,874
<b>Divisional Total</b>	<b>2,106</b>	<b>4,731</b>	<b>1,860</b>	<b>356</b>	<b>2,284</b>	<b>308</b>	<b>487</b>	<b>(2,138)</b>	<b>377</b>	<b>17,656</b>
<b>In Development</b>	<b>170</b>								<b>0</b>	
<b>Total BCUHB Savings</b>	<b>2,276</b>	<b>4,731</b>	<b>1,860</b>	<b>356</b>	<b>2,284</b>	<b>308</b>	<b>487</b>	<b>(2,138)</b>	<b>377</b>	<b>17,656</b>

## 9. Forecast and Underlying Position

### 9.1 Forecast Position

- The Health Board has a forecast outturn for 2019/20 of £35.0m, as per the initial financial plan.
- Welsh Government has set the Health Board a control total of £25.0m and a new plan is currently being developed to move towards this. The Health Board's current plan and budgetary management reflects a deficit of £35.0m. Once the new plan has been agreed, this will need to be reflected in the Health Board's budgetary management and devolved to its various divisions together with related savings targets.
  - PwC are working with the Health Board to support the finalisation of the new plan, in particular the identification and conversion of savings opportunities.
  - Slippage against the plan for Months 1 and 2 is planned to be recovered over the remainder of the year. The forecast for the remaining months of the year has been adjusted to reflect this.

### 9.2 Underlying Position

	Underlying Position b/f £'000	Underlying Position c/f £'000
Previous Year's Outturn / Current Year's Forecast Outturn	(41,319)	(35,000)
Non Recurring Savings	0	(1,419)
Non Recurring Mitigating Actions	2,958	
Non Recurring RRL Income - Allocated		
Non Recurring RRL Income - Anticipated		
Non Recurring Other Income/Disposals	(13,281)	
Non Recurring Accountancy Gains		
Non Recurring Cost Avoidance		
Full Year Effect of Recurring Savings		2,275
Full Year Effect of New Cost Pressures	(6,769)	
Other Non Recurring Factors	(2,399)	
Other Non Recurring Factors	5,672	
<b>Total</b>	<b>(55,138)</b>	<b>(34,144)</b>

- A key risk to the Health Board is its underlying deficit. The underlying deficit brought forward from 2018/19 was £55.1m. This has been reduced slightly since last month based on our current assessment of the position.
- It is forecast that the underlying deficit carried forward into 2020/21 will be £34.1m, a decrease of £21.0m.
- Discussions continue with Welsh Government regarding the current year plan, so the financial plan and the underlying position for 2019/20 are still to be finalised.

## 10. Balance Sheet

### 10.1 Balance Sheet

Balance sheet as at Month 2 2019/20			
	Opening balance £000s	M2 2019/20 £000s	Movement £000s
<b>Non Current Assets:</b>			
Fixed Assets	627,406	623,987	(3,419)
Other Non Current Assets	69,363	69,363	0
<b>Current Assets:</b>			0
Inventories	16,077	16,363	286
Trade and other receivables	66,441	41,898	(24,543)
Cash	3,972	4,789	817
<b>Total Assets</b>	<b>783,259</b>	<b>756,400</b>	<b>(26,859)</b>
<b>Liabilities:</b>			
Trade and other payables	142,428	122,647	(19,781)
Provisions	110,432	107,394	(3,038)
<b>Total Liabilities</b>	<b>252,860</b>	<b>230,041</b>	<b>(22,819)</b>
	530,399	526,359	(4,040)
<b>Financed by:</b>			
General Fund	402,323	398,283	(4,040)
Revaluation Reserve	128,076	128,076	0
<b>Total Funding</b>	<b>530,399</b>	<b>526,359</b>	<b>(4,040)</b>

- Key movements during May 2019 included:
  - Trade and other receivables:
    - Reduction in Welsh Risk Pool (WRP) receivables together with associated provision movements.
    - Alignment of revenue resource allocation drawn down against budget, as additional cash was drawn to cover the year to date deficit and movements in working capital.
  - Trade and other payables: Reduction of £16.1m in revenue payables and £3.7m in capital payables. Revenue payables reduction includes £2.9m relating to Accounts Payable and £10.3m in payables to pharmacists (two payments were made in May 2019).
  - Provisions: Reduction of £2.7m in clinical negligence provisions.
  - General Fund: £3.5m Capital drawdown, less £7.5m year to date deficit.

### 10.2 Cash

- The closing cash balance as at 31<sup>st</sup> May 2019 was £4.8m which included £1.9m of cash held for capital expenditure. The revenue cash balance of £2.9m was within the internal target set by the Health Board.

## 10. Balance Sheet

- It is currently anticipated that £35.0m of strategic cash support and £10.0m of working capital balances support will be required by the Health Board in 2019/20. These figures will be finalised later in the year and a formal request submitted to Welsh Government following agreement from the Board.

Revenue cash requirements 2019/20	£'000
Opening revenue balance	307
Forecast revenue deficit	(35,000)
Working capital balances	(10,000)
<b>Underlying forecast revenue cash shortfall</b>	<b>(44,693)</b>
<b>Anticipated Funding requests</b>	
Strategic cash assistance	35,000
Working capital balances support	10,000
<b>Forecast closing revenue cash balance</b>	<b>307</b>

### 10.3 Public Sector Payment Policy

PSPP target: to pay a minimum of 95% of all non NHS creditors within 30 days of receipt of goods or a valid invoice	Value %	Trend
Cumulative year to date % of invoices paid within 30 days (by number) - forecast green	96.2%	

### 10.4 Capital

- The Capital Resource Limit at Month 2 is £21.7m.
- Year to date expenditure is £1.6m against a plan of £2.1m. The year to date slippage of £0.5m will be recovered throughout the remainder of the year.

## 10. Balance Sheet

	CRL/ Planned YTD 2019/20 £'000	2019/20 Forecast Out-turn £'000	Variance £'000	2019/20 Expenditure M2 £'000	YTD Planned £'000	Narrative
<b>All Wales Schemes</b>						
<b>Capital Projects Approved Funding</b>						
SuRNICC - FBC works	350	574	224	14	14	SuRNICC is complete and operational. The completion of the multi faith room is due to be completed in 2019.
PAS System	996	1,255	259	49	137	The project board has agreed on a revised programme. The upgrade in the East is due to take place followed by the implementation in the West.
Substance Misuse - The Elms Development	265	625	360	390	305	The contractor is progressing well on the site and the scheme will be completed in June 2019.
Substance Misuse - Holyhead, Anglesey	418	676	258	0	0	The scheme is design stage. Once completed it will go tender.
Substance Misuse - Shotton, Flintshire	1,325	1,340	15	0	0	The scheme is design stage. Once completed it will go tender.
Emergency Department System	701	701	0	0	0	The scheme is currently being reviewed and a formal programme will be produced.
Ysbyty Gwynedd - Emergency Department	1,496	2,526	1,030	585	775	The scheme is progressing well and is due to complete in August 2019.
North Denbighshire Community Hospital	2,404	2,404	0	-	-	The Full Business Case is being progress and the fees will be due this financial year.
Progress Redevelopment of Ablett Unit @ YGC from SOC to OBC	849	849	0	0	0	The Outline Business Case is being progressed and the fees will be due this financial year.
<b>All Wales Total</b>	<b>8,804</b>	<b>10,950</b>	<b>2,146</b>	<b>1,038</b>	<b>1,231</b>	
Discretionary Total	12,921	10,775	(2,146)	542	900	The discretionary capital programme has been formally agreed by the Finance and Performance Committee. The programme is progressing.
<b>Overall Total</b>	<b>21,725</b>	<b>21,725</b>	<b>0</b>	<b>1,580</b>	<b>2,131</b>	

## 11. Risks and Opportunities

### 11.1 Risks and Opportunities

	Issue	Description	Risk (Worst Case) £m	Opportunity (Best Case) £m	Key Decision Point & Summary Mitigation	Risk Owner
1	Prescribing	<p>Prescribing data is only received two months in arrears. There are a range of forecasting options used to estimate this two months accrual ranging from the all-Wales HSW Forecast to a BCU locally derived version. BCU uses the lowest forecast methodology in its monthly reported position, giving rise to a possible financial risk between the BCU model and the worst-case model.</p> <p>The estimated £1.0m risk does not include any potential growth in the number of drug items added to the No Cheaper Stock Obtainable (NCSO) price list, which therefore represents an additional (unquantified) risk</p>	(1.0)		<p>The risk is reviewed and updated monthly as the latest prescribing data becomes available. March 2019 data was received in May and showed an increase in costs. This increase has not been extrapolated into the 2019/20 position, giving rise to a risk against the forecast used.</p> <p>There are a wide range of Prescribing Savings Schemes in place to manage spend and growth. Head of Pharmacy and Finance leads meet monthly to discuss and share areas of cost growth and savings opportunity in order to mitigate the risk.</p>	Nigel McCann, CFO Central Area as Prescribing Finance Lead
2	Continuing Healthcare (CHC)	<p>The Health Board is experiencing significant ongoing pressures in relation to both the underlying number and cost of care packages. The financial plan approved by the Board explicitly excluded providing growth funding for CHC.</p>	(1.8)		<p>This is monitored monthly and Divisions are developing cost avoidance schemes to mitigate against this impact.</p>	Rob Nolan, Finance Director – Commissioning & Strategy

## 11. Risks and Opportunities

	Issue	Description	Risk (Worst Case) £m	Opportunity (Best Case) £m	Key Decision Point & Summary Mitigation	Risk Owner
3	HRG4+ 2018/19	Non-recurrent funding was received in 2018/19 to cover the cost of HRG4+. Further discussions have taken place around the position for 2019/20. Welsh Government has indicated that recurrent funding will be forthcoming, and we are still quantifying what that requirement might be.			This is being managed on a national level.	Valerie Attwood, Associate Director of Contracting
4	Under-performance of savings plans	<p>To address our deficit the Health Board will be required to deliver its significant savings target. There is a risk that savings schemes will not deliver quickly enough the required level of savings to ensure the Health Board addresses its deficit in the current year.</p> <p>The Health Board has a process and track record of delivering cash releasing savings of circa £20.0m per annum. Current targets are higher than track record, and additional savings will also be required to deal with cost pressures that arise throughout the year (including the YTD shortfall in savings and overspends up to Month 2 and its potential impact over the remainder of the year) and other emerging shortfalls.</p> <p>At Month 2, the Health Board has identified £31.1m of savings schemes, so there</p>			<p>PwC are working with the Health Board with the aim to ensure delivery of the savings quantum. They have identified additional savings opportunities as part of their ongoing work. Improvements have been made to the process of identification and conversion of plans into schemes.</p> <p>Work continues on the development of further resource utilisation schemes, which will form an important part of the Health Board's efficiency programme for 2019/20.</p>	Pat Crawford, Interim Financial Turnaround Consultant

## 11. Risks and Opportunities

	<p>remains a shortfall of £3.4m against the current plan.</p> <p>Over £12m of schemes are currently identified as red (£3.4m), or in the development pipeline.</p> <p>The additional savings measures that will need to be introduced to progress from a plan of £35.0m towards a control total of £25.0m represent an additional risk.</p>				
		<b>Total</b>	<b>(2.8)</b>		

## 12. Summary

### 12.1 Key Actions

- PwC are working with the Health Board to support the finalisation of the Health Board's new plan, ensuring delivery of the savings quantum and working towards the £25.0m control total set by Welsh Government. Once the new plan has been agreed, this will need to be reflected in the Health Board's budgetary management and devolved to Divisions, together with related savings targets.
- Actions to strictly monitor the approval of agency requests continue and these are combined with renewed efforts to recruit to vacant posts in a bid to reduce agency requirements.

### 12.2 Conclusions

- The Health Board's planned forecast for 2019/20 is £35.0m. This is based on an underlying brought forward deficit of £55m. The Month 2 position is a deficit of £7.5m, giving a year to date position which is £1.7m higher than the planned deficit spend.

During May, the significant issues contributing to the over spent position were savings shortfall against planned budgeted delivery across most divisions (£0.8m), with over spends in a number of divisions with some offsetting underspends and additional income.

- The key over spending division is Secondary Care, where high agency usage has had a particular impact.
- Welsh Government has set the Health Board a control total of £25.0m and a new plan is currently being developed to move towards this.

### 12.3 Recommendation

- It is asked that the report is noted, including the forecast outturn of £35.0m and recognising the significant risks to the financial position.

## Appendix 1: Divisional Analysis

Year to Date Variances - Month 2						
	Areas £m	Secondary Care £m	Mental Health £m	Corporate £m	Other £m	Total £m
<b>Income</b>	(0.4)	(0.3)	0.0	0.0	(0.5)	(1.2)
Substantive	(1.8)	(3.7)	(0.7)	(0.3)	0.0	(6.5)
Agency	0.7	3.6	0.4	0.0	0.0	4.7
Locum	0.8	1.3	0.0	0.0	0.0	2.1
<b>Total Health Board Pay</b>	<b>(0.3)</b>	<b>1.2</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>0.0</b>	<b>0.3</b>
Primary Care	(1.0)	0.0	0.0	0.0	0.0	(1.0)
Primary Care Drugs	0.2	0.0	0.0	0.0	0.0	0.2
Provided Services Non-Pay	0.7	0.6	0.0	0.4	0.8	2.5
Secondary Care Drugs	0.4	0.2	0.1	0.0	0.0	0.7
Services from other NHS Bodies	(0.3)	0.0	0.0	0.0	0.0	(0.3)
Continuing Care and Funded Nursing Care	0.2	0.0	0.4	0.0	0.0	0.6
Other	0.1	0.0	0.0	0.0	(0.2)	(0.1)
<b>Total Non-Pay</b>	<b>0.3</b>	<b>0.8</b>	<b>0.5</b>	<b>0.4</b>	<b>0.6</b>	<b>2.6</b>
<b>Planned Deficit</b>						<b>5.8</b>
<b>Total YTD Variance</b>	<b>(0.4)</b>	<b>1.7</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>7.5</b>

## Appendix 1: Divisional Analysis

### Division

<b>Areas</b>	<ul style="list-style-type: none"> <li>• Vacancies are driving the under spend on pay, with locums and agency being used to cover gaps.</li> <li>• Key pressure areas are unallocated/unidentified savings within provided services non-pay (£0.8m) and secondary care drugs, specifically for Dermatology (£0.2m) and Diabetes (£0.1m).</li> <li>• Continuing Healthcare (CHC) continues to be a pressure area, particularly for the West, with over spends arising from Elderly Mental Health cases.</li> <li>• Primary Care is under spent primarily due to the reversal of a £0.3m accrual from 2018/19 no longer required and under spends on GMS.</li> </ul>
<b>Secondary Care</b>	<ul style="list-style-type: none"> <li>• Pay costs are the main area of over spend for Secondary Care. High levels of agency and locum usage, where staff are paid at a premium, are negating the large under spend arising from vacancies.</li> <li>• Unallocated/unidentified savings within provided services non-pay total £0.5m.</li> <li>• The over spend on drugs predominantly relates to Haematology (£0.3m) and Oncology (£0.1m).</li> </ul>
<b>Mental Health</b>	<ul style="list-style-type: none"> <li>• Savings made against substantive pay due to vacancies are somewhat reduced by agency costs, but still result in an overall under spend on total pay. There are a number of medical vacancies within Psychology and Regional Services, with a downward trend on overtime and agency spend.</li> <li>• Continuing Healthcare (CHC) remains the key risk, although with a reduced over spend of £0.1m in May compared with £0.3m in April. Reduction in package numbers and additional efficiencies have had a positive impact on costs.</li> </ul>
<b>Corporate</b>	<ul style="list-style-type: none"> <li>• Savings due to vacancies, particularly within Medical Executive (£0.1m) and PMO (£0.1m).</li> <li>• Non-pay cost pressures are arising within Estates &amp; Facilities and Utilities &amp; Rates for unallocated/unidentified savings (£0.1m), catering provisions (£0.1m), postage (£0.1m) and utilities (£0.1m).</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• Includes budgets for Capital costs, Losses, Medical Education and Reserves.</li> <li>• Overall a £0.1m over spend position.</li> </ul>

## Appendix 2: Pay Expenditure Overview Addendum

### 1. Total Pay Spend against Pay Budget

The monthly pay budget for April 2019 reduced by £2.2m to £63.6m, due to additional budget in Month 1 to address the lump sum element of the A4C pay deal.

The variance in spend between April 2019 and March is a reduction of £2.8m (cost of the lump sum = £2.6m)

Expenditure against this budget was £63.7m i.e. an overspend against budget of £0.1m.

### 2. Variable “Non-Core” Pay Expenditure

Total Non- Core pay spend reduced by £0.3m from £7.2m to £6.9m. This is against a backdrop of additional work being undertaken to ensure RTT delivery and confirm the associated costs. Further investigation is required to ensure that all work undertaken during May has been accrued before any confidence can be drawn that this reduction is as a result of grip and control actions.

#### 2.1 Premium Rate Non-Core

**Agency** – spend increased by £0.4m from £2.6m to £3m. All divisions/areas other than MHLD increased spend with East Area; YGC and NWMCS seeing the biggest increases. The increase in East Area was due to under accrual of agency spend in previous months and not due to increase usage in May. The increases in YGC and NWMCS are predominantly due to increase gaps and additional work attributed to activity.

Medical Agency increased slightly from £1.2m to £1.3m, whilst Nursing Agency increased slightly from £1m to £1.1m

**Waiting List Initiative Payments (WLIs)** – spend reduced from £0.3m to £0.2m with all divisions/sites reducing. Further investigation is required to understand whether this is reflective of additional activity undertaken and accrued or whether there is a lag in processing payments and accruals.

**Overtime** – spend reduced by £0.2m from £0.7m to £0.5m with all areas and sites seeing a reduction. Given that overtime rates are directly linked to the basic rates, the increase between March and April would appear to be attributed to the pay award. However, further analysis is required before this is confirmed.

#### 2.2 Non Premium Rate Non-Core

**Internal Locum** – Spend reduced by £0.3m from £1.3m to £1m with all divisions/areas, apart from MHLD, seeing a reduction. Further work is being undertaken to review the payments across the Acute sites and the reasons for this as part of the additional actions under the Grip and Control delivery plan, but also to ensure that costs of additional activity to deliver planned care standards is being properly captured.

## Appendix 2: Pay Expenditure Overview Addendum

**Additional Contracted Hours (ACH)** – Spend reduced by £0.1m from £0.4m to £0.3m. All divisions/areas saw a reduction. Given that additional contracted hours rates are directly linked to the basic rates, the increase between March and April would appear to be attributed to the pay award. However, further analysis is required before this is confirmed.

**Bank** – Spend reduced by £0.1m from £1.8m to £1.7m with reductions seen across all clinical divisions.

### 3. Actions

Establishment Control continues to be embedded with some small improvements in compliance with the processes being seen. There is no doubt that this has been extremely challenging both in terms of process but importantly in terms of culture. Work is underway between Workforce/Finance and IT to further streamline and automate the process as far as possible to reduce backlogs and improve visibility for managers. However, the impact of introducing a check against budgeted establishment, particularly for changes that have previously been managed through Manager Self Service, cannot be underestimated. Establishment control is not currently universally welcomed and is subject to much criticism. It will be vital moving forward that we make the process as efficient as possible but without reducing the level of control and support for behaviour change essential in improving our financial management.

The Grip and Control Delivery Plan is providing a helpful lever to accelerate many of the improvement plans already in place. The delivery timetable is challenging and it will be important that the changes made are sustained moving forward. Again, this requires some significant changes in process/focus of resources and behaviours.

Creating greater transparency in terms of additional investment/activity with a pay spend impact will be essential if we are to be in a position to report accurately and reliably on improvements in efficiency and productivity. This work will need to be built into the setting of key targets for reduction in spend across premium rate spend areas.

The development of a mid – long term strategic recruitment plan for key roles is essential and work has commenced to bring this together across all divisions/staff groups. Evidence from work undertaken over the last 3-6 months particularly is starting to show a clear link between appointing to key posts and reduction in variable pay. This work needs to be scaled and prioritised to ensure that the strategic priorities can be delivered within the financial envelope

## **Overview**

A report analysing the Health Board's non-pay costs for 2018/19 was taken to the May F&P Committee. This highlighted a number of areas where actions were required to ensure grip and control, robust budget management and understand extreme variances.

Actions are focused on two areas:

- Financial reporting actions – these are actions that will improve the quality of the financial reporting around non-pay. The aim is to ensure that budgets are correctly allocated, income and expenditure coded consistently and reports are clear allowing variations to be highlighted. There is no impact on the Health Board's overall position as a result of these actions.
- Financial control actions – these are actions that will provide additional grip and control over non-pay costs, reducing expenditure. These actions should improve the Health Board's overall position.

Actions will be implemented in line with the Health Board action plan.

## **Financial Reporting Actions**

- Focus on subjective reporting at Finance Review Day meetings to highlight key variances and areas for potential improvement.
- Review of budgets and expenditure across non-pay to ensure they are matched, in order to improve the ongoing management and reporting of expenditure by category.
- Development of a set of internal Finance reporting principles to ensure a consistent approach to reporting of expenditure and related income and reserve offsets.

## **Financial Control Actions**

- Additional grip and control actions are being implemented across non-pay categories.
- The list of potential opportunities proposed by PwC are being taken forward and developed into action plans.
- Standard regular review of employee expenses categories, including travel, by divisional Finance teams.

<b>Finance and Performance Committee</b>  25.6.19	 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>	Review of Corporate Risks Assigned to the Finance and Performance Committee
<b>Report Author:</b>	Mrs Justine Parry, Assistant Director: Information Governance and Assurance
<b>Responsible Director:</b>	CRR06 Executive Director of Finance CRR07 Executive Director of Planning and Performance CRR12 Executive Director of Planning and Performance CRR11a Executive Director of Nursing and Midwifery CRR11b Executive Director of Nursing and Midwifery CRR19 Executive Director of Finance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	<p>The attached report has been produced from the web-based Datix system and details the risk entries allocated to the Finance and Performance Committee - namely:</p> <p>CRR06 – Financial Stability          CRR07 – Capital Systems          CRR11a – Unscheduled Care Access          CRR11b – Planned Care Access          CRR12 – Estates and Environment          CRR19 - Countess of Chester Hospital - Discontinued RTT for Patients in Wales</p> <p><b>Proposed closure of risk</b></p> <ul style="list-style-type: none"> <li>CRR07 Following receipt of the Specialist Audit Systems report that confirmed “reasonable assurance” for capital systems with “substantial assurance” and best practice for monitoring and reporting, it is proposed this risk is closed due to the level of assurance received and the achievement of the target risk score.</li> </ul> <p><b>Proposed de-escalation of risk</b></p> <ul style="list-style-type: none"> <li>CRR19 was developed in response to the decision of the Countess of Chester to no longer undertake to deliver any Welsh elective work from 1<sup>st</sup> April 2019. In light of further developments, it is proposed that this risk is deescalated to Tier 2, reviewed and updated to encompass the wider issue of contracting out services to NHS England Maternity Services and managed by the Finance Directorate.</li> </ul> <p>It has been agreed that the CRAF risks will be reviewed twice per year</p>

	by the Board's Committees. These risks will next be presented to the Committee in November 2019.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	The full Corporate Risk and Assurance Framework (CRAF) is scrutinised by the Health Board twice per year and is published on the Board's external facing website. Individual risks are allocated to one of the Board's Committees for regular consideration and review.
<b>Governance issues / risks:</b>	Report provides for the identification of the risk, the arrangements in place presently to control the risk and further mitigation action/s required.
<b>Financial Implications:</b>	Identified through development of business cases and plans required as part of the further actions to achieve the target risk score, as detailed in each risk register entry.
<b>Recommendation:</b>	The Committee is asked to: <ul style="list-style-type: none"> <li>1) Consider the relevance of the current controls, review the actions in place and consider whether the risk scores remain appropriate;</li> <li>2) Approve the closure of CRR07;</li> <li>3) Approve the de-escalation of CRR19.</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		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>			

Governance – management of risk  
Strategic and Service Planning

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

**Equality Impact Assessment**

Not applicable for governance paper of this nature.

*Disclosure:*

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

CRR06	<b>Director Lead:</b> Executive Director of Finance	<b>Date Opened:</b> 1 March 2012
	<b>Assuring Committee:</b> Finance and Performance Committee	<b>Date Last Reviewed:</b> 12 June 2019
	<b>Risk:</b> Financial Stability - Health Board Financial achievement of the control total agreed with Welsh Government	<b>Target Risk Date:</b> 31 March 2020

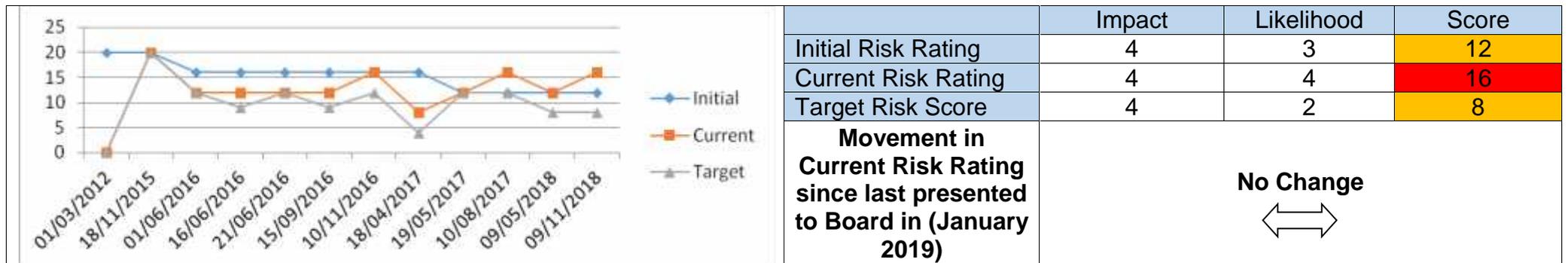
There is a risk that the Health Board will fail to achieve the deficit that meets the control total set by Welsh Government.

This is due to:

1. Cash releasing savings plans that are not fully identified and may not be fully delivered.
2. Expenditure exceeding plan in both pay and non-pay areas.
3. The use of non-recurrent measures to support the in year position may also contribute to a risk to the Health Board's longer term sustainability and continued failure to achieve its financial duty.
4. Failure to identify and progress transformational schemes that will position the Health Board for the longer-term.

The impact of this could increase the deficit for the three-year period and the in-year deficit to 31 March 2020 over the current draft plan of £35m deficit and fail to progress towards the Control Total of £25m deficit set for the current year.

The Health Board will remain in Special Measures until the financial position improves and will fail to attract necessary investment.

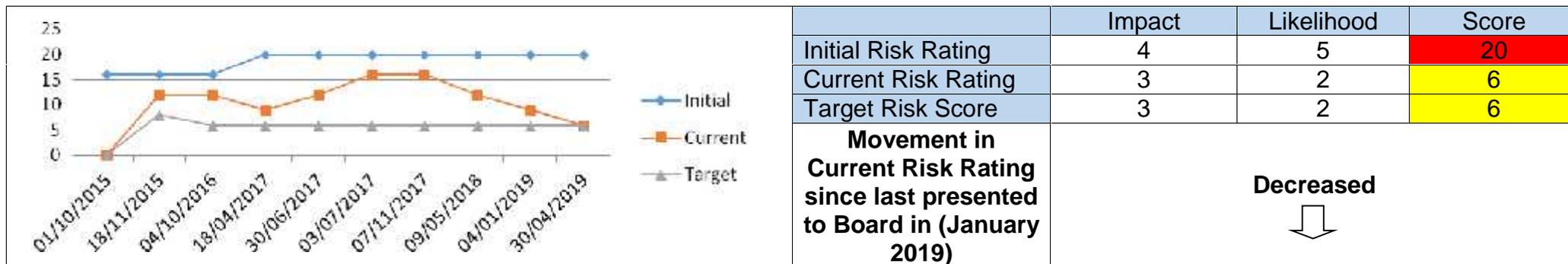


Controls in place	Further action to achieve target risk score
1. 2019/20 Interim Financial Plan, which has been approved by the Board and submitted to Welsh Government. Discussions are ongoing about closing the gap between the Interim Financial Plan and the Control Total set by Welsh Government.	1. Further work being undertaken to secure additional opportunities to deliver recovery actions, including ongoing review of the All Wales Efficiency Framework for further opportunities. 2. Recovery Director to be appointed.

<p>2. Scheme of Financial Delegation and Accountability Agreements in place covering all devolved budgets.</p> <p>3. Performance and Accountability review meetings in place providing a focus on financial and operational delivery and performance.</p> <p>4. Dedicated Chief Finance Officer embedded in the management team of each Division (and hospital/area team).</p> <p>5. Focused additional support provided by Finance in key areas of budgetary pressure.</p> <p>6. Programme Management software used to track and monitor the delivery of savings.</p> <p>7. Written assurance sought on a regular basis from areas of significant overspend to identify financial recovery actions.</p> <p>8. Additional financial reporting including weekly cost driver intelligence dashboard to Executive Team; and monthly Day 6 Flash Reports.</p> <p>9. Turnaround approach being reviewed with the support of PwC.</p> <p>10. Turnaround approach approved and implemented around the identification and delivery of savings through a number of work streams with reporting to the Executive Team, Finance &amp; Performance Committee and the Board.</p> <p>11. PwC have been working with the Health Board to review the financial plans and have identified a number of opportunities which are being actively pursued and monitored through the Executive Team.</p>	<p>3. Roll-out campaign being devised to communicate and embed the new plan across the organisation and all devolved budget areas once agreed.</p> <p>4. Accountability agreements to be amended to reflect revised plan and savings targets.</p> <p>5. F&amp;P Committee requesting attendance of overspending divisions to seek assurances regarding progress on recovery actions.</p> <p>6. Finance Recovery Group and Finance Savings sub group implemented to focus on both delivery of savings and the improvement in the organisation's run rate.</p> <p>7. All steps to improve the position are being reported through the F &amp; P Committee.</p> <p>8. Improved Financial Reporting to support decision making being implemented.</p>
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Assurances	Links to		
	Strategic Goals	Principal Risks	Special Measures Theme
<p>1. Monthly financial position reported to the F&amp;P Committee and Board.</p> <p>2. Finance Delivery Unit (FDU) view at the WG Special Measures meeting.</p>	7	PR2	Leadership and Governance

CRR07	<b>Director Lead:</b> Executive Director of Planning and Performance	<b>Date Opened:</b> 1 October 2015
	<b>Assuring Committee:</b> Finance and Performance Committee	<b>Date Last Reviewed:</b> 12 June 2019
	<b>Risk:</b> Capital Systems	<b>Target Risk Date:</b> 29 March 2019
There is a risk that the Board fails to appropriately manage capital expenditure due to failures in implementing appropriate controls and governance systems. This could negatively impact on service delivery, financial resources and the reputation of the organisation.		



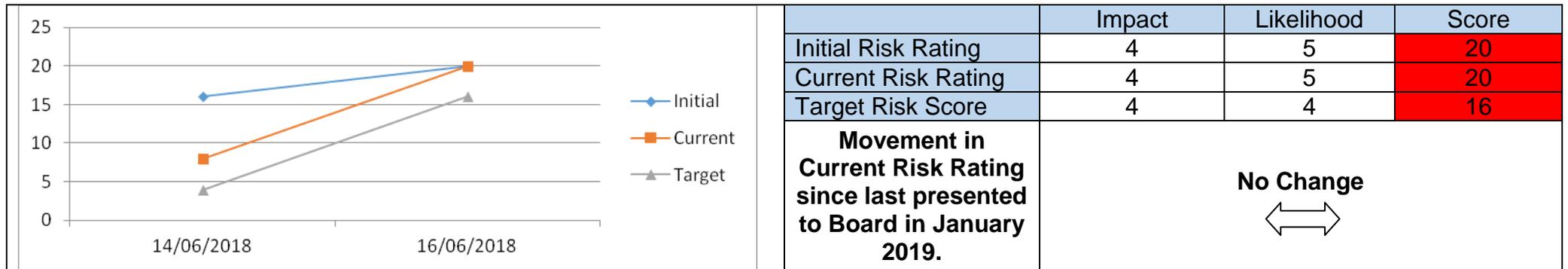
Controls in place	Further action to achieve target risk score
<ol style="list-style-type: none"> <li>1. Management actions arising from the Capita review and response to capital internal audit review in progress including: <ol style="list-style-type: none"> <li>a. Revised capital structure and decision making processes.</li> <li>b. Revised capital manual adopted.</li> <li>c. Revised Capital Development Team established and all post recruited.</li> </ol> </li> <li>2. Project Governance Frameworks in place for all major schemes.</li> <li>3. Capital Programme Management Team meeting monthly.</li> <li>4. Review of revised capital procedures by Specialist Capital Audit.</li> <li>5. Revisions and addendum to Capital Procedures Manual in place.</li> <li>6. Revised financial reporting framework adopted for major schemes.</li> <li>7. Capital reporting to F&amp;P Committee further enhanced including monthly exception reports for major capital schemes.</li> <li>8. External review of cost reporting completed.</li> <li>9. Stage 4 Gateway review completed for SuRNICC providing amber/green assurance.</li> <li>10. Forward programme agreed for reporting benefits realisation to</li> </ol>	To continue to implement control measures.

<p>F&amp;P Committee.</p> <p>11. Management action plans developed in response to Deloitte review and confirmed through Audit Committee.</p> <p>12. Full implementation of all outstanding audit findings together with recommendations of Deloitte review.</p> <p>13. Draft internal audit of capital systems received indicating reasonable assurance overall with substantial assurance for monitoring and reporting.</p> <p>14. Risk assessed programme of Gateway reviews for major schemes in place.</p>	
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<b>Assurances</b>	<b>Links to</b>		
1. WG oversight of Capital Governance Arrangements. 2. Monthly progress reports to WG as part of All Wales Capital Scheme. 3. Evidence of compliance of all actions arising from Audit Reports (Including Capital Review).	<b>Strategic Goals</b>	<b>Principal Risks</b>	<b>Special Measures Theme</b>
	3 7	PR2	Leadership

CRR11a	<b>Director Lead:</b> Executive Director of Nursing and Midwifery	<b>Date Opened:</b> 14 June 2018
	<b>Assuring Committee:</b> Finance and Performance Committee	<b>Date Last Reviewed:</b> 13 June 2019
	<b>Risk:</b> Unscheduled Care Access	<b>Target Risk Date:</b> 8 January 2019

There is a risk that systematic harm may be caused to patients needing access to unscheduled care services due to failures to be able to respond to demand in accordance with expected national targets. This may be caused by mismatches between resources available across the unscheduled care system to demands placed on the system for prolonged periods of time or inappropriate allocation of resources available to meet the demand. This could lead to an impact/effect on patient experience and outcomes, organisational reputation, delivery of national targets and recognised standards of care.



Controls in place	Further action to achieve target risk score
<ol style="list-style-type: none"> <li>Multi-agency Unscheduled Care Transformation Board chaired by the Executive Director of Nursing.</li> <li>1ST 90-day cycle of the unscdeduled care plan launched 10.10.18. with 3 specific work streams: Demand, Flow and Discharge.</li> <li>Associate Director of Unsheduled Care seconded to lead the 90 day plan, with named workstream leads in place responsible for performance management of the plan.</li> <li>Daily Conference Calls with WG in place to address daily position.</li> <li>Daily Safety Huddles in place on 3 acute sites.</li> <li>Pan BCU calls in place to manage flow between divisions.</li> <li>Daily Board rounds in place to support continuity of care and early discharge planning.</li> <li>Weekly review meetings with LA partners to support discharge.</li> </ol>	<ol style="list-style-type: none"> <li>Recruitment of 3 Emergency Quarter managers.</li> <li>Development and sign off the 90 day improvement trajectories for the 3 workstreams required.</li> <li>Embedding of SAFER in all sites and wards.</li> <li>Work with partners on improvement to DTOC taking into account cross border demand from COCH and RJAH on Wrexham and Flintshire.</li> <li>Close monitoring and management of actions within the 90 day plan to understand and evaluate the effectiveness of each element and impact on overall performance.</li> </ol> <p>Additional Note:</p> <ol style="list-style-type: none"> <li>3 EC managers substantively recruited and engaged with building better care plans (was previously 90 day improvement plan)</li> </ol>

9. Live and daily performance information to support decision making.
10. 3 times daily escalation status reviews.
11. SAPHTE scoring for assessment of ED departmental patient safety.
12. Mental Health support located within site Police Control.
13. Frequent attenders WEDFANs group regularly review vulnerable patients who frequently access services.
14. Escalation process and structure in place to provide 24/7. escalation from site management through bronze, silver and gold.
15. Seasonal plan developed.
16. Discharge information provided to patients on admission via new discharge leaflet.

2. Building better care plan consisting of 3 streams of work
  - a. Demand - SICAT established and demonstrating reduction in transfers to ED (~30% of calls - assumption that ALL calls previously would have resulted in transfer)
  - b. Flow - Multiple substreams including:
    - ambulance handover - WMH lost improved with consistent reduction in time taken for handover
    - proactive triage- promoting use of alternative resources and early decision-making to reduce time in ED (Overall averager time in ED is reducing)
    - early senior decision-making - recognition of senior medical staffing issues esp. at WMH- requiring workforce and roster review
    - escalation and capacity management review - test of 'grip and control' at YGC site de-escalated from sitrep 4 to 2 without associated reduction in overall time in ED - further work on-going to review process and pilot at other sites
    - implementation of SAFER - ongoing - small increase in numbers of earlier discharges
    - stranded & super-stranded patient review - to launch across sites
    - review of acute assessment/ambulatory models with pilots to be launched later this month at YGC & WMH
    - review of specialty reviews for inpatients - to enable earlier discharge
    - review of imaging pathways to support early outpatient scans and avoid longer inpatient stay
  - c. discharge planning - work continues to reduce delays in transfers of care and decision-making. Letter shared re. patient choice and working with staff to encourage proactive discussions with families and patients.
3. Review of site escalation and management to support site responsibility during normal working hours
4. Associate director for unasscheduled care replaced with programme manager with additional interim support at area level to oversee progress against building better care plan

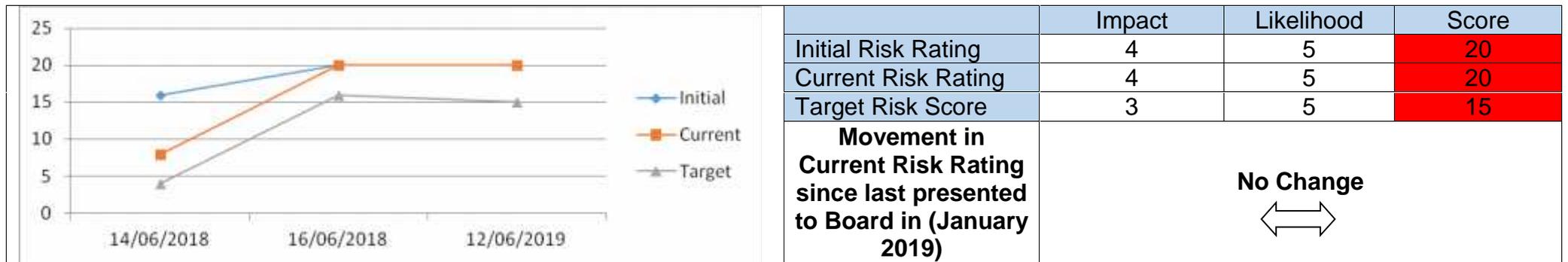
Assurances	Links to		
1. Seasonal Plan. 2. RTT Plan. 3. Twice Yearly JET meetings with WG. 4. Monthly meetings with Delivery Unit. 5. National Patient Flow Collaborative. 6. OOHs review (both National and Internal Audit). 7. Subject specific internal audit reviews. 8. Orthopaedic Plan development. 9. Transformation groups reporting. 10. WPAS implementation group reporting and daily tracking.	Strategic Goals	Principal Risks	Special Measures Theme
	1 2 3 6 7	PR3	Leadership

CRR11b	<b>Director Lead:</b> Executive Director of Nursing and Midwifery	<b>Date Opened:</b> 14 June 2018
	<b>Assuring Committee:</b> Finance and Performance Committee	<b>Date Last Reviewed:</b> 12 June 2019
	<b>Risk:</b> Planned Care Access	<b>Target Risk Date:</b> 30 August 2019

There is a risk that the BCUHB is not able to provide access to planned care in accordance with the national standards. This may result in not being able to meet the timely clinical needs and expectations of patients. BCUHB will need to provide assurance to partner organisations on the management of clinical safety and treatment of the backlog.

This is caused by capacity shortfalls or mismatch between allocation of available capacity and demand including booking of patients in chronological order following clinical urgency, a lack of effective utilisation of resources, conflicting pressures (management of Unscheduled Care pressures and elective delivery), equipment failure and availability of suitable facilities, workforce issues.

This could lead to adverse outcomes for patients, prolonged waiting periods, an inability to meet national targets (RTT, diagnostics, cancer, clinically due review time, and impact on the financial stability and the reputation of the Health Board.

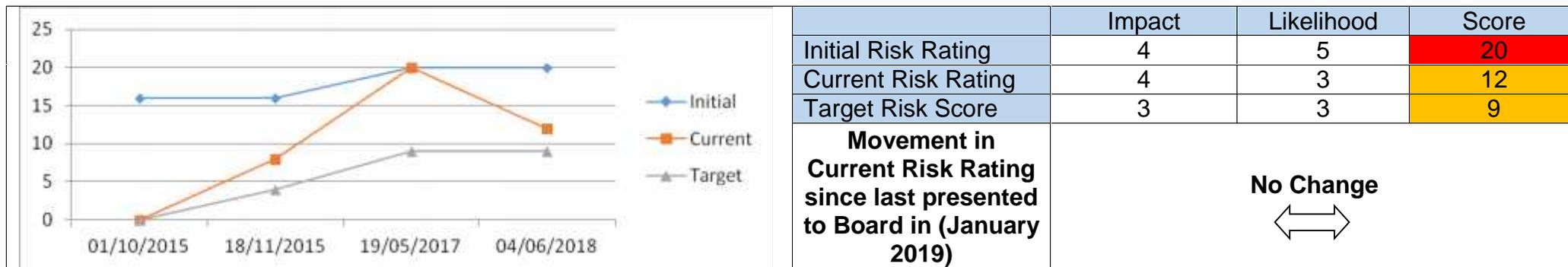


Controls in place	Further action to achieve target risk score
<ol style="list-style-type: none"> <li>Weekly PTL and Daily waiting times information in place for RTT, diagnostics and Cancer.</li> <li>Performance team and trackers in Cancer utilising escalation processes with operational teams.</li> <li>Demand and Capacity plan agreed per specialty and site confirming extent of sustainable service gap.</li> <li>Weekly Access meeting extended to include RTT, Diagnostics and Cancer.</li> <li>Interim Planned Care leadership in place responsible for leadership across the HB providing oversight of RTT, Cancer, Endoscopy and Diagnostics remedial action plans. Performance management at</li> </ol>	<ol style="list-style-type: none"> <li>Resourced planned care operational plan signed off.</li> <li>Resource for RTT and Diagnostics 2019-20 nearly confirmed. Orthopaedics to be confirmed by the WG colleagues.</li> <li>Pan BCU service line management to be implemented with initial recruitment to the specialties of: Orthopaedics, Ophthalmology and Urology.</li> <li>Sustainable service plans for these 3 specialties to be further developed and implemented.</li> <li>Learning from Single Cancer Pathway shadow working to be shared and used to inform Cabinet Secretary decision making - this will impact on diagnostic capacity and demands on cancer tracking.</li> </ol>

<p>Hospital and Area Level.  Weekly PTL meeting at health economy level in place led by the Associate director of Planned Care.  6. Weekly outsourcing meeting in place.  7. Elective patient pathway and outpatient improvement cells in place with clear targets for efficiency improvement.  8. Engaged with National Planned Care, National Outpatient and Cancer Implementation Groups.  9. Single Cancer Pathway demand and capacity submission completed and shadow reporting to WG monthly. Capacity gap for diagnostics reported via monthly EMG report and to be considered as part of IMTP preparation 2019-2022.  10. Elective and Seasonal plan assumes only daycase and urgent/cancer surgery is scheduled for winter 2019/20 to support unscheduled care capacity (except at Abergele).  11. Eye care measure reporting commenced 30.9.18. and successful WG fund made for resource to assist with implementation.  12. DU supporting with endoscopy capacity review for diagnostic waits as part of an all Wales programme of work Nov/Dec 2018.  13. Additional contracts in place for non-obstretci Ultrasound aims to recover 8 week waits for this service by end of Dec 2018.  14. Risk for follow up management increased in Central area due to WPAS serious incident, operational oversight group in place.  15. Outpatient Programme Group established and clarity re governance obtained.</p>	<p>6. Learning and application of change management in respect of the Eye Care measures to inform sustainable plan.  7. Follow up efficiency measures for the 4 specialties from the national planned care programme to be implemented.  8. Sustainable endoscopy capacity plan to be developed and key appointments made.  9. Outcome awaited on Single Cancer Pathway WCN investment proposal.  10. Matrix working and responsibilities of clinical and operational leaders to be confirmed to strengthen governance.  11. Enhanced governance structure in place and developing.</p>
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<b>Assurances</b>	<b>Links to</b>		
<p>1. Seasonal Plan. 2. RTT Plan. 3. Twice Yearly JET meetings with WG. 4. Monthly meetings with Delivery Unit. 5. National Patient Flow Collaborative. 6. OOHs review (both National and Internal Audit). 7. Subject specific internal audit reviews. 8. Orthopaedic Plan development. 9. Transformation groups reporting. 10. WPAS implementation group reporting and daily tracking.</p>	<b>Strategic Goals</b>	<b>Principal Risks</b>	<b>Special Measures Theme</b>
	1 2 3 6 7	PR3	Leadership

CRR12	<b>Director Lead:</b> Executive Director of Planning and Performance	<b>Date Opened:</b> 1 October 2015
	<b>Assuring Committee:</b> Finance and Performance Committee	<b>Date Last Reviewed:</b> 12 June 2019
	<b>Risk:</b> Estates and Environment	<b>Target Risk Date:</b> 1 April 2022
There is a risk that the Health Board fails to provide a safe and compliant built environment. This may be due to insufficient financial investment and estates rationalisation. This could result in avoidable harm to patient, staff, public, reputational damage and litigation.		



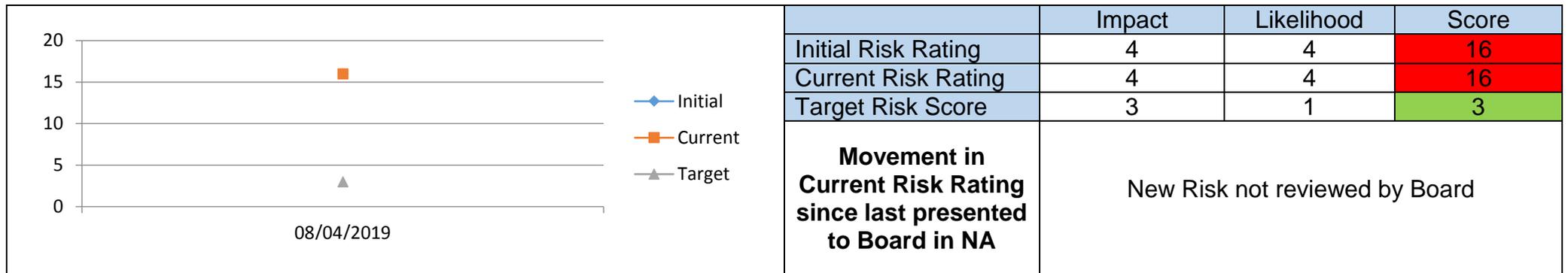
Controls in place	Further action to achieve target risk score
<ol style="list-style-type: none"> <li>1. Clear Board direction on future clinical service model through Living Healthier/Staying Well(2019/20).</li> <li>2. Operational Risk Registers in place defining high risk priorities for capital and revenue investment.</li> <li>3. Risk assessed schedules for implementation of agreed priorities.</li> <li>4. Estates maintenance strategy in place for the delivery of capital and investment objectives.</li> <li>5. Input data into All Wales Estates Facilities Performance Management System (EFPMS) Portal to assess overall estate performance.</li> <li>6. Risk based estates rationalisation and disposal programme in place.</li> <li>7. Redevelopment plan for Ysbyty Glan Clwyd (Asbestos Management Controls).</li> <li>8. Project Director appointed for development of Ysbyty Wrexham Maelor.</li> <li>9. Stock Condition Survey of Primary Care Estate premises completed.</li> <li>10. Operational Estates and Facilities Management annually agreed</li> </ol>	<ol style="list-style-type: none"> <li>1. Approved Health Board Estates Strategy 2019/20 to deliver mitigation and reduce risk.</li> <li>2. Ongoing programme of estates rationalisation and selective demolition (2019/20).</li> <li>3. Develop Full Business Cases for Residential Accommodation and Laundry Services and submit to Board for approval Sept 2019).</li> <li>4. Estates Strategy to reflect current assessment of backlog maintenance the annual data gathering for the All Wales Estates and Facilities Performance Management System has now been submitted and an All Wales Report will be published in December 2018).</li> <li>5. Phased Stock Condition Survey of Acute and Community premises to inform capital investment plans (April 2019/20) - Revenue funding bids are currently being considered within the 2019/20 Health Boards budget setting process.</li> <li>6. Revenue funding bids are being submitted for consideration within the Health Boards 2019/20 budget setting process to undertake a six facets condition survey across the Health Boards Estate.</li> </ol>

<p>Discretionary capital funding.</p> <p>11. Strategic capital investment (2018/19) - (updated and reviewed annual in line with the Health Board's Discretionary Capital Programme and All Wales Capital Projects).</p> <p>12. New service models for non strategic estate developed.</p> <p>13. Options Appraisals for both Residential and Laundry Services have been developed.</p>	
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<b>Assurances</b>	<b>Links to</b>		
<p>1. Independent authorising engineer appointments. 2. Internal Audit Programme. 3. HSE Statutory Reviews and Reports. 4. EFPMS Portal Data used by WG for Annual All Wales Report. 5. Local Authority Trading Standing. 6. Food Safety Assessment. 7. Annual Reports (HSE, Fire, V&amp;A and sustainability).</p>	<b>Strategic Goals</b>	<b>Principal Risks</b>	<b>Special Measures Theme</b>
	1 2 3 4 5 7	PR5	Strategic and Service Planning

CRR19	<b>Director Lead:</b> Executive Director of Finance	<b>Date Opened:</b> 08/04/2019
	<b>Assuring Committee:</b> Finance and Performance Committee	<b>Date Last Reviewed:</b> 09/04/2019
	<b>Risk:</b> Countess of Chester Hospital - Discontinued RTT for Patients in Wales	<b>Target Risk Date:</b> 25/06/2019

There is a risk that the BCUHB will be unable to support the delivery of elective care in a timeframe that meets the needs and expectations of its stakeholders. This may be caused by reduced elective capacity following the decision of the Countess of Chester (CoCH) to no longer undertake to deliver any Welsh elective work from 1st April 2019. This could lead to an impact on the safety and health of patients in North Wales requiring a referral to treatment, loss of confidence in BCUHB and negative media coverage.



Controls in place	Further action to achieve target risk score
<ol style="list-style-type: none"> <li>1. Communication to all GP's and Consultants (4th April 2019).</li> <li>2. Weekly review meeting in place with CoCH to review referrals returned.</li> <li>3. System in place to identify patients affected by specialty.</li> <li>4. No surprises form submitted to Welsh Government.</li> <li>5. Tariff discussions with Department of Health, NHSI and Welsh Government to resolve English National Tariff dispute.</li> </ol>	<ol style="list-style-type: none"> <li>1. Process to be developed to ensure that referring clinician makes a referral into BCUHB services.</li> <li>2. Local operational teams to develop a process which reviews referrals returned at the specialty level and accommodate demand within local services based on priority or status.</li> <li>3. Model the existing capacity within BCUHB to respond.</li> <li>4. Assess availability of external providers to meet demand.</li> <li>5. Develop contingency plans to encompass loss of other externally provided secondary care services.</li> <li>6. Referring clinician to notify patient.</li> </ol>

Assurances	Links to		
	Strategic Goals	Principal Risks	Special Measures Theme
1. Executive Management Group	1 3 7	PR6 PR5 PR7 PR2 PR1 PR3 PR8	Strategic and Service Planning

Finance and Performance Committee  25.6.19	 Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board  <i>To improve health and provide excellent care</i>
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<b>Report Title:</b>	Proposal for Outsourcing Elective Orthopaedic Work as part of the Orthopaedic Plan
<b>Report Author:</b>	Dr Jill Newman Director of Performance
<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 proposal to move forward with the commissioning of additional orthopaedic activity within NHS providers in England as part of the overall orthopaedic programme.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This paper has been scrutinised and approved by the Executive Team on 19.6.19.
<b>Governance issues / risks:</b>	The paper provides an overview of the balance of risk between proceeding with the proposal at financial risk and loss of opportunity to treat patients in line with the orthopaedic plan milestones.
<b>Financial Implications:</b>	The forecast costs are included in the paper for the three years of the programme
<b>Recommendation:</b>	The Finance & Performance Committee is asked to approve the commissioning the planned levels of additional elective orthopaedic activity as part of a 3 year plan with immediate effect.

<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*

## Proposal for Outsourcing Elective Orthopaedic Work as part of the Orthopaedic Plan

<b>Division</b>	Secondary Care
<b>Development or Scheme</b>	Three Year Orthopaedic Plan
<b>Author/s</b>	Dr.Jill Newman, Director of Performance
<b>Version</b>	1
<b>Date</b>	17.6.19

<b>1. Executive Summary</b>
<p><b>1.1 Purpose</b> In implementing the orthopaedic plan a three year commissioning strategy is required to address the capacity gap and backlog clearance. This paper aims to obtain approval to move forward with this commissioning strategy so as to assist with delivery of the plan in 2019-20</p>
<p><b>1.2 Approval Process</b> Executive team approval is sought, ahead of presentation to the June 2019 Finance and Performance Committee of the board</p>
<b>2. The Strategic Case</b>
<p><b>2.1 Overview of the Business Case</b> The Three Year Orthopaedic Plan has been approved by the Board based on a three site model that builds sustainability into the future service while eliminating the backlog of long waiting elective patients over the next 3-4 years. The sustainable and backlog service gaps have been recognised by Welsh Government (WG). In order to move forward while the full programme business case is provided WG have provided initial financial support for three key elements of the plan:</p> <ol style="list-style-type: none"> <li>Development of the Community Musculo-Skeletal Assessment and Triage Service (CMATs).</li> <li>Recruitment of 6 wte additional orthopaedic consultants.</li> <li>Design and procurement costs for capital capacity (beds and theatres) required in the three site model</li> </ol>
<p><b>2.2 The Current Service</b> The present service is not of a sufficient capacity to meet the needs for the population of North Wales for elective orthopaedic surgery. Tertiary and secondary care elective orthopaedic surgery for the population is currently provided in both RJAH and on 5 hospital sites across North Wales, with other small contracts in place with centres such as Wrightington Wigan and Leigh. Welsh Government acknowledge a sustainable service shortfall of circa 1000 surgical procedures per annum, with further work underway to confirm the higher service shortfall once sub-specialisation is taken into account. The end of May 2019 position shows 3014 orthopaedic patients waiting in excess of 36 weeks from referral to treatment, with c. 50% of these patients waiting over 52 weeks. This specialty therefore represents over 40% of all 36 week breaches in BCU. 2,706 of the 3,014 (89.8%) patients waiting in excess of 36 weeks are waiting for a surgical procedure already being at stage 4 of the pathway.</p>

### 2.3 The Case for Change

The case for change to an integrated community, and secondary care model based on three sites, with additional commissioned external activity has been made so as to support a phased reduction in waiting times. The milestones for the phasing have been established as :

2019/20 -0 over 52 week waits

2020/21 -0 over 36 week waits

2021/22 – delivery of the national 26week target (95% waiting less than 26 weeks)

The modelling has demonstrated that internal solutions alone will not deliver these milestones and that to clear backlog additional capacity will need commissioning each year for the 3 years of the plan.

In year 1 of the plan ie 2019/20, the lead-in time for the recruitment of the consultant and associated clinical team together with the time requirement for the capital development demonstrates that additional non-recurrent elements will be needed to deliver the full year impact of the sustainable service changes.

Since the modelling work was undertaken operational challenges have emerged to proposed internal solutions which increase the risk to internal delivery and strengthen the need to proceed with the commissioned solutions. Examples of these include the willingness of consultants to undertake additional internal activity while uncertainty remains over the resolution of the taxation changes on pensions. In addition the core service capacity signed off by the three sites is overall lower in previous years and so represents an increase in the service capacity gap for delivery.

The window of opportunity to commission the additional activity required is narrowing as key providers have indicated that they require work up time to implement plans on their sites and need the certainty of a 3 year commissioned plan to be able to make investment in their services.

Historically BCU have spot purchased relatively small volumes of orthopaedic activity. This will be needed to a greater extent this year in addition to the proposed commissioned activity to support delivery of the first milestone set.

BCU have indication that small amounts of spot purchased activity will be available from NHS and private providers in England, however these providers are also experiencing challenges in relation to their workforce being willing to undertake additional activity.

### 2.4 Proposed Service Development

The proposed service development is for activity in addition to that provided through existing contracts with the proposed providers.

It is proposed to commission additional elective orthopaedic activity at both RJAH and COCH. Both providers have indicated a short time window, possibly no longer than the end of June, for our stated commissioning intent to be finalised in order for them to deliver the stated level of additional activity in year 1.

COCH are able to provide 250 arthroplasty cases in Year 1, increasing to 500 cases in years 2 and 3.

RJAH are able to offer 150 mixed cases within their present contract and 500 mixed

cases within a 3 year commissioning plan which increases to 800 additional cases pa in year 2 and 3.

In addition for year 2 and 3 of the plan the existing baseline contract for RJAH will be increased to ensure they can deliver against the 36week and 26week milestones in the respective years (Year 1 contracted to 52weeks consistent with milestone for year 1)

It is therefore proposed that these opportunities are taken at the earliest opportunity, recognising that this will need the Health Board to accept the financial risk and verbal assurances given by WG that they will be looking to support delivery of our RTT improvements.

It is important to recognise that the combination of :

internal core capacity,

internal additionality offered by solutions, and

the 3 year commissioned activity will not enable the full delivery of the milestones and additional solutions will still be required to achieve these. The original modelling demonstrated further solutions were still required for c 600 surgical procedures to deliver 52 week milestone. This will have further increased given the reduction in core capacity and the increased risk to internal solution delivery. Therefore proceeding to commission the external activity at the COCH and RJAH does not over-commit the health board in terms of the level of additional activity that is required to support the plan, but does mitigate against the real risk that this capacity will not be available beyond the end of June 2019.

Additional spot purchasing is possible from other providers. NHS providers are further afield for patients and their carers to attend. Private providers are generally further for patients to travel, although a small volume of local capacity may be available. Take up of this would need to consider possible impact on clinical ability to provide additional internal activity.

#### 2.5 Areas Affected by the Proposal, Inter-dependencies

The proposal is integral to the implementation of the Three Year Orthopaedic Plan

#### 2.6 Performance, Activity and Contracting

The proposal would be performance managed through the regular monthly contract meetings with COCH and RJAH. The volumes have been indicatively placed within the existing contracts to as to benefit from the recent cross border settlement on tariff. The contractual framework includes schedule 4 which reflects the quality and performance expected of the service provided to North Wales residents.

#### 2.7 Milestones and Quantified Benefits

Integral to the milestones for waiting time reduction in the 3 year implementation plan

### **3. Formulation and Short-listing of Options**

#### 3.1 Overview of Option

The 3 site model and commissioned activity requirements arose following a series of stakeholder events which considered a long and then short list of options. This option has been confirmed as the preferred option of the board.

#### 3.2 Benefits of the Option

Building sustainable services in North Wales while addressing backlog reduction over a phased 3-4 year period to deliver improvement in access for patients.

### 3.3 Cost & Resource information for the Option

By including the commissioned activity within the 2019-20 contracts for the two providers the Health Board will be required to resource the activity at the rate agreed through the cross border settlement. It is possible that the uplift in cost to BCU from the settlement will be centrally resourced to reduce the impact in 2019-20.

It is envisaged that the activity for 2020-2022 will be based on PbR tariffs (these are not yet known and therefore an assumed cost has been used to assess financial requirements).

Payment will be made based on activity undertaken and so the actual cost will be case mix dependant.

It is noted that the largest sub-specialty service gaps will be in arthroplasty and indeed the activity commissioned at COCH will all be arthroplasty related, whereas RJAH will be a mixture of upper limb and arthroplasty.

The uplift in the RJAH contract to deliver the year 2 and 3 milestones is based on the historical referral pattern and waiting list profile reduction required.

### 3.4 Key Assumptions and Dependencies of the Option

The key assumption is that a decision can be made quickly to enable the activity at COCH to commence in October 2019 and at RJAH with immediate effect so as to utilise capacity available from July on that site.

It is assumed that the financial risk will be underwritten by Welsh Government in line with statements made requiring the Health Board to proceed with implementation of plans to improve RTT access times during 2019-20

### 3.5 Options Appraisal

The option appraisal was undertaken as part of the original stakeholder workshops using criteria used in other service reviews and supported in the consideration by the stakeholders.

Details of the option appraisal are included in the implementation plan 2019-2022 in which the commissioned activity features as a key element of the plan.

## 4. The Financial Case

4.1 Financial affordability test – the Health Board are being asked to proceed at risk in light of the need to secure the available capacity. The costs below relate to activity and financial value over and above the present contract values with both organisations.

The forecast cost is:

	2019/2020		2020/2021 (2% uplift)			2021/2022 (inc 2% uplift)		
19/20 Tariff	COCH	RJAH	COCH	RJAH	RJAH	COCH	RJAH	RJAH
19/20	1.040103	1.029033	1.040103	1.029033	BACKLOG	1.040103	1.029033	BACKLOG
Unit Cost	Cost inc MFF	Cost inc MFF	Cost inc MFF	Cost inc MFF	52-36 weeks	Cost inc MFF	Cost inc MFF	36-26 weeks
Activity Units	250	500	500	500	350	500	500	220
	£1,369,426	£2,709,701	£2,793,628	£2,763,895	£1,724,227	£2,849,501	£2,819,173	£1,105,476

Summary total

		CQUIN benefit	Net total
Year 1	£4,079,127	£50,989	£4,028,138
Year 2	£7,281,750	0	£7,281,750
Year 3	£6,774,149	0	£6,774,149
Total	£18,135,026	£50,989	£18,084,037

This forecast is based on a predicted casemix and complexity and would change if the realised casemix or complexity changes.

#### 4.2 Value for money test

It is noted that outsourcing at PbR is generally c£1600 per case more expensive than internal delivery at specialty level (accepting that outsourced activity is skewed to higher cost case mix). Recent benchmarking via the planned care network is suggesting that BCU total knee replacement costs are c£7431 per case of which £7076 is reportedly the cost of the inpatient procedure. While this costing methodology is different to that used in PbR it would suggest that if this internal costing is accurate that PbR outsourcing costs represent good value for money. (PbR c£4,300 per case increasing to c£9k for complex revisions)

#### 4.3 Financial risk assessment and sensitivity analysis

The financial risk is high, should WG not be able to confirm resource for this activity as orthopaedic procedures tend to be relatively expensive. This risk needs to be balanced against the requirement to treat these patients, who have already waited for considerable lengths of time and would also be relatively high cost if capacity were available to treat them internally. The sensitivity analysis needs to also consider risk to reputation both with our population from the length of wait, with Welsh Government in terms of failure to take all opportunities for improvement and with our contracted partners who have been working jointly with us based in expression of intent for over 6 months.

### 5. Project Management

#### 5.1 Governance

The orthopaedic network is establishing with the newly formed orthopaedic improvement group reporting into the planned care improvement group.

#### 5.2 Project Plan – Implementation Timeline

It is planned to agree commissioning plan from 1<sup>st</sup> July, with transfer of patients to RJAH with immediate effect and with activity commencing at COCH from October 2019.

### 6. Critical Assumptions, Risk and Issues

Timeline from decision to commission to operational delivery is no more than 3 months.

Risks include risk of providers no longer being willing to proceed

Risk to overall delivery of milestones is increased due to factors stated in earlier sections which increase the need to secure outsourcing activity.

It is assumed that 150 of the additional cases for RJAH can be absorbed within the value of the current contract. If the number of high cost or cancer treatments arising during 2019-20 then this assumption may need to be revised and additional cost incurred to manage activity above the current baseline contract.

High risk to non-delivery of the Three Year Orthopaedic plan without commissioned capacity ( given the high risk to delivery that already exists in the level of spot purchase or other schemes required to close the capacity gap and deliver backlog reduction required).

The forecast cost is made assuming casemix and complexity and would change if the realised casemix or complexity changes.

### 7. Conclusions and Recommendations

It is recommended that the Health Board proceed to commission the planned levels of additional elective orthopaedic activity as part of a 3 year plan with immediate effect.

<b>8. Project Evaluation</b>
8.1 Monitoring of Project Progress Monitoring will be through contract review meetings monthly and through exception reporting to the orthopaedic implementation group and network.
8.2 Post Project Evaluation This will be integral to the evaluation of the implementation of the orthopaedic plan and the delivery of the waiting time reductions

Finance and Performance Committee  25.6.19	 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>	Strategic Recruitment Position and Plans
<b>Report Author:</b>	Mr Lawrence Osgood, Associate Director of Workforce Performance and Improvement
<b>Responsible Director:</b>	Mrs Sue Green, Executive Director of Workforce & Organisational Development
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	This purpose of this report is to outline the current situation across the Health Board, key staff groups and to highlight specific areas of challenge. It outlines plans for a more strategic approach to recruitment and retention with all recruitment, including Medical and Dental, in one team under the Associate Director Workforce Performance and Improvement and a Head of Resourcing.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This report has been scrutinised and approved for submission to the Committee by the Executive Director of Workforce and OD
<b>Governance issues / risks:</b>	The failure to identify a small number of high impact priorities will reduce the likelihood of delivery given capacity and capability across the Health Board The failure to identify and secure additional specialist/strategic resource will increase the risk of non-delivery within the timescales
<b>Financial Implications:</b>	No direct implications arising from this report. Invest to Save Business Case being considered separately.
<b>Recommendation:</b>	The Committee is asked to note the report and support the direction of travel.

<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		3. Involving those with an interest and	

life		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			
<p><b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>  This summary paper in particular contributes to:</p> <ul style="list-style-type: none"> <li>• Financial plan on schedule to deliver to the finance control total agreed for 2018/19</li> <li>• Evidence of improved integrated clinical, service, workforce and financial planning to deliver turnaround and transformational change</li> <li>• A workforce and OD strategy developed and agreed by the Board with leadership developments as a key priority</li> </ul> <p><a href="http://www.wales.nhs.uk/sitesplus/861/page/81806">http://www.wales.nhs.uk/sitesplus/861/page/81806</a></p>			
<b>Equality Impact Assessment</b>			
N/A			

*Disclosure:*

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

## Strategic Recruitment Position and Plans

### 1. Executive Summary

The Workforce Strategy 2019 – 2022 set out the current state of our workforce and the overall framework to move the organisation forward.

One of the significant challenges set out within this strategy was recruitment and retention and the need for us to change and improve the way we deliver services, using our system and for us to embrace new ways of working, deploying the right skills rather than relying on just traditional models and roles.

There are therefore three main priorities for us:

- i. Ensure we have the right information available and the capability to analyse and use it to plan and act;
- ii. Ensure we are recruiting and retaining the right staff, in the right numbers, as efficiently and effectively as possible;
- iii. Ensure we are reviewing challenged areas/roles to identify potential alternatives in the best interests of our patients/communities.

A significant amount of time and focus has been required to achieve the first of these priorities and whilst there is still much to be done to make sure we have one version of the truth across all of the relevant systems, we now have information that is reportable on a monthly basis and is produced in a way that it can be manipulated and used easily at organisational and divisional levels.

This purpose of this report is to outline the current situation across the Health Board, key staff groups and to highlight specific areas of challenge. It outlines plans for a more strategic approach to recruitment and retention with all recruitment, including Medical and Dental, in one team under the Associate Director Workforce Performance and Improvement and a Head of Resourcing. This resourcing team will bring together Recruitment, Rostering and Temporary Staffing. It will provide a strategic and holistic approach with joined up recruitment and retention campaigns to increase substantive staffing levels, maximising effectiveness of those staff by efficient rostering and where substantive provision falls short it will seek to provide temporary staffing in the most cost efficient way.

A fully resourced centralised Resourcing team covering all staff groups would deliver a reduction in N&M and M&D substantive vacancies (target of reducing vacancy rates from over 10% to 9% or less) via increased and targeted substantive staffing recruitment and retention actions and via swifter recruitment processes.

Overall the trend for vacancy rates in Health Board and in the key Medical and Dental (M&D) and Nursing and Midwifery (N&M) staff groups remain high (BCU – 8.30%, M&D – 9.82%, N&M – 10.91%, April 19) and as we know, it is likely that the healthcare recruitment environment will remain very challenging for the foreseeable future.

There are some areas which face extreme challenges in supply of trained staff (e.g. some M&D specialties, GPs, Band 5 N&M). The workforce teams have been seeking

to mitigate the impacts of these by providing tailored support to recruiting managers in these areas, however to date the central recruitment resources have been very limited and fragmented.

Greater focus is required on working with clinical / managerial colleagues to work more strategically, either across services and/or sites or by reviewing service delivery on a multi-disciplinary basis (e.g. further utilisation of ANP, CNS, Band 4 Nursing, Pharmacist, Physicians Assistants etc.) reducing the establishment where there is a skills shortage by delivering through other staff groups.

## 2. Background, Progress and Plans

### 2.1 Health Board Position

**Vacancy Rate** – 8.3%, 1404 wte vacancies (April 2019)

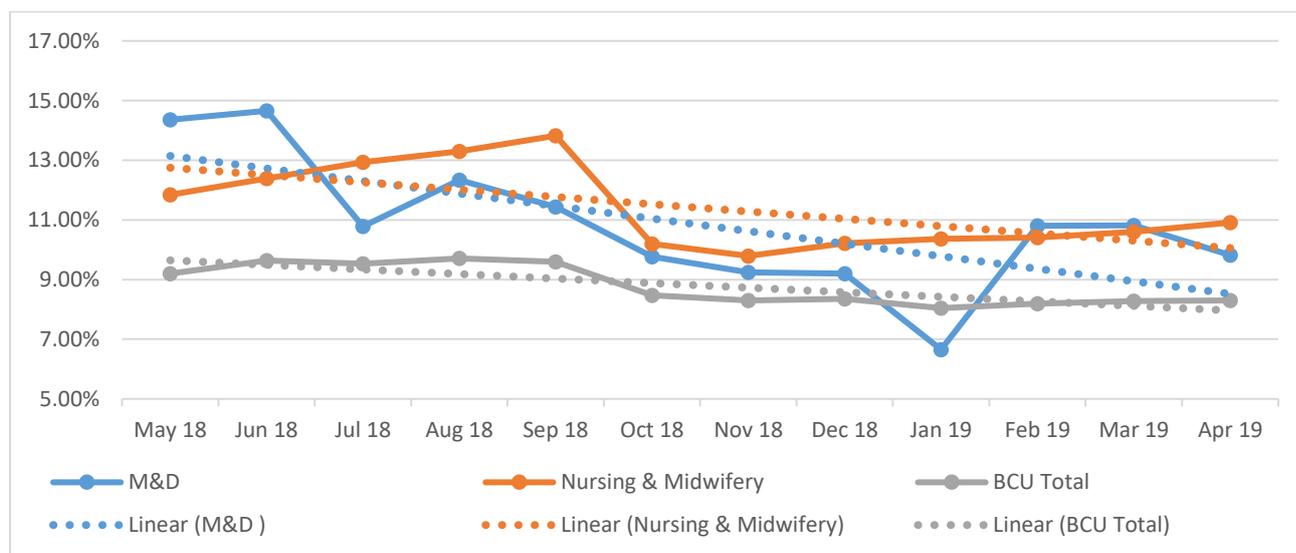
**Agency spend** - 2018/19 - £31,595,011

The Health Board currently has a variance between budgeted establishment and staff in post of 1400 whole time equivalents (WTE). As it stands, this figure is used to describe the number of vacancies and vacancy rate.

Following identification of a number of examples where the historical under delivery of recurrent cost improvement has resulted in posts within the budgeted establishment being unaffordable, work is required as a matter of urgency to ensure that the number of WTE in the budgeted establishment is “real” i.e. are all fully funded. Clearly this is likely to impact on the number of vacancies and vacancy rate.

However in advance of this work being completed and for the purposes of this report, we continue to use the figure above to describe vacancies across the Health Board, and vacancy rate of 8.3%.

*Table 1 - Health Board – Medical and Dental and Nursing & Midwifery Vacancy Rate*



When the NHS Wales Shared Services Partnership was established in 2011, a number of key transactional services were transferred from the respective Health Boards. This included amongst other services, recruitment for all staff groups other than Medical and Dental Staff.

The Health Board retained responsibility for Medical and Dental recruitment with a small team, and one post supporting recruitment of other staff groups and workforce planning (primarily nurse commissioning). Over the years, areas such as primary care and mental health and learning disabilities invested in additional workforce resource to support general activities and recruitment.

Over the last 12 months, as part of the review to develop a workforce strategy, transfer of responsibility for workforce/resourcing related teams and following the paybill review, the need for a more strategic approach to resourcing i.e. recruitment; deployment and flexible workforce was identified.

This has informed a review of the structure of Workforce and Organisational Development and the creation of a Workforce Performance and Improvement section/service incorporating Workforce Systems; Establishment control; Organisational Development. In addition, resources from the Medical Workforce team and Mental Health and Learning Disabilities team have been brought together with the Rostering and Temporary Staffing teams to form an integrated Resourcing Service. An Invest to Save Business Case has been developed and is subject to consideration by the Executive Team in June 2019.

This Service has been pivotal in moving forward the work underpinning workforce optimisation following both the Paybill Review and more recently the Price Waterhouse Coopers (PWC) Grip and Control Review. The need for a strategic approach to recruitment and retention is essential if we are to move away from a transactional, piecemeal approach to ensuring we have the workforce required to deliver safe, efficient and sustainable services.

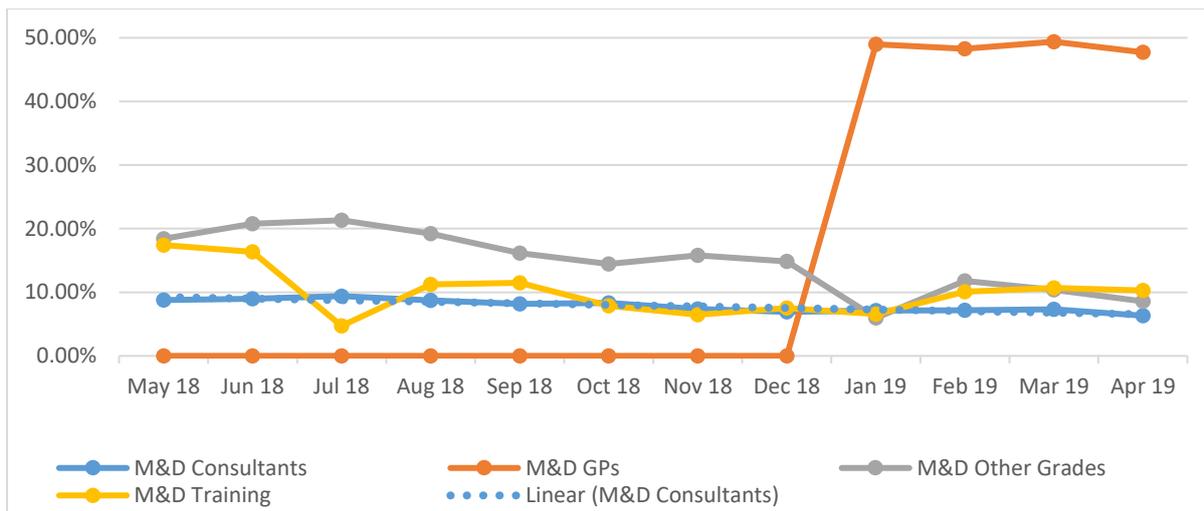
## 2.2 Medical and Dental

**Vacancy Rate** – 9.82%, 146.21fte vacancies (April 2019)

**Agency spend** 2018/19 - £13,987,752 on Medical and Dental Agency staffing.

Whilst the overall vacancy percentage of Medical and Dental (M&D) staff has been falling this somewhat masks some intense challenges. The graph below shows that vacancy rates are increasing amongst trainee grades in recent months and that there is a significant challenge with GP vacancies.

*Table 2 – M&D Vacancy Rates*



*NB: GP vacancy rates were previously not monitored centrally. This has been corrected in conjunction with the work being led by the Director of Primary Care and Community Services.*

Divisional management teams across the Health Board are encouraged to work collaboratively on their recruitment campaigns in order to use resources wisely, achieve economies of scale (particularly to meet the requirement of external advertising for consultants) and to ensure that the prospective employees can see that we work as one unified team. However, the national shortage within some specialities and pressure to deliver 'by site' can mean that there is some evidence of resource and candidate 'guarding' or simply a lack of communication across clinical divisions on a pan-north Wales basis as to what their resourcing plans are and how these may fit into service delivery plans.

Centralising recruitment via a new resourcing team will be an enabler of co-ordinated resource planning across all areas and will provide key opportunities to ensure divisional managers undertake a holistic review of skill mix, work reviews and patients' needs to deliver the best service possible to the North Wales patient population.

### **Hard to fill Specialties**

There are a number of difficult to recruit (national shortages) for specialties including:

- General Practitioners
- Mental Health and Learning Difficulties
- General Surgery
- Rheumatology
- Care of the Elderly
- Radiology (particularly relating to Breast)
- Gastroenterology
- Obstetrics and Gynaecology.

In addition to this the number of new doctors (aged under 30 and who qualified in the UK) joining the General Medical Council register annually has fallen, from 6,868 in 2014 to 6,579 in 2018 (General Medical Council 2018).

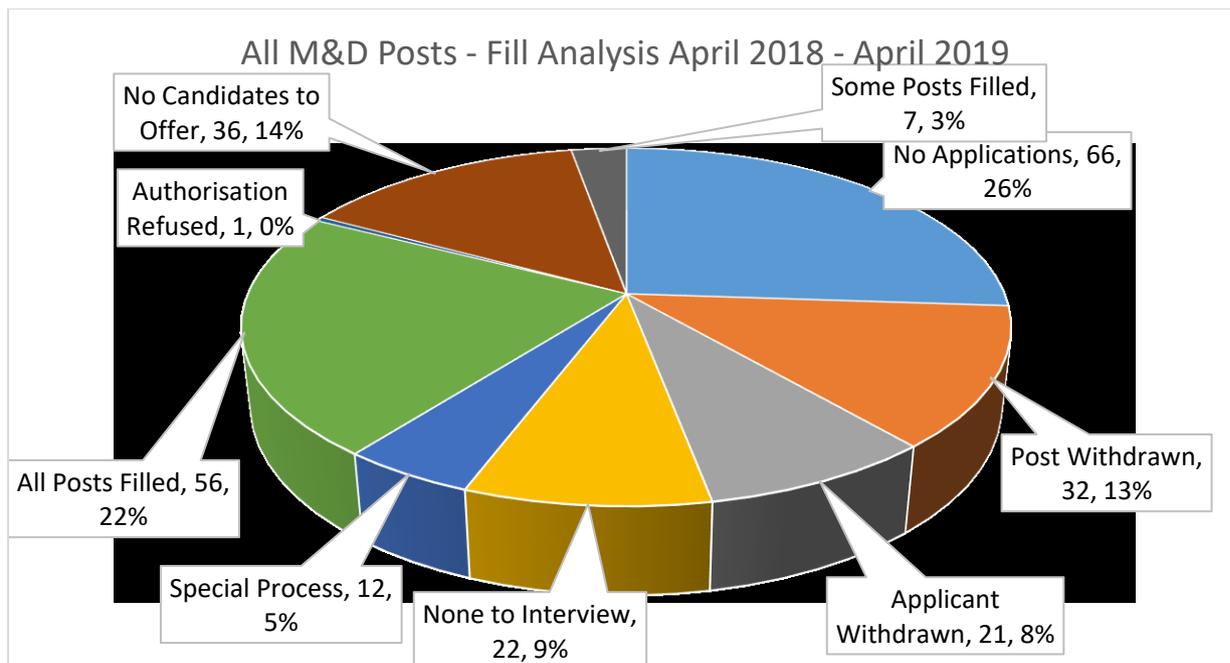
One of the benefits of the implementation of Establishment Control has been the ability to develop a “Pipeline” Report on a monthly basis. This report provides clarity in terms of vacancies and correlating recruitment activity and associated expenditure to cover the vacant roles. From this Pipeline Report, we are developing a “Heat Map” to provide a visual aide to identification of priorities (in a similar way to the Heat Map produced by the Director of Primary Care and Community Services re fragility in General Practice).

### **Converting Medical School Places to Substantive Doctors in North Wales**

One particular focus for medical and dental recruitment is the upcoming trainee rotations, which occur in August 2019. In previous years, there has been a shortfall in the appointment of candidates from Health Education in Wales (HEIW) to the Health Board, and this year again will require recruitment from other surrounding deaneries, as well as considering the appointment of fixed term employees to ensure all rotas are supported to maintain excellent patient care.

The Health Board works as a strategic partner with Bangor University, to support this attraction methodology and in particular remains committed to Honorary Consultant appointments and exploring Physician Associate opportunities. One pending development is the closer relationship between Bangor University and the University of Cardiff Medical School. This development of a medical school hub will support attraction of doctors to North Wales and give a potential increased supply for training rotations and beyond.

Within the medium to longer term, we need to continue to work to retain trainee doctors within the North Wales geography and convert these to substantive appointees to support the appointment to medical & dental vacancies. This will be achieved by the continued development of the Health Board as an 'Employer of Choice' and a commitment to improving retention for doctors of all levels.



Specific activities to support the divisions to understand how they will realign their workforce in the light of consultant vacancies and hard to recruit for specialities include:

- Workforce reviews to ensure service delivery
- Re-distribution of work for the short to medium term using a range of staff groups and skill sets accordingly
- Deep dive reviews of the reasons for recruitment & retention issues
- Consideration of network models/appointments.
- Analysing rotas to examine if alternatives to recruitment can resolve gaps
- Supporting recruitment and selection in terms of ensuring more innovating ways to attract candidates to the health board

Work continues on other aspects of supporting managers including supporting improved retention (e.g. via the use of exit interview data and engagement survey results and planning) and ensuring that support is available to managers in terms of managing absence effectively to reduce agency locum usage.

Other initiatives such as BAPIO (overseas recruitment for Medical Training Initiatives) from which successful candidates are required to obtain English Language Competency and Work Permit (which can elongate recruitment times). Additionally, the Health Board is undertaking International recruitment activity and Engagement in Recruitment Fairs continues to maximise every opportunity for attracting quality candidates.

### **Pay and reward: using local pay flexibility to support recruitment and retention**

Whilst medical and dental pay is set on a national basis within NHS Wales, it is important to recognise that pay may be an important factor in the attractiveness to any given role in the Health Board particularly when taking into account the differences between the national rates in Wales compared to England. Whilst it is

imperative to control and contain costs, there are implications for the attractiveness of working within any NHS organisation within the UK. However, there are local pay flexibilities that are selectively available to the Health Board for specialities with hard to fill vacancies. A recent review on how these can be determined for specialities where recruitment is difficult has provided a clearer protocol for potential implementation of these flexibilities within a clear senior governance framework. Measures that may be considered on a case-by-case basis include:

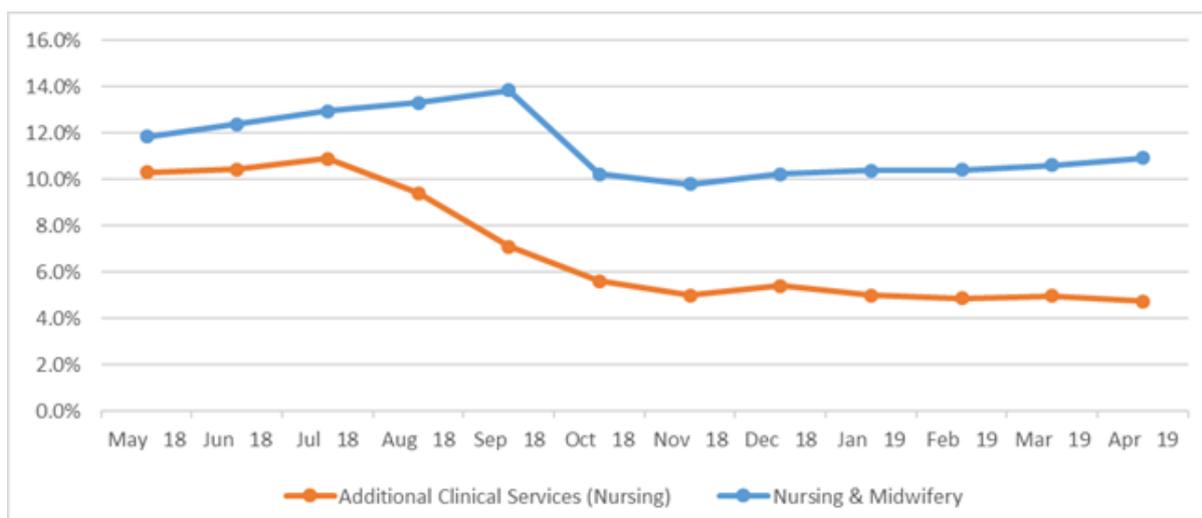
- Recalculation of commencement salaries,
- Offer of funded academic studies for doctors as an attraction tool
- Job planning to support engaging development activities in clinical specialities and as part of professional/leadership development.

## 2.3 Nursing and Midwifery

**Vacancy Rate** – 10.91%, 604.88fte vacancies (April 2019)

**Agency spend** 2018/19 - £12,914,589 on Agency N&M registered staffing.

*Table 4 – Nursing and Midwifery vacancy rates*



In March 2018 a small team was put in place to support improvements in recruitment of nursing staff. This small team was absorbed as a budget pressure with staff appointed on a short term fixed term basis. Irrespective of challenges in retaining members of this team, they demonstrated the impact of having dedicated resource focussed specifically and solely on recruitment. Intense efforts to recruit in 2018/19 resulted in 299 (headcount) additional qualified nurses joining the Health Board. This equated to an additional 247.28wte qualified nurses. However during the same period 393.50fte qualified nurses retired/resigned giving a net loss of around 150fte nurses. Retention requires as much focus as recruitment with the workforce team supporting managers to understand their workforce profiles and the different interventions required relating to planned and unplanned turnover.

### Hard to fill Specialties

In terms of particular challenges, Secondary care and particularly East and Centre continue to have significant vacancies in:

Unscheduled care

- Care of the Elderly (COTE)
- Stroke
- Cardiology
- Gastroenterology
- Theatres

Vacancy rates across Areas was 5.4% and Secondary Care (including Women's and north Wales managed Clinical Services) 13.6% (April) with West having the lowest overall vacancy rate for both Area and Secondary care of 8.5%.

*Table 5 – Activity to appointment conversion 2018/19*

<b>Activity</b>	<b>Nurses appointed</b>
<b>Nurse Recruitment Days</b>	<b>64</b>
<b>Student Nurse Recruitment events</b>	<b>180</b>
<b>Overseas Nurses</b>	<b>6</b>
<b>Job Fairs</b>	<b>7</b>
<b>Generic Recruitment /focus on priority wards</b>	<b>17</b>
<b>MHLD Recruitment</b>	<b>25</b>
<b>Total</b>	<b>299 (247.28fte)</b>

The Pipeline Report described in section 2.1 has proven to be invaluable in identifying specific specialities/wards with the highest vacancies and importantly highlighting those areas where there is no live recruitment activity, despite significant numbers of vacancies. It provides critical information to inform targeted support as well as confirm and challenge with senior nurses and by senior nurses.

It also provide essential information to support the introduction of demand and capacity profiling for temporary staffing (Bank). This has not been undertaken previously and is, in my view, a key contributor to levels of agency and premium rate expenditure (as described in the Paybill Review reports previously submitted to the Committee and more recently by Price Waterhouse Coopers (PWC) in the Grip and Control review).

In addition to working with senior nursing leaders to manage “day to day” recruitment, the team has been focussed on:

- raising our profile across the UK, through Job fairs e.g. RCNi events Feb 19 – over 250 new contacts made for direct marketing and promotion of nurse vacancies , 450 new contacts - 7 nurse appointed;
- working on 11 priority wards on YGC & WMH –proof of concept provided intense focus on nurse recruitment on hot spot /high agency spend areas – 17 Nurses appointed ,improved time to hire at conditional offer to unconditional offer stage(40 to 15 days )
- creating a sustainable supply through robust education commissioning – year on year growth in student numbers

- introduction of candidate experience survey at Recruitment;
- reviewing and revising the work underway re retention and in particular focussing on unplanned turnover to have a risk based approach based on levels of unplanned turnover and related indicators of “cultural” issues.

## 2.4 Allied Health Professionals

**Vacancy rate** – 6.6%, 63fte vacancies (April 2019)

**Agency spend** 2018/19 - £2,323,562

*Table 6 – Allied Health professionals Vacancy Rates*



One of the key actions to improve delivery of care in the right setting by the right professionals described above is the review of skill mix across medical and dental; nursing and midwifery and therapies. As such, it is essential that we understand the challenges and opportunities in recruiting and retaining therapies staff at all levels. Therapy services has increased focus on addressing recruitment and retention issues with a clear, refreshed strategic vision for recruitment and retention to inform the strategic framework for the development of services across Health Board, supporting new ways of working such as Care Closer to Home, home first and community resource teams.

Recruitment activity in Therapy services remains at a high level. Advertisements through NHS jobs/TRAC during a 12-month period 453 wte adverts resulted in 274 appointments i.e. 60% fill rate

### Hard to fill Specialties

As with the other staff groups, there are particular challenges in the following areas/staff groups:

- Speech and language Therapy- welsh speaking West and Higher grade specialists
- Physiotherapy- Band 5 and 6 across all areas but with specific relevance to Central area
- Occupational Therapy- Both physical and Mental Health, poor numbers of B5 and geographical location of training plus Social Services demands cause issues
- Dietetics- Welsh speakers
- Podiatry and Orthotics- clinical specialist at 7 and 8a

Actions being taken include:

- Recruitment activity to continue with a focus on having a streamlined process to minimise the possibility of loss of good candidates to other organisations and to optimise the future relationship between the successful candidate and the Health Board;
- Hiring managers focusing on time to hire;
- Continue to provide recruitment and selection training for senior managers and all staff involved in the recruitment process;
- Creation of standardised generic job descriptions Therapy services/AHPs;
- 'Hard to recruit' areas will be given priority when running recruitment campaigns;
- Reintroduction of Exit interviews to capture any learning's and action taken appropriately with all staff to be asked to complete questionnaire and collated at a divisional level;
- Consistent Retire and Return protocol that emphasis succession planning and knowledge transfer of skills.

## **2.5 Plans in place and moving forward**

To be able to compete in this labour market, we need to ensure that we can provide an attractive package and ensure that our attraction methods stand out in order to reduce the reliance on agency and locum staff. Marketing materials and investment in digital media platforms for targeted attraction and recruitment activities will be needed.

### **We will:**

- Have further targeted recruitment across the UK including a blend of national adverts and recruitment days;
- Identify top 25 wards with the highest WTE vacancy rate for Nursing & Midwifery and ensure recruitment campaigns are introduced;
- Focused recruitment activity around Return to Practice professionals
- Greater support provided to recruitment of M&D staff – moving from transactional to transformational with professional marketing materials.
- Particular focus on GP recruitment / retention;
- Scope out opportunities around alternative professional support for the gaps;

- Continue with the Recruitment efforts to date and ongoing activity to support the Nurse Vacancy gaps;
- Establishment control to be streamlined and review of funded budgeted establishment at pace
- Be clear on the our staffing pipeline from trainees, new graduates, return to practice and overseas candidates

#### **Focus on retention (general)**

- Working together provide improved HR support for Work-Life balance / Flexible/Agile Working initiatives
- Continued improvement of Education and Training/Learning and Development opportunities (Pathways) internally and externally
- Robust preceptorship, buddy system for newly qualified nurses and doctors
- Progression opportunities/Succession Planning -Deep Dive of 2-year service "Leavers"
- Diversity and inclusion promotion
- Promote exit interview/reviews in 'hot spot' areas
- Supporting rotational contracts between the Acute Hospital, Community Hospital, Community and Primary Care
- Fast tracking of health care support workers through funded schemes such as the ones offered by Health Education information Wales (HEIW)

### **3. Assessment of risk and key impacts**

The failure to identify a small number of high impact priorities will reduce the likelihood of delivery given capacity and capability across the Health Board.

The failure to identify and secure additional specialist/strategic resource will increase the risk of non-delivery within the timescales

### **4. Equality Impact Assessment**

The opportunities set out within this report will be subject to Equality impact assessment as part of the transformation/turnaround programme process.

### **5. Conclusions / Next Steps**

Each of the areas of work outlined have and continue to be progressed with as much emphasis on outcomes and pace as possible. The structure overseeing delivery remains a little disjointed but this should be resolved with the establishment of the integrated resourcing team and overarching Workforce Improvement structure. That said, this is not preventing progress being made against these key deliverables.

### **6. Recommendations**

The contents of the paper are noted and the direction of travel in respect of each of the improvement areas is supported.

Finance & Performance Committee  25.6.19	 <div style="display: inline-block; vertical-align: middle; margin-left: 10px;"> <p>Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board</p> </div>
<b>To improve health and provide excellent care</b>	

<b>Report Title:</b>	Turnaround Programme Savings Report – Month 2 2019/20
<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 update the Committee with regard to progress in identifying savings schemes to meet the requirements of the Board's financial plan and report actual delivery.
<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 2019/20.
<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 notes :</p> <ul style="list-style-type: none"> <li>• the increase in savings schemes developed and the improved risk profile over the previous month's report</li> <li>• the residual gap in amber / green risk assessed schemes of £10.09m in cash releasing savings and £15.98m in total savings</li> <li>• the impact of the shortfall in savings identification against the budgetary plan of £1.57m.</li> <li>• the achievement of savings of £2.59m, which is £0.38m above profile.</li> <li>• the work ongoing with PwC to finalise schemes in development and to identify further savings to meet the plan requirements by the end of June.</li> <li>• the requirement to increase cash releasing savings and total savings delivered in year by £10m if the control total deficit of £25m is to be achieved.</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</i>	√
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		<i>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>			
<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*

## **Finance and Performance Committee**

### **Savings Report – Month 2 2019/20**

#### **Purpose**

To update the Committee with regard to progress in identifying savings schemes to meet the requirements of the Board's financial plan and to report actual delivery in Month 2.

#### **Background**

As part of the Board's financial planning for the 2019/20 financial year a savings target of £34.5m was identified. This target was based upon an assessment of opportunities drawn from the National Efficiency Framework, benchmarks and other sources. Using benchmark data the target was allocated across individual Divisions and corporate areas within the Board.

In the Board's initial £35m deficit financial plan for 2019/20 the need for £25m of cash releasing savings was clearly identified. The Welsh Government has set a control total of £25m deficit, a £10m improvement. To achieve this would require £35m of cash releasing savings and a target of £44.5m savings to be delivered.

In order to maintain the focus on cash releasing savings, this report identifies the cash releasing position specifically, as well as reporting the overall savings position.

#### **Scheme Development and Risk Assessment**

The following section summarises the position with regard to the identification of savings as at the time of preparation of the Monitoring Return to Welsh Government on 10<sup>th</sup> June 2019. It focusses initially on the Board approved £25m cash releasing requirement and then on the overall savings target of £34.5m.

A key part of the development of the savings schemes is the assessment of delivery risk. A new framework for assessing risk has been published by Welsh Government, which allows schemes to be afforded a red / amber / green assessment. The criteria within the framework are shown below –

- There is a clear project brief and plan
- There is clear ownership of projects and accountability for delivery
- Financial calculations are underpinned by and aligned to clear actions
- Phasing of savings is clearly aligned to plan milestones
- There is a financial code identified for savings which aligns with the ledger

The assessment framework requires all aspects to be fully met in order for schemes to be assessed as green. Where there is sufficient information to demonstrate that the plan is clear and financial values are confirmed this can be assessed as amber. Any scheme not meeting this requirement is red reflecting the fact that the scheme is not fully developed and costed.

For the purposes of reporting to Welsh Government only green and amber schemes are included in the monitoring return, however all schemes are summarised in this report to give the Committee a full overview of the scheme development pipeline.

### Cash Releasing Schemes

The requirement for £25m of cash releasing savings was set out in the Board approved financial plan and budget. The identification of savings against the £25m is shown in the table below.

Table 1 – Cash releasing savings identified

2019/20 CASH RELEASING SAVINGS - £25M TARGET			
Savings Area	Allocated Savings TARGET	TOTAL Savings SUBMISSION	DIFFERENCE
<b>TRANSACTIONAL</b>	<b>6.00</b>	<b>3.99</b>	<b>(2.01)</b>
Divisional Budget Mgt (1%)	6.00	3.99	(2.01)
<b>CARE CLOSER TO HOME</b>	<b>3.00</b>	<b>4.79</b>	<b>1.79</b>
CHC General	0.00	1.91	1.91
Mental Health	1.00	1.09	0.09
Community Services	2.00	1.80	(0.21)
<b>CORPORATE</b>	<b>16.00</b>	<b>9.06</b>	<b>(6.94)</b>
Workforce Optimisation	5.00	2.05	(2.95)
Medicines Management	4.50	4.73	0.23
Central Procurement	4.50	0.87	(3.63)
Contracts	0.50	0.35	(0.15)
Estates/Assets	1.50	1.07	(0.43)
<b>TOTALS</b>	<b>25.00</b>	<b>17.84</b>	<b>(7.16)</b>
In Development		6.47	6.47
<b>TOTALS</b>	<b>25.00</b>	<b>24.32</b>	<b>(0.68)</b>

2019/20 CASH RELEASING SAVINGS - £25M TARGET			
Division	Allocated Savings TARGET	TOTAL Savings SUBMISSION	DIFFERENCE
Area East	4.01	3.88	(0.13)
Area Centre	3.72	3.73	0.01
Area West	2.53	2.00	(0.53)
Other NW	0.51	0.51	(0.00)
MHLD	1.00	1.73	0.73
YMW	2.12	1.08	(1.04)
YGC	3.21	0.50	(2.71)
YG	2.44	0.97	(1.47)
Womens	0.84	0.18	(0.66)
NWHS	1.23	0.72	(0.51)
Contracts	0.50	0.35	(0.15)
Corporate	2.89	2.18	(0.71)
<b>TOTALS</b>	<b>25.00</b>	<b>17.84</b>	<b>(7.16)</b>
Pay	11.53	5.64	(5.90)
Non Pay	13.47	12.21	(1.26)

The above shows developed schemes of £17.84m which compares to £18.64m in the May report indicating a reduction in scheme value of £0.80m attributable to Womens services (£0.52m) due to not proceeding with a contractual notice and Mental Health divisions (£0.33m), where a number of schemes were deemed cost avoidance. These schemes are subject to risk assessment as set out in the section below. This leaves a gap of £7.16m to deliver the plan of £25m. £6.47m of schemes are in development, an increase of £1.94m from May's total of £4.53m. A further £2.83m of schemes are at pipeline stage, some of which will be cash releasing.

The current risk assessment and savings gap against the £25m cash releasing savings target is shown in Table 2.

This table focuses specifically on the amber and green schemes, which is in line with the Welsh Government reporting requirements, and recognises the degree of delivery risk associated with red risk and pipeline schemes. The table above shows the value of schemes with an amber or green assessment standing at £14.91m, compared to £15.22m in the May report, a reduction of £0.31m. There remains a gap of £10.09m to bridge through actions to move current red schemes into amber / green and convert plans in development and in pipeline to defined schemes. This compares to a gap of £9.78m in the previous report, a reduction of £0.31m over the month.

Table 2 – cash releasing savings risk assessment

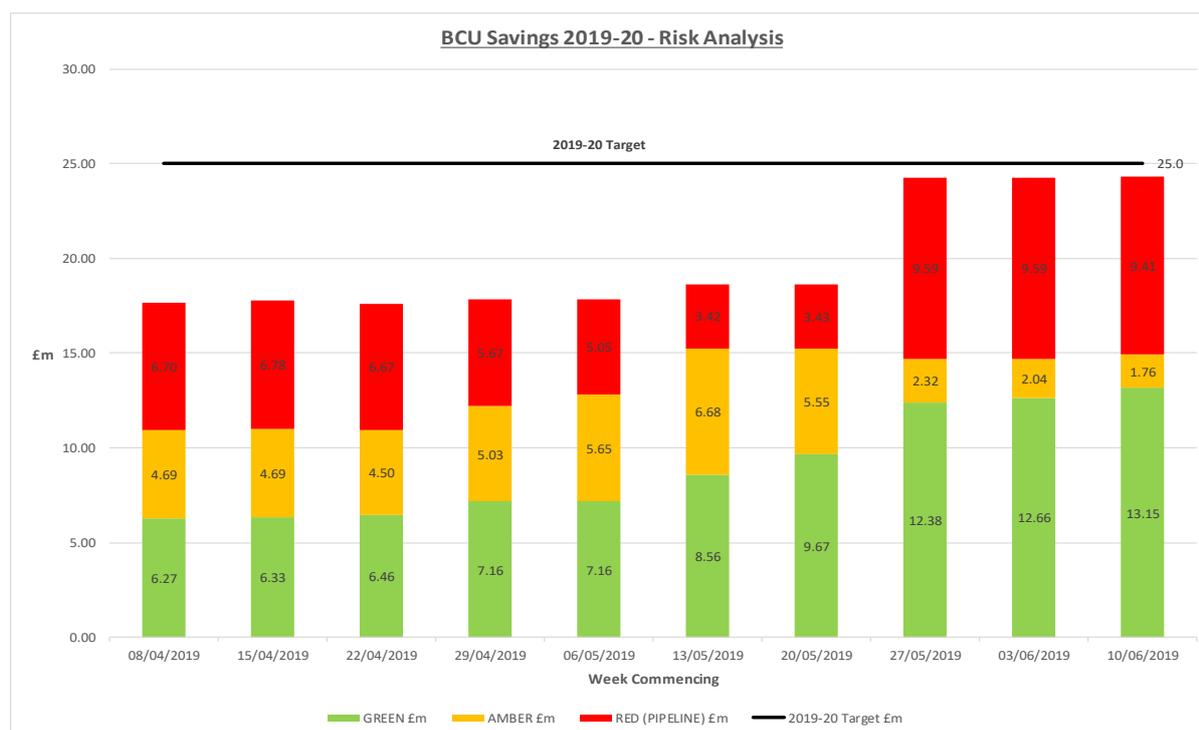
2019/20 SAVINGS			PMO RAG ASSESSMENT - NEW RULES			
Division		TOTAL SUBMISSION	GREEN	AMBER	TOTAL GREEN/ AMBER	RED (not in Monitoring Return)
Area East		3.88	2.34	0.50	2.83	1.05
Area Centre		3.73	3.51	0.06	3.57	0.17
Area West		2.00	2.00	0.00	2.00	0.00
Other NW		0.51	0.15	0.17	0.31	0.20
MHLD		1.73	0.83	0.08	0.90	0.83
YMW		1.08	0.71	0.21	0.92	0.15
YGC		0.50	0.50	0.00	0.50	0.00
YG		0.97	0.52	0.30	0.81	0.16
Womens		0.18	0.18	0.00	0.18	0.00
NWHS		0.72	0.70	0.02	0.72	0.00
Contracts		0.35	0.09	0.05	0.14	0.21
Corporate		2.18	1.63	0.39	2.01	0.17
<b>TOTALS</b>		<b>17.84</b>	<b>13.15</b>	<b>1.76</b>	<b>14.91</b>	<b>2.93</b>

**NOTE - Figures include Income Generation of £0.18m which are excluded from savings in the monitoring return.**

<b>PMO Red Pipeline</b>		<b>2.93</b>
In development red risk schemes		6.47
Required from other pipeline schemes		0.68
<b>TOTAL PMO ASSESSED SAVINGS GAP</b>	<b>40%</b>	<b>10.09</b>
Total Green/ Amber Schemes in Monitoring Return	<b>60%</b>	14.91
<b>Cash Releasing Savings Requirement</b>		<b>25.00</b>

Chart 1 shows the weekly change in risk and delivery against the £25m requirement.

Chart 1 – cash releasing savings risk profile



It is clear from the above there is demonstrable progress in reducing the risk profile. There has also been a significant increase in schemes in development and in pipeline.

Identifying additional schemes to bridge the gap and developing those schemes already identified is the focus of current work with PwC, working with Divisions. The following table summarises those schemes.

Table 3 – Schemes in development

<b>Savings Plans in Development £000</b>	<b>6,471</b>
Procurement	1,770
A&C Grip & Control	250
Medical Workforce Optimisation	800
Nursing Workforce Optimisation	900
Nurse Wards	250
Outpatients - workforce	320
Unscheduled Care Escalation	500
Diabetes pathway	250
Booking/ contact centres	100
Clinical nurse specialists	250
Mental Health care packages	355
Pharmacy outpatients dispensing	146
Corporate Services Review - pay	460
Corporate Services Review - non pay	120

Taking into account the above schemes there remains a residual gap of £0.68m (at May it was £1.83m).

Work is continuing to progress a number of other pipeline opportunities. The categorisation of these schemes has still to be determined, however, they include cash releasing schemes sufficient to close the residual £0.68m cash releasing savings gap.

### Total savings

The identification of savings against the £34.5m target is shown in Table 4. It shows total savings, including schemes in development and in pipeline, of £31.07m. This represents a shortfall of £3.43m.

Table 4 identifies schemes developed to a value of £21.77m, compared to £22.11m in May's report. This represents a reduction of £0.34m, attributable also to Womens (£0.52m) and Mental Health (£0.23m). The cost avoidance element has risen by £0.44m to a total of £3.92m.

Table 4 – Total savings identified

2019/20 TOTAL SAVINGS - £34.5M TARGET			
Savings Area	Allocated Savings TARGET	TOTAL Savings SUBMISSION	DIFFERENCE
<b>TRANSACTIONAL</b>	<b>6.00</b>	<b>4.55</b>	<b>(1.45)</b>
Divisional Budget Mgt (1%)	6.00	4.55	(1.45)
<b>CARE CLOSER TO HOME</b>	<b>7.00</b>	<b>6.17</b>	<b>(0.84)</b>
CHC General	3.00	3.03	0.03
Mental Health	2.00	1.34	(0.66)
Community Services	2.00	1.80	(0.21)
<b>CORPORATE</b>	<b>21.50</b>	<b>11.06</b>	<b>(10.44)</b>
Workforce Optimisation	11.00	3.91	(7.09)
Medicines Management	4.50	4.73	0.23
Central Procurement	4.00	0.87	(3.13)
Contracts	0.50	0.46	(0.04)
Estates/Assets	1.50	1.08	(0.42)
<b>TOTALS</b>	<b>34.50</b>	<b>21.77</b>	<b>(12.73)</b>
In Development		6.47	6.47
Other Pipeline		2.83	2.83
<b>TOTALS</b>	<b>34.50</b>	<b>31.07</b>	<b>(3.43)</b>

2019/20 TOTAL SAVINGS - £34.5M TARGET			
Division	Allocated Savings TARGET	TOTAL Savings SUBMISSION	DIFFERENCE
Area East	4.85	4.31	(0.55)
Area Centre	4.87	3.73	(1.14)
Area West	3.22	2.70	(0.51)
Other NW	0.32	0.51	0.20
MHLD	3.57	2.54	(1.04)
YMW	2.60	1.38	(1.22)
YGC	3.76	1.34	(2.42)
YG	2.90	1.51	(1.39)
Womens	1.05	0.37	(0.68)
NWHS	2.59	0.72	(1.87)
Contracts	0.50	0.46	(0.04)
Corporate	4.27	2.20	(2.08)
<b>TOTALS</b>	<b>34.50</b>	<b>21.77</b>	<b>(12.73)</b>

Pay	17.00	8.26	(8.74)
Non Pay	17.50	13.51	(3.99)

The risk profile of the total savings programme is shown in the table below

Table 5 – Total savings risk assessment

2019/20 SAVINGS			PMO RAG ASSESSMENT - NEW RULES			
Division	TOTAL SUBMISSION		GREEN	AMBER	TOTAL GREEN/ AMBER	RED (PIPELINE)
Area East	4.31		2.76	0.50	3.26	1.05
Area Centre	3.73		3.51	0.06	3.57	0.17
Area West	2.70		2.70	0.00	2.70	0.00
Other NW	0.51		0.15	0.17	0.31	0.20
MHLD	2.54		1.63	0.08	1.71	0.83
YMW	1.38		1.01	0.21	1.22	0.15
YGC	1.34		0.85	0.23	1.08	0.26
YG	1.51		1.06	0.30	1.35	0.16
Womens	0.37		0.37	0.00	0.37	0.00
NWHS	0.72		0.70	0.02	0.72	0.00
Contracts	0.46		0.15	0.05	0.20	0.26
Corporate	2.20		1.64	0.39	2.03	0.17
<b>TOTALS</b>	<b>21.77</b>		<b>16.53</b>	<b>1.99</b>	<b>18.52</b>	<b>3.25</b>

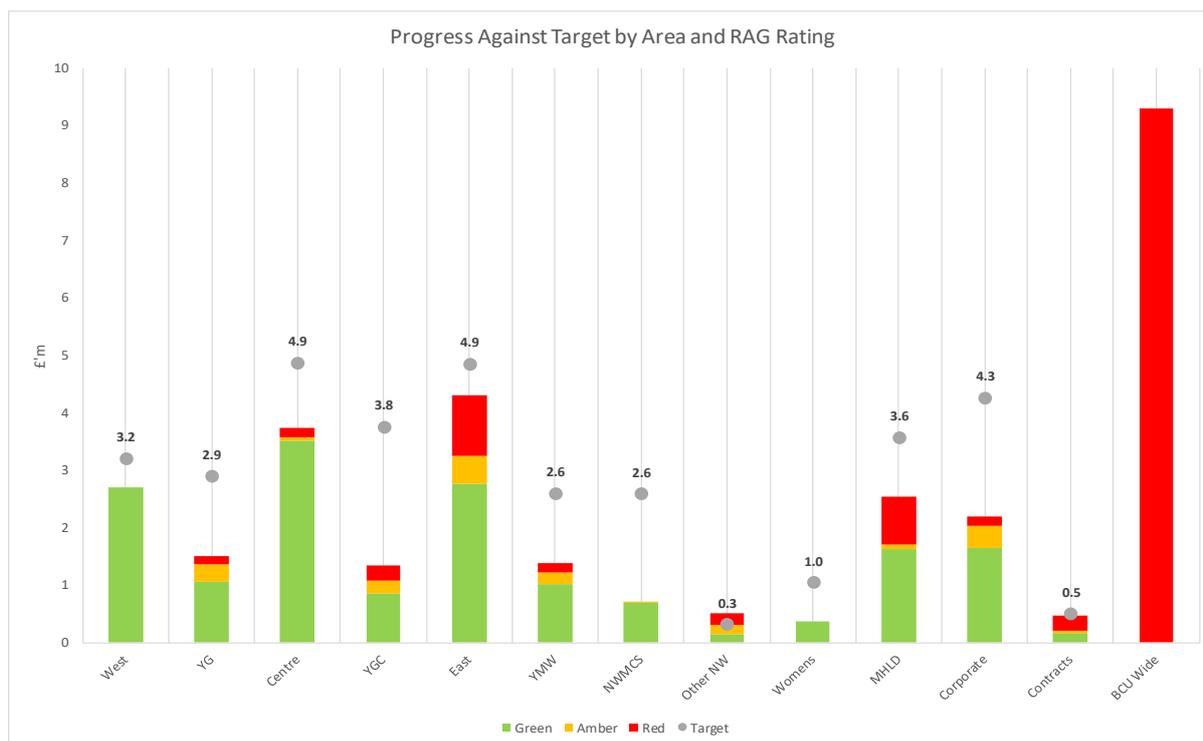
#### TOTALS - PMO ASSESSMENT

<b>PMO Red Pipeline</b>		<b>3.25</b>
In development red risk schemes		6.47
Other pipeline schemes		2.83
Schemes to be identified (residual gap)		3.43
<b>TOTAL PMO ASSESSED SAVINGS GAP</b>	<b>46%</b>	<b>15.98</b>
Total Green/ Amber Scemes in Monitoring Return	<b>54%</b>	18.52
<b>Total Savings Requirement</b>		<b>34.50</b>

The total assessed savings gap of £15.98m compares to a position of £16.8m set out in the previous report, indicating a positive movement of £0.82m. After taking into account all schemes in progress, the residual gap not supported by schemes or developments is £3.43m.

A summary of the risk profile and position of each Division against the £34.5m savings target set is shown below.

Chart 2 – risk profile and progress by division against £34.5m requirement



The above analysis clearly show shortfalls in savings schemes identified in order to address the requirement of £34.5m. There is also a significant range of risk profiles reflecting differing levels of maturity in scheme development across Divisions. BCU wide schemes totalling £9.3m, once fully developed and approved, will be attributed across Divisions and will address much of the divisional savings shortfall. Additional support from PwC over the past month has focussed upon those Divisions with the most significant risk profile and savings gap. This has secured some movement to date and further progress is anticipated during month 3.

### Actions to Close the Savings Gap

Further action has been taken to enhance the leadership focus within the organisation on the development and delivery of the savings plan. The Chief Executive has established a Savings Programme Development Group drawing together Executive Directors, Divisional Directors and Hospital Managing Directors to work with PwC to ensure rapid development of the programme and effective implementation. This Group meets on a fortnightly basis. The Executive Team has a weekly session with PwC to ensure that progress continues and that critical actions are progressing.

At a Divisional level the Director of Turnaround has established an ongoing cycle of meetings with Divisional Directors to identify actions required to develop schemes and to track the progress and impact of these actions.

Since the previous report there has been an increased focus on working with PwC to drive improvement in the current risk profile, and to continue the work to identify

and quantify new opportunities. As reported to the last meeting, work to date has identified a number of areas where opportunities exist to drive further savings.

- Planned care, including outpatient demand and clinic efficiency, theatre efficiency and endoscopy efficiency
- Continuing Healthcare
- Workforce, including grip and control actions related to variable pay (see separate report and action plan), establishment review and skill mix
- Unscheduled care, focussing on costs of escalation capacity
- Support services, including agile working and booking services
- Service transformation, including service reconfiguration and developing new care pathways eg diabetes.

Table 3 incorporates an element of this work, where schemes in development total £6.47m, compared with £4.53m, an increase of 1.94m.

A number of other pipeline schemes are being worked up as set out below.

Table 6 – Other pipeline schemes

<b>Savings Plans in Pipeline £000</b>	<b>2,833</b>
Other cash releasing	200
Pathways	250
Referral Management	1,100
Theatres/ other	870
Outpatients	413

More schemes will need to be drawn up in order to close the residual gap of £3.43m remaining against the £34.5m requirement. A critical part of the final development phase will be to ensure that there is no duplication of savings identified with those in the plan or under development.

Earlier in this paper it was noted that Welsh Government had set a control total of £25m deficit. This will require cash releasing savings of £10m to be delivered in year in addition to the £34.5m total savings target reported above.

### **Delivery of Savings Plans**

This section of the paper compares actual savings delivery to the savings profile anticipated in the Board's budget, and then to plans submitted.

Table 7 summarises the current shortfall against the £25m cash releasing savings requirement. The table shows that the savings identified fall short of the £25m required by a sum of £7.16m, leading to an immediate overspend in the financial position. By Month 2 this shortfall has contributed £1.57m to the reported budgetary deficit.

Table 7 – Summary of cash releasing savings against budget profile

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
	£m												
Budget reduction profile	1.65	1.78	1.80	1.88	1.95	1.99	2.26	2.31	2.32	2.33	2.34	2.39	25.00
Savings submission profile	0.89	0.97	1.04	1.28	1.36	1.40	1.64	1.70	1.73	1.73	1.87	2.09	17.84
Savings plan deficit	0.76	0.81	0.76	0.60	0.59	0.59	0.62	0.60	0.59	0.60	0.47	0.30	7.16

Note – There are £0.991m of red risk savings schemes within the above which are yet to be profiled. They have therefore been shown in March for the purpose of this report.

With regard to delivery against the cash releasing savings plans submitted, the table below summarises the position at Month 2.

Table 8 – cash releasing savings scheme delivery

2019/20	Savings Budget	Savings Identified	Excess / (deficit) of savings identified	YTD Planned as per tracker	YTD Delivered	YTD Variance to Plan
	£'000	Cash Releasing £'000	£'000	Cash Releasing £'000	Cash Releasing £'000	£'000
Ysbyty Gwynedd	2,438	970	(1,468)	92	70	(22)
Ysbyty Glan Clwyd	3,207	502	(2,705)	34	63	29
Ysbyty Wrexham Maelor	2,118	1,076	(1,042)	81	94	13
North Wales Managed Services	1,227	717	(510)	47	45	(3)
Womens Services	843	179	(664)	30	44	14
<b>Secondary Care</b>	<b>9,832</b>	<b>3,444</b>	<b>(6,388)</b>	<b>285</b>	<b>315</b>	<b>31</b>
Area - West	2,532	2,004	(528)	291	424	134
Area - Centre	3,720	3,734	14	443	705	262
Area - East	4,010	3,882	(128)	450	476	26
Area - Other	513	513	(0)	24	24	0
Contracts	500	350	(150)	19	19	0
<b>Area Teams</b>	<b>11,276</b>	<b>10,484</b>	<b>(792)</b>	<b>1,226</b>	<b>1,648</b>	<b>422</b>
MHLD	1,000	1,732	732	41	20	(21)
Corporate	2,892	2,185	(707)	308	301	(7)
<b>Divisional Total</b>	<b>25,000</b>	<b>17,844</b>	<b>(7,156)</b>	<b>1,860</b>	<b>2,284</b>	<b>424</b>

The above table identifies an overachievement against profile for month1 of £424k. Significant variances within the cash releasing programme are identified below –

As for last month, within secondary care the significant variance relates to Ysbyty Gwynedd where theatres non-pay savings is £15k below target and reductions in medical and nurse agency costs are £7k below target.

Across the Area Teams there is a consistent pattern of over recovery in prescribing savings which collectively amount to a positive variance of £400k.

Continuing healthcare savings are showing a positive variance amounting to £106k. These positive variances are offset by slippage against a number of transactional budget management schemes, which will require remedial action in Month 3 to ensure that delivery returns to profile.

The total savings programme delivery is set out in the table below.

Table 9 - Total savings scheme delivery

2019/20	Savings Budget £'000	Savings Identified		Excess / (deficit) of savings identified £'000	YTD Planned as per tracker		YTD Delivered		YTD Variance to Plan £'000
		Cash Releasing £'000	Cost Avoidance £'000		Cash Releasing £'000	Cost Avoidance £'000	Cash Releasing £'000	Cost Avoidance £'000	
Ysbyty Gwynedd	2,901	970	540	(1,391)	92	90	70	21	(92)
Ysbyty Glan Clwyd	3,758	502	839	(2,418)	34	0	63	0	29
Ysbyty Wrexham Maelor	2,598	1,076	300	(1,222)	81	0	94	0	13
North Wales Managed Services	2,592	717	0	(1,875)	47	0	45	0	(3)
Womens Services	1,048	179	189	(680)	30	31	44	86	69
<b>Secondary Care</b>	<b>12,897</b>	<b>3,444</b>	<b>1,867</b>	<b>(7,585)</b>	<b>285</b>	<b>121</b>	<b>315</b>	<b>107</b>	<b>16</b>
Area - West	3,216	2,004	700	(512)	291	117	424	84	101
Area - Centre	4,870	3,734	0	(1,136)	443	0	705	0	262
Area - East	4,851	3,882	424	(545)	450	71	476	71	26
Area - Other	318	513	0	196	24	0	24	0	0
Contracts	500	350	113	(38)	19	0	19	0	0
<b>Area Teams</b>	<b>13,755</b>	<b>10,484</b>	<b>1,237</b>	<b>(2,035)</b>	<b>1,226</b>	<b>188</b>	<b>1,648</b>	<b>155</b>	<b>389</b>
MHLD	3,575	1,732	807	(1,036)	41	44	20	44	(21)
Corporate	4,273	2,185	12	(2,077)	308	2	301	2	(7)
<b>Divisional Total</b>	<b>34,500</b>	<b>17,844</b>	<b>3,923</b>	<b>(12,733)</b>	<b>1,860</b>	<b>356</b>	<b>2,284</b>	<b>308</b>	<b>377</b>

Performance against cost avoidance schemes shows a deficit in month of £48k, which reduces the overall savings performance to a surplus of £377k against profile in month.

Significant variances in cost avoidance schemes include a positive variance of £40k in women's services related to reductions in medical locum cover costs. Ysbyty Gwynedd is reporting an under-recovery of £59k against medical agency cost reduction, with continuing healthcare cost avoidance underperforming by £33k in Area West.

## Recommendations

That the Committee **notes**–

- the increase in savings schemes developed and the improved risk profile over the previous month's report
- the residual gap in amber / green risk assessed schemes of £10.09m in cash releasing savings and £15.98m in total savings
- the impact of the shortfall in savings identification against the budgetary plan of £1.57m.
- the achievement of savings of £2.59m, which is £0.38m above profile.
- the work ongoing with PwC to finalise schemes in development and to identify further savings to meet the plan requirements by the end of June.
- the requirement to increase cash releasing savings and total savings delivered in year by £10m if the control total deficit of £25m is to be achieved.

Finance and Performance Committee  25.6.19	 <b>GIG CYMRU NHS WALES</b>   Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board  To improve health and provide excellent care
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<b>Report Title:</b>	Summary of In-Committee business to be reported in public
<b>Report Author:</b>	Diane Davies, Corporate Governance Manager
<b>Responsible Director:</b>	Sue Hill, Interim 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 23.5.19</p> <ul style="list-style-type: none"> <li>• Price waterhouse Cooper report</li> <li>• Accountability Review letters</li> <li>• Review of Operational Plan Investments 2019/20</li> <li>• Update in 3 year elective Orthopaedic plan</li> <li>• Procurement services contract briefing papers</li> <li>• Digital Dictation and Speech Recognition</li> <li>• Ysbyty Glan Clwyd development update</li> <li>• Medical and Dental Agency Locum Report</li> <li>• 2019/20 WG monthly monitoring return</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	✓	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>			
<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*