Bundle Finance & Performance Committee 28 January 2021

AGENDA

Unfortunately BCU Committee meetings are being held via a virtual platform at present due to Covid19 regulations. Minutes of meetings will be available on the website in due course.

0 09:30 - FP21/1 Welcome and Chair's introductory remarks

1 FP21/2 Apologies for absence

2 FP21/3 Declaration of Interests

3 09:35 - FP21/4 Draft minutes of the previous meeting held on 21.12.20 and summary action plan

FP21.4a Minutes FPC 21.12.20 v.03 draft_public session.docx

FP21.4b Summary Action Log.doc

5 for assurance

6 09:45 - FP21/5 Qtr 3&4 2020/21 monitoring report

Mark Wilkinson
Recommendation
The Finance & Performance Committee is asked to note the report.

FP21.5a OPMR December 2020 Positionv1.8.docx

FP21.5b OPMR December 2020 Positionv1.7.pdf

7 10:00 - FP21/6 Quality and Performance report

Mark Wilkinson
Recommendation
The Finance & Performance Committee is asked to scrutinise the report and to consider whether any area needs further escalation to be considered by the Board.

FP21.6a Quality and Performance report.docx

FP21.6b Quality and Performance report_December 2020.pdf

8 10:30 - FP21/7 Health Board Revenue and Discretionary Capital Allocation for 2021-22

Sue Hill
Recommendation
The Committee is asked to receive and note the contents of the report

FP21.7a Allocation letter_ update 15-1-21_affirmed.docx

FP21.7b Allocation letter_ Appendix1 update 15-1-21_affirmed.docx

9 10:40 - FP21/8 Developing the 2021-24 annual plan

Mark Wilkinson

FP21.8 PRESENTATION_Planning for 2021-24 v0.05_affirmed.pptx

10 10:55 - Comfort break

11 11:05 - FP21/9 Planned Care Update

Gill Harris
Andrew Kent in attendance
Recommendation
The Committee is asked to:
1. Discuss and agree point five of the six-point plan so that we can progress the procurement and clinical engagement work of this significant ask and play this into the 21/22 activity plan.
2. Note the organisation's planned care Referral to Treatment (RTT) position

FP21.9 Planned Care Update_affirmed.docx

12 11:20 - FP21/10 Planned care update: Option 5 Ophthalmology – Eye Care Collaborative Programme update

Gill Harris
Gavin MacDonald and Alyson Constantine in attendance
Recommendation
The Finance & Performance (F&P) Committee are asked to note the progress of the programme and the anticipated timescales for submission to Executive Team and F&PC as a Business Case (BC) proposal.

FP21.10 Eye Care Update_affirmed.docx

13 11:30 - FP21/11 Unscheduled Care update

Gill Harris
Gavin Macdonald in attendance
Recommendation
The Committee is asked to note the Unscheduled Care performance for December 2020 across BCUHB and for each Health Community

FP21.11 USC REPORT final_affirmed.docx

14 11:50 - FP21/12 Capital Programme report Month 8

Mark Wilkinson
Recommendation
The Committee is asked to note the report

FP21.12 Capital Programme Report - Month 8_affirmed.docx

15 12:00 - FP21/13 Finance Report Month 8

Sue Hill
Recommendation
The Committee is asked to note the report

FP21.13a Finance Report -M8_affirmed.docx

FP21.13b Finance Report -M8_affirmed.pptx

16 12:20 - FP21/14 No item

17 For approval

18 12:35 - FP21/15 Transfer of Flint Community Hospital Site to Flintshire County Council

Mark Wilkinson
Recommendation
The Committee is asked to approve the transfer of Flint Community Hospital site to Flintshire County Council at Nil Value. This is in line with Welsh Government, NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol.

FP21.15a Transfer of Flint Community Hospital Site to Flintshire County Council - Dec 2020 rev 0.5.docx

FP21.15b Appendix 1 DV Valuation 14-07-20 old Flint Hospital Site.pdf

19 12:45 - For information

19.1 12:45 - FP21/16 Monthly monitoring report

Sue Hill
Recommendation
The Committee is asked to note the contents of the report that has been made to Welsh Government about the Health Board's financial position for Month 9 of 2020/21.

FP21.16a Monthly monitoring report M09_affirmed.docx

FP21.16b Monthly monitoring report M09_affirmed.docx

19.2 12:45 - FP21/17 External Contracts Update

Sue Hill
Recommendation
The Committee is asked to:
• note the financial position on the main external contracts as reported at Quarter 3 2020/21.
• note the work underway in respect of stabilising wider health / patient care contracts and key risks / related activity.
• note the impact of Covid-19 on external healthcare contracts and the work of the Health Care Contracting Team.
• note the impact and risk posed as a result of Covid-19 revised contracting arrangements adopted for contracts with NHS Providers.
• note the deadline for the approval and transfer of the management of Non-Emergency Patient Transport Service.

FP21.17 External Contracts Report FP January 2021_affirmed.docx

19.4 12:45 - FP21/18 Summary of Private business to be reported in public

Sue Hill
Recommendation
The Committee is asked to note the report

FP21.18 Private session items reported in public.docx

20 FP21/19 Issues of significance to inform the Chair's assurance report

21 12:45 - FP21/20 Date of next meeting 9.30am 25.2.20

22 12:45 - 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 & Performance Committee
Draft minutes of the meeting held in public on 21.12.20
via Webex

Present:

Mark Polin	BCUHB Chairman / Committee Chair
John Cunliffe	Independent Member / Committee Vice Chair
Eifion Jones	Independent Member
Linda Tomos	Independent Member

In Attendance:

Ramesh Balasundaram	Clinical Director Ysbyty Glan Clwyd - Orthopaedics and Trauma (YGC O&T) *(part meeting)*
Neil Bradshaw	Assistant Director – Capital *(part meeting)*
John Darlington	Assistant Director – Corporate Planning *(part meeting)*
Simon Evans-Evans	Interim Director of Governance
Sue Green	Executive Director Workforce and Organisational Development (OD)
Arpan Guha	Acting Executive Medical Director
Eoin Guerin	Consultant Ophthalmologist *(part meeting)*
Gill Harris	Acting Chief Executive *(part meeting)*
Sue Hill	Executive Director of Finance
Ian Howard	Assistant Director - Strategic and Business Analysis *(part meeting)*
Simon Jones	Primary Care Estates Strategy Lead *(part meeting)*
Andrew Kent	Interim Head of Planned Care Improvement *(part meeting)*
Gavin Macdonald	Interim Chief Operating Officer *(part meeting)*
Wyn Thomas	Assistant Director - Primary Care (West) *(part meeting)*
Emma Wilkins	Deputy Director, Financial Delivery Unit (FDU)
Kamala Williams	Acting Assistant Director - Health Strategy
Diane Davies	Corporate Governance Manager (Committee Secretariat)

Agenda item	Action by
FP20/151 Apologies for absence **FP20/151.3** Received from Mark Wilkinson, for whom Kamala Williams deputised, Dave Harries Internal Audit and Andrew Doughton Wales Audit. **FP20/151.2** The Chairman welcomed Linda Tomos to her first Finance and Performance Committee meeting as a member and congratulated the Executive Director of Finance on her substantive appointment into the role. **FP20/151.3** Andrew Sallows Regional Programme Director, Welsh Government was unable to join due to technical issues	

FP20/152 Declarations of Interest Mr Eifion Jones stated that he had prior notified the Chairman that he would absent himself from part of the meeting ie item FP20/172 to be discussed in private session, as he declared an interest as a Board member of Adra.	
FP20/153 Draft minutes of the previous meeting held on 29.10.20 and summary action log **FP20/153.1** It was agreed that the minutes were an accurate record and the summary action log was updated. **FP20/153.2** The Executive Director of Finance agreed to explore whether future cash benefits could be quantified as "cashable" in the future and provide clarification on how these would be monitored going forward.	SH
FP20/154 Quarter 2&3 Operational plan monitoring report **FP20/154.1** The Acting Assistant Director Health Strategy presented this item drawing attention to the narrative provided within the report to address the red rated actions within workstreams at end of November 2020 ie 5.2 Neurophysiology : Implementation of insourcing solutions for neurophysiology to reduce backlog of routine referrals. 16.00 Neurodevelopment : Work towards providing Assessments and improve performance against the 26 week target 17.7 Digital Health: Phase 3 of Welsh Patient Administration System re-focus on West implementation 17.8 Digital Health : Pending approval of the business case – deploy WEDS **FP20/154.2** The Committee questioned the issues around 17.7, following an explanation provided by the Acting Chief Executive, which she had discussed with the Director General NHS Wales, she agreed to arrange for the Acting Deputy Medical Director to provide a follow up briefing on the necessary resourcing to address the issue. The Committee raised great concern that failings in NWIS development of systems caused difficult consequences for the Health Board. **FP20/154.3** The Chairman stated that the performance papers had been inadequately quality assured prior to publication in the public domain, pointing to a number of reporting errors and that there was conflicting data on performance between the monitoring report and QaP report. He requested that the Acting Chief Executive address this with the Executive Director of Planning and Performance in the new year, in order that the Committee could monitor the Health Board's plan going forward with confidence on the accuracy of information provided. The Acting Chief Executive undertook to ensure the issue was addressed, including the provision of narrative to explain why delivery was not attained and what was required to enable an action to be delivered with a timescale. **It was resolved that** the Committee **noted** the report	GH GH

FP20/155 Quality and Performance report **FP20/155.1** The Acting Assistant Director Health Strategy presented this item. She advised that indicators from the National Delivery Framework had been reintroduced, together with a section on Covid19 and Essential Services Delivery. With the second wave of the pandemic underway, Essential Services remained available, however there was increased pressure on the system. Screening services had all recommenced which had also increased referrals into the system. Demands upon unscheduled care continued due to the combination of winter pressures and the second wave of Covid19. She also drew attention to Unplanned Care performance in the areas of 1 hour ambulance handover delays, Emergency Department 12 hour waits, Delayed Transfers of Care and lost bed-days. In Planned Care, there was continuing concern over the increasing number of patients experiencing waits of over 36 and 52 weeks for treatment. However, the number of patients experiencing delays of over 8 weeks for a diagnostic test, or 14 weeks for therapy, had fallen. Performance against the cancer targets remained positive with 100% of patients on the 31 day pathway being treated within the 31 days and 84% (1% off the 85% target) of patients on the 62 day pathway being treated within the 62 days. **FP20/155.2** The Chairman reiterated the issues he outlined at FP20/154.3 in respect of quality assurance, which the Acting Chief Executive reconfirmed would be addressed. She also clarified that the newly appointed Interim Performance Director was in the process of working towards improved performance data layouts. **FP20/155.3** Following the Committee's concern regarding accuracy and reflections on trends within sickness absence reporting, the Executive Director of Workforce and OD undertook to ensure the sickness matter was corrected and that data in respect of homeworking was also included in the next report to enable the Committee to monitor any potential impacts. In respect of recruitment she advised that the recruitment activity reported did not reflect the additional largescale work that had been undertaken to address additional staffing due to the Covid19 pandemic ie TTP, Vaccinations etc. The Executive Director of Workforce and OD also advised that national work was underway to address agency spending. **It was resolved that** the Committee **noted** the report	GH SG
FP20/156 Revised Performance Management Framework and update on accountability reviews **FP20/156.1** The Acting Assistant Director Health Strategy presented this item, it was noted that the Performance and Accountability Framework (PAF) had been developed and shared with Independent Members on 30 October 2020 and agreed by the Executive Team on 11 November 2020. The Framework was also considered by the Audit Committee on 17 December 2020. The new approach was based on clear lines of accountability from the Board to the service and part of the process involved the review of the four Divisions of the Health Board **FP20/156.2** The Chairman perceived the framework to be an improvement on previous styles but sought feedback from the Executives present. The Executive	

Director of Finance affirmed that the framework provided greater clarity, as it was providing functional rather than regional data for improved comparison and monitoring purposes. She reported that Executive Management Group feedback had also been positive. The Executive Director of Workforce and OD concurred on the improved clarity provided through the structure and that limiting conversation around the top 3 areas had been effective within performance reviews which also needed to be echoed outside those meetings. **It was resolved that** the Committee **noted** • implementation of the Performance Accountability Framework • the themes emerging from the accountability review meetings held on 26.11.20 • the next steps	
The following items were taken out of sequence for operational requirements	
FP20/158 Unscheduled Care (USC) update **FP20/158.1** The Interim Chief Operating Officer presented this item which provided an update against unscheduled care performance. He drew attention to the challenges that Covid19 had added to USC work eg bottlenecks within Emergency Departments (ED) due to necessary Red and Green pathways and bed gaps due to contact exposure - which were prevalent in the East and Centre. Ensuring safe separation of Covid19 (Red) patient contact from Non-Covid (Green) had resulted in a reduced capacity of almost 40% and had also necessitated reduced capacity on wards. Whilst patient attendances had slightly decreased, there had been more at the Centre. **FP20/158.2** The Interim Chief Operating Officer advised that much work was continuing on escalation processes including ED. He also reported that work was being moved forward to improve ambulance handovers with the Welsh Ambulance Service Trust (WAST) and that WG were assisting to provide a POD on site from 23.12.20. He stated that Ysbyty Enfys Deeside was open and whilst it had cared for a maximum capacity of 22 patients so far, this was likely to increase. He also drew the Committee's attention to the progress of Same Day Emergency Care (SDEC) and Phone First, as detailed in the report, and reported on positive discussions with senior clinicians which would be incorporated into the strategic document being developed. **FP20/158.3** In response to the Committee's question regarding workforce and technical constraints, he advised that a local recruitment solution had been reached to address Phone First through extending the in-house SICAT service, as the ambulance service was unable to meet this in the timescale outlined. In response to the Chairman, the Interim Chief Operating Officer confirmed that Stephen Harrhys' conversation at the previous committee meeting was being followed up. **FP20/158.4** The Chairman advised that he would share feedback with the Interim Chief Operating Officer on a meeting with ED leads in which the Acting Chief Executive and the Chairman had discussed more sustainable solutions within ED. The Acting Executive Medical Director stated that the Clinical Pathways Group, which had resumed, could also link in with these developments.	

It was resolved that the Committee **noted** the unscheduled care performance for November across BCUHB and for each Health Community	
The Interim Head of Planned Care Improvement, Clinical Director Ysbyty Glan Clwyd Orthopaedics & Trauma (YGCO&T) and Consultant Ophthalmologist joined the meeting for this item only. **FP20/157 Planned Care update** **FP20/157.1** The Interim Head of Planned Care Improvement presented this report indicating the position at 30.11.20. It was highlighted that the number of unbooked patients (47k) was of concern and that the considerable number of patients waiting over 52 weeks was increasing month on month. He drew attention to the risk stratification approach taken and the effect on the various categories of patients, noting that whilst more outpatients were being seen, this was considerably below pre-Covid levels. **FP20/157.2** Orthopaedics and Ophthalmology appointments were falling behind whilst other specialties improved their levels of activity - most notably general surgery. Orthopaedics had been affected by the reduced capacity available at Spire hospital due to covid19 and winter pressures. The Interim Head of Planned Care Improvement advised that acute and urgent referrals were being dealt with however, routine were stationary. He also advised that Ophthalmology insourcing had commenced and would expand to the West and East in January during which time a tender specification was being explored for external support. **FP20/157.3** It was noted that a Planned Care recovery plan would lead as an enabler to Diagnostic Treatment Centres (DTC) in 2023 should development be successful via WG. He highlighted other enablers within the report including workforce and digital, commenting that value based healthcare pathways would be critical to transforming healthcare provision in the future. The 6 point plan and timelines were noted, including provision of the DTC Strategic Outline Case (SOC) to the Committee and Health Board in January 2021. He drew attention to the increased costings for the preferred option which was continuing to be worked on and would be fully understood at the Full Business Case stage if progressed. **FP20/157.4** The Clinical Director YGC O&T reported on the challenges for Orthopaedic services during the pandemic which had exposed underlying issues caused by winter pressures. He stressed the need for more capacity and commended progress of DTCs in order to move forward innovatively from secondary care sites and was supported by clinicians within this area. He advised on the need for simplification of pathways and the positive benefits of a value based healthcare approach. The Chairman was pleased to receive this positive insight and welcomed discussion of the SOC at the January meeting. The Acting Executive Medical Director agreed to explore how clinical effectiveness/patient outcomes would be monitored with the Clinical Director YGC O&T following the meeting. The Committee	AK AG

agreed that it was important to triangulate outcomes with performance in order to better understand quality - now and into the future. **FP20/157.5** The Consultant Ophthalmologist provided an insight into the services' challenges during the pandemic including greater utilisation of Optometry practitioners for some procedures albeit with inherent expenditure increases. He also advised that, moving forward, widefield retinopathy business cases for each site would also improve virtual appointments as they could be operated by healthcare workers instead of clinicians. Whilst a stratified waiting list was being followed, it was noted that patient attendance had been negatively affected by the 14 day isolation rule. The Consultant Ophthalmologist advised the 3 main issues affecting efficacy of the service were related to the Abergele site estate condition, the need for recruitment to a pan-North Wales consultant position (as the current location had not attracted suitable candidates for a number of years) and that the service had not received feedback on improvement business cases which had been submitted. It was agreed that the recently appointed non-clinical lead (Acute Site Director YG) would be providing an update to the Committee in due course and that the Executive Director of Finance would follow up the business case feedback. The Chairman stated that further discussion was required in respect of the Abergele site, having recently visited himself. **FP20/157.6** A discussion ensued on harm, demand management and the need to maintain communication with patients during their wait in order to ensure effective monitoring and improve the quality of their journey. The Interim Head of Planned Care Improvement confirmed this was being moved forward via a patient hub approach. Following the Committee's concern in respect of the length of time patients' were waiting, it was agreed that the Interim Head of Planned Care Improvement provide comparative data with other Health Boards in Wales in the next report to evaluate whether BCU waiting times were deteriorating more rapidly than other organisations. **It was resolved that** the Committee **noted** the report	MW SH AK
FP20/157/1 Robotic Surgery business case update **FP20/157/1.1** The Executive Director of Finance advised that further to approval of the Robotic Surgery business case, which would have enabled 'go live' by the end of December 2020, a further development had emerged. As national procurement had moved forward, a decision had been taken to accept the first robot purchased via national procurement for use in North Wales and align with BCU services accordingly. It was advised that this would involve risk mitigation for 4-6 months. 8 patients would be treated via University College London and 4 patients had requested their surgery be considered after January. The Committee was assured that there was no significant risk to patients whilst they were waiting. **FP20/157/1.2** The Committee expressed disappointment at the delay and also concern that should national procurement encounter any slippage BCU patients would be adversely affected. The Chairman drew attention to North Wales Community Health Council comments and requested that the Acting Chief Executive provide an explanatory briefing on why the Board's publicised decision had been changed.	GH

FP20/159 Capital Programme report Month 6 **FP20/159.1** The Assistant Director – Capital joined the meeting to present this item. He advised that following the Royal Alex business case, approved at the recent Board meeting, WG had sought further clarification in respect of increased costs and further details on: economic option, sustainability and design solution. It was noted that these were being followed up with shared services and the project board, following which an update would be provided to the Committee. **FP20/159.2** The Assistant Director – Capital drew the Committee's attention to the update provided within the Redevelopment of the Ablett Unit appendix. This also advised that a report on learning from this project would be provided to the Audit Committee and that a gateway review had been undertaken with WG whose recommendations were being progressed. It was agreed that this would also be shared with F&P Committee members. In respect of car parking spaces it was clarified that whilst 350 would be lost, this would be replaced by 400 – including provision to expand into the future. **FP20/159.3** The Assistant Director – Capital expressed confidence in meeting the Capital Resource limit (CRL) based on feedback from project leads. He also advised processes were in place to bring forward urgent work necessary due to Covid19. **FP20/159.4** The Chairman questioned the extent to which executives were reconciling competing priorities in the current situation. The Assistant Director – Capital explained the approach being taken with consideration of risk management, compliance and support to the operational plan. **It was resolved that** the Committee **noted** progress to date, the amendments to the programme and confirmation of agreed revisions to the capital governance arrangements	NB SH
The Assistant Director Strategic & Business Analysis, Assistant Area Director Primary care West and Primary Care Estates Strategy Lead joined the meeting for this item **FP20/160 Combined post project evaluation of the Integrated Health, Social care and Third Sector centres in Blaenau Ffestiniog, Flint and Llangollen** **FP20/160.1** The Assistant Director Strategic & Business Analysis presented this item. It was noted that the organisation's approach to the identification and delivery of benefits derived from major capital projects should include submission of a post-project evaluation to the F&P Committee. Whilst the Llangollen project was presented to the Committee in November 2018 it was agreed that a report should be prepared combining the lessons learned from similar projects in Flint and Blaenau Ffestiniog as these involved the development of integrated health, social care and third sector services in a single facility. Gateway 5 reviews were completed along with an on-line workshop which brought together members of the three project teams to discuss their experiences and any lessons learned that would be valuable for future projects. **FP20/160.2** The Committee raised a number of questions in relation to the lessons learned which were clarified. The Assistant Director Strategic & Business Analysis	

agreed to provide the Committee members with further detail of the NWIS response in relation to the ICT issues raised. It was agreed that there was particular useful shared learning in respect of utility costs moving forward for other projects. In respect of improvements with carbon footprints it was noted that these would be incorporated into future new build developments.
 	
It was resolved that the Committee
noted
• the report
• actions arising from the lessons learned workshop
  • periodic formal reviews to be undertaken to ensure they continue to develop as integrated facilities
  • a review of the organisation's methodology for estimating the running costs of new developments
	IH

FP20/161 Finance report month 7 **FP20/161.1** The Executive Director of Finance presented this item drawing attention to the new reporting format which provided an improved dashboard approach. She advised the key assurances to be: ✓ Current month and year to date surplus positions reported against plan. ✓ Balanced position forecast for the year. ✓ Key financial targets for cash, capital and PSPP all being met. ✓ In month increase in savings forecast of £0.7m. ✓ Full cost impact of Covid19 funded by WG. and areas for action as: ➢ Review of Covid19 expenditure forecasts, in line with the revised and evolving plans for managing the pandemic ➢ Conversion of £2.5m of savings schemes in pipeline into green/amber schemes. ➢ Move into delivery plans for unscheduled care, planned care and schemes from the Quarter 3 / 4 plan. ➢ Continue discussions with WG on potential annual leave carry over and cost implications. **FP20/161.2** The Month 7 position was £23.4m favourable variance to the £3.4m deficit plan, the year to date position was £23.6m favourable to the £23.4m deficit plan and the year-end forecast was to deliver a favourable balanced total against a £40m deficit plan. The Executive Director of Finance highlighted volatility around estimates involving TTP, Covid19, vaccination programme and field hospitals and also drew particular attention to the considerable £18.6m shortfall against £25.8m year to date savings target which was good in comparison to other Health Boards given the present climate. **FP20/161.3** The report included further detail of the WG strategic support provided. The Executive Director of Finance pointed out divisional positions. In respect of the escalating costs related to Covid19 she advised the Committee that there had been changes in security provision, which had increased the contract value to over £1m, therefore WG had been notified. Attention was also drawn to the income forecast, increased pay cost forecast, non-pay increase expectation in relation to PPE and increasing primary care drug costs. In relation to risks and opportunities outlined in	

the report she highlighted savings scheme reduction, vaccination programme costs and ongoing discussion with WG in respect of annual leave. **FP20/161.4** The Committee commended the improved format and requested that further reports also incorporate staff numbers within pay costs and an analysis of how many savings schemes moved from Green to Amber status. In addition it was agreed that a briefing note be provided to members to clarify whether refunds would be provided regarding unfulfilled cross border contracts. **FP20/161.5** Discussion ensued on the positive introduction of Value Based Healthcare and the improvements introduced to budgeted clinical projects. The Committee questioned the effectiveness of current resources and was advised this was the subject of discussion with WG in terms of strategic support. An update would be provided in due course. The Executive Director of Finance also advised that 'A Healthier Wales' was about improving outcomes for the population and the way to move forward with better interventions aligned to clinical strategy with Value Based Healthcare (VBH) – integration was 'the right thing to do' especially as in the development of DTCs. She stated that Programme Management Office (PMO) /Service Improvement/VBH needed work at pace to address the best way forward. **It was resolved that** the Committee **noted** the report	SH SH SH
FP20/162 Savings report month 8 The Executive Director of Finance highlighted the increase in the savings programme value to £14.151m and also progress in the establishment of a PMO appropriate for the size of the Health Board which would not involve an undue cost pressure. It was reported that the Executive Team needed to address how this would be moved forward given that many individuals were involved in supporting the Covid19 response. **It was resolved that** the Committee **noted** • the report • the increase in savings programme value to £14.151m • the risk status of the programme, with £3.11m (22%) assessed as 'red' risk at month 8 • savings delivered to date of £9.1m with a full year forecast, including pipeline, of £16.6m • forecast shortfall of £28.4m against the Health Board's target of £45m savings in year • the proposed establishment of the Financial Recovery PMO and the resources to be allocated to the function	
The Assistant Director - Capital Planning joined the meeting for this item. **FP20/163 Development of the 2021-24 plan** **FP20/163.1** The Assistant Director – Capital Planning advised the report provided an update in respect to the approach and timetable for developing BCU's 2021/22	

Financial Plan, the Three Year Transformation Plan and specifically BCU's Annual Plan for 2021/22. The national context and expectations of this work together with progress and next steps required was outlined to ensure that a robust plan would be developed for submission to the Health Board in March 2021. He provided feedback on recent meetings with programme leads and advised that the plan would be supported by as underlying implementation plan that took onboard the 4 Harms approach. **FP20/163.2** It was noted that the IMTP planning arrangements for 2020/21 were paused in 2020 due to the pandemic, the WG Planning framework / guidance for 2021/22 was awaited and the WG Allocation letter for 2021/22 was understood to be published on 21.12.20. The approach for 2021/22 would focus on financial recovery with some performance recovery, which would take longer, and the need to plan over a 3 year period to support BCU's Transformation programme. Discussions were continuing with WG on BCU's ambition for a 3-year transformational plan (2021-2024). **FP20/163.3** The Assistant Director – Capital Planning provided further detail of the work necessary to ensure that clear audits would be in place and that the plan timetable would be strictly adhered to in order to deliver a plan to the Board on 11.3.21. **FP20/163.4** The Committee questioned how BCU was planning differently, in comparison to previous years, to ensure that the transformative plan would be delivered on time. The Assistant Director – Capital Planning emphasised the robustness of plans being developed with gateway processes to ensure that plans would not progress without the necessary quality assurance in place. In addition, there was also an opportunity to provide a financially balanced plan. He advised that the Corporate Planning team were better integrated with divisional teams in order to assist in their delivery. Following further discussion he agreed to share the report which would be prepared for the SPPH Committee taking place on 18.2.21 for greater assurance on timeliness. The Executive Director of Finance also advised that improved templates were in place. **FP20/163.5** The Chairman emphasised that the integration of both Operational and Financial plan reporting required further articulation in order to provide assurance that finances were being used very wisely and not for 'plugging gaps' in budgets; DTC planning would also need to demonstrate cause and effects in relation to the Estate strategy and within acute hospitals; along with consideration of the digital strategy. It was important to ensure strategic join up within the organisation and that this was clearly demonstrated. The Chairman stated this would be a key piece of work for the new Chief Executive commencing in January 2021. **It was resolved that** the Committee **noted and reviewed** • the report • the proposed approach and timetable for the development of BCU's Plan for 2021/24	JD JD
The Assistant Director Strategic & Business Analysis rejoined the meeting for this item	

FP20/164 Business care tracker for revenue and capital business cases **FP20/164.1** The Assistant Director Strategic & Business Analysis presented this report which he advised was monitored by the Capital Investment Group and reported to the Executive Team on a monthly basis. The Chairman stressed the need to ensure strategic tie in to BCU's operational planning. **FP20/164.2** Following discussion, the Assistant Director Strategic & Business Analysis advised that he would incorporate 'an order of magnitude' to future iterations as the schemes moved forward. It was agreed that the Executive Director of Finance would discuss the most appropriate reporting cycle to the Committee, for inclusion within the Cycle of Business going forward. **It was resolved that** the Committee **noted** the contents of the tracker and provided feedback on improvements	SH/IH
FP20/165 Transparency in supply chains consultation Government response. **It was resolved that** the Committee **noted** the report	
FP20/166 Monthly monitoring reports - Month 8 **It was resolved that** the Committee **noted** the contents of the report submitted to Welsh Government about the Health Board's financial position at Month 8 2020/21.	
FP20/167 External Contracts Update **It was resolved that** the Committee **noted** • the financial position on the main external contracts at end Q2 • the work underway to stabilize wider health / patient care contracts and key risks/related activity • the impact of covid19 on external healthcare contracts and the work of the Healthcare Contracts Team • the impact and risk posed as a result of Covid19 updated contracting arrangements adopted for contracts with NHS providers	
FP20/168 Summary of private business to be reported in public **It was resolved that** the Committee **noted** the report	
FP20/169 Issues of significance to inform the Chair's assurance report To be agreed outside the meeting	
FP20/170 Date of next meeting 28.1.21	

BCUHB FINANCE & PERFORMANCE COMMITTEE
Summary Action Log – arising from meetings held in public

Officer	Minute Reference and Action Agreed	Original Timescale	Latest Update Position	Revised Timescale
Actions from 24.10.19 meeting:				
Sue Hill	**FP19/236 Finance Academy** Forecasting Best Practice Guide A plan to implement the guidance would be provided In December	~~December meeting (11.12.19)~~ January meeting	Moved to January agenda due to short December meeting Deferred to February 2020 agenda due to timing of January meeting 10.2.19 Deferred to March 2020 agenda 27.2.20 The Chairman requested that the item be addressed at the next meeting 18.5.20 – Deferred to July 2020 23.6.20 Given the current planning guidance from Welsh government requiring the submission of quarterly operational plans, this item was deferred until 29.10.20 meeting Deferred to February meeting	~~Jan 2020~~ February 2020 March 2020 22.4.20 25.6.20 19.10.20 15.2.21
Actions from 21.12.20 meeting:				
Sue Hill	**Matters arising** **FP20/153.2** Explore whether future cash benefits could be quantified as "cashable" in the future and provide clarification on how these would be monitored going forward.	18.1.21	Review of business cases is in place prior to F&P consideration. Focus on "cashable" benefits to be enhanced in this process. The revenue business case guidance is being updated and will reflect this requirement. Reporting of benefits realisation outcomes to F&P is in place for All Wales estate schemes. This approach needs to be extended to digital and other major investment decisions, with a focus on "cashable" as well as other benefits. A finance tracking system will be implemented to record the "cashable" benefits expected from business cases, to ensure	

			these are reflected in budget plans for future years and provide assurance of delivery.	
Gill Harris	**FP20/154 Quarter 2&3 Operational plan monitoring report** 17.7 Digital Health: Phase 3 of Welsh Patient Administration System re-focus on West implementation 17.8 Digital Health : Pending approval of the business case – deploy WEDS Arrange for the Acting Deputy Medical Director to provide a follow up briefing on the necessary resourcing to address the issue.	18.1.21	21.1.21 The Acting Deputy Medical Director will be providing a briefing to be circulated to members.	
Gill Harris	**FP20/154 Quarter 2&3 Operational plan monitoring report** **FP20/154.3** Address report quality issues with the Executive Director of Planning and Performance including the provision of narrative to explain why delivery was not attained and what was required to enable an action to be delivered with a timescale. **FP20/155 Quality and Performance report** **FP20/155.2** The Chairman reiterated the issues he outlined at FP20/154.3	4.1.21	21.1.21 Quality assurance processes have been stepped up. In support of this greater clarity has been agreed across the Executive Team as to the required content of report narratives. Proposed narratives that don't meet the requirements will be more speedily returned and potentially escalated. Chief Executive review of all board and committee papers provides an additional layer of 'check and challenge'. A broader piece of work is underway to review the format and content of all board papers. We need to decide whether this subsumes the work planned before Christmas on possible new format performance reports.	
Sue Green	**FP20/155 Quality and Performance report**	18.1.21	The sickness report has been updated to reflect the concerns regarding rolling and in month figures. Staff Availability is updated	

	FP20/155.3 Re: Accuracy and reflections on trends within sickness absence reporting, ensure the sickness matter is corrected and that data in respect of homeworking also be included in the next report to enable the Committee to monitor any potential impacts.		on a weekly basis through the Executive Incident Management Team and can be provided to members of the committee.	
Andrew Kent	**FP20/157 Planned Care update** Submit DTC SOC to January meeting.	18.1.21	DTC update to be taken in private session 28.1.21	Action to be closed
Arpan Guha	**FP20/157 Planned Care update** Explore how clinical effectiveness/patient outcomes would be monitored with Clinical Director YGC O&T	4.1.21	19.1.21 Completed	Action to be closed
Mark Wilkinson	**FP20/157 Planned Care update** It was agreed that the recently appointed non-clinical lead (Acute Site Director YG) would be providing an update to the Committee in due course	15.2.21	19.1.21 Agenda item	Action to be closed
Sue Hill	**FP20/157 Planned Care update** The Executive Director of Finance would follow up on previous business case submissions feedback within Ophthalmology to Eoin Guerin	15.2.21	19.1.21 The Executive Director of Finance had a meeting with Eoin Guerin on 22.12.20. The EDoF agreed to provide him with follow up information in due course.	
Andrew Kent	**FP20/157 Planned Care update FP20/157.6** Provide waiting times comparative data with other Health Boards in Wales in the next report.	18.1.21	Addressed in Planned Care update agenda item 28.1.21	Action to be closed

Gill Harris	**FP20/157/1 Robotic Surgery business case update** **FP20/157/1.2** The Chairman requested that the Acting Chief Executive provide an explanatory briefing on why the Board's publicised decision had been changed.	29.12.20	21.1.21 An investigation into the robotic decision making took place and a report was produced	
Neil Bradshaw	**FP20/159 Capital Programme report** **FP20/159.1** Provide update on Royal Alex business case, following request by WG for further information to the Committee.	18.1.21?	14.1.21 Included in the capital report of this agenda.	Action to be closed
Sue Hill	**FP20/159 Capital Programme report** **FP20/159.2** Share report on Ablett discussed at Audit Committee with F&P Committee members.	22.12.20	Circulated to members	Action to be closed
Ian Howard	**FP20/160 Combined post project evaluation of the Integrated Health, Social care and Third Sector centres in Blaenau Ffestiniog, Flint and Llangollen** The Assistant Director Strategic & Business Analysis agreed to provide the Committee members with further detail of the NWIS response in relation to the ICT issues raised.	18.1.21	18.1.21 The following briefing has been provided by Dylan Williams, Chief Informatics Officer: One of the biggest challenges we face in BCU is the ability to provide consistent digital solutions across various stakeholders including such as social and primary care. The failure to agree clear business models and responsibilities and general lack of understanding of digital services often lead to frustration and perception of technology and compatibility problems. Recent initiatives such as the integrated Health & Social Care centres together and Community Resource Team (CRT) work have shown that the technical integration is a complex problem which is dependent on multiple factors including agreeing locations, technology and ways of working across service teams. Good progress has been made in this area in the last year and a business case has been drafted to develop CRT working further.	Action to be closed

			The challenge of local authorities, primary care and health boards using different infrastructure continues and the need to maintain strong cyber and information security control for each organisation does mean that this is not a simple challenge to overcome. However, the recent National Architecture Review recognised the need to address the ability to share data and digital services effectively across Wales and WG have commission a National Infrastructure Review to look at long term sustainable solutions. In addition, a new Strategic Health Authority for digital will be set up in April 2021 – Digital Health Care Wales. This peer organisation will include NWIS (which currently report to Velindre) and the new organisation will need to work closely with health organisation to implement the architecture and infrastructure review recommendations.	
Sue Hill	**FP20/161 Finance report month 7 FP20/161.4** • Further Finance reports to incorporate staff numbers within pay costs and an analysis of how many savings schemes moved from Green to Amber status.	18.1.21	Provided within month 8 Finance report	Action to be closed
Sue Hill	**FP20/161 Finance report month 7 FP20/161.4** • provide a briefing note to members to clarify whether refunds would be provided regarding unfulfilled cross border contracts.	18.1.21	Member briefing note circulated 21.1.21	Action to be closed
Sue Hill	**FP20/161 Finance report month 7 FP20/161.4** • Provide VBH resource update in due course	15.3.21		

John Darlington	**FP20/163 Development of the 2021-24 plan** Share the report which would be prepared for the SPPH Committee taking place on 18.2.21 for greater assurance on timeliness.	8.2.21	14.01.21 – Meeting is now on 23rd Feb 2021. This subject is on the agenda	Action to be closed
Sue Hill / Ian Howard	**FP20/164 Business care tracker for revenue and capital business cases** Agree the most appropriate reporting cycle to the Committee, for inclusion within the Cycle of Business going forward.	18.1.21	14.1.21 Ian Howard It is proposed that the tracker is next presented to the F&P Committee after the approval of the Plan for 2021/24, to ensure that the tracker is fully aligned to the plan, and is then presented on a quarterly basis.	Action to be closed

21.1.21

Cyfarfod a dyddiad: Meeting and date:	**Finance & Performance Committee 28.1.21**
Cyhoeddus neu Breifat: Public or Private:	Public
Teitl yr Adroddiad Report Title:	**Quarters 3 & 4 Operational Plan Monitoring Report to 31st December 2020**
Cyfarwyddwr Cyfrifol: Responsible Director:	Mark Wilkinson Executive Director of Planning & Performance
Awdur yr Adroddiad Report Author:	Jonathan Lloyd, Interim Director of Performance Edward Williams, Head of Performance Assurance
Craffu blaenorol: Prior Scrutiny:	This paper has been scrutinised and approved by the Executive Director of Planning and Performance.
Atodiadau Appendices:	None

Argymhelliad / Recommendation:

The Finance & Performance Committee is asked to note the report.

Please tick as appropriate

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**	☑	**Ar gyfer sicrwydd For Assurance**	☑	**Er gwybodaeth For Information**	☑

Sefyllfa / Situation:

This report provides a self-assessment by the executive leads of the progress being made in delivering the key actions contained in the 2020/21 Operational Plan for Quarters 3 & 4.

Cefndir / Background:

The operational plan has a number of key actions required to be delivered during Quarters 3 and 4 of 2020/21. The Executive lead reviews on a monthly basis progress against their areas for action and RAG-rates as follows:

- actions completed (purple)
- actions ongoing and on track (green)
- actions ongoing and not on track (amber or red)
- actions not completed by the previously agreed timescale (red)

Of the assessments this month there are

- 23 purple ratings (completed within the timescale)
- 12 green (on target)
- 9 amber ratings (some risks to delivery but these are being managed)
- 14 red ratings (off target or not completed within the timescale)

Of the 14 red rated actions, it can be seen that COVID-19 has had an effect upon the ability to meet the timescales. In some cases additional resources (financial or workforce) have been secured to ensure delivery (but not in the previously agreed timescale).

Nevertheless, even during the pandemic very good progress has been made to complete 23 actions, notable successes include:

- Implementation of the Emergency Quality Delivery Framework
- Development of the regional care home action plan
- Completion of the residencies strategic outline case
- Agreement and implementation of a Performance Assessment Framework

Concerning assurance provided by the report, this report has been considered by the Executive Team and improvements going forward agreed. The development of this report for the 2021/24 Operational Plan is seen as a priority

Overall Executive assessment of the assurance levels of the report is good. This report has received individual sign off by each respective Executive Lead.

Asesiad / Assessment & Analysis

Strategy Implications
Delivery of the operational plan actions is key to implementation of the Boards strategy

Options considered
N/A

Financial Implications
Delivery of the operational plan within the budget set by the Health Board is part of ensuring resources are well-managed and care effectively provided within the allocated resources.

Risk Analysis
The RAG-rating reflects the risk to delivery of key actions

Legal and Compliance
This report will be available to the public once published for the Finance & Performance Committee

Impact Assessment
The operational plan has been Equality Impact Assessed.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Cyfarwyddiaeth Cynllunio & Perfformiad
Planning & Performance Directorate

Plan Monitoring Report Quarters 3 & 4 2020/21

December 2020

Put patients first • Work together • Value and respect each other • Learn and innovate • Communicate openly and honestly

Overview and Purpose of this Report

- The Quarter 3 & 4 Plan of the Health Board has been agreed by the Board
- The Plan recognises that the disruptive nature of the pandemic has shortened planning horizons.
- The Quarter 3 & 4 plan relates to the need to maintain essential non Covid-19 services to minimise risk of harm for life-saving or life-impacting treatments whilst meeting the additional demands of winter pressures.
- This report is a self-assessment by the Executive Director responsible for each of the work streams to have delivered the actions set out in the plan by the 31st March 2021, with supporting narrative where delivery has not been achieved. This report provides an update from each Executive Director for the end of December 2020 actual position. The entire report is the reviewed and approved by the Executive Team.
- Work is underway in developing the plan for 2021/22 which will also reflect the shift in phasing of response to the pandemic from mobilisation towards parallel running of the pandemic and re-activation of some business as usual activities where it is safe to do so. This reflects transition to sustainable service delivery phase of the plan.

RAG	Every month end	by expected delivery date	Actions depending on RAG rating given
Red	Off track, serious risk of, or will not be achieved	Not achieved	Where RAG given is Red: A concise narrative explaining what the issues are, what is being done to resolve them and the level of risk to successful delivery of the Action within the agreed timescale is provided.
Amber	Some risks being managed	Not Applicable	Where RAG given is Amber: A concise narrative explaining what the issues are, what is being done to resolve them and the level of risk to successful delivery of the Action within the agreed timescale is provided.
Green	On track, no real concerns	Not Applicable	Where RAG is Green: No additional Information required
Purple	Achieved	Achieved	Where RAG is Purple: No additional Information required

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Chapter 1: Test, Trace and Protect

Test, Trace, Protect								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
1.00	safe, secure and healthy environment for our people	SPPH	Test, Trace, Protect (TTP) service established across North Wales to minimise the spread	Executive Director of Public Health	30/11/20	P		
1.20	safe, secure and healthy environment for our people	SPPH	Antigen Testing service established with ability to effectively respond to surges		31/10/20	P		
1.30	safe, secure and healthy environment for our people	SPPH	Tracing service established and key performance indicators achieved		30/11/20	P		
1.40	safe, secure and healthy environment for our people	SPPH	Protect plan established		20/12/20	A	G	P

Chapter 2: Promoting Health & Wellbeing

Promoting Health & Well-being								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
1.60	safe, secure and healthy environment for our people	SPPH	Lead cross-sector North Wales COVID-19 Vaccination Tactical Delivery Group to plan and oversee the implementation of the COVID-19 vaccination programme for North Wales	Executive Director of Public Health	In line with national policy and guidance	P		

Chapter 3: Planned Care – Page 1 of 6

Continuation of Restart								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
2.3	Essential services & safe planned care	F&P	Deliver monthly planned care re-start activity plan	Chief Operating Officer	30/11/20	G	P	

DEMAND AND CAPACITY								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
2.4	Essential services & safe planned care	F&P	Develop and implement a 'Once for North Wales' solution to address specialties where local resource do not meet needs for P1 and P2 demand and where significant variance in waiting times between sites exits.	Chief Operating Officer	31/10/20	P		
2.5	Essential services & safe planned care	F&P	Identify specialities where the 'Once for North Wales' approach is not able to provide the required level of access to services.			P		
2.6	Essential services & safe planned care	F&P	Review of external capacity for key providers			R	R	P
2.7	Essential services & safe planned care	F&P	Develop and implement plans to support patients to actively manage symptoms/ optimise their health whilst waiting for treatment.		31/12/20	A	A	R

Chapter 3: Planned Care – Page 2 of 6

RISK STRATIFICATION

Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
2.8	Essential services & safe planned care	F&P	Introduce specialty specific risk stratification using P1- P4 categorisation as per Essential Services Framework.	Chief Operating Officer	19/10/20	P		
2.9	Essential services & safe planned care	F&P	Create specialty MDTs to review cases and ensure clinical handover if surgical team listing the patients is not able to operate.			R	R	P

OUTPATIENTS

Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
3.00	Essential services & safe planned care	F&P	Provide virtual outpatient appointments wherever possible.	Chief Operating Officer	31/03/21	A	A	G
3.10	Essential services & safe planned care	F&P	Identify community facilities where face to face consultations could be delivered and appointments and treatments offered to improve local/equity of access.		31/12/20	A	A	P
3.20	Essential services & safe planned care	F&P	Develop and implement plans to address backlog of overdue follow up patients			G	G	P

PROTECTING ELECTIVE CAPACITY - DIAGNOSTIC TREATMENT CENTRE

Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
3.40	Essential services & safe planned care	F&P	Undertake feasibility study into a Diagnostic and Treatment Centre to reduce long waiters in the health economy	Chief Operating Officer	31/10/20	G	P	

Chapter 3: Planned Care – Page 3 of 6

PATHWAY DEVELOPMENT								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
4.10	Essential services & safe planned care	QSE	Clinical Advisory Group to co-ordinate a programme and timetable for pathway development and review in line with clinical strategy	Executive Medical Director	31/12/20	A	A	P
4.20	Essential services & safe planned care	QSE	Ensure PREMs are included in the development of pathways where feasible and appropriate.		31/03/21	A	A	A
4.30	Essential services & safe planned care	SPPH	Develop the process to arrive at a Digitally Enabled Clinical Services Strategy			A	A	A

Chapter 3: Planned Care – Page 4 of 6

PLANNED CARE SPECIALTY SPECIFIC PLANS								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
4.4	Essential services & safe planned care	F&P	Transform eye care pathway to deliver more care closer to home delivered in partnership with local optometrists	Chief Operating Officer	30/11/20	A	R	R
4.5	Essential services & safe planned care	F&P	Undertake a total review of the orthopaedic case for North Wales, in light of the COVID-19 pandemic	Executive Director of Planning & Performance	30/11/20	A	P	
4.6	Essential services & safe planned care	F&P	Review of Orthopaedic business case in light of DTC feasibility work.	Chief Operating Officer	31/12/20	G	G	R
4.9	Essential services & safe planned care	F&P	Insourcing Diagnostic Capacity. (Subject to market availability)		31/12/20	G	G	P
5.10	Essential services & safe planned care	F&P	Implementation of insourcing solutions for CT, MRI and ultrasound to reduce backlog of routine referrals.		31/12/20	G	G	P
5.20	Essential services & safe planned care	F&P	Implementation of insourcing solutions for neurophysiology to reduce backlog of routine referrals.		31/10/20	R	R	P
5.30	Essential services & safe planned care	F&P	Review of phlebotomy service model in light of covid-19		31/10/20	P		
5.40	Essential services & safe planned care	F&P	Implement year one (2020/21) plans for Endoscopy		30/11/20	G	G	P

SERVICE SUSTAINABILITY								
Plan Ref	**Board Themes**	**Board Committee**	**Action**	**Lead Director**	**Target Date**	**Oct-20**	**Nov-20**	**Dec-20**
6.10	Essential services & safe planned care	F&P	Systematic review and development of plans to address service sustainability for planned care specialties, in order of highest risk.	Chief Operating Officer	30/11/20	A	R	R
6.20	Essential services & safe planned care	F&P	Review and refresh priority business cases relating to service sustainability		31/03/21	G	G	G

MANAGING CAPACITY – WINTER/COVID								
Plan Ref	**Board Themes**	**Board Committee**	**Action**	**Lead Director**	**Target Date**	**Oct-20**	**Nov-20**	**Dec-20**
6.60	Essential services & safe planned care	F&P	Ensure surge and escalation plans are aligned to Planned Care activity needs	Chief Operating Officer	02/11/20	G	P	

2.7: Develop and implement plans to support patients to actively manage symptoms/ optimise their health whilst waiting for treatment
Proposals for digital applications in initially orthopaedics are being delayed due to IT capacity, discussions are on-going on how this can be taken forward with IT and clinical leads are to agree and implement plans for their respective specialties. It has been confirmed that all action will be completed by the 31 March 2021.

4.20: Ensure PREMs are included in the development of pathways where feasible and appropriate
Both PROMS/PREMS need resourcing to take this forward and discussions progressing with national Value Based Healthcare (VBHC) as well as a paper presented to the Finance & Performance (F&P) Committee.

4.30: **Develop the process to arrive at a Digitally Enabled Clinical Services Strategy**
Presentations to Strategic Partnership & Population Health (SPPH) Committee and Board Workshop. Further work needed within Executives. This work has slowed due to COVID-19

4.40: Transform eye care pathway to deliver more care closer to home delivered in partnership with local optometrists
The eye care work is now being led by the Managing Director for West and significant progress is being made, a business case has been through our internal review team. Feedback has been provided and this has informed the reshaping of the case after which is will be presented to the Executive Team. However, the progress to date does not warrant an Amber score and progress will again be reviewed by 31 January 2021 by the Performance Team.

4.60: Review of orthopaedic business case in light of Diagnostic and Treatment Centre (DTC) feasibility work
The orthopaedic business case is being re-written to ensure alignment with the planned business case for the proposed DTC. It is expected that the outline strategic plan be ready for review by 31 March 2021.

6.10: Systematic review and development of plans to address service sustainability for planned care specialties, in order of highest risk
Planned Care COVID-19 Options Appraisal Service Blueprint developed for orthopaedics and urology, a preferred option has been presented for the remaining specialties. This will be reviewed by the Performance Team by 12 February 2021

Chapter 4: Unscheduled Care – Page 1 of 2

Unscheduled Care								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
6.70	Safe unscheduled care	F&P	Develop Winter Resilience Plans for each local Health and Social Care Community as well as a pan BCUHB overarching Winter Resilience Plan for 2020-21	Chief Operating Officer	31/10/20	G	P	

Surge Plans								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
7.40	Safe unscheduled care	F&P	Develop surge plans for secondary care, community and primary care services, including the development of specific schemes	Chief Operating Officer	31/10/20	G	P	
7.50	Safe unscheduled care	F&P	Surge plans are based on data, which describes COVID and non-COVID (USC) predicted demand for Q3&4.			G	P	
7.60	Safe unscheduled care	F&P	Site specific plans to include community based actions that will support Acute sites to maintain flow, avoid admissions wherever safe to do so and link community services designed to facilitate timely discharge e.g. Home First schemes.			G	P	
7.71	Safe unscheduled care	F&P	Temporary hospitals incorporated into the surge plans where triggers indicate the system is close to being overwhelmed.			G	P	

Chapter 4: Unscheduled Care – Page 2 of 2

Phone First								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
9.00	Safe unscheduled care	F&P	Develop and implement a 'Phone First' service building on the learning from the Cardiff & Vale pathfinder model – CAV 24/7. This will incorporate GP OOH call handling, SICAT, NHS Direct/ 111, primary care triage	Chief Operating Officer	31/12/20	A	A	P
9.20	Safe unscheduled care	F&P	Phone First discussion paper drafted		01/10/20	G	P	

Emergency Department Quality Delivery Framework (EDQDF)								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
9.70	Safe unscheduled care	F&P	Implementation of the Emergency Department Quality Delivery Framework (EDQDF) programme to agree care standards, a uniform approach to measuring activity and a nationally agreed model of care for Emergency Departments and which will be informed by the Welsh Access Model (WAM)	Chief Operating Officer	31/03/21	G	G	P

Chapter 5: Primary & Community Care – Page 1 of 3

Primary Care								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
9.90	safe, secure and healthy environment for our people	SPPH	Review the requirements of the all Wales Primary Care Operating Framework (not yet published), including the delivery of the WHO framework for essential healthcare services.	Executive Director Primary & Community Care	31/03/21	G	G	G

Capture and embed proven technologies in primary care								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
10.40	safe, secure and healthy environment for our people	SPPH	Reflecting on the good practice and learning collated in Q2, support more primary care providers to implement e-Consult and video consultation platforms including the coordination of:	Executive Director Primary & Community Care	31/03/21	P		
10.50	safe, secure and healthy environment for our people	SPPH	Implementation of the on line platforms			P		
10.60	safe, secure and healthy environment for our people	SPPH	Roll out of New Technology Training /support			P		
10.70	safe, secure and healthy environment for our people	SPPH	Undertake patient satisfaction surveys			P		

Chapter 5: Primary & Community Care – Page 2 of 3

Efficient and effective immunisation and screening activities								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
11.10	Safe unscheduled care	F&P	Development and implementation of actions at a cluster level to deliver improved update in flu immunisation rates.	Executive Director Primary & Community Care	31/12/20	G	G	P

Implement General Medical Services Recovery Plan								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
11.70	Essential services & safe planned care	SPPH	Implement Welsh Government GMS Recovery Plan	Executive Director Primary & Community Care	31/10/20	P		

Implement Dental Services Recovery Plan								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
12.30	Essential services & safe planned care	SPPH	Implement Welsh Government Dental Recovery Plan	Executive Director Primary & Community Care	31/3/21	G	G	G

Implement Community Optometry Recovery Plan								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
12.90	Essential services & safe planned care	SPPH	Implement Welsh Government Optometry Recovery Plan	Executive Director Primary & Community Care	31/10/20	G	P	

Chapter 5: Primary & Community Care – Page 3 of 3

Community Health & Social Care								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
13.70	Safe unscheduled care	F&P	Revisit the Stroke Business Case to prioritise early supported discharge and stroke rehabilitation	Executive Medical Director	31/01/21	A	A	A

Support Care Homes and reintroduce CHC								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
13.90	Safe unscheduled care	RPB/ SPPH	Regional Care Home Action Plan developed. (Building from good practice introduced in Q2 and legacy actions.)	Executive Director Primary & Community Care	31/12/20	G	G	P
14.00	Safe unscheduled care	SPPH	BCU wide Continuing Health Care (CHC) Recovery Plan in operation			A	A	R

13.70: Revisit the Stroke Business Case to prioritise early supported discharge and stroke rehabilitation
Update presented to Strategic Partnership & Population Health (SPPH) Committee. A project manager has been appointed; however there is concern over the impact of COVID-19 on the delivery of the project. This will be reviewed by the Performance Team by 19 February 2021

14.00: BCU wide Continuing Health Care (CHC) Recovery Plan in operation
Unable to fully implement plan at present due to ongoing pressures within care homes due to COVID-19. The Executive Director of Nursing and the Executive Director of Primary and Community Services met with the Care Home and CHC Team on 12 January 2021 to review and recommend changes where required. The Performance Team will also meet with the CHC Team on 9 February 2021 to review progress.

Chapter 6: Children's Services (Including CAMHS)

Deliver Safe & Effective CAMHS Services								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
15.40	Improvement of Mental Health Services	QSE	CAMHS – Continue to deliver remote consultations via Attend Anywhere	Executive Director Primary & Community Care	31/12/20	G	G	P
15.50	Improvement of Mental Health Services	QSE	Restart face to face planned care assessment and intervention work in CAMHS (once approved to start)			G	G	P

Neuro-Development								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
16.00	Improvement of Mental Health Services	QSE	Work towards providing Assessments and improve performance against the 26 week target	Executive Director Primary & Community Care	31/12/20	R	R	R

16.00: Work towards providing Assessments and improve performance against the 26 week target
Waiting list position will take up to 24 months to recover, external providers are now in place to increase capacity. This reviewed with the MH&LD service by 26 February 2021.

Chapter 7: Mental Health & Learning Disabilities

Mental Health & Learning Disabilities								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
16.40	Improvement of Mental Health Services	QSE	Develop stronger and consistent divisional management and clinical governance arrangements which align with those of the Health Board.	Executive Director of Public Health	31/03/21	G	G	G
16.80	Improvement of Mental Health Services	QSE	The Mental Health Division in partnership with the Primary Care and Community work stream seeks to implement a number of support mechanisms including investing in the roll out of the Mental Health practitioner model and community connector role to Clusters in order to improve Primary care resilience.			A	A	G
16.90	Improvement of Mental Health Services	QSE	The model is based on providing 14 mental health practitioners working within GP Clusters supported with 14 community connectors. The tier 0 model would provide additional support within the primary care setting releasing GP time.			A	A	G
17.00	Improvement of Mental Health Services	QSE	The Centre of Mental Health suggest there is an inherent risk of developing post-traumatic stress disorder (PTSD) after experiencing intensive care treatment for Covid-19 and therefore our plan will offer targeted; tailored mental health support to the families of people treated in ICU. Work is already underway to identify potential numbers affected.			A	A	A
17.10	Improvement of Mental Health Services	QSE	Additional CPN support to care home sector to avoid admission to acute setting and support early discharge			A	A	A

Chapter 7: Mental Health & Learning Disabilities

17.00: The Centre of Mental Health suggest there is an inherent risk of developing post-traumatic stress disorder (PTSD) after experiencing intensive care treatment for COVID-19 and therefore our plan will offer targeted; tailored mental health support to the families of people treated in ICU. Work is already underway to identify potential numbers affected

Informatics have produced initial data reporting number of admissions to Intensive Care Units (ICUs). Further analysis is required to explore the demand and capacity requirements going forward and a review will take place by 19 February 2021.

17.10: Additional CPN support to care home sector to avoid admission to acute setting and support early discharge

Funding is secured, recruitment is progressing and they should be in post by 31 March 2021

Chapter 8: Covid-19 Oversight

Covid 19 Oversight								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
17.20	Covid-19 prevention & readiness	QSE	Establish a Coronavirus Coordination Unit (CCU)	Executive Director Primary & Community Care	09/10/20	P		
17.30	Covid-19 prevention & readiness	QSE	Full operation of a Coronavirus Coordination Unit (CCU)		01/11/20	A	R	P
17.40	Covid-19 prevention & readiness	QSE	Business Intelligence Unit phase 1 established with increased analytics capacity and focus to establish a framework		09/10/20	P		
17.50	Covid-19 prevention & readiness	QSE	Business Intelligence Unit phase 1 established with revised dashboard and reporting schedule for board and partners regarding covid-19 activity		01/11/20	A	R	P

Chapter 9: Digital Health – Page 1 of 2

Digital Health								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
17.70	Effective use of resources	D&IG	Phase 3 of Welsh Patient Administration System re-focus on West implementation	Executive Director Primary & Community Care	30/06/21	R	R	R
17.80	Effective use of resources	D&IG	Pending approval of the business case – deploy WEDS		30/11/20	R	R	R
17.90	Effective use of resources	D&IG	Development of the digital health record		31/03/21	G	G	G
18.00	Effective use of resources	D&IG	Implementation of Baseline pan-BCU Health Records Project		31/12/20	G	G	R
18.10	Effective use of resources	D&IG	Implementation of Digital dictation project		31/12/20	G	G	R
18.20	Effective use of resources	D&IG	Development of priority business cases for sustainability of services		31/10/20	G	P	
18.30	Effective use of resources	D&IG	Produce a proposed implementation plan for the development of a strengthened business intelligence and analytics team.		31/12/20	G	G	P

17.70: Phase 3 of Welsh Patient Administration System (WPAS) re-focus on West implementation
The implementation of WPAS has been put on hold by NHS Wales Informatics Service (NWIS). We are currently working with NWIS to agree a suitable timescale for implementation.

17.80: Pending approval of the Business Case, deploy Wales Emergency Department System (WEDS)
Due to the complexity of the integration messaging from the Patient Information Management System (PiMS) and its unexpected behaviour within EPRO (Electronic Patient Record Outcome) the project is experiencing a slight delay in the West Area. Whilst these issues are being resolved, the roll out in Central Area is being accelerated. We have a plan in place with the supplier to ensure we have a West Area roll out achieving project timelines back on track by 28 February 2021.

18:00: Implementation of Baseline pan-BCU Health Records Project
Informatics were unsuccessful in recruiting resources to undertake the baseline work, they have also re-prioritises resources within the department to undertake the work. An extended timeline to 30 September 2021 has been requested.

18:10: Implementation of digital dictation project
The overall project is now on track with a project end date of June 2022 is for full rollout. Technical issues in the West, which has caused a delay, will be resolved by 30 September 2021.

Chapter 10: Estates & Capital

Estates/ Capital Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
18.40	Effective use of resources	SPPH	Ablett Mental Health Unit Outline Business Case	Executive Director of Public Health	31/01/21	A	A	A
18.50	Effective use of resources	SPPH	Residencies: Outline Business Case	Executive Director of Planning & Performance	31/12/20	G	G	P
18.60	Effective use of resources	SPPH	North Denbighshire Community Hospital		30/11/20	G	P	
18.70	Effective use of resources	SPPH	Ysbyty Gwynedd compliance		31/12/20	G	G	R
18.80	Effective use of resources	SPPH	Wrexham Maelor Hospital		31/03/21	G	G	R

18.40: Ablett Mental Health Unit Outline Business Case
Latest update: Outline planning decision discussed 12 December 2020, agreed pause for DSLT to review the business case to ensure alignment with divisional strategy.

18.70 Ysbyty Gwynedd
The final draft business case will be presented to the Capital Investment Group on 19 January 2021 and will then be considered for approval via the Executive Team and Finance and Performance Committee. Subject to Executive Team support, it should reach the February Finance and Performance Committee.

18.80 Wrexham Maelor
The project team have reviewed timescales for an outline business case; the firm timescale is 30 June 2021. Further delays have been encountered in appointing a supply chain partner, project manager and cost advisor – although all are now in place. COVID-19 has also created problems in undertaking the surveys due to access restrictions and operational imperatives – the surveys have now been completed. The progress now made means we are confident in the delivery of the revised timescale.

Chapter 11: Workforce & Organisational Development - Page 1 of 3

Workforce and Organisational Development - Part 1								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
19.80	safe, secure and healthy environment for our people Effective Use of Resources	F&P	Ensure workforce optimisation plans are in place and ready to mobilise to support the delivery of safe care and mitigate the impact of COVID-19, the TTP programme and the Vaccination programme on staff and they support the Health Boards adjusted surge capacity plans for Q3 & Q4.	Executive Director of Workforce & Organisational Development	31/12/20	G	G	P
19.90	safe, secure and healthy environment for our people Effective Use of Resources	F&P	Ensure all key workforce indicators are in place, utilised and embedded robustly to support all surge and essential services delivery		31/12/20	G	G	P
20.00	safe, secure and healthy environment for our people Effective Use of Resources	F&P	Ensure agile and new ways of working deployed in order to maintain safety for staff and patients because of COVID-19 are optimised and embedded.		31/12/20	A	A	R
20.20	safe, secure and healthy environment for our people	QSE	Implement Year 2 of the Health & Safety Improvement Plan is implemented to staff are proactively protected, supported and safe, including BAME, older people, co-morbidities and pregnant workers and that all environmental and social impacts are monitored and complied with		31/03/21	A	A	A

Chapter 11: Workforce & Organisational Development – Page 2 of 3

Workforce and Organisational Development - Part 2								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
20.30	safe, secure and healthy environment for our people	QSE	Effective infrastructure in place to ensure wellbeing and psychological support is accessible to all staff	Executive Director of Workforce & Organisational Development	31/12/20	A	A	R
20.50	safe, secure and healthy environment for our people	QSE	Strategic organisational development programme in place to support and enable the health board to build upon work undertaken to date to ensure our plans and people are aligned to our purpose		31/01/21	A	A	A
20.70	safe, secure and healthy environment for our people	QSE	Review and improve mechanism for raising concerns to ensure concerns can be raised at all levels of the organisation with confidence they will be considered, acted upon and used to inform learning for improvement.		31/01/21	A	G	G
20.80	Effective use of resources	SPPH	Subject to approval from Welsh government develop a full business case for submission in support of the creation of a medical school for North Wales in association with Bangor University.	Executive Medical Director	31/03/21	A	A	G

Chapter 11: Workforce & Organisational Development – Page 3 of 3

20.00: Ensure agile and new ways of working deployed in order to maintain safety for staff and patients because of COVID-19 are optimised and embedded
Agile working guidance has been produced along with self assessment and teams support for staff requiring an ergonomic assessment of their workplace. A wider piece of work on the infrastructure estates/facilities strategy is required to ensure that agile work practices are being embedded across BCUHB.

20.20: Implement Year 2 of the Health & Safety Improvement Plan is implemented to staff are proactively protected, supported and safe, including BAME, older people, co-morbidities and pregnant workers and that all environmental and social impacts are monitored and complied with
A comprehensive action plan is in place for health and safety, and the team is pro-actively supporting Covid-19 safe reviews in all service areas. Staff who are shielding are advised to follow Welsh Government guidance and medical risk assessments which are supported by Union Partners.

20.30: Effective infrastructure in place to ensure wellbeing and psychological support is accessible to all staff
Service structures in place, demand on current services are stretched, but specific resource is being sort to develop and resolve this. Additional support is secured to take the plan and mobilisation forward.

20.50: Strategic organisational development programme in place to support and enable the health board to build upon work undertaken to date to ensure our plans and people are aligned to our purpose
External support has been secured for the programme. Initial meetings have taken place to set objectives, detailed work-plan being drafted

Chapter 13: Performance & Accountability – Integrated Governance

Performance & Accountability: Integrated Governance								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
20.90	Integrated governance structure	F&P	To develop a performance and accountability framework for 2021/22, demonstrably strengthening accountability at all levels of the organisation and underpinned by improved performance reporting against agreed and quantified plans.	Executive Director of Workforce & Organisational Development	31/12/20	G	G	P

Chapter 14: Finance: Effective Use of Resources

Finance: Effective use of resources								
Plan Ref	Board Themes	Board Committee	Action	Lead Director	Target Date	Oct-20	Nov-20	Dec-20
22.01	Effective use of resources	F&P	Budget Setting Process 2021/2022	Executive Director of Finance	31/03/2021	G	G	G
22.02	Effective use of resources	F&P	Financial plan using sustainability funding to support IMTP		31/03/2021	G	G	G
22.03	Effective use of resources	F&P	VBHC implementation		31/03/2021	G	A	A

22.03: Value Based Healthcare Commissioning (VBHC) implementation
A proposal to establish a dedicated resource to support VBHC implementation was considered by the F&P Committee in December 20. Further consideration of the needs to deliver this objective will take place by 31 January 2021 aligned to the broader approach to service transformation.

Further Information

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

- tolerances for red, amber and green

Further information on our performance can be found online at:

- Our website www.pbc.cymru.nhs.uk
  www.bcu.wales.nhs.uk
- Stats Wales 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

Cyfarfod a dyddiad: Meeting and date:	**Finance & Performance Committee 28.1.21**
Cyhoeddus neu Breifat: Public or Private:	Public
Teitl yr Adroddiad Report Title:	**Quality & Performance Report**
Cyfarwyddwr Cyfrifol: Responsible Director:	Mr Mark Wilkinson, Executive Director of Planning & Performance
Awdur yr Adroddiad Report Author:	Mr Jonathan Lloyd, Director of Performance Mr Ed Williams, Head of Performance Assurance
Craffu blaenorol: Prior Scrutiny:	This paper has been scrutinised and approved by the Executive Director of Planning and Performance
Atodiadau Appendices:	None

Argymhelliad / Recommendation:

The Finance & Performance Committee is asked to scrutinise the report and to consider whether any area needs further escalation to be considered by the Board.

Please tick as appropriate

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**	☑	**Ar gyfer sicrwydd For Assurance**	☑	**Er gwybodaeth For Information**	

Sefyllfa / Situation:

We have now recommenced with performance reporting of the national indicators which were stood down to enable the Health Board to focus on the mobilisation phase of the pandemic.

This report includes indicators from the National Delivery Framework, together with a section on covid-19 and essential services delivery.

At the time of writing, to date over half a million tests have been carried out, of which 26,704 were positive for covid-19. The turnaround from 'Test to Result' is now averaging at 1 Hour with 100% completed within 24 Hours.

The covid-19 vaccination programme has commenced with over 16,000 vaccinations already given across North Wales, the highest number of all the Health Boards in Wales.

Whilst routine referrals remain low in comparison to pre-covid-19 rates, urgent, suspected cancer referrals have recovered. Whilst some improvements in planned care continue, the increase of admissions of patients with covid-19 infections is adding immense pressure upon maintaining essential services.

Pressures upon our unscheduled care system continue, in light of the increase in covid-19 infections, and the high occupancy rates within our hospitals.

Although performance has been in steady decline since April 2020, there has been a steep fall between November 2020 at 72.8%, and December 2020 with 64.28% of patients being seen with 4 hours. Furthermore, in December 2020, over 1,520 patients waited over 12 hours to be seen in our Emergency Departments, whilst 1,332 patients experienced ambulance handover delays of an hour or more.

The continued reduction in the number of Delayed Transfers of Care (DToC), seen over previous months, ended in December 2020 with the first rise in the number of DTOC patients seen in 6 months.

Performance against the stroke care measures deteriorated in December 2020 with 30.6% of patients being admitted to a Stroke Assessment Unit within 4 Hours. The rate of patients being reviewed by a Stroke Consultant within 24 hours also fell to 75.8%.

In North Wales, like all the other Health Boards in Wales, covid-19 continues to severely impact upon our capacity to safely deliver planned care services at the pre-covid-19 rates and as a result waiting times are increasing. However, the Health Board has seen the number of people waiting over 36 weeks fall for the first time in December. Furthermore, the number of patients waiting over 8 weeks for diagnostic tests, and the number waiting for therapy continued to fall in December.

Performance against the 31day cancer target remains strong at 98.3%. Capacity issues leading to delays in radiology and endoscopy continue to impact upon performance against the 62 day measure, at 81% in November 2020.

The total number of patients waiting on the Follow Up waiting list fell again in December together with the number of those patients that are more than 100% overdue their follow up date.

Unfortunately, performance against the eye care measure continues to deteriorate, and this is reflected across the other Health Boards in Wales.

Staff sickness rates continued to fall for the fifth consecutive month in December. Although in the midst of the second wave of the pandemic, Covid-19 related sickness is slowly continuing to increase but is still much lower than during the peak of the first wave in May 2020.
PADR Rates remain high and the Health Board remains the second best performing Health Board in Wales in terms this measure.

The Financial Report is presented separately.

Cefndir / Background:

Our report outlines the key performance and quality issues that are delegated to the Finance & Performance Committee. The summary of the report is now included within the Executive Summary pages of the QAP and demonstrates the work related to Covid-19, essential service delivery as well as the key measures contained within the 2020-21 National Delivery Framework. This framework has been revised to provide performance measures under the Quadruple Aims set out in A Healthier Wales.

Strategy Implications
The performance measures within the report are aligned with the National Delivery Framework.

Options considered

Not Applicable

Financial Implications
The delivery of the performance indicators contained within our annual plan will have direct and indirect impact on the financial recovery plan of the Board.

Risk Analysis
The present pandemic has produced a number of risks to the delivery of care across the healthcare system. The paper highlights the risks arising directly from Covid-19 and the need to maintain essential non-Covid-19 services. The impact of Covid-19 on non-Covid-19 planned care is reported together with the interdependencies between ensuring safe re-start of elective care and balancing the risk of covid-19 for patients, staff and system capacity.

Legal and Compliance
This report will be available to the public once published for Finance & Performance Committee

Impact Assessment

The Report has not been Equality Impact Assessed

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Quality & Performance Report







Finance & Performance Committee

December 2020

About this Report

Covid-19 Pandemic

It should be noted that all services continue to be impacted upon by the COVID-19 Pandemic, and/or the measures put in place to combat the spread of COVID-19. Although it is important that we continue to monitor and manage performance, it is recommended that the performance reported herein is not compared as 'like-for-like' to previous year's performance or to current and previous targets.

Report Structure

The format of the report reflects the published National Delivery Framework for 2020-21. This aligns to the quadruple aims contained within the statutory framework of' A Healthier Wales'.

Additional sections are added to reflect the COVID-19 key performance indicators and the work on maintaining essential services.

The report is structured so that measures complementary to one another are grouped together. Narratives on the 'group' of measures are provided, as opposed to looking at measures in isolation.

This report contains data showing the impact of the pandemic on referrals, planned care activity and waiting lists.

Performance Monitoring

Performance is measured via the trend over the previous 6 months and not against the previous month in isolation. The trend is represented by RAG arrows as shown below.

- Performance has improved over the last 6 months
- Performance has got worse over the last 6 months
- Performance remains the same

Operational Plan Monitoring

The operational planning for 2020-21 has been impacted by the pandemic with planning cycles re-defined essentially into quarterly plans.

The Quarter 3 and 4 Operational Plan has been approved by the Board and submitted to Welsh Government. The likelihood of delivery of the actions contained within this plan are reported in the Q3/Q4 Operational Plan Monitoring Report.

As a consequence of the changes in the planning cycle for 2020-21, and the uncertainty around the future levels of COVID-19, the ability to produce month on month profiles to monitor performance against is limited.

Ongoing development of the Report

The intention for future reports is to continue to align the reporting of COVID-19 related pandemic indicators with the essential services service status and the National Delivery Framework while developing the reporting against the actions in the operational plan.

As patient and staff safety permit, we will recommence the development of profiles for delivery for activity taking place in short-term cycles, reporting on referrals, new ways of working, emergency and elective activity and waiting lists.

Key Messages

Second wave of the COVID-19 pandemic continues with increased number of confirmed new variant infections reported across North Wales

Unscheduled care attendances falling. However, increase in admissions of COVID-19 positive patients impacting on acute sites and pressure at the ED front doors

Essential services largely maintained. However, activity significantly reduced and capacity challenges emerging

Executive Summary

The committee are asked to note the following:

COVID-19 Update

At the time of writing, to date over half a million tests have been carried out, of which 26,704 were positive for Covid-19. The turnaround from 'Test to Result' is now averaging at one hour with 100% completed within 24 Hours.

The COVID-19 vaccination programme has commenced with over sixteen thousand vaccinations already given across North Wales, the highest number of all the Health Boards in Wales.

Essential services

Whilst routine referrals remain low in comparison to pre-COVID-19 rates, urgent, suspected cancer referrals have recovered. Whilst some improvements in planned care continue, the increase of admissions of patients with covid-19 infections is adding immense pressure upon maintaining essential services.

Quadruple Aim 1: Screening Services

All the national screening programmes have now recommenced and it expected that referrals from the screening services are rising.

Quadruple Aim 2: Unscheduled Care

Pressures upon the unscheduled care system continues in light of the increase in COVID-19 infections and the high occupancy rates within our hospitals. Although performance has been in decline since April 2020, there has been a steeper fall between November 2020 at 72.8%, and December 2020 with 64.28% of patients being seen with 4 hours. Furthermore, in December 2020, over 1,520 patients waited over 12 hours to be seen in our Emergency Departments (EDs), whilst 1,332 patients experienced ambulance handover delays of an hour or more.

The continued reduction in the number of Delayed Transfers of Care (DToC) seen over previous months ended in December 2020, with the first rise in the number of DTOC patients seen in 6 months.

Performance against the stroke care measures deteriorated in December 2020 with 30.6% of patients being admitted to a Stroke Assessment Unit within 4 Hours. The rate of patients being reviewed by a Stroke Consultant within 24 hours also fell to 75.8%.

Quadruple Aim 2: Planned Care

In North Wales, like all the other Health Boards in Wales, COVID-19 continues to severely impact upon our capacity to deliver planned care services at the pre-COVID-19 rates, and as a result, waiting times are increasing. However, the Health Board has seen the number of people waiting over 36 weeks fall for the first time in December. Furthermore, the number of patients waiting over 8 weeks for diagnostic tests, and the number waiting for therapy continued to fall in December. Though it should be noted the waiting times remain high.

Performance against the 31 day cancer target remains strong at 98%. However, capacity issues in both radiology and endoscopy are continuing to impact upon performance against the 62 day measure, performance was 81% in November 2020.

The total number of patients waiting on the 'Follow Up' waiting list fell again in December 2020, together with the number of those patients that are more than 100% overdue their follow up date.

Unfortunately, performance against the eye care measure continues to deteriorate, and this performance is also reflected across the other Health Boards in Wales.

Quadruple Aim 3: Workforce

Staff sickness rates continued to fall for the fifth consecutive month in December 2020. Although COVID-19 related sickness is continuing to increase, but is lower than during the peak of the first wave in May 2020.

PADR rates remain high and the Health Board remains the second best performing Health Board in Wales in terms this measure.

Quadruple Aim 4: Agency /Locum Spend

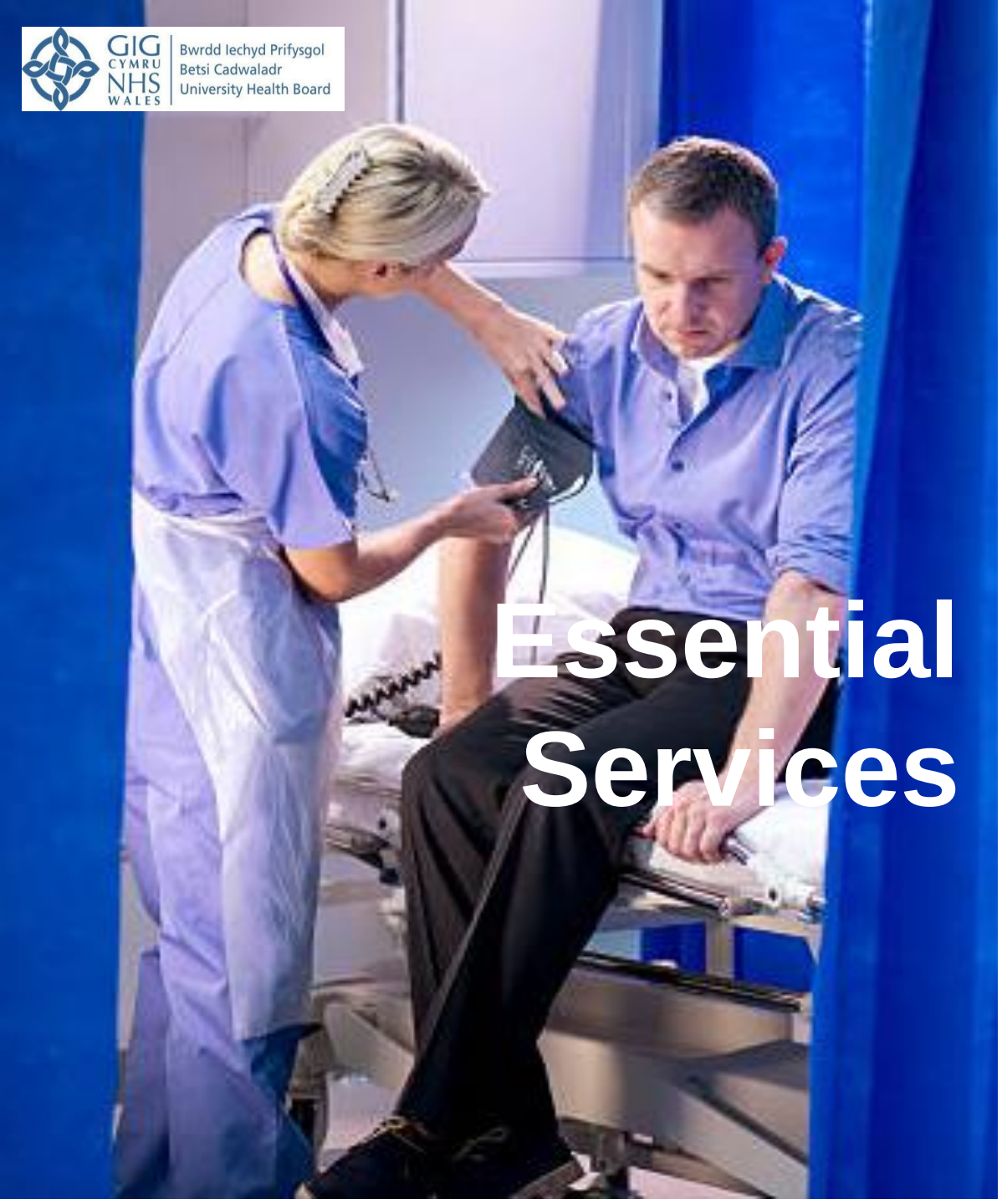
Reducing the spend on agency and locum staff continues to be a priority for the Health Board and this month sees an increase to 7.5% of our staffing budget being spent on agency and locum staff.

Key Messages

- COVID-19 infection rates continue to rise across Wales
- COVID-19 vaccination programme is underway
- COVID-19 contingency and surge plans are being put into action

Measure	at 18th January 2021
Total number Covid-19 Vaccinations given BCU HB**	**16,283**
Total number of tests for Covid-19 (cumulative)	**517,046**
% Tests turned around within 24 Hours (Last 7 days)	**100%**
Average turnaround time (Last 7 days)	**1 Hour**
Number of results: Positive (cumulative)	**26,704**
% Prevelence of Positive Tests (cumulative since 30th January 2020)	**9.1%**
Rate of positive cases per 100,000*	**3,765.1**
Number of (PHW) Deaths - Confirmed Covid-19*	**660**

Source: BCU IRIS Coronavirus Dashboard, accessed 18th January 2021
** PHW Coronavirus Dashboard Accessed 18th January 2021*
*** PHW as at 10th January 2021*



Essential Services

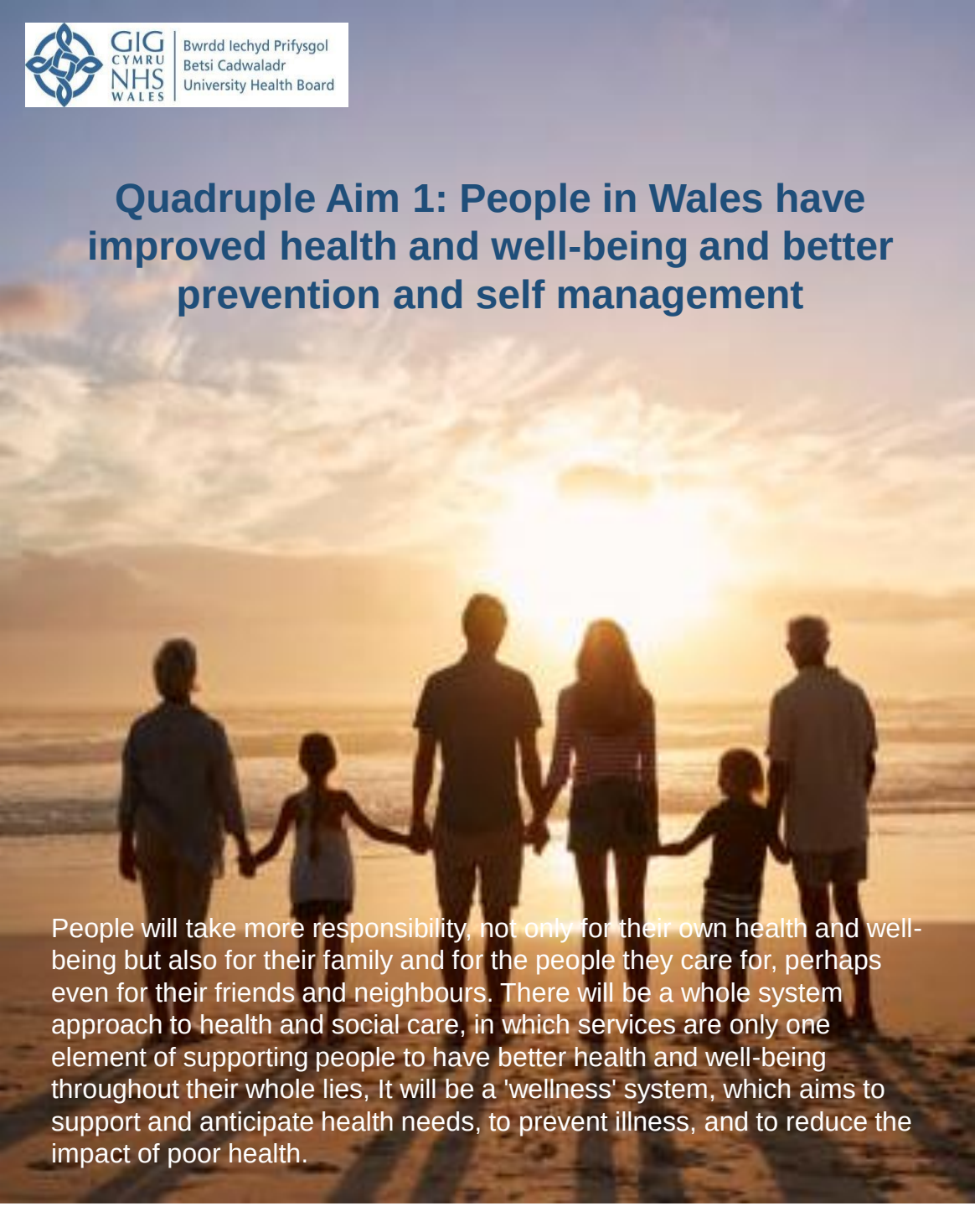
Key Messages

- Essential services are those which need to continue throughout the pandemic to reduce risk of harm
- Essential services covers a wide range of primary, community, secondary and tertiary care pathways
- Ability to increase capacity for safe planned care being hampered by continued rise in COVID-19 cases

Measures

Average Number comparison:	Pre Covid-19	Post Covid-19
Referrals into Secondary Care (average per week) w/e 10th January	4,982	3,023
Referrals Urgent, suspected Cancer (average per week) w/e 13th January 2021	542	526
New Outpatient Attendances (Year to Date includes Virtual) April to December	197,229	125,778
Follow Up Outpatient Attendances (Year to Date includes Virtual) April to December	407,447	279,601
Diagnostic 8 Weeks Breaches (Per Month) - December 2020	2,502	13,097
Patients over 62 Days open on Urgent, suspected cancer pathway (at 14th January 2021)	103	336
Elective Inpatient/ Daycase Procedures (Year to Date campared to same period 2019) to 31st December 2020	35,512	19,000

Quadruple Aim 1: People in Wales have improved health and well-being and better prevention and self management



People will take more responsibility, not only for their own health and well-being but also for their family and for the people they care for, perhaps even for their friends and neighbours. There will be a whole system approach to health and social care, in which services are only one element of supporting people to have better health and well-being throughout their whole lies, It will be a 'wellness' system, which aims to support and anticipate health needs, to prevent illness, and to reduce the impact of poor health.

Key Messages

- Bowel and breast screening services restarted in July/ December 2020
- Diabetic eye screening and abdominal aortic aneurism screening recommenced in December 2020
- Work is being done to identify capacity for additional sessions are required to deliver the bowel screening recovery programme

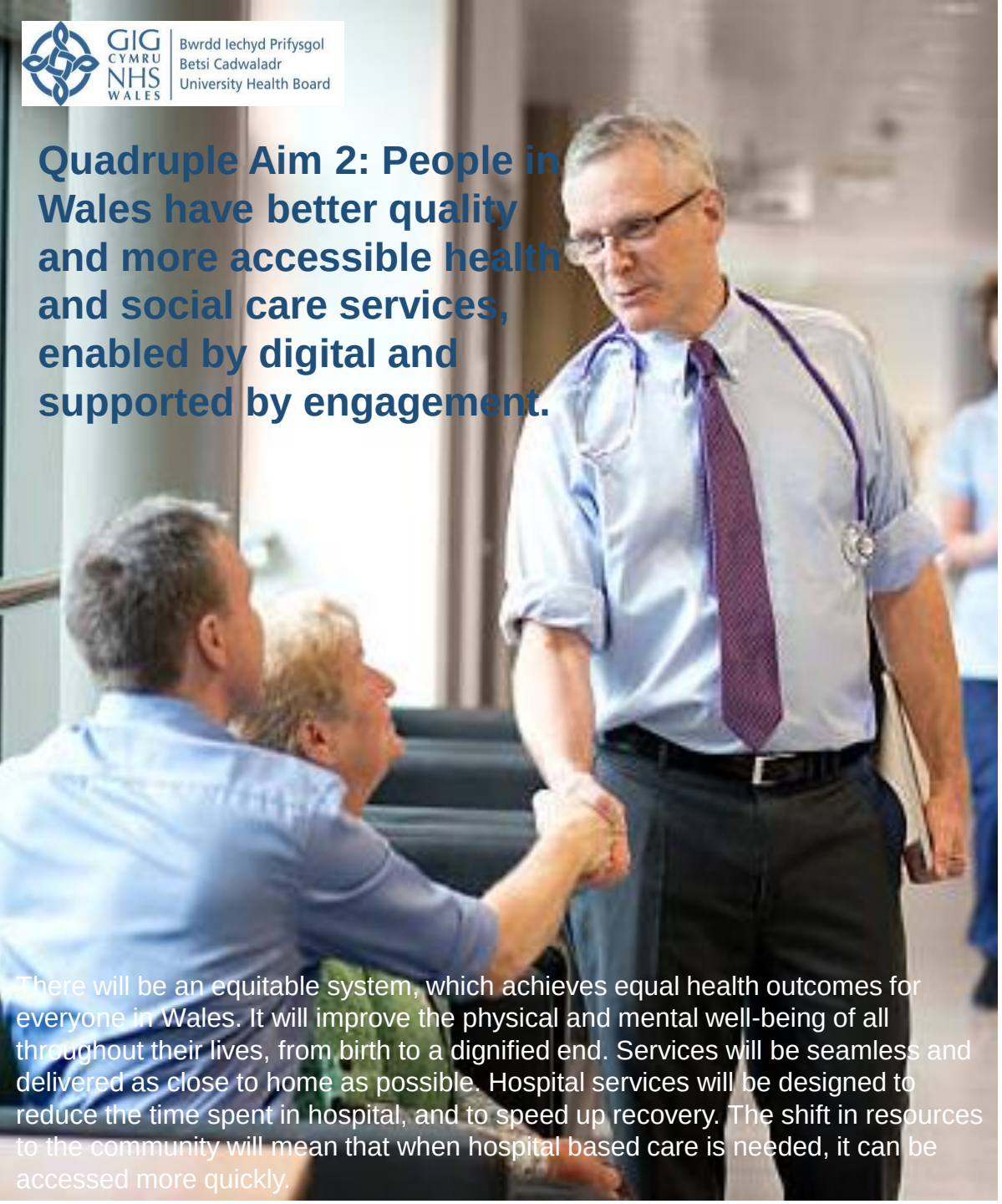
Measures

Following a cessation of breast, bowel and aortic aneurysm screening services in March 2020, breast and bowel screening have recommenced. Diabetic retinopathy screening recommenced in September 2020, at a smaller number of locations than previously. Cervical screening has continued across the Health Board throughout the pandemic. Service restarts continue on a limited basis at present due to staffing, equipment and environmental factors. The assessment centres at Llandudno and Wrexham are being used for breast screening, until the mobile units can be modified to support social distancing.

The bowel screening programme is re-inviting patients previously undergoing testing and a proportion of patients have converted to endoscopy since December 2020.

Nationally the programmes continue working to assess how they can move to recovery and removal of backlogs by the end of March 2021. BCU is working with Public Health Wales to assess the impact of this backlog reduction on demand for secondary care services.

The additional capacity required for endoscopy is being planned with tenders progressing to support the additional service requirements.



Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement.

There will be an equitable system, which achieves equal health outcomes for everyone in Wales. It will improve the physical and mental well-being of all throughout their lives, from birth to a dignified end. Services will be seamless and delivered as close to home as possible. Hospital services will be designed to reduce the time spent in hospital, and to speed up recovery. The shift in resources to the community will mean that when hospital based care is needed, it can be accessed more quickly.

Key Messages

- Planned care being impacted by rise in patients with Covid-19 being admitted
- Bed occupancy on acute sites is high and Covid-19 positive admissions increasing
- Significant performance challenges across the system

Top 5 Measures (based on movement up or down)

Period	Measure	Target	Actual	Trend
Dec 20	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	>95%	64.28%	↓
Dec 20	Number of patients who spend 12 hours or more in all hospital major and minor care facilities from arrival until admission, transfer or discharge	0	1,520	↓
Dec 20	Number of Ambulance Handovers over 1 Hour	0	1,332	↓
Dec 20	Number of patients waiting more than 8 weeks for diagnostic test	0	13,097	↑
Dec 20	Number of patients waiting more than 14weeks for therapy	0	1,847	↑

Quadruple Aim 2: Unscheduled Care Measures

Period	Measure	Target	Actual	Trend
Dec 20	Percentage of Out of Hours (OoH)/111 patients prioritised as P1CHC that started their definitive clinical assessment within 1 hour of their initial call being answered	90%	97.50%	↑
Dec 20	Percentage of emergency responses to red calls arriving within (up to and including) 8 minutes	>= 65%	61.10%	↓
Dec 20	Number of Ambulance Handovers over 1 Hour	0	1,332	↓
Dec 20	Percentage of patients who spend less than 4 hours in all major and minor	>95%	64.28%	↓
Dec 20	Number of patients who spend 12 hours or more in all hospital major and minor care facilities from arrival until admission, transfer or discharge	0	1,520	↓
Sep 20	Percentage of survival within 30 days of emergency admission for a hip fracture*	>= 80%	86.70%	↓

Hip fracture survival reported 2 months in arrears

Period	Measure	Target	Actual	Trend
Dec 20	Percentage of patients who are diagnosed with a stroke who have a direct admission to a stroke unit within 4 hours of the patient's clock start time.	>= 59%	30.60%	↓
Dec 20	Percentage of patients who are assessed by a stroke specialist consultant physician within 24 hours of the patient's clock start time	>= 85%	75.80%	↓
Dec 20	Percentage compliance against the therapy target of an average of 16.1 minutes of Speech and Language Therapist input per stroke patient	>= 64%	43.90%	↓
Q2 20/21	Percentage of stroke patients who receive a 6 month follow up assessment*	TBA	41.10%	↑
Dec 20	Number of health board patients non mental health delayed transfer of care	> 30	40	↑
Dec 20	Number of health board beddays non mental health delayed transfer of care		921	↑

Stroke 6 month follow up Time is reported 6 months in arrears

Quadruple Aim 2: Narrative - Unscheduled Care (page 1)

Emergency Department (ED) Performance

BCUHB combined ED/MIU performance has been in decline since April 2020. December 2020 performance was 64.6% (YG 73.8%, YGC 64.1%, Wrexham 57.6%) which is a sharp deterioration from 72.8% in November 2020**.** ED only performance in December was 57.5% compared to 66.3% in November. YWM are reporting the highest patient delays, followed by YGC and then YG where, whilst there are less delays there has been in increase in the number of patients waiting in ED following discharge to assess (DTA) from the previous month. This is correlated with the increase in conveyances, and a modest improvement in lost hours for handover plus the impact from familiarisation with the new Symphony system installation and early coding issues; which was anticipated. In addition, there have been improvements in flow, which has resulted in some improvements which then supports the whole system. There were 11,320 attendances overall for BCUHB in December 2020, which is broadly comparable to November (11,388) and has remained consistent on all sites for the last 3 months. The number of ambulance handover delays >60 minute has been increasing since April 2020, (1,332 for December).

Key drivers for performance include:

- Higher number of WAST conveyances; higher acuity of (category 1 and 2) patients attending EDs
- Lack of flow out to base wards, exit block impacting on assessment unit efficiency resulting in increased length of stay (LoS)
- High ED occupancy; ED crowding and capacity issues
- Challenges and limitations in patient movement due to COVID-19 status further exacerbated by contact patients
- Wrexham are experiencing long doctor waits largely due to lack of available capacity to review and treat patients quickly and high locum reliance

Actions identified across all sites include:

i) Ambulance handover improvement plans & escalation processes
ii) Daily collaboration with WAST to explore intelligent conveyancing and an ambulance divert procedure now approved
iii) Continue to develop ‘Same Day Emergency Care’ SDEC models
iv) Continuation and monitoring of site escalation processes/action cards
v) Rapid swabs for admissions leading to earlier decision making in the pathway
vi) Implementation of phase 1 of ‘Phone First’ model to book appointment slots in EDs/MIUs for appropriate clinically assessed patients from Single integrated Clinical Assessment and Triage (SiCAT)

YG = Ysbyty Gwynedd; YGC = Ysbyty Glan Clwyd; YWM = Ysbyty Wrecsam Maelor; MIU = Minor Injuries Units; WAST = Welsh Ambulance Service NHS Trust

Continued overleaf...

Quadruple Aim 2: Narrative - Unscheduled Care (page 1)

Emergency Department (ED) Performance

Site specific actions include:

(Wrexham)

i) Focus on maintaining operational communications between ED and WAST Operational Delivery Unit (ODU) and ensuring hospital arrival (HAS) screens are operational (to address software / hardware issues), order of additional screens awaited
ii) Responding to cessation of Paediatric streaming
iii) Reduction in hours available for Minor Injuries/Fracture Clinic
iv) Working with Trauma & Orthopaedics to reinstate MIU and increase 'bone shop' cover from mid-January to reduce footfall to the ED
v) Segregation PODs on assessment units has allowed patients to move out of ED without a confirmed Covid-19 status and support flow
vi) Stabilisation of Medical (SHO) workforce with a number of new starters coming off supernumerary status and decisions awaited for further investment
vii) Continuing to work with Urgent Primary Care Centre and increasing patient referrals to the service from ED.

(YGC)

i) Continued implementation of SAFER Framework & Red2Green principles
ii) Embed Ambulance Triage Nurse role and handover standard operating procedure (SOP)
iii) Implement Patient Flow Co-ordinator across EQ to co-ordinate access to beds and more timely pull of patients
iv) Senior Manager of the Day role implemented as part of specific Covid-19 winter pressures response to provide additional senior support
v) Development of acute care model and case for funding and recruiting acute physicians

(YG)

i) Focus on Medically Fit for Discharge (MfD) patients>10 days will shift to >5
ii) increased awareness of alternative pathways and challenge to conveyances where appropriate
iii) A single point of entry in situ to direct patients to most appropriate area
iv) Rapid swab process in YG emergency care to prevent delays in admission or inappropriate ward attendance
v) EDOU development plan completed and submission to capital group completed.

YG = Ysbyty Gwynedd; YGC = Ysbyty Glan Clwyd; YWM = Ysbyty Wrecsam Maelor; MIU = Minor Injuries Units; WAST = Welsh Ambulance Service NHS Trust

Quadruple Aim 2: Narrative - Unscheduled Care (page 1)

Stroke Care Performance

Key drivers for stroke performance:

- Access to Stroke Co-ordinators – due to workforce challenges, Stroke coordinators in the East have been included in the ward numbers and therefore unavailable to respond to the stroke bleep.
- Timeliness of referrals for CT scan – impacted by access to stroke co-ordinators
- Availability of beds on Acute Stroke Unit – due to site pressures driving bed capacity and usage, protection is undermined (this is a problem due to site pressures for general medical beds and having to wait for Covid-19 results in Emergency Department if a side room on the Acute Stroke Unit is not available)
- Swabbing delays are increasing pressures

Actions being taken:

- Pathway work with Emergency Departments to raise awareness on targets which include timeliness to computerised tomography (CT) scan, thrombolysis, swallow assessments (ensuring all Emergency Department nursing staff are trained) and time to Acute Stroke Unit.
- Further work on referral pathways when Stroke Co-ordinators are not available - working with wards to raise awareness of the importance of the targets
- Working with site management team regarding adherence to retaining beds on Acute Stroke Unit (i.e. 2 vacant beds are required to support stroke targets)
- Recruitment to a Band 5 vacancy in Speech & Language Therapy (East) will support improved performance once fully trained
- Business plan presented 11.12.20 to the Strategy, Partnership & Population Health Committee for funding to support service improvement and early supported discharge to support Acute Stroke Unit

Delayed Transfers of Care (DToC) Performance

As at 17 December 2020, 40 non-Mental Health DTOCs were reported which is an increase compared to 30 reported at November Census date. The number of Mental Health DTOCs maintained at 14, which is comparable to the previous 3 months.

Key drivers for DTOC performance:

- Increasing number of patients and care homes with a positive COVID-19 status
- Increase in delays for social work allocation and assessment, mental health community psychiatric nurse (CPN) and therapy assessments due to staffing issues;
- Patients who are Medically fit for Discharge (MfD) and require care and support at home, there is no RED capacity in domiciliary care;
- Limited number of placements for COVID-19 recovering patients returning or patients requiring a new placement;
- MfD patients who are negative but the home is RED or are unable to support their isolation on return to the placement in line with Covid-19 discharge requirements

Actions being taken:

- Weekly review of all patients in acute and community with a LOS 7+days and for CHC complex cases;
- Reviews 1-2 times a day of all medically fit for discharge (MfD) patients in acute to review and support alternative pathways with community Services/ CRT in reach;
- Escalated to Local Authority (LA) managers regarding not implementing the choice policy. Meeting in West with the LA ‘s to agree LA surge capacity to support MfD patients
- Scrutiny at weekly meetings with actions reviewed daily by the Home First Bureau;
- Increased focus on ‘Discharge to Recover and Assess’ pathways with LA colleagues

Quadruple Aim 2: Planned Care Measures

Period	Measure	Target	Actual	Trend
Nov 20	Percentage of patients newly diagnosed with cancer, not via the urgent route, that started definitive treatment within (up to and including) 31 days of diagnosis (regardless of referral route)	>= 98%	98.30%	↓
Nov 20	Percentage of patients newly diagnosed with cancer, via the urgent suspected cancer route, that started definitive treatment within (up to and including) 62 days of receipt of referral	>= 95%	81.30%	↓
Nov 20	Percentage of patients starting first definitive cancer treatment within 62 days from point of suspicion	TBA	73.60%	↓
Dec 20	Number of patients waiting more than 8 weeks for a specified diagnostic	0	13,097	↑
Dec 20	Number of patients waiting more than 14 weeks for a specified therapy	0	1,847	↑
Dec 20	Percentage of ophthalmology R1 patients who are waiting within their clinical target date or within 25% in excess of their clinical target date for their care or treatments	>= 95%	43.70%	↓
Dec 20	Percentage of patients waiting less than 26 weeks for treatment	>= 95%	50.26%	↓
Dec 20	Number of patients waiting more than 36 weeks for treatment	0	52,493	↓
Dec 20	Number of patients waiting more than 52 weeks for treatment	0	29,632	↓
Dec 20	Number of patients waiting for a follow-up outpatient appointment	Reduce	188,982	↑
Dec 20	Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%	34,721*	60,971	↑
Q3 20/21	Percentage children regularly accessing NHS Primary Dental Care	Improve	55.70%	↓

Quadruple Aim 2: Narrative - Planned Care (page 1)

Referral to Treatment (RTT) Performance

Overall waiting list size stands at 116,074, compared to 114,472 last month. Which is a slower increase than previous months

Long waiters over 36 weeks is at 52,493, compared to last month of 52,719 a slight improvement of 226, this will be due to validation and some long waiters being identified as a high risk stratification and have received treatment.

The over 52 week waiters has increased to 29,632 from 25,026, showing a continuing worsening position. We should expect the length of wait for P4 patients to continue to increase due to the limited capacity available.

Theatre activity on all sites has increased in December and now lies between 70-91% of the pre-Covid-19 activity. But the average case per session is approximately 1 case lower than in pre-Covid-19.

Plans are in place for any impending surge from January by maintaining essential services and using the once for north wales approach.

Diagnostics Performance

Radiology:
The number of patients waiting over 8 weeks for radiology diagnostics is currently 7,264, a slight improvement from last month.

Further imaging capacity is now on-line and we are continuing to use a combination of additional hours and insourcing to help address the capacity gap.

The additional capacity in ultrasound. Although, future referral rates are uncertain, we anticipate the upward trend in waiting list size to level off through December 2020/January 2021 but hope to see reductions commencing thereafter, as the radiology recovery plans continues.

Neurophysiology:
797 over 8 week waiters, similar to last month. Urgent work is ongoing to secure capacity for February 2021 and March 2021 to mitigate long term sickness and loss of consultant post from February 2021.

Cancer Performance

November 2020 performance against targets:

- 81.3% of patients referred as urgent suspected cancer (USC) treated within 62 days of referral (target 95%)
- 98.3% of patients not referred as USC treated within 31 days of decision to treat (target 98%)
- 73.6% of patients treated within 62 days of suspicion of cancer (single cancer pathway measure

November activity v pre-COVID levels:

- GP USC referrals – 100%
- New diagnoses – 91%
- First treatments – 96%

Issues:

- GP urgent suspected cancer (USC) referrals have returned to pre-COVID levels but cumulatively remain approximately 4000 lower than last year to end of November
- Cumulatively new diagnoses are approximately 430 lower than last year with a reduction in early stage diagnoses due to the temporary cessation of screening services
- Screening services and diagnostic services are back up and running as at December 2020

From January 2020 we will be reporting on the Single Cancer Pathway

Quadruple Aim 2: Narrative - Planned Care (page 2)

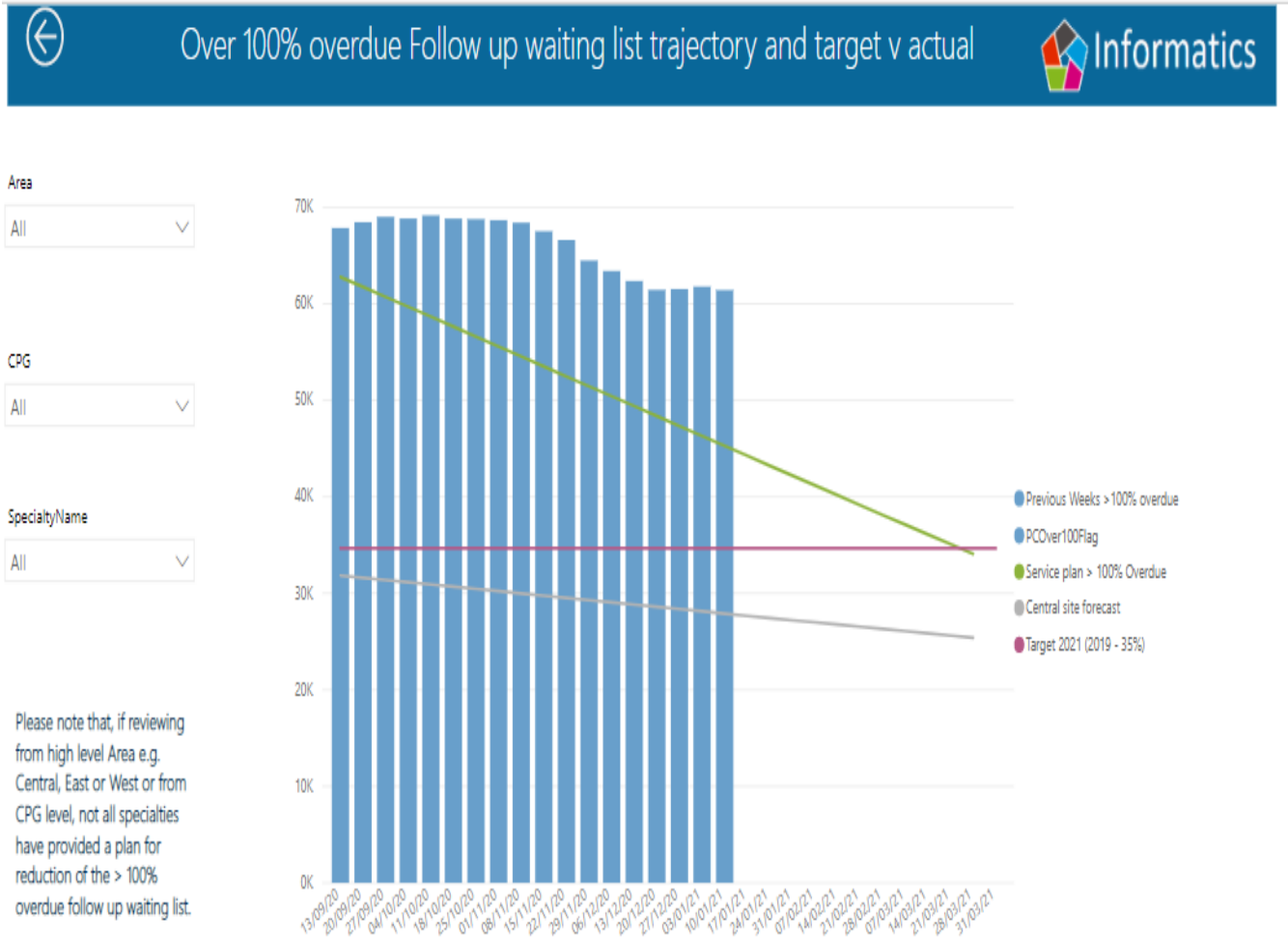
Follow-up backlog performance

The reduction commitment is displayed as a reduction trajectory and this (Backlog Actual v Trajectory) being discussed in the now (from December) monthly Planned Care Performance Review Meetings where the directors are invited to discuss their delivery performance, providing assurance of delivery in line with their proposed commitment (trajectory) where any slippage is supported by recovery plans that are also discussed.

Following a continuation in reduction since instigating this programme over this month (December) BCU have suffered with COVID-19 shielding that has had an impact on reduction. In response to this we have instigated a project of work commencing January 2021 concluding March 2021 to standardise the validation function (across BCU) this covering the desktop and clinical validation process and mechanisms, to ensure we are consistent across the Health Board and using the best approach and tools available (and identifying any that are needed), also including the feedback process on correcting common failures (working to right first time) that will be captured in Standard Operating Procedures (SOP's).

We have also a clinical dashboard that is being launched in January 2021 to support consultants understand their backlog as we work with them to resolve, and also recognising the need to complete the desktop in order to feed the consultants clean information we have secured an additional 3 validators support from January 2021.

These measures are in place to further strengthen the task to reduce the follow up backlog and to also set foundations to ensure the validation element is consistent and efficient across the health board this with the use of alternative pathways e.g. (see on Symptoms (SOS) and (Patient Initiated Follow Up (PIFU)).



Desktop administration validation

Clinical validation

Patient consultation (telephone/video/face to face)

Discharge / Pathway change e.g. SOS/PIFU

Quadruple Aim 2: Narrative - Planned Care (Page 2)

Ophthalmology Performance

The COVID-19 context continues to impact on the delivery of eye care measures: with a reduction in both a. the number of clinics and b. the activity within those clinics. Patient appetite to attend, due to Covid-19 -related anxieties, remains compromised with patients deferring/not accepting reasonable offers. Opportunities for the utilisation of clinical engagement in the booking of patients' appointments to allay fears is being reviewed.

Ophthalmology clinic activity has increased, with further expansion being progressed. A significant proportion of delivered activity relates to R1 patients and surgery for high risk/red rated patients. However, activity remains lower than the previous financial year/pre-COVID-19 period.

- Cataract surgery has continued, with prioritisation of red stratified patients. A pan BCU Patient Treatment List (PTL) is in place to best assure equity of access for those with greatest need.
- Post operative cataract reviews by Community Optometrists have been maximised: with >90% reviews now conducted by primary care.
- The new pathway for primary care appointed optometrists to support diabetic retinopathy diagnostics continues to be implemented, with expansion of this and glaucoma data gathering in progression.
- Training for the primary care ODTC optometrists has commenced, in context of challenges due to Covid-19 restrictions on both University courses and hospital placements: with the university course delayed to March 2021. Hospital placements for Optometrists progressing Independent Prescriber (IP) training are in progress of expansion. WP10 pads progressed for four independent prescribing optometrists.
- (Aim for 12 IP Optometrists qualified pan BCU, by early 2022: supporting demand reduction on both eye casualty and General Practitioners (GPs).
- Consultant connect being progressed with Optometrists in relation to GP referrals.
- Intravitreal (IVT) injections have continued throughout the COVID-19 period.
- The majority of Optometry practices have re-opened with referrals to Hospital Eye Services (HES) progressively returning to pre-COVID-19 levels.
- Optometry practices, including those who provide partnership pathway services are reporting significant challenges of meeting increased demand in context of reduced capacity due to COVID-19 mitigation and social distancing mitigation

Summary:
Available capacity remains reduced during COVID-19. Clinical risk stratification and maximised multi-professional workforce pathways remain: with essential risk mitigation and progression of "care closer to home". The national "Digital eye care plan", (Electronic Patient Record (EPR) and e-referral), will be a key enabler to support these mitigations. BCU submissions to support digital progression are within deadline. Digital roll-out will take around 9 months across BCU.

Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable

New models of care will involve a broad multi-disciplinary team approach where well-trained people work effectively together to meet the needs and preferences of individuals. Joint workforce planning will be in place with an emphasis on staff expanding generalist skills and working across professional boundaries. Strategic partnerships will support this with education providers and learning academies focussed on professional capability and leadership.

Key Messages

- Staff health and well-being remains a key priority for the health board
- Staff have responded well to the demands placed upon them
- Continued reduction in agency/locum spending in a challenging environment

Measures

Period	Measure	Target	Actual	Trend
Dec 20	Personal Appraisal and Development Review (PADR)	>= 85%	70.53%	↑
Dec 20	Percentage compliance for all completed level 1 competencies of the Core Skills and Training Framework by organisation	>= 85%	83.80%	↑
Dec 20	Percentage of sickness absence rate of staff	< 5%	5.48%	↑

Quadruple Aim 3: Narrative – Workforce

Sickness absence:

The BCU overall total sickness absence rate (12 month rolling) has fallen for the fifth consecutive month to 5.48%.

Non-COVID-19 related sickness absence has decreased marginally this month, the December 2020 figure of 4.8% is over 1 percent better than the same period last year (5.9% December 2019).

COVID-19 related sickness has increased by 0.1% from last month but is still low compared to the high of 2% in May and is now at 0.6% in December 20.

Workforce & Organisational Development (W&OD) teams continue to focus support to hotspot areas with staff testing across all areas.

The COVID-19 vaccination programme is now mobilised with circa 16,000 staff to be vaccinated by mid February 2021

PADR:

PADR compliance remains over 70% at the end of the year. Whilst many divisions are seeing small decreases, some large divisions such as MH&LDS are seeing an increase of 2.5%.

As part of the on-going support, 1:1 sessions were held with managers in Pathology during December.

For this month, organisational wide compliance information continues to be shared at the beginning of the month.

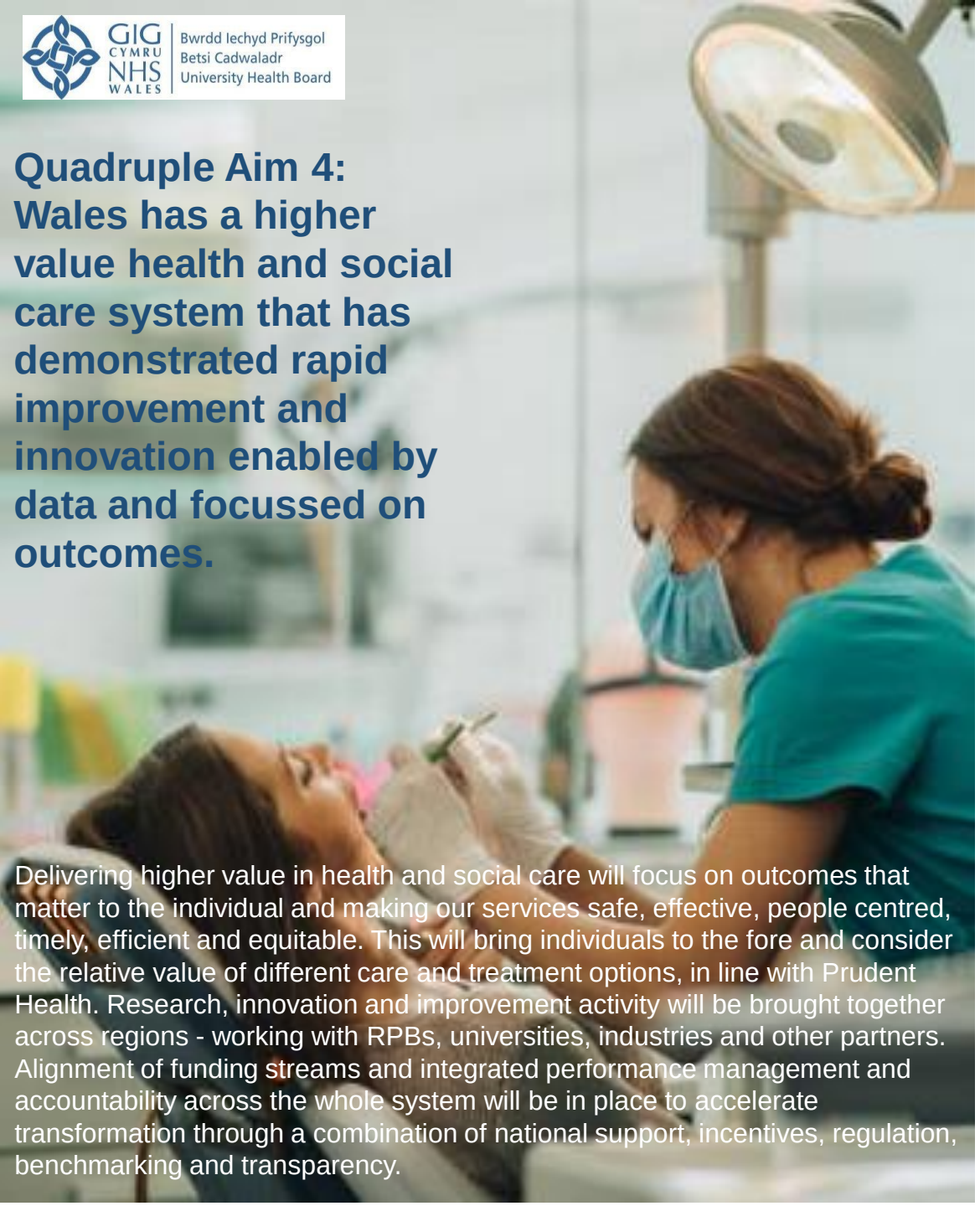
Due to vaccination planning and implementation taking priority, divisional detailed reports will only be shared upon request.

Mandatory training:

Mandatory training compliance continues to increase.
Currently compliance is 83.8% which is an increase of 0.5% from the proceeding month. All level 1 subjects increased between 0.1 and 0.5% except Mental Capacity Training which illustrated an increase of 1%.

Mental capacity training has continued to increase since its drop of compliance was reported during Quarter 3. Quarter 4 has seen an increase of 2% with MCA illustrated at 80%, just 6% below its figure reported in Quarter 2.

Reports continue to be forwarded to all SME's detailing projected and current non-compliance data.



Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation enabled by data and focussed on outcomes.

Delivering higher value in health and social care will focus on outcomes that matter to the individual and making our services safe, effective, people centred, timely, efficient and equitable. This will bring individuals to the fore and consider the relative value of different care and treatment options, in line with Prudent Health. Research, innovation and improvement activity will be brought together across regions - working with RPBs, universities, industries and other partners. Alignment of funding streams and integrated performance management and accountability across the whole system will be in place to accelerate transformation through a combination of national support, incentives, regulation, benchmarking and transparency.

Key Messages

- Patients and families supported stay in touch via innovation and technology while in hospital
- Consultant Connect initial feedback and utilisation received
- Most dental services remain closed due to ongoing Pandemic

Measures

Period	Measure	Target	Actual	Trend
Dec-20	Percentage of adult dental patients in the health board population re-attending NHS primary dental care between 6 and 9 months	TBA	0.28%	↓
Q1 20/21	Percentage of critical care bed days lost to delayed transfer of care (ICNARC definition)	Reduce	5.60%	↑
Dec 20	Agency spend as a percentage of total pay bill	Reduce	7.50%	↓

* Dental surgeries remain closed for non-urgent treatment therefore figure provided should not be compared with pre-covid-19 figures.

Quadruple Aim 4: Narrative – Agency Spend

Key points are: Non core spend has increased by £749,000 to £8,748 in December compared to the level in previous 3 months and is also higher than this period last year.
Agency spend is up by £0.3m at £3,387,563 (4.9% of total pay); Locum spend is up by £0.2m at £1,876,468;WLI spend is up by £0.1m at £127,043 however, this is being validated as is likely to be a lag in claim process; Bank spend is up by £0.1m at £2,147,149. This is as predicted in light of the ongoing need for additional flexible workforce as part of the surge and pandemic response.

- Agency Medical & Dentist (M&D) is up by 0.2% on last month which is second highest month in the previous 5 months. Most divisions have seen increases in agency spend, in particular East area and Ysbyty Wrexham Maelor (YWM), with the exception of Ysbyty Gwynedd (YG) and West area.

Actions to address:

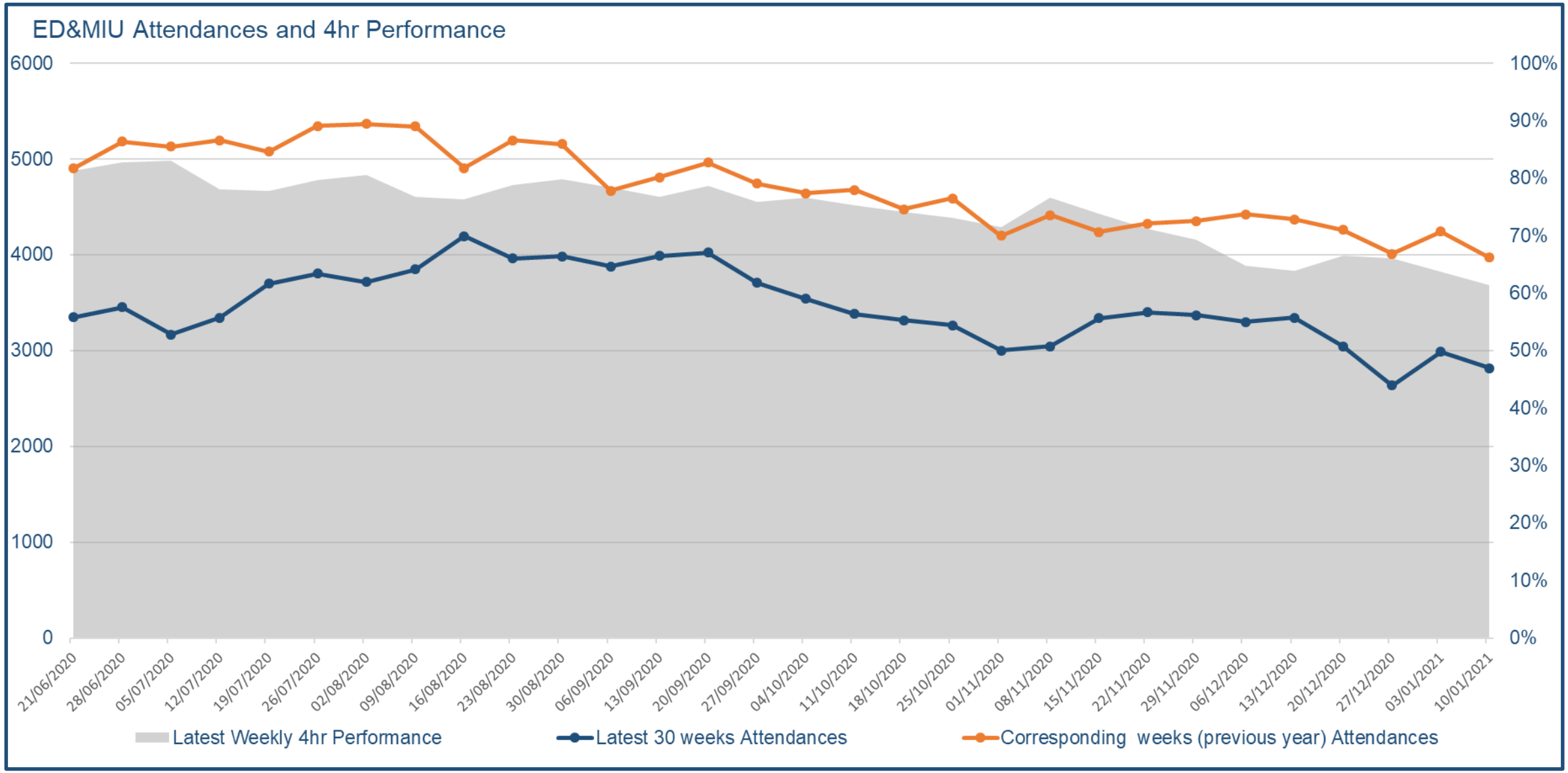
a) **Filling substantive vacancies** – BCU overall vacancy rate has reduced again this month to 7.7% (reduced by 0.1%). However there are still shortages in key staff groups. Most significantly BCU has 56fte consultant vacancies. The COVID-19 vaccination campaign is taking priority with over 100 vaccinator applications being processed in December 2020. Actions taken to speed medical and dental recruitment have seen time to hire reducing over the last five months. Support is being focussed on hard to fill vacancies including wide reaching social media campaigns. Nursing and Midwifery (N&M) vacancies are still of concern with 459fte Band 5 vacancies. A dedicated N&M Recruitment and Retention Working Group is now operating a comprehensive work plan, sub-groups are supporting this with progress being reported monthly to the steering group.

b) **Reducing sickness absence** – BCU sickness rate (12 month rolling) has fallen for the third month. Non-COVID-19 sickness absence (December 2020) at 4.8% is better than the same period last year. COVID-19 related absence is 0.6% which is considerably lower than the peak of 2% in May 2020. Workforce and OD teams including HR managers continue to focus on hotspot areas and on complex cases. Staff Wellbeing Support Service (SWSS) is in place to support mental wellbeing throughout the COVID-19 period.

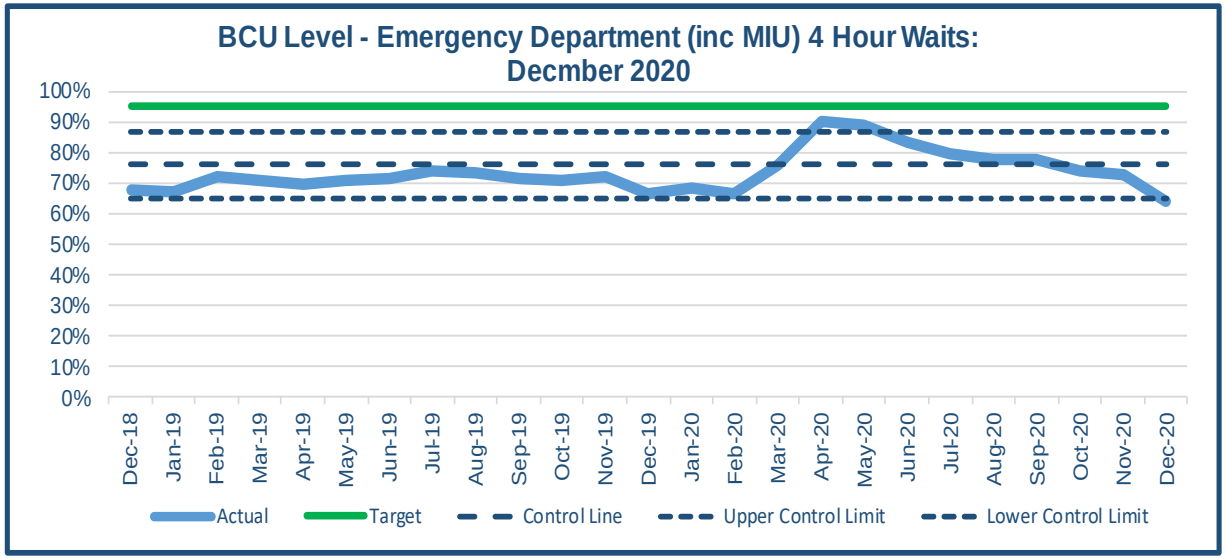
c) **Increasing supply of internal temporary staff**– Particularly in nursing and medical & dental staff groups to provide a more cost effective alternative to Agency. Nursing & Midwifery (N&M) - Focussed recruitment of N&M staff this year has seen large increase in ‘bank only’ workers with 416 ‘bank only’ N&M registered staff now registered to internal bank, up from 307 in March. Recruitment to Medical Staff Bank (MSB) has seen increases in ‘bank only’ workers with 246 ‘bank only’ Medical Staff Bank registered staff, up from 138 in March. Although in November 2020 MSB reported the highest overall fill rate since introduced last year (99.9%), the bank fill reduced compared to agency; in terms of the reasons for booking M&D shifts, annual leave appeared to be a larger factor this month compared to summer months during the Covid-19 first phase.

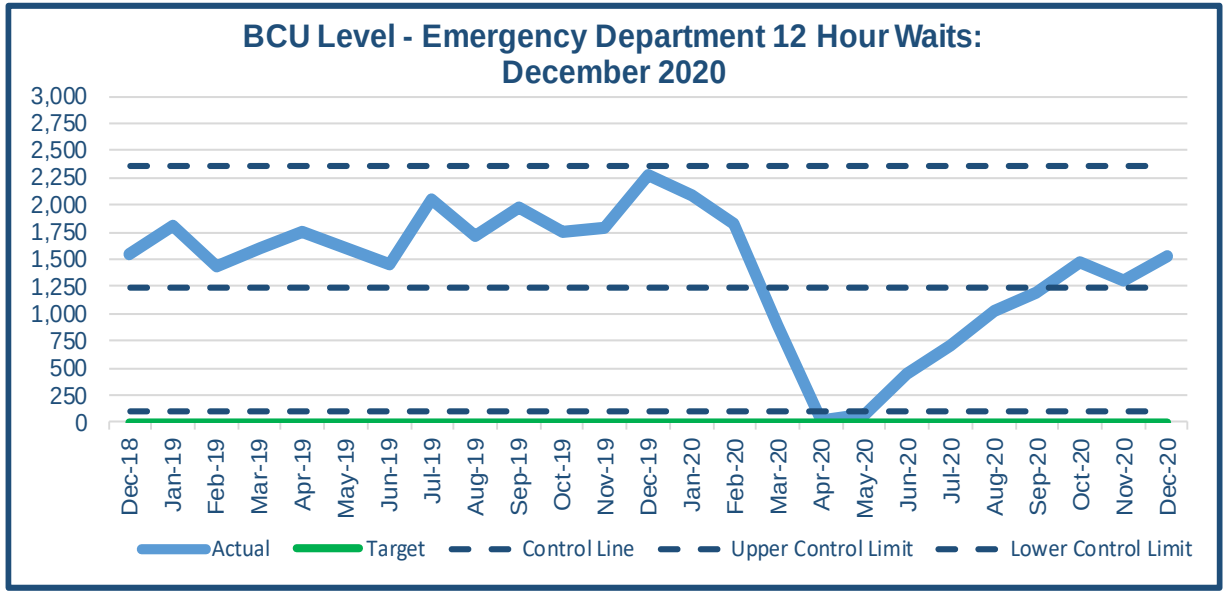
Additional Information

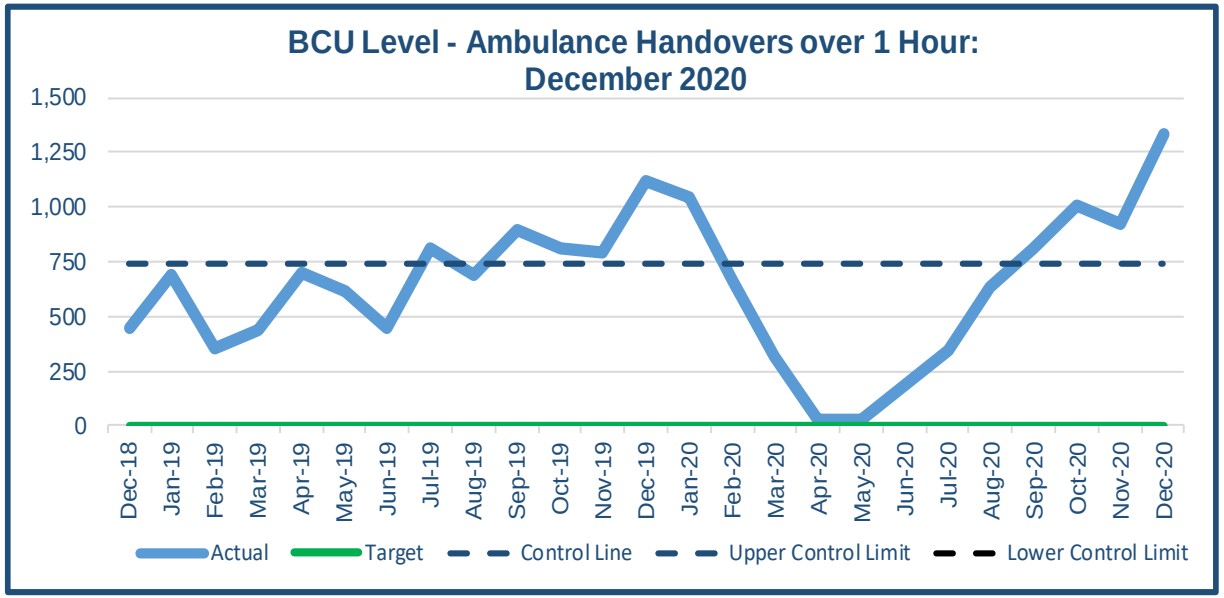
Quadruple Aim 2: Unscheduled Care: Attendances



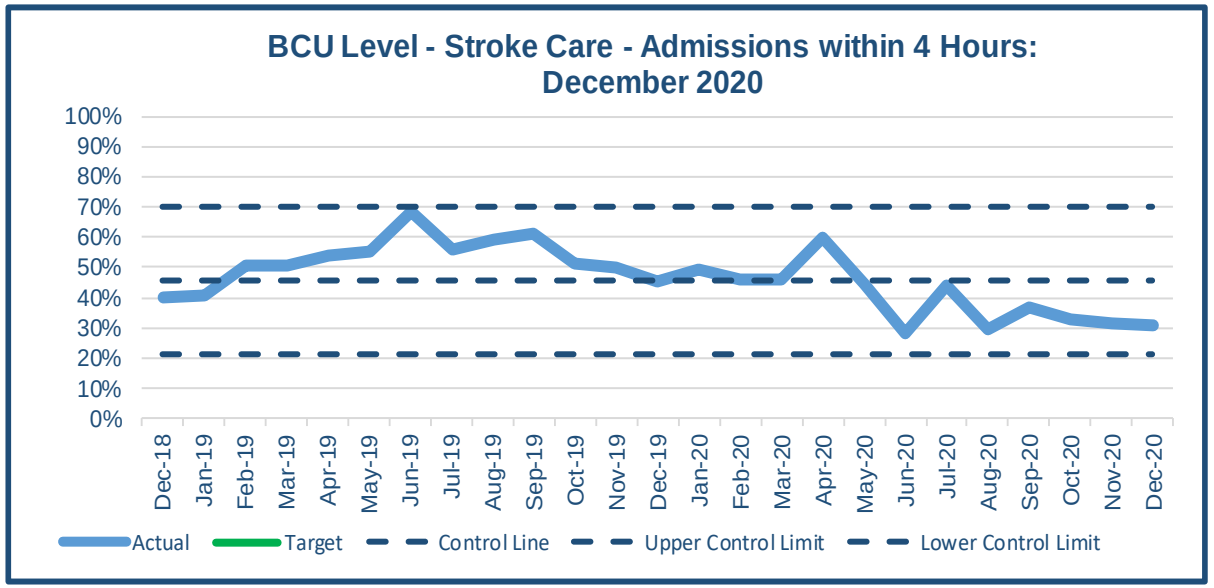
Quadruple Aim 2: Charts Unscheduled Care Page 1

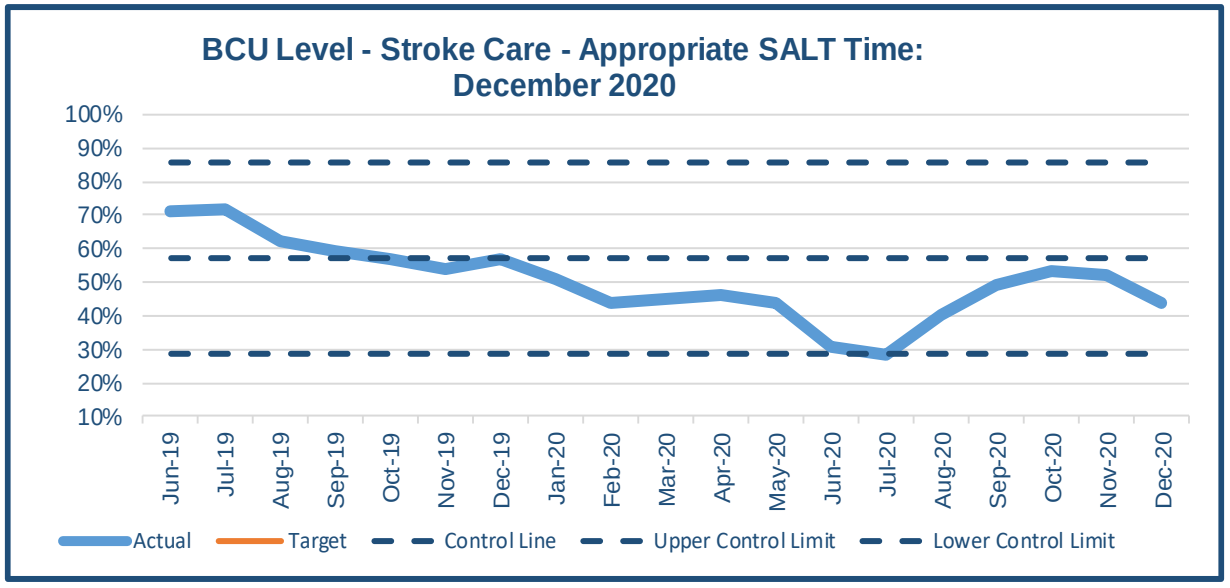


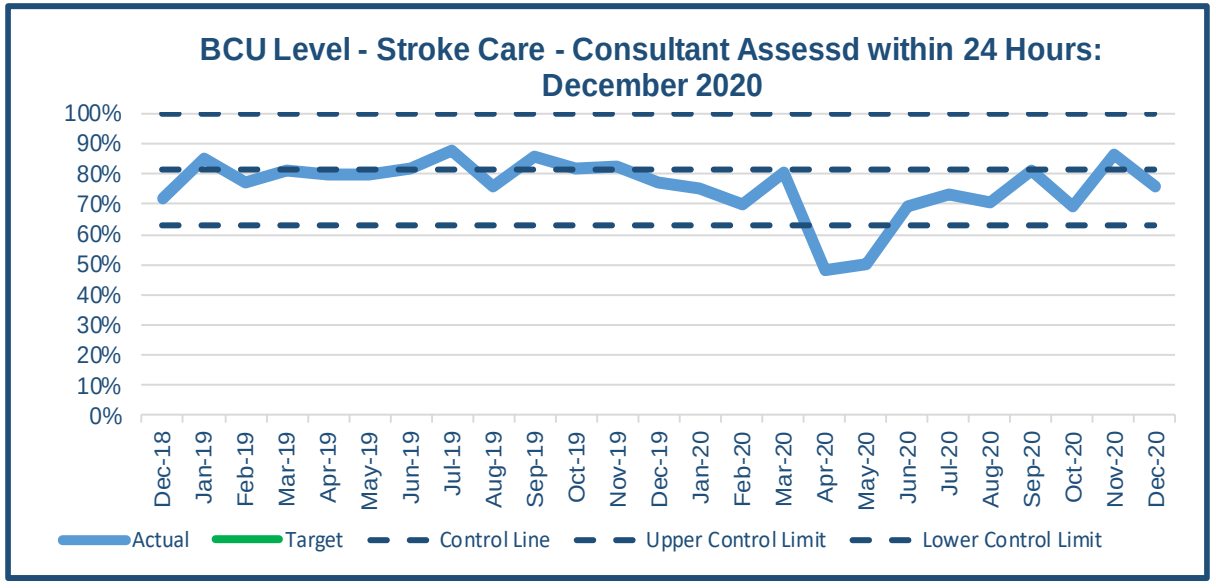


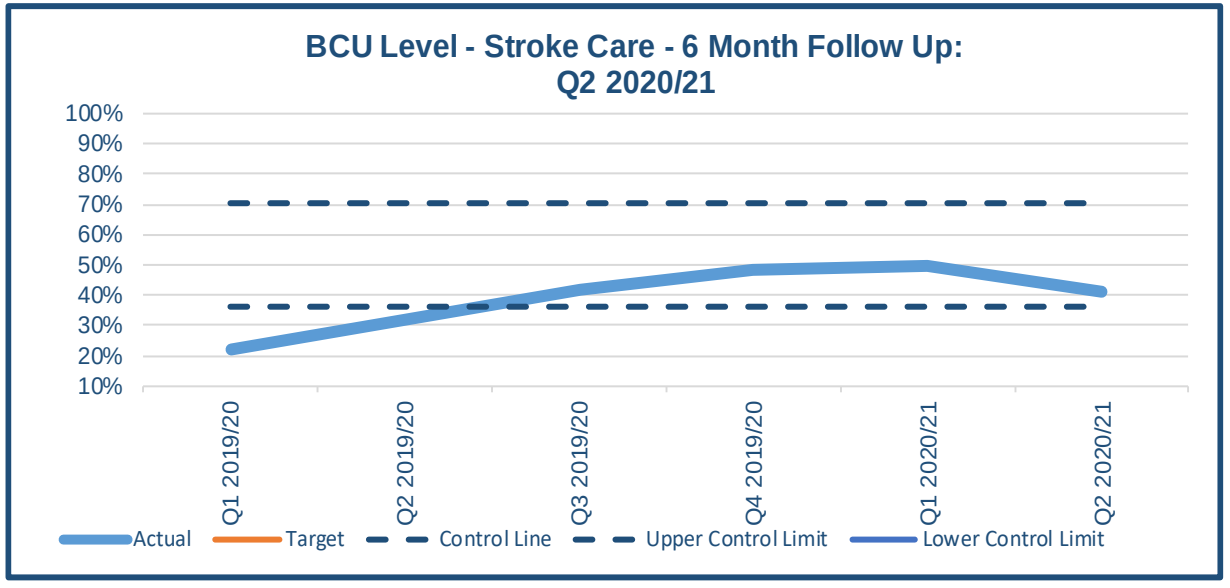


Quadruple Aim 2: Charts Unscheduled Care Page 2



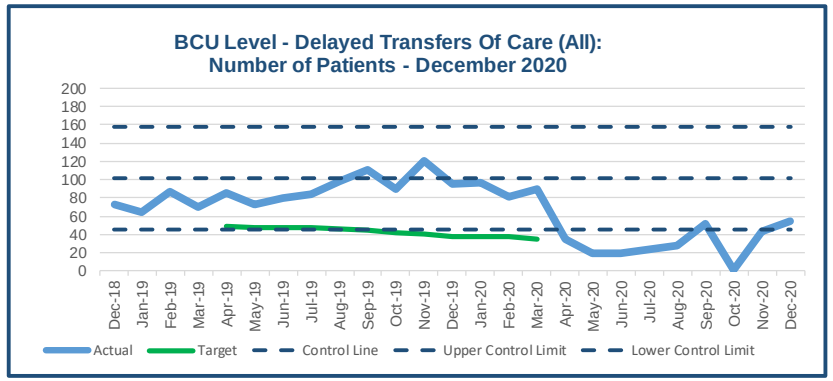


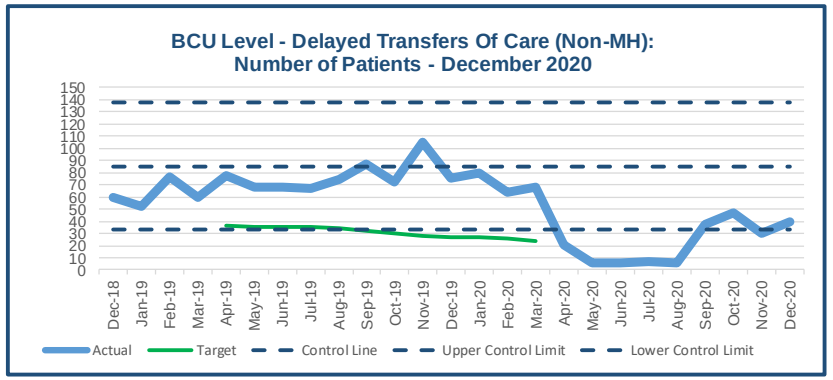


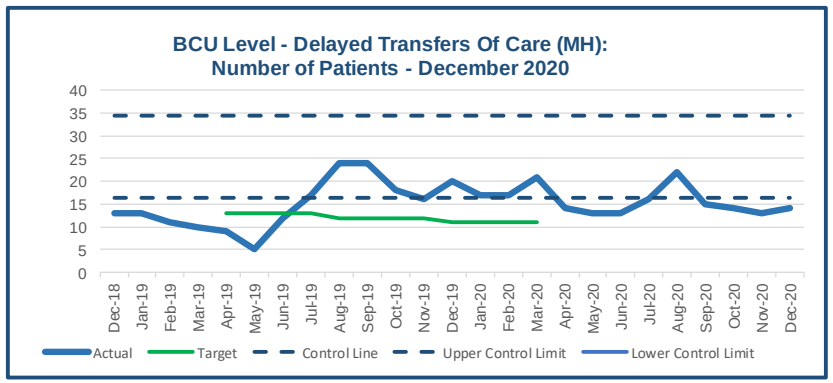


Quadruple Aim 2: Charts Unscheduled Care page 3

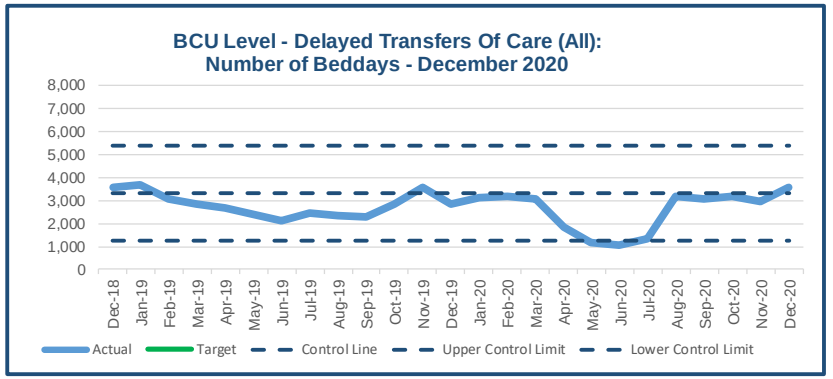
Delayed Transfers of Care (DToC) Number of Patients

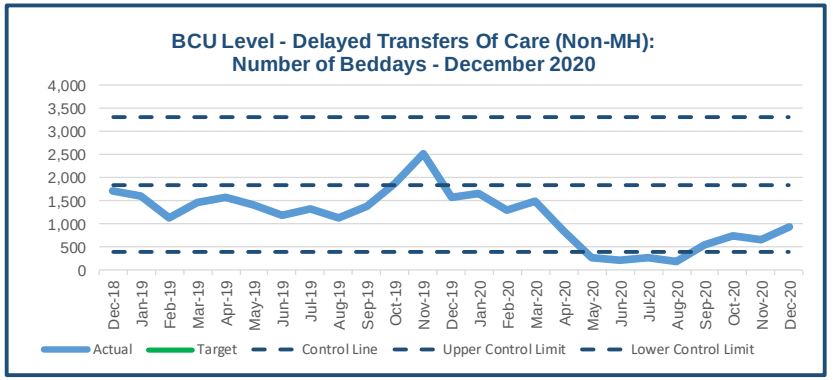


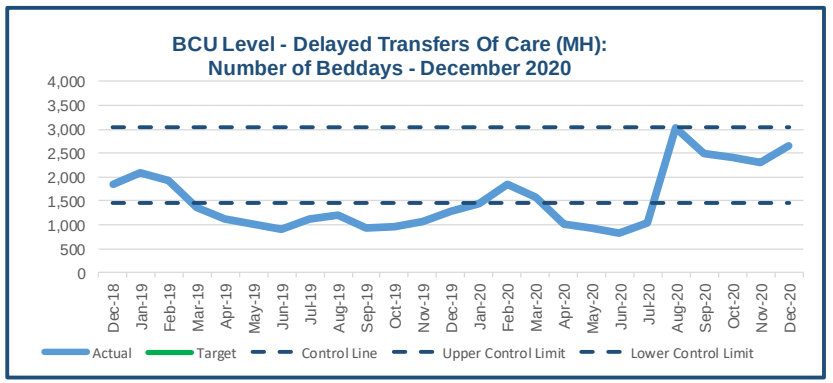




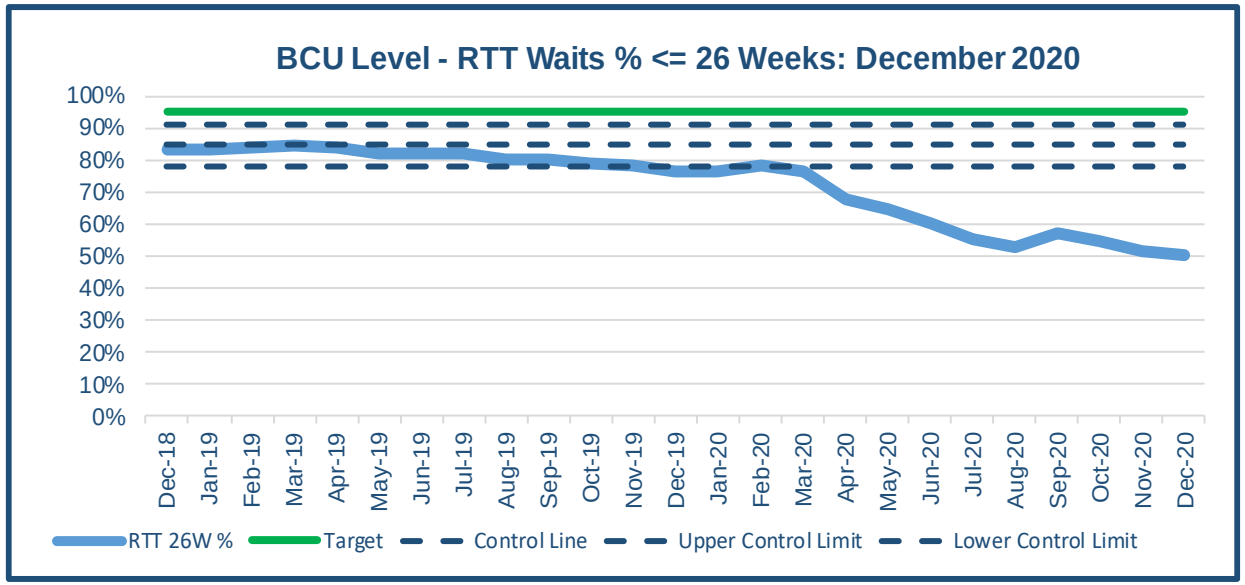
Delayed Transfers of Care (DToC) Number of Beddays

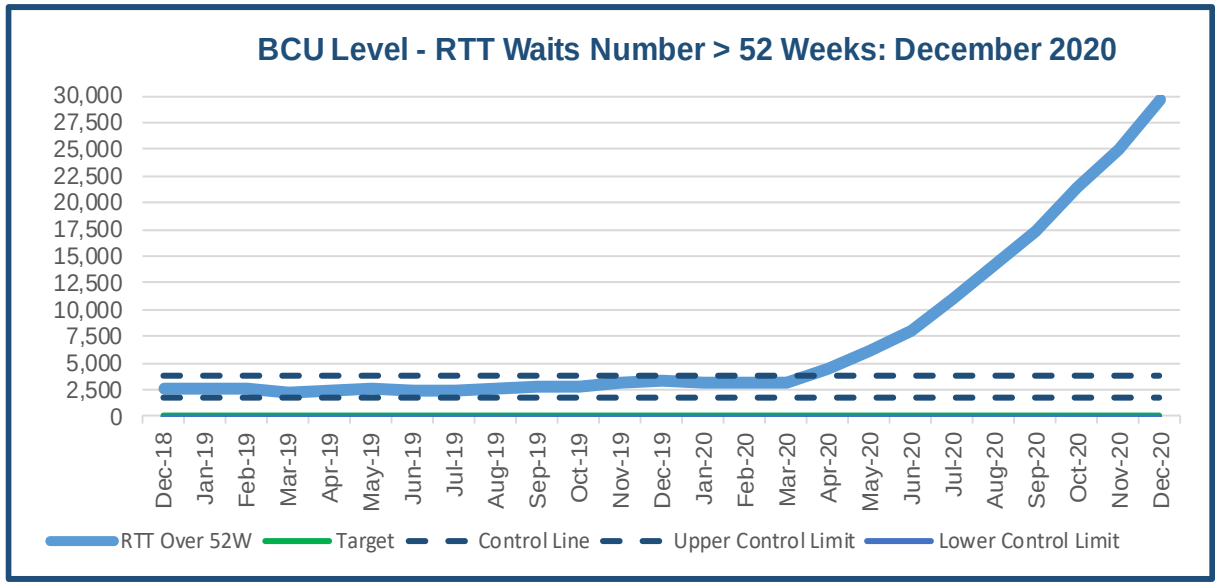


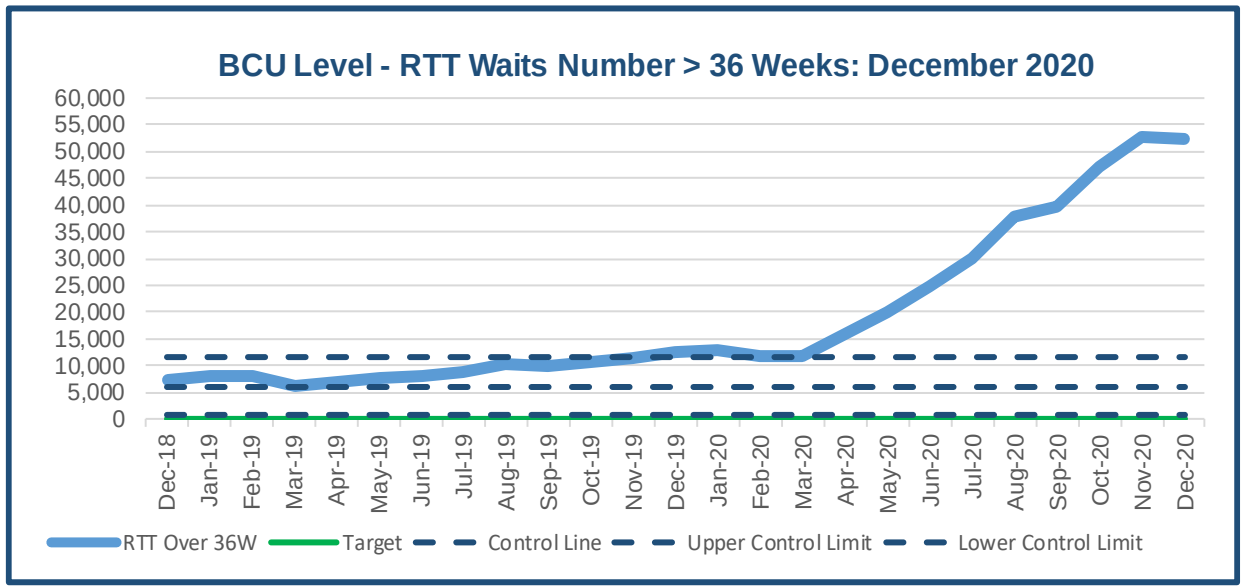


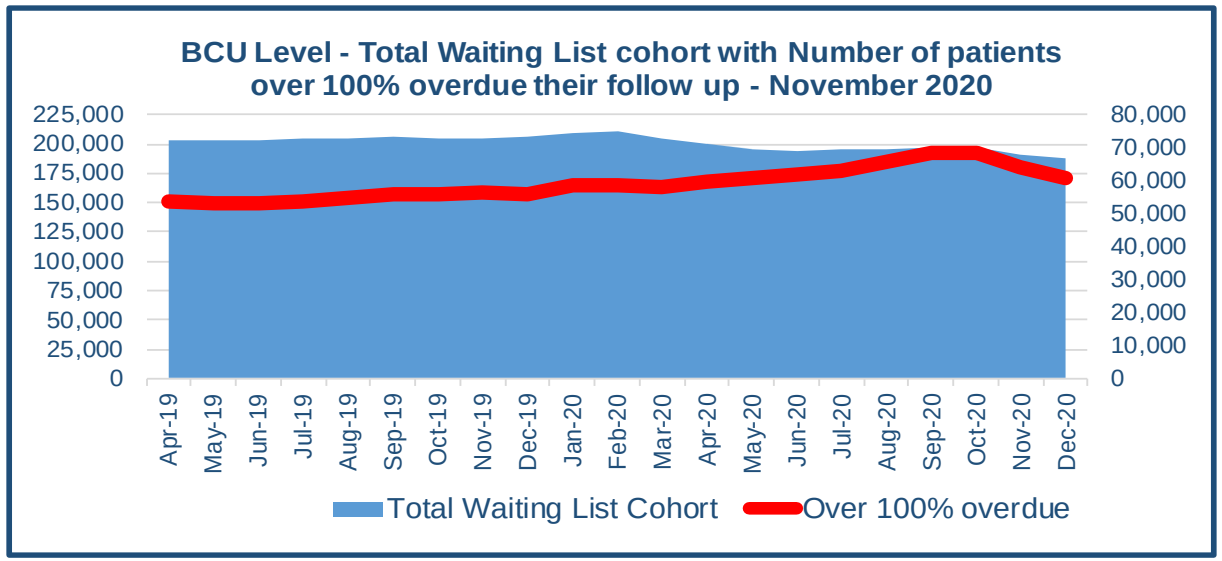


Quadruple Aim 2: Charts Planned Care page 4

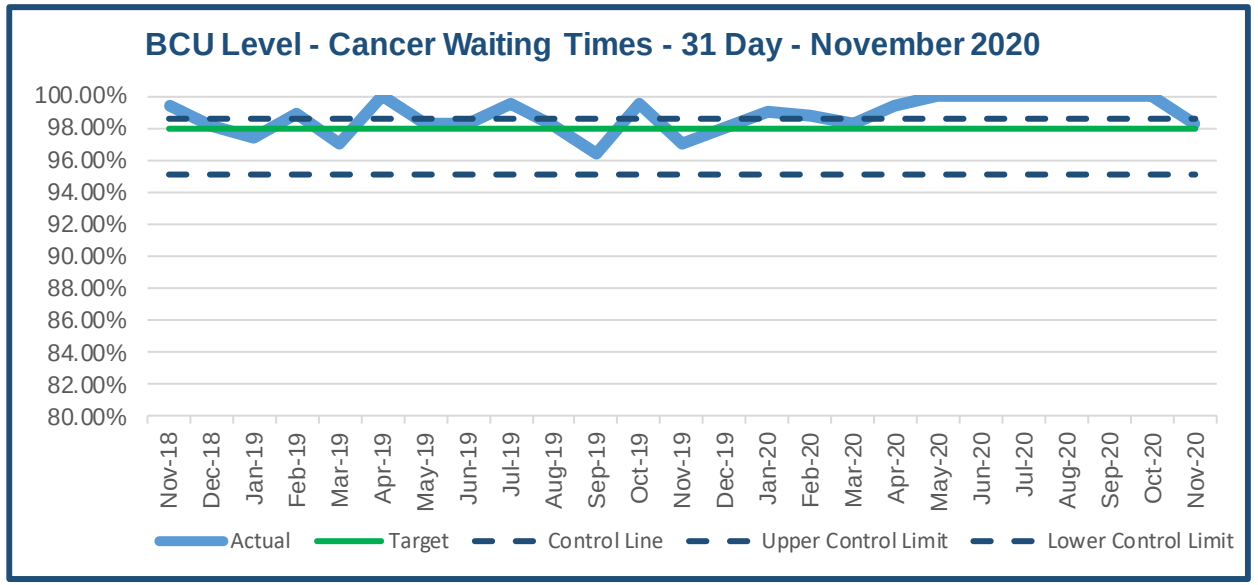


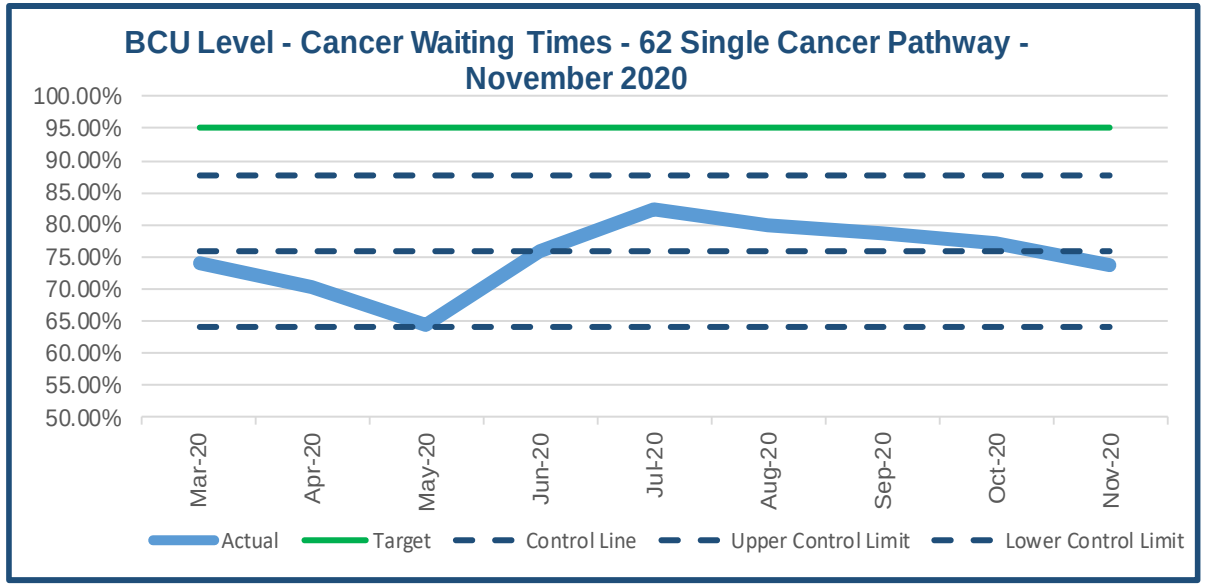


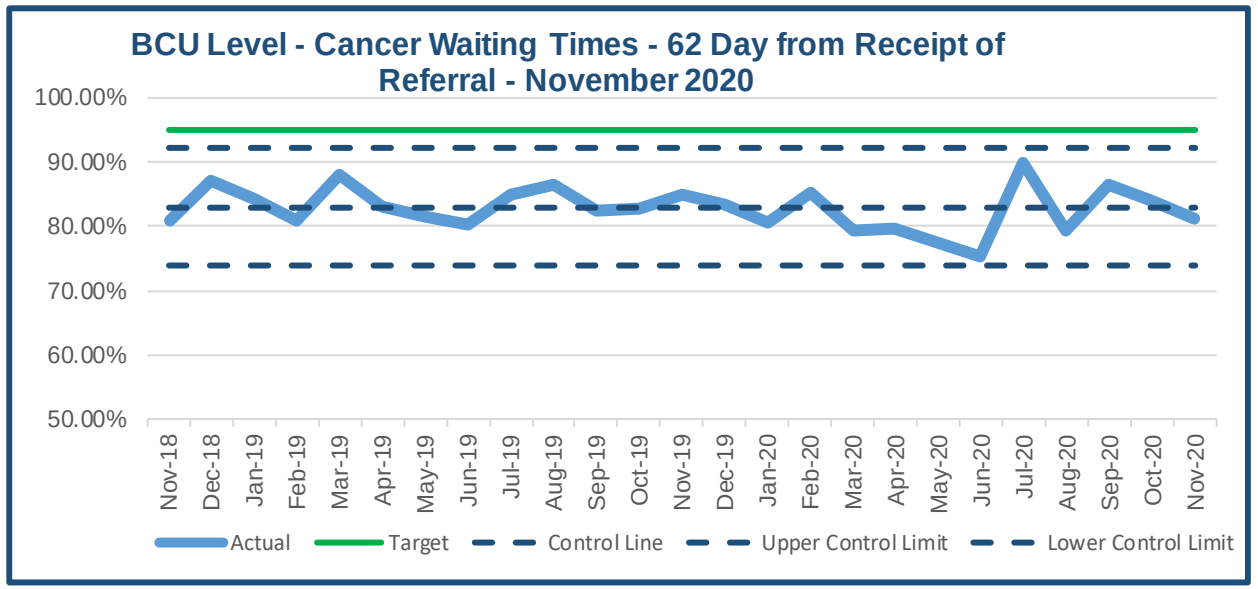


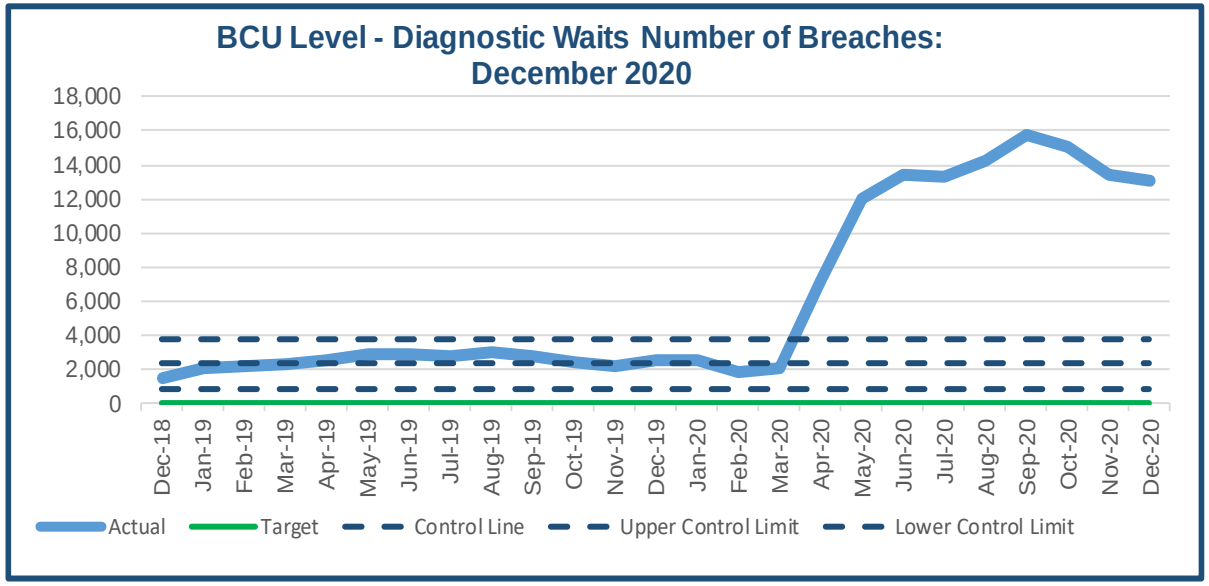


Quadruple Aim 2: Charts Planned Care page 6



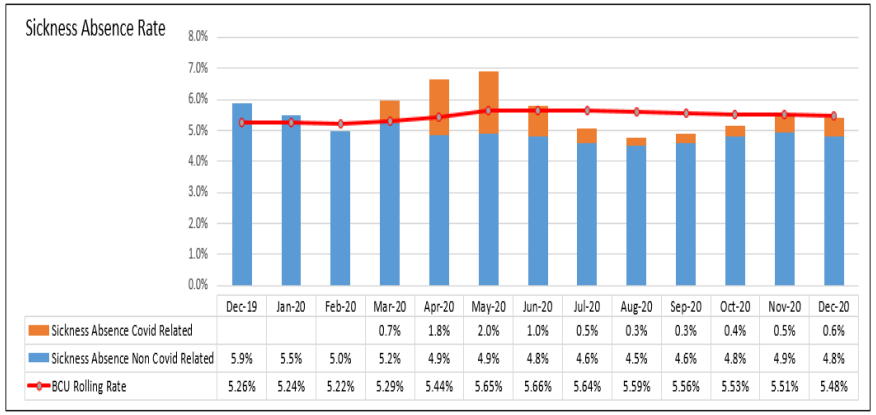




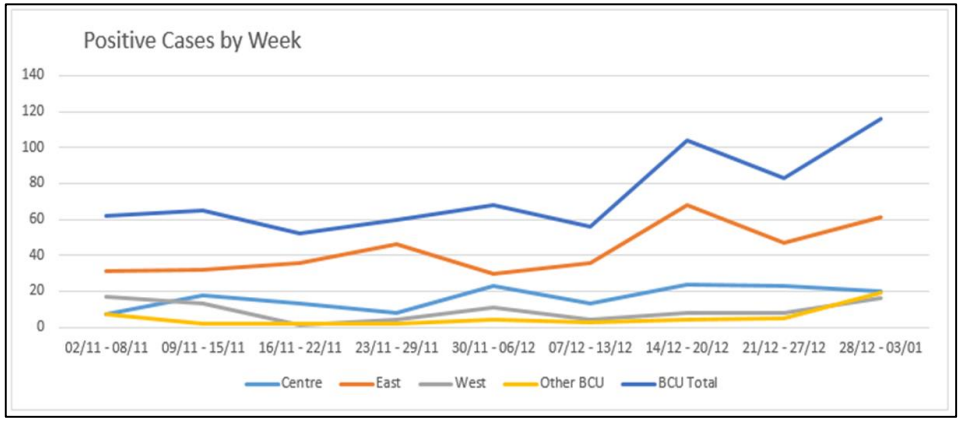


Quadruple Aim 3: Charts

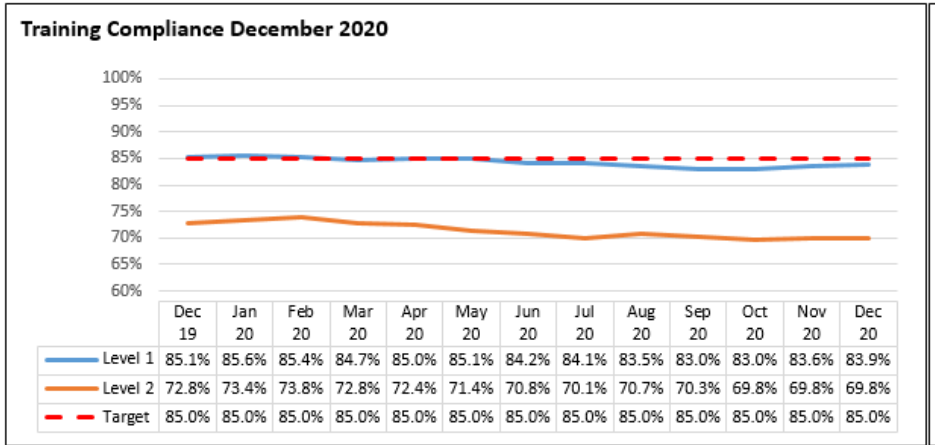
Sickness absence Rates



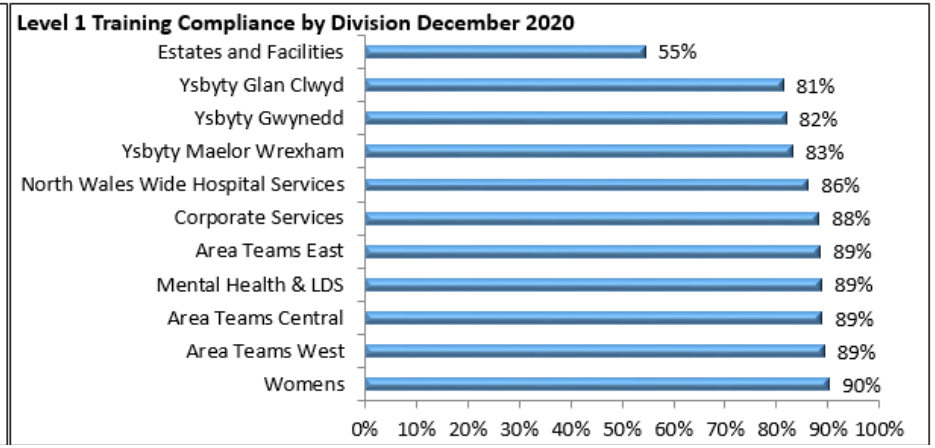
	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Sickness Absence Covid Related				0.7%	1.8%	2.0%	1.0%	0.5%	0.3%	0.3%	0.4%	0.5%	0.6%
Sickness Absence Non Covid Related	5.9%	5.5%	5.0%	5.2%	4.9%	4.9%	4.8%	4.6%	4.5%	4.6%	4.8%	4.9%	4.8%
BCU Rolling Rate	5.26%	5.24%	5.22%	5.29%	5.44%	5.65%	5.66%	5.64%	5.59%	5.56%	5.53%	5.51%	5.48%



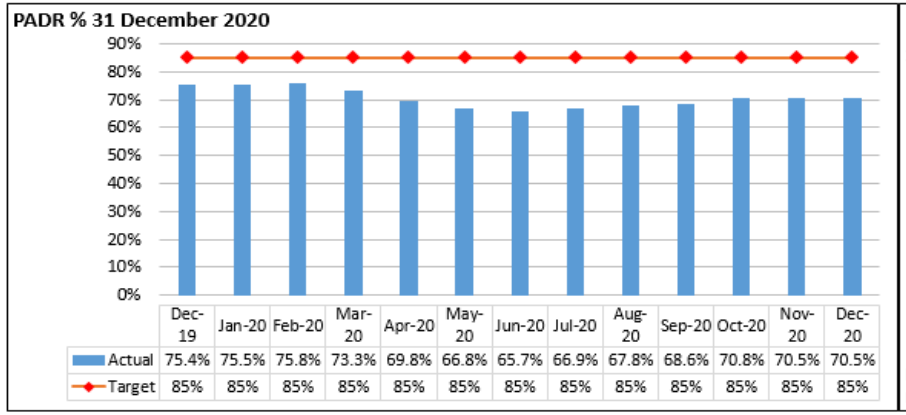
Core Mandatory Training Rate



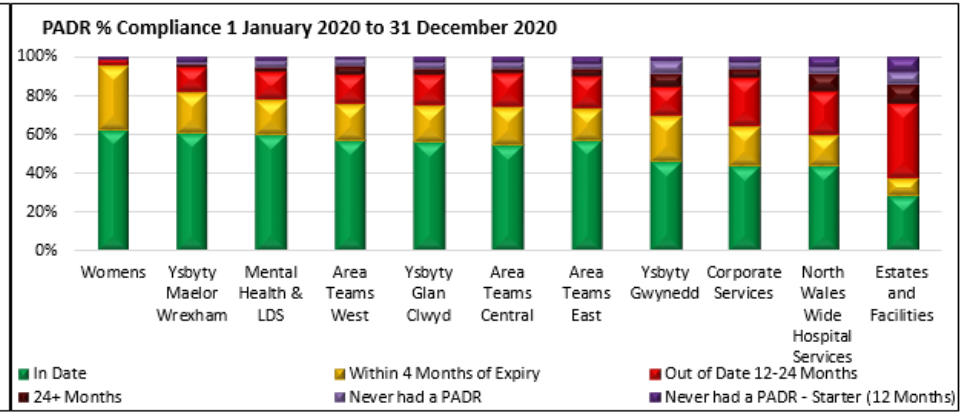
	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20
Level 1	85.1%	85.6%	85.4%	84.7%	85.0%	85.1%	84.2%	84.1%	83.5%	83.0%	83.0%	83.6%	83.9%
Level 2	72.8%	73.4%	73.8%	72.8%	72.4%	71.4%	70.8%	70.1%	70.7%	70.3%	69.8%	69.8%	69.8%
Target	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%



PADR

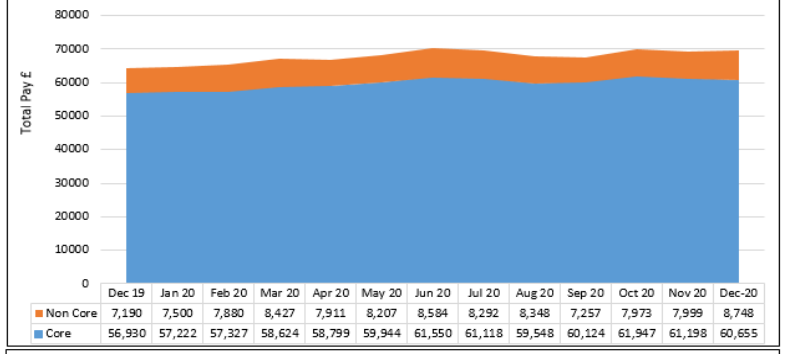


	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Actual	75.4%	75.5%	75.8%	73.3%	69.8%	66.8%	65.7%	66.9%	67.8%	68.6%	70.8%	70.5%	70.5%
Target	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%



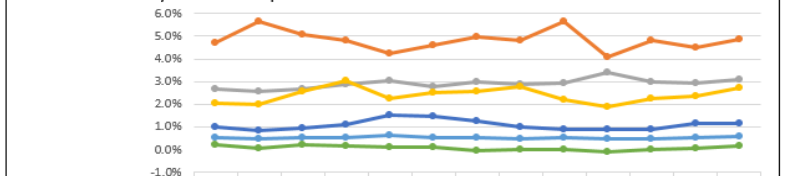
Quadruple Aim 4: Narrative – Agency Spend

BCUHB Pay Core vs Non Core (£000s)



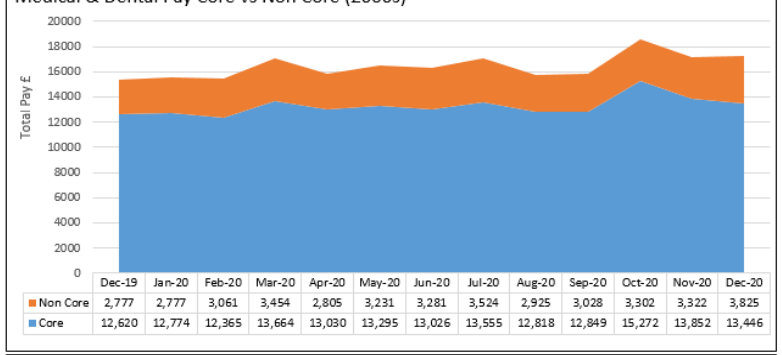
	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec-20
Non Core	7,190	7,500	7,880	8,427	7,911	8,207	8,584	8,292	8,348	7,257	7,973	7,999	8,748
Core	56,930	57,222	57,327	58,624	58,799	59,944	61,550	61,118	59,548	60,124	61,947	61,198	60,655

BCU Non Core Pay % of Total Spend



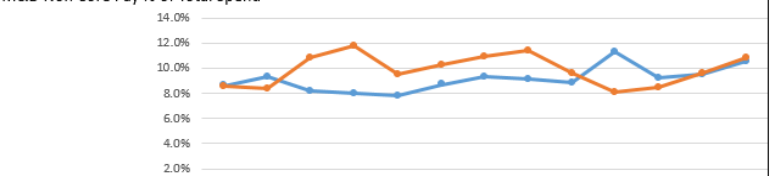
	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec-20
Additional Basic Pay	0.5%	0.5%	0.5%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%
Agency	4.7%	5.6%	5.1%	4.8%	4.3%	4.6%	4.9%	4.8%	5.6%	4.1%	4.8%	4.5%	4.9%
Bank	2.7%	2.6%	2.7%	2.9%	3.1%	2.8%	3.0%	2.9%	3.0%	3.4%	3.0%	2.9%	3.1%
Locum & Other Medical	2.1%	2.0%	2.6%	3.0%	2.3%	2.5%	2.6%	2.8%	2.2%	1.9%	2.2%	2.4%	2.7%
Overtime	1.0%	0.8%	1.0%	1.1%	1.5%	1.5%	1.3%	1.0%	0.9%	0.9%	0.9%	1.1%	1.2%
WLI	0.2%	0.1%	0.2%	0.2%	0.1%	0.1%	0.0%	0.0%	0.0%	-0.1%	0.0%	0.1%	0.2%

Medical & Dental Pay Core vs Non Core (£000s)



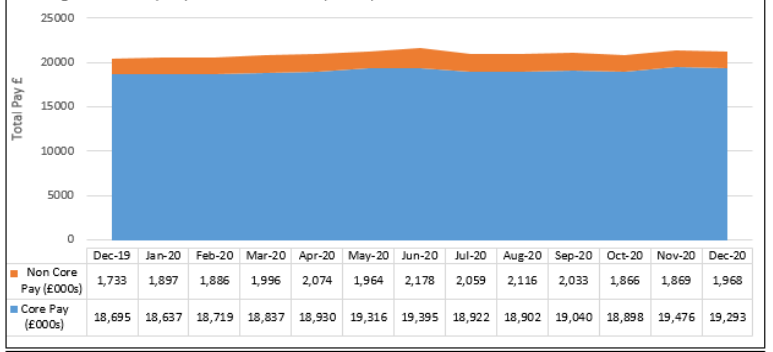
	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Non Core	2,777	2,777	3,061	3,454	2,805	3,231	3,281	3,524	2,925	3,028	3,302	3,322	3,825
Core	12,620	12,774	12,365	13,664	13,030	13,295	13,026	13,555	12,818	12,849	15,272	13,852	13,446

M&D Non Core Pay % of Total Spend



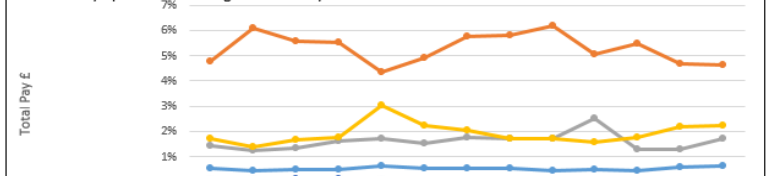
	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Agency	8.6%	9.4%	8.2%	8.0%	7.9%	8.7%	9.3%	9.2%	8.8%	11.3%	9.3%	9.5%	10.6%
Locum & Other Medical	8.6%	8.4%	10.9%	11.8%	9.5%	10.3%	11.0%	11.4%	9.6%	8.1%	8.5%	9.6%	10.9%
Overtime	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
WLI	0.8%	0.1%	0.8%	0.4%	0.3%	0.5%	-0.2%	0.0%	0.1%	-0.4%	0.1%	0.2%	0.7%

Nursing & Midwifery Pay Core vs Non Core (£000s)



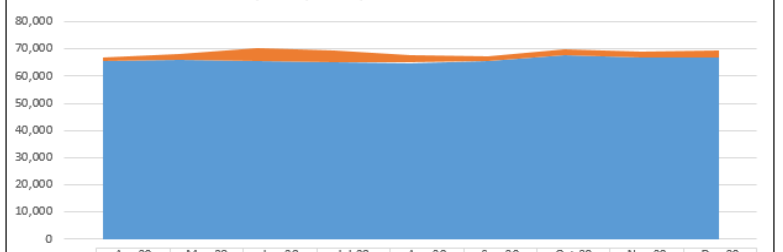
	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Non Core Pay (£000s)	1,733	1,897	1,886	1,996	2,074	1,964	2,178	2,059	2,116	2,033	1,866	1,869	1,968
Core Pay (£000s)	18,695	18,637	18,719	18,837	18,930	19,316	19,395	18,922	18,902	19,040	18,898	19,476	19,293

% Total Pay Spend for Nursing & Midwifery



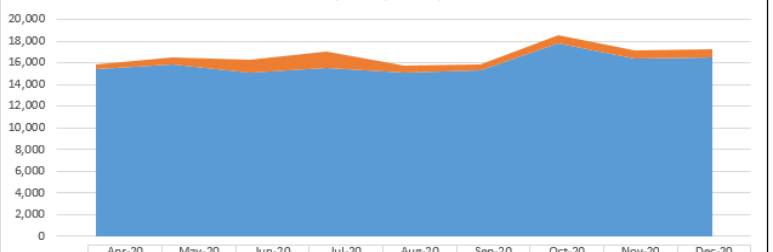
	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Additional Basic	0.5%	0.4%	0.5%	0.5%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	0.6%	0.7%
Agency	4.8%	6.1%	5.6%	5.5%	4.4%	4.9%	5.7%	5.8%	6.2%	5.0%	5.5%	4.7%	4.6%
Bank	1.4%	1.2%	1.3%	1.6%	1.7%	1.5%	1.8%	1.7%	1.7%	2.5%	1.3%	1.3%	1.7%
Overtime	1.7%	1.4%	1.7%	1.8%	3.1%	2.2%	2.1%	1.7%	1.7%	1.6%	1.8%	2.2%	2.2%
WLI	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

BCUHB Covid v Non Covid Spend (£000s)



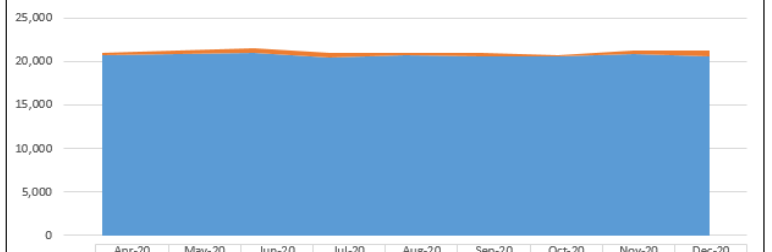
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Covid	1,038	2,018	4,365	4,368	2,999	2,014	2,190	2,210	2,375
Non Covid	65,673	66,133	65,768	65,042	64,897	65,367	67,729	66,988	67,028

Medical & Dental Covid v Non Covid Spend (£000s)



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Covid	372	713	1,255	1,523	681	592	819	761	765
Non Covid	15,464	15,814	15,053	15,557	15,062	15,285	17,756	16,413	16,506

Nursing & Midwifery Covid v Non Covid Spend (£000s)



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Covid	313	383	558	455	250	415	184	512	644
Non Covid	20,691	20,897	21,014	20,526	20,769	20,658	20,580	20,833	20,617

Further Information

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

- performance reference tables
- tolerances for red, amber and green

Further information on our performance can be found online at:

- Our website www.pbc.cymru.nhs.uk
  www.bcu.wales.nhs.uk
- Stats Wales 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

Cyfarfod a dyddiad: Meeting and date:	**Finance and Performance Committee 28.1.21**
Cyhoeddus neu Breifat: Public or Private:	Public
Teitl yr Adroddiad Report Title:	**Health Board Revenue and Discretionary Capital Allocation for 2021-22**
Cyfarwyddwr Cyfrifol: Responsible Director:	Sue Hill, Executive Director of Finance
Awdur yr Adroddiad Report Author:	Rob Nolan, Finance Director – Commissioning and Strategic Financial Planning
Craffu blaenorol: Prior Scrutiny:	Finance Director – Commissioning and Strategic Financial Planning
Atodiadau Appendices:	Appendix 1 - Health Board Revenue and Discretionary Capital Allocation for 2021-22

Argymhelliad / Recommendation:

It is recommended that the Committee:

1. Receive this report
2. Note its contents

Please tick as appropriate

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**		**Ar gyfer sicrwydd For Assurance**		**Er gwybodaeth For Information**	✓

Sefyllfa / Situation:

The purpose of this paper is to summarise the Health Board allocation for 2021-22 and to highlight the key points from the Allocation Letter issued on the 22nd December 2020. The paper also provides a short update on budget setting for 2021-22.

Cefndir / Background:

Revenue

The Health Boards revenue allocation for 2021-22 is £1,637,910,000

	£m
Recurrent HCHS and Prescribing Discretionary Allocation	1,117.25
HCHS Ring Fenced Allocation	320.94
Directed Expenditure	3.16
GMS Contract	133.83
Community Pharmacy Contract	34.46
Dental Contract	28.26
Total Revenue Resource Limit 2021-22	**1,637.91**

This can be further broken across the different elements of the allocation:

- Hospital and Community Health Services and Prescribing (HCHS&P) £1,117,250,000 – includes an uplift for 2021-22 of £23.71m (2%), which is the Health Boards share of the £105 million allocated across Wales to meet estimated pay and other inflationary cost pressures for 2021-22, including the first 1% of agreed pay awards for 2021-22. If the agreed pay award is above 1%, Welsh Government will provide additional funding.

  This allocation includes the resources for commissioning services in England. The impact of the 2021-22 tariff on Health Board plans will be considered once the tariff is published by NHS England for 2021-22.

  The uplift is allocated across Health Boards using the needs-based allocation formula updated for recent population and needs indicator data revisions. This allocates 22.59% of the uplift to the Health Board, compared to a crude population share of 22.44%

- HCHS Ring Fenced £320,940,000 - the funding is to be used for the purposes intended, and includes Mental Health Services which have received an uplift of £2.8m (2%) to cover estimated pay and other inflationary cost pressures for 2021-22, including the first 1% of agreed pay awards for 2021-22.

  Ring Fenced monies includes Strategic Support Funding of £82, million which is provided to meet core priorities over four financial years (starting in year during 2020-21), including:

  a) safe unscheduled care
  b) safe stepping up of planned care
  c) improvements to mental health services
  d) funding to review of strategic direction and to progress OD work

  The Strategic Support Funding for 2021/22, 2022/23, and 2023/24 is made up of:

  a) Deficit funding cover of up to £40m per annum. This then requires the Board to report break-even in each year.
  b) Funding from the performance fund for unscheduled care and planned care improvements up to £30 million to include developments in urology and diagnostics.
  c) £12 million to support implementation of the mental health strategy in partnership and build capacity and capability in the organisation to deliver transformation.

- Directed Expenditure £3,160,000 - services the health board provides on an agency basis across Wales, for example the Mental Health CALL helpline.

- Other Ring Fenced budgets - GMS Contract £133,830,000; Community Pharmacy Contract £34,460,000; Dental Contract Allocations £28,260,000

This allocation does not include funding for the ongoing NHS response to Covid-19 in 2021-22. Resource planning assumptions for Covid-19 funding will be shared separately with Finance Directors.

Capital

The Health Boards discretionary capital allocation for 2021-22 is £14,421,000

Other Key Points

- Funding for the Treatment Fund of £3.59 million has been added to the ring fenced allocation. Previously this has been allocated in-year as the New (Drug) Treatment Fund, so is not an addition to our resource assumptions.

- Health Boards are expected to pass on an appropriate levels of funding for relevant pay, non-pay inflationary cost increases and growth funding in the Healthcare Agreements for services provided by other Boards and NHS Trusts, equivalent to the additional funding provided to commissioners (2%).

- GMS Contract negotiations have not been finalised for 2021-22. The GMS allocation is issued at this stage on the same basis as the 2020-21 allocation, and a supplementary allocation will be issued when the contract agreement is confirmed.

- The Dental and Community Pharmacy contract negotiations have not been finalised for 2021-22. A supplementary allocation will be issued when the 2021-22 contract agreement is confirmed.

- Mental health services will continue to be ring fenced in 2021-22. Compliance of individual organisations with the ring fencing requirement will be monitored on an annual basis. Any organisation whose expenditure on mental health services falls below the ring fenced quantum will be required to account for the shortfall in expenditure.

- Funding for infrastructure SIFT of £1.080 million. This funding must be used to support medical undergraduate education, and recipients of this funding will still be required to account for its use.

- The substance misuse allocation remains ring fenced in 2021-22. The Health Board has received an increase of £0.267 million (4.89%) to give an indicative allocation of £5.787 million for 2021-22.

A detail narrative on the 2021-22 Allocation letter for the Health Board is in Appendix 1, including a summary of key points from the Allocation Letter.

Update on Budget Setting

The Budget Setting process is focusing on the following areas:

- Inflation and Growth assumptions – Draft submissions received on Inflation and Growth for 2021-22, and are now subject to review and update as assumptions are confirmed. Following this internal review by finance, the outputs will be shared with the Executive Team for discussion and agreement.
- Underlying Deficit and Cost Pressures – Draft submissions from Divisions are being reviewed for consistency and detail. This includes an assessment of the recurrent impact of savings that have not been delivered in 2020-21, due to COVID pressures. Following this internal review by finance, the outputs will be shared with the Executive Team for discussion and agreement.
- COVID Costs – identify the known COVID costs anticipated for 2021-22, including Test, Trace and Protect and the COVID Vaccination Programme

- New Service Investments - Programme Level Action Plans to be submitted 22nd January 2020 with any new Service Investments that require investment or disinvestment to be submitted on the 5th January 2020.
- Savings – Discussions are on-going with Directors on the Opportunities for savings in 2021-22. This will in part be driven by the level of forecast spend in year, as we continue to deal with the impact of the pandemic.

In addition to the Divisions submission for Underlying Deficit and Cost Pressures, Divisions are also assessing their forecast run rate for 2021-22 to take account of the impact of the pandemic on their forecast costs in 2021-22.

Asesiad / Assessment & Analysis

Strategy Implications
This allocation specifies the initial funding for your organisation for 2021-22. It should be used to develop plans to deliver against the priorities for 2021-22 set out in the NHS Planning Framework, and to continue to progress delivery of the vision set out in A Healthier Wales.

Options considered
The financial plan will consider options to deliver against the requirements set out in the allocation letter as part of the planning process.

Financial Implications
The allocation does not include funding at this stage to cover the ongoing response to Covid-19. Resource planning assumptions for Covid-19 funding will be issued separately.
Subject to the additional cost of COVID it is expected that the Health Board operates within the funding set out in this allocation letter.

Risk Analysis
The Health Board will be held to account for the development and delivery of an agreed plan for 2021-22 and beyond that to reflect our statutory requirements and responsibilities.

Legal and Compliance
In line with the organisation's standing financial instructions and the Welsh Government's administrative target within the 3 year planning cycle, the Health Board is required to set an annual budget and financial plan in advance of the new financial year.

Impact Assessment
Plans will take into account any potential equality/Welsh Language/quality/data governance/digital/children's rights implications which may require an impact assessment to be carried out.

Appendix 1

HEALTH BOARDS REVENUE & DISCRETIONARY CAPITAL ALLOCATIONS 2021-22

Introduction

The purpose of this paper is to summarise the Health Board allocation for 2021-22 and to highlight the key points from the Allocation Letter issued on the 22nd December 2020.

Summary of the Health Board allocation for 2021-22

The Health Boards allocation for 2021-22 is £1,637,910,000 as summarised in the table below:

Table 1 – summary of 2021/22 allocation

	£m
Recurrent HCHS and Prescribing Discretionary Allocation	1,117.25
HCHS Ring Fenced Allocation	320.94
Directed Expenditure	3.16
GMS Contract	133.83
Community Pharmacy Contract	34.46
Dental Contract	28.26
Total Revenue Resource Limit 2021-22	**1,637.91**

This can be further broken across the different elements of the allocation.

Recurrent HCHS and Prescribing Discretionary Allocation

The Hospital and Community Health Services and Prescribing (HCHS&P) allocation is £1,117.25 million.

Table 2 - Recurrent HCHS and Prescribing Discretionary Allocation

		£m	£m	%
2020-21 Recurrent HCHS and Prescribing Discretionary Allocation			**1,090.92**	
Baseline Adjustments				
WHSSC Pay Award distribution for LHB Employed Staff	0.01			
A4C Mapping to Commissioner Reversal (HEIW) (18-19 Pay Award)	0.06			
Stop Smoking Wales Additional Funding 2020-21	0.01			
Transfer for non dispensing practice	0.16			
Additional Cross Border - Tariff Increase	1.12			
Additional top slice: paramedic banding	(0.25)			
Additional top slice: 111 service	(1.52)			
		(0.40)		***-0.04%***
Additional Recurrent funding				
DDRB funding	2.51			
Executive Senior Pay (ESP) funding	0.01			
Immunisation funding (Pertussis for pregnant women)	0.08			
Immunisation funding (HPV-MSM)	0.01			
A Healthier Wales: Running Blades	0.09			
A Healthier Wales: Rehabilitation, Recovery & Reablement Services	0.20			
A Healthier Wales: Assistive Technology	0.10			
A Healthier Wales: Disability Sports Wales funding	0.03			
		3.02		***0.28%***
Core cost and demand uplift for 2021-22		**23.71**		***2.17%***
			26.33	***2.41%***
2021-22 Recurrent HCHS and Prescribing Discretionary Allocation			**1,117.25**	

Baseline adjustments

These include in-year recurrent changes to the Health Board funding allocated during 2020/21 such as the £1.12m allocated to cover the cross border tariff increases with England. In addition, it includes the agreed top slice of funding from discretionary funding, transferring it to ring fenced for paramedic banding and to directed expenditure for the 111 rollout. Neither of these adjustment should have a net impact on the Health Boards overall allocation.

Additional Recurrent Funding

The additional recurrent funding is for specific cost pressures such as the funding issued to support 2020-21 DDRB costs, Tariff increases and Healthier Wales funding.

Core Uplift for 2021-22

The Core Uplift of £23.71m is the Health Boards share of the £105 million allocated to meet estimated pay and other inflationary cost pressures for 2021-22. This equates to a 2.17% increase on the recurrent discretionary allocation. However, an element of the uplift will also be attributable to the ring fenced (excluding mental health and depreciation) and Directed Expenditure budgets, which accounts for the overall increase of 2%.

This funding is to cover the first 1% of agreed pay awards for 2021-22.

The HCHS&P funding is distributed using the needs-based allocation formula updated for recent population and needs indicator data revisions. See table below for the impact of the changes to the allocation formula, and the allocation of the Core Uplift across Health Boards.

See table below.

Table 3 - Health Boards share of the £105 million core uplift

	Formula shares %		**Core Uplift**
Health Board	**20/21**	**21/22**	**2021/22 £m**
Betsi Cadwaladr	22.38	22.59	23.71
Powys	4.17	4.42	4.64
Hywel Dda	12.90	12.79	13.43
Swansea Bay	12.97	12.71	13.34
Cardiff and Vale	13.50	13.31	13.97
Cwm Taf Morgannwg	15.13	15.36	16.12
Anuerin Bevan	18.95	18.84	19.78
Total	**100.00**	**100.00**	**105.00**

HCHS Ring Fenced Allocations

These allocations details the amounts of the HCHS Allocation, which remain protected or ring fenced, with the funding to be used for the purposes intended.

The Protected and Ring Fenced Revenue allocation is shown in the table below across three headings:

1. Mental Health Services – which includes the Core Uplift of £2.8m for Mental Health Services. This funding is to cover the first 1% of agreed pay awards for 2021-22

2. Other Protected and Ring Fenced Allocations – this includes the £16 million Drug Treatment Fund which has been added to the ring fenced allocation and calculated for each HB using the 21-22 updated shares (£3.59 million for BCUHB).

3. Organisation specific adjustment (non recurrent 3 years) – the Strategic Support Funding which is provided to meet core priorities over four financial years (starting in year during 2020-21), including:

    a) safe unscheduled care
    b) safe stepping up of planned care
    c) improvements to mental health services
    d) funding to review of strategic direction and to progress OD work

    The Strategic Support Funding for 2021/22, 2022/23, and 2023/24 is made up of:

    a) Deficit funding cover of up to £40m per annum. As for 2020/21 this then requires the Board to report break-even in each year.
    b) Funding from the performance fund for unscheduled care and planned care improvements up to £30 million to include developments in urology and diagnostics.
    c) £12 million to support implementation of the mental health strategy in partnership and build capacity and capability in the organisation to deliver transformation.

See table below.

Table 4 - HCHS Ring Fenced Allocations

	£m	£m	%
Mental Health Services			
2020-21 Initial HCHS Ring-Fenced Allocation	137.05		
Eating Disorders	0.10		***0.07%***
Mental Health Service Improvement Fund	1.49		***1.09%***
WHSSC Wales Gender Services - Peer Support	0.02		***0.01%***
Core cost and demand uplift 2021-22	2.80		***2.04%***
		141.45	
Other Protected and Ring Fenced Allocations			
Depreciation	31.79		
Learning Disabilities	17.21		
Renal Services	20.12		
Palliative care funding	1.30		
Integrated Care Fund (ICF) - Older People	9.57		
ICF - Learning disabilities etc	4.25		
ICF - Children at the edge of care / in care	3.19		
Integrated Care Fund (Autism Allocations)	0.65		
Paramedic banding	1.85		
Clinical Desk enhancements	0.16		
Genomics for Precision Medicine Strategy	1.19		
Critical care funding (including WHSSC funding)	2.63		
Treatment fund	3.59		
		97.49	
Organisation specific adjustment (non recurrent 3 years)		**82.00**	
Total 2021-22 HCHS Ring Fenced Allocation		**320.94**	

Directed Expenditure

These allocations are specific Health Boards and are for services health boards provide on an agency basis. The amounts form part of the Health Boards resource limit, but are not part of their population-based funding total.

These Directed Expenditure Allocations in 2021-22 are allocated on the same basis as 2020-21.

See table below.

Table 5 - Directed Expenditure

	£m
Mental Health CALL Helpline	0.31
Radiotherapy	0.20
Infrastructure SIFT	1.08
SIFT, PHLS, R&D and PGMDE Depreciation	0.60
Blood Disorders funding	0.03
Short Term Wheelchair loans	0.28
Blood Borne Viral treatment centre funding	0.31
Assistive Technology (Staff costs)	0.07
DAN 24/7 helpine	0.15
PH & W Coordinator Posts (WHIG)	0.08
Endometriosis Nursing posts (WHIG)	0.06
	3.16

GMS Contract, Community Pharmacy Contract, Dental Contract Allocations

The ring-fenced GMS contract allocation for 2021-22 has been allocated on the basis of the final 2020-21 allocation (recurrent elements), and adjusted for agreed 2021-22 recurrent increases. The GMS contract funding envelope remains ring fenced, although Health Boards may invest discretionary funding in GMS Services.

A supplementary allocation will be issued when the 2021-22 contract agreement is confirmed.

Table 6 - GMS Contract, Community Pharmacy Contract, Dental Contract Allocations

	GMS	Community Pharmacy	Dental
	£m	£m	£m
Allocation 2020-21	130.80	33.77	27.38
In year allocations:			
Transfer for non dispensing practice	(0.21)	0.05	
Access agreed uplift	2.00		
In year allocations : 2020-21 agreed uplift	1.19		0.81
Gwen am byth			0.08
Immunisation funding (Pertussis for pregnant women)	0.05		
2021-22 additional contract funding		0.64	
	133.83	**34.46**	**28.26**

Capital

Discretionary capital is that allocated directly to NHS organisations for the following priority areas:

- meeting statutory obligations, such as health and safety and firecode;
- maintaining the fabric of the estate; and
- the timely replacement of equipment.

Table 7 – Discretionary Capital Funding

	2021-22 Baseline discretionary capital funding £m
Betsi Cadwaladr University HB	**14.421**

Summary of Key Points from Allocation Letter

Hospital and Community Health Services and Prescribing (HCHS&P) allocation

- Health Board discretionary allocations have been increased by £105 million to meet estimated pay and other inflationary cost pressures for 2021-22. This equates to a 2% increase on the recurrent discretionary allocation, ring fenced (excluding mental health and depreciation) and Directed Expenditure. This includes funding to cover the first 1% of agreed pay awards for 2021-22. The HCHS funding is distributed using the needs-based allocation formula updated for recent population and needs indicator data revisions.

  The Core Uplift for Hospital and Community Health Services and Prescribing, Ring Fenced budgets (excluding mental health and depreciation) and Directed Expenditure budgets is £23.71m for 2021-22.

- This allocation does not include funding for the ongoing NHS response to Covid-19 in 2021-22. Resource planning assumptions for Covid-19 funding will be shared separately with Finance Directors.

- It is recognised that there will be pressures on prescribing in 2021-22 from the introduction of new medicines and availability of medicines. Health Boards will need to work with their pharmacy professionals to maximise the available opportunities to manage the introduction of new medicines and changes in practice. The Welsh Analytical Prescribing Support Unit will continue to work with the service to model the cost pressures of approved new medicines.

HCHS Ring Fenced Services

- Funding for the Treatment Fund has been added to the ring fenced allocation. The allocation of £3.59 million has been calculated using 21-22 updated shares, with the same agreed adjustments actioned in 2020-21.

Healthcare Agreements between Health Boards and with NHS Trusts

- Health Boards and the Welsh Health Specialised Services Committee are expected to pass on an appropriate levels of funding for relevant pay, non-pay

inflationary cost increases and growth funding in the Healthcare Agreements for services provided by other Boards and NHS Trusts, equivalent to the additional funding provided to commissioners. With the exception of centrally funded services and any agreed in-year funding, Welsh Government will not be allocating funding for pay awards and other inflationary costs increases directly to provider organisations, as this is an appropriate requirement for commissioning organisations to discharge.

- The financial values of Agreements should be confirmed promptly to enable provider organisations to confirm their Integrated Medium Term Plans. Welsh Government will require evidence that these Agreements are in place during its reviews of IMTPs. The deadline set for the signing off of LTA/SLA documents is by the last working day of March, with the submission of arbitration cases, from both parties, set as the first working day of April.

GMS Contract

- Contract negotiations have not been finalised for 2021-22. The GMS allocation is issued at this stage on the same basis as the 2020-21 allocation

- A supplementary allocation will be issued when the 2021-22 contract agreement is confirmed.

Community Pharmacy Contract

- The Community Pharmacy contract negotiations have not been finalised for 2021-22 although there is in principle agreement to continue the redistribution of existing funding to further support the delivery of clinical services most notably increasing availability of independent prescribing services, alongside wider reform of funding arrangements. The allocation for 2021-22 is issued with a 2% increase to the community pharmacy contractual framework (CPCF) funding for 2020-21.

- A supplementary allocation will be issued when the 2021-22 contract agreement is confirmed.

Dental Contract

- Contract negotiations have not been finalised for 2021-22. The allocation will be re-issued for 2021-22 when contract negotiations have been concluded, and agreement is given for a contractual uplift.

- Health Boards are reminded that in terms of the ring fenced Dental Contract budget arrangements will continue as follows for the next year.

Capital

- In addition to the discretionary funding, capital funding has also been approved for the delivery of the Primary and Community Care Pipeline across Wales as well as the continuing support for IM&T and diagnostic Programmes. Funding has also been identified linked to decarbonisation and maintenance of the NHS Estate. All

approved funding amounts are agreed with individual organisations based on scheme delivery profiles.

Mental Health

- Mental health services will continue to be ring fenced in 2021-22. Compliance of individual organisations with the ring fencing requirement will be monitored on an annual basis. Any organisation whose expenditure on mental health services falls below the ring fenced quantum will be required to account for the shortfall in expenditure.

- The table below details the total amount of the mental health ring fence for the Heath Board.

Table 8 – Mental Health ring fence

	2021-22 Final HCHSP Ring Fenced Allocation - See Table 4 £m	Primary Care Prescribing £m	GMS (QOF and ES) £m	Other Primary Care £m	2021-22 Total Mental Health Ring Fenced Allocation £m
Betsi Cadwaladr University LHB	**141.453**	**9.240**	**1.297**	**5.557**	**157.547**

- Additional funding has been allocated to the ring fenced mental health allocation for the Health Board for cost growth uplift. This funding will contribute to funding unavoidable cost growth in mental health services and includes funding to cover the first 1% of 2021-22 pay awards.

The Core Uplift for Mental Health services is £2.80m for 2021-22.

- Work is underway to develop a new resource allocation formula for mental health allocations. Until this work is completed, growth funding will continue to be allocated on the basis of historic shares.

- Funding has been transferred from central budgets for Mental Health Service Improvement fund (£1.49 million), Eating Disorders (£0.100 million), and Gender Services – Peer support (£0.020 million).

- In addition, for 2021-22 an additional £20 million has been agreed and held centrally for mental health. Further detail will follow on the 2021-22 element.

Infrastructure SIFT

- Funding for infrastructure SIFT of £1.080 million has been included as a Directed Expenditure Allocation. This funding must be used to support medical undergraduate education, and recipients of this funding will still be required to account for its use as part of the annual SIFT accountability agreements.

Substance Misuse

- The substance misuse allocation remains ring fenced in 2021-22. The Health Board has received an increase of £0.267 million to give an indicative allocation of £5.787 million for 2021-22.
- Funding will be withheld from Health Boards until confirmation is received from the Chair of the relevant Area Planning Board (APB) that the use of these resources complements the delivery of the Welsh Government Substance Misuse Strategy three year implementation plan, the Health Board local delivery plans and local substance misuse action plans.

Cross Border Financial Flows

- The impact of the 2021-22 tariff on Health Board plans will be considered once the tariff is published by NHS England for 2021-22.

BCUHB
Planning for 2021/24

Finance and Performance Committee Update

Date: 28th January 2021

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Betsi Cadwaladr
University Health Board

As with all Health Boards our role is…

…. to ensure the **effective planning** and **delivery** of healthcare for people for whom it is responsible, within a **robust governance** framework, to achieve the highest standards of **patient safety** and public service delivery, **improve health**, **reduce inequalities** and achieve the **best possible outcomes** for its citizens, and in a manner that **promotes human rights.**

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Planning for 2021/24

- Requirement to develop annual plan set in the context of future recovery and transition from operational response to integrated strategic planning.
- Outlook for Covid19 uncertain - the *four harms* remain the context in which plans must be developed
- Refine and agree the core priorities identified in Q3/Q4
- Rolling plan building on actions in 2020/21
- Development of meaningful performance measures linked to plan
- Strengthen communication throughout the organisation

2021/24: Outcomes we want to achieve (Based on 'A Healthier Wales' Design Principles)

People in North Wales have improved health and well-being with better prevention and self-management,

People in North Wales have better quality and accessible health and social care services enabled by digital and supported by engagement,

Improve health and reduce inequalities

The health and social care workforce is motivated and sustainable,

North Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation, enabled by data and focused on outcomes.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Strategic Transformation (A Welsh Government expectation on exiting Special Measures)

- Develop a Strategic Transformation Plan for the next 3 years informed by the Digital, Workforce and Clinical Strategies
- Building on relationships and existing partnership structures and fully engaging and involving the public, staff, trade unions and partners on the transformation and reshaping of services
- Build a sustainable vision for the future focussing on prevention, physical and mental wellbeing, population health and primary and secondary care services
- Transformation and innovation leading to improved trajectory of outcomes, patient experience and financial performance year on year
- Further develop the business case for a Medical and Health Science School

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Building on our Board approved Q3/4 Core Priorities

Delivery across our system of:

- ❑ Continuing to provide care under "essential" services and safe stepping up **planned** care
- ❑ Safe **unscheduled** care
- ❑ Safe integration and improvement of **mental health** services
- ❑ Safe and secure environment for our people
- ❑ Effective use of our **resources**

Agile integrated delivery plans

Enabled and protected by:

- ❑ COVID-19 oversight; prevention; readiness
- ❑ Integrated governance structure supporting clear accountability and effective decision making and learning

Applying learning from 2020 so far

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Current Draft Strategic Priorities for 2021/22 and beyond

Achieving the highest standards of patient safety and public service delivery, improve health, reduce inequalities and achieve the best possible outcomes for our citizens.

- ❑ Strengthen our **population health** focus
- ❑ **Primary** and **Community** Care
- ❑ Recovering access to timely **planned** care pathways
- ❑ Improved **unscheduled** care pathways
- ❑ Integration and improvement of **mental health** services

Agile integrated delivery plans

Enabled by

- ❑ Stronger **governance**
- ❑ Building a fit for purpose integrated **organisation**
- ❑ Making **effective and sustainable use of resources**

Applying learning

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board

Progress to Date

- 3 year Programme Level Plan identified - subject to approval by the Executive Team
- Underpinning Programme Level Delivery Plans in development (drafts by 22nd January) including:
  - Actions and outputs to be delivered
  - Identification of key 2021/22 investment schemes
- Prioritisation process identified for new investments

Risks and Mitigation

Risk	Mitigation
Uncertain environment and a focus on managing Covid19 is impacting upon a return to normal business as usual	Deliverability tests through oversight group / planning workstream taking into account financial, service and workforce constraints Development of a high level annual plan, which is reviewed and refreshed after Q1. Discussion with other Health Boards around approaches to 2021/22.
Programme management and staffing capacity – focusing on managing operational pressures versus planning for next year and beyond	Work to strengthen key workstreams, specifically planned and USC capacity going forward. This will not support planning capacity in the very short term Ensure a continued focus upon planned care recovery and strategic transformation fund.
Operational teams capacity to fully engage	'Top down' plan / support being provided through programme management and planning workstream / oversight group.

Next Steps

January 2021	- Cost pressures and underlying deficit identified - Reconciliation of Q3/4 Actions moving into 2021/22 - Programme Action Plans developed - Cluster plans developed
February 2021	- Service Change Decisions: Investment and Disinvestment schemes proposed financial impact of service changes developed and supported by approved business cases including outcomes, activity impacts and benefits realisation. (including link to strategic transformation) - Activity, financial, workforce and performance profiles - completed by 26th February
March 2021	- Outputs of above to inform plan for Board – papers due 4th March - Accountability Plan established outlining Executive, Programme and divisional / service leads / actions - Financial, Workforce, Estates and IM&T impacts - Annual Plan submission to Welsh Government in line with NHS Planning Framework 2021/22

Cyfarfod a dyddiad: Meeting and date:	**Finance and Performance Committee 28.1.21**
Cyhoeddus neu Breifat: Public or Private:	Public
Teitl yr Adroddiad Report Title:	**Planned Care Update**
Cyfarwyddwr Cyfrifol: Responsible Director:	Mr Gavin MacDonald – Interim Chief Operating Officer
Awdur yr Adroddiad Report Author:	Mr Andrew Kent- Interim Head of Planned Care Transformation
Craffu blaenorol: Prior Scrutiny:	Mr Gavin MacDonald – Interim Chief Operating Officer
Atodiadau Appendices:	Appendix 1- Current and future status assessed fortnightly by EIMT Appendix 2- The six point plan

Argymhelliad / Recommendation:

The Committee is asked to:

1. Discuss and agree point five of the six-point plan so that we can progress the procurement and clinical engagement work of this significant ask and play this into the 21/22 activity plan.
2. Note the organisation's planned care Referral to Treatment (RTT) position

Please tick as appropriate

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval	**x**	**Ar gyfer Trafodaeth For Discussion**	**x**	**Ar gyfer sicrwydd For Assurance**		**Er gwybodaeth For Information**	**x**

Sefyllfa / Situation:

The paper continues to update the Finance and Performance Committee of the continued disruption to planned care activity during the Covid pandemic and contributing winter pressures. It describes the continuing waiting list position and gives a focus this month on the over 36 & 52 week waiters.

Cefndir / Background:

The organisation has increasing long waiters as routine activity is paused again due to the Covid surge. The paper describes a need to react proactively to this scenario and commence early implementation of the recovery plan due to capacity restrictions nationally.

Asesiad / Assessment & Analysis

Strategy Implications

Backlogs of treatments are increasing for patients in North Wales, due the Covid pandemic, the need to implement an early recovery programme is part of the six-point recovery plan.

This approach provides a stand-alone solution but supports the diagnostic and treatment centre approach, by improving the waiting times to align to the new value based health care approach if the diagnostic and treatment centres go ahead.

Financial Implications

Yet to be fully understood as an early procurement process has begun, however it would include

- Modular rental of wards x3
- Insourcing of eight theatres and modular wards.

Risk Analysis (high level) full assessment will be undertaken if approved**.**

The risk is recognised for patient waiting for long periods of time for treatment and assessment (OPD)

The Estates impact of modular wards

The clinical governance of insourcing company

Ability to deliver an insourcing model at such a scale.

Legal and Compliance

We would need to comply with procurement operating procedures and financial regulations.

Impact Assessment

Not yet undertaken

Introduction

The paper continues to update the Finance and Performance (F&P) Committee of the continued disruption to planned care activity during the Covid pandemic and contributing winter pressures. It describes the continuing waiting list position and gives a focus this month on the over 36 & 52 week waiters. We describe undertakings to mitigate harm and an approach for discussion and agreement on getting ahead of the curve for quarter one and two.

Context

The current waiting list size is tabled below:

BCU HB Waiting List by cohorts of Weeks Waiting as at 10th January 2021						
Weeks Waiting	0-25	26-31	32-35	36-51	52+	Total on WL
Number on WL	57,700	4,586	1,868	20,997	31,593	**116,744**

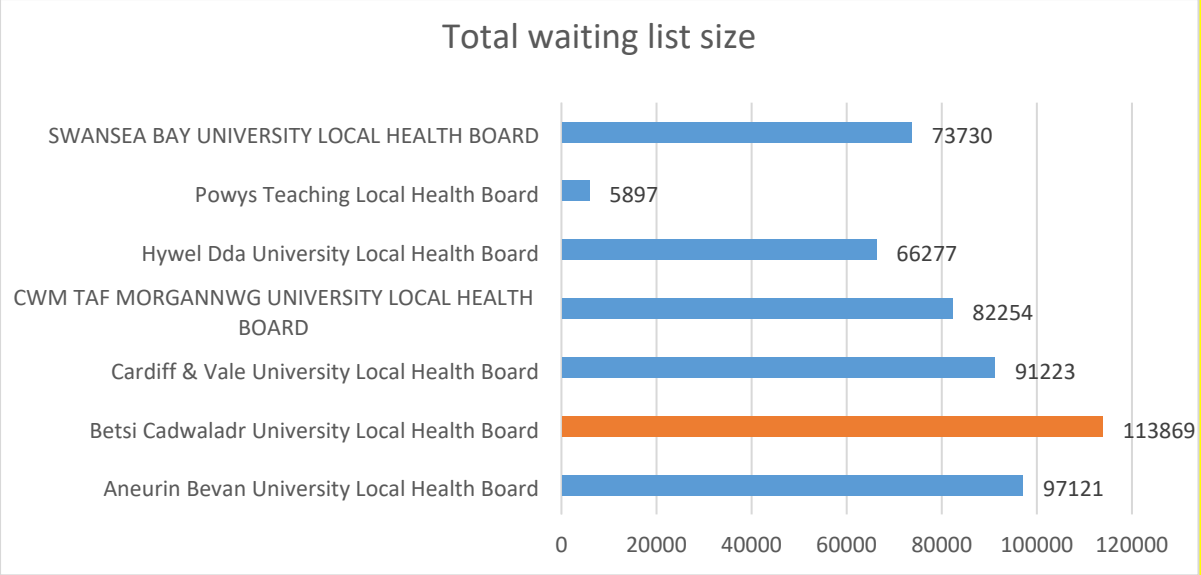
The table below describes the breakdown by treatment stage.

	36-51 weeks	over 52 weeks	comments
Stage 1	13,075	16,707	
Stage2/3	1637	2753	
Stage 4	3658	10327	4,036 in Orthopaedics

Both tables illustrate the growing numbers of long waiters that are currently paused for their treatment during the pandemic. With a potential year-end forecast of 50,000 over 52 week waiters.

Benchmarking

At the last F&P, there was a request to have a comparison against the rest of Wales. The graphs below, supplied by the delivery unit, shows our comparison by total waiting list size and the over 52-week position, which we know is a good indicator, compared to the actual reporting position of “over 36 weeks.” This allows us to look at the tail of the waiting list, which is currently paused and growing.



As we can see our organisation, has the largest waiting list (113,869), but is closely followed by Aneurin Bevan (97,121) then Cardiff and Vale (91,223)

However when we look at the longest waiting patients in the graph below we can see we have 10,000 patients more than a nearest health board, with BCU at 24,731 and Aneurin Bevan 14,245.

When looking at the year-end forecast position and pointing out the Covid disruption and how long that may last, we are predicting 50,000 over 52 weeks across all stages by end of March in our worst-case scenario.

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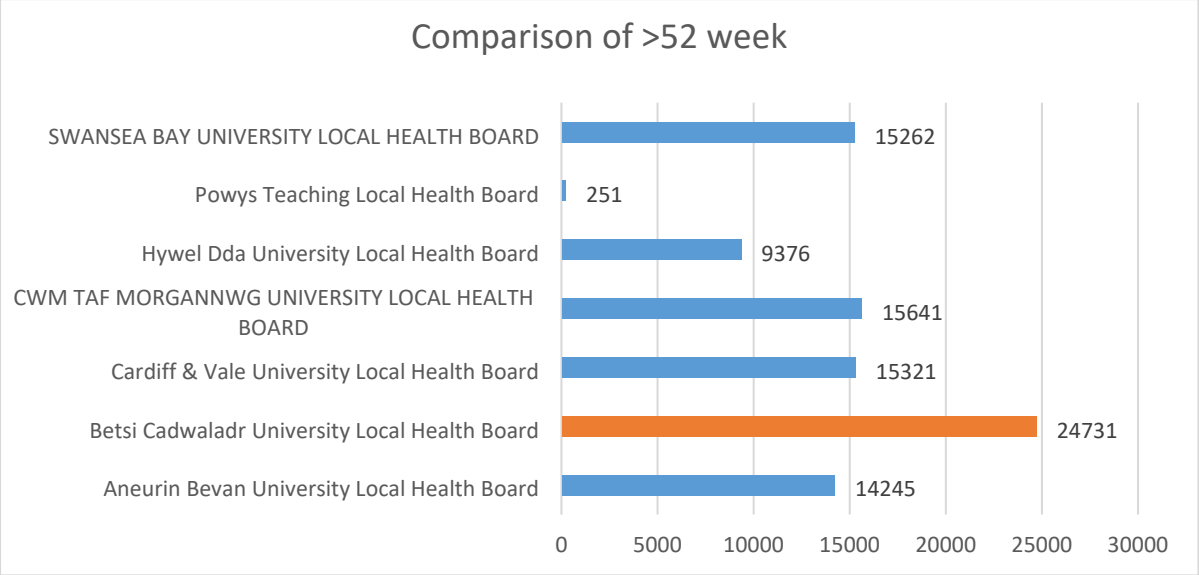
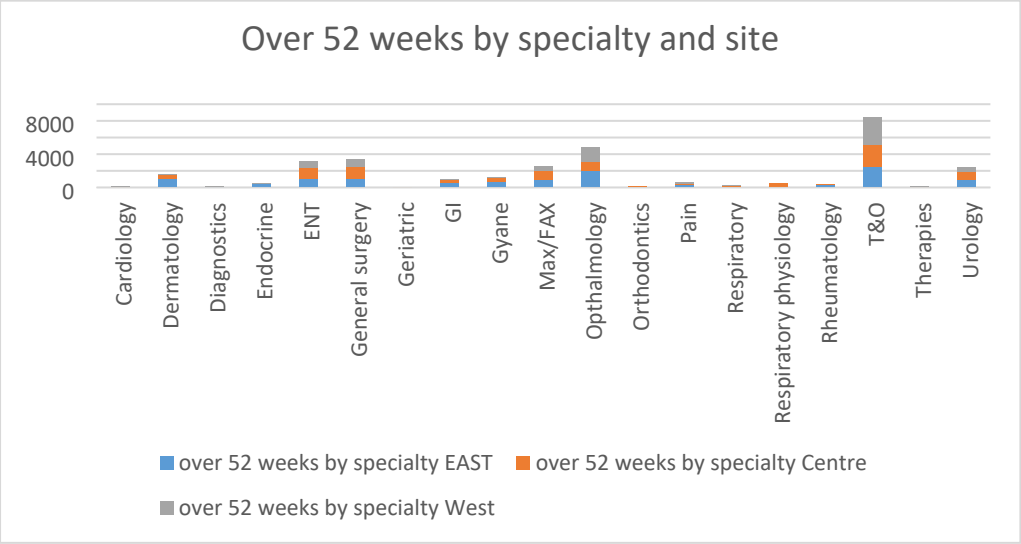


Current BCU position

When looking at the >52 week position by site we can see East has the most (12,425), followed by centre (10,613) and West (8,555).

The graph below breaks this down by speciality and site and the top specialties are:

- Trauma and Orthopaedics
- Ophthalmology
- General surgery
- ENT
- Urology
- Dermatology

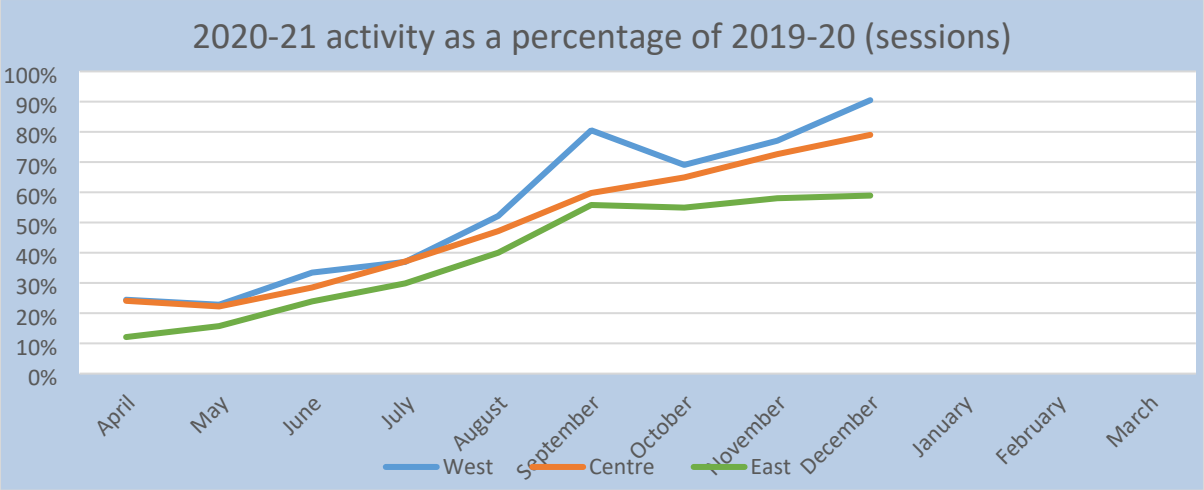


The distribution across sites is comparable. The once for North Wales approach has started to level the inequalities of wait for high risk patients the patterns of long waiting patients continue.

From a recent demand and capacity analysis and reported to this committee previously we know that eight theatres are available at the weekends across the three acute sites, whilst still covering all emergency activity. Although available in physical form (fallow) there are no substantive staff linked to this capacity.

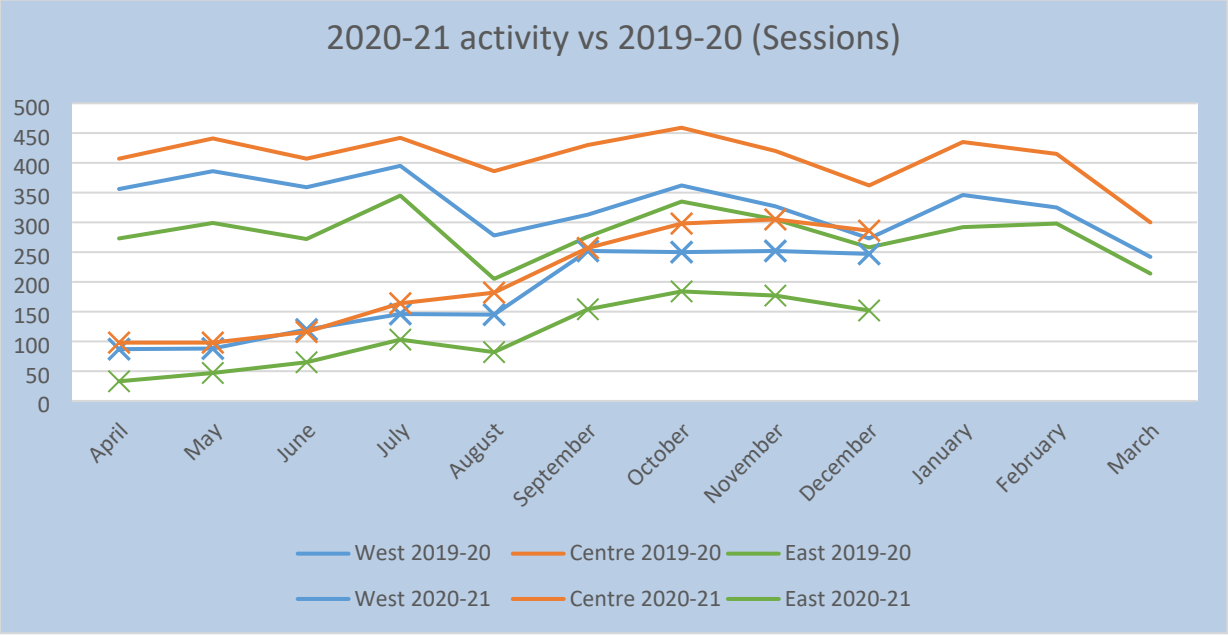
Theatre activity

In December the number of sessions continued to improve compared to the previous years for two of the sites, showing the gradual improvement following the first Covid surge, with West (90%) Centre (79%) and East (59%) with East showing a flattening of their recovery, due to continual Covid pressures.

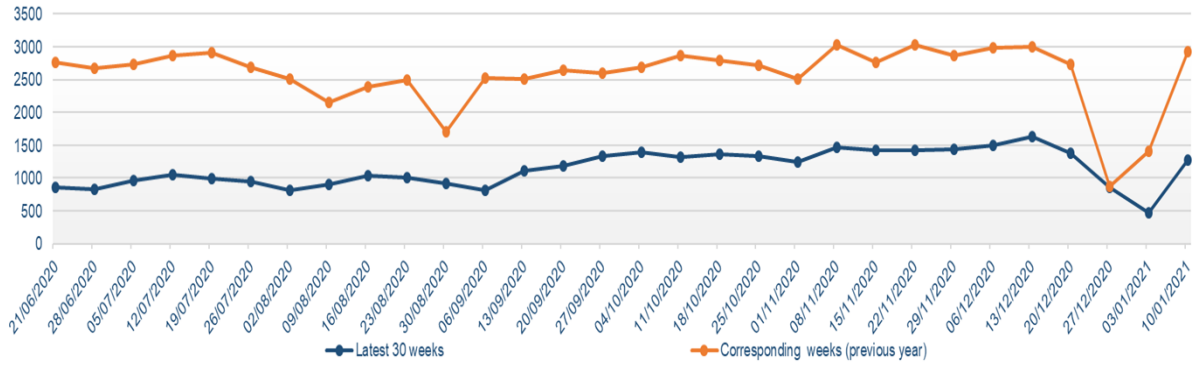


This is important in context of the current situation and illustrates how slowly it takes planned care to recover. The planned care transformation group believe the same trajectory will occur after the current wave due to: Easter holidays, slow de-escalation of areas, the impact of staff fatigue and holiday build up, particularly at the East site, which has had continual and significant Covid disruption.

Activity in the sessions described below continues to be less with Centre delivering 72% of previous years activity, East (58%) and West (77%), this is Novembers data which is a full months activity compared to December. As the graph illustrates this trend shows it may become the new normal, which is a risk to the organisation.



A similar activity trend is showing out in outpatient activity as well with approximately 50% of previous routine activity being delivered through the outpatient settings, in comparison of the previous 30 weeks (see below).



Further work will be required over the coming months to understand this in more detail as part of the 21/22 planning cycle.

Finally, from the 18th of January, which will be reported in detail in next month's paper, we have commenced moving cancer activity over to the West from the East site. This is an extension of the once for North Wales model, to support the East site during the Covid surge. (Appendix 1)

Point 6- of the six-point plan

The section of the paper above has allowed a stock take for the Committee of our current situation and in particular, our long waiters that are still paused and will continue to do so during this current surge, so that essential services will be maintained.

During January, we have re-instigated the Insourcing for Ophthalmology, testing the approach of handing over the theatres at weekend at two sites, West and East. This comprises of an external company delivering Outpatients, pre-operative assessment and theatres on a Saturday morning and handing back on a Sunday evening. Both started well but due to the significant Covid pressures at the East, it was soon paused. The delivery of care will now move to Abergele at the weekends from late January, from the East site.

At the time of writing this approach is looking hopeful with high levels of activity, closer to home for patients rather than being outsourced across the north west of England and is allowing substantive staff to focus on other areas of the service such as AMD, which is a significant clinical risk.

Although not a new approach, it is similar to endoscopy, we recognise that this could be undertaken now on a wider scale with more focus on the specialties described earlier in the paper with long waits.

The committee will recognise this will deal with long daycase waiters, the model can be expanded to stage one activity and in some parts of the country, whole pathways are now being delivered in this way to support the recovery programme.

For In-patient activity, the planned care transformation group are working with estates, sites and procurement to explore placing modular wards at each site, so that In-patient activity could follow the same model. The insourcing companies now

provide ward-based staff, to facilitate this work. Thus allowing the flexibility of using potential fallow sessions during the week or using capacity for in-patients at weekends.

Next steps

The organisation will need to move at pace, as many other organisations in the country are now looking at post Covid recovery for planned care and the staff and modular system will be of limited supply as we have seen in previous years with endoscopy, which has used a similar model.

The tender specification and procurement process is being discussed, to give resilience. The approach would be substantive staff focus on cancer, P2. Backlogs. The insourcing companies can focus on P4 activity, therefore treating patients at both ends of the spectrum.

An urgent capacity plan to reduce backlogs will be undertaken so that we can understand the number of sessions required and time to achieve.

Early conversations with certain clinical leads has begun but significant clinical engagement will be required for this work. However we have noticed that very few Waiting list initiatives have been undertaken in Q4 due to staff fatigue and we cannot underestimate the impact of Covid and asking staff internally to do more may not be a viable option for many months to come. We also know that despite fortnightly requests from previous external providers we are getting constant rejections regarding capacity, leaving few options to deliver a reduction of backlogs for the population of North Wales.

Conclusion

Planned care activity continues to have severe disruption during this current pandemic and is building up a significant backlog by the end of the year position. The six-point plan is beginning to develop and this paper has described an approach that need to be procured and implemented as soon as possible in a phased approach due to the pandemic. The operation is being tested by moving activity across north Wales and the insourcing model is being tested with Ophthalmology, the next stage is to replicate and scale.

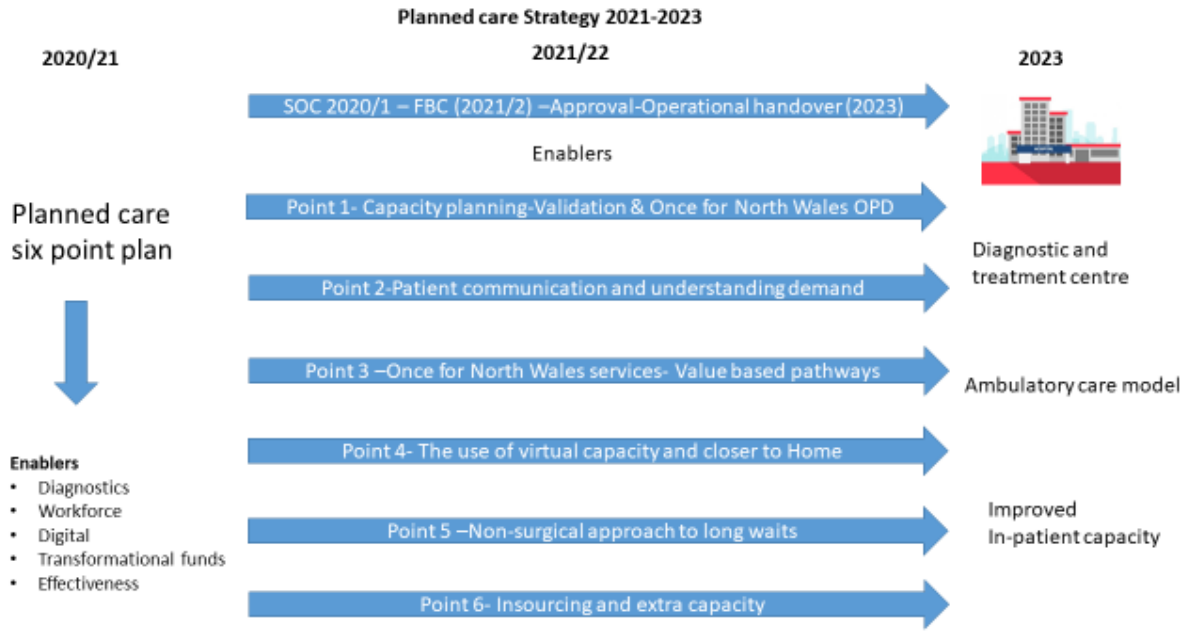
Recommendation

- Discuss and agree point five of the six-point plan so that we can progress the procurement and clinical engagement work of this significant ask and play this into the 21/22 activity plan.
- Note the organisation’s planned care Referral to Treatment (RTT) position

Appendix 1- Current and future status assessed fortnightly by EIMT

Week commencing	EAST	Centre	WEST
11/01/2021	Limited essential services upper GI and laser work only	Essential services	Essential services and P2 activity and insourcing Opthalmology
18/01/2021	Limited essential services upper GI and laser work only	Essential services	Essential services and insourcing Opthalmology
25/01/2021	Limited essential services upper GI and laser work only	Essential services- insourcing Opthalmology TBC	Essential services and insourcing Opthalmology
NB Emergency theatres continues on each site			

Appendix 2- The six point plan



Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee** **28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Planned care update: Option 5 Ophthalmology – Eye Care Collaborative Programme update**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Gavin McDonald – Chief Operating Officer (COO)
Awdur yr Adroddiad **Report Author:**	Alyson Constantine – Non-Clinical Lead Eye care / Acute Site Director Ysbyty Gwynedd
Craffu blaenorol: **Prior Scrutiny:**	Gavin McDonald - COO
Atodiadau **Appendices:**	n/a

Argymhelliad / Recommendation:

The Finance & Performance (F&P) Committee are asked to note the progress of the programme and the anticipated timescales for submission to Executive Team and F&PC as a Business Case (BC) proposal.

Please tick as appropriate

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**	**x**	**Ar gyfer sicrwydd For Assurance**	**x**	**Er gwybodaeth For Information**	**x**

Sefyllfa / Situation:

The Eye Care Programme has been in progress for circa 2 years and was halted throughout the majority of 2020 due to COVID-19 being the focus of time and input. This has now been re-energised with the re-launch of the collaborative and a focused approach to prioritisation of the various work streams in order to maximise progression against both clinical concerns, for example, those associated with the provision of Intra Vitrial Therapy for wet Acute Macular Degeneration patients and the opportunities being made available through the All Wales Digital programme.

Cefndir / Background:

This proposal supports the Business case which details the requirement to invest in the pathway redesign to transform the provision of eye care in order to deliver a sustainable service for the population of North Wales and is based on the work to support the introduction of the National Eye Care measures which is both promoted and supported by Welsh Government and strategically supported in terms of the direction of travel by BCUHB.

The original Business Case, produced over a year ago, was submitted for approval, however, COVID struck and unfortunately the case did not progress in its totality. A resubmission will be based on prioritising investment in order to deliver both greatest patient benefit through transformation but also the most practical way forward bearing in mind we are still in the middle of a pandemic.

This phased proposal is linked to a number of work streams both locally and Nationally and can be compartmentalised under the following themes:

- Digitisation / New Technology: The enabling of new ways of working through the provision of a digital platform to facilitate electronic referrals / Electronic Patient Record (EPR) (Open Eyes) and the replacement of aged equipment which will facilitate electronic referrals, virtual reviews and shared care pathways.

  Current status: Open Eyes has been funded by WG for roll out from February 2021.
  End of Life (EoL) equipment to support Open Eyes has been submitted to WG and we anticipate a response to the funding request prior to 31/1/2021
  If approved this will be one of our prioritised pieces of work as the Eye Care Collaborative group (ECCG)

- Pathway Transformation of Eye Care services through the continued development and roll out of Primary Care services to provide care closer to home and enable professionals to work to the top of their licence. The main pathways support Cataract surgery, Glaucoma and wet AMD. There are already agreed local pathways and work continues to conclude national pathways for all ensuring standards are met and equalised for all patients across Wales. This proposal will include as a priority patients with Glaucoma and the treatment of wet AMD with Cataract surgery retaining a focus for when post COVID we can put high throughput lists in place but also learning from the work from other sites to implement much shorter pathways and one stop shops, achieving 6 procedures per list going forward.

- To support transformation, workforce capability as well as capacity is required. This starts with ensuring colleagues understand and utilise the ability of all to work to the top of their licence through closer collaboration of working practices and training to support expansion of care closer to home with optometrists in primary care providing services for stable disease but also recognising when more specialist input is required and referring appropriately. Optometrists have been identified through the Optometry Diagnostic Treatment Centre (ODTC) process and other non-medical staff will also participate in training, placements and supervision to build a portfolio of workforce to be able to deliver appropriate services in more appropriate settings. This is a priority to enable, alongside digital infrastructure the transformation of pathways.

  Current status: Optometrists identified for the Higher Certificate and placements progressing.

Additionally, the context along with the COVID pandemic causing significant backlog, being supported by short term in-sourcing, is the opportunity to develop Diagnostic treatment Centres (DTCs) which will require planning and are not expected to be viable and take on services for another three years.

This proposal, in support of other work to reduce our backlogs, will enable transformation of our pathways and ultimately ensure that by the time that DTCs are implemented a robust understanding of demand and capacity and therefore what is required to be serviced by the DTCs and how they will need to work, will be in place.

Asesiad / Assessment & Analysis

Priorities for taking forward

The collaborative believe that this transformative work will develop robustly and sustainably over the next 2 to 3 years. Over the next 12 months the plan is as follows:

- Demand & Capacity (D&C) modelling (supported by Business Intelligence dashboards to monitor performance)
- Once for North Wales for eye care pathway patients, especially cataract patients where one waiting list will identify priority patients requiring transfer to alternative sites for treatment – following the urology planned care model and utilising current resources in prioritised way no matter where in North Wales they live)
- Backlog solutions (not for the scope of this Business Case (BC) but congruent links to ensure groups working together, supported by D&C modelling above)
- Open Eyes Implementation (introduction of IT sub-group to oversee completion and robust system implementation and long term support))
- EoL equipment implementation, interfacing and initial training (data transfer and ongoing system support)
- Wet AMD capacity capability to deliver current service within the required timescales and standardised against the All Wales pathway
- Glaucoma pathway transformation via the utilisation of Primary and Community care providers – move from data gathering to shared care following non-medical enhanced training and supervision
- Wet AMD drug changes to either alternatives to be available in the next year and the changes in patent of the current drug treatment (likely in 22/23)
- Implementation of the Cataract surgery system to support productivity improvements through the one stop cataract pathway, closer to the Sunderland model recommended as ‘best practice’ and enable 6 procedures per list
- Development of Cataract centres and DTCs (not for the scope of this BC but congruent links to ensure groups working together, supported by D&C modelling above)

Key Risks

The key risks associated with the Programme are:

- **EPR and e-referral**: Still awaiting EoL equipment support from WG, expected to have decision announced prior to 31/1/2021
- **Impact of COVID-19:** Whilst the vaccination roll out provides hope, sufficient clinical benefit (and much is still unknown) may not be seen for some months yet and along with winter pressures it is likely that it will be at least Q1 21/22 before non-essential services start to be re-instated with essential services and high priority cases taking priority for some time to come. ‘back to normal’ may not be such for a number of years to come.
- **Recruitment:** Practically, there are already vacancies in the system so requesting funding for more posts where there are already vacancies is unrealistic. However, if the ECCG can demonstrate working together the ability to attract through different ways of working and flexible job plans to ensure that interesting posts can be implemented, that this proposal may not ask for funding of posts up front but would ask for the opportunity to recruit if such opportunities arise.

Next Steps

The Business Case has been updated to reflect an uplift in 2021/22 salary costs and the current status of the progression of the work so far in developing the Clinical Pathways (including the drafting of the All Wales wet AMD Pathway, the implementation of the Primary Care ODTCs and the securing of the Open Eyes software to enable connection between primary and secondary care services and enable service transformation.

The HBRT (Health Board Review Team) has reviewed the case, is supportive not only of the strategic direction (already approved previously by EMT) but of the implementation principles and recommended progression to EMT in January 2021.

This briefing is to provide assurance of the recent strides made in progressing this programme and the expectations in terms of timescales of anticipated delivery of some of the priority workstreams.

Recommendations

The Finance & Performance Committee are asked to note the progress of the programme and the anticipated timescales for submission to Executive Team and F&P as a Business Case proposal.

Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee** **28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Unscheduled Care Report**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Gavin MacDonald Interim Chief Operating Officer (COO)
Awdur yr Adroddiad **Report Author:**	Meinir Williams, Director of Unscheduled Care Claire Brennan, Head of Office, Executive Director of Nursing
Craffu blaenorol: **Prior Scrutiny:**	Review by Interim COO
Atodiadau **Appendices:**	None

Argymhelliad / Recommendation:

The Committee note the Unscheduled Care performance for December 2020 across BCUHB and for each Health Community

Please tick one as appropriate (note the Chair of the meeting will review and may determine the document should be viewed under a different category)

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**		**Ar gyfer sicrwydd For Assurance**	**X**	**Er gwybodaeth For Information**	

Sefyllfa / Situation:

This report is provided to the Health Boards Finance and Performance Committee on key Unscheduled care performance measures. It reflects the position for the month of December 2020.

In order to provide the Committee with performance comparators, data for November 2020 and December 2019 are included in an attempt to describe the improvement or otherwise of the quality indicators:

- *4 hour combined Emergency Department (ED) / Minor Injury Unit (MIU)* performance set against a back drop of demand growth/decline
- *12 hour ED delays* set in the context of operational pressures and impact on patient outcomes and experience
- *Ambulance demand* reflecting local v's national trends
- *Ambulance handover* describing system risk

The report will also provide an update to the Committee on 4 areas of work relating to:

- Effective use of resources – Same Day Emergency Care (SDEC), Phone First
- Surge capacity – Ysbyty Enfys
- Development of a Health Board strategy for Unscheduled Care
- Operational and tactical response to Covid-19 pressures

Cefndir / Background:

The Health Board has seen broadly the same number of people attending its EDs and MIUs in the month of December compared to November 2020 (68 fewer patients presented in December v's November).

Demand has not returned to pre-Covid levels (3,144 fewer people presented to ED/MIUs in December 2020 v's December 2019) and the number of attendances has broadly remained consist for the past 3 months.

The EDs and MIUs continue to provide 'Red' and 'Green' pathway and carve out separation in order to reduce the risk of cross infection. The impact of this pathway separation means that the overall ED/MIU capacity available to care for patients in a safe environment is reduced by almost 40%. The same is seen on our wards and in-patient areas where social distancing requirements for bed spacing has reduced the Health Board's bed numbers by c80 beds.

The need to adopt robust infection prevention measures is of no doubt, and the Health Board continues to be cognisant of the impact this has on the number and speed by which the teams can process patients through their care. The impact of these constraints is reflected in the performance against some of the key Unscheduled Care measures.

There is an anticipation of a rapid return to pre-Covid levels of attendances through January to March which poses a risk that the Health Boards ability to deliver timely care will be further compromised. There is continuing evidence of a deteriorating position across Wales in terms of 'R' rate, with SAGE reporting a continued growth in infection numbers across Wales which is of concern. Local North Wales modelling is showing an escalating number of positive Covid-19 cases and there are significant inconsistencies with the national picture. A 7 day incidence per 100,000 population is on an upward trajectory in each North Wales county. This together with the new variant transmission are causing significant pressures on the unscheduled care system, as well as Intensive Care Unit (ICU) / Critical Care capacity, particularly at the Ysbyty Wrexham Maelor site which is currently experiencing the highest demand and modelling indicates a rise against the worst case scenario for ICU beds.

Community demand in North Wales remains high, with WAST conveyances to BCUHB EDs being consistently the highest across Wales in December with the trend continuing into January. The loss of North Wales Ambulance Control due to Covid outbreak at the beginning of January may have contributed to some high numbers and the length of time of 'waiting' calls

Asesiad / Assessment & Analysis:

4 hour Combined ED/MIU Performance:

The combined 4 hour ED/MIU performance for December 2020 was 64.6%, which was a deterioration compared to 72.8% in November 2020 and marginal decline compared to 66.8% for December 2019. ED only performance was 57.5% in December 2020 which is a deteriorating position compared to 66.3% in November 2020. This is also a deterioration compared to December 2019 which reported at 56.4%. The increased numbers of Covid suspected patients presenting in our EDs are resulting in protracted waiting times for swab results and moves into red or green pathways.

The number of attendances for the month of December 2020 was 13,492, this is broken down per site as follows: West 3,841; Centre 5,140 and East 4,511. This is a marginal decrease compared to 13,998 attendances in November 2020 and is lower than the same time last year.

12 hour ED delays:

The number of patients who waited in our EDs for more than 12 hours is reporting a deteriorating position with 435 more people delayed in ED for >12hrs in December compared to November (1,742 in December v's 1,307 in November). However, this is an improvement compared to December 2019 where our EDs held a total of 2,275 patients for 12 hours or more.

When we consider our patient outcomes and experience it's important that we monitor not just the number of patients delayed, but the length of time they were delayed for. There remains an unacceptable number of exceptionally long delays at both Ysbyty Glan Clwyd and Ysbyty Wrexham Maelor over recent months, in December the total number of patients being delayed for 24 hours or more in our EDs was 531 compared to 387 in November. This is an improvement to 651 delays >24 hours in December 2019.

Whilst there are less delays at the YG site there has been in increase in the number of patients waiting in ED following decision to admit from the previous month. This can be correlated with the increase in conveyances but a modest improvement in lost hours for handover, impact coming from some familiarisation requirements with the new Symphony system installation, which was anticipated, along with early coding issues and pending improvements in flow where there has since been significant improvements again enabling support for the whole system.

Ambulance Demand:

Ambulance CAT A performance

The 8 minute red performance target relates to ambulance response to red calls (very urgent). This is reporting a marginal decrease from 62.28% in November to 61.12% in December 2020 but is a slight improvement compared to 59.91% in December 2019, however, this remains below the 65% performance target.

During November, December and continuing into January ; the Welsh Ambulances Services Trust (WAST) experienced significant increase in demand, so extra ordinary that WAST have escalated to their highest Regional Escalation Levels and enacted their REAP level 4/5 plans several times over preceding weeks.

The importance of timely ambulance handover in this challenging pre-hospital operational context is pivotal in keeping our population and communities safe. In this regard the EDs have felt the added pressure to release ambulances quickly to allow them to respond to life threatening calls in our communities. Our performance against the ambulance handover measures are described below.

Ambulance handovers >60 minutes & >180 minutes

The pre-hospital pressures experienced by WAST in recent weeks and months is reflected in both the ambulance handover performance and inpatient acuity. The number of ambulances presenting to the doors of the EDs increased during December which saw 278 more conveyances than November (4,409 v's 4,131respectively), this is broadly comparable to 4,304 in December 2019.

It is important to note that the acuity of the patients being brought by ambulance has remained higher in November and December which, in turn, increases the demand for 'majors' spaces in our EDs. High acuity limits the options to offload into lower acuity patient clinical spaces such as the waiting room or minors areas. The added pressure of patients requiring 'red' and 'green' pathway separation, further compounds safe, timely offload.

The number of patients delayed at ambulance handover for >60 minutes in December was 1,332, which was 407 more delays in December compared to November. This compares to 1,113 delays in December 2019.

Ambulance handover delays are of such significance when we consider whole system risk and population safety. The importance is not only the number of patients who are delayed at the point of handover, but the length of time they are delayed. To this end, the Health Board now monitors and reports all handovers of >180mins. The concerted efforts of the teams across North Wales in November resulted in a reduction of the number of patients delayed for >180 mins (252 in October reduced to 201 in November, however this rose again in December to 269). Ysbyty Glan Clwyd remains the site with the greatest number of delays >180 minutes and the site improvement plans reflect the ongoing work being done by the team there to improve this with pace

Effective use of resources – SDEC, Phone First
As part of the Health Board's Winter Resilience and Q3/4 Plan, funding has been secured from Welsh Government in support of enhanced development of the *Same Day Emergency Care (SDEC)* services on each of the three acute sites. The Health Board's Clinical Lead for SDEC is providing the clinical input into the newly formed National group. He is also a Bevan Exemplar and a subject expert on SDEC and has extended support to his colleagues in Centre and East as required in an attempt to rollout through a once for North Wales approach.

The Health Boards *Phone First* service delivered a soft launch on 8th of December as planned. The service includes extended support from the existing SICAT service working alongside the three EDs, all MIUs and the newly launched Primary Care Urgent Care Centre (UCC) in East. The intention of the service is to manage urgent care demand into a more scheduled way, reduce the variance in demand and avoiding congestion in our EDs, MIUs and UCC. The service model reflects the Cardiff and Vale CAV24/7 service, but due to workforce and technology constraints we are unable to offer public access at this stage. However, the BCUHB model continues its support to WAST and managing 999/urgent calls waiting on the ambulance stack.

The National 111 team have confirmed their support which has received Ministerial approval to bring forward the rollout of 111 to North Wales by 12 months from the initial implementation date of June-July 2022 and work is underway in preparation to deliver this by the end of Quarter 2 in 2021-22 and address the associated workforce and IT challenges. This will bring BCUHB in line with the other 5 Health Boards in Wales which have delivered a standardised and integrated 111 call handling and clinical assessment function, which combines components from the NHS Direct Wales (NHSDW) and Urgent Primary Care (OOH) services, whilst supporting local improvements in clinical pathways linked to an updated Directory of Services.

Surge capacity – Ysbytai Enfys:
As the Heath Board continues to plan and respond for second Covid wave, modelling confirms that the Health Board has the potential to require up to an additional 200 beds across North Wales in order to safely manage the anticipated increase in demand for hospital beds.

Following detailed planning and implementation Ysbyty Enfys Deeside was opened on 4th November 2020 and caters for Covid-19 recovering patients, the first patient was received on Monday 9th of November.

Capacity at the Ysbyty Enfys site has now increased up to 47 patients. Criteria is also being revised to broaden eligibility of inpatients accepted to Ysbyty Enfys Deeside. This will be dependent on being able to staff the beds with nursing and medical staff and revised model is being explored to maximise staffing and resources on site.

Work is being developed with clinical leaders with a view to developing a strategic solution for unscheduled care, this is being led by the Executive Director of Nursing & Midwifery / Deputy Chief Executive.

Operational and tactical response to Covid-19 pressures
Strengthening the operational and tactical response against demand modelling to allow for anticipation of surges to ensure capacity is available to be able to safely care for patients. Decisions are being logged through the Incident Management Team and are being reviewed in terms of their impact.

Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee 28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Capital Programme Report - to 30 November 20**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Mark Wilkinson, Executive Director of Planning and Performance
Awdur yr Adroddiad **Report Author:**	Neil Bradshaw – Assistant Director – Capital Denise Roberts – Financial Accountant Tax & Capital
Craffu blaenorol: **Prior Scrutiny:**	Capital Investment Group (CIG) – 17 December 20 Executive Team – 6 January 21
Atodiadau **Appendices:**	1

Argymhelliad / Recommendation:

The Committee is asked to note this report.

Ar gyfer penderfyniad /cymeradwyaeth **For Decision/ Approval ***		**Ar gyfer Trafodaeth** **For Discussion***	**X**	**Ar gyfer sicrwydd** **For Assurance***	**X**	**Er gwybodaeth** **For Information***	

Sefyllfa / Situation:

The purpose of this report is to brief the Committee 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 Heath Board by the Welsh Government through the Capital Resource Limit (CRL). In line with previous discussions with Committee members, the paper is summarised as follows:

'This report presents our performance on the capital programme at the end of November, and summarises relevant points from the December capital investment group.

A number of largely pandemic related reasons have led to a significant year end bias with respect to expenditure. Nevertheless the health board is forecasting achievement of its £30.1m capital resource limit by the end of March 21.

Following the board approval of the full business case for the Royal Alexandra Hospital in November, the case has now been received by Welsh government who have completed their initial review. As is usual, this has led to a series of questions/requests for additional information. These are being responded to, and the information will be presented to the executive team prior to sending to Welsh Government.

The proposed Ablett redevelopment is currently paused in line with the recommendation of the recent gateway review, and a revised timescale will be brought forward by the senior responsible owner to executive team.

The capital investment group approved urgent remedial work to homes for people with learning disabilities on the Bryn y Neuadd at a total cost of £380k. Financial and procurement approval was secured outside of meetings given the urgency of this need.

The vacant, and surplus to requirements, Flint hospital has been the subject of a recent arson attack rendering the building structurally unsafe. Capital funding has been identified to pay for the immediate demolition - there are some local handling considerations which are being picked up with primary and community care colleagues. It is proposed to transfer the site to Flintshire county council and a paper was reviewed by the Executive Team on 13 January.

Work is underway by operational teams to prioritise capital proposals from risk, patient outcome, and estate sustainability perspectives. This is due to be completed by end of January.'

Cefndir / Background:

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

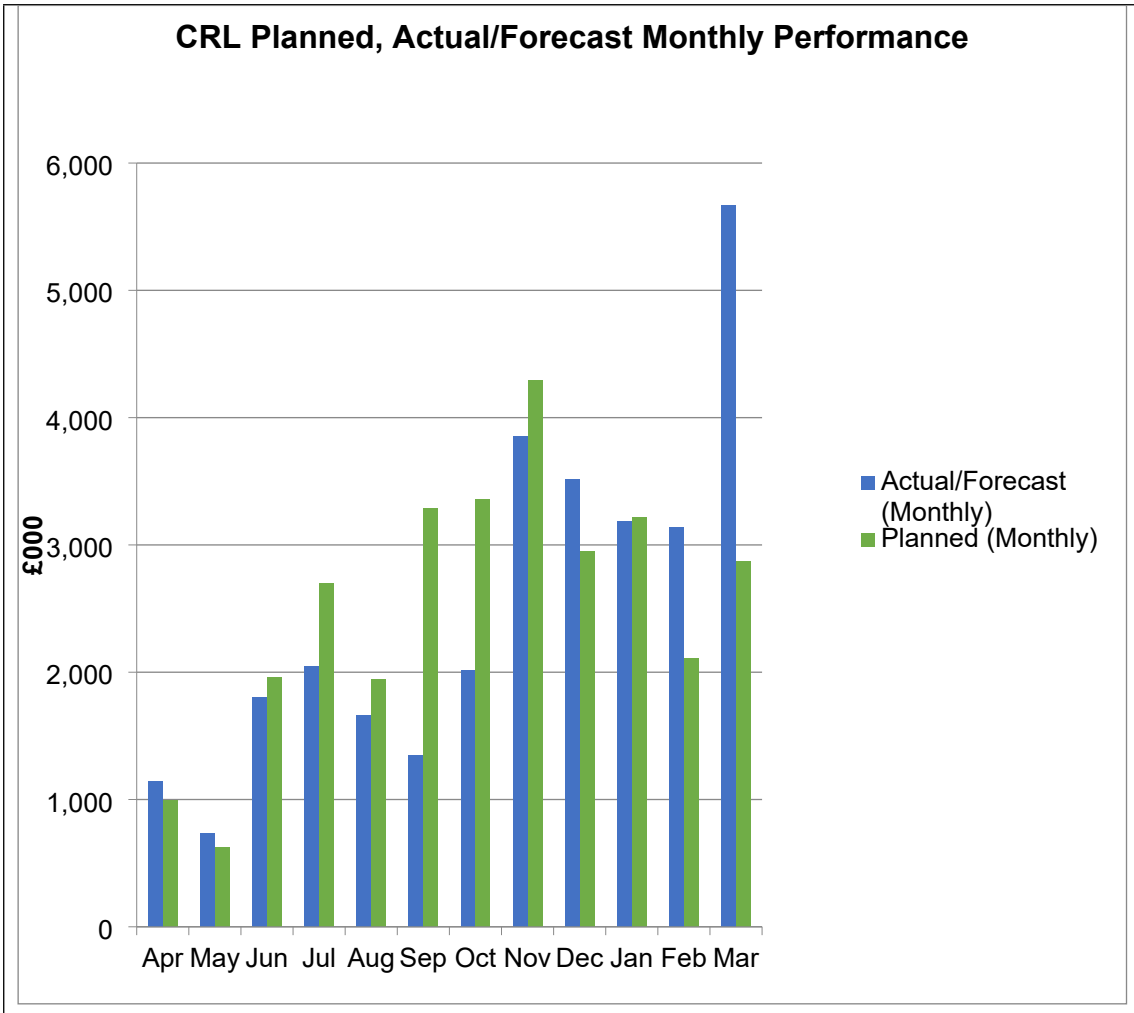
Capital Programme	**£ '000**
All Wales Capital Programme	15,950
Discretionary Capital	12,921
Total Welsh Government CRL	**28.871**
Capital Receipts	215
Donated Funding	1,027
TOTAL	**30,113**

In the month the Welsh Government (WG) have provided an additional allocation of funding for COVID-19 of £2.866m and adjusted the ICF funding to £1.456m.

Asesiad / Assessment

Expenditure Planned/Actual (Projected from November)

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



Appendix 1 provides details of all schemes supported by the Executive Team. The following provides reports, by exception, where schemes are at variance with the planned programme.

The CIG noted the significant planned expenditure in Q4 was not unexpected as:
1. the discretionary programme was not agreed until July 2020;
2. the uncertainties of the pandemic and the need to retain a contingency and;
3. Welsh Government provided additional funding in November.
All of these factors have led to a year-end bias with respect to expenditure.

The informatics programme has been delayed due to staff resources being focused on the Health Board's response to the pandemic. Schemes have been tendered and the informatics programme lead is confident that the programme will be delivered subject to staff being able to support business as usual.

Notwithstanding risks, the achievement of our Capital Resource Limit by 31 March 21 is forecast.

Major Capital Schemes (>£1m)

Royal Alexandra Hospital, Rhyl

Following submission of the full business case (FBC) for the development of the Royal Alexandra Hospital the Health Board has received to correspondence from the Welsh Government requesting the following additional information:

1. Further details of the increase in capital cost. The correspondence implies that the scope has significantly increased. This is not the case, the FBC is clear that the increase in cost is due to:
   - Response to Welsh Government policy in response to the climate emergency requiring additional investment in a reduction in carbon emissions and sustainable energy sources.
   - Impact of the "Grenfell" fire and subsequent changes in requirements for enhanced fire protection
   - The condition of the existing building required by the Planning Authority to be retained and refurbished
   - Market uncertainties due to the pandemic and Britain's exit from the EU.

2. Requirement to undertake further economic analysis of all options to demonstrate that the preferred option remains the "best" value for money.

3. Further detail with respect to revenue affordability and sustainability of the clinical and workforce strategies.

4. Additional information requested with respect to the design solution.

The Project Board were surprised by a number of the comments within the correspondence from Welsh Government. The FBC is comparable in both length and depth of analysis to BCUHB's last approved FBC (Sub Regional Neonatal Intensive Care Centre (SuRNICC) in 2016, which has been cited as an example of a good case by Welsh Government). The additional requirements for the Estates Annex had not been communicated in advance by Welsh Government – the submission was done to the same level as the SuRNICC FBC which was approved.

Additional information with respect to the capital cost and design was submitted prior to Christmas and the Project Board expect to finalise the other elements by the middle of February 2021. A Gateway Review has been commissioned in support of the FBC and the outcome of this review, together with an update on the FBC submission, will be provided to the ELT.

Ablett Redevelopment, Ysbyty Glan Clwyd (YGC)

In October 2020 the project team requested a gateway review with Welsh Government which was undertaken by three external reviewers on the 16th - 18th November where a range of stakeholders were interviewed. Following receipt of the recommendations the ELT have supported a pause to the project and the Senior Responsible Owner (SRO) is currently reviewing the OBC programme with a view to bringing a revised programme to the Executive Team for the submission and scrutiny of the OBC.

Discretionary Capital Programmes (Individual schemes <£1m)

Following approval last month of the amendments to the discretionary capital programme programme leads are now progressing the schemes.

Additional risks have been highlighted during the month:

1. Segregation works to Ysbyty Glan Clwyd – details are being finalised of potential additional segregation works to ED and AMU. A contingency has been retained to support these works subject to formal approval. However, it is noted that due to operational requirements the work cannot commence until 1st February 2021 and the CIG questioned the urgency of these works

2. The Tan Y Coed Community Living Units situated on the Bryn Y Neuadd site are experiencing structural issues, with all three units showing signs of significant movement, resulting in internal cracking, uneven floors, and water ingress around roof lights. These defects are posing a significant risks to clients who have had to be temporary relocated. The relocation is not sustainable as the alternative accommodation is not suitable for the client group. Emergency works have commenced (circa £70k) and a scheme has been prepared to undertake remedial works in the short to medium term (max 5 years) to allow the clients to return whilst a permanent solution is developed. The total cost of the works (including immediate emergency works) is £380k. The cost of this work can be accommodated within this year's programme. Due to the urgent requirement to minimise the period that clients are re-located the CIG supported the investment and the recommendation that a local contractor who is familiar with the site is procured via a single waiver tender.

3. Following the recent arson attack at the former Flint Community Hospital a site inspection by structural engineers has confirmed that the building is deemed to be in a dangerous/unsafe condition. The CIG proposed that consideration should therefore be given to demolishing the building (and confirmed funding for the estimated cost of £81k). However, the following were noted:

    - The building has generated significant local sensitivity and care must be taken in communication of any changes to the building. The East Area Director is to liaise with Flintshire County Council to explore options to communicate the demolition as part of the proposed redevelopment of the site.
    - There is a technical accounting issue in that demolition would result in an "impairment" that would require the support of Welsh Government, this may delay demolition works progressing at pace.

Capital Programme 2021/22 to 2023/24

Following approval of the revised capital governance structure, guidance was sent to all divisions and core programme leads on the development of divisional and core programme capital plans and the prioritisation of the associated capital investment in the short (annual) and medium term (3 year) cycle.

All proposals were required to demonstrate that they will:

- Address the major risks
- Improves the quality of care/health outcomes (supports service transformation)
- Ensure the estate is sustainable
- Ensures the estate is affordable (delivers financial recovery)

It was recognised that capital investment may be required to support some of the proposals. In determining capital priorities divisions and core programme leads were required to review potential investment requests and score each against the following criteria:

Criteria	Objective	Definition	Scoring criteria	Score
Address major risk	Reduces risk	Meets identified corporate or division/department risk (as identified in relevant Risk Register).	Related to assessment of risk and urgency: does not reduce risk or risk rated as low, medium or high	0,2,4 or 6
Improves the quality of care/health outcomes (supports service transformation)		Describe outcomes and benefits	Ability to meet national or local targets as defined within the operational plan	0 to 6
Ensure the estate is sustainable	Meets KPIs (as attached)	Supports the delivery of the estate KPIs	No or yes	0 or 6
	Supports service continuity	Describe outcomes and benefits	Ability to meet national or local targets as defined within the operational plan	0 to 6
Ensures the estate is affordable (delivers financial recovery)		Cost avoidance or cash releasing	Ability to avoid/reduce cost or release cash	0, 3 or 6

Assuming the discretionary allocation for 2021/22 will be similar to this year, and taking account of expected carry forward commitments, the potential funding available in 2021/22 is expected to be circa £12m. It is good practice to overcommit the programme to allow for in-year slippage and it is therefore reasonable to plan on a capital budget of £14m for 2021/22.

Capital bids have been received from all divisions and core programmes. A number of schemes have not been costed but a prudent estimate of the value of schemes submitted to date indicates a total value in excess of £40m. This number is further increased by additional bids for Health and Safety compliance (£1.45m) and remedial works to existing residencies (£1m). The majority of the plans have not been ranked or have a number of proposals that are of equal ranking.

The CIG have therefore determined that:

1. Divisions and core programme leads should be asked to rank all schemes in priority order, with no equal ranking, in accordance with the guidance. In reviewing the ranking particular emphasis should be placed on the proposals ability to mitigate risks as identified in the Corporate Risk Register and to support the emerging operational plan for 2021 and beyond.

2. Divisions and core programme leads should consider opportunities to attract additional funding. In particular proposal that address Welsh Government concerns/priorities and that are in excess of £1m may be suitable for NHS All Wales funding. Consideration should also be given to any available grant funding and charitable donations.
3. Plans should look to the medium term rather than be limited to the short-term and should therefore be over a period of 3 years.

Divisions and core programme leads have been asked to resubmit their programmes by the end of January 2021.

The agreed capital governance arrangements require that the capital plan must "ensure an appropriate balance of investment between: 1.core and divisional programmes; 2. compliance/risk and service development and; 3. integration across primary, community, mental health and secondary care". The ELT therefore need to give consideration to the relative proportions of that balance and whether any particular weighting or focus should be applied for 2021 and/or subsequent years.

Business Cases

The CIG reviewed the business case tracker and requested that the East Area confirmed the priority of the identified primary care proposals (Cefn Mawr and Rhos/South Wrexham).

The CIG received an overview of the scoping document to seek support to develop the business case and explore the options for a level 2 neuro rehabilitation inpatient unit in North Wales. The value being £5m-£8m and will be broadly revenue neutral. The group noted that there is a significant gap for this service, which has been discussed/debated for many years and links with the care closer to home strategy and supported the recommendation to the ELT for subsequent submission to the Welsh Government.

Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee** **28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Finance Report Month 8 2020/21**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Sue Hill, Executive Director of Finance
Awdur yr Adroddiad **Report Author:**	Eric Gardiner, Finance Director - Provider Services
Craffu blaenorol: **Prior Scrutiny:**	Executive Director of Finance
Atodiadau **Appendices:**	Appendix 1: Finance Report Pack

Argymhelliad / Recommendation:

It is asked that the report is noted.

Please tick one as appropriate (note the Chair of the meeting will review and may determine the document should be viewed under a different category)

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**		**Ar gyfer sicrwydd For Assurance**	✓	**Er gwybodaeth For Information**	

Sefyllfa / Situation:

The purpose of this report is to provide a briefing on the financial performance of the Health Board as at 30th November 2020 and reflects the financial impact of the continuing response to the COVID-19 pandemic.

Cefndir / Background:

The financial plan for 2020/21, approved by the Board, is to deliver a deficit of £40m, based on delivering savings of £45m. The initial plan did not take into account the impact of COVID-19, and therefore has been refined throughout the year, in line with Welsh Government guidance.

The Health Board's consolidated plan for the second half of the financial year was submitted in October and the expected clinical activity has been incorporated into this return. The Quarter 3 / 4 plan focuses on increasing planned care and dealing with winter escalation plans. However, we anticipate that fluctuations in COVID-19 infection rates across our population over the winter months may impact on delivery of the plan, potentially reducing activity and increasing costs.

Asesiad / Assessment:

1.0 Strategy Implications

This paper aligns to the strategic goal of attaining financial balance and is linked to the well-being objective of targeting our resources to those with the greatest need.

2.0 Options considered

Not applicable – report is for assurance only.

3.0 Financial Implications

	Month 8 £m	Cumulative £m
Actual Position	0.0	(0.2)
Planned Position	3.3	26.7
Variance	3.3	26.9

The Month 8 position is an underspend of £3.3m against the plan with income and expenditure in balance. The cumulative year to date position is a £0.2m surplus, which is £26.9m less than the planned deficit of £26.7m.

Forecasts for COVID-19 have been reviewed during November, in line with the revised and evolving plans for managing the pandemic, resulting in a reduction of £14.2m in the overall cost. There have been movements in several of the funding streams and it has been determined that not all of the £83.1m additional COVID-19 support is now required and has therefore been reduced by £6.9m to £76.2m. An Accountable Officer letter has been submitted to Welsh Government confirming the reduced COVID-19 funding requirements.

The plan for 2020/21 was that the Health Board would end the year with a £40.0m deficit. However, during the year Welsh Government provided an additional £40.0m of funding to cover this planned deficit. Therefore, the forecast financial position is that the Health Board will now have a nil deficit at the end of the year.

4.0 Risk Analysis

There are opportunities to improve the financial position by £2.4m, which relate to the savings schemes that are in the pipeline and are anticipated will move into green or amber this year. In addition, there is a potential opportunity arising from the changes in the current block contract arrangement with NHS England, although a value cannot yet be determined. There are three risks to the financial position, but the value of these cannot be currently quantified. The opportunities and risks are detailed in the report pack.

5.0 Legal And Compliance

Not applicable.

6.0 Impact Assessment

Not applicable.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Betsi Cadwaladr
University Health Board

Finance Report
November 2020 – M08

Sue Hill

Executive Director of Finance

Executive Summary

Objective

To provide assurance on financial performance and delivery against Health Board financial plans and objectives and give early warning on potential performance issues. To make recommendations for action to continuously improve the financial position of the organisation, focusing on specific issues where financial performance is showing deterioration or there are areas of concern.

Key Assurances

- ✓ Current month nil deficit reported and YTD small surplus position.
- ✓ Nil deficit position forecast for the year.
- ✓ Key financial targets for cash, capital and PSPP all being met.
- ✓ In month increase in savings forecast of £0.9m.
- ✓ Review of forecasts for the cost impact of COVID-19 undertaken, in line with the revised and evolving plans for managing the pandemic . Forecast reduced and WG notified that full funding available is not required.

Areas for Action

- ➢ Conversion of £2.4m of savings schemes in pipeline into green/amber schemes.
- ➢ Urgently progress delivery of plans awarded funding by WG, to ensure outcomes are achieved this financial year.
- ➢ Review cost of annual leave carry over liability following Christmas period.
- ➢ Continue discussions with English NHS providers on potential benefit from contract changes.

Summary of Key Numbers

Month 8 Position

Nil deficit reported against plan of £3.3m deficit

→ **£3.3m favourable**

Year to Date Position

£0.2m surplus against plan of £26.7m deficit

→ **£26.9m favourable**

Forecast

Nil deficit against plan of £40.0m deficit

→ **£40.0m favourable**

Savings Year to Date

£9.1m against plan of £30.0m

→ **£20.9m shortfall**

Savings Forecast

£16.6m against plan of £45.0m

→ **£28.4m shortfall**

COVID-19 Impact

£73.0m spend YTD
£141.5m forecast
Funded by Welsh Government

→ **£nil impact**

Income

£84.2m against budget of £90.0m

→ **£5.8m adverse**

Pay

£533.4m against budget of £541.9m

→ **£8.5m favourable**

Non-Pay

£665.3m against budget of £689.5m

→ **£24.2m favourable**

Divisional Performance

Area Teams	£0.5m adverse
Secondary Care	£3.1m adverse
Mental Health	£0.6m favourable
Corporate	£1.6m adverse
Other	£31.5m favourable

Key Risks

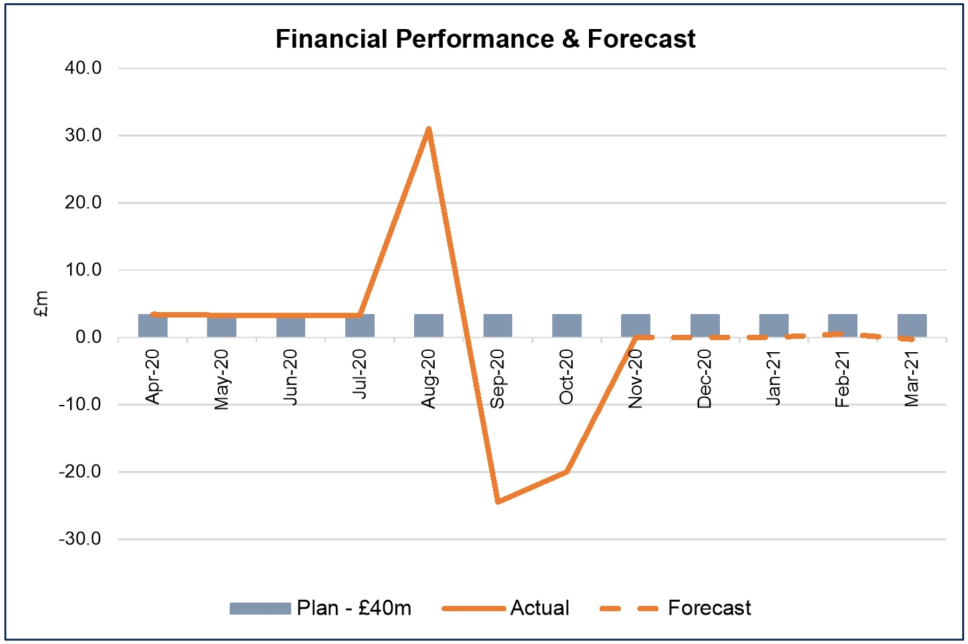
Savings programme under delivering
Delivery of funded plans being delayed

Balance Sheet

Cash: Within internal target.
Capital: Forecast to achieve CRL.
PSPP: Non-NHS invoice target achieved year to date.

Revenue Position

	Actual								Cumulative			Forecast
	M01	M02	M03	M04	M05	M06	M07	M08	Budget	Actual	Variance	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue Resource Limit	(154.7)	(128.5)	(133.2)	(140.1)	(103.7)	(161.2)	(160.4)	(132.9)	(1,114.7)	(1,114.7)	0.0	(1,747.3)
Miscellaneous Income	(9.7)	(9.8)	(9.3)	(9.6)	(12.1)	(11.1)	(12.1)	(10.5)	(90.0)	(84.2)	(5.8)	(123.1)
Health Board Pay Expenditure	65.0	66.1	68.1	67.3	66.0	65.6	68.1	67.2	541.9	533.4	8.5	835.1
Non-Pay Expenditure	102.8	75.5	77.7	85.7	80.8	82.2	84.4	76.2	689.5	665.3	24.2	1,035.3
Total	**3.4**	**3.3**	**3.3**	**3.3**	**31.0**	**(24.5)**	**(20.0)**	**0.0**	**26.7**	**(0.2)**	**26.9**	**0.0**

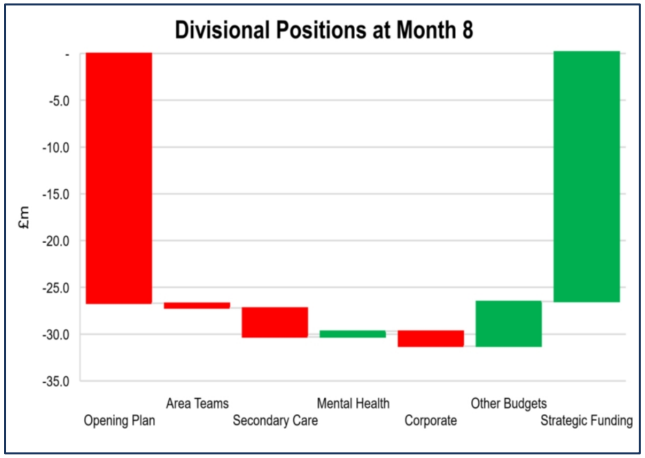


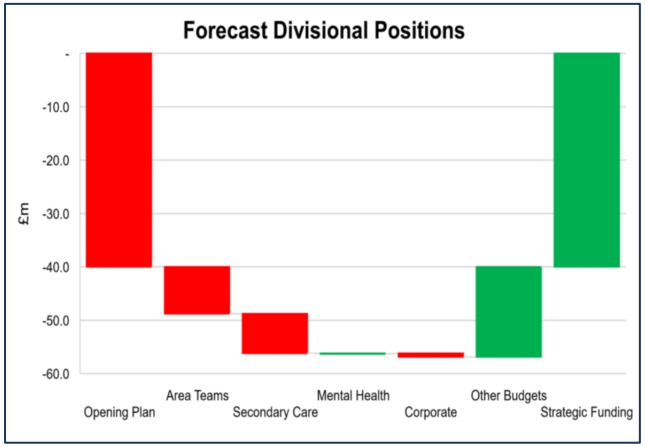
- In-month position shows a nil deficit, which is £3.3m under the planned deficit for Month 8.
- Year to date position of £0.2m surplus, which is £26.9m less than the planned deficit of £26.7m.
- Forecasts for COVID-19 reviewed during November, in line with the revised and evolving plans for managing the pandemic - reduction of £14.2m in the overall cost. This includes movements in several of the specific funding streams and reduction in the additional COVID-19 support by £6.9m to £76.2m.
- Original forecasts based on a reasonable worst-case scenario for COVID-19 cases and this has not materialised.
- Accountable Officer letter submitted to Welsh Government confirming reduced COVID-19 funding requirements.

Forecast costs for the remainder of the year include plans for unscheduled care, planned care and also schemes from the Quarter 3 / 4 plan, with a significant amount of these costs related to pay. It is imperative that these plans are progressed. To ensure that delivery of outcomes is achieved this financial year.

Divisional Positions

	In Month			Cumulative			Forecast
	Budget	Actual	Variance to Plan	Budget	Actual	Variance to Plan	Variance to Plan
	£000	£000	£000	£000	£000	£000	£000
WG RESOURCE ALLOCATION	(132,846)	(132,846)	0	(1,114,718)	(1,114,718)	0	0
AREA TEAMS							
West Area	14,210	13,865	345	109,980	109,279	700	(1,000)
Central Area	18,577	18,450	127	141,889	142,771	(882)	(3,523)
East Area	20,859	20,397	462	158,448	158,221	227	(1,800)
Other North Wales	3,652	4,130	(478)	24,475	26,779	(2,304)	(3,998)
Field Hospitals	(8,658)	(8,658)	0	18,895	18,895	0	(0)
Track, Trace and Protect	766	766	0	2,520	2,520	0	(0)
Commissioner Contracts	19,093	18,159	935	145,704	140,932	4,772	6,310
Provider Income	(1,611)	(1,254)	(358)	(14,709)	(11,702)	(3,007)	(4,749)
Total Area Teams	66,889	65,855	1,034	587,203	587,697	(494)	(8,760)
SECONDARY CARE							
Ysbyty Gwynedd	8,202	8,550	(348)	67,299	68,589	(1,290)	(2,859)
Ysbyty Glan Clwyd	10,575	10,639	(63)	84,325	84,033	292	(1,209)
Ysbyty Maelor Wrexham	8,985	9,094	(108)	71,183	72,324	(1,141)	(1,501)
North Wales Hospital Services	8,929	8,883	46	69,194	69,542	(348)	(584)
Womens	3,244	3,414	(170)	26,640	27,291	(651)	(1,251)
Total Secondary Care	39,935	40,580	(644)	318,642	321,780	(3,138)	(7,404)
Total Mental Health & LDS	11,319	11,028	291	89,595	88,994	601	0
Total Corporate	11,535	11,874	(339)	92,846	94,494	(1,648)	(690)
Total Other Budgets incl. Reserves	6,500	3,539	2,961	53,099	21,558	31,542	56,853
TOTAL	**3,333**	**30**	3,303	**26,667**	**(197)**	26,863	40,000



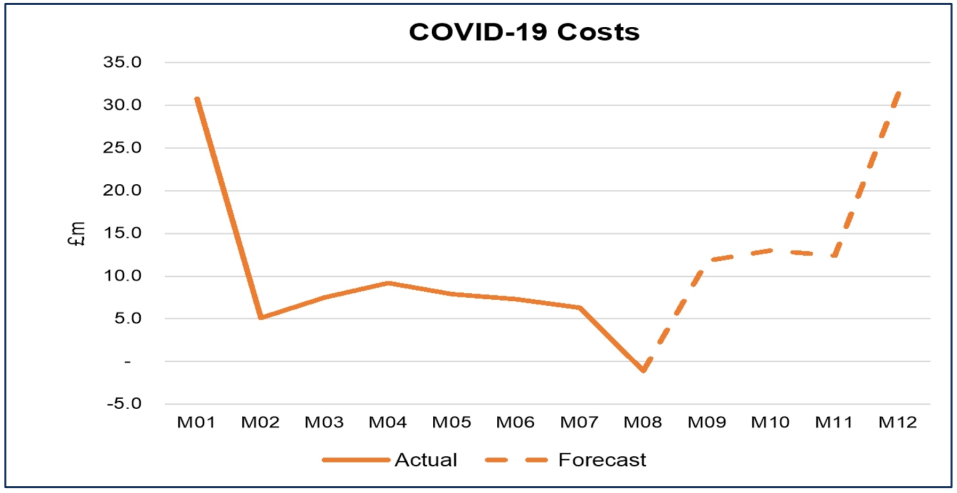


- Key impacts affecting divisional positions are undelivered savings, Prescribing costs and lost income due to the pandemic.
- COVID-19 expenditure is funded in the divisions. The funding for all other impacts of COVID-19 is held in Reserves.
- Following receipt of the £40.0m Welsh Government funding to cover the planned deficit for 2020/21, the forecast financial position is that the Health Board will now have a nil deficit at the end of the year.

Impact of COVID-19

	M01 £m	M02 £m	M03 £m	M04 £m	M05 £m	M06 £m	M07 £m	M08 £m	YTD £m	Forecast £m
COVID-19 spend (incl. Field Hospitals)	28.8	3.7	7.3	7.1	6.1	4.8	7.1	(2.5)	62.4	126.1
Lost income	1.2	1.4	1.2	1.6	1.6	0.4	1.0	1.0	9.4	13.6
Non delivery of savings	3.7	3.6	2.0	2.7	2.3	3.9	0.5	2.3	21.0	30.8
Elective underspend	(2.4)	(2.8)	(2.2)	(2.6)	(1.9)	(1.5)	(1.7)	(1.5)	(16.6)	(23.3)
Slippage on planned investments	(0.2)	(0.1)	(0.5)	(0.5)	(0.2)	(0.2)	(0.5)	(0.3)	(2.5)	(5.0)
Cluster funding	0.0	0.0	(0.3)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	(0.7)	(0.7)
ICF Funding	(0.3)	(0.7)	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Total COVID-19 costs	**30.8**	**5.1**	**7.5**	**9.2**	**7.9**	**7.3**	**6.3**	**(1.1)**	**73.0**	**141.5**
Optimise Flow & Outcomes (ICF)	0.0	0.0	0.0	(1.6)	(0.1)	(0.1)	(0.1)	(0.1)	(2.0)	(2.5)
Mental Health Improvement Fund	0.0	0.0	0.0	(0.7)	0.0	0.0	0.0	0.0	(0.7)	(0.7)
GMS (DES)	0.0	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.2)
Welsh Government	(30.8)	(5.1)	(7.5)	(6.8)	19.8	(34.8)	(6.2)	1.2	(70.2)	(138.1)
Total COVID-19 income	**(30.8)**	**(5.1)**	**(7.5)**	**(9.2)**	**19.7**	**(34.9)**	**(6.3)**	**1.1**	**(73.0)**	**(141.5)**
Impact on position	**0.0**	**0.0**	**0.0**	**0.0**	**27.6**	**(27.6)**	**0.0**	**0.0**	**0.0**	**0.0**

- Cost of COVID-19 in November is a surplus of £1.1m. Year to date cost is £73.0m.
- Surplus COVID-19 position in November is due to review of Field Hospital set up costs by cost advisors leading to a reduction of £8.7m.

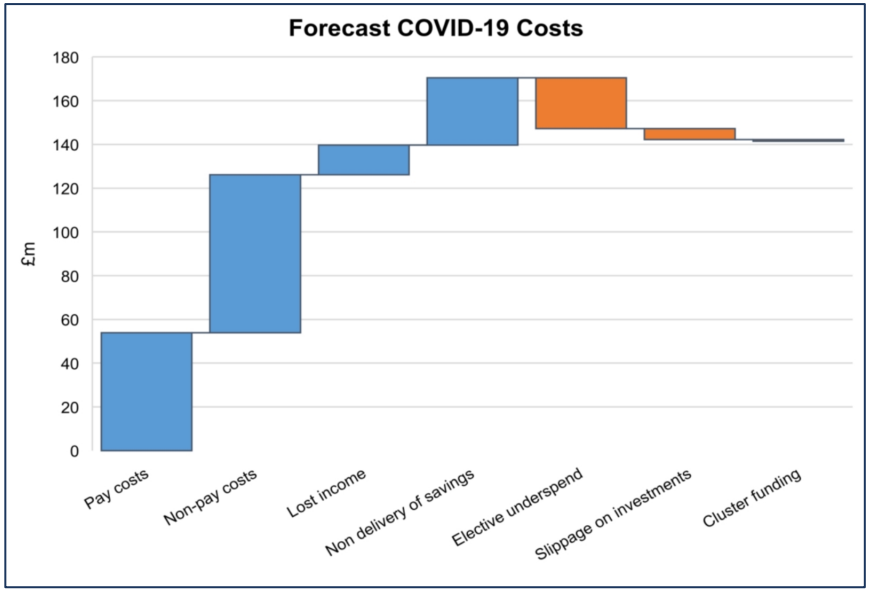


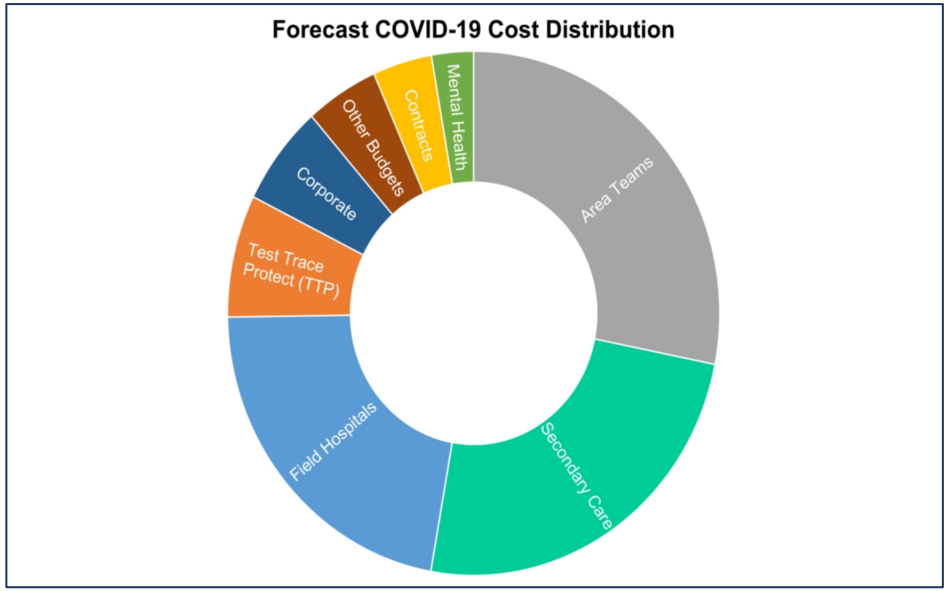
	Total Funding £m	Actual Expenditure to M08 £m	Forecast Expenditure M09 to M12 £m
Field Hospitals	31.1	18.8	12.3
Test Trace Protect (TTP)	10.7	2.6	8.1
Area Teams	39.8	21.8	18.0
Contracts	5.5	2.8	2.7
Secondary Care	34.9	19.5	15.4
Mental Health	3.9	2.5	1.4
Corporate	8.8	6.9	1.9
Other Budgets	6.8	(1.9)	8.7
Total	**141.5**	**73.0**	**68.5**

Impact of COVID-19

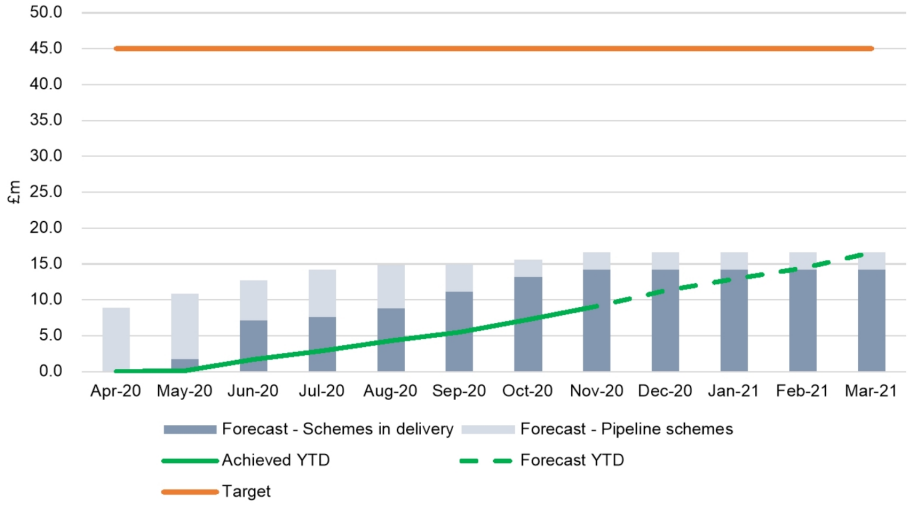
	Funding Required at M07 £m	Funding Required at M08 £m	Change in Funding £m	Actual Expenditure to M08 £m	Forecast Expenditure M09 to M12 £m
COVID-19 spend	98.1	95.0	(3.1)	43.6	51.4
Field Hospitals	34.8	31.1	(3.7)	18.8	12.3
Lost income	13.6	13.6	0.0	9.4	4.2
Non delivery of savings	31.9	30.8	(1.1)	21.0	9.8
Elective underspend	(19.7)	(23.3)	(3.6)	(16.6)	(6.7)
Slippage on planned investments	(2.3)	(5.0)	(2.7)	(2.5)	(2.5)
Cluster funding	(0.7)	(0.7)	0.0	(0.7)	0.0
Total	**155.7**	**141.5**	**(14.2)**	**73.0**	**68.5**

- Total forecast cost of COVID-19 is £141.5m, £14.2m less than last month.
- Cost for the carry forward of annual leave by AfC staff included in forecasts at £10.1m.
- Reduction in forecast COVID-19 spend includes TTP (£2.4m) and PPE (£0.9m).
- Field Hospital set up costs reduced by £8.7m, but decommissioning costs forecast increased by £5.7m to £79.m.
- Elective underspends and slippage in planned investments forecasts have increased. Rising COVID-19 rates following the October firebreak, which are expected to continue after Christmas, mean business as usual has been delayed.





Savings



- Savings of £1.8m (including income generation and accountancy gains) are reported in Month 8, increasing the year to date delivery to £9.1m. Schemes currently in delivery have a forecast in-year value of £14.2m, an increase of £1.0m from last month. This leaves a shortfall of £30.8m against the savings target of £45.0m for the full year.
- Movement of schemes into amber / green in Month 8 was £0.8m, of which £0.4m was from the pipeline and £0.4m related to new schemes.
- Schemes that remain in the pipeline have a forecast delivery of £2.4m. The total in-year forecast for savings including pipeline has increased to £16.6m, from the £15.7m reported in Month 7. This leaves a shortfall of £28.4m against the full year target.

		SCHEMES IN DELIVERY								PIPELINE SCHEMES				TOTAL PROGRAMME	
		Year to Date			Forecast										
	Savings Target	Savings Target	Savings Delivered	Variance	Recurring Forecast	Non-Recurring Forecast	Total Forecast	Variance	Forecast FYE	Recurring Forecast	Non-Recurring Forecast	Total Forecast	Forecast FYE	Total Forecast	Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Ysbyty Gwynedd	4,167	2,778	745	(2,032)	732	382	1,114	(3,052)	1,218	0	0	0	0	1,114	(3,052)
Ysbyty Glan Clwyd	5,079	3,386	351	(3,035)	293	304	597	(4,482)	510	0	0	0	0	597	(4,482)
Ysbyty Wrexham Maelor	4,414	2,943	508	(2,435)	339	473	813	(3,602)	428	23	0	23	120	836	(3,579)
North Wales Managed Services	4,300	2,867	421	(2,445)	580	15	595	(3,705)	829	0	0	0	0	595	(3,705)
Womens Services	1,733	1,146	93	(1,053)	153	0	154	(1,579)	176	0	0	0	0	154	(1,579)
Secondary Care	**19,692**	**13,119**	**2,119**	**(11,001)**	**2,098**	**1,174**	**3,272**	**(16,420)**	**3,161**	**23**	**0**	**23**	**120**	**3,295**	**(16,397)**
Area - West	4,402	2,935	1,318	(1,617)	1,611	396	2,006	(2,396)	1,664	0	0	0	0	2,006	(2,396)
Area - Centre	6,408	4,272	2,018	(2,254)	3,033	123	3,156	(3,252)	3,090	0	0	0	0	3,156	(3,252)
Area - East	6,464	4,309	1,277	(3,032)	185	1,502	1,687	(4,777)	196	19	12	31	19	1,718	(4,746)
Area - Other	607	405	0	(405)	0	0	0	(607)	0	0	0	0	0	0	(607)
Contracts	1,000	667	0	(667)	0	0	0	(1,000)	0	0	0	0	0	0	(1,000)
Area Teams	**18,881**	**12,587**	**4,612**	**(7,975)**	**4,828**	**2,020**	**6,848**	**(12,033)**	**4,950**	**19**	**12**	**31**	**19**	**6,879**	**(12,002)**
MHLD	1,000	666.666667	2,162	1,495	2,759	322	3,081	2,081	2,759	0	0	0	0	3,081	2,081
Corporate	5,426	3,618	171	(3,446)	120	860	980	(4,446)	121	0	0	0	0	980	(4,446)
Divisional Total	**45,000**	**29,991**	**9,064**	**(20,927)**	**9,805**	**4,377**	**14,182**	**(30,818)**	**10,992**	**42**	**12**	**54**	**139**	**14,236**	**(30,764)**
Continuing Healthcare										0	1,500	1,500	0	1,500	1,500
Transactional										0	280	280	0	280	280
Procurement IG										460	0	460	268	460	460
Workforce IG										84	0	84	202	84	84
Improvement Group Total										**544**	**1,780**	**2,324**	**471**	**2,324**	**2,324**
Total Programme	**45,000**	**29,991**	**9,064**	**(20,927)**	**9,805**	**4,377**	**14,182**	**(30,818)**	**10,992**	**586**	**1,792**	**2,378**	**610**	**16,560**	**(28,440)**

Income

Description	£m
Allocations Received	
Opening allocation	1,516.6
COVID-19 Funding	113.7
Transformational Support	51.0
Substance Misuse Funding 2020/21	5.5
Treatment Fund	3.6
DDRB Pay Award 2020/21	2.9
Transformation Fund - Financial Support to Optimise Flow & Outcomes	2.4
Dementia Action Plan ICF Bid	2.2
GMS Contract : In Hours Access Funding 2020/21	2.0
Vertex Funding Months	1.8
Mental Health Service Improvement Fund 2020/21	1.5
MSK Orthopaedic Services	1.2
GMS Contract Pay and Expenses 2020/21	1.2
Dental Contract Pay & Expenses Uplift	0.8
Single Cancer Pathway	0.6
A Healthier Wales	0.6
Primary Care Improvement Grant	0.5
Vocational Training	0.4
Wales Community Care Information System (WCCIS) - ICF Funding	0.3
ARRP	0.3
British Red Cross Funding	0.3
Outpatient Transformation Fund	0.3
Carers' Funding 2020/21	0.2
GMS (DES) - Easter bank holiday	0.2
Consultant Clinical Excellence Awards	0.2
SpR Allocation	0.2
Other allocations	1.2

Description	£m
Allocations Anticipated	
COVID-19 Funding	24.9
IM&T Refresh Programme	1.9
Prevention and Early Year Funding for 2019/20	0.6
Invest to Save	0.6
Mental Health Individual Placement Support (IPS)	0.4
Outpatients Transformational Fund Bid	0.3
WAST Emergency Services Mobile Communications Programme	0.3
IPS (I Can Work) Gap Funding	0.2
Consultant Clinical Excellence Awards	0.2
SpR Allocation	0.2
A Healthier Wales	0.2
NHS Wales Health Collaborative Secondment	0.1
Augmentative and Alternative Communication (AAC) Pathway	0.1
CHC Provision Submission	-0.4
Capital Adjustment	6.0
Total Allocations Anticipated	**35.6**

	£m
Total Allocations Received	**1,711.7**
Total Allocations Anticipated	**35.6**
Total Welsh Government Income	**1,747.3**

- Most of the Health Board's funding is from the Welsh Government allocation through the Revenue Resource Limit (RRL). Confirmed allocations to date are £1,711.7m, with further anticipated allocations in year of £35.6m, a total forecast Revenue Resource Limit (RRL) of £1,747.3m for the year.
- Miscellaneous income totals £84.2m to Month 8, £5.8m below budget, which is a consequence of COVID-19.

Expenditure

Pay Costs	Actual								Forecast				Cumulative			Full Year
	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12	YTD Budget	YTD Actual	YTD Variance	Forecast
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Administrative & Clerical	8.6	8.8	8.8	8.6	9.1	8.0	8.8	8.8	9.6	9.7	9.8	11.1	74.9	69.5	5.4	109.7
Medical & Dental	15.2	15.6	15.5	16.1	15.0	15.1	17.8	16.3	17.2	17.5	17.5	19.9	122.9	126.6	(3.7)	198.7
Nursing & Midwifery Registered	20.6	20.8	21.2	20.6	20.6	20.7	20.3	21.0	22.2	22.6	22.6	25.8	175.8	165.8	10.0	259.0
Additional Clinical Services	9.4	9.5	9.8	9.3	9.4	9.6	9.5	9.6	3.3	3.4	3.4	3.8	71.1	76.1	(5.0)	90.0
Add Prof Scientific & Technical	3.1	3.1	3.0	3.0	3.0	3.1	3.1	3.0	10.0	10.2	10.2	11.7	25.8	24.4	1.4	66.5
Allied Health Professionals	3.8	3.8	4.0	4.0	3.9	4.0	3.9	3.9	4.1	4.2	4.2	4.8	31.0	31.3	(0.3)	48.6
Healthcare Scientists	1.1	1.2	1.2	1.2	1.2	1.1	1.1	1.2	1.2	1.3	1.3	1.4	9.5	9.3	0.2	14.5
Estates & Ancillary	3.2	3.2	3.4	3.3	3.3	3.4	3.3	3.3	3.5	3.6	3.6	4.1	27.4	26.4	1.0	41.2
Students	0.0	0.1	1.2	1.2	0.5	0.6	0.3	0.1	0.7	0.7	0.7	0.8	3.5	4.0	(0.5)	6.9
Health Board Total	**65.0**	**66.1**	**68.1**	**67.3**	**66.0**	**65.6**	**68.1**	**67.2**	**71.8**	**73.2**	**73.3**	**83.4**	**541.9**	**533.4**	**8.5**	**835.1**
Primary care	1.7	2.1	2.0	2.1	1.9	1.8	1.9	1.9	1.9	1.9	2.0	2.0	13.0	15.4	(2.4)	23.2
Total Pay	**66.7**	**68.2**	**70.1**	**69.4**	**67.9**	**67.4**	**70.0**	**69.1**	**73.7**	**75.1**	**75.3**	**85.4**	**554.9**	**548.8**	**6.1**	**858.3**

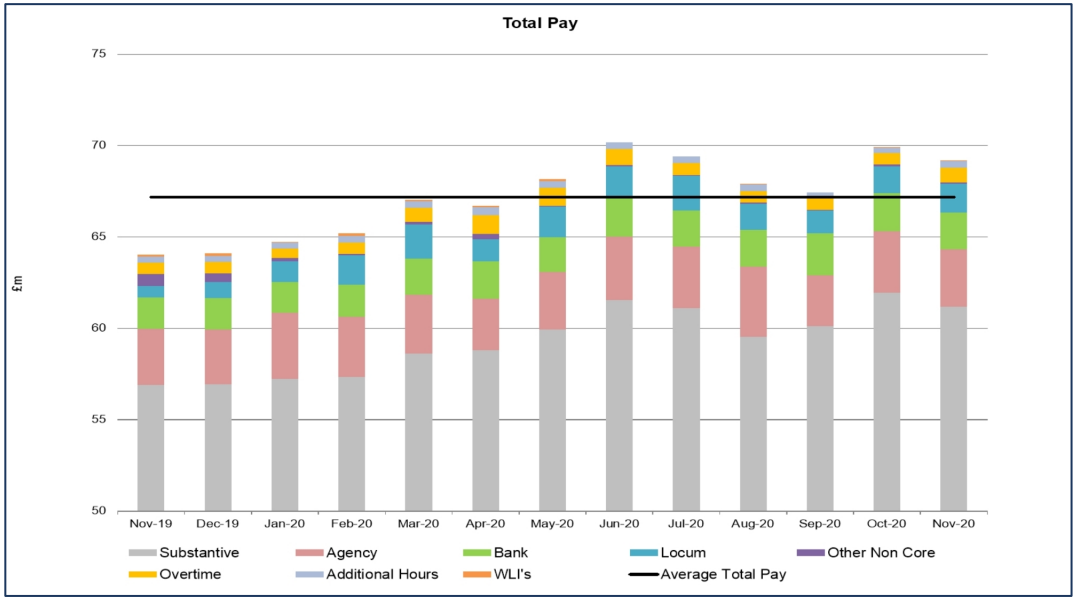
WTE	16,829	16,746	17,333	17,315	17,037	17,035	16,890	17,066

Variable Pay	M01	M02	M03	M04	M05	M06	M07	M08	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Agency	2.8	3.1	3.5	3.3	3.8	2.8	3.4	3.1	25.8
Overtime	1.0	1.0	0.9	0.7	0.6	0.6	0.6	0.8	6.2
Locum	1.2	1.7	1.7	1.9	1.4	1.2	1.5	1.6	12.2
WLIs	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Bank	2.1	1.9	2.1	2.0	2.0	2.3	2.1	2.0	16.5
Other Non Core	0.3	0.0	0.1	0.0	0.1	0.0	0.1	0.1	0.7
Additional Hours	0.4	0.4	0.3	0.4	0.4	0.4	0.3	0.4	3.0
Total	**7.9**	**8.2**	**8.6**	**8.3**	**8.3**	**7.3**	**8.0**	**8.0**	**64.6**

- Health Board pay costs total £67.2m in month, £533.4m YTD. Variable pay is £64.6m of this cost, equivalent to 12%.
- Non-pay costs total £76.2m in month, £665.3m YTD.
- Pay costs are further analysed on page 11 and non-pay costs on page 12.

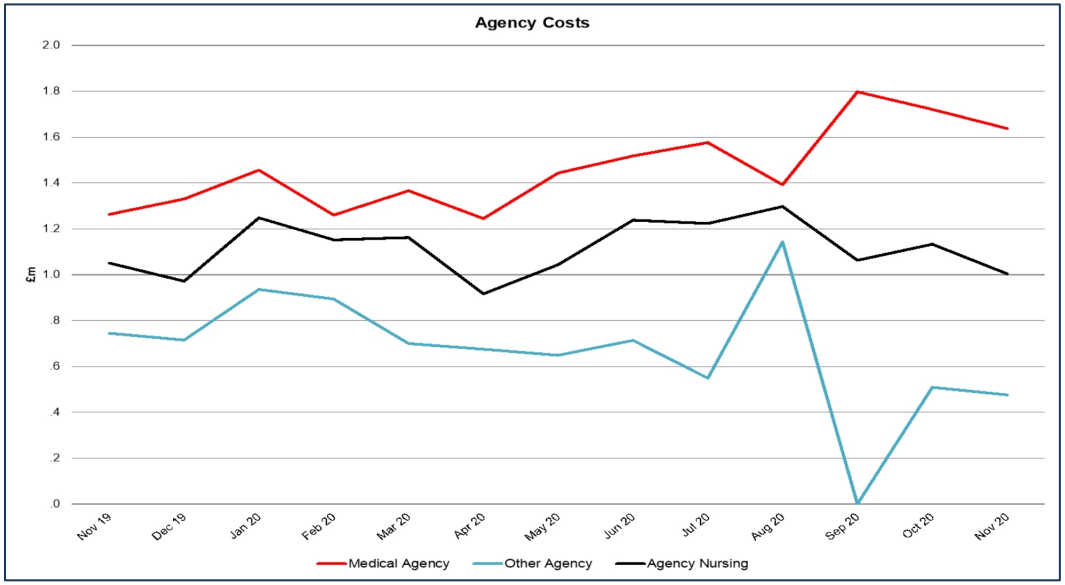
Non-Pay Costs	Actual								Forecast				Cumulative			Full Year
	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12	YTD Budget	YTD Actual	YTD Variance	Forecast
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Primary Care	17.2	17.5	15.9	17.6	17.2	16.8	17.2	18.0	18.0	18.2	17.9	18.2	141.5	137.4	4.1	209.7
Primary Care Drugs	8.9	8.6	10.5	11.0	8.7	9.0	9.4	8.7	10.2	10.0	9.7	10.0	71.5	74.8	(3.3)	114.7
Secondary Care Drugs	5.4	5.0	5.5	5.8	5.4	6.2	6.3	6.0	6.3	6.9	6.3	6.4	48.4	45.6	2.8	71.5
Clinical Supplies	4.8	3.6	4.2	4.6	4.3	5.4	4.4	5.2	4.8	4.8	4.8	5.6	44.0	36.5	7.5	56.5
General Supplies	2.7	2.6	2.1	4.7	3.0	3.5	4.3	6.5	3.5	3.5	3.5	4.1	28.0	29.4	(1.4)	44.0
Healthcare Services Provided by Other NHS Bodies	22.7	22.7	21.5	22.3	22.1	22.4	21.9	22.9	22.6	22.6	22.6	22.6	183.0	178.5	4.5	268.9
Continuing Care and Funded Nursing Care	8.4	8.2	9.1	9.0	9.0	9.6	9.9	9.8	10.4	10.5	10.2	10.5	75.1	73.0	2.1	114.6
Other	30.3	4.9	6.6	6.0	8.2	6.4	8.2	(3.8)	12.0	12.9	13.3	15.3	74.7	66.8	7.9	120.1
Non-pay costs	**100.4**	**73.1**	**75.4**	**81.0**	**77.9**	**79.3**	**81.6**	**73.3**	**87.8**	**89.4**	**88.3**	**92.7**	**666.2**	**642.0**	**24.2**	**1,000.0**
Cost of Capital	2.4	2.4	2.3	4.7	2.9	2.9	2.8	2.9	2.9	2.9	2.9	3.3	23.3	23.3	0.0	35.3
Total non-pay including cost of capital	**102.8**	**75.5**	**77.7**	**85.7**	**80.8**	**82.2**	**84.4**	**76.2**	**90.7**	**92.3**	**91.2**	**96.0**	**689.5**	**665.3**	**24.2**	**1,035.3**

Pay Costs

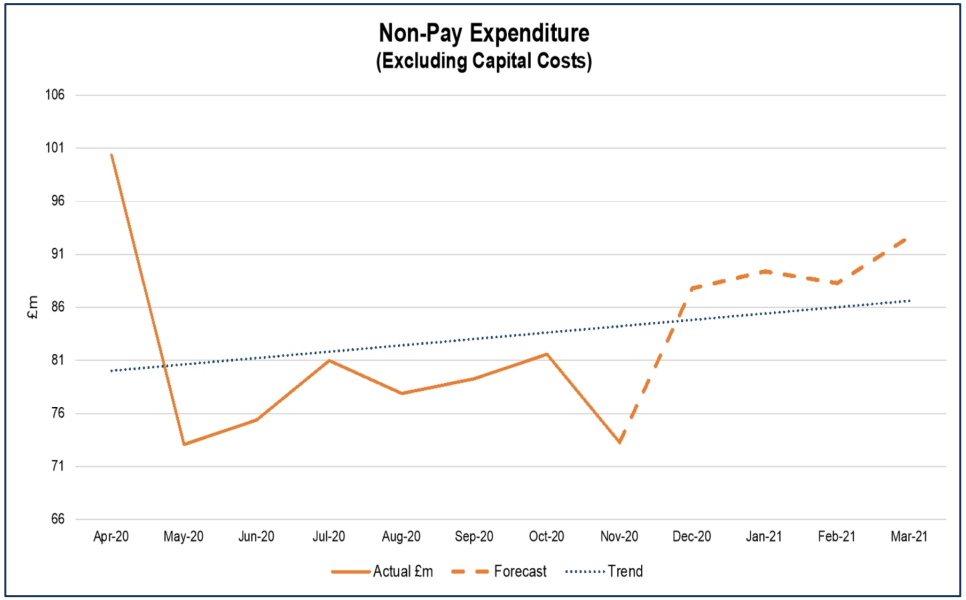


- **Medical and Dental** pay costs decreased by £1.4m; Month 7 included 7/12ths of the cost and funding for the back dated pay award, which inflated costs by £2.3m.
- **Nursing and Additional Clinical Services** costs have increased by total of £0.7m. The Health Board has been unable to fill some nursing shifts using contracted agency providers. To maintain safe staffing levels, some areas this month have needed to use off-contract agency Nurses and Healthcare Support Workers. The situation is being monitored and all requests are escalated as per internal procedures.

- **Agency** costs are £3.1m, representing 4.5% of total pay, a decrease of £0.2m on last month. Agency spend related to COVID-19 in November was £0.5m, £0.3m lower than last month.
- **Pay costs are forecast** to increase significantly in the remaining four months of the year. This includes the pay element of plans for unscheduled care, planned care, schemes from the Quarter 3 / 4 plan, the extended flu programme and the COVID-19 vaccination programme.



Non-Pay Costs

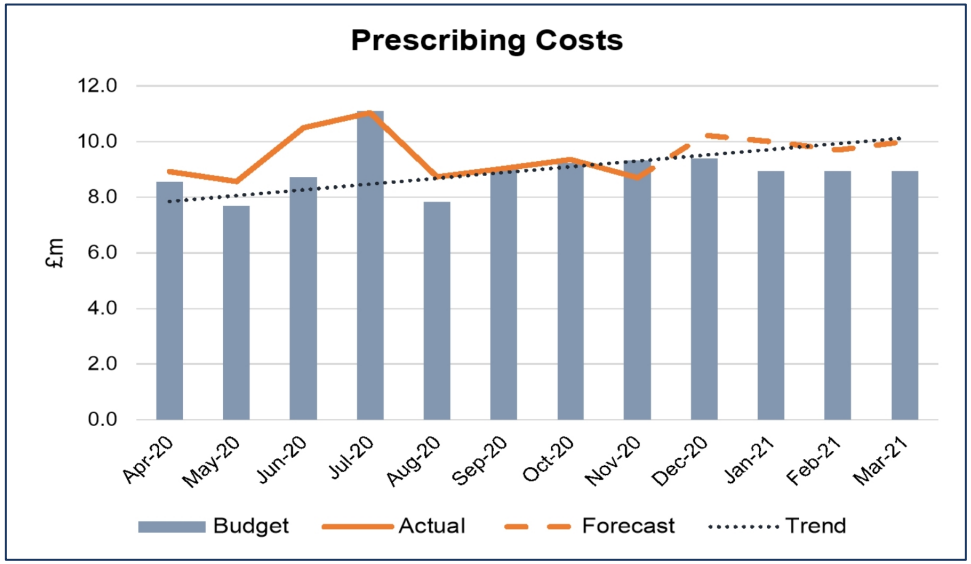


- **General Supplies:** Over spend position relates to the increasing costs of PPE, arising from unit prices rather than usage. Spend on PPE in November has reduced significantly due to lower quantities purchased and the impact on stock balances is being investigated.
- Overall General Supplies costs have increased due to an additional £2.7m spend on ICF, which is fully funded.
- **Continuing Healthcare (CHC)**: Expenditure remains consistent with prior month with a continuing small number of high cost cases in Children's CHC.
- **Other**: Negative in-month spend relates to the reduction in the set-up costs of the Field Hospitals, which have fallen by £8.7m.

Key Risk - Primary Care Drugs

Spend has decreased by £0.6m this month. The year to date over spend at Month 8 is £3.3m, with a forecast overspend of £7.0m for the year.

The data for September, received this month, showed a decrease in the average cost per prescribing day, driven by a decrease in the number of items prescribed. Despite the reductions seen this month, the overall trend is on an upward trajectory and GP prescribing and dispensing costs continue to be a cost pressure in 2020/21.



Risks and Opportunities (not included in position)

	Issue	Description	£m	Likelihood	Key Decision Point & Summary Mitigation	Risk Owner
1	Opportunity: Red Pipeline Savings Schemes	– Red rated savings schemes that total £2.4m are currently held in pipeline and are due to start delivering over the next month.	2.4	Medium	– Work is progressing to move these schemes into amber / green. It is anticipated that the £2.4m will be delivered by the end of the year.	Sue Hill, Acting Executive Director of Finance
2	Opportunity: Contracting benefit	– The current block contract arrangement with NHSE has been revised to a reduced % value. Depending on levels of activity, this could result in a financial benefit to the Health Board.		Medium	– Discussions with providers continue to understand what this may mean for the Health Board. At present, any potential benefit may cannot be quantified.	Sue Hill, Acting Executive Director of Finance
3	Risk: Savings Programme	– There is a risk that the amber schemes within the savings programme will not deliver to their forecast values.		Medium	– The Executive Team is currently considering options and capacity requirements for the savings delivery and PMO function to be re-established, which will provide dedicated capacity to drive forward the schemes currently identified.	Sue Hill, Acting Executive Director of Finance
4	Risk: Junior Doctor Monitoring	– There was a significant test legal case focusing on how NHS organisations should address monitoring for junior doctors.		Medium	– It has not yet been determined how this case will impact on the Health Board and what the financial implications may be. Further investigations are being undertaken to quantify any potential impact.	Sue Green, Executive Director of Workforce & Organisational Development
5	Risk: Holiday Pay	– NWSSP Employment law team have confirmed that the holiday pay issues arising from the Flowers judgement are ongoing and the outcome of the Supreme Court appeal is awaited.		Medium	– The Health Board is monitoring the situation and will respond appropriately to any legal decision.	Sue Green, Executive Director of Workforce & Organisational Development

Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee** **28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Transfer of Flint Community Hospital Site to Flintshire County Council**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Mark Wilkinson - Executive Director of Planning and Performance
Awdur yr Adroddiad **Report Author:**	Rod Taylor – Director of Estates and Facilities
Craffu blaenorol: **Prior Scrutiny:**	In 2015 the Health Board approved a programme of changes to services in Flint. This decision confirmed that the Flint Community Hospital site was surplus to requirements and as a result, approval was granted by Welsh Government to dispose of the site in accordance with guidance. The site remains on the Health Board's disposal list following a number of unsuccessful community interests in the site and buildings. The Executive Team supported the recommendation in this paper i.e. the transfer of Flint Community Hospital site to Flintshire County Council at Nil Value in line with Welsh Government guidance, at its meeting on 13 January 21.
Atodiadau **Appendices:**	Appendix 1 – Valuation Office Agency (VOA) July 20

Argymhelliad / Recommendation:

The Committee is asked to approve the transfer of Flint Community Hospital site to Flintshire County Council at Nil Value. This is in line with Welsh Government, NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol.

Please tick as appropriate

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval	**X**	**Ar gyfer Trafodaeth For Discussion**		**Ar gyfer sicrwydd For Assurance**		**Er gwybodaeth For Information**	

Sefyllfa / Situation:

The purpose of this report is to seek approval to transfer Flint Community Hospital site to Flintshire County Council at Nil Value in line with Welsh Government, NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol.

This transfer is in support of the Health Board securing an option for twelve new beds to provide a new model of step down care (Discharge to Access beds) to support the discharge to assess programme developed within the Health Board and care in out of hospital settings – a key element of our strategy. Flintshire County Council propose to develop the site to provide approximately sixty new residential care beds in support of demands for care home provision locally.

It should be noted that the Executive Team has not yet approved the scheme although it is strongly supported by the East Area. If our contribution to Flintshire County Council's scheme is not approved, the opportunity to support care home provision in Flintshire is one we should take advantage of.

The current vacant site has been subject to extensive vandalism and arson over recent weeks. North Wales Fire and Rescue Service and Flintshire County Council (under Dangerous Structures Notice) have raised concerns with the Health Board in regards to making the site safe. While additional security and actions contained within the structural engineers have been implemented, the buildings still expose the Health Board to potential litigation and prosecution, should there be further incidents on site.

The Executive Team has agreed (13 January 21) for the immediate demolition of all buildings on the site in advance of the transfer to Flintshire County Council to mitigate the Health Boards exposure to litigation and prosecution.

Cefndir / Background:

The Health Board is working in collaboration with Flintshire County Council on the challenges faced across the health and social care systems. The business case, which is being developed jointly, describes how the introduction of a new development opportunity in Flint alongside existing community hospitals and care homes in Flintshire will support the needs of the local population on a longer-term basis.

Flintshire County Council are seeking to refurbish and invest in care home provision and there is an opportunity to build a new, larger facility on the former Flint Community hospital site.

The Health Board's opportunity is to secure twelve new beds to provide a new model of step down care (Discharge to Access beds) to support the discharge to assess programme developed within the Health Board. Flintshire County Council propose to develop the site to provide approximately sixty new residential care beds in support of demands for care home provision locally.

In support of a joint business case, the Health Board proposes to transfer the site to Flintshire County Council at Nil Value in line with Welsh Government, NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol. This is in support of the well-being goals contained within Wellbeing of Future Generations (Wales) Act 2015.

Both parties have agreed a joint valuation report for the site by the Valuation Office Agency (VOA), a copy of which is listed (Appendix 1). Both parties agreed that the VOA valuation did not fully reflect the costs associated with contamination remediation and the work required to alter significant drainage infrastructure on site.

In regards to restrictive covenants, the Health Board has taken Legal advice through Shared Services Legal and Property, a copy of which has been shared with Flintshire County Council's Property and Legal team. Should there be any challenges then security at transfer can be provided via a bond, which the Health Board would arrange.

As referenced in the background section the current vacant site has been subjected to extensive vandalism and arson over recent months and weeks. North Wales Fire and Rescue Service and Flintshire County Council (under Dangerous Structures Notice) have raised concerns with the Health Board in regards to site safety. While additional security and actions contained within the structural engineers have been implemented, the buildings still expose the Health Board to potential litigation and prosecution, should there be further incidents on site.

Asesiad / Assessment & Analysis

Strategy Implications

An analysis of health board strategy and local area aims related to this proposal identifies that the Health Board has an opportunity as a partner to secure twelve new beds to provide a new model of step down care (Discharge to Access beds) to support the discharge to assess programme developed within the Health Board.

The Proposal is in support of the Well-being goals contained within the Futures Generations (Wales) Act 2015. It is also fully aligned to A Healthier Wales with its focus on a community based approach to health and care, person centred services, and the health and social care system working together.

A decision on this new service model in Flint, and the attendant financial consequences is required via the Health Board's business planning processes. The recent introduction of a 'tracker' (presented to the December meeting of this committee) has led to greater visibility of the range of capital and revenue related service development activity that is underway across the organisation.

This new process provides helps to ensure we have 'no surprises', particularly with external partners, and that our developments are in line with our own strategy.

The next stage in a more structured and controlled way of working (for revenue business cases with a recurrent cost over £250k or of potential contention), is to mirror the approach we already operate for proposed capital schemes. The first stage is a scoping document, requiring the supported of the Executive Team, before work starts on developing and writing a business case. An update to the tracker, and support for this tighter approach than we have followed hitherto, will be proposed to the Executive Team on and shared widely across the organisation thereafter.

The Health Board Estates Strategy has already identified the site as surplus to health requirements and is approved by Welsh Government for disposal.

Option considered

Land Transfer Option

The purpose of this report is to seek approval to transfer Flint Community Hospital site to Flintshire County Council at Nil Value in line with Welsh Government, NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol.

The VOA valuation in July 2020 determined a site value of £185k (p.13). The Health Board's current Net Book Value (NBV) for the site are - Buildings £0 and Land £267k.

The site has been previously advertised vis e-PIMS and as reported has received very little interest, generally only from community groups which have failed to secure funding.

The proposal contained within the business case will enable the Health Board to access twelve new beds to provide a new model of step down care (Discharge to Access beds) to support the discharge to assess programme. The Health Board is not required to contribute capital funding as Flintshire County Council are financing all new build costs and as such transferring the site at Nil value recognises the contribution from the Health Board to this project.

The preferred option through collaboration with Flintshire County Council enables the Health Board to access new health facilities in Flint by transferring a vacant site under the NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol. This collaboration approach supports the Wellbeing of Future Generations (Wales) Act 2015 in regards to well-being goals.

Financial Implications

The financial implication of the report are detailed as follows :-

1 The VOA valuation in July 2020 determined a site value of £185k (p.13). The Health Board current Net Book Value (NBV) for the site are - Buildings £0 and Land £267k.

2 To transfer the site to FCC at Nil value would incur a balance sheet loss of £267k recognising the VOA valued the site at £187k. There is also a technical accounting issue in that demolition would result in an "impairment" which will require the approval of Welsh Government.

3 The capital cost to create twelve new specific Discharge to Access beds including support accommodation is estimated at £11m (FCC will be pay for this).

4 The current recurrent revenue costs associated with the Flint site are circa £25k per annum (these figures include rates and security)

Risk Analysis

Major risks associated with this report are summarised as follows :-

- The proposals contained within this report seek to lower the current risk score, which is recorded on the Health Board register for to vacant sites.

- The hospital building has generated significant local sensitivity and appropriate steps must be taken in communication of any changes to the building. The Area Director East is to liaise with Flintshire County Council to explore options to communicate the demolition as part of the proposed redevelopment of the site.

Legal and Compliance

- Failure to comply with health and safety legislation could leave the Health Board exposed to enforcement action and litigation in regards to vacant sites.

- The Health Board will ensure that the legal transactions contained within this report are taken forward through NWSSP - Legal & Risk Services and NWSSP – Specialist Estates Services

Impact Assessment

- An Impact Assessment for the Flint development will be included within the business case.

- Flint Community Hospital closure was consulted upon previously as part of the new integrated health and social care service business case for Flint.

Valuation Office Agency

DVS Property Specialists for the Public Sector

Valuation Report for Former Flintshire Community Hospital, Cornist Road, Flint, CH6 5HG

Report for:
Paul Brockley
Flintshire County Council

Prepared by:
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RICS Registered Valuer
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Case Number: 1743781

Client Reference:

Date: 14 July 2020

DVS Property Specialists for the Public Sector

Contents

1. Introduction

I refer to your instructions dated 12 June 2020 and my Terms of Engagement dated 25 June 2020 and amended on 7 July 2020.

I have valued the property and I am pleased to report to you as follows.

2. Valuation Parameters

2.1 Identification of Client

This instruction will be undertaken as a single instruction for Flintshire County Council although, it is noted that Betsi Cadwaladr University Health Board are the current owners of the site. A Land Transaction Protocol report was offered however, declined by the client with their preference for a single instruction with the report and fee being shared.

2.2 Purpose of Valuation

It is understood that you require a valuation for purpose of acquisition.

2.3 Subject of the Valuation

Flintshire Community Hospital, Cornist Road, Flint, CH6 5HG

2.4 Date of Valuation

The date of valuation is 14 July 2020.

Please note that values change over time and that a valuation given on a particular date may not be valid on an earlier or later date.

2.5 Confirmation of Standards

The valuation has been prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book.

Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).

Measurements stated are in accordance with the RICS Professional Statement **'RICS Property Measurement' (2nd Edition)**, and where relevant, the **RICS Code of Measuring Practice (6th Edition)**.

2.6 Agreed Departures from the RICS Professional Standards

There are no departures beyond those restrictions on the extent of investigations and survey, and the assumptions, stated below.

2.7 Basis of Value

The basis of value adopted is Market Value which is defined at VPS 4, para 4 as:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

2.8 Special Assumptions

The following agreed special assumptions have been applied:

Planning permission will be forthcoming for the proposed development of an elderly persons premises as well as a hypothetical private residential development scheme.

It is assumed that £100K deduction is reasonable in relation to the issue of asbestos and costings associated with survey / removal given that overall costs are between £80K and £110K, following on from a number of recent schemes carried out by the County Council.

The analysis of comparative costs for demolition works and sewer diversion are : Demolition cost – say £140K (i.e. 585 m2 (GIFA) @ range £160 to £270 / m2 > 75% quartile @ £240 / m2 and adopted 600mm concrete drainage diversion – say £90K (i.e. 65m @ £680 / m x 200% (150 to 600mm dia)

Therefore abnormal costs are :-
Demolition estimated at £140,000
Asbestos removal estimated at £100,000
Sewage division estimated at £90,000

2.9 Nature and Source of Information Relied Upon

In addition to relying upon VOA held records and information. I have assumed that all information provided by, or on behalf of you, in connection with this instruction is correct without further verification – for example, details of tenure, tenancies, planning consents, etc.

My advice is dependent upon the accuracy of this information and should it prove to be incorrect or inadequate, the accuracy of my valuation may be affected.

Details provided in your initial instructing email including details of the abnormal site development costs.

2.10 Date of Inspection

As agreed, the property has not been inspected. However, an external site inspection was carried out on 5 March 2020.

2.11 Extent of Investigations, Survey Restrictions and Assumptions

An assumption in this context is a limitation on the extent of the investigations or enquiries undertaken by the valuer. The following agreed assumptions have been applied in respect of your instruction, reflecting restrictions to the extent of our investigations.

- As agreed with you, no inspection of the property was undertaken in compliance with current government / jurisdictional requirements in relation to the COVID-19 pandemic and the advice and valuation has been prepared on a 'desk-top basis'; i.e. it is provided on the basis of 'restricted information'.

- No detailed site survey, building survey or inspection of covered, unexposed or inaccessible parts of the property was undertaken. The Valuer has had regard to the apparent state of repair and condition, and assumed that inspection of those parts not inspected would neither reveal defects nor cause material alteration to the valuation, unless aware of indication to the contrary. The building services have not been tested and it is assumed that they are in working order and free from defect. No responsibility can therefore be accepted for identification or notification of property or services' defects that would only be apparent following such a detailed survey, testing or inspection.

- It has been assumed that good title can be shown and that the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings.

- It has been assumed that the property and its value are unaffected by any statutory notice or proposal or by any matters that would be revealed by a local search and replies to the usual enquiries, and that neither the construction of the property nor its condition, use or intended use was, is or will be unlawful or in breach of any covenant.

- Valuations include that plant that is usually considered to be an integral part of the building or structure and essential for its effective use (for example building services installations), but exclude all machinery and business assets that comprise process plant, machinery and equipment unless otherwise stated and required.

- It has been assumed that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated. However where an inspection was made and obvious signs of such materials or techniques were observed, this will be drawn to your attention and captured in this report.

- No access audit has been undertaken to ascertain compliance with the Equality Act 2010 and it has been assumed that the premises are compliant unless stated otherwise in this report.

- No environmental assessment of the property (including its site) and neighbouring properties has been provided to or by the VOA, nor is the VOA instructed to arrange consultants to investigate any matters with regard to flooding, contamination or the presence of radon gas or other hazardous substances. No search of contaminated land registers has been made. However, where an inspection was made and obvious signs of contamination or other adverse environmental impact were visible this will have been advised to you, further instructions requested and the observations captured in the report. Where such signs were not evident during any inspection made, it has been assumed that the property (including its site) and neighbouring properties are not contaminated and are free of radon gas, hazardous substances and other adverse environmental impacts. Where a risk of flooding is identified during any inspection made, or from knowledge of the locality, this will be reported to you. The absence of any such indication should not be taken as implying a guarantee that flooding can never occur.

- No allowances have been made for any rights obligations or liabilities arising from the Defective Premises Act 1972.

3. Property Information

3.1 Situation

The site is located in Flint which is a town in the North-East of Wales. The subject property is situated within 1.5miles of the town centre where all the major services and amenities can be found.

At the front of the property is a well-established residential area which has a mixture of terraced, semi-detached housings and semi-detached bungalows. The rear of the property looks over the Aber Park, Industrial Estate.

3.2 Description

The subject site is the former community hospital which has fallen into disrepair, as it has been vacant since 2013. It has been subjected to arson during 2019 although, it was reported that no major damage had been caused.

The original part of the property has been constructed with redbrick walls, hipped tiled roof, built around 1900s and then extended in late 1980's. The site boundary is protected by half a metre stone wall with a variety of trees and bushes to the front and remaining boundaries are protected by a steel corrugated fence.

The site area is approximately 4,600m2 equating to 1.13 acres which has been scaled from the existing office records. The area adopted for the building is 835 m2 which is measured to GEA and reduced by 30% to give an estimate of 585m2 NIA measurement.

This instruction follows a previous valuation case under reference number 1738155. It is understood that new information has become available, the impact of which will be considered in this report. Estimated demolition costs have now been provided. The site is owned by Betsi Cadwallader University Health Board and Flintshire County

Council are proposing to acquire the site to provide a new elderly persons home. . This instruction requests a land valuation of the existing property and another of the land as a cleared site following demolition and ground remedial works.

In order to establish the Market Value of the site we must consider the actions of a hypothetical purchaser in the general market, whether this is for the purchase of the building or the purchase of the cleared site for re-development. Demand for a large building of this kind in my view would be limited to office use, residential conversion or elderly person's home. On this basis I will give consideration to comparable sales evidence in the locality.

As a redevelopment opportunity, in this location, I would expect residential development to be the most realistic and lucrative future use of the land.

3.3 Tenure

Freehold

3.4 Easements and Restrictions

None of which I am aware.

3.5 Site Area

Approximately 1.13 acres.

3.6 Services

It is assumed that all appropriate services are available to the site and no adverse costs will be incurred.

3.7 Access and Highways

The site is accessed off Cornist Road which is a local authority adopted and maintained highway.

3.8 Planning

I have made no direct enquiries with the Planning Authority and it is assumed that planning would be forthcoming for the proposal of a new residential elderly care home as well as general residential development.

3.9 Equality Act 2010

Whilst I have had regard to the provisions of the Equality Act 2010 in making this report, I have not undertaken an access audit nor been provided with such a report. It is recommended that you commission an access audit to be undertaken by an appropriate specialist in order to determine the likely extent and cost of any alterations that might be required to be made to the premises or to your working practices in relation to the premises in order to comply with the Act.

3.10 Mineral Stability

The property is situated in an underground mining area and in view of the possibility of mine workings and the increased risk of damage from underground mining subsidence it is recommended that a report is obtained from the Agency's Mineral Valuer. However as you have not requested such a report you are deemed to have instructed the Agency to assume in arriving at its valuation:

(1) that the property valued is not at the date of valuation affected by any mining subsidence and will not be so affected in the future, and

(2) that the site is stable and will not occasion any extraordinary costs with regard to Mining Subsidence.

You hereby accept that the Board of HMRC for and on behalf of the Agency and its employees cannot, in these circumstances, provide any warranty, representation or assurance whatsoever to you or any third party as to the mineral stability or otherwise of the subject property valued. You hereby agree to waive any claim which you might otherwise have had against the Board, the Agency or any of their employees for negligence or breach of contract arising from any loss or damage suffered as a result of your specific instructions to take no account of any matters that might reasonably be expected to have been disclosed by an Underground Mining Subsidence Report.

3.11 Environmental Factors Observed or Identified

I have checked Flood risk maps which indicates that the site is situated within an area that has a low to high risk of surface water flood risk to the north.

Asbestos may be present in the construction of the former Flint Community Hospital. While this material remains intact and in good condition the asbestos fibres are likely to be safe but specialist advice should be sought in the event of alteration, maintenance or demolition.

No site or contamination surveys have been provided and it is assumed that there are no environmental or contamination issues that could affect the valuations. If any unexpected environmental factors are identified further consideration may need to be given to these valuations.

3.12 Rateable Value

£15,000

3.13 Minimum Energy Efficiency Standards (MEES)

We have not been provided with an up to date EPC rating for this property and, as such, our valuation is based on the assumption that the subject property will meet the minimum requirements laid down by the Energy Act 2011 and its Regulations and that there will be no adverse impact on value and marketability. It is advisable to obtain an expert's opinion regarding whether an EPC should be commissioned and if the building is likely to meet with the legislative requirements.

4. Valuation

4.1 Valuation Methodology / Approach and Reasoning

Given the details that have been provided and my knowledge of general residential developers in this location I have valued the land using the comparable and residual methods of valuation. This meets the requirement of the RICS Valuation of land for affordable housing and RICS Valuation Information Paper 12 'Valuation of Development Land' which recommends that in addition to researching comparables, a residual approach is adopted when redevelopment is being considered.

4.2 Comparable Evidence

The comparable land transactions listed below are areas of land for residential development within the Flintshire area from July 2019 through to November 2019 ranging between £210,708 and £436,363 per acre. These transactions have occurred recently and are considered to be the most relevant, particularly those sales for areas of land in under three acres; as the subject site approximately measures 1.13acres

Address	Transaction Date	Area acres	Price £	Analysis	Remarks
Land at, Drury CH7 3EQ	**08-Nov-2019**	**2.2ac**	**£960,000**	**£436,363** **11 units per acre**	**Sold with planning permission for no.24 properties.**
Land at Afonwen Mold	24-Oct-2019	1.33ac	£340,000	£255,639	Estimated 1.33 acre of developable area although cost of remedial works will be required given this site was a former vehicle depot.
Land at Welsh Road Deeside CH5 2HR	30-Sep-2019	18acre approx.	£3,972,750	£210,708 13 units per acre	Old with planning permission for no 238, 2, 3 & 4 bedroom homes. 10% affordable, 42% private rented,
Land at, Bryn y Baal Mold, CH7 6NL	**26-July-2019**	**7.12ac**	**£2,642,854**	**£371,187** **8.28 units per acre**	**Sold with planning permission for no.59 2, 3 & 4 bedroom homes. £170k LA education contribution.**
Land at Wrexham	15-Apr-2019	1.11ac	£530,000	£477,477	Residential plot estimated at 1.11acres.

The sales evidence identified above gives a good indication of general residential land values in the Flintshire and Wrexham locality which ranges from £210,708 to £477,477/acre. The transaction in Afonwen is less reliable due to the site being a former bus depot and the assumed unknown associated costs that would be incurred to carry out the remedial works to the site. Also, the Deeside land transaction is less relevant given the considerable size difference in the land area compared to the subject and it is assumed that quantum would have been reflected in this transaction.

In my view the better comparables are the land transactions at Bryn Y Baal and Drury which demonstrate a value range of between £371,187 and £436.363/acre.

The land transaction in Wrexham is less relevant given its locality although, it is still useful as the land area is 1.1acres which is closest land area to the subject and demonstrates a land value of £477,477/acre.

All this evidence is pre-COVID19 and at present there is no post Covid19 evidence available to demonstrate what impact it has had on the market other than the slowdown of transactions.

On the basis of all the above I am happy to adopt a value at the lower end of the valuation range at say £370,000.

This site is subject to special assumptions regarding abnormal costs that have been estimated in the region of £330,000, these costs need to be reflected in the valuation. I am aware that cost does not equal value. I would however, expect any potential prudent purchaser to reflect a proportion of these costs in their bid to purchase the land. As the comparable sales will inevitable reflect some level of abnormal cost although, these are unknown. Therefore, the adoption of 70% of these costs have been applied to prevent the element of duplication. Say 70% of total costs at £330,000 = £231,000.

The value of the land as a cleared site with all abnormal and remedial works having been completed is therefore **1.13 acres @ £370,000 = £418,100 less £231,000 = £187,100**

It is important to point out that these costs do not equal value. These costs may be more accurately reflected in the residual method of the valuation.

Residual method – residential development

In addition to the comparable valuation above I have run a series of development appraisals to establish the value of the site on a number of different development scenarios.

Whilst the proposed use of the site is to demolish the existing buildings and replace with a more modern residential property I need to establish the market value of the development land and consider the actions of private bidders in the general market. In my view a prudent hypothetical private developer would adopt a simple housing scheme with a view to maximising profit. I have therefore, assumed that a developer would design a scheme that will carefully incorporate the Local Authority's requirement for public open space within this design.

The area is 1.13acres and expected density for semi-detached houses should not exceed 12/13units per acre. Therefore, the maximum number of units on this site would be around 16 or 17units. I have assumed that a general house builder would adopt a scheme of 16 dwellings, 6 x 2 bed and 10 X 3 bed all semi-detached units. The local authority's affordable housing policy is for developers to provide 30% affordable housing where there are more than 25 units or the land area is over one hectare. Therefore, in accordance with the policy there will be no affordable housing requirement.

Comparable evidence to support the Gross Development Values has been identified overleaf. These sales are all for three bedroom new build properties located

approximately 2.2miles away. The value range identified is between £164,995 and £168,495.

Address	House Type	Built	Transaction Date	Price £
11 Ffordd Dewi, Flint, CH6 5WB	HS	2019	11-Oct-2019	£167,000
13 Ffordd Dewi, Flint, CH6 5WB	HS	2019	30-Sep-2019	£168,495
39 Llys Cadfan, Flint, CH6 5WF	HS	2019	13-Sep-2019	£168,495
43 Llys Cadfan, Flint, CH6 5WF	HS	2019	07-Aug-2019	£167,000
15 Rhodfa Caradog, Oakenholt, Flint, CH6 5FL	HE	2019	01-Mar-2019	£164,995
14 Rhodfa Caradog, Oakenholt, Flint, CH6 5FL	HS	2019	29-Jan-2019	£167,995
12 Rhodfa Caradog, Oakenholt, Flint, CH6 5FL	HS	2019	29-Jan-2019	£167,995

In view of this evidence and my general knowledge of the locality I am happy to adopt the following capital values based on an optimistic general house builder's appraisal;

Capital values adopted
10 x 3bed – 84sq.m. £180,000
6 x 2bed – 77sq.m. £150,000

The proposed construction scheme is due to commence straight away and expected completion to be within 18 months. However, given the current COVID-19 crisis I have delayed the start of construction by three months setting the commencement date as 01-Nov-2020 and expected completion 01-Jun-2022.

I have adopted both the BCIS lower and median quartile rates in the Flintshire area for general residential semi-detached housing development of this size of £951sq.m. and £1,085sq.m. respectively. I have added 15% to each to reflect the cost of external works to give costs of £1093psm and £1,247psm.

Sprinklers are now mandatory in Wales but yet not fully reflected in BCIS costs I have therefore, stated these separately as follows; £2,500 per unit x 16 Houses = £40,000

A special assumption has been made that abnormal site development costs will cost in the region of £330,000. The breakdown of these costs being;
Demolition estimated at £140,000
Asbestos removal estimated at £100,000
Sewage division estimated at £90,000

A summary of the various residual inputs are listed below;

Residual Inputs
For the purposes of this report it is assumed that planning permission will be forthcoming for the proposed development of an elderly persons premises as well as a hypothetical private residential development scheme.

As with all residuals, as some assumptions have been made, the residual appraisal should be considered with caution. I have completed a development appraisal and then made alterations to assess the reliability of each input as a method of sensitivity analysis. A summary of the appraisal results have been listed below;

Appraisal inputs; 16 units, 0 affordable	**Value**	**Per acre**
Lower quartile BCIS build costs 15% profit	£273,370	£241,920
Lower quartile BCIS build costs 17.5% profit	**£215,257**	**£190,492**
Lower quartile BCIS, build costs 20% profit	**£156,367**	**£138,377**
Median quartile BCIS build costs 20% profit	-(£50,131)	-(£44,363)
Median quartile BCIS build costs 17.5% profit	£10,661	£9,434
Median quartile BCIS build costs 15% profit	£70,642	£62,515

The residual method requires the input of a large amount of data, which is rarely absolute or precise, coupled with making a large number of assumptions. Small changes in any of the inputs can cumulatively lead to a large change in the land value. Some of these inputs can be assessed objectivity, but others vary dependent upon the status of the client.

With regard to Covid-19 and any effect on value. There is no evidence in the market currently to show whether Covid-19 has had an effect on values. A developer may consider deferring the commencement of a development, or extending the development build time. In the appraisals, I have used a delayed start date which is sufficient to take account of a delay in commencement.

The sensitivity analysis that I have adopted above demonstrates a negative land value up to £273,370. My preferred appraisals are highlighted in bold above which demonstrates a land value of between £156,367 and £215,257. These appraisal adopted lower quartile build costs and a realistic developer's profit of between 17.5-20%. I am confident that the mid-point of these appraisals support my comparable method and I have placed equal emphasis on these two methods of valuation. In view of all of the above I have adopted a land value of £185,000.

I have also considered the land value without any additional abnormal costs assuming that demolition, removal of asbestos and sewage diversion works are not required.

Land values with no abnormal costs

Appraisal inputs; 16 units, 0 affordable	**Value**	**Per acre**
Lower quartile BCIS build costs 15% profit	£561,931	£497,284
Lower quartile BCIS build costs 17.5% profit	£504,897	£446,811
Lower quartile BCIS, build costs 20% profit	**£447,766**	**£396,253**
Median quartile BCIS build costs 20% profit	£256,704	£227,171
Median quartile BCIS build costs 17.5% profit	£313,943	£277,825
Median quartile BCIS build costs 15% profit	**£370,999**	**£328,317**

The sensitivity analysis that I have adopted above demonstrates a range of land values between £227,171 to £561,931. My preferred appraisals are highlighted in bold above which demonstrates a land value of between £370,999 to 447,766. These

appraisal adopted are for lower and median quartile build costs with a realistic developer's profit 20%. I am confident that the mid-point of these appraisals support my comparable method and I have placed equal emphasis on these two methods of valuation. In view of all of the above I have adopted a land value of £418,000. In view of all of the above I have adopted a land value of £370,000p/a assuming that demolition, removal of asbestos and sewage diversion works are not required.

Lower quartile BCIS build costs 17.5% profit including abnormal costs

Overall GDV	£ 2,700,000
Less	
Overall construction costs including sprinklers and external works at 15%	£ 1,458,663
Contingency at 2.5%	£ 36,466
Professional fees at 6%	£ 87,519
Site abnormal costs (inc demolition)	£ 370,000
Total Interest at 6%	£ 42,484
Agency and legal fees on all units	£ 50,100
Profit on open market housing at 17.5%	£ 472,500

Lower quartile BCIS build costs, 20% profit including abnormal costs

Overall GDV	£ 2,700,000
Less	
Overall construction costs including sprinklers and external works at 15%	£ 1,458,663
Contingency at 2.5%	£ 36,466
Professional fees at 6%	£ 87,519
Site abnormal costs (inc demolition)	£ 370,000
Total Interest at 6%	£ 36,231
Agency and legal fees on all units	£ 50,100
Profit on open market housing at 20%	£ 540,000

Lower quartile BCIS build costs 20% profit assuming no additional abnormal costs

Overall GDV	£ 2,700,000
Less	
Overall construction costs including sprinklers and external works at 15%	£ 1,458,663
Contingency at 2.5%	£ 36,466
Professional fees at 6%	£ 87,519
Site abnormal costs (sprinklers)	£ 40,000
Total Interest at 6%	£ 57,242
Agency and legal fees on all units	£ 50,100
Profit on open market housing at 20%	£ 540,000

Median quartile BCIS build costs 15% profit assuming no additional abnormal costs

Overall GDV	£ 2,700,000
Less	
Overall construction costs including sprinklers and external works at 15%	£ 1,664,184
Contingency at 2.5%	£ 41, 605
Professional fees at 6%	£ 99,851
Site abnormal costs (sprinklers)	£ 40,000

Total Interest at 6%	£ 56,834
Agency and legal fees on all units	£ 50,100
Profit on open market housing at 15%	£ 405,000

Existing Use Value

FH comparables for residential homes

Address	Transaction Date	Area sqm	Price £	Analysis
Phoenix House, Rest Home, Phoenix, Sandycroft Deeside, CH5 2PD	01-Nov-2019	530	£500,000	Pre 1900, established and trading care home -20 rest home beds and additional 10 community hospital beds
Llangollen Fechain Residential/Nursing Home, Holyhead Road, Llangollen, LL20 7PR	08-Jan-2019	610	£468,000	Pre 1900 established residential care home registered for 60 residents
Allerton Lodge, Naid Y March, Brynford, Holywell, CH8 8LG	16-Feb-2018	943	£346,000	1945's 27 bedrooms Care home with the availability for 19 patients set in acres of land
Maes Mynan Nursing Home, Afonwen, Mold, CH7 5UB	06-Oct-2017	1244	£300,000	Former vacant care home 28 bedrooms

Comments and reasoning on existing use comparables

The sales evidence for former residential homes in the immediate vicinity are limited however, there are two recent comparable sales of well-established trading residential homes which are located in the Flintshire area of Holywell and Sandycroft and a further comparable in the Llangollen area which range between £500,000 to £346,000 although, they do differ considerably in in size.

The most useful comparable is that in Mold which has no business element connected to it as it was sold as a former vacant residential care home although, the sale is somewhat dated and is much bigger than subject being 1244sq.m compared with 585sq.m. Regardless of this being a dated comparable I would expect the value of the subject property to fall below the value of this property given that it is considerably smaller and in a less attractive location in Flint. The property has been vacant since 2013 it would require a large financial investment to bring the property to the required standards to operate as a residential care home and these costs are currently unknown. All the evidence is pre-COVID19 and at present there is no post Covid19 evidence available to demonstrate what impact it has had on the market other than the slowdown of transactions. On this basis I would expect a value in the region of £200,000 to be appropriate.

Existing use value

EUV has been considered. The property may be unsuitable for refurbishing and remodelling to the current standards required for residential elderly people's home, given its current condition, presence of asbestos and other conversion costs. The property could however be used for alternative office use. On this basis I have

adopted a low rental level per sqm across the total floor area and capitalised at a relatively high risk yield to reflect the uncertainty, as below.

The area adopted for the building is 835m2 which is from the existing rating records available to me (measured to GEA) Making a deduction of say 30% (to approximate the NIA measurement as required by the RICS Code of Measuring Practice), the area would become 585m2

Office Rents
15-17 Station Rd, Deeside, CH5 1SU - Built in 1920 converted residential property into office accommodation.
372m2 = 4,000 SF Office Lease Signed Feb 2019 for £67.27/psm (Achieved)

Co-op building Ambrose Lloyd Centre - Mold, CH7 1NH - 1st Flr offices situated within 2,300sqm mixed use 1980's building.
109m2 = 1,182 SF Office Lease Signed Apr 2018 for £54.68/psm (Effective)

The comparables identified above demonstrate a range of £54.68 to £67.27/p.sm for basic office use across ground and first floors. Taking into consideration the size and use of the subject and the cost of fitting out the building with the concerns of the amount of asbestos present I am of the opinion that £40psm is reasonable giving a value of say

585sq.m. x £40 = £23,400 at 12YP (8.33) = £194,922
at 13YP (7.69) = £179,946

The effects of Covid are becoming clearer and the office market has been impacted the most therefore, there is a higher risk of void periods for this type of property which is reflected in the yield. In view of the values identified above I am happy to adopt the middle of this valuation range in the sum of £185,000.

4.3 Opinion of Value

I have placed equal emphasis on both the comparable and residual valuations and I have taken a stand back, look approach and I am confident of the opinion that the Market Value of the freehold is ;

£418,000 is a realistic market value of the land as a cleared site assuming that demolition, removal of asbestos and sewage diversion works are not required.

£185,000 is a realistic reflection of the current site with former community hospital buildings in-situ either to be used as office accommodation/nursing home premises or as a re-development opportunity reflecting all the costs of the demolition, removal of asbestos and sewage diversion works required.

For the purposes of this report the following special assumptions have been agreed.

Planning permission will be forthcoming for the proposed development of an elderly persons premises as well as a hypothetical private residential development scheme.

Abnormal costs will be :-

Demolition estimated at £140,000
Asbestos removal estimated at £100,000
Sewage division estimated at £90,000

4.4 Market Uncertainty

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Our valuations are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property / these properties under frequent review.

4.5 Currency

All prices or values are stated in pounds sterling.

4.6 VAT

I understand that VAT does not apply to this transaction and my opinion of value reflects this. In the event that my understanding is found to be inaccurate, my valuation should be referred back for reconsideration.

4.7 Costs of Sale or Acquisition and Taxation

I have assumed that each party to any proposed transaction would bear their own proper legal costs and surveyor's fees.

No allowance has been made for liability for taxation, whether actual or notional, that may arise on disposal.

5. General Information

5.1 Status of Valuer

It is confirmed that the valuation has been carried out by Nicola Hall, a RICS Registered Valuer, (in assistance with Kerry Jones AssocRICS Graduate Valuer) acting in the capacity of an external valuer, who has the appropriate knowledge and skills and understanding necessary to undertake the valuation competently, and is in a position to provide an objective and unbiased valuation. This valuation and report has been approved by Sharon Short MRICS Sector Leader and Principal Valuer.

5.2 Conflict of Interest

Checks have been undertaken in accordance with the requirements of the RICS standards and have revealed no conflict of interest. As previously disclosed, DVS has had previous material involvement with the property, which has been drawn to your attention. The details are as follows: 1738155 however, as new information has come to light which was not previously available I confirm that this does not impact on my overriding obligation to act with independence and objectivity.

5.3 Restrictions on Disclosure and Publication

The client will neither make available to any third party or reproduce the whole or any part of the report, nor make reference to it, in any publication without our prior written approval of the form and context in which such disclosure may be made.

5.4 Limits or Exclusions of Liability

Our valuation is provided for your benefit alone and solely for the purposes of the instruction to which it relates. Our valuation may not, without our specific written consent, be used or relied upon by any third party, even if that third party pays all or part of our fees, directly or indirectly, or is permitted to see a copy of our valuation report. If we do provide written consent to a third party relying on our valuation, any such third party is deemed to have accepted the terms of our engagement.

None of our employees individually has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against any such individuals personally in connection with our services.

5.5 Validity

This report remains valid for three months from its date unless market circumstances change or further or better information comes to light, which would cause me to revise my opinion.

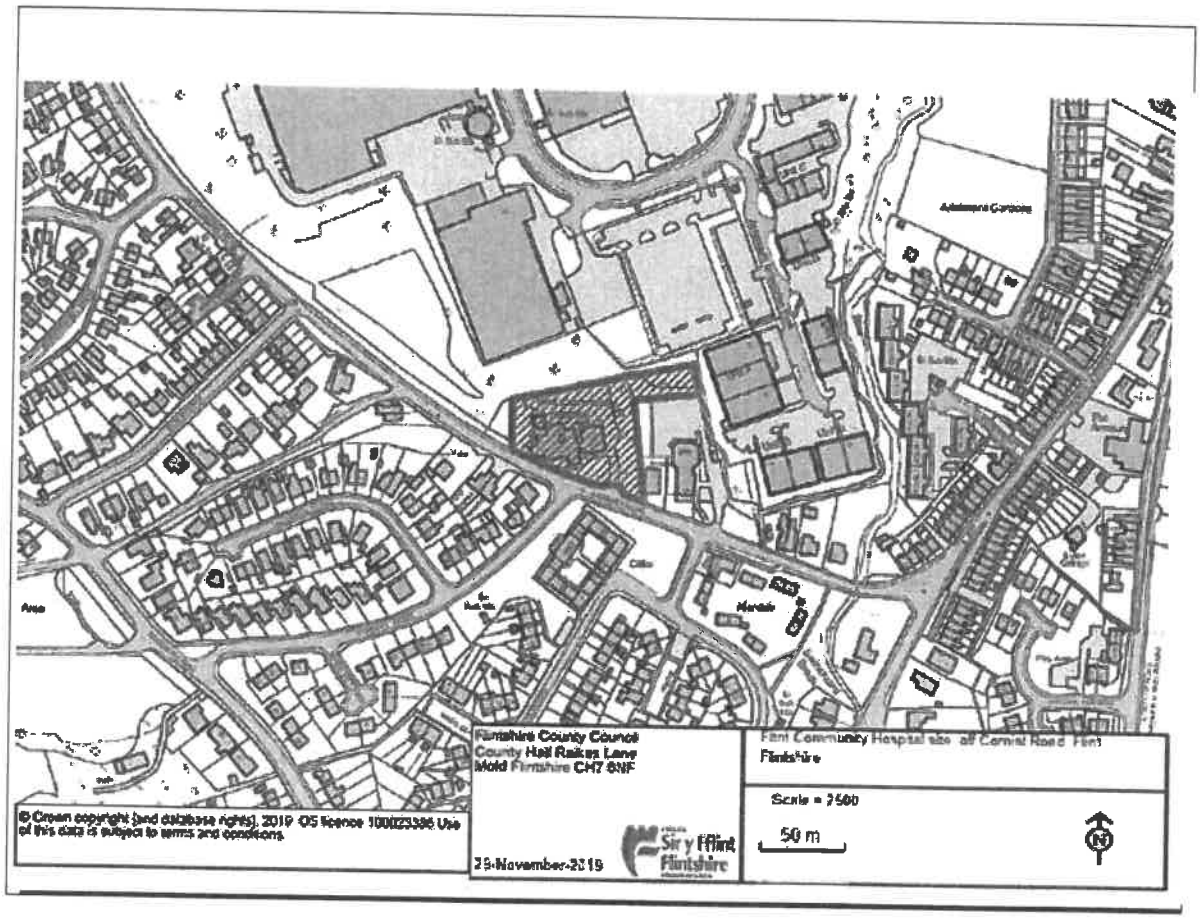
I trust that the above report is satisfactory for your purposes. However, should you require clarification of any point do not hesitate to contact me further.

Nicola Hall MRICS
Senior Surveyor,
RICS Registered Valuer,
DVS

6. Appendices

6.1 Photographs

6.2 Site Plan – provided by Flintshire County Council



Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee** **28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Monthly Monitoring Report – Month 9**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Sue Hill, Executive Director of Finance
Awdur yr Adroddiad **Report Author:**	Eric Gardiner, Finance Director - Provider Services
Craffu blaenorol: **Prior Scrutiny:**	The submission made to Welsh Government required Chief Executive and Director of Finance sign off.
Atodiadau **Appendices:**	Appendix 1: Month 9 Monitoring Return Narrative Report

Argymhelliad / Recommendation:

Note the contents of the report that has been made to Welsh Government about the Health Board's financial position for Month 9 of 2020/21.

Please tick one as appropriate (note the Chair of the meeting will review and may determine the document should be viewed under a different category)

Ar gyfer penderfyniad /cymeradwyaeth **For Decision/ Approval**		**Ar gyfer Trafodaeth** **For Discussion**		**Ar gyfer sicrwydd** **For Assurance**		**Er gwybodaeth** **For Information**	✓

Sefyllfa / Situation:

To report to the Committee the completion of monthly reporting to Welsh Government for Month 9 of 2020/21.

Cefndir / Background:

The financial plan for 2020/21, approved by the Board, is to deliver a deficit of £40m and is based on delivering savings of £45m. The initial plan did not take into account the impact of COVID-19, and therefore has been refined throughout the year, in line with Welsh Government guidance.

The Health Board's consolidated plan for the second half of the financial year was submitted in October and the expected clinical activity has been incorporated into this return. The Quarter 3 / 4 plan focuses on increasing planned care and dealing with winter escalation plans. However, the substantial increase in COVID-19 infection rates across our population over the winter months is affecting delivery of the plan, with associated impact on activity and costs.

Asesiad / Assessment & Analysis

Strategy Implications:

This paper aligns to the strategic goal of attaining financial balance and is linked to the well-being objective of targeting our resources to those with the greatest need.

Options considered
Not applicable – report is for information only.

Financial Implications:

Financial position

- The in-month position is a nil deficit, which is £3.4m under the plan for Month 9. This gives a cumulative year to date position of £0.2m surplus, which is a favourable variance of £30.2m against the planned deficit of £30.0m.

- The impact of COVID-19 in December is a cost of £5.9m, with a year to date cost of £78.9m.

	M01	M02	M03	M04	M05	M06	M07	M08	M09	YTD	Forecast
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
COVID-19 spend (incl. Field Hospitals)	28.8	3.7	7.3	7.1	6.1	4.8	7.1	(2.5)	6.5	68.9	132.2
Lost income	1.2	1.4	1.2	1.6	1.6	0.4	1.0	1.0	1.1	10.5	13.6
Non delivery of savings	3.7	3.6	2.0	2.7	2.3	3.9	0.5	2.3	0.9	21.9	28.4
Elective underspend	(2.4)	(2.8)	(2.2)	(2.6)	(1.9)	(1.5)	(1.7)	(1.5)	(1.8)	(18.4)	(22.4)
Slippage on planned investments	(0.2)	(0.1)	(0.5)	(0.5)	(0.2)	(0.2)	(0.5)	(0.3)	(0.8)	(3.3)	(5.2)
Cluster funding	0.0	0.0	(0.3)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	0.0	(0.7)	(0.7)
ICF Funding	(0.3)	(0.7)	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total COVID-19 costs	**30.8**	**5.1**	**7.5**	**9.2**	**7.9**	**7.3**	**6.3**	**(1.1)**	**5.9**	**78.9**	**145.9**
Optimise Flow & Outcomes (ICF)	0.0	0.0	0.0	(1.6)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(2.1)	(2.5)
Mental Health Improvement Fund	0.0	0.0	0.0	(0.7)	0.0	0.0	0.0	0.0	0.0	(0.7)	(0.7)
GMS (DES)	0.0	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.2)	(0.2)
Welsh Government	(30.8)	(5.1)	(7.5)	(6.8)	19.8	(34.8)	(6.2)	1.2	(5.7)	(75.9)	(142.5)
Total COVID-19 income	**(30.8)**	**(5.1)**	**(7.5)**	**(9.2)**	**19.7**	**(34.9)**	**(6.3)**	**1.1**	**(5.9)**	**(78.9)**	**(145.9)**
Impact on position	**0.0**	**0.0**	**0.0**	**0.0**	**27.6**	**(27.6)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

- Cumulatively, specific funding sources totalling £3.0m have been redirected to COVID-19 to cover some of these costs. £75.9m of additional Welsh Government income has been received or notified to cover the remaining costs to date. Therefore, overall the costs of COVID-19 are not impacting on the year to date position or the forecast position. Total forecast cost of COVID-19 is £145.9m.

- Forecasts for COVID-19 have been further refined this month, resulting in an increase of £4.4m in the overall cost. There have been movements in several of the funding streams and the detail of this is included in section 4.1.

- The table below shows the movement between forecast COVID-19 costs last month and this month:

	Forecast at Month 8 £m	Forecast at Month 9 £m	Movement £m
COVID-19 spend	84.9	81.2	(3.7)
Field Hospitals	31.1	30.8	(0.3)
Annual leave accrual	10.1	20.2	10.1
Lost income	13.6	13.6	0.0
Non delivery of savings	30.8	28.4	(2.4)
Elective underspend	(23.3)	(22.4)	0.9
Slippage on planned investments	(5.0)	(5.2)	(0.2)
Cluster funding	(0.7)	(0.7)	0.0
Total	**141.5**	**145.9**	**4.4**

- There is a continual review of COVID-19 costs and the ability to undertake developments given the rising number of cases in North Wales. Forecasts have been amended in line with this review. In December, the key changes have been an increase of £10.1m in the annual leave accrual, offset by a reduction of £2.9m in relation to pay costs, as staffing plans anticipated for Quarter 4 have been delayed. Annual leave remains under discussion in the Health Board, but there is an expectation that less annual leave will be taken in Quarter 4 due to the increasing prevalence of COVID-19.

Forecast

- Following receipt of the £40.0m Welsh Government funding to cover the planned deficit, the forecast financial position for the end of the year continues to be a nil deficit.

Risk Analysis:

- The current block contract arrangement with NHSE has been revised to a reduced percentage value. Depending on levels of activity, this could result in a financial benefit to the Health Board, but this cannot yet be determined and discussions with providers continue. There are three risks to the financial position, but the value of these cannot be currently quantified. Risks and opportunities are detailed in Section 3 of the attached report.

Legal and Compliance:
Not applicable.

Impact Assessment:
Not applicable.

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Betsi Cadwaladr
University Health Board

MONITORING RETURN

MONTH 9 2020/21

Sue Hill

Executive Director of Finance

Betsi Cadwaladr University Health Board

1. FINANCIAL POSITION & FORECAST

1.1 Financial Plan

- The financial plan for 2020/21, approved by the Board, is to deliver a deficit of £40m, based on delivering savings of £45m.

- The initial plan did not take into account the impact of COVID-19, and therefore has been refined throughout the year, in line with Welsh Government guidance.

- The Health Board's consolidated plan for the second half of the financial year was submitted in October and the expected clinical activity has been incorporated into this return. The Quarter 3 / 4 plan focuses on increasing planned care and dealing with winter escalation plans. However, the substantial increase in COVID-19 infection rates across our population over the winter months is affecting delivery of the plan, with associated impact on activity and costs.

1.2 Financial Position

- The in-month position is a nil deficit, which is £3.4m under the plan for Month 9. This gives a cumulative year to date surplus of £0.2m, which is a favourable variance of £30.2m against the planned deficit of £30.0m.

- The impact of COVID-19 in December is a cost of £5.9m, with a year to date cost of £78.9m.

	M01	M02	M03	M04	M05	M06	M07	M08	M09	YTD	Forecast
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Slippage on planned investments	(0.2)	(0.1)	(0.5)	(0.5)	(0.2)	(0.2)	(0.5)	(0.3)	(0.8)	(3.3)	(5.2)
Cluster funding	0.0	0.0	(0.3)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	0.0	(0.7)	(0.7)
ICF Funding	(0.3)	(0.7)	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total COVID-19 costs	**30.8**	**5.1**	**7.5**	**9.2**	**7.9**	**7.3**	**6.3**	**(1.1)**	**5.9**	**78.9**	**145.9**
Optimise Flow & Outcomes (ICF)	0.0	0.0	0.0	(1.6)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(2.1)	(2.5)
Mental Health Improvement Fund	0.0	0.0	0.0	(0.7)	0.0	0.0	0.0	0.0	0.0	(0.7)	(0.7)
GMS (DES)	0.0	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.2)	(0.2)
Welsh Government	(30.8)	(5.1)	(7.5)	(6.8)	19.8	(34.8)	(6.2)	1.2	(5.7)	(75.9)	(142.5)
Total COVID-19 income	**(30.8)**	**(5.1)**	**(7.5)**	**(9.2)**	**19.7**	**(34.9)**	**(6.3)**	**1.1**	**(5.9)**	**(78.9)**	**(145.9)**
Impact on position	**0.0**	**0.0**	**0.0**	**0.0**	**27.6**	**(27.6)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

- Cumulatively, specific funding sources totalling £3.0m have been redirected to COVID-19 to cover some of these costs. £75.9m of additional Welsh Government income has been received or notified to cover the remaining costs to date. Therefore, overall the costs of COVID-19 are not impacting on the year to date position or the forecast position. Total forecast cost of COVID-19 is £145.9m.

1. FINANCIAL POSITION & FORECAST

- Forecasts for COVID-19 have been further refined this month, resulting in an increase of £4.4m in the overall cost. There have been movements in several of the funding streams and the detail of this is included in section 4.1.

- The table below shows the movement between forecast COVID-19 costs last month and this month:

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Field Hospitals	31.1	30.8	(0.3)
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Lost income	13.6	13.6	0.0
Non delivery of savings	30.8	28.4	(2.4)
Elective underspend	(23.3)	(22.4)	0.9
Slippage on planned investments	(5.0)	(5.2)	(0.2)
Cluster funding	(0.7)	(0.7)	0.0
Total	**141.5**	**145.9**	**4.4**

  - **COVID-19 spend**: There is a continual review of COVID-19 costs and the ability to undertake developments given the rising number of cases in North Wales. Forecasts have been amended in line with this review. In December, the key changes have been an increase of £10.1m in the annual leave accrual, offset by a reduction of £2.9m in relation to pay costs as staffing plans anticipated for Quarter 4 have been delayed. Annual leave remains under discussion in the Health Board, but there is an expectation that less annual leave will be taken in Quarter 4 due to the increasing prevalence of COVID-19.
  - **Non delivery of savings**: Savings delivery forecasts have increased as pipeline plans have now moved into development. These pipeline schemes were previously included as an opportunity in the Monitoring Return, but have moved into green/amber and so are included in the forecast for Month 9.
  - **Elective underspends**: Forecast divisional operational under spends for elective work have been reassessed and reduced.
  - **Slippage on planned investments**: It was anticipated that business as usual would have started by now and even with the submission of the Quarter 3 / 4 plan, it was expected that we could begin to undertake some development work. However, increasing COVID-19 rates mean that plans have had to be delayed. The Health Board is expecting COVID-19 infection rates to continue to increase post-Christmas and so we have needed to adapt and revise our plans in line with this, leading to further slippage on planned investments.

1. FINANCIAL POSITION & FORECAST

1.3 Forecast

- Following receipt of the £40.0m Welsh Government funding to cover the planned deficit, the forecast financial position for the end of the year continues to be a nil deficit.

2. UNDERLYING POSITION

2.1 Movement from Financial Plan (Table A)

- The underlying position brought forward from 2019/20 was a deficit of £57.7m, with an opening plan of £40m deficit.

3. RISK MANAGEMENT

3.1 Risk Management (Table A2)

- The below are risks to the Health Board's financial position for 2020/21.

	£m	Level	Explanation
Opportunities			
Contracting Benefit			The current block contract arrangement with NHSE has been revised to a reduced percentage value depending on levels of activity undertaken. This could result in a financial benefit to the Health Board. Initial conversations with our main providers took place in December, at which time they were confident that the level of activity in the remaining months would be sufficient to meet the threshold to receive 100% of the block. Further discussions are taking place with providers to update the position based on the latest operating environment. Therefore, there may be an opportunity to reduce the contract expenditure, although this cannot currently be quantified with any degree of accuracy. The Health Board is including in the forecast a small amount of underperformance against a couple of the smaller contracts, where performance to date has been particularity low.
Risks			
Savings Programme			There is a risk that the amber schemes within the savings programme will not deliver to their forecast values.
Hallett v Derby Hospitals NHS Foundation Trust			It has not yet been determined how this case will impact on the Health Board and what the financial implications may be. Further investigations are being undertaken to quantify any potential impact.
Flowers Judgement			NWSSP Employment law team have confirmed that the holiday pay issues arising from the Flowers judgement is ongoing and the outcome of the Supreme Court appeal is awaited.

4. INCOME & EXPENDITURE

4.1 Income (Table B)

- Income totals £155.9m for December.

- Confirmed allocations to date are £1,712.0m, with further anticipated allocations in year of £40.8m, a total forecast Revenue Resource Limit (RRL) of £1,752.8m for the year.

- £143.6m of the RRL has been profiled into December, which is £10.7m more than in November. This reflects the £8.7m reduction in Field Hospital costs last month, which reduced COVID-19 funding. In addition, £3.1m of income for Intermediate Care Fund (ICF) capital schemes has been recognised this month to match accrued expenditure.

- A reconciliation between the RRL phased into the position and an equal phasing is shown in the table below.

	M09 £m
RRL (Table E)	1,752.8
Less COVID-19 funding (Table A, line 22)	(145.9)
Less funding for specific purposes, e.g. drug treatment fund	(34.3)
Adjusted RRL	1,572.6
Equal 12ths phasing	1,179.5
Add YTD COVID-19 costs	78.9
Phased YTD RRL	1,258.4
Actual YTD RRL (Table B)	1,258.3
Variance	**0.0**

- Income includes £10.3m for Planned Care and Diagnostic performance funding. Due to the increasing prevalence of COVID-19, plans have had to be revised and some schemes can no longer be undertaken. Of this funding, £4.4m no longer has agreed plans in place and this is shown separately in Table A, on line 35. However, the Health Board has confirmed that this will be fully spent in 2020/21.

- Total Welsh Government COVID-19 income is forecast at £145.9m for the year, of which £78.9m has been included in the year to date financial position.

4. INCOME & EXPENDITURE

	Total Funding £m	Actual Expenditure to M09 £m	Forceast Expenditure M10 to M12 £m
Additional COVID-19 support	63.0	42.8	20.2
Annual leave accrual	20.2	0.0	20.2
Field Hospital commissioning costs	14.9	14.9	0.0
Trace element of TTP (including IT)	8.5	2.6	5.9
Field Hospital decommissioning cost	7.9	0.0	7.9
PPE	5.6	3.9	1.7
Quarter 1 Pay	5.4	5.4	0.0
Support for adult social care providers	5.0	2.9	2.1
COVID-19 vaccination programme	3.0	0.3	2.7
Discharge to Recover and Assess	2.1	0.2	1.9
COVID-19 testing	1.5	0.6	0.9
Extended flu vaccination programme	1.6	0.8	0.8
Consequential losses	1.8	0.9	0.9
Ambulatory care (Same Day Emergency Care)	0.6	0.0	0.6
Ambulatory care	0.2	0.1	0.1
Additional cross border costs 0.8%	0.5	0.4	0.1
Primary Care Centre Pathfinders	0.4	0.0	0.4
Voluntary Sector Mental Health Service Provision	0.2	0.0	0.2
MH Helpline	0.1	0.1	0.0
COVID-19 Specific Funding	**142.5**	**75.9**	**66.6**
Optimise Flow & Outcomes (ICF)	2.5	2.1	0.4
Mental Health Improvement Fund	0.7	0.7	0.0
GMS (DES)	0.2	0.2	0.0
Redirected Funding	**3.4**	**3.0**	**0.4**
Total Welsh Government Funding	**145.9**	**78.9**	**67.0**

- As estimates of COVID-19 expenditure are progressed and plans are further developed, forecast costs change. Where funding has been notified to specifically cover specific costs, this has been amended in line with the changes to forecast expenditure. The following changes to COVID-19 income have been made during Month 9:

4. INCOME & EXPENDITURE

	Total Funding at M08 £m	Total Funding at M09 £m	Movement £m
Funding movements from M08			
Additional COVID-19 support	76.2	63.0	(13.2)
Trace element of TTP (including IT)	8.8	8.5	(0.3)
PPE	6.1	5.6	(0.5)
COVID-19 vaccination programme	2.7	3.0	0.3
Discharge to Recover and Assess	2.2	2.1	(0.1)
COVID-19 testing	1.9	1.5	(0.4)
Extended flu vaccination programme	1.8	1.6	(0.2)
Ambulatory care (Same Day Emergency Care)	1.3	0.6	(0.7)
Ambulatory care	0.8	0.2	(0.6)
Primary Care Centre Pathfinders	0.5	0.4	(0.1)
Sub-total	**102.3**	**86.5**	**(15.8)**
New funding in M09			
Annual leave accrual	0.0	20.2	20.2
Sub-total	**0.0**	**20.2**	**20.2**
Unchanged Funding	**39.2**	**39.2**	**0.0**
Total Welsh Government Funding	**141.5**	**145.9**	**4.4**

- The main adjustment relates to the funding of the increase in the annual leave accrual. In Month 8, the annual leave accrual was £10.1m and was funded from the Additional COVID-19 support (NHS stability funding). However, in accordance with the intended all-Wales approach, in Month 9 a new funding stream has been set up to fund this accrual. Therefore, Additional COVID-19 support funding has reduced by £10.1m and the annual leave accrual funding has been set up for a corresponding amount. In addition, the annual leave accrual has been recalculated this month, based on an increase in the number of leave days to be carried forward. This has increased the accrual, and corresponding funding, by £10.1m to £20.2m.

- Additional COVID-19 support funding has decreased by a further £3.1m due to decreases in other costs, notably forecast COVID-19 pay, which (excluding the annual leave accrual) has reduced by £2.9m.

- The impact of COVID-19 has resulted in lost income of £1.1m during December, which mainly relates to Non-Contracted Activity (NCAs) and General Dental Services (GDS) patient income. Included in 'Other' is income lost from private patients and training course fees.

4. INCOME & EXPENDITURE

Loss of Income	M09 £m
Dental Patient Charge Revenue	0.4
Non-contracted activity (NCAs)	0.5
Other	0.2
Total Income	**1.1**

4.2 Expenditure (Table B)

- Expenditure totals £155.8m for Month 9, £12.4m more than in Month 8.
- Expenditure of £6.5m is directly related to COVID-19 this month, of which £2.2m is included in pay and £4.3m across non-pay expenditure categories.
- The impact of COVID-19 on the savings programme has resulted in planned savings of £0.9m not being achieved this month and this shortfall is included within non-pay. Elective care activity during December remains below usual levels, giving a reduction in planned care non-pay spend of £1.8m. In addition, there is slippage on investments of £0.8m offsetting costs.

Primary Care	– Expenditure In December is the same as last month at £17.9m. – Pressures in General Medical Services (GMS) remain from increased costs of drugs reported through GMS Dispensing and cost pressures within Managed Practices, particularly in relation to locum GP costs. However, this is partially offset by slippage on Partnership Premium / Seniority payments and Enhanced Services. – Further details are included in Section 15.
Primary Care Drugs	– Spend has increased by £1.3m this month to £9.8m, which is £0.4m above the monthly average for the year to date. – The data for October, received this month, showed an increase in the average cost per prescribing day. However, unlike earlier in the year where increases were driven by price, this month the increase is primarily as a result an increase in volume. The average cost per item has increased by 1%, whilst the number of items prescribed is up by 10%. – The overall trend in costs continues to be on an upward trajectory and GP prescribing and dispensing costs remain a cost pressure in 2020/21. The year to date over spend at Month 9 is £3.6m, with a forecast overspend of £6.6m for the year.

4. INCOME & EXPENDITURE

Provided Services - Pay	– Details are provided in Section 5.
Provider Services Non-Pay	– There has been an increase of £12.5m in expenditure compared to Month 8, of which £9.8m relates to COVID-19. COVID-19 costs in Month 8 were reduced due to the £8.7m decrease in the set-up costs of the Field Hospitals. – This month the Intermediate Care Funds (ICF) capital list has been agreed with the Local Authorities. The total cost for the year is £8.0m. Some of this cost had been accrued previously, but in Month 9 accruals have been adjusted so that 9/12ths of the full cost, and the corresponding income, is included in the position. This has led to increased ICF costs of £3.1m in Month 9.
Secondary Care Drugs	– Costs have increased by £0.6m to total spend of £6.6m in the month, which is the highest monthly spend for the year so far. – £0.3m of the increase relates to Oncology drugs due to a rise in Cancer patients presenting later than they would normally as a result of the pandemic. This has led to higher cost drugs being required to treat them. – The remainder of the increase relates to higher spend across a number of Secondary Care specialties, including Gastro, Rheumatology and Respiratory.
Healthcare Services provided by other NHS Bodies	– There has been a £0.6m (equivalent to 3%) decrease in spend compared to Month 8. – Initial conversations with our main English providers indicate that the level of activity in the remaining months of the year will be sufficient to meet the threshold to receive 100% of the block payment. Therefore, most contract payments will remain at the level they have been for the year so far. Discussions with providers will continue to ensure that they are achieving this level of activity.
Continuing Health Care (CHC) and Funded Nursing Care (FNC)	– Expenditure in December has fallen by £1.8m to £8.0m, which is the lowest monthly expenditure for the year so far. – However, this is because of a journal correction in relation to Children's CHC and FNC costs, due to an error in Month 8. This has resulted in a reduction in spend of £2.0m in Month 9. – Mental Health has seen an increase in CHC cases this month, with costs rising by £0.2m.
Other Private and Voluntary Sector	– Expenditure relates to a variety of providers, including hospices and Mental Health organisations.

Joint Financing	– Includes the pay and non-pay for the Community Equipment Stores, which are jointly operated via a pooled budget.
Losses, Special Payments and Irrecoverable Debts	– Includes Redress, Clinical Negligence, Personal Injury and loss of property. – There was a decrease in spend of £0.2m this month, which related to an adjustment to the bad debt provision.
Capital	– Includes depreciation and impairment costs, which are fully funded. – The AME forecast increased, with £0.083m due to the market valuation to support the disposal of Flint Community Hospital. The transactions have been actioned in Month 9.

4.3 Forecast (Table B)

- Forecast costs for the last quarter of the year include plans for unscheduled care, planned care and also schemes from the Quarter 3 / 4 plan, with a significant amount of these costs related to pay. Forecasts have been reduced from last month, based on an ongoing review of plans, but there are still some developments that are going ahead.

- Pay costs in Month 12 include the £20.2m annual leave accrual, as detailed in section 6.3.2. The pay costs for the COVID-19 vaccination programme are expected to increase from Month 10 onwards. Further detail on these costs, and those of the extended flu programme, are included in section 6.3.1.

- Forecast pay costs also include additional costs for enhanced overtime rates, which have been agreed by the Health Board for a defined period, starting in Month 10, to support service demands. These rates will apply to specific designated staff groups (currently Nurses and Midwives and Health Care Support Workers) in bands 1-7 (including part time staff) and for COVID-19 related cover; for example to staff in the rainbow hospitals or COVID-19 wards, to undertake COVID-19 vaccinations, or to cover for staff who are absent for COVID-19 related reasons. The enhanced rates are x2.0 for nights/Saturdays and x2.25 for Sundays.

- Non-pay costs related to Test Trace Protect (TTP) started to increase in December and are forecast to rise further over the next three months. These are the payments to Local Authorities and are forecast to increase from £0.6m in Month 9 to £2.0m in Month 12. The £7.9m decommissioning costs of the Field Hospitals are included in non-pay costs in March.

- Non-pay costs in March also include the £4.4m of Planned Care and Diagnostic performance funding where plans are being reviewed.

- Other Private and Voluntary sector costs are forecast to increase towards the end of the year due to additional outsourced CAHMS work to reduce waiting lists that have built up over the pandemic due to reduced activity.

4.4 Accountancy Gains (Table B)

- The Health Board is reporting an accountancy gain of £0.3m in Month 9. This relates to a GMS rebate. A national contract was let by NWSSP for the Provision of Rating Consultants to undertake a review to seek rebates for 2017 Non-Domestic Rating Revaluations for the Primary Care Estate. The £0.3m is a one-off refund from a back-dated reduction in rateable value, which has been released against the GMS ring-fenced budget.

4.5 Committed Reserves and Contingencies (Table B)

- The Diagnostic Sustainability reserve is now being utilised. There had been a delay in spending due to the implementation of solutions such as CT in a Box that arrived late. Radiology anticipate the current solutions will be maintained until March 2021.

5. PAY EXPENDITURE

5.1 Pay (Table B2)

- Total pay costs in December are £69.4m. Provided Services pay costs are £67.5m, which is £0.2m higher than in November. Primary Care pay costs at £1.9m are the same as last month. A total of £2.2m of pay costs were directly related to COVID-19.

- There have been no significant changes in pay cost by staff group this month.

5.2 Agency/Locum Expenditure (Table B2)

- Agency costs for Month 9 are £3.4m, representing 4.9% of total pay, an increase of £0.3m on last month. Agency spend related to COVID-19 in December was £0.7m, £0.2m higher than last month.

- Medical agency costs have increased by £0.2m to an in-month spend of £1.8m. Of this, £0.3m related to COVID-19 work, £0.1m higher than November.

- Nurse agency costs totalled £1.0m for the month, the same as last month. This cost includes £0.3m relating to COVID-19.

- Other agency costs total £0.6m this month, £0.1m higher than last month. £0.1m relates to COVID-19, primarily Admin and Clerical staff working in TTP.

6. COVID-19 ANALYSIS

6.1 COVID-19 Actual Costs (Table B3)

- The total impact of COVID-19, including the Field Hospitals and TTP for December is a cost of £5.9m. A total of £0.2m of specific funding has been redirected and used to offset the costs of COVID-19. Therefore, the Welsh Government funding required to offset the impact of COVID-19 this month is £5.7m.

- Included in Field Hospital costs are consequential losses totalling £0.9m for the year to date. The current assessment of consequential losses is estimated at £1.8m, which is the same as at Month 8. Negotiations continue; this value remains subject to revision as discussions progress and if any if the rules on social contact change.

6.2 COVID-19 Forecast Costs (Table B3)

- The forecast expenditure relating to COVID-19 is reviewed and revised on a monthly basis, as the Health Board develops and adjusts plans. The current total cost of COVID-19 is forecast to be £145.9m. This is £4.4m higher than the forecast in Month 8.

- As noted in section 6.3.2, the forecast for the annual leave accrual has increased by £10.1m this month. Offsetting this is a reduction in other pay forecasts, which have decreased by £2.9m, due to delays in recruiting staff to meet plans. The surge in COVID-19 cases in December, anticipated to continue over the whole winter, is amplifying the issues with staff recruitment. There have been smaller movements in several other COVID-19 programmes as plans are further developed, with income adjusted to match, as noted in Section 4.1.

- Savings delivery for the year will be reduced against the plan of £45.0m and it is estimated that this will be £16.6m. Red rated schemes that were previously in the pipeline have now moved into green/amber and so are included in this figure.

- Costs for decommissioning the field hospitals are currently estimated at £7.9m, to be incurred in March. This is split across the three hospitals as follows:

	£m
Ysbyty Enfy Bangor	2.0
Ysbyty Enfy Llandudno	2.5
Ysbyty Enfy Deeside	3.4
Total	**7.9**

- Elective under spends will continue for the rest of the year. It is expected that full capacity will not be reached in 2020/21 due to the requirements of social distancing for staff and patients and the continued increase in COVID-19 patients in hospital beds. The forecast elective under spend for the year is £22.4m.

6.3 Key Areas (Table B3)

6.3.1 COVID-19 and extended flu vaccination programmes

- Actual and forecast costs for the COVID-19 vaccination programme and the extended flu programme have been included in Table B3 as follows.

COVID-19 Vaccination Programme	Table B3 Row	M07 £000	M08 £000	M09 £000	M10 £000	M11 £000	M12 £000	YTD £000	Total £000
Pay									
Establishment: Administrative & Clerical	3	0	7	30	215	265	265	37	782
Establishment: Nursing & Midwifery	5	0	2	26	425	507	645	28	1,605
Agency: Administrative & Clerical	13	58	21	40	40	40	40	119	239
Total Pay		58	30	96	680	812	950	184	2,626
Non-Pay									
Cleaning costs	64	0	0	0	15	15	15	0	45
Equipment costs - other	73	0	0	34	0	0	0	34	34
Estates\Security costs	74	0	0	24	0	0	0	24	24
IT Costs	77	13	6	0	0	10	0	19	29
Laundry costs	78	0	0	1	0	0	0	1	1
M&SE - consumables	80	0	0	0	25	75	75	0	175
PPE	82	0	0	8	0	0	0	8	8
Telephony	86	0	0	0	10	10	10	0	30
Transportation	89	0	0	4	10	0	0	4	14
Other costs	91	0	0	2	30	0	0	2	32
Total Non-Pay		13	6	73	90	110	100	92	392
Total		**71**	**36**	**169**	**770**	**922**	**1,050**	**276**	**3,018**

Extended Flu Vaccination Programme	Table B3 Row	M07 £000	M08 £000	M09 £000	M10 £000	M11 £000	M12 £000	YTD £000	Total £000
Pay									
Establishment: Nursing & Midwifery	5	0	47	11	0	0	0	58	58
Total Pay		0	47	11	0	0	0	58	58
Non-Pay									
Additional costs in Primary Care	59	0	614	108	733	0	0	722	1,455
Drugs inc Medical Gases	70	0	54	0	0	0	0	54	54
Total Non-Pay		0	668	108	733	0	0	776	1,509
Total		**0**	**715**	**119**	**733**	**0**	**0**	**834**	**1,567**

- There have been some small changes to the forecast cost of these programmes, as they progress and plans crystallise. The extended flu vaccination programme has reduced by £0.2m, whilst the COVID-19 vaccination programme has increased by £0.3m.

6.3.2 Annual leave liability

- The Health Board does not ordinarily permit the carry forward of annual leave from one year to another, except for Medical and Dental staff where the leave year differs from the accounting period and where staff have been prevented from taking their leave entitlement due to either long term sickness or maternity leave. This requirement was relaxed at the end of the 2019/20 financial year for members of staff who were unable to take leave due to operational requirements resulting from the COVID-19 pandemic.

- Whilst discussions to ensure a consistent approach and calculation methodology for the carry forward of annual leave across NHS Wales are on-going, the Health Board's has confirmed that staff will be permitted to carry forward leave at the end of the financial year. The Health Board is currently estimating that staff will carry forward up to ten days leave. This has increased from the five days used in calculations last month, as discussions across Wales have progressed and the demand on local services due to rising COVID-19 cases has increased. The position does however remain under review.

- Using this approach, the Health Board is currently estimating a maximum increase of £20.2m to the annual leave accrual, based on an analysis of its Electronic Staff Record (ESR) at Month 9. This is an increase of £10.1m on the accrual in Month 8, reflecting the fact that the number of days carried forward has doubled. This forecast has been included in Table B3 on line 52, as an anticipated allocation on Table E and has been analysed over the following pay expenditure types in Table B2:

Pay expenditure type (Table B2)	£000
Administrative, Clerical and Board Members	3,422
Medical & Dental	1,200
Nursing & Midwifery Registered	7,734
Professional, Scientific and Technical	1,236
Additional Clinical Services	3,126
Allied Health Professionals	1,476
Healthcare Scientists	454
Estates and Ancillary	1,326
Students	226
Total	**20,200**

- The Health Board has funded the cost of this accrual from the annual leave accrual funding stream.

- The anticipated allocation reported in Table E of the Month 9 submission has been included on a resource only basis on the assumption that required cash support will be requested through working capital movements during 2021/22, when annual leave is taken and any additional costs are incurred to cover roles during periods of absence.

6. COVID-19 ANALYSIS

- The Health Board is also currently assuming that the arrangements for carry forward of annual leave will revert to previous arrangements in 2021/22 and that this will result in a negative resource adjustment to reflect the impact of the reduction in the annual leave accrual on the financial position next year.

7. SAVINGS

7.1 Savings (Tables C – C3)

- Development of the savings programme and delivery of savings continues to improve. Savings of £2.5m (including income generation and accountancy gains) are reported in Month 9, increasing the year to date delivery to £11.6m. Schemes currently in delivery have a forecast in-year value in Table A of £16.6m, an increase of £2.4m from the Month 8 position. Savings forecast delivery has been enhanced through the addition of new schemes and significant movements from pipeline.

- The total in-year forecast for savings (including income generation and accountancy gains) including pipeline remains at £16.6m, consistent with Month 8. Schemes that remain in the 2020/21 pipeline have reduced from £2.4m in Month 8 to £0.025m.

- The Health Board is currently considering options and capacity requirements for the savings delivery and PMO function to be re-established. This will enable dedicated capacity to be re-instated with a particular focus upon developing opportunities for the 2021/22 programme.

8. WELSH NHS ASSUMPTIONS

8.1 Income/Expenditure Assumptions (Table D)

- All Welsh NHS contracts have now been agreed and signed.

9. RESOURCE LIMITS

9.1 Resource Limits (Table E)

- Income for COVID-19 costs has only been anticipated from Welsh Government where it has been notified to the Health Board. This totals £29.4m for 2020/21, identified as follows:

WG Anticipated COVID-19 Income	£m
Additional COVID-19 support	(20.1)
Annual leave accrual	20.2
Field Hospital decommissioning costs	7.9
Test Trace Protect (TTP)	3.7
PPE	3.6
COVID-19 vaccination programme	3.0
Field Hospital commissioning costs	2.8
Discharge to Recover and Assess	2.1
Consequential losses	1.8
Extended flu vaccination programme	1.6
COVID-19 testing	1.6
Ambulatory care (Same Day Emergency Care)	0.6
Primary Care Centre Pathfinders	0.4
Ambulatory care	0.2
Total	**29.4**

10. STATEMENT OF FINANCIAL POSITION

10.1 Statement of Financial Position (Table F)

- Key movements in the SoFP during Month 9 are:

  - Fixed assets decrease of £0.7m due to newly capitalised assets in year less non-cash adjustments.
  - Trade and other receivables decrease of £13.3m, which primarily relates to the £15.5m reduction in the RRL.
  - Cash decrease of £6.2m as a Welsh Risk Pool reimbursement for £5.0m, which was expected in December, was received in November.
  - Trade and other payables increase of £21.6m due to additional pharmacists feed of £9.9m and £12.0m paid to HMRC on account of December deductions.
  - General Fund increase of £1.5m due to CRL drawn.

11. CASH

11.1 Cash Flow Forecast (Table G)

- The closing cash balance at the end of December was £5.7m, which included £5.6m cash held for revenue expenditure and £0.1m cash held for capital projects.

- Table G currently forecasts a closing revenue cash balance of £1.5m after receipt of £0.6m in respect of movements in CHC provisions balances. Closing capital cash is currently forecast as nil, after receipt of £2.1m working balances in respect of allocations that the Health Board did not draw during 2019/20.

- The Health Board is currently forecasting a potential increase of £20.2m for the annual leave accrual as 31st March 2021 but assumes that any funding during 2019/20 will be provided on a resource only basis.

- The forecast working capital movements detailed above are reflected in the current trade and other payables line of Table F as below:

Trade and other payables	**£000**
Opening balance 1st April 2020	**(143,633)**
Increase in annual leave accruals – no-cash	(20,200)
Reduction in capital payables – opening balance	1,698
Reduction in capital payables – funding request	2,109
Forecast closing balance 31st March 2021	**(160,026)**

- The Health Board recognises that there will likely be further increases in payables balances by the end of the year, due to the timing of payments against COVID-19 resource allocations. The potential level of these new payables, and the subsequent impact on cash balances, is currently being worked through and will be updated in future month's submissions. The current expectation is that any cash surpluses will be short-term in nature and that the Health Board will be able to be manage these internally at year-end.

12. PUBLIC SECTOR PAYMENT COMPLIANCE

12.1 PSPP (Table H)

- The Health Board has achieved the PSPP target, to pay 95% of valid invoices within 30 days of receipt, in three of the four measures of compliance both during Quarter 3 and cumulatively for 2020/21. NHS invoices by number remained below target during Quarter 3 at 89.4% (89.4% year to date).

- A sub-group of the All Wales Technical Accounting Group has now been established to consider common problems being experienced with NHS PSPP performance across Wales. This has identified a number of themes, the main one being payments to NHS Fleet Solutions, which are processed on the Health Board's behalf by NWSSP. We understand however that these issues have now been resolved and this will result in improved performance going forward.

- Other issues around the timely authorisation of invoices for payment are being dealt with internally, although these are not expected to significantly improve cumulative performance until 2021/22.

13. CAPITAL

13.1 Capital Resource Limit (Table I)

- The Capital Resource Limit (CRL) for 2020/21 is £30.3m. Actual expenditure to the end of December was £16.8m, against a plan of £18.7m. The year to date slippage of £1.9m will be recovered during the remainder of the year and it is forecast that the CRL will be achieved. Each strategic group has provided assurances that works have commenced, purchase orders are in place or tenders have been received to progress the planned works and that the Health Board will meet its CRL.

13.2 Capital Programme (Table J)

- The Capital Programme update is reported in Table J and an updated by scheme provided below.

All Wales Schemes	CRL / Planned £000	YTD Planned £000	Expenditure M09 £000	Narrative
Capital Projects Approved Funding				
PAS System	423	311	293	The WPAS project expenditure is on track this financial year and Phase 3 of the revised programme will Go-live in May 2021. Planning to commence Phase 4 will start in 2021.
Substance Misuse - Holyhead, Anglesey	497	350	310	The project has an agreed revised programme due to delays as a result of COVID-19. The completion date of the scheme is projected for the end of June 2021. The CRL has been reduced to reflect the delays.
Substance Misuse - Shotton, Flintshire	1,635	986	883	The project has an agreed revised programme due to delays as a result of COVID 19. The completion date of the scheme is projected for the end of May 2021. The CRL has been reduced to reflect the delays.
North Denbighshire Community Hospital	1,823	1,642	1,555	The scheme is currently in design stage and fees will be due this financial year.
Ablett SOC - OBC	435	557	501	The scheme is currently in design stage and fees will be due this financial year.
Emergency Department Systems	366	135	88	The Health Board is in the process of implementing a single instance standalone BCU Symphony system across all sites. BCU went live in the West area on the 2nd December 2020. The forecast spend will achieve in the financial year.
Slippage from 19/20 (Replacement CT Scanner - YGC) into 20/21	340	632	592	The scheme is complete.
Ruthin	1,431	1,042	902	The scheme is progressing and there has been delays reported on a number of phases due to COVID 19. However the spend profile and CRL has been revised to reflect the delays. The project is set to complete mid February 2022.
COVID - 19	8,162	8,162	8,162	All schemes are complete and equipment has been received.
COVID - 19 Digital Devices	842	-	-	The tender has been awarded and the project will completed by year end.
ICF	1,376	718	687	The Bryn Beryl abnd Prestatyn project are due to complete by year end. The forecast spend will be achieved by March 2021.
All Wales Total	**17,330**	**14,535**	**13,973**	
Discretionary Total	12,921	4,154	2,790	Programme leads have confirmed that works have commenced, purchase orders are in place or tenders have been received to progress the planned works and that the Health Board will meet it's CRL.
Overall Total	**30,251**	**18,689**	**16,763**	

14. WELSH NHS DEBTORS

14.1 Welsh NHS Debtors (Table M)

- The Health Board held three NHS Wales invoices that were over eleven weeks old at the end of Month 9, which have been escalated in accordance with WHC/2019/014 Dispute Arbitration Process – Guidance for Disputed Debts within NHS Wales.

- The Health Board is in contact with the debtor organisations to ensure that they are resolved prior to arbitration dates. All three invoices were agreed as part of the Month 8 Agreement of Balances exercise.

15. GMS & GDS

15.1 GMS (Table N)

- At the end December, the Health Board reported a £0.6m over spend position against the ring fence GMS budget, plus additional BCU funding. The reason for the over spend at the end of Quarter 3 is still mainly due to increasing costs of drugs reported through GMS Dispensing and cost pressures within Managed Practices, particularly in relation to locum GP costs. However, this is offset by slippage on Partnership Premium/Seniority payments and Enhanced Services. As at the end of December, the Health Board is managing 13 practices and we are not aware of any further resignations at this stage in the financial year.

- Based on the Quarter 3 data the current year-end forecast for GMS is £1.0m over spent. This excludes any additional impact of the COVID-19 vaccination programme that Welsh Government determines should be chargeable to the GMS ring-fence.

15.2 GDS (Table O)

- At the end of December, the Health Board reported a £1.1m over spend position against the ring fence GDS budget. The reason for the over spend at the end of Quarter 3 is still due to loss of the Patient Charge Revenue (PCR) exceeding the 20% contract reduction (Quarter 1) and 10% contract reduction (Quarters 2 and 3) that were agreed across Wales.

- BCU internally allocates an additional £0.8m of funding to GMS, on top of the Welsh Government ring-fenced allocation. Based on the Quarter 3 data the current year-end forecast for GMS is £1.0m over spent against the total budget. This would be a £1.8m forecast over spend against the Welsh Government allocation. The forecasts exclude any additional impact of the COVID-19 vaccination programme that Welsh Government determines should be chargeable to the GMS ring-fence.

16. SUMMARY

16.1 Summary

- The figures contained within this report are consistent with the financial ledgers and internal reports of the Health Board.

- The Month 9 Monitoring Return will be received by the Health Board's Finance and Performance Committee members at the January meeting.

Jo Whitehead
Chief Executive

Eric Gardiner
Finance Director – Provider Services

APPENDIX – PRIOR MONTH MONITORING RETURN RESPONSES

Month 8 Monitoring Return Responses

Overview – Action Point 8.1

The Health Board's response to the challenge on the achievability of previously forecast expenditure, which was included at Month 6 when the WG Covid Stability Funding was confirmed in order to forecast a balanced Covid position at Month 6, is included in the Month 8 MMR tables and my understanding of the £6.950m return of funding is the net impact of the following changes from your Month 7 submission:

		£m
1	Reduction in total Additional Operational Pay Expenditure due to C-19	9.00
2	Reduction in total Additional Operational Non Pay Expenditure due to C-19	7.90
3	Reduction in Non Delivery of Savings due to C-19	1.06
4	Increase in Planned Operational Expenditure Cost Reduction due To C-19	3.63
5	Increase in Slippage on Planned Investments due to C-19	2.76
6	*Subtotal – Decrease in forecast Net Expenditure from Month 7*	24.35
7	Less inclusion of Annual Leave Accrual Costs	(10.10)
8	*Subtotal – Net decrease in forecast Net Expenditure from Month 7*	14.25
9	Less reduction in anticipated C-19 programme items	(7.30)
10	**Total Stability Funding to be Returned at Month 8**	6.95

It is disappointing however, that you have only explained the movements as being due to a 'review of plans' without identifying the changes to your methodology, which have resulted in the reduction of c£9m in Pay and c£7.9m in Non Pay, with the exception of £7.3m being explained by the change in Programme items such as Field Hospitals Set Up costs, Vaccinations and TTP set out in your narrative and Table and analysed by Pay and Non pay in the values below. It is important that this is provided in your next submission.

Response

Additional detail will be provided for any future material adjustments from Month 9 submission onwards.

Movement of Opening Financial Plan to Forecast Outturn (Table A) – Action Point 7.3

Following discussions between our colleagues, Michelle Jones and Andy Lloyd-Williams, I understand that the majority of the £10.3m Performance Funding has been forecast to be spent on outsourcing to private providers. For clarity, please ensure the income is reported as additional funding on Table A, Line 21, along with the £40m Transformational Funding. Please also report the additional cost pressures associated with the £11m (performance and leadership) being analysed on the free text lines. Please either describe the cost pressure in such a way so that we can correlate this to the spend categories in your SoCNE or provide the details in your narrative on a monthly basis.

Response

The return has been updated and the income separately shown on Table A.

APPENDIX – PRIOR MONTH MONITORING RETURN RESPONSES

Movement of Opening Financial Plan to Forecast Outturn (Table A) – Action Point 7.4 I note you have included the Annual Leave Accrual costs within the A4C categories in Table B3. As requested last month, please record these costs in the Covid-19 Table (B3) on free text line 52 within the Pay section and continue to include the table in your narrative to analyse the spend against the lines on B2 (Pay).
Response The Month 9 submission has been updated as requested with annual leave on row 52.
Movement of Opening Financial Plan to Forecast Outturn (Table A) – Action Point 8.2 In line with the intended All Wales approach currently being developed through the Deputy DoF group and TAG, please anticipate the specific programme funding for the costs of an increase in the Annual Leave Accrual.
Response The full cost of the annual leave accrual has been funded from a specific funding stream in Month 9.
Covid-19 (Table B3) – Action Point 8.3 I note there is an increase in forecast pay costs between Month 11 and 12 on line 34 but there is no change to the WTE between the two months. Please review and amend your next return as necessary. **(Action Point 8.3)**
Response The WTE has been reviewed and updated.
Covid-19 (Table B3) – Action Point 8.4 I note that the amount reported as total PPE costs are less than the total income (allocated plus anticipated) by £0.020m. Please review and amend your next return as necessary.
Response The PPE value has been reviewed and updated.
Covid-19 (Table B3) – Action Point 8.5 I have yet to receive your Mass Covid-19 Vaccination Programme Template, which was new from Month 8. Please submit this as soon as possible and ensure future months are submitted with the other templates on Day 9.
Response

APPENDIX – PRIOR MONTH MONITORING RETURN RESPONSES

Apologies for the delay in submitting this template. Processes have now been put in place to ensure it will be sent in for day 9.
Covid-19 (Table B3) – Action Point 8.6 I note a total increase in "Reduction of non pay costs due to reduced elective activity" of £3.011m (line ref 116) compared to M7 (this forms the main element of line 4 in the table above AP 8.1). Please confirm that this is a release of baseline establishment costs and does not relate to any element of the £10.3m performance funding recently issued.
Response This reduction does relate to reduced baseline costs.
Covid-19 (Table B3) – Action Point 8.7 I note a total increase of £1.002m on "Financial Recovery" (line 130) (this forms an element of line 5 in the table above AP 8.1). In response to my previous queries on this item, you had described this as six months of the budget of the Financial Recovery Team as they had been redeployed to Covid-19 roles. Please confirm if this further release relates to the remaining six months and clarify what Financial Recovery work has been prioritised and explain how this is being delivered.
Response The formal financial recovery programme remains suspended however, there is a focus upon securing in year savings wherever possible through divisional reviews of expenditure to identify opportunities. This has been reflected in the growing savings forecast as we have progressed through the financial year.
Covid-19 (Table B3) – Action Point 8.8 I note a new amount of £1.703m (reported on line 132) with no description (this forms an element of line 5 in the table above AP 8.1) on the B3 table or in your narrative. Please review this and give full details in your next return.
Response The description has been included in the Month 9 return.
Capital (Table I/K/L) – Action Point 7.12 As requested last month, please ensure that your supporting narrative provides details of your capital schemes.
Response Please see table included in the narrative as requested.
Monthly Positions (Table B) - Action Point 7.13

APPENDIX – PRIOR MONTH MONITORING RETURN RESPONSES

As raised in my last letter, I note that you have not included the AME Impairment for indexation charge, in the MMR. I also note that you have not increased the Strategic requirement in the MMR for £0.164m (Covid–19 Funding requirements for 2020-21 – Tranche 4) that was included in the unapproved section of the November NCR, but has since been approved. Please include these items in your next submission and ensure that any revisions to DEL and AME non-cash charges are reflected in the Tables (Table B and E) and explained within your supplementary narrative. Any material adjustment should also be notified by email as soon as they are known.
Response The adjustment for the DEL depreciation (£0.164m) has been actioned in month 9. In addition the Health has declared an additional impairment in relation to the disposal of Flint Hospital, £0.083k. All AME Impairment charges has been included on the month 9 return.
Inter Organisational Income and Expenditure (Table D) – Action Point 8.9 I refer to my colleague, Andy Lloyd-Williams', email of 13th December which highlighted a slight variance in assumptions with EASC. Please liaise with colleagues to ensure variances are eliminated in your next return.
Response This has been actioned and adjusted.

Cyfarfod a dyddiad: Meeting and date:	**Finance and Performance Committee 28.1.21**
Cyhoeddus neu Breifat: Public or Private:	Public
Teitl yr Adroddiad Report Title:	**External Contracts Quarter 3 Update 2020/21**
Cyfarwyddwr Cyfrifol: Responsible Director:	Mrs Sue Hill, Executive Director of Finance
Awdur yr Adroddiad Report Author:	Adrian Tomkins, Associate Director of Healthcare Contracting
Craffu blaenorol: Prior Scrutiny:	Rob Nolan, Finance Director – Commissioning and Strategic Financial Planning
Atodiadau Appendices:	Appendix 1 – Quarterly External Healthcare Contracts -Update Quarter 3 2020/21

Argymhelliad / Recommendation:

The Committee is asked to:

- note the financial position on the main external contracts as reported at Quarter 3 2020/21.
- note the work underway in respect of stabilising wider health / patient care contracts and key risks / related activity.
- note the impact of Covid-19 on external healthcare contracts and the work of the Health Care Contracting Team.
- note the impact and risk posed as a result of Covid-19 revised contracting arrangements adopted for contracts with NHS Providers.
- note the deadline for the approval and transfer of the management of Non-Emergency Patient Transport Service.

Please tick one as appropriate (note the Chair of the meeting will review and may determine the document should be viewed under a different category)

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**		**Ar gyfer sicrwydd For Assurance**		**Er gwybodaeth For Information**	☒

Sefyllfa / Situation:

The purpose of this report is to provide an update on the contractual position of external 'Health Care' contracts (excluding primary care contracts) and the headline successes and challenges each quarter, this update is for Quarter 3 of 2020/21. The report also provides an update as to the revised contracting arrangements within Wales and those now agreed with NHS England / Improvement being applied to all Cross Border contracts held by the Health Board for the remainder of 2020/21.

Cefndir / Background:

The Health Board commissions healthcare with a range of providers, via circa 553 contracts, to a value of approximately £346 million. Currently circa 92% of expenditure is covered by a formal contract.

The financial position for external contracts at the end of Quarter 3 2020/21 is an underspend of £5.6 million this is due the impact of the Covid-19 pandemic.

Key issues of note can be summarised as follows:

- The 2020/21 Welsh standards have been issued to Providers but these are currently not being applied due to the Covid-19 revised contracting guidance for 2020/21 which put all contract performance management on hold.

- The Health Care Contracting Team (HCCT) and Finance Contracting Team continue to actively support the Health Board response to Covid-19, which has included implementation of revised contracting guidance and the challenge to independent providers, both Care Homes and Domiciliary Care providers.

- The fragility of the nursing home market remains a significant challenge and monitoring / compliance activity in this area is undertaken in partnership with Health Board CHC and Local Authority (LA) colleagues.

- The HCCT also support the Partnership working agenda, however due to the pandemic, without exception these work streams were suspended and a number are only recently being reinstated as we work with LA colleagues and regulators to look at care home quality assurance moving forward.

- A number of historic challenges have re-emerged with a care home provider, a formal dispute process has been invoked and that process is ongoing with the Health Board and Provider working to jointly appoint an Independent Arbitrator to facilitate resolution.

- During the quarter insourcing contracts were awarded for endoscopy services and extended for the ophthalmology service to support the delivery of planned care. The team conduct weekly telephone contract monitoring meetings for the all insourcing providers after each weekend of service.

- The HCCT has been working with the divisions and Welsh Ambulance Services NHS Trust (WAST) to finalise the arrangements for the transfer of the Non-Emergency Patient Transport Services management responsibility from the Health Board to WAST by the end of March 2021.

- As part of the Covid-19 response 'Block' contracts were put in place with NHS Providers. The financial arrangements for English contracts in the second half of the year have been modified to share some of the risk if activity volumes continue to be low during the period.

- As a response to the Covid-19 pandemic Welsh Government directly funded the purchase of additional capacity from the Independent Sector to help the continued delivery of essential services. The contract ended on 31st December 2020, whilst the Health Board wished to extend the contract the provider was unable to offer any capacity past that date.

- The Health Board hold an Income budget of £7 million for Non Contracted Activity, this is not being achieved due to National Covid-19 travel restrictions and 'Lockdowns'. The impact of this is being reported in the Health Boards monthly finance position and is currently forecast as £4 million loss for the full year.

Asesiad / Assessment & Analysis

Strategy Implications

The Contracts Update supports the delivery of the Health Boards annual plan and is therefore aligned to the agreed strategic and business plans of the Health Board.

Financial Implications

The financial position on external healthcare contracts at the end of Quarter 3 2020/21 is an underspend of £5.6 million.

Risk Analysis

The Health Board remains under scrutiny despite no longer being in 'Special Measures', therefore, managing contractual relationships more closely enables the Health Board to reduce risk, monitor and increase quality, take corrective action where required and closely monitor future costs, ensuring a cost effective approach to externally commissioned healthcare.

The report focuses on the performance of the main external healthcare contracts but also provides the Finance & Performance Committee with an overview of the contractual developments of other external healthcare contracts. It also highlights key activity undertaken towards formalising and standardising all patient care contracts across the Health Board.

Legal and Compliance

None

Impact Assessment

None

Appendix 1

Quarterly External Healthcare Contracts – Update Quarter 3 2020/21

1. Introduction

This report provides a summary of activity by the Health Care Contracts Team (HCCT) and the headline successes and challenges in Quarter 3 of 2020/21 financial year.

2. Analysis of current contracts position

2.1 There are currently 553 active healthcare expenditure contracts. In the period October to December 2020 12 new contracts were developed, with 6 becoming inactive. Circa 92% of commissioned healthcare (by value) continues to be covered by a signed contract, static from the previous report, the remaining contracts are under development as part of a 3-year plan to ensure all commissioned healthcare is contracted effectively. The HCCT continue to work to formalise contractual arrangements for the remaining 8% of expenditure, this in the main relates to GP cover for community hospitals / minor injury units and a small number of nursing home providers.

2.2 Before any new contracts are put in place, Providers are assessed against a number of due diligence requirements, once contracts are in place they are then held to account for contractual performance both from a financial and quality perspective. Bi-annual checks on indemnity insurances are undertaken to ensure that Health Board services remain fully covered.

2.3 All contracts are risk assessed annually to ensure that there is a prioritised workplan for contract stabilisation activity aimed at minimising risk for patients and the Health Board corporately.

2.4 The 2020/21 Welsh standards have been issued to Providers but these are currently not being applied due to the Covid-19 revised contracting guidance for 2020/21 which put all contract performance management on hold.

2.5 The HCCT and Finance Contracting Team continue to actively support the Health Board response to Covid-19, which has included implementation of revised Contracting guidance and the challenge to independent providers, both Care Homes and Domiciliary Care providers.

2.6 The HCCT also support the Partnership working agenda, however due to the pandemic, without exception these work streams were suspended and a number are only recently being reinstated as we work with LA colleagues and regulators to look at care home quality assurance moving forward.

2.7 The fragility of the nursing home market remains a significant challenge and monitoring / compliance activity in this area is undertaken in partnership with Health Board CHC and LA colleagues. The detail on issues and associated risk and actions for homes in increasing/escalating concerns are reported via the Area Teams monthly reports to the Patient Safety and Quality Group (PSQ), CHC Operational

Group and the Care Home Support Cell established as part of the Health Board's Covid-19 response. The HCCT are actively involved in monitoring 7 homes who are in increasing/escalating concerns.

2.8 A number of historic challenges have re-emerged with a care home provider, they have informed the Health Board that they are intending to instigate formal dispute procedures and that process is ongoing with the Health Board and Provider working to jointly appoint an Independent Arbitrator to facilitate resolution.

2.9 During the quarter insourcing contracts were awarded for endoscopy services and extended for the ophthalmology service to support the delivery of planned care. The team will conduct weekly telephone contract monitoring meetings for all insourcing providers after each weekend of service once activity is commenced.

2.10 The HCCT has been working with the divisions and Welsh Ambulance Service Trust (WAST) to finalise the arrangements for the novation of Non-Emergency Patients Transport (NEPTS) management responsibility from the Health Board to WAST. The aim is to complete the transfer by the end of March 2021, in order to meet this deadline, the transfer document must be finalised and approved by the two organisations Boards in February 2021.

2.11 See Annex 1 for additional detail on Key Activity and Benefits in Quarter 3 2020/21.

3. Quarter 3 2020/21 Financial performance of the main external contracts

3.1 As outlined, the Health Board holds contracts with a range of English NHS Trusts, Welsh Health Boards and Welsh Trusts, to deliver care and patient services on its behalf. The value of the English locally managed contracts is £65 million, the HCCT administers all of these contracts. However, £57.1 million of this is reported in the Health Board Contracting reports the remainder relates to repatriated services and is reported by the appropriate division.

3.2 Table 2 shows the financial position on the Health Board external healthcare contracts at the end of Quarter 3 as £5.6 million underspent and it is currently forecast to be £7 million underspent at year end

Table 2 – Quarter 3 2020/21 Contract position (Health Board Contracting)

	19/20 Outturn £'m	20/21 Plan £'m	20/21 Forecast £'m	20/21 Forecast Variance £'m	Quarter 3 Plan £'m	Quarter 3 Actual £'m	Quarter 3 Variance £'m
Locally Managed English Contracts	**54.4**	**57.1**	56.8	(0.3)	42.8	42.6	(0.2)
Welsh Contracts	**10.3**	**10.8**	10.6	(0.2)	8.1	8	(0.1)
WHSSC	**177**	**190.9**	185.5	(5.4)	143.2	138.6	(4.6)
WHSSC Provider Contracts	**(40.6)**	**(43.0)**	(42.8)	0.2	(32.2)	(32.0)	0.2
BCU divisional recharges/misc.	**(4.1)**	**(0.9)**	(3.0)	(2.1)	(0.7)	(2.0)	(1.3)
NCAs & IPFR	**4.6**	**5.1**	3.7	(1.4)	3.9	2.5	(1.4)
Outsourcing	**4.1**	**0**	0.7	0.7	0	0.6	0.6
Savings	**(0.5)**	**(1.5)**	0	1.5	(1.2)	0	1.2
Total	**205.2**	**218.5**	**211.5**	**(7.0)**	**163.9**	**158.3**	**(5.6)**

3.3 The main underspends are in Welsh Health Specialist Services Committee (WHSSC) and Non-Contracted Activity (NCA). In WHSSC this is as a consequence of the Covid-19 response which has resulted in delayed investments and low pass through payments for high cost drugs and devices due to the reduction in elective activity. For NCA this is due to a reduction in external non elective activity as a result of the travel restrictions throughout the UK in line with Covid-19 regulations.

3.4 In line with the nationally agreed guidance "Block" contract agreements were reached with NHS Providers, calculated using 2019/20 activity, as a result are broadly in line with the budgeted position. However, this does not reflect the actual levels of activity carried out by providers during 2020/21. In recognition of the reduced activity the block arrangements with the English providers for Month 7 – 12 have been modified to recognise this when calculating the final block payment in line with thresholds agreed between NHS England and Welsh Government.

3.5 The Health Board continues to engage fully with WHSSC and is actively involved with the development of the new Integrated Medium Term Plan for 2021/22. However, the work that the HCCT and WHSSC were progressing to further refine contracts to better control cost for non-specialised activity has been deferred whilst the Covid-19 response is ongoing.

3.6 See Annex 2 for further detail on issues of note for the finance positon and the reported levels of activity delivered as at Quarter 3 in 2020/21.

4. WHSSC Managed Contract – Independent Sector Capacity (Spire Hospital)

4.1 As a response to the Covid-19 pandemic Welsh Government directly funded the purchase of additional capacity from the Independent Sector to help the continued delivery of essential services. WHSSC have been managing this through an all Wales contract, the local capacity was in the Spire Hospital in Wrexham. The contract ended on 31st December 2020, whilst the Health Board wished to extend the contract Spire were unable to offer any capacity past that date.

4.2 In total, during the period of the contract, Spire delivered 48 inpatient spells, 585 day cases and 727 diagnostics.

5. Income Contracts

5.1 In line with the revised NHS contracting adopted all Welsh LTA's have been managed on a 'Block' basis and this arrangement has been extended until the end of 2020/21.

5.2 The Health Board hold an Income budget of £7 million for NCA, the vast majority of which would be charged to English Commissioners. The budgeted level of income is not being achieved due to National Covid-19 travel restrictions and 'Lockdowns'. The impact of this is being reported in the Health Boards monthly finance position and is currently forecast to achieve £3 million in 2020/21 a £4 million loss for the full year.

6. Recommendation

6.1 The HCCT continues to influence a broad and expanding spectrum of healthcare contracting issues across the Health Board and despite the impact of Covid-19 on current contracting arrangements continues to build on the progress to stabilise traditional contractual arrangements. Current performance on a range of issues has been outlined within this paper.

6.2 The Finance & Performance Committee are asked to:

- note the financial position on the main external contracts as reported at Quarter 3 2020/21.
- note the work underway in respect of stabilising wider health / patient care contracts and key risks / related activity.
- note the impact of Covid-19 on external healthcare contracts and the work of the HCCT.
- note the impact and risk posed as a result of Covid-19 revised contracting arrangements adopted for contracts with NHS Providers.
- note the deadline for the approval and transfer of the management of NEPTS.

Adrian Tomkins, Associate Director Healthcare Contracting

Annex 1

Key activity, Issues and benefits to date 2020/21

Response to Covid-19

The HCCT and Finance Contracting Team continue to actively support the Health Board response to Covid-19, which has included implementation of revised Contracting guidance and the challenge to independent providers, both Care Homes and Domiciliary Care providers. The response has included:

- Implementation of the updated NHS guidance for contract arrangements in response to Covid-19 and provided impact assessments to support discussions between Welsh Government and NHS England.
- Local implementation and support for the WHSSC managed national independent sector contract with Spire Hospital.
- Representation on and support to the Care Home Support Cell.
- Established and maintaining a Communication portal for independent providers to raise any issues and concerns.
- Providing advice and support on provider calls within a team of multi-disciplinary professionals where residential settings are experiencing outbreaks and experiencing issues with infection control procedures, maintaining safe staffing levels and financial stability. These calls have increased significantly during the latest outbreak, with in excess of 100 care homes closed to admissions.
- Supported the distribution of local provider briefings, addressing key areas of concern identified through the communication portal and updating on national guidance.

RTT / Waiting List

Prior to the Covid-19 outbreak the HCCT supported the commissioning of additional services externally in order for the Health Board to meet waiting list targets until all non-urgent services were suspended in March. Whilst these no longer are on hold the team are now working with Health Board colleagues and WHSSC to capture information from all contracted Providers in regards to their recovery plans in order to assess the impacts.

Endoscopy

Following the award of contracts for additional insourced endoscopy diagnostic services to support the delivery of planned care, mobilisation plans have been developed and activity commenced on two of the acute sites, Ysbyty Gwynedd and Ysbyty Maelor over the weekend 8th/9th January with activity planned on all three acute sites from 16th/17th January.

Ophthalmology

Following the extension of the contract with the incumbent insourcing provider SHS Pre-Operative Assessment Clinics (POAC) commenced in Ysbyty Maelor on the 20th December, but have not continued due to operational pressures on this site. Whilst at Ysbyty Gwynedd, POAC clinics have run over two weekends 19th/20th December and 9th/10th January, surgery commenced weekend of 16th/17th of January.

Due to the operational Covid-19 pressures at Ysbyty Maelor, mobilisation plans are in place to look at relocating the service model to Abergele Hospital as an interim solution to

re-start the Wrexham patient lists. Discussions are underway between Operational Site Leads and SHS.

The HCCT conduct weekly telephone contract monitoring meetings for the insourcing (endoscopy and ophthalmology) providers after each weekend of service, to date there have been operational issues raised on both sites, however no issues of significance and satisfactory patient feedback.

Quality monitoring and contract compliance

Whilst quality issues are referenced within this report for completeness, it should be noted that a summary update is also reported through to the revised Health Board Quality and Safety committee structure.

Non Acute contracts

Ongoing contract monitoring is a key focus for healthcare / clinical service contracts and continues to increase, with many of the contracts well established and now in the active monitoring / compliance stage.

Nursing Home Monitoring Visits

The fragility of the nursing home market remains a significant challenge and monitoring / compliance activity in this area is undertaken in partnership with Health Board CHC and Local Authority (LA) colleagues. The HCCT continued to participate in care home monitoring visits until the pandemic locked down care home settings and visits were suspended. In July the HCCT undertook 2 pilot remote monitoring visits as part of escalating concerns procedures, whilst refinements were made throughout the process, the monitoring meetings were effective and assurances required were obtained. Remote monitoring visits continue with the team supporting a further 8 visits between August and December. There are ongoing discussions how onsite visits will be reinstated with Local Authority partners and regulators based on a risk assessed approach, in the interim the HCCT continue to undertake monitoring visits remotely.

Nursing Homes in Increased or Escalating Concerns

A significant amount of time is spent actively monitoring those homes that are in increased or escalating concerns, this has continued remotely throughout the pandemic and care home lockdown. The detail on issues and associated risk and actions for homes in increasing / escalating concerns are reported via the Area Teams monthly reports to PSQ, CHC Operational Group and the Care Home Support Cell established as part of the Health Board's Covid-19 response. The HCCT are actively involved in monitoring 7 homes who are in increasing/escalating concerns.

Quarterly Quality Assurance

In addition to the formal contract monitoring, the HCCT continue to monitor the quality and assurance KPI returns from care homes across the 6 LA areas. Since last reporting Quarter 2 Assurance Returns (Period July – September 2020), Quarter 3 returns have been issued to Nursing Homes and are due for return, these will be reported to a future Committee.

A number of issues picked up with Quarter 2 submissions, which are not significant enough to be concerns at this point, have been picked up with some homes as part of normal

contract monitoring activity and the providers are working alongside the clinical and contracting team to resolve these issues before they escalate.

Given the reduced level of monitoring and access to care homes currently these returns are a significant element of current assurance and escalation processes.

Challenges by a care home provider

A number of historic challenges, some dating back to 2016/17, have re-emerged. The issues have been responded to by the Health Board on a number of occasions, but it appears that the Provider is unhappy with the Health Board response and a formal dispute procedure has been invoked and that process is ongoing with the Health Board and Provider working to jointly appoint an Independent Arbitrator to facilitate resolution.

Acute contracts

Within the Covid-19 pandemic national guidance it was recognised that local performance reporting requirements needed to be relaxed to focus resources on the response efforts. Consequently, normal contract monitoring was stepped down, providers entered into business continuity mode and performance is now only being reported by exception.

We have been linking with colleagues from WHSCC to obtain service updates from Cross Border Providers, which have been shared with Health Board colleagues. Relevant Service updates by Provider are shown in Annex 3

Areas of concern identified up to and including the first 2 months of Quarter 3 are summarised in Annex 4 and are reported through to the Health Board Patient Safety and Quality Group (PSG).

Partnership Working

The HCCT also support the Partnership working agenda, however due to the pandemic, without exception these workstreams were suspended and a number are only recently being reinstated as we work with LA colleagues and regulators to look at care home quality assurance moving forward.

These include:

Assurance Mapping – The HCCT Assurance mapping piece of work has been revisited to support the current Health / LA workstream looking at how information can be shared and assurances derived from a central depository of information to remove duplication and unnecessary bureaucracy for care home

Escalating Concerns procedures - Review of the North Wales Quality Management and Escalating Concerns procedures, considering the need to retain an IPC bubble around Care Homes and reduce footfall across the Care Home threshold unless there is no other way to address issues. The HCCT have successfully completed 2 remote Contract Monitoring meetings, supporting care home escalations that have occurred through lockdown.

North Wales Pre Placement Agreement – The issue of the updated North Wales PPA (Pre Placement Agreement) was deferred due to the pressure on the sector through the pandemic. Discussions are currently ongoing between the Health Board and the LA's in relation to local preparedness and agreement of an implementation date. The HCCT is working with colleagues to finalise Health variations to the PPA, including the introduction

of an IPA (Individual Patient Agreement), before taking through Health Board governance processes for final sign off.

Non-Emergency Patient Transport Services (NEPTS) Novation

The 2013 McClelland review of ambulance services in Wales recommended that “the patient transport services (PCS) should be locally responsive, cost effective and provided on clear eligibility and accessibility criteria; and that work should begin to disaggregate PCS from the EMS element of the Welsh Ambulance Service delivery.”

Following the review, work began to explore the “The Future of Non-Emergency Patient Transport Services in Wales”. This culminated in the submission of a business case to the Minister for Health and Social Services and the announcement in January 2016 that the Emergency Ambulance Services Committee (EASC) would commission NEPTS for health boards in Wales.

The HCCT has been working with the divisions and WAST to finalise the arrangements for the novation of NEPTS management responsibility for existing non-emergency patient transport services commissioned by the Health Board to WAST, in-line with existing commissioned services between the Health Board and WAST on the 1st April 2021.

Annex 2

Financial Issues of Note for Contracts

Response to Covid-19 – Block contracts

In response to the Covid-19 global pandemic, 'Block' contracts were put in place until the end of September 2020, for all the acute healthcare contracts over £0.2 million, to ensure wider system sustainability.

The agreement to the end of September was for a fixed monthly payment irrespective of the activity levels delivered in month with no retrospective reconciliation.

For the Welsh contracts this arrangement has been extended until the end of March 2021.

The new arrangement with the English providers is that all contracts with values below £1 million will remain unchanged for the remainder of the year, for the contracts that exceed £1 million the 'Block' value for Months 7 to 12 will be increased or decreased in line with the following thresholds:

Table 3 – Performance thresholds for English Contracts

Actual over/under performance for M7-12	Increase / decrease in block contract value
0% to +/- 25%	0%
+/-25% to +/-30%	+/- 10%
+/-30% to +/- 50%	+/- 15%
Greater/less than +/- 50%	+/- 20%

The HCCT are working with Providers to forecast the impact of this revision in line with their recovery plans.

Welsh Health Specialist Services Committee (WHSSC) position

In 2020/21 WHSSC have contracted on the basis of the guidance issued to the NHS and at Quarter 3 are reporting an underspend of £4.6 million, this is mainly as a consequence of the Covid-19 response which has resulted in delayed investments and low pass through payments for high cost drugs and devices due to the reduction in elective activity.

The HCCT has continued to engage with the WHSSC management team and are currently working with WHSSC colleagues on the 2021/22 planning.

Locally Managed Healthcare Contracts

The Quarter 3 2020/21 reported position across the portfolio of locally managed NHS contracts is £0.3 million underspent. In line with the nationally agreed guidance agreements were reached with Providers for 'Block' contracts calculated using 2019/20 activity, and as a result are broadly in line with the budgeted position.

The HCCT continue to monitor what the real cost would have been had payment under tariff still been in place.

Table 4 below shows the difference between the payments made to external NHS bodies and the value of the activity provided to month 8. In most cases the value of work done is less than the payments made, the one exception to this is the Liverpool Women's Hospital where there has been considerably more neonatal activity in 2020/21 than in 2019/20.

Table 4 Comparison of Block Value and Actual Performance @ Month 8

	Block Payments to M8 £	Actual Value of Activity to M8 £	Variance	% Value of Work done
Liverpool Women's	553,383	650,785	(97,402)	118%
Wirral Hospitals	1,525,969	1,446,615	79,354	95%
Clatterbridge	2,381,713	2,249,048	132,665	94%
Countess of Chester	16,637,203	13,943,210	2,693,993	84%
University Hospital North Midlands	3,764,829	2,947,409	817,420	78%
South Manchester	913,108	579,041	334,067	63%
Aintree Hospitals	2,378,235	1,438,815	939,420	60%
Shrewsbury & Telford	1,146,112	661,860	484,252	58%
Royal Liverpool	3,802,454	1,987,522	1,814,932	52%
Shropshire Community Health Trust	146,537	75,736	70,802	52%
Robert Jones & Agnes Hunt	9,682,187	4,295,197	5,386,990	44%
Wrightington, Wigan & Leigh	154,000	54,393	99,607	35%
Total English Contracts	**43,085,731**	**30,329,631**	**12,756,100**	**70%**

As previously reported, at the end of Quarter 2 the Health Board had only received activity to the value of 64% compared to actual payments. During months 7 and 8 the levels of elective activity increased significantly to 82% bringing the cumulative value to 70%.

The agreement put in place for the remainder of the year with English providers aims to share the risk associated with lower activity values. Therefore, the payment to individual Providers will be reduced if the total value of their activity during the 2nd half of the year falls below 75%.

Other Locally Managed Contracting Areas

Non Contracted Activity (NCA)

The Quarter 3 position in relation to NCA is an underspend of £1.1 million, this reduction in spend is due the travel restrictions throughout the UK in line with Covid-19 regulations.

Individual Patient Funding Requests (IPFR)

This area is underspent by £0.3 million as a result of treatment for approved external IPFR's being delayed through the suspension of non-urgent activity to focus resources towards Covid-19 responses in the first quarter. It is likely that this area will be further impacted by the more recent closures to elective activity.

However, there continues to be a cost pressure from high cost rehabilitation placements where patients are not being stepped down into more appropriate settings on a timely basis. The HCCT is working with the Mental Health Division and CHC Operational Team on actions that need to be taken to put in place more robust pathways for this cohort of patients.

Outsourcing

The HCCT supported the transfer of patients to outsourced providers during 2019/20. 1,093 procedures were sent, of which 766 had been completed before non-urgent services were suspended in mid-March, due to the impact of Covid-19. 327 procedures were not completed before the end of March these patients remain on the Provider waiting lists and are being managed accordingly. The HCCT team continues to track the progress of these patients through weekly tracker reports and liaising with the Providers.

The majority of the outsourced activity was with providers that are currently covered by block contracts so where they have been able to treat this cohort of patients in 2020/21 there have been no additional payments. The main exception to this is the contract with University College London Hospitals (UCLH), this contract was created in Quarter 4 2019/20 specifically to provide prostatectomy capacity on a cost per case basis. Fortunately, they have been able to continue to provide capacity throughout the period, the cost of this to date is included in the current month report estimated at £0.6millon.

Savings

Due to the adoption of ‘Block’ contract arrangements in 2020/21 the Health Boards ability to actively change the patient pathways and reduce activity flows paid under tariff has been negated. This has therefore impacted on delivery of the savings target set as part of the wider Health Board budget strategy. At Quarter 3 the savings are showing an adverse variance of £1.2 million. This is being mitigated by the non-recurrent write back of old year provisions which are high due to suspension of elective activity in March 2020.

Annex 3

Cross Border Provider Service Updates due to Covid-19 January 2021

Provider	Service Update
University College London Hospitals (UCLH)	**Prostatectomies Jan 21 update:** Over the past few weeks UCLH have been continuing to operate at a reduced capacity. However, it has now reached a point where they have had to suspend operating. UCLH Clinicians will meet with Health Board Clinicians to explain their current risk stratification and the processes they are putting in place for this cohort of patients to ensure they are safely monitored until UCLH are able to operate again. The UCLH MDT lead is keen to see the Welsh sites as an extension of their own MDT moving forward and they have appointed a 'lead' clinician to liaise with Health Board Clinical teams to ensure the pathway is as smooth as possible. At the moment it is obviously difficult to predict when UCLH will be able to start operating on these patients again but once they do have theatre capacity, the patients with the highest cancer risk will be prioritised (irrespective of where they have been referred from).
Robert Jones and Agnes Hunt Hospital (RJAH)	**Elective Activity Jan 21:** Due to the difficulties being faced by the NHS as a whole, providers have been asked to step up more critical care beds quickly. This will be done at The Shrewsbury and Telford Hospital NHS Trust (SaTH) and as partners RJAH will need to support with workforce. Therefore, from Tuesday 12th January RJAH have paused elective theatre activity until the end of the month to enable this to happen. RJAH will be continuing to provide bone cancer and spinal emergency services, and to care for patients on MCSI (Midland Centre for Spinal Injuries) and Sheldon Ward (Care of the Elderly). They are also expecting that outpatient services can continue with restoration plans– RJAH will be continuing to see as many patients in other services as they safely can and keep this under constant review.
Clatterbridge Cancer Centre (CCC)	There has been **movement of some surgical cancer activity** via surgical prioritisation matrix to the following: Gynaecology – Liverpool Women's ,Colorectal – St Helen's Hospital, Urology – St Helen's Hospital , Skin – St Helen's Hospital Breast – Spire Liverpool (co-ordinated via Liverpool University Foundation Trust.
Manchester Hospitals NHS Foundation Trust (MFT)	**Cardiothoracic surgery**: Urgent and Emergency Inpatient Cardiothoracic surgery now following Liverpool Heart and Chest pathways. **Stroke Service**: Move of Wythenshawe Stroke Service to Trafford. Move will be considered under the wider Stroke Network guidance for reduced sites. To be reviewed March 21

Provider	Service Update

Annex 4

Quality / performance issues in Cross Border contracts in the first 2 months of Quarter 3 20/21:

Provider	Areas of Concern
Wirral University Teaching Hospital NHS FoundationTrust (WUTH)	**Ophthalmology:** WUTH have restarted cataract surgery and are utilising Independent Sector Providers (ISP) to support their delivery. However, the second wave of Covid-19 may have an impact on their ability to continue delivering elective activity and in particular cataract surgery. The Head of Quality has been asked to advise whether Health Board patients should receive Ophthalmology treatment at Wirral despite the concerns raised by their recent CQC report.
The Shrewsbury and Telford Hospital NHS Trust (SaTH)	**Ockenden Report**: The Independent Review of Maternity Services at SaTH. SaTH have been asked to provide an action plan against the recommendations in the report.
Countess of Chester Hospital NHS Foundation Trust (COCH)	**Serious Incident August 20:** All required processes have been followed and a full incident overview has been provided. The Health Board's Head of Quality has been notified and subsequently asked COCH for further assurance including action plans. **Never Event:** On 10th November 2020, the Health Board were notified of a Serious Incident / Never Event at COCH. The incident was notified to the Head of Quality; a query has been raised with COCH.
Liverpool University Hospitals NHS FoundationTrust (LFT)	Queries with LFT regarding the Serious Incidents and Never Events were reported during the first two months of the third quarter. We are awaiting confirmation whether any related to Health Board patients.

Cyfarfod a dyddiad: **Meeting and date:**	**Finance and Performance Committee 28.1.21**
Cyhoeddus neu Breifat: **Public or Private:**	Public
Teitl yr Adroddiad **Report Title:**	**Summary of business considered in private session to be reported in public**
Cyfarwyddwr Cyfrifol: **Responsible Director:**	Sue Hill, Acting Executive Director Finance
Awdur yr Adroddiad **Report Author:**	Diane Davies, Corporate Governance Manager
Craffu blaenorol: **Prior Scrutiny:**	None
Atodiadau **Appendices:**	None

Argymhelliad / Recommendation:

The Committee is asked to note the report

Please tick one as appropriate (note the Chair of the meeting will review and may determine the document should be viewed under a different category)

Ar gyfer penderfyniad /cymeradwyaeth For Decision/ Approval		**Ar gyfer Trafodaeth For Discussion**		**Ar gyfer sicrwydd For Assurance**		**Er gwybodaeth For Information**	✓

Sefyllfa / Situation:

To report in public session on matters previously considered in private session

Cefndir / Background:

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.

Asesiad / Assessment

The Finance and Performance Committee considered the following matters in private session on 21.12.20

- Residential Accommodation Strategic Outline Case
- Water Hygiene Compliance Services contract
- Recyclable, Domestic & General Waste Collection contract
- Renewal contract for Urgent Primary Care (OOHs) and Contact/Phone First
- Flow Cytometry contract briefing paper
- Strategic Financial Support
- Progress on delivery of PWC Recommendations update