



Finance & Performance Committee
Minutes of the meeting held in public on 26.3.19
in Carlton Court, St Asaph

Present:

Mr John Cunliffe	Independent Member /Committee Vice Chair (<i>Chairing</i>)
Mrs Lyn Meadows	Independent Member
Ms Helen Wilkinson	Independent Member

In Attendance:

Mr Neil Bradshaw	Assistant Director Strategy- Capital (<i>part meeting</i>)
Mrs Sue Green	Executive Director Workforce and Organisational Development (OD)
Mr Trevor Hubbard	For Executive Director Nursing and Midwifery
Mr Michael Hearty	Independent Finance Adviser
Ms Sue Hill	Finance Director – Operational
Mr Geoff Lang	Turnaround Director
Dr Evan Moore	Executive Medical Director
Dr Jill Newman	Performance Director (<i>part meeting</i>)
Mr Rob Nolan	Finance Director – Commissioning and Strategic Financial Planning
Mr Mark Wilkinson	Executive Director of Planning & Performance (<i>part meeting</i>)
Ms Diane Davies	Corporate Governance Manager

Agenda Item Discussed	Action By
<p>FP19/55 Apologies for absence</p> <p>Apologies for absence were received from Mr Mark Polin, Mr Russ Favager and Mrs Deborah Carter for whom Mr Trevor Hubbard deputised.</p>	
<p>FP19/56 Declaration of Interests</p> <p>None declared.</p>	
<p>FP19/57 Draft minutes of the previous meeting held on 26.2.19 and summary action plan</p> <p>FP19/57.1 The minutes were agreed as an accurate record.</p> <p>The closed actions were accepted. Updates and matters arising were discussed as follows:</p> <p>FP19/34 It was acknowledged that more focus was required regarding procurement to realise opportunities available for efficiencies.</p> <p>FP19/31.2 Agreed to remain open</p> <p>FP19/25.6 The Committee raised concern regarding the scope of the proposed</p>	

<p>Corporate review and whether there was any cross over with the Finance Review being undertaken. It was understood this was the subject of further Executive Team discussion but it was agreed that this project would be aligned with the Finance review to ensure that there would be no duplication and it was important to commence work at pace in order to achieve in year delivery and enable sustainable longer term models for the future.</p>	SH
<p>FP19/29.1 The Vice Chair requested that the Executive Medical Director arrange to appraise him of staff communication work within the Endoscopy service currently experiencing challenges at Wrexham Maelor.</p>	EM
<p>FP19/58 Finance report Month 11</p>	
<p>FP19/58.1 The Finance Director ~ Operational Finance presented this item. She advised that the Month 11 planned in-month deficit of £2.2m was £2.9m at month end. This was due to £800k of undelivered savings plans and £400k overspends in both prescribing in premises which had been offset by underspends on contracts, pay and income. It was noted that the Health Board was cumulatively overspent by £36.5m and that there had been a reduction in the monthly overspend in comparison to recent months.</p>	
<p>FP19/58.2 The Committee expressed concern that had unplanned income not been received in-month the deficit target would not have been met. It was noted that of the RTT forecast £19.5m outturn, £16.6m had been already incurred and that £11.3m had been received in October and receipt of the balance had been confirmed by WG. There remained a risk of c £1m clawback, based on final RTT performance. In respect of savings £38.3m had been achieved, which was £0.6m less than forecast in the previous month. Capital expenditure to date was £29.4m, with c£20m remaining to be spent by the end of the financial year, but that this was currently on track.</p>	
<p>FP19/58.3 The Committee questioned the forecast year end position of £42m, with a forecast deficit of £5.5m in Month 12, which the Finance Director - Operational Finance described as including a £1m provision against RTT clawback and £1m relating to risks around CHC packages of care, income for English contracts and Primary Care Drugs all was being done to improve the position. The Finance Director ~ Operational Finance also discussed the table of risks within the report including £1.1m prescribing, £0.7m WHSSC, £0.4m English contracts and £1m in respect of GMS, CHC/FNC, HRG4+ and Continuing Healthcare.</p>	
<p>FP19/58.4 In discussion of contract performance the Committee questioned the RAG status in respect of WHSSC and requested clarity on the narrative provided. In response to the Committee's concern in respect of the Balance Sheet, the Finance Director ~ Operational Finance assured that Capital Resource Limit expenditure was being closely monitored and not of concern.</p>	
<p>FP19/58.5 The Committee questioned increased Agency costs which the Executive Director Workforce &OD explained was in part due to surge capacity, increase in community nursing agency and also cover required to backfill staff taking annual leave by year end. Following discussion, she advised these areas were being worked through in order to make improvements going forward and provided examples such as Rostering.</p>	
<p>It was resolved that the Committee</p> <ul style="list-style-type: none"> Noted the report, including the forecast outturn of £42.0m and recognising the current risks to the financial position. 	

FP19/59 Turnaround Programme Savings report – Month 11 2018/19

FP19/59.1 The Turnaround Director presented this item, referring the Committee to the Forecast Savings programme data within the report. The Committee questioned whether some schemes which had not delivered in year, would be carried forward into the next financial year, which he confirmed was subject to detailed reconciliation and close monitoring. He drew attention to the £0.6m movement from £38.9m to 38.3m and provided reasons as staffing savings had not delivered as expected, the volume of cancer drugs was not as expected and advised that whilst community savings had remained steady, the East Area had changed by £0.4m. It was also noted that Mental Health Continuing Healthcare savings had reduced. A discussion ensued on the level of overall savings achieved within the Mental Health & Learning Disabilities Division, in which there was reflection on pressures due to repatriation from the North West and high cost packages for a low number of patients with very complex needs.

FP19/59.2 The Committee Vice Chair questioned the robustness of Savings schemes for which the Turnaround Director confirmed there would be greater clarity going forward, especially in ascertaining slippage, and also be monitored more effectively due to the establishment of a new Savings programme Sub Committee which was to be discussed later in the meeting.

FP19/59.3 In response to the Independent Finance Adviser's question regarding confidence in the level of PMO resource for the new financial year, the Turnaround Director assured that there was now in place increased capacity, improved tracking and a focus on improved reporting, especially in respect of milestones. The Executive Director Workforce & OD also remarked on an improved level of realism in respect of plans and expectations. The Turnaround Director clarified the governance reporting arrangements in response to the Committee's question regarding the group structure outlined. Discussion ensued on motivation and resource challenges across the organisation including the reward of positive performance. The Finance Director ~ Operational Finance confirmed that opportunities around procurement were being explored and it was noted that the Executive Team would be looking at potentially large opportunities for savings in areas of medicine management.

It was resolved that the Committee

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

FP19/60 Establishment of Finance and Performance SubCommittee: Savings Programme Sub-Committee

FP19/60.1 The Independent Finance Adviser presented this item, he reported that the Chairman recognised that the Finance and Performance Committee had a huge remit and that the establishment of the Sub-Committee would enable improved scrutiny of the

<p>Savings programme and free up agenda time in respect of the F&P Committee.</p> <p>FP19/60.2 The purpose of the Sub-Committee was noted “ <i>to provide additional and detailed scrutiny of the Health Board’s savings plan development and delivery. The Sub-Committee will operate on behalf of the Finance and Performance Committee to maintain robust grip and oversight of the Health Board’s savings programme. It remains the responsibility of the Finance and Performance Committee and the Board to scrutinise the Health Board’s overall financial information and when appropriate improvements have been made and is evidenced this Sub-Committee will be stood down.</i>”</p> <p>FP19/60.3 Discussion ensued on membership. It was agreed that Mr John Cunliffe and Mr Michael Hearty would become members with an open invitation to other F&P Committee Independent Members to attend. The Committee commented on the need for outcomes focus, quality, EQIA and transformation. It was agreed that savings <i>and efficiencies</i> should be incorporated in to the draft Terms of Reference provided.</p> <p>FP19/60.4 Discussion ensued on quoracy, noting that the Sub-Committee was not a decision making meeting, and whether the Sub-Committee would be a Task & Finish Group. The Committee questioned whether ‘seek assurance’ reports should also be considered and whether the Area Directors might also be in attendance.</p> <p>FP19/60.5 It was agreed to seek further opinion from the Committee Chairman who was unavoidably absent.</p> <p>It was resolved that the Committee</p> <ul style="list-style-type: none"> • Agreed to the redrafting of the Terms of Reference in line with discussion • Agreed to seek secretariat support resource • Agreed to seek inaugural meeting date before the next F&P Committee <p><i>The Interim Associate Director Workforce and OD joined the meeting to observe</i></p>	<p>MH</p> <p>GL GL GL</p>
<p>FP19/61 Capital Programme month 11</p> <p>FP19/61.1 The Assistant Director Strategy-Capital joined the meeting to present this item which provided progress on delivery of the approved capital programme and progress on expenditure against the Capital Resource Limit. He advised that the Emergency Department Ysbyty Gwynedd scheme commercial review had been completed and identified £200k cost pressure, however this was within budget. He advised that savings would be realised by agreed cost reductions with Interserve, equipment and support in respect of the Endoscopy scheme. He also advised that there was also an expected gainshare via the supply chain provider.</p> <p>FP19/61.2 The Assistant Director Strategy-Capital advised on revisions to the capital programme which had been supported by WG. He reported that the remaining £20m expenditure was due to payment of the initial assessment of ‘gainshare’ due for Ysbyty Glan Clwyd, the purchase of the MRI and Hybrid theatre equipment at YGC, payment of the agreed final accounts for SuRNICC, anti-ligature and Wrexham Maelor hospital modular theatres and additional discretionary funding for medical devices, imaging equipment and informatics.</p>	

<p>FP19/61.3 The Assistant Director Strategy-Capital explained the potential effect on the coming financial year should the CRL not be achieved in response to the Committee's question. In respect of final expenditure against the YGC Redevelopment programme, he explained the anticipated timeframe as the end of June 2019 (but contractually year end) which would include dealing with defect work. In response to the Committee, he advised that the "red ratings" against the Wrexham redevelopment schemes were due to slippage but of no concern.</p> <p>It was resolved that the Committee noted the report</p> <p><i>The Assistant Director Strategy- Capital left the meeting</i></p> <p>FP19/62 no item</p>	
<p>FP19/64 Referral to Treatment (RTT)</p> <p>FP19/64.1 The Executive Medical Director presented this item. He reminded the Committee of previous discussions regarding the target and advised that much work was going on, he understood that the end of year figure was likely to be 6100. He drew attention to the effect on diagnostics, highlighting that the Vanguard unit within endoscopy services was expected in April/May. The Executive Medical Director advised that the Interim Associate Director of Planned Care had been in helpful discussion with the Delivery Unit on Demand and Capacity.</p> <p>FP19/64.2 The Committee was concerned to learn of the Cardiology issues raised within the report and requested that the Executive Medical Director liaise with the Executive Director of Therapies and Health Science in order that a member's update with further clarification be provided, as the Committee had not been previously sighted on this.</p> <p>It was resolved that the Committee noted the report</p>	EM
<p>FP19/65 Unscheduled Care 90 day plan update report</p> <p>FP19/65.1 The Deputy Executive Director of Nursing and Midwifery presented this item, providing an update against the second cycle of the 90 day plans, highlighting the Health Board's Unscheduled Care (USC) performance for February against the 4 hour, 12 hour and >60 minute handover quality measures. He advised that February had seen an improvement against the same period last year and the previous month. There continued to be a reduction in the number of patients being delayed in ambulances for 60 minutes or more and each site had reported a further reduction in the number of patients delayed outside the Emergency Departments (EDs). The Deputy Executive Director of Nursing and Midwifery explained the pressure that this improvement had made within ED. Discussion ensued on flow work and presentations at Minor Injury Units. It was noted that there was zero tolerance approach being taken to waits over 24 hours and accountability was being addressed on a daily basis.</p> <p>FP19/65.2 The Committee encouraged the Deputy Executive Director of Nursing and Midwifery to liaise further with Local Authority partners in respect of the 90 days plan, following feedback provided by an Independent Member. The Executive Director of Workforce & OD requested that further updates include trajectories going forward, highlighting of alignment with BCU's Annual Plan and potential risks to the financial plan.</p>	TH TH

<p>The Independent Finance Adviser also suggested that greater granularity be provided in the form of a financial appraisal on what was required to improve performance.</p> <p>FP19/65.2 In the discussion which ensued the Committee agreed that it would be helpful for the report to provide narrative on impacts and greater clarity on discharges and delayed transfers of care.</p> <p>It was resolved that the Committee noted:</p> <ul style="list-style-type: none"> • the achievement against the 90 day measures and how use of the 90 day plan methodology is driving improvement and change. • the ongoing focus to improve the partnership working related to the Health Board's Unscheduled Care Improvement journey. • the ongoing risk associated with continuing challenges with flow and ED to the 4 hour performance. <p><i>The Executive Director Planning and Performance and Performance Director joined the meeting</i></p>	
<p>FP19/63 Integrated Quality and Performance report Month 10</p> <p>FP19/63.1 The Executive Director of Planning and Performance presented this item. He advised that whilst Unscheduled Care performance had been positive, planned care was a significant area of concern. In respect of the quality of the report narrative, which was of concern to the Committee, he described ongoing work to ensure improvement going forward. The Committee emphasised the need for narrative to be straightforward and candid. The Performance Director advised that a meeting had taken place the previous day regarding the National Delivery Framework 2019/20, following which changes identified would be incorporated into the next iteration.</p> <p>FP19/63.2 Attention was drawn to the Cardiology issues and clinical risk which had been highlighted earlier in the meeting and also the issues within the Endoscopy services which were impacting on diagnostic waits. The Committee requested that a report be provided within the RTT update at the next meeting explaining measures being put into place to address this. A query relating to escalation level data was also raised.</p> <p>FP19/63.3 Sickness Absence Management was discussed in which the Committee highlighted the positive development of compassionate training for BCU managers which had been introduced with the new All Wales policy. Discussion on the new IQPR format being developed, in which it was understood that a template would be provided at the next meeting, followed by a complete report in May 2019.</p> <p>It was resolved that the Committee noted the report</p>	MW
<p>FP19/66 Issues of significance to inform the Chair's assurance report</p> <p>To be completed outside of the meeting.</p>	
<p>FP19/67 Summary of In Committee business to be reported in public</p> <p>It was resolved that the Committee note report.</p>	

FP19/68 Date of Next Meeting	
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Wednesday 24.4.19 9.00am Boardroom, Carlton Court	
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