



Finance & Performance Committee
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) <i>(part meeting)</i>
Neil Bradshaw	Assistant Director – Capital <i>(part meeting)</i>
John Darlington	Assistant Director – Corporate Planning <i>(part meeting)</i>
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 <i>(part meeting)</i>
Gill Harris	Acting Chief Executive <i>(part meeting)</i>
Sue Hill	Executive Director of Finance
Ian Howard	Assistant Director - Strategic and Business Analysis <i>(part meeting)</i>
Simon Jones	Primary Care Estates Strategy Lead <i>(part meeting)</i>
Andrew Kent	Interim Head of Planned Care Improvement <i>(part meeting)</i>
Gavin Macdonald	Interim Chief Operating Officer <i>(part meeting)</i>
Wyn Thomas	Assistant Director - Primary Care (West) <i>(part meeting)</i>
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	

<p>FP20/155 Quality and Performance report</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>It was resolved that the Committee noted the report</p>	<p>GH</p> <p>SG</p>
<p>FP20/156 Revised Performance Management Framework and update on accountability reviews</p> <p>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</p> <p>FP20/156.2 The Chairman perceived the framework to be an improvement on previous styles but sought feedback from the Executives present. The Executive</p>	

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.

<p>It was resolved that the Committee noted the unscheduled care performance for November across BCUHB and for each Health Community</p>	
<p><i>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.</i></p> <p>FP20/157 Planned Care update</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p>	<p>AK</p> <p>AG</p>

<p>agreed that it was important to triangulate outcomes with performance in order to better understand quality - now and into the future.</p> <p>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.</p> <p>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.</p> <p>It was resolved that the Committee noted the report</p>	<p>MW SH</p> <p>AK</p>
<p>FP20/157/1 Robotic Surgery business case update</p> <p>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.</p> <p>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.</p>	<p>GH</p>

<p>FP20/159 Capital Programme report Month 6</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p>	<p>NB</p> <p>SH</p>
<p><i>The Assistant Director Strategic & Business Analysis, Assistant Area Director Primary care West and Primary Care Estates Strategy Lead joined the meeting for this item</i></p> <p>FP20/160 Combined post project evaluation of the Integrated Health, Social care and Third Sector centres in Blaenau Ffestiniog, Flint and Llangollen</p> <p>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.</p> <p>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</p>	

<p>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.</p> <p>It was resolved that the Committee noted</p> <ul style="list-style-type: none"> • the report • actions arising from the lessons learned workshop <ul style="list-style-type: none"> • 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
<p>FP20/161 Finance report month 7</p> <p>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:</p> <ul style="list-style-type: none"> ✓ 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. <p>and areas for action as:</p> <ul style="list-style-type: none"> ➤ 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. <p>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.</p> <p>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</p>	

<p>the report she highlighted savings scheme reduction, vaccination programme costs and ongoing discussion with WG in respect of annual leave.</p> <p>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.</p> <p>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.</p> <p>It was resolved that the Committee noted the report</p>	<p>SH</p> <p>SH</p> <p>SH</p>
<p>FP20/162 Savings report month 8</p> <p>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.</p> <p>It was resolved that the Committee noted</p> <ul style="list-style-type: none"> • 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 	
<p><i>The Assistant Director - Capital Planning joined the meeting for this item.</i></p> <p>FP20/163 Development of the 2021-24 plan</p> <p>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</p>	

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.

JD

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.

JD

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

The Assistant Director Strategic & Business Analysis rejoined the meeting for this item

<p>FP20/164 Business care tracker for revenue and capital business cases</p> <p>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.</p> <p>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.</p> <p>It was resolved that the Committee noted the contents of the tracker and provided feedback on improvements</p>	SH/IH
<p>FP20/165 Transparency in supply chains consultation Government response.</p> <p>It was resolved that the Committee noted the report</p>	
<p>FP20/166 Monthly monitoring reports - Month 8</p> <p>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.</p>	
<p>FP20/167 External Contracts Update</p> <p>It was resolved that the Committee noted</p> <ul style="list-style-type: none"> • 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 	
<p>FP20/168 Summary of private business to be reported in public</p> <p>It was resolved that the Committee noted the report</p>	
<p>FP20/169 Issues of significance to inform the Chair's assurance report</p> <p>To be agreed outside the meeting</p>	
<p>FP20/170 Date of next meeting 28.1.21</p>	