

PWYLLGOR ARCHWILIO A SICRWYDD RISG AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	18 April 2023
TEITL YR ADRODDIAD: TITLE OF REPORT:	Report on the Targeted Intervention Meeting held 17 March 2023
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Steve Moore, Chief Executive
SWYDDOG ADRODD: REPORTING OFFICER:	Joanne Wilson, Director of Corporate Governance Sonja Wright, COVID-19 Response and Business Support

Pwrpas yr Adroddiad (dewiswch fel yn addas)
Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

The purpose of this report is to update Audit & Risk Assurance Committee (ARAC) members in regard to the Targeted Intervention (TI) Meeting held with Welsh Government (WG) on 17 March 2023.

Cefndir / Background

The TI meeting was the second of a series of quarterly progress meetings with WG which had been scheduled following the TI Inception meeting held on 27 October 2022.

Information from this meeting is routinely shared with Board Members, ARAC and the Board in public session.

Asesiad / Assessment

Targeted Intervention Meeting: 17 March 2023

It was noted that the scheduling, agendas and chairing arrangements for the key progress monitoring meetings between the Health Board (HB) and WG had now been finalised to align with reporting requirements and to avoid unnecessary duplication.

Updates were provided by the HB in respect of the following areas of TI and Enhanced Monitoring:

Planning

- The HB's Draft Planning Maturity Matrix Action Plan, based upon its Baseline Assessment against the Matrix criteria, was discussed. WG were advised that work on the Draft Action Plan would be informed by the findings of the independent Peer Review of the HB's integrated planning arrangements and that the finalised Action Plan would be presented for review at the next TI meeting on 21 June 2023. WG was reassured to see the development of the Planning Maturity Matrix and to note that the HB had reached out to other organisations in order to incorporate effective exemplars into the Matrix design.
- Initial engagement sessions held with the Medical Leadership Group to discuss and develop an interim clinical services recovery roadmap to align with the HB's strategy ('A

Healthier Mid and West Wales'), had been followed by further sessions held with Nurses, Therapists and General Managers, with quarterly engagement sessions having been scheduled with the Senior Leadership Group from April 2023 onwards to develop a Clinical Services Plan.

- Discussions had been held with operational teams to identify where further detailed planning was required in relation to fragile services *ie.* Urgent and Emergency Paediatrics, Stroke services, Emergency General Surgery, Critical Care, Planned Care and Diagnostics. Being advised that actions to address waiting lists in these services would necessarily involve potential service re-configuration across the hospital sites, resulting in challenging conversations with both WG and with the public, WG confirmed that service re-configuration was anticipated across Wales.
- WG observed that whereas in previous years a route map to achieving clinical sustainability had not been evident in the HB's clinical service plans, this had now been clearly described.
- WG welcomed the opportunity to review the HB's approved Annual Plan 2023/24, noting that it would provide further understanding of the sequencing and consultation timeline linked to the HB's Programme Business Case and noting also that demonstration on the part of the organisation that it could deliver in-year against its Plan would provide a useful starting point towards de-escalation.
- Noting that draft findings from the independent Peer Review of Integrated Planning would be published imminently, WG confirmed that these would be shared with the HB, and that the final report, together with the HB's response, would be presented at the next TI meeting on 21 June 2023. WG were advised that while there was much to take forward from the initial assessment – particularly in terms of the organisation's appetite for planning and the need both to address capacity and to develop processes to increase the granularity and triangulation of operational planning – initial findings from the review had largely correlated with the organisation's own view of its position.

Finance:

- A deep dive review of the financial drivers behind the HB's deficit had been undertaken with the support of the WG Financial Delivery Unit (FDU), which had enabled the development of an itemised assessment of each driver, together with the associated financial value, supporting business case and benefits.
- Further work would be undertaken with the FDU between March 2023 and April 2023 in order to finalise an understanding of the opportunities available to the HB. WG were informed that identified opportunities had been reviewed by Board Members at the Board Seminar meeting held on 1 March 2023 in order to make choices relating to which should be progressed within the 2023/24 Annual plan and were advised that many of the opportunities reviewed were linked to the expansion of existing plans eg. Transforming Urgent and Emergency Care.
- WG were advised that while a comprehensive response to the recommendations from the 2020 KPMG review had been developed, with assurance provided to the Board via status reports to the Sustainable Resources Committee and ARAC, 5 key themes were proving more challenging and remained outstanding:
 - The Delivery Framework
 - Planning and Programme Management
 - The Opportunities Framework
 - Workforce Grip and Control
 - Financial Management Principles

- WG noted that following a FDU review of the HB's financial management principles, a final position statement would be included for review at the next TI meeting on 21 June 2023 and were informed that work had been commissioned internally via the NHS Wales Finance Academy to undertake a review of the benefits of the HB's business partnering arrangements, which would provide a holistic view of the support provided by corporate financial teams to the organisation's operational teams.
- WG were further assured in regard to the HB's forecasting capability, financial planning and decision-making processes and noted both the increased accessibility of organisational performance data and progress in the alignment of financial, operational and workforce planning. WG were also advised that a request would be made by the HB to Internal Audit to include a review of the HB's control and assurance environment in its Audit Plan for 2023/24.
- The HB's plans in regard to nursing recruitment, control of agency staff usage and review of administrative staff establishment were outlined; WG were advised that reduced costs were being seen following a reduction in agency staff usage, particularly in Glangwili Hospital and also noted a risk linked to the cost and availability of accommodation for key staff.
- WG provided confirmation that diagnosis work in regard to the deficit drivers (as identified in the KPMG review) was complete and recommended that the Opportunities Framework should reflect available choices which were material to reducing the HB's deficit. A further recommendation was made that key milestones and opportunities for improvement in the HB's planning framework should be clearly defined, as this would allow consideration of de-escalation in TI status.
- WG highlighted the need to agree and define the sequence of steps leading to de-escalation, summarising this sequence in terms of identifying opportunities for improvement, developing associated trajectories and quantifying the financial impact of each opportunity. It was anticipated by WG that a clearer view of the HB's progress to inform consideration of de-escalation would be available at the next TI meeting in June 2023.

Enhanced Monitoring

- While congratulating the HB upon achievement of its Planned Care trajectories and encouraging the organisation to broaden and accelerate timescales for its Planned Care targets, WG explained that a decision regarding de-escalation would be linked to evidence of sustainability in the achievement of agreed trajectories.
- WG were advised that while overall there had been some improvements in Urgent and Emergency Care (UEC) over the previous 6-9 months, the position had since stabilised and further improvements were required. Pressures arising from an increase in Norovirus and COVID-19 cases were highlighted, which had exacerbated some existing service fragility.
- Increased activity in Same Day Emergency Care (SDEC) was highlighted, together with a reduction in the HB's *length of stay over 21 days* figures over the previous 3-month period. WG noted that an internal peer review of SDEC had been undertaken and that the HB Operations Team was currently working through initial recommendations. Being advised that there was further scope to direct increased numbers of suitable patients to SDEC, WG suggested that the HB also assess community capacity to see and treat older patients who were currently directed to SDEC.
- Noting that there had been no improvement in the HB's performance linked to the backlog in waiting lists for cancer treatments, and that this has resulted in a revision of the HB's cancer performance trajectories, there was a clear need to work upon the organisation's performance in relation to waiting times.

- WG noted continuing challenges faced by the HB in meeting C-Difficile infection trajectories.
- Significant waiting lists for Adult and Child Autism Spectrum Disorder services were highlighted by the HB, which prevented correlation of demand and capacity plans and the agreement of a realistic trajectory. Given these challenges, and noting the interface between Neurodevelopmental services and Community, Women and Children and Mental Health services, the HB requested support from WG in identifying a service expert to assess the sustainability of its Neurodevelopmental pathway and processes, with the aim of developing an operational delivery plan which met policy requirements and addressed issues underlying the decision to place the service in Enhanced Monitoring. WG agreed that the suggestion to seek expert review of the HB's Neurodevelopmental services was a good one, particularly given that further work was required across Wales in relation to Neurodevelopmental performance, and undertook to source the support required.
- Being advised that the HB had hitherto not sought any significant level of support during the TI process, WG were informed of potential requests linked to issues arising from the Maturity Matrix Action Plan, the Internal Audit review of the HB's business partnering arrangements and an internally commissioned review of the organisation's Digital Enabling Strategy.

A copy of the letter from the Chief Executive NHS Wales summarising key points covered in the meeting is attached at Appendix 1.

It is also noted that the Health Board continues to operate its own internal governance arrangements which were previously approved by the Board, with the Chair and Audit Chair being 'In Attendance' Members of the Escalation Steering Group.

Argymhelliad / Recommendation

The Audit & Risk Assurance Committee is asked to **NOTE** the update from the TI meeting held on 17 March 2022 and the response from the Chief Executive NHS Wales (**Appendix 1**)

Amcanion: (rhaid cwblhau)	
Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.24 The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply

Amcanion Llesiant BIP: UHB Well-being Objectives:	9. All HDdUHB Well-being Objectives apply
Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Notes of the meeting Copy of the letter referred to in the SBAR attached at Appendix 1
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	An update on the JET meeting held on 22 December 2022 was provided to the Board on 26 January 2023.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Any issues are identified in the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	Any issues are identified in the report.
Gweithlu: Workforce:	Any issues are identified in the report.
Risg: Risk:	Ensuring that ARAC is sighted on key areas of its business, and on national strategic priorities and issues, is essential to assurance processes and related risks.
Cyfreithiol: Legal:	Any issues are identified in the report.
Enw Da: Reputational:	Any issues are identified in the report.
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	<ul style="list-style-type: none"> • Has EqlA screening been undertaken? Not on the Report • Has a full EqlA been undertaken? Not on the Report

Cyfarwyddwr Cyffredinol Iechyd a Gwasanaethau Cymdeithasol/
Prif Weithredwr GIG Cymru
Grŵp Iechyd a Gwasanaethau Cymdeithasol

Director General Health and Social Services/
NHS Wales Chief Executive
Health and Social Services Group



Llywodraeth Cymru
Welsh Government

Steve Moore
Chief Executive
Hywel Dda University Health Board
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SA31 3BB

Our Ref: JP/GE/SB

27 March 2023

Dear Steve

Targeted Intervention meeting

Thank you and your team for attending the targeted intervention meeting on 17 March 2023. The slide deck you sent in advance of the meeting was extremely useful and forms an important part of the record of the meeting.

I noted apologies from Mandy Rayani, Sharon Daniels, and Philip Kloer. The note of the meeting held on 6 December was agreed. Most of the actions included in the note were covered through the meeting as indicated on the agenda. You provided feedback following the clinical services session held on the 16 December 2022. Jeremy explained meetings with the organisation were being streamlined and welcomed further conversations with colleagues if required.

Lee advised the maturity matrix had been developed and agreed by the Strategic Development and Operational Delivery (SDOD) committee in December 2022. An initial baseline assessment was undertaken by the planning team, and reviewed by the Director of Strategy and Planning and presented to a workshop in January 2023 with a range of internal and external stakeholders, including both operational and corporate functions who:

- Validated the baseline assessment against the criteria in the maturity matrix.
- Provided comments on the evidence presented to justify the baseline assessment.

- Provided thoughts on the actions required as part of the action plan (to help you achieve level 3).

Outputs of the workshop were taken to your SDOD Committee in February 2023, where the baseline assessment and draft actions were agreed. I note the baseline assessment had been included as part of the papers for this meeting. The draft annual plan will continue to be revised and influenced by the findings of the peer review currently being undertaken.

Following the initial clinical engagement session held in December and subsequent quarterly programme scheduled from April 2023 for senior leadership group, a paper would be submitted to the Board at the end of March proposing the establishment of a programme of work to develop a clinical services plan for Urgent and Emergency Paediatrics, Stroke, Emergency General Surgery, Critical Care, Planned Care, and Diagnostic services. I note you have had a series of conversations with the operational teams to understand the medium term and in some cases short term plans for those services. I look forward to receiving an update following the urgent and emergency paediatrics proposed centralisation at Glangwili consultation. You highlighted some of the challenges facing you such as the stroke model for Carmarthenshire, delivery of the surgical consultant on call rota at Withybush in particular, critical care at Prince Philip and the increased waiting list for diagnostic services. Lee confirmed that where the services included in the clinical plan were a regional concern that they were parallel pieces of work ongoing through the ARCH programme of work with Swansea Bay University Health Board.

Your final annual plan was going to your Board at the end of March. This is focused on meeting the key ministerial priorities and setting the foundations for the longer-term recovery which would support local services.

I note Lee has regular meetings with Samia and their respective teams which had proved helpful in developing the annual plan and maturity matrix. I am encouraged by the way you have reached out to other organisations to talk about their experiences around the use of the maturity matrix. I will be keen to see the recommendations with any learning opportunities from the peer review and the clinical services plan.

Samia formally acknowledged the terms of reference for the independent review of planning had been developed and agreed between Welsh Government and Hywel Dda. Sally Attwood had been appointed to undertake the review. The review commenced in late February and will be completed by the end of March, with a draft report expected thereafter. The purpose of the review is to undertake a peer review of planning capacity and capability across strategic, operational, and capital planning, but also to look at the organisations approach to integrated planning in terms of the mechanisms and the decision tools that were in place. A copy of the final peer report would be brought to the next TI meeting in June for along with any actions in response to any recommendations.

Thank you for the acknowledgment of support you have been receiving from my officials and the Finance Delivery Unit whilst working through the plan over the last few months. I acknowledge receipt of the itemised assessment following the deep dive carried out by the FDU which highlights the various challenges in terms of the additional capacity and requirements along with inflationary pressures you are experiencing.

In relation to your Opportunities Framework, you are scheduled to work with the FDU during March and April on the collective understanding of what opportunities are available and will

be discussed as part of your touchpoint meeting on 14 April that will enable you to bring a final position statement to the June TI meeting.

You explained in detail the Delivery Framework was linked to the KPMG report which gives some assurance around the work carried out against the recommendations. I note the framework went to the Sustainable Resources Committee on the 20 December 2022 with initial responses sent to the FDU during March. Outstanding items will be responded to and embedded by 31 March 2023.

As part of your Financial Management arrangements, I understand you have a touch point meeting with the FDU on 23 March 2023 on the recommendations identified with a final position statement provided for the June TI meeting. I would be like an update on feedback from Arcus consulting on your diagnostic services.

In relation to the KPMG report, you mention some of the more challenging recommendations were around your Delivery Framework. Some actions being taken include:

- 'Directorate Improving Together' meetings in place.
- 'Our performance' and 'Our safety' dashboards developed and cascaded across the organisation.
- Alignment of operational, planning, finance, and workforce teams during the planning process for 2023/24 in place.
- Process in place to work through consultation and implementation of an appropriate operational and clinical structure.
- Terms of reference developed for new Operational Management Executive Meeting.

In respect of Planning and Programme Management, Lee advised he had reduced the planning objectives from 80 to 26 which were focused on the key deliverables. Teams had been aligned to maximise the opportunities across the different programmes of work.

Lisa gave an update on Workforce Effectiveness and advised leads had been introduced in the following key areas:

- Nursing
- Medical
- Allied Health Professionals
- Admin and Clerical
- Estates and Ancillary

Work to date had seen the stabilisation programme introduced for nursing in Glangwili hospital with targeted overseas recruitment, UK recruitment and efficient rostering practices. the next phase of overseas recruitment would be completed by May 2023 and the Thornbury ban would be introduced from 1 April 2023 for Glangwili hospital. I note work has begun at Withybush and Bronglais hospitals around:

- Recruiting to substantive roles.
- Replace high-cost agency workers.
- Further workstreams were currently being explored including medical bank and overseas recruitment.

You mentioned work was being scoped for Allied Health Professionals, Estates and Ancillary and Admin and Clerical staff. All your work programmes reinforced roster controls, agency booking processes and alignment of funded establishment to people in post. Workforce metrics have also been strengthened in past 12 months with comprehensive reporting now in place for all of work areas.

We discussed the agency 'ban' for registered nurses; Sue queried if there would be a similar approach on the use of agency healthcare support workers across the health board. It was advised that HEIW were about to transfer the mental health district, nursing, and health visitor acuity tools to you for testing. Sue asked whether the health board was ready for the transfer and what action you were taking about any regional work on your bank pay scales, and whether you are likely to meet the quantum of savings as set out in your trajectories.

In terms of non-registrant agency, you confirmed it was part of the plan and that you did not use many agency healthcare support workers and it was your intention to stop utilising agency staff. In readiness for the acuity tools, you had information from your district nursing teams around how they would affect you in terms of the whole-time equivalents and additional nurses required. A paper on the shortfall of health visitors was submitted to your People Committee and you are developing a workforce plan to mitigate the actions associated with the shortfall. Your mental health workforce plan was aligned with the workforce planning team who were working with the service in terms of capacity issues.

On regional agency bank work, you are seeking an alternative model and working with Swansea Bay University Health Board on workforce effectiveness. You believe that you can identify cost savings from the reduction of agency spend at Glangwili hospital, yet you highlight an area of concern around accommodation in Pembrokeshire and are linking in with Pembrokeshire County Council colleagues to help with the accommodation issues.

On financial management you are meeting with the FDU on 23 March to finalise the principles and receive any feedback and gap analysis. Forecasting: financial planning arrangements and decision-making processes are more robust than have previously been.

The focus needs to be on identifying the totality of the improvement opportunities and getting a trajectory to delivery on all of those and understanding the impact of that on the financial position of the organisation.

On planned care, Andrew explained that although December performance exceeded the trajectories, they were not in line with the Ministerial priority expectation levels. You anticipate the 52-week stage one position will be around 4,000 breaches, your 104-weeks will have no breaches except for vascular with around 130 patients at the end of March 2023. I note vascular is a service you commission from Swansea Bay Health Board, which you anticipate longer waiting patients being cleared by the end of June 2023, along with all the 52-week stage one breach patients.

You advised the 104-weeks total pathway would have around 3,500 patients breaching at the end of March 2023, again your intention is to improve on that performance by the end of June. From an outpatient perspective, you expect to see further growth in urology, orthopaedics, ENT, and gastroenterology.

On urgent and emergency care, you have made some improvements over the last six to nine months and stabilised your performance. You now need to start driving towards

another stepped improvement across several of the metrics. The visit to Cardiff and Vale Health Board for some shared learning was productive.

The cancer performance at 38% in January is not acceptable. Your reflection on cancer was the backlog of patients is now reducing, and you have improvement trajectory plans in place for all the tumour sites, treatment of chemotherapy and surgical intervention are being provided locally and treatment activity are higher than pre covid levels. I understand your aim is to reduce the backlog to below 200 by the end of June 2023. This must happen and performance must improve.

On mental health, I note the dip in performance for part 1b interventions in January which you advised was due to workforce capacity and staff absences. You anticipate performance would improve and be back within trajectory by the end of March 2023. On neurodevelopmental services, I welcome the proposed expert review as part of the current enhanced monitoring escalation process and my officials will be in contact to facilitate this review.

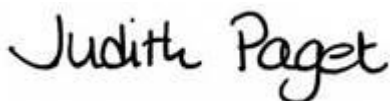
I noted the following actions from the meeting:

- Health Board to provide an update following the consultation on the centralisation of urgent and emergency paediatrics.
- Health Board to forward the recommendations with any learning opportunities from the peer review and the clinical services plan.
- Health Board to provide an update on feedback from Arcus consulting on your diagnostic services.
- Welsh Government to work with you to consider how we undertake an expert review of neurodevelopmental services.

I would like to conclude by noting that this was a productive meeting recognising progress in some areas and action agreed on the areas of ongoing concern. In closing you indicated that you had completed a recent piece of work on your Health Board's digital strategy asked about the opportunities for financial assistance to support the implementation of this. While we are happy to have a further conversation, I reminded you that this would be in the context of significant financial pressures across NHS Wales.

Thank you once again for the discussion. I look forward to seeing positive progress at our next meeting on 21 June 2023 at 15:00 via teams.

Yours sincerely



Judith Paget CBE