

Bundle Finance Committee 26 November 2019

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Presenter: Chair
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- 1.4 Matters Arising and Table of Actions from Meeting Held on 21st October 2019
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- 2.1 Financial Performance Presentation
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- 2.1.a Finance Report Month 7
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- 2.7 Efficiency Opportunities: Financial Delivery Unit Efficiency Framework
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 - 2 8 Winter Plan Approval - Board SBAR November 2019
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- 2.9.1 Strategic Financial Planning Group Update Report to Strategic Enabling Group (SEG)
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- 3.1 Corporate Risks
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**COFNODION HEB EU CYMERADWYO O GYFARFOD Y PWYLLGOR CYLLID/
UNAPPROVED MINUTES OF THE FINANCE COMMITTEE MEETING**

Date and Time of Meeting:	Monday 21 st October 2019, 1.30pm – 4.30pm
Venue:	Boardroom, Ystwyth Building, St. David's Park, Carmarthen

Present:	<p>Mr Michael Hearty, Associate Member (Committee Chair)</p> <p>Mrs Judith Hardisty, Vice Chair of Hywel Dda University Health Board (HDdUHB)</p> <p>Mr Mike Lewis, Independent Member (Committee Vice Chair) (part)</p> <p>Mr Paul Newman, Independent Member</p> <p>Mr Huw Thomas, Director of Finance</p> <p>Mr Steve Moore, HDdUHB Chief Executive</p> <p>Mr Joe Teape, Director of Operations/Deputy Chief Executive (part)</p> <p>Mr Andrew Carruthers, Turnaround Director</p> <p>Mrs Lisa Gostling, Director of Workforce & Organisational Development</p>
In Attendance:	<p>Miss Maria Battle, Chair of HDdUHB</p> <p>Mr Keith Jones, Assistant Director of Acute Services (part)</p> <p>Mr Ben Garside, KPMG LLP</p> <p>Mr Shaun Ayres, Assistant Director of Value Based Contracting</p> <p>Mrs Sarah Bevan, Committee Services Officer (Secretariat)</p>

AGENDA ITEM	ITEM	
FC(19)189	INTRODUCTIONS AND APOLOGIES FOR ABSENCE	Action
	<p>The Chair, Mr Michael Hearty, welcomed all to the meeting.</p> <p>Apologies were received from:</p> <ul style="list-style-type: none"> Mr David Powell, Independent Member 	
FC(19)190	DECLARATIONS OF INTERESTS	
	There were no declarations of interest made.	
FC(19)191	MINUTES OF PREVIOUS MEETING HELD ON 24th SEPTEMBER 2019	
	RESOLVED – that the minutes of the Finance Committee meeting held on 24 th September 2019 be APPROVED as a correct record.	
FC(19)192	MATTERS ARISING AND TABLE OF ACTIONS FROM THE MEETING HELD ON 24th SEPTEMBER 2019	
	<p>An update was provided on the Table of Actions from the meeting held on 24th September 2019 and confirmation received that all outstanding actions had been progressed or were forward planned for a future Committee meeting, with the exception of:</p> <ul style="list-style-type: none"> FC(19)170 Finance Report Month 5 – to discuss escalation of Delayed Transfer of Care (DToC) issues to the Regional Planning Board (RPB) – Mr Steve Moore informed Members that the escalation of DTOC issues are planned to be reported to the RPB, 	

with discussions to be held with the Executive Director of Pembrokeshire Social Care and other Local Authorities shortly; action closed.

It was noted that all remaining items on the Table of Actions are reflected on the agenda for today's Committee meeting.

FC(19)193

FINANCIAL PERFORMANCE PRESENTATION/ FINANCE REPORT MONTH 6

Members were presented with the Financial Performance Presentation and the Finance Report Month 6.

Mr Huw Thomas informed Members that the Month 6 position is £0.7m operational variance to plan and £3.8m Year to Date (YTD). The Month 6 YTD variance to breakeven is £12.6m. Mr Thomas highlighted the significant adverse variances against plan, including operational surge with the resultant vacancies covered by premium cost staff, drugs in Unscheduled Care (USC), the local Tuberculosis (TB) outbreak, Medicines Management Primary Care Prescribing, and the unidentified savings profile impact.

Mr Thomas informed Members that deterioration from Month 5 is primarily due to Primary Care Prescribing following a price increase in August 2019 in Category M drugs, and continued pressures in relation to New Oral Anticoagulants (NOAC). Mr Hearty enquired whether pressures are due to random drug costs or prescribing. Mr Thomas responded that it is due to the Category M price increase, which is a nationally driven issue. However, given the importance of Primary Care provision within HDdUHB, the impact is disproportionate in comparison with other Health Boards.

Mrs Judith Hardisty, Miss Maria Battle and Mr Joe Teape joined the Committee meeting

Mr Thomas provided an overview of the key cost drivers, including bed pressures, Unscheduled Care, and agency usage. Referring to the Operational Pressures slide, Mr Thomas highlighted the £3.4m cost of Medicines Management. Mr Thomas also highlighted an under-spend within Mental Health and Learning Disabilities, and slippage details which have benefitted the projected position.

Mr Thomas informed Members that the Executive Team had met to discuss support for the delivery of savings schemes, with each area being led by a named Executive Lead. Further detail of this is contained within the Turnaround Report.

Mr Thomas highlighted that additional opportunities identified by KPMG are not yet factored into the savings scheme figures.

Projection, including savings risk and projected slippage on identified savings schemes, is an adverse variance to plan of £13.9m; this would equate to a year end deficit position of £28.9m. Referring to the Opportunities slide, Mr Thomas informed Members that the forecast after

delivery of pipeline schemes is £27.9m. This includes a focus on cross border activity/commissioning, Planned Care reconfiguration and benefits of Referral to Treatment Time (RTT) funding. Mr Thomas advised that, assuming Welsh Government (WG) funding for the TB outbreak, assuming delivery of opportunities within KPMG's work, and considering areas of uncommitted spend i.e. Mental Health, underused dental allocation, and uplift in allocation to fund inflationary uplift in dental, he remained hopeful that this would contribute to reaching a 2019/20 forecast of £23.5m. However, this is still £8.5m above the £15m control total.

Mr Thomas brought two specific risks to the Committee's attention. One in relation to Welsh Risk Pool, which is likely to invoke a risk sharing agreement for 2019/20. The outlook indicates the potential for an additional £1.4m coming to HDdUHB to support Welsh Risk Pool. The second relates to funding the core team. Mr Thomas advised that conversations are being held with WG for £2.6m funding for the core team, with the risk being that this funding will not materialise.

Comments were invited from Members.

Referring to the savings gap identified from the assured (green) and amber (marginal risk) savings schemes, Mr Paul Newman highlighted certain schemes that have not yet been initiated, with a risk associated with these producing savings by the end of March 2020. Mr Andrew Carruthers responded that putting the appropriate resources in place will make a difference and believed that over the next 5 months an improvement in the position will continue to be seen. Mr Benjamin Garside informed Members that the savings scheme tracker is vital, with approximately 100 opportunities identified that are in various stages of readiness. The key is ensuring that capacity and time is allocated to progressing these.

Mr Hearty enquired how the gap can be closed. Mr Carruthers assured Members that the Terms of Reference for each of the Turnaround Delivery Groups stipulate delivery of identified actions and the translation of new ideas/opportunities for progression. Mr Carruthers informed Members that the Groups currently meet fortnightly, with weekly meetings being held at site level to discuss length of stay improvement. Mr Newman advised that he would welcome assurance that the momentum is maintained.

Mr Thomas informed Members that the key issue identified by KPMG in strengthening the Delivery Framework is the level of project management support to drive savings actions in real time. Mr Thomas assured Members that weekly meetings are held with the finance team and a dashboard is being developed to support this work.

Mrs Judith Hardisty sought assurance that Directorates are aware of the expectations when agreeing to their budgets and queried the need for extra support when certain elements of the work should be undertaken as part of managing their budgets. Mr Thomas responded that there are three issues driving the current position: USC pressures; Medicines Management and TB. Mr Thomas highlighted the required focus to accelerate actions associated with strategy work, i.e. pathways and the

	<p>improvement of services, and the importance of being proactive rather than reactive.</p> <p><i>Mr Mike Lewis joined the Committee meeting</i></p> <p>Mr Hearty queried the plans in place for reforecasting, if the reality is that the Health Board will not hit the £15m control total. Mr Thomas responded that the Board will have an opportunity to review the position before the forecast is formally changed. Mr Thomas advised that finance are still seeking all opportunities to achieve the £15m control total, however the projection is looking more like £23.5m currently.</p> <p>Mr Moore expressed his belief in the possibility of reaching better than the £23.5m forecast position and that if this could be accomplished, focus could then be placed on driving this down to £20m and then £15m. Mr Moore added that if HDdUHB reaches a £20m forecast position, this would result in delivery of the plan submitted to Board in March 2019.</p> <p>Mr Moore informed Members that the upcoming Holding To Account (HTA) and Targeted Intervention (TI) meetings will feed into this process. Mr Thomas recommended a structured discussion on reforecasting be held at the November 2019 Finance Committee meeting, prior to submission to Board on 28th November 2019. Mr Hearty stated that before Finance Committee provides assurance to the Board, he would wish to see an audit trail that all avenues have been explored prior to revising the forecast position.</p> <p>Mr Newman queried if the Committee are now satisfied that the team is the right size to achieve the tasks involved. Mr Carruthers responded that he believes the team is currently in line with KPMG's expectations. Mr Garside agreed that the capacity and capability of the team is appropriate to carry out the transformation work required. Mr Thomas added that a methodical approach to recruitment had been applied in order to achieve the best skill mix.</p>	HT
	The Committee NOTED and DISCUSSED the financial position for Month 6.	

FC(19)194	TURNAROUND REPORT MONTH 6	
	<p>Members were presented with the Turnaround Report Month 6. Adding to discussions during the preceding agenda item, Mr Carruthers informed Members that the Turnaround Delivery Groups, established to progress projects at pace to deliver the annual plan for 2019/20, held their first meetings in the week commencing 14th October 2019. Mr Hearty queried whether a financial value would be applied against each Group, which Mr Carruthers confirmed would be available.</p> <p>Mr Hearty highlighted within sections 1 and 2 of the appended Turnaround Report that the YTD variables are falling behind plan and queried the causes for this. Mr Carruthers responded that this is due to the profile having not yet caught up or due to initial plans being inaccurate. Mr Carruthers assured Members that work is being undertaken to validate</p>	

	<p>these figures. Mr Thomas also assured Members that this variance is accounted for within the forecast position.</p> <p>Mr Thomas reiterated to Members the risks highlighted in the previous agenda item relating to £2.6m core team funding and £1.4m Welsh Risk Pool. If this funding does not materialise there will be an additional £4m pressure.</p>	
	The Committee NOTED the Turnaround Report Month 6.	

FC(19)195	<p>REFERRAL TO TREATMENT TIME (RTT) MONTH 6</p> <p>Members were presented with the RTT Month 6 report, providing progress in respect of the financial plan and planned expenditure trajectory to support RTT, Diagnostic and Therapy service waiting times.</p> <p>Mr Keith Jones informed Members that all future reports will monitor expenditure against the total funding provision for 2019/20, which stands at £6.95m. Mr Jones assured Members that he remains confident in delivering the year end outturn of £4.65m, which is attributed to the lower than originally forecast cost of recovering lost activity of theatre work in Withybush General Hospital (WGH).</p> <p>Activity to Month 6 demonstrated targeted expenditure above core budgeted levels of £2.36m plus contractual commitments of £205k to support additional validation capacity. Based on current and future projected expenditure patterns, the total projected expenditure for 2019/20 has been revised to £6.45m.</p> <p>Mr Hearty queried whether plans have accounted for the impact of winter activity. Mr Jones responded that YTD figures illustrate fewer cancellations due to bed pressures and show a slight reduction to previous year's figures. Mr Hearty queried if this is as a result of improved bed management. Mr Jones responded that it is reflective of the case mix, however the level of communication between Primary Care teams and operational teams is the most effective seen to date.</p> <p>Mrs Hardisty enquired whether the current issues surrounding medics not wanting to work additional sessions due to pension allowances would impact upon the ability to deliver Waiting List Initiatives. Mr Jones responded that work is in progress to forecast the impact of this, however, this has not led to a reduction in core capacity. The impact is upon the propensity of clinical staff to undertake additional work and the best estimate at the moment derives from definitive responses received from those clinicians indicating they will not undertake any extra sessions. Mr Jones advised that this issue may become more acute in the second half of the year and therefore needs consideration. Mr Jones informed Members that the issue is being discussed at WG level with potential options being considered.</p> <p>Mrs Lisa Gostling informed Members that guidance is anticipated from WG regarding the application of pension flexibilities and not only for clinical staff.</p>	
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	The Committee DISCUSSED and NOTED the progress to Month 6 in respect of the financial plan and planned expenditure trajectory to support RTT, Diagnostic and Therapy service waiting times delivery for 2019/20.	
FC(19)196	<p>WORKFORCE PAY CONTROLS – KPMG GRIP AND CONTROL ACTION PLAN UPDATE AND ESTABLISHMENT CONTROL PROJECT UPDATE</p> <p>Members were presented with an Update on Grip and Control, providing an outline of the initial findings from the KPMG Grip and Control work stream together with a progress update on agreed actions. The report also provided an update on the Establishment Control Project (ECP).</p> <p>Mrs Gostling informed Members that the ECP tool is produced and distributed monthly. The tool had been updated in September 2019 to include the reasons for booking bank/agency. Data is now included that shows temporary staff usage for the Allied Health Professionals (AHP) and Healthcare Scientist staff groups. The development of a tool to monitor compliance against the Nurse Staffing Act (Wales) 2016 and to assist Senior Nurses monitoring the rostering of staff substantive/bank/agency has been completed.</p> <p>Mrs Gostling informed Members that work is ongoing to review the vacancy figures held within TRAC and the Establishment Control tool. The area of largest discrepancy is the Medical workforce. Further work is also to be undertaken between the service and Finance to confirm the current establishment. Mrs Gostling undertook to provide an update at the November 2019 Committee meeting. Members acknowledged the significant step forward in being able to link finance data with the Electronic Staff Record (ESR) system.</p> <p><i>Mr Keith Jones left the Committee meeting</i></p> <p>Mrs Gostling referred to the appended action plan, which provided an update on progress against each of the agreed actions identified by KPMG. Mrs Gostling informed Members that the internal process for staff wishing to join up to the bank has been changed to a much swifter model.</p> <p>Mr Newman queried the conclusion date of the action to improve the efficiency of job planning. Mrs Gostling confirmed that the anticipation is for this to be in place by the end of March 2020. Mr Newman queried if this refers to electronic job planning and Mrs Gostling undertook to confirm this.</p> <p>Referring to the action relating to long term temporary staff, Mr Lewis queried the financial implications of keeping staff on a long term basis. Mrs Gostling responded that work is ongoing to review locums who have been with HDdUHB for over 12 months, in order to support them to become a substantive consultant. Mr Lewis queried if this also applied to temporary administrative staff. Mrs Gostling responded that there is currently no requirement to review administrative staff. However, bank office staff are being reviewed.</p> <p>Referring to the rota management action and the suggestion to have a single medical rota for Accident & Emergency (A&E), Mrs Hardisty queried</p>	<p>LG</p> <p>LG</p>

	<p>if this should be considered for other specialities. Discussion was held on the challenges involved in having a single consultant on call.</p> <p>Mr Hearty concluded that the action plan provided clarity, although an indication of when actions are to be closed would be useful. Mr Hearty queried the financial savings ascribed to the actions and Mrs Gostling responded that this currently stands at £6.9m. However, this is indicative of the work carried out by KMPG, with possible further savings opportunities emerging from the Workforce Delivery Group.</p> <p>Miss Maria Battle queried whether a ban on Thornbury usage had been considered. Mrs Gostling responded that this has been considered several times and it is only in exceptional circumstances that Thornbury is utilised. Mrs Gostling advised that Thornbury usage had been totally eradicated in Bronglais General Hospital (BGH), however, numbers have increased slightly in GGH and WGH. Mr Moore added that a complete ban has been attempted in the past but has not been successful, however there is a recognition that this needs to be achieved.</p> <p>Regarding sickness absence, Mrs Gostling informed Members that the focus is now on the wellbeing of employees, with a new all Wales Attendance at Work policy, with a more compassionate focus on sickness management.</p> <p>Mr Hearty queried whether the specific Turnaround Delivery Group identified in the Turnaround Report is picking up the workstreams identified from the action plan. Mr Carruthers confirmed that the workstreams are being led by the Workforce Delivery Group.</p>	LG
	The Committee NOTED the Update on Grip and Control report.	

FC(19)197	CAPITAL FINANCIAL MANAGEMENT	
	<p>Members were presented with the Capital Financial Management report, providing the latest update on the Capital Resource Limit (CRL) for 2019/20.</p> <p>Mr Thomas informed Members that the £1.3m total balance available for allocation is being discussed at the Business, Planning and Performance Assurance Committee (BPPAC). Mr Thomas advised Members that there were no concerns from the report to highlight.</p>	
	<p>The Committee:</p> <ul style="list-style-type: none"> • NOTED the Capital Resource Limit for 2019/20 together with expenditure allocations and profile; • NOTED the work being undertaken to manage the financial risks identified. 	

FC(19)198	CONTRACTS UPDATE	
	<p>Members were presented with the Contracts Update report, providing the Month 6 and forecast position in relation to Long Term Agreements (LTA). Mr Thomas informed Members that the report is consistent with the report that is submitted to BPPAC.</p>	

	<p>Mr Shaun Ayres highlighted the key drivers of expenditure and activity within the LTAs, advising that the financial over-performance is predominantly driven by high cost drugs in Swansea Bay University Health Board (SBUHB) which has seen an improvement based on Quarter 2 high cost drug submissions. Mr Lewis queried the use of the term 'over-performance' and Mr Ayres responded that, from a contracting perspective, it refers to spending more than budgeted.</p> <p>The key drivers for Cardiff and Vale University Health Board (CVUHB) are high cost drugs, Orthopaedics and Critical Care activity.</p> <p>Welsh Health Specialised Services Committee (WHSSC) is financially under plan due to the release of reserves. This is as a result of schemes that are delayed, have not started yet, or under performance with English providers.</p> <p>Mr Hearty suggested that too much detail is included within the report for Finance Committee purposes and requested that a more concise report be submitted to the November 2019 Committee meeting. Mr Hearty added that, from a Finance Committee perspective, it would be useful to know when work to drive down the costs can be actioned.</p>	SA/HT
	<p>The Committee NOTED the content of the Contract Update report and took assurance that the steps taken are in line with the Finance Committee's expectations.</p>	

FC(19)199	DRAFT INDICATIVE FINANCIAL PLAN 2020/21	
	<p>Members were presented with the Draft Indicative Financial Plan 2020/21 report, providing an assessment of the financial challenge for HDdUHB for 2020/21. Mr Thomas stressed that this is a first iteration at this stage and that a review will be undertaken with the Director of Planning, Performance and Commissioning over the coming weeks to assess the pressures coming through.</p> <p>Referring to the accompanying presentation, the opening underlying deficit for 2020/21 has been calculated at £43.2m. Mr Thomas informed Members that £10m recurring income is assumed and, based on the current position, is not likely to be achievable. An overview was presented to Members of the breakdown of the deficit for 2020/21, providing full year impact and cost pressures identified at Directorate level. Mr Thomas highlighted the £10.4m additional cost of WHSSC contracts and Long Term Agreements (LTA).</p> <p>Based upon the current identification of cost pressures and allocation increase assumptions, the financial challenge facing HDdUHB for 2020/21 is £63.2m and therefore £63.2m of savings need to be identified to achieve a breakeven position.</p> <p>Mrs Hardisty queried when the plan will reflect the direction of travel of the Transformation fund and localities work. Mr Thomas responded that budgets at a Directorate level are needed, however there is work ongoing to look at the seven localities and programmes of spend, which is being progressed through the Value Based Health Care work.</p>	

	<p>Mr Lewis queried if HDdUHB are accountable for the 1% medical pay uplift. Mr Thomas responded that this is included within the 2% uplift on WG allocation. Mr Lewis queried the cost of the Major Trauma Unit and Mr Thomas undertook to establish these.</p> <p>Mr Moore highlighted the need for a national debate on WHSSC.</p> <p>Mr Hearty concluded by advising that the 2020/21 plan needs to consider what has been learnt in 2019/20, for example, the work on Grip and Control and budget management. With regards to Transforming Clinical Services, it was agreed that the savings plan for 2020/21 needs to be transformational.</p> <p>Mr Moore highlighted the importance of considering a Value Based Health Care approach and locality based resource allocation, advising that the WG work on the resource allocation formula will have an impact.</p> <p>Mrs Hardisty suggested that a full picture of all income streams is required, i.e. cluster monies, Integrated Care Fund (ICF), Transformational Funds and pacesetter monies, to ensure these are being used wisely to inform investment decisions. Mr Thomas informed Members that work on this is currently being progressed by the Strategic Enabling Group (SEG). Mr Hearty noted that reference to the above income streams should be included within the Draft Financial Plan 2020/21.</p>	HT
	Members NOTED the Financial Plan Development and Draft Financial Plan report.	

FC(19)200	<p>LEARNING FROM WINTER 2018/19 AND PREPAREDNESS FOR 2019/20</p> <p>Members were presented with the Learning from Winter 2018/19 and Preparedness for 2019/20 report. Mr Teape stated that the report does not present the full winter plan and that a draft had been discussed at Executive Team. The plan is currently a work in progress with no funds committed as yet.</p> <p>Mr Teape informed Members that the methodology used for winter planning in 2018/19, based upon an analysis of bed demand and capacity outturn positions for winter 2018/19, had been applied again for 2019/20. Members were advised that the bed gap had been derived from the actual January to March 2019 position, which consists of surge beds, plus medical patients on surgical wards, plus patients lodging overnight in A&E and Minor Injuries Unit (MIU). This gap equates to 158 beds, which will need to be accommodated if HDdUHB is to safely navigate through winter 2019/20.</p> <p>Mr Teape informed Members that HDdUHB has been allocated £1.2m from WG. HDdUHB has allocated £1m recurrently to support new/additional initiatives across the acute sites. The total funding support for winter, within HDUHB's control, is therefore £2.2m. In addition to this, the RPB and Primary Care funds are both additional areas of potential support.</p>	
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	<p>The current expectation is that funding allocated to the RPB is used for the entire region. Mr Teape advised that the plan is to submit the optimum amount of bids through the RPB in order to reduce HDdUHB's commitments.</p> <p>The final winter plan will be submitted to the November 2019 Board meeting.</p> <p>Mr Hearty queried when exactly the winter period commences. Mr Teape responded that the drawing down of funds is currently being discussed and that further discussions with Executive Team are needed to determine actions i.e. opening capacity.</p> <p>Miss Battle highlighted the importance of having a joined up plan for 2020/21 and that discussion needs to be held with County Directors to enable this and to ensure a regional focus. Mr Moore informed Members that the configuration of the RPB is beneficial at present, as whatever is approved at RPB will require approval from HDdUHB as well as Local Authorities.</p> <p><i>Mr Joe Teape left the Committee meeting</i></p>	
	The Committee NOTED the Learning from Winter 2018/19 and Preparedness for 2019/20 report.	

FC(19)201	EXTERNAL FINANCE REVIEW/ KPMG REFRESH PLAN TO FINANCIAL DELIVERY UNIT	
	<p>Members were presented with a verbal update on the External Finance Review by Mr Garside, who provided an overview of the scope of KPMG's work. This included the assessment of drivers; a revised forecast outturn for 2019/20; a review of grip and control; a recovery plan for 2019/20; and the Delivery Framework, i.e. the governance to deliver the Turnaround plan.</p> <p>An update on each of the above areas was provided to Members and it was noted that overall, work is being delivered effectively.</p> <p>Mr Garside informed Members that the Financial Delivery Unit (FDU) have agreed, in conjunction with KPMG and HDdUHB, that work will be completed by 8th November 2019.</p> <p>Mr Garside further informed Members that a suite of papers from the FDU will enable further discussions at the November 2019 Committee meeting. Mr Garside undertook to provide a written update to the November 2019 Committee meeting.</p>	BG
	The Committee NOTED the External Finance Review.	

FC(19)202	EFFICIENCY OPPORTUNITIES – FINANCIAL DELIVERY UNIT EFFICIENCY FRAMEWORK	
	Members were presented with the Efficiency Opportunities – Financial Delivery Unit (FDU) Efficiency Framework report, setting out the key areas of potential improvement of financial performance identified by the FDU and	

	<p>their likelihood of delivery. Mr Thomas informed Members that the report is for the Committee to note.</p> <p>In relation to the key areas of potential improvement identified by the FDU and their likelihood of delivery, Mrs Hardisty noted the absence of timescales for completing this work and Mr Thomas undertook to establish these.</p>	HT
	The Committee NOTED the Efficiency Opportunities – Financial Delivery Unit Efficiency Framework report.	
FC(19)203	STRATEGIC FINANCIAL PLANNING GROUP UPDATE REPORT TO STRATEGIC ENABLING GROUP (SEG)	
	No report available due to the Group not having met until 14 th October 2019.	
	Mr Hearty requested that this item be brought as a discussion item for the November 2019 Committee meeting.	
FC(19)204	FINANCIAL PROCEDURES	
	Members were presented with the Financial Procedures report, highlighting that the following procedure has been reviewed for presentation to the Finance Committee for approval: <ul style="list-style-type: none"> • FP11 Financial Management System (FMS) – System Access & General Ledger Security Procedure 	
	The Committee APPROVED FP11 Financial Management System (FMS) – System Access & General Ledger Security Procedure.	
FC(19)205	WALES AUDIT OFFICE PUBLIC SPENDING TRENDS IN WALES 1999-00 TO 2017-18	
	Members were presented with the Wales Audit Office Public Spending Trends in Wales 1999-00 to 2017-18 for information.	
	The Committee NOTED the Wales Audit Office Public Spending Trends in Wales 1999-00 to 2017-18 report.	
FC(19)206	FINANCE COMMITTEE UPDATE REPORT TO BOARD FROM PREVIOUS MEETING	
	Members were presented with the Finance Committee Update Report to the Board from the meeting held on 24 th September 2019 for information.	
	The Committee NOTED the Finance Committee Update Report to Board.	
FC(19)206	FINANCE COMMITTEE ANNUAL WORKPLAN	
	Members were presented with the Finance Committee Annual Workplan.	
	The Committee NOTED the Finance Committee Annual Workplan.	
FC(19)207	REFLECTIVE SUMMARY	
	Mr Thomas outlined the key topics discussed during the meeting for inclusion in the Finance Committee Update Report to the next Public Board meeting:	

	<ul style="list-style-type: none"> • Potential £23.5m revised projected forecast position and the need for an audit trail providing assurance that every avenue has been explored and exhausted to reach the control total • Assurance on cost pressures and savings delivery • Risks associated with the materialisation of funding for core team and Welsh Risk Pool • RTT – activity anticipated to be delivered within £6.45m, therefore enabling the release of monies • Grip & Control workstreams, including job planning, rostering and rota management • Discussions of the draft indicative financial plan 2020/21, recognising that the savings plan for 2020/21 needs to be transformational and recognising the critical impact of WHSSC activity • Discussions around the draft winter plan and the importance of working with the RPB to deliver plans • KPMG provided an update on their work 	
	The Committee NOTED the key topics discussed during the meeting for inclusion in the Finance Committee Update Report to the next Public Board meeting.	

FC(19)208	ANY OTHER BUSINESS	
	No other business was raised.	

FC(19)209	DATE OF NEXT MEETING	
	Tuesday 26 th November 2019, 9.00am - 12.00pm, Boardroom, Ystwyth Building, St. David's Park, Carmarthen	

**TABLE OF ACTIONS FROM
FINANCE COMMITTEE (FC) MEETING
HELD ON 21st OCTOBER 2019**

MINUTE REFERENCE	ACTION	LEAD	TIMESCALE	PROGRESS
FC(19)128	Contracting Update – to present the project plan to a future Board Seminar once developed.	HT	February 2020	Forward planned for inclusion on the Board seminar agenda for 13 th February 2020
FC(19)188	Workshop Session: Development and Implementation of Value Based Health Care – to present the initial version of the Locality and Age Analysis tool to the December 2019 Committee meeting	MkB	December 2019	Forward planned for inclusion on the Finance Committee agenda for December 2019
FC(19)188	Workshop Session: Development and Implementation of Value Based Health Care – to include worked examples of particular topic areas by condition basis within the report to the December 2019 Committee meeting	MkB	December 2019	Forward planned for inclusion on the Finance Committee agenda for December 2019
FC(19)193	Financial Performance Presentation/ Finance Report Month 6 – to provide an audit trail that all avenues have been explored prior to reforecasting	HT	November 2019	Forward planned for inclusion on the In-Committee Finance Committee
FC(19)196	Workforce Pay Controls – KPMG Grip & Control Action Plan Update and Establishment Control Project Update – to provide an update on the review of vacancy figures held within TRAC and the Establishment Control tool to the November 2019 Committee meeting	LG	November 2019	Forward planned for inclusion within the Establishment Control update for the November 2019 Finance Committee
FC(19)196	Workforce Pay Controls – KPMG Grip & Control Action Plan Update and Establishment Control Project Update – to confirm whether electronic job planning will be available by end March 2020	LG	November 2019	Complete; trajectories for full completion by 31 st March 2020. Joint workshops have been

				arranged and are currently underway
FC(19)196	Workforce Pay Controls – KPMG Grip & Control Action Plan Update and Establishment Control Project Update – to provide a timeline of anticipated closure of actions on the KPMG Grip and Control Action Plan	LG	November 2019	Forward planned for inclusion within the Establishment Control update for the November 2019 Finance Committee
FC(19)198	Contracts Update – to submit a more concise report to future Finance Committee meetings, which includes timelines against actions	SA/HT	November 2019	Forward planned for inclusion within the Contracts update for the November 2019 Finance Committee
FC(19)199	Draft Indicative Financial Plan 2020/21 – to ascertain the cost of the Major Trauma Unit and costs relating to Localities and Primary Care funding, and to feedback to the Committee	HT	November 2019	Update to be provided at the November 2019 Finance Committee meeting
FC(19)201	External Finance Review/ KPMG Refresh Plan To Financial Delivery Unit – to provide a written update on the Refresh Plan to the Financial Delivery Unit	BG	November 2019	Forward planned for inclusion on the Finance Committee agenda for November 2019
FC(19)202	Efficiency Opportunities – Financial Delivery Unit Efficiency Framework – to ascertain the timescales attributed to the project plan in relation to the key areas of potential improvement identified by the FDU and their likelihood of delivery, and feedback to the November 2019 Committee meeting	HT	November 2019	Forward planned for inclusion on the Finance Committee agenda for December 2019

Financial Performance Month 7

Health Board confirmed control total of £15m. Interim forecast position now £25m given on-going pressures.

Month 7 position

- Month 7 YTD variance to breakeven £14.5m
- Month 7 position is £0.9m (Month 6, £0.7m) operational variance to plan, £4.7m YTD. Significant adverse variances against plan, in month, partly offset by YTD TB funding of £0.4m and favourable gains elsewhere:
 - Medicines Management Prescribing £1.1m;
 - Operational surge, vacancies covered by premium cost staff and drugs of £0.4m;
 - Unidentified savings profile impact £0.4m.

Directorate Projections

- Operational forecasts in excess of budget of £7.9m plus recognition of £1.0m share of Welsh Risk Pool; deterioration primarily due to Primary Care Prescribing following a further price increase from August in Category M drugs and continued pressures in relation to NOACs.
- Projection including savings risk is an adverse variance to plan of £14.8m; would equate to a year end deficit of £29.8m.

Summary

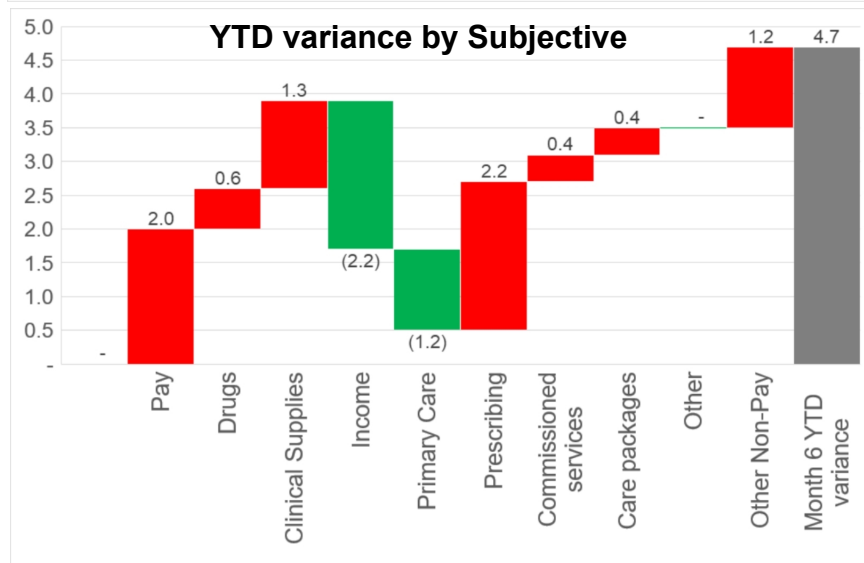
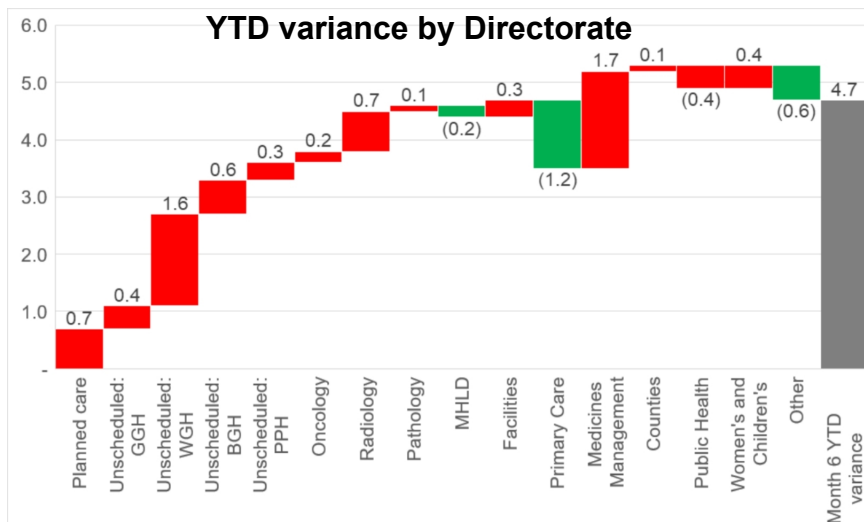
- £8.6m delivery to date against £25.2m total savings requirement. Pace of delivery requires acceleration.
- £17.5m of secure plans (green); £1.8m of plans with some risk to delivery (amber)
- Risk to delivery is therefore £5.9m, including projected slippage on identified schemes of £1.5m.

Conclusions

Key areas of concern:

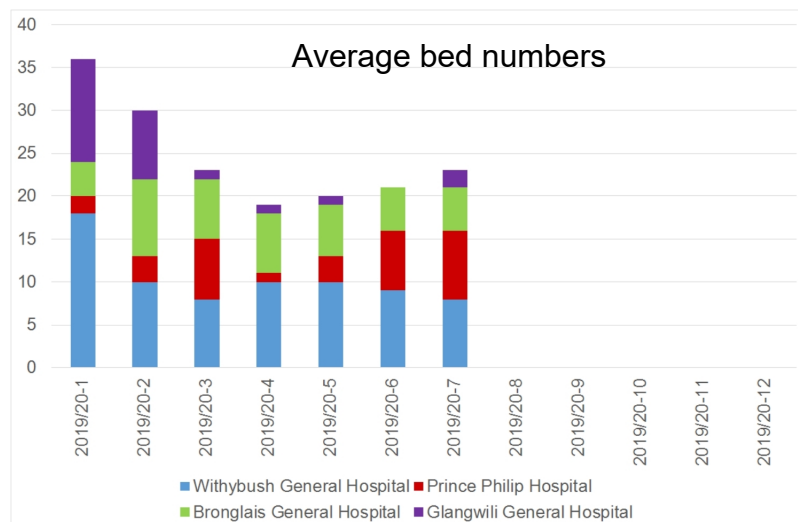
- Savings plans not fully identified;
 - Grip and Control highlighted as an area of concern, especially in workforce management;
 - Significant pressures on drugs manifesting in both Primary and Secondary Care;
 - Significant risk to £10m additional WG funding as this was predicated on delivery of the required £15m control total.
- Change in forecast is interim pending completion of normal governance process through Finance Committee and Board.

Performance – YTD financial position

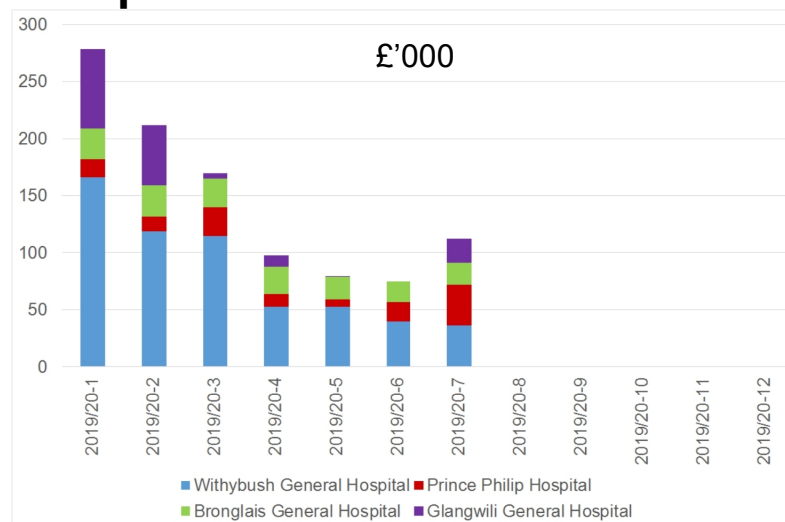


- Of the YTD deficit against plan:
 - £2.9m surge bed pressures, vacancies filled at premium rates and drugs in Unscheduled Care;
 - £1.7m Primary Care Prescribing due to price increases in Category M drugs and NOACs;
 - £0.7m Planned Care;
 - £0.7m Radiology.
- Secondary Care Drugs pressures continue with the Aseptics unit closure and higher than expected activity treating Wet AMD.
- Clinical Supplies includes significant over-spends in relation to diabetic pumps and associated consumables. Radiology outsourcing at premium cost due to level of vacancies caused by recruitment challenges. Planned Care Theatres higher than average expenditure in relation to prosthetics and surgical equipment.
- Other Non-Pay includes increases in travel, recruitment fees, insurance, provisions, telephone costs and postage and the impact of unidentified savings.

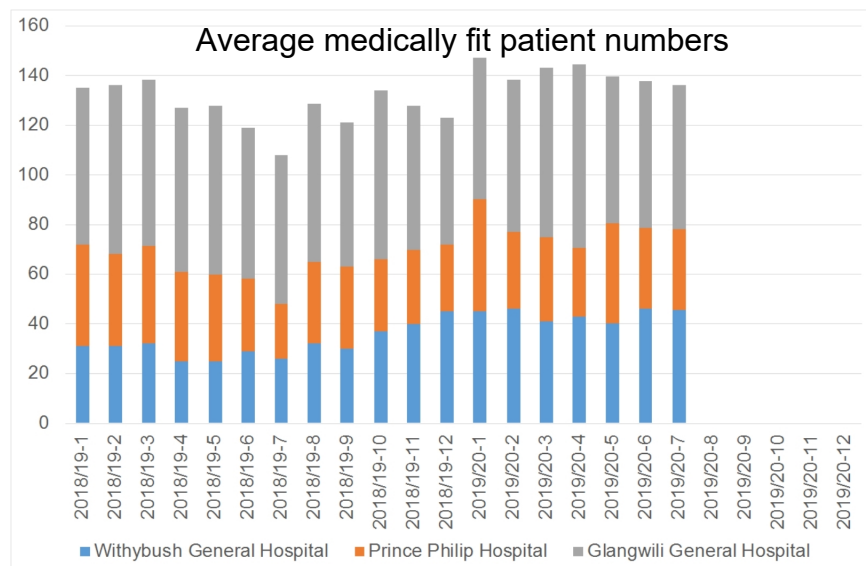
Diagnostics – cost drivers



Bed pressures



Critical Care surged on 48 occasions in Month 6 (Month 6, 29), which was predominately driven by patient acuity rather than the number of beds.



Diagnostics – cost drivers – Unscheduled Care

£'000	BGH			GGH			PPH			WGH			Total		
	Bud	Var	%	Bud	Var	Var %	Bud	Var	Var %	Bud	Var	Var %	Bud	Var	Var %
Agency Nursing	12,454	487	4	22,284	237	1	15,041	-	-	16,479	687	4	66,258	1,411	2
Middle Grade Gen Med	1,932	53	3	3,008	140	5	3,663	115	3	2,693	801	30	11,296	1,109	10
Middle Grade A&E	865	68	8	2,039	60	3	-	-	-	1,579	523	33	4,483	651	15
Consultant Gen Med	1,905	48	3	2,801	-	-	2,083	52	2	2,040	-	-	8,829	100	1
Consultant A&E	138	-	-	825	45	5	-	-	-	566	26	5	1,529	71	5
Drugs	1,694	92	5	3,146	69	2	1,823	253	14	2,147	128	6	8,810	542	6
Cardiac and Infusion Pumps – consumables	1,069	34	3	3,320	85	3	726	-	-	402	17	4	5,517	136	2
	20,057	782	4	37,423	636	2	23,336	420	2	25,906	2,182	8	106,722	4,020	4

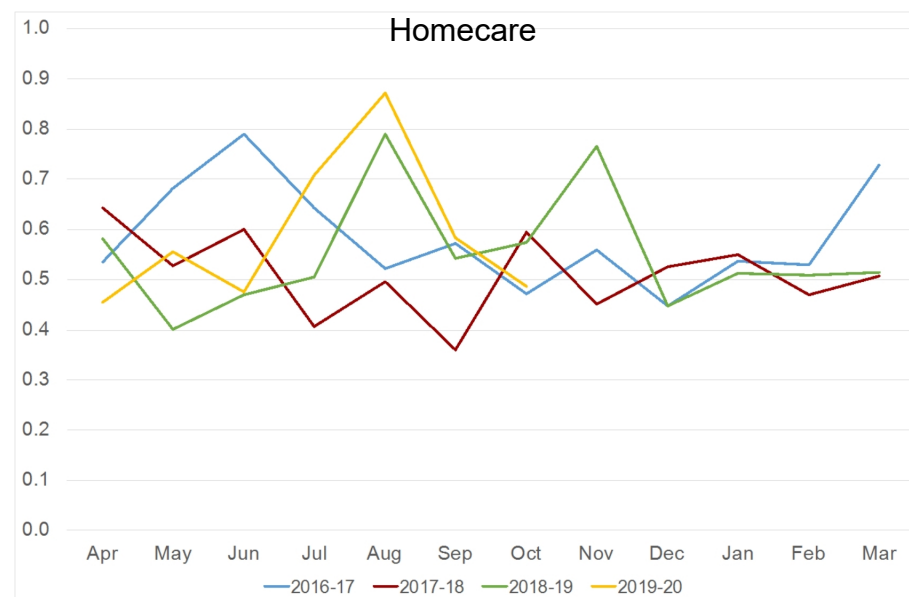
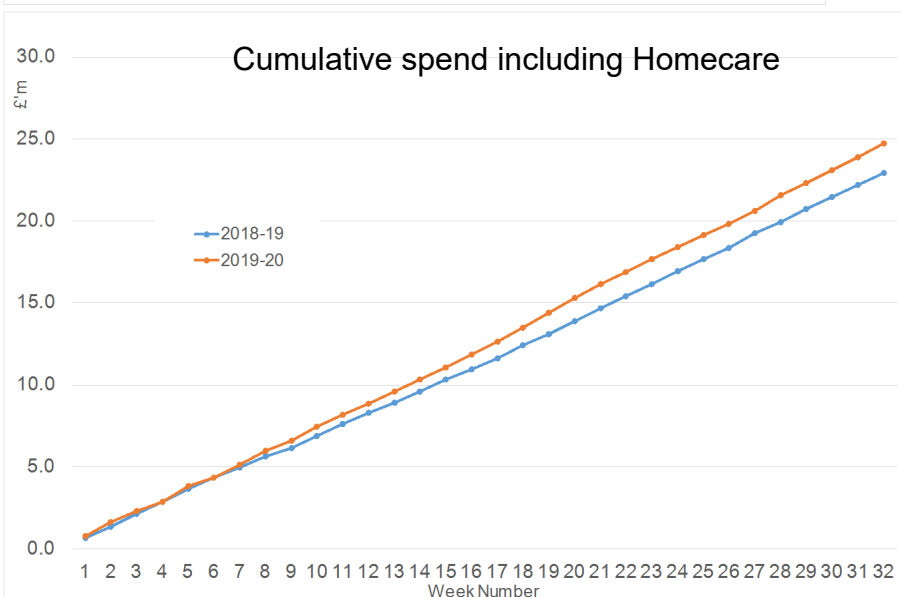
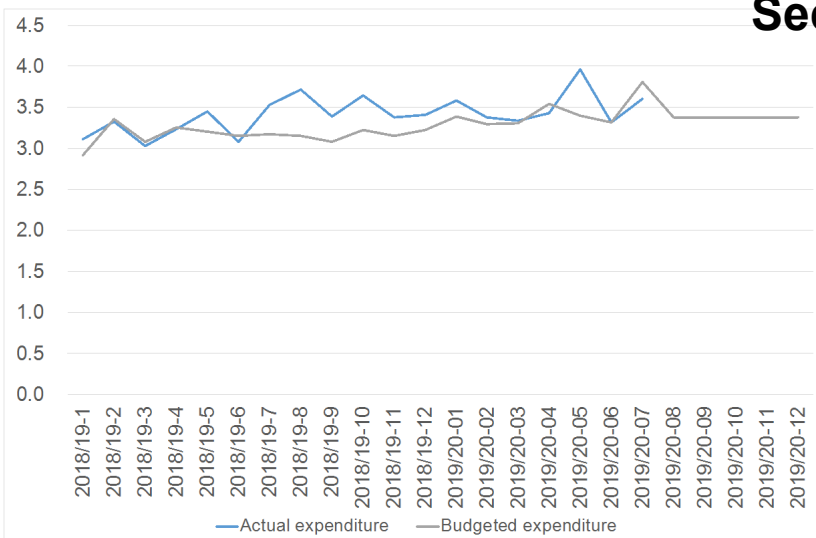
Secondary Care Drugs

Growth in costs and issue volumes.

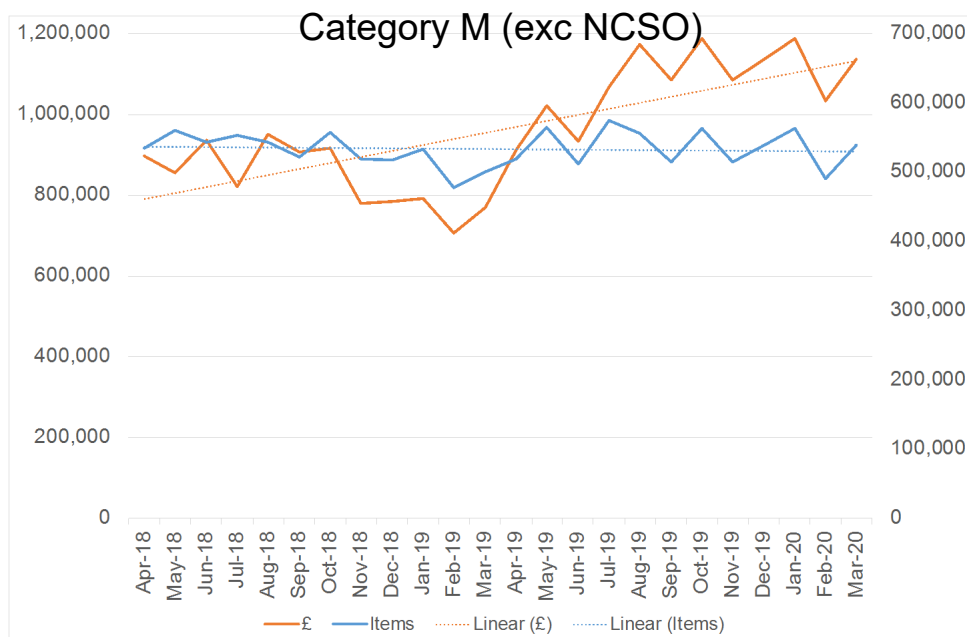
Key areas of growth:

- Oncology;
- Homecare, however this method of delivery delivers VAT savings, and has been strategically pursued;
- Hepatitis C.

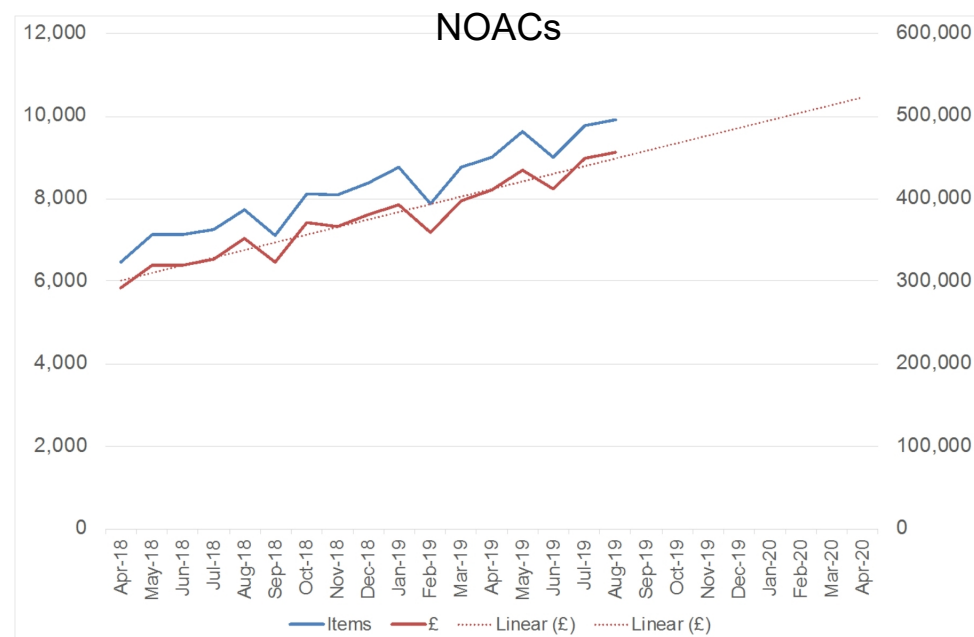
The disruption to the local Aseptic service provision has also had an adverse impact.



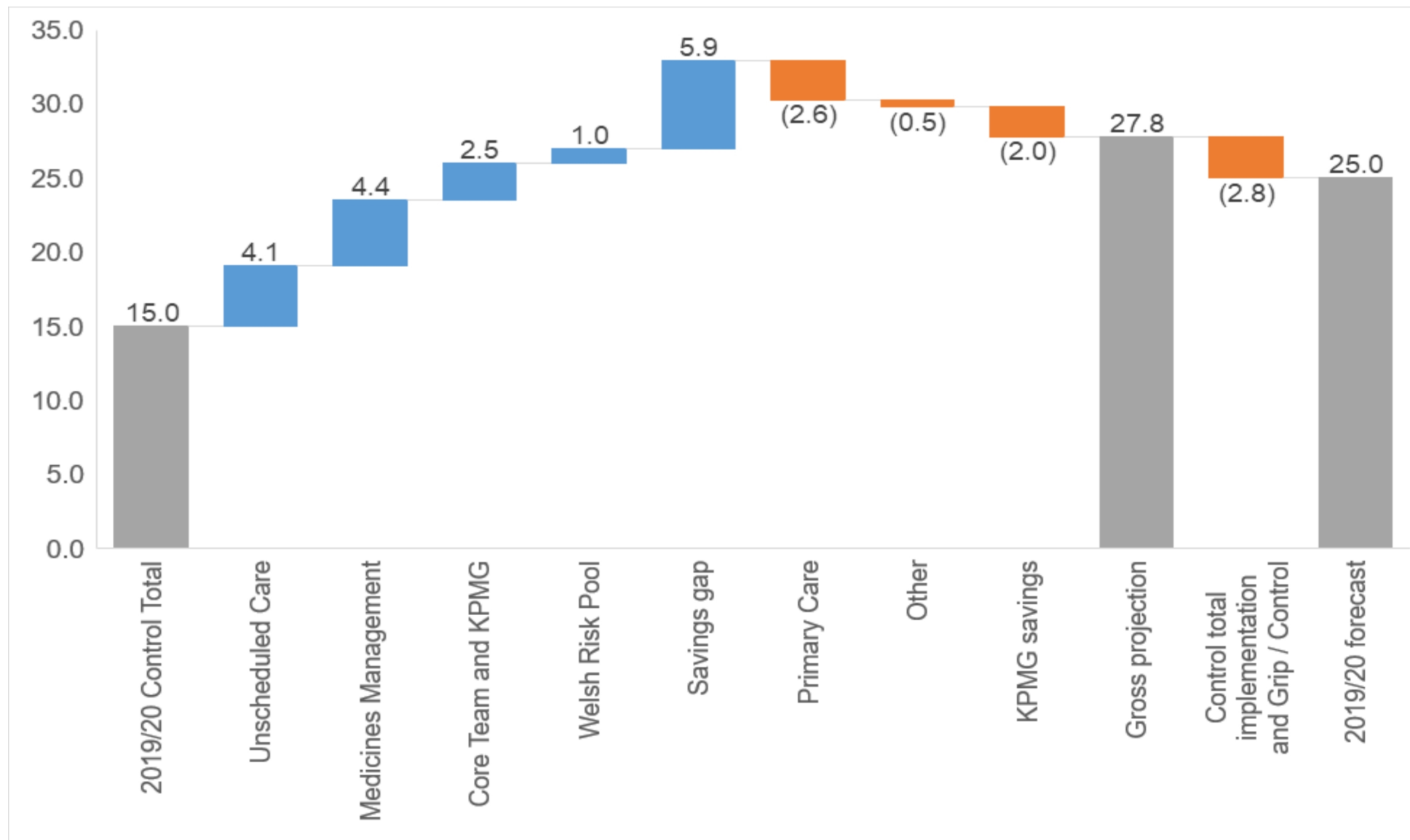
Primary Care Prescribing



- Price increase from August 2019 of 17p per item reported in Month 6. In Month 7 this is understood to be a price increase from August 2019 of 34p per item.



- New Enhanced Service has driven growth in items of 32%.
- Price growth 2%.
- BCU, C&V and Powys also reporting large cost pressures (C&V 30%, BCUHB 34% (at Month 6))



Assured and Marginal Risk Savings Schemes

Summarised schemes (£'m)	Planned Care	Medicines Management	MHLD, Facilities and Dir Ops	Primary Care and Community	Unscheduled Care	Specialist and Support Services	Across Service Areas/ Other	Total
Workforce	327	-	1,535	1,348	2,147	1,245	339	6,941
Non-Pay	205	-	2,474	323	41	53	861	3,957
Commissioned Services and CHC	36	-	325	581	60	-	100	1,102
Medicines Management	448	2,292	-	-	455	497	-	3,692
Operational Effectiveness	1,451	-	266	105	1,132	531	-	3,485
Outpatients	85	-	-	-	10	23	-	118
Total delivery projected	2,552	2,292	4,600	2,357	3,845	2,349	1,301	19,295
Requirement								25,207
Savings gap								5,912

Performance

Diagnostics

Projections

Opportunities

Delivery

- Close working with KPMG as they have been reviewing the Delivery Framework.
- Key issue identified was the level of Project management support to drive savings actions in real time, meaning we were being reactive rather than proactive.
- Tracker now covers all Green, Amber, Red and Pipeline ideas. It enables us to track go green dates and go amber dates, as well as provides a savings delivery summary that highlights scheme under delivery.
- New weekly finance meetings at business partner level with triumvirates teams to be set up to track in month performance and savings scheme delivery, supported by a new dashboard that has been developed with KPMG.
- Executive team undertook a stock-take against delivery of the Health Boards 2019/20 plan and assessed that there needed to be a realignment of central resources to ensure that the key actions in the plan, if executed, will deliver our commitments on quality improvement, performance, accelerate implementation of the strategy and deliver the financial plan as a result.
- Those corporate teams are now being re deployed to support the priorities we have identified as an executive team.

Grip & Control

- Workforce – establishment control, nurse rostering, agency booking process and controls, increase nurse bank sign-up/usage, ban on direct off-contract agency booking, improved leaver controls, medical agency.
- Mitigate cost of Referral to Treatment Time delivery

Efficiency & Productivity

- Patient Flow – Length of Stay improvement plans
- Outpatients – Reduction in DNAs and Follow-ups, referral management, pathway redesign, text reminder service
- Theatres – re-organisation of elective activity, reduction in C-section rates, reduce INNUs/DNDs, maximize utilisation of core funded capacity, Theatre module I2S business case.
- Pathology and Radiology demand optimisation.

Accelerating the Strategy

- Patient Flow - Medically Fit model, Bridging services, Frailty Model, Ambulatory Care, Stranded patient review, OOH service configuration, Critical Care service model, developing primary and community services.
- Outpatients – Urology PSA management, virtual clinics, digital strategy opportunities.
- MHLDD – bring forward TMH service model where possible, Learning Disabilities service model, shared care model BGH
- Commissioning and Contracting – Cardiology service model and pathway, Park House Court, Pembrokeshire Enhanced Recovery service, CHC complex care

Transitional Plan

Transformation

- Patient Flow – Transformation Fund bids, Stroke service reconfiguration

PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Finance Report – Month 7 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Mark Bowling, Assistant Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

The purpose of the report, attached at Appendix 1, is to outline Hywel Dda University Health Board's (HDdUHB) financial position to date against the Annual Plan and Control Total requirement and assess the key financial projections and risks for the financial year 2019/20.

Cefndir / Background

HDdUHB's confirmed control total is £15m. Interim Forecast position now £25m given on-going operational pressures, subject to further discussion at Finance Committee and at the Board meeting on the 28th November 2019.

It is proposed, given the cumulative financial position and on-going operational pressures, that the Health Board formally changes the forecast outturn from a £15m deficit to £25m deficit. This places a significant risk to the £10m additional Welsh Government (WG) funding received in year, as this was predicated on delivery of the required £15m control total.

Month 7 position

- Month 7 position is £0.9m (Month 6, £0.7m) operational variance to plan (£4.7m Year To Date).
- Month 7 YTD variance to breakeven is £14.5m.
- Significant adverse variances against plan, in month, partly offset by YTD Tuberculosis funding of £0.4m and favourable gains elsewhere:
 - Medicines Management Primary Care Prescribing £1.1m;
 - Operational surge, vacancies covered by premium cost staff and drugs in Unscheduled Care impact of £0.4m;
 - Unidentified savings profile impact of £0.4m.

- Recovery and management within available resources is critical in future months.

Directorate Projections

- Operational forecasts in excess of budget of £7.9m, plus recognition of £1.0m share of Welsh Risk Pool.
- Projection including savings risk is an adverse variance to plan of £14.8m; this would equate to a year end deficit position of £29.8m.

Savings Summary

- £8.6m delivery to date against £25.2m total savings requirement. The pace of savings delivery requires acceleration in future months.
- £17.5m of Assured schemes.
- £1.8m of Marginal Risk schemes.
- Risk to delivery is therefore £5.9m; including projected slippage on identified schemes of £1.5m.

Conclusions

Key areas of concern:

- Savings requirement plan has not yet been fully identified;
- Grip and Control has been highlighted as a key area of concern, especially in workforce management;
- Significant pressures on drugs are manifesting in both Secondary and Primary Care;
- Significant risk to £10m additional Welsh Government (WG) funding as this was predicated on delivery of the required £15m control total. Change in forecast is interim, pending completion of normal governance process through Finance Committee and Board.

Asesiad / Assessment

Summary of key financial targets

HDdUHB's key targets are as follows:

- Revenue: to contain the overspend within HDdUHB's planned deficit
- Savings: to deliver savings plans to enable the revenue budget to be achieved
- Capital: to contain expenditure within the agreed limit
- Public Sector Payment Policy (PSPP): to pay 95% of Non-NHS invoices within 30 days of receipt of a valid invoice
- Cash: While there is no prescribed limit for cash held at the end of the month, WG encourages this to be minimised and a rule of thumb of 5% of monthly expenditure is applied. For HDdUHB, this is broadly £4.0m.

Key target		Annual limit	YTD limit	Actual delivery	Forecast Risk
Revenue	£'m	15.0	9.8	14.5	High
Savings	£'m	25.2	9.4	8.6	High
Capital	£'m	37.2	17.5	17.5	Medium
Non-NHS PSPP	%	95.0	95.0	95.4	Low
Period end cash	£'m	4.0	4.0	3.2	Medium*

*Assumes Welsh Government strategic repayable support for the planned deficit position.

Argymhelliad / Recommendation

The Finance Committee is asked to:

1. discuss the financial position for Month 7;
2. note the key drivers to the increased deficit, notably Primary Care Prescribing (£4.4m), Unscheduled Care pressures (£4.1m), Core Team and KPMG (£2.5m), Welsh Risk Pool (£1.0m), and the expected gap in savings delivery for the year (£5.9m). The full effect of these items has been partly mitigated by underspends on other budgets, notably Primary Care and Mental Health, alongside the expected benefit arising from the implementation of Control Totals; and
3. recommend to the Board a change in the forecast deficit position from £15m to £25m. This will allow the change to be discussed and ratified at the Board meeting on 28th November 2019.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	4.5 Provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, giving early warning on potential performance issues and making recommendations for action to continuously improve the financial position of the organisation, focusing in detail on specific issues where financial performance is showing deterioration or there are areas of concern.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	735 (score 16) Ability to deliver the Financial Plan for 2019/20 646 (score 12) Ability to achieve financial sustainability over medium term
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	5. Timely Care 7. Staff and Resources
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Improve Population Health through prevention and early intervention

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on HDdUHB's financial reporting system.
Rhestr Termau: Glossary of Terms:	BGH – Bronglais General Hospital CHC – Continuing Healthcare FNC – Funded Nursing Care FYE – Full Year Effect GGH – Glangwili General Hospital GMS – General Medical Services MHLD – Mental Health & Learning Disabilities NICE – National Institute for Health and Care Excellence OOH – Out of Hours PPH – Prince Philip Hospital PSPP – Public Sector Payment Policy RTT – Referral to Treatment Time T&O – Trauma & Orthopaedics WG – Welsh Government WGH – Withybush General Hospital WRP – Welsh Risk Pool WHSSC – Welsh Health Specialised Services Committee YTD – Year to date
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Finance Team Management Team Executive Team Finance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	The impact on patient care is assessed within the savings schemes.
Gweithlu: Workforce:	The report considers the financial implications of our workforce.
Risg: Risk:	Financial risks are detailed in the report.
Cyfreithiol: Legal:	HDdUHB has a legal duty to deliver a breakeven financial position over a rolling three-year basis and an administrative requirement to operate within its budget within any given financial year.

Enw Da: Reputational:	Adverse variance against HDdUHB's financial plan will affect its reputation with Welsh Government, the Wales Audit Office, and with external stakeholders
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Executive Summary

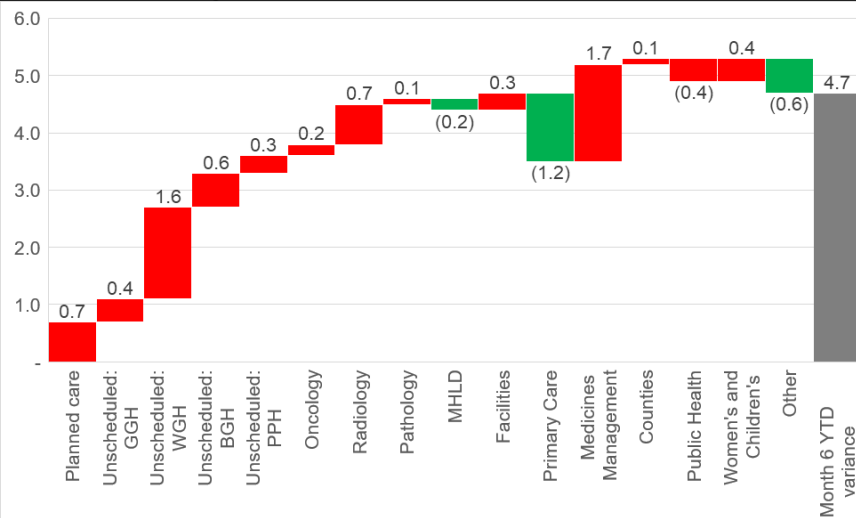
	Health Board's confirmed control total is £15m. Interim forecast position now £25m given on-going operational pressures subject to further discussion at Finance Committee and Board
Revenue	<ul style="list-style-type: none"> Month 7 YTD variance to breakeven is £14.5m. Month 7 position is £0.9m (Month 6, £0.7m) operational variance to plan (£4.7m YTD). Significant adverse variances against plan, in month, partly offset by YTD TB funding of £0.4m and favourable gains elsewhere: <ul style="list-style-type: none"> Medicines Management Primary Care Prescribing £1.1m; Operational surge, vacancies covered by premium cost staff and drugs in Unscheduled Care impact of £0.4m; Unidentified savings profile impact of £0.4m.
Projection	<ul style="list-style-type: none"> Operational forecasts in excess of budget of £7.9m plus recognition of £1.0m share of Welsh Risk Pool; the deterioration from Month 6 is primarily due to Primary Care Prescribing after projecting a further price increase from August; combined with continued pressures relating to NOACs, this is an adverse £4.4m. The projected cost of the investment in the Core Team, including KPMG fees, has also been included this month, totalling £2.5m. Projection including savings risk is an adverse variance to plan of £14.8m; this would equate to a year end deficit position of £29.8m. After delivering pipeline schemes there are discussions on-going with WG around the further costs associated with the TB outbreak beyond the confirmed funding of £0.8m.
Savings	<ul style="list-style-type: none"> £8.6m delivery to date against £25.2m total savings requirement. The pace of savings delivery requires acceleration in future months. £17.5m of Assured schemes. £1.8m of Marginal Risk schemes. Risk to delivery is therefore £5.9m; includes projected slippage on identified schemes of £1.5m.
Conclusions	<p>Key areas of concern:</p> <ul style="list-style-type: none"> Savings requirement plan has not yet been fully identified; Grip and Control has been highlighted as a key area of concern, especially in workforce management; Significant pressures on drugs are manifesting in both Secondary and Primary Care;

Executive Summary

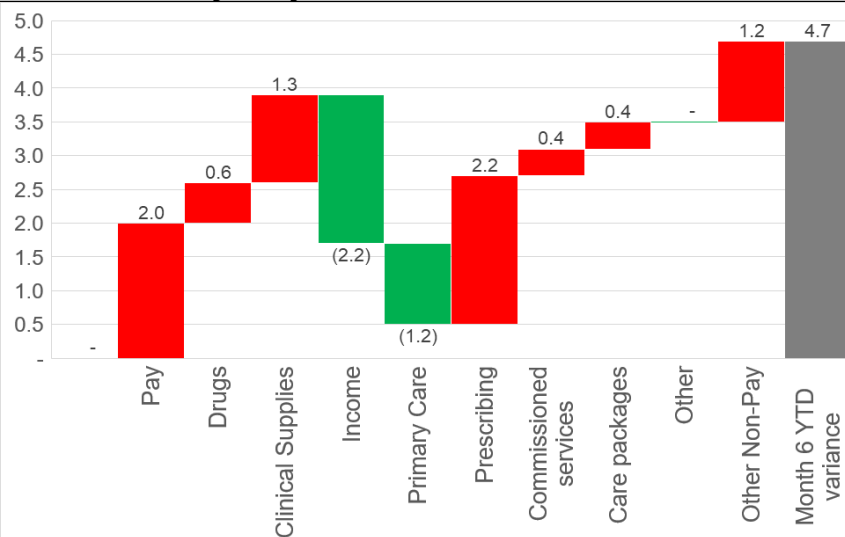
	<ul style="list-style-type: none">Significant risk to £10m additional WG funding as this was predicated on delivery of the required £15m control total. Change in forecast is interim pending completion of normal governance process through Finance Committee and Board.																																				
	Summary of key financial targets																																				
	<p>The Health Board's key targets are as follows:</p> <ul style="list-style-type: none">Revenue: to contain the overspend within the Health Board's planned deficitSavings: to deliver savings plans to enable the revenue budget to be achievedCapital: to contain expenditure within the agreed limitPSPP: to pay 95% of Non-NHS invoices within 30 days of receipt of a valid invoiceCash: While there is no prescribed limit for cash held at the end of the month, WG encourages this to be minimised and a rule of thumb of 5% of monthly expenditure is used. For the Health Board, this is broadly £4.0m. <table><tr><th>Key target</th><th></th><th>Annual limit</th><th>YTD limit</th><th>Actual delivery</th><th>Forecast Risk</th></tr><tr><td>Revenue</td><td>£'m</td><td>15.0</td><td>9.8</td><td>14.5</td><td>High</td></tr><tr><td>Savings</td><td>£'m</td><td>25.2</td><td>9.4</td><td>8.6</td><td>High</td></tr><tr><td>Capital</td><td>£'m</td><td>37.2</td><td>17.5</td><td>17.5</td><td>Medium</td></tr><tr><td>Non-NHS PSPP</td><td>%</td><td>95.0</td><td>95.0</td><td>95.4</td><td>Low</td></tr><tr><td>Period end cash</td><td>£'m</td><td>4.0</td><td>4.0</td><td>3.2</td><td>Medium*</td></tr></table> <p>* Assumes Welsh Government strategic repayable support for the planned deficit position.</p>	Key target		Annual limit	YTD limit	Actual delivery	Forecast Risk	Revenue	£'m	15.0	9.8	14.5	High	Savings	£'m	25.2	9.4	8.6	High	Capital	£'m	37.2	17.5	17.5	Medium	Non-NHS PSPP	%	95.0	95.0	95.4	Low	Period end cash	£'m	4.0	4.0	3.2	Medium*
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Revenue Summary

YTD variance by Directorate



YTD variance by Subjective



Assurance

- The Turnaround and Holding to Account (HTA) process provides a high level of scrutiny and challenge to Directorates in terms of adherence to assigned budget and delivery and identification of robust savings schemes.

Concerns

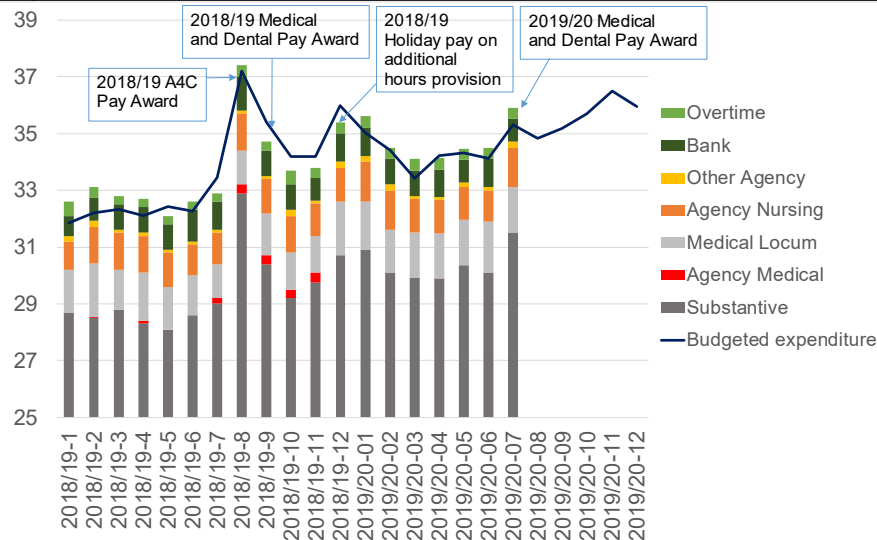
- Of the YTD deficit against plan:
 - £2.9m Unscheduled Care;
 - £1.7m Medicines Management;
 - £0.7m Planned Care;
 - £0.7m Radiology.

Next Steps

- Core team support to key proposals.
- Embedding output from KPMG Grip and Control Workshops.
- Embed Nursing Establishment Control triangulation of WTEs between financial ledger, ESR/payroll and rostering. Further work to be completed on Medical staffing.
- Further work to identify and convert opportunities, with support from KPMG.
- Re-assessment of budget manager responsibilities.
- KPMG proposals drafted to discuss with Executive Team regarding weekly drum beat on control governance, supported by suitable metrics.
- Pursue opportunities on key subjectives on following pages.

Key Subjective Summary

Pay

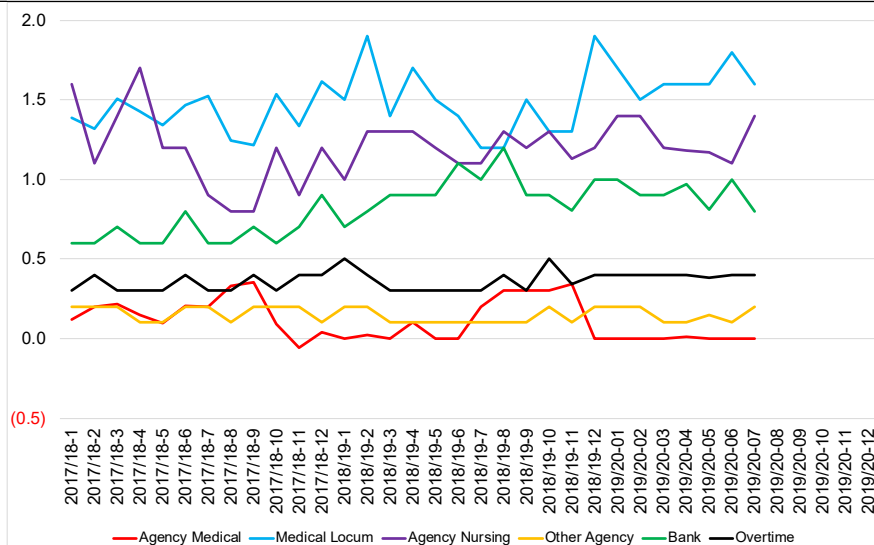


The Month 7 expenditure is high, predominately due to the impact of the Medical and Dental Pay Award, for which the 2.5% uplift was paid in Month 7 for Months 1-7. Additional substantive newly qualified Nursing resource commenced in-month, however 'dual running' was required for training purposes.

Month 7 variable pay is in line with Month 6, however Nursing Agency has increased due to a significant number of surge beds in Critical Care.

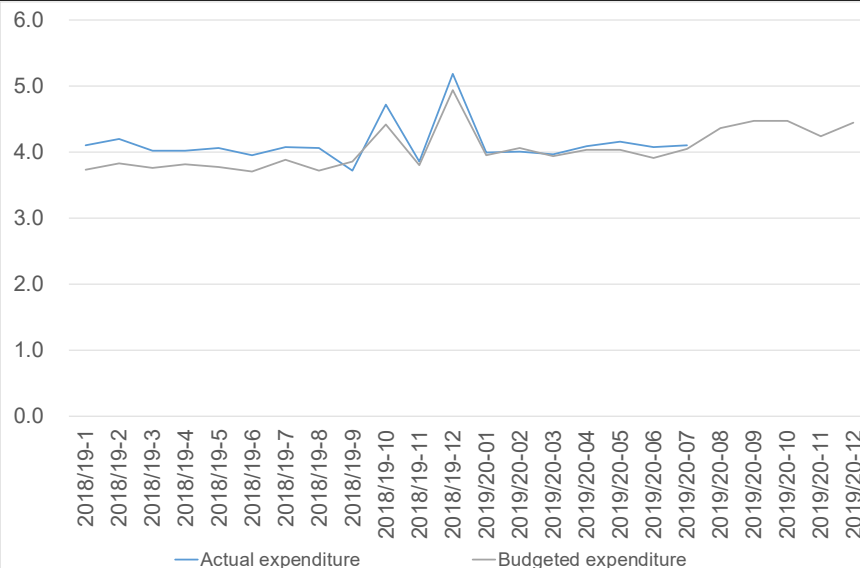
Opportunities:

- Workforce Grip and Control Action Plan developed focusing on:
 - Medical workforce controls
 - Nursing agency controls
 - Nursing rostering controls
 - General workforce controls
- Nursing Task and Finish Group set up to implement Actions for:
 - Agency booking process
 - Targeted reduction in Thornbury use
 - Use of agency HCSW
 - Review overtime
- Medical Task and Finish Group set up to implement Actions to:
 - Assess impact/control of Consultants 'Acting Down'
 - Address inconsistencies in job plans
 - Cohesive approach to rota management
 - Accuracy of time recording, targeting paid breaks
- Potential areas of over-establishment identified – plan to validate and address areas of concern to be developed.
- Reduce sickness rates through review of sickness policy and non-ward sickness levels.
- Maximise use of bank workforce.



Key Subjective Summary

CHC



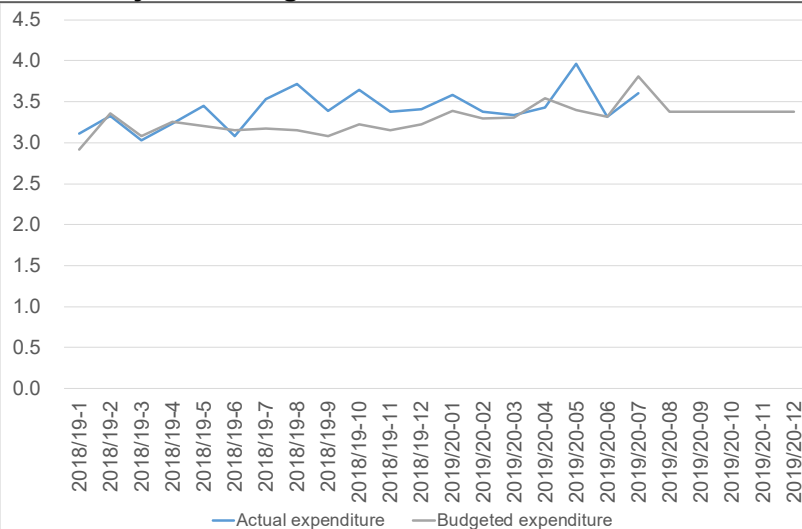
The total number of cases decreased in month. The increase in budget from Month 8 relates to the recognition of expected FNC rate changes and CHC inflation. Full confirmation is awaited, and remains a risk to the position. The complexity of cases remains a key cost driver.

£'m	Spend	Over/(under) spend
FNC/CHC	13.2	(0.2)
LD	8.2	0.6
MH	5.6	0.1
Children	0.7	(0.1)
Total	27.7	0.4

Opportunities:

- Transfer of placement contracts to national framework.
- Scrutiny of existing and new packages, moving to less restrictive and community based cost effective options.
- Joint working with Local Authority to reduce reliance on residential care and increase use of Supported community living.

Secondary Care Drugs



Secondary Care Drugs pressures continue with the Aseptics unit closure and the higher than expected activity treating Wet AMD. The reported position is showing an underspend of £0.2m due to a budget virement in Medicines Management.

Continued support will be needed from the Pharmacy team to address this growth and a number of initiatives are in place to do this.

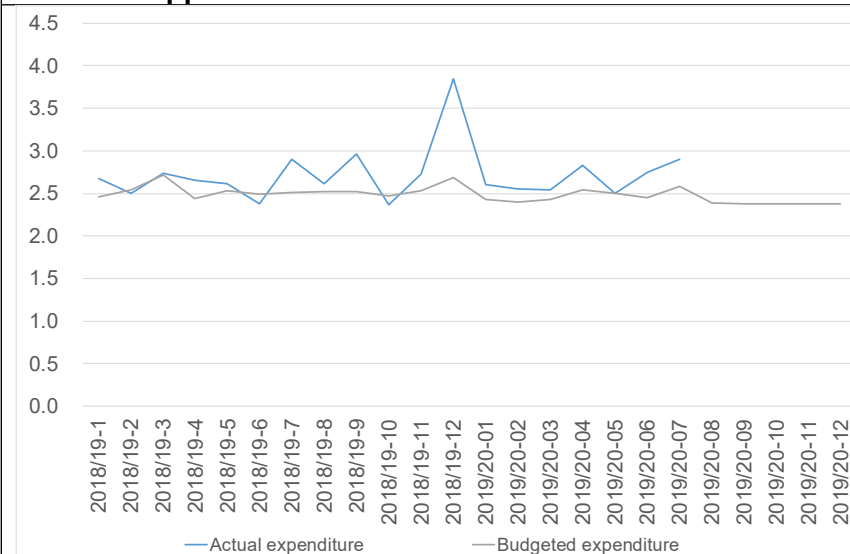
Whilst specific savings schemes are delivering in-month, pressures are being seen in other areas, particularly Dermatology, Rheumatology and Ophthalmology.

Opportunities:

- A benchmarking exercise is underway to identify focus areas.

Key Subjective Summary

Clinical Supplies and Services



The YTD position includes significant over-spends in relation to diabetic pumps and associated consumables due to a supplier ceasing to trade resulting in the need to replace existing pumps with available alternatives which are more costly. This is primarily manifesting within GGH, Children's Services and WGH Directorates.

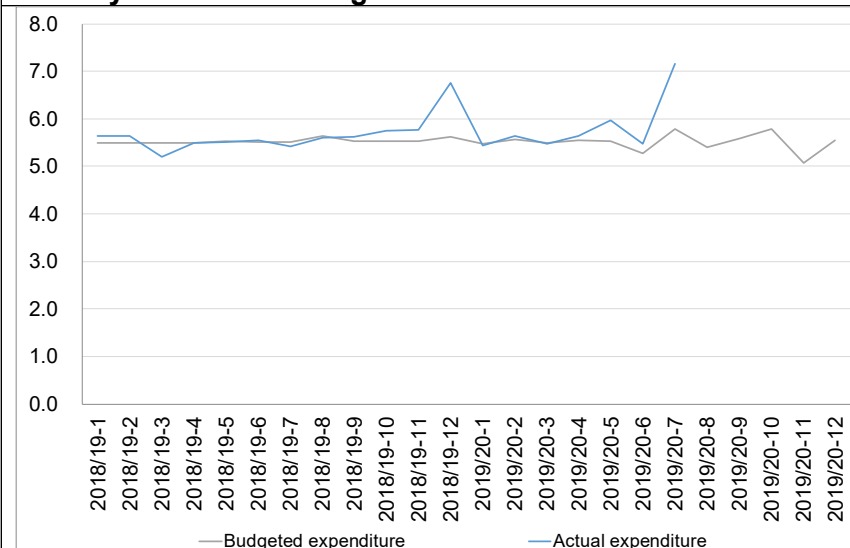
Radiology are outsourcing reporting at a premium cost due to the level of vacancies caused by recruitment challenges.

Planned Care Theatres also had higher than average expenditure in Month 7 in relation to prosthetics and surgical equipment.

Opportunities:

- Non-Pay and Procurement Turnaround Assurance group are assessing the opportunities and identifying a Health Board relationship lead with key suppliers in an effort to improve terms and drive a reduction in costs.

Primary Care Prescribing

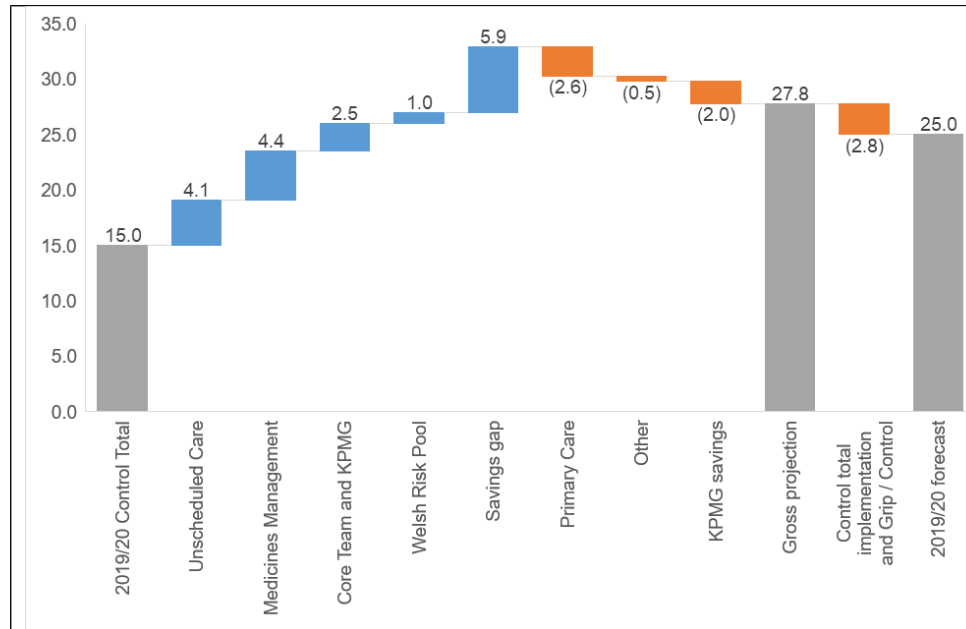


The Directorate reported a significant adverse variance to budget of £1.1m in-month. The projection is an adverse £4.4m to the end of the financial year based on modelling the Category M outturn following the price increase from August 2019. This is a worsening of £1m on the Month 6 model following further price increases. The Health Board has also seen a significant increase in the use of NOACs as a result of the operation of the new NOAC Enhanced Service in GMS.

Opportunities:

- A benchmarking exercise is underway to identify focus areas.

Directorate Projections



Assurance

- The Turnaround and Holding to Account process provides a high level of scrutiny and challenge to Directorates in terms of adherence to assigned budget and delivery and identification of robust savings schemes.

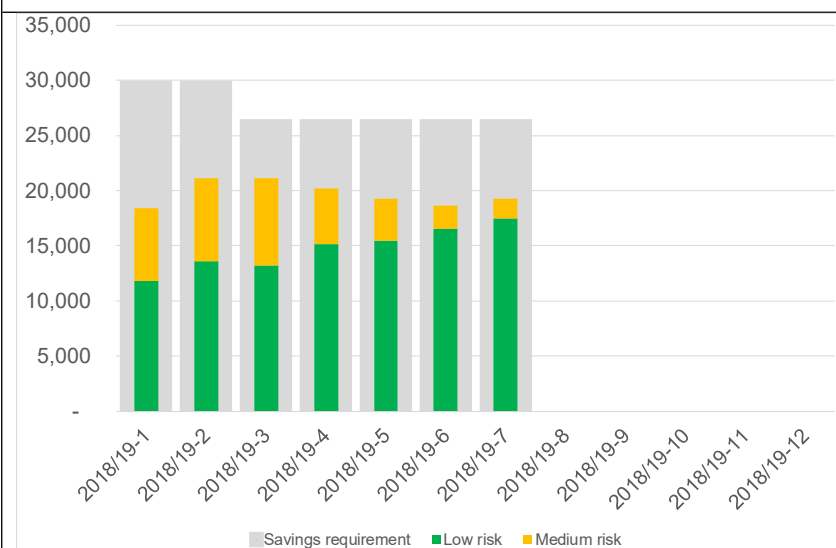
Concerns

- Current projections indicate: 1) a gap of £4.4m in fully identified savings schemes; 2) operational forecasts in excess of budget of £7.9m, plus recognition of £1.0m share of Welsh Risk Pool, plus projected slippage on identified schemes of £1.5m, giving a projection of £14.8m adverse variance to plan. This would equate to a year end deficit position of £29.8m. After delivery of the KPMG savings, the forecast is £27.8m.
- The financial position is under severe pressure and, as a result of the cumulative position and trajectory, the reported forecast is now £25.0m. This change in forecast is interim, pending completion of the Health Board's normal governance process through Finance Committee and Board.
- There is a risk to the additional WG funding of £10.0m as this was dependent on the Health Board achieving the required Control Total of £15.0m.

Next Steps

- Grip and Control workshops:
 - Workforce conducted in September, now being translated into Action Plans with pace;
 - Pharmacy scheduled to include all Lead Pharmacists;
 - Further workshops to be scheduled to cover other material opportunity categories.
- KPMG opportunities to be developed into Pipeline schemes, with further assessment of potential in-year benefit and patient quality outcomes to allow prioritisation.

Risk-assessed directorate savings profile, delivery and forecast

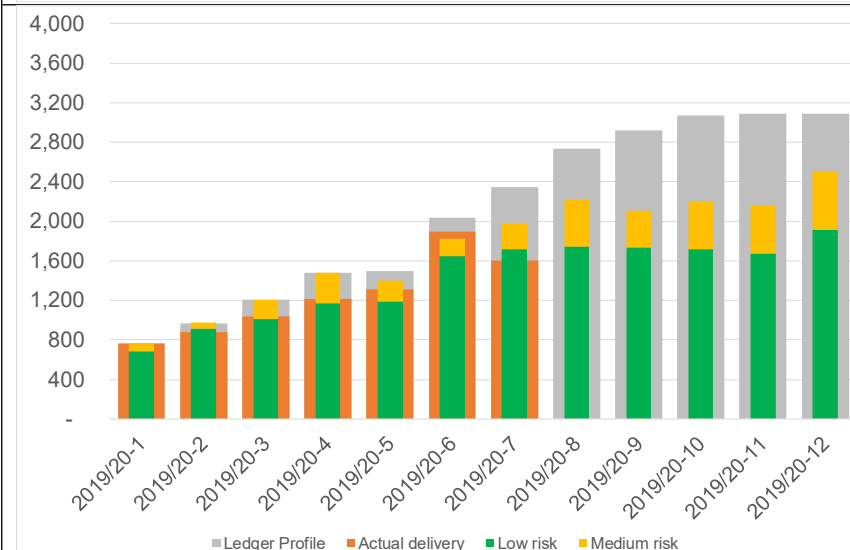


Assurance

- Green and Amber forecast delivery of £19.3m identified to Month 7, of which £17.5m are Assured (Green).
- In-month delivery of £1.6m, which is broadly in line with Month 6, however £0.4m below plan.

Concerns

- The full identification of savings and the delivery of those plans is also an area of concern, and one which remains subject to our accountability process.
- The gap between identified plans and the ledger profile of the savings requirement has led to an adverse variance of £0.4m in Month 7. The pace of savings delivery requires acceleration in future months.
- Cumulative slippage in delivery of Green and Amber schemes is £0.8m; total slippage projected in delivery of savings £1.5m.



Next Steps

- Working with KPMG, there are certain areas where we are seeking to increase the level of focus to address the weekly metrics we have available as the lead indicators of delivery in order to better focus our efforts.
 - The KPMG draft opportunities identified to date, prior to any risk adjustments are:
 - Lever 0: Grip and Control £1.7m
 - Lever 1: Efficiency and Productivity £2.1m
 - Lever 2: Shift Left £0.1m
 - Lever 3: Duplication £0.9m
- Expected delivery after risk adjustments is £2.0m.

PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Supplementary Finance Report Month 7
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Mark Bowling, Assistant Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas) Purpose of the Report (select as appropriate)
Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT
<u>Sefyllfa / Situation</u>
The purpose of the report, attached at Appendix 1, is to supplement the main Finance Report for Month 7. The Finance Committee is asked to note and discuss the content of the report for Month 7.
<u>Cefndir / Background</u>
The report provides additional details to inform the Committee of Directorate issues, Risks, Reserves and key items from the Statement of Financial Position.
<u>Asesiad / Assessment</u>
The year to date pressure has been particularly pronounced in Unscheduled Care; £2.9m, especially pronounced in Withybush General Hospital (WGH), driven by bed capacity, medical staffing in medical specialities and A&E; and Medicines Management (Primary Care Prescribing primarily due to price increases for Category M drugs).
<u>Argymhelliad / Recommendation</u>
The Finance Committee is asked to note and discuss the content of the report for Month 7.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	4.5 Provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, giving early warning

	on potential performance issues and making recommendations for action to continuously improve the financial position of the organisation, focusing in detail on specific issues where financial performance is showing deterioration or there are areas of concern.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	735 (score 16) Ability to deliver the Financial Plan for 2019/20 646 (score 12) Ability to achieve financial sustainability over medium term
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	5. Timely Care 7. Staff and Resources
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Improve Population Health through prevention and early intervention

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on HDdUHB's financial reporting system.
Rhestr Termau: Glossary of Terms:	BGH – Bronglais General Hospital CHC – Continuing Healthcare GGH – Glangwili General Hospital MHLD – Mental Health & Learning Disabilities NICE – National Institute for Health and Care Excellence OOH – Out of Hours PPH – Prince Philip Hospital WG – Welsh Government WGH – Worthybush General Hospital YTD – Year to date
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Finance Team Management Team Executive Team Finance Committee

Effaith: (rhaid cwblhau)

Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	The impact on patient care is assessed within the savings schemes.
Gweithlu: Workforce:	The report considers the financial implications of our workforce.
Risg: Risk:	Financial risks are detailed in the report.
Cyfreithiol: Legal:	HDdUHB has a legal duty to deliver a breakeven financial position over a rolling three-year basis and an administrative requirement to operate within its budget within any given financial year.
Enw Da: Reputational:	Adverse variance against HDdUHB's financial plan will affect its reputation with Welsh Government, the Wales Audit Office, and with external stakeholders
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Revenue Summary by Directorate

Directorate financial performance

Year to date

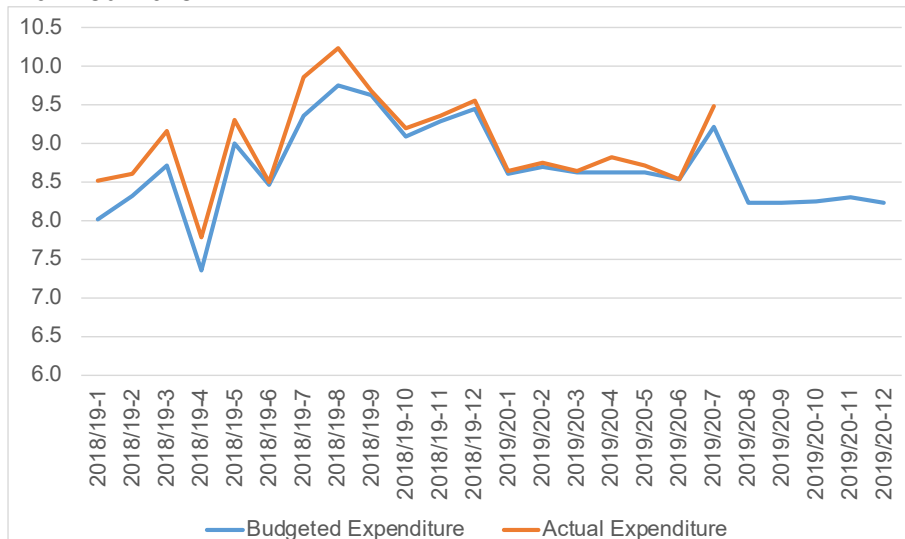
	Month 7 YTD Actual £'m	Month 7 YTD Variance £'m	%
Planned Care	61.6	0.7	1.1
Unscheduled - GGH	24.7	0.4	1.6
Unscheduled - PPH	15.4	0.3	2.0
Unscheduled - WGH	18.2	1.7	10.3
Unscheduled - BGH	13.3	0.5	3.9
Radiology	9.7	0.6	6.6
Pathology	12.3	0.1	0.8
Women and Children	22.2	0.4	1.8
Oncology	8.2	0.2	2.5
Carmarthen County	13.6	0.0	0.0
Pembrokeshire County	11.6	0.3	2.6
Ceredigion County	6.4	(0.2)	(3.1)
MHLD	43.4	(0.2)	(0.5)
Facilities	21.3	0.3	1.4
Medicines Management	45.7	1.7	3.9
Primary Care	62.9	(1.2)	(1.9)
Corporate	21.2	(0.2)	(0.9)
Commissioning	61.5	0.1	0.2
Other	38.7	(0.8)	(2.0)
Total	512.4	4.7	0.9

- The current month was over spent against plan by £0.9m due to surge bed pressures and vacancies filled at premium rates and drugs in Unscheduled Care and Critical Care, a further deterioration in Primary Care Prescribing due to price increases plus the impact of the phasing of unidentified savings.
- The year to date pressure has been particularly pronounced in Unscheduled Care (£2.9m, especially pronounced in WGH, driven by bed capacity, medical staffing in medical specialities and A&E) and Medicines Management (Primary Care Prescribing primarily due to price increases for Category M drugs).

Revenue Summary by Directorate

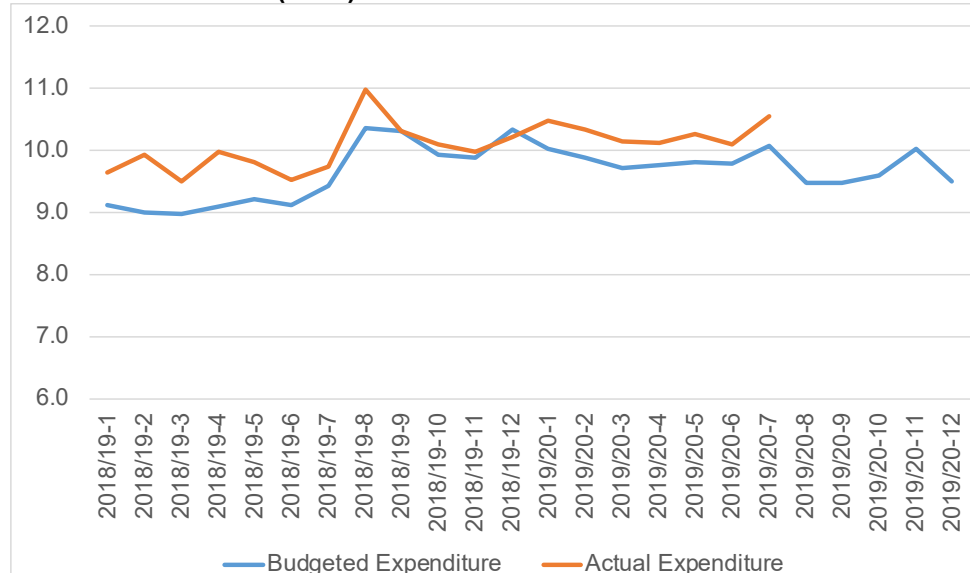
Material directorate area deficits

Planned Care



- The in-month position was a significant adverse variance to budget of £0.3m; Critical Care surge was high, activity in the treatment of Wet AMD increased and prosthetics and surgical equipment expenditure in Theatres was significantly above average.
- The Directorate is expecting a significant benefit in efficiency and productivity, which will support the maintaining of our Referral to Treatment performance for the financial year.

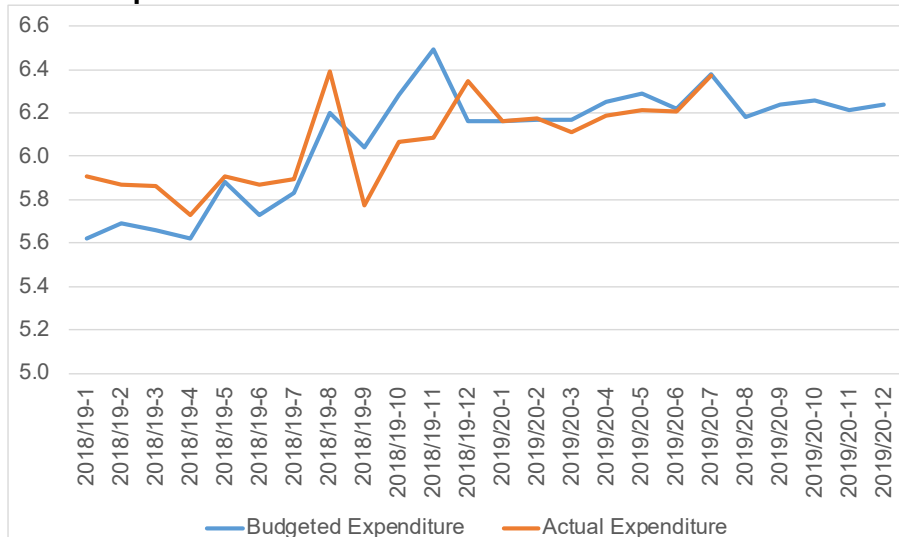
Unscheduled Care (USC)



- Bronglais General Hospital (BGH) reported an overspend of £130k in-month due to patient acuity and surge leading to the use of high cost nursing agency. Withybush General Hospital (WGH) reported a significant £236k over-spend in-month, driven by premium rate Qualified Nursing and Medical locums spend to cover surge and 'dual running' of newly qualified nurses for training purposes. A task and finish group has been established to address the issues at WGH. Glangwili General Hospital (GGH) reported an in-month overspend of £36k following a reduction in off-contract Nursing Agency use. Prince Philip Hospital (PPH) reported an overspend of £75k in-month due to high use of agency and additional Health Care Support worker shifts due to patient acuity.
- Delayed discharges of medically fit patients, unfunded surge capacity, medical staffing in medical specialities and A&E remain key drivers to the costs, which requires a system-wide focus.

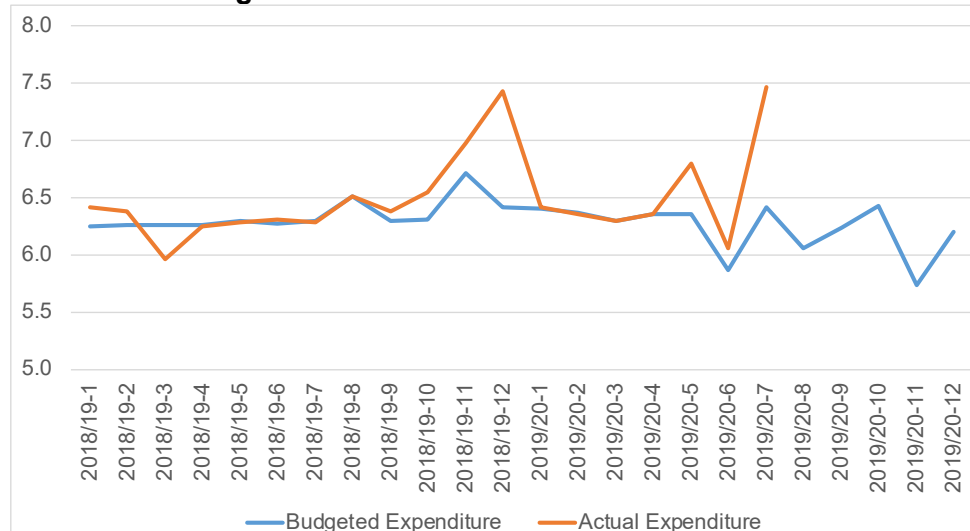
Revenue Summary by Directorate

MHLD expenditure



- The Directorate has reported an under-spend of £13k in-month, predominately due to a high level of staff vacancies offsetting the pressures in CHC costs.
- There continues to be difficulty recruiting into medical posts resulting in extra locum sessions being incurred.
- The greatest YTD pressure within MHLD is the continued growth in CHC placements and their associated costs, especially for complex packages of care. Client numbers increased slightly in month. Careful control of CHC, within its growth assumptions, will be key to deliver an improvement in the expenditure run rate.
- Robust care review processes have been implemented in order to manage the risks arising under CHC.

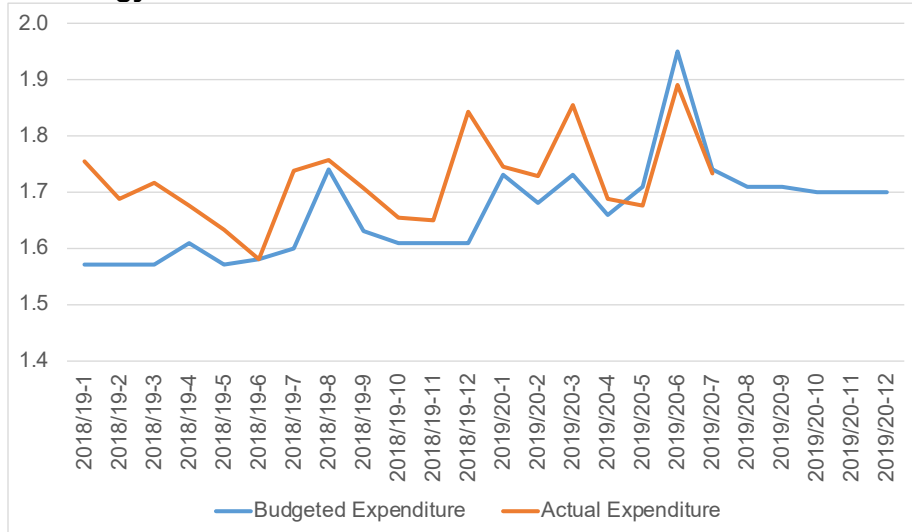
Medicines Management



- The Directorate reported a material adverse variance to budget of £1.1m in-month. The end of year projection is an adverse £4.4m, a deterioration of a further £1.0m in-month, based on modelling the Category M outturn following a further price increase from August 2019.
- The Health Board has also seen a significant increase in the use of NOACs as a result of the operation of the new NOAC Enhanced Service in GMS.

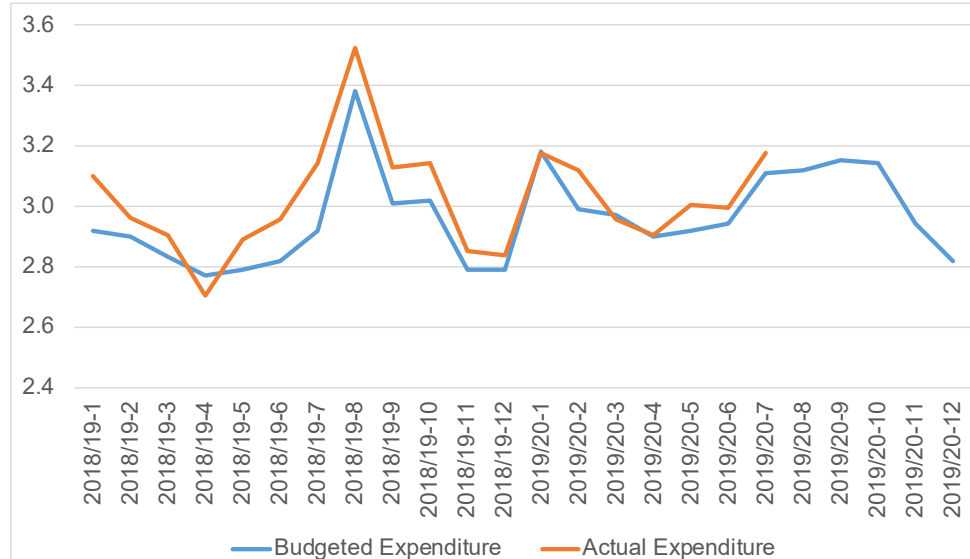
Revenue Summary by Directorate

Pathology



- The Directorate reported a favourable variance of £2k in-month.
- This was driven by a reduction in the non-pay consumables, linked to the impact of the demand optimisation savings scheme.
- The Directorate is reviewing ways of working with services to reduce demand through ensuring only appropriate test requests and through avoiding duplication.

Facilities



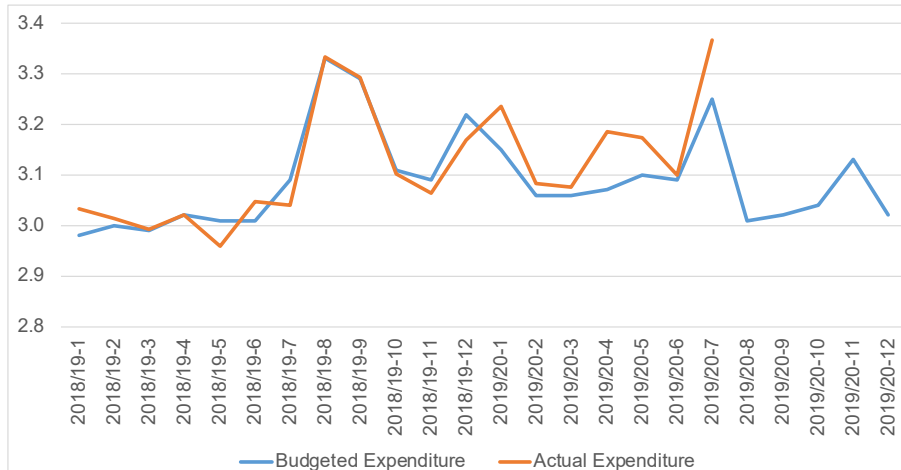
The Directorate reported an over-spend in-month of £69k.

The main areas of YTD variance are:

- Operations – over spend of £0.5m due to postage and stationary costs, cleaning and engineering materials and bank Pay costs.
- Property – under-spend of £0.3m due to gas, biomass fuel consumption and CHP downtime.
- Specialist Services – an over-spend of £0.1m driven by Bank usage in Pay and Catering Provisions in Non-Pay. This was partially offset by increased canteen income across all sites and additional income from external catering services.

Revenue Summary by Directorate

Women and Children



- The Directorate reported an in-month over-spend of £116k.
- The main driver was further over-spends in relation to diabetic pumps and associated consumables.
- Variable pay has driven the worsening in comparison to previous months due to recruitment difficulties in Medical specialties and Nursing.
- The YTD position includes significant over-spends in relation to diabetic pumps and associated consumables due to a supplier ceasing to trade resulting in the need to replace existing pumps with available alternatives which are more costly.

Radiology



- The Directorate's in-month position was an over-spend of £235k.
- This is due to the need to provide MRI scanning at a premium cost using outsourcing and a temporary vehicle at BGH until the in-house scanner is replaced in February 2020.
- Savings schemes in relation to a review of the 24-hour service provision also failed to deliver in month.
- The Directorate is also outsourcing reporting due to the level of vacancies due to recruitment challenges.

Risks and Opportunities

Risks

Potential Risk	£'m	Risk management approach
Current projection	25.0	
Non-delivery of savings to sufficient level	1.0	Escalated Holding to Account meetings are being held with all Directorates to convert pipeline into robust schemes and identify additional recovery actions and additional opportunities.
Control Total requirement non-delivery	1.4	
Total deficit forecast and risks	27.4	

Opportunities

- The focus is now being narrowed by considering the key drivers of the cost base identified through benchmarking with other Health Boards via national costing returns. Detailed information has been shared with Directorates and is being utilised as part of the Recovery Plan refinement in-year. We will continue to use this in conjunction with the Efficiency Framework to translate the opportunities identified into detailed Savings Plans in support of our Financial Plan. The Finance Committee has reviewed and endorsed this approach.
- Opportunities available via Invest to Save, Integrated Care Fund and deferring uncommitted funding are being explored. Key areas of operational inefficiency being targeted are: CHC and packages of care, unfunded escalation beds and patients awaiting tertiary referral.

Working in conjunction with KPMG, the identified pipeline schemes and opportunities will be refined and RAG-rated and further opportunities will be recognised.

Reserves

Reserves		Month 7 close	
£'m			
ICF Bids		7.7	<ul style="list-style-type: none"> The Health Board's centrally-retained reserves are committed and all relate to specific anticipated cost pressures or schemes that are underway. ICF funds will be distributed based on finalised plans for utilisation of the funds across Healthcare and Local Authority. CHC and FNC inflation have been phased according to the timeframes in which costs are anticipated to impact. The Health Board holds funding of £0.9m on behalf of Welsh Government to support costs incurred on behalf of the Critical Care network across Wales. Nursing Standards reserve will be further distributed following agreement and approval by the Executive Team. Winter Pressure Support will be allocated to Directorates based on finalised plans for utilisation of the funds. At present the assumption is that this Reserve will be drawn over Months 9 to 12. The Health Board holds funding of £2.1m on behalf of Welsh Government to support costs incurred on behalf of the Winter Pressures plans across Wales. Performance funds will be allocated to Directorates based on finalised plans for utilisation of the funds. Reserves held for future cost pressures will be carefully managed and work is ongoing to ensure future cost pressures are minimised wherever possible.
Winter Pressure reserve		2.1	
Hosted allocation – Winter Pressures		2.1	
Performance Fund		1.8	
CHC Inflation		1.4	
Hosted Allocation – Critical Care		0.9	
Medical and Dental Pay Award		0.7	
Mental Health Improvement		0.7	
RCCS		0.5	
Planned Care – Critical Care		0.4	
Eye Care Sustainability		0.4	
Nursing Standards		0.3	
Prevention		0.3	
Single Cancer Pathway		0.2	
LTAs – WHSSC		0.2	
Children and Young People MHL D		0.2	
Value programme		0.2	
Dental inflation		0.2	
CAHMs in reach		0.1	
Smoking Cessation PHW transfer		0.1	
Other		0.4	
Total		20.9	

Statement of Financial Position

Statement of Financial Position

	2019-20 Opening balance £m	31 Oct 2019 £'m	Movement £'m
Non Current assets			
Fixed Assets	268	278	10
Other non current assets	43	53	10
	311	331	20
Current Assets			
Inventories	8	9	1
Trade and other Receivables	34	40	6
Cash	1	3	2
Total Assets	354	383	29
Liabilities			
Trade and other Payables	-93	-98	-5
Provisions	-67	-83	-16
Total Liabilities	-160	-181	-21
Net Assets less Liabilities	194	202	8
Financed by:			
General Fund	168	174	7
Revaluation Reserve	27	28	2
Total Funding	194	202	8

The movement since the end of 2018/19 in non-current assets of £20m is due to an increase of £10m in fixed assets and £10m in other assets. The fixed assets increase is due to capital expenditure of purchases and donated assets for quarters 1 & 2 offset by the quarterly depreciation, first time impairment of three capital schemes and the impact of revised indexation rates applied in month. The increase in other assets is attributable to an increase in the Welsh Risk Pool debtor as a result of medical negligence claims.

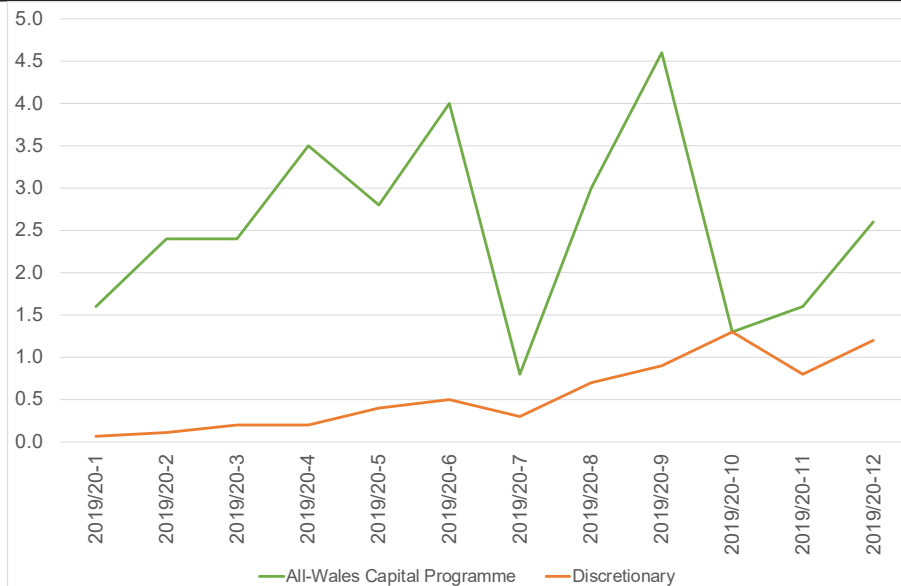
The movement since the end of 2018/19 in current assets is £9m. This is mainly due to an increase in the value of trade and other receivables of £6m. The main areas which have increased are Welsh Risk pool £5.3m and prepayments £1m (Informatics, £0.8m).

The movement since the end of 2018/19 in liabilities is £21m. This is due to an increase of £5m in trade and other payables and £16m in provisions. The main areas which have increased are prescribing accruals of £4.1m and community pharmacy £1.3m. The provisions increase of £16m is for clinical negligence cases based on information provided by the Welsh Risk Pool.

The movement since the end of 2018/19 in the revaluation reserve is £7m. This is due to indexation (in line with the District valuer rates) which has been applied to properties and land from 1st April 2019 and revised indexation rates applied in month.

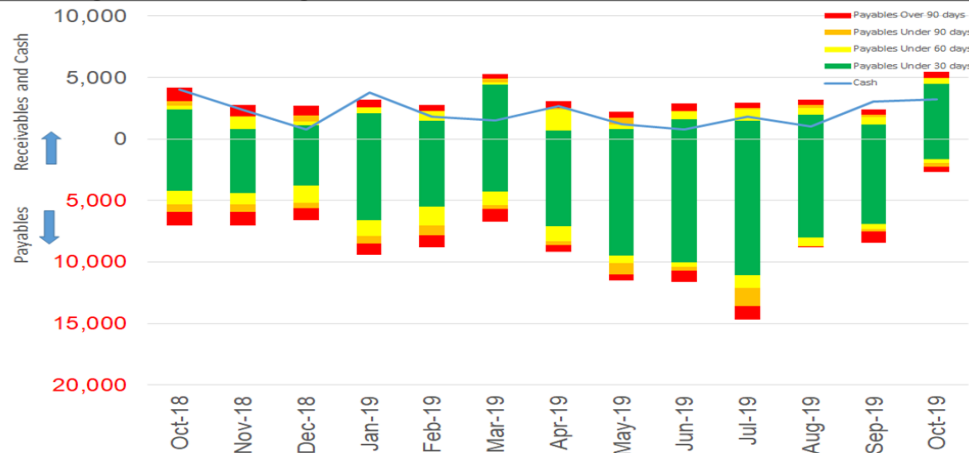
Statement of Financial Position

Capital Expenditure



The Health Board has an approved Capital resource limit of £37.2m for 2019/20. Capital expenditure against the £37.2m total funding allocation was £19.3m to Month 7. The above graph shows Actual expenditure to Month 7, and Plan for future months.

Working Capital Management

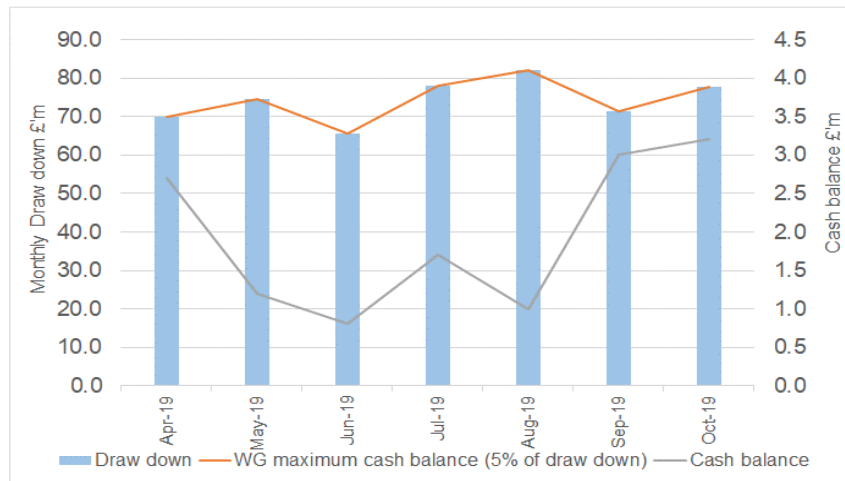


Income collected from sources other than Welsh Government is collected through the invoicing process. It is imperative that this is collected promptly to reduce reliance on cash support from WG. Balances owed to the Health Board are £8.7m in Month 7.

It is also important that the Health Board pays its suppliers promptly. At the end of Month 7, £2.7m was owed to suppliers, of which £1.6m are less than 30 days old.

Statement of Financial Position

Cash



- The closing balance of £3.2m did not exceed 5% of the total monthly draw down from Welsh Government.
- The Health Board has an approved cash limit of £872.5m split between revenue £835.3m and capital £37.2m.
- Total cash drawn down up to Month 7 is £519.2m.

The cash forecast deficit for 2019/20 is shown as £30.3m to reflect the working capital balances support for cash and the strategic cash support. The total cash support is £31.3m – working capital balances £12.8m and strategic cash £18.5m. This would leave the Health Board with a cash balance of £1m - £500k capital cash and £500k revenue cash. The strategic cash represents the Health Board's current interim forecast deficit adjusted by the management of year end creditors.



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Turnaround Update – Month 7, 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Andrew Carruthers, Executive Director of Operations
SWYDDOG ADRODD: REPORTING OFFICER:	Andrew Carruthers, Executive Director of Operations

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report provides an update to the Finance Committee on the Turnaround Programme as at Month 7.

Cefndir / Background

The Turnaround Programme was established in 2017 to provide a robust process for the delivery of savings to ensure that the Health Board meets its statutory duty to break-even over a three-year rolling basis.

This report provides an update on Turnaround activities including a savings position, recovery actions agreed, and achievements.

Asesiad / Assessment

The report, attached at Appendix 1, comprises four sections:

Section 1 – Provides a summary of the 2019/20 Month 7 position for Directorates who are being monitored through the Chief Executive Holding to Account meetings. These Directorates are at an escalated status due to the assessed risk of them delivering their financial plans. In September 2019, Mental Health and Learning Disabilities were de-escalated from the CEO HTA process.

Schemes are RAG rated, in accordance with the approach agreed at Targeted Intervention:

- Green – Delivering
- Amber – Some risk to manage but will deliver
- Red – Opportunities that require more scoping and work up before moving to delivery and Amber.
- Idea – potential future ideas that require working up to identify opportunities.

The Chief Executive Officer (CEO) has made it clear that schemes cannot impact on quality and safety of patient care or performance. Directorates are also asked to identify all risks and mitigating actions.

The next CEO Holding to Account meetings will be held on 15th November 2019.

Section 2 - Provides a summary of the 2019/20 Month 7 position for Directorates being monitored through the Turnaround Director Holding to Account meetings. These Directorates were considered to be on track with delivery of their financial plans.

The next Turnaround Director Holding to Account meetings are planned for 21st November 2019.

All Directorates are now being asked to consider their savings plans for 20/21.

Section 3 – provides an update against each of the Executive Team priorities with associated savings as at Month 7.

Section 4 – provides an update against each of the Executive Team priority areas that do not yet have any identified savings as at Month 7.

Good progress has been made to take forward the Executive Team priorities and an update against each of the workstreams has been provided by each of the Project Leads, including objectives and actions for the next period. A number of Project Groups have been established to ensure traction is maintained.

Following their recent review, KPMG will deliver a workshop session to staff to share good practice and provide training on forecasting/routes to cash for Finance and Service leads. The session will also provide an opportunity for the Health Board to share its Project Management process, including the revised Project Initiation Document (PID) and electronic Project Management system.

Argymhelliad / Recommendation

The Finance Committee is asked to discuss and note the Turnaround Programme update report.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:
Cyfeirnod Cylch Gorchwyl y
Pwyllgor:

5.5.1 Undertaking detailed scrutiny of the organisation's overall:

- Monthly, quarterly and year to date financial performance;
- Performance against the savings delivery and the cost improvement programme; assurance over performance against the Capital Resource Limit and cash flow forecasts;
- Oversee and monitor the Health Board's turnaround programme.

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):	All Health & Care Standards Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Not Applicable
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Not Applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not Applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Not Applicable
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable

Appendix 1 - Turnaround Update

Section 1 – Summarises 19/20 Directorate savings plans against required savings target of 3.7% for Directorates that are escalated to the Chief Executive Holding to Account meetings. The figures included in this section are based on the known Month 7 position as at 6th November 2019 and will be subject to change with the identification of further savings opportunities. Figures in square brackets represent the position in the previous month, where different to current month.

Facilities	19/20 target saving £'000s	1,385	Total of saving plans £'000s		917	450	0	1,367	Variance £'000s	18	Idea in-year potential	125
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(521)	(489)	32	Water management scheme under delivering partly due to an improvement in Health Board processes (£14k to month 7, expected year-end variance of £40k.) Carbon credit settlement was £8k less than anticipated. On-call reduction has delivered £7k less than planned at Month 7.							
	Amber schemes	(58)	(0)	6	Re-introduction of Borehole in WGH has not delivered savings to date (£8k). Non-domestic rates due to start delivering from Oct 19 (£50k) has not delivered.							
	Red schemes	0	0	0	Facilities management savings and further benchmarking savings have not been identified. These schemes have both been closed.							
	Total	(579)	(451)	76	<u>Other actions agreed</u> <ul style="list-style-type: none"> • A formal risk assessment on all held vacancies to be undertaken. • A paper on electronic advertising opportunities to come back to the next CEO HTA. • Review current specification of sheets and agree tendering process/availability from the Procurement Framework • Develop the Business Case/ Invest to Save documents for future energy plans • A robust Delivery Plan to be presented at next CEO HTA meeting that provides confidence in meeting the 2019/20 savings target. • A robust Delivery Plan to be produced for 20/21 							

Pathology	19/20 target £'000s	741	Total plans £'000s		289	140	321	750	Variance £'000s	(9)	Idea in-year potential	63
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(133)	(142)	(9)	N/A							
	Amber schemes	(20)	(20)	0	Secondary Care Demand Optimisation savings starting to come through. Total of £100k planned for 19/20 – on track for delivery.							
	Red schemes	0	0	0	£321k demand optimisation scheme. This scheme has been closed.							
	Total	(153)	(162)	(9)	<u>Other actions agreed</u> <ul style="list-style-type: none"> PID to be developed for the reconfiguration of the Blood Sciences out of hours service in Carmarthenshire. Demand optimisation work being progressed with Project Management support – see update in Section 3 of this report. 							

Scheduled Care	19/20 target £'000s	3,682	Total plans £'000s		2,531 [2,031]	50 [575]	671 [646]	3,252	Variance £'000s	430	Idea in-year potential	1,325
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(1,186)	(972)	214	Delivery of reduced outsourcing of cataract activity and review of on-call arrangements continue to be delayed due to the current medical workforce position. Reorganisation of elective orthopaedic activity has also slipped and has under-delivered by £104k as at Month 7. Transactions against loss of patent schemes in September and October 19 have mitigated some of the impact of the above schemes.							
	Amber schemes	(25)	(10)	15	This relates to the Urology Medical Staffing (PSA monitoring) scheme.							
	Red schemes	(313)	0	313	Referral Management opportunities and reduction in inefficient procedures schemes will not deliver in 19/20 and have been closed.							
	All schemes	(1,524)	(982)	542	Other actions agreed Reassess risks and opportunities and bring re-forecast to the Nov 19 CEO HTA meeting.							

BGH USC	19/20 target £'000s	786	Total plans £'000s		851 [801]	68 [0]	44 [162]	963	Variance £'000s	(177)	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(540)	(538)	2	Roster efficiency scheme is under-delivering although this has been offset by an over-delivery against the Nurse Agency scheme.							
	Amber schemes	0	0	0	Collaborative MH Shared Care Model Enlli/Y Banwy (amber elements) due to deliver from January 2020.							
	Red schemes	0	0	0	Collaborative MH Shared Care Model (red elements) and printer review scheme will not deliver in 19/20 and have been closed.							
	Total	(540)	(538)	2	<u>Other actions agreed</u> <ul style="list-style-type: none"> Collaborative MH Shared Care Model - identify what success will look like and the level of confidence in delivery. Develop a PID to scope out a 5-day short-stay surgical model by next CEO HTA meeting. Frailty assessment implementation plan to be produced by next CEO HTA meeting. Discussion about expanding Community service to free-up hospital beds- would mean higher acuity patients in hospitals and length of stay would increase but there would be fewer patients. Review opportunities for BGH and Community to work together more closely. 							

GGH USC	19/20 target £'000s	1,557	Total plans £'000s		732	373	339	1,444	Variance £'000s	113	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(426)	(460)	(34)	Cumulative under-delivery of roster efficiency savings (£48k) at Month 7. Transactions against the loss of patent scheme in September and October 19 contributed to the year to date position.							
	Amber schemes	(36)	0	36	<ul style="list-style-type: none"> Length of Stay – recurrent planned savings from Oct 19 have not delivered. This scheme has been closed. However, non-recurrent savings are forecast to deliver from January 2020. Thornbury reduction – planned savings from Nov 19. 							
	Red schemes	(185)	0	185	This relates to the Nurse on-boarding scheme which will not deliver and has been closed.							
	Total	(647)	(460)	187	<u>Other actions agreed</u> <ul style="list-style-type: none"> Implementation plans for Frailty and for Ambulatory Care to be developed 							

PPH USC	19/20 target £'000s	931	Total plans £'000s		639 [263]	150 [526]	0	789	Variance £'000s	142	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(148)	(322)	(174)	The Community Intermediate Beds scheme (amber elements) has not delivered the expected £87k saving in October 19. Transactions totalling £260k have been transacted in September and October 19 against the loss of patent scheme.							
	Amber schemes	(0)	(0)	0	The Community Intermediate Beds scheme (red elements) will not deliver in 19/20 and has been closed.							
	Total	(148)	(322)	(174)	Other actions agreed Reassess opportunities for 6 beds by the next CEO HTA meeting.							

WGH USC	19/20 target £'000s	1,125	Total plans £'000s		986 [1,125]	139	0	1,125	Variance £'000s	0	Idea in-year potential	125
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(588)	(541)	47	The Ambulatory Care scheme has under-delivered by £53k as at Month 7. This work continues to be progressed through the wider Improvement Collaborative work. The Ward 10 refurbishment scheme has also under-delivered by £28k as at Month 7. Transactions against the loss of patent scheme in September and October 19 have mitigated some of the impact of the above schemes.							
	Amber schemes	(77)	(5)	72	This relates to the Middle Grade vacancy position in Medicine.							
	Total	(665)	(546)	119	<u>Other actions agreed</u> Strategic overview of the key issues in accessing Packages of Care and potential solutions to be presented at the next CEO HTA meeting.							

Oncology & Cancer	19/20 target £'000s	438	Total plans £'000s		284	0	0	284	Variance £'000s	154	Idea in-year potential	15
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(170)	(157)	13	<ul style="list-style-type: none"> Homecare opportunities scheme is not being fully realised (£40k delivered against a planned saving of £96k at Month 7). Trastuzumab Invest to Save scheme has delivered £47k more than planned as at Month 7. 							
	Total	(170)	(157)	13	<u>Other actions agreed</u> <ul style="list-style-type: none"> Explore opportunities to support in-sourced activity. 							

Carmarthenshire County	19/20 target £'000s	884	Total plans £'000s		683	121	0	804	Variance £'000s	80	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(340)	(276)	64	Slippage against a number of schemes, including nurse recruitment, Chronic Disease Management and AVH ambulatory care, has been partly offset by delivery against the CHC and Palliative Care schemes.							
	Amber schemes	(60)	(4)	56	A number of amber schemes have not delivered as planned. Approval has been granted to invest capital to deliver the Medicine Locker scheme.							
	Total	(400)	(280)	120	<u>Other agreed actions</u> <ul style="list-style-type: none"> Start to implement Bridging Service 							

Pembrokeshire County	19/20 target £'000s	729	Total plans £'000s		351	53	388	792	Variance £'000s	(63)	Idea in-year potential	None
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(241)	(231)	10	CHC scheme slippage of £10k to Month 7 due to delays in reviewing a number of cases. Assurance has been given that robust processes are in place locally to ensure reviews are being undertaken in a timely way, and that new cases are being assessed in line with Health Board policy.							
	Amber schemes	(24)	0	24	This variance represents slippage on the Enhanced Recovery service scheme.							
	Red schemes	0	0	0	Both red schemes have not delivered and have been closed.							
	Total	(265)	(231)	34	<u>Other agreed actions</u> To address their savings gap, the Directorate have been tasked with Identifying slippage on new monies due to be received in 19/20, reviewing areas where spend had not been incurred so far this year with a view to holding the position for the remainder of this financial year only and reviewing any new spend planned over the second half of the year with a view to whether it could be stopped, delayed or held for the remainder of the financial year.							

Women & Children	19/20 target £'000s	1,359	Total plans £'000s		421	0	108	529	Variance £'000s	830	Idea in-year potential	70
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(130)	(111)	19	£15k relates to the review of the visiting Anti-natal Clinic – this was due to start delivering £15k per month from October 19.							
	Red schemes	(48)	(0)	48	C sections – improvements in performance scheme has not delivered and has been closed.							
	Total	(178)	(111)	67								

Primary Care	19/20 target £'000s	790	Total plans £'000s		1,058	227	400	1,685	Variance £'000s	(895)	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(403)	(377)	26	Locum cost scheme has under-delivered by £26k as at month 7. Total planned 19/20 savings are £670k.							
	Amber schemes	(81)	(9)	72	<ul style="list-style-type: none"> GP Hub likely to deliver only £51k - saving to be re-profiled. The savings from the Salaried GPs have yet to be identified or transacted. 							
	Red schemes	(61)	0	61	Steps are being taken to return one managed practice to independent contractor status by December 19. This may deliver £36k in quarter 4. There has been no interest in the other two managed practices. Work to continue on an alternative model to reduce costs by a further £50k over the second half of the year.							
	Total	(545)	(386)	159								

Radiology	19/20 target £'000s	584	Total plans £'000s		390	405	0	795	Variance £'000s	(211)	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(165)	(85)	80	Reduction in outsourcing costs not delivered in Month 3, 4 or 6.							
	Amber schemes	(152)	0	152	24 hour provision of Radiology services – proposed rota changes currently out to consultation. Savings re-profiled for revised delivery date of January.							
	Total	(317)	(85)	232								

Mental Health	19/20 target £'000s	2,691	Total plans £'000s		2,521	124 [56]	44 [112]	2,689	Variance £'000s	2	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Mitigating actions							
	Green schemes	(1,045)	(1,081)	(36)	The under-delivery of a number of schemes has been mitigated through slippage transacted in Months 5, 6 & 7.							
	Amber schemes	(45)	(0)	45	Non-recurrent element of the roster review and nursing KPIs scheme did not deliver the planned £36k saving by Month 2. No further savings are planned in relation to this scheme and it has therefore been closed.							
	Red schemes	0	0	0	Collaborative Care Scheme – due to the delayed delivery of this scheme to January 20 this scheme has been closed.							
	Total	(1,090)	(1,081)	9	<u>Other actions agreed</u> To develop a plan for the delivery of 19/20 schemes recurrently along with maintaining current performance. Recurrent plan to include plans to cover the £1.5m of 19/20 non-recurrent actions.							

Section 3 – Executive Team priority areas

3.1 The table below provides an update against each of the Executive Team priority areas with associated savings plans for 19/20, as at Month 7.

Workforce	19/20 target £'000s	5,900 [7,389]	797 [1,005]	339 [851]	Total	7,036 [9,245]	Idea in-year potential	1,863
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u>							
	<ul style="list-style-type: none">Support schemes developed by other Directorates which have a workforce element to their delivery;Monitor expenditure on variable pay across all staff groups; andIdentify Health Board wide/corporately driven schemes which may deliver results in workforce efficiency and effectiveness.							
	Green schemes	(3,448)	(2,960)	488	Progress last month:			
	Amber schemes	(294)	(9)	285	<ul style="list-style-type: none">First meeting of Workforce Delivery Group held on 16th October 2019. Terms of Reference considered and objectives agreed.			
	Red schemes	(185)	0	185	<ul style="list-style-type: none">Liaison with Finance to determine the delivery status of Directorate workforce related schemes, including any risk to delivery of 'green' schemes.Identifications of Corporate schemes and a number of opportunities scoped.			
Total	(3,927)	(2,969)	958	Actions for November: <ul style="list-style-type: none">Agree the 19/20 priorities at the next meeting on 18th November for both Directorate and Corporate schemes.Allocate Project Leads to the priority schemes.Produce PIDs/plans for agree priority schemes.				

Patient Flow – Unscheduled Care	19/20 target £'000s	991	369	0	Total	1,360	Idea in-year potential	525
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u> <ul style="list-style-type: none">Undertake review of current activity underway/ planned and agree actions to be carried out within USC with aim to improve overall LOSAgree and undertake short term changes to service(s)/ site(s) that will bring demonstrable improvements within 2019/20Acknowledge and plan (if appropriate) the required longer term changes							
	Green schemes	(463)	(257)	206	Progress last month:			
	Amber schemes	(36)	0	36	<ul style="list-style-type: none">USC improvement work-stream/ group established (with fortnightly meetings in place)PIDs for each site General Hospital site completed and being reviewed/ updated – key areas for activity broadly noted as 1. Ambulatory care; 2. Frailty			
	Total	(499)	(257)	242	<ul style="list-style-type: none">Scoping activity planned/ underway at each site in line with acute flow bed reduction across whole systemDiscussions underway regarding data requirements to ensure suggested changes are appropriate.			
					Actions for November: <ul style="list-style-type: none">Complete scoping discussions/ activityBegin support to key project areas to show demonstrable improvements with 2019/20Confirm data requirements to ensure suggested changes are appropriate			

Patient Flow – Critical Care	19/20 target £'000s	338	0	0	Total	338	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u>							
	<ul style="list-style-type: none">Undertake review of current Critical care service noting overall baseline/ flagging areas of concern and/ or areas for improvementPlan required longer term changesAgree and undertake short term changes to service that will bring demonstrable improvements within 2019/20							
	Green schemes	(176)	(165)	11	Progress last month:			
	Total	(176)	(165)	11	<ul style="list-style-type: none">Critical care work-stream/ group established (with fortnightly meetings in place)Draft PID completed noting overall project outputs/ activity (currently aimed at longer term service changes/ redesign) Actions for November: <ul style="list-style-type: none">Agree with service short term improvements/ changes that can be carried out during financial year 2019/20Plan & undertake wider engagement with critical care (and linked services) to agree overall way forward regarding service redesign for the longer term			

Patient Flow – Out of Hours	19/20 target £'000s	380	120	0	Total	500	Idea in-year potential	375
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u> <ul style="list-style-type: none">To overcome multi-faceted issues affecting the current Out of Hours service in Hywel Dda and agree a vision for a future service model.Address the current service fragility affecting Out of Hours sites caused through workforce pressures.Develop a future workforce plan taking into account recruitment opportunities, flexible working and the growing concept of multi-disciplinary teams.Measure and analyse identified weaknesses of the current service in relation to the patient flow through 111 call centre and clinical support hub.Assess opportunities to re-brand the service in light of the need to readdress patient expectations and behaviours in relation to urgent primary care.In noting links to other projects, develop an integrated 24/7 approach to urgent primary care.							
	Green schemes	(155)	(155)	0	Progress last month: <ul style="list-style-type: none">Successful future service model workshop held on 24th October, attended by GP's out of hours staff and other key stakeholdersWinter plans and deliverables approved by exec. team and change plan commenced			
	Amber schemes	(380)	(38)	0	Actions for November: <ul style="list-style-type: none">Feedback to workshop attendees on what they contributed and to engage on next stepsDeliver the associated actions for December within the winter change and communications plans.			
	Total	(193)	(193)	0				

Patient Flow – Primary Care	19/20 target £'000s	1,058	227	400	Total	1,685	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u>							
	<ul style="list-style-type: none">• Explore all factors that currently influence patient flow in Primary Care as part of a wider context of improving performance in unscheduled care• Take a demand management focused approach, to explore the different components of demand that impact on Primary Care• Use the Primary Care model for Wales and the National Strategic Programme for Primary Care to act as a key “lens” for the project.• Act and build on the Primary Care access guidance issued by the Health Minister.• Consider urgent primary care in the round and to note cause and effect from different components of the urgent primary care system• Examine local innovation at a locality level and explore standardisation of good practice where possible i.e. control room approach to triage.• Develop a communications plan for Primary Care building on successful examples elsewhere• Develop quick wins as an early output for the project where there is a known requirement. i.e. communications support for patient education, improving health literacy etc.• Develop further projects with community pharmacy to reduce demand on clinician’s time in Primary Care.• Quickly note the numerous links and dependencies in other projects to avoid duplication.							
	Green schemes	(403)	(377)	26	Progress last month:			
	Amber schemes	(81)	(9)	72	<ul style="list-style-type: none">• Early days in project initiation – introductory meeting between PM & Asst Director of Primary Care to explore relevant discussion points• First draft of PID completed			
	Red schemes	(61)	0	61	Actions for November:			
Total	(545)	(386)	159	<ul style="list-style-type: none">• Identify project team• Present PID to initial group meeting• Push forward quick wins for the project and develop a change plan				

Outpatients	19/20 target £'000s	198 [75]	50 [575]	325 [146]	Total	573 {796}	Idea in-year potential	425
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u> To oversee an Efficiency and Productivity plan that could release core capacity in to the system, including;							
	<ul style="list-style-type: none">Improve new to follow-up ratiosImprove outcome form complianceReduce new and follow-up DNA ratesImprove patient pathways				<ul style="list-style-type: none">Reduce follow-ups and follow-ups not booked;Establish a process for managing Seen on Symptoms (SOS) patientsIncrease uptake of electronic referralsImprove referral management processes			
	Green schemes	(55)	(53)	2	Progress last month:			
	Amber schemes	(25)	(10)	15	<ul style="list-style-type: none">Work continues to streamline referral pathways for each specialty, to implement Skype clinics and to improve compliance with follow-up criteria.			
	Red schemes	(233)	0	233	Actions for November:			
	Total	(313)	(63)	250	<ul style="list-style-type: none">Agree the scope of the Outpatients programme of workConsider links to the Chronic Conditions group to ensure a whole pathway approach is taken.			

Mental Health & Learning Disabilities	19/20 target £'000s	596	136	88	Total	820	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	Objectives:							
	<ul style="list-style-type: none">Shared Care project for Older Adults Mental HealthDeveloping plan for Transformation of Learning Disability ServicesMoving forward TMH programme deliverables							
	Green schemes	(333)	(324)	9	Progress last month:			
	Amber schemes	0	0	0	<ul style="list-style-type: none">Draft Standard Operating Procedure developed for shared care model, estates work has commenced, staff workshops have taken place and 1:1 sessions planned. An evaluation framework has been agreed based on other areas where similar models are in place.			
	Red schemes	0	0	0	<ul style="list-style-type: none">LD programme – resettlement of long-stay patients within the community is underway, the Intensive Support Team has launched and the Primary Liaison Service has been approved. The scope of the programme around the future model for specialist LD care has been defined.			
	Total	(333)	(324)	9	<ul style="list-style-type: none">Third sector commissioning has been brought forward to reflect the development of the Gorwelion pilot in Aberystwyth. Agreement in principle to carry out the review work jointly.			
	Actions for November:							
	<ul style="list-style-type: none">SOP and medical model for shared care model to be signed off by project board, complete OCP and submit to Executive Team for approval and develop a communications plan for wider communications and engagement.LD programme – resettlement of long-stay patients within the community to continue, determine engagement and consultation requirements for designing the future model for specialist LD care, draft a specification which outlines how the Health Board and third sector organisations can formally support engagement and consultation.Development of the Single Point of Contact design, liaising with local authority partners. The Programme Business Case for Transforming Mental Health is due to be submitted next month. The HIW review of Gorwelion resulted in additional estates work being required, resulting in delay to work while costings are agreed. This impacts on the development of the place of safety, and reduced testing time for the model.							

Demand Optimisation – Pathology	19/20 target £'000s	79	120	321	Total	520	Idea in-year potential	125
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u>							
	<ul style="list-style-type: none">Develop a data tool to enable assessment of pathology test request activity and costs.Use the data tool (and other data sources and evidence) to investigate potential areas of demand optimisation focussed on reducing unwarranted variation and/or optimising overall care through better use of pathology.Work with clinicians and clinical teams to develop, agree and implement demand optimisation interventions.							
	Green schemes	(39)	(39)	0	Progress last month:			
	Amber schemes	(10)	(10)	0	<ul style="list-style-type: none">Data tool developed and in use (note that continuous development required over lifetime of this priority area work).			
	Red schemes	0	0	0	<ul style="list-style-type: none">Eight potential pathology demand optimisation interventions identified and in various states of development (one already initiated).Two of the eight developed to the point of initiation in November (Limiting Tumour Marker requests from Primary Care & Anaemia Test Profile Pilot in Primary Care).			
	Total	(49)	(49)	0	<p>Actions for November:</p> <ul style="list-style-type: none">Initiate two demand optimisation interventions (Limiting Tumour Marker requests from Primary Care & Anaemia Test Profile Pilot in Primary Care).Complete scoping of other five potential demand optimisation interventions.Develop overall programme and savings plan for all viable demand optimisations. <p>Considerable time and consultation is required to work up and agree demand optimisation interventions, therefore the savings target unlikely to be met in short term.</p>			

Commissioning & Contracting	19/20 target £'000s	676 [534]	225 [133]	0 [150]	Total	809 [817]	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u>							
	<ul style="list-style-type: none">Cardiology service model and pathway with Swansea BayReclaiming costs of section 117 after care from external health boardsPPH theatre utilisation							
	Green schemes	(384)	(403)	(19)	Progress last month:			
	Amber schemes	(32)	0	32	<ul style="list-style-type: none">Project scoping has taken place to identify priority areas.			
	Total	(416)	(403)	13	Actions for November: <ul style="list-style-type: none">Link with project leads to determine nature of project support required, current milestones met to date, etc.Gather developed business cases to determine scope of existing projects and governance in place.			

Medicines Management	19/20 target £'000s	2,786 [2,810]	258	792	Total	3,836	Idea in-year potential	0
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u> <ul style="list-style-type: none">Consideration of priority areas identified by KPMG.Excess medicine stock – reduction in stock days to average to reduce obsolescence and disposal costs (£225k).To scope opportunities in for benefits realisation in relation to Biosimilar insulin (£74k), Lio-thryonine (£15K), repeat prescribing process (£650K), PODs (£150K cost avoidance if 75% use of Patient's own drugs), Aspirin in VTE (£38k).							
	Green schemes	(1,277)	(1,880)	(603)	Progress last month:			
	Amber schemes	(41)	(41)	0	<ul style="list-style-type: none">Key opportunity areas have been identified and individual business cases developed.			
	Red schemes	(103)	0	103	<ul style="list-style-type: none">Stakeholder identification, mapping and assessment undertaken and communications and engagement plan developed			
	Total	(1,421)	(1,921)	(500)	<ul style="list-style-type: none">Relationship management plan developedStakeholder cost benefits and benefits realisation plan developed			
	<u>Actions for November:</u> <ul style="list-style-type: none">Partner executive work stream groups to champion medicines management opportunitiesPartner service delivery leads, managerial leads and clinical leads to champion medicines management opportunitiesDevelop monitoring, evaluation and reporting mechanisms and Quality Assurance Plan.							

Non-Pay	19/20 target £'000s	3,564 [3,441]	508	0	Total	4,072 [3,949]	Idea in-year potential	395
	Schemes	YTD planned	YTD actual	YTD variance	Progress			
	<u>Objectives:</u>							
	<ul style="list-style-type: none">• Seek assurance that managers are effectively managing non-pay claims• Identify opportunities for positive communication with staff to raise awareness of, and support a reduction in, non-pay expenditure• Identify and promote alternative options to individual private travel• Monitor the delivery of all non-pay saving schemes							
	Green schemes	(1,479)	(1,294)	185	Progress last month:			
	Amber schemes	(88)	0	88	<ul style="list-style-type: none">• A number of potential savings opportunities identified and scoping commenced.• Opportunities to implement an electronic pool car booking system, electronic key cabinets and a travel hierarchy are being explored.• Review of contracts with suppliers continued – 40 interviewed to date.• Options to standardise knee prostheses are being progressed.			
	Total	(1,567)	(1,294)	273	Actions for November: <ul style="list-style-type: none">• Agree action plan for 19/20 priorities• Commence work to conduct a feasibility study on Community Nurse scheduling software.• Continue with review of top 100 contracts• Complete review of Endoscopy consumables			

Section 4 – Executive Team priority areas – new workstreams

4.1 The table below provides an update against each of the Executive Team priority areas which do not yet have any identified savings as at Month 7.

Demand Optimisation - Radiology	<p><u>Objectives:</u></p> <ul style="list-style-type: none"> • Develop a data tool to enable assessment of radiology test request activity and costs. • Use the data tool (and other data sources and evidence) to investigate potential areas of demand optimisation focussed on reducing unwarranted variation and/or optimising overall care through better use of radiology. • Work with clinicians and clinical teams to develop, agree and implement demand optimisation interventions <p>Progress last month:</p> <ul style="list-style-type: none"> • Data tool development commenced (note that continuous development required over lifetime of this priority area work). • Initial focus on out of hours radiology demand optimisation interventions, for which scoping and development is underway. <p>Actions for November:</p> <ul style="list-style-type: none"> • Complete initial data tool development. • Complete scoping and development of out of hours demand optimisation interventions. • Develop long list of other potential radiology demand optimisations.
Patient Empowerment	<p><u>Objectives:</u></p> <p>To develop and deliver a programme of work to modernise the way we communicate with our patients, allowing patients to have a choice on how the UHB communicates with them and to provide a future proofed platform, based around the following;</p> <ul style="list-style-type: none"> • Attendance Optimisation (i.e. patient reminder, on-line booking, text reminder services) • Patient Feedback • A full communications platform, including a hybrid mail approach, allowing patient choice on how they wish to be communicated with. • A full citizen / patient portal to allow patients to access their results, letters, appointment details and any other applications or messaging that the Health Board wishes to adopt, and providing the ability to provide health education messages, medication alerts, and service improvements. <p>Progress last month:</p> <ul style="list-style-type: none"> • Ongoing discussions with Welsh Government in respect of the introduction of a citizen portal. • Draft Digital Plan in development <p>Actions for November:</p> <ul style="list-style-type: none"> • Explore opportunities to extend the Text Reminder Service to appointments made outside the Contact Centre. • Analyse postage data to identify reasons for fluctuations in postage costs and volumes.
Chronic Conditions & Community	<p><u>Objectives:</u></p> <ul style="list-style-type: none"> • Completion of a 'whole system' review of current practice and resources associated with the management of chronic conditions in Hywel Dda. Specifically, the review will focus on diabetes, respiratory disease and heart failure. • Produce a 'current state' baseline. • Develop and agree a 'whole system integrated pathway framework. • Test the 'whole system' integrated pathway framework as an organising and planning tool to redesign clinical and preventative care pathways to improve outcomes in the 'future state' in the identified • Propose transformational care pathways that align to our 'Healthier Mid and West Wales' strategy for consideration by the Executive Team • Preparation for roll-out of framework in other disease areas

	<p>Progress last month:</p> <ul style="list-style-type: none"> • First meeting of the assigned project task & finish group • Agreed initial scope of the “baselining” and initial “service assessment” • Template for data gathering reviewed by project lead and project management teams <p>Actions for November:</p> <ul style="list-style-type: none"> • Collate findings of the service assessment / data gathering • Identify any potential quick wins from the above exercise • Agree project measures • Review early progress of the project against plan • Scope 1st stakeholder workshop
Stroke Pathway	<p><u>Objective:</u> To redesign the stroke pathway for Hywel Dda University Health Board (HDdUHB) to align with the Health Board’s Health and Care Strategy “A Healthier Mid and West Wales”, National guidance, best practice and regional planning for Hyper Acute Stroke Unit (HASU) at Morriston Hospital.</p> <p>Progress last month:</p> <ul style="list-style-type: none"> • Workshops held to discuss the long-term and medium-term options • Discussion with stroke survivors and carers to seek their views on current and future services. <p>Actions for November:</p> <ul style="list-style-type: none"> • Collate scoring for long term scenarios • Collate SWOT for medium term scenarios • Workshop for scoring of medium term scenarios against set criteria (which may need revision) • Agree preferred option(s) for medium and long-term service configurations. • Work on the Business Case for staffing the future model/configurations with data analyst input.
Efficiency Opportunities	<p><u>Objective:</u> Undertake a review of efficiency opportunities as identified by KPMG review and provide support where appropriate.</p> <p>Progress last month:</p> <ul style="list-style-type: none"> • Various efficiency opportunities (time limited projects) work-stream/ group established and meetings held • Initial filtering/ review of master list of ‘various efficiency opportunities’ undertaken to flag those projects that are more appropriate to sit within an alternative work-stream. Said opportunities have in turn been accepted by other Executive Priority work-stream areas. • Review of recycling scheme to note improvements/ possible additional savings <p>Actions for November:</p> <ul style="list-style-type: none"> • Further filtering of master list of ‘various efficiency opportunities’ and agree final list of projects to be supported within the work-stream • Investigate appropriateness for an Invest to Save application for recycling scheme



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Referral to Treatment Time (RTT) Financial Plan & Trajectory 2019/20– Month 7 Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Joe Teape, Deputy Chief Executive
SWYDDOG ADRODD: REPORTING OFFICER:	Keith Jones, Assistant Director of Acute Services

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report provides the Finance Committee with progress to Month 7 (October 2019) in respect of the financial plan and planned expenditure trajectory to support Referral to Treatment (RTT), Diagnostic and Therapy service waiting times delivery for 2019/20.

Cefndir / Background

For 2019/20, total funding provision of £6.95m had been made available to support overall delivery of RTT, Diagnostic and Therapy service waiting times objectives. This is summarised below:

RTT, Diagnostic & Therapy Waiting Times Expenditure Plan 2019/20 (£)				
Provision within 2019/20 Annual Plan	Forecast cost of delivery		5,552,310	
	Stage 1 additional activity	719,052		
	Stage 2&3 additional activity	60,000		
	Stage 4 additional activity	3,690,258		
	Supporting investments	1,083,000		
	Less Savings Target		(1,400,000)	
	Sub Total		4,152,310	
	Savings Plan Non-Delivery		500,000	
	Risk of non-delivery of Orthopaedic savings target	500,000		
	Sub Total			4,652,310
Additional NHS Performance Fund Allocation	Sustainability:		334,662	
	Ophthalmology	100,000		
	Dermatology	234,662		
	New / Emerging Delivery Risks:		1,164,000	
	Orthopaedics	924,000		

	General Surgery	40,000		
	Urology	200,000		
	Enhanced Performance:		800,000	
	32 week Stage 1 RTT maximum wait	300,000		
	Delayed Follow-Ups Improvement Plan	500,000		
	Sub-Total			2,298,662
	Total Allocation			6,950,972

For 2019/20, this funding was released in two separate tranches as described in Appendix 1.

Asesiad / Assessment

RTT, Diagnostics & Therapies Delivery Financial Plan 2019/20 – Progress as at Month 6

A monthly tracker to monitor detailed progress against the financial plan has been jointly developed between the Planned Care Directorate and supporting finance team. Funding released up to Month 7 is based on actual invoices received together with accruals for planned activity not yet invoiced and contracts with external parties confirmed.

Progress to Month 7 (October 2019) in respect of the financial plan and planned expenditure trajectory is summarised below.

RTT, Diagnostic & Therapy Waiting Times Expenditure Plan 2019/20 Month 7 2019/20					
	Delivery Element	Plan (£)	Expenditure Committed to Month 7 (£)	2019/20 Forecast Expenditure (£)	Forecast Variance (£)
Provision within 2019/20 Annual Plan	Forecast cost of delivery	4,652,310	2,742,300	4,652,310	nil
Additional NHS Performance Fund Allocation	Sustainability:				
	Ophthalmology	100,000	56,000	100,000	0
	Dermatology	234,662	0	234,662	0
	New / Emerging Delivery Risks:				
	Orthopaedics	924,000	0	424,000	(500,000)
	General Surgery	40,000	0	40,000	0
	Urology	200,000	43,200	200,000	0
	Enhanced Performance:				
	32 week Stage 1	300,000	0	300,000	0
	Delayed Follow-Ups	500,000	205,000	500,000	0
	Total Allocation	6,950,972	2,929,300	6,450,972	(500,000)

Activity to Month 7 demonstrates targeted expenditure, above core budgeted levels, of £2.93m, which includes contractual commitments of £205k to support additional validation capacity.

Based on current and future projected expenditure patterns, the total projected expenditure for 2019/20 against the overall financial plan is £6.45m.

RTT Performance

Hywel Dda University Health Board (HDdUHB) reported 476 36 week + breaches as at the end of October 2019. Details by specialty are available in the latest Integrated Performance Assurance Report (IPAR). Delivery plans are in place to support achievement of zero 36 week breaches by March 2020.

Argymhelliad / Recommendation

The Finance Committee is requested to note progress to Month 7 (October 2019) in respect of the Financial Plan and planned expenditure trajectory to support RTT, Diagnostic and Therapy service waiting times delivery for 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	5.5.1 Undertaking detailed scrutiny of the organisation's overall: <ul style="list-style-type: none"> Monthly, quarterly and year to date financial performance;
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):	3.1 Safe and Clinically Effective Care
Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners. 5. Deliver, as a minimum requirement, outcome and delivery framework work targets and specifically eliminate the need for unnecessary travel & waiting times, as well as return the organisation to a sound financial footing over the lifetime of this plan

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Support people to live active, happy and healthy lives
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Paper reflects delivery plan in support of a key Welsh Government performance target
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Welsh Government Delivery Unit Planned Care Directorate

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Outlined within the body of the report
Ansawdd / Gofal Claf: Quality / Patient Care:	Improved waiting times is a key component for patient experience and service quality.
Gweithlu: Workforce:	Outlined within the body of the report
Risg: Risk:	Outlined within the body of the report
Cyfreithiol: Legal:	External outsourcing activity commissioned in accordance with NHS Wales Shared Services guidance and procedures.
Enw Da: Reputational:	Reduced waiting times impacts directly on HDdUHB's service and delivery reputation.
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Paper reflects plans to reduce waiting times for all patients.

Referral to Treatment (RTT), Diagnostic and Therapy Service Waiting Times Funding 2019/20

For 2019/20, the total funding provision to support overall delivery of Referral to Treatment (RTT), Diagnostic and Therapy service waiting times objectives has been released in two separate tranches:

Tranche 1 - Initial Delivery Plan (as reflected in Annual Plan 2019/20)

The initial financial plan (as reflected in the Health Board's Annual Plan for 2019/20) to support RTT, Diagnostics and Therapy delivery proposals for 2019/20, above core operational Directorate & service specific budgets is summarised as below:

Total forecast cost of delivery 2019/20 (as reflected in Annual Plan)		
Stage 1 additional activity	£719,052	
Stage 2&3 additional activity	£60,000	
Stage 4 additional activity	£3,690,258	
Sub Total		£4,469,310
Supporting investments	£1,083,000	
Sub Total		£1,083,000
Total		£5,552,310

In return, Hywel Dda University Health Board (HDdUHB) is required to deliver:

- RTT – zero 36 weeks + breaches
- Diagnostics – zero 8 week + breaches in all disciplines
- Therapies – zero 14 week + breaches

Unlike previous years, Welsh Government requested the HDdUHB to reflect the cost of delivery of these targets into the overall Annual Plan, and supporting financial plan, for 2019/20. The above sum has therefore been built into recurrent operational financial plans for 2019/20. However, this sum has held for monitoring purposes as a separate RTT / Diagnostics / Therapy services reserve to be drawn down into individual service budgets as agreed costs are incurred, and is subject to a savings and efficiency and productivity improvement challenge in a similar manner to all operational budgets.

With specific regard to the RTT, Diagnostics and Therapy delivery plan for 2019/20, a savings target to the value of £1.4m has been applied spanning the following service areas:

- **Ophthalmology** – improvements to internal core capacity levels which will reduce the dependency (and cost) of planned outsourcing via the private sector through Quarters 3 & 4 2019/20
- **Orthopaedics** – proposals to further increase the volume of elective patients treated at Prince Philip Hospital and reduce forecast backfill and Waiting List Initiative (WLI) costs
- **Other Specialities (including Breast Surgery)** – proposals to reduce operating costs for 2019/20

The Orthopaedic (£500k) element of the above £1.4m savings plan is now considered to be at significant risk due to the need to mitigate separate risks associated with the temporary closure of orthopaedic theatre capacity at Withybush Hospital during the summer period 2019.

Appendix 1

Based on the above, the forecast cost of the RTT, Diagnostics and Therapy delivery proposals for 2019/20 (as outlined in the HDdUHB Annual Plan), is expected to be as follows:

Forecast Delivery Plan Expenditure 2019/20	£
Forecast cost of delivery	5,552,310
Less Savings Target	1,400,000
Sub Total	4,152,310
Risk of non-delivery of Orthopaedic savings target	500,000
Total	4,652,310

Tranche 2 - NHS Performance Fund

In June 2019, HDdUHB received confirmation that a total allocation of £5.8m from the NHS Wales Performance Fund was to be made available to HDdUHB to support the cost of delivery of RTT, diagnostic, therapies and delayed follow-ups Tier 1 targets for 2019/20 and to address the following additional priorities:

- Develop more sustainable solutions for Ophthalmology & Dermatology
- Cover the closure of orthopaedic theatres at Withybush Hospital through extended working at Prince Philip Hospital
- Address other service priorities and risks highlighted in discussion with Welsh Government, including achievement of a 32 week maximum waiting times target for all Stage 1 outpatients by March 2020
- Deliver a reduction in delayed follow-ups, reflecting new improvement targets recently agreed by Welsh Government.

Following confirmed approval from WG of the HDdUHB delivery plans in respect of the supporting delayed follow-ups improvement plan in August 2019, the latest forecast additional expenditure plan to address the above priorities is summarised in the table below:

NHS Performance Fund – Additional Expenditure Plan 2019/20 (£)			
Sustainability:			334,662
	Ophthalmology	100,000	
	Dermatology	234,662	
New / Emerging Delivery Risks:			1,164,000
	Orthopaedics	924,000	
	General Surgery	40,000	
	Urology	200,000	
Enhanced Performance:			800,000
	32 week Stage 1 RTT maximum wait	300,000	
	Delayed Follow-Ups Improvement Plan	500,000	
Total			2,298,662

As reflected in the September 2019 Finance Committee report, whilst the above forecast expenditure plan is subject to ongoing review, a forecast £3.5m has been released from the £5.8m Performance Fund allocation as a consequence of the level of RTT funding previously planned in the opening budgets for 2019/20.



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Workforce Pay Controls – KPMG Grip and Control Action Plan Update and Establishment Control Project Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lisa Gostling, Director of Workforce and Organisational Development
SWYDDOG ADRODD: REPORTING OFFICER:	Annmarie Thomas, Programme Lead for Medical Workforce Utilisation

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report provides the Finance Committee with an outline of the KPMG Grip and Control work stream together with a progress update on agreed actions. The report also provides an update on the Establishment Control Project (ECP).

The Finance Committee is asked to note the progress against the KPMG Grip and Control Action Plan and the ECP.

The Finance Committee is asked to consider whether future assurance can be discharged via less frequent reporting to Finance Committee as it is being overseen by the Workforce Delivery Group.

Cefndir / Background

KPMG Grip and Control Action Plan Update

KPMG were asked to assess the control environment operating in Hywel Dda University Health Board (HDdUHB) to identify areas for improvement.

Establishment Control Project Update

Establishment control is the formal process for matching information on funded posts on the General Ledger to the details of staff currently employed in those posts, as held on the Electronic Staff Record (ESR) system, which ultimately links to E-Rostering.

Asesiad / Assessment

KPMG Grip and Control Action Plan Update

The draft findings make a number of recommendations in respect of pay controls. Following a workshop held on 5th September 2019, attended by a range of key stakeholders, a number of initial actions were developed to address the recommendations. An update of progress against the Action Plan is included at Appendix 1.

Establishment Control Project Update

A SBAR has been completed detailing the progress on identifying the reasons for discrepancies between vacancies within the Establishment Control Project (ECP) Tool and TRAC. With the exception of General Medicine in GGH, the Directorates that have responded have confirmed the vacancies within the Tool reflect the position within their service. A Task and Finish Group will be established to go into the detail of each service to understand the variance and agree what the actions will be to close the reporting gap.

As previously advised, a tool to monitor compliance against the Nurse Staffing Levels Act (Wales) 2016 to assist Senior Nurses monitoring the rostering of staff substantive/bank/agency has been completed and issued to the Nursing team. However, the usability to monitor compliance has been delayed due the recording of Band 3 Frailty, Health Care Support Workers and Rehabilitation posts. All wards have been updated in Finance reports (Month 6) and the Rostering system (14/10/19) to fully reflect the Nurse Staffing Levels Act (Wales) 2016, with the exception of Registered Nurses in Bronglais Hospital and the 4 Surgical Wards in Glangwili Hospital.

Argymhelliad / Recommendation

The Finance Committee is asked to:

- note the progress against the KPMG Grip and Control Action Plan;
- note the progress against the Establishment Control Project;
- Consider whether future assurance can be discharged via less frequent reporting to Finance Committee as it is being overseen by the Workforce Delivery Group.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	4.5 Provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, giving early warning on potential performance issues and making recommendations for action to continuously improve the financial position of the organisation, focusing in detail on specific issues where financial performance is showing deterioration or there are areas of concern.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	735 (score 16) 646 (score 12)
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	5. Timely Care 7. Staff and Resources
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Improve Population Health through prevention and early intervention
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on HDdUHB's financial reporting system.
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Not Applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	The impact on patient care will be assessed when each action is progressed.
Gweithlu: Workforce:	The report considers the financial implications of our workforce.
Risg: Risk:	Financial risks are detailed in the report.
Cyfreithiol: Legal:	HDdUHB has a legal duty to deliver a breakeven financial position over a rolling three-year basis and an administrative requirement to operate within its budget within any given financial year.
Enw Da: Reputational	Adverse variance against HDdUHB's financial plan will affect the reputation with Welsh Government, Wales Audit Office, and with external stakeholders.
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Appendix 1

The Grip and Control Workshop held in September 2019 identified specific action plans to address the weaknesses described in KPMG's initial assessment.

Medical workforce controls

Control area	1.1 Acting down
Weakness to overcome	Consultants have been required to "act down" at 3 times their rate, which should only be the case if the SAS is unable to cover at short-notice.
Actions required	<ul style="list-style-type: none"> Analyse the data to ensure rates are not being mis-applied i.e. ensure consultants are not being paid at this rate for planned cover. Review the policy and test impact of changes.
Impact sought	Ensure proper procedures are followed and appropriate rates are paid.
Health Board Lead	Bethan Griffiths, Senior Medical Staffing Manager
Progress Update since workshop held on 5.9.19	<p>Work has commenced with identifying current practices across the Directorates which will be followed by analysis of the shifts where Consultants have acted down and identifying if terms and conditions have been applied consistently.</p> <p>Following this a paper will be presented to the Director of Operations, Medical Director and Director of W&OD in the first instance to explore the options for resolution and recommendations.</p>
Estimated Date for Completion	31 st December 2019
Action Open or Closed	Open

Control area	1.2 Job plans
Weakness to overcome	Inconsistencies within specialities and sites means resources are not being managed as effectively and efficiently as possible. Less than 10% of job plans are electronic.
Actions required	<ul style="list-style-type: none"> Create a review process carried out by a central team to ensure consistency across job plans. Enable electronic job planning across all teams. Include job planning as part of the revalidation process for medical staff to ensure compliance with job plans and increase productivity.
Impact sought	<ul style="list-style-type: none"> Improve the efficiency of job planning.
Health Board Lead	John Evans, Assistant Director – Medical Directorate
Progress Update since workshop held on 5.9.19	This action is now implemented - the e-job planning roll-out plans, trajectories for full completion by the 31 st March 2020 and joint workshops have been arranged and are currently underway. There

	has been in immediate impact in the areas covered to date. Job plans are being entered in real time and the MDT approach, inclusive of SDM, Support managers, Medical Directorate (Revalidation officer) and Workforce Manager is providing greater consistency and opportunity for efficiency/productivity.
Estimated Date for Completion	31 st March 2020
Action Open or Closed	Open

Control area	1.3 Rota Management
Weakness to overcome	Decentralised rota management system is a driver of high agency spend. No current database or alert process to inform medical staff of available shifts to cover rota gaps. No easy method for managers to access contact/rate information for medical staff.
Actions required	<p>1.3.1 Consider piloting a single rota for A&E across health boards to reduce significant agency spend.</p> <p>1.3.2 Assess the benefits of managing rotas centrally.</p> <p>1.3.3 Develop a database of medical staff to allow off site managers to access contact information and see previous rates paid.</p>
Impact sought	<ul style="list-style-type: none"> Ensure a cohesive approach to rota management.
Health Board Lead	<p>1.3.1 John Evans, Assistant Medical Director</p> <p>1.3.2 Bethan Griffiths, Senior Medical Workforce Manager</p> <p>1.3.3 Annmarie Thomas, Programme Lead for Medical Workforce Utilisation</p>
Progress Update since workshop held on 5.9.19	<p>1.3.1 Single rota for A&E Conversations with the GM's and HD's at WGH and GGH have been had about the potential benefits for improved rota management and associated efficiencies within ED. This initiative has, however, been escalated further by the recent additional fragility in both the Consultant and Middle grade rotas at these two sites, resulting from recent reductions in substantive staff members. An Urgent Response Group has been created to respond to this additional fragility with a single rota proposal as one option being considered. This piece of work will continue within the A&E URG group.</p> <p>1.3.2 Centralised Rota Management / Electronic rostering system for M&D staff group It is recommended that this is a medium term objective. We are looking to upgrade our current nurse rostering system and we are currently focussing on e-job planning for the M&D staff group. These two programmes of work need to be the initial priorities.</p> <p>1.3.3</p>

	<p>Medical bank model to manage demand and supply for roster gaps</p> <p>Health Board representatives will shortly attend an NHS Wales workshop to look at options for Health Board, Regional or NHS Wales Medical Bank models.</p> <p>Rate Control</p> <p>Standardised Rate Card already implemented in October 2017. Any breaches of the rate card must be requested for approval by the Workforce Expenditure Control Panel.</p>
Estimated Date for Completion	<p>1.3.1 31st December 2019</p> <p>1.3.2 Timescales influenced by capacity linked to roll out of new rostering system for Nursing and implementing e-job planning successfully.</p> <p>1.3.3 Timescales influenced by NHS Wales work. Will need to reassess in the New Year.</p>
Action Open or Closed	Open

Control area	1.4 Agency mileage
Weakness to overcome	Some of the medical agency are claiming mileage, however this should only be allowed for inter-site travel.
Actions required	<p>2 Check Medacs M1 report for any travel costs on a monthly basis.</p> <p>3 Use findings of Medacs report to undertake audit of high risk areas in order to identify any illegitimate agency mileage claims.</p>
Impact sought	<ul style="list-style-type: none"> Prevent future illegitimate expenses being paid.
Health Board Lead	Annmarie Thomas, Programme Lead for Medical Workforce Utilisation
Progress Update since workshop held on 5.9.19	Data audited. One example of 'home to assignment' mileage claimed in error by Agency Worker and approved in error by the Authoriser of the timesheet. Error addressed and refund being processed. Guidelines for authorisers of timesheets re-issued to stress that only internal mileage from base site of assignment to another Health Board site can be claimed.
Estimated Date for Completion	30.09.19
Action Open or Closed	Closed

Control area	1.5 Unpaid breaks
Weakness to overcome	Unlike medical agency workers, rest breaks for internal doctors are not automatically deducted. Current controls surrounding rest breaks are able to be 'worked around' on timesheets.
Actions required	<ul style="list-style-type: none"> Re-issue guidance note to explain the responsibility of time-sheet authorisers.

	<ul style="list-style-type: none"> • Review whether current time-sheet authorisers are appropriate for grip and control. • Consider introducing online timesheets for medical staff. • Issue letter to agencies explaining issues around unpaid breaks being paid and if this is invoiced to the Health Board they will be sent back for ratification.
Impact sought	<ul style="list-style-type: none"> • Improve accuracy of time recording.
Health Board Lead	Annmarie Thomas, Programme Lead for Medical Workforce Utilisation
Progress Update since workshop held on 5.9.19	<p>The actions will be different depending on whether the finding relates to medical agency or internal ad hoc locum. Need clarity from KPMG.</p> <p>No action required if it relates to Medical Agency as rest breaks are deducted automatically using an electronic system for timesheet approval. If internal ad hoc locum this links to a much bigger piece of work of introducing a medical bank model and we would need a lot of capacity if we were to do this at pace this financial year. Further discussion needed linked to the vision for a Medical Bank Model and the pace of developments at NHS Wales level relating to this matter.</p>
Estimated Date for Completion	Timescales influenced by NHS Wales work. Will need to reassess in the New Year.
Action Open or Closed	Open

Control area	1.6 Long term temporary staff
Weakness to overcome	Medical staff recruitment and retention is a challenge for the Health Board. For the first 14 weeks of the year, there were 7 agency medical workers who worked in excess of 30 hours per week. Visibility regarding the extent to which locums are working regularly at the Health Board is limited.
Actions required	<ul style="list-style-type: none"> • Give ownership to consultants to have conversations re recruitment at conferences etc. • Introduce a 'refer a friend' scheme with financial incentive for participants. • Introduce a referral system between specialities/wards where if a candidate meets the application threshold but the position is filled, they are recruited through another area rather than being turned away.
Impact sought	<ul style="list-style-type: none"> • Increase recruitment numbers.
Health Board Lead	Annmarie Thomas, Programme Lead for Medical Workforce Utilisation
Progress Update since workshop held on 5.9.19	A) Meeting has taken place to improve tracking of the exit strategies for agency workers to include progress since last update and tracker against recruitment. Also have a vision for this to be presented at

	<p>holding to account meetings with variable pay metrics for medical staffing due to the Urgent Response Group being disbanded.</p> <p>B) Draft paper prepared on Refer A Friend scheme.</p> <p>C) Looking to pick up the issue relating to conference attendance through consultant study leave approval process and Medical Director newsletter.</p>
Estimated Date for Completion	31.01.20
Action Open or Closed	Open

Nursing Agency controls

Control area	2.1 Agency booking process and control
Weakness to overcome	Current controls allow senior sisters on wards to request agency cover without further checks and previous controls requiring Nursing Director signoff for Thornbury bookings have been removed.
Actions required	<ul style="list-style-type: none"> Letter to be sent to agencies addressing the limited access to agency on weekends. Review contracts with agencies to ensure the proper procurement process is being followed. Issue an e-mail to try and stop wards from circumventing the process by booking directly with the agency. Undertake a risk assessment of hours worked after 8pm (Bank Office Close). Tier the availability of shifts to Agency e.g. 12 week roster publication 4-12 weeks only permanent/Bank/Part Time staff can apply for the vacant shift under 4 weeks on contract agency notified. Discussions around block booking agreed when planned WTE not being fulfilled agreement 0-6 weeks authorised by Senior nurse 6-12 weeks authorised by head of nursing 12 weeks+ authorised by Nursing AD and Director. Pilot longer term rostering plans.
Impact sought	<ul style="list-style-type: none"> Reduce use of agency workers.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	Currently working through changes – Letter drafted with legal team for sign off before being sent – contract agencies being reviewed meeting with them – Email sent from nurse directorate around agency booking – currently undergoing bank opening time work – publication of shifts to 12 week long term goal – blocked booking process live from 16 th September.
Progress Update	Letter to Agency's sent – 23/10/2019 attached to email copy of letter Direct booking in GGH not allowed – other hospitals haven't changed Risk assessment still with Nursing to finalise.

	Tier – Trial with Richmond Agency block booking and cover requests ongoing. Block booking ahead with Heads of Nursing in all hospitals. Pilot Long Term Rostering – in line with allocate rollout.
Estimated Date for Completion	Completed
Action Open or Closed	Closed

Control area	2.2 Target reduction in Thornbury Usage
Weakness to overcome	A high number of agency shifts have been fulfilled by Thornbury, which typically charges double other agencies.
Actions required	<ul style="list-style-type: none"> No direct booking to be made with Thornbury, all request will be sent through bank office in hours with authorisation. Authorisation of Thornbury needs to be agreed by Assistant Director or Director of Nursing. On call Executive – provide Thornbury with authorisation list of Executives that can authorise Thornbury spend out of hours. Extend specialist roles to CDU as this would improve cover with bank and contract agency. Review policy on nursing staff returning as agency. Agreed 6 month ban to be managed through bank office with any issues discussed with heads of nursing.
Impact sought	<ul style="list-style-type: none"> Reduce cost of agency.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	<p>CDU specialist role to be confirmed discussions with nursing directorate – Bans live around leavers from HB bank to agency 6 months.</p> <p>Direct booking stopped in Glangwili Hospital only.</p> <p>Large gap in CDU establishment – recruitment drive to support CDU.</p>
Estimated Date for Completion	31 st March 2020
Action Open or Closed	Open

Control area	2.3 Health Care Support Worker (HCSW) agency
Weakness to overcome	There were approximately 100 HSCW shifts worked to Month 3 this financial year, including 15 through Thornbury.
Actions required	<ul style="list-style-type: none"> Develop a mechanism in conjunction with Mental Health Directorate to utilise bank staff. Explore ways to promote bank recruitment for HCSW staff. HCSW agency requests to be approved by Director/Deputy Director of Nursing to discourage agency use. Temporary ban on use of HCSW with Mental Health – discussions around level 4 assessments (action to monitor level 4 assessments).

Impact sought	<ul style="list-style-type: none"> • Reduce use of agency. • Promote use of bank staff.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	Mental Health HCSW need level 4 training – spoken to recruitment team planning intake early 2020 – meantime offer to existing staff.
Progress	<p>Issues with Mental Health Recruitment – new plan for 2020/2021 to ensure HCSW for mental health prioritised for bank and then Level 4 RSI Training.</p> <p>Issue raised around communications – in contact with comms team to look into settings up Facebook page for vacant shifts for HCSW.</p>
Estimated Date for Completion	31 st March 2020
Action Open or Closed	Open

Control area	2.4 Promote bank sign-up/usage
Weakness to overcome	Sign-up of substantive nurse staff is low in comparison to other health providers.
Actions required	<ul style="list-style-type: none"> • Training – linking with nursing. • Advertise internally by writing out to all nurses. • Consider moving from 'opt in' to 'opt out' for all nursing staff. • Explore changes required to the roster system in order to promote bank usage. • Invest to Save scheme with Welsh Government to procure system fit for purpose e.g. Allocate. • Recruitment campaigns managed without WOD team. • Letter to be drafted to all staff who do not currently work overtime and are not on the bank to offer them chance to sign up. • Approach staff to join bank during induction – ensure process is easier for substantive staff – no additional interviews required etc... making it simple to join.
Impact sought	<ul style="list-style-type: none"> • Reduce total agency use/cost.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	Process changed for substantive nursing – now able to get secondary assignment within 72hrs working with recruitment and payroll – business case to support new roster system to improve bank functionality and ease of use.
Progress	Working well and positive feedback from substantive staff.
Estimated Date for Completion	31 st March 2020
Action Open or Closed	Open

Control area	2.5 Overtime/additional hours
Weakness to overcome	Overtime bill is contributing significantly to the total staffing charge.

Actions required	<ul style="list-style-type: none"> • Use the establishment control tool that is in place to extract data relating to staff overtime. • Identify and inspect hot spot areas.
Impact sought	<ul style="list-style-type: none"> • Identify areas where overtime charges are high.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	Overtime breakdown provided weekly to all Senior Operational Managers.
Estimated Date for Completion	31 st March 2020
Action Open or Closed	Closed

Nursing Rostering controls

Control area	3.1 Rostering
Weakness to overcome	Over-establishment identified in wards based on a sample tested.
Actions required	<ul style="list-style-type: none"> • Explore whether it is possible to automate the rostering process. • Tracker to be shared with exec team around continual roll out of E-Roster to all wards. • Task and Finish group to submit / review / authorise all roster changes. • Abstraction tracking to be used to track correct allocation of planned and unplanned activity e.g. peak sickness/annual leave etc. • Key roster issues to be factored into the HTA process. • Guidelines required to ensure managers use the tools/reports available. • Review moving the publication date from 6 weeks to 12 weeks with Assistant Director of Nursing.
Impact sought	<ul style="list-style-type: none"> • Improve rostering efficiency.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	Demand and Capacity meeting to be arranged.
Estimated Date for Completion	Difficult to estimate a date as will run concurrently with the introduction of Allocate.
Action Open or Closed	Open

Control area	3.2 Rostering Policy
Weakness to overcome	Policy was last updated in 2015 and that a revised version has been in draft since mid-2018.
Actions required	<ul style="list-style-type: none"> • Review the rostering policy to ensure that swapping shifts, TOIL etc. is clear.

	<ul style="list-style-type: none"> • Create procedures for booking annual leave/ swapping shifts to support policy. • Look into appendices to support specific staffing groups Nursing/Medic etc.
Impact sought	<ul style="list-style-type: none"> • Improve rostering efficiency.
Health Board Lead	Dan Owen, Senior Workforce Manager – Bank & eRostering
Progress Update since workshop held on 5.9.19	Overarching policy to be reviewed with specific nursing appendix to provide guidance on efficient staffing of wards in line with nursing staffing levels in Wales.
Progress	Nursing Roster Guidance ready to be signed off and will then be complete. Overarching policy for health board in draft.
Estimated Date for Completion	31 st March 2020
Action Open or Closed	Open

General workforce controls

Control area	4.1 Sickness
Weakness to overcome	High sickness absence rate for 18/19 (4.86%) in comparison to other health providers has cost an estimated £12.6m.
Actions required	<ul style="list-style-type: none"> • A formal review of sickness policy is already underway to focus on reducing sickness rates. • Analyse non-ward based sickness levels by directorate and carry out checks on the top 'red' areas. • Review sickness policy to ensure that there is no incentive for staff to take additional sick days i.e. ensure staff are not able to abuse the sickness policy.
Impact sought	<ul style="list-style-type: none"> • Reduce sickness rates. • Reduce cost of sickness absence.
Health Board Lead	Kim Warlow, Head of County Workforce (West)
Progress Update since workshop held on 5.9.19	Focus to be on wellbeing with events being planned for early next year. Training is being rolled out to managers focusing on the compassionate leadership element. HDUHB continues to have the lowest sickness absence rates of the larger Health Boards. Sickness absence data regularly issued to directorates and discussed at holding to account meetings. Sickness absence data regularly reviewed at W&OD Sub-Committee meetings.
Estimated Date for Completion	A range of measures to support a reduction in sickness absence are in place on a rolling basis.
Action Open or Closed	Closed – action plans already in place to address this finding.

Control area	4.2 Staff overpayments
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Weakness to overcome	A weakness in controls over leavers has been identified with 154 instances of staff overpayments paid in 18/19. The current outstanding overpayment balance is £120k.
Actions required	<ul style="list-style-type: none"> • Emphasis to be placed on individuals to inform ESR of their resignation. HR and payroll to be notified automatically when the request is placed by the individual and again when approved by the line manager. • Use Workforce Control Panel (WCP) to map leaver resignation dates and feed the information to HR to improve the speed of recruitment. • Analyse the data of the current overpayments to identify any trends that can be used to prevent future overpayments. • Capture any instances where a line manager agrees a shorter notice period than contracted. • Undertake a review of overpayment policy to identify whether overpayments are being paid back at the appropriate rate. • Explore the benefits of invoicing for overpayments, ensuring that financial help in the form of a payment plan is clearly offered on any invoice requesting payment from an individual.
Impact sought	<ul style="list-style-type: none"> • Claw back overpayments due. • Prevent future leavers from receiving overpayments.
Health Board Lead	Michelle James, Head of Workforce Intelligence
Progress Update since workshop held on 5.9.19	<ul style="list-style-type: none"> • A review of the overpayment policy has been undertaken to ensure overpayments are being paid back at the appropriate rate and over the correct timeframe. Where possible overpayments are repaid within the financial year in which they occur and within a timeframe of not more than 12 calendar months, the amount of overpayment is calculated by NWSSP Employment Services (Payroll). • All instalments payable by staff will be recovered by deduction from salary, for employees that have left the Health Board they will be invoiced by the Finance department and advised that they should repay the amount by forwarding a cheque for the full amount or agree with the Finance Department for a repayment plan. • The main reason for overpayments occurring within the Health Board is the late notification of information i.e. late termination or change of circumstance after the effective date. A task and finish group will be set up to determine how the Health Board can prevent future leavers from receiving overpayments and speed up recruitment, <ul style="list-style-type: none"> a) When the request for termination from the employee is approved by the manager / on completion of the termination form by the manager an automated notification is sent to Recruitment and Payroll.

	<ul style="list-style-type: none"> b) Going live with new functionality in ESR that allows the employee to self terminate in ESR, and automated notification to go to Recruitment and Payroll. c) Workforce Control Panel to map leaver resignation dates. d) Capture any instances where a line manager agrees a shorter notice period than contracted. <p>Details of overpayments in the last 12 months and monthly going forward to be provided by NWSSP.</p>
Estimated Date for Completion	31 st January 2020
Action Open or Closed	Open



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Update on All-Wales Capital Programme - 2019/20 Capital Resource Limit and Capital Financial Management
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Gwybodaeth/For Information

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This update report is presented to the Finance Committee to note the Capital Resource Limit for 2019/20 expenditure allocations and profile, and to note the work being undertaken to manage the financial risks identified.

Cefndir / Background

Further to previous update reports to Finance Committee and the Capital, Estates and Information Management & Technology Sub-Committee (CEIM&TSC), this report provides the latest update on the Capital Resource Limit (CRL) for 2019/20.

Asesiad / Assessment

Capital Resource Limit 2019/20

The CRL for 2019/20 has been issued with the following allocations:

Expenditure	£m
All Wales Capital Programme	29.943
Discretionary Programme	7.271
Balance	37.214

The All Wales Capital Programme (AWCP) schemes being funded in 2019/20 are:

- Bronglais Hospital Magnetic Resonance Imaging (MRI) Scanner
- Women and Children Phase II Scheme, Glangwili Hospital
- Cardigan Integrated Care Centre
- Aberaeron Integrated Care Centre
- Wards 9 and 10 Refurbishment, Withybush Hospital
- Fees for the development of the Cross Hands Integrated Care Centre Business Case
- Imaging Equipment

- Pharmacy Equipment
- Statutory Fire and Estates

Additional funding has been received from Welsh Government (WG) since the previous reporting period. The following items have been approved:-

	2019/20 £m	2020/21 £m
General Room (Prince Phillip Hospital and Withybush)	0.800	
Fluoroscopy Room (Glangwili General Hospital)	1.000	
MRI Scanner (Withybush General Hospital)		2.700
Prescription tracking system	0.0129	
Automated medicines storage	0.0424	

WG has approved the utilisation of Cardigan Scheme underspend/gainshare for Statutory Fire and Estates works.

Discretionary Capital Funding

The following split of the discretionary allocation for 2019/20 has been discussed at the Business Planning and Performance Assurance Committee (BPPAC) in October 2019.

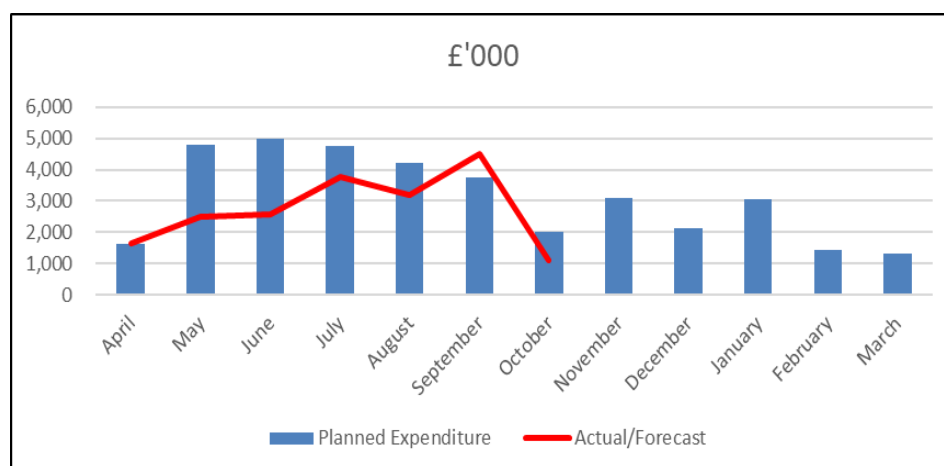
Expenditure	£m	£m
Pre-commitments		2.750
• Withybush Data Centre	0.300	
• Autoclaves	0.500	
• Autoclaves(works)	0.400	
• Penlan Development	0.700	
• Telepath DCX payback	0.444	
• Asbestos W&C payback	0.065	
• W&C provision	0.341	
Equipment		0.533
IM and T		0.667
Estates Infrastructure		0.500
Estates Statutory		0.700
Capital Support		0.173
Business Case Development		0.350
Contingency		0.300
Estates Development		0.760
• Residential Accommodation	0.200	
• Enlli Ward	0.280	
Aseptic Works	0.200	
Llanion House	0.080	
Total Commitments		6.733
Capital Resource Limit Discretionary Capital Programme (DCP)		7.271
Balance available for allocation		0.538

Plus VAT recovery & accruals		0.576
Return of Cross Hands scheme fees		0.165
Cardigan underspend and gain-share		0.576
BGH MRI Sale Receipt		0.023
Total balance available for allocation		1.878

Recommended priorities for the available balance for allocation are as follows:-

Recommended Priorities	2019/20	2020/21
	£m	£m
Pathology, GGH	0.168	0.400
Gorwellion, Aberystwyth	0.210	
RTT capital	0.034	
Business Case Fees	0.120	
Medical Equipment	0.050	
Ophthalmology, North Road	0.075	
Fire Compliance, Withybush Hospital	0.280	
Lifts maintenance Bronglais Hospital	0.040	
Credits for Cleaning	0.300	
Additional Digital	0.080	
Dental Equipment	0.200	
Medical Equipment – Power Tools	0.095	
Car Parking PPH	0.147	
South Pembs Hospital	0.079	
Total	1.878	0.400

The expenditure profile for 2019/20 is shown below:



The variance reported against the planned expenditure profile is mainly attributable to a lower level of expenditure than anticipated on the AWCP Schemes, both on Cardigan and Women and Children's Phase II.

Hywel Dda University Health Board's (HDdUHB's) cost advisors have advised of a scheme underspend of £576k for Cardigan.

The expected scheme slippage for Women & Children's Phase II in 2019/20, based on updated schedules of works provided by the supply chain partner and scrutinised by HDdUHB's cost advisors and signed off by the Project Group, is £3.0m. This re-profiling of expenditure between financial years is due to a delay in the completion of the first phase of works. Significant work has recently been undertaken by the Health Board Project Manager, Cost Advisor and supply chain partner to review sub-contractor forecasts of work packages to be delivered by 31st March 2020 to ensure that the profile of expenditure is robust and realistic. This reduction in expenditure has been reported to WG and has been reflected in an in year adjustment to the CRL.

The discretionary capital profile will continue to be reviewed with Estates, Information Management & Technology (IM&T), and the Deputy Director of Operations.

Expenditure against the £37.214m allocation as at the end of Month 7 was £19.323m. 26.21% of Discretionary Capital Programme allocation and 57.75% of All Wales Capital Allocation has been spent to date.

Financial Risks

During 2019/20, the quarterly reviews of resource usage profiles are being undertaken with the cost advisors on the AWCP schemes and regular updates are being provided for WG and NHS Wales Shared Services Partnership (NWSSP) on scheme progress. This process has identified the financial re-profiling requirement on Women and Children Phase II as a result of the physical resequencing of works.

Interserve update

At the time of preparing this report, there have been no further Cabinet Office updates. The contractor has handed over the Cardigan Scheme and is progressing with the delivery of the Women and Children Phase II. HDdUHB continues to receive regular Dun and Bradstreet (D&B) credit rating reports from NHS Wales Shared Services Partnership (NWSSP) - Specialist Estates Services. In the previous reports issued, the following was reported:

Interserve: Risk Indicators have not changed since the last report, as follows:

- Interserve Construction Ltd : 4 (- previously recorded as 2)

No further updates from the Cabinet Office or NWSSP- Specialist Estates Services.

The Finance Committee, together with the CEIM&TSC, will be provided with any update in the company status.

Project Bank Accounts

In January 2018, WG introduced a policy stipulating that Project Bank Accounts (PBAs) would be used, unless there is a compelling reason not to do so, on all infrastructure contracts and service contracts that are delivered by the WG. This policy was implemented via Welsh Health Circular (2018) 043: NHS Infrastructure Investment guidance using a number of pilot studies to be undertaken to inform NHS processes. It has taken longer than expected to run the pilots as the business cases are still working through the system. In the meantime, Ministers have emphasised the need for implementation of the policy across all relevant NHS infrastructure projects. As a result, all WG construction and infrastructure contracts valued at £2m or more (excluding VAT), which are funded through the AWCP must comply with Project Bank Account policy. This also includes funding through discretionary programmes. PBAs will not be required

for schemes such as equipment replacements or where the associated works costs are below £2m.

PBAs represent best practice in ensuring fair and prompt payment in the supply chain. PBAs are ring-fenced bank accounts with trust status that act solely as a receptacle for transferring funds from the client to the lead contractor and supply chain. Whereas payments normally made direct to the lead contractor are paid onto the supply-chain later, PBAs allow simultaneous payments within 3-5 days from the deposit of money into the PBA to the lead contractor and supply chain partners. This alleviates cash flow pressures, which can have a considerable impact on smaller companies who rely on cash flow to a greater extent than companies above them in a supply chain.

Further guidance is expected from WG on the use of PBAs. Clarification has been received and PBAs will only apply to schemes which are currently under business case development.

Argymhelliad / Recommendation

The Finance Committee is requested to:

- Note the Capital Resource Limit for 2019/20 together with expenditure allocations and profile;
- Note the work being undertaken to manage the financial risks identified.
- Note the information provided on Project Bank Accounts

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	4.5 Provide assurance to the Board that robust arrangements are in place for financial planning, financial performance and financial forecasting. 5.13 Provide assurance to the Board that arrangements for Capital, Estates and IM&T are robust.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Capital priorities included within service risk registers. Risk 624 - Ability to maintain and address backlog maintenance and develop infrastructure to support long term strategic objectives – Current Risk Score 16
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners. 5. Deliver, as a minimum requirement, outcome and delivery framework work targets and specifically eliminate the need for unnecessary travel & waiting times, as well as return the organisation to a sound financial footing over the lifetime of this plan

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	<p>Improve efficiency and quality of services through collaboration with people, communities and partners</p> <p>All business cases for capital investment require alignment to HDdUHB's Well-being Objectives where applicable</p>

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Capital Allocation and prioritisation process. Capital Investment procedure and all relevant Welsh Government guidance.
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	<p>Capital Monitoring Forum</p> <p>Capital Planning Group</p> <p>Individual Project Boards of Capital Schemes</p> <p>Welsh Government Capital Review Meeting</p> <p>Capital, Estates and IM&T Sub-Committee</p>

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Capital values noted within the report. Included within individual business cases and Capital prioritisation process.
Ansawdd / Gofal Claf: Quality / Patient Care:	Included within individual business cases and Capital prioritisation process
Gweithlu: Workforce:	Included within individual business cases and Capital prioritisation process
Risg: Risk:	Risk assessment process is integral to the capital prioritisation process and the management of capital planning within HDdUHB
Cyfreithiol: Legal:	Included within individual business cases and Capital prioritisation process
Enw Da: Reputational:	Included within individual business cases and Capital prioritisation process
Gyfrinachedd: Privacy:	Included within individual business cases and Capital prioritisation process

**Cydraddoldeb:
Equality:**

Equality assessments are included within individual business cases and Capital prioritisation process when required



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Contracts Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Shaun Ayres, Assistant Director of Value Based Contracting

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

This report provides the Finance Committee with the Month 7 current and forecast position in relation to Long Term Agreements (LTAs). The report, attached at Appendix 1, highlights the key drivers of expenditure and activity within the LTAs.

The Committee is asked to note the report and the steps being taken to mitigate the financial risk in the LTAs.

Cefndir / Background

There are significant opportunities to improve the governance around how additional investments are ratified within the LTAs. LTA expenditure is increasing year on year and poses a significant risk to Hywel Dda University Health Board's (HDdUHB) financial control total.

The Finance Committee needs to be fully abreast and sighted on any material changes affecting the increase in external spend and briefed on external contracts.

Asesiad / Assessment

The financial over-performance is predominantly driven within high cost drugs in Swansea Bay University Health Board (SBUHB). However, this is predicated and forecasted on the Quarter 2 high cost drugs data submissions.

For Cardiff and Vale University Health Board (CVUHB) the key drivers remain high cost drugs and Critical Care.

Welsh Health Specialised Services Commission (WHSSC) is financially under-plan, mainly due to the release of reserves. This is a result of schemes which are delayed, have not started yet, and under-performance with English providers

Argymhelliad / Recommendation

The Committee is asked to note the report and the steps being taken to mitigate the financial risk in the LTAs.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	5.5.9 Commissioning regular reviews of key contracts, suppliers and partners to ensure they continue to deliver value for money
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:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Improve Population Health through prevention and early intervention

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Report, attached at Appendix 1
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	This report goes to Finance Committee and Business, Planning and Performance Assurance Committee (BPPAC).

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	The year to date financial over performance is £437k

Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Included within the report
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Possible impact upon relationship with Swansea Bay University Health Board (SBUHB) and Cardiff and Vale University Health Board (CVUHB)
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable

Staff and Resources – NHS external providers – direct patient care

Lead Committee: IPAC

Executive Lead: Huw Thomas

Senior Responsible Officer: Shaun Ayres

Latest data

Month 7 - Current and Forecast Position – Financial Position – All Providers

Direct Patient Care Summary	Annual Budget £'000	M7 YTD Budget £'000	YTD Expenditure £'000	YTD Variance £'000
Swansea Bay	33,004	19,252	19,582	329
Cardiff & Vale	5,293	3,087	3,293	206
WHSSC - Specialised Services	71,939	41,964	41,567	(397)
WHSSC - EASC	22,596	13,181	13,181	0
Aneurin Bevan	266	155	163	8
Betsi Cadwaladr	271	158	133	(25)
Cwm Taf	451	263	281	18
Powys	182	106	108	2
Velindre	964	562	533	(29)
Welsh Ambulance	1,080	630	630	(0)
Public Health Wales	60	35	35	0
Other UK NHS Trusts	930	543	668	125
NCA	812	474	563	89
IPC	650	379	491	112
TOTAL - Direct Patient Care	138,499	80,791	81,228	437

Swansea Bay:

- The Activity as at Month 6 is below plan to the sum of £89,111, £62,378 after the marginal rate is applied
- The key driver of over-performance is within High Cost Drugs, although M7 has seen an improvement compared to the first 6 months of the year
- Swansea Bay is still forecasted to be the highest contract overspend in 19/20

Cardiff and the Vale:

- The biggest driver YTD is a Pembrokeshire Adult Critical Care case.

- HIV activity is above the YTD plan, this run rate is forecasted to continue for the remainder of 19/20
- High Cost Drugs are 29.5% over spent above plan
- Haematology day Cases above plan by 2,650%, (urgent escalation meeting requested)

Welsh Health Specialist Services Committee

- The HRG4+ impact for English activity YTD has not materialised to the expected quantum. This combined with the release of WHSSC reserves has led to the financial underperformance within the contract.
- Analysing the forecast position this includes £473k of Non-Recurrent reserve releases related to 18/19
- £324k is related to slippage from developments
- Excluding the reserves and developments this almost translates as forecasting breakeven year end for HDdUHB across the main portfolio of services. This is with a forecast £174k overspend at Welsh providers balanced off by a £175k underspend from out of area Mental Health services. All other areas are broadly breakeven cumulatively

Table A : Current and Forecast Position: Activity (to Month 06 2019/20)

Organisation	Agreed Activity	Activity to Month 6	Actual Activity	Variance
Swansea Bay				
Elective Inpatients	1,316	658	535	(123)
Emergency Inpatients	3,116	1,558	1,594	36
<i>Total Inpatients</i>	<i>4,432</i>	<i>2,216</i>	<i>2,129</i>	<i>(87)</i>
Day Cases	2,035	1,018	1,046	29
Regular Day Attendances	1,123	562	384	(178)
Outpatient Procedures	2,340	1,170	1,516	346
Total Outpatients	28,738	14,369	11,627	(2,742)
<i>Other</i>	<i>25,306</i>	<i>12,652</i>	<i>12,813</i>	<i>161</i>
Total Activity	62,073	31,036	28,551	(2,485)

Cardiff & the Vale				
Elective Inpatients	348	174	134	(40)
Emergency Inpatients	324	162	143	(19)
<i>Total Inpatients</i>	672	336	277	(59)
Day Cases	300	150	46	(118)
Regular Day Attendances	48	24	246	222
New Outpatients	1,152	576	499	(77)
Follow Up Outpatients	3,864	1,932	1,739	(193)
Outpatient Procedures	168	84	60	(24)
Total Outpatients	5,184	2,592	2,298	(294)
Orthopaedics	255	128	89	(39)
Mental Health Daycare	36	18		(18)
Mental Health Beddays			122	122
Total Activity	6,495	3,248	2,956	(306)
Follow Up Outpatients	195	98	105	8
Outpatient Procedures	66	33	23	(10)
Total Activity	770	385	363	(22)

Welsh Health Specialised Services Commission (WHSSC) and Emergency Ambulance Services Committee (EASC)

WHSSC and EASC Long Term Agreements (LTA) are agreed through the all Wales lead commissioner process. The change in the risk share agreement has been enacted in 2019/20. The risk share is financially volatile, due to the range of specialist services commissioned on behalf of the Health Boards in Wales.

For the purposes of forecasting the Health Care Contracting team is using the information provided by WHSSC as the basis as using an internal model in 2018/19 resulted in a significant adverse variance at year end. The Contracting Team are working closer with Welsh Health Specialised Services Commission to try understand and pre-empt any additional swings in the performance of specialised contracts managed by WHSSC.

What are the challenges?

- The information contained within this report is based upon Month 6

2019/20 for activity and Month 7 for the financial position. The LTA Activity is currently showing an underperformance but given some budget shortfalls and additional requirements for NICE or High Cost Drugs, there is a current year-end forecast deficit position of £0.976 m at September 2019.

- The 2019/20 LTAs were agreed in line with the Welsh Government target date of 31st May 2019. All Welsh LTAs have been uplifted by to 2% for inflation but an additional 1% uplift for 'A Healthier Wales' has been included within the financial quantum, but the application of this additional funding is to be agreed based on the Provider's ability to demonstrate a positive impact for the relevant commissioner population.

What is being done?

- Regular communications with WHSSC to understand the potential future impact of the Risk Sharing Arrangements for the services managed on the Health Board's behalf;
- Regular LTA meetings with Providers to review activity, resolve any capacity or service issues and to develop better working relationships;
- More detailed analysis of the NICE/High Cost Drug costs at Swansea Bay, Cardiff & Vale and Velindre.
- Greater liaison with the Referral Management Centre in respect of Individual Patient Funding Requests.
- Validation of LTA performance activity and Non Commissioned Activity (NCA) invoices backing information to identify and challenge inappropriate charges.

When can we expect improvement and by how much?

Direct patient care is closely monitored by both the Health Board and the providers under the LTA contract mechanisms, which regulate costs and service developments. In order to achieve any significant reductions in costs over and above what has already been achieved, there needs to be a significant reduction in referrals to out of area providers. To deliver this, a fundamental review of the referral processes is needed in collaboration with the Referral Management Centre, Primary and Secondary Care Clinicians.



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PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Efficiency Opportunities – Finance Delivery Unit (FDU) Efficiency Framework
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

At the previous Finance Committee meeting, the Committee requested information on how Hywel Dda university Health Board (HDdUHB) was using information and analysis provided by the Finance Delivery Unit (FDU) to improve financial performance. This report sets out the ways in which the analysis has been used to shape the financial strategy.

Cefndir / Background

As noted in previous reports, the finance department has been working with the FDU and the NHS Benchmarking Network to identify opportunities to improve the financial performance of HDdUHB. Previous reports to the Committee have noted the areas suggested through reviewing the detailed NHS Benchmarking comparisons, some of which have been worked up into service change proposals. Work is currently underway to submit data to the NHS Benchmarking Network as part of the current year's programme, with initial outputs anticipated to be released commencing December 2019.

In respect of FDU analysis, the Committee has previously noted the four main areas of analysis under the Efficiency Framework, namely:

- Population Health
- Technical Efficiency
- Whole Systems Intelligence
- Shared Opportunities

There are currently 31 separate areas of analysis, with 27 of these previously reported to Committee. 2018/19 data is not yet available at an all-Wales level. It is anticipated that as soon as final costing returns are submitted by Health Boards, updated comparisons are likely to be constructed and published. This report sets out the key areas of potential improvement identified by the FDU and a commentary on their likelihood of delivery.

Asesiad / Assessment

Comparative data produced by the FDU is based on raw population, i.e. it is not weighted for age, sex, morbidity and prevalence of illness, deprivation or other factors that determine population health. Consequently, a high degree of caution must be used in interpreting all-Wales financial data to prevent misleading or incorrect conclusions being drawn. Recognising this, the FDU has agreed to undertake a pilot process of analysing expenditure using more in-depth measures, such as locality specific data, age / sex, and prevalence.

In addition, the FDU has undertaken Wales-specific benchmarking, most recently examining continuing health care and funded nursing care. This benchmarking is still being validated with a final product yet to be published. However, the process has yielded some important insights into the management of patients with continuing healthcare needs and service managers are progressing refinements to service delivery.

The identified areas where performance is below the average of other Welsh health boards is mainly focussed on:

Programme budgeting

- Expenditure on cancers and tumours is approximately £9.5m higher than the average spend when considering per head of population. This is, however, a factor of the older than average population within HDdUHB where higher rates of cancer are to be expected. Further detailed analysis of this has recently been undertaken in conjunction with KPMG to understand the key reasons why this expenditure is higher and was explained by the fact that 18% more residents are aged over 65, and 20% more residents are aged over 85.
- Musculoskeletal problems also show a higher than average spend, which again is likely to be driven by an older population
- "Other" expenditure shows significantly higher than average expenditure; this is mainly due to higher than average costs of provision of primary care services, such as General Medical Services (GMS) and Community Pharmacy provision.

Technical efficiency – non-elective length of stay

- Major hip procedures – longer than average duration, which is driven by the older population. Over 85s typically have a 1 – 1.5 day additional stay in hospital to aid recovery after major hip surgery.
- Trauma & Orthopaedic – 1.3 day longer stay than the average of other Welsh Health Board performance (this and the line above may be explained by the fact that rehabilitation figures are not reported separately)
- Respiratory disorders – longer duration length of stay than peer group. This is an area that requires further investigation.

Technical efficiency – elective length of stay / admitted on day of procedure / day surgery

- Longer than average length of stay in Cardiology and Ophthalmology
- Lower than average admissions on day of procedure in Gynaecology and Urology
- Lower than average rates of day case procedures for Breast Surgery
- The above will be included in the planning process for 2020/21.

Delayed discharges

- Higher than average number and duration of delayed discharge for Stroke and Myocardial Infarction. These will be included in the planning process for 2020/21.

Ward based nursing

- Significantly higher than average nurse and Health Care Support Worker (HCSW) vacancies. This is a longstanding issue that continues to be a prime focus for Human Resources (HR) and Organisational Development (OD), both in respect of recruitment and retention.

Estates and facilities management

- Higher than average energy consumption and other Facilities Management costs. This has previously been reviewed by the estates team, and is largely attributed to an older-than-average estate.

Medicines management

- Reductions in prescribed quantities of long acting insulin versus intermediate/long acting insulin

Mental health

- Significantly higher than average number of psychiatrists per acute bed
- Significantly higher than average bed day cost per acute bed, mainly due to high psychiatrist costs
- The most recent benchmarking data has been received by HDdUHB. The first issue has been revealed to be an erroneous submission in previous benchmarking returns. The issue relating to higher than average bed day costs is also apparent in the 2019 data and will be pursued during the 2020/21 planning process.

In summary, the planning process for 202/21 and beyond is open and opportunities from the wide range of financial business intelligence resources have not been attributed to their original sources. The data provided by the FDU has been rigorously assessed and, where there are clear opportunities present, these have been communicated to finance business partnering teams as part of the ongoing financial support to each service area. There is no specific timetable or project plan for implementation as many of the opportunities have already been implemented.

Further costing and data is being produced by all Welsh Health Boards as part of the annual costing cycle. Once submissions have been made to Welsh Government and the FDU, there may be further insights into areas of opportunity for HDdUHB to pursue over the coming months.

Argymhelliad / Recommendation

The Finance Committee is asked to

- discuss these proposed savings opportunities and promote their onward cascade throughout HDdUHB;
- note that there is a significant amount of work underway across HDdUHB to improve the financial and business intelligence capabilities.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:
Cyfeirnod Cylch Gorchwyl y
Pwyllgor:

Not Applicable

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):	7. Staff and Resources
Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Improve efficiency and quality of services through collaboration with people, communities and partners

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	FDU Efficiency Framework
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Not Applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct financial impact
Ansawdd / Gofal Claf: Quality / Patient Care:	No direct quality / patient care impact
Gweithlu: Workforce:	No direct workforce impact
Risg: Risk:	Through identifying and pursuing efficiency opportunities, this enhances the health board's ability to sustain services operationally and financially
Cyfreithiol: Legal:	No direct legal impacts
Enw Da: Reputational:	By demonstrating the willingness to improve service delivery and financial sustainability, this report seeks to enhance the health board's reputation as being prudently and efficiently run
Gyfrinachedd: Privacy:	No direct privacy impacts
Cydraddoldeb: Equality:	No direct equality impacts



CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	28 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Winter Preparedness 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Joe Teape, Director of Operations/Deputy Chief Executive
SWYDDOG ADRODD: REPORTING OFFICER:	Alison Bishop, Unscheduled Care Lead

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report provides the Board with details of winter preparations for the upcoming period of seasonal high demand expected to impact the local unscheduled care system. The winter plan itself, included as an attachment, provides details of the planning and associated actions to be deployed, whilst this report offers a general synopsis and overview of the intentions of the key components of the unscheduled care system.

The planning process has been driven from the perspective of maintaining safety, quality and continuity of care for Hywel Dda University Health Board's (HDdUHB's) patients through the most consistently challenging period in the NHS calendar.

Given that HDdUHB, with its Local Authority partners and Welsh Ambulance Services NHS Trust (WAST) have co-produced the plan, the plan was endorsed at the Integrated Executive Group Meeting which includes Directors of Social Services from all three Local Authorities, and those schemes agreed to be progressed via regional funding have been endorsed by the Regional Partnership Board.

Cefndir / Background

Winter Planning Process

The UHB commenced its preparations for winter in July 2019, following the Welsh Government Winter Planning Event on 25th June 2019 and in preparation for the first Winter Resilience Summit meeting between Welsh Government and HDdUHB held on 13th August 2019.

Targeted Financial Support from Welsh Government

In September 2019, Welsh Government (WG) confirmed the winter funding package to support delivery of health and social care services. In contrast to last year, this year the funding has been allocated to both Health Boards and Regional Partnership Boards (RPBs), with RPBs being identified as a key vehicle to support the integrated planning and delivery; as such, £17m of the funding package has been allocated across Wales. The West Wales RPB received a total allocation of £2.062m. Plans for the RPB element are required to demonstrate collaborative approaches to ease pressure on the system. These must be informed by

integrated, regional planning across health and social care services to support delivery of the Quadruple Aim. They must align with Health Board plans, reflect official guidance issued by Welsh Government and address the following seven themes:

- Optimising cross-organisational and sector working to support resilience
- Urgent primary care/out of hours resilience
- Preventing unnecessary conveyance and admission to hospital
- Discharge to assess/recover (D2AR)
- Community step down capacity
- An enhanced focus on the respiratory pathway
- An enhanced focus on the frailty pathway

Health Boards across Wales received a total funding package of £10m, of which the HDdUHB allocation is £1.213m. HDdUHB has also allocated £1m recurrently, to support new/additional initiatives across the acute sites. The total HDdUHB funding support for winter in our direct control is therefore **£2.213m**, of which £1m has been allocated recurrently and £1.213m on a non-recurrent basis.

In addition, there is the opportunity to bid for specific primary care schemes over and above the funding outlined above and WG continue to fund British Red Cross and Care and Repair initiatives at our acute hospitals.

Governance

The governance arrangements supporting the winter resilience plan set out how the effectiveness of plans will be monitored and reviewed throughout the winter period.

The draft plan and any additional costs have been discussed at the following meetings and the plan amended as a result:

- Finance Committee – 21st October 2019
- Executive Team – 6th November 2019
- Integrated Executive Group– for approval 11th November 2019
- Regional Partnership Board – final approval 14th November 2019
- Hywel Dda University Health Board – final approval - 28th November 2019

The result of this approach is a more streamlined plan, with weekly monitoring of the benefits and spend being undertaken during weekly winter conference calls with all partners.

Asesiad / Assessment

The process of planning for winter uses the same methodology as last year with an analysis of bed demand and capacity outturn positions for winter 2018/19. This approach focuses on the acute and community actions and initiatives best placed to close this gap. The bed gap consists of surge beds plus medical patients on surgical wards (outliers) plus patients lodging overnight in Emergency Departments (EDs) or Minor Injury Units (MIUs). This overall gap equates to 158 beds which need to be accommodated if we are to safely navigate through winter 2019/20.

Bed Capacity

Taking the 158 medical bed deficit opening position, and adjusting for known changes since last year, as well as allowing for tolerable whilst largely unavoidable capacity impacts arising from emergency department lodgings and general outlying; both without significant

detriment to clinical safety or patient experience, produces an overall bed deficit of 155 medical beds which needs to be addressed with winter actions to give assurance that the UHB has a plan to safely navigate through winter 2019/20.

Applying the impact of acute and community actions planned for 2019/20, including the opening of surge beds, this accounts for expected equivalent bed gains of 146 which would mitigate this gap and result in a final bed deficit of **9** medical beds. It is proposed that this residual gap of -9 beds, which is the same bed gap that the UHB faced going into last winter, is within a reasonable level of tolerance.

UHB Funded Actions

The initiatives within the winter plan are focused on actions that had a proven benefit in previous years or new/additional initiatives supporting patient flow across the acute sites.

The key actions are:-

- Extending the Geriatric review of care home patients to other care homes in Carmarthenshire
- Implementation of an ED streaming system at Withybush General Hospital
- Rotation of ED & Community Advanced Nurse Practitioners to work at the 'front door' to manage patients with long term conditions
- Extension of the British Red Cross 'Home from Hospital' service at Glangwili and Withybush General Hospitals
- Extension of the 'Care & Repair' service at Glangwili and implementation of a new service at Withybush General Hospital
- Extension of the Flu Point of Care testing
- Additional support to provide 7 day working e.g. additional therapy, medical, phlebotomy and support staff, additional discharge vehicles
- Additional daily 'hot clinics', both in and out of hours
- Increased opening hours for Minor Injury Units
- Additional surge capacity at peak periods

The costs of these actions is summarised below:-

University Health Board Winter Allocation	Recurrent full year	Winter
UHB recurrent allocation	£ 1,000,000	£ 1,000,000
WG allocation		£ 1,213,000
Total	£ 1,000,000	£ 2,213,000

Funded Actions		
Corporate	£ 301,644	£ 299,604
Bronglais	£ -	£ 422,225
Glangwili	£ 209,898	£ 698,527
Prince Philip	£ 100,185	£ 648,345
Withybush	£ 408,332	£ 460,866
Total	£ 1,020,059	£ 2,529,567
Variance	-£20,059	-£316,567

It should be noted that, of the £2,529,567 of local schemes, circa £0.9m relates to planned bed closures that will be delayed until April 2020. This will need to be carefully monitored over the winter period as, if these beds cannot be closed in 2020/21, this will be a recurring pressure.

Whilst the local schemes are currently showing a potential over-allocation of £316,567, the service areas are working with finance business partners to forecast their predicted spend over the winter period. In addition, due to delays in commencing the schemes and the ability to obtain locum/agency staff, there will already be slippage in October 2019. This will be monitored during the weekly conference calls that have already commenced.

Recurrent Investments

In addition to the above, our current planning has allocated £1m recurrently, to support new/additional initiatives across the acute sites. These are all subject to approval (and business cases where required). Whilst these are included above for the winter period, they have a recurrent cost and are summarised below:

- Additional therapy support at Glangwili, Prince Philip and Withybush Hospitals
- Additional pharmacy support at the 'front door' at all 4 sites
- Continuation and expansion of the Home Support Team at Withybush General Hospital to facilitate discharge
- New co-ordinator for the treat and repatriate Acute Coronary Syndrome (ACS) service that was piloted last winter

RPB Allocation £2.062m

In addition to the locally funded actions outlined above, the Integrated Executive Group agreed to a split of the regional allocation across counties on a population basis, resulting in the following local allocations:

- | | |
|-------------------------|----------|
| • Carmarthenshire (48%) | £989,760 |
| • Ceredigion (20%) | £412,400 |
| • Pembrokeshire (32%) | £659,840 |

The initiatives within the integrated winter plan are focused on actions that have had a proven benefit in previous years or new/additional initiatives supporting patient flow across community and social care services which will impact positively on patient flow at the acute sites.

The key actions are:

- Advanced care planning & Stay Well planning support to care homes
- Local commissioning for implementation of the 4 Discharge to Recover and Assess Pathways, including bridging service & Community Care Beds
- Establish a Chronic Obstructive Pulmonary Disease (COPD) pathway to improve self-management
- Dedicated Acute Response Team resource to support GP Out of Hours (OOH) services for palliative care patients, avoiding unnecessary conveyances to hospital
- Purchase of additional community equipment and leasing of vehicle to ensure delivery
- Extending evening and weekend opening hours of Porth Gofal (single point of contact) in Ceredigion
- Provision of planned weekend day centre support in Ceredigion
- Community mental health service crisis response service in Carmarthenshire
- Extending third sector support to palliative care patients
- Appoint housing officers to attend daily Board Rounds in acute and community hospitals

- Additional therapist hours to support enhanced Transfer of Care Advice & Liaison Service (TOCALs) cover across Carmarthenshire
- New admin flow coordinator to improve flow through the community hospital beds in Pembrokeshire

The costs of these actions is summarised below:

Regional Funding					
WG allocation	Carms	Ceredigion	Pembs	Corporate	Total
	£989,760	£412,400	£659,840	£0	£2,062,000
Funded Actions	£1,317,000	£423,335	£660,700	£45,000	£2,446,035
Variance	-£327,240	-£10,935	-£860	-£45,000	-£384,035

The regional plan is currently over committed by £384,035. This will be monitored on a regular basis; there is a high level of confidence that the deficit will be met through slippage.

Argymhelliad / Recommendation

The Board is asked to:

- Note the extent of preparations and planning undertaken ahead of winter 2019/20 and the position from which the unscheduled care service will enter winter;
- Note the content of the winter resilience plan;
- Take assurance from the measures the service has designed into its plan to tackle the pressures expected to impact through the period; and
- Approve the winter plan and allocation of funding and associated costs, as set out in this report.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Corporate Risk 629
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	3.1 Safe and Clinically Effective Care 3.3 Quality Improvement, Research and Innovation 5.1 Timely Access 6. Individual care
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners. 5. Deliver, as a minimum requirement, outcome and delivery framework work targets and specifically eliminate the need for unnecessary travel & waiting times, as well as return the organisation to a sound financial footing over the lifetime of this plan

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Support people to live active, happy and healthy lives Improve efficiency and quality of services through collaboration with people, communities and partners
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Welsh Government Winter Planning directives
Rhestr Termiau: Glossary of Terms:	Within the document
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Finance Committee Executive Team Integrated Executive Team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	There will be significant financial costs associated with winter planning, these are currently being evaluated and a decision on tactical investment will need to be considered by the Executive Team
Ansawdd / Gofal Claf: Quality / Patient Care:	Robust winter plans will ensure patient care continues to be provided throughout the winter period.
Gweithlu: Workforce:	Use of agency resources to mitigate internal human resource capacity limitations details are contained within the winter plans.
Risg: Risk:	<p>The winter period presents heightened risk to the UHB with increased demand across the unscheduled care system. The risk issues associated with the unscheduled care system and across winter are recorded on existing risk registers.</p> <p>Due to bed reconfigurations and overspends on the acute sites some of the escalation capacity opened during 2018/19 will not be available for this year and this remains a significant risk at this point.</p>
Cyfreithiol: Legal:	N/A
Enw Da: Reputational:	There could be significant reputational risks for the UHB and partners in the event of major incident.
Gyfrinachedd: Privacy:	N/A
Cydraddoldeb: Equality:	Bespoke winter plans are in place for the three counties which reflect the needs of the population within each of these counties.

INTEGRATED WINTER RESILIENCE PLAN

2019/20



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Ymddiriedolaeth GIG
Gwasanaethau Ambiwlans Cymru
Welsh Ambulance Services
NHS Trust



GIG
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NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

INTEGRATED WINTER RESILIENCE PLAN 2019/20

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INTEGRATED WINTER RESILIENCE PLAN 2019/20

1. Introduction

This plan has been produced collaboratively with our Local Authority, Primary Care, Public Health and Welsh Ambulance Services NHS Trust (WAST) partners with the aim of articulating our winter preparations for 2019/20 in order that our local citizens' health care expectations and associated outcomes can be optimised during the forthcoming period of expected highest demand. This plan for winter 2019/20 focuses on the period 1st October 2019 through to 31st March 2020.

The University Health Board's (UHB) winter plan will focus on the additionality factor that was applied in previous years and rationalises the initiatives within a manageable cohort of themes centred on two aspects, namely reducing demand to a minimum and managing resultant demand effectively.

2. Partnership and Governance Arrangements

In line with guidance provided by Welsh Government and the UHB's Unscheduled Care Programme Meeting, the winter plan has been designed and prepared collaboratively with Local Authority, Mental Health, Primary Care, Public Health, WAST, and GP Out of Hours (OOH).

This plan will be approved in partnership with Local Authority partners through the Integrated Executive Group, and also requires approval from the Chair of the Regional Partnership Board and Hywel Dda University Health Board.

INTEGRATED WINTER RESILIENCE PLAN 2019/20

Governance Arrangements			
Responsible executive officer for winter resilience planning	Local Health Board Executive	Local Authority Executives	Welsh Ambulance Services NHS Trust Executive
	<p>Joe Teape Deputy Chief Executive Officer</p> <p>Andrew Carruthers Director of Operations (w.e.f 2nd December 2019)</p>	<p><u>Pembrokeshire</u> Jonathan Griffiths Director of Social Services & Leisure</p> <p><u>Carmarthenshire</u> Jake Morgan Director of Community Services</p> <p><u>Ceredigion</u> Carys James Director for Care & Protection & Lifestyle</p>	<p>Lee Brooks Director of Operations</p>
Winter resilience planning:	<ul style="list-style-type: none"> • Welsh Government Winter Planning Event 25th June 2019 • Welsh Government Winter Summit Meeting 13th August 2019 • Winter Resilience Steering Group monthly meetings commencing 10th July 2019 • Finance Committee – 21st October 2019 • Executive Team – 6th November 2019 & 13th November 2019 • Integrated Executive Group– for approval 11th November 2019 • Regional Partnership Board – final approval 14th November 2019 • Hywel Dda University Health Board – final approval - 28th November 2019 		

3. The Population and Health Perspective

The focus of the last 3 year's winter resilience plans has been to deliver additional actions in support of 'business as usual' activities during the winter period, as evidence shows that this was when demand on the unscheduled care services was at its greatest.

The local perspective is one of increasing demand and insufficient capacity across primary, secondary, social and residential care. Added to this, winter brings its own additional challenges including those arising from weather influences. In recent years, these pressures have tended to push out beyond the period generally acknowledged as winter and our elective care ambitions add further to the overall challenge. That said, the priority for winter is to maintain a safe and quality centred unscheduled care service for our patients whilst remaining within our financial means.

These challenges are described in the following specific paragraphs:

3.1. GP Out of Hours Services

The Out of Hours Service is responsible for providing access to Urgent Primary Care clinicians between 18:30 and 08:00 hours daily and 24 hours at weekends. The service, traditionally staffed by experienced General Practitioners, currently operates from 5 bases located across the Health Board. These are:

1. Bronglais General Hospital
2. Llandysul GP surgery
3. Withybush General Hospital
4. Glangwili General Hospital
5. Prince Philip Hospital

The Out of Hours (OOH) service continues to experience variable staffing positions, which result in frequent reductions in front line service provision. In order to provide a robust service during the winter, it is likely that changes will need to continue be made on an ongoing basis to centre opening times due to shortage of capacity to fill all shifts. An operational plan is in place to manage this on an ongoing basis. Specifically the Prince Philip Hospital's Minor Injury Unit will continue to support treatment centre activity for Llanelli patients and where needed GPs will be re-located between centres in order to provide maximum resilience and peer support. All staff, supported by the Advanced Paramedic Practitioner (APP), would also be expected to support with wider Health Board demand where it occurs, acknowledging the need to embrace cross-county collaboration by the eradication of county boundaries.

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Additional measures are being put in place to support the service:

Measure	Benefit
Advice GP	Support the wider HB operation by increasing GP advice capacity
Introduction of Shift Lead GP	To assist with patient flow and allocation/ direction of available resources
Dedicated nurse response car	To support the OOH position and the existing ART caseload by providing dedicate response for OOH referrals- Catheters, verification of death and availability for palliative care calls are essential roles- with cross-border cooperation
Increase in APP rota	Increase APP by 24 hours over weekend hours
Home working GPs	To supplement the advice GP rota by operating from home at times of acute service pressure / escalation etc.

3.2. Bed Capacity

The process of planning for winter 2018/19 commenced with an analysis of bed demand and capacity outturn positions for winter 2017/18. This was a new approach to identifying the bed gap and allowed the acute and community to focus actions on those initiatives best placed to close this gap.

This methodology has been utilised again with the bed gap has been derived empirically from the actual January to March 2019 position. The gap consists of surge beds plus medical patients on surgical wards plus patients lodging overnight in Accident and Emergency Departments or MIUs. The overall gap equates to 158 beds.

Taking this 158 medical bed deficit opening position, some allowance has been made for what is considered tolerable but largely unavoidable capacity impacts arising from emergency department lodgings and general outlying; both without significant detriment to clinical safety or patient experience. (49 beds have been assumed in the plan to be utilised again this winter).

The analysis then assumes that medical bed closures (mainly reductions in surge beds and outliers) already achieved through improvement actions can be maintained over the winter period. (18 beds have been assumed in the plan to be utilised again this winter)

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Applying this logic, the table below illustrates the opening position and the in-year adjustments that impact either positively or negatively:

2019/20 Winter Gap (Bed Equivalent)	Bronglais Hospital	Glangwili Hospital	Prince Philip Hospital	Withybush Hospital	Health Board
Last Year's Gap	-32	-48	-14	-64	-158
Current Tolerance for ED lodgers	7	10	0	8	25
Current Tolerance for outliers (i.e. no impact on electives)	8	5	1	10	24
Flow Improvements in 2019	1	0	3	14	18
Lost Capacity in 2019	0	-5	0	-16	-21
Further bed closures included in savings plans	-14	-8	-21	0	-43
Total Winter Gap	-30	-46	-31	-48	-155

The adjustments produce a bed deficit of 155 medical beds and applying the impacts of tactical improvements from the actions within this winter plan reduces the deficit to 9.

2018/9 Winter Planning Actions	Bronglais Hospital	Glangwili Hospital	Prince Philip Hospital	Withybush Hospital	Health Board
Total Winter Gap	-18	-26	-14	-15	-73
Corporate Schemes	3	5	3	3	14
Community Flow Improvements	6	5	3	11	25
Acute Flow Improvements	3	9	5	18	35
Acute Bed Capacity	18	27	22	5	72
Total Winter Plan	30	46	33	37	146
Residual Gap	0	0	2	-11	-9

It is proposed that the residual gap of 9 beds is within a reasonable enough level of tolerance that it can be absorbed through the benefit of schemes that have not been assigned a bed capacity improvement, coupled with further efficiency improvement work particularly in Withybush Hospital which shows a predicted 11 bed shortfall. This is an approach adopted in previous years.

4. 2019 /20 Tactical Actions (Appendix A)

The tactical actions aimed at reducing the equivalent bed gap are listed in the winter plan on a page included at Appendix A.

4.1. Targeted Financial Support from Welsh Government

In September 2019 Welsh Government (WG) confirmed the winter funding package to support delivery of health and social care services. In contrast to last year, this year the funding has been allocated to Health Boards and Regional Partnership Boards (RPBs), with RPBs being identified as a key vehicle to support the integrated planning and delivery, as such £17m of the funding package has been allocated across Wales. The West Wales RPB received a total of £2.062m. Plans for the RPB element are required to demonstrate collaborative approaches to ease pressure on the system. These must be informed by integrated, regional planning across health and social care services to support delivery of the Quadruple Aim. They must align with Health Board plans, reflect official guidance issued by Welsh Government and address the following seven themes:

- Optimising cross-organisational and sector working to support resilience
- Urgent primary care/ out of hours resilience
- Preventing unnecessary conveyance and admission to hospital
- Discharge to assess/ recover (D2AR)
Community step down capacity
- An enhanced focus on the respiratory pathway
- An enhanced focus on the frailty pathway

4.2. Recurrent Initiatives

As part of the budget setting process, HDdUHB has allocated £1m recurrent funding to support new or additional initiatives during the winter period and to ensure that these key actions can continue on a sustainable basis.

Previously, any actions have been funded on a non-recurrent basis through the additional winter monies provided by Welsh Government and scaled up over the winter period of October to March and then scaled down again in April. However, the pressures on the unscheduled care system that these actions seek to address, are now present throughout the year and, as such, the initiatives need to form part of our core services.

The recurrent funds of £1m have been allocated to a small number of schemes that will deliver the biggest impact across the acute sites to help alleviate the continued additional pressure on the unscheduled care system. These schemes are:

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- Pharmacy at the Front Door

From January to March 2019 WG provided a small amount of additional funding to undertake a number of pilots to provide pharmacy cover in Emergency Departments (ED). There were a number of benefits demonstrated by these pilots including improved patient flow and preventing harm. Currently within HDdUHB there is limited cover for ED, whilst some ad hoc cover is provided during extreme pressures this funding would provide cover across all 4 sites on a permanent basis, extended weekend opening hours and support the wider roll out of Medicines Transcribing and Electronic Discharge (MTeD)

- Additional Therapy Support

Over the last 2 winters, the acute sites have sought to address the gap in therapy services by utilising locums and/or HDdUHB staff on an ad hoc basis to provide additional support to the EDs to avoid admissions or to the acute wards to facilitate discharge at weekends. Securing this support in this way has been problematic and costly where locums have been able to be secured. This recurrent funding will allow substantive recruitment of additional occupational therapists and physiotherapists across Glangwili, Prince Philip and Withybush Hospitals. These therapist posts will be pivotal in improving care and the reducing the length of stay.

- Home Support Team

This home support service, currently in place across Orthopaedics and General Surgery at Withybush Hospital, bridges the gap between acute and community and reducing the average length of stay, particularly for those having suffered a fractured hip. The proposed scheme is to extend this service across the general medical and stroke wards. The service would operate 7 days a week, providing direct care and support for up to 2 weeks following discharge. This will assist patients to return home in a more timely way which will, in turn, improve flow through the hospital reducing waits for inpatient beds as well as supporting earlier assessment and commencement of treatment. Patient & staff feedback of the existing home support service has been extremely encouraging with several examples of positive patient feedback having been received.

- Acute Coronary Syndrome (ACS) Treat & Repatriate Coordinator

As part of the winter plan in 2018/19, 6 beds were reconfigured at Prince Philip Hospital to provide a treat and repatriate service for ACS cardiac patients from Bronglais and Withybush Hospitals awaiting treatment at Morriston Hospital. The aim of this service is to avoid unnecessary delays whilst awaiting transfer and to facilitate improved patient flow on the acute sites. This service has continued to be provided and to ensure continued delivery of efficient service, a Band 8a ACS Treat & Repatriate ANP/Coordinator is being sought along with some additional medical cover. The ANP element of this role will support the on-going clinical management of patients using this service, whilst the coordinator element will provide leadership and liaison in terms of necessary processes and communication between sites within the Health Board and with Morriston Cardiac Centre. Combined, both elements of the role will build on the successes of the service to date and further reduce length of stay.

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- Glangwili Front Door Support

In order to facilitate patient flow and avoid unnecessary admission or increased length of stay an additional band 3 frailty Support Worker and an additional band 2 Porter are being sought for the Clinical Decisions Unit/Emergency Department at Glangwili Hospital. These posts will be in addition to the current team and allow the services to be delivered over extended hours during weekday evenings and weekends.

4.3. Mental Health Initiatives

As part of the Implementation of Transforming Mental Health, the Community Mental Health Teams and Crisis Resolution Teams will be merged in order to resource Community Mental Health Centres. The aim of which would be to develop a service available 24/7 and reduce the reliance on A & E departments, as there will be alternative provision. This has started in Ceredigion with a view over the next two to three years to roll this out in other areas

A twilight drop in service has been developed in Llanelli and operates from Thursday to Sunday, the impact of this service will be measured and the success of this pilot may lead to further roll out across the health board.

In Pembrokeshire a Mental Health practitioner will be working with 2 GP surgeries to provide advice and support, it is anticipated that this post will reduce reliance on secondary care as well as A&E presentations

The development of a Single Point of Access will also provide an opportunity to sign post people to services more appropriate to meet their needs, rather than attending an A&E department.

4.4. Staff Health & Wellbeing Initiatives

The communications plan, see Appendix C, details actions focused on supporting staff well-being;

- Focused communications around staff flu vaccination;
- New staff well-being poster campaign see being distributed to all acute and community hospital sites
- Video explainers from staff case studies where colleague compassion has helped them. This all complements what we have already started with 'This is me' videos celebrating the diversity of staff and forthcoming staff values videos
- Celebrating staff and create a shared community – i.e. our Christmas and Boxing Day selfies

5. Escalation

5.1. Acute Site Escalation Plans

Comprehensive escalation plans are in place across each of the acute, community and mental health systems and in addition, situation reports (SITREP) for all parts of the system including primary care will be available daily throughout the winter period.

5.2. Ambulance Off Load Policy

In line with the NHS Wales Ambulance Availability Protocol, the Health Board developed an Ambulance Off Load Policy to ensure delivery of safe, effective and dignified care to patients when they arrive by emergency ambulance transport at hospital, to achieve optimal outcomes for patients and also to ensure that ambulance crews are released to respond to other patients in the local community.

In times of escalation, actions will have to be undertaken by Emergency Department (ED) and ward staff that are not part of their normal practice. Patients who are waiting in ambulances are those most at risk, as they require medical investigation and treatment. Therefore, delays at this point can significantly affect the quality and outcome of care. This policy seeks to provide clear procedures in order to minimise the known risks associated with the practice of off-loading ambulances at time of increased capacity. The policy also reinforces the need to maintain good communication with patients and their family/carers throughout the process and ensure safe staffing levels.

6. Performance

The effectiveness of this plan will be monitored through a number of system wide indicators, both in terms of in year trends and comparison with last year:

- Impact on unscheduled care performance standards – 4-hour, 12-hour, 1-hour, ambulance response times
- Cancellations of operations due to bed shortages
- Excess numbers of medical outliers
- Delayed Transfers of Care, medically fit numbers and days lost

The Unscheduled Care Programme have agreed a suite of system wide measures to enable the whole system's unscheduled care performance to be monitored and evaluated.

7. BREXIT (Appendix B)

A review of the impact Brexit may have on the additional winter actions has been undertaken and any consequences fed back to the Brexit task and finish group for consideration and any mitigating actions to be taken, is included at Appendix B.

8. Winter Wise Communication Plan 2019/20 (Appendix C)

The purpose of the Communications Plan is:

- To gain high exposure amongst the general public for key winter health information, focusing on keeping yourself well (flu), choosing the best health service to meet your needs (particularly around community pharmacies), and looking after your vulnerable family and neighbours.
- To build public confidence and improve take up of the flu vaccination.
- To reduce unnecessary attendances at emergency units by diverting appropriate patients elsewhere in the health service.
- To educate and inform the public, via innovative new communications techniques and platforms, about our operational and escalation procedures during times of peak pressure, and to use this awareness to signpost to alternatives (as above).
- To boost staff morale for those working in challenging, busy winter conditions and to give public confidence by issuing positive, proactive stories.

In addition, the UHB will play a part in a national drive to educate and communicate to the public regarding certain issues – this is likely to take the form of national media briefings by spokespeople from across all Health Boards on a rotational basis.

9. 18 Day Operational Plan (Appendix D)

The detailed 18-day operational plan, which includes management arrangements for the bank holidays and weekends amounting to nine days that fall within the period 23rd December 2019 to 12th January 2020, is included at Appendix D.

10. Influenza Vaccination Plan (Appendix E)

The influenza vaccination plan on a page, which has been developed and led by the Director of Public Health, is included at Appendix E.

APPENDICES

INTEGRATED WINTER RESILIENCE PLAN 2019/20

Appendix A – Winter Planning Tactical Actions

Reducing Demand	Managing Demand	Reducing Length of Stay
<p>WAST Development of a non-injured fallers service in partnership with Fire Service & St Johns Ambulance Manchester triage of patients on the ambulance stack Analysis of the Carmarthenshire conveyance rate</p> <p>Primary Care Extended opening hours;</p> <p>OOH Integrated nursing approach with ART teams</p> <p>Community Continue bridging initiatives in Carmarthenshire & Pembrokeshire Crisis response teams offering alternative pathways and virtual ward Establish a COPD pathway to improve self-management Provision of planned weekend day centre</p> <p>Secondary Care Further development of geriatrician review of care home patients project Additional evening 'Hot Clinics' at Glangwili Hospital Improved use of Ambulatory Care Units Clinical Redirection from ED at Withybush Hospital—with primary care, OOHs, community & WAST Pilot project with ANP for long term conditions working across front door & community</p> <p>Public Health Improved vaccination for flu – focused proactive call & recall service across all 7 primary care clusters Focused campaign for 'super spreaders' 2/3 year olds & partnership working with community midwives to improve vaccination rates</p> <p>Mental Health Developing 24/7 CMHT/CRHTT Llanelli drop in centre – twilight service Thursday to Sunday</p>	<p>WAST HALO for Glangwili & Withybush Hospitals Management of WAST stack by HALO/APPs</p> <p>Community Commission additional step down / care home beds New leadership model for community beds in Pembrokeshire</p> <p>Secondary Care Pharmacy at the 'front door' & extended weekend opening Introduction of Pitstop model into ED at Withybush Additional A&E staff to cover peaks in demand Proposed MIU opening times 24/7 at Glangwili Extension British Red Cross 'Home from Hospital' Exploration of Hospital @ night model in Glangwili Daily frailty / hot clinics to support frailty assessment teams at the front door Scheduling of GP patients to AEC - avoiding batching Dedicated co-ordinator for ACS patients and 'treat & repatriate service'</p> <p>Mental Health Escalation protocol for admitted patients Liaison teams working in partnership with front door</p> <p>Public Health Focus on long stay patients & outpatients to improve flu vaccination rates Provide in house flu testing at all acute sites</p> <p>Enhancing Operational Grip Development of on-line SITREP reporting and on call arrangements Robust on-call management - doubling up on call/senior support/management lead for the day Establish Control centre with named manager of the day - WAST manager to attend during periods of high escalation Director of Operations acting as Executive on-call & chairing daily conference calls during Jan 2020</p>	<p>Community Implement D2AR pathways & commission D2AR care home placements Purchase additional community equipment & To lease additional vehicle and appoint driver to ensure that equipment is delivered Dedicated social worker for Bronglais Hospital & cross border discharges Appointment of 3rd sector co-ordinators to support complex discharge planning in Carmarthenshire Additional weekend working for 'front door' turnaround team in Withybush Hospital Additional flow co-ordinators for community hospital beds in Pembrokeshire Integrated working with housing department in Carmarthenshire to reduce delays in discharge Implement Care & Repair in Withybush Hospital</p> <p>Secondary Care Extend 'home support team' to work across general medical & stroke beds in Withybush Hospital Additional weekend capacity to support 7 days working; medical, therapy, pharmacy & support staff, discharge vehicle Additional echocardiography clinics / support Additional frailty support worker on CDU in Glangwili Extended discharge lounge opening times 'Perfect week' – 4 & 2 weeks prior to and 2 weeks post-Christmas Intensive review of stranded patients Extension of 'care & repair' service to Pembrokeshire</p> <p>Improving Patient Experience Safer staffing extra nursing hours in ACU/ED Delivery of respite & palliative care services in the community by 3rd sector Proactive messaging for respiratory patients Porth Gofal - extending opening hours to evenings and weekends Utilise existing services to also transport drugs and prescriptions where known gaps in provision</p>

INTEGRATED WINTER RESILIENCE PLAN 2019/20

Appendix B – Brexit Considerations

Winter Initiative		Initiator	Brexit Impact (Y/N)	Impact Details	SRO
4	Bridging initiatives Carmarthenshire & Pembrokeshire	Community	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain unless the mileage rates are adjusted.	Rhian Dawson Elaine Lorton
5	Crisis response teams offering alternative pathways & virtual	Community	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain unless the mileage rates are adjusted.	Rhian Dawson
12	Developing 24/7 CMHT/CRHTT	MH&LD	Y	Possible increased number of referrals e.g. Farming community	Liz Carroll
15	Community step down/care home beds	Community	Y	Instability in the care home sector may reduce capacity – not all BREXIT related	Peter Skitt
16	Additional community nursing & ART resource in Ceredigion	Community	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain unless the mileage rates are adjusted. Some staff utilise pool cars therefore risk to individual is reduced but the cost is transferred to the HB.	County Directors
20	Additional A&E staff to cover peaks in demand	Acute	Y	Potential cost impact for staff if petrol prices increase Lack of availability of agency staff.	
28	In house flu testing	Public Health	Y		Public Health
35	Implement D2AR pathways & commission D2AR care home placements	Community	Y	Instability in the care home sector may reduce capacity – not all BREXIT related	County Directors
36	Community equipment	Community	Y	Critical lines and non stock has been reviewed – limited short to medium term impact – potential for long term impact depending on suppliers	County Directors
38	Dedicated social worker at Bronglais	Community	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain	Peter Skitt
39	Third sector co-ordinators – discharge planning	Community	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain	County Directors
43	Additional home support team to work across acute beds in Wthybush Hospital	Acute	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain	Janice Cole-Williams
44	Additional weekend capacity to support discharges – medical, therapy, facilities staff	Acute	Y	Potential cost impact for staff if petrol prices increase Lack of availability of agency staff.	General Managers
52	Phased implementation of Nurse Staffing Act	Acute	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit	General Managers
53	Dedicated co-ordinator for ACS patients and ‘ treat & repatriate’ service	Acute	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit	Brett Denning
54	Delivery of respite and palliative care in community by 3 rd sector	Community	Y	Potential cost impact for staff if petrol prices increase – this may make it more difficult to recruit and retain unless the mileage rates are adjusted.	County Directors

INTEGRATED WINTER RESILIENCE PLAN 2019/20

Appendix C – Winter Wise Communications Plan

Winter Wise Communications Plan		
Reducing Demand	Managing Demand	Enhancing Operational Grip
<p>Choose Well – signposting to on-line Directory of Services</p> <p>Working closely with Flu Communications Lead and Public Health Wales Team colleagues to ensure a robust and consistent approach to reducing winter pressures through promotion of the seasonal flu vaccination campaign for healthcare staff and eligible population groups</p> <p>Social media themed campaigns;</p> <ul style="list-style-type: none"> • Frailty & Falls. Highlighting the importance of looking after vulnerable relatives and neighbours and ensuring they don't have to come to A&E • Minor Injuries Units. Tenby, Cardigan, Llandovery – what they can do for people living in respective communities • Respiratory conditions. The importance of not letting a cough or cold get worse and develop into an infection / acute admission <p>Winter wise themed articles to be distributed on social media (Twitter, Facebook) through October-February</p> <p>Utilising Teulu Jones animation – encouraging use of Pharmacy Walk-in Centre & explaining Triage and Treat</p>	<p>Winter Wise branding on all Health Board owned digital screens and Primary Care commissioned services</p> <p>Flu articles to be distributed on social media, at least one article targeted at each eligible group (pregnant women, chronic conditions, carers, frontline NHS staff)</p> <p>Targeted social media campaign: Hospital flow and clinical prioritisation of patients to manage expectations</p> <p>Proactive pre-Christmas message via social media; if you're feeling unwell or have a non-urgent but longer term medical complaint, book in to see your GP now – don't leave it too late</p>	<p>Significant Met Office hazard warnings to be published to staff through Intranet and global email as appropriate, and if site specific, on our Internet and social media. Reactive Comms desk signed up to receive alerts</p> <p>Winter wise themed articles to be distributed internally (staff newsletter, global email), externally (media releases, owned newsletters)</p> <p>Supportive and encouraging global emails for staff pre-winter period and encourage sharing of messages</p> <p>Distribution of staff wellbeing checklists at acute sites and via county teams including Interview with Simon Clothier, community staff nurse on staff wellbeing</p> <p>Selfies/photos of winter heroes who work 24/7 to keep us well – promoted internally and externally through usual channels</p> <p>Staff Christmas Day/New Year's Day selfies & staff delivering Christmas Day and New Year's Day babies</p>
	Improving Patient Experience	
	<p>Updating links to useful existing web pages - NHS Direct Wales, Choose Well, Seasonal Flu pages, Hospital contact details, Primary care opening hours, weather warnings) and any emerging news (ward closures, visiting restrictions, postponed operations etc.)</p> <p>Publish videos showcasing staff at work during times of peak pressure and appealing to the public to choose well.</p>	

INTEGRATED WINTER RESILIENCE PLAN 2019/20

Appendix D – 18 Day Operational Plan

23rd to 29th December	30th December to 5th January	6th to 12th January
Additional community nursing & acute response team (ART) resources	Additional community nursing & acute response team (ART) resources	Additional community nursing & acute response team (ART) resources
Extended MIU opening hours	Extended MIU opening hours	
Additional GP & A&E Consultant cover on shop floor on bank holidays	Additional GP & A&E Consultant cover on shop floor on bank holidays	
Spot purchase additional step down beds	Spot purchase additional step down beds	Spot purchase additional step down beds
Additional support to improve discharge profile weekend and bank holidays	Additional support to improve discharge profile weekend and bank holidays	Additional support to improve discharge profile weekend and bank holidays
Pharmacy at the 'front door' & extended weekend opening	Pharmacy at the 'front door' & extended weekend opening	Pharmacy at the 'front door' & extended weekend opening
Dedicated co-ordinator for ACS patients at Prince Philip to ensure improve transfer times	Dedicated co-ordinator for ACS patients at Prince Philip to ensure improve transfer times	Dedicated co-ordinator for ACS patients at Prince Philip to ensure improve transfer times
Intensive review of stranded patients, improving discharge profile		Intensive review of stranded patients, improving discharge profile
Perfect week - focused actions related to improving social care discharge profile (GGH & WGH)		Perfect week - focused actions related to improving social care discharge profile (GGH & WGH)
Extension British Red Cross 'Home from Hospital'	Extension British Red Cross 'Home from Hospital'	Extension British Red Cross 'Home from Hospital'
	Release Senior Manager capacity - cancellation of all non-essential meetings (until 18th January), focusing support to acute sites	Release Senior Manager capacity - cancellation of all non-essential meetings (until 18th January), focusing support to acute sites
Robust staffing rotas - nursing & medical staff (annual leave management)	Robust staffing rotas - nursing & medical staff (annual leave management)	Robust staffing rotas - nursing & medical staff (annual leave management)
Management of WAST stack by HALO/APPs	Management of WAST stack by HALO/APPs	Management of WAST stack by HALO/APPs
Enhanced on-call rota - doubling up of on call managers at peak demand, ensuring strong operational experience	Enhanced on-call rota - doubling up of on call managers at peak demand, ensuring strong operational experience	Enhanced on-call rota - doubling up of on call managers at peak demand, ensuring strong operational experience
	Director of Operations - Executive on-call for first 2 weeks of January & chairing daily conference calls, providing consistent support to site teams	Director of Operations - Executive on-call for first 2 weeks of January & chairing daily conference calls, providing consistent support to site teams

Appendix E - Influenza Vaccination Plan



Hywel Dda University Health Board Influenza Vaccination Improvement Plan 2019/20



Enw'r Pwyllgor/Name of Committee:	Strategic Financial Planning Group
Cadeirydd y Pwyllgor/Chair of Committee:	Huw Thomas, Director of Finance
Cyfnod Adrodd/Reporting Period:	Meeting held on 14 th October 2019

Y Penderfyniadau a'r Materion a Ystyriodd y Pwyllgor/Key Decisions and Matters Considered by the Group:

- **SFPG Risk Register**
Members approved the risk register. The SFPG risk register will be under ongoing review.
- **Strategic Enabling Group (SEG)** – The Group received feedback from the SEG meetings held on the 23rd July, 23th August and 24th September 2019. Members discussed the requirements for completing the Pre Programme Business Case (PPBC) and Outline Business Case (OBC).
- **A Healthier Mid and West Wales – Bronglais General Hospital Strategy** – A paper on the Bronglais Strategy, outlining a conceptual model was presented to the Group. The strategy excludes the Community IMTP however it had been separately agreed that some work with Ceredigion to clarify the whole county strategic direction would be useful. The Strategic Change Finance Director advised the Group that he was reviewing the transformation funding and that this together with the Ceredigion strategy may well require assistance from Senior Finance Business Partners. Details of the transformational costs for 2020-21 will be shared with the Group.
- **A Healthier Mid and West Wales – Financial Modelling Update** – Capita is developing a strategic model and will provide sufficient information to HDUHB staff to fully take over once its contract ends. The draft revised model is due back within the week and will require testing and assumptions validating. The model will be shared with Clinicians who in turn will be working with others to flesh out the details of the strategy which will be fed into the model for option appraisal.
- **A Healthier Mid and West Wales – Strategic Partner Tender** – The Group were advised that tenders have been received from three companies. The tender evaluation process is on 21st October 2019.
- **Strategic Financial Plan** – Focus has been on year one (2020-21) and a draft 3 year plan is in progress. A meeting had been held with WG and Finance Delivery Unit colleagues where expectations for 2020-2023 were shared. Overall the plan needs to be strategically stronger and the feedback will be used to help develop the plan.

- **Ambulatory Care Analysis** – The Senior Value Business Partner gave a presentation on attendance in Ambulatory Care and A&E. Of the top thirty patients who attended A&E most frequently it was noted that mental health had the highest attendance followed by wound care. Dementia and atrial fibrillation had the highest Ambulatory admissions. The information will be helpful to the Transformational team who are completing work on ambulatory care. The conditions used in the Capita planning model will be reviewed.
- **Other Business** – The Group will review the frequency of the SFPG meetings and revise the Terms of Reference if required.

Risgiau Allweddol a Materion Pryder/Key Risks and Issues/Matters of Concern:

- There were no risks, issues or matters of concern.

Materion y mae angen Ystyriaeth neu Gymeradwyaeth Lefel y Bwrdd ar eu cyfer/Matters Requiring Strategic Enabling Group Level Consideration or Approval:

- The Group request SEG to confirm the ongoing priorities for SFPG.

Busnes Cynlluniedig y Pwyllgor ar gyfer y Cyfnod Adrodd Nesaf/Planned Group Business for the Next Reporting Period:

Adrodd yn y Dyfodol/Future Reporting:

- Liaise with clinicians to ensure that the Clinical Strategy is incorporated into the Strategic Financial plan and monitor the alignment of the financial model, Strategic Financial plan and Transformational plan.
- The Group will follow up the various actions identified at the SFPG meeting.

Dyddiad y Cyfarfod Nesaf/Date of Next Meeting:

11th November 2019



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Corporate Risk Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Mr Huw Thomas, Director of Finance Mr Andrew Carruthers, Turnaround Director
SWYDDOG ADRODD: REPORTING OFFICER:	Mrs Charlotte Beare, Head of Assurance and Risk

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA

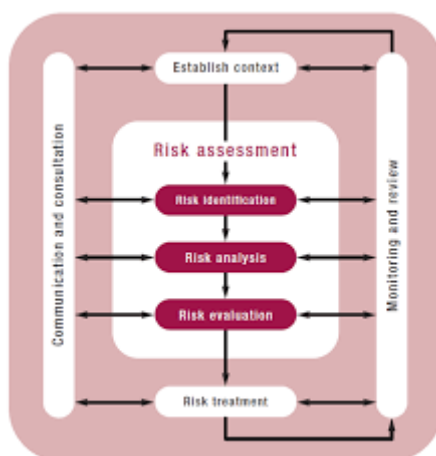
SBAR REPORT

Sefyllfa / Situation

The Finance Committee is asked to request assurance from listed Executive Directors that the corporate risks in the attached report, at Appendix 1, are being managed effectively.

Cefndir / Background

Effective risk management requires a 'monitoring and review' structure to be in place to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place.



(Risk Management Process, ISO 31000)

The Board's Committees are responsible for the monitoring and scrutiny of corporate level risks within their remit. They are responsible for:

- Seeking assurance on the management of principal risks on the Board Assurance Framework (BAF)/Corporate Risk Register (CRR) and providing assurance to the Board that risks are being managed effectively and report areas of significant concern, for example, where risk appetite is exceeded, lack of action, etc.
- Reviewing principal and operational risks over tolerance and, where appropriate, recommend the 'acceptance' of risks that cannot be brought within Hywel Dda

University Health Board's (HDdUHB) risk appetite/tolerance to the Board through the Committee Update Report.

- Provide annual reports to Audit and Risk Assurance Committee (ARAC) on the effectiveness of the risk management process and management of risks within its remit.
- Identify through discussions any new/emerging risks and ensure these are assessed by management.
- Signpost any risks outside of its remit to the appropriate HDdUHB Committee.
- Use risk registers to inform meeting agendas.

The Executive Team agreed the content of the CRR. These risks have been identified via a top down and bottom up approach and are either:

- Associated with the delivery of the objectives set out in the Annual Plan 2019/20; or
- Significant operational risks escalated by individual Directors and agreed by the Executive Team as they are of significant concern and require corporate oversight and management.

Each risk on the CRR has been mapped to a Board level Committee to ensure that risks on the CRR are being managed appropriately, taking into account the gaps, planned actions and agreed tolerances, and to provide assurance to the Board through their update report on the management of these risks.

The Board has delegated a proportion of its role of scrutiny of assurances to its Committees to make the most appropriate and efficient use of expertise. Therefore, Committees should also ensure that assurance reports, relevant to the principal risks, are received and scrutinised, and an assessment made as to the level of assurance it provides. The reports should take into account the validity and reliability behind its generation and its compatibility, i.e. source, timeliness, methodology, with other assurances. This will enable the Board to place greater reliance on assurances, if they are confident that they have been robustly scrutinised by one of its Committees, and to provide Board with greater confidence about the likely achievement of strategic objectives, as well as providing a sound basis for decision-making. It is the role of Committees to challenge where assurances in respect of any component are missing or inadequate. Any gaps should be escalated to the Board.

Asesiad / Assessment

The Finance Committee Terms of Reference state that it will:

- 5.3 Seek assurance on the management of principle risks within the BAF and CRR allocated to the Committee (financial risks), and provide assurance to the Board that risks are being managed effectively and report any areas of significant concern e.g. where risk appetite is exceeded, lack of timely action.
- 5.4 Recommend acceptance of risks that cannot be brought within the Health Board's risk appetite/tolerance to the Board through the Committee Update Report.

There are 3 risks aligned to the Committee from the 30 currently identified on the corporate risk register, attached at Appendix 1, which have been aligned to HDdUHB's objectives for 2019/20.

1. Deliver the Annual Plan 2019/20 by the end of March 2020
2. Deliver the agreed financial control total for 2019/20 by the end of March 2020
3. Achieve the agreed savings requirement for 2019/20 by the end of March 2020

4. Maintain performance and delivery of Referral to Treatment Time (RTT) by the end of March 2020
5. Deliver year 1 of the Health and Care Strategy by the end of March 2020
6. Deliver year 1 of Board approved strategies (Health and Well-Being, Continuous Engagement and Quality Improvement) by the end of March 2020
7. Development of the three year plan for 2020 – 2023 (Integrated Medium Term Plan (IMTP)).

Each of these risks have been entered onto a 'risk on a page' template which includes information relating to the strategic objective, controls, assurances, performance indicators, and action plans to address any gaps in controls and assurances.

Work is currently underway to review and align the risks on the CRR/BAF to the newly agreed 43 organisational objectives.

Changes since previous report

Total Number of Risks	3
New risks	0
Increase in risk score ↑	0
No change in risk score →	3
Reduction in risk score ↓	0
De-escalated/Closed	0

The Committee is asked not to devolve its responsibility for seeking assurances on corporate risks to its Sub-Committee structure. However, it can reassign risks to another Board level Committee if it is agreed that it better fits within their remit.

Argymhelliad / Recommendation

The Committee is asked to seek assurance that:

- All identified controls are in place and working effectively.
- All planned actions will be implemented within stated timescales and will reduce the risk further and/or mitigate the impact, if the risk materialises.
- Challenge where assurances are inadequate.

This in turn will enable the Committee to provide the necessary assurance to the Board, through its Committee Update Report, that HDdUHB is managing these risks effectively.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:
Cyfeirnod Cylch Gorchwyl y
Pwyllgor:

Contained within the report

Cyfeirnod Cofrestr Risg Datix a Sgôr
Cyfredol:
Datix Risk Register Reference and
Score:

Contained within the report

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 Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Underpinning risk on the Datix Risk Module from across HDdUHB's services reviewed by risk leads/owners
Rhestr Termiau: Glossary of Terms:	Not Applicable
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Not Applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct impacts from report however impacts of each risk are outlined in risk description.
Ansawdd / Gofal Claf: Quality / Patient Care:	No direct impacts from report however impacts of each risk are outlined in risk description.
Gweithlu: Workforce:	No direct impacts from report however impacts of each risk are outlined in risk description.
Risg: Risk:	No direct impacts from report however organisations are expected to have effective risk management systems in place.
Cyfreithiol: Legal:	No direct impacts from report however proactive risk management including learning from incidents and events contributes towards reducing/eliminating recurrence of risk materialising and mitigates against any possible legal claim with a financial impact.
Enw Da: Reputational:	Poor management of risks can lead to loss of stakeholder confidence. Organisations are expected to have effective risk management systems in place and take steps to reduce/mitigate risks.
Gyfrinachedd: Privacy:	No direct impacts from report however impacts of each risk are outlined in risk description.

Cydraddoldeb: Equality:	Has EqlA screening been undertaken? No Has a full EqlA been undertaken? No
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Risk Ref	Risk (for more detail see individual risk entries)	Included on BAF	Risk Owner	Domain	Tolerance Level	Previous Risk Score	Risk Score Nov-19	Trend	Target Risk Score	Risk on page no...
730	Failure to realise all the efficiencies and opportunities from the Turnaround Programme in 2019/20	3	Carruthers, Andrew	Statutory duty/inspections	8	4x5=20	4x5=20	→	2x4=8	5
735	Ability to deliver the Financial Plan for 2019/20 affecting the whole Health Board	2	Thomas, Huw	Finance inc. claims	6	4x4=16	4x4=16	→	2x4=8	7
646	Ability to achieve financial sustainability over medium term	2, 3	Thomas, Huw	Finance inc. claims	6	3x4=12	3x4=12	→	2x3=6	9

Risk Ref	Strategic Objectives	Risk Title (for more detail see individual risk entries)	Risk Owner	Controls	Domain	Current Risk Score (L x I)	Target Risk Score (L x I)	Performance Indicators	Assurance from What? (sources/providers of assurance) L1, L2 & L3 (see below key)	Latest paper	Assurance Sufficient? (Y/N)	Control RAG rating (see below key)	Risk on page no...
730	3. Achieve the agreed savings requirement for 2019/20 by the end of March 2020	Failure to realise all the efficiencies and opportunities from the Turnaround Programme in 2019/20	Carruthers, Andrew	<ul style="list-style-type: none"> - Turnaround Programme Director in post. - Fortnightly 'Holding to Account' (HTA) meetings including a monthly Chief Executive HTA session for the highest risk directorates. - Each Directorate has signed up to a savings plan and recovery plan - costed a 	Statutory duty/inspections	4x5=20	2x4=8	<ul style="list-style-type: none"> Performance against agreed savings plan In-month financial monitoring 	<ul style="list-style-type: none"> Performance against plan monitored through HTA meeting with Services (L1) Executive Performance Reviews (L2) Finance Committee oversight of current performance (L2) Turnaround & Financial Report to Board & BPPAC (L2) WG scrutiny through Targeted Intervention (TI)(L3) WG scrutiny through Joint Executive Team (JET) (L3) WAO Structured Assessment 2018 (L3) 	<ul style="list-style-type: none"> * Mth 5 Finance Report & Turnaround Report - Board Sep19 * Finance Report & Turnaround Update Report Mth6 - Oct19 Finance Committee 	Y		

646	2. Deliver the agreed financial control total for 2019/20 by the end of March 2020. 3. Achieve the agreed savings requirement for 2019/20 by the end of March 2020	Ability to achieve financial sustainability over medium term.	Thomas, Huw	Understanding the underlying deficit. An initial assessment has been completed. Very high level base-case long term financial model. Assessing the full financial implications of A Healthier Mid and West Wales.	Finance inc. claims	3x4=12	2x3=6	Operational agreement to underlying deficit assessment. Plan in place to develop a long term financial plan. High level financial assessment of A Healthier Mid and West Wales in place.	Reporting to Finance Committee (L1).	N/A	N		
735	2. Deliver the agreed financial control total for 2019/20 by the end of March 2020	Ability to deliver the Financial Plan for 2019/20 affecting the whole Health Board.	Thomas, Huw	Financial reports provided to directorates in a timely way, focused on trends; cost drivers; projected expenditure; risks and actions. Turnaround Director Holding to Account meetings. CEO Holding to Account meetings. Executive Performance meetings. Commissioning arrangements with key partners (Local Authorities; Care home sector; Other NHS providers; Primary Care; Third Sector). Process of review of recovery plans process in place from Month 3 and approaching of system-wide issues.	Finance inc. claims	4x4=16	2x4=8	Identification and delivery of savings schemes. Financial performance and projections reported on a monthly basis. Breakeven recovery plans where deficits are projected. Financial process assurances. Internal Audit and Wales Audit Office reports.	Finance dashboards (L1) Finance report to Finance Committee and Board (L2)Medium) CEO Holding to Account meetings (L2)Medium) Financial assurance report to Audit Committee (L2)Medium) Year-end reporting to Audit Committee (L3)	* Month 7 Finance Report 2019/20 reports - Finance Committee - November 2019	Y		

Assurance Key:

3 Lines of Defence (Assurance)		
1st Line	Business Management	Tends to be detailed assurance but lack independence
2nd Line	Corporate Oversight	Less detailed but slightly more independent
3rd Line	Independent Assurance	Often less detail but truly independent

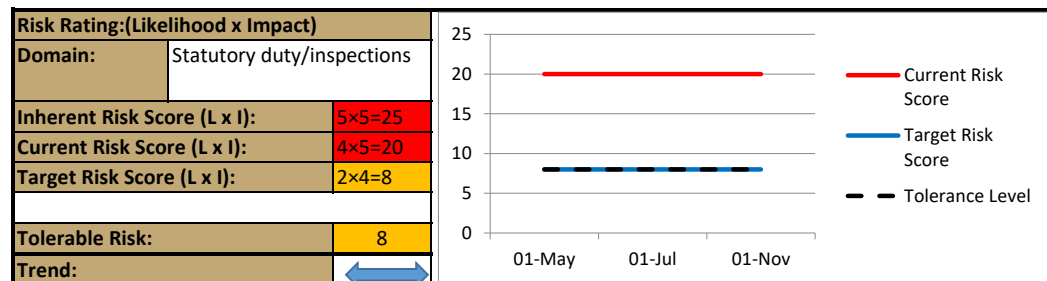
Key - Assurance Required		<i>NB Assurance Map will tell you if you have sufficient sources of assurance not what those sources are telling you</i>
	Detailed review of relevant information	
	Medium level review	
	Cursory or narrow scope of review	

Key - Control RAG rating	
LOW	Significant concerns over the adequacy/effectiveness of the controls in place in proportion to the risks
MEDIUM	Some areas of concern over the adequacy/effectiveness of the controls in place in proportion to the risks
HIGH	Controls in place assessed as adequate/effective and in proportion to the risk
INSUFFICIENT	Insufficient information at present to judge the adequacy/effectiveness of the controls

Strategic Objective:	3. Achieve the agreed savings requirement for 2019/20 by the end of March 2020
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Executive Director Owner:	Carruthers, Andrew	Date of Review:	Nov-19
Lead Committee:	Finance Committee	Date of Next Review:	Dec-19

Risk ID:	730	Principal Risk Description:	There is a risk the UHB not delivering the planned recurrent savings of £24m by end of March 2020. This is caused by a failure to realise the opportunities identified in the Turnaround programme. This could lead to an impact/affect on a failure to meet its financial statutory duty to breakeven, attain an approvable IMTP, loss of stakeholder confidence in the organisation's ability to deliver its objectives and increased scrutiny by WG.
Does this risk link to any Directorate (operational) risks?			yes



Rationale for CURRENT Risk Score:
At this point in time there is a possibility that the UHB will fail to deliver the full £24m savings in 2019/20. Currently as at the end of Month 7, the Health Board has identified £21.7m of no risk and low risk schemes against that target for 2019/20. There is a further pipeline of around £5m Red schemes that closes that gap. Work is underway with KPMG to identify further savings opportunities that can be delivered in the remainder of 2019/20.

Rationale for TARGET Risk Score:
As the Turnaround programme is an intervention aimed at supporting delivery of the overall financial plan, and as such has had the in year recovery actions required to achieve breakeven, the target score has been set to align with the risk to delivery of the overall financial plan.

Key CONTROLS Currently in Place: (The existing controls and processes in place to manage the risk)
<ul style="list-style-type: none"> - Turnaround Programme Director in post. - Fortnightly 'Holding to Account' (HTA) meetings including a monthly Chief Executive HTA session for the highest risk directorates. - Each Directorate has signed up to a savings plan and recovery plan - costed a

Gaps in CONTROLS				
Identified Gaps in Controls : (Where one or more of the key controls on which the organisation is relying is not effective, or we do not have evidence that the controls are working)	How and when the Gap in control be addressed	By Who	By When	Progress
<p>Lack of sufficient capacity to support and facilitate the delivery of Turnaround programme.</p> <p>Ability to control operational priorities that adversely affect delivery of savings plans, eg, winter pressures, vacancy position.</p> <p>Lack of clarity in organisation about true priorities specially achieving balance quality performance, TCS and finance delivery.</p>	<p>Further action necessary to address the controls gaps</p> <p>Increase capacity of programme management office (PMO) and service improvement capability to support delivery of Turnaround Programme.</p>	Ryan-Davies, Libby	Completed	Central Project management, service improvement and analytical resource as has been realigned and allocated to deliver key schemes that support quality and performance improvement, accelerating strategy delivery, and achieving the savings plan. KPMG are also being commissioned to stay with us beyond their WG related contract, to support delivery of opportunities they have identified in that WG review.

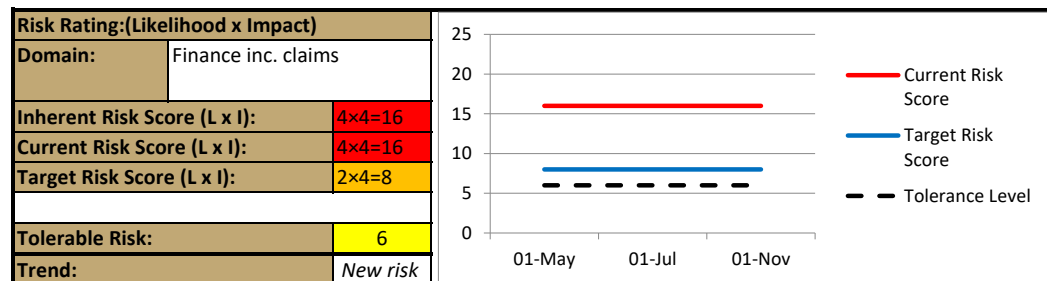
		Work closely with the Director of Operations to ensure robust operational and contingency plans are in place that minimise additional cost, and align with turnaround savings actions.	Carruthers, Andrew	31/03/2020	Joint Chairs of Operational Effectiveness Group and Unscheduled Care Programme Board.
		Chief Executive setting out the organisations goals for 2019/20 to Executive Team.	Moore, Steve	Completed	Executive Team away day set up to clarify goals and the contribution each portfolio needs to make to them has been held. ET are developing the framework for the IMTP from 2020 onwards.

ASSURANCE MAP				Control RAG Rating (what the assurance is telling you about your controls)	Latest Papers (Committee & date)	Gaps in ASSURANCES				
Performance Indicators	Sources of ASSURANCE	Type of Assurance (1st, 2nd, 3rd)	Required Assurance Current Level			Identified Gaps in Assurance:	How are the Gaps in ASSURANCE will be addressed Further action necessary to address the gaps	By Who	By When	Progress
Performance against agreed savings plan	Performance against plan monitored through HTA meeting with Services	1st			* Mth 5 Finance Report & Turnaround Report - Board Sep19 * Finance Report & Turnaround Update Report Mth6 - Oct19 Finance Committee	None				
In-month financial monitoring	Executive Performance Reviews	2nd								
	Finance Committee oversight of current performance	2nd								
	Turnaround & Financial Report to Board & BPPAC	2nd								
	WG scrutiny through Targeted Intervention (TI)	3rd								
	WG scrutiny through Joint Executive Team (JET)	3rd								
	WAO Structured Assessment 2018	3rd								

Strategic Objective:	2. Deliver the agreed financial control total for 2019/20 by the end of March 2020
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Executive Director Owner:	Thomas, Huw	Date of Review:	Nov-19
Lead Committee:	Finance Committee	Date of Next Review:	Dec-19

Risk ID:	735	Principal Risk Description:	There is a risk the Health Board not achieving its agreed financial plan for the 2019/20 financial year. This is caused by the savings plans for the year not being delivered; or the operational cost pressures arising from the requirement to meet performance targets of quality measures. This could lead to an impact/affect on the Health Board's reputation with Welsh Government and other stakeholders.
Does this risk link to any Directorate (operational) risks?			



Rationale for CURRENT Risk Score:
The Health Board has not yet fully identified the savings requirement for the year in full. There are risks which are foreseeable through the operational unscheduled care pressures in particular, especially as we enter the latter part of the year; alongside other risks such as the closure of the Aseptic Unit and the management of commissioned solutions which could lead to reduced cost pressures. Primary Care Prescribing is also causing significant pressures across Wales.







Rationale for TARGET Risk Score:
The Health Board needs to demonstrate that it is able to manage its financial position effectively, cognisant of the risks which are inherent in the delivery of safe and timely care. Given the challenge in delivering the financial position this year, it is unlikely that the Health Board will achieve a risk which is in line with the tolerable risk for the year. Consequently, the target risk score exceeds the tolerable risk at this point. This is not an acceptable position, and further work is ongoing to manage this risk.


Key CONTROLS Currently in Place: (The existing controls and processes in place to manage the risk)
Financial reports provided to directorates in a timely way, focused on trends; cost drivers; projected expenditure; risks and actions.
Turnaround Director Holding to Account meetings.
CEO Holding to Account meetings.
Executive Performance meetings.
Commissioning arrangements with key partners (Local Authorities; Care home sector; Other NHS providers; Primary Care; Third Sector).
Process of review of recovery plans process in place from Month 3 and approaching of system-wide issues.

Gaps in CONTROLS				
Identified Gaps in Controls : (Where one or more of the key controls on which the organisation is relying is not effective, or we do not have evidence that the controls are working)	How and when the Gap in control be addressed	By Who	By When	Progress
Finance support is not currently sufficient.	Complete outstanding appointments to key finance roles through OCP to support in understanding and developing actions.	Thomas, Huw	30/06/2019-31/01/2020	All appointments complete. Transitional arrangements in progress to transfer and process improve workstreams from Business Partnering to Process Improvement to give capacity in Business Partnering to further embed this model of working with operational managers. Finance Strategy update underway to factor in Digital Strategy to ensure vision for Finance Team is clear to all.
Responsiveness and accountabilities need to be reinforced.				
Process to become embedded and refined.				
Variable arrangements, to be harmonised to enable effective commissioning.				

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Directorates to sign accountability statements in relation to Budget 2019/20.	Thomas, Huw	Completed	Meetings embedded in monthly business processes. Residual queries resolved and concluded November 2019.
Review of contracting arrangements.	Thomas, Huw	30/06/2019 30/11/2019	Team in place following Finance OCP Interim Band 8d, Band 8c, Bands 8a, 7 and 6. Regular Papers providing updates on progress timetabled into

ASSURANCE MAP			
Performance Indicators	Sources of ASSURANCE	Type of Assurance (1st, 2nd, 3rd)	Required Assurance 
			Current Level
Identification and delivery of savings schemes.	Finance dashboards	1st	
Financial performance and projections reported on a monthly basis.	Finance report to Finance Committee and Board (Medium)	2nd	
	CEO Holding to Account meetings (Medium)	2nd	
Breakeven recovery plans where deficits are projected.	Financial assurance report to Audit Committee (Medium)	2nd	
	Year-end reporting to Audit Committee	3rd	
Financial process			

Control RAG Rating (what the assurance is telling you about your controls)


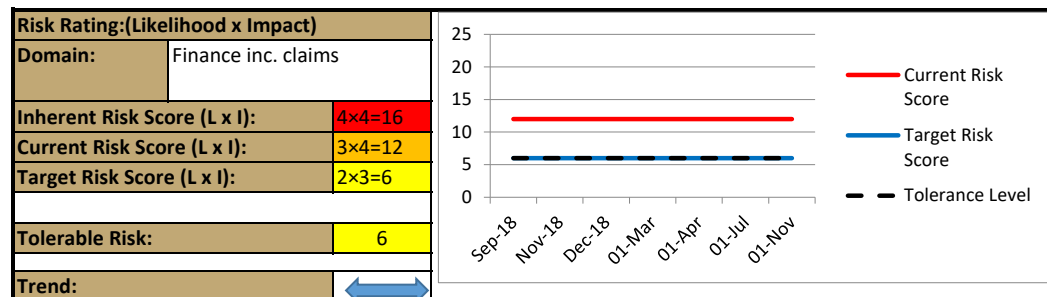
Latest Papers (Committee & date)
* Month 7 Finance Report 2019/20 reports - Finance Committee - November 2019

Gaps in ASSURANCES				
Identified Gaps in Assurance:	How are the Gaps in ASSURANCE will be addressed Further action necessary to address the gaps	By Who	By When	Progress
None				

Strategic Objective:	2. Deliver the agreed financial control total for 2019/20 by the end of March 2020 3. Achieve the agreed savings requirement for 2019/20 by the end of March 2020
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Executive Director Owner:	Thomas, Huw	Date of Review:	Oct-19
Lead Committee:	Finance Committee	Date of Next Review:	Dec-19

Risk ID:	646	Principal Risk Description:	There is a risk the Health Board not achieving breakeven over the medium term. This is caused by the inability to either: 1. Develop a sufficiently robust financial plan which shows an achievable improvement trajectory, or 2. Manage the necessary changes in such a way that the financial gains are realised and an improvement trajectory is achieved. This could lead to an impact/affect on a detrimental impact on the Health Board's reputation with Welsh Government and other stakeholders.
Does this risk link to any Directorate (operational) risks?			Corporate risk



Rationale for CURRENT Risk Score:
The Health Board has not developed a full long term financial base-case model, which can then be used to assess the impact of A Healthier Mid and West Wales and other medium term changes. The Health Board's underlying deficit also requires further work to fully explore and understand the opportunities for improvement which can be realised over the medium term.

Rationale for TARGET Risk Score:
Achieving financial balance on a three-year rolling basis is a statutory requirement for the Board, and a clear requirement from the Board and Welsh Government.

Key CONTROLS Currently in Place: (The existing controls and processes in place to manage the risk)
Understanding the underlying deficit. An initial assessment has been completed.
Very high level base-case long term financial model.
Assessing the full financial implications of A Healthier Mid and West Wales.

Gaps in CONTROLS				
Identified Gaps in Controls : (Where one or more of the key controls on which the organisation is relying is not effective, or we do not have evidence that the controls are working)	How and when the Gap in control be addressed	By Who	By When	Progress
Calculation has not been subject to operational scrutiny.	Further action necessary to address the controls gaps			
Assessment not subject to planning scrutiny.				
High level assessment of resource requirements for social model for health.				
	Testing the underlying deficit assumptions with directorates.	Thomas, Huw	30/11/2018 31/05/2019 31/12/2019	Welsh Government and UHB commissioning external advisors to prepare report on deficit position. Specification agreed and work commenced July 2019. Expected to conclude October 2019. Extension following WG feedback (timescale not confirmed at this time).

				Refining assessment in conjunction with W&OD and Planning.	Thomas, Huw	30/11/2018	Initial calculations regarding the effect of the zero based review allocation and early high level affordability for option B of consultation shared via the TCS Design Team and with the Director of Finance. The Strategic Financial Planning Group (Strategy Finance Enabling Group) met in May and agreed a series of actions to inform the work of the forthcoming meetings of the 3 Strategy Programme Delivery Groups and Enabling Group. Work underway.
				Developing a high level assessment of the resource requirements of "A Heathier Mid and West Wales" Strategy. Understanding full financial implications of TCS, including the Community/Social Care model.	Thomas, Huw	31/03/2019 31/03/2020	Activity Based costing refined based on updated Activity and Capacity Assumptions and impact on the 2017/18 baseline financial data + Zero based Review funding (Completed) Collated detail in draft Strategy to begin to build up a bottom up financial costing. Strategic Enabling Group working with Health and Care Strategy Programme Groups to both inform the groups regarding current detail and translate into financial and workforce end point model. Also to assist in this the Finance team have met with Capita and the

ASSURANCE MAP			
Performance Indicators	Sources of ASSURANCE	Type of Assurance (1st, 2nd, 3rd)	Required Assurance
			Current Level

Control RAG Rating (what the assurance is telling you about your controls)
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Latest Papers (Committee & date)

Gaps in ASSURANCES				
Identified Gaps in Assurance:	How are the Gaps in ASSURANCE will be addressed Further action necessary to address the gaps	By Who	By When	Progress

<p>Operational agreement to underlying deficit assessment.</p> <p>Plan in place to develop a long term financial plan.</p> <p>High level financial assessment of A Healthier Mid and West Wales in place.</p>	Reporting to Finance Committee .	1st			N/A	<p>Process to be put in place over May to November with the assistance of KPMG.</p> <p>Approach to costing impact of A Healthier Mid and West Wales to be developed.</p>	<p>Communication with directorates and responses required from July for the duration of the engagement.</p> <p>Now Strategy is agreed we are moving on to a bottom up assessment of the Financial Planning options and implications of "A Healthier Mid and West Wales".</p> <p>TCS Finance Enabling "Plan for a Plan" - has been considered by the Strategic Financial Planning Group and Finance Committee.</p>	<p>Thomas, Huw</p> <p>Thomas, Huw</p>	<p>31/10/2018 31/07/2019 31/12/2019</p> <p>31/03/2019 31/03/2020</p>	<p>Welsh Government and UHB commissioning external advisors to prepare report on deficit position. Specification agreed and work commenced July 2019. Expected to conclude October 2019. Extension following WG feedback (timescale not defined at this stage).</p> <p>Initiating the establishment of a multidisciplinary Strategic Enabling Group as agreed by the Board on 28/03/19 tied into the Strategy Governance to begin to flesh out service design options and trade-offs to inform and promote debate in co-design process. Intensive work initiated for 2019-20 to support de</p>

PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Operational Risk Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA SBAR REPORT

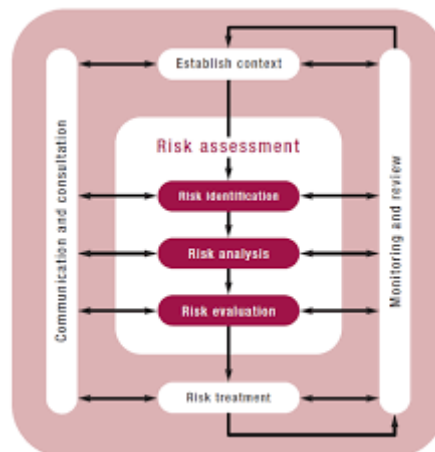
Sefyllfa / Situation

The Finance Committee is responsible for providing assurance to the Board that risks affecting finance are being identified, assessed and managed effectively.

The Committee is asked to seek assurance from lead officers/representatives of the Directorates that the operational risks in the attached reports are being managed effectively.

Cefndir / Background

Effective risk management requires a 'monitoring and review' structure to be in place, to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place.



(Risk Management Process, ISO 31000)

Operational risks must be managed within Directorates under the ownership and leadership of individual Executive Directors, who must establish local arrangements for the review of their risk registers, which includes the validation of the information and risk scores, and the prioritisation and identification of solutions to their risks. In addition to these local arrangements, formal monitoring and scrutiny processes are in place within Hywel Dda

University Health Board (HDdUHB) to provide assurance to the Board that risks are being managed effectively.

All risks identified within the Datix Risk Module must be aligned to a formal Board Committee, Sub-Committee or Group who will be responsible for monitoring and scrutinising risks which relate to their remit. Appendix 1 shows the different levels of risk registers within HDdUHB. Appendix 2 shows how risk is reported within HDdUHB.

The Committee, Sub Committee and Group structure is responsible for the monitoring and scrutiny of operational risks within their remit. They are responsible for:

- Scrutinising operational risks within their remit; either through receiving the risk registers or through Service Reports
- Gaining assurance that risks are being appropriately managed, effective controls are in place, and planned additional controls are being implemented
- Challenging pace of delivery of risk actions
- Identifying, through discussions, new and emerging risks and ensuring these are assessed by those with the relevant responsibility
- Providing assurance to its parent committee that risks are being managed effectively and report risks which have exceeded tolerance through its Sub-Committee/Group update report
- Using risk registers to inform meeting agendas.

It is therefore essential that the membership of these Committees and Sub-Committees includes the appropriate representation from Directorates and that they are in attendance to provide assurance and to respond to queries.

The discussion needs to be reflected in the Committee Update Report to the Board to provide assurance on the management of significant risks. This would include risks that are not being managed within tolerance levels (see [Risk Appetite Statement](#)), and any other risks, as appropriate.

Asesiad / Assessment

The Finance Committee Terms of Reference state that it will:

- Seek assurance on the management of principle risks within the BAF and CRR allocated to the Committee (financial risks), and provide assurance to the Board that risks are being managed effectively and report any areas of significant concern e.g. where risk appetite is exceeded, lack of timely action.
- Considering and keeping under review the organisation's medium term financial strategy in relation to both revenue and capital risks.

The 9 risks presented in the attached risk register at Appendix 3 as at 11th November 2019 have been extracted from Datix based on the following criteria:

- Finance Committee has been selected by the risk lead as the 'Assuring Committee' on Datix
- The current risk score exceeds the tolerance level, as discussed and agreed by the Board on 27th September 2018.
- Risks have been approved at Directorate level on Datix
- Risks have not been escalated to the Corporate Risk Register.

The risks have been scored against the following 'impact' domains':

- Finance, including claims: 9 risks.

Below is a **summary** of the 9 risks, ranked highest to lowest by current score, which meet the criteria for submission to the Finance Committee on 26th November 2019.

TOTAL NUMBER OF RISKS	9
NEW RISK	0
INCREASE IN CURRENT RISK SCORE ↑	0
NO CHANGE IN RISK SCORE ↔	9
REDUCTION IN RISK SCORE ↓	0
REMOVED RISKS: 685 Archived closed, Trolleys now on site.	1
EXTREME (RED) RISKS (based on 'Current risk score')	2
HIGH (AMBER) RISKS (based on 'Current risk score')	7

Risk Ref	Date Risk Identified	Title	Directorate	Current Risk Score	Rationale for the current risk score	Target Risk Score
693	05/11/18	Withybush Hospital will exceed the financial budget.	USC: WGH & Stroke & COTE	16 ↔	There is a delay in transfer of care back to the community and or primary care due to short falls in Local Authority domiciliary care and Re-enablement packages. Over reliance of agency medical and nursing staff due to recruitment issues. Also some drugs and medical equipment are a financial driver to our over spend.	8
525	18/06/18	Scheduled care financial pressure due to continuation of the BGH theatres compensatory rest policy.	Scheduled Care	16 ↔	Process is at an impasse with Staff Side relations. This issue should be resolved by July 2019. A new grievance has been received with reference to the compensatory rest day. This is now being dealt with via the HR process. Date for resolution is now uncertain.	4
132	19/01/17	Difficulty in delivering services within the budget allocated to PPH.	USC: PPH & Diabetes & Respiratory	12 ↔	External pressures such as increases in demand and levels of DTOC limit the ability of the directorate to deliver a balanced financial plan.	8
238	30/05/17	Financial Plan: Risk to service delivery at BGH unable to deliver £1.5m savings plan.	USC: BGH & Gastrology & Neurology	12 ↔	Despite the control measures above, recruitment especially for nursing staff continues to be a high	8

					risk. Financial savings focus has been on increasing efficiencies and LOS reduction. The clinical risk is mitigated by the use of high cost agency nurses to back fill vacancies, however of course, this impacts negatively on the financial position	
523	18/06/18	Scheduled Care General Surgery, Financial cost pressure due to Locum use to cover employee relations issues at GGH & WGH.	Scheduled Care	12 ↔	Financial risk remains fixed due to need to provide clinical teams.	3
526	18/06/18	Scheduled Care financial impact of drugs for AMD treatment affecting Amman V & BGH, GGH, PPH & WGH.	Scheduled Care	12 ↔	Following the withdrawal of pilot funding for AMD, the cost of the high-cost drugs have continued to increase in line with patient numbers.	3
134	08/01/15	HB wide, financial loss arising from inability to trace potentially contaminated surgical instruments.	Central Operations	10 ↔	There is no system currently available on the market to track supplementary instruments on an individual basis.	10
516	27/05/16	Health Board wide risk regarding VAT advice on historic Design for Life Schemes is incomplete.	Finance	8 ↔	No rationale added in Datix.	8
513	01/05/16	Lack of modernisation of the Finance Directorate resulting in limited financial support across the Health Board.	Finance	8 ↔	No rationale added in Datix.	2

The risk register at Appendix 3 details the responses to each risk, i.e. the risk action plan.

The Finance Directorate has undertaken a review of the Finance 'themed' risk register, reducing the risks from 100 previously submitted in August 2019, to 7 risks this submission. The Finance Directorate, through the business partnership arrangements will discuss and agree the level of risk in regard to the following areas and work with operational services to ensure these risks are reflected on individual service risk registers and are provided with the appropriate support to manage these effectively.

- Failure to remain within allocated budget in the current financial year
- Failure to remain within allocated budget over the medium term

These risks are articulated on the risk assessment forms attached at appendix 5 and 6.

A monthly reminder is circulated to Management Leads requesting that the risk assessment and risks actions are reviewed and updated in line with the following timescales for review.

RISK SCORED	DEFINITION	MINIMUM REVIEW FREQUENCY
15-25	Extreme	This type of risk is considered extreme and should be reviewed and progress on actions updated, at least monthly.
8-12	High	This type of risk is considered high and should be reviewed and progress on actions updated at least bi-monthly.
4-6	Moderate	This type of risk is considered moderate and should be reviewed and progress on actions updated at least every six months.
1-3	Low	This type of risk is considered low risk and should be reviewed and progress on actions updated at least annually.

Argymhelliad / Recommendation

The Finance Committee is asked to

- review and scrutinise the risks that have been included to seek assurance that all relevant controls and mitigating actions are in place.
- discuss whether the planned action will be implemented within stated timescales and will reduce the risk further and/or mitigate the impact if the risk materialises.
- Note the core wording of two template risks and central controls prior to being shared with operational services.

This in turn will enable the Committee to provide the necessary assurance to the Board, or otherwise, that the UHB is managing these risks effectively.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

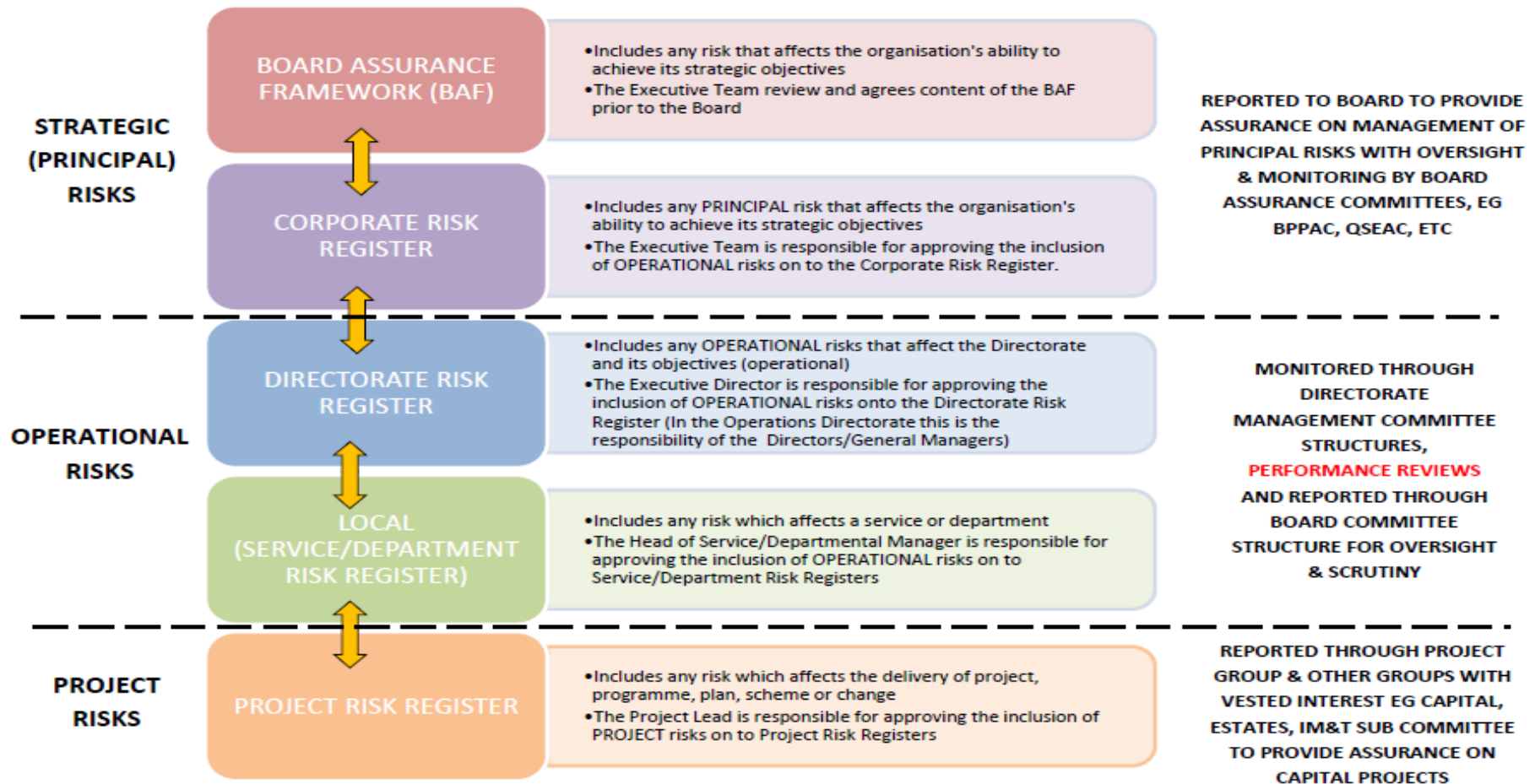
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	Contained in report
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Contained in report
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:

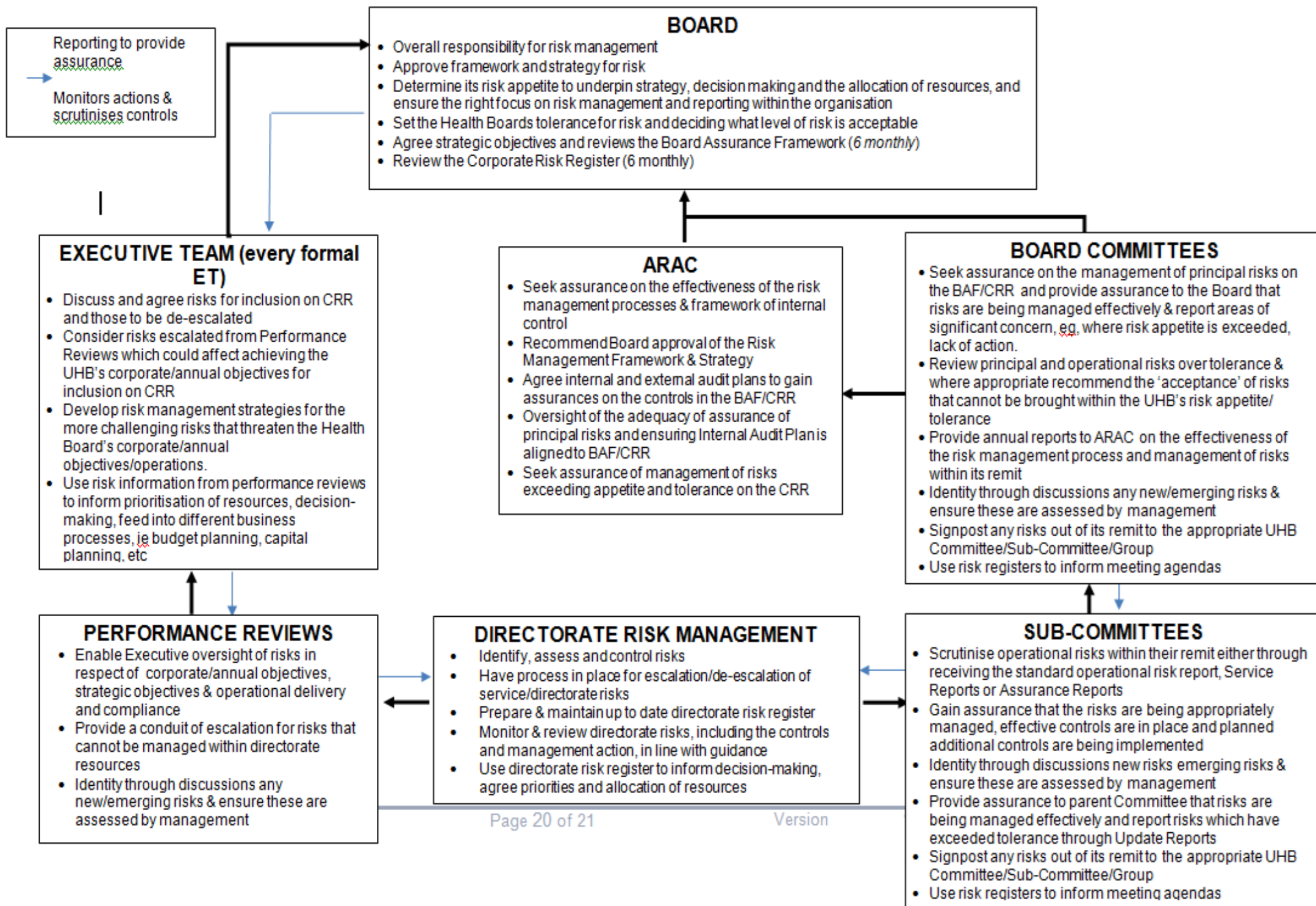
Ar sail tystiolaeth: Evidence Base:	Underpinning risk on the Datix Risk Module from across HDdUHB's services reviewed by risk leads/owners
Rhestr Termiau: Glossary of Terms:	Risk Appetite - <i>the amount of risk that an organisation is willing to pursue or retain</i> (ISO Guide 73, 2009) Risk Tolerance - <i>the organisation's readiness to bear a risk after risk treatment in order to achieve its objectives</i> (ISO Guide 73, 2009)
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Not Applicable, risk registers are submitted to Performance Reviews. However this is not a consultation process.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct impacts from report however impacts of each risk are outlined in risk description.
Ansawdd / Gofal Claf: Quality / Patient Care:	No direct impacts from report however impacts of each risk are outlined in risk description.
Gweithlu: Workforce:	No direct impacts from report however impacts of each risk are outlined in risk description.
Risg: Risk:	No direct impacts from report however organisations are expected to have effective risk management systems in place.
Cyfreithiol: Legal:	No direct impacts from report however proactive risk management including learning from incidents and events contributes towards reducing/eliminating recurrence of risk materialising and mitigates against any possible legal claim with a financial impact.
Enw Da: Reputational:	Poor management of risks can lead to loss of stakeholder confidence. Organisations are expected to have effective risk management systems in place and take steps to reduce/mitigate risks.
Gyfrinachedd: Privacy:	No direct impacts from report however impacts of each risk are outlined in risk description.
Cydraddoldeb: Equality:	Has EqIA screening been undertaken? No Has a full EqIA been undertaken? No

Appendix 1: Risk Registers



14. Appendix 2 Committee reporting structure



Risk Ref	Health and Care Standards	Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
693		USC: WGH	Cole-Williams, Janice	Andrews, Bethan	11/5/2018	<p>There is a risk of WGH exceeding the financial budget.</p> <p>This is caused by surged beds in in-patient areas and the emergency department due to poor patient flow. There is a delay in transfer of care back to the community. We have an over reliance of agency staff due recruitment issues. Medication and medical equipment has also become a driver to the overspend.</p> <p>This will lead to an impact/affect on overall poor financial forecast for the Health Board.</p> <p>Potential risk in a reduction of service as WGH site strives to reduce its burden.</p> <p>Risk location, Withybush General Hospital.</p>	<p>Health Board savings plan.</p> <p>Active recruitment drive to reduce variable pay spend.</p> <p>Monthly budget meeting with in-patient departments and management accounts officer.</p> <p>Allocated Business Partner to working alongside the Triumvirate team.</p> <p>WGH Management team will be holding weekly staff meetings.</p> <p>Twice weekly meetings with Community and LA to review all medical optimised patients within acute and community hospitals.</p>	Finance inc. claims	6	4	4	16	<p>Allocation of Business Partner to work alongside with the Triumvirate team.</p> <p>Active recruitment drive for Medical and nursing staff to aid in the reduction of agency spend.</p>	<p>Cole-Williams, Janice</p> <p>Cole-Williams, Janice</p>	<p>Completed</p> <p>30/04/2019 23/12/2019</p>	<p>Meeting have already started.</p> <p>On going recruitment drive.</p>	Finance Committee	4	2	8	10/18/2019
525	Standard 7.1 Workforce	Scheduled Care: Theatres	Hire, Stephanie	Knight, Diane	6/18/2018	<p>There is a risk of financial pressure for the department through both payments and the requirement for an increased nursing and Operating Department Practitioners (ODP) workforce to provide safe staffing levels.</p> <p>This is caused by the site specific policy for compensatory rest following on-call weekend shifts.</p> <p>This will lead to an impact/affect on the financial sustainability of the service. Safe staffing levels through pressure to recruit a larger workforce.</p> <p>Risk location, Bronglais General Hospital.</p>	<p>Maintenance of current model of compensatory rest, which contradicts Agenda for Change agreements as identified by the Internal Audit review of theatres.</p> <p>New roster to commence 29/04/2019</p>	Finance inc. claims	6	4	4	16	<p>SBAR for removal of compensatory rest has been submitted for review by the Nursing Directorate.</p> <p>Implementation plan following the Executive decision to be drafted and agreed with the BGH Theatre team and TU reps..</p>	<p>Knight, Diane</p> <p>Nichols-Davies, Mandy</p>	<p>Completed</p> <p>Completed</p>	<p>Subsequent request for Executive Team paper.</p> <p>Discussed at Executive Team meeting 2/5/18; 25/7/18. To be considered again 15/8/18. No agreemtn with SCRUB team on changes OCP beginning on the 16/1/19 for 90 days to support changes to Terms of Conditions. Awaiting decision. OCP has been concluded</p>	Finance Committee	1	4	4	10/1/2019
132		USC: PPH	Denning, Brett	Jones, Alex	1/19/2017	<p>There is a risk of it is proving difficult to deliver services in PPH within the allocated budget due to increased patient activity.</p> <p>This is caused by multiple risks to savings plans due to variation in demand and inter-dependencies with other services that are also under pressure.</p> <p>This will lead to an impact/affect on ability to deliver service and health board overall over spend.</p> <p>Risk location, Prince Philip Hospital.</p>	<p>Oracle.</p> <p>Quick View.</p> <p>Variable pay controls.</p> <p>Finance reports.</p> <p>Finance meetings with triumvirate.</p> <p>Finance appointment of business partner complete.</p>	Finance inc. claims	6	3	4	12	<p>Undertake a PPH budget allocation review.</p> <p>Delivery of savings plans for 2017/18.</p> <p>PPH participating in the turnaround process.</p>	<p>Denning, Brett</p> <p>Denning, Brett</p> <p>Denning, Brett</p>	<p>Completed</p> <p>Completed</p> <p>34/4/2017 31/12/2019</p>	<p>Being undertaken with budget holders.</p> <p>Complete.</p> <p>A number of sub meeting groups are in place working on specific projects to reduce costs.</p>	Finance Committee	2	4	8	8/5/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
												Delivering 2018/19 financial plans which has been agreed at executive level.	Denning, Brett	Completed	Review with the Triumvirant team on a timely basis to ensure plans are being monitored. Business partner has now been appointed.					
238	USC: BGH	Davies, Hazel	Davies, Claire	5/30/2017	<p>There is a risk of The ability of the BGH site to manage within its budget due to the impact of nurse recruitment and the need to incur the cost of agency premium.</p> <p>This is caused by Inability to easily recruit nurses due to rurality and relative isolation. Significant success however has been achieved in reducing variable pay cost for doctors and removal of all agency premium, though high cost zero hours doctors are still needed to maintain service delivery.</p> <p>This will lead to an impact/affect on The nursing deficit (approx. 40%) impacts significantly on the site's financial delivery and ability to achieve turnaround. Other risks inherent describe all efforts to improve this position including a 1-5 year nursing workforce strategy. Increased cost of over establishment of Health Care Support Workers to acuity and patient complexity</p> <p>Risk location, Bronglais General Hospital.</p>	<p>The clinical strategy for Bronglais which recognises its place within Mid Wales is now well understood and sits within the wider Health Board TCS strategy. This is now supported by a developed 5 year Nursing Workforce strategy which will drive local nurse education and enable the growth of our own local workforce. The senior team are working closely with Swansea and Aberystwyth Universities to achieve this.</p> <p>Short term actions - driving down unit price for nurse agency Financial recovery plan which accounts for actions to improve HCSW and Band 4 role development (2 year plan) Incentivised bank - awaiting approval for second launch Bronglais Summit - held in November to ensure executive colleagues are sighted on the risks and supportive of all actions to improve</p>	Finance Inc. claims	6	3	4	12	<p>Develop A clinical strategy for Bronglais General Hospital and agree key themes.</p> <p>Develop a Complimentary workforce strategy which takes account of other non traditional workforce options.</p>	<p>Davies, Hazel</p> <p>Davies, Hazel</p>	<p>Completed</p> <p>Completed</p>	<p>Clinical strategy for Bronglais General Hospital will be informed by the current improvement programme of transforming clinical strategy scheduled for public consultation Summer 2018. Regular bronglais specific strategy meetings are held with a final agreement due August 2018. Capita are due to complete a workforce strategy ready to present to the Health Board in November 2018.</p> <p>New ANP posts are currently being advertised to support our clinical model with an ANP in cardiology commenced in post. We have also recently appointed an ANP in COTE and frailty. We have also recently appointed three Physician Associates, with two starting in September 2018 and one due to start in December 2018.</p>	Finance Committee	4	2	8	10/9/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
												Explore ALL options to reduce agency in nursing and medics - including roster improvement to increase utilisation of our own existing staff (links to nursing plan above).	Davies, Hazel	Completed	We have two high cost medics in post, one agency (capped rate) and one NHS (enhanced rate). Both of these will be displaced when the medics recruited are in post. We have successfully recruited doctors to fill the deanery vacancies on our junior medical rota and reduced the number of zero hours locum doctors. We have recruited four staff grade doctors who are due to be in post September 2018. Workforce panel approval is needed for any agency staff appointed and agency and locum cap rates have been introduced which limits the amount we can pay locum staff.					
												Agree a clinical model for colorectal cancer surgery at Bronglais General Hospital. 1 colorectal consultant starts January 2019 2nd consultant awaiting start date CRC model intrinsically linked to the timeline for opening of new theatres at BGH (Scheduled care plan)	Davies, Hazel	Completed	Subject to start date of second CRC surgeon and opening of new theatres, the colorectal model will be able to go live at BGH. Still awaiting appointment of 2nd colorectal surgeon					
												Monitor cost of HCSW over establishment	Jones, Dawn	8/1/2020	Hospital Head of Nursing to monitor/ action controls re NSA assessments					
523	Scheduled Care: General Surgery	Hire, Stephanie	Lewis, Caroline	6/18/2018	There is a risk of financial cost pressure. This is caused by the requirement to engage locum clinicians to provide cover for staff currently not in work as a result of employee relation issues. This will lead to an impact/affect on the ability to provide care within the departmental budget. The ability to provide continuity of care to patients. The moral and motivation of the clinical teams involved.	Probity on the locum contracts being agreed to ensure continuity of service. Adherence to Health Board HR Policies in the management of cases.	Finance inc. claims	6	4	3	12	Develop management plans for continued locum payments to cover GGH consultant off work due to employment relation issues to be specified, including time line for likely conclusion of situation. Develop a management plan for continued locum payments to cover WGH consultant off work due to long term sickness, including time line for likely conclusion of situation.	Lewis, Caroline Lewis, Caroline	Completed 43/09/2018 31/03/2020	In progress. HR issues ongoing	Finance Committee	1	3	3	10/1/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed	
					Risk location, Glangwili General Hospital, Witybush General Hospital.							Develop management plans for continued locum payments to cover WGH middle grade covering a consultant off work due to employment relation issues to be specified, including time line for likely conclusion of situation.	Lewis, Caroline	Completed	In progress.						
526		Scheduled Care: Ophthalmology	Hire, Stephanie	Buckingham, Carly	6/18/2018	<p>There is a risk of financial pressure to the service to continue to provide the current Age related Macular Degeneration(AMD)treatments of Lucentis and Eylea drugs.</p> <p>This is caused by the cost of on-going high cost drug treatment becoming a departmental cost pressure following the ending of pilot funding from Welsh Government in 2017.</p> <p>This will lead to an impact/affect on the ability of the service to provide assurance for financial prudence.</p> <p>Risk location, Amman Valley Hospital, Bronglais General Hospital, Glangwili General Hospital, Prince Philip Hospital, Witybush General Hospital.</p>	<p>Review of medication usage.</p> <p>Review of Ophthalmology patient pathway.</p> <p>Flagging of cost pressure through budget setting.</p>	Finance inc. claims	6	4	3	12	<p>New drug (Avastin) has been identified as providing good outcomes for patients with AMD. The drug was primarily licensed for use on Diabetic retinopathy, but was found to be effective for AMD.</p> <p>It has been adopted by NHS England, but is subject to a judicial review regarding medical licensing.</p> <p>Decision on use is with Welsh NHS.</p>	Buckingham, Carly	Completed	<p>Health Board Clinicians are examining the potential use of the drug for effectiveness vs other treatments. If suitable for adoption may reduce drug costs up to £500K.</p> <p>Changes are still under operational / pharmacy review.</p> <p>Awaiting response to Judicial Review SBAR drafted in Sept 2018 Awaiting Welsh NHS decision on licensing.</p>	Finance Committee	1	3	3	10/1/2019
												<p>Financial review of growth in AMD drug spend to be returned to in conjunction with Senior Business Partner and Pharmacy to understand implications for 2019/20 and 2020/21</p>	Buckingham, Carly	29/11/2019	Project initiated						
134	Control (IPC) and Decontamination	Central Operations: HSDU	Rees, Gareth	Flear, Philip	1/8/2015	<p>There is a risk of needing to destroy large numbers of surgical instruments following suspected prion contamination arising during invasive procedures.</p> <p>This is caused by the inability to be able to mark individual instruments to enable them to be tracked and traced through the decontamination processes as there is no instinctually reliable system available on the market.</p> <p>This will lead to an impact/affect on an inability to</p>	<p>Supplementary instruments are colour coded to allow the surgical speciality to be identified;</p> <p>Where the same supplementary instrument is used for the same procedure, these have been added to the relevant instrument sets;</p> <p>Stock of supplementary instruments within theatres have been reduced and continue to be monitored with the aim of reducing further;</p> <p>Single use instruments are used where available;</p>	Finance inc. claims	6	2	5	10	HSDU management to continue reviewing new technologies which could possible mitigate this risk.	Flear, Philip	43/06/2018 31/01/2019	Currently there is no systems being within current knowledge and invention to do so safely. Regular update of no progress since 2018. 09.10.19 There continues to be no suitable system available.	Finance Committee	2	5	10	10/9/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
	Standard 2.4 Infection Prevention and Control				<p>trace instruments should a look back exercise be required e.g. possible patient infection. Unable to defend possible litigation claims. In the event of detected contamination all similar instruments will need to be destroyed with consequential financial impacts.</p> <p>Risk location, Health Board wide.</p>	<p>All Wales Group representing organisation;</p> <p>Lead Committee - Finance Committee.</p>						<p>Discuss with other Health Boards in England to establish how others are approaching this challenge. Continue to review technology for an acceptable resolution.</p> <p>Head of HSDU attending All Wales Group to identify a Wales wide approach.</p>	Flear, Philip	Completed	<p>Discussed with other health boards and with Hospital Sterilisation and Decontamination Unit (HSDU) management from Derriford, who have etch marked their single instruments. However this is against manufacturer's warranty procedures.</p> <p>No suitable system in place to mitigate this risk as at August 2017. Update 13.08.18 - No further update. 23.10.18 Intend visiting to view a system to be updated in December of any progress. Update 27.12.18 Visit took place system on trial in enabling health board will review results in 3 months time.</p> <p>09.10.19 All Wales Managers group continue to look at suitable methods of instrument marking last meeting held 18.09.19.</p>					
516	Finance	Thomas, Huw	Hayes, Rebecca	5/27/2016	<p>There is a risk of the Health Board recovering an incorrect amount of VAT on advice given on historic and incomplete Design for Life Schemes.</p> <p>This is caused by difficulty in obtaining VAT advice from D4L nominated VAT advisor.</p> <p>This will lead to an impact/affect on the capital program with any incorrect or blocked VAT claims needing to be repaid. This may increase as final reviews are undertaken.</p> <p>Risk location, Health Board wide.</p>	<p>This contract is managed by NHS Shared Services on behalf of Welsh Government.</p> <p>Welsh Government are informed through Capital Review Meetings. It is likely any issues will be funded by Welsh Government as they arise from an all Wales VAT advice contract.</p>	Finance inc. claims	6	4	2	8	Identify a provider for VAT advice.	Eve, David (Inactive User)	Completed	For new D4L schemes the VAT advisory work will be undertaken by the HB current VAT advisors. The issue for new D4L schemes is resolved.	Finance Committee	4	2	8	5/14/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
												Work with Shared Services and Deloitte's to resolve the older D4L schemes.	Thomas, Huw	30/09/2017 31/01/2019 30/09/2019	2 schemes are currently with HMRC for closure, another 3 schemes remain outstanding and 1 scheme is on-going. Work continues to resolve the older schemes. Deloitte are supporting the HB with current HMRC queries and correspondence. Discussions between HMRC Policy Team and Deloitte took place in December 2017, with internal HMRC discussions following in January 2018. HMRC visited the HB in July 2018 and reviewed all of the schemes in detail. As a result, Deloitte have prepared revised work in respect of final account assessment; this was submitted to HMRC in October 2018 for feedback. The follow up work on the Front of House scheme has now been passed over to KPMG who are working with the HB to respond to HMRC queries.					
513	Finance	Thomas, Huw	Hayes, Rebecca	5/1/2016	<p>There is a risk of lack of modernisation of the Finance Directorate.</p> <p>This is caused by withdrawal of the earlier Organisational Change Plan OCP.</p> <p>This will lead to an impact/affect on the level of financial support will be less than optimal.</p> <p>Risk location, Health Board wide.</p>	<p>The Director of Finance is in close liaison with the Senior Finance Team on budget performance, the underlying run-rate and Savings profiles.</p> <p>Temporary agency staff are filling some of the vacancies, until permanent recruitment is made, within the department and this will be retained until permanent solutions are concluded as part of the consultation.</p>	Finance inc. claims	6	4	2	8	Recruit finance staff for vacant positions.	Thomas, Huw	29/05/2018 31/03/2019 30/06/2019	Director appointment in Dec18. OCP commenced its implementation in Jul18 and is on-going; Senior Finance Team appointed and in post by Nov18. OCP process being cascaded down the team. Bands 5, 4 and 3 are in process.	Finance Committee	1	2	2	5/14/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
795	3 Counties: Pembrokeshire	Lorton, Elaine	Hay, Sonia	10/28/2019	<p>There is a risk of the full savings schedule not being realised within this financial year and the annual budget not being delivered. Including an element of recurring and non-recurring savings plans not being realised.</p> <p>This is caused by an inability to identify full savings requirement without an impact on direct patient care and quality of service delivery across the whole system.</p> <p>This will lead to an impact/affect on health board's ability to maintain financial balance and achieve target of savings plan.</p> <p>Risk location, Pembrokeshire.</p>	<p>Project initiation documents and EQIA completed for each savings area and submitted to CEO/ Turnaround Director/ Finance Director in July 2019.</p> <p>Holding to account (HTA) meetings in place with County management team and Turnaround team to monitor savings plans of Green, Amber and Red schemes.</p> <p>High risk savings schemes SBARs submitted to Exec group for support of County recommendations.</p> <p>Reciprocal finance meetings established with stakeholders of Red schemes to progress recommendations.</p> <p>Cost centre review to identify all opportunities for savings that would not cause harm to patients.</p> <p>Vacancy and PSI review for all cost centres to identify potential opportunity for recurrent and non-recurrent savings.</p>	Finance inc. claims	6	4	4	16	<p>Monitor Green, Amber and Red savings plans through County management team (CMT) Governance framework and finance meetings, addressing any slippage of savings profile each month.</p> <p>Identification of additional recurring and non-recurring savings plans through improvement, efficiencies, innovation of county management team.</p> <p>Monitor new systems of cost control each month with CMT at Governance meetings i.e. Bank or agency approval through Senior Nurse.</p> <p>Monitor vacancy control, review skill mix, redesign of roles, change in hours, through fortnightly county workforce meetings.</p>	Lorton, Elaine	31/03/2020	New Action.	Finance Committee	3	4	12	10/28/2019
798	Standard 3.1 Safe and Clinically Effective Care USC: Radiology	Perry, Sarah	Evans, Amanda	11/7/2019	<p>There is a risk of that Radiology will not be able to meet the requirements of several optimal pathways for patient care. This includes cancer and lung optimal pathways</p> <p>This is caused by lack of radiologists and key radiography staff</p> <p>This will lead to an impact/affect on patient outcomes with delayed diagnosis and treatments</p> <p>Risk location, Health Board wide.</p>	<p>reviews of work flow , use of Single Cancer pathways money's , Job plans revisited , use of agency staff</p>	Safety - Patient, Staff or Public	6	3	4	12	Recruitment campaign for additional radiologists	Khan, Dr Liaquat	31/01/2020	Job descriptions have been approved by RCR . Communications dept at Hywel Dda to launch video campaign	Operational Quality, Safety & Experience Sub Committee	2	3	6	11/7/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed	
516		Finance	Thomas, Huw	Hayes, Rebecca	5/27/2016	<p>There is a risk of the Health Board recovering an incorrect amount of VAT on advice given on historic and incomplete Design for Life Schemes.</p> <p>This is caused by difficulty in obtaining VAT advice from D4L nominated VAT advisor.</p> <p>This will lead to an impact/affect on the capital program with any incorrect or blocked VAT claims needing to be repaid. This may increase as final reviews are undertaken.</p> <p>Risk location, Health Board wide.</p>	<p>This contract is managed by NHS Shared Services on behalf of Welsh Government.</p> <p>Welsh Government are informed through Capital Review Meetings. It is likely any issues will be funded by Welsh Government as they arise from an all Wales VAT advice contract.</p>	Finance inc. claims	6	4	2	8	<p>Identify a provider for VAT advice.</p> <p>Work with Shared Services and Deloitte's to resolve the older D4L schemes.</p>	<p>Eve, David (Inactive User)</p> <p>Thomas, Huw</p>	<p>Completed</p> <p>30/09/2017 31/01/2019 30/09/2019</p>	<p>For new D4L schemes the VAT advisory work will be undertaken by the HB current VAT advisors. The issue for new D4L schemes is resolved.</p> <p>2 schemes are currently with HMRC for closure, another 3 schemes remain outstanding and 1 scheme is on-going. Work continues to resolve the older schemes. Deloitte are supporting the HB with current HMRC queries and correspondence. Discussions between HMRC Policy Team and Deloitte took place in December 2017, with internal HMRC discussions following in January 2018. HMRC visited the HB in July 2018 and reviewed all of the schemes in detail. As a result, Deloitte have prepared revised work in respect of final account assessment; this was submitted to HMRC in October 2018 for feedback. The follow up work on the Front of House scheme has now been passed over to KPMG who are working with the HB to respond to HMRC queries.</p>	Finance Committee	4	2	8	5/14/2019

Risk Ref	Health and Care Standards Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
513	Finance	Thomas, Huw	Hayes, Rebecca	5/1/2016	There is a risk of lack of modernisation of the Finance Directorate. This is caused by withdrawal of the earlier Organisational Change Plan OCP. This will lead to an impact/affect on the level of financial support will be less than optimal. Risk location, Health Board wide.	The Director of Finance is in close liaison with the Senior Finance Team on budget performance, the underlying run-rate and Savings profiles. Temporary agency staff are filling some of the vacancies, until permanent recruitment is made, within the department and this will be retained until permanent solutions are concluded as part of the consultation.	Finance inc. claims	6	4	2	8	Recruit finance staff for vacant positions.	Thomas, Huw	29/05/2018 31/03/2019 30/06/2019	Director appointment in Dec18. OCP commenced its implementation in Jul18 and is on-going; Senior Finance Team appointed and in post by Nov18. OCP process being cascaded down the team. Bands 5, 4 and 3 are in process.	Finance Committee	1	2	2	5/14/2019
511	Finance	Thomas, Huw	Hayes, Rebecca	5/1/2016	There is a risk of operational problems in delivering adequate payment systems within NHS Wales Shared Services. This is caused by duplicate & incorrect payments, with no confidence that all incorrect or duplicates are recovered. Delayed payments, lost invoices, suppliers placing Health Board on hold, loss of reputation, failed Public Sector Payment Performance (PSPP) target, in excess of £3m of invoices on hold. This will lead to an impact/affect on reputational damage, service continuity issues and failure to meet Welsh Government(WG) targets for the prompt payment of suppliers. Risk location, Health Board wide.	Additional control measures have been implemented both within procurement and financial accounting in order to attempt to mitigate the current issues. Additional resources have been secured in order to deliver plan. Shared services have attended the Audit Risk and Assurance Committee (ARAC) in order to provide assurance that remedial action will be taken to put the action plan back on track. Regular updates have been provided to ARAC.	Service/Business interruption/disruption	6	2	3	6	Improve the current performance and engagement in the payments process. Monitored to maintain progress within NHS Wales Shared Services Procurement NWSSP.	Thomas, Huw	30/09/2017 30/08/2018	Monitoring and engagement in place. System enhancements (Oxygen) fully implemented in 2018 by Shared Services; contributing to compliance with the Health Board's prompt payment policy. The Health Board reported 96.7% compliance with the policy for Quarter 1 2018/19. This will however continue to be an on-going risk to monitor.	Finance Committee	1	3	3	10/4/2018
515	Finance	Thomas, Huw	Hayes, Rebecca	5/27/2016	There is a risk of the Health Board is failing to comply with HMRC (IR35) regulations, in relation to Off payroll arrangements. This is caused by a request to identify individuals that are paid on average £220 per day over a 6 month period and seek assurance from these individuals, that they comply with UK Revenue and Tax obligations. As identified via a directive from Welsh Government (WG). This will lead to an impact/affect on the health board may be subject to a fine of over £1m. Risk location, Health Board wide.	Medical staffing contact all doctors based on information received from Medacs and Staff Flow to seek assurance of compliance.	Finance inc. claims	6	2	2	4	The Director of Finance is to link with HR to establish a Health Board task and finish group to look at developing a work plan to ensure that compliance is achieved.	Thomas, Huw	1/9/2017	New compliant system is now in place.	Finance Committee	1	2	2	11/29/2018

Risk Ref	Health and Care Standards	Directorate	Directorate lead	Management or service lead	Date risk identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Date Reviewed
512		Finance	Thomas, Huw	Hayes, Rebecca	5/1/2016	<p>There is a risk of Her Majesty's Revenue and Customs (HMRC), querying on an All-Wales basis the operation of the Out Of Hours GP scheme, would rule that payments should be made net of tax and National Insurance (NI).</p> <p>This is caused by discussions with HMRC and Deloitte's advising Local Health Boards and Boards whereby Health Boards have agreed to bring General Practitioners (GP's) Out of Hours (OOH) doctors within tax and NI deduction at source from 1st November 2017.</p> <p>This will lead to an impact/affect on the stability of the OOH service which the Operations Directorate are working to mitigate. The remaining risk with HMRC relates to the backdating of Tax and NI liability to 6th April 2017 at significant cost.</p> <p>Risk location, Health Board wide.</p>	<p>Hywel Dda has commissioned Deloitte LLP to provide advice.</p> <p>Links have also been made with other Health Boards in Wales in order to ensure that a consistent approach is being adopted.</p> <p>Deloitte LLP are providing Tax advice to the Health Board on this issue.</p> <p>The HMRC have accepted that there will be no backdating of reclaim before 31/03/2017.</p> <p>From November 2017 all ad hoc OOH GPs have been processed through payroll in accordance with IR35 requirements.</p>	Service/Business interruption/disruption	6	3	1	3	HMRC have confirmed that OOH is within the scope of IR35. HMRC have accepted there will be no backdating of reclaim before 31/03/17; the period under risk is April - November 2017 in relation to the PAYE, Employee's and Employer's NIC. Professional advice from Deloitte is required.	Thomas, Huw	30/09/2017 31/01/2019	<p>Deloitte are co-ordinating the process in relation to the PAYE, Employee's and Employer's NIC for the period April - November 2017 on behalf of Health Boards in Wales to reach satisfactory settlement with HMRC.</p> <p>The maximum liability has now been confirmed by HMRC, and sufficient provision was made in 2017/18 to cover this maximum value. Negotiations are still on-going between HMRC and Deloitte.</p> <p>From November 2017, all ad hoc OOH GPs have been processed through payroll in accordance with IR35 requirements.</p>	Finance Committee	3	1	3	11/12/2018

Hywel Dda UHB - Risk Assessment Form

Datix ref. and date of entry:	[Directorate specific]	Any previous risk reference:	
Name of person identifying risk:	[Directorate specific]	Contact email or phone:	[Directorate specific]

Risk Ownership

Executive Director:	[Directorate specific]
Directorate lead:	[Directorate specific]
Management or service lead:	[Directorate specific]

Risk Location

Directorate:	[Directorate specific]	Service or Department:	[Directorate specific]
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Risk Identification

Title of risk:	Failure to remain within allocated budget in the current financial year				
Date risk identified:	[Directorate specific]	How risk was identified (risk source):		Risk assessment	
Type of Risk: (Choose one ✓)	Operational	✓	Strategic		Project

Risk Statement

Describe the risk, work activity, environment or process being assessed. What is the risk to the Health Board?			
There is a risk of the Directorate failing to remain within their allocated budget for the 2019/20 financial year.			
This is caused by the savings plans for the year not being delivered; or the operational cost pressures arising from the requirement to meet performance targets of quality measures.			
This could lead to an impact/affect the Health Board's reputation with Welsh Government and other stakeholders.			
Location of the risk:	Health Board wide		
What is the financial cost if the risk materialises:	£	What is the financial cost based on?	
Please ✓ the one DOMAIN under which this risk lies:			
Safety, patient, staff or public		Quality, Complaints or Audit	
Statutory Duty or Inspection		Adverse Publicity or Reputation	
Finance including Claims	✓	Service/Business interruptions/disruptions	
		Workforce & OD	
		Business Objectives or Projects	
		Environmental	

Inherent Risk Score (Likelihood x Impact = Risk Score)

What is the score **WITHOUT** any control measures?

Using the risk matrix overleaf, evaluate the inherent risk rating. This is the risk score WITHOUT control measures in place.
--

Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
Catastrophic - 5	5	10	15	20	25
Major - 4	4	8	12	16	20
Moderate - 3	3	6	9	12	15
Minor - 2	2	4	6	8	10
Negligible - 1	1	2	3	4	5

Hywel Dda UHB - Risk Assessment Form

Inherent likelihood	[Directorate specific]	× Inherent impact	[Directorate specific]	= Inherent risk rating	[Directorate specific]
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Control Measures Currently in Place - List the current control measures in place to minimise the potential impact of harm and reduce the risk. These must be **IN PLACE AND WORKING** to be a control.

Control measures
1. The Turnaround and Holding to Account (HTA) process provides a high level of scrutiny and challenge to Directorates in terms of adherence to assigned budget and delivery and identification of robust savings schemes.
2. Finance Business Partners work closely with budget holders to support informed decision making and ensure that there is sufficient focus on the financial implications of operational pressures and mitigating actions.
3.
4.

Current Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix below, identify the **current** risk rating. This is the risk score **WITH** control measures in place.

Current likelihood	[Directorate specific]	× Current impact	[Directorate specific]	= Current risk rating	[Directorate specific]
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Risk Action Plan - Please specify actions that address the cause of the risk (These should be clear and concise).

Actions must be SMART: Specific, Measurable, Achievable, Realistic and Time-bound.	By whom	By when	Cost of action
1. A 3-year financial training programme is being developed for budget holders as part of the Health Board's three year Plan.			
2. A reporting dashboard is under development to improve the accessibility to financial and non-financial information for budget holders and to allow a better understanding of cost drivers. This will facilitate better and more informed decision making by budget holders.			
3.			
4.			

Target Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix, identify the **target** risk rating. This is the risk score you are trying to achieve when the actions are put in place.

Target likelihood	[Directorate specific]	× Target impact	[Directorate specific]	= Target risk rating	[Directorate specific]
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Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
Catastrophic - 5	5	10	15	20	25
Major - 4	4	8	12	16	20
Moderate - 3	3	6	9	12	15
Minor - 2	2	4	6	8	10
Negligible - 1	1	2	3	4	5

Hywel Dda UHB - Risk Assessment Form

Risk Review & Monitoring (for management completion)

Identify the Lead Assurance Committee or Sub-Committee this risk should be reported to:	Finance Committee		
Identify the local management group this risk should be monitored at:			
Is this risk to be entered onto your service risk register in Datix? (yes/no)	Yes	Frequency of review:	<i>[Directorate specific]</i>

Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain – 5
Catastrophic - 5	5	10	15	20	25
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Negligible - 1	1	2	3	4	5

Hywel Dda UHB - Risk Assessment Form

Datix ref. and date of entry:	[Directorate specific]	Any previous risk reference:	
Name of person identifying risk:	[Directorate specific]	Contact email or phone:	[Directorate specific]

Risk Ownership

Executive Director:	[Directorate specific]
Directorate lead:	[Directorate specific]
Management or service lead:	[Directorate specific]

Risk Location

Directorate:	[Directorate specific]	Service or Department:	[Directorate specific]
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Risk Identification

Title of risk:	Failure to remain within allocated budget over the medium term				
Date risk identified:	[Directorate specific]	How risk was identified (risk source):		Risk assessment	
Type of Risk: (Choose one ✓)	Operational	✓	Strategic		Project

Risk Statement

Describe the risk, work activity, environment or process being assessed. What is the risk to the Health Board?			
There is a risk of the Directorate failing to remain within their allocated budget over the medium term.			
<p>This is caused by the inability to either:</p> <ol style="list-style-type: none"> 1. Identify and deliver robust and realistic recurrent savings plans, or 2. Manage the necessary changes in such a way that the financial gains are realised and an improvement trajectory is achieved. <p>This could lead to an impact/affect on the Health Board's reputation with Welsh Government and other stakeholders.</p>			
Location of the risk:	Health Board wide		
What is the financial cost if the risk materialises:	£	What is the financial cost based on?	
Please ✓ the one DOMAIN under which this risk lies:			
Safety, patient, staff or public		Quality, Complaints or Audit	
Statutory Duty or Inspection		Adverse Publicity or Reputation	
Finance including Claims	✓	Service/Business interruptions/disruptions	
		Workforce & OD	
		Business Objectives or Projects	
		Environmental	

Inherent Risk Score (Likelihood x Impact = Risk Score)

What is the score **WITHOUT** any control measures?

Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
Catastrophic - 5	5	10	15	20	25
Major - 4	4	8	12	16	20
Moderate - 3	3	6	9	12	15
Minor - 2	2	4	6	8	10
Negligible - 1	1	2	3	4	5

Hywel Dda UHB - Risk Assessment Form

Using the risk matrix overleaf, evaluate the **inherent** risk rating. This is the risk score **WITHOUT** control measures in place.

Inherent likelihood	<i>[Directorate specific]</i>	× Inherent impact	<i>[Directorate specific]</i>	= Inherent risk rating	<i>[Directorate specific]</i>
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Control Measures Currently in Place - List the current control measures in place to minimise the potential impact of harm and reduce the risk. These must be **IN PLACE AND WORKING** to be a control.

Control measures
1. The Turnaround and Holding to Account (HTA) process provides a high level of scrutiny and challenge to Directorates in terms of adherence to assigned budget and delivery and identification of robust savings schemes.
2. Finance Business Partners work closely with budget holders to support informed decision making and ensure that there is sufficient focus on the financial implications of operational pressures and mitigating actions.
3.
4.

Current Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix below, identify the **current** risk rating. This is the risk score **WITH** control measures in place.

Current likelihood	<i>[Directorate specific]</i>	× Current impact	<i>[Directorate specific]</i>	= Current risk rating	<i>[Directorate specific]</i>
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Risk Action Plan - Please specify actions that address the cause of the risk (These should be clear and concise).

Actions must be SMART : Specific, Measurable, Achievable, Realistic and Time-bound.	By whom	By when	Cost of action
1. A 3-year financial training programme is being developed for budget holders as part of the Health Board's three year Plan.			
2. A reporting dashboard is under development to improve the accessibility to financial and non-financial information for budget holders and to allow a better understanding of cost drivers. This will facilitate better and more informed decision making by budget holders.			
3. A weekly reporting tracker is being developed to inform the Executive Team of progress/issues with savings delivery.			
4. The HTA savings report is presented in order of risk profile to ensure that the greatest focus of discussions is on high risk schemes.			

Target Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix, identify the **target** risk rating. This is the risk score you are trying to achieve when the actions are put in place.

Target likelihood	<i>[Directorate specific]</i>	× Target impact	<i>[Directorate specific]</i>	= Target risk rating	<i>[Directorate specific]</i>
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Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
Catastrophic - 5	5	10	15	20	25
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Moderate - 3	3	6	9	12	15
Minor - 2	2	4	6	8	10
Negligible - 1	1	2	3	4	5

Hywel Dda UHB - Risk Assessment Form

Risk Review & Monitoring (for management completion)

Identify the Lead Assurance Committee or Sub-Committee this risk should be reported to:	Finance Committee		
Identify the local management group this risk should be monitored at:			
Is this risk to be entered onto your service risk register in Datix? (yes/no)	Yes	Frequency of review:	<i>[Directorate specific]</i>

Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain – 5
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Minor - 2	2	4	6	8	10
Negligible - 1	1	2	3	4	5



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 November 2019
TEITL YR ADRODDIAD: TITLE OF REPORT:	Financial Procedures
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

Each year, planned reviews are undertaken of the financial procedures operated by Hywel Dda University Health Board (HDdUHB). The procedures, which set out the main financial system controls, are reviewed in terms of:

- Relevance
- Best practice
- Audit recommendations
- System change
- Health Board policy

A proposal for review was presented to the Finance Committee in February 2019.

Cefndir / Background

The following procedures have been reviewed and are presented to the Finance Committee for approval as one overarching procedure covering Income and Cash Collection, attached at Appendix 1:

- 02/01 – Income and Cash Collection
- 02/02 – Credit Control & Debt Recovery
- 02/04 – Income from Surgical Appliances
- 02/05 – Hospital Cafeteria System Procedure

Asesiad / Assessment

The revised financial procedure covering Income and Cash Collection has been reviewed by key personnel within Finance, Counter Fraud along with Service managers and other key personnel.

The Income and Cash Collection procedure has been re-written and strengthened after a full review and, as this procedure is a rewrite and amalgamation of four procedures, the Committee is receiving the reworked version, with no strikethrough deletions or red font additions.

The procedure is covered by a specific Financial Procedures Equality Impact Assessment (EqIA) with no negative impact.

Argymhelliad / Recommendation

The Finance Committee is asked to approve the attached revised financial procedures.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	5.7 Review and approve financial procedures on behalf of the Health Board.
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 7. Staff and Resources
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Improve efficiency and quality of services through collaboration with people, communities and partners

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	Previous procedures, internal audit report recommendations, standing financial instructions
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	HDdUHB Finance Team HDdUHB Management Team Executive Team Finance Committee NHS Wales Shared Services Partnership (NWSSP)

Effaith: (rhaid cwblhau)

Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report
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Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Financial risks are detailed in the report.
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Financial procedures are required to ensure good governance and sound financial control
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	EqlA has been undertaken with no negative impacts on those with protected characteristics



Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Income and Cash Collection

Procedure Number:		Supersedes:	02/01 02/02 02/04 02/05	Classification	Financial	
Version No:	Date of EqIA:	Approved by:		Date Approved:	Date made active:	Review Date:
1		Finance Committee				3 years
Brief Summary of Document:	This document is one in a series of financial procedures providing clear process to be followed.					
Scope	Health Board wide procedure					
To be read in conjunction with:	Standing Financial Instructions Standing Orders Other Financial Procedures					
Owning group	Finance Team					

HYWEL DDA UNIVERSITY HEALTH BOARD

Reviews and updates		
Version no:	Summary of Amendments:	Date Approved:
1	New Procedure & full review	

Glossary of terms

Term	Definition

Keywords	Cash, Till, Debt, Income, Bank, Receipt
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HYWEL DDA UNIVERSITY HEALTH BOARD

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HYWEL DDA UNIVERSITY HEALTH BOARD

1. SCOPE

The financial procedure is Health Board Wide.

2. AIM

The aim of this procedure is to outline the procedure for credit control and debt recovery arrangements, including cash handling within the Health Board.

3. OBJECTIVES

The aim of this procedure is to ensure financial probity and clarity of accountability in the organisation.

4. INTRODUCTION

The Director of Finance is responsible for ensuring that appropriate systems and procedures are in place to ensure all income due to the Health Board is identified, collected, recovered, banked and recorded fully in the Financial Management System (Oracle E Business Suite).

The aim of this procedure will be achieved by ensuring staff are aware of how to handle cash and income securely to minimise instances of loss or theft. Where cases of fraud or corruption are suspected, the guidance given in the Health Board's Counter Fraud Policy and Response Plan should be followed.

5. INCOME AND CASH COLLECTION

5.1 Receipt and Banking

All Income shall be receipted and recorded in the Health Board's Financial Management System (noted in Section 4 above) in accordance with desk top operating instructions and, banked on a timely basis, with the following exceptions only:

Income collected by deduction from salary will be receipted and recorded in the Health Board's Financial Management System but will not require banking. Systems will be in place to ensure the completeness of this income.

Automatic credits to the Health Board's bank accounts will be receipted and recorded directly in the Health Board's Financial Management System as noted above, but again, will not require banking.

Once receipted and recorded in the Financial Management System, all income, other than salary deductions, automatic credits and card payments, shall be paid into the Health Board's main bank account on a timely basis.

Only those officers nominated by the Director of Finance shall bank income.

When paying in money to the bank a three part paying-in book will be used. One copy will remain in the book, the second copy will go with the money to the bank and the third sent to the Finance Department.

Where large sums are to be banked on a regular basis the Health Board shall employ the services of a security company, via the General Offices on the Acute sites.

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5.2 Recovery of Income

All sales ledger invoices will be raised on a timely basis following notification of income due. Invoices will be raised in accordance with desk top operating instructions. In addition a register of periodic income will be maintained and periodic invoices raised on a timely basis.

All cancellations of invoices shall be authorised by an officer(s) nominated by the Director of Finance.

Statements, reminder letters and copy invoices will be issued, in accordance with section 6 of this procedure document, in order to secure the recovery of outstanding balances.

The Health Board will retain the services of a debt collection agency and will refer accounts in accordance with the Credit Control Procedure to this agency where payment against overdue accounts cannot be secured by the Health Board.

Where appropriate, income may be recovered by deduction from salary. The approval from the employee shall be obtained before making deduction from salary, unless the agreement is already included in their contract of employment, with reference to Workforce policies as required.

The Health Board's main source of income is via Welsh Government and will be in the form of annual allocation. This will be updated throughout the year if new schemes are supported by Welsh Government. The Health Board will request the drawdown of the allocation on a monthly basis via a FIS1 form; this is then paid to the organisation at the start of each month.

Other sources of income to the Health Board include the following, but not exclusive to:

Long Term Agreements with Local Health Boards

Long Term Agreements (LTAs), with Local Health Boards (LHBs) for patient services should be agreed between the Health Board and the LHBs. It will not be necessary for the Health Board to invoice the LHBs to recover income. Other LHBs may also produce payment schedules and will advise the Health Board if an invoice is required.

Any adjustments to the LTA that are agreed with the LHBs will be detailed in an amended schedule and the monthly payments adjusted accordingly.

LTA schedules will be reconciled to the general ledger on a monthly basis.

Non contract activity

WHC (2006) 12 sets out the basis on which NHS Health Boards may charge commissioners for activity that is not covered by an LTA or other contract. It applies to all non elective activity and to elective activity for which prior permission has been obtained from the responsible commissioner.

The Finance department will invoice the value of Non Contract Activity (NCA) to the responsible commissioner.

Patients from Overseas

The Welsh Government Charging Regulations place a legal obligation on Health Boards in Wales to establish if people to whom they are providing NHS hospital services are not normally resident in the UK. If they are not then charges may be applicable for the NHS hospital services provided. When that is the case, the UHB must charge the person liable for the costs of NHS hospital

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services in accordance with financial procedure FP10/05 'Procedure for the identification and charging of overseas visitors for NHS treatment'.

Category II Fees

Category II fees are due to both the Health Board and relevant practitioner where work is undertaken for which there is no clinical need, for example medical reports for solicitors or insurance companies. The main source of this income is the cost of tests performed by the Radiology and Pathology Departments.

Tariffs for the Radiology and Pathology Departments are uplifted annually by Finance. Radiology and Pathology Departments will notify the Finance Department of activity in order that an invoice can be produced for tests performed.

A fixed proportion of the category II fee is due to the practitioner and should be paid to the practitioner on a monthly basis following recovery.

Road Traffic Accidents

The Compensation Recovery Unit (CRU) under the provisions of the Road Traffic (NHS Charges) Act 1999 will be responsible for the collection of all income due to the Health Board following Road Traffic Accidents, in accordance with financial procedure FP02/03 'Road Traffic Accidents Road Traffic (NHS Charges) Act 1999'.

Private Patients

Each practitioner undertaking private practice within the Health Board shall provide the Finance Department details of each private activity – the Agreement to Pay Form.

The Finance Department shall invoice all private patients for services provided by the Health Board in accordance with financial procedure FP10/06 'Treatment of Private Patients – Control of Admission and Collection of Income'.

Accommodation

The Hotel Services Department send Finance monthly spreadsheets of any charges required for rent and bonds. The Finance Department will notify the Payroll Department of any deductions from pay details and will raise invoices to Medical Locum staff.

Vending Machines and telephone coin boxes

Vending machines and telephone coin boxes will be emptied on a regular basis, at least monthly, and always by two members of staff. Both members of staff will sign a return recording the amount collected and all income will be taken promptly to a general office to be officially receipted.

Canteen Income

Section 7 of this document details the procedure to follow for all departments operating cash tills, which includes cashing up and cash security.

Disposal of Surplus Assets

The Head of the Procurement Department is responsible for arranging the disposal of surplus assets and other items. Surplus assets will only be released to the purchaser on production of an official receipt for the sale of those assets. This is covered by financial procedure FP14/03 Disposal of surplus and obsolete furniture, equipment, sale of scrap and other waste materials.

Crèche

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The Health Board's crèche based in Withybush General Hospital is for the children of Health Board employees only.

An officer of the crèche will prepare a schedule on a monthly basis of charges to employees for the time that their children have spent in the crèche and this will be forwarded to the Payroll and Pensions Agency who will arrange deduction from salary.

Lease Cars

The Lease Car Managed Service Provider will notify the Payroll Agency of amounts to be deducted from salary in respect of lease cars.

Telephone Charges

The cost of private telephone calls logged on call logging software or by switchboard will be recharged to the individual making the call.

The Payroll Agency will be notified of charges to be deducted from employees.

Post-Graduate Medical and Dental Education (PGMDE) and Junior Doctors Training

The Director of Finance will agree funding with the College of Medicine for Post-Graduate Medical and Dental Education, PGMDE, and the training of junior doctors.

The College will provide the Health Board with a schedule of monthly payments to be made, it will not be necessary to invoice to recover this funding

Other training or the funding of training posts may be agreed from time to time with the College and any income in respect of this is sent directly to the Health Board's bank accounts.

Recharges

Where expenditure is incurred on behalf of a third party income and expenditure shall be shown net. Such arrangements will only proceed where the Health Board has assurances that the expenditure incurred will be reimbursed by the third party.

All Other Income

The Finance Department shall be notified by relevant managers of all other income to be recovered, this will include;

- Mortuary fees
- Income generation schemes
- Other training
- Rental of premises and other facilities

The Finance Department will recover this income through invoicing.

5.4 Control

An officer of the Finance Department will be responsible for maintaining a register of regular/periodic income. This officer will ensure that such income is invoiced on a timely basis.

An officer of the Finance Department will review invoices raised against the register of regular/periodic income to ensure both the completeness of income and the timeliness of invoicing.

Systems shall be established to ensure completeness of income.

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Those departments anticipating income through the mail shall ensure, where it is practical, that two members of staff are responsible for opening the mail.

The Financial Management System Accounts Receivable module will be closed down at period end in accordance with the Finance Department's period end closure timetable.

The Financial Management System's general ledger debtor control accounts will be reconciled to the sales ledger monthly and signed and dated by both the preparer and reviewer on a timely basis.

An aged debt analysis report will be produced from the Financial Management System on a monthly basis. This report will be reviewed and the review evidenced by an officer nominated by the Director of Finance.

6. CREDIT CONTROL & DEBT RECOVERY

6.1 Raising of Invoices

All income due to the Health Board will be notified to the Finance Department's Debtors team in writing in the format prescribed by the Director of Finance, on a timely basis. It is the responsibility of the requesting officer/department to ensure that the income source is valid and all details and backing documentation relating to the income source is correct and maintained eg Service Level Agreement relating to the income source. This documentation will be subject to scrutiny by the Health Board's auditors.

All requisitioning officers / departments are expected to assist the Debtors team in the event of an invoice query or invoice dispute.

6.2 Recovery of Debt

The payment terms for all invoices are within 14 days unless alternative payment terms have been agreed with the Assistant Director of Finance (ADOF) or Senior Finance Business Partner (SFBP) responsible for the Debtors function.

Requests for payment by instalment may be considered by the above ADOF or SFBP. The collection agency may also recommend acceptance of payment by instalments as a settlement to debts referred to them for collection.

All correspondence with debtors will be recorded in the Health Board's Financial Management System or, if this is not practicable, a written record will be filed for future reference.

6.3 NHS Debtors

All Wales NHS debtors will be issued with statements on a monthly basis. All NHS overdue accounts will be contacted by telephone within 28 days of the due date to secure settlement. All Wales NHS debts will be pursued in accordance with the extant circular regarding the Debtor Arbitration Process.

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All overdue non Wales NHS debts will be pursued in the same period as the arbitration process for Wales NHS debts, however non Wales NHS debts may be referred to the Debt Collection Agency after 22 weeks.

6.4 NON NHS – Public Sector

Non NHS public sector accounts with high volume of transactions will be sent statements on a monthly basis

All public sector overdue accounts will be sent a first reminder letter within 28 days of the due date. The first reminder letter will request settlement within 7 days. Where invoices remain outstanding, the public sector body will be contacted by telephone in order to establish why settlement has not been made.

Overdue debts not settled after the first reminder letter and telephone call will be sent a final reminder letter within 14 days of the revised due date. This letter will request payment within 7 days; otherwise, the account may be forwarded to a debt collection agency.

6.5 NON NHS – staff

All overdue accounts will be sent a first reminder letter within 28 days of the due date. The letter will request settlement within 7 days. Staff debtors may also be contacted by telephone where appropriate.

Overdue debts not settled after the first reminder letter and telephone call will be sent a final reminder letter within 14 days of the revised due date. This letter will request payment within 7 days; otherwise the account will be forwarded to a debt collection agency.

6.6 NON NHS – Other

All overdue accounts will be sent a first reminder letter within 28 days of the due date. The letter will request settlement within 7 days.

Overdue debts not settled after the first reminder letter will be sent a final reminder letter within 14 days of the revised due date. This letter will request payment within 7 days otherwise, their account will be forwarded to a debt collection Agency.

Debts greater than £100.00 not settled following the final reminder letter will be forwarded to a debt collection agency on a monthly basis.

6.7 External recovery of debt

The AR Team Leader (Finance Analyst – Process Improvement) will in conjunction with either the SFBP or Assistant Business Partner – Process Improvement will review the Debtors ledger on a monthly basis in order to identify those debts to be referred for external debt collection. The AR Team Leader will maintain a schedule of debts referred for external collection and deal with all correspondence with the debt collection agency.

Where the address of the customer is unclear and the outstanding debt is greater than £100.00, the debt collection agency will be authorised to perform a search. The debt collection agency will advise when the only option for proceeding with collection is through the courts. This action will only be taken after an economic appraisal of the cost of recovery and enforcement is undertaken.

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6.8 Write off of debt

The AR Team Leader will maintain a schedule (the "Write Off Schedule") of debt to be passed to the relevant parties for authorisation for write off Individual debts:

- Under £1,000 – Director of Finance
- Individual debts between £1,000.- £5,000 – Chief Executive Officer & Director of Finance
- Individual debts over £5,000 – Audit Committee

Outstanding debt less than £100.00 not referred to the Debt Collection Agency will be included on the Write Off Schedule for write off when the debt is over 6 months old.

Debt referred to the Debt Collection Agency shall be written off on receipt of advice that they are unable to pursue collection.

The AR Team Leader is responsible for ensuring that written off debts are recorded in the Financial Management System.

6.9 Charities

In all instances agreement to pay is obtained prior to purchasing goods/services for which a bill is subsequently raised to the relevant Charitable organisation.

Where invoices remain outstanding with a charitable body, the debtor will be contacted by telephone in order to try to ensure settlement.

All Charitable body debts not settled after the second reminder letter may be followed up with a further letter from the Director of Finance seeking payment AND REFERRED TO THE Charitable Funds Committee.

7. HOSPITAL CAFETERIA SYSTEM

7.1 Operation of Till

- a) Only the authorised nominated officers are allowed to operate the cash register.
- b) The fixed cash float should be checked at the commencement of each session and signed as agreed.
- c) Initial the audit roll and record the date and time before sales commence and at the end of each session.
- d) Each individual cash transaction must be recorded (rung up) as a separate amount on the till-roll.
- e) Any errors should be initialled by the till operator on the till-roll, the error transaction to be voided and countersigned by a supervisor.
- f) In the event of any change of staff responsibility during a period of duty, where practicable, the contents of the till must be checked and handed over and signatures of both parties obtained in a book provided for that purpose.
- g) Should the till-roll require changing during a session, a sub total must be registered at the end of the previous roll and beginning of the new roll and the till operator's signature recorded, together with date and time. If the till roll is kept in a locked box of the machine, the till operator should not hold the key.

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7.2 Cashing up – Till Operator

- a) At the end of each session, the till operator on duty will empty the till, count out and replace float, and count the takings.
- b) On electronic tills, a printed slip on the receipt roll, showing date and total amount of takings and identity of operator for each session is issued. This slip and cash shall be collected by the cash-collecting officer for receipting.
- c) At the end of each session, the till-roll must also be initialled and date and time entered by the till operator on duty.

7.3 Cashing up – Cash Collecting Officer from General Office

- a) A reading from the till-roll must be obtained each day and reconciled with the cash taken. A register should be maintained showing the actual cash taken for each session and the readings recorded. All “overs” and “unders” should be clearly shown, and also the identity of the operator for each session. This reading must only be obtainable by the cash-collecting officer. All overs and unders in excess of £5 must be authorised by the Catering Manager /Supervisor.
- b) The till- rolls when completed should be verified against the summary slips produced at the end of each session.
- c) On all other tills the readings must also be obtained by the cash-collecting officer and reconciled to the actual cash.
- d) The cash-collecting officer must check the fixed cash float.
- e) Whilst cash collection should be on a daily basis, if the total cash taken per week is less than £20 weekly collections are acceptable so long as the till is lockable and in a secure location.

7.4 Security of Cash

Weekend and Evening Takings

The Chief Executive by means of the Scheme of Delegation should ensure that strict Security precautions are taken during these periods and at other times when General Office staff are unavailable for collection of cash. Appropriate arrangements (e.g. night safe facilities), should be in place to safeguard cash outside normal office hours.

Cash Register

Wherever possible, the cash register should be permanently fixed to the serving counter to deter removal.

The cash drawer must be locked at all times when meals are not being served and keys must not be left in the machine. Where cash registers are not permanently fixed to the serving counter, then the drawer must be removed and kept in a secure place (Safe).

At meal times the drawer must not be left open.

7.5 Security of Keys

- a) The key of the till cash drawer (operator key) should be the personal responsibility of the delegated till operator.

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- b) Custody of keys shall pass from one officer to another only against the signatures of the two officers in a book maintained for that purpose.

DRAFT

Enw'r Pwyllgor / Name of Committee	Finance Committee
Cadeirydd y Pwyllgor/ Chair of Committee:	Michael Hearty, Associate Member
Cyfnod Adrodd/ Reporting Period:	Meeting held on 21 st October 2019
Y Penderfyniadau a'r Materion a Ystyriodd y Pwyllgor / Key Decisions and Matters Considered by the Committee:	
<p>The Finance Committee has been established to advise the Board on all aspects of finance and the revenue implications of investment decisions. Hywel Dda University Health Board's (HDDUHB's) Finance Committee's primary role is, as such, to provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, giving early warning on potential performance issues and making recommendations for action to continuously improve the financial position of the organisation.</p> <p>This report summarises the work of the Finance Committee at its meeting held on 21st October 2019, with the following highlighted:</p> <ul style="list-style-type: none"> Finance Report Month 6 – the Month 6 Finance Report was presented to Committee. The Committee was advised that the Health Board's Control Total requirement is a deficit of £15m, following receipt of £10m Welsh Government (WG) funding in Month 4, subject to achieving this control total by the end of the financial year. The Committee was further advised that the Health Board's financial position at the end of Month 6 represented an adverse variance against plan of £0.7m, which brings the cumulative Year to Date (YTD) variance to £3.8m. The Month 6 YTD variance to breakeven is £12.6m. Operational Directorate projections are at a variance to plan of £7.4m. Projection, including savings risk, including projected slippage on identified savings schemes, is an adverse variance to plan of £13.9m; this would equate to a year end deficit position of £28.9m. The Committee was advised of the risks relating to £2.6m core team funding and £1.4m Welsh Risk Pool. If these do not materialise there will be an additional £4m pressure. The Committee was advised that all opportunities to achieve the £15m control total are being explored with an audit trail to be presented to the next Committee meeting for assurance. It was agreed to hold a structured discussion at the next meeting to receive the assurance that all avenues have been explored prior to advising the Board on the forecast position. Turnaround Report Month 6 – the Turnaround Report Month 6 was presented to Committee. The Committee was advised that Executive Leads have been appointed to each of the priority areas to deliver the annual plan for 2019/20, with project teams identified to progress projects at pace. Referral to Treatment Time (RTT) Month 6 Report – the Month 6 Referral to Treatment Time (RTT) Report was presented to Committee. The Committee was advised that the total funding provision for 2019/20 stands at £7m. Activity to Month 6 demonstrates targeted expenditure, above core budgeted levels, of 	

£2.4m plus contractual commitments of £0.2m to support additional validation capacity. Based on current and future projected expenditure patterns, the total projected expenditure for 2019/20 has been revised to £6.5m.

- **Workforce Pay Controls – KPMG Grip And Control Action Plan Update And Establishment Control Project Update** – the Workforce Pay Controls – KPMG Grip And Control Action Plan Update and Establishment Control Project Update was presented to Committee, advising that KPMG’s assessment of the control environment operating in HDdUHB to identify areas of improvement has resulted in the development of recommendations and an action plan, which is being led by the Workforce Delivery Group. The Establishment Control Project (ECP) tool is produced and distributed monthly and has been updated in September 2019 to include the reasons for booking bank/agency. Development of a tool to monitor compliance against the Nurse Staffing Act (Wales) 2016 and to assist Senior Nurses monitoring the rostering of staff substantive/bank/agency has been completed. Work is ongoing to review the vacancy figures held within TRAC and the Establishment Control tool.
- **Capital Financial Management** – the Capital Financial Management report was presented to Committee. The Committee was advised that the £1.3m total balance available for allocation is being discussed at the Business, Planning and Performance Assurance Committee (BPPAC).
- **Contracts Update** – the Contracts Update report was presented to Committee, providing the Month 6 and forecast position in relation to Long Term Agreements (LTA).
- **Draft Indicative Financial Plan 2020/21** - the Draft Indicative Financial Plan 2020/21 was presented to Committee, advising that the opening underlying deficit for 2020/21 has been calculated at £43.2m. The Committee was advised of the £10.4m additional cost of Welsh Health Specialised Services Committee (WHSSC) contracts and Long Term Agreements (LTA). Based upon the current identification of cost pressures and allocation increase assumptions, the financial challenge facing HDdUHB for 2020/21 is £63.2m.
- **External Finance Review/KPMG Refresh Plan to Financial Delivery Unit** – the Committee received a verbal update on KPMG’s work to date, advising that the review will be completed by 8th November 2019.
- **Winter Planning Model 2019/20** – the Winter Planning Model 2019/20 was presented to Committee, providing costed winter planning 2019/20 additionality actions that can be put in place to ensure safe navigation through winter. The final plan will be submitted to Board in November 2019.
- **Efficiency Opportunities: Financial Delivery Unit (FDU) Efficiency Framework Report** – the Efficiency Opportunities: Financial Delivery Unit (FDU) Efficiency Framework report was presented to Committee, setting out the key areas of potential improvement of financial performance identified by the FDU and their likelihood of delivery.

- **Financial Procedures** – the Committee approved FP11 Financial Management System (FMS) – System Access & General Ledger Security Procedure.

Materion y mae angen Ystyriaeth neu Gymeradwyaeth Lefel y Bwrdd are u cyfer /

Matters Requiring Board Level Consideration or Approval:

Discussion on the 2019/20 forecast position.

Risgiau Allweddol a Materion Pryder /

Key Risks and Issues/ Matters of Concern:

- The significant risk in relation to the organisation's ability to deliver the required £15m control total
- Delivery of 2019/20 Savings Plan
- Significant pressures on drugs manifesting in both Secondary and Primary Care; particularly following a price increase in August 2019 in Category M drugs
- Grip and Control highlighted as an area of concern, particularly in Workforce Management
- Risks relating to £2.6m core team funding and £1.4m Welsh Risk Pool. If these do not materialise there will be an additional £4m pressure.

Busnes Cynlluniedig y Pwyllgor ar gyfer y Cyfnod Adrodd Nesaf /

Planned Committee Business for the Next Reporting Period:

Adrodd yn y Dyfodol / Future Reporting:

In addition to the standing agenda items, the next Finance Committee meeting will include discussion of the Strategic Financial Planning Group Update Report to Strategic Enabling Group (SEG), and reports relating to Corporate Risks and Finance Operational Risks. The Committee will also receive financial procedures for review and approval. An In-Committee meeting will be held to review the financial forecast 2019/20.

Dyddiad y Cyfarfod Nesaf / Date of Next Meeting:

26th November 2019



HYWEL DDA UNIVERSITY HEALTH BOARD – FINANCE COMMITTEE

including standing agenda items (denoted by *).

Agenda Item/Issue	Lead	25 th April 2019	20 th May 2019	25 th June 2019	22 nd July 2019	22 nd Aug 2019	24 th Sept 2019	21 st Oct 2019	26 th Nov 2019	19 th Dec 2019	27 th Jan 2020	2 nd March 2020	24 th March 2020
GOVERNANCE													
Apologies*	MH	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Declarations of interests*	All	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Minutes from previous meeting*	MH	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Matters Arising and Table of Actions*	MH	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Annual Review of TORs/membership	MH	✓											
Finance Committee Outcome of Self-Assessment of Performance	MH		✓										
Finance Committee Annual Report	MH	✓											
Reflective Summary	HT	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FOR DISCUSSION													
Finance Report Month*	FP	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial Projections Report	HT		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial plan development and draft financial plan	HT				✓ (draft)		✓	✓	✓	✓	✓	✓	✓
Turnaround Report/ Savings Plan Month*	AC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
RTT Month*	KJ	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Establishment Control*	LG	✓		✓		✓	✓	✓	✓				
Capital Financial Management	HT	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Contracting Update	HT			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Workshop Session:				✓			✓			✓			✓
• Finance Team Strategy	HT			✓									
• Implementing Contracting	HT			✓									
• Implementing Value	HT			✓			✓			✓			
• Turnaround Programme Structure	AC				✓								
External Finance Review*	HT		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Year End Debrief	HT		✓										
Addressing Recommendations from the Deloitte ZBR	HT		✓										
Development and Implementation of Value Based Health Care (VBHC)	HT			✓			✓			✓			✓
Financial Delivery Unit Presentation	HJ			✓									
Opportunities Identified by the Financial Delivery Unit	HT							✓	✓				
Underlying Deficit (included within External Finance Review)	HT					✓							
KPMG Refresh Plan to Financial Delivery Unit								✓	✓				
ASSURANCE													
Corporate Risks	HT		✓			✓			✓			✓	

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Finance Operational Risks	HT		✓			✓			✓			✓	
Winter Planning 2019/20	JT		✓					✓					
Deep Dive into Medicines Management/Aseptic Unit	JPJ		✓										
Deep Dive into Continuing Health Care <ul style="list-style-type: none"> Counties MH&LD 	JP LC					✓ ✓							
Deep Dive into Withybush Hospital	JT				✓								
Deep Dive into Ring-fenced Allocations in MH&LD	LC						✓						
FOR APPROVAL													
Annual Financial Plan/Enabling Plan	HT									✓			
Financial Procedures	HT				✓	✓	✓	✓					
FOR INFORMATION													
Scheme of Delegation	HT		✓										
Finance Committee Annual Workplan*	MH	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Update Reports to Board*	MH	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategic Financial Planning Group Update Report to IEG	HT			✓		✓			✓	✓	✓	✓	✓
Draft Annual Accounts 2018/19	HT		✓										



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Benchmarking Network Summary Report	HT			✓									
International Financial Reporting Standard (IFRS) 16 Update	HT		✓				✓						
WAO Public Spending Trends in Wales 199/00 – 2017/18	HT							✓					
Any Other Business*		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ADMINISTRATION													
Agenda setting meeting with Chair & Exec Lead (at least 4 weeks before the meeting)	SB	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Draft agenda to go to Executive Team prior to issue	SB	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Call for papers (at least 4 weeks before the meeting to receive papers at least 14 days before the meeting)	SB	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Disseminate agenda & papers 7 days prior to the meeting	SB	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Type up minutes and TOA within 7 days of the meeting	SB	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Chair: Michael Hearty



HYWEL DDA UNIVERSITY HEALTH BOARD – FINANCE COMMITTEE

including standing agenda items (denoted by *).

Vice-Chair: Mike Lewis

Lead Executive: Huw Thomas

Committee Secretary: Sarah Bevan

MH	Michael Hearty	FP	Fiona Powell	JT	Joe Teape
HT	Huw Thomas	AC	Andrew Carruthers	LG	Lisa Gostling
KJ	Keith Jones	SB	Sarah Bevan	MB	Mark Bowling
SA	Shaun Ayres	HJ	Hywel Jones (FDU)	LC	Liz Carroll
JP	Jill Patterson				