A meeting of the Finance and Performance Committee will be held on Wednesday, 9th October 2019 at 1:30pm in the Executive Meeting Room, Headquarters, St Cadoc's

AGENDA

1	**Preliminary Matters**			
	1.1	**Apologies for Absence** To receive apologies for absence	Verbal	Chair
	1.2	**Declarations of Interest** To receive declarations of interest	Verbal	Chair
	1.3	**Minutes of the Finance and Performance Committee – 4th July 2019**	Attachment	Chair
	1.4	**Action Log**	Attachment	Chair
	1.5	**Matters Arising from the Previous Meeting**	Verbal	Chair
2	**Items for Assurance:**			
	2.1	**Performance Dashboard**	Attachment	Director of Finance and Performance
	2.2	**RTT 2019/20 Update**	Attachment	Director of Operations
	2.3	**Presentation of 111 Performance Standards**	Presentation	Assistant Medical Director
	2.4	**SCP 1 – Population Health and Well Being** **SCP 2 – Integrated Health, Care and Well Being**	Attachment	Director of Public Health
	2.5	**Financial Update and Efficiency Programme** • **Finance Update** • **Efficiency Programme**	Attachment	Chair
	2.6	**Resource Planning Principles 2020/21**	Attachment	Assistant Director of Finance
	2.7	**ICF Allocations**	Attachment	Director of Primary, Community and Mental Health Services
	2.8	**Committee Risk Register**		Chair
	2.9	**Terms of Reference**		Chair
3	**Final Matters**			
	3.1	**Items for Board Consideration**		All
	3.2	**Risks for Board Consideration**		All
	3.3	**Date of the Next Meeting** TBC – 2020 dates for Board and Committees are currently being developed.		Chair

Finance and Performance Committee
9th October 2019
Agenda Item: 1.3

Aneurin Bevan University Health Board

Minutes of the Finance and Performance Committee held on Thursday 4th July 2019 in the Executive Meeting Room, St Cadoc's Hospital, Caerleon

Present:

Cllr Richard Clark	-	Chair, Independent Member (Local Authority)
Shelley Bosson	-	Independent Member (Community)
Frances Taylor	-	Independent Member (Community)

In Attendance:

Glyn Jones	-	Director of Finance
Judith Paget	-	Chief Executive
Geraint Evans	-	Director of Workforce and OD
Dr Stephen Edwards	-	Assistant Medical Director
Rob Holcombe	-	Assistant Director of Finance
Danielle O'Leary	-	Corporate Services Manager (Secretariat)

Apologies:

Dr Paul Buss	-	Medical Director
Nicola Prygodzicz	-	Director of Planning, Digital and IT
Richard Bevan	-	Board Secretary
Debra Wood-Lawson	-	Chief of Staff
Claire Birchall	-	Director of Operations

FPC 0407/01 Apologies for Absence

The Chair welcomed members and observers to the meeting and apologies for absence were noted.

The Committee noted that this was the first meeting with Richard Clark as the Chair. The new Chair thanked Shelley Bosson for her contribution as the previous Chair of the Committee and welcomed her continued support as a core member of the Committee.

FPC 0407/02 Declarations of Interest

There were no declarations of interest to be recorded.

FPC 0407/03 Minutes of the Last Meeting – 1st May 2019

The minutes were agreed as a true and accurate record.

FPC 0407/04 Action Log

The Committee noted the action log and agreed that all identified actions were either complete or in progress.

However, it was noted that a separate action should have been recorded at the last meeting in relation to additional funding for occupational health services. The Director of Workforce and OD confirmed that this query was addressed specifically under the Sickness Absence Report item.

FPC 0407/05 Workforce Performance Report

The Committee received the report and noted the following key points:

- Sickness absence in May 2019 was 4.95%, which was 0.02% lower than April 2019 (4.97%). The 12 month rolling sickness compliance was 5.37%. The Health Board target remained at 5%.
- In May 2019, long term sickness absence was 3.35%, which was the lowest percentage in the last 12 months.
- The current PADR organisational compliance was 74.88%, compared to 74.99% in April 2019.
- Over the last 12 months the number of staff in post had increased by 214 Whole Time Equivalents (WTE). Two staff groups had decreased, Nursing & Midwifery Registered (-8 WTE) and HCSW (-13 WTE). Administrative and Clerical had increased by +93 WTE.
- Over the last 12 months, 303.64 WTE (355 individuals) registered nurses left the Health Board. Of this, 53% was due to voluntary registration, 44% was retirement and 3% 'other'. Of the 355 registered nurses who left the organisation, 48 individuals had left within 12 months of commencing their employment and 78 individuals had left within 2 years of commencing their employment.
- During May 2019, 860 WTE were used across all staff groups on variable pay, the usage had reduced by 39 WTE since March 2019.
- A focused approach to assessing appropriateness of suspensions was now in place. This included fortnightly reviews to identify any change in circumstances and any opportunities to return to work in an appropriate capacity. Of all employees suspended as at May 2019, 54% had been for over 4 months.

The Committee thanked the Department for the detailed report. The Committee was assured that in relation to the data on the disciplinary processes, a case management approach had been adopted, although more time was required to fully understand and evaluate the impact of this approach.

The Committee queried what actions the Health Board had undertaken in relation to the consultant job planning compliance in the Scheduled Care Division. It was confirmed that a letter from the Medical Director had been distributed to further highlight whether or not the individual was out of complaince. The Health Board had received assurance that core clinical activities were being delivered. It was important to note that there was a broader aspect to the job planning procedure, which was to further develop indivduals.

The Chief Exceutive commented that it would be helpful to know, of the individuals that had been suspended over 6 months, the total amount of time for which they had been suspended. This information would provide further assurance to the Committee that robust mechanisms and actions were in place to effectively manage these individuals so they were not off work for a significant period of time. It was agreed that this information would be includled in the next iteration of the report.
ACTION: Director of Workforce and OD

Frances Taylor suggetsed a re-evaluation of the data in relation to staff turnover, however, it was noted that on an all Wales basis, the Health Board's performance was better in compariosn to other areas. It was acknowledged that the nursing vacancy positon had not fluctuated significnatly which indicated that the measures that were being undertaken to recruit and retain staff were effective.

The Committee noted the report and the significant progress in respect of the data captured within the report.

FPC 0407/06 Sickness Absence Report

The Committee was provided with an overview of the actions that had been undertaken and the actions currently in development to support reducing sickness absence in the Health Board.

It was noted that the 12 month cumulative sickness absence rate was at 5.37% and 61% of employees had not had any sickness absence over the last 12 months. The leading reason

for sickness absence was anxiety, stress and depression, which in May 2019 constiutied 27.7% of all sickness absence. Benchmarking work was underway to further understand the why the figures in relation to stress, anxiety and depression were relatively high in the Health Board area when compared to other organisations in Wales.

The Health Board acknowledged that it had not achieved the Welsh Government target complinace of less than 5% however, a month on month improvement had been reported since last winter, which was positive.

A new policy was agreed in Partnership in October 2018 and approved by the Health Board in November 2018. This policy, Managing Attendance at Work Policy (MAAW), was designed to shift the emphasis from managing absence to improving attendance at work. Members of the Workforce and OD team in the Health Board had led the development of the all Wales policy and the operational "how to" guides, alongside the design of the training programme. The Health Board was committed to potetnially achieving a 4.75% position in sickness absence by September 2019. It was confirmed that all Health Boards in Wales were monitored on their performance in this area.

Additonal investment of around £40,000 had been received to further develop occupational support which had demonstrated a positive effect. This additional funding had reduced waiting times and had coincided with a reduction in long term sickness absence. It was queried if there was scope to sustain the investment in occupational health services. It was confirmed that this was seeking to be rolled out to other 'hot spot' areas with high rates of sickness absence. A review was currently being undertaken in relation to referral rates to employee/occupational health services. It was agreed that this would be broguht back to a future meeting when completed.
ACTION: Secretariat/Director of Workforce and OD

The Committee discussed the model that had been adopted by Caerphilly Local Authority in establishing if the reasons for sickness absence were because of home or work issues. It was agreed that an update on this would be presented back to a future meeting.
ACTION: Secretariat/Director of Workforce and OD

The Committee noted the report and thanked the Division for the detailed analysis.

FPC 0407/07 Medical Locum and Agency Compliance

The Committee received the paper on medical locum and agency compliance. It was noted that expenditure in this area had increased and reliance on agency and locums had increased during the last month reporting period. The Health Board had not experienced the impact that had been anticipated from the 2017 Welsh Health Circular (WHC).

Areas of particularly high usage were outlined to the Committee and the following points were noted:

- 75% of locum and agency usage was driven by vacancies, although some maternity leave was included in this percentage.
- ***Unscheduled Care*** – high volume of usage reported mainly due to trainees working less than full time sessions/hours. It was anticipated that the shortfall in this area would be covered in readiness for winter by contracting with individuals for the lowest possible rate. Alternative roles such as physician's associates (PA) were being developed to support Tier 1 rotas. The Division had also recently appointed 10 clinical fellows.
- ***Family and Therapies*** – There was a 30% junior doctor vacancy rate which had led to fundamental gaps in the workforce. The shortage in paediatric doctors was a National issue.

The Committee queried if the introduction of CAPS had been more successful in other areas. It was reported that the Health Board had started in a better position than other areas of Wales. It was anticipated that the Unscheduled Care Division should start to see the benefit of the actions that had been undertaken, in the near future.

The Committee queried if the Health Board had breached its Standing Financial Instructions (SFIs) in relation to compliance with the Welsh health Circular. It was confirmed that as long as the Health Board followed the process that it had developed, the Health Board would not breach the SFIs.

The Committee received assurance that although this area remained challenging, work to reduce the number of hours of agency continued to be reviewed by the Divisions. This was done through substantive appointment, development of non-medical roles and the creation of additional efficiencies for a number of services through centralisation of acute services on a single site.

The Committee thanked Stephen Edwards for the update report.

FPC 0407/08 Performance Dashboard

The Committee received a report that provided an update on the current performance of the Health Board at the end of months 1 and 2 of 2019/20. This was performance against the delivery of the key performance measures as set out in the performance dashboard and outlined in the National Outcomes and Performance Framework.

The Committee acknowledged the following key points in relation to performance:

- The Health Board had received an additional £4 million non-recurrent funding from Welsh Government to improve RTT diagnostic waits and therapy wait targets. The Health Board was expected to achieve this target by March 2020.
- Breaches in relation to Ophthalmology should be reduced to 'zero' due to the outsourcing arrangement that had been endorsed by the Board.
- There was a potential option of outsourcing in Orthopaedics due to the challenging position in relation to waits over 36 weeks. A plan was being developed in relation to this proposal.
- Pensions and tax changes – this had been raised as an issue for consultants. Due to the tax liability in relation to additional sessions, consultants were not doing as many waiting list initiatives (WLIs) and this was adversely impacting on service provision.
- Mental Health performance had dipped below 80% but this was anticipated to improve in June 2019 and would be reported in the next reporting period to the Committee.
- An improvement plan had been developed for ED and was monitored weekly. It was noted that there had been an increase in demand for Secondary Care and Majors. Suspected cancers had also shown an increase in demand.
- A significant improvement in complaints since April 2019 was acknowledged.

The Committee was assured that there were control mechanisms and plans in place in most areas to try and mitigate the recent deterioration in performance.

The Committee was advised that the Health Board had recently recruited 2 additional clinical coders to further scrutinise the data to assist with future planning. A potential pilot to utilise some artificial intelligence to clinically code low risk patients was also being developed.

The Health Board had also implemented the Red Cross in Accident and Emergency Departments across all sites. Some ideas in relation to pre-hospital screening were also being developed.

The Committee thanked the Performance Department for the report and noted the areas of improvement.

FPC 0407/09 Advance Care Planning

The Committee received the report from Stephen Edwards, Deputy Medical Director. The Committee was advised that Advance Care Planning was a national driver to support people with life limiting illnesses; particularly those who may be approaching their last year of life. The aim of this initiative was to ensure that individuals were identified early to enable the best care to be planned in advance, using age appropriate tools, communication and documentation.

This initiative was well placed alongside the work of the Value Based Healthcare Team and Macmillan had been supporting this work locally. Further work was also being undertaken alongside WAST and a pilot in a GP cluster to capture patient's wishes had commenced.

The Committee queried if the financial impact of this work could be assessed. It was advised that it would be difficult to quantify this work financially as it was a patient quality and safety initiative. It was agreed that a National steer would be sought on the financial impact of Advance Care Plans. The Head of Research and Development would also be asked to quantify this. It was further agreed that this item would be reported back to the Committee next year to report on progress.
ACTION: Deputy Medical Director/Secretariat

FPC 0407/10 Financial Performance

At the end of May 2019, the year to date financial position was demonstrating a £1.082m deficit. The in-month variance to plan was due to:

- Continued expenditure on premium rate workforce, including medical and nursing agency, this was driven by vacancies, sickness and RTT target delivery within acute specialties.
- Additional bed capacity, including Holly Ward, remaining open for an extended period of time had meant additional workforce costs - £387k year to date - with both Unscheduled Care and Primary & Community Care Divisions forecasting further costs in June. To note, any further spending plans for 'winter' capacity in 2019/20 were not included within the current forecast, however recurrent investments made in 2018/19 should mitigate some of this risk.
- Savings delivery was not in line with original plan profile, therefore, a significant risk remained which related to the delivery of the savings.
- Spending is lower than expected on drugs and litigation, with some non-recurrent benefits resulting from Continuing Health Care retrospective settlements.
- The forecast position is financial balance on the basis that in year actions will deliver a reduction in spend/increased savings.

Financial risks and opportunities were routinely identified at the end of each month. The position at end of month 2 was a £7 million risk predicated on not achieving the savings targets. A continued focus on value for money and cancelled procedures had presented a clear opportunity. Theatre improvement programmes had been developed in response to address this.

The Health Board Medicines Management Board was reviewing some cancer drugs switches to drive further efficiencies. It was emphasised that this would not impact on patient quality.

The Committee was assured that the Executive Board was reviewing items for value and efficiency as part of its forward work programme. It was agreed that an efficiency item would be brought back to the Committee in 6 months' time.
ACTION: Director of Finance and Performance/Secretariat

The Committee thanked the Director of Finance and Performance for the update and endorsed the remedial actions that the Health Board was undertaking.

Frances Taylor left the meeting.

FPC 0407/11 Resource Shift

The Committee received the report from Rob Holcombe, Assistant Director of Finance. The report provided an update of the expenditure comparisons between Hospital spend, Out of Hospital spend and overhead spend for the 4 year period 2015/16 to 2018/19 financial years. Over the 4 year period, Hospital Spend increased by £80m (12%), while Out of Hospital Spend increased by £45m (8%).

The Committee was assured that a number of actions were taking place to address the increase in expenditure. Following further analysis and evaluation, the next steps were outlined as:

- Re-run the exercise for 2019/20
- Refine the analysis for key areas such as therapies, estates and facilities, pathology and radiology.
- Review overhead costs
- Note the categorisation of IMTP investment proposals to capture costs for preventative, out of hospital and those costs which are transformational in nature, shifting resources where possible.
- On-going work with National costing colleagues and with the Finance Delivery Unit to consider the possibility of developing a national approach to facilitate benchmarking and allocative efficiency work.

It was agreed that the Committee would receive a mid-year review on this work.
ACTION: Secretariat/Deputy Director of Finance

The Committee acknowledged the importance of capturing the subtleties in respect of the Mental Health out of area funding. It was agreed for Rob Holcombe and Nick Wood to meet to discuss how this could be captured.
ACTION: Deputy Director of Finance/Director for Primary and Mental Health

FPC 0407/12 Committee Risk Register

The Committee noted and observed the risks outlined on the Committee risk register. It was advised that following approval of the revised health Board risk appetite statement, the appropriate section would be updated on the Committee risk register.
ACTION: Board Secretary

FPC 0407/13 Date of the Next Meeting

The next meeting is due to take place on Thursday 6th February 2020 at 9.30am, venue TBC.

Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board

Finance and Performance Committee
9th October 2019
Agenda Item: 1.4

Finance and Performance Committee
4th July 2019
Action Sheet

Agreed Actions

Minute Reference	Agreed Action	Lead	Progress/Completed
FPC 0407/	**Previous Action Log** An additional action should have been recorded in relation to Occupational Health additional funding. This would be amended on the action log from 01.05.19.	**Secretariat**	Action log has been amended.
FPC 0407/	**Workforce Performance Report** Further information in relation to length of time of suspensions over 6 months to be included on future iterations of the workforce performance report.	**Geraint Evans**	Information available in the paper identifies the number of suspensions over 6 months. Due to the small numbers involved, it is not possible to provide more detailed information as there is a risk that individuals will be identified.
FPC 0407/	**Sickness Absence Report** A detailed review of the referrals to the Employee Well Being Service/Occupational Health to be brought back to a future meeting.	**Geraint Evans/ Secretariat**	Breakdown of referrals to be included in the next report.
	Some development work in relation to staff survey to determine if sickness absence is work related to be undertaken and reported back to a future meeting.	**Geraint Evans/ Secretariat**	It is not possible to systematically determine whether sickness absence is directly work related, unless there has been an 'accident at work' as there are often multiple factors involved. For example our current reporting

Minute Reference	Agreed Action	Lead	Progress/Completed
			systems do not facilitate our ability to distinguish between stress and work related stress. A range of activity, however is in place to address work related sickness absence. Future reports will be considered by the People and Culture Committee.
FPC 0407/	**Advance Care Planning** A National approach/view would be sought in relation to the financial impact of advance care planning. The Head of Research and Development would be asked to quantify this positon.	**Stephen Edwards**	The national approach is being led through workstreams reporting through the National End of Life Care Board. Within ABUHB a meeting is being organised with ABCi to work through the methodology of evaluation of ACP.
	It was further agreed that this item would be followed up in 12 months' time.	**Stephen Edwards/ Secretariat**	Included within the Forward Work Programme.
FPC 0407/	**Financial Performance** An update on the efficiency opportunities that were being reviewed by Executive Board to be brought to this Committee bi-annually.	**Glyn Jones/ Secretariat**	Included within the Forward Work Programme.
FPC 0407/	**Resource Shift** A mid-year review of the in and out of hospital care to be scheduled.	**Rob Holcombe/ Secretariat**	Included within the Forward Work Programme.

Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board

Minute Reference	Agreed Action	Lead	Progress/Completed
	It was important to note that the subtleties in relation to Mental Health out of area placements needed to be referenced and a meeting would be scheduled to discuss how this could be captured.	**Rob Holcombe/Nick Wood**	A meeting has taken place to discuss taking this forward and a review of the data in relation to this matter will be undertaken.
FPC 0407/	**Committee Risk Register** The box on the new template that related to risk appetite needed to be completed in readiness for the next Committee meeting.	**Secretariat**	This will be included in future reports when the new risk appetite statement has been agreed. This will be reflected in the report to the Board in November 2019.

2.1

Aneurin Bevan University Health Board
9 October 2019
Agenda Item: 2.1

Aneurin Bevan University Health Board

Integrated Performance Report
Finance and Performance Committee

Executive Summary

To provide an update on the current performance of the Health Board at the end of months 4/5 of 2019/20, where available, in delivering key performance measures as set out in the performance dashboard and outlined in the National Outcomes and Performance Framework.

The National Performance measures are summarised in the following key areas:

Elective treatment access:

- The number of RTT 36 week breach patients has increased further in August 19 with 1507 compared with 1061 in July. Given the number of bed cancellations, due to emergency pressures during the last month, it was anticipated it would be difficult to treat all patients waiting beyond 36 weeks. The emergency pressures that were experienced early in 19/20 have continued throughout the summer months and service plans not delivering the required level of treatments. It is understood that the implications of current pension/tax issues is still affecting the level of additional work being undertaken by some of the Health Board's medical staff. Ophthalmology is dependent on outsourcing for a number of the 36 week breach patients which it is anticipated will improve the breach numbers. However, unexpected sickness at the external provider has resulted in reduced activity levels for the first part of 19/20 and is not expected to recover until October 19.
- RTT 26 week compliance in August decreased to 88.9% compared with 90.4% in July and below the IMTP profile of 91.8%. However, compliance had been consistently above 90% since April 19.

Diagnostic access:

- The 8 week diagnostic performance deteriorated in August with 190 patients breaching the target although this is a significant improvement on the same period last year August 18 (663). The breach patients were mainly in the Radiology and Endoscopy services.

Therapies access:

- Compliance against the 14 week therapy target was maintained in August 19 with zero patients breaching. This is the third consecutive month that the service has achieved the target and an improvement on the same period last year (August 18) with 9 patients breaching 14 weeks.

Mental health access:

- Sustained performance above the 80% target for Primary Care Mental Health Measures for assessment with 82.3% in July 19. There was an improvement in performance against the 80% target for interventions with 73.1% in July compared to 60.9% in June 19. Additional assessment clinics have been arranged to provide cover for sickness and vacant posts although this has proved difficult with availability of accommodation across all Boroughs. Demands on the service have continued since April and have meant performance targets for initial intervention have not recovered

in the short term. Plans are in place to improve performance with expanded group provision for both adults and children with a fuller programme planned from September; online CBT intervention is live and all new Children and Young Person (CYP) practitioners are in post.

- Sustained performance of the CAMHS measure of 80% with 98.1% of patients waiting less than 28 days at the end of August 19. The implementation of the SPACE wellbeing (development of single point of access, multi-agency panels) which became operational in all five boroughs at the end of March and additional clinics in the early part of this year to deal with the backlog has had an impact on the excellent performance.
- A deterioration in the percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist adult Mental Health with 63.2% compared with 68.1% against a target of 80%
- A slight improvement in performance in the percentage compliance of valid care treatment plans completed with 88.2% in July against the target of 90%.
- A significant improvement in performance for the CAMHS Neurodevelopmental pathway with 82.4% compared with 74.9% in July 19 against the 80% target. A review of the increased demand experienced by the service was carried out and additional capacity was put in place to deal with the backlog. The service has also introduced into the clinical model additional decision points which reduce the length of the assessment and diagnostic pathway. The service has recovered it's position a month earlier than expected.

Unscheduled Care access:

- Ambulance response times within eight minutes to Category Red Calls sustained performance above the 65% target with 69.1% in August 19.
- Unscheduled Care continues to be a key area of concern. The 4 hour A&E target performance increased slightly in August 19 with 75% compared with 73.7% in July 19, this is despite August seeing the highest number of major attendances ever recorded (5477). This remains below the national target of 95% and outside of the IMTP profile of 87.5% in August.
- An improvement in August with 858 ambulance handovers over 60 minutes compared with 915 in July 19. However, this is a deterioration on the position in the same period last year, August 18 (357). This remains outside of the IMTP profile.
- The 12 hour A&E target remained fairly static in August 19 with 697 patients compared with 691 in July 19. This remains outside of the national and IMTP target it is a deterioration on the same period last year (389 – August 18).

Cancer Access:

- Urgent Suspected 62 day cancer treatment times improved slightly in July with 78.2% compared with 75.2% in June. This remains outside of the target of 95% and the IMTP profile. Referrals for cancer overall remain well above 2,000 per month with the number in July being over 2300. This represents an increase of nearly 300 referrals per month over 2018. This increase will also impact on the demand on diagnostic services, consequently diagnostic services are currently reviewing plans to be able to cope with the additional demand to be able to diagnose patients within 28 days which is key to delivering achievement of the 62 day pathway. The sustained increase is being factored into the demand and capacity plans for the Single Cancer Pathway. The national 98% target was not achieved for the NUSC 31 day pathway in July with 96.8% compliance. Alongside the 2 cancer measures, reporting against the Single

Cancer Pathway has indicated that for July the Health Board compliance was 77.6% compared to 70.9% in June.

A "Deep Dive" into cancer performance took place on the 30th September to understand the issues and complexities in managing patients along these multiple pathways. Improvement actions include evaluation of cancer capacity, review the impact on performance with the change in cancer rules from 1st December and review diagnostic capacity required to deliver the Single Cancer Pathway.

Primary care out-of-hours:

- Performance against the new national standards in Urgent Primary Care Out-of-Hours for patients advised within timeframe has continued to decrease. For urgent patients advised within 1 hour (P1CT) performance has dropped from 94.8% in July to 79.9% in August.
- There has also been an improvement in performance in Out of Hours (OOH) with 89.9% of routine patients advised within 2 hours in August compared with 86% in July 2019.
- In August, unfilled hours for medical staff decreased to 14% (461 hours) a vast improvement on the July position (727 hours). Unfilled nurse shifts have remained stable with 27% (621 hours) compared with 26% in July (686 hours).

Outpatient Follow-up access:

- Welsh Government has introduced new targets to be implemented by December 19 and March 2020 to assist with driving down waiting times for follow up outpatients. These are outlined in the attached dashboard. Additional measures have also been introduced specifically for Ophthalmology aligned to the Eye Care measures workstream. Current performance indicates that the Health Board is showing a slight increase against the "95% of all patients to have a follow up waiting list clinic review date and "98% of eye outpatient waiting list to have a health risk factor". The Health Board submitted a bid for additional funding to assist with the delivery of the targets. The bid was approved and the expectation is that the monies will deliver improvements to reduce the number of patients waiting for a follow up appointment with a particular focus on those classified as high risk, and to implement sustainable changes to the outpatient model.

  It is acknowledged that the scale of the delivery is challenging particularly as the number of outpatient appointments overdue their follow-up target date in all specialties (unbooked) increased in August 19 with 20,576 compared with 19,292 in July 19, this increase is due in part to the on-going validation of patients as part of the new follow up targets introduced by Welsh Government this year. It is important that plans reflect not only short/medium term actions but longer term strategic plans that deliver the objectives whilst also managing the pressures associated with RTT targets and the impact on delayed follow up capacity. These new measures will continue to be monitored at the monthly Delayed Follow up Group chaired by the Associate Director of Operational Delivery. This remains an important priority for the Health Board.

Stroke care:

- With effect from April 19, Welsh Government confirmed that there would be changes to the monthly Quality Improvement Measures (QIMs) which will be used to monitor stroke performance at the regular performance meetings. The new measures go beyond the first 72 hours of a patient's care in hospital, having been developed to cover the entire stroke pathway. As with the current measures, there is no compliance target and Welsh Government will expect continuous performance improvement from

health boards, which will be reviewed at Quality and Delivery meetings. Organisations will be benchmarked against the SSNAP audit average for each indicator. Historic data has been collated in relation to the changed measures which provide useful performance comparisons. Compliance against the percentage of stroke patients directly admitted to a stroke ward deteriorated in August with 40% compared with 45.3% in July 19. The percentage of stroke patients receiving the required minutes for speech and language therapy remained static in August with 50.8% compared with 50.7% in July. The latest stroke SSNAP (Sentinel Stroke National Audit Programme) results published for March to June 2019 highlighted that the Health Board had maintained an overall score of B, despite some challenging months with acute pressures. Both Nevill Hall and St Woolos Hospitals have improved on the last quarter's results and moved from C to B scores. The impact of the data collection requirements will need to be evaluated by the service particularly for Ysbyty Ystrad Fawr which deteriorated due to audit compliance.

Outpatient attendance:

- An improvement in the level of Did Not Attend (DNA) rates for both new and follow up outpatients in August compared with July.

DToC:

- August performance for Delayed Transfers of Care (DToCs) for mental health patients increased with 7 patients being delayed compared with 5 in July 19. This is an increase on the same period last year with 3 (August 18). Delayed Transfers of Care for non-mental health patients increased from 64 in July to 79 in August which is outside target and IMTP. The main reasons are due to community care arrangements and patient family issues.

Critical Care DToC:

- The latest performance figures for August indicates a deterioration for both Royal Gwent and Nevill Hall sites. This follows particularly encouraging performance in June and July for both sites when there were escalating pressures outside of critical care environment.

Safe and effective care:

- HCAI performance improved in August in one of the measures and remained stable in two. In confirmed staph aureus cases performance improved 23.4 cases per 100k compared with 25.1 in July against a target of ≤20 cases per 100k. There was slight deterioration in confirmed c-difficile infections with 26.4 cases against the national target of ≤25 cases per 100k. The number of e coli cases increased from 73.2 in July to 75.7 in August which is outside of the target of ≤67 cases per 100k. However, all of these measures are an improvement on the same period last year.

Prevention:

- Sustained performance of over 95% for children who received 3 does of the revised '6 in 1' vaccine by age 1 with 96.6% at the end of Quarter 1 against a target of 95%

Clinical Coding:

- Compliance against the 95% clinical coding completeness is below what is expected mainly due to long term sickness and recruitment of new staff into posts who are at the start of their training. This is still an improvement and achievement given the rising levels of activity. However, current clinical coding capacity does not meet the increased demand in finished clinical episodes. Work is ongoing to look at alternative ways to code activity and to understand if all admitted activity transacted on the Welsh Patient Administration System is appropriate to code eg assessments that

should be actioned as ward attenders. The first stage of this should be complete by the end of December.

- Clinical coding departments are required to achieve accuracy of Primary Diagnosis and Primary Procedure of ≥ 90% and 80% for Secondary Diagnosis and Procedure. A recent audit of the quality of clinical coding carried out by the NWIS Audit team showed that the coding accuracy exceeded these with over 96% in 3 of the measures and over 92% in the 4th. This is the best performance in the last 4 years.

Handling of Concerns and Complaints:

- The timely handling of concerns and complaints within 30 days continued to improve in August with 69.6% compared with 65% in July. Whilst this is outside of the target to 75% this is above the IMTP profile of 57% and higher than for the same period last year (August 18, 36%). The Putting Things Right team are working with operational divisions to secure improvements in the way in which complaints are dealt with in the organisation and compliance with the targets

Serious Incidents

- The number of serious incidents reviewed and assured, on a timely basis, improved in August to 59% compared to 52% in July.

Workforce:

- Sickness absence remained static in August with 5.65% compared with 5.66% in July 19. PADR compliance decreased slightly in August 19 with 74.4% compared with 75.4% in July 19, with just one of the eight divisions achieving the 85% compliance target.

Hip Fracture Measures

- Hip fracture measures are a set of new measures included in this month's dashboard and will be included as a monthly update going forwards. The National Hip Fracture Database is the source of the information and the measures are compiled monthly by the Delivery Unit before being distributed to Health Boards. Overall the Health Board performs well against the targets for these measures with the only area of concern being performance against the prompt surgery measure at the Royal Gwent which has consistently achieved 54% against the 75% target.

This provides a summary of the actions being undertaken to deliver and/or improve performance against the range of organisational and national targets.

The Committee is asked to: (please tick as appropriate)	
Approve the Report	✓
Discuss and Provide Views	✓
Receive the Report for Assurance/Compliance	✓
Note the Report for Information Only	
Executive Sponsor: Glyn Jones**,** Director of Finance & Performance	
Report Author: Lloyd Bishop, Assistant Director of Performance and Information Sue Shepherd, Head of Performance and Compliance	
Report Received consideration and supported by :	

Executive Team		**Committee of the Board [Committee Name]**	**Public Board**
Date of the Report: 23 September 2019			
Supplementary Papers Attached: Dashboard attached which now includes additional measures of therapy appointments seen within 14 weeks, readmission rates and cancellations due to no bed being available.			

Purpose of the Report
This report provides a high level overview of performance at the end of month 4/5 against the Integrated Medium Term Plan (IMTP) with a focus on delivery against key national targets included in the performance dashboard.

Recommendation
The Board is asked to: • Note the current Health Board performance and trends against the national performance measures and targets.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	The report highlights key risks for target delivery.
Financial Assessment	The delivery of key performance targets and risk management is a key part of the Health Board's service and financial plans.
Quality, Safety and Patient Experience Assessment	There are no adverse implications for QPS.
Equality and Diversity Impact Assessment (including child impact assessment)	There are no implications for Equality and Diversity impact.
Health and Care Standards	This proposal supports the delivery of Standards 1, 6 and 22.
Link to Integrated Medium Term Plan/Corporate Objectives	This paper provides a progress report on delivery of the key operational targets
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	An implementation programme, specific to ABUHB has been established to support the long term sustainable change needed to achieve the ambitions of the Act. The programme, will support the Health Board to adopt the five ways of working and self-assessment tool has been developed, and working with corporate divisions through a phased approach sets our ambition statements for each of the five ways of working specific to the Division and the action plan required to achieve the ambitions.
	Long Term – *can you evidence that the long term needs of the population and organisation have been considered in this work?*
	Integration – *can you evidence that this work supports the objectives and goals of either internal or external partners?*

	Involvement – *can you evidence involvement of people with an interest in the service change/development and this reflects the diversity of our population?*
	Collaboration – *can you evidence working with internal or external partners to produce and deliver this piece of work?*
	Prevention – *can you evidence that this work will prevent issues or challenges within, for example, service delivery, finance, workforce, and/or population health?*
Glossary of New Terms	None
Public Interest	This report has been written for the public domain.

Integrated Performance Dashboard

August 19

Domain	Sub Domain	Measure	Reporting Frequency	Report Period	IMTP Target	National Target	Current Performance	Previous Period Performance	IMTP Status	In Month Trend	Performance Trend (13 Months)	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
TIMELY CARE	RTT	Patients waiting less than 26 weeks for treatment	Monthly	Aug-19	91.8%	95%	88.9%	90.4%				89.3%	88.9%	90.0%	91.1%	90.4%	90.3%	91.8%	92.0%	91.2%	90.2%	90.6%	90.4%	88.9%
		Patients waiting more than 36 weeks for treatment	Monthly	Aug-19	0	0	1507	1061				1159	1067	1214	769	249	336	469	112	271	478	653	1061	1507
		Patients waiting more than 8 weeks for a specified diagnostic	Monthly	Aug-19	0	0	190	101				663	407	283	71	4	60	13	0	31	6	35	101	190
		Patients waiting more than 14 weeks for a specified therapy	Monthly	Aug-19	-	0	0	0				9	13	5	0	0	0	5	0	1	1	0	0	0
	Outpatient Follow Up Delays	Patients not booked for follow-up and delayed past their target date	Monthly	Aug-19	17300	12000	20576	19292				20550	20567	19562	20012	21415	19603	18065	15433	17604	18568	17901	19292	20576
		Reduce the overall size of the follow up waiting list by at least 15%	Monthly	Aug-19	144308	130839	154091	153152				150621	150643	152719	152342	154659	155633	154307	153928	154804	154767	153232	153152	154091
		Reduce the number of patients delayed by over 100% by at least 15% *	Monthly	Aug-19	7816.75	6618	10192	9071				9082	9332	9164	8766	9801	9288	8872	8673	8888	9305	9040	9071	10192
		95% of all patients on a follow up waiting list to have a clinical review date (Delivery by Dec-19)	Monthly	Aug-19	93.3%	95.0%	92.9%	92.6%				90.5%	90.8%	90.6%	91.2%	90.8%	90.3%	90.9%	90.9%	90.6%	91.8%	92.2%	92.6%	92.9%
		98% of patients on the eye care outpatient waiting list to have a Health Risk Factor allocated (Delivery by Dec 19)	Monthly	Aug-19	93.0%	98.0%	90.5%	87.4%						44.7%	56.2%	62.4%	72.4%	78.4%	83.6%	86.3%	90.5%	83.2%	87.4%	90.5%
	HRF	% of R1 patients who are waiting within 25% in excess of their clinical target date	Monthly	Aug-19	-	95.0%	64.1%	64.9%						82.3%	79.9%	76.7%	75.3%	74.1%	71.9%	71.4%	69.5%	69.5%	64.9%	64.1%
	STROKE	% stroke patients directly admitted to acute stroke unit ≤4 hours	Monthly	Aug-19	67.0%	55.5%	40.0%	45.3%				51.5%	37.5%	41.8%	63.3%	39.7%	41.2%	61.7%	52.6%	55.6%	46.7%	45.2%	45.3%	40.0%
		% of stroke patients assessed by a stroke consultant ≤24 hours	Monthly	Aug-19	-	84.0%	100.0%	96.0%				89.2%	79.4%	84.8%	74.7%	98.6%	95.7%	97.9%	96.2%	100.0%	98.6%	92.1%	96.0%	100.0%
		% of stroke patients receiving the required minutes for speech and language therapy	Monthly	Aug-19	-	50.9%	50.8%	50.7%				59.9%	57.7%	54.0%	57.4%	49.8%	44.6%	42.9%	60.7%	69.3%	59.7%	48.0%	50.7%	50.8%
		% of stroke patients who receive a 6 month follow up assessment	Quarterly	Jun-19	-	52.1%	43.7%	52.1%					41.6%			47.3%			52.1%			43.7%		39.7%
	ED	Category A ambulance response times within 8 minutes.	Monthly	Aug-19	65.0%	65.0%	69.1%	71.0%				71.0%	76.0%	75.2%	73.3%	72.1%	67.2%	71.0%	73.8%	70.0%	71.4%	73.5%	71.0%	69.1%
		Number of ambulance handovers over one hour	Monthly	Aug-19	175	0	858	915				357	461	432	363	495	689	519	558	735	629	578	915	858
		% patients waiting < 4 hrs in A&E figures inc. YAB & YYF	Monthly	Aug-19	87.5%	95.0%	75.0%	73.7%				78.5%	78.6%	78.4%	78.3%	74.8%	76.2%	76.6%	78.5%	76.8%	77.6%	76.4%	73.7%	75.0%
		Number patients waiting > 12 hrs in ABUHB A&E departments	Monthly	Aug-19	100	0	697	691				389	450	374	437	470	692	619	561	852	648	569	691	697
	CRITICAL CARE	Critical care delayed transfers of care (4 hrs) days lost - nhh	Monthly	Aug-19	-	20	51	20				34	43	42	32	28	14	24	46	28	48	17	20	51
		Critical care delayed transfers of care (4 hrs) days lost - rgh	Monthly	Aug-19	-	89	99	89				72	68	70	62	35	53	86	118	73	78	33	89	99
	CANCER	Delivery of the 31 day cancer standards for non-usc route	Monthly	Jul-19	97.7%	98.0%	96.8%	94.4%				96.3%	99.2%	96.4%	96.3%	97.7%	99.5%	97.5%	98.2%	95.6%	97.3%	94.4%	96.8%	
		Delivery of the 62 day cancer standards for usc route	Monthly	Jul-19	90.8%	95.0%	78.2%	75.2%				82.2%	85.5%	89.9%	86.2%	91.3%	88.0%	91.3%	87.3%	85.8%	82.6%	75.2%	78.2%	
		Percentage of patients starting first definitive cancer treatment within 62 days from point of suspicion	Monthly	Jul-19	-	79.3%	77.6%	70.9%					76.6%	80.6%	79.7%	85.4%	79.6%	81.5%	81.4%	79.5%	79.7%	70.9%	77.6%	
	MENTAL HEALTH	Assessment by LPMHSS within 28 days of referral.	Monthly	Jul-19	80.0%	80.0%	82.3%	81.0%				83.2%	82.9%	91.0%	84.5%	84.0%	88.7%	86.0%	80.5%	86.9%	81.3%	81.0%	82.3%	
		Interventions ≤ 28 days following assessment by LPMHSS.	Monthly	Jul-19	80.0%	80.0%	73.1%	60.9%				81.2%	80.9%	82.3%	82.5%	80.4%	83.4%	82.0%	83.7%	78.3%	66.8%	60.9%	73.1%	
		Percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health	Monthly	Aug-19	-	80.0%	63.2%	68.1%				66.8%	62.9%	70.1%	69.6%	66.3%	66.1%	67.4%	62.4%	60.0%	64.4%	67.7%	68.1%	63.2%
		CTP Compliance	Monthly	Jul-19	90.0%	90.0%	88.2%	85.6%				90.9%	90.8%	90.6%	90.6%	90.2%	91.1%	90.1%	90.3%	90.5%	87.1%	85.6%	88.2%	
	CAMHS	4+ Weeks Waiting List	Monthly	Aug-19	-	80.0%	98.1%	98.3%				89.0%	95.6%	96.0%	98.0%	97.0%	94.4%	88.0%	93.5%	84.4%	100.0%	100.0%	98.3%	98.1%
		Neurodevelopmental (ISCAN) Waiting List	Monthly	Aug-19	-	80.0%	82.4%	74.9%				72.4%	67.4%	67.1%	80.6%	86.5%	84.8%	84.9%	82.9%	75.9%	76.6%	73.9%	74.9%	82.4%
	Primary Care	% Urgent Patients Advised within 1 hour (P1CT)	Monthly	Aug-19	-	90.0%	79.9%	94.8%												96.6%	96.1%	98.2%	94.8%	79.9%
		% Routine Advised within 2 hours (P2CT)	Monthly	Aug-19	-	90.0%	89.9%	86.0%												87.9%	89.8%	90.6%	86.0%	89.9%
		% Routine Advised within 3 hours (P3CT)	Monthly	Aug-19	-	90.0%	96.8%	96.1%												97.0%	98.4%	98.7%	96.1%	96.8%
EFFECTIVE CARE	DTOCS	Number of dtocs for people all ages - mh	Monthly	Aug-19	3	3	7	5				3	3	7	3	3	3	6	7	2	2	3	5	7
		DTOCs per 10,000 for people all ages - mh	Monthly	Aug-19	-	0.05	0.12	0.08				0.05	0.05	0.12	0.05	0.05	0.05	0.1	0.12	0.03	0.03	0.05	0.08	0.12
		Number of dtocs for people >75years non-mh	Monthly	Aug-19	70	61	79	64				61	73	86	97	65	74	69	95	61	63	59	64	79
		DTOCs per 10,000 for people >75years non-mh	Monthly	Aug-19	-	12	16.00	12.90				12	13.8	17.5	18.6	12.4	12.63	12.51	18.2	12.2	12.3	12	12.9	16
	CODING	% valid principle diagnosis code ≤ 1 month after episode end date	Monthly	Jun-19	85.00%	95%	75.9%	62.1%				76.1%	87.6%	84.7%	69.1%	82.5%	76.9%	75.2%	65.8%	66.7%	62.1%	75.9%		
STAYING HEALTHY	INFLUENZA	Uptake of influenza vaccination among 65 years and over (seasonal)	Monthly	Mar-19	-	75%	69.5%	69.5%						39.7%	61.8%	67.1%	69.5%	69.5%	69.5%					
		Uptake of influenza vaccination among under 65's in risk group (seasonal)	Monthly	Mar-19	-	55%	46.6%	46.6%						21.1%	38.3%	42.5%	46.6%	46.6%	46.6%					
		Uptake of influenza vaccination among health care workers with direct pt contact	Monthly	Mar-19	-	60%	60.5%	60.5%						34.0%	50.0%	56.0%	60.0%	60.5%	60.5%					
	CHILDHOOD IMMUNISATION	% of children who received 3 doses of the '6 in 1' vaccine by age 1	Quarterly	Jun-19	95%	95%	96.6%	95.3%					95.8%			95.9%			95.3%			96.6%		
		% of children who received 2 doses of the MMR vaccine by age 5	Quarterly	Jun-19	90.5%	95%	90.7%	93.2%					90.3%			91.9%			93.2%			90.7%		
	SMOKING CESSATION	Smokers making quit attempt (full year extrapolation)	Quarterly	Mar-19	0.90%	1.25%	1.1%	0.8%					0.8%			0.8%			1.1%					
		Smokers who are CO validated as quit at 4 weeks	Quarterly	Mar-19	40%	40%	42.6%	41.2%					43.0%			41.2%			42.6%					
DIGNIFIED CARE	PAP	Manifesto commitment for procedures cancelled > once	Monthly	Jul-19	-	38%	21.8%	38.4%				25.0%	22.7%	29.2%	40.4%	37.2%	37.0%	34.5%	35.4%	31.6%	38.6%	38.4%	21.8%	
	COMP	Timely (30 day) handling of concerns and complaints	Monthly	Aug-19	57%	75%	69.6%	65.0%				36.0%	53.0%	47.0%	52.0%	41.0%	30.0%	32.0%	38.0%	65.0%	52.0%	53.4%	65.0%	69.6%
STAFF AND RESOURCES	DNAS	Patients who dna - new opa - specific specialties	Monthly	Aug-19	6.10%	6.4%	6.2%	6.4%				6.4%	6.4%	6.6%	6.2%	6.7%	6.8%	6.7%	5.9%	6.5%	6.2%	6.3%	6.4%	6.2%
		Patients who dna - follow-up opa - specific specialties	Monthly	Aug-19	6.38%	6.7%	6.6%	6.7%				6.5%	6.8%	7.6%	6.6%	6.9%	6.8%	6.9%	6.4%	6.5%	6.8%	6.5%	6.7%	6.6%
	WAOD	% PADR / medical appraisal in the previous 12 months	Monthly	Aug-19	73.55%	85%	74.4%	75.4%				72.2%	71.0%	71.4%	71.7%	72.1%	72.3%	69.9%	77.1%	75.0%	74.9%	75.1%	75.4%	74.4%
		Monthly % hours lost due to sickness absence	Monthly	Aug-19	-	6%	5.7%	5.7%				4.9%	5.2%	5.4%	5.6%	6.0%	6.1%	5.6%	5.1%	5.0%	5.0%	5.4%	5.7%	5.7%

2.1

Integrated Performance Dashboard

August 19

Domain	Sub Domain	Measure	Reporting Frequency	Report Period	IMTP Target	National Target	Current Performance	Previous Period Performance	IMTP Status	In Month Trend	Performance Trend (13 Months)	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
SAFE CARE	HCAIs	Cases of e coli per 100k population (rolling 12m)	Monthly	Aug-19	64.6	67	**75.7**	73.2				76.2	75.3	72.9	72.8	69.2	69.0	69.7	71.4	73.1	72.3	72.9	73.2	75.7
		Cases of staph aureus per 100k pop (rolling 12m)	Monthly	Aug-19	21.5	20	**23.4**	25.1				25.6	25.2	25.9	25.6	26.3	26.3	26.5	27.0	26.1	25.4	25.4	25.1	23.4
		Clostridium difficile cases per 100k pop (rolling 12m)	Monthly	Aug-19	29.4	25	**26.4**	25.8				28.7	27.8	26.5	26.3	27.1	27.8	25.8	26.5	26.1	26.5	26.9	25.8	26.4
	INCIDENTS	Patient safety solutions wales alerts and notices not assured on time	Monthly	Aug-19	-	0	**3**	3				3	3	4	3	5	4	4	4	3	4	3	3	3
		% serious incidents assured on time	Monthly	Aug-19	50.0%	90%	**59.0%**	52.0%				68.0%	53.0%	50.0%	50.0%	29.0%	29.0%	56.0%	66.0%	37.0%	58.0%	70.0%	52.0%	59.0%
		Never events	Monthly	Aug-19	0	0	**2**	0				0	0	1	0	0	0	0	0	0	1	2	0	2
Hip Fracture Measures (Shadow Monitoring)		Prompt Orthogeriatric Assessment (RGH)	Monthly	Jul-19	-	75%	**96%**	96%				93%	94%	94%	94%	95%	95%	95%	96%	96%	97%	96%	96%	
		Prompt Orthogeriatric Assessment (NHH)	Monthly	Jul-19	-	75%	**95%**	95%				94%	94%	94%	94%	96%	96%	96%	96%	96%	96%	95%	95%	
		Prompt Surgery (RGH)	Monthly	Jul-19	-	75%	**54%**	54%				49%	48%	48%	49%	50%	50%	52%	52%	53%	54%	54%	54%	
		Prompt Surgery (NHH)	Monthly	Jul-19	-	75%	**80%**	80%				76%	77%	77%	77%	77%	79%	80%	79%	78%	80%	80%	80%	
		NICE compliant surgery (RGH)	Monthly	Jul-19	-	75%	**80%**	79%				70%	73%	77%	80%	80%	79%	79%	78%	77%	78%	79%	80%	
		NICE compliant surgery (NHH)	Monthly	Jul-19	-	75%	**76%**	76%				67%	69%	69%	70%	71%	72%	71%	72%	73%	74%	76%	76%	
		Prompt Mobilisation After Surgery (RGH)	Monthly	Jul-19	-	75%	**81%**	80%				74%	76%	76%	77%	77%	76%	76%	78%	80%	80%	80%	81%	
		Prompt Mobilisation After Surgery (NHH)	Monthly	Jul-19	-	75%	**82%**	83%				78%	80%	79%	80%	80%	82%	82%	83%	84%	83%	83%	82%	
		Not Delirious When Tested (RGH)	Monthly	Jul-19	-	75%	**79%**	78%				79%	79%	78%	78%	78%	78%	77%	77%	77%	77%	78%	79%	
		Not Delirious When Tested (NHH)	Monthly	Jul-19	-	75%	**74%**	75%				68%	70%	71%	72%	73%	74%	74%	74%	76%	74%	75%	74%	
		Return to Original Residence (RGH)	Monthly	Apr-19	-	75%	**74%**	76%				76%	76%	75%	76%	76%	77%	75%	76%	74%				
		Return to Original Residence (NHH)	Monthly	Apr-19	-	75%	**78%**	77%				75%	76%	75%	74%	74%	74%	76%	77%	78%				
Efficiency & Productivity	Theatre	Theatre Utilisation (RGH)		Aug-19	85%	85%	**84.3%**	83.7%				86.0%	81.5%	85.2%	87.9%	80.0%	82.2%	83.6%	85.5%	85.8%	86.4%	86.4%	83.7%	84.3%
		Theatre Utilisation (NHH)		Aug-19	85%	85%	**82.6%**	90.1%				87.8%	88.2%	86.6%	88.4%	90.4%	85.1%	85.7%	90.6%	89.0%	86.9%	88.8%	90.1%	82.6%
	Average LoS	Elective Surgical AvLoS (RGH)		Aug-19	Improve	2.10	**2.0**	2.1				2.59	2.76	3.08	2.64	3.44	2.99	3.10	2.50	3.12	2.37	2.90	2.10	2.00
		Elective Surgical AvLoS (NHH)		Aug-19	Improve	3.50	**2.7**	3.5				4.08	4.05	4.39	3.62	4.88	3.78	3.76	3.31	4.19	2.72	2.90	3.50	2.70
		Emergency Medical AvLoS (RGH)		Aug-19	Improve	7.70	**7.3**	7.7				6.51	7.02	6.89	7.40	6.79	7.29	7.21	7.08	7.56	7.70	7.10	7.70	7.30
		Emergency Medical AvLoS (NHH)		Aug-19	Improve	6.80	**6.6**	6.8				5.92	6.33	7.12	6.69	6.77	7.37	7.27	7.29	7.34	7.82	6.90	6.80	6.60
	Readmissions	Readmission Rate Within 28 Days (CHKS)		Jun-19	Improve	0.11	**0.11**	10.9%				10.6%	11.4%	10.4%	10.3%	9.8%	11.1%	10.5%	10.8%	10.6%	10.9%	10.5%		
	Cancellations	Elective Procedures Cancelled Due to No Bed		Aug-19	Improve	112	**316.0**	112.0				55	172	163	103	54	125	94	109	122	123	89	112	316

Trend Key

Achieving rating target and improved against previous reported position
Achieving rating target but deteriorated against previous reported position
Not achieving rating target but improved against previous reported position
Not achieving rating target and deteriorated against previous reported position

If measures are no longer in the Delivery Framework, current perfromance is measured against previous month

GIG CYMRU NHS WALES | Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Finance and Performance Committee September 2019 Agenda Item: XX

Aneurin Bevan University Health Board

Update on Referral to Treatment Time (RTT) delivery to date

Executive Summary

This paper provides an update to the Finance and Performance Committee on the RTT delivery against plan and forecast to yearend, following progress over quarter 1 and 2. The paper outlines variance from plan and the risk to the year end. It should be noted that due to the ongoing HMRC pension's tax issue, the ability to secure and sustain internal plans remains incredibly difficult for the operational teams. In addition, the unprecedented emergency pressures in quarter 2 particularly have resulted in high levels of bed related cancellations, which have impacted on the breach position across most specialties, and a poor patient experience.

The paper outlines potential options, associated risks and likely outturn.

The Finance and Performance Committee is asked to note the content of this report, the work being undertaken to improve the current and the forecast breach position. It is asked to note the options being explored to deliver improvement against the current forecast position in Orthopaedics, which require further work and are not within the financial plan.

The Board is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	
Note the Report for Information Only	

Executive Sponsor: Claire Birchall, Executive Director of Operations

Report Author:

Report Received consideration and supported by:

Executive Team		**Committee of the Board [Committee Name]**	**Finance and Performance Committee**

Date of the Report: September 2019

Purpose of the Report

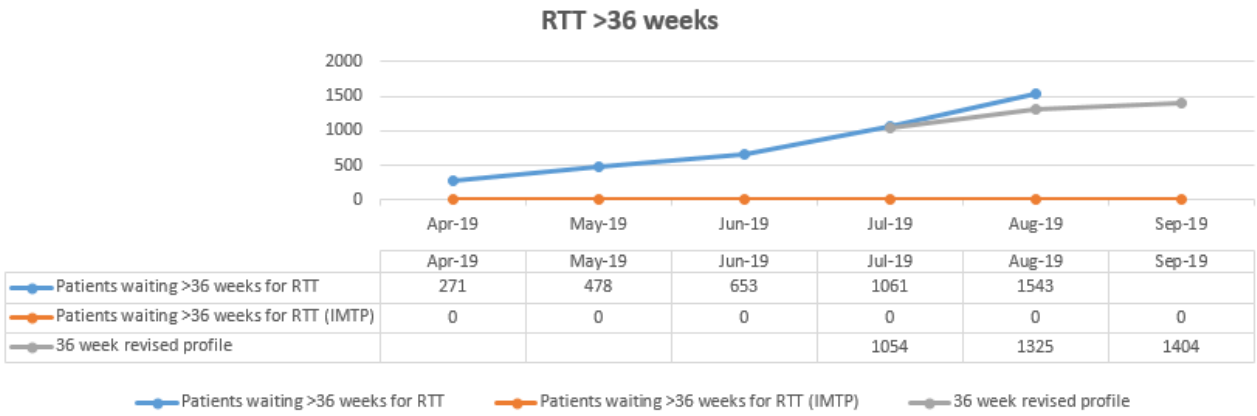
To provide an update to the RTT delivery against plan and forecast to yearend following progress over quarter 1and 2. To outline potential options, associated risks and potential year end position.

Background and Context

RTT Delivery Plan for 2019 /20.

The IMTP for 2019/20 described the ambition for the Health Board to achieve and sustain a zero 36 week RTT position given the successful delivery and achievement of 112 at the end of 2018/19.

The last paper to the Finance and Performance Committee outlined the ambition and plan, but also the risks to achieving zero. The IMTP trajectory shown is below:



	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Patients waiting >36 weeks for RTT	271	478	653	1061	1543	
Patients waiting >36 weeks for RTT (IMTP)	0	0	0	0	0	0
36 week revised profile				1054	1325	1404

The RTT plan supported by Exec Team in May highlighted a financial cost of £4.2m over and above the planned spend to deliver RTT in 2018/19. No budget was delegated to meet this pressure. These delivery plans were founded on bringing outpatient waiting times down to 24 weeks for most specialties, along with a combination of substantive and non-recurrent solutions to deliver the required capacity gap.

In July, the Health Board were able to secure £4million from Welsh Government, recognising that the Health Board were behind plan as a result of a number of key areas of constraint described below. The HB negotiated a revised trajectory with current performance described below.

Overall August Position

Specialty	> 36 weeks	Revised profile
General Surgery	28	0
Urology	1	0
Trauma & Orthopaedic	748	760
ENT	46	30
Ophthalmology	435	269
Oral Surgery	55	30
Gastroenterology	52	100
Dermatology	27	76
Gynaecology	11	0
Chemical Pathology	104	60
Grand Total	**1507**	**1325**

General Surgery

General Surgery reported 28 breachers at the end of August against a revised profile of 0. The main reason for not achieving 0 in August is associated with bed related cancellations.

ENT

ENT reported 46 breachers at the end of August against a revised profile of 30. The main reason for not achieving 0 in August is associated with bed related cancellations.

Oral Surgery

Oral Surgery reported 55 breachers at the end of August against a revised profile of 30. The main reasons for not achieving the revised trajectory is due to deanery junior doctor issues that needed increased supervision and resulted in a reduction in general anaesthetic capacity.

Gynaecology

Gynaecology reported 11 breachers at the end of August against a revised profile of 0. The main reason for not achieving 0 in August is associated with bed related cancellations.

Chemical Pathology

Chemical Pathology reported 104 breachers at the end of August against a revised profile of 60. The main reason for not achieving the revised trajectory is due to consultant sickness during the early part of the year, where the Consultant is single handed. We have secured an additional locum from November.

Urology

Urology reported 1 breacher at the end of August against a revised profile of 0. The main reason for not achieving 0 in August is associated with bed related cancellations.

The key areas of risk are Gastroenterology, Ophthalmology and Orthopaedics and later in this paper covered in specific sections below.

HMRC

The HMRC changes to pension tax have been recognised as a growing issue over the last 12 months, with the appetite for undertaking additional sessions through backfill or Waiting List Initiatives diminishing. The last 6 months have been significantly affected, in most of the major specialties.

It is difficult to accurately establish the full impact of this loss of activity as often it is a combination of both surgeon and anaesthetist being available, but the table below shows the likely impact this has had as well as the potential risk going forward.

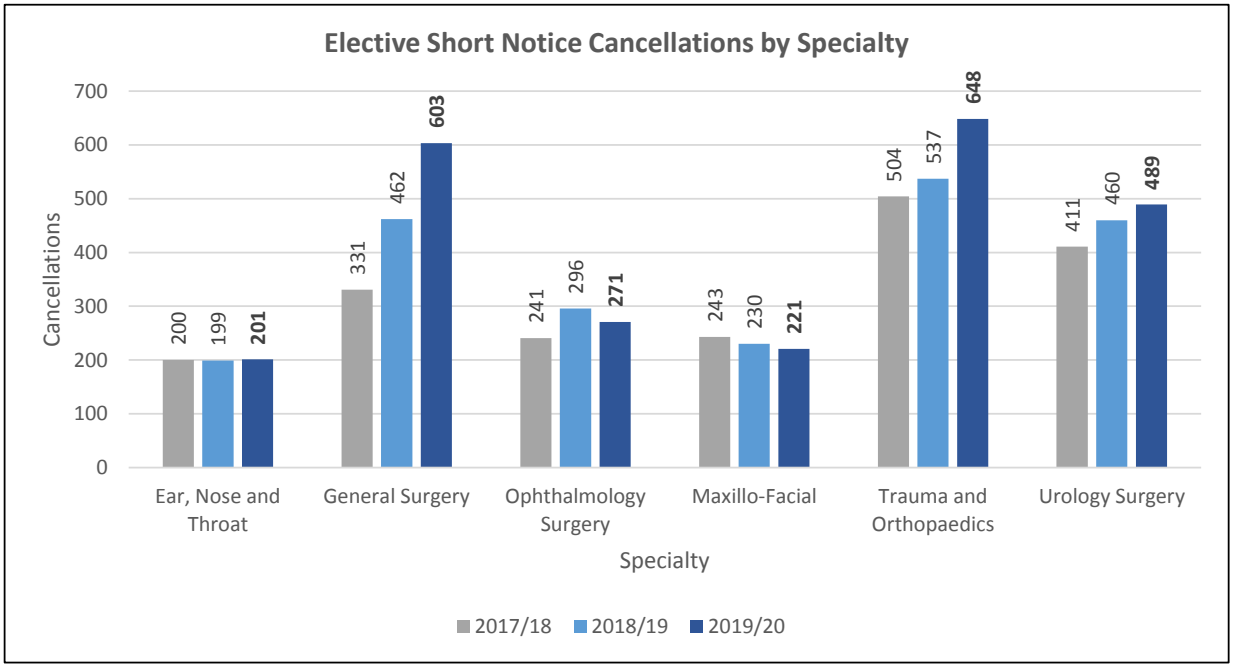
Speciality	Sessions lost	Impact
T&O	Shortfall in delivery plan due reduction in take up of additionally funded sessions	114 outpatient and 56 procedures
	Loss of mobile theatre activity due to reliance on backfill	226 procedures
	3 consultants planning to reduce job plans from 12 to 10	6 sessions per week

		Loss of theatre sessions due to lack of anaesthetic cover (Anaesthetics impacted by pension issue)	36 sessions YTD
	General Surgery	3 Consultants will not pick up WLI / Backfill (1 session per week, per consultant - 10 patients per session)	30 per week
		Loss of theatre sessions due to lack of anaesthetic cover (Anaesthetics impacted by pension issue)	6 sessions YTD
	Dermatology	2 Consultants planning to reduce from 11 sessions to 10 (12 patients per session)	24 per week
		1 Consultant has planning to reduce from 10 sessions to 9 (12 patients per session)	12 per week
		Experienced loss of 2 WLI sessions per week	24 per week
	Urology	Shortfall in delivery plan due reduction in take up of additionally funded sessions	25 procedures
		Annual job planning due commence and expectation that Urologists will also be seeking to reduce sessions	
	ENT	Maintenance of the On Call cover - equates to 128 hours every 6 weeks which relating to sessions is 34 sessions (17 days per month). which relating to sessions is 34 sessions (17 days per month) This is currently only being covered by a small number of Consultants so is around 3 days per week of TIL	3 days TIL per week
		Annual job planning due commence and expectation that consultants will also be seeking to reduce sessions	
		To date we have paid for the additional on call but from September the Consultants have the option of TIL (confirmed that this will be short term up to 3 months max)	
	MF	Shortfall in delivery plan due reduction in take up of additionally funded sessions	140 outpatient slots
		2 of the Consultants have requested TIL (approx. 8 sessions per month) instead of payment to support delivery plan. This	2 days TIL per month

	equates to approx. 2 days per month accumulating for TIL.	
	Annual job planning due commence and expectation that consultants will also be seeking to reduce sessions	
All	Ability to respond to emerging risks and issues diminished due to reduced appetite of consultants to take up backfill/WLI	
Endoscopy	95 lists	671 procedures

Emergency Pressures and Bed Related Cancellations

Short notice cancellations remain a significant risk on delivery of the 36 week target. The main areas affected are described in chart below.



Whilst the Divisions factor a level of bed related cancellations into their capacity modelling, the emergency pressures experienced in quarter 1 and most significantly in quarter 2, have meant that we have lost significantly more operating capacity. The operational Divisions continue all the Urgent Care improvement work streams to minimise this going forward.

Gastroenterology

Gastroenterology did not predict an issue with delivery of the 36 week target, nor the 8 week diagnostic (endoscopy) target based on the demand and capacity modelling undertaken to inform this year's plan. However, this assumed a continued level of backfill based on previous delivery plans and how the service has reliably delivered in previous years.

The following issues have impacted on the current position;

- Outpatient demand has increased in Quarter 1 and along with a shortfall in delivery has contributed to an increased outpatient waiting list.
- Delivery has been adversely affected by the ability to backfill sessions and WLI as a result of pension tax issues.
- The Division has acknowledged that further outpatients deficits will occur in quarter 2 and 3 following a consultant resignation, who in addition to his job plan was also contributing regularly to backfill outpatient sessions.
- The Division have appointed an agency locum who is providing 8 clinical sessions - 4 are OPD sessions with a weekly outturn of 32 patients, and 4 endoscopy sessions.
- A replacement consultant post will be advertised in September and a further locum may be available from October onwards.
- Endoscopy demand has increased – and as with the outpatient position, a shortfall in delivery has contributed to an increased waiting list

In addition to this, a deep dive into the current position has recognised some overestimation of previous assumptions in a previous business case which have overstated the capacity.

A revised assessment of the position shows an underlying outpatient gap of c1200 compounded for 2019/20 by the vacant substantive post, making a total gap of c1400. The Division believe that the Outpatient plan can be recovered by using a locum Gastroenterologist who has been secured for 22 weeks within the financial plan.

The loss of additional SLI and backfill in Gastroenterology has been mostly felt in Endoscopy, with a backlog of c550 procedures with no internal plan now needing to be recovered.

The Division are currently securing an Insource provider to be able to deliver the 550 cases.

Finance for Gastroenterology

Approval has been given for an external capacity solution to be pursued, the preference of the service is to use an Insourcing arrangement and we are pursuing this with Procurement colleagues. The intention is to manage 550 cases through additional activity. Initial cost estimates have been made on the basis of previous outsourcing experience, total cost £333k, however the cost of insourcing compared to outsourcing could be circa 40% less. The resulting cost will be funded through the £4m performance monies confirmed by Welsh Government.

Risks

- Due to the increase in Cancer demand on endoscopy the Unscheduled Care Division are currently working on plans to increase cancer capacity for a short period of time to recover the increased backlog in Lower GI and Upper GI patients. This increase in capacity for cancer will have an impact on the deliverability of the 8 week diagnostic target which will be summarised and brought back to Executive Team for approval. Any change to this could be mitigated through additional insourcing and is seen as deliverable.

Ophthalmology

The original demand and capacity plan for ophthalmology for 2019/20 identified a capacity gap of 1000 cataract treatments. In addition there were some capacity gaps for oculoplastic and paediatric/squints totalling 114 treatments. In summary a capacity gap of 1114 treatments. Outsourcing was agreed as the solution to bridge this gap.

In order to meet the capacity gap, two different providers were required, one for the straight forward cataracts (1000) and the second for the more complex cataracts and paediatrics/squints/oculoplastic (114).

Following approval from the Executive Team to outsource, ABUHB commissioned a two year contract with Care UK Emerson's Green to deliver the 1000 cases in 2019/20. This work is currently being delivered, although it fell behind plan due to consultant sickness at Care UK (now resolved and position being recovered). Patient experience and quality continues to evaluate well.

To date no provider has been found for the complex cataract patients and the paediatric/squints/oculoplastic (114 patients described above). The Directorate is endeavouring to manage these internally but note that the complex cataracts require 1.5/2 slots as opposed to 1 slot for a straight forward procedure.

The Directorate has revisited the previous modelling having seen a material difference in demand. This revised model identified an additional gap of 759 treatments. 500 of this activity gap can be managed through the Care UK contract.

The outstanding 259 cases have been validated;

- The increased need for outsourcing is primarily due to differences in demand between when the D/C model was undertaken at year end
- Taking this into account, there is a relatively modest difference between the D/C plan and the year-end profile analysis, noting the latter is based on subspecialty
- In decision making, greater confidence can be taken from the subspecialty year end analysis, which identifies the need for a further 259 cases.

A capacity solution will need to be secured via additional outsourcing. The funding to manage the outstanding 259 cases will need approval to progress assuming external capacity can be identified. This is likely to be manageable within the £4 million allocation.

Finance for Ophthalmology

To date 1500 cataract procedures have been commissioned via Care UK, total cost estimate including patient transport £1.8m.This has been funded using the earmarked funding provision in the IMTP, supplemented by the £4m performance monies to support the latest increase.

Trauma and Orthopaedics

The plan presented to the previous Finance and Performance Committee for delivery of Orthopaedics, outlined the approach which consisted of additional activity to reduce the outpatient waiting time part of the pathway to less than 24 weeks. Alongside this, the plan was to secure the mobile theatre activity for complex high acuity arthroplasties to deliver the same activity that had been delivered across the final two quarters of 2018/2019.

At that time, the risks outlined associated with the HMRC pensions changes were material, however, the impact on appetite for WLIs and backfill for both outpatients and procedures was significantly less than expected and has continued. It should however be noted, that during quarter 1 and 2, there were deficits against the expected core delivery for outpatients which were related to;

- Loss of flexibility through use of additional sessions to cover increase in fracture clinic demand.
- The Directorate also experienced 2 periods of extended sick leave during this time for 2 surgeons and a period of maternity leave, which we were unable to cover through backfill.

Deficits	Care Capacity lost
Increase in fracture capacity	417 Outpatient slots
Extended sick leave	78 operations

As described above, HMRC rules also significantly impacted on our ability to deliver backfill and additional activity through the mobile.

It should also be noted that a significant increase in emergency pressures and demand at this time led to an increased level of cancellations relating to beds, and particularly in August when the Executive Team responded to a particularly difficult period of high emergency demand which was affecting patient safety, and took the decision to cancel a week's worth of elective activity.

The Health Board agreed to keep the mobile theatre in place beyond quarter 1 and into quarter 2 in the hope that the Directorate and Division would be able to secure a solution around the HMRC regulations. This has not materialised.

Going forward the Division have recast the demand and capacity modelling, understanding that the full cohort is now known. In order for a zero position to be delivered by the end of this year, all outpatients would require to clearance from new first outpatient appointment by the end of December. The existing rate of clearance of outpatients is 277 per week and the rate required to deliver by the end of December would be 413 per week. A realistic assessment based on current levels of backfill and case mix suggests that this is not possible and the Division have therefore modelled the potential impact of breaches at the end of quarter 4 as 920. The breakdown of this is shown below.

The Directorate is currently forecasting a deteriorating position to March 2020 with an estimated 920 total patients waiting 36 weeks or more. This is made up of 664 Arthroplasty and 256 spines which includes 27 new outpatients. This is based on the assumptions below;

- Waiting list data was taken on the 17th September (includes all year end cohort)
- Capacity was taken from the delivery plan (weekly plan to deliver the demand and capacity plan)
  - Planned locum capacity was removed
  - Spinal surgeon capacity was reduced from the end of October for outpatients due to a consultant resignation
  - Consistent with original plan the mobile theatre has been excluded beyond September
  - Targeted improvement plans for reducing inefficiency assumed improvement of the current rate to the original planned rates
- Treat in turn based on six week period from August to second week of September and applied at the subspecialty level.
- Ability to secure additional resource to support enabling schemes to deliver efficiencies and minimise risks, as described in previous submissions to Executive Team. Notably; Trauma WLIs/Trauma ANP/Outpatient capacity/Additional spinal activity/additional bed capacity/validation and triage resource/additional diagnostics. These costs are not included in the current financial plan.

Forecast

Utilising the above methodology the forecasted year end position is **920**.

- The model forecasts 734 Arthroplasty patients in first outpatient stage at the beginning of December which will not be cleared until week commencing 27th January 2020 placing significant risk on the yearend outturn number
- This Arthroplasty cohort is estimated to be approximately 75% inpatient and 25% day case. The inpatient cohort is estimated to be 59% low acuity with the remaining 41% being high acuity. The day case cohort is estimated to contain 26% high acuity patients.
- The volume of majors in this cohort is likely to be consistent with the current run rate which is 29% and equates to approximately 193 majors.
- The model forecasts 376 Spinal patients in first outpatient stage at the beginning of December which will continue attending new outpatients up to the end of March 2020 with a forecasted shortfall resulting in 27 breachers at the outpatient stage.
- This Spinal cohort is estimated to be approximately 75% inpatient and it is assumed these would be high acuity patients. There is potential that a proportion however would be low acuity patients, as summarised below;

Arthroplasty	Split	High Acuity	Low Acuity
Inpatient	498	204	294
Day case	166	43	123
Total	**664**	**247**	**417**

Spines	Split
Inpatient	172
Day case	57
Total	**229**

Options for Delivery

As detailed in previous papers and plans, the Directorate and Division continue to work on increasing efficiency and productivity across a variety of areas. Whilst many of which have already been factored into the above forecast these efforts will continue to ensure all avenues are explored to reduce the current year end risk. This includes schemes which will improve efficiency and productivity of the remaining capacity this year, such as;

- Spinal triage by a Spinal Physician of all patients currently waiting.
- Additional cases to be seen through outpatient clinics and theatres by using junior doctors differently.
- Validation of lists and reminders to patients to avoid DNAs/cancellations due to poor communication/booking.
- Better management of Trauma to mitigate bed related cancellations on electives.

In addition to these efforts the following options are available and the impact and associated risks are detailed below. These need further work.

1. **Locum Recruitment**

In line with existing plans the Division is aiming to recruit at least one locum to join the Directorate in quarter 3. This appointment has not yet been secured.

- Assuming a November start the Directorate estimates that a locum Arthroplasty surgeon could reduce the year end out turn by approximately 160 patients.
- This would require the locum to take long waiting patients from other surgeon's lists and work on a flexible job plan utilising unfilled backfill sessions. These sessions would primarily be at St Woolos Hospital (SWH) therefore principally low acuity patients.
- The 160 figure would not necessarily be entirely treatments but all removals as some patients will inevitably not be suitable or decide against treatment at/or following pre-admission.

Risks

- Ability to recruit appropriate candidate
- As stated above the locum would be taking other consultant's patients so confidence in any locum from the Arthroplasty team will be essential.

2. **Locum Operating Primarily in Mobile Theatre**

- Assuming a November start the Directorate estimates that a locum Arthroplasty surgeon operating from a mobile theatre at the Royal Gwent Hospital (RGH) could reduce the year end out turn by approximately 120 patients.
- This would require the locum to take long waiting patients from other surgeon's lists and work on a flexible job plan utilising the mobile theatre when it cannot be backfilled by other surgeons. The patients would primarily be high acuity patients.
- In addition to the locum the Directorate could attempt to backfill the remaining days in the mobile utilising existing surgeons which could further reduce the year end outturn by 180 assuming this additional activity would be additional and not in place of other activity.
- The total reduction in the year end outturn is estimated to be 300.

Risks

In addition to the risks highlighted for the previous option the following risks would also apply:

- Anaesthetist support is essential to ensure the activity in the mobile can be supported which was a significant limitation during the first and second quarters. The Division had recruited two anaesthetists to support the planned October restart of the mobile however both have now taken posts elsewhere. The Division will continue to seek additional locum anaesthetist support.
- Consultant uptake of the lists not filled by the locum remains a risk due to the diminished appetite of the consultants for additional sessions.
- One of the significant risks is that theatre assistants would need to be secured to ensure productivity is achieved in the mobile theatre as the lists would be additional and not backfilled as previous option. This would rely on an agency solution and is untested.
- Bed capacity at RGH remains a risk particularly during winter months although this is mitigated by a plan to increase the elective footprint for orthopaedics at RGH.

- To date we have not been able to realise consultant activity in the Mobile theatre to the planned level. However it is likely that if we remove the mobile theatre from the RGH site it would be difficult to recommission due to demand on this type of facility.

3. Transfer SWH Theatre Lists to Mobile Theatre

An alternative option to utilising the mobile theatre without an additional locum is to switch the lists from one of the SWH theatres into the mobile theatre. This option was forecasted on the same assumptions as the previous forecast and produces the following outputs and considerations:

- Arthroplasty theatre capacity was adjusted down by 10% to acknowledge the higher acuity of the patients and lower efficiency of the RGH site but all other assumptions remain the same.
- This adjustment equates to a reduction of 195 procedures and a further 48 as a result of reduced ROTT and churn which provides a total increase of 243 to the original forecast.
- The forecast for yearend was consequently 1,136; 907 of which was arthroplasty with the spinal cohort remaining the same as the original forecast.
- This option would reduce the volume of high acuity patients in the year end cohort and inevitably increase the low acuity cohort. Lower acuity activity is easier to recover due to the availability of additional lists at SWH both as backfill and as weekend backfill (WLI rates for medical staff but theatre team is contracted). Lower acuity patients are more readily outsourced as well.

Risks

- This option could be more challenging to gain clinical consensus on
- Without alternative option to reduce the volume of the low acuity cohort (backfill or outsource) the yearend outturn would increase by 243 taking the final figure to 1,136
- Switching SWH lists to RGH would also expose previously protected activity to trauma spikes.
- Bed capacity at RGH remains a risk particularly during winter months.

4. Outsource Activity to an External Provider

To date the Health Board has explored NHS capacity solutions with limited results. With greater clarity on the volumes and casemix to be pursued through potential outsourcing solutions, this can be better progressed. There may be an opportunity to outsource some of the lower acuity arthroplasty cases and less complex spines, though it is likely to be a challenge to secure a provider for the major spines and those patients with multiple co-morbidities.

It is important to note that it is late in the year to be pursuing new outsourcing arrangements, external delivery would likely be restricted by available timescales and it is highly unlikely that we will be able to secure provider(s) for the entirety of this patient cohort. It is also important to note the lack of clinical support of outsourcing in this speciality.

Financial Impact and Assumptions

As described above the Division have outlined the additional resources required to deliver enabling schemes to support additional efficiency.

Enabler Description	£000s
Nursing Home Beds	109
Trauma WLIs (weekly session)	47
Advanced Nurse Practitioner	35
Physio Support	122
Coordinator/Triage/Validation roles	153
Outpatient Clinics	245
Hire of mobile MR	50
HSDU	120
Total	**881**

To improve the forecast gap and reduce the breach position from the 920 cases outlined in the section above there are a number of options. These are summarised below highlighting the potential activity and financial impact. These need further assessment around deliverability, impact and cost.

Option	Description	Reduction in Waiting List	Yearend breaches	Total Cost £000s
1	Locum Recruitment (no Mobile Theatre)	160	760	nil
2	Locum Operating Primarily in Mobile Theatre	300	620	1,134
3	Transfer SWH Theatre List to Mobile Theatre (no Locum)	243	677	714

- Currently there is already an additional locum assumed in the financial plan, therefore there is no additional cost associated with option 1 as the locum would be working a flexible job plan, essentially be backfilling existing sessions which are already staffed.
- Option 2 uses the planned locum in the mobile theatre, whilst there are no costs associated with the locum, the costs of hiring the theatre and associated staff would be additional.
- Option 3 assumes there is no additional locum, rather existing staff are reallocated from St Woolos to the mobile theatre.

In summary current plans will incur additional costs of £881k plus an additional £1,134k if the most expensive option above were to be secured. There would still be an outstanding gap of at least 620 cases.

Depending on which option is pursued will impact on a number of factors including casemix which will affect the resulting costs. For example, the financial forecast assumes a level of spend in relation to metal work based on volumes and casemix. If the end point for 2019/20 is a breach position, depending on the volume and casemix this would avoid costs potentially in the region of £0.5m-£2m. The top end £2m estimate of this range represents the cost avoided if all breach cases are majors and the higher breach scenario was realised in relation to the options presented above. This figure will need further refinement as plans are confirmed.

Recognising the remaining gap the potential to outsource activity has been proposed. An initial assessment of casemix has been provided at a high level along with indicative volumes, though these would need to be refined. The costs below reflect PbR cost estimates and do not assume any transport costs.

	Activity	Cost £000s
Arthroplasty	664	3,154
Spines	229	1,244
Total	**893**	**4,398**

Noting the comments above in relation to timescales and availability of providers to facilitate outsourcing, the financial impact would likely not materialise to this scale.

Summary and Recommendations

With the exception of Gastroenterology, Ophthalmology and Orthopaedics, all specialties are expected to recover their position in line with their trajectory. The usual risks around bed cancellations and unexpected workforce issues remain.

The solution for Gastroenterology and 8 week diagnostic (endoscopy) should deliver zero within year and are within the financial plan, noting that we need to finalise the Insourcing contract for Gastroenterology. In Ophthalmology there is a requirement to secure capacity for the outstanding 259 patients but this is likely to be achieved through further outsourcing.

The Orthopaedic solutions need further work, and the funding solution for these additional costs will need to be addressed, the intention being to pursue this with Welsh Government following further discussions. The Board will need to be sighted if there is a risk to delivery, or financial consequence associated with either financial clawback or costs of the additional activity. The final plan will finalised within the next month and an update will be taken to the next Finance & Performance Committee on progress against delivery.

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Thursday 9th October 2019 Agenda Item: 2.4

Aneurin Bevan University Health Board

Progress on SCP 1 -Improving Population Health and Wellbeing
Progress on SCP 2 –Delivering a Seamless System of Health, Care and Wellbeing

1. Executive Summary

This report provides an overview of progress and assurance on the delivery of the work programmes within the ABUHB's IMTP Service Change Plans 1 and 2. Both SCPs are focused on the development of a more integrated system of health, care and wellbeing, with specific emphasis on service improvement to:

- Support more people to stay healthy, well and manage their conditions
- Receive more care closer to home
- Develop a more integrated approach to the planning, delivery and remodelling of services

Considerable progress has been made to deliver the commitments outlined in SCP 1 and 2. A number of these commitments are aligned to the Gwent Area Plan for Health and Social Care and to the 5 PSB Wellbeing of Future Generations Plans.

At a national policy level the publication of 'A Healthier Wales' and the new transformation fund, transformational model for primary care and continuation of the Integrated Care Fund have driven local service re design at pace, which are aligned with SCP 1 and 2. It has placed a renewed emphasis on the requirement to develop services collaboratively with partners, predicated on providing more care closer to home. Going forward the 'Building a Healthier Gwent' framework will ensure that there is a clear approach to the development of early intervention and prevention services, locked into the Public Service Boards responsibilities for improving wellbeing, and translating into the core business of the Regional Partnership Board.

Specifically this year the award of the £13 million transformation fund from January 2019, is now driving forward sustainable system change across SCP 1 and 2, and includes the:

- Development of early intervention and prevention services (Integrated Wellbeing Networks)
- Development of place based care
- Redesign of child and adolescent emotional and mental health services
- Development of an integrated 'Home First' discharge model
- Development of workforce planning and organisational development to underpin transformational activity

The Board is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	✓
Note the Report for Information Only	
Executive Sponsor: **Dr Sarah Aitken Director of Public Health & Strategic Partnerships** **Nick Wood Director of Primary Community and Mental Health**	
Report Author: Jennifer Keyte, Corporate Planning Manager	
Report Received consideration and supported by :	

Executive Team		**Committee of the Board**	Finance and Performance Committee
Date of the Report: 9th October 2019			
Supplementary Papers Attached:			

2. Purpose of the Report

To update the committee on the progress against key milestones in SCP 1 and 2 for quarter 1 and quarter 2 and activity due to be undertaken during the second half of this financial year.

To identify issues that present a high risk to delivery, outline key actions that will be undertaken to mitigate or recover position.

To report relevant information in order to provide assurance.

3. Background and Context

The Integrated Medium Term Plan for 2019/20 – 2021/22 for Aneurin Bevan University Health Board was approved by the Board and Welsh Government. The approval letter from Welsh Government recognised the robust development of plans with *'A Healthier Wales'* at the core of planning. The Health Board's continued and increased focus on health and well-being and preventing illness through strong collaboration between health and social care are primarily addressed through Service Change Plans 1 and 2. These Service Change Plans will ensure a more 'seamless' system of health, social care and wellbeing, predicated on a robust platform of early intervention and prevention services. The plans are underpinned by an emphasis on the important role of digital and ICT and a Technology Enabled Care Group (TEC) has been established at a regional level to support the delivery of service change priorities. The award of funding to develop the Gwent Research, Improvement and Innovation Coordination Hub from 2020 will also play a crucial role in driving forward successful change.

- SCP 1 focuses on the continued development of systems and services to support improved population health, a more robust approach to early intervention and advocacy for action on the wider determinants of health through the Public Service Boards.
- SCP 2 sets out the need to transform primary and community care services, to provide more care closer to home, for greater integration with social care and to deliver continuous services to maintain health and independence and wellbeing into old age. A crucial element of this Service Change Plan is the role of carers and housing services.

SCP 1 is led by the Director of Public Health and Strategic Partnerships and SCP 2 led by the Director of Primary, Community and Mental Health. Both SCPs report into a dedicated Delivery Board (Level 1), responsible for ensuring the timely implementation of plans and that the expected benefits, are realised and embedded. In addition the Delivery Board is responsible for the ongoing review, revision and strengthening of plans and the resubmission of a refreshed plan in line with Welsh Government Planning Guidance. In summary, Delivery Boards are expected to:

- Manage key issues and risks. Provide assurance to the Board, its committees and Welsh Government on delivery.
- Support whole system collaboration and alignment of plans including transition to Clinical Futures.
- Promote and share learning and success across the organisation.
- Ensure future development and improvement opportunities are identified and reflected in the refresh of the IMTP.
- Ensure alignment with the Regional Partnership Board/Public Service Board agenda.

The successful delivery of both SCPs is complex, with shared reliance on other public service organisations such as local authorities, housing and the third sector to develop greater resilience within the community and access to well-being support. The primary method of monitoring and tracking activity, the responsibilities of the Health Board is discharged through Benefit Evaluation Trackers. These cover all key milestones and expected benefits and are monitored on a monthly assurance cycle via the Level 1 Board. Additionally, the Public Partnerships and Well-being Committee provide challenge and scrutiny for the delivery of these SCPs.

Critical components of these Service Change Plans are:

Clinical Futures Tier	IMTP Work streams	SCP
Tier 1: Keep People Healthy and Well	Provide children and young people with the best possible start in life	1
	To Make Every Contact Count	1
	Population Immunisation Programme	1
	Population Health Protection	1
	Disease prevention through population scale services to improve health and well-being	1
	Reducing inequalities in the incidence and rates of survival from cancer	1
	Develop Health Board as an exemplar health and well-being employer	1
Tier 2: Self Care **Tier 3: Primary Care/NCN Team** **Tier 4: NCN Hub**	Prevention, Well-being and Self Care	2
	Rebalancing Care Closer to Home	2
	Access and Sustainability	2
	Redesigning Community Services	2
	Effective Medicines Management	2
	Improving Quality, Value and patient Safety	2
	Developing a Skilled Workforce	2
	Digital Technology	2
	Estates Development	2

4. Assessment and Conclusion

4.1 Current Performance

Below is a summary of the key performance indicators for SCP 1 and 2.

Domain	Sub Domain	Measure	IMTP Target	National Target	IMTP Status	Latest Measure
Timely Care	Primary Care	% Urgent Patients Advised within 1 hour (P1CT)	90%	90%	🔴	80%
		% Routine Advised within 2 hours (P2CT)	90%	90%	🟢	90%
		% Routine Advised within 3 hours (P3CT)	90%	90%	🔴	87%
Staying Healthy	Childhood Immunisation	% of children who received 3 doses of the '6 in 1' vaccine by age 1	95%	95%	🟢	97%
		% of children who received 2 doses of the MMR vaccine by age 5	90%	95%	🟢	91%
	Smoking Cessation	Smokers making quit attempt (full year extrapolation)	0.90%	1.25%	🟢	1.1%
		Smokers who are CO validated as quit at 4 weeks	40%	40%	🟢	43%

There has been a sustained improvement in performance uptake above target of 95% for children who received 3 doses of the revised '6 in 1' vaccine by age 1 with 97%.

Most recent data reports that current performance of the percentage of children who receive 2 doses of the MMR vaccine by age 5 is 91% exceeding the IMTP target of 90%. This improvement is a result of the implementation of a robust improvement plan and though the latest measure falls short of the national target, the Health Board is on track to meet the national target with sustainable improvements reported each quarter. This improved performance has been achieved within context of falling vaccination rates across the UK and globally.

4.2 Key Achievements of Milestones

Overall the picture of progress is largely positive, in what is a fast paced, complex and changing environment as a result of the publication of '*A Healthier Wales'.* Significant work has been undertaken to develop appropriate partnership structures under the Gwent Regional Partnership Board, to enable delivery to be planned, managed and assured, in the required partnership environment.

Service Change Plan 1:

Provide Children and Young People with the best possible start in life:

- Following the development of a new model of smoking cessation for midwifery, a new Smoking Cessation Service with 3 Health Care Advisors delivering smoking cessation support to pregnant women has commenced.
- Phased implementation of the Healthy Child Wales Programme is on track and in line with the approved Business Case.
- Implementation of the Designed to Smile Programme has continued and is on track.
- The delivery of ACEs awareness training sessions for staff working with children and young people is on track.
- The Weight Management service for children and families commenced in May – ABUHB is the first Health Board to implement this service.

Making Every Contact Count:

- Continued delivery of MECC training for an additional 10% of frontline staff is on track to deliver the benefit of increasing competence and confidence of staff to deliver health lifestyle messages to patients. During quarter 1 and quarter 2, 401 staff have received MECC training (annual target of 960).

Population Immunisation programmes:

- Evaluation of the 2018/19 flu immunisation programme plan took place and has subsequently informed the 2019/20 plan to further improve on achieving the 60% target for front line staff for the first time in 2018/19.

Disease prevention through population scale services to improve health and well-being:

- To deliver the benefit of citizens being informed and empowered, work has progressed with the implementation of the Integrated Wellbeing Network (IWN) programme which is on track. Significant engagement work has been undertaken to galvanise community resources in the mapping, networking and analysis of capacity. It is recognised that the PSBs have a key role to play and a service lead has been appointed for each PSB area. Much progress has been made around 'traction' of the concept and an understanding that how community resources are planned and delivered to support seamless care and improved wellbeing is critical to success. All five service leads are now in the process of developing implementation plans.

Service Change Plan 2:

Rebalancing Care Closer to Home:

- All 12 NCN's have developed IMTPs, which set out a local population needs assessment, asset, estates and workforce profile to inform robust place based planning.
- OBC approved for new Tredegar HWBC at board and passed to WAG for approval.
- Newport East HWBC plans continue to be developed with outline agreement amongst partners to now develop OBC for early 2020.
- The ICEBERG SPA was launched in March 2019 providing more access within the community to services

- Work has progressed with regards to the Extended Skin Surgery with the commencement of transferring activity currently undertaken within the hospital setting to the community. This is being achieved by the utilisation of existing expertise in general practice. As a result, 168 referrals have been made to GP Practices, of which 158 patients have received treatment.
- INR services are now delivered within 59 practices across Gwent, this development has been a pathfinder for the rest of Wales, with patients receiving tests results through a coagucheck machine within 2 minutes. A massive shift of 12000 diagnostic tests undertaken within secondary care.
- Blaenau Gwent NCN's have piloted the development of a direct access audiology service. The service is still in its infancy, however initial data illustrates a shift from secondary care services and a reduction in the number of patients with symptoms relating to hearing being seen at GP appointments.
- The Wet AMD and Glaucoma ODTC services are seen as an example of good practice across Wales. Glaucoma ODTC services are available across Gwent within optometrist practices initially in 2015 providing follow up appointments for patients within the community, since 2018/19 first appointments have also been seen within the practices.
- During winter 2019 a GP led DVT service will be delivered. The service will be provided in South Monmouthshire in the first instance.
- A further review of all extended services has been completed by the Head of Primary care in order to facilitate a discussion regarding the extension and measure of these services to ensure maximum coverage

Improve wellbeing of older people:

- Work has progressed to implement the Frailty Action Plan with a series of workshops arranged to review and inform the development of the service model.
- Intergenerational work stream, including expansion of Ffrind-i-mi / Friend of mine services to reduce social isolation has made significant progress. The Intergenerational Strategy has been published with 54 partners signed up. Production of Billy the Superhero, a bilingual book written by children for children with aim of encouraging children to consider a career in health and social care has been published.
- The RPB have endorsed the Housing Options Assessment for older people and are now developing an ongoing forward work plan

Providing stable, sustainable and accessible primary care services supported by more efficient system:

- The new transformational Primary Care model has gained traction across Gwent, led by Local Authorities and the Health Board.
- The Compassionate Communities Model is being embedded within 2 NCN's as a set of principles to guide the planning and re modelling of services. To date, 4 practices have begun coaching and community connectors are undergoing training. As critical partners, GPs have engaged with this programme, with mentoring and development support already underway, and discussions around upscaling already being considered.

Prevent unnecessary admissions to hospital and facilitate early discharge where appropriate:

- The Home First model aims to prevent people being admitted to hospital unnecessarily and to help people return to their home safely. Between Jan-Jun 2019, 930 patients were assessed – 89% of patients that were deemed medically fit were discharged (477 patients) and an additional 30 people were identified as not requiring attendance and admissions were avoided in these instances. The development of this service has been seen as an enabler for change providing an opportunity for health, social care and the third sector to work together to provide an integrated discharge model.

Improve care at end of life for patients and their families:

- Following the successful Acute Bereavement Service pilot, funding has been secured to implement a Bereavement Service across Gwent and all posts have been recruited into.

4.3 Key actions in next Quarter

Service Change Plan 1:

Provide C&YP with the best possible start in life:

- Continue implementation of the Healthy Child Wales Programme.
- Continue implementation of Designed to Smile Programme.
- Monitor and evaluate the benefits of the Smoking cessation service for pregnant women.

Population Immunisation:

- Commence seasonal influenza immunisation programme and monitor delivery of improvement in uptake of influenza immunisation by the over 65 year olds and those in at-risk groups compared to last year.
- As part of the MMR improvement plan, work with partners in NCNs to continue to improve uptake of MMR vaccinations.

Making Every Contact Count:

- Continue delivery of training for an additional 10% of frontline staff by year end.

Disease prevention through population scale services to improve health and well-being:

- Alcohol Care Team Business Case to extend team to 7 days per week to be finalised and considered by the Executive Board.
- A key action for the Integrated Wellbeing Network programme is to facilitate a Gwent workshop with the aim to identify opportunities for improvement and identify how the Compassionate Communities model will complement the IWNs.

Service Change Plan 2:

Providing stable, sustainable and accessible primary care services supported by more efficient system:

- Compassionate Communities implementation to continue at pace with the introduction of discharge liaison model across community and acute hospitals; Communication and Accommodation Strategy to be developed and agreed.

- A priority during quarter 2 is the delivery of the GMS contract. Specific activity includes collecting a baseline and defining required plans to deliver the new Primary Care Access Standards.

Improving wellbeing of older people:

- The Frailty Services Review next steps includes establishing Task and Finish groups for each work stream, implementation of the SPA pilot project in Blaenau Gwent and competition of the stimulation model for Newport CRT Rapid Medical.

Rebalancing Care Closer to Home:

- In order to increase the number of referrals to GP Practices for Extended Skin Surgery, consideration will be made to extending the service across ABUHB to reduce demand on secondary care dermatology services and improve RTT compliance for dermatology referrals.
- Utilising the recent review by Head of Primary care further expansion of LES and DES to ensure maximum take up of these services

Prevent unnecessary admissions to hospital and facilitate early discharge where appropriate:

- As part of the Home First Model, a gap analysis has been conducted across Gwent in order to determine current availability of third sector service and securing a Gwent wide approach.
- Development of the Integrated Discharge Model has commenced and will be rolled out across both NHH and RGH this quarter.

4.4 Areas of Concern/Risk

Making Every Contact Count:

- There are concerns regarding achieving the Making Every Contact Count 10% end of year target due to extreme pressures at acute sites during the summer. The programme is being actively reviewed to ensure that the annual target will be met and progress will be reported upon in Quarter 3.

Compassionate Communities Model:

- It is an acknowledged barrier that bringing busy teams on board has its challenges due to the pressures of every day work and in order to remedy this a coaching and mentoring programme has been developed as well as a communication plan for staff.

Improve care at end of life for patients and their families:

- Though funding has been agreed for the implementation of an acute bereavement Service across Gwent, this funding is not recurring and as a result threatens the sustainability of the service.

Funding Streams

- The funding mechanism for the transformation programme is time limited and the development of an exit strategy and mainstreaming successful programmes needs to commence.

Recommendation
It is recommended that the Finance and Performance Committee:: 1. Note the contents of the report 2. Review the issues that present a high risk to delivery and to provide scrutiny and Board assurance

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	Key risks are highlighted in the body of this report.
Financial Assessment, including Value for Money	A number of capital and revenue bids are relevant to the delivery of SCP1 and 2. Details of the individual funding streams including ICF and transformation fund monies are available on request and where Board paper summarised in the 25.09.19.
Quality, Safety and Patient Experience Assessment	Both SCP's comply with the required standards.
Equality and Diversity Impact Assessment (including child impact assessment)	Undertaken as part of the Gwent Area Plan.
Health and Care Standards	SCP 1 and SCP 2 contribute to all the Health and Care Standards
Link to Integrated Medium Term Plan/Corporate Objectives	This report relates specifically to delivery of SCP 1 and 2 which are a major work programme of the ABUHB IMTP for 2019-22.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	*This section should demonstrate how each of the '5 Ways of Working' will be demonstrated. This section should also outline how the proposal contributes to compliance with the Health Board's Well Being Objectives and should also indicate to which Objective(s) this area of activity is linked.*
	Long Term – each of the work programmes in SCP 1 and 2 are being underpinned by detailed service, workforce and financial capacity and demand needs analyses To provide long-term sustainability.
	Integration – all work programmes report in SCP 1 and SCP 2 into at least one of the five strategic partnerships under the Gwent RPB and/or PSBs.
	Involvement – all work programmes have been co-produced with services users, families and carers through engagement activities appropriate to their needs and wishes.
	Collaboration – the work programmes in SCP 1 and SCP 2 involve both internal/external collaboration at all levels of delivery.

	Prevention – service transformation is being designed to identify and initiate action to promote health and wellbeing, prevent disease and promote early intervention.
Glossary of New Terms	Not applicable.
Public Interest	This report has been written for the public domain.

Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board

Aneurin Bevan University Health Board

Finance Performance Committee
Financial Performance Report – August (Month 5) 2019/20

Executive Summary

This report sets out the following:

- The financial performance at the end of August and forecast for 2019/20 – against the statutory revenue and capital resource limits,
- The revenue reserve position at the 31st August 2019,
- The Health Board's cash position and compliance with the public sector payment policy,
- A value for money focus topic,
- A financial assessment of the risks and opportunities in delivering year-end financial balance, and
- Actions required to deliver financial balance.

Performance against the key financial targets is summarised in Table 1.

Table 1: Performance against key financial targets 2019/20

Performance against key financial targets 19/20
+Adverse / () Favourable

Target	Unit	Current Month	Year to Date	Trend	Year-end Forecast
Revenue financial target To secure that the HB's expenditure does not exceed the aggregate of it's funding in each financial year. *This confirms the YTD and forecast variance.*	£'000	425	2,314	↓	**0**
Capital financial target To ensure net Capital Spend does not exceed the Capital Resource Limit. *This confirms the curent month and YTD expendiutre levels along with the % this is of total forecast spend.*	£'000 £124.7m	9,978 8.0%	56,512 45%	↔	**£124m spend** **0 variance**
Public Sector Payment Policy To pay a minimum of **95%** of all non NHS creditors within 30 days of receipt of goods / invoice (by Value)	%	97.1%	97.7%	↑	**>95%**
Cash balances Cash balance held by the Health Board to not exceed 5% of monthly cash draw down from WG	£'000	n/a	1,536	↓	**Within Target Level**

Performance against Statutory Requirements 19/20

Ensure the aggregate of the HB's expenditure does not exceed the aggregate of its funding in a 3 year period	✓
Prepare & Submit a Medium Term Plan that is signed off by Welsh Ministers	✓

The revenue financial risk is assessed as a potential deficit of £7m.

2.5

Recommendations:

The Committee is asked to note:

- The financial performance at the end of August and forecast for 2019/20, against the statutory revenue and capital resource limits.
- The financial risk assessment,
- The Health Board's cash position and compliance with the public sector payment policy,
- The value for money topic, and
- The actions required to deliver financial balance,
- The Welsh Government Financial Monthly Monitoring Returns sections.

The Committee is asked to: (please tick as appropriate)			
Approve the Report			✓
Discuss and Provide Views			✓
Receive the Report for Assurance/Compliance			✓
Note the Report for Information Only			
Executive Sponsor: Glyn Jones, Director of Finance & Performance			
Report Author: Rob Holcombe, Assistant Finance Director			
Report Received consideration and supported by :			
Executive Team		**Committee of the Board [Finance Performance Committee]**	✓
Date of the Report: 9th October 2019			
Supplementary Papers Attached: **Appendices Pages 10-44**			

Purpose of the Report

The purpose of this report is to present the Health Board's financial performance in delivering its statutory financial objectives and targets, including:

- A report of the financial position, both the year to date and year end forecast,
- A financial assessment of the risks and opportunities, and
- Recommendations of actions to support achievement of a break even position and improved underlying financial balance.

Assessment & Conclusion

Revenue Performance

At the end of August, the year to date financial position is a £2.314m deficit. The in-month variance to plan is mainly due to:

- **Premium rate Workforce costs:** spend is continuing to increase, with a significant rise in medical agency and nurse agency. Whilst this is to cover sickness, vacancies, support RTT delivery and other operational pressures, if continued this will significantly increase the risk of the Health Board incurring a deficit in 2019/20.
- **Primary Care:** the Health Board currently has four managed practices and will be taking on a fifth, Markham GP Practice, from 1st October 2019, the financial impact expected to the end of the year is £138k.
- **Major Trauma Centre:** developed through the Collaborative has early recruitment costs of £70k year to date with an expected additional investment required later in the year.
- **Prescribing and Pharmacy** services expenditure has risen significantly again this month for both Volume (£246k) and price (£130k). Price per item in June was £6.27, an increase from the £6.24 in May and £6.17 in April, and growth in month was 1.44% which is higher than forecast.
- **Velindre NICE Drugs**: an increase above planned levels of high cost drugs in Velindre. The increase of £280k year to date is for services commissioned and paid for by WHSSC, for immunotherapy drugs where more people are being prescribed than expected, and increased survival leads to longer periods of prescribing than originally forecast.
- **The forecast position remains at financial balance** on the basis that in year actions will deliver a reduction in spend/increased savings, risks will be mitigated and that assumptions on the use of reserves are maintained.

Savings

The Health Board's IMTP identified a savings requirement of **£16.8m.** Actual savings of £12.4m are being delivered. Whilst this is an increase of £1.1m compared with month 4, ***further savings are required to meet the original requirement and help address the increased spend being incurred.***

Funding

The Plan and forecast assume only the funding that has been received or has been confirmed by Welsh Government (WG). However, there is additional funding being held for: Digital Technologies, Clinical Services and Mental Health 'A Healthier Wales'. To access this additional funding the Health Board will be submitting bids to access additional mental health funding and is in discussion with Welsh Government about accessing funding to support service developments in line with IMTP priorities.

No additional funding has been assumed for winter pressures.

Expenditure

Financial performance against each of the delegated budget areas is set out in the appendices. The key messages are:

Pay:

- Spend continues above budgeted levels due to on-going use of variable, premium workforce solutions to fill gaps due to vacancies, sickness and additional capacity.
- Allowing for A4C Wage Award, workforce costs are broadly in line with previous months.
- Premium spend on agency and locum workforce remains a cause for concern.
- Medical workforce costs continue to operate above budget with continued non achievement of the medical agency 'cap' spend reduction target of 35%, with medical agency expenditure significantly higher than the WG target.
- Incentive Payments in August cost £77k for spend on summer incentives for registered nurses

Continuing Health Care:

- CHC (Adult complex care) continues to report low level growth in patient numbers, a trend that has continued from 2018/19. There has been a net decrease in patients of 19 since March 2019, however, FNC patients have increased by 28 since March 19.
- Mental Health CHC spend is still forecast to increase but the growth expected is significantly reduced.

Prescribing:

- Primary Care drugs (prescribing) expenditure is now forecasting a deficit year end position, May and June PAR were higher than expected and therefore adversely affecting the year to date position. In previous years there has been a pattern of spend being slightly higher in these two months and then reducing again, therefore July and August PAR will be an important indicator.

External Commissioning:

- At month five, Cardiff and Vale UHB Contract is over performing but this is offset by a decrease in the NICE drugs spend which the Health Board commissions through the LTA with Velindre NHS Trust, and underperforming English Trust activity.
- WHSSC is now forecasting a deficit, despite funding at the IMTP agreed level, this is due to increased usage of Immunotherapy drugs in Velindre and HRG 4 + costs higher than the funding level received.

Referral To Treatment (RTT):

- Year to date treatments are 433 behind plan. This under delivery comprises 115 under on core sessions, 317 under on mobile theatre sessions and 1 under on WLI/backfill sessions.
- Orthopaedic elective activity was 488 cases (including the shortfall in the original Demand and Capacity plan) behind the plan, this is partly offset by treatments being ahead in Dermatology (52), Maxillofacial (31)and Ophthalmology (24)
- The financial forecast does not identify or include the full cost of recovering this activity during the financial year and will be updated once a revised RTT plan has considered by the Executive Team in September.
- Performance funding has been received and is being phased into the financial position, on the basis that RTT activity and costs have been incurred. This represents a further financial risk should the costs of recovering activity be significant and/or funding is recovered by Welsh Government.
- The impact of pensions/tax issues on medical staff undertaking additional sessions still presents a significant risk to delivery of RTT, cancer and other access targets.
- The mobile Theatre has been in place since April 1st 2019, this was to assist in the delivery of RTT. The mobile Theatre was unused during August and will continue to be so during September. This is costing between 11k and 13k per week.

Revenue Reserves

- The Health Board is holding in-year reserves, for specific funding issues in line with the budget delegations approved by the Board.
- Discretionary reserves are now being used to partly offset some of the deficits in the delegated financial positions, to support delivery of financial balance. Further detail is provided in the appendices.
- Where appropriate, slippage on spending plans will be factored into the level of reserves available to support the Health Board position.

Value for Money Review – HIP Prosthesis

Background - This opportunity has been considered and endorsed by the National Efficiency, Healthcare Value and Improvement Group, with the expectation that progress will be made to implement the recommendations.

The area of hip replacement and the challenge in relation to reducing national variation is complex and concerns variation beyond choice of implants, including individual patient clinical requirements and complexity.

Assessment of Opportunity - An in depth Time Driven Activity Based Costing (TDABC) exercise is being explored to inform the national picture and together with outcome measurement will shape the national strategy in 2019. A high level exercise was conducted to assess the 'size of the prize' available to justify further work in this area based on price comparisons alone and the following table underlines the need for further detailed work.

HEALTH BOARD	POTENTIAL SAVING IF HB STANDARDISED TO LOWEST COST HIP PROSTHESES WITHIN CURRENT HB PORTFOLIO	ADDITIONAL POTENTIAL SAVING PER HB IF STANDARDISED TO LOWEST COST HIP PROSTHESES ON A NATIONAL LEVEL	TOTAL POTENTIAL SAVING PER HEALTH BOARD
ABMU	£106,757	£101,926	£208,683
Aneurin Bevan	£187,026	£149,710	£336,736
BCU	£107,488	£147,219	£254,707
Cardiff & Vale	£31,506	£44,518	£76,023
Cwm Taf	£50,843	£99,174	£150,017
Hywel Dda	£117,523	£54,827	£172,350
TOTALS	**£601,143**	**£597,373**	**£1,198,516**

The HB savings detailed in the above table are based on the lowest prices currently available via the All Wales Framework Agreement. The additional 'All Wales' potential savings figures, based on National Standardisation, are based on the lowest prices available in the UK market (researched via the Purchase Price Index Benchmarking tool).

In ABUHB the Procurement department have completed the review of prices against other sites to ensure pricing is in line with the national picture. However the status and timetable of rationalising the type of prosthesis has not been confirmed.

Next Steps - This issue will be presented and discussed at Executive Board during September to develop a response to the opportunity identified.

Actions required to deliver financial balance

- The Executive Team have identified a number of urgent actions regarding savings and cost containment linked to safe and robust service/workforce plans – progress on delivery will be reported to the next Board meeting, and
- Efficiency, value and service improvement opportunities and delivery schemes will continue to be scrutinised and implementation reviewed through the Executive Board to improve service and financial delivery.
- Any investments or developments need to be supported by savings, in addition to the level identified in the IMTP to deliver financial balance.
- Re-consideration of proposed areas of investment to improve the financial position.
- The actions identified are additional to the divisional assurance meetings and cross-cutting arrangements which review quality, safety, performance and finance.

- **Capital performance**

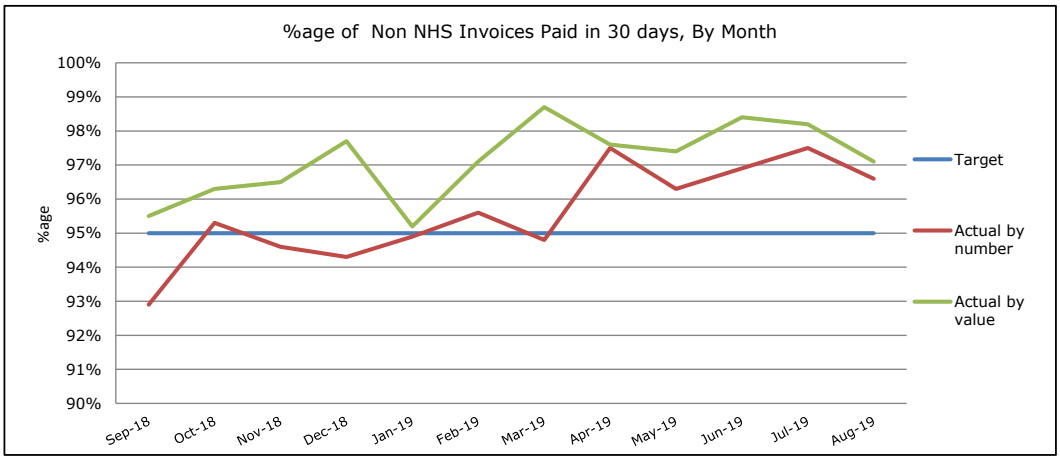
The Capital Programme was approved by the Board in March 2019. The current resource limit is £124.738m with planned expenditure of £121.361m and uncommitted discretionary capital funding of £1.1m. A number of emerging priority schemes are being developed to utilise this unallocated discretionary funding. The year to date expenditure is £56.512m (45% of the annual expenditure) which primarily relates to the Grange University Hospital. The year-end capital forecast is breakeven.

- **Cash position**

The Health Board is planning to manage within its cash allocation and will also aim to hold a cash balance of no more than 5% of its monthly cash draw down (best practice/notional target). The cash balance held at the end of August was £1.536m - which is within the target balance of 5%.

- **Public Sector Payment Policy (PSPP)**

The Health Board has achieved the target, to pay 95% of the Non-NHS creditors within 30 days, cumulatively to August, (97% by number of invoices and 97.7% by value). The following graph identifies the trend for the rolling twelve month period.



- **Risks and Opportunities**

The revenue forecast remains at breakeven, with a financial risk currently assessed as £7m. Risk factors include:

- Performance funding recovered by WG (if not delivered),
- Non-delivery of savings plans including those urgent actions identified by the Executive Team,
- Increased workforce costs, including agency, linked to service and workforce pressures,
- Increased Prescribing and Pharmacy costs,
- Increased managed Practice costs,
- Major trauma Centre costs and
- Additional appointments to Clinical Futures work force (in-year).

Opportunities exist identified within the Efficiency Compendium, with further efficiency savings and non-recurrent opportunities being reviewed each month. These will continue to be pursued as part of the Executive Team actions and the ongoing Divisional assurance and other cross-cutting arrangements. In addition to this, Divisions are requested to review their spending plans and assess where, if any, costs can be avoided.

Recommendation

The Committee is asked to note:

1. The financial performance at the end of August and forecast for 2019/20, against the statutory revenue and capital resource limits.
2. The financial risk assessment,
3. The Health Board's cash position and compliance with the public sector payment policy,
4. The HIP prosthesis value for money review,
5. The actions required to deliver financial balance, and
6. The Welsh Government Financial Monthly Monitoring Returns sections.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	Risks of delivering a balanced financial position are detailed within this paper.
Financial Assessment	This paper provides details of the financial position of the Health Board as at Month 05 and the forecast position for 2019/20. It identifies the key financial risks and actions required to manage them. It also identifies the potential to improve efficiency and deliver improved value for money.
Quality, Safety and Patient Experience Assessment	This paper links to AQF target 9 – to operate within available resources and maintain financial balance. This paper provides a financial assessment of the Health Board's delivery of its IMTP priorities and opportunities to improve efficiency and effectiveness.
Equality and Diversity Impact Assessment (including child impact assessment)	Not Applicable
Health and Care Standards	This paper links to Standard for Health services One – Governance and Assurance.
Link to Integrated Medium Term Plan/Corporate Objectives	This paper provides details of the financial position that supports the Health Board's 3 year plan. The Health Board has a statutory requirement to achieve financial balance over a rolling 3 year period.
The Well-being of Future Generations (Wales) Act 2015 – **5 ways of working** *This section should demonstrate how each of the '5 Ways of Working' will be demonstrated. This section should also outline how the proposal contributes to compliance with the Health Board's Well Being Objectives and should also indicate to which Objective(s) this area of activity is linked.*	
	Long Term
	Integration
	Involvement
	Collaboration
	Prevention The Health Board Financial Plan has been developed on the basis of the approved IMTP, which includes an assessment of how the plan complies with the Act.
Glossary of New Terms	See Appendix
Public Interest	This report has been written for the public domain.

Appendices - Detailed Analysis

Divisional Revenue Financial Performance (Month 05 – 2019/20)

Month 5 - August 2019	Full Year Budget £000s	YTD M5 Reported Variance £000s	YTD M4 Reported Variance £000s	Movement M5- M04 £000s
Operational Divisions:-				
Primary Care and Community	244,457	640	613	28
Prescribing	95,112	87	(125)	211
Community CHC & FNC	63,553	(1,024)	(1,035)	11
Mental Health	90,742	283	205	78
Director of Primary Community and Mental Health	388	(51)	(16)	(35)
Total Primary Care, Community and Mental Health	**494,252**	**(66)**	**(358)**	**293**
Scheduled Care	189,583	6,738	5,710	1,028
Unscheduled Care	104,222	4,298	3,475	823
Family & Therapies	104,294	35	67	(33)
Estates and Facilities	59,274	148	64	84
Director of Operations	269	104	66	38
Total Director of Operations	**457,642**	**11,323**	**9,383**	**1,941**
Corporate Divisions	**74,869**	**(1,431)**	**(1,374)**	**(57)**
Specialist Services	**143,835**	**(387)**	**(667)**	**280**
External Contracts	**67,472**	**(90)**	**(53)**	**(37)**
Capital Charges	**19,663**	**(41)**	**(1)**	**(40)**
Total Delegated Position	**1,257,733**	**9,308**	**6,929**	**2,380**
Total Reserves	**20,212**	**(6,995)**	**(5,040)**	**(1,955)**
Total Income	**(1,277,945)**	**0**	**0**	**0**
Total Reported Position	**0**	**2,314**	**1,888**	**425**

A number of areas remain a considerable distance from the break-even requirement. Of continuing concern is Scheduled and Unscheduled Care which have a deficit of £9.2m between them as at month 5. Of particular concern arising in months 4 and 5 is the increasing expenditure and pressure on the Prescribing budgets within Primary Care.

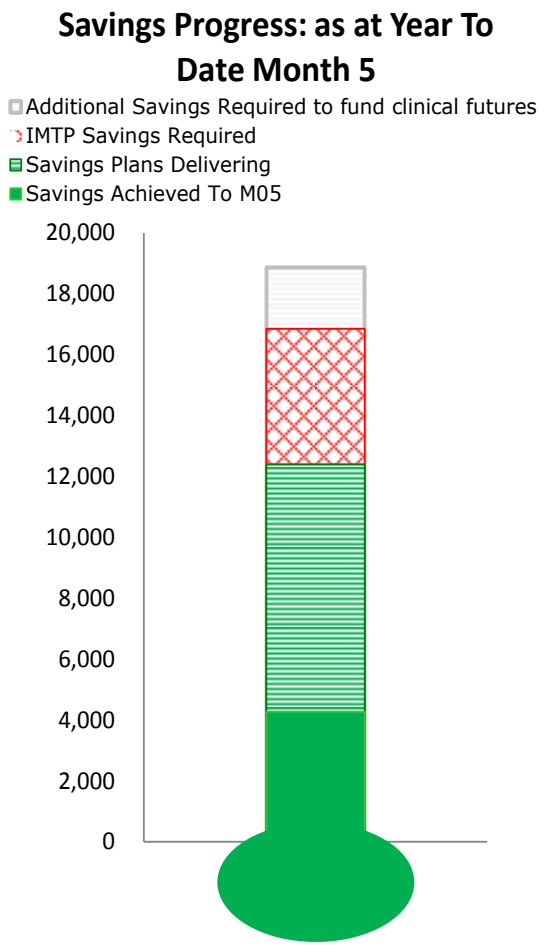
These overspends are being partly offset by other Divisions and the Health Board reserve, resulting in a £2.314m deficit at month 5.

Areas of expenditure driving the Scheduled Care position are: Nursing and Medical agency to cover vacancies including rota gaps in Orthopaedics, Pathology, Theatre non pay (implants) and one off costs for pay progression arrears.

Areas of expenditure driving the Unscheduled Care position are: Medical Staffing (YYF and COTE), Registered Nursing (sickness and ED), HCSW (sickness and enhanced care) and additional coverage in EAU and Medical & Surgical equipment.

One off expenditure incurred in month included £77k for summer incentives for registered nurse ban and further pay notices for pension contributions of £168k. There have been a hand full of these pension contributions to date this year, where there hasn't been any before, these relate to people who have gained promotion in the years before their retirement, this is being investigated.

Savings Delivery - Overall View

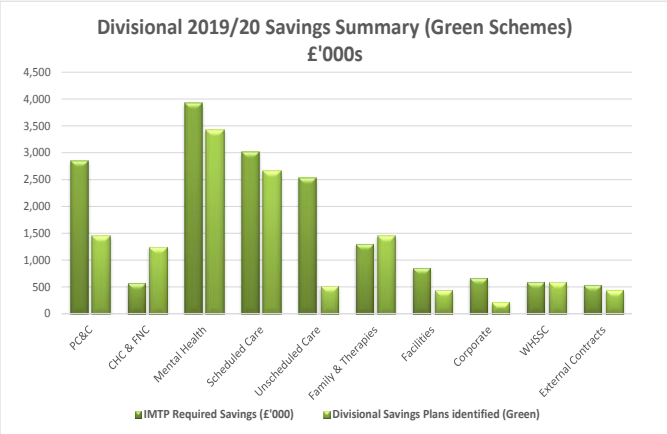


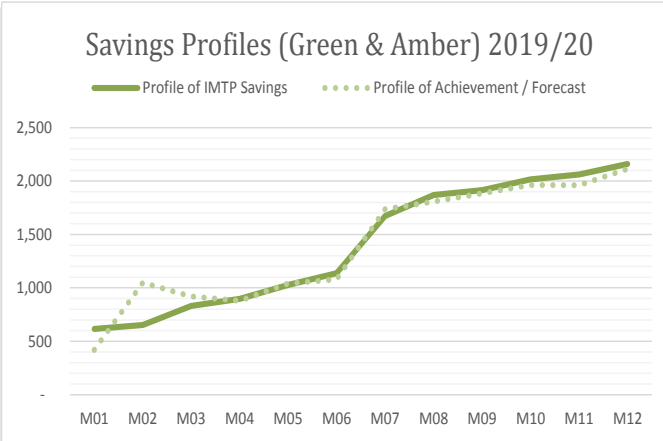
Divisionsal Savings Plans	IMTP
Primary Care and Community	- 1,370
Prescribing	- 1,480
Community CHC & FNC	- 570
Mental Health	- 3,922
Director of Primary Community and Mental Health	-
Total Primary Care, Community and Mental Hea	**- 7,342**
Scheduled Care	- 3,019
Unscheduled Care	- 2,526
Family & Therapies	- 1,302
Estates and Facilities	- 858
Director of Operations	-
Total Director of Operations	**- 7,705**
Corporate / Exec budgets:-	
Corporate Other	- 574
Medical Director	- 100
Total Corporate Divisions	**- 674**
Specialist Services	
WHSSC	- 592
EASC	-
Total Specialist Services	**- 592**
External Contracts	
External Commissioning - LTAs'	- 539
Total External Contracts	**- 539**
Total Delegated Position	**- 16,852**

Savings required to meet the IMTP are £16.8m, of which the Divisions have plans currently delivering to achieve £12.4m. Further savings plans are expected to deliver later in the year via schemes relating to delivering performance and efficiency improvements identified through comparative benchmarking opportunities identified locally and nationally. This is now an immediate and urgent action.

Non delivery of savings plans is a substantial risk for achievement of the IMTP and break-even position.

Savings Delivery – Detail





	Forecast	Non Recurrent	Recurrent	Full year Effect of Recurrent Savings
CHC and Funded Nursing Care	4,595	815	3,780	4,139
Commissioned Services	1,199	-	1,199	1,399
Medicine Management (Primary and Secondary Care)	3,828	626	3,202	3,035
Non Pay	2,450	1,730	720	810
Pay	4,780	3,010	1,770	2,001
Total	**16,852**	**6,181**	**10,671**	**11,384**

Savings required to breakeven per the IMTP financial plan is £16.852m. Green Schemes are expecting to achieve £12.4m and Amber, less certain schemes make up the difference.

Savings made to date equal 4.3m, with the biggest proportion expected in the second half of the year (68%).

The savings profile graph shows this pictorially.

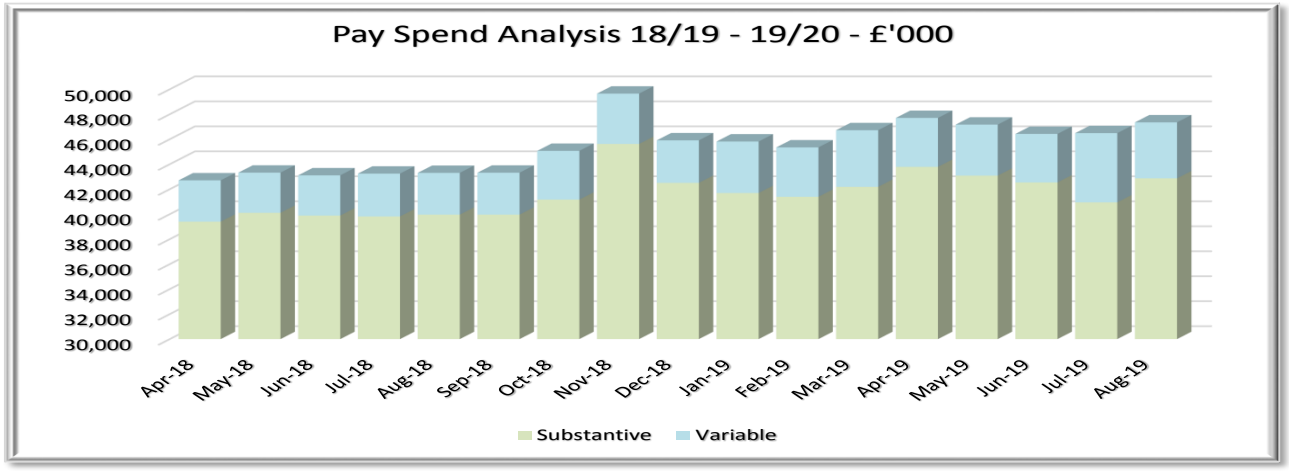
Currently delivery risk is most significant Unscheduled Care divisions and Primary Care & Community.

A number of the pay savings plans from the IMTP are not achieving, these relate to pay in particular Medical Agency. This particularly affect Unscheduled and Scheduled Care but Scheduled Care has replaced these with alternative schemes.

63% of the savings are expected to be recurrent which benefits the underlying position, however, the full year effect of these recurrent savings is limited. Further recurrent savings need to be achieved to maintain the underlying position of the Health Board.

Pay Expenditure

Monthly Trends (Please note scale of the Y Axis)



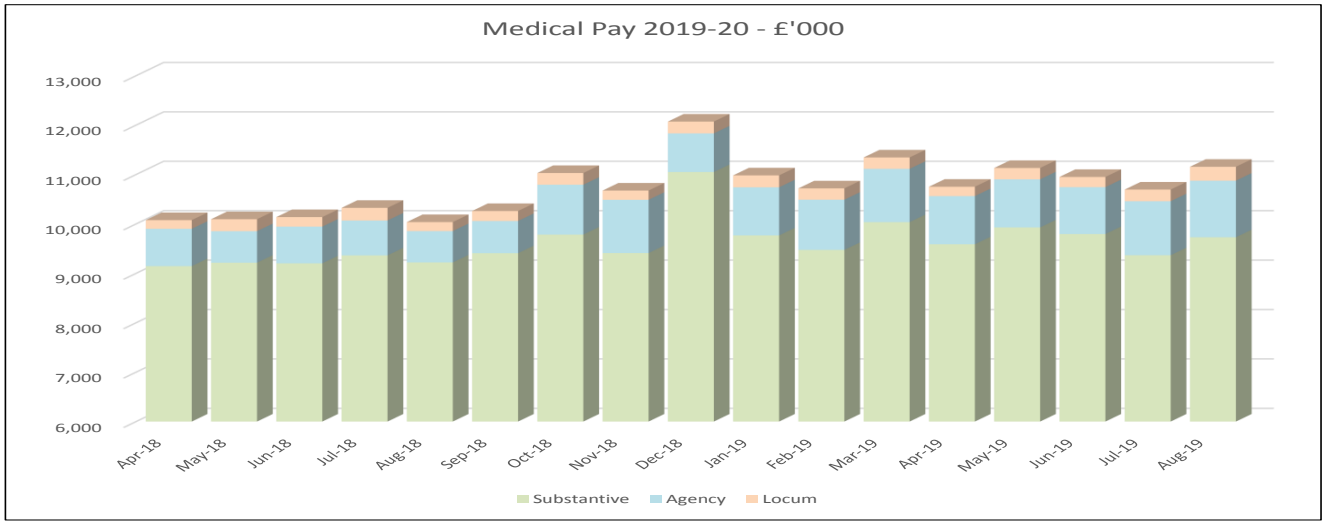
		Wage Award Uplifts and backdated Payments						Top of Scale one of Payment					
£'ms	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Total: Rolling 12mth
NURSING & MIDWIFERY REGISTERED	13.4	14.5	15.7	13.8	14.4	14.3	14.8	15.2	14.7	14.5	14.6	14.6	174.5
MEDICAL & DENTAL	10.3	11.0	10.7	12.1	11.0	10.7	11.3	10.8	11.2	11.0	10.7	11.2	131.9
ADMIN & CLERICAL	6.3	5.3	7.3	6.5	6.5	6.4	6.7	6.8	6.7	6.6	6.7	6.9	78.7
NURSING HCSW	4.5	5.0	5.6	4.6	4.8	4.8	4.9	5.0	4.9	5.0	4.9	5.2	59.1
ALLIED HEALTH PROFESSIONALS	2.6	2.7	3.1	2.7	2.7	2.7	2.8	3.0	2.8	2.8	2.9	2.7	33.6
ESTATES & ANCILLIARY	2.5	2.8	3.3	2.6	2.7	2.7	3.0	2.9	2.8	2.8	2.7	2.8	33.5
PROF & TECH/HEALTHCARE SCIENTISTS	2.4	2.6	2.8	2.5	2.7	2.7	2.8	2.9	2.8	2.8	2.8	2.9	32.6
ADDITIONAL CLINICAL SERVICES	1.0	1.1	1.3	1.1	1.1	1.1	1.1	1.2	1.1	1.1	1.1	1.2	13.5
18/19 & 2019/20 Average	44.8	44.8	44.8	44.8	44.8	44.8	44.8	47.0	47.0	47.0	47.0	47.0	
Total	43.0	45.1	49.7	46.0	45.8	45.3	47.4	47.7	47.2	46.4	46.5	47.4	557.4

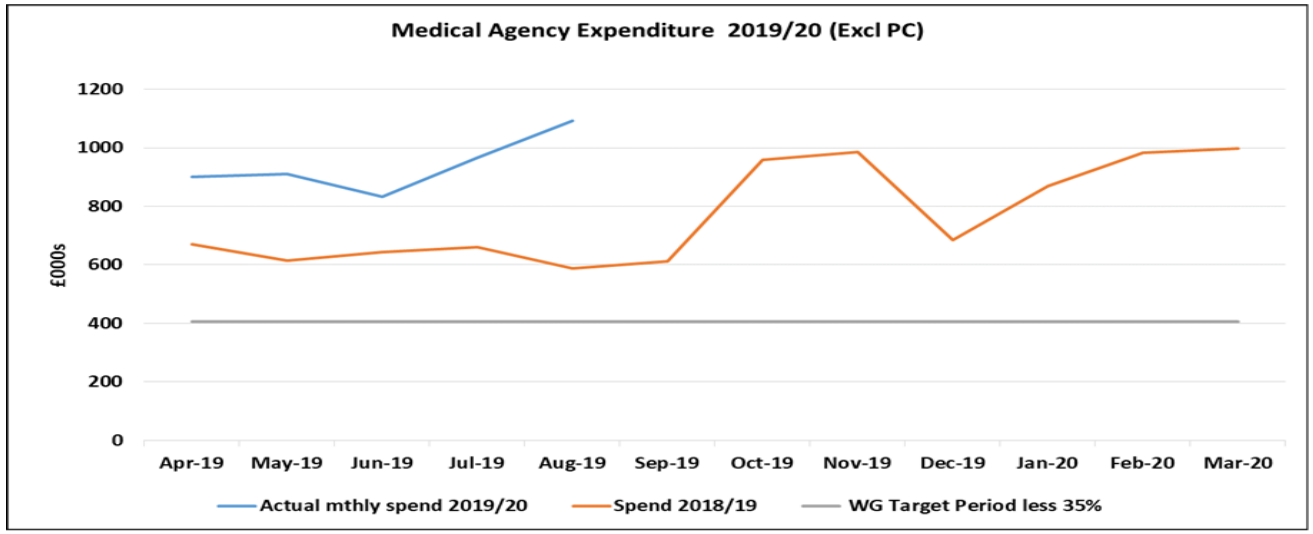
Some of the anomalies in the pay expenditure profile are related to the wage award. The 2018/19 A4C award was paid in October 2018 with the back pay paid in November 18 and M&D uplift paid from December. The 2019/20 A4C award was paid from April 2019 along with a top of scale one off payment (£1.8m). The non-consolidated payment was fully funded for all Delegated Budgets.

Average substantive staff expenditure per month in 2018/19 was £41m and £3.6m for variable pay, as of August 2019 substantive spend is averaging £42.6 and £4.3m for variable pay. Part of the difference for substantive pay is explained by the 2019/20 wage award – the A4C award costs approximately £460k per month. Medical and Dental wage awards are yet to be finalised for 2019/20.

The second table shows the expenditure for each pay group for a rolling twelve month period in descending order.

Medical & Dental Expenditure (Please note scale of the Y Axis)





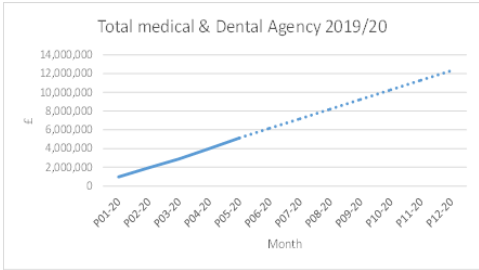
Medical Pay, including substantive and variable is increasing in spend compared to 2018/19, in fact only December 18 (wage award) and March 19 have a higher spend than August 2019 in the last 17 months.

The average spend for 2019/20 is almost £291k per month higher than 2018/19, this relates to both Substantive and Agency expenditure.

The 2019/20 wage award for Medical Staff is not yet agreed, but it is expected to be agreed and paid around October 2019.

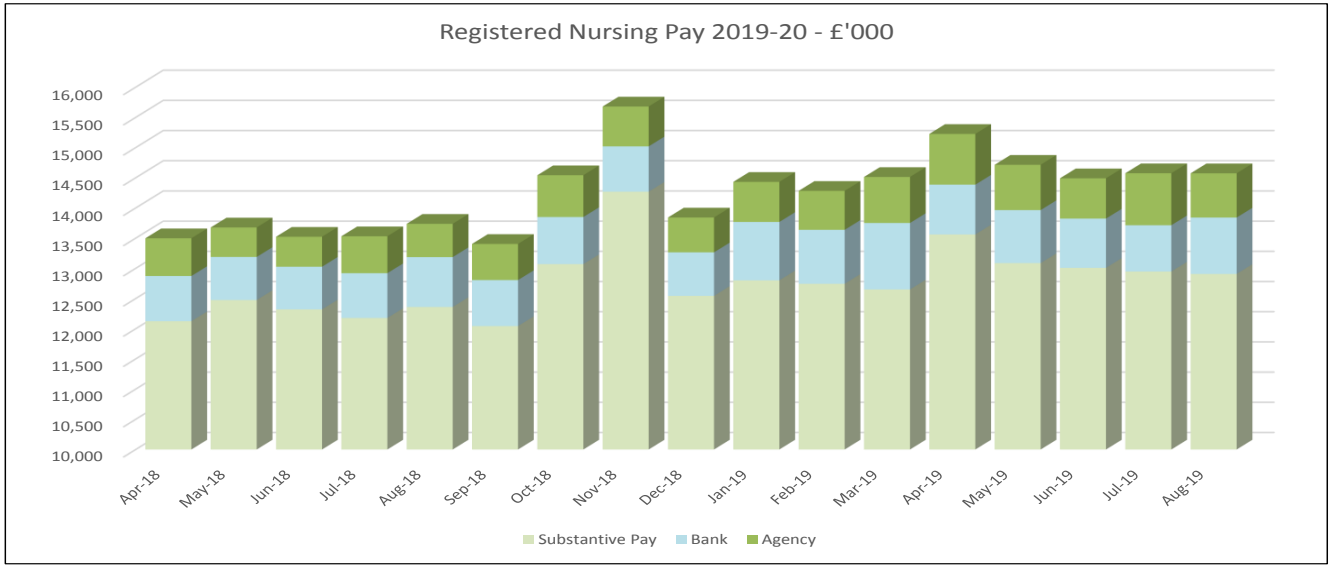
Medical Agency continues to be a pressure in Family & Therapies Division - paediatric services and gynaecology, Scheduled Care Division – Ophthalmology, Trauma & Orthopaedics and RGH General Surgery and Unscheduled Care Division - COTE, ED, YYF Junior Doctors and from month 4 there is agency spend within RGH Gastroenterology.

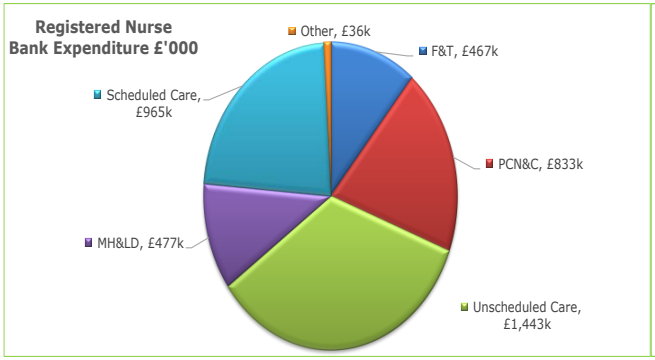
Spend on medical agency remains a significant concern. The following graph demonstrates the cumulative costs and forecast of this level of spend if it continues. Comparing the period Months 1 to 5 this year with last year – medical agency spend has increased by £1.657m, a 48% increase in agency spend. If medical agency spend continues at this level it would result in expenditure of £12.3m in 2019/20 compared to £10m 2018/19 – this would not be financially sustainable

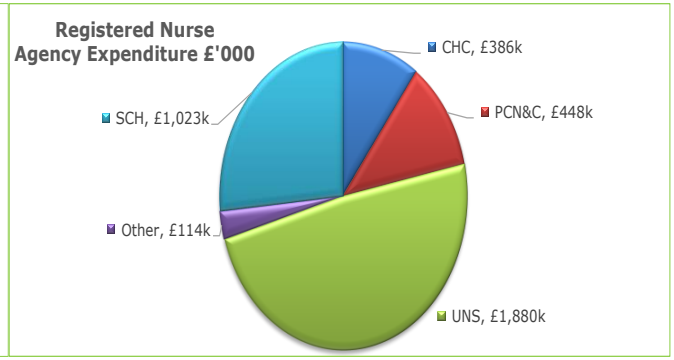


The HB continues to fail to achieve the reduction in Medical Agency spend.

Registered Nursing Expenditure (Please note scale of the Y Axis)





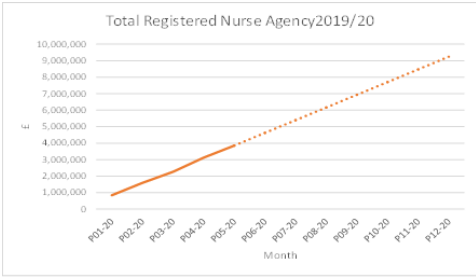


Substantive wages include the 19/20 inflationary wage award and the non-recurrent consolidated payment made in April.

Vacancies and sickness continue to be a pressure across a number of services.

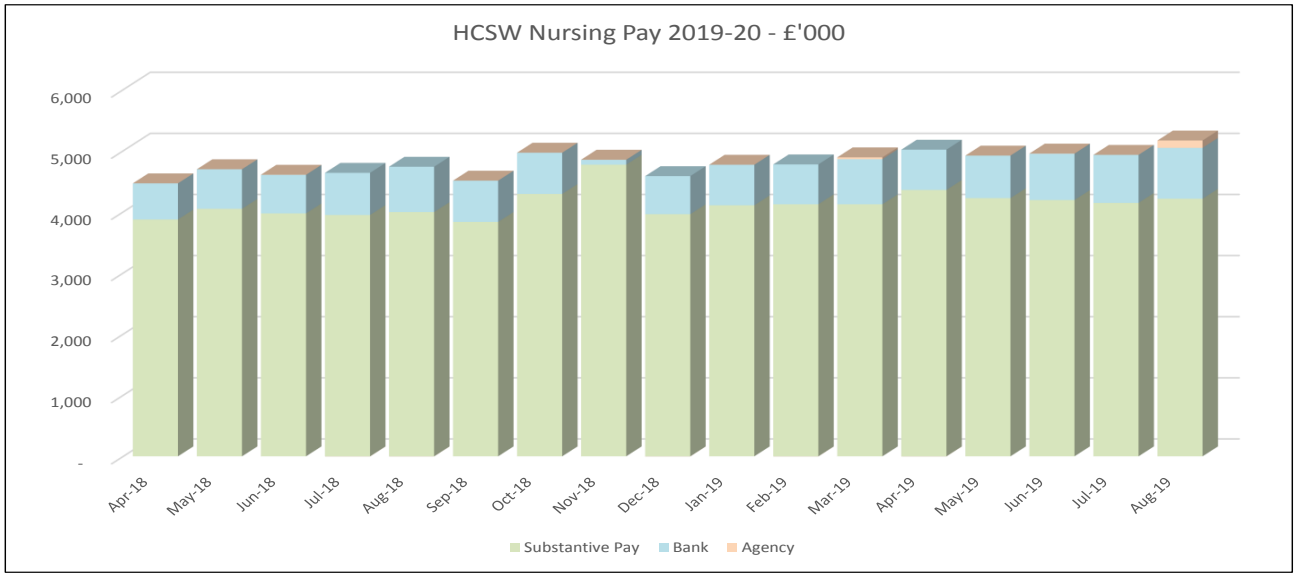
The increase in use of nurse agency and associated spend is now a significant concern. Comparing the period Months 1 to 5 – this year compared to last year – nurse agency spend has increased by £1.079m – a 39% increase in agency spend. Bank spend has also increased by £0.483m. The substantive nursing staff numbers have remained broadly level. The service pressures identified are resulting in significant additional workforce costs.

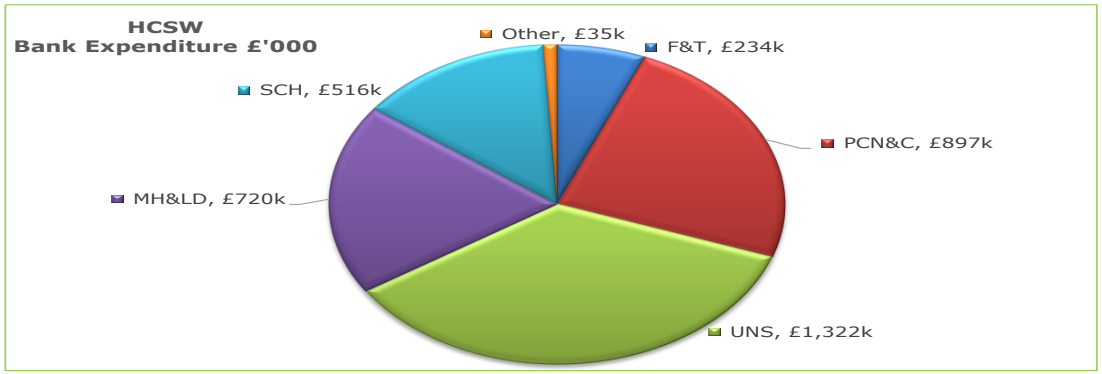
If nurse agency spend continues at this level it would result in expenditure of over £9m – compared to £7.3m in 2018/19 - which is not financially sustainable.



In particular this is within Unscheduled Care (RGH & NHH Medicine) Scheduled Care (General Surgery, Urology & Orthopaedics, Critical Care and Theatres), and the High Dependency team in Community Continuing Health Care.

Health Care Support Workers Expenditure (Please note scale of the Y Axis)



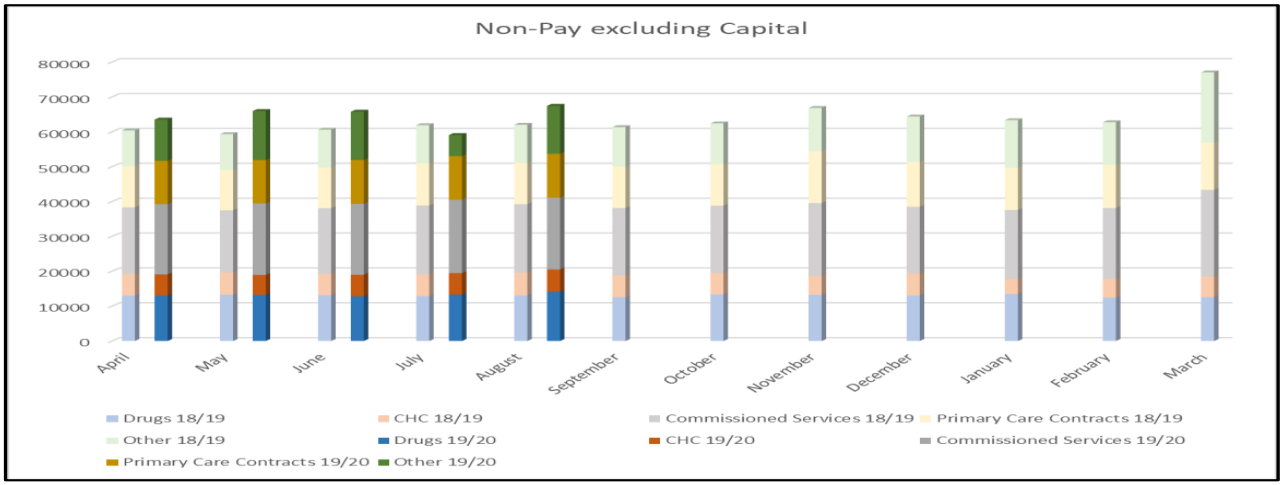


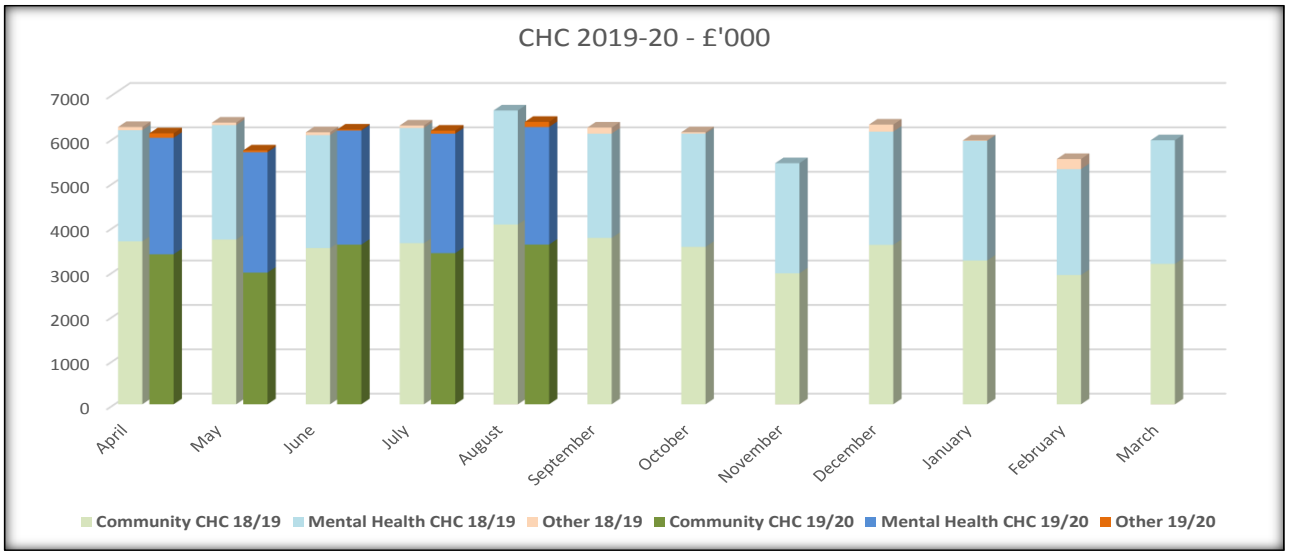
Substantive wages include the 19/20 inflationary wage award and the non-recurrent consolidated payment made in April. Allowing for this, the 2019/20 spend so far is in line with 2018/19.

Sickness continues to be a pressure across a number of services, along with enhanced care within Unscheduled Care.

In 2019/20 the agency spend is negligible.

Non Pay Expenditure

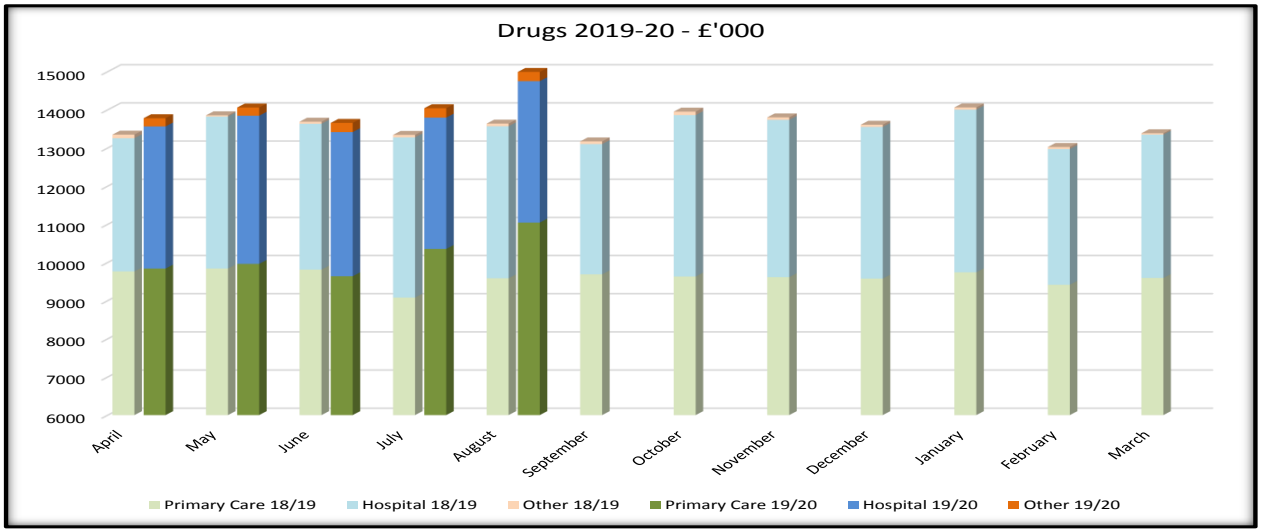


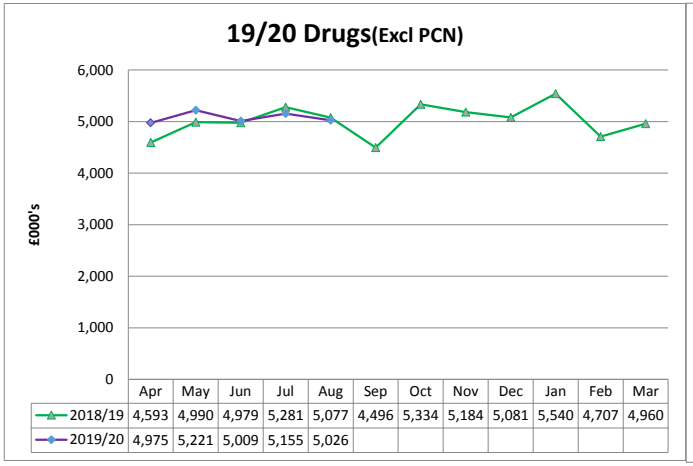


But for a small decrease in month 4 (other) expenditure on non pay is gradually increasing throughout the months, the main area to note is the increase in the prescribing which has increased significantly in months 4 and 5.

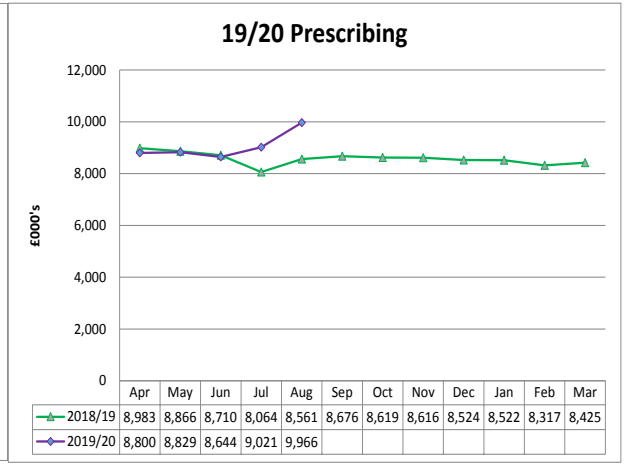
Growth continues to be low for Mental Health Continuing Healthcare and as a result the forecast out-turn has been reduced. 2 beds in the PICU are being used regularly and so they have housed 5 x high cost patients and managed their transition back to the community.

Growth is also less than expected in Community CHC with the benefit of high cost package ceasing as well. The costs are also believed to be contained as a result of a new process reviewing the 1-2-1 packages and correctly avoiding implementing such care.





	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2018/19	4,593	4,990	4,979	5,281	5,077	4,496	5,334	5,184	5,081	5,540	4,707	4,960
2019/20	4,975	5,221	5,009	5,155	5,026							



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2018/19	8,983	8,866	8,710	8,064	8,561	8,676	8,619	8,616	8,524	8,522	8,317	8,425
2019/20	8,800	8,829	8,644	9,021	9,966							

The graph shows a clear increase the level of drugs expenditure, whilst Secondary Care drugs expenditure is showing as steady, Prescribing within PCN has significantly increased for month 4 and 5, which affects the forecast.

Respiratory drugs remain a risk for Unscheduled Care.

Prescribing and Pharmacy services expenditure has risen significantly again this month for both Volume (£246k) and price (£130k). Price per item in June was £6.27, an increase from the £6.24 in May and £6.17 in April, and growth in month was 1.44% which is marginally lower than that in May but higher than forecast. Prescribing has moved from a break even forecast to an expected deficit of £2.4m

Capital Planning

Summary Capital Plan Month 5 2019/20

	2019/20			
	Original Plan £000	Revised Plan £000	Spend to Date £000	Forecast Outturn £000
Source:				
Discretionary Capital:-				
Approved Discretionary Capital Funding Allocation	10,814	10,814		10,814
NBV of Assets Disposed - Anticipated	420	420		420
Total Approved and Anticipated Discretionary Funding	11,234	11,234		11,234
All Wales Capital Programme Funding - Approved & Anticipated	112,695	113,504		113,504
Total Capital Funding / Capital Resource Limit (CRL)	**123,929**	**124,738**	**0**	**124,738**
Applications:				
Discretionary Capital:-				
Statutory Allocations	625	625	275	625
Commitments B/f From 2018/19	1,427	1,031	156	1,024
Informatics National Priority	1,800	2,350	285	2,350
Imaging National Priority	1,045	1,045	3	1,045
Fees to develop AWCP Potential Schemes	120	120	3	120
Lift Replacement Programme NHH / RGH	820	820	12	820
Ward Upgrade Programme	1,500	850	81	850
Sustainability Schemes - Estates	1,122	1,728	362	1,722
Sustainability Schemes - Equipment Replacements	1,344	1,574	895	1,572
Total Discretionary Capital	**9,804**	**10,143**	**2,071**	**10,127**
Unallocated Discretionary Capital Programme Funding				**-1,107**
All Wales Capital Programme:-				
Grange University Hospital	110,522	110,376	53,397	108,106
111 Programme	436	423	37	423
Fees for East Newport Health & Wellbeing Centre Development	298	244	225	244
Fees for Tredegar Health & Wellbeing Centre Development	273	742	411	742
CT Scanner Replacement at RGH	745	801	22	801
Fees for HSDU	421	822	282	822
EOY Replacement Imaging Equipment	0	11	11	11
EOY - IM&T - Cyber Security	0	65	57	65
EOY - Additional Equipment Replacements	0	20	0	20
Total AWCP Capital	**112,695**	**113,504**	**54,441**	**111,234**
Underspend forecast against AWCP CRL				**-2,270**
Total Programme Allocation and Expenditure	**122,499**	**123,647**	**56,512**	**121,361**

The statutory target is to ensure net capital spend does not exceed the Capital Resource Limit set by the Welsh Government.

The Grange University Hospital scheme remains on programme with a revised budget of £110.4m for 2019/20. Current forecasts suggest expenditure for 2019/20 of £108.1m, leaving circa £2.3m as headroom should costs increase over the remainder of the year. WG will continue to review the approved budget quarterly, removing any unrequired allocation whilst retaining a level of contingency to cover changes in forecasts.

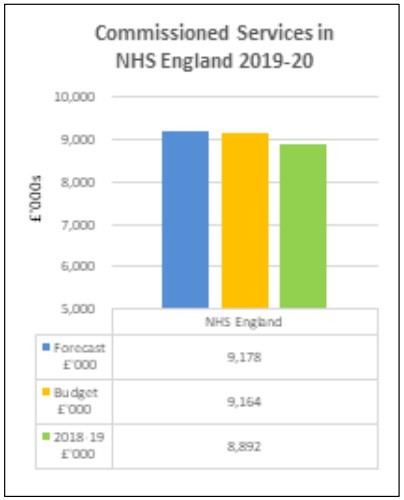
The ward upgrade at NHH is on-going with Phase One due to complete in November. The scheme budget has been reduced to £850k in 2019/20 to reflect the slippage of the Phase 2 works into 2020/21.

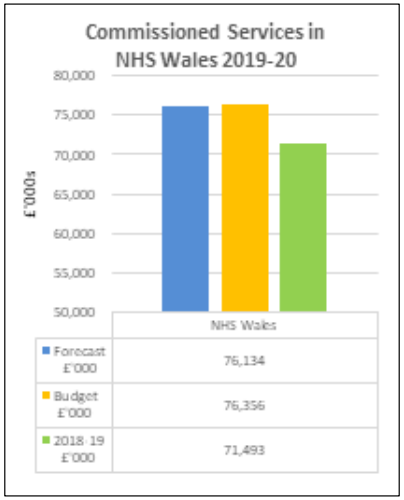
Additional fee allocations have been received/anticipated in month for the HSDU and Tredegar HWBC schemes respectively. Work continues to prepare the relevant business cases ready for submission to Board and WG for approval in Q2.

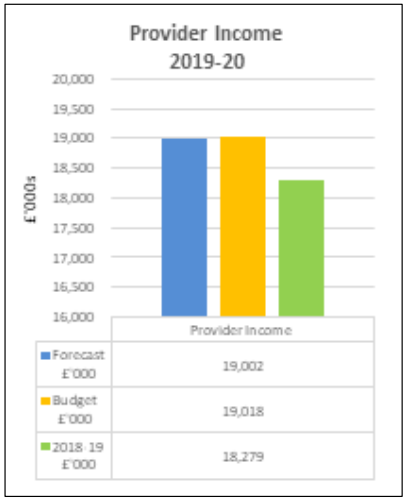
A number of emerging priority schemes have been determined to utilise the £1.1m unallocated discretionary funding. These include essential Estates schemes and high priority equipment and IT replacements that will be released once final approvals have been obtained.

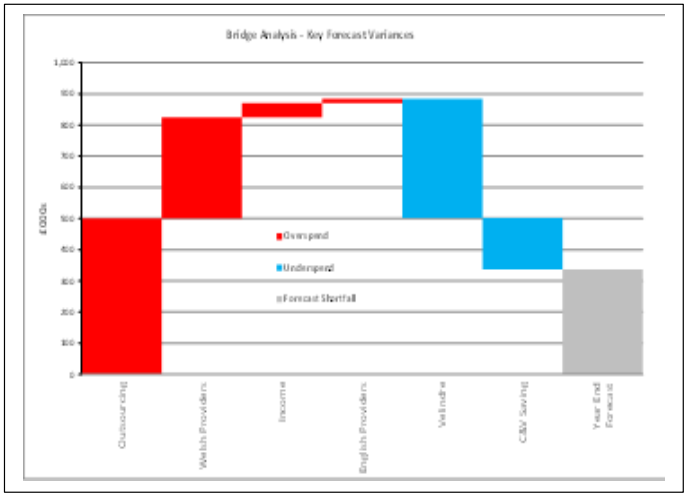
Contracting and Commissioning

At Month 5 the financial performance for Contracting and Commissioning is a year to date favourable variance of £90k and forecast year end adverse variance of £337k. The key elements contributing to this position at Month 5 are as follows:









Commissioned Services

(NHS England)

YTD Variance £1k (A)

The year to date and forecast positions reflect the latest monitoring information which is showing an increase in activity in NHS England Providers. Funding was received in Month 4 from WG to neutralise the impact of PbR tariff changes in 2019/20.

External outsourcing of ophthalmology commenced in June 2019.

Commissioned Services

(NHS Wales)

YTD Variance £106k (F)

The year to date and forecast positions reflect the latest monitoring information which indicate lower than expected activity and cost at Welsh providers including Cardiff and Cwm Taf. Velindre are forecasting lower than planned NICE drug spend which is being reflected in the position but monitored monthly.

Provider Income

YTD Variance £15k (A)

The year to date and forecast positions are showing a small adverse variance as a result of lower than planned activity being provided for NHS England in Q1.

Forecast 2019-20 **£337k (A)**

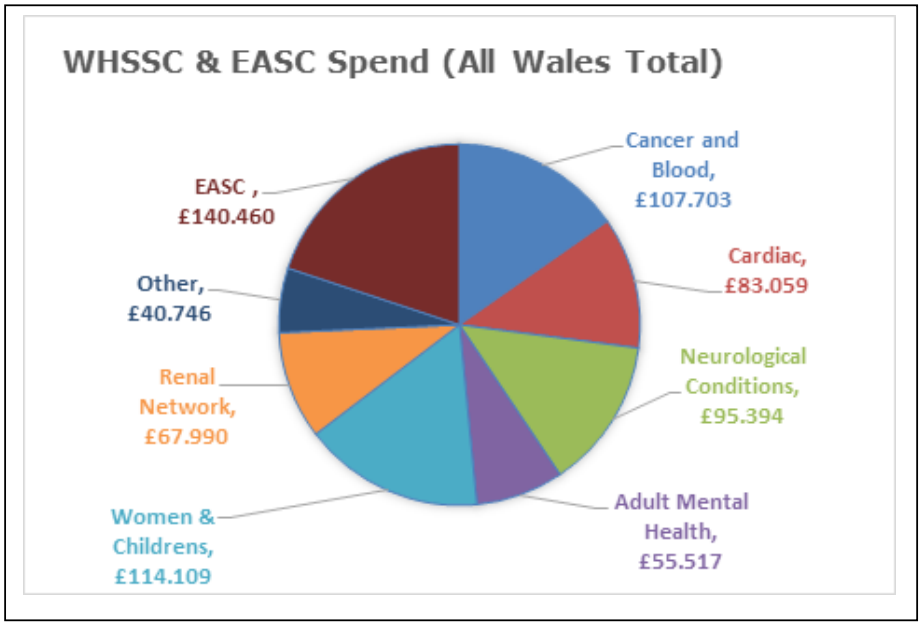
The forecast being reported is currently a c£337k overspend against budget

Key Issues 2019-20

- All LTAs have been agreed with the other Welsh organisations in line with the Welsh Government deadline of 31st May.
- The nationally agreed inflationary uplift of 2% has been funded and is reflected in the above position.
- The 1% commissioning development funding has been factored into Welsh provider LTAs

WHSSC & EASC

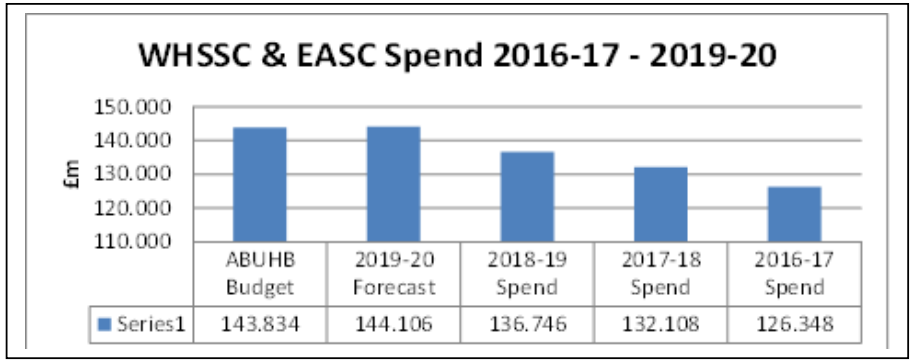
At Month 5 the financial performance for WHSSC & EASC is an underspend of £0.387m;

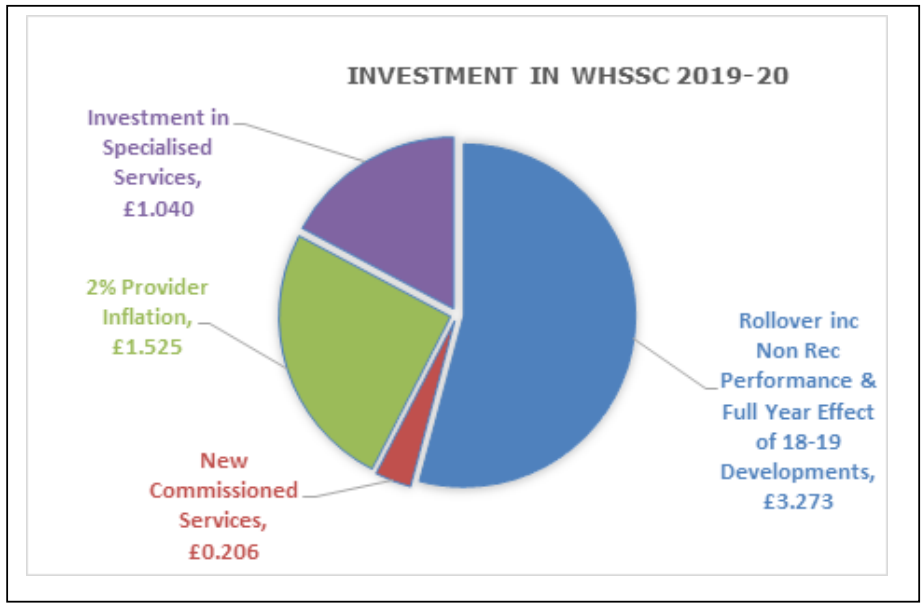


WHSSC Integrated Commissioning Plan 2019-20

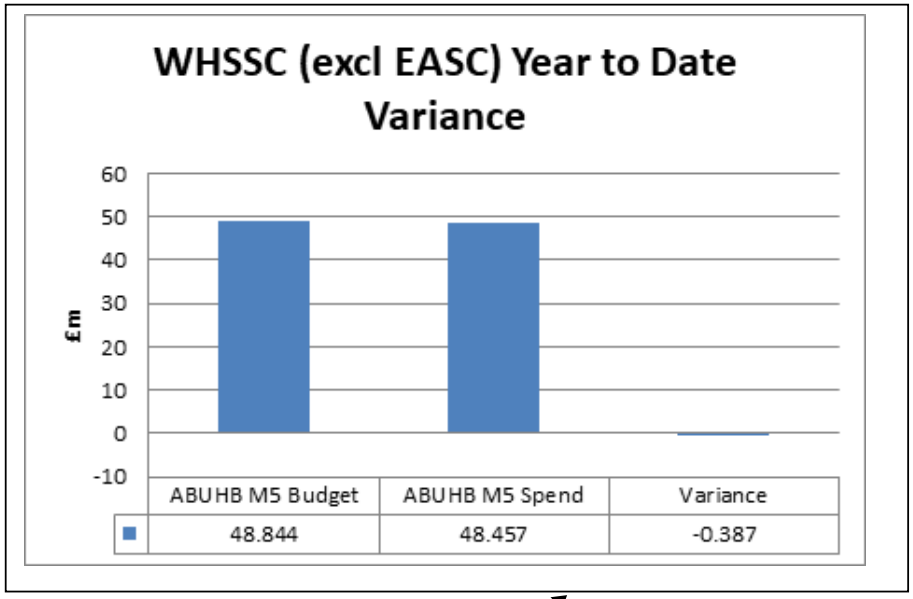
The WHSSC Joint Committee & EASC approved the following IMTP commitments

	Budget £m	Forecast £m	Variance £m
WHSSC	116.025	116.297	0.272
EASC	27.809	27.809	0





WHSSC Analysis (Continued)



Emergency Ambulance Services Committee (EASC)

The Month 5 forecast position includes £27.854m of expenditure in respect of EASC. This represents the ABUHB share of the All Wales investment in EASC in 2019-20 in accordance with the risk sharing principles.

	£m
EASC 2018-19 Rollover	25.895
2% Inflation + Developments/Allocations	1.703
1% Healthier Wales	0.256
Forecast 2019-20	27.809

ABUHB do not receive a separate allocation for EASC with the position reported as part of the All Wales position in the WHSSC tables.

The position reflects £0.301m development funding for the Paramedic Banding Scheme and £0.197m for the Advanced Paramedic Practitioner Programme.

- The Month 5 position reflects the WHSSC IMTP agreed at Joint Committee adjusted for over performance arising from Month 4 LTA data (£1.010m) and the inclusion of a reserves release of £1.286m
- The key variances arising from Month 4 over performance relate to NICE drug growth in Velindre (a growth of £0.568m in forecast) and the Major Trauma Centre early recruitment costs £0.169m.
- Ongoing risks to the position include:
    - LTA performance
    - Delivery against the agreed investment schemes in the WHSSC IMTP
    - Risk management of the service implications of the investments not agreed in the WHSSC IMTP

Balance Sheet

Balance sheet as at 31st August	2019/20 Opening balance £000s	31st August 2019 £000s	Movement £000s
Fixed Assets	651,749	713,467	61,718
Other Non current assets	94,339	108,428	14,089
Current Assets			
Inventories	7,573	7,459	-114
Trade and other receivables	70,110	75,432	5,322
Cash	984	1,536	552
Non-current assets 'Held for Sale'	420	0	-420
Total Current Assets	79,087	84,427	5,340
Liabilities			
Trade and other payables	143,854	134,768	-9,086
Provisions	132,810	150,515	17,705
	276,664	285,283	8,619
	548,511	**621,039**	**72,528**
Financed by:-			
General Fund	430,993	495,859	64,866
Revaluation Reserve	117,518	125,180	7,662
	548,511	**621,039**	**72,528**

Other non-current assets - relates to the increase of Welsh Risk Pool claims due in more than one year since the end of 2017/18.

Inventories - the increase in year relates to changes in stock held within the divisions.

Trade & Other Receivables - the main movements since the end of 2018/19 relate to:

- A decrease in the value of debts outstanding on the Accounts Receivable system since 2018/19 to the end of August £3.3m
- An increase in the value of both NHS & Non-NHS accruals of £6.2m, of which £3.6m relates to an increase of Welsh Risk Pool claims due in less than one year, £3.4m relates to an increase in NHS & Non NHS accruals and £0.8m relates to a decrease in VAT and other debtors since the end of 2018/19
- An increase in the value of prepayments held of £2.4m
- The cash balance held in month 05 is £1.536m.

Trade & Other Payables - the movement since the end of 2018/19 relates to a number of issues the most significant of which are:

- An increase in Capital accruals (£1.9m)
- An increase in NHS Creditor accruals (£2.1m)
- A decrease in the level of invoices held for payment from the year end (£2.1m)
- A decrease in non NHS accruals (£3.2m)
- An increase in Tax & Superannuation (£0.5m)
- An decrease in other creditors relating to timing of Primary Care payments (£9.8m)
- An increase in payments on account (£0.8m)
- An increase in payments on account (£1.5m)

Due to the increase in the provision for clinical negligence and personal injury cases based on information provided by the Welsh Risk Pool of £19.0m, a decrease in the claims for Continuing Healthcare of £1.0m and a decrease in other provisions of £0.3m since the end of 2018/19.

General Fund - represents the difference in the year to date resource allocation budget and actual cash draw down including capital.

Health Board Funding – WG Allocations (£1.257bn) and Other Income (£101m)

WG Revenue Resource Limit: Anticipated Allocations		
Description	**Value £'ms**	**Recurrent / Non Recurrent**
Allocations Received		
HCHS	1,084.48	R
HCHS	13.25	NR
GMS	97.04	R
GMS	0.32	NR
Pharmacy	31.45	R
Pharmacy	0.07	NR
Dental	27.37	R
Dental	-	NR
Sub - Total Allocations rec'd	**1,253.99**	
(Provider) SPR's	0.06	R
(Provider) CDA's	0.21	R
I2S Led Lighting	- 0.07	R
Eating Disorders	0.10	R
Treatment Fund	1.53	R
CAMHS In Reach Funding	0.11	R
Technology Enabled Care National Programme (ETTF)	0.41	R
Invest to Save - RN Recruitment	- 0.10	NR
Nursing Informatics	0.07	R
National Professional Lead Planned Care	0.16	R
Invest to Save DHR Phase 1	- 0.50	R
Invest to Save DHR Phase 2	- 0.14	R
Invest to Save Omnicell	- 0.31	R
WHSSC ARRP	- 0.03	R
Carers Funding	0.19	NR
funding Pilot Phase Patient Flow Programme ETTP	0.13	NR
Unsociable Hours Pay	0.77	NR
Mental Health Capacity Act/ Deprivation of Liberty Safeguards	0.01	NR
Improvement of Critical Care	1.64	NR
DEL	2.57	NR
Receipt of Donated Assets	- 0.25	NR
Programme Manager - Strategic Programme Primary Care	0.06	R
National Clinical Lead for Primary and Community Care	0.08	NR
National Allied Health Professional (AHP) Lead for Primary Care	0.04	NR
Physicians Assistants	0.33	NR
AME	- 6.38	NR
GMS Refresh	1.60	R
Pharmacy Trainees anticipated allocation	0.10	R
Dental trainees anticipated allocation	1.06	R
Total Anticipated Allocations as at Month 3	**3.45**	

Total WG Allocations Expected 2019/20	**1,257.44**

The recurrent baseline funding for the Health Board from WG is £1.242bn: on top of this the HB has received £12.057m in year allocations and expecting to receive a further £3.45m. The largest of the anticipated allocations are related to capital charges totalling (-£3.814), the 3rd and 4th quarters New Treatment Fund,

Furthermore, not included in the ledger at this time is, the HB is expecting to receive £3.4m for Mental Health Service Improvement.

Allocations are only anticipated when there is confirmation from WG, usually via a policy lead so are considered very low risk.

WG continue to hold some funding centrally that may be subject to a bidding process, the HB would expect to be in receipt of a share of this. These relate to funding allocations such as Digital Technology, Clinical, quality and value, prevention and early years. Funding relating to these areas are currently excluded from the financial plan.

The HB also expects to receive income from other sources. At month five this is expected to be approximately £101m; at least a third of this is expected from other Health Bodies, plus from Local Authorities, dental charges, Laundry and canteen income. Actual income in 2018/19 reached £103m.

Reserves

The Health Board is holding £20.2m in reserves, as part of the budget delegation process £9.594m was being held to support the underlying position of the operational Divisions and is expected to be delegated to Divisions as financial plans are agreed with Executives / Board. This funding has reduced as a result of in year Board and Executive decisions, this now equals £9.1m and is supporting the year to date and forecast financial position so is **not** available for investments.

The remainder of the reserves are earmarked, per the budget delegation process for various items;

- Specific IMTP pressures, the larger items include: RGH Car Parking £465k, On the ground educator programme for lymphedema £261k, Legal team £84k, violence and aggression officer £40k plus other smaller values
- Funding expected to transfer to other Health Bodies; NEPTS transfer to WAST £1.7m
- Specific WG Allocations (some of which have been rec'd and some are anticipated, NHS performance Fund £4m, Improvement to Critical Care £1.642, Single Cancer Pathway £484k, PA funding £334k, Outpatient Follow up activity (2 x stages) £451,National Director of Planned Care £155k and Gender Identity services £94k.

The HB has **no** contingency or uncommitted reserves. Where investment is required and WG funding isn't available the equivalent level of cash releasing savings and efficiencies will be required to be identified before the investment takes place.

Furthermore, Clinical Futures investments (Board March 2019) which generate additional spend will need to be funded through additional savings over and above the IMTP savings target.

Welsh Government Financial Monthly Monitoring Returns

The Welsh Government 'WHC 2019-013 2019.20 Monitoring Returns' requires Health Boards to share sections of the Monthly Monitoring returns with the Board / Committee. This consists of:

- Narrative
- Table A: Movement
- Tables C,C1, C2, C3: Savings and
- Table F : Risks

Narrative

ANEURIN BEVAN UNIVERSITY HEALTH BOARD

MONITORING RETURN FOR MONTH 5 2019/20

Director of Finance Commentary for the period ended 31st August 2019

INTRODUCTION

The purpose of this narrative is to provide a commentary on the financial monitoring returns being submitted to the Welsh Government (WG) by the Aneurin Bevan University Health Board (ABUHB) for the period to 31st August 2019 (Month 5 2019/20). This commentary will provide an overview of the financial position and performance of the Health Board as at month five of the 2019/20 financial year. It will also provide a detailed narrative, where required, on each of the tables within the accompanying returns, in the format prescribed by WG.

This commentary will also respond, as far as is possible, to the issues highlighted in the WG response letter. The progress made on these issues is set out by way of an action log included as an Annex 1 to this commentary.

In response to Action Point 4.1; despite pressures continuing into August, the Health Board remains confident that the forecast profile of the financial position will be achieved. The Board have taken action to review all planned expenditure, and to identify further opportunities to achieve additional savings plans. The Executive leads for each area will report progress in September.

Actual YTD and Forecast Position 2019/20 (Tables A and B)

Table A –Movement of Opening Financial Plan to Outturn

The IMTP submitted to Welsh Government in January 2019 identified a break-even position although noting financial risk for 2019/20.

Following submission of the IMTP on the 30th January 2019 the ABUHB financial plan has been updated to reflect the position as at month 1. The Health Board has fixed the following opening financial plan:-

- Underlying deficit brought forward of £11.4m
- Additional cost pressures identified of £47.2m
- Additional funding of £41.8m
- £16.8m of identified savings (inc. income generation and accountancy gains)

The Year to date reported position shows a £2.3m deficit, this is an adverse swing of £0.4m which reflects the additional cost forecasts related predominately to prescribed drugs and increased medical and nursing agency spend. The basis of the prescribing forecast is being investigated further as they are driven by a levels of reported volume growth and cost growth which appear exceptional and were not forecast at the start of the year. This is based on data for June 2019, but the Health Board does not expect growth to continue at this level.

The Health Board continues to drive the efficiency programme through the Executive Board with a greater emphasis on premium pay usage across the whole workforce.

As at month 5 the Health Board is forecasting a break-even position, with a financial risk range of up to £7m.

In response to Action Points 4.2; we appreciate the descriptor may have caused confusion and have changed the title to 'Other non-recurring factors'. This figure relates to several small forecast cost movements, across the whole organisation and is showing an improved performance for month 5 and will be reviewed on a monthly basis.

In response to Action Points 4.3 and 4.4; Amendments made within Table C3 (Savings Tracker) that impacted Line 4 of Table A (Identified Savings Plan) have now been reversed as requested. Line 4 of Table A now reflects the initial plan values.

Monthly Positions

Actual YTD

The month five reported financial position shows a deficit of **£2.314m;** this is presented as such on the face of ***Table B – Monthly Positions***. The table below details the outturn financial position analysed across the Health Board's organisational structure of Divisions and Corporate Departments:-

Month 5 - August 2019	Full Year Budget £000s	YTD M5 Reported Variance £000s	YTD M4 Reported Variance £000s	Movement M5- M04 £000s
Operational Divisions:-				
Primary Care and Community	244,457	640	613	28
Prescribing	95,112	87	(125)	211
Community CHC & FNC	63,553	(1,024)	(1,035)	11
Mental Health	90,742	283	205	78
Director of Primary Community and Mental Health	388	(51)	(16)	(35)
Total Primary Care, Community and Mental Health	**494,252**	**(66)**	**(358)**	**293**
Scheduled Care	189,583	6,738	5,710	1,028
Unscheduled Care	104,222	4,298	3,475	823
Family & Therapies	104,294	35	67	(33)
Estates and Facilities	59,274	148	64	84
Director of Operations	269	104	66	38
Total Director of Operations	**457,642**	**11,323**	**9,383**	**1,941**
Corporate Divisions	**74,869**	**(1,431)**	**(1,374)**	**(57)**
Specialist Services	**143,835**	**(387)**	**(667)**	**280**
External Contracts	**67,472**	**(90)**	**(53)**	**(37)**
Capital Charges	**19,663**	**(41)**	**(1)**	**(40)**
Total Delegated Position	**1,257,733**	**9,308**	**6,929**	**2,380**
Total Reserves	**20,212**	**(6,995)**	**(5,040)**	**(1,955)**
Total Income	**(1,277,945)**	**0**	**0**	**0**
Total Reported Position	**0**	**2,314**	**1,888**	**425**

Key messages within Month 5

The financial position at the 31st August 2019 shows a deficit of **£2.314m,** with the key issues in the month being:-

- **Premium rate Workforce costs:** spend is continuing to increase, with a significant rise in medical agency and nurse agency. This is to cover sickness, vacancies, support RTT delivery and other operational pressures. This area of spend is being given specific executive focus.
- **Primary Care:** the Health Board currently has four managed practices and will be taking on a fifth, Markham GP Practice, from 1st October 2019, the financial impact expected to the end of the year is £138k.
- **Major Trauma Centre:** early recruitment costs of £70k year to date with an expected additional investment required later in the year.
- **Prescribing and Pharmacy services** expenditure has risen significantly again this month for both Volume (£246k) and price (£130k). Price per item in June was £6.27, an increase from the £6.24 in May and £6.17 in April, and growth in month was 1.44% which is higher than forecast.
- **Velindre NICE Drugs:** an increase above planned levels of high cost drugs in Velindre, this is £280k year to date, commissioned via WHSSC, for immunotherapy drugs where more people are being prescribed than expected and increased survival leads to longer periods of prescribing than originally forecast.

The forecast position **remains at financial balance** on the basis that in year actions will deliver a reduction in spend/increased savings and that assumptions on the use of reserves are upheld.

Table A1 – Underlying Position

This table has been completed for month 5. The position continues to present a brought forward position of £11.4m with a carry forward position of £7.9m which is in line with the Health Board's IMTP.

In response to Action Points 4.5; the key drivers providing pressures on the underlying position include;

- NICE high cost drugs
- Velindre cancer target investments
- Specialised services mandated investments e.g. ATMP and High Cost drugs
- Continuing Healthcare cost growth, a national issue

Table B & B1 – Monthly Positions, Net Expenditure Profile Analysis; Section C DEL/AME Depreciation & Impairments

Table B has been completed as per guidance.

Material movements of actual expenditure from forecast expenditure for month 5 are:

- Healthcare Services Provided by Other NHS Bodies; early recruitment costs for the Major Trauma centre, over-performance on Specialist services relating to a higher than anticipated uptake and length of treatment of immunotherapy drugs.
- Provider Services – Pay; an increase in expenditure over forecast has resulted from summer incentives and continued high levels of Agency costs.
- Provider Services Non Pay; the increased level of expenditure observed in July did not continue into August (eg. Pathology). In addition to this, confirmation of an expected VAT settlement amount has also contributed to a reduced level of expenditure for the period.
- Misc. Income; this has increased as a result of a drugs credit for Lenalidomide.

The level of RRL phased into the position is within 1% of a straight line phasing**.**

	£'000
Annual Planned RRL as at M5	1,257,440
5/12ths of Total	523,933.33
% of RRL	42%
RRL Phased to Date	510,524
% of RRL	41%
Percentage Difference	-1%

Allocations

The Month 5 financial position is based on total allocations of **£1,257.440m**, this consists of **£1,253.990m** confirmed Welsh Government allocations and **£3.450m** of anticipated allocations. The anticipated allocations are listed in the table below:

WG Revenue Resource Limit: Anticipated Allocations		
Description	**Value £'000s**	**Recurrent / Non recurrent**
(Provider) SPR's	55	R
(Provider) CDA's	213	R
I2S Led Lighting	(72)	R
Eating Disorders	96	R
Treatment Fund	1,531	R
CAMHS In Reach Funding	111	R
Technology Enabled Care National Programme (ETTF)	415	R
Invest to Save - RN Recruitment	(100)	NR
Nursing Informatics	65	R
National Professional Lead Planned Care	155	R
Invest to Save DHR Phase 1	(500)	R
Invest to Save DHR Phase 2	(143)	R
Invest to Save Omnicell	(310)	R
GMS Refresh	1,603	R
Pharmacy Trainees	104	R
Dental trainees	1,063	R
WHSSC ARRP	(28)	R
Carers Funding	191	NR
Funding Pilot Phase Patient Flow Programme ETTP	132	NR
Unsociable Hours/ Holiday on Overtime Pay	768	NR
Mental Health Capacity Act/ Deprivation of Liberty Safeguards	12	NR
Improvement of Critical Care	1,642	NR
DEL	2,568	NR
Receipt of Donated Assts	(250)	NR
Programme Manager - Strategic Programme Primary Care	60	R
National Clinical Lead for Primary and Community Care	75	NR
National Allied Health Professional (AHP) Lead for Primary Care	43	NR
Physicians Assistants	334	NR
AME	(6,382)	NR
Total Anticipated Allocations at Month 5	**3,450**	

The Health Board is planning to spend at least the level of the ring fenced allocations.

The Health Board is also expecting funding for any M&D wage award above 1%, GMS and Dental Uplifts, Mental Health service improvement fund, and shares of centrally held funding, as advised by WG colleagues.

Section C shows the forecast depreciation position for the Health Board based on the final asset values for 2018/19 and the capital schemes approved in the CRL issued on 27th August 2019.

Anticipated depreciation and DEL impairment funding requirements are set out below and agree to the Non Cash return submitted on 2nd August. The forecast outturn figures include the impact of indexation based on the draft indices supplied. The figures will need to be adjusted should indices change on final confirmation of the rates to be applied.

	M05
Anticipated Allocations	**£000**
DEL - Baseline Depreciation Shortfall	846
DEL Strategic depreciation Support Required	1,558
DEL Impairment Funding	164
Total DEL Anticipated Funding	**2,568**
AME Forecast Donated Asset Depreciation	399
AME Reversal of impairments Credit	(8,131)
AME Impairment Funding	1,350
Total AME Anticipated Funding	**(6,382)**
Donated Granted Assets Credit	**(250)**
Total Forecast Anticipated Allocations	**4,064**

The Non Cash return submitted included an estimate for accelerated depreciation required in relation to the Primary Care Pipeline schemes. As the schemes are currently unapproved (OBC's due to be submitted to WG for approval in quarter two/three) the accelerated depreciation requirements have not been included in the month 5 position or anticipated allocations.

AME impairment funding requirements are estimated at this stage. Valuations will be commissioned from the Valuation Office Agency on completion of the capital schemes.

Table B; Section D Accountancy Gains

All known Accountancy Gains have been released in line with guidance.

Table B; Section E Committed Reserves & Contingencies

The Health Board holds a small number of reserves for specific issues with no contingency. The relevant expenditure for these issues has been profiled in section A. This is necessary for items such as strategic underlying position funding, specific cross-divisional initiatives and earmarked posts to ensure they reflect the correct expenditure categories.

Table B1 – Net Expenditure Profile Analysis

This table has been completed in line with guidance.

Table B2 – Pay & Agency

This table has been completed in line with guidance. Full Agency costs are indicated in the table.

Savings Plans (Table C, C1, C2 & C3)

These tables have been completed in line with guidance. The Health Board's total savings forecast as at month 5 remains at £16.852m.

Thank you for providing advice with regards to the 'go green' column on the Savings Tracker. We have amended non-achieving schemes accordingly to eliminate validation errors.

In response to Action Point 4.6; The profile remains that more savings are expected to be achieved later in the financial year, but I can confirm that the Health Board is expediting actions through its review, monitoring and governance arrangements to progress amber savings schemes in to green as soon as possible. Green schemes have increased to 77% of the total savings forecast. The Health Board will continue to pursue all opportunities for further savings.

Welsh NHS Assumptions (Table D)

This table has been completed for month 5.

Resource Limits (Table E)

This table has been completed for month 5.

Risk Management (Table F)

This table has been completed in line with guidance.

The Health Board is reporting a risk range of up to £7m (unchanged from Month 4). This is due to the risks assessed in the following areas:

- Savings; £1m is the risk of savings not being achieved
- Prescribing / Drugs / NICE; £2m is the risk that the Prescribing, NICE and Hospital drugs could increase further
- Performance Targets; £1m is the risk that the further costly solutions will be required over and above current funding
- Emergency Pressures; £3m is the risk that activity levels remain high within the hospitals throughout the year as well as during winter, along with the risk of further premium payments for agency staff.

Management focus and mitigating action will be undertaken to ensure these risks are minimised, avoided or offset.

In response to Action Point 4.7; The Health Board has not factored additional expenditure into the position with regards to Welsh Risk Pool, this will be revisited once formal analysis has been shared.

Statement of Financial Position (Table G)

The main changes in the balance sheet from last month relate to

- A decrease in the trade and other payables of £13m, mainly due to the timing of the Exeter payment.
- An increase in provisions of £3m mainly relating to Clinical negligence cases based on the information provided in the quantum reports with an associated increase in the income from the Welsh Risk Pool.
- A reduction in the cash held from £2.7m at the end of July 2019 to £1.5m at the end of August 2019 which is within the target balance of 5% of the Health Board monthly cash draw down.

Cash Flow Forecast (Table H)

The cash balance held at the end of August is £1.536m which is within our target balance of 5% of the Health Board monthly cash draw down.

As reported in previous months monitoring commentary the Health Board did not require the working capital cash allocation of £1.938m in 2018/19 because final movements in working capital balances were more favourable than we originally forecast.

There was also an additional capital working capital allocation of £0.907m and an additional £1.594m of the 2018/19 CRL which was not drawn down in 2018/19 due to year end creditors being higher than anticipated.

The Health Board will review the need for this cash in 2019/20 through the working capital balances exercise carried out later in the year.

Public Sector Payment Compliance (Table I)

This Public Sector Payment Compliance table is completed on a quarterly basis.

Capital Schemes & Other Developments (Tables J, K & L)

These tables have been completed for month 5.

The Capital programme tables have been completed in line with the latest CRL issued on 27th August 2019.

AWCP Schemes

Grange University Hospital Scheme

Whilst most works are on programme, there is currently a delay against the programme in relation to works required for the Radiology Areas/Equipment. This is currently being worked through with Laing O Rourke (LOR) and the HB's advisors.

Expenditure during August was circa £1.7m lower than profile due to the LOR invoice being lower than anticipated in month and a delay in IT expenditure to October/November. The impact of the radiology delay is hoped to be known by the end of September in order to feed into the Q2 review of the Capital Resource Limit.

A revised cashflow has been requested from LOR which would incorporate the CRL impact of resolving the current radiology programme delay position.

Pending the revised cash flow from LOR, the 2019/20 in year expenditure forecasts suggest spend of £108.1m against an approved CRL of £110.5m. After adjusting for the overspend of circa 0.1m against the 2018/19 CRL (which was funded via internal brokerage between schemes) CRL headroom of circa £2.3m remains should spend accelerate over the remainder of the year (this headroom figure has been included in the March 19 forecast within table K).

A full review of HB costs will also be undertaken during September to inform the Q2 review of the CRL allocation discussions with WG colleagues.

111 Programme

An expenditure profile update has been requested from the 111 programme team due to low spend to date against the allocation.

Fees for East Newport HWBC

Meetings have taken place during the month to discuss design options with Newport City Council. An agreement needs to be reached on preferred design in order to progress the OBC. The HB is currently awaiting feedback from Newport City Council officials.

Fees for Tredegar HWBC

OBC was approved by the |Health board in August and has now been submitted to WG for approval.

Fees for HSDU at LGH

FBC being progressed for September Board approval.

Replacement CT Scanner at RGH Hospital

Phase 1 works almost complete and temporary scanner currently being installed, due to be operational from 23rd Sept. Installation of new CT in January 2020, when final 5% equipment cost will be paid.

Discretionary Capital

The Health Board approved an opening programme at the March Board meeting which addressed the capital requirements set out in the UHB's IMTP along with a number of high risk divisional sustainability schemes and IT/equipment replacements.

The opening programme contained £1.5m relating to the Upgrade of Ward 3//3 at NHH. The scheme is now being progressed in two phases to avoid the winter pressure period. Phase 1 works have commenced on site and are due to complete in November. Slippage of circa £650k into 2020/21 for Phase 2 is now anticipated.

The current approved programme includes £2.4m of Informatics schemes, of which £0.7m relates to staff costs previously funded via the Informatics National Programme (Acceleration of National Programme and WCCIS).

Circa £1.0m has also been committed to addressing Imaging priorities which includes the upgrade of the MRI at Ysbyty Ystrad Fawr (circa £900k). Current programme anticipates scheme should complete early February. Tenders have been returned and are now being evaluated.

The Health Board has also been required to commit £1m of the Discretionary Capital Programme allocation to replace lift infrastructure at Abertillery Bridge Centre, Royal Gwent and Neville Hall Hospital sites. This investment will replace 5 lifts during the current financial year, however, a similar investment will be required over the next 3-4 years to replace all of the failing core lift infrastructure in these areas. Tenders have been returned and are currently being evaluated.

A number of priority schemes have been determined to utilise the £1.1m currently unallocated discretionary funding. These include essential Estates schemes and high priority equipment and IT replacements that will be released once final approvals have been obtained.

AGED WELSH NHS DEBTORS (TABLE M)

At the end of August 2019 the Health Board had 3 invoices outstanding with other Welsh Health Bodies totalling £3,907.36.

- Cardiff & Vale University Local Health Board - One invoice for £597.96 which has since been paid.
- Cwm Taf Morgannwg University Health Board – Two invoices totalling £3,309.40. We have received confirmation that both invoices will be paid week commencing 09.09.2019.

Other Issues

Risk Management

Claims submitted to the Welsh Risk Pool at the end of August total £3.911m. Claims paid out at the end of August equate to £2.621m leaving a balance of £1.290m to be reimbursed.

CREDITORS

Attached to the returns is a separate file containing the following information in relation to outstanding creditors:-

All outstanding creditors we currently have identified with other Welsh Health bodies as at the end of August 2019.

Robert Holcombe

Assistant Director of Finance

Cyfardwyddwr Cyllid Cynorthwyol

Judith Paget

Chief Executive

Prif Weithredwr

Table A: Movement of Opening Financial Plan to Forecast Outturn

Aneurin Bevan ULHB **Period :** **Aug 19**

Table A - Movement of Opening Financial Plan to Forecast Outturn

This Table is currently showing 0 errors

Line 11 should reflect the corresponding amounts included within the latest IMTP submission to WG
Lines 1 - 11 should not be adjusted after Month 1

		In Year Effect	Non Recurring	Recurring	FYE of Recurring
		£'000	£'000	£'000	£'000
1	Underlying Position b/fwd from Previous Year - as per 3 year plan (Surplus - Positive Value / Deficit - Negative Value)	-11,405	0	-11,405	-11,405
2	New Cost Pressures - as per 3 year plan (Negative Value)	-47,207		-47,207	-49,677
3	**Opening Cost Pressures**	**-58,612**	**0**	**-58,612**	**-61,082**
4	Identified Savings Plan (Positive Value)	16,176	5,783	10,393	11,254
5	Savings / Mitigating Actions Yet To Be Identified (Positive Value)				
6	Welsh Government Funding (Positive Value)	41,760	3,061	38,699	41,760
7	Net Income Generated (Positive Value)	376	226	150	150
8	Planned Accountancy Gains (Positive Value)	300	300	0	0
9	Release of Uncommitted Contingencies & Reserves (Positive Value)				
10					
11	**Opening Financial Plan**	**0**	**9,370**	**-9,370**	**-7,918**
12	Cost Pressures b/fwd from Previous Year - unidentified within 3 year plan (Negative Value)				
13	Opening Plan Savings - Forecast (Underachievement) / Overachievement	-2,359	-1,973	-386	-444
14	Additional In Year Identified Savings - Forecast (Positive Value)	2,278	1,688	591	870
15	Additional In Year Identified Accountancy Gains (Positive Value)	200	200	0	0
16	Additional Net Income Generated (Positive Value)	-120	-120	0	0
17	Non Identification of Savings / Mitigating Actions Yet To Be Identified in Opening Plan	0	0	0	0
18	Release of Previously Committed Contingencies & Reserves (Positive Value)	0			
19	Additional In Year Welsh Government Funding (Positive Value)	4,000	4,000		
20	Cost pressures including winter , capacity issues and medicines	1,889	1,889		
21	Various mitigating actions (re focus on premium pay & medicines management)	-1,889	-1,889		
22	Performance Funding RTT Cost	-4,000	-4,000		
23	Emerging Costs pressures	0			-426
24		0			
25		0			
26		0			
27		0			
28		0			
29		0			
30		0			
31		0			
32		0			
33		0			
34		0			
35		0			
36		0			
37		0			
38	**Forecast Outturn (- Deficit / + Surplus)**	**0**	**9,166**	**-9,165**	**-7,918**

Table C: identified Savings Schemes

Table C - Identified Expenditure Savings Schemes (Excludes Income Generation and Accountancy Gains)

This Table is currently showing 0 errors

			1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			*YTD variance as %age of YTD*	Green	Amber	non recurring	recurring	
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				£'000	£'000	£'000	£'000	£'000
1	CHC and Funded Nursing Care	Budget/Plan	63	103	143	206	246	286	350	390	430	490	530	570	760	3,807		3,396	411			
2		Actual/F'cast	106	179	218	315	344	342	362	400	448	459	460	460	1,162	4,095	28.38%	3,895	200	315	3,780	4,139
3		Variance	43	76	75	109	98	56	12	10	18	(31)	(70)	(110)	402	288	*52.82%*	499	(211)			
4	Commissioned Services	Budget/Plan	94	94	111	111	111	111	111	111	111	111	111	111	522	1,299		1,131	168			
5		Actual/F'cast	86	86	110	62	86	86	114	114	114	114	114	114	430	1,199	35.84%	1,031	168	0	1,199	1,399
6		Variance	(8)	(8)	(1)	(49)	(25)	(25)	3	3	3	3	3	3	(92)	(100)	*(17.62%)*	(100)	0			
7	Medicines Management (Primary & Secondary Care)	Budget/Plan	73	82	90	96	111	120	329	377	377	387	391	397	452	2,828		2,450	378			
8		Actual/F'cast	94	195	121	363	202	278	412	429	428	439	439	429	975	3,830	25.46%	3,172	657	628	3,202	3,311
9		Variance	21	113	31	267	91	158	83	52	51	52	49	33	523	1,002	*115.83%*	722	280			
10	Non Pay	Budget/Plan	48	28	105	87	101	101	166	166	166	188	188	240	369	1,583		1,242	342			
11		Actual/F'cast	48	390	148	194	143	122	153	162	163	190	190	421	923	2,325	39.68%	2,078	247	1,572	753	936
12		Variance	0	362	42	107	43	21	(12)	(4)	(3)	2	2	182	554	741	*150.29%*	836	(94)			
13	Pay	Budget/Plan	302	311	339	351	404	455	653	761	769	770	772	772	1,707	6,659		2,237	4,421			
14		Actual/F'cast	44	99	214	143	5	176	617	624	654	686	687	699	505	4,648	10.87%	2,201	2,447	2,984	1,664	1,896
15		Variance	(259)	(212)	(124)	(209)	(399)	(280)	(36)	(137)	(115)	(84)	(84)	(73)	(1,202)	(2,011)	*(70.40%)*	(37)	(1,975)			
16	Primary Care	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
17		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
18		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
19	Total	Budget/Plan	580	618	788	851	973	1,073	1,609	1,804	1,852	1,946	1,992	2,090	3,810	16,176		10,457	5,719			
20		Actual/F'cast	377	949	811	1,077	780	1,004	1,658	1,729	1,807	1,889	1,891	2,124	3,995	16,096	24.82%	12,377	3,719	5,498	10,598	11,680
21		Variance	(203)	331	24	226	(193)	(69)	49	(75)	(46)	(57)	(101)	34	185	(80)	*4.86%*	1,920	(2,000)			
22		Variance in month	(35.03%)	53.65%	3.01%	26.56%	(19.81%)	(6.46%)	3.05%	(4.18%)	(2.46%)	(2.95%)	(5.06%)	1.64%	4.86%							
23		In month achievement against FY forecast	2.34%	5.90%	5.04%	6.69%	4.85%	6.24%	10.30%	10.74%	11.22%	11.74%	11.75%	13.19%								

Please note that this table excludes Accountancy gains (£0.5m) and Income Generation (£0.256m), which is the difference between this figure and the £16.8m quoted in the savings section of this report.

Table C1: Savings – Pay Analysis

Table C1- Savings Schemes Pay Analysis

			Month	1	2	3	4	5	6	7	8	9	10	11	12	Total YTD	Full-year forecast	YTD as %age of FY	Assessment		Full In-Year forecast		Full-Year Effect of Recurring Savings
				Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			*YTD variance as %age of YTD Budget/Plan*	Green	Amber	non recurring	recurring	
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				£'000	£'000	£'000	£'000	£'000
1	Changes in Staffing Establishment	Budget/Plan		123	131	157	157	162	162	238	238	240	240	240	240	730	2,328		1,132	1,197			
2		Actual/F'cast		44	99	89	56	123	96	374	374	388	413	413	425	411	2,894	14.22%	1,590	1,304	1,987	907	1,076
3		Variance		(80)	(31)	(68)	(101)	(39)	(67)	136	137	148	173	173	185	(319)	565	*(43.64%)*	458	107			
4	Variable Pay	Budget/Plan		112	114	115	127	144	195	317	425	426	425	425	425	612	3,251		507	2,744			
5		Actual/F'cast		0	0	2	83	2	52	220	220	230	237	238	237	88	1,520	5.78%	497	1,023	997	523	567
6		Variance		(112)	(114)	(112)	(44)	(142)	(143)	(98)	(205)	(196)	(188)	(187)	(188)	(524)	(1,731)	*(85.65%)*	(10)	(1,721)			
7	Locum	Budget/Plan		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
8		Actual/F'cast		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
9		Variance		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
10	Agency / Locum paid at a premium	Budget/Plan		67	67	67	67	98	98	98	98	103	105	106	106	365	1,080		599	481			
11		Actual/F'cast		0	0	123	3	(120)	29	24	30	37	37	37	37	6	234	2.56%	114	120	0	234	253
12		Variance		(67)	(67)	56	(64)	(218)	(70)	(75)	(69)	(66)	(68)	(70)	(70)	(359)	(846)	*(98.36%)*	(485)	(361)			
13	Changes in Bank Staff	Budget/Plan		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
14		Actual/F'cast		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
15		Variance		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
16	Other (Please Specify)	Budget/Plan		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
17		Actual/F'cast		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
18		Variance		0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
19	Total	Budget/Plan		302	311	339	351	404	455	653	761	769	770	772	772	1,707	6,659		2,237	4,421			
20		Actual/F'cast		44	99	214	143	5	176	617	624	654	686	687	699	505	4,648	10.87%	2,201	2,447	2,984	1,664	1,896
21		Variance		(259)	(212)	(124)	(209)	(399)	(280)	(36)	(137)	(115)	(84)	(84)	(73)	(1,202)	(2,011)	*(70.40%)*	(37)	(1,975)			

Table C2: Savings – Agency / Locum Paid Analysis

Table C2- Savings Schemes Agency/Locum Paid at a Premium Analysis

		Month	1 Apr £'000	2 May £'000	3 Jun £'000	4 Jul £'000	5 Aug £'000	6 Sep £'000	7 Oct £'000	8 Nov £'000	9 Dec £'000	10 Jan £'000	11 Feb £'000	12 Mar £'000	Total YTD	Full-year forecast	YTD as %age of FY *YTD variance as %age of YTD Budget/Plan*	Assessment Green £'000	Assessment Amber £'000	Full In-Year forecast non recurring £'000	Full In-Year forecast recurring £'000	Full-Year Effect of Recurring Savings £'000
1	Reduced usage of Agency/Locums paid at a premium	Budget/Plan	67	67	67	67	98	98	98	98	103	105	106	106	365	1,080		599	481			
2		Actual/F'cast	0	0	123	3	(120)	29	24	30	37	37	37	37	6	234	2.56%	114	120	0	234	253
3		Variance	(67)	(67)	56	(64)	(218)	(70)	(75)	(69)	(66)	(68)	(70)	(70)	(359)	(846)	(98.36%)	(485)	(361)			
4	Non Medical 'off contract' to 'on contract'	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
5		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
6		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
7	Medical - Impact of Agency pay rate caps	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
8		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
9		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
10	Other (Please Specify)	Budget/Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
11		Actual/F'cast	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
12		Variance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0			
13	Total	Budget/Plan	67	67	67	67	98	98	98	98	103	105	106	106	365	1,080		599	481			
14		Actual/F'cast	0	0	123	3	(120)	29	24	30	37	37	37	37	6	234	2.56%	114	120	0	234	253
15		Variance	(67)	(67)	56	(64)	(218)	(70)	(75)	(69)	(66)	(68)	(70)	(70)	(359)	(846)	(98.36%)	(485)	(361)			

Table C3: Savings – Tracker

Table C3 - Savings Tracker

Summary of Forecast Savings (£000's)	Cash-Releasing Saving (Pay)	Cash-Releasing Saving (Non Pay)	Cost Avoidance	Savings Total	Income Generation	Accountancy Gains
Planned Care	9	2,051	18	**2,079**	0	0
Unscheduled Care	2,099	24	0	**2,123**	0	0
Primary and Community Care (Excl Prescribing)	448	83	45	**576**	66	0
Mental Health	239	0	0	**239**	40	0
Clinical Support	568	8	47	**623**	0	0
Non Clinical Support (Facilities/Estates/Corporate)	695	517	51	**1,262**	150	0
Commissioning	0	1,199	0	**1,199**	0	0
Across Service Areas	0	0	44	**44**	0	0
CHC	438	3,231	426	**4,095**	0	500
Prescribing	0	2,204	0	**2,204**	0	0
Medicines Management (Secondary Care)	29	1,623	0	**1,652**	0	0
Total	**4,526**	**10,940**	**630**	**16,096**	**256**	**500**

Table F: Risks

	Table F - Overview Of Key Risks / Opportunities Affecting Forecast Outturn	FORECAST YEAR END			
		Worst Case	Likelihood	Best Case	Likelihood
		£'000		£'000	
	Current Reported Forecast Outturn	0		0	
	Risks (negative values)				
1	Non delivery of Saving Plans/CIPs	(1,000)	Medium		
2	Continuing Healthcare				
3	Prescribing	(2,000)	Medium		
4	Pharmacy Contract				
5	WHSSC Performance				
6	Other Contract Performance				
7	GMS Ring Fenced Allocation Underspend Potential Claw back				
8	Dental Ring Fenced Allocation Underspend Potential Claw back				
9	Performance targets	(1,000)	Medium		
10	Emergency Pressures (Incl Premium Pay)	(3,000)	Medium		
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
	Opportunities (positive values)				
23					
24					
25					
26					
27					
28					
29					
30	Total Risks /Opportunities	(7,000)		0	
31	Total Amended Forecast	(7,000)		0	

Glossary

A		
A&C – Administration & Clerical	A&E – Accident & Emergency	A4C - Agenda For Change
AME – (WG) Annually Managed Expenditure	AQF – Annual Quality Framework	ARRP – Ambulance Radio Replacement Programme
AWCP – All Wales Capital Programme		
B		
B/F – Brought Forward	BH – Bank Holiday	
C		
C&V – Cardiff and Vale	CAMHS – Child & Adolescent Mental Health Services	CCG – Clinical Commissioning Group
C/F – Carried Forward	CHC – Continuing Health Care	Commissioned Services – Services purchased external to ABUHB both within and outside Wales
COTE – Care of the Elderly	CRL – Capital Resource Limit	CDA – Consultant Distinction Award
D		
DHR – Digital Health Record	DNA – Did Not Attend	DOSA – Day of Surgery Admission
E		
EASC – Emergency Ambulance Services Committee	EDCIMS – Emergency Department Clinical Information Management System	EoY – End of Year
ETTF – Enabling Through Technology Fund	ETTP – Efficiency Through Technology Programme	
F		
F&T – Family & Therapies (Division)	FBC – Full Business Case	FNC – Funded Nursing Care
G		
GMS – General Medical Services	GP – General Practitioner	GWICES – Gwent Wide Integrated Community Equipment Service
GUH – Grange University Hospital		
H		

HCHS – Health Care & Hospital Services	HCSW – Health Care Support Worker	HIV – Human Immunodeficiency Virus
HSDU – Hospital Sterilisation and Disinfection Unit		
I		
IMTP – Integrated Medium Term Plan	IPTR – Individual Patient Treatment Referral	I&E – Income & Expenditure
L		
LoS – Length of Stay	LTA – Long Term Agreement	
M		
MH **–** Mental Health		
N		
NCN – Neighbourhood Care Network	NCSO – No Cheaper Stock Obtainable	NICE – National Institute for Clinical Excellence
NHH – Neville Hall Hospital	NWSSP – NHS Wales Shared Services Partnership	
O		
ODTC – Optometric Diagnostic and Treatment Centre		
P		
PAR – Prescribing Audit Report	PCN – Primary Care Networks (Primary Care Division)	PICU – Psychiatric Intensive Care Unit
PrEP – Pre-exposure prophylaxis	PSPP – Public Sector Payment Policy	
R		
RGH – Royal Gwent Hospital	RN – Registered Nursing	RRL – Revenue Resource Limit
RTT – Referral to Treatment		
S		
SCCC – Specialist Critical Care Centre	SCH – Scheduled Care Division	SCP – Service Change Plan (reference IMTP)
SLF – Straight Line Forecast	SPR – Specialist Registrar	
T		

TCS – Transforming Cancer Services (Velindre programme)	T&O – Trauma & Orthopaedics	
U		
UHB / HB – University Health Board / Health Board	USC – Unscheduled Care (Division)	
V		
VCCC – Velindre Cancer Care Centre		
W		
WET AMD – Wet age-related macular degeneration	WG – Welsh Government	WHC – Welsh Health Circular
WHSSC – Welsh Health Specialised Services Committee	WLI – Waiting List Initiative	WLIMS – Welsh Laboratory Information Management System
WRP – Welsh Risk Pool		
Y		
YAB – Ysbyty Aneurin Bevan	YTD – Year to date	

2.5

Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board

Finance Performance Committee
Wednesday 9th October 2019
Agenda Item: 2.5

Aneurin Bevan University Health Board

Value, Efficiency & Improvement: Efficiency Programme – National and Local Benchmarking Exercises

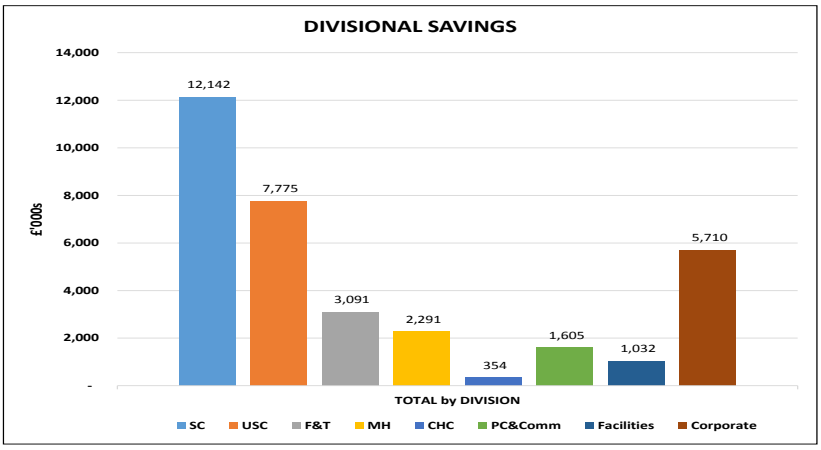
Executive Summary

Further to the delivery approach agreed at the Executive Team, this paper identifies the 4th tranche of a rolling programme of efficiency opportunities for consideration, implementation and review, presented to the Executive Board.

In order to capture good practice in improved efficiency, value and improvement, a comprehensive evidence based review has been undertaken of local and national benchmarking intelligence sources. The financial and non-financial efficiency outcomes of these reviews have been brought together into the 'ABUHB Benchmarking Efficiencies Opportunities Compendium'. As in previous years, the Compendium has been disseminated widely and is easily accessible on the Health Board's intranet site(see Appendix 1).

The benchmarking sources indicate a full year's efficiency opportunity of **£34m**, that is, they indicate the scale and the areas where the HB is performing differently to its peer groups, when compared to best in class. A summary of the efficiency opportunities by Division is set out below :

Division	FYE £000
Scheduled Care	£12,142
Unscheduled Care	£7,775
Families & Therapies	£3,092
Mental Health	£2,291
Primary Care/Communities	£1,605
CHC	£354
Facilities	£1,032
Corporate	£5,710
Total	**£34,001**



The previously agreed delivery approach is that responsible leads will analyse, assess and present the case for implementation ("adopt or justify"), and this approach is further illustrated in Appendix 2.
To facilitate discussion:

- a summary of the key messages and themes is included in this report, and also an assessment of the Top 10 areas requiring focus. These top 10 areas amount to 78% of the total benchmarking savings opportunities, and should therefore be the main focus of attention, and
- a dashboard from the Finance Delivery Unit (FDU) summarising the recommended 'Lines of Enquiry' output from the All Wales benchmarking exercises, specific to ABUHB, (see Appendix 3 (i) for the FDU dashboard and Appendix 3 (ii) for the assessment against the local AB Opportunities Compendium.) 15 of the 19 items included in the 'Lines of Enquiry' dashboard are already assessed and included in the AB local compendium as opportunities. The remaining areas have no definitive opportunities identified by the FDU, but they should be reviewed by divisions for potential.

The Finance and Performance Committee is asked to note:

1. The efficiency opportunities identified and reported to the 18th September Executive Board, and
2. The leads identified by the Executive Board to take forward each opportunity.

The Finance and Performance Committee is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	√
Receive the Report for Assurance/Compliance	√
Note the Report for Information Only	

Executive Sponsor: Glyn Jones, Director of Finance & Performance			
Report Author: Fidelma Davies, Head of Strategic Financial Planning			
Report Received consideration and supported by :			
Executive Team	√	**Finance and Performance Committee of the Board**	√
Date of the Report: 2nd October 2019			

Supplementary Papers Attached:
Appendix 1: List of access sites for Benchmarking Compendium
Appendix 2 : Benchmarking and Efficiency Agreed Delivery Approach
Appendix 3 (i) : FDU dashboard of 'Lines of Enquiry'
Appendix 3 (ii) : Assessment of the FDU dashboard against the local AB Opportunities Compendium

Purpose of the Report

This paper identifies the 4th tranche of efficiency opportunities for consideration and implementation, at the September 2019 Executive Board. This will be followed by a rolling programme of efficiency opportunities, and work undertaken through the Value Based Health Care and ABCi work programmes.

Background and Context

The key reports used in analysing the efficiency opportunities for 2019/20 were:

- CHKS 2018/19 – includes acute bed and outpatient comparisons: Wales and England
- 2016/17 NHS Benchmarking Network & ABUHB Business Intelligence – includes theatre utilisation and Mental Health beds
- NHS Wales Efficiency Healthcare Value & Improvement Group – Priority areas
- 2017/18 National Costing returns – Wales and England
- 2017/18 Welsh Government and FDU reports – including the FDU Efficiency Framework

Links to all of the above relevant documents are inserted in the Compendium.

A set of tables and graphs for each division are included in the Compendium.

Assessment and Conclusion

1. Key themes

Key themes emerging from the 2019/20 assessment of the benchmarking intelligence are as follows:

Health Board Wide Themes 2019/20
- Material level of referral variation by specialty - clarity required on demand management programmes
- Material level of readmissions in certain specialties - General surgery, paediatrics, Gen med, Gynae
- Some elective LoS opportunity - largely T&O and Gen surgery - primary focus should be on pre and post -op LoS, and Day case rates
- Significant non-elective LoS opportunity particularly in Geriatric/Gen med/Rehab.
- Material improvements to be made in Day case rates especially for GS and T&O
- Material level of New to FU ratio opportunities . Significantly in T&O, Respiratory, Cardiology and Paediatrics.
- Material level of Out patient cancellation rates - in particular Cardiology and Gynae
- Material level of Theatres throughput and cancellation opportunity with GS, T&O and ENT
- Further savings to be made in premium payments across RNs in the main.
- £1m opportunity if medical agency rates reduced by 10% and £1.5m related to the introduction of the ABUHB wide booking and VAT system.
- Clarity required on progress of national and local value & efficiency opportunities incl. Trocars, Pregabalin,Hip Prostheses, etc
- Facilities savings are significant in Integrated IT system for catering and portering, and Shared Services Programme of Laundry rationalisation
- 6 additional bed opportunity in Older Adult Mental Health beds
- 22 bed opportunity in Adult LD services
- 6 bed opportunity in Adult IP and Comm services
- ABUHB Estates Strategy identifies an opportunity of £5.6m by rationalisation of estates and rigourous management of vacant space
- English Peer Group Costing comparison indicate £16m cost opportunity ;Of the Top 10, 40% relates to Orthopaedics, 12% Gastro and GS,11% Opthalmology
- Welsh Peer Group cost comparisons suggests ABUHB is more comparable with Welsh average except for Orthopaedics, Paedriatrics & Opthalmology

2. Efficiency Opportunities by Division, by Category

It can be seen from the table below that 36% of the opportunities lie within the Scheduled Care Division, and 23% within the Unscheduled Care Division. However, these efficiency opportunities are spread across 12 categories:

	Bed reduction	Day Surgery /DOSA	Re - admissions	GP Referrals avoided	OP DNA & FUP Ratios & Cancellation rates	Demand Capacity	Theatre Productivity	National Effciency Group Programme	Absence reduced to 5%	Premium Rate Staff	Workforce Strategy - Overseas nursing	Estates Strategy	TOTAL by DIVISION
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
SC	1,467	490	823	1,566	976		4,046	607	571	1,306	290		12,142
USC	4,249		566	86	1,093	143			506	911	221		7,775
F&T	748	53	689	155	562				300	585			3,091
MH	1,683								378	230			2,291
CHC									177	176			354
PC&Comm	325							284	646	323	28		1,605
Facilities								685	347	-			1,032
Corporate									44	66		5,600	5,710
TOTAL	8,472	543	2,078	1,807	2,631	143	4,046	1,576	2,968	3,597	538	5,600	34,001

3. Top 10 Areas of focus

An assessment of the Top 10 areas is summarised in the following table. These top 10 areas amount to 78% of the total benchmarking savings opportunities, and should therefore be the main focus of attention:

	Category	Opportunity	£m
1	NE AVLOS- reduction to best quartile in UK	Reduction of 95 beds – NE AVLOS Reduction of 19 beds – W/E discharges for Emergencies	£4.512 £0.936
2	ABUHB Estates Strategy	29,000m2 of underutilised estate - Mainly acute areas	£5.600
3	Monthly sickness Absence reduction to 5%	105 wtes AB wide of Additional Clinical Service (HCSW) staff group	£2.791
4	Outpatients	New to FUP ratios Cancelled slots Annual GP referrals	£2.023 £0.275 £1.807
5	Readmission within 7 days following EL admission	Reduction of 38 beds	£2.078
6	Theatres – Turnaround times	780 theatre sessions gained	£1.890
7	Theatres - Cancelled	591 theatre sessions gained	£1.420
8	Medical VAT maximisation – Direct Engagement	Agency Cost reduction	£1.510
9	NHS Benchmarking Reports – LD Adult Inpatients	22 bed reduction	£1.084
10	Day case rates	Reduction of 11 inpatient beds	£0.543
	TOTAL For Top 10		**£26.477m**

AB wide project groups already exist for some categories, and it was recommended that these groups could be used to give assurance that the benchmarking evidence is being assessed:

- Reduction of beds (AvLoS & Readmissions & Day case rates) – Focussed plans to be included as part of Assurance meetings and Division IMTPs
- Theatre utilisation and Outpatients Project Groups exist. Assurance required that the areas of opportunity are being assessed as part of the project plans.
- LD Adult Inpatients – Divisional Assurance Meetings
- Estates Strategy – project group for action plan
- Medical Agency VAT maximisation – subject of separate papers to the Executive Team and Executive Board. The size and scope of this opportunity will need a project team to manage the tender and implementation.
- Monthly sickness absence – requires a focus group to address issues of the HCSW staff group.

Following discussion at the Executive Board on 18th September, the following were assigned as the executive leads to progress the opportunities within the rolling programme:

- Beds – Claire Birchall & Sian Miller
- Workforce – Geraint Evans
- Theatres – Glenys Mansfield
- Estates – Nicola Prygodzicz
- Outpatients – Claire Birchall
- Medicines Management – Nick Wood
- Primary Care – Sian Millar
- Procurement - Glyn Jones

4. Savings plans related to this benchmarking opportunity analysis already included in the 2019/20 IMTP financial position amount to £5m:

Division	Benchmarking Opportunities	2019/20 IMTP Plan	
	FYE £000	PYE £000	FYE £000
Scheduled Care	£12,142	£1,544	£400
Unscheduled Care	£7,775	£1,881	£738
Families & Therapies	£3,092	£29	£0
Mental Health	£2,291	£222	£95
Primary Care/Communities	£1,605	£690	£0
CHC	£354	£225	£585
Facilities	£1,032	£303	£418
Corporate	£5,710	£44	£0
Total	**£34,001**	**£4,938**	**£2,236**

It should be noted that:

- Continued work is required to ensure these £5m savings schemes are achieved, and
- The remaining £29m benchmarking efficiencies opportunities offers significant potential to ABUHB, most notably the benefits targets established for bed reductions under the GUH and Clinical Futures plans.

5. The All Wales Efficiency Healthcare Value & Improvement Group chaired by Andrew Goodall tasked the Finance Delivery Unit (FDU) to produce targeted improvement summaries which capture material improvement opportunities as detailed within the FDU efficiency Framework. The FDU recently circulated an ABUHB specific dashboard summarising the recommended 'Lines of Enquiry' output from the All Wales benchmarking exercises, see Appendix 3 (i).

   To facilitate discussions on these lines, Appendix 3 (ii) sets out an assessment against the local AB Opportunities Compendium. It should be noted that:
   - Of the 19 lines of enquiry, 15 items included in the dashboard are already assessed and included in the AB local compendium as opportunities. Total potential opportunity value identified by AB of £6.9m
   - The remaining areas have no definitive opportunities identified by the FDU, but they should be reviewed by divisions for potential.

Recommendation
The Finance and Performance Committee is asked to note: 1. The efficiency opportunities identified and reported to the September Executive Board, and 2. The leads identified by the Executive Board to take forward each opportunity.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	The risks identified include: • Areas identified would either improve patient care or should not worsen outcomes for patients • The benefits of new systems should outweigh the costs incurred
Financial Assessment, including Value for Money	The expected full year effect savings for each efficiency area equate to an opportunity of £34m.
Quality, Safety and Patient Experience Assessment	Compliance with national guidelines.
Equality and Diversity Impact Assessment (including child impact assessment)	All patients receive the same service.
Health and Care Standards	Compliance with national guidelines.

Link to Integrated Medium Term Plan/Corporate Objectives	The IMTP requires efficiency savings to be made.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	*This section should demonstrate how each of the '5 Ways of Working' will be demonstrated. This section should also outline how the proposal contributes to compliance with the Health Board's Well Being Objectives and should also indicate to which Objective(s) this area of activity is linked.*
	Long Term – yes
	Integration – yes
	Involvement – yes
	Collaboration – yes
	Prevention – yes
Glossary of New Terms	*This section should provide a definition of any new terms contained within the report* • *CHKS – Comparative Health Knowledge System (UK NHS)* • *AvLOS – Average Length of Stay* • *W/E - Weekend*
Public Interest	Report has been written for the public domain.

APPENDIX 1

List of Access Sites for the Benchmarking Opportunities Compendium

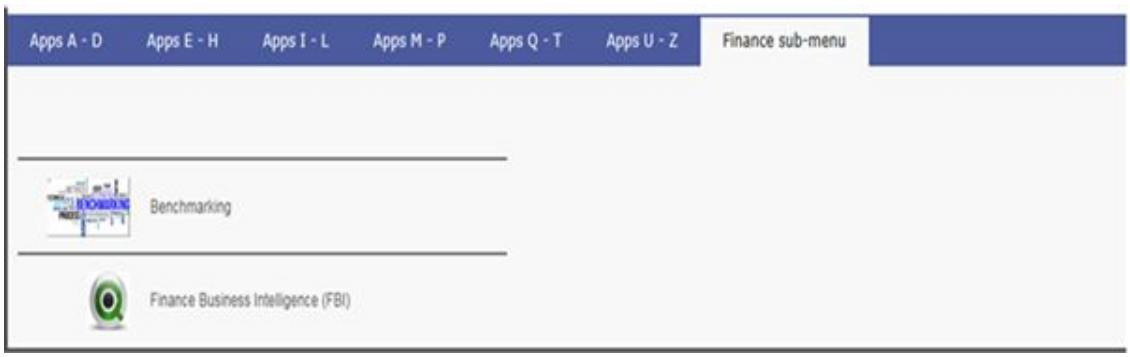
1. Finance Sharepoint

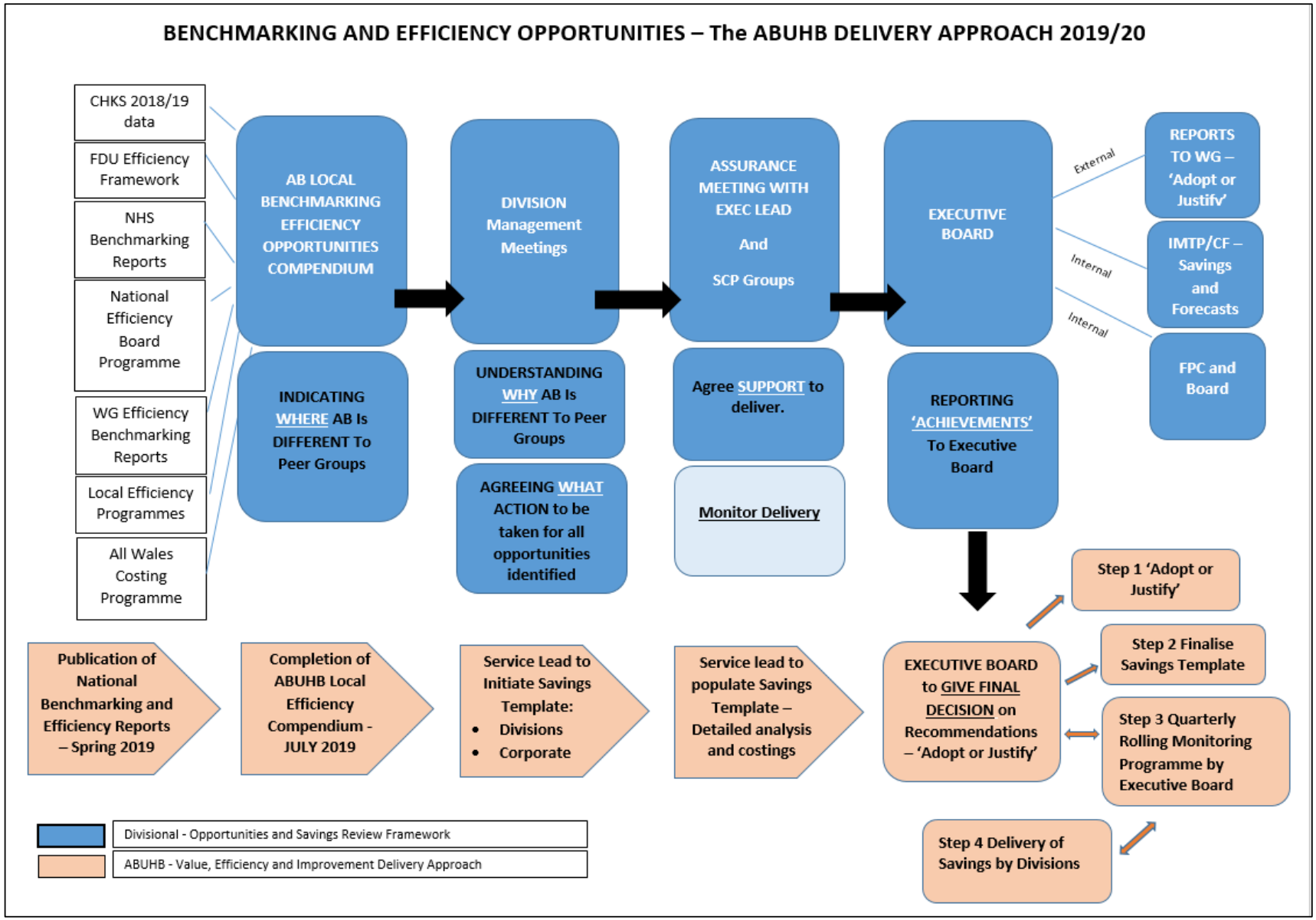
http://abbstaffhub.cymru.nhs.uk/sites/finance/Abb_Benchmarking_Compendium_docs/Benchmarking%20Compendium%20for%202019-20.xlsx

2. FBI
3. Applications page area – 'yellow star'

There is a new direct link for 'Finance' located under the Apps E - H tab:

Clicking this link will bring up a new 'Finance Sub-Menu' where the Benchmarking Compendium and the FBI links can be found:




BENCHMARKING AND EFFICIENCY OPPORTUNITIES – The ABUHB DELIVERY APPROACH 2019/20
CHKS 2018/19 data
FDU Efficiency Framework
NHS Benchmarking Reports
National Efficiency Board Programme
WG Efficiency Benchmarking Reports
Local Efficiency Programmes
All Wales Costing Programme
AB LOCAL BENCHMARKING EFFICIENCY OPPORTUNITIES COMPENDIUM
INDICATING WHERE AB Is DIFFERENT To Peer Groups
DIVISION Management Meetings
UNDERSTANDING WHY AB Is DIFFERENT To Peer Groups
AGREEING WHAT ACTION to be taken for all opportunities identified
ASSURANCE MEETING WITH EXEC LEAD And SCP Groups
Agree SUPPORT to deliver.
Monitor Delivery
EXECUTIVE BOARD
REPORTING 'ACHIEVEMENTS' To Executive Board
External
Internal
Internal
REPORTS TO WG – 'Adopt or Justifv'
IMTP/CF – Savings and Forecasts
FPC and Board
Publication of National Benchmarking and Efficiency Reports – Spring 2019
Completion of ABUHB Local Efficiency Compendium - JULY 2019
Service Lead to Initiate Savings Template:
Divisions
Corporate
Service lead to populate Savings Template – Detailed analysis and costings
EXECUTIVE BOARD to GIVE FINAL DECISION on Recommendations – 'Adopt or Justify'
Step 1 'Adopt or Justify'
Step 2 Finalise Savings Template
Step 3 Quarterly Rolling Monitoring Programme by Executive Board
Step 4 Delivery of Savings by Divisions
Divisional - Opportunities and Savings Review Framework
ABUHB - Value, Efficiency and Improvement Delivery Approach

EFFICIENCY FRAMEWORK - IMPROVEMENT OPPORTUNITIES - JULY 2019

Aneurin Bevan University Health Board (AB)

This targeted analysis provides a snapshot of information from a breadth of sources across the Efficiency Framework, signposting areas of opportunity requiring in-depth review.

READMISSIONS

17.6%

Highest non-elective adult readmissions across Wales and is higher than both peer groups. Most of the excess readmissions were in **gynaecology**.

Source: CHKS Report - comparisons to Capita and FT/CQC peer groups

Planned Care: One of the highest % of patients readmitted within 7 days of procedure at **5.7%** (compared to median of 1.5%) and **considerably above average** % readmitted within 30 days.

Mental Health: One of the highest values of adult acute readmissions within 30 days at **15.2%** (compared to median of 9.3%).

Source: NHSBN Reports - Comparisons to median value refers to all project participants

PATIENTS ADMITTED ON DAY OF PROCEDURE

79%

Elective in-patients admitted on day of procedure: Improvement reported for 2017/18 compared to prior year but still displays notable variation in comparison to both peer groups.

Source: CHKS Report - comparisons to Capita and FT/CQC peer groups

79%

Planned Care: For IP and DC, **considerably below average** patients admitted on day of surgery compared to the median value of 94%.

Source: NHSBN Reports - Comparisons to median value refers to all project participants

THEATRES

For General Surgery and T&O, the Health Board reports **considerably above average**:

- % of cancelled operations
- turnaround time

Source: NHSBN Reports - Comparisons to median value refers to all project participants

TROCAR UTILISATION & SPEND

The national review outlines that AB has the **highest saving opportunity** of **51.88%** which is approximately **£134k.**

Source: Evidence Based Procurement

NON ELECTIVE INPATIENTS - DISCHARGE RATES

21.2%

DELAYED DISCHARGES: One of the highest excess bed days as a % of total bed days across Wales and displays notable variation in comparison to both peer groups.

Source: CHKS Report - comparisons to Capita & FT/CQC peer groups

48%

WEEKEND DISCHARGE RATE AS A % OF WEEKDAYS: One of the lowest weekend discharge rate across Wales and notably below both peer groups.

Source: CHKS Report (annex to main report) - comparisons to Capita & FT/CQC peer groups

MEDICINES MANAGEMENT

Adalimumab & Trastuzumab are drugs that have both come off patent. Adalimumab expenditure increased for 18/19 compared to the prior year, whereas Trastuzumab spend reduced. Both drugs require ongoing review for efficiency opportunities.

Low Priority Funding (Paper 2) Treatment expenditure in 2018/19 was **£118k.** These medicines have been identified by AWMSG as an area for review and potential improvement.

Source: Medicines Management

MANAGING FRAILTY

One of the lowest number of patients returning to their usual place of residence - all ages & 85 +.

Considerably below average spend on older peoples services as a % of overall turnover.

Source: NHSBN Reports - Comparisons to median value refers to all project participants

13%

Outpatients: Considerably above average overdue follow ups as a % of follow up appointments (compared to the median of 3.2%).

Source: NHSBN Reports - Comparisons to median value refers to all project participants

SICKNESS: Increase in sickness reported within the Additional Clinical Services staffing group **8.21%** rolling sickness to Feb 19.

Source: Workforce Performance Dashboard Feb 19 (HEIW)

Colour zones represent the relevant Efficiency Framework quadrants

Technical Efficiency	Whole Systems Intelligence	Population Health

Finance Delivery Unit | Uned Gyflawni Cyllid

EFFICIENCY FRAMEWORK - LINES OF ENQUIRY - JULY 2019

Aneurin Bevan University Health Board (AB)

?

NURSING

Ward bed numbers: Notable variation across the total of 69 wards.

Multiple shift paradigms:
2 shift pattern - 50 wards
3 shift pattern - 19 wards

Source: All Wales Ward Based Nursing

Emergency Care:

2.7%

Considerably below average % of nursing staff that are either ANPs or ENPs; particularly Nevill Hall hospital at 2.7% compared to median of 11.1%.

Source: NHSBN Reports - Comparisons to median value refers to all project participants

POSTPONED PROCEDURES

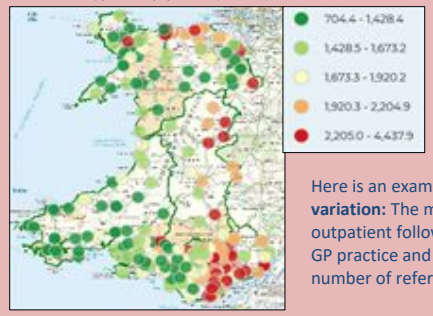
1,170

Of 6,226 postponed procedures across Wales in the month of December 2018, **1,170** were within AB. Of the all Wales position, 50% of the postponed procedures were postponed by the patient.

Source: Postponed Procedures

HEALTH MAPS

Cardiology: Follow Up Attendance Rates (age-standardised) per 100k population (2018/19)



For the Efficiency Framework a set of indicators have been implemented to show the distribution and variation of referrals for the top 10 high volume specialties within Wales, across LHBs, GP Clusters or GP Practices.

Here is an example of how Health Maps can be used to **identify variation:** The map shows the population adjusted rate of outpatient follow up attendances in Welsh & English providers per GP practice and highlights that AB GP practices display a higher number of referrals for Cardiology.

Source: NWIS - Health Maps Wales

ATLAS OF VARIATION

The Welsh Resident analysis of both Acute Coronary Syndrome (ACS) and Heart Failure (HF) activity reports the following lengths of stay:

ACS - 6.6 days.

HF - 6.4 days with readmission and 10.3 days without readmission.

The **heart failure emergency readmissions** rate is reported as **one of the highest** across Wales. It is reported that there were 105 hospital spells with readmission in 2016/17.

Source: Public Health Wales - Cardiovascular Atlas of Variation

EFPMS - A wealth of data is collated annually to support the benchmarking of Estates & Facilities across Wales. The EFPMS dashboard extract highlights reported KPIs.

	Physical Condition (%)	Statutory & safety compliance (%)	Fire safety compliance (%)	Functional suitability (%)	Space utilisation (%)
ANEURIN BEVAN UNIVERSITY HEALTH BOARD	93	93	98	98	90

Source: NHS Estate Dashboard Report 2017/18

MENTAL HEALTH

Older adult beds per 100k population — Above average

Source: Mental Health Benchmarking - comparison to median refers to Welsh Health Boards

Considerably above average older adult inpatient beds per 100k population.

Source: NHSBN Reports - Comparisons to median value refers to all project participants

FINANCE FUNCTION

Finance function WTE per £100m turnover - above average.

Pay cost of finance function per finance WTE - above average.

HR FUNCTION

HR function WTE per £100m turnover - below average.

Pay cost of HR function per HR WTE - above average.

Source: Corporate Benchmarking 2017/18 - comparisons to the median value refers to the Welsh Health Boards

NHSBN AREAS FOR REVIEW

? **Emergency Care:** Is a doctor trained in emergency medicine available in the ED 24 hours per day? (Nevill Hall Hospital)

? **Managing Frailty:** Does the organisation/site have an integrated discharge team (IDT) or equivalent? (Nevill Hall and Royal Gwent Hospital)

? **Urgent Care:** Does your primary care service OOHs service have special phone services for identified high risk patients? Do you have an integrated NHS 111/Primary Care OOHs service?

Source: NHSBN Reports

Colour zones represent the relevant Efficiency Framework quadrants

Technical Efficiency | Whole Systems Intelligence | Population Health

Appendix 3 (ii)

FDU 'Lines of Enquiry' September 2019 Compared with ABUHB BM Opportunities Compendium

Category	Lines of Enquiry	Included in ABUHB BM Opportunities Compendium	Amount included in the ABUHB Compendium	Comments: The ABUHB Opportunities Compendium	Comments: Further Review/ Opps Portential
			£m		
Readmissions - Acute	One of the highest % of patients readmitted within 7 (at 5.7%), and 30 days.	Y	2.038	38 beds across GS, General Medicine, Gynae and Paediatrics	
Readmissions - Mental Health	One of the highest values of adult acute readmissions within 30 days at 15.2%.	N			To be reviewed for potential.
Patients Admitted on Day of Procedure	Ave of 79% which is a notable variation when compared to median value of peer groups of 94%.	Y	0.119	Not a significant area of opportunity - 3 beds across GS, T&O and Gynaecology	
Theatres	Above average comparisons for % of cancelled operations and turnaround time - GS and T&O.	Y	1.372	Based on analysis of non clinical cancellations, it includes ENT in addition to GS & T&O	50% of postponed procedures were by the patient - to be reviewed for potential.
British Association of Day Surgery(BADS)	Targeted procedures identifies bed day improvement potential as 14 beds.	Y	0.424	Analysis has identified 10 beds as potential	
Non Elective - Discharge Rates	At 48%, weekend discharge rates as a % of weekdays is one of the lowest.	Y	-	Analysis has identified 18 bed potential, however, it is not included as a distinct saving as this would double count the Ave LOS opportunities	
Non Elective - Delayed Discharges	One of the excess bed days as a % of total bed days across Wales.	Y	0.168	Opportunity of 3 beds associated with Non Elective Pnuemonia. No other significant bed day opportunity.	
Mental Health beds	Considerably above average older adult beds per 100k population.	Y	0.296	6 beds identifed as the remaining opportunity - closures have taken pplace since the FDU analysis	
Nursing - ward bed numbers	Noticeable variation across the total wards'. However, FDU analysis does not conclude optimal ward bed numbers for AB	N		AB Task and Finish Group in progress - to find the best fit of ward bed numbers wthin the hospital configurations and staffing resources available.	
Nursing - shift patterbs	Variation across Wales in the use of 2 or 3 shift patterns'. However, FDU analysis does not conclude optimal shift patterns for AB.	N		AB Task and Finish Group - to find the best fit of ward shift patterns wthin the staffing resources available - current and predicted.	
Nursing staff groups	Emergency Care - Below average % of nursing staff that are either ANPs or ENPs.' However, FDU analysis does not conclude optimal shift patterns for AB.	N			No definitive opportunity from FDU analyis, but to be reviewed for potential.
Medicines management	Adalimumab & Trastuzumab - off patent and therefore require ongoing review.	N			No definitive opportunity from FDU analyis, but being reviewed for additional potential to the current IMTP savings plans.
Trocar Utilisation & Spend	AB has highest saving opportunity of 51.88% = £134k.	Y	0.160	As per initial assessment	
Outpatients - Overdue Follow ups	Considerably above average overdue follow ups as a % of follow up appointments - NHS Benchmarking reports.	Y	-	It is not included as a distinct saving as this would double count the New: Follow up OP ratios improvement opportunity	
Management of Frailty	One of the lowest number of patients returning to their usual place of residence.	N			No definitive opportunity from FDU analyis, but being reviewed for potential.
Sickness Absence	Increase within the Additional Clinical Services staffing group = 8.21% rolling sickness to Feb 19.	Y	2.043	Opportunities relate to the equivalent of 72.44 WTE per day within this staff group	
Estates - EFPMS benchmarking reports	A wealth of data is collated annually' - nothing highlighted specifcally for ABUHB as an issue/opportunity.	Y	0.300	Laundry and Linen highlighted by EFBM 2017/8 report. An opportunity of £330k being pursued as the part of the All Wales Shared Services Programme.	
Corporate functions - Finance	WTE per £100m turnover and pay cost per finance WTE above average. Absolute opportunity to the Median = 11.6 wte. However, there is no assessment of correlation with performance and outcomes.	N		Not included as AUHB Finance department includes additional WTE related to Value and Business Intelligence teams, and additional resources related to Clinical Futures.	
Corporate functions - HR	WTE per £100m turnover and pay cost per finance WTE above average. Absolute opportunity = 5.4 wte. However, there is no assessment of correlation with performance and outcomes.	N		Not included as AUHB HR department includes additional WTE related to Clinical Futures.	
			6.920		

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Finance Performance Committee 9 October 2019 Agenda Item: 2.6

2.6

Aneurin Bevan University Health Board

IMTP Resource Allocation Principles 2020/21

Executive Summary

This report sets out the following:

- The proposed resource allocation principles for ABUHB to apply when establishing the financial framework for the refreshed 3 year IMTP.
- The broader context of the IMTP arrangements for 2020/21 relevant to the financial plan.
- The proposed internal approach to creating the refreshed financial plan for ABUHB.

Recommendations:

The Committee is asked to note and approve:

The proposed resource allocation principles for ABUHB to apply when establishing the financial framework for the refreshed 3 year IMTP, in order to prioritise resources and delegate budgets within available funding.

The Committee is asked to: (please tick as appropriate)			
Approve the Report	✓		
Discuss and Provide Views	✓		
Receive the Report for Assurance/Compliance	✓		
Note the Report for Information Only			
Executive Sponsor: Glyn Jones, Director of Finance & Performance			
Report Author: Rob Holcombe, Assistant Finance Director			
Report Received consideration and supported by :			
Executive Team		**Committee of the Board [Committee Name]**	
Date of the Report: 9 October 2019			
Supplementary Papers Attached: None			

Purpose of the Report

The purpose of this report is to present:

- The proposed resource allocation principles for ABUHB to apply when establishing the financial framework for the refreshed 3 year IMTP.
- The broader context of the IMTP arrangements for 2020/21 relevant to the financial plan.

- The proposed internal approach to creating the refreshed financial plan for ABUHB.

And to gain Committee approval of the proposed approach.

Assessment & Conclusion

Background

Following the IMTP approach applied successfully for the 2019/20 plan, it is proposed that similar resource allocation principles are applied for the refresh of the 2020/21 IMTP.

Proposed Resource Allocation Principles:

The following resource allocation principles are proposed as part of the financial framework for the refreshed 3 year IMTP, in terms of prioritising resources and delegating budgets:

1. Plans should demonstrate:
   - How service and workforce plans will be delivered within agreed resources,
   - How care will be provided which optimises outcomes for patients and makes best use of available resources, aligned to the principles of 'A Healthier Wales', and
   - Efficiency and productivity improvements which achieve (or aim to achieve) excellence,
2. Addressing the underlying financial position – service and workforce plans which demonstrate 1. (above) should be funded appropriately before considering new investments,
3. Savings plans should demonstrate delivery before approving new funding or re-investment,
4. Where savings have been identified, for new services proposals plans should demonstrate:
   - Fit with the Clinical Futures strategic direction of ABUHB,
   - If they are approved priorities for the Grange University Hospital,
   - How service and workforce plans will be delivered within agreed resources,
   - How care will be provided which optimises outcomes for patients and makes best use of available resources aligned to the principles of 'A Healthier Wales', and/or
   - Efficiency and productivity improvements which achieve (or aim to achieve) excellence,
5. The Board may choose to establish reserves which support key priorities and where plans require further development. This may include non-recurrent, tapered or recurrent funding,
6. Pay awards to be funded in line with Welsh Government allocations, and
7. The Board should consider and establish an appropriate contingency reserve, taking into account the level of financial risk within the IMTP.

IMTP arrangements for 2020/21 – resource assumptions/implications

- The Welsh Government budget is yet to be settled, however funding allocation letters to health boards are expected to be issued before the end of December 2019.
- The 'semi-final' financial plan has to be completed and submitted to WG by the 3rd January 2020, in advance of the full IMTP submission by the Board,

Revenue Allocation Formula Review

- Welsh Government have undertaken a review of the revenue allocation funding formula for NHS Wales and are finalising completion. The implications for ABUHB are still being considered, however it is understood that the new formula will include factors which will impact on the Health Board's relative funding share, with the likelihood that a new formula will be implemented from April 2020 through the differential allocation of any growth funding.

Value Based Health Care – collection and use of outcomes

- There is also an intention by Welsh Government to positively financially support health boards where Value Based Health Care is being implemented, in particular the recording, reporting and use of outcomes data to drive improved health and health care. In relative terms the Health Board is regarded as being on the "front foot" given the scaling up of its Value Based Health Care Programme.

The implementation of a new revenue allocation formula may have a significant impact on the future revenue funding for the Health Board.

The Finance and Performance Committee is asked to specifically note these points.

The proposed internal approach to creating the refreshed financial plan for ABUHB.

Given the timescales to develop the financial plan aligned to the service and workforce and performance improvement plans within ABUHB it is proposed that a 'top down' approach is used to refresh the ABUHB IMTP and building on the existing plans that are in place across individual services.

A focus will be given to significant strategic priorities, e.g. Grange University Hospital and the Clinical Futures programme, with the expectation that budget holders will manage their established services within available financial resources, utilising and implementing resource efficiency opportunities to modernise and change their services to deliver upper quartile performance within available funding.

Given the significant amount of work that has taken place to identify service, workforce and financial plans, which are critical to the opening of the Grange University Hospital, it is important that there is also a significant focus on efficiency improvement – cash releasing and productivity gains – and delivery of these improvements to support areas where investment has been prioritised.

Recommendation

The Committee is asked to:

- Approve the proposed resource allocation principles for ABUHB to apply when establishing the financial framework for the refreshed 3 year IMTP, in order to prioritise resources and delegate budgets within available funding,
- Note the resource assumptions regarding the revenue allocation formula review and value based health care, and

- Note the approach to refreshing the Health Board's financial plan component of the IMTP.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	Uncertainties of delivering a balanced IMTP financial position are outlined within this paper.
Financial Assessment	This paper provides an approach to support development of a balanced IMTP for 2020/21 refresh.
Quality, Safety and Patient Experience Assessment	This paper links to AQF target 9 – to operate within available resources and maintain financial balance.
Equality and Diversity Impact Assessment (including child impact assessment)	Not Applicable
Health and Care Standards	This paper links to Standard for Health services One – Governance and Assurance.
Link to Integrated Medium Term Plan/Corporate Objectives	The Health Board has a statutory requirement to achieve financial balance over a rolling 3 year period.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working *This section should demonstrate how each of the '5 Ways of Working' will be demonstrated. This section should also outline how the proposal contributes to compliance with the Health Board's Well Being Objectives and should also indicate to which Objective(s) this area of activity is linked.*	
	Long Term
	Integration
	Involvement
	Collaboration
	Prevention The Health Board Financial Plan will be developed on the basis of the approved IMTP, which includes an assessment of how the plan complies with the Act.
Glossary of New Terms	See Appendix
Public Interest	This paper has been written for the public domain

Appendix

Glossary

A		
A&C – Administration & Clerical	A&E – Accident & Emergency	A4C - Agenda For Change
AME – (WG) Annually Managed Expenditure	AQF – Annual Quality Framework	AWCP – All Wales Capital Programme
B		
B/F – Brought Forward	BH – Bank Holiday	
C		
C&V – Cardiff and Vale	CAMHS – Child & Adolescent Mental Health Services	CCG – Clinical Commissioning Group
C/F – Carried Forward	CHC – Continuing Health Care	Commissioned Services – Services purchased external to ABUHB both within and outside Wales
COTE – Care of the Elderly	CRL – Capital Resource Limit	
D		
DHR – Digital Health Record	DNA – Did Not Attend	DOSA – Day of Surgery Admission
E		
EASC – Emergency Ambulance Services Committee	EDCIMS – Emergency Department Clinical Information Management System	EoY – End of Year
ETTF – Enabling Through Technology Fund		
F		
F&T – Family & Therapies (Division)	FBC – Full Business Case	FNC – Funded Nursing Care
G		
GMS – General Medical Services	GP – General Practitioner	GWICES – Gwent Wide Integrated Community Equipment Service

GUH – Grange University Hospital		
H		
HCHS – Health Care & Hospital Services	HCSW – Health Care Support Worker	HIV – Human Immunodeficiency Virus
HSDU – Hospital Sterilisation and Disinfection Unit		
I		
IMTP – Integrated Medium Term Plan	IPTR – Individual Patient Treatment Referral	I&E – Income & Expenditure
L		
LoS – Length of Stay	LTA – Long Term Agreement	
M		
MH **–** Mental Health		
N		
NCN – Neighbourhood Care Network	NCSO – No Cheaper Stock Obtainable	NICE – National Institute for Clinical Excellence
NHH – Neville Hall Hospital	NWSSP – NHS Wales Shared Services Partnership	
O		
ODTC – Optometric Diagnostic and Treatment Centre		
P		
PCN – Primary Care Networks (Primary Care Division)	PICU – Psychiatric Intensive Care Unit	PrEP – Pre-exposure prophylaxis
PSPP – Public Sector Payment Policy		
R		
RGH – Royal Gwent Hospital	RN – Registered Nursing	RRL – Revenue Resource Limit
RTT – Referral to Treatment		
S		
SCCC – Specialist Critical Care Centre	SCH – Scheduled Care Division	SCP – Service Change Plan (reference IMTP)
SLF – Straight Line Forecast	SpR – Specialist Registrar	
T		

TCS – Transforming Cancer Services (Velindre programme)	T&O – Trauma & Orthopaedics	
U		
UHB / HB – University Health Board / Health Board	USC – Unscheduled Care (Division)	
V		
VCCC – Velindre Cancer Care Centre		
W		
WET AMD – Wet age-related macular degeneration	WG – Welsh Government	WHC – Welsh Health Circular
WHSSC – Welsh Health Specialised Services Committee	WLI – Waiting List Initiative	WLIMS – Welsh Laboratory Information Management System
WRP – Welsh Risk Pool		
Y		
YAB – Ysbyty Aneurin Bevan	YTD – Year to date	

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 9th October 2019 Agenda Item: 2.7

2.7

Aneurin Bevan University Health Board

Gwent Integrated Care Fund

Executive Summary

The Integrated Care Fund aims to drive and enable integrated and collaborative working between social services, health, housing, the third and independent sectors. It is intended to help Regional Partnership Boards develop and test new approaches and service delivery models that will support the underpinning principles of integration and prevention and the delivery of statutory requirements and national strategy.

The Social Services and Well-being (Wales) Act 2014 ('the Act') provides for regional partnership boards which bring together health, social services, housing, the third sector and other partners to take forward the effective delivery of integrated services in Wales. Their purpose is to improve the outcomes and well-being of people with care and support needs and their carers. The boards must ensure the efficiency and effectiveness of service delivery.

The Wellbeing of Future Generations (Wales) Act 2015 promotes the principles of long term, prevention, integration, collaboration and involvement to help public bodies undertake better planning for the wellbeing of our population and future generations. The Integrated Care Fund can therefore significantly to putting into practice the ways of working as set out in Wellbeing of Future Generations Act.

A Healthier Wales: Our Plan for Health and Social Care sets out the Welsh Governments long term future vision of a 'whole system approach to health and social care,' which is focussed on health and wellbeing, and on preventing illness. A Healthier Wales makes clear the expectation that regional partnership boards will drive this transformation. The Integrated Care Fund (ICF) is a mechanism to support the delivery of various requirements of the Act and help regional partnership boards deliver on the vision contained in A Healthier Wales.

Gwent Regional Partnership Board is responsible for the delivery of the Integrated Care Fund objectives and effective utilisation of the fund. Since the inception and significant growth of the fund, clear governance protocols have been established to support the region to be transparent and accountable in this endeavour. The Regional Partnership Board has established a range of partnership infrastructures to ensure collaborative, integrated development of the ICF portfolio takes place at a regional and local level.

The Committee is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	
Note the Report for Information Only	✓

Executive Sponsor: Nick Wood, Director of Primary Care, Community and Mental Health			
Report Author: Roxanne Green, ICF Programme Lead			
Report Received consideration and supported by :			
Executive Team		**Committee of the Board [Committee Name]**	
Date of the Report: 25 September 2019			
Supplementary Papers Attached: None			

Purpose of the Report

To provide the Committee with an overview of the governance and utilisation of the Gwent Integrated Care Fund. The report also serves as a means of introduction to regular reporting to the Board and sub-committee for Finance and Performance that will be provided on a 6 monthly basis in November and May of each year to share progress reporting and ongoing evaluation of the portfolio.

Background and Context

The Integrated Care Fund is provided by Welsh Government as an enabler to delivering on the Social Services and Wellbeing Act and the more recent A Healthier Wales Strategy. The fund was established as the Intermediate Care Fund in 2014 with an initial focus on increasing care co-ordination and rapid response schemes. In 2015 Welsh Government identified Health Boards as the hosts for the Integrated Care Fund, being the only regional statutory authority.

The fund was rebranded as the Integrated Care Fund (ICF) in 2017-18 and aims to drive and enable integrated working between social services, health, housing, third and independent sectors. From 2018-19 the fund has been provided via three funding streams; ICF Revenue, ICF Dementia and ICF Capital.

ICF Revenue Funding Streams

The revenue funding allocation to the Gwent Regional Partnership Board has grown significantly since its inception, increasing from circa £3million in the first year to circa £16.5million for the 2019-20 financial year. The following groups, as identified in Statutory Guidance as priority areas of integration, remain the same in the revised ICF Guidance:

- Older people with complex needs and long term conditions, including dementia;
- People with learning disabilities;
- Children with complex needs; and
- Carers, including young carers

Funding is provided to address the above priority areas, with the refreshed guidance for the period 2019-20 to 2020-21 providing specific objectives on the use of the funding, detailed in Appendix 2 of this report.

In addition to funding for the above priority areas, a separate funding grant was introduced in 2018-19 to support the realisation of the Dementia Action Plan and is reported and

managed as a separate funding stream, ICF Dementia. The allocation of funding to the priority groups is as follows:

Priority Area	2019-20 Allocation
ICF Revenue	
Older people with complex needs and long term conditions, including dementia	£7.162m
People with learning disabilities, children with complex needs and carers	£3.826m
Early intervention and support to children and their families	£2.870m
ICF Dementia	
Dementia	£1.611m

There are also two ring fenced elements to the revenue funding included for the Integrated Autism Services and WCCIS implementation. Integrated Autism Services receives an annual allocation of £458,000. WCCIS implementation has, over the last 2 financial years, received £252,000 in revenue funding. For the 2019-21 financial years Welsh Government requested proposals be submitted for the use of the WCCIS ring fenced allocations. The proposal submitted by the Region provides an allocation of £597,394 in 2019-20, and £548,284 in 2020-21 to support the Health Board and four of the local authorities to proceed to benefits realisation of this system.

ICF Capital Funding

ICF capital funding has been available previously at circa £1million per annum. During July 2018 Welsh Government introduced a refreshed ICF capital programme that subsumes the previous health and housing fund. This has provided a significant growth within the fund which, for the 3 year investment plan period (2018-19 to 2020-21), provides £19.4million to the Regional Partnership and is allocated as follows:

	Gwent Capital Allocation	***MCP***		***DCP***	
		(minimum amount for Main Capital Schemes)		*(maximum amount for Discretionary Capital Schemes)*	
2018-19	**£5,558,000**	75%	*£4,168,500.00*	*25%*	*£1,389,500.00*
2019-20	**£6,484,000**	80%	*£5,187,200.00*	*20%*	*£1,296,800.00*
2020-21	**£7,410,000**	85%	*£6,298,500.00*	*15%*	*£1,111,500.00*

As illustrated above the programme is separated into a Main Capital Programme (MCP) and a Discretionary Capital Programme (DCP)

Projects supported by the Main Capital Programme may include the provision of:

- accommodation-led solutions to health and social care;
- integrated facilities (such as a regional "hub" approach to an ICF led service provision) – both re-modelling and new provision;
- capital projects which support new and innovative integration of health, social care and/or housing;
- larger scale building re-modelling or adaptation (not supported by existing mainstream programmes); or
- expenditure to evidence or explore the feasibility of larger capital investment.

The Discretionary Capital Programme will be available for the following purposes:

- aids and adaptations which are not supported by existing programmes and are in support of specific ICF objectives away from mainstream requirements (e.g. an enhanced Rapid Response need);
- equipment projects which support people to live independently in their own home and may reduce hospital admissions or speed up hospital discharge; and
- other smaller scale projects in support of ICF objectives (e.g. community or third sector led)

Governance Structure

The Integrated Care Fund is hosted by ABUHB on behalf of Gwent Regional Partnership Board. The ICF portfolio is governed by the Gwent Regional Partnership Board, with its substructures of the Regional Leadership Group and Strategic Partnerships overseeing the development and delivery of initiatives. Diagram 1 articulates the partnership infrastructure responsible for the Integrated Care Fund:

Diagram 1. RPB infrastructure

The ICF priority areas and associated programmes of work are aligned to the respective Strategic Partnerships. The ICF Programme Lead is a member of all Strategic Partnerships to ensure transparency, accountability and development of strategically aligned work programmes. In addition, this also supports cross-fertilisation of funding opportunities.

Diagram 2 overleaf articulates the oversight of the priority areas and respective funding streams.

Diagram 2. Overview of ICF priorities and funding streams

Opportunities to access Integrated Care Funding are promoted throughout our partnership structures to ensure equity of access and to address the requirement of Welsh Government to provide 20% of ICF revenue allocation to the third sector. ICF communications in this regard are issued to the partnership infrastructure as illustrated above, Regional Provider Forum, Learning Disability Alliance, and respective Community Voluntary Councils within the region. Members of each partnership onward share communications to ensure funding opportunities are promoted widely. Strategic Partnerships also develop regional strategic priorities to reflect the national priorities and to support organisations to submit meaningful proposals that align with an identified need or gap in service provision.

Proposals to access funding are submitted centrally to the ICF Mailbox so that they may logged, and aligned with the respective strategic partnership. Each strategic partnership will hold a consideration panel to evaluate all proposals received. To ensure this process is consistent a consideration tool is utilised, and the panel chaired by the ICF programme lead. All members of consideration panels are required to read and sign a conflict of interest policy and must act in regional interest.

To support the governance, management and evaluation of the Integrated Care Fund, Gwent Regional Partnership Board have created an ICF Portfolio Management Office (PMO). The ICF PMO is responsible for all due diligence activities associated with the ICF funding streams, development of regional ICF Investment Plans and Programmes, and evaluation of all investment undertaken.

Evaluation Processes

<u>Proposal Applications</u>

As articulated above, Strategic Partnerships consider the alignment, deliverability and value for money of any new initiatives. Recommendations are made to the Regional Leadership Group and Regional Partnership Board for areas of investment, facilitated by the ICF Programme Lead. For ICF Revenue schemes, excluding Dementia, Regional Partnership Board are able to approve investment of funding as this allocation is provided as a fund and issued by Welsh Government via ABUHB as a resource uplift at the beginning of the financial year.

For ICF Dementia and ICF Capital, funding is provided by means of a grant whereby final approval of investment is provided by Welsh Government. Regional Partnership Board endorses the respective investment plan and related proposals for submission to Welsh Government. Additional evaluation and scrutiny of proposals for the respective funding streams is undertaken by panels within Welsh Government prior to any award of funding. The ICF Programme Lead works closely with Welsh Government colleagues to assist a streamlined application process, and also share developments and collaborative working opportunities.

Progress Reporting

Project Leads across the region are required to report on a quarterly basis to demonstrate progress of delivery and outcomes. As a means of consistent and effective monitoring, a first iteration evaluation methodology and tool to reflect the requirement of the ICF Guidance to make use of Results Based Accountability as the methodology of evaluation. Quarterly reporting is collated and populated into a Welsh Government prescribed template for submission to the Regional Partnerships and to Welsh Government. Feedback is received from Welsh Government on the content of investment plans, standard of proposals and reporting that is received.

Whilst the tool was successful, consistent population of outcome reporting and collection of quantitative data to provide evidence of impact was limited across the portfolio. It was recognised throughout the Regional Partnership that additional support was required to both assist the ICF Programme Lead with the due diligence activities and evaluation requirements of the fund, and also project leads in the collection of meaningful outcome focussed data. The new ICF Portfolio Management Office will be in place from October 2019 to support Quarter 2 reporting of the portfolio, with team members assigned a caseload of approximately 30 projects each to support data collection and analysis, and impact reporting.

In addition to ongoing quarterly reporting, there will be a robust evaluation of the portfolio taking place over a 15 month period. This evaluation is structured on a programme by programme basis to enable effective comparison of delivery models, value for money and impact of initiatives. Evaluations will commence in November 2019 and an evaluation strategy specifically development for each programme. Strategic Partnerships will approve the evaluation strategies prior to commencement, and will consider the findings to make further recommendations to the Regional Partnership Board. Further details regarding the evaluation are detailed in Appendix 2.

Assessment of Progress

ICF Revenue Funding

Within the ICF Revenue Investment Plan we have successfully restructured a portfolio of 105 projects into 18 programmes of work. We have a complex and diverse range of

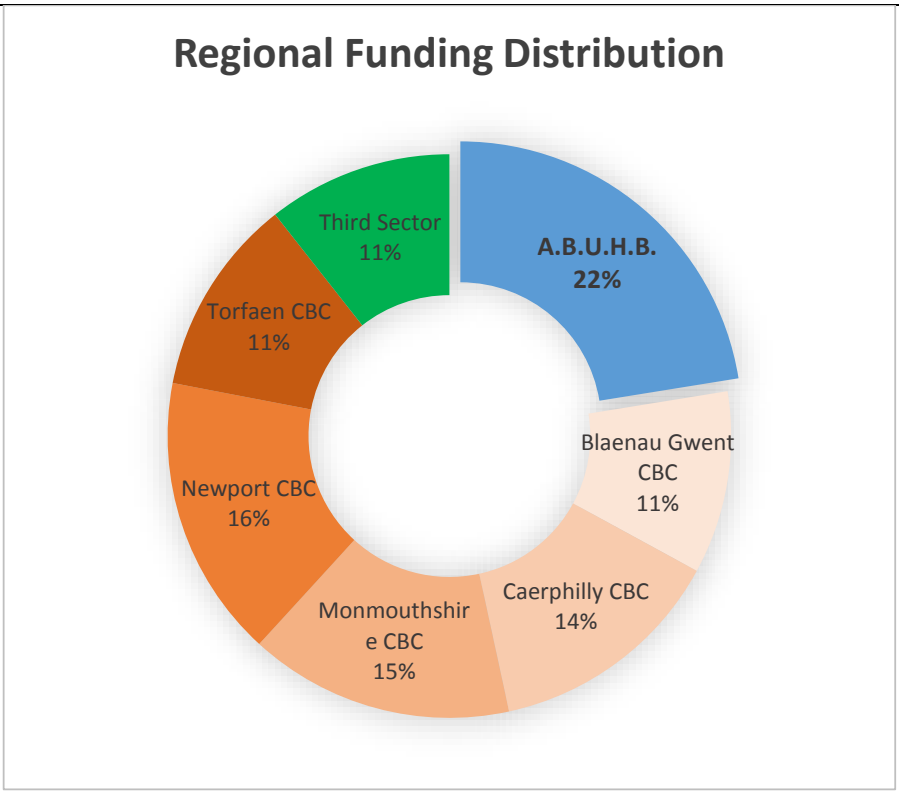
projects that sit across the six statutory organisations and a range of third sector partners within Gwent. Appendix 3 provides an overview of the revenue funding programmes.

ABUHB has 15 Projects within the Revenue Portfolio, totalling a current allocation of £2,881,812.00. A list of the projects within each respective priority area is provided below.

Table 1. ABUHB Revenue Projects

Project Ref	Project Name	Allocation	
OP-ABHB-DEM-01	ABUHB Caerphilly Dementia Pilot - Behavioural Support	£	205,579
OP-ABHB-FLOW-01	ABUHB - Patient flow co-ordinators	£	216,004
OP-ABHB-FLOW-06	Neuro-Community Service	£	701,991
OP-ABHB-FLOW-07	Hospital Transportation	£	109,200
OP-ABHB-HOME-02	ABUHB Medication Administration Scheme	£	76,796
OP-ABHB-HOME-03	Falls Response Unit	£	391,348
OP-ABHB-HOME-04	Nurse Practitioner Care Home In-Reach	£	161,308
OP-ABHB-IP-02	Beds, Bed rails & Pressure Relieving Equipment	£	59,760
OP-ABHB-WF-01	Influencing Health & Social Care Career Choices	£	30,064
LD-ABHB-IP-01	Conveyancing	£	123,220
LD-ABHB-IP-03	Reducing Health Inequalities	£	159,272
CWCN-ABHB-IP-01	Expansion of Gwent Integ. Attachment Service	£	200,871
CWCN-ABHB-IP-02	Integrated Assessment and Planning	£	269,589
CWCN-ABHB-IP-05	Helping Hands	£	138,310
CIYC-TS-IP-04	Young Carers On Line Game App	£	38,500
ABUHB Revenue Total		**£**	**2,881,812**

Of the £13.533million available for distribution within the revenue funding stream, the allocation across the region is currently distributed as follows:



In addition to the above, and as a reflection of the collaborative regional work, 56% of revenue funding is allocated to regional initiatives across the ICF priority areas.

For any unallocated or underspend funding within the ICF Revenue priority areas (excluding Dementia), funding is promoted across the partnership. There is currently £300,000 available as slippage funding for the 2019-20 financial year for which proposals are required to be submitted to the ICF Portfolio Management Office by 30 September 2019.

Small Grants Fund

The Regional Partnership Board has endorsed the delegation of a small grants fund to each Integrated Partnership Board within Gwent. The respective Community Voluntary Council within each Integrated Partnership Board will host the small grants fund, with funding promoted and made available across the Integrated Partnership Board and social value sector in the respective locality.

Allocation of funding across the Integrated Partnership Boards was supported to be shared on an equal basis, therefore each locality area has £40,000 available for spend in the 2019-20 financial year. A maximum project allocation of £20,000 has been agreed by Regional Partnership Board for the Small Grants Fund, which provides for a minimum proposal amount of £20,000 for regional schemes going forward.

ICF Dementia Funding

We have recently received approval for the Dementia Investment Plan, within which there are 19 regional projects that support the delivery of the Dementia Action Plan, and also the priorities identified in the Regional Dementia Analysis undertaken during winter 2018-19 that fully utilised the £1.6million annual funding available for the 2019-21 financial period.

An overview of the schemes being led by ABUHB are as follows:

Scheme ref	Scheme Title	2019/20 Approved	2020/21 Approved
(18-19)DEM-ABUHB4	Communication Coaching Groups	£ 38,054	£ -
(18-19)DEM-ABUHB7	APM in EMI Care Homes	£ 54,466	£ -
Bid DEM19-21 009	PET Scanning enabling earlier diagnosis for complex cases	£ 100,263	£ -
Bid DEM19-21 024	Understanding Characteristics and Outcomes (Inder Singh)	£ 43,800	£ 73,000
Bid DEM19-21 003A	Development and Delivery of Regional Training Programme	£ 151,680	£ 200,000
Bid DEM19-21 010	Integrating SALT into Dementia	£ 29,511	£ 56,723
Bid DEM19-21 019	Cognitive Stimulation Therapy	£ 58,800	£ 95,000
Bid DEM19-21.020	Medication prompt scoping project	£ 9,725	£ -
Bid DEM19-21 018	Behavioural Support Service: Improvement to Response Time	£ 93,595	£ 152,991
Bid DEM19-21 030	Flexible Respite Pilot - Phase 2	£ 125,000	£ 125,000
	ABUHB Total	**£ 704,894**	**£ 702,714**

ICF Capital Funding

We are currently within a 3 year capital funding programme that commenced in 2018-19. Of the £19.4million made available to the region we have allocated over £15million to a wide range of projects across the partnership.

The introduction of such funding has provided Strategic Partnerships with the challenges and opportunities of understanding capital development requirements within the respective priority areas. To support strategic intent, the ICF Portfolio Management Office will continue to support the production of capital development strategies for the respective strategic partnerships to ensure we can provide evidence of need for future investment opportunities.

Activity over the summer period has enabled the submission and consideration of additional proposals to utilise unallocated capital funding. This successful development round has produced £8million of proposals that align with the ICF priority areas. The investment plan for the 2019-21 period was finalised on 24 September 2019, and is being considered virtually by the Regional Partnership to expedite decision timeframes.

An overview of the capital schemes led by ABUHB are shown below. In addition, ABUHB has worked collaboratively with partners to develop solutions that would keep people out of hospital, such as crisis placements for children with complex needs to avoid unnecessary CAMHS admission and supported the development of step-up/step-down facility within Torfaen.

Table 2. Capital Overview for ABUHB

Project Name	Project Description	Project Allocation	Status
Purchase of a Wheelchair Recliner	Enable treatment to be carried out in a safe and controlled manner for those paitnets that are wheelchair bound, in place of hoisting them out of their chair.	£ 27,500	Delivered 2018-19
Chepstow Community Hospital	Development of an integrated system of delivery for health, wellbeing and social care services.	£ 99,997	Existing project - 2019-20 delivery
Establishing Integrated Hub for Neuro Rehab services	Development of an integrated regional hub for the Community Neuro Rehabilitation Service	£ 83,326	Delivered 2018-19
Caldicot Wellbeing Hub	Refurbishment of older facilities to enable patch based working.	£ 98,630	Existing project 2019-20 delivery
Serennu Integrated Rebound Facility	Extension to existing Childrens Centre (Serennu) for an integrated rebound therapy facility for children with complex needs	£ 787,565	Awaiting RPB approval to proceed
		£ 1,097,018	

In total, of the 3 year funding programme that has been finalised, ABUHB would have a total allocation of 1,097,018, equating to 6% of the programme.

Conclusion and Recommendation
The Integrated Care Fund is a complex and dynamic funding stream managed by the Regional Partnership Board and hosted by ABUHB. Significant progress has been made in the development and delivery of a comprehensive portfolio of work to reflect both national and regional priorities. Robust governance processes have been developed to manage the funding to ensure transparency and accountability at all levels; Gwent is recognised as leading on governance and programme development activities and provides ad hoc guidance to other regions in this regard, in addition the ICF Programme Lead is currently chairing a National Steering Group in this regard. This document provides an overview of the respective funding streams, governance and evaluation activities of the funding to provide assurance to the Committee on the use and management of the Integrated Care Fund.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	Risks attached to project delivery are included within each respective project. In addition, there is an over-arching risk register for the Integrated Care Fund.
Financial Assessment, including Value for Money	The programme of evaluation activity will assess the value for money and financial sustainability of all initiatives in receipt of Integrated Care Funding.

	Due to the funding being time limited there is risk that additional services that support the health and social care system may not be sustainable without grant funding.
Quality, Safety and Patient Experience Assessment	The ICF portfolio of work supports the development, improvement and transformation of quality person centred care and support ensuring our citizens receive the support they need at the right time, in the right place.
Equality and Diversity Impact Assessment (including child impact assessment)	Where required Equality and Diversity Impact Assessments will be undertaken by respective project leads across the health and social care system.
Health and Care Standards	The extensive portfolio of work enabled by the Integrated Care Fund contributes to the Regional Partnership Boards and its statutory organisations to meet a wide range of Health and Care Standards.
Link to Integrated Medium Term Plan/Corporate Objectives	The ABUHB IMTP 2019/22 incorporates many Integrated Care Fund initiatives, with specific emphasis on SCP2.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	The principles of the Integrated Care Fund align with the statutory requirements and national strategy as detailed in the Executive Summary. Use of the funding is specific to the priority areas as articulated within, and contribute as follows: **Long Term –** Whilst funding is time limited, the intention is to establish long term sustainable solutions across the health, social care and housing system
	Integration – As a primary focus of the funding, integration and collaboration to deliver person centred care and support is the golden thread throughout the ICF portfolio
	Involvement – Working with stakeholders across all areas, partnership organisations, providers, citizen and carer representatives all have a voice in how services continue to be developed.
	Collaboration – To enable effective utilisation and governance of the funding, collaboration at a regional, local and patch based is enabled by the partnership infrastructure that has been established by the Regional Partnership Board.
	Prevention – Preventative support and early intervention across the priority areas, including person centred support to improve wellbeing and develop community resilience and support
Glossary of New Terms	None
Public Interest	All documentation produced by the Regional Partnership Board is publicly available.

Appendix 1: ICF Funding Objectives 2019-20 and 2020-21

Older People	▪ Support adults to maintain independence and remain at home ▪ Focus on Delayed Transfers of Care, supporting safe and timely discharge ▪ Prevent people from becoming lonely and socially isolated
People with a Learning Disability	ICF should be used to support the National Learning Disability Improving Lives Programme (published June 2018), from which there are three priority areas: ▪ Reduction of health inequalities ▪ Increasing community integration ▪ Improving planning and funding systems
Children with Complex Needs	Increased level of support due to disability or illness should be made from within the wider combined funding stream (People with a learning disability, children with complex needs and carers).
Carers	Welsh Government expect and increased investment to bolster progress on delivering the 3 national priorities for carers, and should be used to provide direct support for carers, including opportunities for respite and promoting carers own wellbeing.
Early Intervention and Support to Children and their families	▪ Safely prevent/reduce the need for children to enter care ▪ Initiatives should include a focus on family re-unification ▪ Provide therapeutic support for children in care or who have been adopted, thereby reducing the need for more intensive forms of support.
Dementia	Continue to support the implementation of the All Wales Dementia Action Plan; the main themes of this plan include enabling people living with dementia to maintain their independence, in keeping with the focus of ICF. Proposals will be considered against the following outcomes: ▪ Individuals will understand the steps they can take to reduce their risk, or delay the onset, of dementia ▪ The wider population understands the challenges faced by people living with dementia and are aware of the actions they can take to support them.

	▪ People are aware of the early signs of dementia, the importance of a timely diagnosis, and know where to go to get help. ▪ More people are diagnosed early, enabling them to plan for the future and access early support and care if needed. ▪ Those diagnosed with dementia and their carers and families are able to received person-centred care and support which is flexible. ▪ Research is support to help us better understand the causes and management of dementia and enables people living with dementia, including families and carers, to be co-researchers. ▪ Staff have the skills to help them identify people with dementia and to feel confident and competent in supporting individual's needs post-diagnosis.
WCCIS	Business case submissions will be required to be submitted to Welsh Government for consideration. Each regions business case will be considered on its own merit. It is expected that regions should be approaching benefits realisation stage of the programme.
Integrated Autism Service	Funding continues to be ring fenced for this service, for the two year period. An independent evaluation is due to be completed this year to inform the service provision from 2021 onwards.

Appendix 2: Evaluation Planning

1.1 Evaluation of the portfolio will be undertaken on a programme by programme basis, with the ICF team providing support to project and service leads across the region to collate and analyse project information. An evaluation strategy will be developed for each Programme, informed by a Programme's measurement strategy that is being co-developed with project leads as part of the new programme management structure and Project Leads Forum within the region. Welsh Government prescribe the evaluations to consider the following four areas:

- Impact: What outcomes have been achieved and what difference has the project made?
- Process: How has the project supported key principles such as integration, co-production or social value?
- Economic: What are the cost benefits of the projects and what costs have been avoided?
- Qualitative: What are the experiences of service users, staff and communities from the project?

1.2 The evaluation will align with the Results Based Accountability methodology, which is supported by the guidance for ICF developed by WG. However, the ability to retrospectively align methodologies intended to influence programme development will be challenging. In most instances, baseline measurements have not be collected and retrospective analysis will be required to ensure we are able to demonstrate attribution of impact across our system. The evaluation will also consider ongoing financial sustainability of projects post 31 March 2021.

3.3 As endorsed by Regional Leadership Group, the projects with the longest duration will be evaluated in the first instance, providing the opportunity for newer schemes to gather further time-bound data to inform evaluations. The measurement strategies for the evaluations will be coproduced with projects leads and endorsed by the respective strategic partnership prior to the evaluation commencing.

3.4 To ensure a consistent approach to evaluating the portfolio of work, bespoke training has been arranged for the new staff within the ICF team to ensure the team have a consistent approach to evaluation, and a universal understanding of analytical techniques. Evaluation will incorporate Value for Money assessment. The training for the team will be completed during September 2019. With quarterly reporting taking place during October 2019, it is proposed that the evaluation will commence on 4 November 2019.

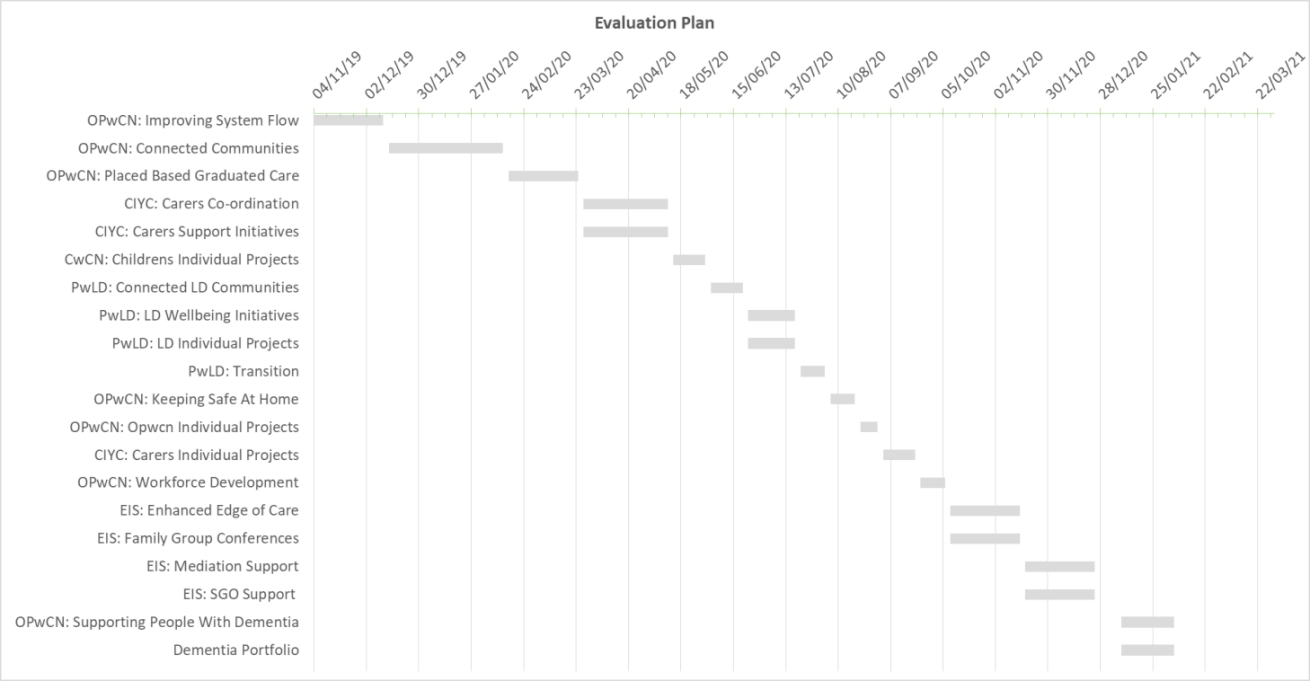
2.0 Evaluation Plan

2.1 An evaluation plan has been developed to ensure rolling consideration by the regional partnership infrastructure on a programme by programme basis. This work will provide the evidence of achievement and outcomes in the use of the Integrated Care Fund. All live projects will be evaluated on their entire project cycle, to ensure outcomes from across the funding periods can be articulated.

2.2 A breakdown of the programmes and the prioritisation is shown overleaf.

Programme	Priority	# of Projects	Evaluation Start	Evaluation End
OPwCN: Improving System Flow	1	10	04/11/2019	11/12/2019
OPwCN: Connected Communities	2	14	14/12/2019	13/02/2020
OPwCN: Placed Based Graduated Care	3	10	16/02/2020	24/03/2020
CIYC: Carers Co-ordination	4	5	27/03/2020	11/05/2020
CIYC: Carers Support Initiatives	4	7	27/03/2020	11/05/2020
CwCN: Childrens Individual Projects	5	5	14/05/2020	31/05/2020
PwLD: Connected LD Communities	6	5	03/06/2020	20/06/2020
PwLD: LD Wellbeing Initiatives	7	3	23/06/2020	18/07/2020
PwLD: LD Individual Projects	7	4	23/06/2020	18/07/2020
PwLD: Transition	8	4	21/07/2020	03/08/2020
OPwCN: Keeping Safe At Home	9	4	06/08/2020	19/08/2020
OPwCN: Opwcn Individual Projects	10	3	22/08/2020	31/08/2020
CIYC: Carers Individual Projects	11	5	03/09/2020	20/09/2020
OPwCN: Workforce Development	12	4	23/09/2020	06/10/2020
EIS: Enhanced Edge of Care	13	5	09/10/2020	15/11/2020
EIS: Family Group Conferences	13	5	09/10/2020	15/11/2020
EIS: Mediation Support	14	5	18/11/2020	25/12/2020
EIS: SGO Support	14	5	18/11/2020	25/12/2020
OPwCN: Supporting People With Dementia	15	2	08/01/2021	31/01/2021
Dementia Portfolio	15	19	08/01/2021	31/01/2021

2.3 A project plan for the evaluation of the programmes within the ICF Revenue allocation is provided overleaf.



2.4 An additional evaluation timeframe will also be introduced for the benefits realisation of capital investment for the current and previous initiatives.

2.5 At the request of Regional Partnership, the evaluation is intended to provide evidence to enable effective decision making for any future investment opportunities, supporting the design of any future regional programme of work in delivering collaborative and integrated models of delivery.

2.6 Evaluation reports will be submitted to the respective strategic partnership and the wider Regional Partnership on a programme by programme basis as they are undertaken. All evaluations are intended to be concluded in January 2021.

Appendix 3: Revenue Programme Overview

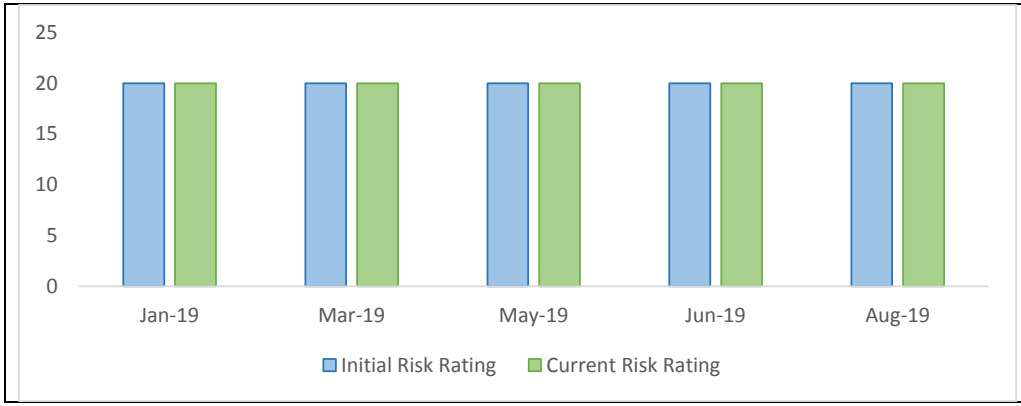
Strategic Partnership	Programme of Work	Value	Draft Objective
Gwent Adult Strategic Partnership [ICF Priority: Older People with Complex Needs]	Connected Communities	£1,154,903	To support citizens of Gwent to connect with their communities, develop resilient networks and maintain or improve their wellbeing
	Supporting People with Dementia (aligned to Dementia Action Plan)	£274,765	Initiatives will be captured and reported as part of the ICF Dementia Action Plan and development of the seamless pathway
	Improving System Flow (Home First enablers)	£1,498,613	To safely and efficiently expedite discharge to allow patients to be returned home as soon as medically fit
	Keeping Safe at Home	£674,192	To provide therapeutic and equipment solutions to assist people to keep safe in their own homes
	Individual projects not aligned to programmes	£210,160	Preventing and mitigating sight loss initiative and the new advocacy access initiative
	Place Based Graduated Care	£2,390,195	Provide additional care needs outside of a hospital environment when medically appropriate to do so, preventing hospital admissions, and supporting reablement in a homely setting. In doing so, also provides more appropriate settings to best assess a person independence and potential ongoing needs
	Workforce Development	£695,064	Developing and testing innovative and sustainable solutions to strengthen the domiciliary care workforce across the region

Strategic Partnership	Programme of Work	Value	Draft Objective
Mental Health and Learning Disabilities Strategic Partnership [ICF Priority: People with LD]	Transition	£365,358	Enabling individuals to receive the services and supported required whilst transitioning between statutory services
	Connected LD Communities	£306,020	Providing opportunities and support for people with a learning disabilities to engage with their peers and wider communities
	LD Wellbeing Initiatives	£112,530	Ensuring people with a Learning Disability can access suitable and person centred physical activity sessions across the region
	Individual projects not aligned to programmes	£271,396	Mental Health Conveyancing, Upside Down Commissioning for LD, Access to employment
Children and Families Strategic Partnership [ICF Priority: Children with Complex Needs]	Integrated Assessment Services	£200,871	Regional care co-ordination model that links with the ISCAN services throughout the region
	ISCAN Integrated Assessment and Planning	£269,589	Supporting MDT working within localities throughout the region to ensure children receive the care and support they need, avoiding the need for handoffs between specialties
	Skills for Living	£200,000	Support those leaving looked after care to gain the skills and confidence required to live independently
	Resource Hub	£397,872	Regional team base working with the most complex children to support their return to an in-region placement where appropriate
	Helping Hands	£138,310	Direct work with children with learning disabilities, their families and systems of support,

Strategic Partnership	Programme of Work	Value	Draft Objective
			group work, training in evidence based frameworks, multi-agency consultation
Children and Families Strategic Partnership [ICF Priority: Early Intervention and Support]	Early Intervention and Support for Children & Families	£2,803,381	Supporting Children & Families known to social services to mitigate where possible children entering care and support family reunification

Corporate Risk to a Page Report - as at end of August 2019

CRR012	**Director Lead:** Director of Operations	**Date Opened:** December 2018
	Assuring Committee: Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Failure to meet the needs of the local people in relation to emergency care provision including WAST provision.	**Target Risk Review Date:** Weekly review undertaken
	Impact: Not meeting Welsh Government targets and patients will not receive services they require in a timely way.	



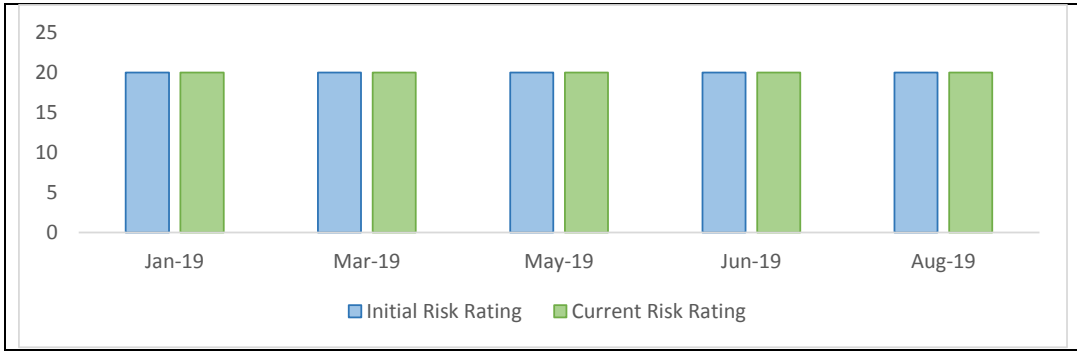
	Consequence	Likelihood	Score
Initial Risk Rating	5	4	20
Current Risk Rating	5	4	20
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⟷		

Controls in place	**Action taken to mitigate the risk**
• Ongoing monitoring is provided on a weekly basis at meetings with the Divisions and through the Urgent Care Board. • Executive Led Improvement Programme in place monitoring improvements on a weekly basis, and tracking any progress/risks. • Risks and incidents associated with Urgent Care pressures received and managed through Divisional governance processes and overseen at weekly Executive Huddle.	• New models of care have been introduced including Ambulatory Care at the RGH. Stage 2 (ED Ambulatory Care) commences on the 16th September 2019. GP Streaming pilot to commence in October at RGH. • Recent audit of all ED attends in RGH to better understand demand and other services that can support urgent access for patients and decongest the Emergency Units. • Revised Divisional oversight pilot from 6th September to support flow and escalation, effectiveness being tracked by ABCi. • WGDU supporting targeted piece of work on flow in month. • Core Care team project in progress to improve safer ward establishment, and this will improve effectiveness and efficiency of the ward (flow) • Successful recruitment of PAs to support ward flow (from November) • Winter Planning Framework received for this year (planning has commenced) • Integrated Discharge Team work to streamline flow and early discharge/Discharge to Assess.

Assurances	**Links to**
• HIW Reports • Working with the Delivery Unit and Reporting • Community Health Council Reports • Internal Audit and Wales Audit Office Report • Divisional Reports including assessments of Health and Care Standards	**Strategic Priorities in the IMTP** Links to Priority number 6.

Corporate Risk to a Page Report - as at end of August 2019

CRR029	**Director Lead:** Director of Workforce & OD, Director of Nursing, Medical Director, Director of Therapies and Health Science	**Date Opened:** March 2017
	Assuring Committee: Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Failure to recruit and retain appropriately skilled staff and senior leadership to deliver high quality care.	**Target Risk Review Date:** Weekly review undertaken
	Impact: Negative impact on patient care and service delivery due to lack of skilled workforce, low staff morale, increased sickness and turnover.	



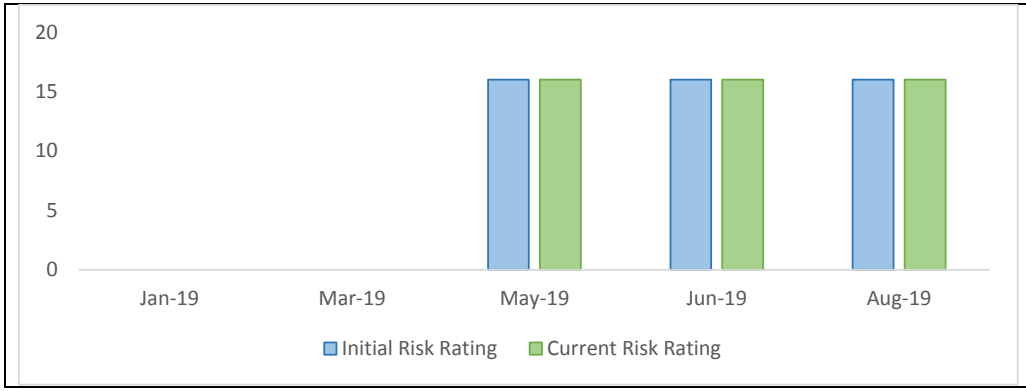
	Consequence	Likelihood	Score
Initial Risk Rating	5	4	20
Current Risk Rating	5	4	20
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged		

Controls in place	**Action taken to mitigate the risk**
• Plans in place to maximise recruitment and increase retention in all identified areas including registered nurses and medical staff. • Launch of new recruitment materials and webpages to support recruitment campaigns and improve online presence. • Continue to work closely with the national campaigns, including "Train, Work, Live". • Continued focus in the area of nursing on hard to fill areas - NHH and RGH wards with revised Recruitment Strategy. • Individual Ward risk reviews undertaken of actions and plans by Executive Team. • Medical hard to fill areas – Mental Health, Medicine and Emergency Medicine, Paediatrics, Obs & Gynae. A number of actions are in place to minimise risk, i.e. overseas recruitment (BAPIO), rolling generic advertisements, social media campaigns, work on introduction programmes for overseas doctors, rotational posts and working closely with the Deanery and HEIW. • Reconsider skill mix to support staffing on acute wards, actions include opportunities for multi-disciplinary teams (flexible use of therapy staff and new roles such as Physician Associates) enhanced health care support worker roles in ward areas and multidisciplinary team working in Primary Care settings. • Flexible reward arrangements in place.	• Continued focus on the workforce plans in support of the Clinical Futures Programme • Continued implementation of the Nurse Staffing Act • Implementation of the agreed Recruitment Strategy • Development of an overseas nursing campaign • Review of Nursing model to meet service demands and address identified patient safety issues • Development of Band 4 roles to address vacancies and ensure high quality care • Workshop to review future nursing workforce 8th August 2019. • Implementation and pilot "Core Care Team Model" which is a new workforce configuration for the ward. • Share outcomes of Employee Experience Survey and work with staff on actions related to data. • Job description agreed and advertisement placed for Portfolio GP roles.

Assurances	**Links to**
• HIW Reports • Working the Delivery Unit and Reporting • Community Health Council Reports • Internal Audit and Wales Audit Office Report • Reports from the Learning Committee and Lessons Learnt Reports • Divisional Reports including assessments of Health and Care Standards	**Strategic Priorities in the IMTP** This is an enabling risk in support of the delivery of all priorities of the IMTP.

Corporate Risk to a Page Report - as at end of August 2019

CRR056	**Director Lead:** Director of Workforce and Organisational Development	**Date Opened:** April 2019
	Assuring Committee: Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Inability to comply with the Welsh Language Standards, imposed as a result of the Welsh Language (Wales) Measure 2011	**Target Risk Review Date:** Monthly review undertaken
	Impact: Failure to deliver on the Standards presents 3 main risks; namely, patients will not get the Welsh medium service they need and as such their experience and outcomes may be compromised; the reputation of the Health Board will be damaged which could reduce public and staff confidence and we may receive substantial financial penalties from the Welsh Language Commissioner if a failure to deliver on a Standard is proved (up to £5,000 for each infringement).	



	Consequence	Likelihood	Score
Initial Risk Rating	4	4	16
Current Risk Rating	4	4	16
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⇔		

Controls in place

- Detailed action plan for the implementation of the Standards to mitigate this risk. Monitored through the Welsh Language Strategic Group.
- A series of Working Groups led by subject matter experts are informing the challenge against the time scales for implementation and the development of more detailed programmes of work for implementing the Standards.
- Close liaison with the Office of the Welsh Language Commissioner and Welsh Language leads in Welsh Government.
- Additional funding agreed by the Executive Team to support implementation.
- Welsh Language Standards awareness activities have been held across the Health Board, these including; roadshows, training sessions, attendance at team and departmental meetings, one to ones with all Executive Directors, attendance at Health Board events such as conferences, community events, joint community and staff language awareness training.

Action taken to mitigate the risk

- A series of Protocols and Guidelines are in development to meet the requirements of the Standards.
- Working collaboratively with other Health Boards and Public sector bodies to learn lessons and share best practice.
- A series of Frequently Asked questions have been developed and are being published one at a time on the intranet as well as on the Welsh Language homepage
- The Welsh Language homepage has been revised and updated with useful links and additional resources for staff
- A Welsh language Tutor has been appointed to support individual staff and teams locally to improve both confidence and competence in using the Welsh language
- The Welsh Language Unit is being restructured to ensure effective use of the limited resource available so that performance, efficiencies and economies of scale are realised

Assurances

- National and Local Reports and reporting requirements to Welsh Government and the Welsh Language Commissioner
- Welsh Language Commissioner Assessments
- Local Action Plans and Processes
- WAO and Internal Audit Reports

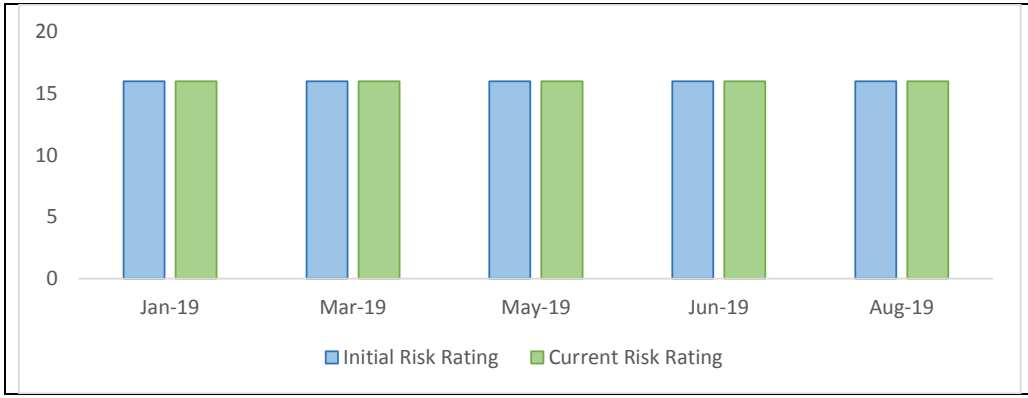
Links to

Strategic Priorities in the IMTP

This is an enabling risk in support of the delivery of all priorities of the IMTP.

Corporate Risk to a Page Report - as at end of August 2019

CRR005	**Director Lead:** Director of Planning, Digital and IT	**Date Opened:** May 2018
	Assuring Committee: Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Insufficient levels of capital funding for estate requirements	**Target Risk Review Date:** Monthly review undertaken
	Impact: Health Board will be unable to meet the levels of refurbishment required for Health Board to meet its plans	



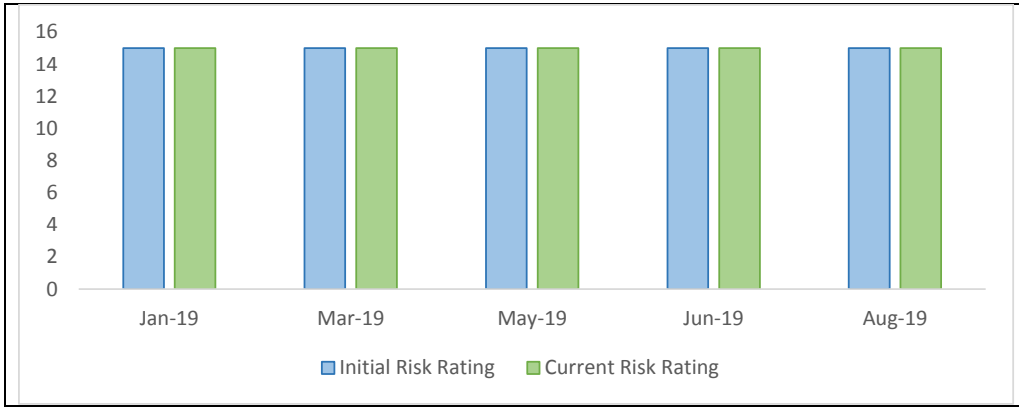
	Consequence	Likelihood	Score
Initial Risk Rating	4	4	16
Current Risk Rating	4	4	16
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⇔		

Controls in place	**Action taken to mitigate the risk**
• Detailed capital programme that is regularly re-prioritised by the Executive Team and agreed by the Board. • Opportunities maximised with regular dialogue with Welsh Government. • Issue escalated to Directors of Planning and Chief Executives. • Comprehensive Estates Strategy agreed and being implemented.	• Implementation of the agreed Estates Strategy in line with Clinical Futures. • Implementation of the agreed Capital Programme. • Further more detailed development of LGH plans post GUH opening • Engagement with WG re future capital requirements linked to the Estate Strategy

Assurances	**Links to**
• Internal Audit and Wales Audit Office Report • Divisional Reports including assessments of delivery • Reports from Divisional Assurance Meetings • Delivery Framework updates • Executive Team Meetings • The Grange University Hospital Project Board and Clinical Futures Delivery Board	**Strategic Priorities in the IMTP** This is an enabling risk in support of the delivery of all priorities of the IMTP.

Corporate Risk to a Page Report - as at end of August 2019

CRR001	**Director Lead:** Director of Planning, Digital and IT	**Date Opened:** July 2018
	Assuring Committee: Executive Team and Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Failure to implement and deliver the priorities in the IMTP	**Target Risk Review Date:** Monthly review undertaken
	Impact: The Health Board will not be meeting its objectives and priorities to respond to assessed population needs and Welsh Government Targets.	



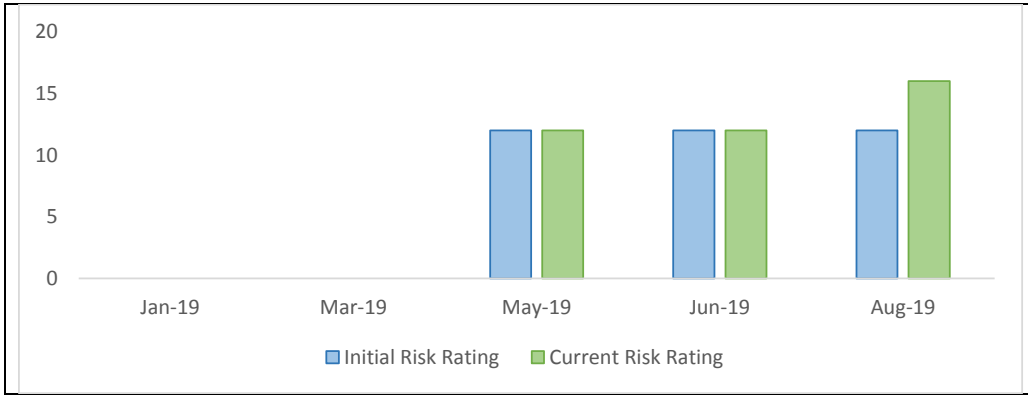
	Consequence	Likelihood	Score
Initial Risk Rating	5	3	15
Current Risk Rating	5	3	15
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⇔		

Controls in place	**Action taken to mitigate the risk**
• Monitoring of performance through divisional structures and Board oversight via Finance and Performance Committee continues and detailed plans have been developed. • Executive Team led Divisional Assurance Meetings in place. • Delivery Framework has been adopted by the Executive Team.	• Continued focus on achieving financial breakeven targets at year end. • Continued focus on the ability to achieve performance targets in accordance with Plan and Welsh Government targets/expectations. This is reviewed regularly at Executive Team to ensure that the Health Board meets its performance trajectories

Assurances	**Links to**
• Working the Delivery Unit and Reporting • Internal Audit and Wales Audit Office Report • Divisional Reports including assessments of delivery • Reports from Divisional Assurance Meetings • Delivery Framework updates • Executive Team Meetings	**Strategic Priorities in the IMTP** Links to Priority – All IMTP priorities

Corporate Risk to a Page Report - as at end of August 2019

CRR057	**Director Lead:** Chief Executive and Director of Finance and Performance	**Date Opened:** November 2018
	Assuring Committee: Finance and Performance Committee and Board	**Date Last Reviewed:** August 2019
	Risk: Failure to achieve financial balance at end of 2019/20	**Target Risk Review Date:**
	Impact: Funding confirmed by Welsh Government as part of IMTP approval	Monthly review undertaken



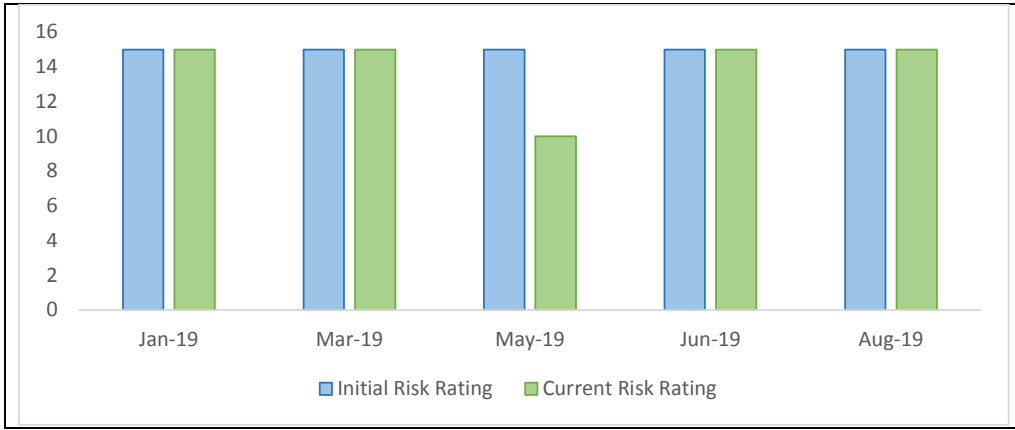
	Consequence	Likelihood	Score
Initial Risk Rating	4	3	12
Current Risk Rating	4	4	16
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk has increased ↑		

Controls in place	**Action taken to mitigate the risk**
(i) Delivery of savings plans essential to deliver financial balance. Approx. £5m savings requirement with savings delivery plans still to be identified. (ii) IMTP Delivery Framework and Divisional Assurance meetings in place which will incorporate implementation of savings plans and delivery of service and workforce plans within available resources. (iii) Executive Team identified list of savings areas – delivery plans to be identified by 20/9/2019 (iv) Performance funding of £4m received in 2019/20 conditional on meeting RTT targets and £0.5m received conditional on meeting follow-up outpatient targets.	• Revised RTT Delivery Plan to be agreed by Executive Team. Welsh Government informed that 0>36weeks target will not be met at Q1 and revised profile submitted. • Follow-up outpatient plan in place. • Increased focus on efficiency opportunities, through Executive Team.

Assurances	**Links to**
• Internal Audit and Wales Audit Office Report • Internal savings plans • IMTP Delivery Framework and Divisional Assurance Meetings • Savings delivery plans – specific Executive Team focus and priority • Performance and Finance Reports • Direct engagement through Business Partner model.	**Strategic Priorities in the IMTP** This is an enabling risk in support of the delivery of all priorities of the IMTP.

Corporate Risk to a Page Report - as at end of August 2019

CRR018	**Director Lead:** Director of Operations	**Date Opened:** March 2017
	Assuring Committee: Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Failure to efficiently manage out-patient demand and modernise outpatient services	**Target Risk Review Date:** Monthly review undertaken
	Impact: Patients undertake unnecessary journeys to hospital, inappropriate use of capacity and delays which could result in patient harm due to delayed follow-up.	



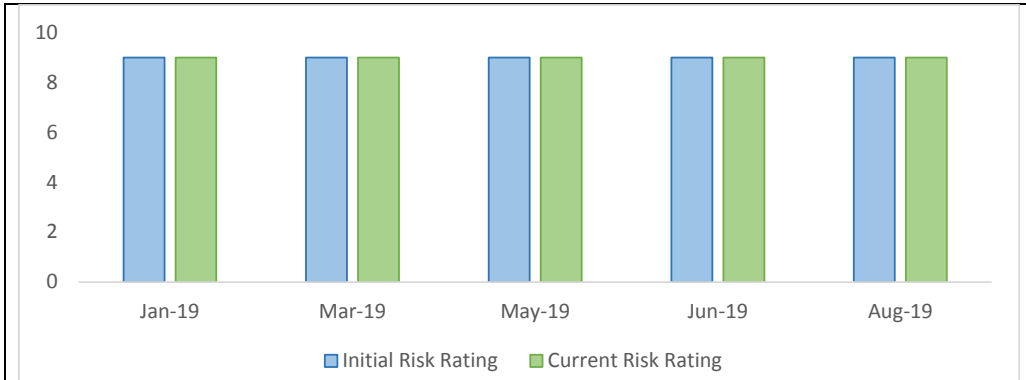
	Consequence	Likelihood	Score
Initial Risk Rating	5	3	15
Current Risk Rating	5	3	15
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⟷		

Controls in place	**Action taken to mitigate the risk**
• Review of out-patient transformation approach with clinically led model. • Work has been undertaken which has resulted in reduced number of delayed follow-ups with no booked appointment reducing from 27,500 at the start of 2018/19 to 15,433 at the end of March 2019. This deteriorated at the end of July to 19,292 whilst new outpatient work was prioritised, but recovery plan in place. Focus on eliminating >52 week patients. • Delayed FU Group reviews each specialities' improvement plans and monitors progress by speciality and overall target compliance • Focus of Planned Care Board is reducing unnecessary follow-up out-patient attendance, and modernising the Outpatient Pathway – report at each meeting. • Implementation of specialty based Out-patient improvement plans address December and March 2020 targets. Detailed dashboard has been put in place describing the size of the challenge by the Directorate for them to deliver month on month plans and give monthly improvement targets.	• Development of plans to identify and monitor clinically at risk follow-up patients • Establishment of new Orthopaedic Delivery Board to oversee and monitor service innovations and developments • Review use of 'as soon as possible' target to 'within 1 week' as per NWIS guidance. NWIS removal will reduce the number of delayed patients by 100% by 125 per month through to March 2019 with further reductions to March 2022 • Pilot project for instigation of 'see on symptoms' (SOS) now completed for ENT, with a presentation outlining the approach to extend to the Planned Care Programme Board. • Secured £0.5M non-recurrent funding from Welsh Government to implement plans to deliver on expected reduction targets. • Appointment of Outpatient Transformation Programme Manager • A range of plans in place until the end of March 2020.

Assurances	**Links to**
• Planned Care Board and Divisional Assurance • National Outpatient Steering Group • HIW Reports • Working the Delivery Unit and Reporting • Community Health Council Reports • Internal Audit and Wales Audit Office Report • Divisional Reports including assessments of Health and Care Standards	**Strategic Priorities in the IMTP** Links to priority 7.

Corporate Risk to a Page Report - as at end of August 2019

CRR055	**Director Lead:** Director of Finance & Performance	**Date Opened:** January 2019
	Assuring Committee: Board, Finance & Performance Committee and Quality & Patient Safety Committee	**Date Last Reviewed:** August 2019
	Risk: Resources may not be used in the most effective way to optimise achievement of the Health Board's priorities.	**Target Risk Review Date:** Monthly review undertaken
	Impact: The Health Board would not achieve its identified priorities in the most effective way.	



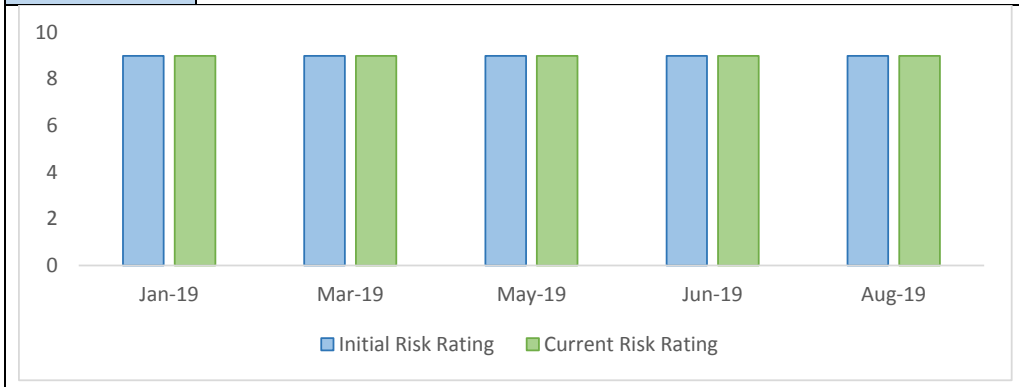
	Consequence	Likelihood	Score
Initial Risk Rating	3	3	9
Current Risk Rating	3	3	9
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⇔		

Controls in place	**Action taken to mitigate the risk**
• The Health Board has an approved IMTP, which identifies the key priorities regarding the improvement of health for its population and the allocation of resources to support this. • Budgets are delegated through the organisation based on the priorities set out in the IMTP. • Key IMTP delivery risks, including service, workforce and financial performance are scrutinised at the Finance & Performance Committee. The Finance & Performance Committee will also periodically review the allocation and shift in resources to support the Health Board's priorities. • The Executive Board/Team and monthly Divisional assurance meetings monitor delivery and progress against key risks, including service, quality/safety, workforce and financial performance. • The Health Board's Value Based Health Care Programme aims to improve outcomes for patients making best use of available resources (improving value). This Programme reports to the Quality Patient Safety Committee.	• Continuing focus on IMTP delivery risks • Maximising the opportunities presented by value based healthcare approach.

Assurances	**Links to**
• Internal Audit and Wales Audit Office Report • Internal savings plans • IMTP Delivery Framework and Divisional Assurance Meetings • Performance and Finance Reports • Direct engagement through Business Partner model. • Value based healthcare reports	**Strategic Priorities in the IMTP** This is an enabling risk in support of the delivery of all priorities of the IMTP.

Corporate Risk to a Page Report - as at end of August 2019

CRR046		
	Director Lead: Director of Planning, Digital and IT	**Date Opened:** December 2018
	Assuring Committee: Finance and Performance Committee	**Date Last Reviewed:** August 2019
	Risk: Risk of insufficient capacity and resources to deliver the planned Clinical Futures Programme.	**Target Risk Review Date:** Monthly review undertaken
	Impact: The delivery timetable could be compromised and the quality of the design work and engagement could be affected.	



	Consequence	Likelihood	Score
Initial Risk Rating	3	3	9
Current Risk Rating	3	2	6
Target Risk Score (Risk Appetite Level Low Business Driver – Level Low)	This section will be completed in future reports following the Health Board's review and approval of a new risk appetite statement.		
Movement since last presented to Board in July 2019	Risk remained unchanged ⇔		

Controls in place	**Action taken to mitigate the risk**
• Programme Management arrangements have been put in place, areas of work being prioritised. • Additional roles have been identified and appointed to over the last period. There is a constant monitoring of resource requirements across the 6 work streams	A Delivery Board review of Terms of Reference to prescribe in more detail the expectations of roles of the board. This is as part of the action plans from a recent internal audit.

Assurances	**Links to**
• Internal Audit and Wales Audit Office Report • Divisional Reports including assessments of delivery • Reports from Divisional Assurance Meetings • Delivery Framework updates • Executive Team Meetings	**Strategic Priorities in the IMTP** Links to Priorities – 3, 4, 9 and 10.

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Finance and Performance Committee Wednesday 9th October 2019 Agenda Item: 2.9

Aneurin Bevan University Health Board

Finance and Performance Committee Terms of Reference

Executive Summary

This report provides for the Finance and Performance Committee the revised Committee Terms of Reference. It is good governance practice for the Terms of Reference to be reviewed annually. This review has also been undertaken as part of arrangements to renew all Health Board Terms of Reference following the updating of the Health Boards committees and membership in May 2019.

The Board is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	✓
Receive the Report for Assurance/Compliance	
Note the Report for Information Only	

Executive Sponsor: Richard Bevan, Board Secretary

Report Author: Richard Bevan, Board Secretary

Report Received consideration and supported by :

Executive Team		**Committee of the Board [Committee Name]**	

Date of the Report: 30 September 2019

Supplementary Papers Attached: Terms of Reference

Purpose of the Report

The purpose of this report is to present the revised Terms of Reference for the Finance and Performance Committee and seek the committees support prior to approaching the Board.

Background and Context

The Health Board at its meeting in May 2019 agreed changes to the Committee Structure which began to take effect from the 1 July 2019. The new structure has been implemented with new membership and arrangements for committees. It was agreed at the time that new terms of reference would be developed to support enhanced interoperability of committees, specifically in response to the Wales Audit Office Structured Assessment recommendation made in early 2019.

Terms of Reference for all committees have been reviewed and updated by their respective Chairs and Lead Executives. These updated Terms of Reference are currently being considered by committee in this autumn round of meeting in readiness for approval by the Board in November 2019.

Assessment and Conclusion

The attached Terms of Reference for the Finance and Performance Committee have been reviewed and a small number of suggested amendments have been made. The Committee is asked to review and the Terms of Reference and propose any further changes or additions, which will then be incorporated for Board approval in November 2019.

Recommendation	
The Committee is asked to review and the Terms of Reference and propose any further changes or additions, which will then be incorporated for Board approval in November 2019.	
Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	It is good governance practice to review terms of reference on an annual basis.
Financial Assessment, including Value for Money	There are no financial implications for this report.
Quality, Safety and Patient Experience Assessment	There is no direct association to quality, safety and patient experience with this report.
Equality and Diversity Impact Assessment (including child impact assessment)	There are no equality or child impact issues associated with this report as this is a required process for the purposes of legal authentication.
Health and Care Standards	This report would contribute to the good governance elements of the Health and Care Standards.
Link to Integrated Medium Term Plan/ Corporate Objectives	There is no direct link to Plan associated with this report.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	**Long Term –** Not applicable to this report
	Integration –Not applicable to this report
	Involvement –Not applicable to this report
	Collaboration – Not applicable to this report
	Prevention – Not applicable to this report
Glossary of New Terms	None
Public Interest	Report to be published in public domain

2.9

Aneurin Bevan University Health Board

Finance and Performance Committee

Terms of Reference

Draft Revised – July 2019
(Revised – September 2019)

Aneurin Bevan University Health Board

Finance and Performance Committee

Terms of Reference

1. Purpose and Roles of the Committee:

The Finance and Performance Committee will have the key roles on behalf of Aneurin Bevan University Health Board of:

- considering in detail annual performance and financial matters in relation to all aspects of the business of the Health Board;
- making recommendations for action to continuously improve the performance and the financial position of the organisation;
- closely monitoring progress against agreed annual actions in the Health Board Integrated Medium Term Plan and also targets and requirements set by Welsh Government (this will be linked to the work of the Planning and Strategic Change Committee);
- Advising on aligning service performance, workforce performance and financial performance matters into an integrated whole systems approach (this will be linked to the programmes of work of the Planning and Strategic Change Committee and the People and Culture Committee).

2. Delegation and Authority:

The Committee will, in respect of its provision of advice to the Board, have responsibility on behalf of the Board to continually scrutinise, measure and challenge the Health Board's annual financial and annual service performance. The Committee will work with the Chief Executive and Executive Team to consider the opportunities for implementing change and reallocating resources to support good financial stewardship and performance improvement; in doing so the Committee might also engage with senior clinical leaders and managers to deliver required change and performance improvement.

3. Membership of the Committee:

The Committee shall be established as a committee of the Board and shall comprise a minimum of 4 Independent Members of the Aneurin Bevan University Health Board.

The Committee shall be chaired by an Independent Member and the Vice Chair of the Committee shall also be an Independent Member.

4. Attendees

The Lead Health Board Officer for this Committee will be the Director of Finance and Performance.

The Chief Executive and the Director of Operations will also have standing invitations to the Committee meetings.

The Committee Chair may extend invitations to other officers or clinicians of the Health Board to attend Committee meetings, as required taking account of the matters under consideration at each meeting.

The Committee may also invite (or co-opt) additional independent 'external' members from outside the organisation to provide specialist skills, knowledge and expertise, as required.

5. Committee Member Appointments

The membership of the Committee shall be determined by the Board, based on the recommendation of the Board Chair – taking account of the balance of skills and expertise necessary to deliver the committee's remit and subject to any specific requirements or directions made by the Assembly Government.

Members shall be appointed to hold office for a period of one year at a time, up to a potential maximum of their term of appointment with the Health Board. During this time a member may resign or be removed by the Board and therefore, will be automatically removed from the Committee.

6. Support to Committee Members

The Board Secretary, on behalf of the Committee Chair, shall:

- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and

- Ensure the provision of a programme of organisational development for Committee members as part of the Board's overall OD programme developed by the Director of Workforce & Organisational Development.

7. Quorum

At least two members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

8. Frequency of Meetings

Meetings shall be held no less than quarterly, and otherwise, as the Chair of the Committee deems necessary – consistent with the Board's annual plan of Board Business.

9. Withdrawal of individuals in attendance

The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate any confidential discussion of particular matters, if required. In line with the Health Board's Standing Orders.

10. Relationship with the Board and Other Committees:

The Board retains overall responsibility and accountability for the areas covered by the Committee. However, the Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.

The Committee, through its Chair and members, shall work closely with the Board's other Committees, in doing so contributing to the Health Board's overall delivery of its objectives.

The Committee will liaise closely with all other Committees of the Board, but particularly the Planning and Strategic Change Committee, in advising and guiding the organisation's planning arrangements and implementing major change (one year, medium and longer terms plans) and also the People and Culture Committee with regard to consideration of workforce performance.

11. Reporting Arrangements

The Committee Chair shall:

- Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes verbal updates on activity, the submission of committee minutes and written assurance reports, as well as the presentation of an annual report.

- Bring to the Board's specific attention any significant matters under consideration by the Committee or key risks.

The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of the Committee's performance and operation, including that of any sub Committees established.

12. Applicability of Standing Orders to Committee Business

The requirements for the conduct of business as set out in the Health Board Standing Orders are equally applicable to the operation of the Committee.

13. Review of Terms of Reference

These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the Board.