



Finance, Performance & Workforce (FP&W) Committee

Annual Report 2018/19

FINANCE, PERFORMANCE & WORKFORCE (FP&W) COMMITTEE ANNUAL REPORT 2018/19

1. FOREWORD

I am pleased to present the second Annual Report of the Cwm Taf UHB Finance, Performance & Workforce (FP&W) Committee under my Chairmanship. The purpose of this report is to formally report on the work of the Finance, Performance & Workforce (FP&W) Committee FP&W for the year ending 31 March 2019 in accordance with the Committee's Terms of Reference.

During the year my fellow Independent Members - Paul Griffiths, Keiron Montague and Robert Smith once again offered considerable knowledge and wide-ranging experience to the Committee. It is with great sadness that we note Robert Smith's untimely passing in May 2019. We were delighted to welcome our newest Committee Member, Dilys Jouvenat in September 2018 who has added to the range of expertise available via this Board Committee. It is with great sadness that we note Robert Smith's untimely passing in May 2019.

I would like to express my thanks to all the officers of the Committee who have supported and contributed to the work carried out and for their commitment in meeting important targets and deadlines. I also wish to record my appreciation for the support and contribution given by the Independent Members.

2018/19 was another busy year for the Committee. Meetings were well attended with constructive dialogue and questioning by members and attendees throughout. Indeed, a characteristic of the Committee's work and its related meetings has been the willingness of all parties to raise issues, acknowledge shortcomings and put forward positive suggestions to help bring about meaningful improvements to services, systems and day-to-day working practices. This approach is to be welcomed and is very much appreciated by the Committee.

Looking ahead to 2019/20 given the changes brought about by the Bridgend Transition and well as the level of escalation having increased (to 'Enhanced Monitoring' in January 2019 and further to 'Targeted Intervention' (as well as 'Special Measures' for the former Cwm Taf's Maternity Services)) we will need to ensure that the Committee adjusts its scrutiny and challenge to ensure it continues to provide the necessary assurances required by the Board around service performance in line with its remit.

I continue to advocate the promotion of a culture of continual improvement, and as usual look forward to the learning that will come from the self-assessment which is undertaken each year to reflect on the Committee's effectiveness. A reflective session was held in April 2019 to consider forward planning the work of the Committee and a proposed schedule is being considered in this respect at its June 2019 meeting.

Mel Jehu Chair of the Finance, Performance & Workforce (FP&W)

2. INTRODUCTION

The key function of the Finance, Performance & Workforce Committee (FP&W) is to provide scrutiny on behalf of the Board on all matters relating to finance, performance and the workforce. The Committee provides a level of assurance to the Board that all appropriate actions are being taken to reduce risks in these areas.

The Committee meets on a monthly basis following the Executive Board where the initial management debate / scrutiny / action is taken. Exceptional issues are presented to the Integrated Governance Committee (IGC) by the Committee Chair. There is also the opportunity to refer key risks back to the Executive Board or through reports from Committee Chair at full Health Board meetings.

Members will be aware that since October 2016, all papers relating to the Committee (unless closed or 'in-committee') are available on the Health Board website <http://cwmtaf.wales/how-we-work/finance-performance-workforce-committee/>. The Committee aims to meet up to 10 times per annum to scrutinise the Health Board's performance, financial management, workforce management and workforce planning, aligned to its Integrated Medium Term Plan commitments.

Key areas of activity for the Committee during 2018/19 are outlined below:

- Active involvement in the development and scrutiny of the refreshed 2019-2022 IMTP
- Routinely reviewed and scrutinised the Health Board's integrated performance dashboard, cancer service performance and primary care child & adolescent mental health service performance
- Routinely, reviewed and scrutinised financial performance, such as the development of savings plans and directorate budget setting and delivery of agreed savings plans including medical agency expenditure
- Reviewed and scrutinised key areas of workforce activity, including the increasing impact of workforce shortages, particularly within medical and registered nursing & midwifery staff groups, staff sickness and the mitigating actions being taken both locally and nationally
- Received annual updates regarding facilities, estates & energy performance
- Received various deep-dives analysis reports across various clinical services
- Reviewed and scrutinised the development of the Board's commissioning & contracting plan
- Reviewed and scrutinised ambulance performance and considered an update regarding winter pressures in terms of future plans and how the organisation worked with the Welsh Ambulance Services NHS Trust to improve systems
- Reviewed and scrutinised the demand and capacity plans for Ophthalmology and received an analysis on Follow-Up Not Booked outpatients
- Reviewed WAO and Internal Audit reports
- Received clinical efficiency reports in agreed key service areas
- Received deep-dive financial reports for agreed directorates and
- Reviewed assigned organisational risks.

3. MEMBERSHIP

The membership of the Finance, Performance & Workforce Committee comprises both Independent and Executive Members, enabling the Committee to provide appropriate scrutiny and assurance to the Board independently of the management decision-making processes.

The tables below outline the membership of the FP&W Committee during 2018/19:

Table 1 – Composition of Independent Members

Independent Member
Mel Jehu (Chair)
Paul Griffiths
Keiron Montague
Robert Smith
Dilys Jouvenat (from September 2018)

Table 2 – Executive Director Members

Executive Director (in attendance)
Ruth Treharne, Deputy Chief Executive / Director of Planning & Performance
Joanna Davies, Director of Workforce & Organisational Development
Steve Webster, Director of Finance
John Palmer, *Chief Operating Officer
Alan Lawrie, *Director of Primary, Community & Mental Health

*Acting positions until December 2018

Table 3 – Other Officers in attendance during 2018/19

Other Officers
Robert Williams, Director of Corporate Services & Governance / Board Secretary
Kamal Asaad, Medical Director (for Clinical Efficiency matters)
Russell Hoare, Interim Assistant Director of Facilities
Kath McGrath, Deputy Chief Operating Officer
Tim Burns, Assistance Director of Capital & Estates

Alan Roderick, Assistant Director of Performance & Information
Neil Cooper, Directorate Manager, Anaesthetics, Critical Care & Theatres & Head /Neck Services
Esther Youd, Clinical Director Pathology
Alyson Davies, Assistant Director of Therapies & Health Sciences
Neil Mahoney, Head of Finance, Unscheduled Care
Hywel Daniel, Assistant Director of Workforce & Organisational Development
Donna Hill, Medical Engagement Officer
Ruth Friel, Head of Patient Experience
Shane Evans, Head of Finance
Mark Thomas, Deputy Director of Finance
Marcus Longley, Chair
Gwenan Roberts, Head of Corporate Services and Interim Board Secretary from 1 September to 30 April 2019

Others present also included Independent Members from other Health Boards, representatives from Internal Audit, Wales Audit Office and Welsh Government.

3.1 MEETING ATTENDANCE

The Finance Performance & Workforce Committee met on 10 occasions during 2018/19:

Name	19/4	24/5	21/6	19/7	20/9	25/10	22/11	24/1	21/2	21/3
Core Membership										
Mel Jehu	√	√	√	√	√	√	√	√	√	√
Paul Griffiths	√	√	√	√	√	√	√	√	√	√
Keiron Montague	√	√	√	√	√ (IP)	x	√	√	x	√
Robert Smith	√	√	√ (IP)	x	√	√	√	√	x	x
Dilys Jouvenat					√	√	√	√	√	√
In Attendance Only										
Ruth Treharne	√	√	x	√	√	x	√	√	√ (IP)	√ (IP)
Alan Lawrie	√	√	√	√	√	x	√	x	x	x
Joanna Davies	√	√	√	√ (IP)	√	√	x	√	√	√
John Palmer	√	√	√ (IP)	√ (IP)	√	√	√	√	√ (IP)	√ (IP)
Steve Webster	√	√	√	√	√	√	x	√	√	√

The Committee does not usually convene during the months of August and December.

4. MAIN AREAS OF FINANCE PERFORMANCE & WORKFORCE COMMITTEE ACTIVITY

The agenda for each meeting follows a standard format, broken down generally into five main parts:

- PART 1 - Preliminary Matters
- PART 2 - Performance and Workforce Dashboards
- PART 3 - Finance report
- PART 4 - Items for exception reporting, information or update
- PART 5 - Forward Work Programme and items to be referred to other Committees

PART 1

Preliminary Matters

This section provides the apologies for absence, welcome and introduction, declarations of interest, previous meeting minutes, matters arising and the action log.

PART 2

Integrated Performance Dashboard

This section of the meeting reviews the Integrated Performance Dashboard, which covers all Tier 1 targets set by the Welsh Government as well as critical, local targets.

The dashboard accompanied by a covering report highlights key performance areas which include those:

- under formal escalation with Welsh Government,
- where a cause for concern to the Committee has been raised due to fluctuations in performance levels being attained,
- demonstrating considerable improvements in performance.

The Dashboard is reviewed for changes from the previous month, trends throughout the year and determines the areas that will be discussed in more detail. The report highlights areas that will be brought forward onto the 'Forward Look', which is generally determined by those areas that have shown deterioration over two consecutive months. The Director of Planning and Performance or a suitably nominated deputy presents the Integrated Performance Dashboard. Key areas for further detailed discussion are then produced for exception reporting or are requested as part of a 'deep dive' financial presentation or for clinical efficiency review and discussion. Comparative information is also presented and discussed on a quarterly basis.

Workforce and Organisational Development

Since February 2017, the Committee has received a separate Workforce and Organisational Development Dashboard report, which included information on the following key issues for the organisation and for comparison at the all-Wales level:

- Sickness absence levels
- Resourcing
- Electronic staff record
- Recruitment activity
- Training, PDRs and appraisal including job plan compliance
- Occupational health.
- Agency and locum spend

Key areas for further detailed discussion are identified by exception for additional reporting or are requested as part of a 'deep dive' presentation and discussion. To date, these have focussed on recruitment activity in particular for registered nurses and medical staff, workforce core indicators and activity underway to reduce agency spend / staff pay bill.

PART 4

Items for exception reporting, information or update

Throughout the year, various high profile issues have been presented to the Finance, Performance & Workforce Committee by way of exception. These include reports produced by Wales Audit Office on an all-Wales basis.

Other reports included:

- Winter Pressures – Lessons Learned and Future Plans
- Update on Scheduled Care action plan
- Update on the Demand & Capacity Plan – Ophthalmology
- Update on Appointments not booked
- Agency and locum spends
- Child & Adolescent Mental Health Service Performance
- Organisational Risk Register
- Cancer Diagnostics
- Deep-Dive – Urology Services
- Cancer Performance
- Interventions Not Normally Taken
- Terms of Reference and Minutes for the Efficiency, Productivity and Value Board
- First Draft of the Financial Framework for 2019-2021 Financial Planning
- Facilities Performance
- Estates & Energy Performance
- Refreshed IMTP 2018-2021
- Agency & Locum Spend.

PART 5

Forward Work Programme and items to be referred to other Committees

Items for Information/Update

Items that have previously been presented may be placed on a future agenda for a written update or further information. These are received at this point by the Committee. In addition, papers of interest to members may be included in this section.

Forward Look

The 'Forward Look' plan for the Committee is reviewed at each meeting to ensure that it is still targeted at the appropriate risk areas. Issues raised during the Health Board's monthly meetings with Welsh Government's "Quality and Delivery Group" are presented as required.

Links with Other Committees/Boards

The Directors on the Committee provide this linkage to the Executive Board. Key risk areas from Finance, Performance & Workforce Committee are highlighted at Integrated Governance and/or full Board meetings by the Committee Chair.

Key elements, including any patient specific risks, are also taken into account at the Quality, Safety & Risk Committee; an important link is made by the Chair of the Quality, Safety and Risk Committee and lead directors as appropriate.

The Committee Chair is able to refer items to other Board Committees as felt appropriate. There were no such referrals during 2018/19.

5.ACTION LOG & REPORTS TO THE BOARD

In order to monitor progress and any necessary follow up action, the Committee has developed an action log that captures all agreed actions. This has provided an essential element of assurance both to the Committee and from the Committee to the Integrated Governance Committee and the Health Board. Following each meeting of the Committee a summary report is submitted to the next Board meeting to update all Board Members as to any decisions made, referrals to other committees or particular concerns the Committee had. These are available via our website.

6.GOVERNANCE

The Committee provides an essential element of the overall governance framework for the organisation and intends to develop its function still further in the forthcoming year.

The Terms of Reference for the Committee provide a robust commitment to monitor performance, workforce and finance via the following methodologies:

- a formal escalation protocol, which allows the Committee to deal with concerns in relation to key areas of performance, ultimately bringing a matter to the attention of the UHB Board if necessary;
- the presentation of the most recent data (even where this is an un-validated position) to allow the organisation's performance to be benchmarked where necessary;
- scrutiny of efficiency measures and targets on a quarterly basis.

7.COMMITTEE ANNUAL SELF-ASSESSMENT

The Committee needs to complete an annual self-assessment and the questionnaire is presented at **Appendix 3** for further discussion.

8.CONCLUSION AND ASSURANCE TO THE BOARD

The Finance, Performance & Workforce Committee wishes to assure the Board that on the basis of the work completed by the Committee during 2018/19 **there are effective measures in place both to ensure the delivery of the key financial, workforce and performance targets and to effectively scrutinise and monitor this important area.**

There are no outstanding issues that the Committee wishes to bring to the attention of the Board. In terms of its financial responsibilities, the organisation has once again achieved a financial break-even position, which in the current time of fiscal austerity is an achievement which is to be commended.

The Three-Year Integrated Medium Term Plan (IMTP) will facilitate focussed improvements in key areas over the coming 12 months. It is envisaged that the strengthening and maturity of related processes this year, will mitigate the risks previously identified by the Committee in relation to the Health Board's tendency to commence savings schemes too late in the financial year resulting in increased savings requirements in later months which has imposed a strain on the organisation.

With regards to the key performance targets, end of year performance would in future need to include the Bridgend locality and work is ongoing to dovetail such data into the existing systems from the former Cwm Taf University Health Board to enable the production of information for the new Cwm Taf Morgannwg University Health Board area.

A Committee Development Session was held in April 2019 to consider the work programme of the Committee going into 2019/20 and a commitment was given to developing a schedule for the coming year. At the time of writing, this is due to be considered at its meeting on 20 June 2019.

SELF-ASSESSMENT CHECKLIST 2018/19

The primary purpose of this annual self-assessment is to consider the effectiveness of the Committee. It also includes a section on you and your role on the Committee.

Finance, Performance and Workforce Committee

	Yes (✓)	No (✓)	Don't Know (✓)	Comments
Part A (The Committee)				
Composition and Establishment				
1. Does the Committee have written terms of reference that adequately and accurately define its role, purpose and accountabilities?	✓			
2. Have the terms of reference been adopted by the Board?	✓			
3. Are the terms of reference reviewed annually to ensure they remain fit for purpose?	✓			
4. Does the Committee have an annual work plan in place? If yes, is it reviewed regularly?	✓ ✓			
5. Has the Committee been provided with sufficient membership, authority and resources to perform its role effectively and objectively?	✓			
6. Does the Committee have the requisite number (4) of Non Officer Members?	✓			
7. Does the Committee monitor its attendance?	✓			
8. Is the Committee membership appropriate, in terms of available skills, expertise? If no, please elaborate within comments section.	✓			Committee currently has a vacancy (LA). In the last six months new Local Authority Member has joined the Committee bring further dimension to its skills and experience.
9. Is there effective scrutiny and challenge from all Committee Members?	✓			Independent Membership has been refreshed in the past 12 months, providing a new focus. Following a brainstorming session at the April 2019 meeting, the Committee commissioned Executives to undertake a review of benchmarking with a view to enabling a focus on areas where there value/no value. Executive Directors would also be identifying the emerging areas of concern from their perspective.
10. Does the board review the progress and outputs of the Committee?	✓			
11. Does the Committee report regularly to the Board verbally and through minutes and make clear recommendations when necessary?	✓			

	Yes (√)	No (√)	Don't Know (√)	Comments
12. Does the Committee periodically assess its own effectiveness?	√			
13. Can members give appropriate feedback on the effectiveness of the Chair and the Secretary?	√			
14. Has the Committee determined the appropriate level of detail it wishes to receive from reports?	√			
15. Does the Committee receive the appropriate level of timely and accurate information to allow it to fulfil its role?	√			
16. Does the Committee have sufficient time to cover its business?	√			
17. Does the committee effectively monitor – or ensure monitoring of - agreed actions? e.g. by use of the action grid	√			
18. Are members particularly those new to the Committee, provided with training?	√ (see comments)			It was felt that further training and support needed to be provided to Independent Members outside Committee meetings so that they were of what information was available. Triangulation with soft intelligence gathered from walkabouts, financial information etc. is also important in providing a full picture of a particular service.
19. Has the Committee formally considered how it integrates with other committees and groups?	√			Health Board Chair is looking at relationship with Integrated Governance Committee with a view to further developing/enhancing this.
20. Where they exist, does the Committee receive timely and appropriate feedback from its sub-groups ?			NA	
21. Does the Committee provide clear direction to its sub-groups?			NA	
22. Does the Committee produce an Annual Report of its work?	√			
23. If yes (to Q 22) - Do all members contribute to and review the committee's Annual Report?	√			
24. Does the committee have a mechanism to keep it aware of topical issues?	√			
25. Does the committee have a mechanism to keep it aware of any related legal / regulatory guidance?	√			
26. Does the committee receive timely exception reports about the work of external regulatory and inspection bodies?				At present the Committee may receive referrals as appropriate from other Board Committees where particular issues have been raised in

	Yes (√)	No (√)	Don't Know (√)	Comments
				external regulatory and inspection body reports.
27. Does the committee receive timely information on performance concerns?				The Committee and the Health Board receive detailed Performance Reports in terms of organisational delivery targets, finance and workforce metrics. Further work is needed around the development of an organisational performance framework.
28. Are all these reports clear, concise, readily understood?	√			
29. Is the Committee able to refer matters outside its own jurisdiction and if yes, is any feedback reviewed on such matters?	√			
30. If considered appropriate, does the Committee escalate matters to the Integrated Governance Committee?	√			
31. If considered appropriate, does the Committee know the process to be followed should it need to escalate matters to the Board?	√			
32. In relation to the Board Assurance Framework and the Organisation's Risk Register, does the Committee appropriately review the risks assigned to it?	√			
33. Does the committee meet the appropriate number of times to deal with planned matters, development and liaison?	√			
34. Are arrangements in place to call ad hoc meetings when necessary?	√			
35. Are committee members notified of urgent matters when appropriate?	√			
36. Does the committee make the organisation aware of issues of staff capacity and skills that impact on the running of the committee?	√			
37. Is the committee aware of the costs of its operation?	√			
38. Are the Committee's costs appropriate to the perceived risks and benefits?	√			
39. Are papers circulated in good time and are minutes and agreed actions, received as soon as possible after meetings?				Whilst every effort is made to circulate papers a week in advance of the meeting, these are not always available in time to allow this. The Executive Team need to adopt further discipline to enable papers to be finalised in good time ahead of meeting.
40. How does the Committee ensure that its work is fully conveyed to the Board and wider organisation?	√			

	Yes (√)	No (√)	Don't Know (√)	Comments
41. Is the work of the committee duplicated elsewhere in the organisation? if yes, please elaborate.				There is some degree of duplication between the Board Committees which need to be worked through as there is inevitable cross over on certain issues.
42. Do you consider the Committee to be effective in discharging its terms of reference?	√			
43. Do you have any suggestions on how the work of the Committee could be improved or strengthened?	√			Any suggested improvements are listed in this self assessment and will be worked through over the next twelve months.
PART B - Effective Functioning - individual members				
44. What is your role on the Committee? <ul style="list-style-type: none"> • Independent Member • Officer member • Executive Director • Senior Manager • External stakeholder • Other (state in comments column) 				Committee Members to feedback to Gwenan Roberts.
45. Do I have sufficient understanding and knowledge of the issues covered within the terms of reference of the Committee?				
46. Do I appropriately challenge Executives and management on critical and sensitive matters?				

Please return completed self-assessment checklist to Robert Williams
Robert.Williams@wales.nhs.uk