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Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

Finance, Performance & Workforce (FP&W) Committee

Annual Report 2019/20

FINANCE, PERFORMANCE & WORKFORCE (FP&W) COMMITTEE ANNUAL REPORT 2019/20

1. FOREWORD

I am pleased to present the third Annual Report of the Cwm Taf Morgannwg 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 2020 in accordance with the Committee's Terms of Reference.

During the year my fellow Independent Members - Paul Griffiths, Keiron Montague and Dilys Jouvenat once again offered considerable knowledge and wide-ranging experience to the Committee. We were delighted to welcome our newest Committee Member, Ian Wells in September 2019 who has added to the range of expertise available via this Board Committee. Ian has replaced Keiron Montague as the Independent Member due to the changes made in the revised membership of the Sub Committees of the Board. I would like to extend my thanks to Keiron for the valuable contribution he has made to the Committee during his period of membership.

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.

2019/20 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.

During June 2020 the Board approved changes to the Committee structures and remits. The Committee has now been renamed the Planning, Performance and Finance Committee with the Workforce

element now being considered at the new People & Culture Committee.

Looking ahead to 2020/21 given the level of escalation having increased from 'Enhanced Monitoring' to 'Targeted Intervention' (as well as 'Special Measures' for the former Cwm Taf's Maternity Services) we will need to ensure that the Committee continues to robustly scrutinise 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 with the proposed schedule approved at the June 2019 meeting.

Mr Mel Jehu
Chairman 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 Management 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.

As of July 2020 and due to the revised structures and remit of the Board Sub Committees, the newly formed Planning, Performance and Finance Committee will meet quarterly (or at least 4 times per year).

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 2019/20 are outlined below:

- Active involvement in the development and scrutiny of the 2020-2023 IMTP
- Routinely reviewed and scrutinised the Health Board's integrated performance dashboard, cancer service performance and primary care child & adolescent mental health service performance
- Reviewed and scrutinised a performance report for the Bridgend area
- Routinely, reviewed and scrutinised financial performance, such as the development of savings plans, directorate budget setting, delivery of agreed savings plans including efficiency savings and the Monthly Monitoring Returns to Welsh Government
- Reviewed and scrutinised key areas of workforce activity, including Occupational Health and Wellbeing Services, Culture and Organisational Development, Statutory and Mandatory Training and the increasing impact of workforce shortages, particularly within medical and dental agency and Locum deployment, registered nursing & midwifery staff groups, staff sickness and the mitigating actions being taken both locally and nationally
- Reviewed and scrutinised implications of HMRC Tax and Pension Changes
- Reviewed and scrutinised NWIS Clinical Coding
- Reviewed and scrutinised key risks within the CTM UHB Emergency Departments
- Received annual updates regarding facilities, estates & energy performance
- Received various deep-dives analysis reports across various services including Urology and Cancer Services, Sickness Absence, Princess of Wales Hospital, and Nurse Staffing Expenditure
- Received and discussed a report on Urgent Primary Care (GP Out of Hours) Service Transformation Programme
- Reviewed and scrutinised the development of the Board's commissioning & contracting plan
- Reviewed and scrutinised the demand and capacity plans for Follow-Up Not Booked outpatients
- Reviewed assigned organisational risks.

3. MEMBERSHIP

Only the Independent Members are formal members of the Committee, however, they are joined at the meeting by Executive Directors and other Senior

Officers as appropriate. Other Independent Members from other Health Boards, representatives from Internal Audit, Audit Wales and Welsh Government have also attended the meetings on occasions.

The role of the Independent Member of the Committee is 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 2019/20:

Table 1 – Composition of Independent Members

Independent Member
Mel Jehu (Chair)
Paul Griffiths
Keiron Montague (Until July 2019)
Robert Smith (until April 2019)
Dilys Jouvenat
Ian Wells (from September 2019)

3.1 MEETING ATTENDANCE

The Finance Performance & Workforce Committee met on 9 occasions during 2019/20:

Name	18/	23/	20/	25/0	19/	24/1	21/1	21/	20/2
Core Membership									
Mel Jehu	√	√	√	√	√	√	√	√	√
Paul Griffiths	√	√	√	√	√	√	√	√	√
Keiron Montague	X	√	√						
Robert Smith	√								
Dilys Jouvenat	√	√	X	√	√	√	√	√	X
Ian Wells					√	√	√	√	X
In Attendance Only									
Ruth Treharne	√	√	√	√	√	√	X	√	√ (IP)
Alan Lawrie	X	X	√	X	X	√	X	√	√
Joanna Davies	√	X							

Anne Phillimore			✓	✓	✓	X	✓	✓	✓
John Palmer	✓	✓	✓	X	✓	✓	✓	✓	X
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 focused on recruitment activity in particular for registered nurses and medical staff, workforce core indicators and activity underway to reduce agency spend / staff pay bill.

As of June 2020 the Workforce Dashboard will now be scrutinised by the newly formed People and Culture Committee, in line with the revised changes to Sub Committees of the Board.

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
- Update on Appointments not booked
- Agency and locum spends
- Child & Adolescent Mental Health Service Performance
- Organisational Risk Register
- Cancer Performance

- First Draft of the Financial Framework for 2019-2021 Financial Planning
- Facilities Performance
- Estates & Energy Performance
- Refreshed IMTP 2019-2023
- 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 were highlighted at Integrated Governance and/or full Board meetings by the Committee Chair.

Key elements, including any patient specific risks, were 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. During this period the following referrals were made:

- Clinical Coding Report – Referred to Audit Committee, Information, Communication and Technology Committee and Quality, Safety and Risk Committee

5. ACTION LOG AND REPORTS TO 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 unvalidated position) to allow the organisation's performance to be benchmarked where necessary;
- scrutiny of efficiency measures and targets on a quarterly basis.

It is important to note at the time of writing this report terms of reference have been developed to support the Planning, Performance & Finance Committee.

7. COMMITTEE ANNUAL SELF-ASSESSMENT

The Committee needs to complete an annual self-assessment which is undertaken via Survey Monkey.

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 2019/20 **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 focused 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.

To support the Health Board's response to the Covid-19 Pandemic, non-essential work was necessarily reduced, in order to free capacity, and allow staff to focus and prepare for a COVID-19 emergency response. The 'Resetting Cwm Taf Morgannwg' Operating Framework 2020/2021 responds to the Health Boards need to rebalance the response to COVID-19, with the clear need to deliver essential health and care services for our population; all the while, protecting the health and well-being of staff. The draft Operating Framework for 2020/21 was submitted to Welsh Government on and approved by the Board on the 28 May 2020. Quarterly updates would now be reviewed by the Committee moving forward.

With regards to the key performance targets, end of year performance now includes 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.