

CONFIRMED MINUTES OF THE MEETING OF THE FINANCE AND PERFORMANCE COMMITTEE (OPEN SESSION) HELD ON 18 July 2022 VIA TEAMS

Chair: Professor Kevin Davies

PRESENT :

Professor Kevin Davies	Non Executive Director
Bethan Evans	Non Executive Director
Ceri Jackson	Non Executive Director

IN ATTENDANCE:

Lee Brooks	Executive Director of Operations
Andy Haywood	Director of Digital Services
Wendy Herbert	Interim Director of Quality and Nursing
Philippa Fido	Internal Audit NWSSP
Jonathan Jones	Internal Audit NWSSP
Rachel Marsh	Executive Director of Strategy, Planning and Performance
Trish Mills	Board Secretary
Steve Owen	Corporate Governance Officer
Hugh Parry	Trade Union Partner
Liz Rogers	Deputy Director of Workforce and Organisational Development
Leanne Smith	Assistant Director for Digital and Analytics
Chris Turley	Executive Director of Finance and Corporate Resources
Damon Turner	Trade Union Partner

APOLOGIES

Julie Boalch	Head of Risk and Deputy Board Secretary
Navin Kalia	Deputy Director of Finance and Corporate Resources
Joga Singh	Non Executive Director

43/22 PROCEDURAL MATTERS

The Chair welcomed all to the meeting and reminded attendees that the meeting was being audio recorded. The declaration of interests in respect of Professor Kevin Davies as a Trustee of St John Ambulance Cymru and Ceri Jackson as a Trustee of the Stroke Association were noted. Apologies were received from Julie Boalch, Navin Kalia and Joga Singh.

Minutes

The minutes of the open session held on 16 May 2022 were considered by the Committee and agreed as a correct record.

Action Log

The action log was considered:

Action Number F&P 1/21-22, the Quality, Patient Experience and Safety Committee (Quest) to undertake a focused review of performance related to clinical outcome metrics at their 17 February 2022 meeting. This action had been transferred to the Quest Committee; an update will be given to the Finance and Performance Committee following completion of the action by Quest.

Action Number: 34/22a, Post Production Lost Hours - Deep Dive report, presentation to be given to the Commissioners. Action now closed.

Action Number 34/22b, PPLH Benchmarking, further details on the best performing service and their reporting process. Rachel Marsh advised that a comparison was being made with one of the English ambulance services who appeared to have a lower PPLH than the Trust's; a further update would be provided at the next meeting.

RESOLVED: That

- (1) the Minutes of the meeting held on 16 May 2022 were confirmed as a correct record; and**
- (2) the declaration of interests and apologies as stated were noted.**

44/22 OPERATIONS QUARTERLY REPORT

In the absence of Lee Brooks (who attended late due to operational pressures at the time) the report was presented as read and the Committee made the following comments:

1. The Trust recognised the prolonged Resource Escalation Action Plan (REAP) levels and should be wary not to normalise these periods of escalation.
2. It would be of interest, from an operational perspective, to note the handover times at Emergency Departments in England as a consequence following correspondence from the Chief Medical Officer and the Chief Nursing Officer to Health boards in England.
3. In terms of the 111 press 2 mental health service, what was the level of activity/usage during operational hours? Rachel Marsh explained this had been discussed at the last Executive Management Team (EMT) meeting and that the data was captured by Health Boards. The Trust captured the data whereby calls had failed and came back into the 111 service.

RESOLVED: That the Committee noted the report.

45/22 FINANCIAL POSITION MONTH 3

Chris Turley gave an overview of the report and brought the following highlights to the Committee's attention:

1. The year to date month 3 revenue financial position reported a small underspend against budget of £0.002m.

2. The forecast for 2022/23 was currently one of a breakdown taking into account increasing risks.
3. Capital expenditure was forecasted to be fully spent. Work was ongoing to establish cash flows which reflected the profiles of projects noting that schemes were progressing well.
4. In terms of financial performance by directorate, there were some variances, but broadly speaking they were on target.
5. The Trust was assuming significant income in the region of £7m which would fund in the main exceptional cost pressures, including utilities and fuel, and the continuation of Covid spend. It had not been confirmed at present that Welsh Government would cover these funds but were still to be assumed, and was still a risk.
6. Other financial risks included costs associated with winter pressures and the under achievement of savings. Further risks had emerged through quarter 1 including a significant increase in final pension costs due to a large number of staff retiring at this time. Other costs related to the further extension of the airwave contract. In light of the impact of the overall cost pressures across the UK, the Trust will continue to consider areas of spend which could be curtailed.
7. Members noted that the Trust's final accounts and annual report for 2021/22 had been submitted by Audit Wales to Welsh Government on 15 June 2022.

Comments:

1. Should the Trust recognise the financial risk against the non delivery of the transformation plan; if funding was not secured? Rachel Marsh explained that the transformation would take time and was very mindful should the funding not happen.
2. In terms of the increase in pension costs was there any data to suggest the reason for the dramatic increase. Liz Rogers advised in the absence of any evidence to hand, it was suggested that the likely cause was due to the change in the pension rule which was financially advantageous to some.

RESOLVED: The update was noted.

46/22 FINANCIAL SUSTAINABILITY WORK PROGRAMME

1. Chris Turley explained that the Trust was required to produce a robust and balanced financial plan, underpinned by a savings and efficiency plan, a key deliverable of the Integrated Medium-Term Plan (IMTP).
2. In order to support delivery of a transformative financially sustainable savings programme, four Financial Sustainability Workstreams (FSW) have been set up covering the topics of Benchmarking Value, Achieving Efficiency, Income Generation and Best Practice. These will report, as a separate programme of work, into the Strategic Transformation Board.
3. These workstreams were underpinned but a robust governance structure.

Comments:

1. The Committee discussed the Trust's appetite for risk in terms of the financial performance; noting that exceptional financial management had been achieved throughout the years. Chris Turley added that the Trust was well aware of the risks affecting financial performance and going forward was looking to mitigate the risks, especially those within the Trust's own gift.
2. The Committee recognised that Value based healthcare overlapped across the workstreams; Chris Turley explained this was kept separate deliberately from the workstreams as there was a number of specific areas being focused on it.

RESOLVED: That the Committee noted the establishment of the FSWs and the detailed points within the Terms of Reference for the Financial Sustainability Workstreams.

47/22 MONTHLY INTEGRATED QUALITY AND PERFORMANCE REPORT

1. Rachel Marsh outlined the contents of the report noting that in many areas there was a continued poor picture in terms of the quality and safety of the service that the Trust can provide, and concerns were raised again as to the significant impact this had on patients and staff.
2. It remains critical to patient safety and staff morale that handover lost hours – 23,000 hours lost in June - were reduced. It was recognised the Committee would continue to monitor the actions in place to address this as set out in the separate paper from the Chief Executive to the Board at this meeting.
3. The Committee also noted that discussions around summer modelling suggested that this position would not improve in the short term and the patient safety risks would continue to be carried by the Trust.
4. Members also considered the annual review of the metrics which formed the MIQPR. There was a series of changes proposed following agreement at the last Executive Management Team meeting. The Committee were given details of these which included new indicators on the stroke compliance bundle. Other proposed changes to metrics focussed on amalgamating the factors that affected production and capacity. Further work would also look at the conveyance rate metric in more detail. These were supported by the Committee and the Chair of the Quality, Patient Experience and Safety Committee, and would be finalised following discussions with the Chair of the People and Culture Committee.

Comments:

1. The Committee remained gravely concerned regarding the 23,000 hours lost in June. Rachel Marsh added that the Chief Ambulance Services Commission (CASC) had agreed with health boards to set their hand over trajectories to 25% less than they were last October, which was still significant. The Trust remained ambivalent as to whether this would happen by the end of the year.
2. Clarity was sought on the increase in patient safety incidents in June in terms of the numbers for each of the health boards. Wendy Herbert advised that these details

would be contained in a report going to the next Quest Committee. There was however a focus on Cwm Taf and BCU health boards.

3. In terms of the summer and winter modelling was there any information that could be shared. Rachel Marsh commented it was anticipated performance would not improve in the summer months.
4. Lee Brooks updated the Committee on the current position, Red performance was at 51.9% which was still a long way from the target of 65%. The median Amber month to date was at 1 hour and 58 minutes, which if it remained this figure to the end of the month would constitute the worst on record. The median green position was at 1 hour and 53 minutes and should this remain it would be the second worst month on record. The lost ambulance hours were still generally between 5,600 and 5,800 a week. The average handover delay in July was around 2 hours and was higher than May and June.
5. In terms of the summer modelling, he expressed serious concern that red performance had the potential to worsen going forward. There were several initiatives in hand which were designed to improve performance but unless the handover delays were eradicated these initiatives would be futile. The Committee discussed in which forum the summer modelling would be discussed and it was agreed it would be presented in the private session of the Board.
6. The Committee were particularly distressed at the data being presented and collectively voiced their anxiety and concern with the ever worsening situation. Lee Brooks reiterated the unrelenting challenges and his deep sorrow on how the current performance was personally affecting him and the impact on staff and patients alike. The Chair agreed to escalate these messages and concerns to the Chair of the Board.
7. Members suggested it would be useful to understand the amount of prolonged overrun hours sustained by staff which could end up with staff working a 14 hour or longer shift and the Board be apprised of this. Rachel Marsh explained this information would be contained within the overall suite of metrics and agreed to discuss this particular metric with the Chair of the People and Culture Committee going forward.
8. Following a query in respect of urgent hospital transfers, and whilst there were no specific metrics to measure this, Rachel Marsh advised that work was being undertaken as part of the strategy to include this as a metric for next year.
9. In terms REAP levels the Committee were reminded by Lee Brooks that this was an indication of the pressure being sustained by the Trust at any given time. He added that REAP level 4 was an extraordinary position, noting that the Trust, during Covid remained at that level for a significant amount of time.

RESOLVED: The Committee considered the May/June 2022 Integrated Quality and Performance Report and actions being taken and determined whether:

a) the report provided sufficient assurance;

b) whether further information, scrutiny or assurance was required, or

- c) further remedial actions were to be undertaken through Executives; and
- d) considered the proposed new metrics and endorsed for onward approval to the Board.

48/22 INTEGRATED MEDIUM TERM PLAN (IMTP) UPDATE

Rachel Marsh presented the report as read and gave an update on the actions and assured the Committee there were no major risks at this stage in terms of delivery

Comments:

What was meant by Robotic Process Automation? Andy Haywood explained it was a computer programme that used artificial intelligence to log on to any system and run tasks assigned to it such as repeatable processes.

RESOLVED: That the Committee noted the IMTP Delivery Assurance Report and the headlines highlighted in the executive summary;

49/22 RISK MANAGEMENT AND CORPORATE RISK REGISTER

1. Trish Mills informed the Committee there were currently 16 Corporate Risks on the register, 9 of which were assigned to FPC for oversight, and these were described in the summary table appended to the report. The table also illustrated the re-articulation of each of the Corporate Risks including new titles and summary descriptions, utilising an '*if, then, resulting in*' approach, the Executive Owner of the Risk and the Risk score with any changes that have occurred during the period.
2. Of the 9 risks assigned to the Committee, 6 were in higher scoring category and 1 which had increased in score from 15 to 16, Risk ID (245 Failure to have sufficient capacity at an alternative site for EMS Clinical Contact Centres (CCCs) which could cause a breach of Statutory Business Continuity regulations)
3. The Committee were briefed on the risk reporting timetable which gave details of when the risks would be reported to the relevant Committee

Comments:

In terms of Risk ID 260, (A significant and sustained cyber-attack on WAST, NHS Wales and interdependent networks resulting in denial of service and loss of critical systems) Andy Haywood updated the Committee on how the Trust liaised with other organisations such as Digital Health Care Wales.

RESOLVED: The Committee considered the contents of the report and:

- (1) Discussed the risks relevant to Committee;
- (2) Noted the improved Board Assurance Framework;
- (3) Noted the adoption of the new nationally agreed Risk Matrix including scoring levels, review schedules and risk descriptors; and

(4) Noted the 2022/23 Risk reporting timetable.

50/22 ENVIRONMENT AND SUSTAINABILITY UPDATE

The Committee were updated by Chris Turley who drew their attention to the following areas:

1. A more detailed reporting mechanism in terms of delivery against each of the decarbonisation action plan was being finalised and should be in place for the next meeting.
2. A bid had been submitted to WG for funding to support some of the Trust's delivery on these actions, but as yet had not been agreed.
3. An internal NHS Wales wide audit on the preparedness and delivery of decarbonisation will be conducted this year.
4. The first batch of plug in hybrid rapid response vehicles would be going live imminently.

RESOLVED: That the Committee noted the update.

51/22 INTERNAL AUDIT TRACKER REPORT AND RELATED AUDITS

1. Trish Mills, in introducing the report advised there were 3 completed internal audit reports; Network and Information Systems (NIS) Directive, Service Reconfiguration and Waste Management attached to the report and had been presented to the Audit Committee in June.
2. There were 16 internal audit reviews relevant to the FPC which were included in the 2022/23 Internal Audit Plan
3. At the time of issuing the paper, there were a total of 95 current internal audit recommendations on the tracker. 27 recommendations were marked as complete at the June 2022 Audit Committee and removed from the tracker.

Comments:

In terms of the taking care of the carers national audit, it was agreed Trish Mills would have this reviewed and update the reasons against it for the next meeting.

RESOLVED: The Committee;

- (1) Noted and considered the contents of the report,**
- (2) Considered the Trust's proposals to address each recommendation with the inclusion of revised completion dates, specifically focussing on those relevant to FPC;**
- (3) Agreed any specific items that the Committee wished to see raised to Senior Management and Audit Committee; and**

(4) Received the 3 Internal Audit Reports that were presented to the Audit Committee in June 2022.

52/22 BUSINESS CONTINUITY ASSESSMENT JUNE 2022

Lee Brooks drew the Committee's attention to the following points:

1. Business continuity was the ability of an organisation to continue the delivery of services to a pre-agreed level following disruption. The Trust is commissioned to provide certain services, but it is also a requirement of the Civil Contingencies Act (Cabinet Office, 2004) and the Welsh Government 'Emergency Planning Core Guidance' (2015) that the Trust have the ability to continue to deliver these core services and activities.
2. The Business Continuity Steering Group has continued to meet and this group monitored and managed the ongoing activity; however during Covid the capacity to hold this was somewhat constrained.
3. An e learning package has been shared with business continuity leads and a task and finish group has been established to consider wider training.
4. Exercises have taken place to test plans, notably Pandemic Flu (now Pandemic) plan at the start of COVID, Winter/Seasonal planning, and Exercise Fuchsia Flamingo which looked at staff abstraction based on pandemic planning assumptions.
5. Scoping started in September 2021 leading to Exercise Joshua in March 2022. This exercise gave structure to the proposed Critical ICT Disruption plan which will be tested in Exercise Joshua 2 in July 2022.
6. There had been some recommendations for business continuity software and how that could aid and support the Trust; this continued to be looked at.
7. A tracker was being developed to monitor business continuity plans in each directorate.

RESOLVED: The Committee

- (1) NOTED the review of the Trust Business Continuity Management System to assist in identifying and mitigating risks through a structured process and putting robust plans in place;**
- (2) NOTED the review of the business case to support the implementation of Business Continuity software (initially costed at £100,000 revenue cost for a 5 year package or £22k per annum); and**
- (3) NOTED the system mapping to identify priority digital infrastructure and systems and strengthening cross-department working to highlight interdependencies.**

53/22 EMERGENCY PREPAREDNESS, RESILIENCE AND RESPONSE (EPRR). DOCUMENT TRACKER

1. Members were advised by Lee Brooks that the EPRR team maintained a register of the plans it had produced to mitigate the risks presented to the Trust. This register does not include Trust plans, procedures or policies managed by other departments within the Trust. This register only covers the plans that the EPRR team were responsible for maintaining.
2. The EPRR team was responsible, in line with the Civil Contingencies Act 2004, for assessing the risks presented to the Trust and for putting in place measure and procedures to mitigate the identified risks.
3. Lee Brooks added that his team was awaiting the output from the Manchester Arena Enquiry to see how the Trust would need to respond to it. The Committee looked forward to receiving this update.

RESOLVED: The Committee noted the update.

55/22 KEY MESSAGES

The Chair advised that the Board would be apprised of, but not limited to the following:

1. Impact on patients and staff
2. Reality of the financial risk which might impact on the transformational agenda
3. Risk appetite and how the Trust should look at risk
4. Decarbonisation

Date of next meeting: 19 September 2022