

**Minutes of the Public Finance & Performance Committee Meeting
22 January 2025
Via MS Teams**

To view a recording of this meeting, please [click here](#).

Chair:		
John Union	JU	Independent Member – Finance / Committee Chair
Present:		
Ceri Phillips	CP	CAV UHB Vice Chair
Charles Janczewski	CJ	CAV UHB Chair
David Edwards	DE	Independent Member - Digital
In Attendance:		
Andrew Gough	AG	Deputy Director of Finance (Strategic)
Robert Mahoney	RM	Deputy Director of Finance (Operational)
Catherine Phillips	CP	Executive Director of Finance
Matt Phillips	MP	Director of Corporate Governance
Paul Bostock	PB	Chief Operating Officer
Secretariat:		
Nikki Regan	NR	Corporate Governance Officer
Apologies:		
Steve Riley	SR	Independent Member - University
Rachna Upadhya	RU	Independent Member - General

Ref:	Agenda Item:	Action:
FPC 22/01/001	Welcome & Introduction (click to view) The Committee Chair (CC) welcomed everyone to the meeting.	
FPC 22/01/002	Apologies for Absence (click to view) Apologies for Absence were noted. The Finance and Performance Committee resolved that: a) Apologies for Absence were noted.	
FPC 22/01/003	Declarations of Interest (click to view) No Declarations of Interest were noted.	
FPC 22/01/004	Minutes of the Finance and Performance Meeting held on 20th November 2024 (click to view) The minutes of the meeting held on 20 th November 2024 were received and confirmed as a true and accurate record. The Finance Committee resolved that: a) The minutes of the Finance and Performance Committee meeting held on 20 th November 2024 were held as a true and accurate record of the meeting.	
FPC 22/01/005	Actions following the Finance & Performance Meeting on 20th November 2024 The Action log had no actions outstanding. The Finance and Performance Committee resolved that: a) The Action Log for the Finance and Performance Committee was noted.	
FPC 22/01/006	Chairs Action since previous meeting (click to view) There were no Chair's Actions taken since the last meeting	
FPC 22/01/007	Financial Report – Month 9 Position & Savings Plan Progress (including Savings Tracker) – (click to view)	

The DDFO gave an update on the Financial Report for Month 9 and highlighted the following:

- The initial forecast for the year was a £15.9m deficit, reported to Welsh Government at the start of the year but due to severe financial pressures, this was revised to £34.5m overspend by the end of the financial year
- Welsh Government issued additional funding (£6.8m), which adjusted the expected deficit to £9.1m
- The revised forecast following receiving the funding was adjusted to £27.7m but was not accepted by Welsh Government

The following key financial pressures were highlighted:

- Higher than anticipated bed base due to increased admissions and inability to close beds
- The savings program had delivered £36m, which was £11m less than planned
- The pay funding for bank staff was not met by Welsh Government
- Additional Mental Health patients were placed in to out of area placements

The following emergency recovery actions were put in place for CAV UHB:

- A vacancy freeze was put in place across all staff groups
- The UHB has sought to use the hours owed from staff rather than use variable pay
- All non-essential travel, subsistence, training and study leave has stopped
- All stock holding on wards was to be reviewed
- Daily Executive meetings were taking place to monitor KPI's and to ensure delivery of actions

The CC asked about the revised deficit and inquired about the regularity of meetings and how the data would show the outcome of the actions related to the revised deficit of £27.7m.

The DDFO explained that a programme was formed with key senior staff who were establishing a new centralised information system for all data. He continued to highlight the following:

- The financial performance was summarized with a forecast deficit of £27.7m by the end of the year.
- Key risks include failing to manage budget pressures and hitting the recurrent cost program, both moved to maximum risk.
- Outstanding major allocations from Welsh Government include pay uplifts and other allocations, contributing to the cash squeeze.
- Public sector compliance maintained above the 95% target.
- Capital management is busy, with efforts to maximize the available capital resource limits.

The UHB Chair thanked the team for the report and highlighted that the CAV UHB Board agreed to the £27.7m deficit forecast but WG did not approve the excess. He highlighted that CAV UHB were determined to deliver patient safety and reduce costs where possible.

The EDF echoed the need for CAV UHB to manage within the resource allocated and how we balance the safety and concerns for patient needs.

The Finance and Performance Committee resolved:

- The reported year to date overspend of £27.501m and the forecast deficit of £9.100m was noted and;
- The month 9 operational overspend against plan of £11.126m with a further £9.550m savings gap was noted and;
- The progress against the savings target, with £36.062m (76%) of green and amber schemes identified at Month 9 against the £47.2m target was noted and;
- The forecast request to Welsh Government for £27.7m strategic and £35.541m working cash support in 2024/25 was noted and approved;
- The delivery of the forecast is predicated on the confirmation of all expected income streams including Welsh Government anticipated allocations and LTA performance income was noted.

[Operational Performance Update \(click to view\)](#)

The COO presented the Operational Performance Update and highlighted the following:

- The MAG (Medical Advisory Group) meeting took place and it was noted that CAV UHB were struggling to deliver to the standards that were set out
- CAV UHB continued to be the best performing Health Board in Wales for Urgent & Emergency Care.
- The increased length of stay in medicine was identified as a major issue, with medical outliers and a congested bed base contributing to the problem.
- A spike of activity during November 2024 resulted in medical patients placed in the incorrect area and 160 beds were closed due to flu
- CAV UHB have 20 long staying patients with the average length of stay at 251 days
- Actions being taken included an organisational reset to ensure patients were seen twice a day by consultants and only consultants can admit patients and request diagnostics.
- Cardiff and Vale UHB remained the best in NHS Wales for cancer care, with October performance at 72.5% and November at 66.8%.
- The drop-in performance was attributed to issues with breast capacity, urology, and lower GI, which were being addressed with new staff and job plan changes.

The UHB Chair referred back to urgent and emergency care and was concerned with staff feeling demoralised and added that we need to recognise how hard they work and this committee needs to recognise the contribution these staff make to the UHB.

The COO noted that MAG commented that CAV UHB were doing incredible work within A&E. He added that the demoralising feeling came from the metrics and performance data but we need to help lift them up and reset ourselves. He continued to highlight the following:

- The target was to have no more than 1,200 patients waiting over two years by the end of March. Currently, there are 3,700 patients waiting over two years.
- Efforts were being made to treat the remaining patients within the next 10 weeks, with a focus on emergency, time-critical, and long-waiting patients.
- Endoscopy waiting times remain a significant challenge, with limited financial support from Welsh Government.
- £900k was allocated to address the backlog, but a long-term solution was needed.
- Non-obstetric ultrasound waiting times had improved, with a recent reduction of 300 patients on the waiting list but 9000 patients remained to be seen

The UHB Chair questioned the timing of the Endoscopy work and when this committee and the Board could look for some assurance. He suggested to see a deep dive on Diagnostics to demonstrate that the UHB were working towards our goals. He requested for these figures to be shared on the weekly figures shared with the IM's.

The CC noted the colonoscopy waitlist had increased and asked what issues there were?

The COO explained CAV UHB previously sourced work with the unit at Llandough costing £2.5m per year. He explained that the number of patients waiting over 8 weeks for a colonoscopy had increased. The main issues contributing to this were:

- A significant capacity mismatch between demand and the number of available endoscopists.
- Prioritization of cancer pathway patients, surveillance patients, and bowel screening over those waiting for routine diagnostics.
- The use of insourcing to manage the workload, costing £700,000 per quarter, primarily to keep up with cancer and surveillance work.
- despite efforts to address the backlog, the financial constraints and recruitment challenges have made it difficult to improve the situation significantly.

The UHB VC highlighted feedback he received from a patient who attended the endoscopy unit on a Sunday and had exceptional service.

The COO mentioned that the physical capacity to perform endoscopy work exists, but the main issue is the lack of available endoscopists to carry out the procedures. This capacity includes the physical rooms and facilities needed for endoscopy, but the shortage of qualified staff has been a significant barrier to meeting the demand. He continued to highlight the following:

	<ul style="list-style-type: none"> • Mental Health continued to have a high number of out of area patients and CAV UHB were investigating why this was happening • There continued to be an improved performance in adult & children's Mental Health • There were a number of GP practises in escalation, with CAV UHB looking to reset the relationship with the GP services • Community care saw 6300 patients more than EU in December 2024. • Required to deliver on our controlled total and create our plan for 2025/26 <p>The UHB Chair mentioned place-based care during the meeting and offered support on this topic. He noted that during the Cardiff PSB meeting, there was a discussion about "total place," and they have access to an expert in the field who could provide valuable input. He offered to arrange an introduction to this expert to help with the place-based care initiative.</p> <p>The UHB VC discussed the Cahill formula, noting that it had been around for a long time and does not favour their current situation. He mentioned the need for a more appropriate formula that would result in better allocations for their practices. He acknowledged the difficulty in changing the formula due to the potential impact on other areas but emphasized the importance of making it fairer.</p> <p>The CE agreed with the UHB VC points regarding the Cahill formula. She mentioned that the current formula does not meet their needs and suggested working with colleagues in Welsh Government to make a case for a more reflective allocation based on population health needs. She also noted that other HB's were successful in using evidence to demonstrate the need for better allocations. She expressed uncertainty about the Welsh Government's appetite for change, especially in an election year.</p> <p>The Finance and Performance Committee resolved:</p> <ul style="list-style-type: none"> • The year-to-date position against key organisational performance indicators for 2024-25 and the update against the Operational Plan programmes was noted. 	
FPC 22/01/009	<p>Monthly Monitoring Return – Month 7 & 8 (click to view)</p> <p>The monthly monitoring return for month 7 & 8 was noted.</p> <p>The Finance and Performance Committee resolved:</p> <p>a) The extracts from the UHBs Monthly Financial Monitoring Returns for Month 7 & 8 were noted.</p>	
FPC 22/01/010	<p>Any Other Business</p> <p>No other business was raised.</p>	
	<p>Date & time of next Meeting</p> <p>Wednesday 19th February 2025 at 2.30pm via MS Teams</p>	