Confirmed Minutes of the Public Finance & Performance Committee Meeting
21st January 2026
Via MS Teams

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Chair:		
Rhian Thomas	RT	Independent Member – Capital & Estates / Committee Chair
Present:		
Kirsty Williams	KW	CAV UHB Chair
Ceri Phillips	CP	CAV UHB Vice Chair
Mike Jones	MJ	Independent Member – Trade Union
Rachna Upadhya	RU	Independent Member - General
Judi Rhys	JR	Independent Member – Third Sector
Clive Curits	CC	Independent Member - Community
In Attendance:		
Matt Phillips	MP	Director of Corporate Governance
Suzanne Rankin	SR	Chief Executive
Catherine Phillips	CP	Executive Director of Finance
Andrew Gough	AG	Deputy Director of Finance (Strategic)
Jonathan Watts	JW	Regional Planning Programme Director
Paul Bostock	PB	Chief Operating Officer
Robert Mahoney	RM	Deputy Director of Finance (Operational)
Secretariat:		
Nikki Regan	NR	Corporate Governance Officer
Apologies:		
Susan Lloyd-Selby	SLS	Independent Member – Local Authority
David Edwards	DE	Independent Member - Digital

Ref:	Agenda Item:	Action
FPC 21/01/1.1	**Welcome, Introductions & Apologies** The Committee Chair – Rhian Thomas (RT) welcomed everyone to the meeting. Apologies were noted as above.	
FPC 21/01/1.2	**Declarations of Interest** No declarations were noted. **The Finance and Performance Committee resolved that:** a) No declarations of interest were noted.	
FPC 21/01/1.3	**Minutes of the Finance and Performance Meeting held on 19th November 2025** The minutes of the meeting held on 19th November 2025 were received and confirmed as a true and accurate record following minor amendments. **The Finance Committee resolved that:** a) The minutes of the Finance and Performance Committee meeting held on 19th November 2025 were held as a true and accurate record of the meeting.	
FPC 21/01/1.4	**Actions following the Finance & Performance Meeting on 19th November 2025** All actions on the action log were complete. **The Finance and Performance Committee resolved that:** a) The Action Log for the Finance and Performance Committee was noted.	
FPC	**Chairs Action since previous meeting**	

21/01/1.5	There were no Chair's Actions taken since the last meeting	
FPC 21/01/2.1	**Financial Report – Month 9 Position (including savings tracker)** The Deputy Director of Finance – Andrew Gough (AG) gave an update and highlighted the following: • A Health Board deficit of £43.25m at month 9 was reported, which was just over £1m above the planned deficit of £42.m, but showed improvement compared to month 8. • The cumulative deficit at month 9 consisted of a savings plan surplus of just under £600k and an operational deficit of just under £1.7m. • The Health Board has a full savings plan in place against the £32m target, with £32.8m identified, resulting in a surplus profiled equally across the year. • The forecast was to recover the month 9 deficit and deliver the £56.2m planned deficit by year-end. • Focus shifted to mitigating operational pressures in clinical/service boards and corporate areas, with ongoing challenges in mental health out-of-area placements and critical care/cardiac contracts. • Vaccine prices confirmed were lower than anticipated, reducing forecast costs, coupled with reduced vaccine demand. • Winter plan forecast costs reduced, Medicine Clinical Board managed winter pressures within reduced resources. • Accountancy gains and benefits from pay controls had supported the financial position. • Non-recurrent funding from Welsh Government (WG) for Band 2-3 pay correction and Welsh Risk Pool pressures had helped in-year, but those pressures remained for next year. • Workforce expenditure had reduced by 203 whole time equivalents (WTE) since the start of the financial year, supporting financial delivery. • Non-pay expenditure showed significant growth in secondary care, medicines, prescribing, continuing healthcare, and commissioned services, with increases above normal CPI. • £32.8m of savings had been identified, with only £1.5m in amber; teams were working to turn all schemes green. • Key risks included not meeting the £9.1m control total, recurrent savings shortfall (£5.5m), and £6.3m recurrent operational pressures, leading to a potential £68m underlying deficit for next year. • Strategic cash support requested from WG to cover the £56.2m planned deficit and £17m working cash support; awaiting confirmation but confident based on past behaviour. • Public sector payment compliance target of 95% met, with 96.6% performance at end of December. • Capital resource limit at month 9 is £48.7m, with no specific issues in delivery noted. The Committee Chair – Rhian Thomas (RT) asked if the projected vaccine expenditure being below budget was due to uptake or efficiencies in management of vaccine uptake. She expressed relief that WG would fund the Welsh Risk Pool increased expenditure and Band 2-3 pay, even if only on a non-recurring basis. She asked if there was any intelligence or understanding about whether the Welsh Risk Pool increase was likely to happen again next year, or how robust the planning is for 26/27 regarding the Welsh Risk Pool. AG stated the largest reduction in vaccine expenditure was due to price, with prices coming in lower than estimated in the plan, and that WG set the work on those prices. He added that demand was also lower than forecasted by the clinical board, so the reduction was a combination of both price and demand factors.He noted that for 2026/27, NWSSP had taken a different approach, and organisations, including WG, would work together to mitigate the impact in the 2026/27 plan. The UHB Chair – Kirsty Williams (KW) thanked AG for the report and echoed thanks for the efforts that had got the organisation to that position, emphasisng the importance of delivering what was promised. She asked, based on previous WG behaviour and confidence around cash, if there was a Plan B should WG behaviour change. She also asked what plans were in place to further drive the underlying deficit down, noting that any additional progress inyear would help next year. She asked what more could be done to improve the ability to make savings plans recurrent and what lies behind the challenge. She raised the issue of increased demand for mental health inpatient beds leading to expensive out of area placements, asking if there was understanding of why more patients needed beds than planned and if there were plans to respond to that.	

AG explained the cash position was a matter of process and timing, with all strategic cash letters submitted to WG, who were aware of the situation. He stated that if cash was not forthcoming from WG, the fail-safe would be a call into Westminster, which had more flexible rules around cash. He emphasised that CAV UHB was not letting up; all controls remained in place and the UHB continued to work hard to drive down the underlying deficit and improve the recurrent position.

On the challenge of recurrent savings, he said they would be meeting with all clinical boards to scrutinise their underlying positions and determine what support could be provided to ensure schemes were as recurrent as possible for 2026/27.

The Chief Operating Officer – Paul Bostock (PB) noted the significant problem with mental health out of area placements, stating there were currently over 20 patients out of area and 10 in psychiatric intensive care, compared to very few before the pandemic. He said it was unclear if a deficit in community care was driving the increased need for inpatient admissions and that simply opening more beds was not seen as the answer. He explained that 36Degrees was commissioned to review the clinical model of care, and their interim findings were received. He added that part of the review was to assess whether their model of care aligned with what "good" looked like across the UK.

KW thanked the teams for their efforts and acknowledged the importance of the work being undertaken by 36Degrees. She asked about the timescales for using the 36Degrees report to help inform changes, specifically when it would be possible to use the report to make changes the team would want to implement.

The Chief Executive – Suzanne Ranking (SR) stated that a plan for implementing and mobilising some of the change was set out with the team, and the co-production element was strong. She confirmed that 36Degrees was commissioned into Phase 2, but whether that was sufficient was still a conversation for the scale of change needed. She said they were happy to share the detail of the Phase 1 report at the appropriate subcommittee and suggested sharing it and consider where to take it for a formal discussion.

AG stated that there had been a slight reduction in prescribing, offset by an increase in continuing healthcare, and overall, their growth predictions have been pretty accurate, which should give confidence in predicting the level of demand and cost growth for the next year's plan.

The Independent Member – General - Rachna Upadhya (RU) thanked the executive team for all the work that was completed and expressed reassurance from the evidence of grip and the credibility of the team's forecasting ability. She asked about the difference between the underlying deficit and the control deficit, seeking assurance that the underlying deficit (around £68m) was the true number and questioning if there could be other factors that might affect it.

AG noted that the underlying deficit had been reviewed in detail and scrutinised by the NHS Executive, and nothing inappropriate was found so far. He explained that there was a potential increase in the underlying deficit moving into the next financial year unless further actions were taken in-year to reduce it, specifically by ensuring any non-recurrent savings could be made recurrent and operational pressures could be mitigated further.

He explained that the financial plan always started with the UHB’s existing deficit or surplus, then builds in new year cost pressures and demand growth to arrive at a gross deficit, followed by agreeing a savings plan to reach a control total deficit. He stated that this year, they brought in a £59.9m underlying deficit and, after delivering a £32m savings program, reached a control total deficit of £56.2m. He clarified that it was a coincidence that both numbers were in the 50s.

The UHB Vice Chair – Ceri Phillips (CPH) mentioned that there were two workshop sessions on the Clinical Services Plan (CSP), with one objective being to amend the patient pathway, especially in mental health, aiming for more open access and early intervention to avoid crisis. He noted that if the strategy was successful, more people could come forward with mental health problems, but the level of acuity and required resources could be less, and the "shift left" process would mean more was done at lower cost than currently. He suggested that if the direction of the strategy was achieved, resources and expenditure may be reduced, helping with the underlying deficit.

The Finance and Performance Committee resolved that:

a) The reported year to date position is an overspend of £43.250m and the forecast deficit of£56.2m was noted.
b) The month 9 operational overspend against plan of £1.657m and the (£0.582m) savings surplus was noted.

	c) The progress against the savings target, with £32.778m (102.4%) of green and amber schemes identified at Month 9 against the revised £32m target was noted. d) The delivery of the forecast is contingent on delivery of recovery actions and the confirmation of all expected income streams was noted. e) The combined recurrent savings shortfall and recurrent operational pressures of 11.800mimpacting adversely on a deteriorating underlying deficit being carried into 2026/27. The underlying deficit moving into 2026/27 is currently assessed at £68.0m which is £11.8m higher that the 2025/26 forecast outturn of £56.2m was noted. f) A potential £92.4m cash shortfall at year end before outstanding cash allocations and strategic support are confirmed by Welsh Government was noted.	
FPC 21/01/2.2	**Operational Performance Update** The Chief Operating Officer – Paul Bostock (PB) presented on the Operational Performance Update and highlighted the following: • **Ambulance Handovers:** Average handover time reduced to 33 minutes from 45 minutes the previous December; CAV UHB was the best health board nationally for the 45-minute standard, with 82% of patients handed over within 45 minutes over the last 3–4 weeks. • **A&E Pressures:** A&E was busy with ongoing 12-hour waits; patients were entering the department more quickly but not exiting fast enough, reflecting increased demand. • **Delayed Pathways of Care:** 2000 fewer bed days occupied compared to last December (about 75 bed equivalents); improvement attributed to local authority partners, especially Cardiff. Delayed patients now account for 118 of 1400 inpatient beds. • **Improvement Actions:** Trusted assessor model and forensic patient reviews were in place or being implemented to maintain improvements in delayed discharges. • **Stroke Services:** Thrombolysis rates had increased but were not timely; delays in getting patients to CT scans and excessive rehab length of stay identified. Transitioning to tougher national standards (SNAP), with a refreshed strategic plan and regular mini summits planned. • **Cancer Performance:** Predicted dip in November 2025 performance due to treating malignant backlog patients; staff turnover and backlog validation ongoing. Demand had increased by 30% over recent years, and detailed demand/capacity work was underway. • **104-Week Waits:** End of December position was 609 patients, better than the predicted 630; only 10 patients waiting over three years. Commitment to reduce to zero over three years by March, with ongoing negotiations about the 104-week position. • **Diagnostics:** November was the best position since July; slight uptick in December due to delayed insourcing and MRI equipment failure, but confidence remains high for catching up. Target is as close to zero as possible by year-end. • **Rapid Diagnostic Clinic (RDC):** RDC was successful, diagnosing 80 cancers (including less survivable types), but now faces capacity constraints and longer waits; further development and optimisation were planned. • **Outpatients and 52-Week Waits:** 33k extra appointments allocated, 10k patients seen so far, and 52-week waits were decreasing. Not all allocated appointments would be fulfilled due to supplier (HBS) limitations; some allocation returned to WG. • **Mental Health and Neurodiversity:** On track to deliver all main measures for children's neurodiversity by March 2026, but the model was not sustainable and waiting lists could grow again next year. 5k children remained on the waiting list, with an 80–83% conversion rate to diagnosis/treatment. The Independent Member – Third Sector Judi Rhys (JR) thanked everyone for their significant work. She commented positively on the Rapid Diagnostic Clinics (RDCs), expressing appreciation for the information provided. She highlighted that diagnosing 80 cancers through the RDCs was excellent, especially noting the importance of identifying less survivable cancers early for better prognosis. KW advised the Commitee that she had attended a meeting with a Welsh Ambulance Services NHS Trust (WAST) representative who was complimentary about the Health Boards work enabling paramedics to return to the road. She observed that while this improved ambulance flow, it shifted the risk into the Emergency Unit (EU) and hospital. She asked for analysis on the Health Boards own ability to improve patient flow, what steps were needed, and what lessons caould be learned from recent improvement sprints. She inquired about the timescales for achieving cancer targets and when the Board would know what was required to meet them. She commented that while funding would reduce the longest waits in neurodiversity services, the underlying issue would persist, and the problem would recur next year. She acknowledged that demand for theose services could not be met under the current model, noting it was a UK-wide issue, and asked what had been done in the past year to redesign the service to avoid repeating the same cycle.	

	PB explained that steps were being taken to change the model of care for children's neurodiverse services, but they were instructed to allocate funding elsewhere, despite believing it would make a bigger difference. He emphasised the need to keep working with colleagues on the model of care, as every new patient seen required at least three follow-ups, which impacted future capacity. He stated that the issue could not be solved alone and would persist unless addressed collaboratively with WG and other health boards. He described a recent productive meeting with the clinical director of EU, where an audit revealed that some clinical staff saw fewer patients per shift than expected, prompting a forensic review of internal processes. He mentioned that the organisation engaged Prism, a consultancy, to provide additional support for the six goals programme and review internal processes. He highlighted that it was often unclear who was responsible for a patient once admitted to hospital, leading to delays, and that it was a key area needing urgent progress. He noted that currently, 120 patients in medicine were being seen daily, which was an improvement, but consistency across the organisation was still being developed with support from David Fluck and Jason Roberts. He added that after receiving the findings from PRISM, a multi-professional summit would be convened to agree on the best way forward. He clarified that he, David Fluck, Jason Roberts, and Emma Cooke were working together on that initiative. RU asked for more details about stroke, expressing confusion about the thrombolysis rate improvement and noting a significant drop in door-to-ward compliance, questioning if this was due to searching for a bed. She also asked if there was any evidence of adverse impact on outcomes because of the delay, or if timely thrombolysis meant there was no real impact. PB explained that although the four-hour door-to-ward compliance dipped, it remained one of the best performances, and breaching the use of stroke beds required executive approval. He stated that thrombolysis should be delivered within 45 minutes and CT scans within 20 minutes, as per the new standards, and if those were delayed, outcomes may not be adverse but were likely to be suboptimal. SR noted the key issue was the time from onset to presentation, which was currently averaging 12 hours. She emphasised the importance of the pre-hospital pathway and patient recognition, referencing public engagement methods like the FAST campaign. She stated that the thrombectomy rate should be about 12% of the eligible cohort, but they were currently at 4%. She highlighted the need to ensure emergency pathway management was as optimal as possible, but if patients presented late, the benefit of intervention was much reduced. She stressed the importance of encouraging people to call for an ambulance at the first sign of stroke symptoms, as this would improve outcomes. She noted that the figures in the report are what was required to be reported to WG and those were SNAP data metrics. She suggested that the thrombectomy rate should also be brought into future reports. The Independent Member – Clive Curtis (CC) thanked PB for the excellent report and noted the ever-rising demand in primary care and neurodevelopmental services. He asked how the team was ensuring that people from the most disadvantaged communities were not disproportionately affected by theose delays. PB responded that there was not an easy answer to ensuring disadvantaged communities were not disproportionately affected by delays and acknowledged that was something they were currently grappling with to make services more equitable. **The Committee resolved that:** a) The year-to-date position against key organisational performance indicators for 2025-26 and the update against the Operational Plan programmes was noted.	
FPC 21/01/2.3	**2025-26 Annual Plan Quarter 3 Update** The Head of Strategic Planning – Jonathan Watts (JW) updated on the following: • Delivery had accelerated: 49 actions completed in Q3, totalling 61 out of 201 planned actions, broadly in line with expectations. • Un started actions reduced from 17 at end of Q2 to 4 at end of Q3; those were dependent on other actions completing. • Forecast improving: 74% of actions expected to be completed by year end, with 26% (52 actions) potentially outstanding.	

	• Of the outstanding actions: 9 had been closed, 8 were on hold (to be considered for next year), 30 were amber (at risk but being actively managed), and 5 were unlikely to be delivered by year end. • Detailed alignment with next year's plan (2026-27) was underway, ensuring actions at risk or on hold were prioritised and capacity was considered, not just rolled over. • Monitoring of 2025-26 plan and development of next year's plan were now happening in tandem. • Key strengths: proactive delivery management and oversight mechanisms were driving consistency and accelerating completion. • Key risks: dependency on external factors (especially regional/partner actions), high volume of amber actions, and resource-intensive tracking of 201 actions. • Next year's plan would focus on prioritising actions for targeted tracking and assurance, rather than tracking all operational/tactical actions. • There was a recognised need to mature the planning approach: moving from activity counting to measuring impact and outcomes aligned to strategic objectives. KW thanked JW for the report and welcomed the shift to measuring impact and outputs. She asked how Jonathan would assess the situation, noting that about 25% of planned activities would not be delivered, plus additional amber actions at risk, and questioned if that was normal and what should be taken from the outcome. JW clarified the numbers were not quite as described, explaining the amber actions accounted for about 13%, not 25%. He emphasised the need to be more robust in prioritising actions and understanding the organisation's natural capacity for change, stating there was something to learn from it. He described the plan as a "moment in time" and not a static document, expecting that each year some actions would be closed or put on hold as circumstances evolved. He noted that the emergence of the Regional Joint Committee (RJC) had changed objectives and approaches, making some actions redundant. For the 13% amber actions, Jonathan said they would look into providing robust reasons for non-completion and review prioritisation and capacity for change. **The Committee resolved that:** a) The progress highlighted in the Q3 Annual Plan Report was noted b) Submission of the Q3 position to Welsh Government was approved	
FPC 21/01/3.1	**UHW Ward Block Roof Replacement Business Justification Case** The Executive Director of Finance – Catherine Phillips (CP) highlighted: • She apologised for a date error in the business case documents, clarifying the correct years would be provided to the Board at next week's meeting. • She explained that the need for the project arose from condition survey work identifying the UHW ward block roofs as being in very poor condition, impacting care delivery and causing service interruptions. • The project was prioritised for a Business Justification Case (BJC), allowing for a faster process than the usual five-stage business case. • The BJC was for just under £4 million and would take over two years due to logistical challenges in accessing the roof and maintaining services during repairs. • The proposal had been through the Capital Management Group, was prioritised by the organisation, and was now seeking Finance and Performance Committee endorsement before Board approval and submission to WG. • WG were kept informed and were supportive, with hopes for early funding confirmation. CP stated the condition survey was concluding and the final write-up was being prepared by the organisation conducting it. She noted this had not stopped the team from addressing parts of the estate that had deteriorated and required urgent attention. The overall condition survey was scheduled to go to the Senior Leadership Team (SLT) sin February, once finalised, along with emergency actions. She requested that the Capital Management Group (CMG), SLT, and Digital and Infrastructure Committee be given the opportunity to review and provide input before the survey was brought to the Finance and Performance Committee. **Action – CP to update the date in the business case document and make it available for Board.** **The Committee resolved that:** a) The UHBs current assessment of £17.000m working cash balance support was noted. b) The UHB's Board approves the UHB's application to Welsh Government for £56.233m Strategic Cash Support in support of its 2025/26 forecast deficit was recommended.	

FPC 21/01/4.1	**Monthly Monitoring Return – Month 8** The monthly monitoring return for month 8 was noted. **The Committee resolved that:** a) The monthly monitoring return for month 8 was noted.	
FPC 21/01/5	**Any Other Business** No further business was raised. **The Committee resolved that:** a) Any other business was noted.	
FPC 21/01/013	**Review & Close** To note the date, time and venue of the next Committee meeting: **Wednesday 18th February 2026 via MS Teams**	