

**Minutes of the Public Finance and Performance Committee Meeting
Held on 17 April 2024
Via MS Teams**

Chair:		
John Union	JU	Independent Member – Finance
Present:		
David Edwards	DE	Independent Member – Information Communication & Technology
In Attendance:		
Paul Bostock	PB	Chief Operating Officer
Marie Davies	MD	Interim Executive Director of Strategic Planning
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
Suzanne Rankin	SR	Chief Executive Officer
Jason Roberts	JR	Executive Nurse Director
Secretariat:		
Nathan Saunders	NS	Senior Corporate Governance Officer
Apologies:		
Ceri Phillips	CP	UHB Vice Chair
Charles Janczewski	CJ	UHB Chair

Item No	Agenda Item	Action
FPC 24/04/001	<p>Welcome & Introduction</p> <p>The Committee Chair (CC) welcomed everyone to the meeting including Marie Davies, the Interim Executive Director of Strategic Planning (IEDSP) as it was her first meeting attended in her capacity as IEDSP.</p>	
FPC 24/04/002	<p>Apologies for Absence</p> <p>Apologies for Absence were noted.</p> <p>The Finance and Performance Committee resolved that:</p> <p>a) Apologies for Absence were noted.</p>	
FPC 24/04/003	<p>Declarations of Interest</p> <p>No Declarations of Interest were noted.</p>	
FPC 24/04/004	<p>Minutes of the Finance and Performance Meeting held on 20 March 2024</p> <p>The minutes of the meeting held on 20 March 2024 were received.</p> <p>The Finance Committee resolved that:</p> <p>a) The minutes of the Finance and Performance Committee meeting held on 20 March 2024, were held as a true and accurate record of the meeting.</p>	
FPC 24/04/005	<p>Actions following the Finance and Performance Committee meeting on 20 March 2024</p> <p>The Action log was received.</p> <p>The Finance and Performance Committee resolved that:</p> <p>a) The Action Log for the Finance and Performance Committee was noted.</p>	

<p>FPC 24/04/006</p>	<p>Chairs Action since previous meeting</p> <p>There had been no Chair's Actions taken since the last meeting</p>	
<p>FPC 24/04/007</p>	<p>1) Financial Report – Month 12</p> <p>The Financial Report – Month 12 was received.</p> <p>A summary was provided to the Committee which stated:</p> <p><i>At month 12 the Health Board reported to Welsh Government (WG) that it would meet its control target of a £16.460m deficit for the end of 2023-24.</i></p> <p>The Operational Deputy Director of Finance (ODDF) advised the Committee that due to the time of year, a summarised report had been received which was finalised the previous Friday.</p> <p>He added that the Finance Team would now prepare a comprehensive set of accounts for submission to WG on 3 May 2024 with further submissions to WG on 10 May 2024 which would then be audited by Audit Wales.</p> <p>It was noted that the Health Board had come in £55,000 under the target of £16.460m and so had it the achieved control target set by WG.</p> <p>The ODDF advised the Committee that the Health Board had also met its Creditor Compliance Target.</p> <p>He added that the Health Board did not meet its rolling three year financial statutory duty in 2023/24 but that it had been known that would occur due to the 3 year rolling plan and on that rolling 3 year break even, the Health Board were overspent by £43m.</p> <p>It was noted that to get back into the compliance phase the Health Board would need to achieve 3 years of balance.</p> <p>The Committee were presented with a graph which showed the total operational and savings programme deficits and the impact of the additional savings actions on that total variance.</p> <p>The ODDF noted that after a peak in the operational overspend at month 6, the additional actions enabled the Health Board to hit the £16.460m revised forecast deficit as well as the additional 10% Improvement required by WG which was achieved through the review, management and scheduling of specific expenditure programmes.</p> <p>The Committee were advised that the tables within the report;</p> <ul style="list-style-type: none"> • Financial Performance for the period ended 30th March 2024 • Summary of Month 12 COVID 19 Net Expenditure <p>Summarised where the different parts of the Organisation ended up against the plan as well as the COVID 19 net expenditure which confirmed that £3m had been saved against COVID related expenditure.</p> <p>It was noted that the Health Board had set a savings target of £32 and had achieved a saving of £32.59m which was an overachievement by £590,000, a record by the Health Board in terms of delivery.</p> <p>The ODDF advised the Committee that the Health Board had finished the financial year in a positive cash flow balance.</p> <p>He added that the Key Performance Indicators identified within the report indicated that the Health Board had obtained a red RAG rating in terms of delivering on the 2023/24 draft financial plan but there had been compliance with the Capital Resource limit</p> <p>The CC asked the ODDF to pass on the thanks of the Committee to the Finance team for all of their hard work.</p>	

	<p>He asked if a summary of the £32m savings and the additional £8m could be received at the next meeting.</p> <p>The Independent Member – ICT (IMICT) requested that the Total Variance Graph seen within the report stay for the reports in 2024/25 as it showed how things were tracking.</p> <p>He asked how confident the Finance team could be that recurrent savings would be reached.</p> <p>The Strategic Deputy Director of Finance (SDDF) responded that in an Organisation the size of the Health Board, there would always be non-recurring savings as part of its savings programme and noted that as the Health Board moved into 2024/25 a review of all of the non-recurrent savings would be held on the savings made in 2023/24 because there was a chance some of them could be made recurrent.</p> <p>The Finance and Performance Committee resolved:</p> <ul style="list-style-type: none"> a) The draft reported year end deficit of £16.405m which is within the £16.460m control total was noted. b) The Health Board meeting annual public sector payment compliance performance target of 95% was noted. c) The Health Board remaining within its capital resource limit with a draft underspend of £0.086m against an allocation of £45.663m was noted. 	
<p>FPC 24/04/008</p>	<p>Savings Tracker 2024/25</p> <p>The Savings Tracker 2024/25 was received.</p> <p>The SDDF advised the Committee that the savings tracker received went up to the 4th May 2024.</p> <p>He added that the target set for 2024/25 was £47.2m and that it was always known that the Organisation would need to save at least £32m in 2024/25 to get on the route to financial sustainability but that the non recurrent savings in 2023/24 had added a further £15.2m to that target.</p> <p>It was noted that the Finance team had identified £21.2m of savings which included the red scheme savings of £13m which could not be assured until they had become green or amber.</p> <p>The SDDF advised the Committee that of the total savings identified for 24/25, £11.5m were in green and amber schemes which should provide real assurance to the Committee.</p> <p>He added that where some of the good savings could be achieved in 2024/25 was around workforce reshaping and noted that there was a £15.6m target against workforce.</p> <p>The Committee was advised that great progress has been observed against medicines management procurement themes and a very solid bed plan was in place aligned to the Health Boards length of stay reduction across the organisation.</p> <p>It was noted that the one theme that provided challenge was Continuing Healthcare (CHC) and that Finance team had been working with internal and national colleagues around how to drive the scheme because CHC was a huge area of growth.</p> <p>The SDDF summarised the discussion and noted that:</p> <p>The Health Board had identified over 50% of the 2024/25 savings to date and were in a much stronger position compared to the previous year but it was noted that the target was also bigger which would provide additional challenges.</p> <p>He added that meetings on financial sustainability were held fortnightly which had helped drive traction against weekly action trackers.</p> <p>The CC asked if more detail could be provided on the workforce reshaping at a future meeting.</p> <p>The Chief Operating Officer (COO) responded that of all of the schemes, workforce reshaping was the most challenging to deliver and a deep dive could be helpful at the June 2024 meeting.</p>	

	<p>The Finance and Performance Committee resolved:</p> <p>a) The progress against the 2024/25 Savings Tracker was noted.</p>	
<p>FPC 24/04/009</p>	<p>Operational Performance</p> <p>The Operational Performance update was received.</p> <p>The Chief Operating Officer (COO) advised the Committee that the Operations and Information Teams had redesigned the Integrated Performance Report (IPR) for 2023/24 to better meet the requirements of the Board, it's Committees and improve performance reporting for the Health Board as a whole, both internally and externally.</p> <p>He added that the updated report incorporated progress against the ministerial priorities and Health Board performance ambitions/IMTP priorities.</p> <p>The Committee was advised that it also included performance against the NHS Performance Framework, which was finalised in June 2023 and had been received by the Committee for information.</p> <p>It was noted that there had not been a large amount of changes between the previous version of the IPR and the new redesign and the COO advised the Committee that the IPR could change again as the Welsh Government (WG) Cabinet Secretary had written to Health Boards again.</p> <p>The COO advised the Committee that in addition to updating the measures in line with national reporting, the design of the IPR for 2024/25 would be reviewed to respond to the recommendations of the Audit Wales Structured Assessment, issued in December 2023.</p> <p>He added that Audit Wales had looked at the redesigned IPR and had been pleased with the changes that had been made and noted that any recommendations provided by Audit Wales had been responded to by the Health Board.</p> <p>The COO concluded that the NHS Wales Performance Framework would be received by the Board at their development session in April.</p> <p>The Finance and Performance Committee resolved:</p> <p>a) The year to date position against key organisational performance indicators for 2023-24 and the update against the Operational Plan programmes were noted.</p>	
<p>FPC 24/04/010</p>	<p>Finance Committee Annual Report 2023/24</p> <p>The Finance Committee Annual Report 2023/24 was received.</p> <p>The Finance and Performance Committee resolved:</p> <p>a) The draft Annual Report 2023/24 of the Finance & Performance Committee was noted b) The Annual Report was recommended to the Board for approval.</p>	
<p>FPC 24/04/011</p>	<p>Any Other Business</p> <p>No other business was raised.</p>	
	<p>Date & time of next Meeting</p> <p>Wednesday 22 May 2024 via Teams</p>	