

**Minutes of the Public Finance and Performance Committee Meeting
Held on 19 June 2024
Via MS Teams**

Link to YouTube recording – [Click Here](#)

(If the link doesn't work, please copy & paste the link into your browser)

Chair:		
John Union	JU	Independent Member – Finance (Committee Chair – CC)
Present:		
David Edwards	DE	Independent Member – Information Communication & Technology (IM-ICT)
Ceri Phillips	CP	UHB Vice Chair (VC)
In Attendance:		
Andrew Gough	AG	Strategic Deputy Director of Finance (SDDF)
Robert Mahoney	RM	Operational Deputy Director of Finance (ODDF)
Suzanne Rankin	SR	Chief Executive Officer (CEO)
Matt Phillips	CP	Director of Corporate Governance
Jane Murphy	JM	Director of Nursing – Medicine Clinical Board (DNMCB)
Victoria Le Gry	VL	Programme Director – Shaping Our Future (PDSOF)
Catherine Wood	CW	Director of Operations – Children & Women (DOCW)
Adam Wright	AW	Director of Operational Planning and Performance (DOPP)
Urvisha Perez	UP	Wales Audit Office (WAO)
Secretariat:		
Nikki Regan	NR	Corporate Governance Officer
Apologies:		
Charles Janczewski	CJ	UHB Chair
Marie Davies	MD	Executive Director of Strategic Planning
Jason Roberts	JR	Executive Nurse Director
Paul Bostock	PB	Chief Operating Officer
Catherine Phillips	CP	Executive Director of Finance

Item No	Agenda Item	Action
FPC 19/06/001	Welcome & Introduction The Committee Chair (CC) welcomed everyone to the meeting.	
FPC 19/06/002	Apologies for Absence Apologies for Absence were noted. The Finance and Performance Committee resolved that: a) Apologies for Absence were noted.	
FPC 19/06/003	Declarations of Interest No Declarations of Interest were noted.	
FPC 19/06/004	Minutes of the Finance and Performance Meeting held on 22 May 2024 The minutes of the meeting held on 22 May 2024 were received. The Finance Committee resolved that: a) The minutes of the Finance and Performance Committee meeting held on 22 May 2024, were held as a true and accurate record of the meeting.	
FPC 19/06/005	Actions following the Finance and Performance Committee meeting on 22 May 2024 The Action log was received.	

	<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 19/06/006</p>	<p>Chairs Action since previous meeting</p> <p>There had been no Chair's Actions taken since the last meeting</p>	
<p>FPC 19/06/007</p>	<p>Finance Position Update – Month 2 Position & Savings Plan Progress</p> <p>The Finance Position Update – Month 2 Position & Savings Plan Progress was received.</p> <p>The ODDF advised the Committee that month 2 had seen a disappointing financial performance and had built on the trend of month 1.</p> <p>He added that at month 2, it had been expected that there would be a planned deficit of £2.650m (two twelfths of the annual planned deficit of £15.9m) but noted that the Health Board were £4.614m off the savings programme that would be needed by the current stage of the financial year and £1.557m off the operational position.</p> <p>It was noted that there was an ambition to recover that which was why the forecast deficit remained at £15.9m.</p> <p>The Committee were presented with the month 2 summary financial table which analysed the £8.821m overspend between income, pay and non-pay.</p> <p>A graph was also presented which Graph 1 showed the reported position at month 2 compared to the planned deficit and showed the actual position was £6.171m above the planned deficit because of the combined operational deficit and savings gap.</p> <p>It was noted that the forecast position assumed that it would be recovered over the course of the year through management action to ensure that services operated within delegated budgets.</p> <p>The ODDF noted that there was a key risk to bring to the attention of the Committee on Long Term Agreements (LTAs) and reminded the Committee that there had been an uplift of 3.67% in the allocation for 2023/24 and that the Financial Plan was based on the clear planning instructions from Welsh Government (WG) that all LTAs and SLAs should reflect uplifts in line with the general 2024-25 funding uplift provided in the 2024-25 Allocation Letter of that 3.67%.</p> <p>He added that unfortunately, colleagues in neighbouring Health Boards and other NHS Wales organisations had elected not to pass the 3.67% onto Cardiff and Vale UHB which caused a potential risk to the plan of a £5.274m shortfall in the income anticipated in the Financial Plan approved by the Board.</p> <p>The CEO noted that at a previous Board Development meeting the LTA uplift had been highlighted as a risk due to the mechanisms for agreeing the contractual arrangements. She planned to discuss with Chief Executive colleagues to reach an agreement prior to arbitration and highlighted the need to be consistent with the approach.</p> <p>The IM-ICT asked if there was a sense that the system with the financial pressures was working. The SDDF agreed the system required revision and noted there were only 2 net service providers in NHS Wales with the other 5 Health Boards being net commissioners (CAV UHB & SBUHB).</p> <p>The CEO explained that a review of the Joint Commissioning Committee (JCC) was recently undertaken and the issue was that the Health Board were a net provider when the majority of LHBs were commissioners.</p> <p>The ODDF noted the allocation uplift from Welsh Government had always previously been automatically added to LTAs and SLAs each year.</p> <p>The ODDF highlighted the key factors contributing to the financial pressures in each Clinical Board :-</p>	

	<ul style="list-style-type: none"> • Children & Women overspend was increased by increases in medical staff variable pay and lower anticipated performance income • Mental Health clinical board reported an improved position due to the repatriation of out of area patients • Primary care – the revised Optometry Contract negotiated with the profession by Welsh Government was causing an overspend. Ongoing discussions are being held with Welsh Government. • COVID expenditure is forecast to be in line with funding received from Welsh Government (WG) • Whilst there is pressure on the UHB capital plan, expenditure is forecast to remain within funding limits. • The savings programme has made reasonable progress to date. However, this should be assessed within the context of the challenging £47.2m target that the UHB had set itself. • Enhanced monitoring meetings were planned with all clinical boards to monitor and action savings where possible <p>It was noted that the Health Board would utilise the improvements in temporary pay trends and enhanced recruitment controls provided by the Corporate Vacancy Scrutiny Panel to provide some time for additional cost savings schemes to be identified and to be in.</p> <p>The Finance and Performance Committee resolved that:</p> <ol style="list-style-type: none"> a) The reported year to date overspend of £8.821m and the forecast deficit of £15.900m was noted b) The month 2 operational overspend against plan of £1.557m with a further £4.614m savings gap was noted c) The progress against the savings target, with £20.989m (44%) of green and amber schemes identified at Month 2 against the £47.2m target was noted d) That delivery of the forecast is predicated on the confirmation of all expected income streams was noted. 	
<p>FPC 19/06/008</p>	<p>Operational Performance</p> <p>The DOPP highlighted the following points on Operational Performance:</p> <ul style="list-style-type: none"> • The Urgent & Emergency Care performance remained strong on ambulance handovers but there were challenges with waiting times in ED • 898 patients waited more than 12 hours in ED during May 2024 • 22 Primary Care Practises reported high escalation levels with PCIC supporting these practises • Compliance for Stroke pathways reduced in April but remained above the all Wales average • An increase in the single cancer pathway performance to 63.7% for April 2024 • Long waiting elective patients - 12,300 patients waiting more than 12 months for an initial appointment/ 2816 patients waiting more than 2 years and 113 patients waiting more than 3 years overall • The 8 weeks waits for diagnostics had worsened and trajectories being finalised with diagnostics teams • WG requested CAV to submit trajectories around Planned Care, Mental Health and Ambulance rates • Mental Health demand had increased and noted the assessment waits had increased and have agreed a trajectory with NHS Wales <p>The VC noted the pressures in primary care were well documented and the level of activity that took place was monumental to the Health Board. He asked to what extent was needed to give more thought to reduce pressures elsewhere. He attended a workshop on the primary care model, and it was suggested more work was required to alleviate pressures.</p> <p>The DOPP explained that through the 2023/24 annual planning process there were a small number of proposals which had been prioritised for investment, the majority of these were focused on Primary and Community Care. It was confirmed that the Health Board would be part of the cluster planning group, where there would be a huge organisational focus on that work.</p>	

	<p>The VC noted that the Health Board were measured and assessed on the number of people waiting for secondary care / A&E but suggested to look at the people that the Health Board were helping keep safe at home.</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 was noted.</p>	
<p>FPC 19/06/009</p>	<p>Decarbonisation Update</p> <p>The PD -SOF highlighted the following on the Decarbonisation Update:</p> <ul style="list-style-type: none"> • Q4 update outlined the 2023-24 plan with 47 of 54 actions being achieved • 3% of our carbon footprint had been avoided this year <p>The Finance and Performance Committee resolved:</p> <p>a) The content of the Decarbonisation Report was noted.</p>	
<p>FPC 19/06/010</p>	<p>Business Cases:</p> <p>Stroke Improvement</p> <p>The DOPP highlighted the following on the Stroke Improvement Business Case:</p> <ul style="list-style-type: none"> • This was previously highlighted for an area that was to be focused on • The Stroke rating for the Health Board was currently at B (A being the highest) • Support at Investment Group and SLB was confirmed on the agreement that the spend would begin predominantly in Q4 <p>The VC welcomed the business case and added that it would be an investment that would generate returns. He suggested to spend wisely to put effective services in place.</p> <p>CAVHIS</p> <p>The DOPP noted the following on the CAVHIS Business Case:</p> <ul style="list-style-type: none"> • The inclusion service would help 5 vulnerable areas which included: • homeless • sex workers • traveller communities • migrants • people in contact with the criminal justice service • £1.4mil was requested for a range of staff members • Support at Investment Group and SLB was confirmed on the agreement that the spend would begin in Q4 <p>The Finance and Performance Committee resolved:</p> <ul style="list-style-type: none"> • The Stroke Business Case was approved and; • The business case for the expansion of the Cardiff and Vale Health Inclusion Case 	
<p>FPC 19/06/010</p>	<p>End of Year Financial Report for the Regional Partnership Board</p> <p>This report was noted.</p> <p>The Finance and Performance Committee resolved:</p> <p>a) The end of year financial report for the Regional Partnership Board was noted.</p>	
<p>FPC 19/06/010</p>	<p>Monthly Monitoring Return – Month 2</p> <p>The Monthly Monitoring Return for month 2 was for information and noting.</p>	

	The Finance and Performance Committee resolved: a) The monthly monitoring return for month 2 was noted.	
FPC 19/06/011	Any Other Business No other business was raised.	
	Date & time of next Meeting Wednesday 17 th July 2024 via Teams	