

**Minutes of the Public Finance & Performance Committee Meeting  
18 June 2025  
Via MS Teams**

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

<b>Chair:</b>		
John Union	JU	Independent Member – Finance / Committee Chair
<b>Present:</b>		
Ceri Phillips	CP	CAV UHB Vice Chair
Sara Moseley	SM	Independent Member – Third Sector
Susan Lloyd-Selby	SLS	Independent Member – Local Authority
Steve Riley	SR	Independent Member – University
Rachna Upadhyia	SU	Independent Member – General
Rhian Thomas	RT	Independent Member – Capital & Estates
Mike Jones	MJ	Independent Member – Trade Union
<b>In Attendance:</b>		
Catherine Phillips	CP	Executive Director of Finance
Matt Phillips	MP	Director of Corporate Governance
Andrew Gough	AG	Deputy Director of Finance (Strategic)
Claire Beynon	CB	Executive Director of Public Health
Adam Wright	AW	Director of Operational Planning & Performance
Ash O'Callaghan	AO	Head of Strategic Planning
<b>Secretariat:</b>		
Nikki Regan	NR	Corporate Governance Officer
<b>Apologies:</b>		
Charles Janczewski	CJ	CAV UHB Chair
Paul Bostock	PB	Chief Operating Officer
David Edwards	DE	Independent Member - Digital
Clive Curtis	CC	Independent Member

Ref:	Agenda Item:	Action:
FPC 18/06/001	<b>Welcome &amp; Introduction</b>  The Committee Chair (CC) welcomed everyone to the meeting.	
FPC 18/06/002	<b>Apologies for Absence</b>  Apologies for Absence were noted.  <b>The Finance and Performance Committee resolved that:</b> a) Apologies for Absence were noted.	
FPC 18/06/003	<b>Declarations of Interest</b>  No Declarations of Interest were noted.	
FPC 18/06004	<b>Minutes of the Finance and Performance Meeting held on 21st May 2025</b>  The minutes of the meeting held on 21st May 2025 were received and confirmed as a true and accurate record.  <b>The Finance Committee resolved that:</b> a) The minutes of the Finance and Performance Committee meeting held on 21st May 2025 were held as a true and accurate record of the meeting.	
FPC 18/06/005	<b>Actions following the Finance &amp; Performance Meeting on 21st May 2025</b>  The Action log had no actions outstanding.	

	<p><b>The Finance and Performance Committee resolved that:</b></p> <p>a) The Action Log for the Finance and Performance Committee was noted.</p>	
<p><b>FPC 18/06/006</b></p>	<p><b>Chairs Action since previous meeting</b></p> <p>There were no Chair's Actions taken since the last meeting</p>	
<p><b>FPC 18/06/007</b></p>	<p><b>Financial Report – Month 2 Position (including savings tracker)</b></p> <p>The DDFO gave an update on the Financial Report New Format and highlighted the following:</p> <ul style="list-style-type: none"> <li>• The month 2 position reported against an annual plan deficit of £58.2m</li> <li>• The reported deficit for month 2 was £11.899m, which was £812k over the planned deficit of £11.087m</li> <li>• The cumulative deficit of £812k was broken down into a savings program deficit of £585k and an operational deficit of £227k</li> <li>• At the end of month 2, £26.3m worth of schemes were identified against a target of £30m, leaving a shortfall of £3.7m. This shortfall was previously £5.2m at month 1</li> <li>• The operational deficit was largely driven by mental health out-of-area placement costs, with the number of patients placed out of area significantly above the plan</li> <li>• There was a reduction in the number of whole-time equivalents in April and May, aligning with the savings program and the need to reduce the workforce.</li> <li>• The largest growth areas in non-pay expenditure are secondary care medicines and prescribing, and continuing healthcare and commissioned services.</li> <li>• The live position on the savings shortfall was £1.7m, with efforts to close the gap further.</li> <li>• The key risks included delivering the £9.1m deficit control target, delivering the recurrent £30m savings program, managing operational pressures, and remaining within the cash limit</li> <li>• CAV UHB will need strategic cash support from Welsh Government to cover the £58.2m plan deficit. There are assumed cash allocations totalling £123m yet to be received.</li> <li>• The capital resource limit is £33.7m, with no current concerns but ongoing monitoring.</li> </ul> <p>The CC mentioned it was excellent news regarding the progress on the savings programme and the assurance provided to the committee members. He highlighted the update on the live situation of the shortfall, noting that the savings programme was over 90% against the target. He asked the DDFO about the level of confidence in achieving the £30m savings target in the next three months and the potential to address the gap in workforce restructuring.</p> <p>The DDFO responded with a high level of confidence in delivering the £30m plan and discussed the challenges and strategies involved in workforce restructuring.</p> <p>The IMTS mentioned the reduction in whole time equivalent numbers during the discussion on the financial report. She expressed that it was good to know that the whole-time equivalent numbers were reducing. She emphasized the importance of ensuring that the reductions were happening in the right places, particularly in relation to workforce restructuring. She highlighted the need to avoid cutting essential posts and services inadvertently and stressed the importance of progressing workforce restructuring to ensure that reductions are made in the best way possible.</p> <p>The DDFO explained that there is a corporate vacancy scrutiny panel in place to ensure that workforce reductions are made in the right areas. This panel includes full professional representation to make informed decisions, ensuring that services continue to run effectively. Additionally, posts are being held for staff to be redeployed into, particularly as beds are being closed in certain units. This approach aims to balance immediate financial needs with long-term organizational redesign and workforce restructuring.</p> <p>The IMG raised a few questions regarding the financial variances and pressures on clinical boards. Specifically, she asked about the status of month three, the difference between actual and expected variances, and how the clinical boards are managing the pressure to close the gap in the £30m savings program. She also inquired about the steps to manage the unconfirmed cash allocations and forecast deficit if they remain outstanding in the autumn period.</p> <p>The DDFO mentioned that the savings plan deficit would continue to grow but at a slower rate, expecting it to be around £700k at month 3 if no further improvements are made. He also noted</p>	

	<p>that operational pressures, particularly in mental health, are being addressed with plans to mitigate them by Q2 and Q3. He explained that the savings programme has been challenging but is being managed inclusively with senior clinical board leaders. He emphasized that sensible, long-term decisions are being made, and some clinical boards have exceeded their targets. He hoped that the cash position would be resolved by autumn. He mentioned that slowing down payments to suppliers is a potential lever to improve cash flow, but he expected significant funding issues, like the Pay award, to be resolved in the next couple of months.</p> <p>The DOPP discussed the savings plans for the clinical boards in detail, emphasizing the following points:</p> <ul style="list-style-type: none"> <li>• The clinical boards were under significant pressure to meet the £30m savings target. He highlighted the importance of maintaining grip and control over the savings program.</li> <li>• The clinical boards were committed to improving their financial position and were working hard to achieve the savings target.</li> <li>• The collective approach through the Senior Leadership Team (SLT) to support the clinical boards in making cross-board decisions and providing executive support for more difficult challenges.</li> </ul> <p>The VC supported the DOPP's comments by highlighting the importance of a whole system perspective. He noted that a meeting with a cluster where a third sector organisation was discussed. This organisation, despite requiring relatively small funding, provides significant benefits to the Health Board by avoiding admissions and referrals to hospitals. Ceri emphasized that not funding such organisations could lead to higher costs and additional expenditure in managing patients further in the system.</p> <p>The IMCE asked if this would put CAV UHB in a vulnerable position in terms of engaging with potential suppliers and fixing rates?</p> <p>The EDF noted the previous schemes were procured but they are now out of date. It would build time delays in the processes.</p> <p>The IMLA mentioned the £497k over commitment on discretionary capital during the public Digital and Infrastructure Committee meeting. She inquired whether there was any change in relation to that position in month two.</p> <p>The EDF explained that the over commitment would be in place at this time.</p> <p>The IMTS asked about the public communication strategy regarding the financial situation and its implications. She inquired if there was a prepared position on what was being communicated to the public.</p> <p>The DDFO mentioned there was a strong communications program going out across the UHB, including through the CAV website, which is available to the public. The program aims to be transparent about the challenges being faced and how they were being addressed. It included support for staff who may feel at risk and features a live question and answer session where constant questions and suggestions from staff and community members are addressed.</p> <p><b>The Finance and Performance Committee resolved that:</b></p> <ol style="list-style-type: none"> <li>a) The reported year to date overspend of £11.899m and the forecast deficit of £58.2m was noted.</li> <li>b) The month 2 operational overspend against plan of £0.227m and the £0.585m savings deficit was noted.</li> <li>c) The progress against the savings target, with £26.245m (87.5%) of green and amber schemes identified at Month 2 against the £30m target was noted.</li> <li>d) The delivery of the forecast is also predicated on the confirmation of all expected income streams was noted.</li> </ol>	
<p>FPC 18/06/008</p>	<p><b>Operational Performance Update</b></p> <p>The DOPP presented on the Operational Performance Update and highlighted the following points:</p> <ul style="list-style-type: none"> <li>• The new format of the cover paper for the operational performance report, aimed to make it more succinct and aligned with the monthly finance report.</li> <li>• The operational performance was broken down into five sections: urgent and emergency care, planned care, primary and community care, mental health, and productivity and efficiency.</li> </ul>	

	<ul style="list-style-type: none"> <li>• The challenges and performance metrics related to urgent and emergency care, including attendance rates, admission rates, and the performance of A&amp;E</li> <li>• Urgent &amp; Emergency Care saw a high number of attendances during May &amp; June, with approx. 15% of A&amp;E admissions admitted</li> <li>• Performance in key metrics like 12-hour waits and one-hour ambulance delays was challenging, with recent weeks being particularly difficult.</li> <li>• Out-of-hospital care and primary community care showed significant volumes of activity, with good progress in delivering against GMS standards and community independent prescribing.</li> <li>• Stroke and hip fracture performance was impacted by organizational pressures. Stroke performance is expected to change due to new measurement methods.</li> <li>• Length of stay and pathway of care delays showed some improvement, but overall length of stay remained flat. The "Reducing Time in Hospital" program was being embedded to address this.</li> <li>• the performance in stroke and hip fracture care, noting the impact of organizational pressures and the need for senior approval for breaching ring-fenced capacity</li> <li>• Single cancer pathway performance dropped to 59.5% in April, with efforts being made to improve first appointment delivery within 14 days.</li> <li>• The number of patients waiting over two years remained stable, with confidence in meeting the commitment to reduce these numbers by the end of Q1.</li> <li>• Diagnostic wait times worsened due to CT downtime, but non-obstetric ultrasound wait times improved.</li> <li>• Increased patient numbers in pharmacy, independent prescribing, dental, and community services. The new dental contract aims to reduce waiting lists significantly.</li> <li>• Challenges remain in increasing district nursing capacity at weekends, with ongoing efforts to meet Welsh Government standards.</li> <li>• Positive performance in children's mental health services, but neurodevelopmental services faced increasing wait times and volumes.</li> <li>• Adult mental health saw the highest referral numbers in March, impacting assessment performance. Plans are in place to address this through community mental health team reorganization.</li> <li>• The report highlighted opportunities for improvement across urgent and emergency care and planned care. Efforts are ongoing to enhance productivity and efficiency, with plans to include financial equivalents in future reports.</li> </ul> <p>The DPH commented on the ADHD figures, noting the low number of children seen within 26 weeks. She acknowledged that this issue was not unique to CAV UHB but was widespread across the UK and beyond. She asked for an explanation of the actions being undertaken to address this within the mental health team and further beyond.</p> <p>The DOPP mentioned that the waiting times and volumes for neurodevelopmental services continued to increase. He highlighted that a significant number of additional assessments were undertaken in March due to non-recurrent funding from Welsh Government. However, this was led to a spike in children waiting for medication titration and follow-up, for which there was no additional capacity. He noted that they were fully engaged with the national program and awaiting further guidance and priorities from the Minister.</p> <p>The VC mentioned the high level of pressure in mental health services, highlighting the unprecedented demand increase over the past few years. They noted that the team has struggled with delivering both assessment and treatment targets due to workforce pressures, sickness absences, and complex cases requiring additional resources.</p> <p><b>The Committee resolved that:</b></p> <ol style="list-style-type: none"> <li>a) The year-to-date position against key organisational performance indicators for 2025-26 and the update against the Operational Plan programmes was noted.</li> </ol>	
<p>FPC 18/06/009</p>	<p><b>Annual Plan – Draft Reporting Framework</b></p> <p>The HSP provided a detailed update on the Annual Plan and highlighted the following points:</p> <ul style="list-style-type: none"> <li>• <b>Overview of Monitoring Framework:</b> the comprehensive framework for monitoring the annual plan, which includes performance, productivity and efficiency, finances, and specific deliverables. The importance of integrating various reports was emphasized to provide holistic overview.</li> <li>• <b>Action Tracker:</b> An action tracker embedded in Teams, which maps every action within the plan, categorizing them by portfolio, target completion date, and status (green, amber, red). This tracker is designed to ensure accountability and track progress.</li> </ul>	

	<ul style="list-style-type: none"> <li>• <b>Power BI Report:</b> A demonstration was shown on how the action tracker feeds into a Power BI report, providing a visual summary of action statuses and progress by portfolio. This tool will support quarterly reporting to the committee.</li> <li>• <b>Feedback and Development:</b> She mentioned feedback from the management executive team, particularly the need to better triangulate actions with KPIs to show cause and effect. The team is working on incorporating this functionality.</li> <li>• <b>Continuous Planning Cycle:</b> The monitoring approach will help maintain a continuous planning cycle, providing a baseline for future plans and ensuring that actions are tracked and adjusted as needed.</li> </ul> <p>The IMLA found the visual presentation of the Power BI report helpful but noted that it was unclear where the team would expect to be at this point. She suggested including percentages to show what percentage of actions were green. She mentioned that it would be helpful to know if the status was good or not, for example, if 32% of actions being green is a good position for quarter one. She recommended adding a gage for each area being reported against to provide an immediate snapshot summary of performance.</p> <p>The HSP confirmed this was our approach. We need to be careful that we are not duplicating anything, trying to make this streamlined as possible and focus on delivery.</p> <p><b>The Committee resolved that:</b></p> <p>a) The Annual Plan - Draft Reporting Framework was approved</p>	
<p>FPC 18/06/010</p>	<p><b>Monthly Monitoring Return – Month 1</b></p> <p>The monthly monitoring return was noted.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <p>a) The extracts from the UHBs Monthly Financial Monitoring Returns for Month 1 was noted</p>	
<p>FPC 18/06/011</p>	<p><b>Rapid Planning Event Report</b></p> <p>The EDF provided an overview of the rapid planning event during the meeting. She explained that the event took place in December when financial difficulties became apparent. The purpose was to bring the senior leadership team together to address performance, operational, and financial challenges. The event outcomes have been integrated into the annual plan and subsequent planning activities. She emphasized that the final output of this event is now documented and available for reference.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <p>a) The Rapid Planning Event report was noted</p>	
<p>FPC 18/06/012</p>	<p><b>Any Other Business</b></p> <p>No further business was raised.</p>	
<p>FPC 18/06/013</p>	<p>To note the date, time and venue of the next Committee meeting: <b>Wednesday 23rd July 2025 via MS Teams</b></p>	