

Minutes of the Public Finance & Performance Committee Meeting

23 October 2024

Via MS Teams

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

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| Chair: | | |
| John Union | JU | Independent Member – Finance / Committee Chair |
| Present: | | |
| Ceri Phillips | CP | UHB Vice Chair |
| In Attendance: | | |
| Suzanne Rankin | SR | Chief Executive Officer |
| Paul Bostock | PB | Chief Operating Officer |
| 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 |
| Melanie Wilkey | MW | Deputy Director of Commissioning |
| Secretariat: | | |
| Nikki Regan | NR | Corporate Governance Officer |
| Apologies: | | |
| David Edwards | DE | Independent Member - Digital |
| Marie Davies | MD | Interim Executive Director of Strategic Planning |
| Jason Roberts | JR | Executive Nurse Director |

| Ref: | Agenda Item: | Action: |
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| FPC 23/10/001 | Welcome & Introduction (click to view) The Committee Chair (CC) welcomed everyone to the meeting. | |
| FPC 23/10/002 | 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 23/10/003 | Declarations of Interest (click to view) No Declarations of Interest were noted. | |
| FPC 23/10/004 | Minutes of the Finance and Performance Meeting held on 18th September 2024 (click to view) The minutes of the meeting held on 18th September 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 18th September 2024, were held as a true and accurate record of the meeting. | |
| FPC 23/10/005 | Actions following the Finance & Performance Meeting on 18th September 2024 The Action log was received. The Finance and Performance Committee resolved that: a) The Action Log for the Finance and Performance Committee was noted. | |

Field Code Changed

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| <p>FPC 23/10/006</p> | <p>Chairs Action since previous meeting</p> <p>There had been no Chair's Actions taken since the last meeting#</p> | |
| <p>FPC 23/10/007</p> | <p>Financial Report – Month 6 Position & Savings Plan Progress (including Savings Tracker) – (click to view)</p> <p>The Deputy Director of Finance Operational (DDFO) presented the Financial Report and highlighted the following key points:</p> <ul style="list-style-type: none"> • At month 6 we are £11.461m above what was planned • 3 key areas driving the over spend were: <ul style="list-style-type: none"> - The Health Board had more beds open - Planned care initiatives were costing more - The cost reduction programmes had ambition to deliver more savings than they were able to • The Health Board had a month 4 financial review meeting financial stock takes, and the Finance Team hold deep dive meetings with the Clinical Boards • CAV UHB continued to receive a small amount of COVID allocations from WG • The risk register highlighted the 2 amber categories and whilst the minister was not able to approve a financial plan, they had acknowledged the risk • The Health Board were operating within the reality that it would not have a 3-year rolling balance. <p>The CC questioned one of the graphs received in the report on months 5 & 6 and what expectation was there to improve the outcomes.</p> <p>The DDFO responded that the Health Board had a slight improvement but noted that there was a declining trend and this was driving a forecast of a £11m deficit.</p> <p>He added that Clinical Board Colleagues had been asked to present new schemes to the Sustainability Programme Board.</p> <p>The DDFO outlined further points which included:</p> <ul style="list-style-type: none"> • The Health Board had £12m of unidentified schemes and whilst there was a small improvement, it was not enough to cover the shortfall of £12m • The underlying deficit would impact the next financial year • Whilst the planned deficit remained the same, a lot of the schemes were non-recurrent • Backpay payments would be going out in November 2024 and the Health Board needed to ensure it had the appropriate cash in order to make those payments • Public sector payments remained high and the Health Board continued to operate above the minimum level • Table 8 within the report demonstrated some of the key allocations - £45m worth of allocations which were yet to be confirmed • The Health Board was working to minimise the risk and work was ongoing with Welsh Government through those figures • The Financial plan was based on a £15.9m deficit but the Financial Team had a cause for concern due to being £11.461m overspent at the current point of the year <p>The UHB Vice Chair (UHBVC) noted a media report on the Health Inspectorate Wales (HIW) visit to Hafan Y Coed (HYC) and the Health Boards response was to ensure the safety of its patients. He noted that part of the solution was to employ agency staff to cover workforce shortages and temporary pay was an area that was yet to be identified. He questioned how the Health Board planned to deal with that scenario as there seemed to be tension between delivering patient care and the financial target.</p> <p>The DDFO noted that improvements were made to temporary pay and the general consensus was for permanent recruitment to resolve those issues as it would bring stability and a systems benefit.</p> <p>The COO explained that the Health Board had measures in place regarding temporary pay and noted that the Executive Nurse Director and Director of OOH had to approve agency staff and rules were in place around what bands of pay could be brought in over weekends.</p> | |

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| | <p>He added that the Health Board previously had 36 agency doctors and had reduced to 8, which were within Mental Health. This demonstrated how the Health Board was committed to reducing costs.</p> <p>The CEO noted that workforce remained a challenge and that the Health Board had not made as much progress in the workforce reshaping area as it was liked.</p> <p>She added that Clinical Boards and the Management Executive Team needed to work together moving forward.</p> <p>The Finance and Performance Committee resolved:</p> <ol style="list-style-type: none"> The reported year to date overspends of £19.411m and the forecast deficit of £15.900m was noted and; The month 6 operational overspend against plan of £4.093m with a further £7.368m savings gap was noted and; The progress against the savings target, with £34.568m (73%) of green and amber schemes identified at Month 6 against the £47.2m target was noted and; That 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. | |
| <p>FPC 23/10/008</p> | <p>Operational Performance Update (click to view)</p> <p>The COO presented the Operational Performance update and highlighted the following key points:</p> <ul style="list-style-type: none"> Urgent & Emergency care continued to be a challenge for the Health Board CAV UHB were the best performing Health Board in emergency care in NHS Wales There were 55 fewer beds open compared to last year and length of stay had improved Cancer was on track for 70% compliance by September 2024 which was only the 2nd time that had been reached. £4m funding was confirmed for Planned Care There was an aim for no more than 1200 patients to be waiting more than 2 years for treatment by end of March 2025 The longest waiting patient in CAV UHB (Orthopaedics) had received treatment Ophthalmology, Urology & spinal patients currently had the longest waits Non-obstetric ultrasound had agreed for additional rates of pay for the Sonographers to undertake additional work and a reduction was seen for the 8 week wait list There was no additional monies for Endoscopy Mental Health remained a challenge but the children's treatments delivered against the trajectory. <p>The CC asked if the diagnostics issues would be sorted if funding was available.</p> <p>The COO explained that there were insourcing / mobile solutions and added that secondary care could be bought in but areas such as Mental Health was an area that would see challenges.</p> <p>The UHBVC noted that CAV UHB had a 95% compliance rate in September 2024 for Children's Mental Health compared to 2% in August and thanked the teams for completing such challenging work.</p> <p>The Finance and Performance Committee resolved:</p> <ol 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. | |
| <p>FPC 23/10/009</p> | <p>Winter Plan (click to view)</p> <p>The COO presented the winter plan and highlighted the following key points:</p> <ul style="list-style-type: none"> A winter plan was produced each year and last year the Health Board used the £1.5m resource recurrently There was an ambitious plan for 2024/25 and only now were improvements on length of stay being observed. | |

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| | <ul style="list-style-type: none"> • Prior to COVID the Health Board were not achieving the A&E standard and patients in assessment units remained there for multiple days • The Majors department saw an 11% increase, but not all were received via an Ambulance • The average lost minutes per arrival of ambulances had reduced • If admissions remained stable the Health Board would need 144 fewer beds but if the Health Board had not improved the length of stay by 10 days it would need an additional 128 beds • Last year the Health Board planned for an additional 90 beds and this year had planned for 58 beds • There was an ability to reopen the ward which was closed in Llandough as a 2nd integrated Assessment Care Unit • The Operational Team planned to open 30 beds in November 2024 and potentially a further 10 beds in January 2025 at a cost of £1.7m • Each clinical board had to ensure enough staff were freed up to open an additional ward • The Winter plan included the keeping well section and encouraging staff to be a part of the winter vaccination plan • The Health Board had seen fewer people take up the COVID vaccine <p>The committee thanked the COO for the comprehensive presentation.</p> <p>The CC asked if the Committee were able to approve or recommend to Board the additional costs outlined within the presentation</p> <p>The EDF confirmed that the recommendation was to go to the Board to note that it would worsen the financial position.</p> <p>The CEO noted that although the plan was being brought forward, this was a mitigation for what was most likely to happen. This money would still be spent in an ineffective way but there was a need to execute a plan around it.</p> <p>She added that she thought this was the best and most cost-effective solution as opposed to doing it "in the moment".</p> <p>The COO reminded everyone that the original length of stay plan was a 3-year plan and noted that it should have recognised sooner and had things been better across the system the Health Board would have been halfway there on the challenge.</p> <p>The Finance and Performance Committee resolved:</p> <ul style="list-style-type: none"> a) The UHB Winter Plan 24/25 was noted and; b) The operational planning and the financial consequences associated with supporting this plan was noted and agree to recommend to Board for approval | |
| <p>FPC 23/10/010</p> | <p>Monthly Monitoring Return – Month 5</p> <p>The monthly monitoring return for month 5 was noted.</p> <p>The Finance and Performance Committee resolved:</p> <ul style="list-style-type: none"> a) The extracts from the UHBs Monthly Financial Monitoring Returns were noted. | |
| <p>FPC 23/10/011</p> | <p>Any Other Business</p> <p>No other business was raised.</p> | |
| | <p>Date & time of next Meeting</p> <p>Wednesday 20th November 2024 at 2.30pm via MS Teams</p> | |