

**Confirmed Minutes of the Public Finance and Performance Committee Meeting
Held On 19th July 2023 at 2 pm
Via MS Teams**

Chair:		
Michael Imperato	MI	Independent Member – Legal
Present:		
John Union	JU	Independent Member – Finance
David Edwards	DE	Independent Member - ICT
Ceri Phillips	CP	UHB Vice Chair
Keith Harding	KH	Independent Member – University
In Attendance:		
Catherine Phillips	CP	Executive Director of Finance
Andrew Gough	AG	Deputy Director of Finance (Strategy)
Paul Bostock	PB	Chief Operating Officer
James Quance	JQ	Interim Director of Corporate Governance
Jason Roberts	JR	Executive Nurse Director
Matt Temby	MT	Director Planned Care and Specialist Care
Ed Hunt	EH	Programme Director - Redevelopment
Fiona Jenkins	FJ	Executive Director Therapies and Health Sciences
Marie Davies	MD	Deputy Director of Strategic Planning
Observers:		
Secretariat:		
Sarah Mohamed	SM	Corporate Governance Officer
Apologies:		
Charles Janczewski	CJ	UHB Chair
Abigail Harris	AH	Executive Director of Strategic Planning
Robert Mahoney	RM	Deputy Director of Finance (Operational)

Item No	Agenda Item	Action
FPC 19/07/001	Welcome & Introduction The Committee Chair (CC) welcomed everyone to the meeting.	
FPC 19/07/002	Apologies for Absence Apologies for Absence were noted. The Finance Committee resolved that: a) Apologies for Absence were noted.	
FPC 19/07/003	Declarations of Interest No Declarations of Interest were noted.	

<p>FPC 19/07/004</p>	<p>Minutes of the Finance and Performance Meeting held on 21 June 2023</p> <p>The minutes of the meeting held on 21 June 2023 were received.</p> <p>The Finance Committee resolved that:</p> <p>a) The minutes of the Finance and Performance Committee meeting held on 21 June 2023, were held as a true and accurate record of the meeting.</p>	
<p>FPC 19/07/005</p>	<p>Action Log following the Finance and Performance Committee meeting on 21 June 2023</p> <p>The Action Log was received.</p> <p>The Finance Committee resolved that:</p> <p>a) The Action Log for the Finance and Performance Committee was noted.</p>	
<p>FPC 19/07/006</p>	<p>Chairs Action since previous meeting</p> <p>There had been no Chair's Actions taken since the last meeting.</p>	
Items for Review and Assurance		
<p>FPC 19/07/007</p>	<p>Financial Report – Month 3</p> <p>The Deputy Director of Finance for Strategy (DDFS) presented the Financial Report – month 3 and highlighted the following:</p> <ul style="list-style-type: none"> • At month 3, the Cardiff and Vale University Health Board (the Health Board) was reporting an overspend of £25.756m which comprised of £3.485m in unidentified savings, £0.171m of operational overspend and the planned deficit of £22.100m (three twelfths of the annual planned deficit of £88.4m set out in 2023/24 financial plan). <p><u>Operational Position</u></p> <ul style="list-style-type: none"> • At month 2, a small operational surplus of £0.075m was reported. That position had now moved to a small deficit of £171k. • The delegated clinical board position remained in a surplus of £109k, however, the position was variable across Clinical Boards, with emerging pressures being experienced within Surgery, Mental Health, CD&T and Capital Estate and Facilities. • There were deficits within central budgets of £153k which related to the pay award. Since the report had been written, the issue had been resolved and would go back to a balanced position from month 4 onwards. • A deficit had also been reported against the commissioning position of £127k. It was predicted that activity would improve as the year progressed. 	

- Deep dives were taking place with all Clinical Boards to ensure plans were in place to address pressures.
- The savings programme deficit at month 3 continued to represent a risk to the Health Board.
- The central focus of the Sustainability Board and Executive Performance Reviews with Clinical Boards were to ensure that operational pressures were addressed and managed and further progress would be made in identifying and delivering recurrent savings schemes that in turn would de-risk the financial plan.

Savings Programme

- At month 3, the Health Board identified £28,488m of green, amber and red savings against the £32m savings target leaving a further £3,512m (11%) schemes to be identified.
- The month 3 position included a Savings Programme variance of £3.485m relating to a three month share of red and unidentified schemes.
- The Health Board expected to be able to manage the balance of savings plans required to deliver the forecast deficit of £88.4m with the risk of non-delivery of savings and the progress of reducing the risk via identification of schemes.
- The DDFS emphasised that it was really important to move the schemes in red into amber and green to give assurance of delivery.
- Escalation meetings were put in place with all Finance and Operational team leads to progress the schemes in the red pipeline and find further opportunities.

Capital Resource Limit

- The Health Board continued to operate within the capital resource limit.
- There was a positive cash balance of under £4m.
- Conversations continued to take place with Welsh Government (WG) around cash support to cover the planned deficit and the consolidated pay award from 22/23.

The Independent Member - ICT (IMICT) queried the level of confidence amongst Executives in achieving the red savings and turning them into green or amber.

The DDFS responded that the ideas were worked up in a lot of detail and that progress had been observed on a weekly basis around turning those ideas into cash release savings.

The EDF responded that the first issue was identifying the £32m savings and then delivering it recurrently and that for every month that there was a delay, there would be potential slippage.

She added that they would start next years saving pipelines in September 2023 as part of the planning piece.

The Finance Committee resolved that at Month 3:

	<p>a) The reported year to date overspends of £25.756m and the forecast deficit of £88.400m was noted</p> <p>b) The financial impact of forecast COVID 19 costs which was assessed at £44.664m was noted.</p> <p>c) The month 3 operational overspend against plan of £0.171m was noted.</p> <p>d) The progress against the savings target, with £28.488m (89%) of schemes identified at Month 3 against the £32m target was noted.</p>	
<p>FPC 19/07/008</p>	<p>Operational Performance Report</p> <p>The Operational Performance Report was received.</p> <p>The Chief Operating Officer (COO) advised the Committee that the Report was still a work in progress and would be updated next month with firmer trajectories included.</p> <p><u>Urgent care</u></p> <ul style="list-style-type: none"> • It was noted that internal ward moves had been finalised and the assessment unit and the speciality hub in the Emergency Unit (EU) had been closed. • It was noted that the Health Board were likely to see a spike in 12 hour waits for the next few weeks due to patients being “off the clock” in an area deemed not suitable. • It was noted that teams were expecting the overall 4-hour performance to worsen slightly due to the way in which patient’s activity would be coded and counted. • It was noted that WG were very supportive of the approach being taken and that they wanted to use the Health Board as an exemplar on how same day emergency code was being counted and coded. <p><u>Mental Health</u></p> <ul style="list-style-type: none"> • It was noted that there had been a spike in demands and that there were also issues in being able to cover the assessments. • The COO expressed confidence that the position would be recovered once quarter 4 was reached. • It was noted that a summit had been set up to take place in early September 2023 and would be attended by several Clinical Boards, Executives and the UHB vice Chair to understand what was driving the demands, the capacity and what could be reasonably done to manage the problem. <p><u>Cancer</u></p> <ul style="list-style-type: none"> • It was noted that the Health Board was back on track and the 62-day position had improved. <p>The CC queried how primary care could be captured best within the data.</p>	

The COO responded that there was difficulty since GP's could see patients however, they were not contracted to state how many patients they had seen.

He added that GP's were working with PCIC on what meaningful data could be reported and that the PCIC executive review would also take place that afternoon where it would be discussed.

The UHB Vice Chair advised that there were issues in Primary Care due to the pressures which depended on the location of the practice and the patient list.

He added that the number of practices had also declined and that Dentistry was also challenging because there were lots of people waiting to access NHS dental care.

He concluded that Pharmacists were also under increased pressure.

i) Planned Care and Outpatients Deep Dive Presentation

The Director of Planned and Specialist Care (DPSC) advised the Committee on the following:

Governance

- There were 6 individual groups which looked at the pathway elements that needed specific work. There were also operational and clinical leads noted against each one.
- There were individual productivity and efficiency measures in each group that were being worked on.
- The performance management meetings took place weekly to analyse long waits and how they were being managed.
- Progress had been made to standardise the functions of the sub groups.
- Each subgroup was reviewing productivity and efficiency measures in addition to planning and improvement.
- Speciality performance management meetings took place weekly with the Head of Performance and measured the outputs linked to agreed delivery trajectories.

New Ministerial Ambitions

- It was noted that the following ambitions were introduced by the Minister:
 - No patient at outpatient stage over 156 weeks by end of August 2023.
 - 97% of patients should receive treatment in less than 104 weeks by December 2023.
 - 99% of patients should receive treatment in less than 104 weeks by March 2024.
 - Continuous improvement of cancer standards was required.

Weekly Monitoring

	<ul style="list-style-type: none"> It was noted that each week the team would share weekly monitoring figures with the UHB Chair, CEO, WG and the NHS Executive and Delivery Unit which detailed the remaining cohort each speciality had to achieve to hit their targets. <p><u>Outpoints: follow up not booked</u></p> <ul style="list-style-type: none"> It was noted that continued improvement was required in that area as there were just under 55,000 patients on the follow up outpatient waiting lists having been waiting 100% past their target date. It was noted that that cohort of patients had been growing since November 2022. <p>It was noted that Clinical Boards were tasked to develop plans to address waiting lists, specifically to include how to eradicate the waiting time of patients who had waited more than 2 years past target date.</p> <ul style="list-style-type: none"> It was noted that since 18th July 2023 the number had reduced to 48,201 with 40,731 without a date and that 12 out of 20 specialties were on target with their trajectories for eradicating all 2-year past target date waits without an appointment. It was noted that all Specialties would have a trajectory to eliminate all Follow Up over 100% past target date through performance reviews in July 2023 and that all trajectories were tracked by the Outpatient Delivery Group. <p>The Finance Committee resolved:</p> <ol style="list-style-type: none"> The year to date position against key organisational performance indicators for 2023-24 and the update against the Operational Plan programmes Link to Strategic Objectives of Shaping our Future Wellbeing was noted. The Planned Care and Outpatients Deep Dive Presentation was noted. 	
<p>FPC 19/07/009</p>	<p>Progress against Decarbonisation Action Plan</p> <p>The Programme Director - Redevelopment (PDR) presented the Progress against Decarbonisation Action Plan and highlighted the following:</p> <ul style="list-style-type: none"> In March 2023, the Board approved the 2023/24 Decarbonisation Action Plan and defined a series of actions, owned across the Health Board. The plan built upon previous plans and the actions defined as mandatory by NHS Wales in their Decarbonisation Strategic Delivery Plan. The 2023/24 action plan contained 54 actions set out over 6 sectoral areas: Leadership, Estates, Transport, People and Communications, Clinical and Procurement. It was agreed that actions would be reported back on a quarterly basis to the Decarbonisation Delivery Group and Finance and Performance Committee. There were two schemes that would not be completed in the current financial year which included the investment case for Shaping Our 	

	<p>Future Hospitals and the investment case for Digital Transformation due to WG not funding those schemes.</p> <ul style="list-style-type: none"> • Some actions had been put in as amber and required more work. • Leaders were being recruited in Nursing, Therapy and Clinical communities and Champion roles were also being created. • The team were working with workforce colleagues and they had now gotten a place on the induction scheme for new starters. <p>The Finance Committee resolved:</p> <p>a) The contents of the report were noted.</p>	
Items for Approval/Ratification		
<p>FPC 19/07/010</p>	<p>Haematology / BMT & Advanced Cell Therapy Strategic Outline Business Case</p> <p>The Deputy Director of Strategic Planning (DDSP) presented the Strategic Outline Business Case and advised the Committee on the following:</p> <ul style="list-style-type: none"> • The scheme had been through the appropriate internal governance routes. It was now required to come to the Committee and then to Board for approval. • The scheme had been in development for a number of years. • The business case addressed a number of issues which related to BMT haematology services. • The Health Board was the only provider in Wales of BMT and CAR-T therapies. • Maintaining JACIE accreditation was a fundamental requirement of WHSSCs service specification for BMT and CAR-T and the pharmaceutical companies who supply the products for CAR-T. • Due to environmental factors related to infrastructure, the Health Board was at risk of not retaining JACIE accreditation and the potential impact on the service could result in steps being taken to decommission BMT and CAR-T, which would fundamentally undermine the delivery of haematological cancer services for the population of South Wales. • The infrastructure was inadequate for the case mix which meant that sanitation, ventilation and isolation facilities could not be met. • There was a highly constrained footprint and there was no room to expand. • The development of a Cardiff Cancer Research Hub was inextricably linked to the wider development of high-quality regional cancer services across South East Wales. • The development of the research hub was also a key component of the TCS programme, working with partners, and one of the recommendations contained within the Nuffield Report (December 2020) was that delivery would support the region in delivering the recommendations and ensure the full range of benefits were realised. • The business case was an essential component in enabling the wider regional clinical model for nonsurgical tertiary oncology services, 	

	<p>including the new Velindre Cancer Centre, to be fully optimised and achieve the full range of expected benefits.</p> <ul style="list-style-type: none"> • The preferred way forward at this SOC stage was option 3 or option 4. <ul style="list-style-type: none"> - Option 3 – core and desirable services provided within a traditionally built new build on the site of the current HCID Unit on the car park above the main hospital entrance. - Option 4 – core and desirable services provided within a new modular building on the site of the current HCID Unit on the car park above the main hospital entrance. <p>It was noted that this involved a £62m capital investment and a £36m revenue consequence which would be fully tested at the next stage of the business case process and that the increased revenue costs would need to be met which could be achieved by increasing costs of WHSCC services.</p> <p>The UHB Vice Chair requested more clarity around the figures in the table.</p> <p>The DDSP responded she would put him in touch with the business case financial lead.</p> <p>The Independent Member – Finance (IMF) queried when they would be paid from a revenue side and would there be enough money to do it in such a short time frame.</p> <p>The DDSP responded that from a capital perspective they would be going to WG for the funding and in terms of service costs, they would need to model how they could identify savings associated that would come to patients through the provision of Advanced Therapy Medicinal Products (ATMPs).</p> <p>The Finance Committee resolved:</p> <ul style="list-style-type: none"> a) The submission of the Haematology/BMT Strategic Outline Case to Welsh Government for capital funding support was reviewed. 	
<p>FPC 19/07/011</p>	<p>South Wales Thrombectomy Full Business Case</p> <p>The DPSC presented the South Wales Thrombectomy Full Business Case and highlighted the following:</p> <ul style="list-style-type: none"> • The Health Board had a limited thrombectomy service for their own residents. • The Health Board had been working with North Bristol NHS Trust to provide services. • WHSCC have a large amount of money set aside to pay premium rates for services in North Bristol. • WHSCC had requested that the Health Board develop a business plan for the South Wales region. 	

	<ul style="list-style-type: none"> • The suggestion was to go for a phased approach. Phases 1 and 2 would involve introducing a daytime service. • In the long run, there would be a need to complete the work on a super-regional basis in Bristol. • The total cost of Phase 1 was £2.583m, increasing to £3.421m in Phase 2. The Health Board's contribution in Phase 1 would be just over £500k and £700k in Phase 2. <p>The Finance Committee resolved:</p> <ol style="list-style-type: none"> a) The Thrombectomy Strategic Full Business Case was recommended to the Board for approval. b) Specific approval to support Phase 1 and 2 of the business cases was recommended to the Board. c) Commitment to further develop Phase 3 and 4 and the ambition to become the regional centre for Thrombectomy for South Wales was recommended to the Board for support. 	
<p>FPC 19/07/012</p>	<p>All Wales Genomics Investment Business Plan</p> <p>The Executive Director of Therapies and Health Science (EDTHS) presented the All Wales Genomics Investment Business Plan and highlighted the following:</p> <ul style="list-style-type: none"> • The All Wales Medical Genomics Service (AWMGS) was hosted by the Health Board with its hub services including a single national laboratory in Cardiff. • The AWMGS provided clinics across Wales with regional clinical spokes. • The AWMGS had submitted its annual business plan to the Senior Leadership Board Investment Group for assurance scrutiny and oversight. The plan was developed to support the Health Board's Integrated Medium Term Plan (IMTP). • It would cost £24m which would be funded mostly by WHSCC. • The appendix included all the details and there would be a discussion at Board in July 2023. <p>The Finance Committee resolved:</p> <ol style="list-style-type: none"> a) The All Wales Medical Genomics Service 2023-2024 Investment Business Plan was reviewed and recommended to the Board for support. 	
Items for Information and Noting		
<p>FPC 19/07/013</p>	<p>Monthly Monitoring Returns</p> <p>The Month 3 Monitoring Return was received.</p> <p>The Finance Committee resolved that:</p>	

	a) The extract from the UHB's draft Monthly Financial Monitoring Return for Month 3 was noted.	
FPC 19/07/014	Any Other Business No Other Business was discussed.	
	Review and Final Closure	
FPC 19/07/015	Items to be referred to Board / Committee No Items to be referred to Board / Committee.	
	Date & time of next Meeting Wednesday 23 rd August 2023 at 2pm via MS Teams	