

# Finance & Performance Committee Meeting

Wed 17 April 2024, 14:00 - 15:00

Microsoft Teams

## Agenda

14:00 - 14:10  
10 min

### 1. Standing Items

John Union

#### 1.1. Welcome and Introductions

#### 1.2. Apologies for Absence

#### 1.3. Declarations of Interest

#### 1.4. Minutes from the Finance and Performance Committee meeting – 20 March 2024

1.4 Draft Finance Minutes 20.03.2024.pdf (9 pages)

#### 1.5. Actions following the Finance and Performance Committee meeting held on 20 March 2024

1.5 Finance and Performance Action Log.pdf (1 pages)

#### 1.6. Chair’s Actions since previous meeting

14:10 - 14:40  
30 min

### 2. Items for Review and Assurance

#### 2.1. Financial Report – Month 12

10 minutes

Robert Mahoney

- **High Level Target Achievement**

2.1 SUMMARY Finance Position Report for Month 12.pdf (8 pages)

#### 2.2. Savings Tracker 2024/25

10 minutes

Andrew Gough

2.2 2024\_25 Savings Tracker.pdf (3 pages)

#### 2.3. Operational Performance:

10 minutes

Paul Bostock

- **Integrated Performance Report Changes**

2.3 Changes to the Integrated Performance Report.pdf (4 pages)

2.3a Appendix 1 - All Wales Performance Framework 24 25.pdf (14 pages)

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14:40 - 14:40 0 min

### 3. Items for Approval / Ratification

*No Items*


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14:40 - 14:45 5 min

### 4. Items for Information and Noting

#### 4.1. Finance Committee Annual Report 2023/24

*Matt Phillips*

 4.1 Covering Report F&P Committee Annual Report.pdf (2 pages)

 4.1a Draft Annual Report of the Finance & Performance Committee.pdf (7 pages)

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14:45 - 14:45 0 min

### 5. Any Other Business

14:45 - 14:45 0 min

### 6. Review of Meeting and Future Actions and Final Closure

#### 6.1. Items to be deferred to Board / Committee

#### 6.2. To note the date, time and venue of the next Committee meeting:

**Wednesday 22 May 2024 via MS Teams**

Saunders, Nathan  
15/04/2024 09:12:50

**Minutes of the Public Finance and Performance Committee Meeting  
Held on 20 March 2024  
Via MS Teams**

<b>Chair:</b>		
John Union	JU	Independent Member – Finance
<b>Present:</b>		
David Edwards	DE	Independent Member – Information Communication & Technology
Ceri Phillips	CP	UHB Vice Chair
<b>In Attendance:</b>		
Paul Bostock	PB	Chief Operating Officer
Andrew Gough	AG	Deputy Director of Finance (Strategic)
Abigail Harris	AH	Executive Director of Strategic Planning
Edward Hunt	EH	Programme Director – Strategic Planning
Robert Mahoney	RM	Deputy Director of Finance (Operational)
Catherine Phillips	CP	Executive Director of Finance
Matt Phillips	MP	Director of Corporate Governance
Calum Shaw	CS	Environmental Sustainability Improvement Manager
<b>Secretariat:</b>		
Nathan Saunders	NS	Senior Corporate Governance Officer
<b>Apologies:</b>		
Suzanne Rankin	SR	Chief Executive Officer
Charles Janczewski	CJ	UHB Chair

Item No	Agenda Item	Action
<b>FPC 24/03/001</b>	<b>Welcome &amp; Introduction</b>  The Committee Chair (CC) welcomed everyone to the meeting.	
<b>FPC 24/03/002</b>	<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.	
<b>FPC 24/03/003</b>	<b>Declarations of Interest</b>  No Declarations of Interest were noted.	
<b>FPC 24/03/004</b>	<b>Minutes of the Finance and Performance Meeting held on 21 February 2024</b>  The minutes of the meeting held on 21 February 2024 were received.  <b>The Finance Committee resolved that:</b>  a) The minutes of the Finance and Performance Committee meeting held on 21 February 2024, were held as a true and accurate record of the meeting.	
<b>FPC 24/03/005</b>	<b>Actions following the Finance and Performance Committee meeting on 21 February 2024</b>  The Action log was received.  <b>The Finance and Performance Committee resolved that:</b>  a) The Action Log for the Finance and Performance Committee was noted.	

<p><b>FPC</b> <b>24/03/006</b></p>	<p><b>Chairs Action since previous meeting</b></p> <p>There had been no Chair's Actions taken since the last meeting</p>	
<p><b>FPC</b> <b>24/03/007</b></p>	<p><b>1) Financial Report – Month 11</b></p> <p>The Financial Report – Month 11 was received.</p> <p>A summary was provided to the Committee which stated:</p> <p><i>At month 11, the Health Board was reporting an overspend of £16.818m. This was comprised of £1.730m unidentified savings/operational overspend and the revised planned deficit of £15.088m (11 twelfths of the revised forecast year end deficit of £16.460m).</i></p> <p>The Deputy Director of Finance (Operational) DDFO advised the Committee that it was very live position as there were only 11 days left until the end of the financial year.</p> <p>He added that the report received by the Committee had been enhanced to include an extended capital review to demonstrate how the programme was being managed and how it would be managed that into the year end for 2023/24.</p> <p>It was noted that the forecast year end position had been amended in line with the revised target control total issued by Welsh Government (WG) on the 20th October 2023 to £16.460m and that the Health Board were just above the control total at month 11 at £16.818m.</p> <p>The Committee were presented with a summary financial table which set out and analysed the £16.818m overspend at Month 11, between Income, Pay and Non-Pay and the Total Variance Forecast (TVF) graph which showed the total operational and savings programme deficits and the impact of the additional savings actions on the total variance.</p> <p>The DDFO advised the Committee that after peaking at month 6, delivery in line with the profile would enable the UHB to hit the £16.460m revised forecast deficit.</p> <p>The Financial Performance of the Clinical Boards were presented to the Committee which noted that budgets had been set to the Clinical Boards in the anticipation that they were sufficient to deliver the Health Boards plan.</p> <p><b>Covid Expenditure</b> - it was noted that Local Response expenditure was no longer funded by WG and as such was included within the Health Boards Financial Plan with the forecast cost at Month 11 being a reduction of £3.2m against the £34.2m included within the Financial Plan and was included within the Health Boards savings plans.</p> <p><b>Risks</b> – The Committee were provided with a summary of the Finance Department's Risk Register and the key risk was noted which stated the failure of the Health Board to deliver a breakeven position by 2023-24-year end with a current planned deficit of £16.460m.</p> <p><b>Savings Programme</b> – The Committee was advised that at month 11, the Health Board had identified £32.590m of green and amber against the £32m savings target and included a Savings Programme variance of £1.082 due to the shortfall in delivery against some of the schemes.</p> <p>The DDFO noted that the progress of the agreed additional actions and focus on operational pressures was expected to cover the month 11 Savings Programme variance by year end, which would enable the Health Board to deliver its revised planned deficit position of £16.640m.</p> <p>He added that Executive Performance Reviews with the Clinical Boards were focussing on the management of operational pressures and progress in identifying and delivering recurrent savings schemes that in turn would de-risk the financial plan.</p> <p>The Committee were presented with a graph which showed the current cumulative profile of identified schemes up to the savings target of £32m.</p> <p>It was noted that further schemes identified in 2023/24 were not expected to deliver savings in year and would be considered as part of the process to identify savings schemes for the 2024/25 Financial Plan.</p>	

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**Cash Flow Forecast** – The Committee was advised that the cash balance at the end of February was £3.881m with a forecast deficit of £16.460m at year end pending confirmation of strategic cash support.

It was noted that the Health Board had relayed an accountable officer's letter, on the 22nd November 2023, to formally request the strategic cash assistance in line with the revised forecast outturn and that in addition, the Health Board urgently required confirmation and action of outstanding cash allocations that had been included in WG monthly monitoring returns since the beginning of the year.

**Capital** – The Committee was advised that £18.68m of additional capital schemes had been approved by WG during 2023/24, increasing the CRL from the original allocation of £20.102m to £38.784m (as of 29th February CRL).

The DDFO noted that £9.6m of new schemes had been approved since December 2023, weighting the delivery of the 23/24 capital programme heavily to the last quarter.

He added that to ensure the delivery of the 23/24 capital programme, all schemes had been reviewed and potential slippage identified which was presented to the Committee.

The CC thanked the DDFO and the Finance Team for the sterling job done on bringing all of the month 11 data together for the Committee.

The UHB Vice Chair noted that the valuation Whitchurch Hospital asset that was due to be transferred to Velindre was £7.804m and asked how realistic that figure was and when it had been provided.

The DDFO responded that the transfer of the asset to Velindre would be at book value, as it was an NHS to NHS transaction, and that there was some uncertainty about whether it would happen in 2023/24 or 2024/25 and was dependent on WG approval.

The Executive Director of Finance (EDF) added that the Health Board had agreed to transfer the Whitchurch Hospital asset to Velindre at book value, as a way of enabling the Velindre Cancer Centre to proceed with their development plans.

She added that the Health Board would receive the land where the current Velindre Cancer Centre was located, once it was remediated and cleared and explained that it was a sensible middle ground to facilitate the transfer of land and to alleviate the Health Board of the running costs and security of the Whitchurch site.

The DDFO continued to present the Financial Report – Month 11.

**Key Performance Indicators (KPIs)** – The Committee was advised that the Finance Team had delivered against the KPIs for 2023/24 and the DDFO advised that he would review the KPIs for 2024/25 which would reported back to the Committee in the next Financial Report.

The DDFO concluded that the Health Board had delivered its Cost Reduction Programme (CRP) and he was confident that the Health Board would deliver against the £16.460m control total to WG however absolute assurance could not be given until the month 12 reporting which would be received by the Committee at its next meeting.

**The Finance and Performance Committee resolved:**

- a) The revised the forecast deficit of £16.460m following the confirmation of additional Welsh Government Support and the requirement to further reduce planned expenditure was noted.
- b) The reported year to date overspend of £16.818m and the forecast deficit of £16.460m was noted.
- c) The financial impact of forecast COVID 19 costs which was assessed at £44.064m was noted.

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	<p>d) The month 11 operational overspend against plan of £0.648m with a further £1.082m savings gap was noted.</p> <p>e) The progress against the savings target, with £32.590m (102%) of schemes identified at Month 11 against the £32m target with year to date deficit was noted.</p> <p>f) The delivery of the forecast which was also dependant on the confirmation of all outstanding income streams was noted.</p>	
<b>FPC</b> <b>24/03/008</b>	<p><b>Financial Plan and Savings Tracker 2024/25</b></p> <p>The Financial Plan and Savings Tracker 2024/25 was received.</p> <p>The Deputy Director of Finance – Strategic (DDFS) advised the Committee that the tracker had been discussed in detail at a Board Development session and raised some key points which included:</p> <ul style="list-style-type: none"> <li>• The plan aimed to stabilise the financial position with a goal to deliver a £15.9m deficit which was an improvement from the previous year's deficit.</li> <li>• The organisation planned to retain the £45.4 million WG allocation made in 2023/24 to support both COVID consequential costs and exceptional inflationary pressures.</li> <li>• The delivery of the plan would require an ambitious savings program totalling £47.2m, which included a core £32m target and the delivery of non-recurrent savings from 2023/24.</li> <li>• The plan would continue to drive savings on a themed approach that aligned with the national value and Sustainability Board.</li> <li>• The draft plan was a deficit of £15.9 and achieving a break-even position in 2024/25 could impact patient care and the ability to deliver core services, which included a reduction in bed base and a slowdown of planned care activity and community services development.</li> <li>• The plan had a clear trajectory to financial balance sustainability over the next two years, starting with the delivery of the 2024/25 draft planned deficit of £15.9m</li> </ul> <p>The UHB Vice Chair noted that at the Board Development session, a discussion had taken place around the relatively minor amount that the deficit would be in terms of £15.9m as an overall percentage.</p> <p>He added that a meeting had been held with all Vice Chairs with the Minister where she had emphasised that no more money would be available and the £15.9m was predicated on the Health Board getting so some resources from Welsh government and asked if the DDFS had any further information because to achieve a zero position for 2025/26, the Health Board would need to go through the difficult plan in 2024/25.</p> <p>The DDFS responded that from discussions held with colleagues in WG and within the Financial Planning Directorate there was an expectation that an improving position on the 2023/24 control total deficit should secure the £45.4 million funding that was received from WG in 2023/24 and that was how the Health Board was positioning its plan for 2024/25.</p> <p>The EDF added that WG would be aiming to balance the overall Health spend and in addition, a very strong steer had been given that £15.9m would be marginal, but an improved deficit.</p> <p>The DDFS advised the Committee that:</p> <ul style="list-style-type: none"> <li>• An ambitious savings program was in place to deliver a deficit of £15.9m next year.</li> <li>• The savings program totalled £47.2m and at the time the papers were published, £16.4m worth of savings had been identified with £18.4m having been identified at the time of the meeting, an increase of £2m</li> <li>• Just over £5m of the identified savings were categorised as green and amber, providing assurance of delivery. There were also £13m of red pipeline schemes.</li> <li>• There was still a significant gap in the savings program to close and provide assurance of delivery, however, the current position was better than what had been seen over the last three years.</li> <li>• Continuous progress was expected over the next few weeks, with significant improvement anticipated by the time the plan was submitted to WG and as focus shifted entirely to 2024/25.</li> </ul>	

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	<ul style="list-style-type: none"> <li>• A themed approach to savings was still being used and was continuing to develop which worked well in 2023/24 and would continue into 2024/25.</li> <li>• There would be a better engagement and alignment with clinical boards on how savings were being delivered, with more work across clinical boards on corporate themes.</li> </ul> <p>The DDFS summarised the discussion and noted that it was the final draft plan for the Committee to support for recommendation to the Board for approval.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <p>a) The Financial Plan and Savings Tracker 2024/25 was noted and recommended to the Board for approval at its May 2024 meeting.</p>	
<b>FPC</b> <b>24/03/009</b>	<p><b>Operational Performance</b></p> <p>The Operational Performance update was received.</p> <p>The Chief Operating Officer (COO) advised the Committee that he would take the report as read but would highlight points where appropriate which included:</p> <ul style="list-style-type: none"> <li>• Urgent Care – it was noted that January and February had seen a notable increase in operational pressures across Wales and the average ambulance handover time remained higher than it had in December 2023.</li> <li>• Stroke - There had been a slight dip in stroke performance, but it had been anticipated. An investment case for additional consultant cover was presented to the investment group in March 2023 and was well received and if approved, a more sustained performance in stroke would be expected over the next few months as consultant cover was increased to seven days a week from 8:00 AM to 11:00 PM.</li> <li>• Cancer Services - Progress had been made in cancer care, with a reduction in the backlog of patients waiting over 62 days. As of the end of March 2023, there were 139 patients waiting over 62 days, nearly 100 patients fewer than the original trajectory of 234 and the number of patients waiting over 104 days had been reduced to 45.</li> </ul> <p>It was noted that the reduction in the backlog was largely due to decreased endoscopy waiting times and it was noted that despite a likely drop in performance in February there was confidence that 75% single cancer performance would be delivered in Q1.</p> <p>The COO advised the Committee that Industrial action posed some risk, but it had been managed well so far, however, it had resulted in the displacement of many other patients to accommodate the cancer patients displaced by the industrial action.</p> <ul style="list-style-type: none"> <li>• Planned Care – It was noted that the 99% standard set by the Minister for patients to start their definitive treatment within two years of referral would not be met by the end of March 2023 with the delivery expected to be around 98.2%, with about 1,000 patients short.</li> </ul> <p>The COO advised the Committee that there were 2800 patients waiting over two years, which was about 1000 more than expected, largely due to the industrial action.</p> <p>He added that the ambition was to clear all four-year waits by the end of April.</p> <ul style="list-style-type: none"> <li>• Primary Care - The current state of Primary Care was described as fairly stable and the levels of GP practices in escalation remained in the 30s, and there had been no significant fallout following the conclusion of contract negotiations.</li> </ul> <p>The COO advised the Committee that despite concerns raised over the past few weeks, there was no expectation of contract handbacks or discontinuation of some of the enhanced services provided by GPs</p> <p><b>Deep Dive on Mental Health:</b></p>	

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The COO reminded the Committee that a deep dive on Mental Health had been requested by the Committee and noted that the purpose of the presentation received was to provide an update on the challenges within Mental Health operational performance for both Adults and CAMHS

He added that the deep dive did not give a solution to all the issues but set out what work was ongoing.

The presentation included a large amount of detail on Mental Health Performance and included:

- Mental Health Measure (MHM):
  - Part 1 sought to ensure more mental health services were available within primary care.
  - Part 2 gave all people who received secondary mental health services the right to have a Care and Treatment Plan
  - Part 3 gave all adults who were discharged from secondary mental health services the right to refer themselves back to those services
  - Part 4 offered every in-patient access to the help of an independent mental health advocate

It was noted that Part 1 and 2 both featured as part of the NHS Performance Framework and were the two measures that the Health Board were most closely monitored on.

- Part 1a performance - 80% assessments within 28 days of referral (adult):
  - Performance for Part 1a in adults had been above the 80% standard for 9 of the last 11 months
  - Performance was above the All Wales Average
  - Performance recently dropped due to a spike in referrals
  - There was a 10.5% increase in referrals year on year
  - Demand and capacity planning shows a gap of 3 WTE clinician shortage to achieve balance.
- Part 1b - 80% interventions (treatments) within 28 days of assessment (adult):
  - Performance for Part 1b in adults was consistently at 100%
  - Evidence based interventions included 1:1 treatment, Group sessions, Self-help materials, Open access courses and Online CBT.
- Part 2 - 90% in receipt of secondary mental health services who have a valid care and treatment plan (adult):
  - Performance reduced following recalculation from 80.2% in March 2023 to 50.3% in April 2023
  - Recovery and Maintenance Programme (RAMP) was awaiting ratification at Mental Health Act Legislation Committee which aimed to adjust the coding of 'stable severe' patients within CMHT caseloads as Part 1.
- Psychological Therapies - 80% waiting less than 26 weeks to start a psychological therapy:
  - December 2023 - 63% compliance with 26-week assessment to treatment standard
  - Patients over 26 weeks reduced from 898 in August 2023 to 561 in December 2023
  - The volume of referrals was cut significantly in September 2023 following a dedicated focus on reducing counselling referrals through the single point of access in PMHSS
  - The Longest wait – 28 months for the Traumatic Stress Service but this service had reduced overall waiting list volume
  - Increasing numbers in Eating Disorder Specialist Outpatient Treatment Team (EDSOTT)
- Psychological Therapies – Eating Disorders:
  - There were two Eating Disorder services - Eating Disorder Specialist Outpatient Treatment Team (EDSOTT) and Severe High-Risk Eating Disorders Team (SHED).
  - EDSOTT worked across Part 1 & 2 and offered high intensity treatment for a range of eating disorder presentations
  - Referrals increased by 42% in 2022

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	<ul style="list-style-type: none"> <li>- Investment through Service Improvement Funding and work with Children's services for transition – challenges were expected to continue</li> <li>• Neurodevelopment - adults (focus on ADHD): <ul style="list-style-type: none"> <li>- There had been a 400% increase in referrals</li> <li>- There had been a 32% increase in prescribing since 2015</li> <li>- Adult referrals were higher than children for the first time</li> <li>- Co-ordinated action would be required</li> <li>- The Mental Health team were engaged in national work</li> <li>- Financial challenges would require investment</li> </ul> </li> <li>• Part 1a - 80% assessments within 28 days of referral (children): <ul style="list-style-type: none"> <li>- Performance for Part 1a in children had been above the 80% standard for 10 of the last 11 months</li> <li>- Performance was above the All Wales Average</li> <li>- Performance recently dropped to 78% due to sickness, complex cases and cancellations over Christmas</li> </ul> </li> <li>• Part 1b - 80% interventions (treatments) within 28 days of assessment (children): <ul style="list-style-type: none"> <li>- Performance against the Part 1b standard reduced to 0% in April 24 following a re-calculation of the standard and integration of IT systems.</li> <li>- Underachievement was largely due to a backlog following previous increases in assessments, staff sickness and vacancies within the service.</li> <li>- The median wait for an intervention appointment was approximately 10-weeks</li> <li>- A trajectory was being developed which aims to return to standard by Q3 2024/25 through recruitment, job planning, agency use and outsourcing</li> </ul> </li> <li>• Part 2 - 90% in receipt of secondary mental health services who have a valid care and treatment plan (children): <ul style="list-style-type: none"> <li>- Part 2 compliance was generally above or extremely close to standard.</li> <li>- Seasonal variation and prioritisation of intervention could impact performance.</li> <li>- Part 2 training had been provided to the intervention team alongside the launch of the new clinical pathways.</li> </ul> </li> <li>• Neurodevelopment – children: <ul style="list-style-type: none"> <li>- The waiting list continued to grow as a result of a continued demand and capacity mismatch - demand outstripped capacity by approximately 350%.</li> <li>- The longest wait reduced down to 150 weeks but 81% children and young people were waiting over the expected 26 weeks. The Health Boards performance was broadly in line with the rest of Wales.</li> <li>- Continued work was underway as part of the WG Improvement Programme, the 3 main areas of focus were: Triage and referral Joint assessments and fast track triage assessment clinic, ADHD medication follow up.</li> </ul> </li> </ul> <p>The CC inquired about the performance relating to part 1B for children, which pertains to the initiation of interventions or treatments within 28 days of assessment and asked what the implications from WG were when they are told of the Health Boards performance on it.</p> <p>The COO responded that WG were supportive of the Health Board because it was open and honest about the Mental Health figures.</p> <p>He added that the were clearly concerned about the level of performance, but had confidence that the Health Board knew why it had that level of performance and what was being done about it we're doing about it.</p> <p>The COO advised the Committee that a further update on progress would be provided to the Committee in 6 months' time.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <ul style="list-style-type: none"> <li>a) The year to date position against key organisational performance indicators for 2023-24 and the update against the Operational Plan programmes were noted.</li> </ul>	
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	b) The Mental Health Deep Dive was noted.	
<b>FPC 24/03/010</b>	<p><b>Decarbonisation Plan &amp; Q3 Decarbonisation Action Plan Update</b></p> <p>The Decarbonisation Plan &amp; Q3 Decarbonisation Action Plan Update was received.</p> <p><b>Decarbonisation Action Plan</b></p> <p>The Executive Director of Strategic Planning (EDSP) introduced the Decarbonisation Plan and noted that the plan had been through several variations over the last few years and every year it had been updated to reflect any changes, anything new or anything the Health Board had learned in terms of how best to tackle the climate emergency and take its responsibility seriously as an organisation.</p> <p>She added that the report received was the 2025/26 Decarbonisation Plan on its journey towards the Board the following week for approval.</p> <p>The Environmental Sustainability Improvement Manager (ESIM) presented to the Committee:</p> <p>Key Points included:</p> <ul style="list-style-type: none"> <li>• Climate Emergency - A climate emergency was declared in 2020 by the Health Board demonstrating their commitment to taking climate change seriously.</li> <li>• The NHS Wales Strategic Delivery Plan: Published in 2021, contained actions and initiatives aimed at reducing emissions and achieving emission reduction targets. It also required that NHS organisations must have decarbonisation action plans.</li> <li>• Shaping Our Future Wellbeing Strategy: The strategy outlines ambitions to reduce emissions within the Health Boards control. Targets included a 16% reduction by 2025 and a 34% reduction by 2030, against a 2018 baseline.</li> <li>• Emissions Increase: Emissions have risen both within Cardiff and Vale and across the wider NHS in Wales. Around 80% of emissions come from procurement. This increase was due to more accurate data measurement and increased spending, amongst other factors.</li> <li>• Emissions Reduction: Emissions that the Health Board controlled, such as energy, had collectively reduced by around 7% against the baseline.</li> <li>• Future Ambitions: The strategy sets a 40% target by 2027, a 60% target by 2035, and aimed to achieve carbon neutrality as a health service by 2035.</li> <li>• New Areas in the Current Plan: The plan focussed on prevention, recognising that the most effective and low carbon form of healthcare was that which did not need to be delivered. It also focussed on operational priorities, recognising the carbon benefits created by operational and financial efficiency programs. It also focused on adaptation, acknowledging the need to adapt states and services to deal with the impacts of climate change.</li> <li>• Impact of the Plan: The estimated impact of the plan would be around 8000 tonnes or 4% of the footprint.</li> </ul> <p>The ESIM advised the Committee that within the plan, three categories had been set out for Health Board actions around:</p> <ul style="list-style-type: none"> <li>• Strategic aims, departmental actions and personal values that staff were being asked to uphold.</li> <li>• There were 49 actions in total which sat across the Strategic and departmental levels, but everyone across the organisation needed to play their part within the agenda.</li> </ul>	

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	<p>It was noted that specific actions for staff had been sent out in the plan which included:</p> <ul style="list-style-type: none"> <li>• Reducing energy</li> <li>• Correctly disposing of waste.</li> <li>• Staff taking more sustainable modes of transport.</li> <li>• How staff could apply the sustainable practices in their day to day roles.</li> </ul> <p>The ESIM advised the Committee that following approval of the plan, the messaging would be publicised widely across the Health Board.</p> <p><b>Q3 Decarbonisation Action Plan Update</b></p> <p>The EDSP advised the Committee that a huge amount of reporting on the Action Plan had been provided to WG and noted that the plan was brought to the Committee periodically to give assurance that the Health Board were doing everything it said it would do.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <p>a) The 2024/25 Decarbonisation Action Plan was approved for recommendation to the Board.</p>	
<b>FPC 24/03/011</b>	<p><b>Water Safety Control Measure</b></p> <p>The Water Safety Control Measure was received.</p> <p>The EDF advised the Committee that it was being received as per process on the way to the Board meeting for approval.</p> <p>She added that 2 organisations had bid for the contract and the incumbent was due to be rewarded on the basis of quality and price.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <p>a) The award of the contract for Provision of Water Safety Control Measures and recommend to the Board for approval at its meeting held on 28.03.2024 was approved.</p>	
<b>FPC 24/03/012</b>	<p><b>Monthly Monitoring Returns – Month 10</b></p> <p>The month 10 monitoring returns were received.</p> <p><b>The Finance and Performance Committee resolved:</b></p> <p>a) The month 10 monitoring returns were noted.</p>	
<b>FPC 24/03/013</b>	<p><b>Any Other Business</b></p> <p>No other business was raised.</p>	
	<p><b>Date &amp; time of next Meeting</b></p> <p>Wednesday 17 April 2024 via Teams</p>	

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## Public Action Log

Following Finance and Performance Committee Meeting  
20 March 2024  
(For the Meeting 17 April 2024)

Completed actions					
REF	SUBJECT	AGREED ACTION	ACTIONED TO	DATE	STATUS/COMMENTS
<b>FPC 24/02/019</b>	Operational Performance - Diagnostics	Diagnostics update to be received by the Committee at its June meeting.	Paul Bostock	19.06.2024	<b>COMPLETED</b> On Forward Plan for June meeting 19.06.2024
<b>FPC 24/02/019</b>	Operational Performance – Deep Dive on Mental Health	Update on Mental Health to be received by the Committee in 6 months' time.	Paul Bostock	21.08.2024	<b>COMPLETED</b> On Forward Plan for August meeting 21.08.2024
<b>FPC 24/03/010</b>	Decarbonisation Plan	Review the comms for decarbonisation plan to ensure it adequately addresses concerns that it would not adversely affect patient safety and was not being driven by financial savings.	Marie Davies / Calum Shaw	17.04.2024	<b>COMPLETED</b> verbal update to be provided at the next meeting via Action Log discussion noting that plan was approved at Board on 28.03.24 and the same action discussed at that Board meeting.
Actions referred to Board/Committees					

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Report Title:	Finance Report for the Period Ended 30 <sup>th</sup> March 2024			Agenda Item no.	2.1
Meeting:	Finance Committee	Public	x	Meeting Date:	17 <sup>th</sup> April 2024
		Private			
Status <i>(please tick one only):</i>	Assurance	X	Approval	Information	
Lead Executive:	Executive Director of Finance				
Report Author (Title):	Deputy Director of Finance (Operational)				

Main Report  
Background and current situation:

**Summary**  
At month 12 the UHB has reported to Welsh Government that it will meet its control target of a £16.460m deficit for the end of 2023-24 as outlined in table 1 below.

Table 1: Draft Month 12 Financial Position 2023/24

	Month 12 Position £m
Planned deficit	16.460
Savings/Operational position Surplus	(0.055)
Financial Position £m (Surplus) / Deficit £m	16.405

The UHB’s provisional year end revenue outturn is within its 16.460m forecast deficit, which in turn is consistent with the UHBs control total agreed with Welsh Government. The UHB is reporting that it stayed within its Capital Resource Limit.

Creditor payment compliance met the 95% target.

The Finance Committee is asked to note that the reported performance is provisional at this stage as the draft accounts have not yet been finalised and submitted and will be subject to Audit Wales scrutiny process.

The actual and provisional performance against the 3 year break even duty on revenue is shown in Table 2 below.

Table 2: Performance against the 3 year financial break even duty

	Actual / Forecast year end position surplus/(deficit) £m	Rolling 3 year break even duty surplus/(deficit) £m	Pass or fail financial duty
2014/15	(21.364)	n/a	n/a
2015/16	0.068	n/a	n/a
2016/17	(29.243)	(50.539)	Fail
2017/18	(26.853)	(56.028)	Fail
2018/19	(9.872)	(65.968)	Fail
2019/20	0.058	(36.667)	Fail
2020/21	0.090	(9.724)	Fail
2021/22	0.232	0.380	Pass
2022/23	(26.789)	(26.467)	Fail
2023/24	(16.405)	(42.962)	Fail

The three year rolling break even duty was introduced in the 2014/15 financial year with the first assessment being in 2016/17. In addition to the UHB’s in year deficit of £16.405m (draft) Table 2 also demonstrates that the UHB did not meet its rolling three year financial duty in 2023/24. To meet

the target the UHB would have needed to have posted a £26.557m surplus in 2023-24. The long term plans to return to a stable and balanced financial position will require three balanced years to re-commence meeting the target.

**Financial Plan Approved by Board and submitted to Welsh Government**

The UHB’s Financial Plan in 2023-24 reflected the following key components :-

- Brought forward underlying deficit of £40.3m
- Local Covid Consequential costs of £34.2m
- Additional energy costs of £11.5m
- 23/24 Demand and cost growth and unavoidable investments of £48.8m
- Allocations and inflationary uplifts of £14.4m
- A £32m (4%) Savings programme

This resulted in a 2023-24 planning deficit of £88.4m.

**The forecast year end position was amended in line with the revised target control total issued by Welsh Government on the 20th October 2023 following confirmation of additional allocations by Welsh government : -**

- Planned Deficit @ Month 6 £88.400m
- 10% Cost Improvement required £8.840m
- Recurrent Covid Legacy Funding £20.300m
- Recurrent Inflationary Uplift £25.100m
- Non recurrent Inflation Uplift £10.100m
- Non recurrent Energy Funding £7.600m

**This resulted in a revised Financial Forecast Deficit of £16.460m based on the receipt of an additional £63.100m funding from Welsh Government (detailed above) and the delivery of additional savings (above those already included in the UHB Financial Plan) of £8.840m.**

The revised deficit forecast was recognised by Welsh Government as the likely out-turn for Cardiff and Vale UHB. This did not constitute formal approval for the UHB financial plan by the Health Minister and as such the UHB did not have an approved plan for 2023-24.

**This represents a failure of the statutory requirement to have a plan approved by Ministers.**

**Core Financial Plan – Month 12 Position**

The UHB is reporting a draft month 12 overspend of £16.405m.

**Summary Financial Table**

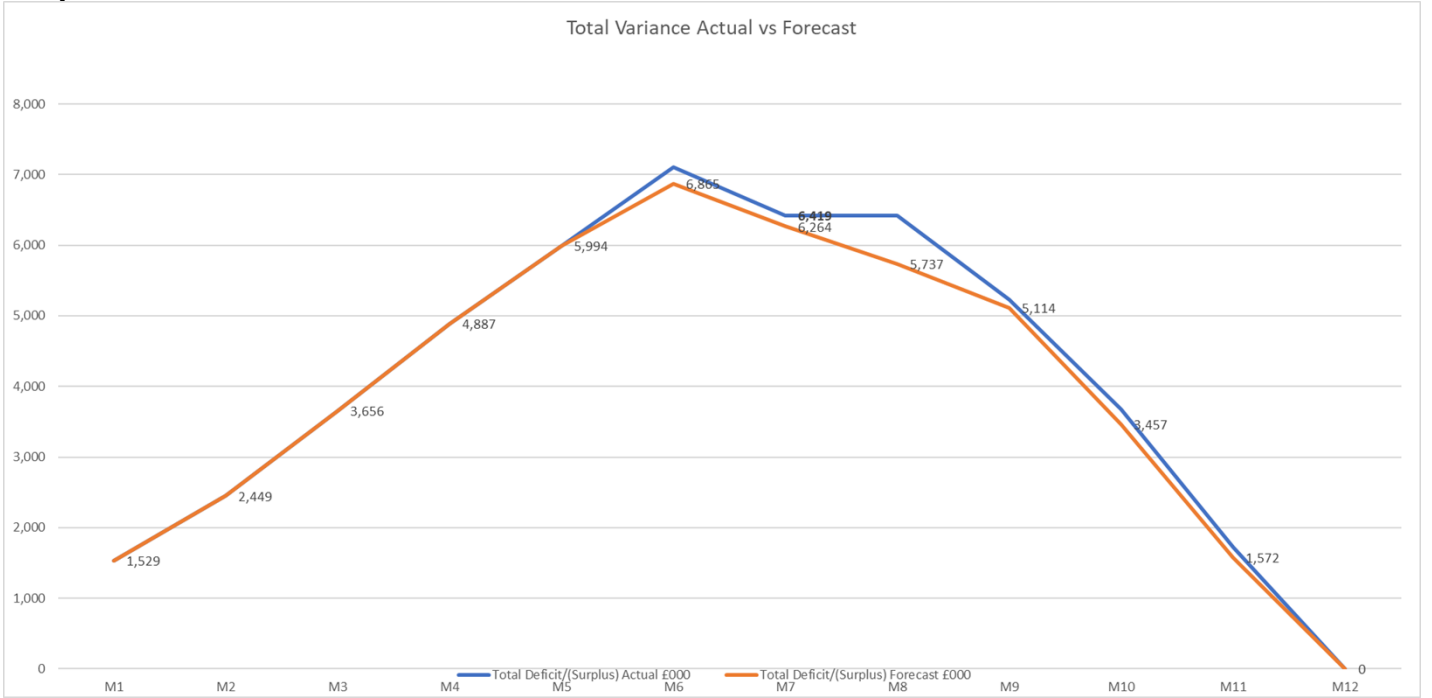
The following table analyses the £16.405m overspend at Month 12, between Income, Pay and Non-Pay.

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Table 3: Summary Financial Position for the period ended 31<sup>st</sup> March 2024

Income/Pay/Non Pay	Memorandum Annual	Current Period	Total Variance
	Budget £m	Actual £m	(Fav)/Adv £m
In Month			
Income	(1,975.950)	(218.783)	(4.007)
Pay	954.332	115.680	(2.481)
Non Pay	1,021.618	101.319	4.703
Sub Total £m	0.000	(1.785)	(1.785)
2023/24 Planned Deficit	16.460	1.372	1.372
Variance to Plan £m	16.460	(0.413)	(0.413)
Cumulative			
Income	(1,975.950)	(1,985.835)	(9.885)
Pay	954.332	952.852	(1.481)
Non Pay	1,021.618	1,032.929	11.311
Sub Total £m	0.000	(0.055)	(0.055)
2023/24 Planned Deficit	16.460	16.460	16.460
Variance to Plan £m	16.460	16.405	16.405

Graph 1– Total Variance



Graph 1 shows the total operational and savings programme deficits and the impact of the additional savings actions on the total variance. After a peak in the operational overspend at month 6, the additional actions enabled the UHB to hit the £16.460m revised forecast deficit.

The additional 10% Improvement required by Welsh Government was achieved through the review, management and scheduling of specific expenditure programmes. The majority of the opportunities to meet the £8.8m target were non recurrent in nature and did not reduce the underlying deficit.

Financial Performance of Clinical Boards

Budgets were set in the anticipation that they were sufficient to deliver the UHB’s plan. Financial performance for month 12 by Clinical Board is shown in Table 4.

**Table 4: Financial Performance for the period ended 30<sup>th</sup> March 2024**

Clinical Board	Operational/Savings Position (Surplus) / Deficit	Total / Deficit	Prior Month (Surplus) / Deficit
Cumulative	Variance £m	Variance £m	Variance £m
Clinical Diagnostics & Therapeutics	6	6	233
Children & Women	1,562	1,562	1,433
Capital Estates and Facilities	1,068	1,068	900
Executives	(941)	(941)	(1,089)
Genomics	(71)	(71)	(46)
Medicine	7,449	7,449	7,505
Mental Health	306	306	261
PCIC	2,218	2,218	3,001
Specialist	901	901	1,034
Surgery	892	892	943
<b>Sub-Total Delegated Position</b>	<b>13,390</b>	<b>13,390</b>	<b>14,175</b>
Central Budgets	(10,925)	(10,925)	(9,368)
Commissioning	(2,521)	(2,521)	(3,078)
Cost Improvement Themes	0	0	0
<b>Total (Surplus)/Deficit</b>	<b>(56)</b>	<b>(56)</b>	<b>1,730</b>
Planned Deficit	16,460	16,460	15,088
<b>Total Operational (Surplus)/Deficit</b>	<b>16,405</b>	<b>16,405</b>	<b>16,818</b>

The UHB operational position improved in Month, falling from an overspend of £1.730m at month 11 to a £0.056m surplus at month 12, in line with the forecast trend.

## COVID 19 Expenditure

The expenditure for Month 12 is summarised in Table 5 below.

**Table 5: Summary of Month 12 COVID 19 Net Expenditure**

	Month 12 £m	Forecast £m	Funded by WG or Financial Plan £m	Variance to Plan/Fundin g £m
Health Protection	8.800	8.800	8.800	0.000
PPE	2.500	2.500	2.500	0.000
Long Covid	0.954	0.954	0.954	0.000
Nosocomial	0.520	0.520	0.520	0.000
Anti-Viral	0.100	0.100	0.100	0.000
<b>Sub Total WG Funded Covid Expenditure £m</b>	<b>12.874</b>	<b>12.874</b>	<b>12.874</b>	<b>0.000</b>
Included in Financial Plan - COVID Local Response	31.000	31.000	34.200	(3.200)
<b>Total COVID Expenditure £m</b>	<b>43.874</b>	<b>43.874</b>	<b>47.074</b>	<b>(3.200)</b>

Local Response expenditure is no longer funded by Welsh Government and as such is included within the UHB's Financial Plan.

The local response cost at Month 12 is a reduction of £3.2m against the £34.2m included within the Financial Plan and is included within the UHB's savings plans.

Welsh Government funded Health Protection, PPE, Long Covid, Nosocomial and Anti-Viral expenditure which was reported in line with funding.



## Savings Programme

At month 12, the UHB had identified £32.590m of green and amber against the £32m savings target as illustrated by table 6 below:

**Table 6: Savings Schemes**

### 2023-24 Savings Summary

#### 2023-24 in-year plans

Clinical/Service Board	23-24 Target	Green	Amber	Red	Total Savings Identified	Savings Shortfall
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Estates and Facilities	631	669	0	0	669	(38)
Children and Women	869	869	0	0	869	0
Clinical Diagnostics and Therapeutics	799	800	0	0	800	(1)
Corporate Executives	334	325	0	0	325	9
Medicine	919	919	0	0	919	0
Mental Health	719	720	0	0	720	(1)
Primary, Community and Intermediate Care	1,615	1,924	0	0	1,924	(309)
Specialist Services	988	988	0	0	988	0
Surgical Services	1,126	1,097	0	0	1,097	29
<b>Subtotal - Grip and Control</b>	<b>8,000</b>	<b>8,310</b>	<b>0</b>	<b>0</b>	<b>8,310</b>	<b>(310)</b>
Length of Stay	3,000	1,101	0	0	1,101	1,899
Theatres Productivity	500	358	0	0	358	142
Income Generation	500	200	0	0	200	300
Medicines Management	2,000	1,221	200	0	1,421	579
Continuing Healthcare	1,500	313	20	0	333	1,167
Facilities and Estates	500	707	0	0	707	(207)
Procurement	5,000	3,110	26	0	3,136	1,864
Workforce Efficiencies	8,000	9,377	0	0	9,377	(1,377)
COVID Consequentials	3,000	3,200	0	0	3,200	(200)
Review of Investments		680	0	0	680	(680)
Commissioning		479	252	0	731	(731)
Non-Recurrent Opportunities		3,037	0	0	3,037	(3,037)
<b>Subtotal Cost Improvement Themes</b>	<b>24,000</b>	<b>23,782</b>	<b>498</b>	<b>0</b>	<b>24,280</b>	<b>(280)</b>
<b>Total Savings Position</b>	<b>32,000</b>	<b>32,093</b>	<b>498</b>	<b>0</b>	<b>32,590</b>	<b>(590)</b>

Key:

Green Schemes: Complete, appropriate to complexity, project plan in place, brief available reflecting timescales, milestones, enablers and risk considered. Complete project brief provides clear base for financial assessment.

Amber Schemes: Clear components of project plan in place with elements not fully confirmed and addressed.  
Red schemes: Pipeline schemes yet to be finalised.

## Cash Flow Forecast

**The closing cash balance at the end of March, was £2.780m.**

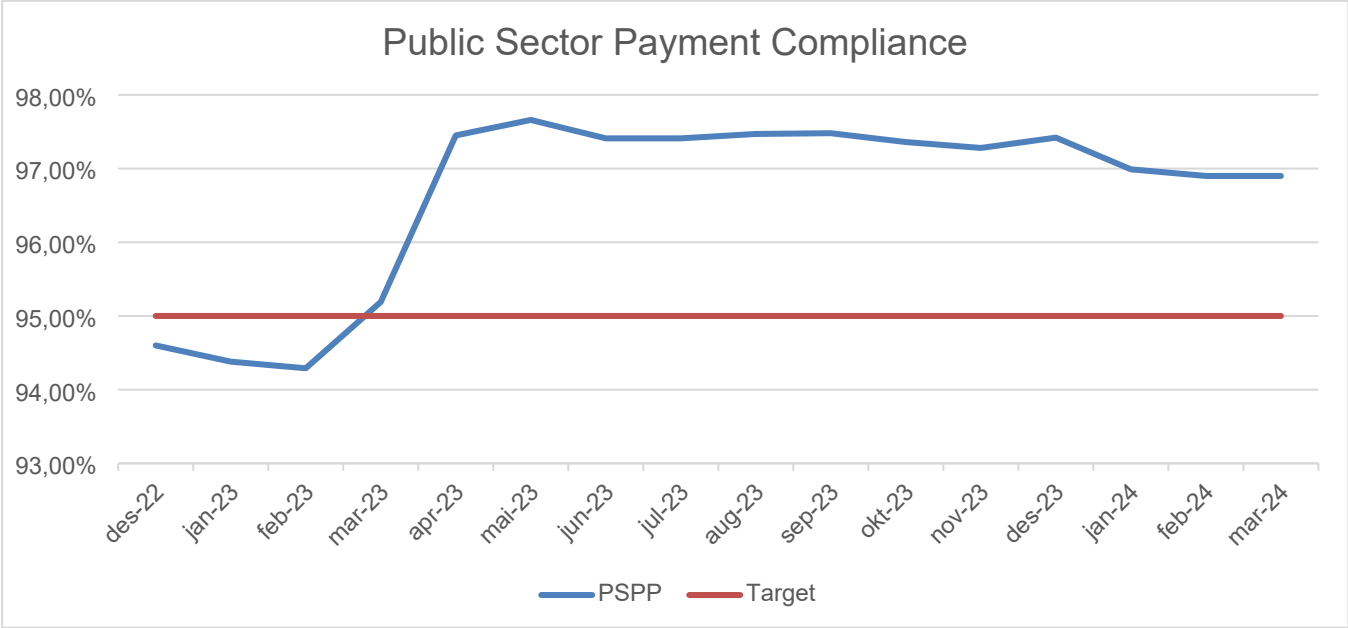
£16.460m strategic cash support was provided by Welsh Government to cover the cash shortfall arising from the forecast deficit.

In addition, revenue working cash support of £34.000m was drawn down in respect of movements on the UHB balance sheet.

## Public Sector Payment Compliance

The UHB’s public sector payment compliance performance has met the annual target of 95%. Performance for the 12 months to the end of March was 96.9% which is consistent with performance compared to the previous month and remains above the target level are illustrated in Graph 2 below.

Graph 2 – Public Sector Payment Compliance



Capital

The UHBs approved capital resource limit is £45.663m in line with the latest CRL received from Welsh Government on the 27th March 2024 comprising of £10.985m discretionary funding and £34.678m towards specific projects (including Efab, Endoscopy Unit UHL, Interventional Neuroradiology Equipment and Diagnostic Equipment)

The UHB is reporting that it operated within its Capital Resource limit with a draft underspend of £0.086m.

Table 7: Finance - Key Performance Indicator Dashboard at March 2024

STATUS REPORT					
Measure	March 2024	RAG Rating	Latest Trend	Target	Time Period
Deliver 2023/24 Draft Financial Plan	£16.405m deficit at month 12 being £16.460 m forecast deficit, £0.055m savings and operational surplus.	R	9	Deliver 2023/24 £16.460m Revised Planned Deficit	M12 2023-24
Remain within capital resource limits.	The UHB reports a draft underspend of £0.086m against its Capital Resource Limit which was £45.663m at month 12.	G	9	Remain within approved planned expenditure	M12 2023-24
Delivery of recurrent £32m savings target	£32.590m Green and Amber schemes identified at month 12 of which £21.266m were recurrent.	R	9	£32m	M12 2023-24
Creditor payments compliance 30 day Non NHS	96.90% at the end of March	G	9	95% of invoices paid within 30 days	M12 2023-24
Remain within Cash Limit	The UHB remained within its 2023/24 cash limit, following confirmation of strategic and working cash support	G	9	To remain within Cash Limit	M12 2023-24
Maintain Positive Cash Balance	Cash balance = £2.780m	G	9	To Maintain Positive Cash Balance	End of March 2024

## Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:

The Financial Plan included a revised forecast deficit of £16.460m.

The revised forecast deficit was based on the receipt of an additional £63.100m funding from Welsh Government and additional UHB action to reduce its expenditure base by £8.840m. The further reduction in expenditure represents an increase in risk which the UHB was expected to manage.

Delivery of the core financial plan included a 4% (£32.0m) recurrent savings requirement. At Month 12, £32.590m green and amber savings were identified, representing 102% of the target. There was a £10.734m shortfall against the recurrent savings target.

The UHB's provisional year end revenue outturn is within its 16.460m forecast deficit, which in turn is consistent with the UHBs control total agreed with Welsh Government. The UHB is reporting that it stayed within its Capital Resource Limit. Creditor payment compliance met the 95% target.

## Recommendation:

At Month 12 the Committee are requested to:

- **NOTE** that the draft reported year end deficit of £16.405m which is within the £16.460m control total.
- **NOTE** that the UHB has met the annual public sector payment compliance performance target of 95%.
- **NOTE** that the UHB has remained within its capital resource limit with a draft underspend of £0.086m against an allocation of £45.663m

## Link to Strategic Objectives of Shaping our Future Wellbeing:

*Please tick as relevant*

1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance	
2. Deliver outcomes that matter to people		7. Be a great place to work and learn.	
3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology	
4. Offer services that deliver the population health our citizens are entitled to expect		9. Reduce harm, waste and variation sustainably making best use of the resources available to us	x
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time		10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives	

## Five Ways of Working (Sustainable Development Principles) considered.

*Please tick as relevant*

Prevention	Long term	x	Integration		Collaboration		Involvement	
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## Impact Assessment:

*Please state yes or no for each category. If yes please provide further details.*

Risk: Yes

No

Safety: Yes/No	
No	
Financial: Yes	
As detailed in the report.	
Workforce: Yes/No	
No	
Legal: Yes/No	
No	
Reputational: Yes/No	
Yes, if forecast financial position is not delivered.	
Socio Economic: Yes/No	
No	
Equality and Health: Yes/No	
No	
Decarbonisation: Yes/No	
No	
Approval/Scrutiny Route:	
Finance Committee	Date: 17 <sup>th</sup> April 2024

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Report Title:	2024-25 Savings Tracker				Agenda Item no.	2.2	
Meeting:	Finance Committee		Public	X	Meeting Date:	17 <sup>th</sup> April 2024	
			Private				
Status <i>(please tick one only):</i>	Assurance	x	Approval		Information		x
Lead Executive:	Executive Director of Finance						
Report Author (Title):	Deputy Director of Finance						
Main Report							
Background and current situation:							
<b>SITUATION</b>							
The 2024/25 UHB Financial Plan includes a £47.2m savings target. A status report on identified savings as at April 4 <sup>th</sup> 2024 is provided below at Appendix A for information.							
Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:							
The status report on identified savings as at April 4 <sup>th</sup> 2024 is provided for information.							
<b>Recommendation:</b>							
The Board / Committee are requested to:							
<b>NOTE</b> the progress against the 2024/25 Savings Tracker							
Link to Strategic Objectives of Shaping our Future Wellbeing: <i>Please tick as relevant</i>							
1. Reduce health inequalities			6. Have a planned care system where demand and capacity are in balance				
2. Deliver outcomes that matter to people			7. Be a great place to work and learn.				
3. All take responsibility for improving our health and wellbeing			8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology				
4. Offer services that deliver the population health our citizens are entitled to expect			9. Reduce harm, waste and variation sustainably making best use of the resources available to us			x	
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time			10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives				
Five Ways of Working (Sustainable Development Principles) considered. <i>Please tick as relevant</i>							
Prevention	Long term	x	Integration		Collaboration		Involvement
Impact Assessment: <i>Please state yes or no for each category. If yes please provide further details.</i>							
Risk: No							

Safety: No	
Financial: Yes	
As detailed above.	
Workforce: No	
Legal: No	
Reputational: Yes	
Yes, if forecast financial position is not delivered.	
Socio Economic: No	
Equality and Health: No	
Decarbonisation: No	
Approval/Scrutiny Route:	
Finance Committee	Date: 17 <sup>th</sup> April 2024

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## Appendix A - Financial Savings for 2024/25: status at 04 April 2024

Allocation of 2024/25 target	24-25 Opportunities	Green	Amber	Red	Total Savings Identified	Savings Shortfall	% identified	Status at 04 April 2024
Capital Estates & Facilities	947	100	632	100	832	115	88%	11% Red; 67% Amber; 11% Green
Children and Women	1,304	115	58	24	197	1,107	15%	2% Red; 4% Amber; 9% Green
Clinical Diagnostics and Therapeutics	1,199	0	92	0	92	1,107	8%	8% Amber
Corporate Executives	501	0	0	0	0	501	0%	0%
Medicine	1,379	126	0	0	126	1,253	9%	9% Green
Mental Health	1,079	0	340	50	390	689	36%	5% Red; 32% Amber
Primary, Community and Intermediate Care	2,423	0	0	1,207	1,207	1,216	50%	50% Red
Specialist	1,482	0	13	300	313	1,169	21%	20% Red; 1% Amber
Surgical Services	1,689	101	478	133	713	976	42%	8% Red; 28% Amber; 6% Green
<b>Subtotal - Grip and Control</b>	<b>12,000</b>	<b>442</b>	<b>1,613</b>	<b>1,814</b>	<b>3,869</b>	<b>8,131</b>	<b>32%</b>	<b>15% Red; 13% Amber; 4% Green</b>

Allocation of 2024/25 target	24-25 Opportunities	Green	Amber	Red	Total Savings Identified	Savings Shortfall	% identified	Status at 04 April 2024
Reducing length of stay	3,500	1,375	64	1,535	2,974	526	85%	44% Red; 2% Amber; 39% Green
Optimising Planned Care	1,000	1,000	0	0	1,000	(0)	100%	100% Green
Income Generation	1,000	259	246	176	681	319	68%	18% Red; 25% Amber; 26% Green
Medicines Management	4,530	489	280	2,082	2,851	1,679	63%	13% Red; 4% Amber; 1% Green
Continuing Healthcare	2,500	0	200	335	535	1,965	21%	46% Red; 8% Amber; 0% Green
Facilities and Estates / Service Reconfiguration	500	422	0	206	628	(128)	126%	41% Red; 84% Green
Value/Clinical Variation	0	0	0	0	0	0	N/A	N/A
Procurement	5,000	1,072	408	69	1,549	3,451	31%	1% Red; 8% Amber; 21% Green
Recording Patient Care	1,500	0	0	840	840	660	56%	56% Red
Other Digital Benefits	0	0	0	50	50	(50)	N/A	N/A
Workforce - Temporary Pay	7,403	305	0	5,917	6,222	1,181	84%	80% Red; 4% Green
Workforce Reshaping	8,268	0	0	30	30	8,238	0%	0%
<b>Subtotal Cost Improvement Themes</b>	<b>35,201</b>	<b>4,922</b>	<b>1,198</b>	<b>11,240</b>	<b>17,360</b>	<b>17,841</b>	<b>49%</b>	<b>28% Red; 6% Amber; 11% Green</b>

<b>Total Savings Position</b>	<b>47,201</b>	<b>5,364</b>	<b>2,811</b>	<b>13,054</b>	<b>21,229</b>	<b>25,972</b>
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Report Title:	Changes to the Integrated Performance Report			Agenda Item no.	2.3
Meeting:	Finance and Performance Committee	Public		X	Meeting Date:
		Private			
Status <i>(please tick one only):</i>	Assurance	X	Approval		Information
Lead Executive:	Chief Operating Officer				
Report Author (Title):	Head of Performance				

Main Report  
Background and current situation:

**Background and current situation:**

The Operations and Information Teams 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. This updated report incorporated progress against the ministerial priorities and our performance ambitions/IMTP priorities. It also included performance against the NHS Performance Framework, which was finalised in June 2023.

The report is updated on a monthly basis and I provided, along with a cover paper, to Board Meetings, Board Development sessions and the Finance and Performance Committee.

As we move in to 2024/25 the IPR will be updated so that it reflects both the new NHS Performance Framework and the feedback from recent and future audits. This brief outlines the plans for the IPR to be updated over the coming months

**Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:**

The process of developing the IPR was intended to be iterative with feedback sought from the Board and Committees, in addition to the relevant Executives to ensure the document and associated paper were providing the information and assurance required.

Following the release of the 2024/25 NHS Wales Performance Framework and the development of the UHB's Annual Plan the IPR will be updated to include new or modified measures in addition to the commitments made by the UHB. The report will continue to highlight progress against the Ministerial priorities (Section 1 of the IPR) and UHB commitments, in addition to reporting performance against all the metrics in the national framework (Section 2 of the IPR).

The Ministerial Priority areas are set out below, the metrics we will highlight in Section 1 to show progress against the Ministerial Priorities are being finalized by the Chief Operating Officer's team.

Ministerial Priority areas
Enhanced Care in the Community, with a focus on reducing delayed pathways of care
Primary and Community Care, with a focus on improving access and shifting resources into primary and community care
Urgent and Emergency Care, with a focus on delivery of the 6 goals programme
Planned Care and Cancer, with a focus on reducing the longest waits
Mental Health, including CAMHS, with a focus on delivery of the national programme



Section 2 of the report which mirrors the National Performance Framework and highlights commitments the UHB has made against national standard will be amended include all the performance measures in the attached appendix (see Appendix 1, pages 4-9)

The majority of the measure in the National Performance Framework remain the same, with the following changes:

Quadruple Aim	24/25 performance measure	Change for 24/25
1 Metric 2	Percentage of adult smokers who make a quit attempt via smoking cessation services who are co-validated as quit at 4 weeks	New measure
2 Metric 12	Percentage of patients (aged 12 years and over) with diabetes who received all eight NICE recommended care processes	New measure
2	Number of patients referred from Primary Care into secondary care Ophthalmology services	Removed
2 Metric 22	Median time from arrival at an emergency department to assessment by a clinical decision maker	'Clinical decision maker' replaces 'senior clinical decision maker'
2 Metric 28	Number of patients (all ages) waiting more than 14 weeks for a specified therapy	Audiology removed and reported under metric 29
2 Metric 29	Number of patients (all ages) waiting more than 14 weeks for audiology	New measure
2	Number of patients waiting more than 36 weeks for a new outpatient appointment	Removed
2	Percentage of patients waiting less than 28 days for a first appointment for specialist Child and Adolescent Mental Health Services (sCAMHS)	Removed (will be reported under metric 15)
4 Metric 46	Number of service user feedback experience responses completed and recorded on CIVICA	'Service user feedback' replaces 'Patient Experience surveys'
4 Metric 53	Percentage of ambulance patient handovers within 15 minutes	New measure

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In addition to updating the measures in line with national reporting, the design of the IPR for 2024/25 will all be reviewed to respond to the recommendations of the Audit Wales Structured Assessment, issued in December 2023. Whilst the assessment acknowledged the ‘considerable improvements’ made to the IPR, with the new structure focusing in the ministerial aims and the A Healthier Wales Quadruple Aims, the report noted opportunities for further improvement which are detailed below:

Audit Wales Recommendation	Update to the IPR for 24/25
Strengthen the IPR’s links with the Annual Plan Delivery Report to ensure the relationship between some of the delivery milestones and key performance indicators is clearer	This will be addressed in the Annual Plan delivery reporting to ensure the data, trends and actions are consistently reported across both the IPR and annual plan reports.
Have a more consistent focus on actions being taken to tackle underperformance in both the IPR and its cover report	Key actions to tackle underperformance will be identified in the IPR document. The Executive will have opportunity to provide additional details and updates as part of the cover paper
Be clearer about whether the metrics in section two of the IPR are on target or not	Text will be added to identify whether performance is on target. This may require iteration or further discussion as UHB ambitions may differ from the national targets.
Be consistent in providing reasons why data charts are unavailable in section two of the IPR, instead of leaving the section blank	This issue was addressed last year and the updated IPR will identify the reason for missing data and potential timescale for its availability
Provide benchmarking data (where available) to show how the Health Board compares to other health bodies	Welsh Government publishes a monthly update against the performance framework. This information is available to view by Health Board and on an All Wales basis. Other health bodies (PHW, Velindre, WAST, DHCW, HEIW, JCC) are included for any metrics which are relevant. The most recent version of this report will be provided alongside the IRP once it is available

An updated IRP template will be available for review at April’s Board Development session, with the new format used for reporting from May’s Board.

The IPR will continue to be an iterative document with continued feedback from Board and Committee members welcomed.

An Internal Audit of the IPR will also be conducted during 2024/25 which will provide additional feedback to update and improve the report.

Recommendation:

The Finance and Performance Committee is asked to **NOTE** 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:  
Please tick as relevant

1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance	a
2. Deliver outcomes that matter to people	a	7. Be a great place to work and learn	

3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology	a
4. Offer services that deliver the population health our citizens are entitled to expect	a	9. Reduce harm, waste and variation sustainably making best use of the resources available to us	
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time	a	10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives	

Five Ways of Working (Sustainable Development Principles) considered  
*Please tick as relevant*

Prevention		Long term	a	Integration	a	Collaboration		Involvement	
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Impact Assessment:  
*Please state yes or no for each category. If yes please provide further details.*

Risk: No	
Safety: No	
Financial: No	
Workforce: No	
Legal: No	
Reputational: No	
Socio Economic: No	
Equality and Health: No	
Decarbonisation: No	
Approval/Scrutiny Route:	
Committee/Group/Exec	Date:

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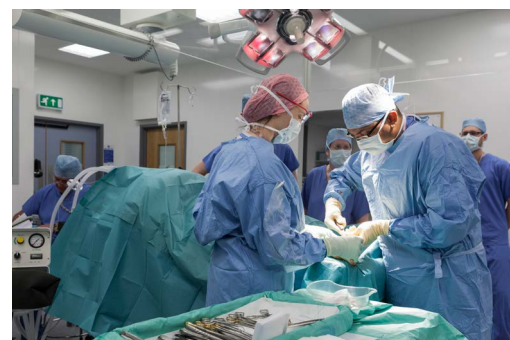
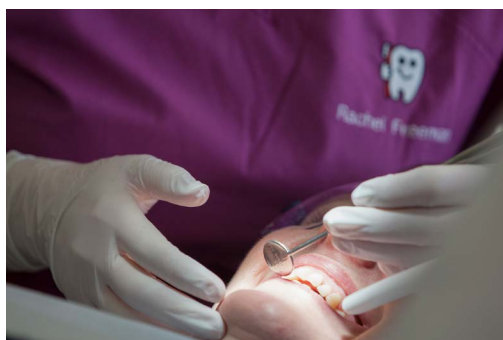


Llywodraeth Cymru  
Welsh Government



# NHS Wales Performance Framework 2024-2025

February 2024



**NHS Wales Performance Framework 2024-2025**

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## Introduction

The performance measures in the NHS Wales Performance Framework for 2024-2025 reflect the National Programme areas as outlined in the NHS Wales Planning Framework 2024-2027. These are:

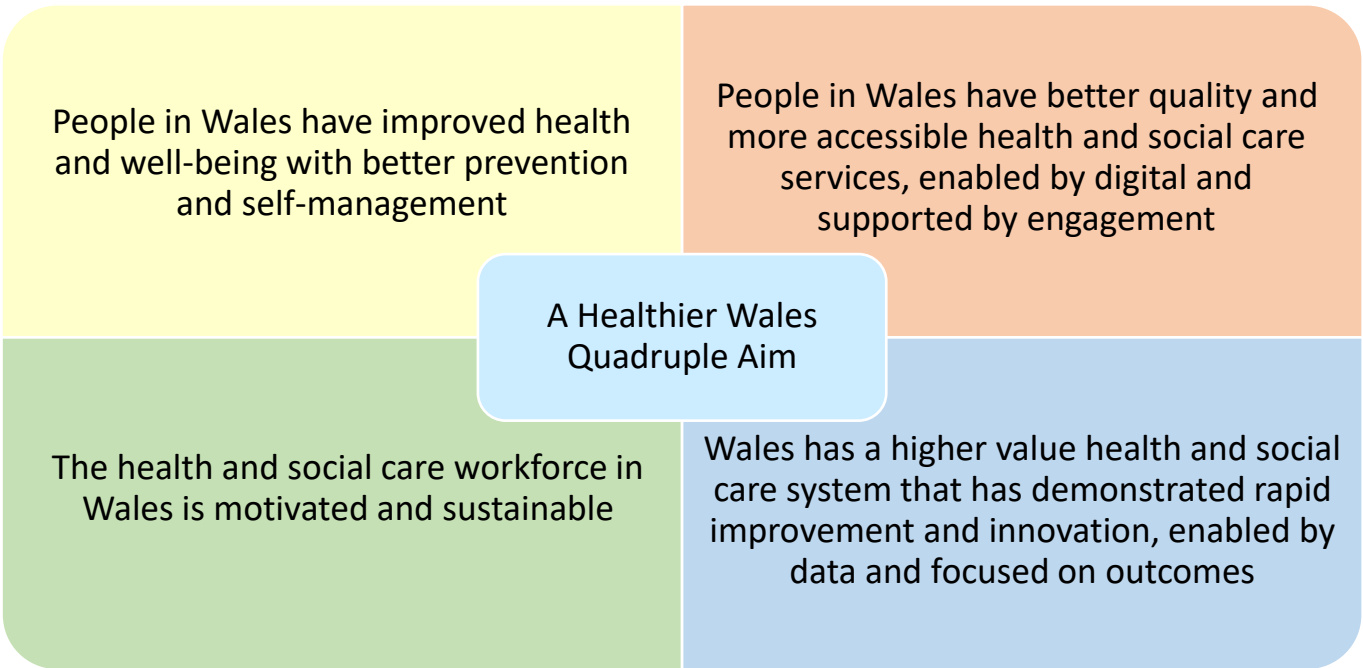
1. Enhanced care in the community, with a focus on reducing delayed pathways of care.
2. Primary and community care, with a focus on improving access and shifting resources into primary and community care.
3. Urgent and emergency care, with a focus on delivery of the 6 goals programme.
4. Planned care and cancer, with a focus on reducing longest waits.
5. Mental health, including CAMHS, with a focus on the delivery of the national programme.

In addition, a small set of measures focusing on enablers, health prevention and the delivery of quality and safe services has been included.

To support the performance measures, NHS organisations will also be required to complete Policy Assurance Assessments. These assessments provide further assurance on some of the Minister's key areas of focus (such as NHS organisations implementing their duties as anchor institutions) and key Welsh Government strategies and pathways that cannot be monitored via traditional quantitative measurement.

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All of the performance measures and policy assurance assessments in the NHS Performance Framework have been mapped to ‘A Healthier Wales’ quadruple aim:



**Oversight and Escalation Framework – NHS Wales Organisations**

The [Oversight and Escalation Framework](#), sets out how Welsh Government has oversight of and gains assurance about NHS Wales organisations, as well as describing in more detail what intervention approach will be taken.

There are five levels within the framework: routine arrangements; areas of concern (which is a new level to prevent further escalation); enhanced monitoring; targeted intervention and; the highest rate of escalation - special measures.

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**Quadruple Aim 1: People in Wales have improved health and well-being with better prevention and self-management.**

People will take responsibility, not only for their own health and well-being, but also for their family and for people they care for, perhaps even for their friends and neighbours.

There will be a whole system approach to health and social care, in which services are only one element of supporting people to have better health and well-being throughout their whole lives. It will be a 'wellness' system, which aims to support and anticipate health needs, to prevent illness, and to reduce the impact of poor health.

Quadruple Aim Theme	Performance Measure
Prevention	<div>Saunders Nathan 15/04/2024 09:12:50</div> <div><div>1. Percentage of adult smokers who make a quit attempt via smoking cessation services</div><div>2. Percentage of adult smokers who make a quit attempt via smoking cessation services who are co-validated as quit at 4 weeks</div><div>3. Percentage of people who have been referred to health board services who have completed treatment for substance misuse (drugs or alcohol)</div><div>4. Percentage of children who are up to date with the scheduled vaccinations by age 5 ('4 in 1' preschool booster, the Hib/MenC booster and the second MMR dose)</div><div>5. Percentage of children receiving the Human Papillomavirus (HPV) vaccination by the age of 15</div><div>6. Percentage uptake of the influenza vaccination amongst adults aged 65 years and over</div><div>7. Percentage uptake of the COVID-19 vaccination for those eligible</div><div>8. Percentage of patients offered an index colonoscopy procedure within 4 weeks of booking their Specialist Screening Practitioner assessment appointment</div><div>9. Percentage of well babies entering the new-born hearing screening programme who complete screening within 4 weeks</div><div>10. Percentage of eligible new-born babies who have a conclusive bloodspot screening result by day 17 of life</div></div>



## Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement.

There will be an equitable system, which achieves equal health outcomes for everyone in Wales. It will improve the physical and mental well-being of all throughout their lives, from birth to a dignified end.

Services will be seamless and delivered as close to home as possible. Hospital services will be designed to reduce the time spent in hospital, and to speed up recovery. The shift in resources to the community will mean that when hospital-based care is needed, it can be accessed more quickly.

Quadruple Aim Theme	Performance Measure
Services Delivered Close to Home	<ol style="list-style-type: none"> <li>11. Percentage of GP practices that have achieved all standards set out in the National Access Standards for In-hours</li> <li>12. Percentage of patients (aged 12 years and over) with diabetes who received all eight NICE recommended care processes</li> <li>13. Percentage of primary care dental services (GDS) contract value delivered (for courses of treatment for new, new urgent and historic patients)</li> <li>14. Number of consultations delivered through the Pharmacist Independent Prescribing Service (PIPS)</li> <li>15. Percentage of Local Primary Mental Health Support Service (LPMHSS) assessments undertaken within (up to and including) 28 days from the date of receipt of referral for people aged under 18 years</li> <li>16. Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by Local Primary Mental Health Support Service (LPMHSS) for people aged under 18 years</li> <li>17. Percentage of Local Primary Mental Health Support Service (LPMHSS) assessments undertaken within (up to and including) 28 days from the date of receipt of referral for adults aged 18 years and over</li> <li>18. Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by Local Primary Mental Health Support Service (LPMHSS) for adults aged 18 years and over</li> </ol>

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Quadruple Aim Theme	Performance Measure
<b>Access Hospital Services Quickly</b>	<ul style="list-style-type: none"> <li>19. Percentage of emergency responses to red calls arriving within (up to and including) 8 minutes</li> <li>20. Median emergency response time to amber calls</li> <li>21. Median time from arrival at an emergency department to triage by a clinician</li> <li>22. Median time from arrival at an emergency department to assessment by a clinical decision maker</li> <li>23. Percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e. A&amp;E) facilities from arrival until admission, transfer or discharge</li> <li>24. Number of patients who spend 12 hours or more in all hospital major and minor emergency care facilities from arrival until admission, transfer, or discharge</li> <li>25. Percentage of patients starting their first definitive cancer treatment within 62 days from point of suspicion (regardless of the referral route)</li> <li>26. Number of patients waiting more than 8 weeks for a specified diagnostic</li> <li>27. Percentage of children (aged under 18 years) waiting 14 weeks or less for a specified Allied Health Professional therapy</li> <li>28. Number of patients (all ages) waiting more than 14 weeks for a specified therapy</li> <li>29. Number of patients (all ages) waiting more than 14 weeks for audiology</li> <li>30. Number of patients waiting more than 52 weeks for a new outpatient appointment</li> <li>31. Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%</li> <li>32. Number of patients waiting more than 104 weeks for referral to treatment</li> <li>33. Number of patients waiting more than 52 weeks for referral to treatment</li> <li>34. Percentage of children and young people waiting less than 26 weeks to start an ADHD or ASD neurodevelopment assessment</li> <li>35. Percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health</li> </ul>

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### Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable.

New models of care will involve a broad multi-disciplinary team approach where well-trained people work effectively together to meet the needs and preferences of individuals.

Joint workforce planning will be in place with an emphasis on staff expanding generalist skills and working across professional boundaries. Strategic partnership will support this with education providers and learning academies focused on professional capability and leadership.

Quadruple Aim Theme	Performance Measure
<b>Motivated and Sustainable Workforce</b>	36. Percentage of sickness absence rate of staff 37. Turnover rate for nurse and midwifery registered staff leaving NHS Wales 38. Agency spend as a percentage of the total pay bill
<b>Training and Development</b>	39. Percentage headcount by organisation who have had a Personal Appraisal and Development Review (PADR)/medical appraisal in the previous 12 months (excluding doctors and dentists in training)

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## Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation, enabled by data and focused on outcomes.

Delivering higher value in health and social care will focus on outcomes that matter to the individual and making our services safe, effective, people-centred, timely, efficient and equitable. This will bring the individual to the fore and consider the relative value of different care and treatment options, in line with Prudent Health.

Research, innovation and improvement activity will be brought together across regions – working with RPBs, universities, industries and other partners. Alignment of funding streams and integrated performance management and accountability across the whole system will be in place to accelerate transformation through a combination of national support, incentives, regulation, benchmarking and transparency.

Quadruple Aim Theme	Performance Measure
Effective Services	40. Percentage of episodes clinically coded within one reporting month post episode discharge end date 41. Percentage of all classifications' coding errors corrected by the next monthly reporting submission following identification
Efficient Services	42. Percentage of calls ended following WAST telephone assessment (Hear and Treat) 43. Number of Pathways of Care delayed discharges
People Centred Care	44. Percentage of health board residents in receipt of secondary mental health services who have a valid care and treatment plan for people aged under 18 years 45. Percentage of health board residents in receipt of secondary mental health services who have a valid care and treatment plan for adults 18 years and over 46. Number of patient experience surveys completed and recorded on CIVICA

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Quadruple Aim Theme	Performance Measure
Safe Services	<p>47. Cumulative number of laboratory confirmed bacteraemia cases: Klebsiella sp and; Pseudomonas aeruginosa</p> <p>48. Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population: E.coli and; S.aureus (MRSA and MSSA)</p> <p>49. Cumulative rate of laboratory confirmed C.difficile cases per 100,000 population</p> <p>50. Percentage of confirmed COVID-19 cases within hospital which had a definite hospital onset (&gt;14 days after admission)</p> <p>51. Percentage of ophthalmology R1 appointments attended which were within their clinical target date or within 25% beyond their clinical target date</p> <p>52. Number of ambulance patient handovers over one hour</p> <p>53. Percentage of ambulance patient handovers within 15 minutes</p> <p>54. Number of National Reportable incidents that remain open 90 days or more</p>

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# NHS Wales Policy Assurance Assessments 2024-2025

## Quadruple Aim 1: People in Wales have improved health and well-being with better prevention and self-management.

People will take responsibility, not only for their own health and well-being, but also for their family and for people they care for, perhaps even for their friends and neighbours.

There will be a whole system approach to health and social care, in which services are only one element of supporting people to have better health and well-being throughout their whole lives. It will be a 'wellness' system, which aims to support and anticipate health needs, to prevent illness, and to reduce the impact of poor health.

Quadruple Aim Theme	Policy Assurance Assessment
Prevention	a. Qualitative report detailing the Health Boards’ plan to deliver the NHS Wales Weight Management Pathway

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**Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement.**

There will be an equitable system, which achieves equal health outcomes for everyone in Wales. It will improve the physical and mental well-being of all throughout their lives, from birth to a dignified end.

Services will be seamless and delivered as close to home as possible. Hospital services will be designed to reduce the time spent in hospital, and to speed up recovery. The shift in resources to the community will mean that when hospital-based care is needed, it can be accessed more quickly.

Quadruple Aim Theme	Policy Assurance Assessment
Services Delivered Close to Home	<div>b. Qualitative report providing assurance on GP access improvement</div> <div>c. Qualitative report detailing progress to embed the National Framework for the Delivery of Bereavement Care in Wales and the National Bereavement Pathway</div> <div>d. Qualitative report detailing progress to develop a whole school approach to CAMHS in reach services</div>

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### Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable.

New models of care will involve a broad multi-disciplinary team approach where well-trained people work effectively together to meet the needs and preferences of individuals.

Joint workforce planning will be in place with an emphasis on staff expanding generalist skills and working across professional boundaries. Strategic partnership will support this with education providers and learning academies focused on professional capability and leadership.

Quadruple Aim Theme	Policy Assurance Assessment
<b>Motivated and Sustainable Workforce</b>	<ul style="list-style-type: none"><li>e. Qualitative report detailing progress made by NHS organisations in using the Workforce Race Equality Standard (WRES) indicators to inform anti-racism strategic plans and work practices.</li><li>f. Qualitative report detailing the progress made against the organisation's prioritised Strategic Equality Plan's equality objectives</li></ul>
<b>Training and Development</b>	<ul style="list-style-type: none"><li>g. Qualitative report detailing progress to improve dementia care (providing evidence of training and development in line with the Good Work – Dementia and Learning Development Framework) and increasing access to timely diagnosis</li></ul>

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## Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation, enabled by data and focused on outcomes.

Delivering higher value in health and social care will focus on outcomes that matter to the individual and making our services safe, effective, people-centred, timely, efficient and equitable. This will bring the individual to the fore and consider the relative value of different care and treatment options, in line with Prudent Health.

Research, innovation and improvement activity will be brought together across regions – working with RPBs, universities, industries and other partners. Alignment of funding streams and integrated performance management and accountability across the whole system will be in place to accelerate transformation through a combination of national support, incentives, regulation, benchmarking and transparency.

Quadruple Aim Theme	Policy Assurance Assessment
<b>Effective Services</b>	<ul style="list-style-type: none"> <li>h. Qualitative report detailing evidence of NHS Wales advancing its understanding and role within the Foundational Economy via the delivery of the Foundational Economy in Health and Social Services Programme</li> <li>i. Report detailing evidence of NHS Wales embedding Value Based Health and Care within organisational strategic plans and decision-making processes</li> </ul>
<b>Efficient Services</b>	<ul style="list-style-type: none"> <li>j. Qualitative report detailing progress against the health boards' plans to reduce pathways of care delays</li> <li>k. Qualitative report detailing the progress of NHS Wales' contribution to decarbonisation as outlined in the organisation's plan</li> </ul>
<b>People Centred Care</b>	<ul style="list-style-type: none"> <li>l. Qualitative report detailing progress against the priority areas to improve the lives of people with learning disabilities</li> </ul>

Report Title:	Draft Finance & Performance Committee Annual Report 2023/24			Agenda Item no.	4.1
Meeting:	Finance Committee	Public	X	Meeting Date:	17.04.2024
Status (please tick one only):	Assurance	Approval		Information	X
Lead Executive:	Director of Corporate Governance				
Report Author (Title):	Senior Corporate Governance Officer				
Main Report					
Background and current situation:					
<p>An Annual Report from the Committee is produced to demonstrate that it has undertaken the duties set out in its Terms of Reference and to provide assurance to the Board that this is the case.</p> <p>The purpose of the Annual Report is to provide Members of the Finance &amp; Performance Committee with the opportunity to review the attached draft annual report before being submitted to the Board for approval by the end of May 2024.</p>					
Executive Director Opinion and Key Issues to bring to the attention of the Board/Committee:					
<p>The Committee has achieved an overall attendance rate of 88% from the period 1 April 2023 to 30 March 2024 and has met on 12 occasions during the year.</p> <p>The attached Annual Report 2023/24 of the Finance &amp; Performance Committee demonstrates that the Committee has undertaken the duties as set out in its Terms of Reference.</p>					
Recommendation:					
<p>The Committee is requested to:</p> <p>a) <b>NOTE</b> the draft Annual Report 2023/24 of the Finance &amp; Performance Committee; and</p> <p>b) <b>RECOMMEND</b> the Annual Report to the Board for approval.</p>					
Link to Strategic Objectives of Shaping our Future Wellbeing:					
Please tick as relevant					
1. Reduce health inequalities		6. Have a planned care system where demand and capacity are in balance			
2. Deliver outcomes that matter to people	x	7. Be a great place to work and learn	x		
3. All take responsibility for improving our health and wellbeing		8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology	x		
4. Offer services that deliver the population health our citizens are entitled to expect		9. Reduce harm, waste and variation sustainably making best use of the resources available to us			
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time		10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives	x		
Five Ways of Working (Sustainable Development Principles) considered					
Please tick as relevant					

Prevention	x	Long term		Integration		Collaboration		Involvement	
Impact Assessment: <i>Please state yes or no for each category. If yes please provide further details.</i>									
Risk: No									
Safety: No									
Financial: Yes									
Workforce: No									
Legal: No									
Reputational: No									
Socio Economic: No									
Equality and Health: No									
Decarbonisation: No									
Approval/Scrutiny Route:									
Committee/Group/Exec		Date:							

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**GIG**  
CYMRU  
**NHS**  
WALES

Bwrdd Iechyd Prifysgol  
Caerdydd a'r Fro  
Cardiff and Vale  
University Health Board

# **Annual Report of the Finance & Performance Committee 2023/24**

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1.0 INTRODUCTION

In accordance with best practice and good governance, the Finance & Performance Committee (“the Committee”) produces an Annual Report to the Board setting out how the Committee has met its Terms of Reference during the financial year.

2.0 MEMBERSHIP

In addition to the Chair of the Committee, the Committee membership is a minimum of two other Independent Members. The meetings are also attended by the Executive Director of Finance (Executive Lead for the Committee), Chief Executive, Chief Operating Officer, Executive Director of Strategic Planning, Director of Corporate Governance, and Deputy Director of Finance. Other Directors and officers are required to attend, as well as any others from within or outside the organisation who the Committee considers should attend, considering the matters under consideration at each meeting.

3.0 MEETINGS AND ATTENDANCE

The Committee met 12 times (i.e. each month) during the period from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024. This is in line with its Terms of Reference.

At least two Independent Members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair. In the interests of effective governance, it is also expected that a minimum of two Executive Directors will also be in attendance.

The Committee achieved an attendance rate of 88% during the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 as set out below:

	19.04. .23	17.05. 23	21.06. 23	19.07. 23	23.08. 23	20.09. 23	18.10. 23	22.11. 23	13.12. 23	17.01. 24	21.02. 24	20.03. 24	Attendance
Michael Imperato (CC) <i>April 2023 – August 2023</i>	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	100%
John Union (CC) <i>September 2023 – March 2024</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Ceri Phillips	✓	x	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	83%
David Edwards	x	✓	✓	✓	✓	✓	x	✓	✓	x	x	✓	67%
Total	75%	75%	100%	100%	75%	100%	67%	100%	100%	67%	67%	100%	88%

## 4.0 TERMS OF REFERENCE

The Terms of Reference were reviewed at the first Finance and Performance Committee meeting on the 19th of April 2023.

## 5.0 WORK UNDERTAKEN

As set out in its Terms of Reference, the purpose of the Committee is to advise and assure the Board in discharging its responsibilities with regard to the Health Board's current and forecast financial position, performance and delivery. That includes scrutinising the Health Board's performance in relation to: -

Financial plans and monitoring, including delivery of savings programmes;  
Scrutiny and monitoring of financial monthly performance; and  
Business cases over £500,000.

During the financial year 2023/24, the following standing items were considered and reviewed at each Finance & Performance Committee:

**Finance Report for previous month** – at each meeting, the Committee was presented with, and discussed, a paper which set out a summary of the Health Board's financial position as at the preceding financial month.

Matters discussed included the Health Board's actual financial performance measured against key financial measures, the financial forecast, overspend and/or the planned deficit, key financial risks, performance of the Clinical Boards, saving programmes and cost pressures (including exceptional cost pressures), together with details of the actions being taken to address the key financial risks.

Throughout the year, it was noted that this year the Health Board was facing an extremely challenging financial position.

At the meeting in May 2023, the Committee was advised that the Health Board was reporting a £8.896m overspend in Month 1 and that the financial plan had forecast an £88.4m deficit at year end, once £32m of savings had been achieved.

The forecast year end position was amended in October 2023 from a planned deficit of £88.4m to a forecast deficit of £16.460m following confirmation from Welsh Government of additional funding and further improvement targets.

At the meeting in March 2024, it was reported that at month 11, the Health Board was reporting an overspend of £16.818m comprised of £1.730m unidentified savings/operational overspend and the revised planned deficit of £15.088m (11 twelfths of the revised forecast year end deficit of £16.460m).

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The draft outturn for the financial year will be reported in April 2024 and will then be subject to scrutiny from Audit Wales.

**Finance Risk Register** – This was routinely presented to the Committee for information and discussion via the monthly Finance Reports. The Committee noted that the key financial risk continued to be the failure of the Health Board to deliver a breakeven position by 2023-24-year end.

**An extract from the Monthly Finance Monitoring Returns submitted to Welsh Government was also noted at each Committee Meeting.**

**Operational Performance / Integrated Performance Report** – at each meeting, the Committee was presented with, and discussed, a paper which set out Clinical Board and Health Board progress against the ministerial priorities and the Health Boards performance ambitions/Integrated Medium-Term Plan (IMTP) priorities. It also included performance against the NHS Performance Framework, which was finalised in June 2023.

A number of operational deep dives were received during the meetings which included:

- Mental Health Financial Position Deep Dive – August 2023
- Orthopaedics Waiting List Deep Dive – September 2023
- Cancer Services Deep Dive – October 2023
- Dental Deep Dive – November 2023
- Deep Dive Outpatients – January 2024
- Deep Dive on Diagnostics – February 2024
- Mental Health Deep Dive Update – March 2024

**Decarbonisation Action Plan Updates** – the Committee were provided with three Decarbonisation updates throughout the year at the July 2023, September 2023 and December 2023 meeting.

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 builds upon previous plans and the actions defined as mandatory by NHS Wales in their Decarbonisation Strategic Delivery Plan.

In addition, the following items were discussed at Finance & Performance Committee meetings:

**APRIL 2023:**

**Unforeseen Cost Pressures Lessons Learnt Exercise** – The Committee was advised that Finance Reports provided to the Finance Committee during 2022-23

detailed cost pressures that had contributed to a worsening financial outlook as the year progressed. This had caused the Health Board to deteriorate its forecast out-turn from the planned £17.1m deficit to the revised £26.9m forecast deficit reported from November 2022.

Key themes within the report included: -

- Inflation driven by global geo-political factors
- Ready availability of suitably qualified staff in the post Covid pandemic healthcare labour market
- The operational agility of the Health Board in moving to a post Covid pandemic operational footprint/operating model

**Finance Committee Self Effectiveness Survey** - Routine monitoring of the effectiveness of the Board and its Committees is a vital part of ensuring strong and effective governance within the Health's Board's governance structure. Under its Standing Orders (SO 10.2.1), the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups. Further, and where appropriate, the Board may determine that such evaluation may be independently facilitated

## **JUNE 2023**

**Business Cases with No Funding Options** – The Committee was advised that following discussions regarding the support and submission of a capital bid to Welsh Government at the 22 March 2023 meeting, Finance Committee (now Finance and Performance Committee) requested oversight of other business cases without approval of the Welsh Government in place.

The report received provided an example of the information provided regularly to Senior Leadership Board and the Capital Management Group of the Health Board that summarised the Health Boards capital programme including the status of various bids submitted to Welsh Government and those which it was intended would be submitted to Welsh Government.

**Q4 report of the Regional Integration Fund** - The Committee were provided with an overview of the financial and activity performance of the Regional Integration Fund presented to Welsh Government as part of the Q4 reporting requirements for 2022 to 2023. Case studies highlighting the results of both capital and revenue funding were also provided for information.

## **AUGUST 2023**

**Planned Care Update** - The Committee were provided with an update on in year plans following the receipt of a letter detailing both the revised ministerial ambitions and the funding allocation to the Health Board.

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It was noted that on the 25<sup>th</sup> of July 2023 the Health Board had received a letter in respect of the allocation of the £50m planned care fund and the expected deliverables associated with that allocation.

## **SEPTEMBER 2023**

**Regional Integration Funds** – The Committee were provided with an overview of the financial performance of the Regional Integration Fund (RIF) presented to Welsh Government as part of the Q1 reporting requirements for 2023 to 2024.

The paper also included a local summary of the Health Boards work which had been reviewed and ratified by the region-wide Strategic Leadership Group.

## **OCTOBER 2023**

**Welsh Government Strategic Cash Support Request** – The Committee was advised that Welsh Government on the 8th November 2022 had confirmed that the cash implications of the Health Boards operational deficit were a separate issue to the annual movement of working balances cash exercise. In lieu of further direction, the guidance continued to apply.

It was noted that the Health Board was required to submit an Accountable Officer letter (once requirements were established) in support of a request for Strategic Cash Support.

It was noted that the Health Board intended to submit a formal request for strategic cash support in line with its forecast deficit through an Accountable Officer Letter in line with the Welsh Government timetable

## **NOVEMBER 2023**

**Length of Stay Update** – The Committee were presented with information around reducing the time patients were in hospital.

## **FEBRUARY 2024**

**Progress with development of IMTP** – The Committee received a verbal update on the progress with the development of the IMTP.

The Committee was advised that everything was on track with the plan and noted that the Board Development members would be discussing the plan in detail at their next meeting the following week and would then be submitted to the Board for approval in March 2024.

**6.0 BUSINESS CASES** – Committee Members considered the following Business Cases:

- Regional Cataracts Expansion – Cardiff Implications Business Case  
Mortuary Business Case
- Development of Replacement Orthopaedic Theatres at UHL Business Case
- Haematology / BMT & Advanced Cell Therapy Strategic Outline Business Case
- South Wales Thrombectomy Full Business Case
- All Wales Genomics Investment Business Plan
- Interventional Radiology Case
- Electronic Prescribing and Medicines Administration
- Paediatrics Infectious Diseases case

## **7.0 REPORTING RESPONSIBILITIES**

The Committee has reported to each Board meeting by presenting a summary report of the key discussion items at the Finance & Performance Committee. The report is presented by the Chair of the Finance & Performance Committee. In addition, the finance dashboard which is reviewed at Committee meetings is included within the Performance Report which is submitted to each Board meeting.

## **8.0 OPINION**

The Committee is of the opinion that the Finance & Performance Committee Report 2023/24 is consistent with its role as set out within the Terms of Reference and that there are no matters that the Committee is aware of at this time that have not been disclosed appropriately.

John Union

Committee Chair

Saunders, Nathan  
15/04/2024 09:12:50