

**CYFARFOD BWRDD IECHYD PRIFYSGOLN  
ANEURIN BEVAN/ANEURIN BEVAN UNIVERSITY  
HEALTH BOARD MEETING**

**MINUTES OF THE FINANCE AND PERFORMANCE  
COMMITTEE**

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| <b>DATE OF MEETING</b> | Wednesday 21 <sup>st</sup> June 2023 |
| <b>VENUE</b>           | Microsoft Teams                      |

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| <b>PRESENT</b>       | Richard Clark, Independent Member (Committee Chair)         |
|                      | Dafydd Vaughan, Independent Member                          |
|                      | Shelley Bosson, Independent Member                          |
| <b>IN ATTENDANCE</b> | Rob Holcombe- Director of Finance and Procurement           |
|                      | Hannah Evans- Director of Strategy, Planning & Partnerships |
|                      | Rani Dash- Director of Corporate Governance                 |
|                      | Nicola Prygodzicz- Chief Executive                          |
|                      | Leanne Watkins- Chief Operating Officer                     |
|                      | Greg Bowen- Assistant Finance Director                      |
|                      | Daniel Davies- Programme Manager, Value Based Healthcare    |
|                      | Julie Poole- Outpatient Transformation Lead                 |
|                      | Dr Caroline Mills- Consultant Dermatologist                 |
|                      | Fay Lewis- Finance Manager                                  |
|                      | Laura Howells- Principal Auditor, NWSSP                     |
|                      | Andrew Doughton- Audit Wales                                |
| <b>APOLOGIES</b>     | Iwan Jones, Independent Member                              |

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| <b>FPC 2106/01</b>   | <b>Preliminary Matters</b>  |
| <b>FPC 2106/01.1</b> | <b>Welcome and Introductions</b><br><br>The Chair welcomed everyone to the meeting.             |
| <b>FPC 2106/01.2</b> | <b>Apologies for Absence</b><br><br>The apologies for absence were noted.                       |
| <b>FPC 2106/01.3</b> | <b>Declarations of Interest</b><br><br>There were no declarations of interest raised to record. |
| <b>FPC 2106/01.4</b> | <b>Draft minutes of the last meeting held on the 11<sup>th</sup> of January 2023</b>            |



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|                             | <p>The minutes of the meeting held on the 11<sup>th</sup> of January 2023 were agreed as a true and accurate record.</p> <p>Shelley Bosson (SB), Independent Member, noted a section on page 3 of the minutes <i>'I requested that more information about the impact of improvement projects be included in the reports so that members could have confidence that the actions taken to deliver the 'Six Goals' Programme were being realised and that the evidence was being used to influence change in other areas'</i>. SB questioned if this should have been recorded as an action. The Director of Corporate Governance confirmed outside of the meeting that this was not required to be recorded as an action.</p> |
| <p><b>FPC 2106/01.5</b></p> | <p><b>Committee Action log</b></p> <p>Rani Dash (RD), Director of Corporate Services, provided an overview of outstanding actions. Members were assured by the following: -</p> <ul style="list-style-type: none"> <li>• <b>FPC/1101/3.2-</b> RD informed members that an update on Stroke Services would be presented to the Board in July 2023, and be included on the committee forward workplan.</li> <li>• <b>FPC/1101/11-</b> An update on Efficiency Opportunities was included on the agenda for this meeting. Action to be closed.</li> </ul>  |
| <p><b>FPC 2106/02</b></p>   | <p><b>Items for Discussion</b></p>  |
|                             | <p><b>Assurance in Respect of Organisational Performance Management</b></p>   |
| <p><b>FPC 2106/02.1</b></p> | <p><b>Outpatient Transformation</b></p> <p>Leanne Watkins (LO), Chief Operating Officer, supported by Caroline Mills (CM), Consultant Dermatologist, and Julie Poole (JP), Outpatient Transformation Lead, provided an overview of the progress made with the transformation of outpatient services, as outlined in the report.</p> <p>Members noted the following key points and progress;</p> <ul style="list-style-type: none"> <li>• The Health Board currently performed best in Wales in both See- on- Symptom and Patient Initiated Follow-up outpatient services, based upon Welsh Government benchmarking targets.</li> </ul>  |



- LW discussed the progress of the new Outpatient Treatment Unit, located in the Royal Gwent Hospital, informing members that the unit had improved outpatient efficiency.
- The level of cost avoidance for 2022/23.
- The level of risk pertaining to Outpatient Transformation savings. £2.7mil cost avoidance was currently attributed to outpatient service improvement.
- Welsh Government expectations were for outpatient services to return to pre-covid levels. The Health Board had achieved this target.
- The Outpatient Programme Plan priorities for 2023/24. A series of workshops had been planned for service outpatient models with clinical leads.

Shelley Bosson (SB), Independent Member, requested information on whether all outpatient specialities were included in the Outpatient Transformation plans. CM informed members that there were 19 directorates who provide outpatient appointments across the Health Board, with some directorate areas embracing the transformation changes and others yet to fully transform.

LW informed members that targeted and focused efforts aligned to risk determine transformation; clinical workshops, outlining service transformation and providing support through an 'adopt or justify' approach, were planned for 2023/24, discussing transformation across all specialities. CM discussed the importance of transformation being included in future job planning.

The Committee **RECEIVED** the report for **ASSURANCE**.

*LW, CM and JP left the meeting.*

## FPC 2106/02.2

### Performance Overview Report with Exception Reporting

Hannah Evans (HE), Director of Planning and Performance, presented the report to the Committee, providing an interim Quarter 1 update on key performance areas, with a full Quarter 1 report being presented at the next meeting.

Members noted the integrated performance dashboard and the interim progress report against the Health Boards Integrated Medium Term Plan (IMTP) for April/May 2023.



Members were informed of sustained operational pressures, impacted by increased bed occupancy and sickness levels across clinical teams.

Shelley Bosson (SB), Independent member, requested further information in the following areas;

- The reenergised discharge planning framework (goal five of the six goals for urgent and emergency care), launched in January 2023 and requested an update on progress. HE informed members that the initial rollout was a testing phase on three wards. Nicola Prygodzicz (NP), Chief Executive, informed members that the Integrated Discharge Hub had been piloted in the Royal Gwent Hospital and Nevil Hall Hospital and further updates would be provided to members. An update on the progress and impact of the Integrated Discharge Hub to be included in the next report to the Committee. **Action: Director of Planning and Performance**
- SB noted that Coding performance had dropped and requested information on the use of robotics. HE informed members that the Executive Committee were due to discuss the current position in Coding. NP informed members that there had been some recruitment issues in Coding. An update on the performance in Coding, including the potential for robotics, to be included in the next report to the Committee. **Action: Director of Planning and Performance**

Dafydd Vaughan (DV), Independent Member, discussed the previous inability to record mental health performance data. and the related issues with recording data through WCCIS. DV queried if the issue had been resolved. HE informed members that the issue with WCCIS recording performance data had been resolved and future reports would include mental health performance data.

The Committee **NOTED** the report for **INFORMATION**.

### Assurance in Respect of Financial Management and Performance

FPC 2106/02.3

### Monthly Finance Report & Monitoring Returns

- **Savings Reporting- Month 2 Review**



Robert Holcombe (RH), Director of Finance and Procurement, provided the update outlining the Health Board's financial performance for the month of May 2023 (month 2). The report summarised the Health Board's performance against financial targets, savings position, and forecast position.

At Month 2, the revenue position was reported as £29.4m deficit. The following key points were discussed;

- 112m revenue had been forecast to Welsh Government, aligning to the Health Board financial plan, noting the potential risk if spending plans and savings positions were not fully achieved.
- Pay spend has increased, in areas of variable pay reflecting urgent care operational pressures and continued delays in transfers of care.
- Off Contract and Enhanced Care costs had reduced.
- Non-pay costs had increased, noting that the two areas driving the increase were CHC and prescribing costs.
- Elective activity had broadly delivered to plan, noting that the flood in the Ophthalmology department impacting activity.
- Capital forecast was potentially £2m over, however, the Health Board were in discussion with Welsh Government to address this.
- Year to date savings were reported as £2.1m against the £3m plan.

RH informed members that the Health Board had received the All-Wales month two position from Welsh Government, noting that all Health Boards across Wales were in a combined £648m deficit, with £213m identified savings.

Members were informed that further discussions were required with the Executive and Board Members around financial efficiencies. Members were assured that regular Board and Committee meetings would be scheduled based upon the current financial position.

Shelley Bosson (SB), Independent Member, queried the following;

- Enhanced Care costs; was the Health Board an outlier in the use of enhanced care and should this be part of staff substantive roles as opposed to using variable pay. GB to discuss Enhanced Care comparisons with other Health Boards with Executive



colleagues and provided an update to members.

**Action: Assistant Finance Director**

- What was the Health Board implementing to help improve the position on delayed discharges, as outlined in the report. RH informed members that the Discharge Programme was being led by the Director of Nursing. Newly available national data sets were being worked through by the Health Board. An update on the Discharge Programme and delays, including reporting against the new national data sets, to come back to a future meeting. **Action: Director of Nursing**
- When would the potential predicted overspend be declared to Welsh Government. RH informed members that continuous discussions were taking place with Executive and Divisional leads on the current financial position. Current spending levels did not support the £112m and savings delivery against plans needed to accelerate. Nicola Prygodzicz (NP), Chief Executive, discussed that, at the end of Quarter 1 the Health Board would have clearer plans for delivery and forecasting.

Dafydd Vaughan (DV), Independent Member, queried the following;

- The report outlined £1.9m of capital spending on temporary hold until the financial position improved. List of capital schemes on hold to be shared with members. **Action: Director of Finance and Procurement**
- Noting the approximately £2.7m of capital work that was currently unfunded, and the £1.9m on hold, what plans did the Health Board have in place to cover those costs. RH discussed prioritisation of capital schemes, noting the potential to defer some schemes to the following financial year if necessary. Hannah Evans (HE), Director of Planning and Performance, agreed that the capital position was currently challenged, and internal reprioritisation was taking place. HE assured members that none of the capital schemes on hold had been started and paused. All Divisions were reviewing risks aligned to capital schemes and discussions were due to take place at the Discretionary Capital Group meeting in June 2023.
- DV discussed the recent approval of the National Radiology Service business case and its financial impact on the Health Board. DV questioned when the



Health Board would no longer approve further national business cases this financial year, based upon the current position. RH informed members that business continuity risk was considered when approving national business cases. DV requested that future financial reporting clearly outlined the national programmes that have financial impact to the Health Board but are not set out in the IMTP.

- Members discussed the financial impact of potential national IT programmes. DV requested a list of planned national IT programmes. RH informed members that major system upgrades were discussed at the recent meeting of the Directors of Finance. List of planned major system upgrades to be provided to members. **Action: Assistant Finance Director**

Richard Clark (RC), Committee Chair, requested information on when the financial position may require cuts in services. RH informed members that rapid change was required on traction and delivery of savings, and there would be several stages prior to discussions around cutting services; evaluating cost savings through the Health Boards Efficiency Agenda, estates utilisation and consolidation of services.

Members were informed that further discussions were required with the Executive and Board Members around financial efficiencies. Members were assured that regular Board and Committee meetings would be scheduled based upon the current financial position.

Members **RECEIVED** the report for **ASSURANCE** on the following key areas;

- The financial performance at the end of May 2023 and the forecast position against the statutory revenue and capital resource limits,
- The savings position for 2023/24,
- The revenue reserve position on the 31<sup>st</sup> of May 2023,
- The Health Board's underlying financial position, and
- The capital position.

*NP left the meeting.*



Robert Holcombe (RH), Director of Finance and Procurement, supported by Daniel Davies (DD), Programme Manager, Value Based Health Care, presented the annual report for Value Based Healthcare (VBHC) to the Committee.

Members were reminded of the focus on achieving the best patient care, outcomes, and experiences through utilising a range of outcome measurement 'tools', with continued development of systems and processes to improve data collection.

Daffyd Vaughan (DV), Independent Member, queried the following;

- Was there collaboration between VBHC and the patient quality and experience teams, avoiding potential crossover of data collection. RH informed members that any crossover with patient experience came as additional benefit, with the VBHC focus on pathways of care. DD informed members VBHC teams linked with the Person-Centred Care Teams to align programmes of work based around Patient-Recorded Experience Measures (PROMs).
- What were the benefits related to efficiencies based upon VBHC data. DD informed members that the VBHC Patient Recorded Outcomes data informed prevention and the allocation of resources.

RH informed members that the VBHC team had 18 PROM data standards that were being proposed for national implementation. The Health Board were leading in this field.

Members were assured of the alignment with the Value Based Healthcare, Aneurin Bevan Continuous Improvement (ABCi), and the Person-Centred Care Teams, utilising data to inform future patient care and experience.

Value Based Healthcare report and presentation to be shared with all Board members for information. **Action: Secretariat**

The Committee **RECEIVED** the report for **ASSURANCE**.

*DD left the meeting.*



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| <p><b>FPC 2106/02.5</b></p> | <p><b>Efficiency Opportunities</b></p> <p>Robert Holcombe (RH), Director of Finance and Procurement, supported by Greg Bowen (GB), Assistant Finance Director and Fay Lewis (FL), Finance Manager, presented the report to the Committee.</p> <p>Members were informed that, as part of the financial recovery plans, an Efficiency Board had been established in June 2023. Members received some key briefings from the Efficiency Board.</p> <p>FL discussed efficiency opportunities through national costing returns by reviewing costing data against English and Welsh peers. Members were informed of the potential costing efficiency savings of £26m identified.</p> <p>GB provided an overview of the efficiency opportunities identified during the 'Getting it right first time' (GIRFT) best practice assessment for ENT services, noting the use of CHKS system and NHS benchmarking data driving improved patient outcomes and experience, alongside potential financial savings. Members were informed that the Health Board were in the process of repeating the best practice efficiencies exercise for Neurology services. RH highlighted the need for efficiencies to reduce current costs, not just automatically to do more activity.</p> <p>Members were requested to note the following key areas;</p> <ul style="list-style-type: none"> <li>• The ABUHB efficiency opportunities identified for review as part of national costing returns for 2021/22,</li> <li>• The efficiency opportunities identified through the 'Getting it right first time' (GIRFT) best practice assessment for ENT services in ABUHB.</li> <li>• Efficiency opportunities identified by the Welsh Government 'Utilisation of Resources Group' (UOG).</li> </ul> <p>The Committee <b>RECEIVED</b> the report for <b>ASSURANCE</b>.</p> |
| <p><b>FPC 2106/03</b></p>   | <p><b>Items for Information</b></p>   |
| <p><b>FPC 2106/03.1</b></p> | <p><b>Committee Annual Report</b></p> <p>The Committee Annual report had been presented to Board.</p> <p>The Committee <b>RECIEVED</b> the report for <b>INFORMATION</b>.</p>   |



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| <b>FPC 2106/04</b>   | <b>Other Matters</b>   |
| <b>FPC 2106/04.1</b> | <p><b>Items to be Brought to the Attention of the Board and Other Committees</b></p> <p>There were no items to note.</p> |
| <b>FPC 2106/04.2</b> | <p><b>Any Other Urgent Business</b></p> <p>There was no urgent business to discuss.</p>                                  |

