

**CYFARFOD BWRDD IECHYD PRIFYSGOLN  
ANEURIN BEVAN**

**MINUTES OF ANEURIN BEVAN UNIVERSITY  
HEALTH BOARD MEETING**

**MINUTES OF FINANCE AND PERFORMANCE COMMITTEE**

<b>DATE OF MEETING</b>	15 December 2025 09.30-12.30
<b>VENUE</b>	Microsoft Teams
<b>PRESENT</b>	<p>Neil Patrick, Chair</p> <p>Dafydd Vaughan, Independent Member</p> <p>Iwan Jones, Independent Member</p> <p>Akmal Hanuk, Independent Member</p>
<b>IN ATTENDANCE</b>	<p>Nicola Prygodzicz, Chief Executive</p> <p>Robert Holcombe, Director of Finance and Procurement</p> <p>Hannah Evans, Director of Strategy, Planning and Partnerships</p> <p>Rani Dash, Director of Corporate Governance</p> <p>Paul Solloway, Director of Digital</p> <p>Jonathan Simms, Clinical Director of Pharmacy</p> <p>Naomi Murtagh, Board Business Manager</p> <p>Gavin Thomas, Governance Support Officer</p>
<b>APOLOGIES</b>	None

<b>Preliminary Items</b>	
<b>FPC/1512/01</b>	<p><b>Welcome and Introductions</b></p> <p>Neil Patrick (NP), Chair, welcomed everyone to the meeting.</p>
<b>FPC/1512/02</b>	<p><b>Apologies for Absence</b></p> <p>Neil Patrick (NP), Chair, <b>NOTED</b> that there were no apologies received.</p>
<b>FPC/1512/03</b>	<p><b>Declarations of Interest</b></p> <p>There were no Declarations of Interest to record.</p>
<b>FPC/1512/04</b>	<p><b>Draft Minutes of the last Meeting held on 29 September 2025</b></p>



	The Committee received and reviewed the previous draft minutes, and these were <b>AGREED</b> as a true and accurate record of the meeting.
<b>FPC/1512/05</b>	<p><b>Committee Action Log</b></p> <p>The Committee received the Committee action log and Neil Patrick (NP), Chair, <b>NOTED</b> that there were no outstanding actions.</p>
<b>ITEMS FOR APPROVAL/RATIFICATION/DECISION</b>	
	There were no items for discussion during this section.
<b>ITEMS FOR DISCUSSION</b>	
<b>FPC/1512/06</b>	<p><b>Committee Risk Report</b></p> <p>Rani Dash (RD), Director of Corporate Governance, presented the Committee Risk Report, summarising the strategic risks allocated to the Committee for oversight, including financial sustainability, performance management, digital, and carbon reduction. RD highlighted the interdependencies between sickness absence and financial risk and noted that the report content was consistent with what had previously been shared with the Board.</p> <p>Neil Patrick (NP), Chair, agreed that the overall risk position remained stable, with persistent challenges in certain areas. The Committee recognised that some strategic risks were likely to be long-standing and committed to ongoing review of risk tolerance and mitigation effectiveness.</p> <p>Robert Holcombe (RH), Director of Finance and Procurement, provided an update on financial risk, referencing recent Board deep dives and emphasising the need for continued mitigation, cost control, and income optimisation. He noted that while the situation was repetitive, ongoing vigilance was required.</p> <p>The Committee <b>NOTED</b> the report.</p>
<b>FPC/1512/07</b>	<p><b>Performance Management and Escalation Update</b></p> <p>Hannah Evans (HE), Director of Strategy, Planning and Partnerships, presented the Performance Management and Escalation Update, summarising the impact of the Welsh Government's escalation framework following the Health Board's change in status in July. HE noted that the Health</p>



Board had been de-escalated for finance and strategy/planning but remained under enhanced monitoring for urgent and emergency care at the Grange University Hospital.

HE explained that the formal de-escalation criteria had not changed significantly, with only minor refinements in language and the removal of some patient safety metrics due to concerns over data reliability.

The Committee noted that progress against escalation criteria was now tracked through existing arrangements, including monthly IQPDS and JET meetings, rather than quarterly meetings. HE reported that the mid-year divisional reviews were nearing completion, with outcomes to be reviewed by the Executive Team in January to determine internal escalation levels.

Neil Patrick (NP), Chair, requested assurance regarding the financial position and the risk of re-escalation, given the requirement to submit a satisfactory IMTP. HE confirmed that the previous de-escalation had been based on a balanced financial plan but acknowledged that the forecast had since changed and that escalation status would be reviewed nationally.

Robert Holcombe (RH), Director of Finance and Procurement, added that, while there was a risk of escalation, the Health Board's financial position was not as severe as some other Welsh Health Boards. Nicola Prygodzicz (NP), Chief Executive, noted that an announcement on escalation status was expected imminently and that finance remained the greatest risk for increased scrutiny.

The Committee **NOTED** the update.

**FPC/1512/08**

**Integrated Performance Report, including performance against Ministerial Priorities**

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, presented the Integrated Performance Report to the Committee, highlighting key updates and November data where available. HE reported improvements in COVID vaccination uptake, which exceeded the all-Wales average, but noted ongoing challenges with staff and community



sickness due to COVID and flu. Efforts to increase staff vaccination rates were underway.

HE updated the Committee on population health metrics, noting increased smoking quit attempts and the launch of the Gwent Nicotine Control Alliance to address underage and illicit tobacco use. Diabetes care processes remained slightly below target, with improvement actions in place.

The Committee noted that primary and community services showed increased activity across pharmacy, optometry, and emergency dental services. However, weekend community nursing activity remained challenged, and the team was reviewing forecasting and planning for 2026/27. Urgent and emergency care performance had improved due to the "Our Next Patient" initiative, with notable gains in September and October. November saw increased demand and pressure, prompting a national sprint to address patient flow and discharge, particularly at YYF and the Grange University Hospital.

Cancer pathway performance had declined, particularly in gynaecology, colorectal, and dermatology, but backlog reduction was underway. Planned care showed significant improvement, with the number of patients waiting over 104 weeks reduced to 718 in November, supported by £3.5 million in Welsh Government funding. Outpatient waiting times also improved, although diagnostic waits increased.

Mental health services sustained strong progress, though neurodevelopmental services experienced some pressure in October. Additional funding and clinical sessions were being provided to recover performance.

The Committee discussed winter pressures, with HE confirming that flu and respiratory illness had arrived earlier and at higher levels than expected, impacting front-door demand and system congestion.

Akmal Hanuk (AH), Independent Member, raised concerns about workforce productivity and job planning compliance. HE and Rani Dash (RD), Director of Corporate Governance, assured the Committee that the People and Culture Committee was focusing on workforce metrics and that a detailed assurance report would be presented to the Audit,



Risk and Assurance Committee in January specifically on job planning.

The Committee noted the ongoing challenges and improvement actions across ministerial priorities, including vaccination, urgent and emergency care, planned care, cancer, mental health, and workforce productivity.

The Committee **NOTED** the update.

**FPC/1512/09**

### **Monthly Finance Report and Monitoring Returns**

Robert Holcombe (RH), Director of Finance and Procurement, presented the report to the Committee, summarising the position at month 7. The year-to-date revenue deficit stood at £13.7 million, with a forecast outturn of £19.9 million. Capital spend was £14.5 million, on track for a balanced position at year-end. Public sector payment policy compliance was 97%, exceeding the 95% target, and cash holdings were within Welsh Government guidelines.

RH outlined the main deficit drivers and analysis, noting that savings delivery totalled £43.5 million against a plan of £40.4 million. Additional opportunities of £5 million had been identified, with £0.5 million delivered at month 7.

Operational cost pressures were discussed, including winter costs, pay, and non-pay variances. Variable pay had reduced slightly, while substantive pay increased marginally. Non-pay costs rose due to regional contracts and outsourcing, which were funded but showed higher spend.

RH noted that funding for quarter 1 and 2 RTT activity was still pending confirmation from Welsh Government, and non-receipt could worsen the deficit. Reserves were being held for 104-week waits, to be delegated as activity was performed. Key risks included Welsh Risk Pool contributions, national appeals, non-receipt of bank wage award funding, drugs, and winter pressures. Additional savings had been identified to offset winter costs, and acute drugs remained a focus area.

RH provided a brief update on month 8, reporting a revised forecast deficit of £18.3 million due to a positive settlement for the bank pay award and anticipated slippage returned from shared services. Welsh Government had confirmed funding for Welsh Risk Pool and bands 2–3 national



settlement, neutralising significant risks. RH informed the Committee that, while further improvement was unlikely, the position had stabilised, and next year would present new challenges due to a real-terms reduction in funding.

Iwan Jones (IJ), Independent Member, raised questions about vacancy cover and sickness costs, noting improvements in recruitment but ongoing cost pressures from vacancies and sickness absence. RH explained that natural turnover and recruitment speed affected vacancy costs, and that some vacancies could be beneficial given the underlying deficit.

The Committee discussed the likelihood of risks materialising, with RH confirming that most high-value risks had been addressed, but winter and acute drugs remained ongoing concerns. Welsh Government funding for diagnostics and RTT activity was also highlighted as a potential risk for the new financial year.

The Committee **NOTED** the update.

**FPC/1512/10**

### **Value and Sustainability Assurance Reporting**

Robert Holcombe (RH), Director of Finance and Procurement, presented the Value and Sustainability Board (VSB) paper, outlining the current arrangements and the breakdown of the £43.5 million savings across VSB groups. RH clarified the split between recurrent (£22.4 million) and non-recurrent (£21.1 million) savings, with a full-year effect of over £28 million expected next year. Additional opportunities totalling £5 million had been identified, with £0.5 million delivered at month 8.

RH reported that, for Welsh Government purposes, all savings were currently reported as deliverable, although some internal ambers remained due to timing. The Committee noted the need for a greater push on efficiency delivery, particularly in theatres and beds, and ongoing focus on variable pay. RH explained that Welsh Government was expected to shift service redesign focus onto estates, with positive progress noted on the Ty Gwent move and ongoing work at Nevill Hall Hospital.

Neil Patrick (NP), Chair, asked about the process for identifying new cost-saving initiatives. RH explained the top-down and bottom-up approaches, including national VSB



opportunities, executive group discussions, and the Quality Impact Assessment (QIA) process for service impacts. RH anticipated a need for stricter programme management next year.

Akmal Hanuk (AH), Independent Member, queried the medicines management process and its impact on savings. RH described the complexity of medicines finance, including national and local contracting, prescribing arrangements, and VAT optimisation. Hannah Evans (HE), Director of Strategy, Planning and Partnerships, added that cross-divisional workshops were being held to identify system-wide opportunities for next year, beyond divisional budget holders.

AH and RH discussed the challenges of meeting savings targets in medicines management, given external factors and the introduction of new high-cost drugs, especially in cancer.

RH noted the team's efforts in switching to biosimilars, generics, and optimising prescribing, but acknowledged that new initiatives could offset savings.

Jonathan Simms (JS), Clinical Director of Pharmacy, joined the meeting and provided a deep dive on secondary care prescribing, highlighting the impact of new NICE-approved medicines, statutory obligations, and the lack of new funding for the New Treatment Fund. JS reported significant growth in secondary care expenditure, particularly in ophthalmology and haematology, and outlined national and local planning for biosimilars and generics.

JS described assurance processes, divisional savings plans, and the implementation of the Blue Tech high-cost drug system to improve oversight. He noted that barriers to switching medicines were minimal, with established processes and patient engagement.

The Committee discussed forecasting challenges, waste and expiry management, and the difficulty of predicting net cost reductions in medicines, given legal, market, and clinical uncertainties. RH confirmed that savings plans for next year were in development, but a net cost reduction was unlikely.

The Committee **NOTED** the update from the Value and Sustainability Board and further **NOTED** the Deep Dive into Medicines Management in Secondary Care.



<p><b>FPC/1512/11</b></p>	<p><b>Consideration of the Issues Raised from the Public Accountability Meeting</b></p> <p>The Committee reflected on the recent Public Accountability Meeting, with Robert Holcombe (RH), Director of Finance and Procurement, noting that significant preparation had taken place and that feedback, both internal and external, had been positive. RH highlighted that the Cabinet Secretary’s expectations were clear, particularly regarding the financial challenge for the next year and the need to prioritise efficiency to support the financial bottom line.</p> <p>RH emphasised that the Board would need to make difficult decisions about service delivery, as it would not be possible to maintain current levels due to financial constraints. He also stressed that efficiency improvements must be linked to cost reduction, not simply increased activity.</p> <p>Nicola Prygodzicz (NP), Chief Executive, reported that she had not yet received any formal feedback following the meeting. She reiterated the importance of aligning efficiency with capacity reduction and recognised the significant effort required to prepare for the meeting.</p> <p>NP and Iwan Jones (IJ), Independent Member, discussed the challenge of balancing executive and independent member roles during the meeting, noting that many questions were operational rather than assurance-focused. They suggested that clearer differentiation in questioning would be helpful in future sessions.</p> <p>Akmal Hanuk (AH), Independent Member, and Dafydd Vaughan (DV), Independent Member, commended the team’s performance and preparation, noting that the tone of the meeting was appropriate and that the team had addressed challenging questions effectively.</p> <p>The Committee <b>AGREED</b> that the meeting provided a useful reference point for future strategic focus, particularly on finance, urgent and emergency care, and planned care, which were identified as the main priorities by the Cabinet Secretary.</p>
<p><b>ITEMS FOR INFORMATION</b></p>	
<p><b>FPC/1512/12</b></p>	<p><b>Assurance reports from the Digital, Data and Technology Group.</b></p>



Paul Solloway (PS), Director of Digital, presented the report to the Committee, providing an update on the digital programme of work. He noted that the programme was now supported by refreshed digital engagement meetings with divisional colleagues and a new request process to improve prioritisation and governance.

PS informed the Committee that there were 122 active requests, including 48 transformational projects, 39 ICT projects (covering new builds and technical refreshes), and 50 robotic process automation/software development requests underway.

Key updates included progress on the Open Eyes EPR for ophthalmology, with a planned go-live in February, completion of the interim e-referral solution, and concerns regarding the ambitious national target for implementing the new ophthalmology referral solution by the end of March. PS indicated that this timeline appeared unachievable and confirmed that discussions with the national programme were ongoing. The digital dictation procurement was nearing completion, and a paper on challenges with the Welsh Emergency Care Data Set was being prepared for the Executive Committee.

PS highlighted significant risks with the LIMS 2.0 programme, citing delays, configuration challenges, and the need to define a minimum viable product for go-live. He confirmed that these risks were being reported to national leadership.

The Committee noted positive progress with the Winpath system go-live and the radiology system (PACS/RIS), with lessons being learned from other health boards' implementations. The mortuary digital system had gone live successfully, addressing a key improvement action, and initial teething issues were being managed. The electronic prescribing programme was progressing well, with a planned go-live in the first quarter of 2026.

PS reported that the NHS Wales app had seen high patient engagement within the Health Board, recording the highest number of referral notifications and hospital appointment details shared across Wales. In addition, PS confirmed that



	<p>there were no current issues with mortuary capacity, and recent inspections had not raised significant concerns.</p> <p>The Committee <b>NOTED</b> the update.</p>
<b>FPC/1512/13</b>	<p><b>Review of Committee Programme of Business 2025/26</b></p> <p>The Committee <b>NOTED</b> the updated Committee Programme of Business for 2025/26.</p>
<b>FPC/1512/14</b>	<p><b>Audit Wales Eye Care Report</b></p> <p>Rani Dash (RD), Director of Corporate Governance, informed the Committee that the Audit Wales Eye Care Report had been presented for information, as it had already been discussed in detail at the Audit Risk and Assurance Committee.</p> <p>The Committee noted that the report included a recommendation for ongoing oversight of eye care, which was now reflected in the committee's future work plan.</p> <p>RD added that the Patient Quality, Safety and Outcomes Committee had also received an overview of the report and the approach to harm review, and that progress was being made on these actions.</p> <p>The Committee <b>NOTED</b> the report.</p>
<b>OTHER MATTERS</b>	
<b>FPC/1512/15</b>	<p><b>Items to be Brought to the Attention of the Board and Other Committees</b></p> <p>The Committee <b>AGREED</b> there were no items to be brought to the attention of the Board or other Committees.</p>
<b>FPC/1512/16</b>	<p><b>Any Other Urgent Business</b></p> <p>There was no other Urgent Business.</p>
<b>FPC/1512/17</b>	<p><b>Date of the Next Meeting</b></p> <p>23 February 2026</p>

