

**CYFARFOD BWRDD IECHYD PRIFYSGOLN
ANEURIN BEVAN
MINUTES OF ANEURIN BEVAN UNIVERSITY
HEALTH BOARD MEETING**

MINUTES OF FINANCE AND PERFORMANCE COMMITTEE

DATE OF MEETING	23 February 2026 09.30-12.30
VENUE	Microsoft Teams
PRESENT	<p>Neil Patrick, Chair</p> <p>Dafydd Vaughan, Independent Member</p> <p>Iwan Jones, Independent Member</p> <p>Akmal Hanuk, Independent Member</p>
IN ATTENDANCE	<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>Paul Solloway, Director of Digital</p> <p>Leanne Watkins, Chief Operating Officer</p> <p>Greg Bowen, Assistant Finance Director</p> <p>Naomi Murtagh, Board Business Manager</p> <p>Jamie Marchant, Director of Estates and Facilities</p> <p>Gavin Thomas, Governance Support Officer</p>
APOLOGIES	Rani Dash, Director of Corporate Governance

Preliminary Items	
FPC/2602/01	<p>Welcome and Introductions</p> <p>Neil Patrick (NP), Chair, welcomed everyone to the meeting.</p>
FPC/2602/02	<p>Apologies for Absence</p> <p>Neil Patrick (NP), Chair, NOTED the apologies received.</p>
FPC/2602/03	<p>Declarations of Interest</p> <p>There were no Declarations of Interest to record.</p>
FPC/2602/04	<p>Draft Minutes of the last Meeting held on 15 December 2025</p>



	<p>The Committee received and reviewed the previous draft minutes, and these were AGREED as a true and accurate record of the meeting.</p>
<p>FPC/2602/05</p>	<p>Committee Action Log</p> <p>The Committee received the Committee action log and Neil Patrick (NP), Chair, NOTED that there were no outstanding actions.</p>
<p>ITEMS FOR APPROVAL/RATIFICATION/DECISION</p>	
	<p>There were no items for discussion during this section.</p>
<p>ITEMS FOR DISCUSSION</p>	
<p>FPC/2602/06</p>	<p>Ophthalmology Business Case Progress Update</p> <p>Leanne Watkins (LW), Chief Operating Officer, provided an update on progress against the previously approved Ophthalmology Diagnostic Hub Business Case, including Performance, Workforce, Financial, and Digital considerations.</p> <p>LW reported that the diagnostic hub had delivered significant improvements in performance and patient safety, exceeding original activity expectations. The service had mitigated clinical risk associated with delayed follow-up, particularly in relation to sight-threatening conditions, and had contributed to improved national benchmarking, with local performance now among the strongest in Wales.</p> <p>The Committee noted evidence that investment in the diagnostic hub had reduced patient harm and associated legal risk, with members recognising the quality and safety benefits achieved alongside improved productivity. Furthermore, it was acknowledged that while financial recovery of investment was challenging, the overall value proposition was strong when considered in the context of patient outcomes and avoided harm.</p> <p>Akmal Hanuk (AH), Independent Member, noted increasing demand, particularly for glaucoma services, and noted the rising volume of patients requiring ongoing monitoring. LW agreed that further work was required to better understand demand drivers and to ensure that risk stratification and prioritisation processes remained robust.</p>



LW reassured the Committee that clinical risk was being actively managed through use of diagnostic imaging and technician-led models, enabling earlier identification of high-risk patients and more efficient use of Consultant time. The workforce model was highlighted as more sustainable than traditional approaches, though challenges in recruitment and reliance on overtime and waiting list initiatives were acknowledged.

AH queried where the diagnostic hub was based and LW confirmed that the diagnostic hub was based at the Royal Gwent Hospital. The Committee noted emerging proposals for a second diagnostic hub, with discussion focusing on the potential for community-based provision aligned to wider community diagnostic hub and regional service models.

Dafydd Vaughan (DV), Independent Member, noted significant digital dependencies, including the planned implementation of the OpenEyes electronic health record and national electronic referral systems, but noted the risks associated with national delivery timescales and the need for interim solutions. LW recognised the importance of digital connectivity with community optometry to enable further service transformation.

The Committee discussed the financial sustainability of the service, including reliance on non-recurrent funding and overtime. It was noted that Phase 1 costs were included within current financial plans, while any further expansion would require prioritisation and consideration within the wider IMTP and regional funding context.

In addition, the Committee acknowledged the ophthalmology diagnostic hub as a strong example of quality-led service redesign, delivering tangible benefits for patients.

In relation to next steps, LW advised that further analysis had been undertaken to understand glaucoma demand trends and key drivers, alongside the development of proposals for future diagnostic hub capacity, including community-based and regional options. LW also confirmed that ongoing monitoring of risks associated with the implementation of digital systems, together with mitigating actions, had continued, with updates to be reported through the IMTP process and future Committee reports.



The Committee **ENDORSED** further development of the model, subject to clear prioritisation, regional alignment, and continued assurance on workforce, digital readiness, and financial impact.

FPC/2602/07

Estates Compliance Assurance Report

Leanne Watkins (LW), Chief Operating Officer, welcomed Jamie Marchant (JM), Director of Estates and Facilities, to the meeting. JM provided an update on the Estates Compliance Assurance Report, outlining statutory compliance, estate condition, and the governance arrangements in place to manage estate-related risks across the Health Board.

JM reported that the Health Board operated a large, complex, and ageing estate, which required a risk-based approach to compliance, maintenance, and investment. The Committee noted that, while significant capital investment had been made in recent years, including the development of new hospitals, a substantial proportion of the estate remained older and continued to deteriorate over time.

JM advised that statutory compliance was actively monitored through a structured governance framework, including topic-specific oversight (such as fire safety, water safety, medical gases, and asbestos), regular reporting, and escalation through risk registers. Assurance was provided that compliance management was not solely an estates function and relied on engagement from clinical divisions and service users, particularly where operational practices impacted safety.

Furthermore, JM informed the Committee of the scale of backlog maintenance, which exceeded available capital resources, and acknowledged that this required prioritisation of investment based on clinical and safety risk rather than aesthetics or non-critical improvements. The Committee recognised that this approach inevitably meant that some estate issues could not be addressed immediately.

The Committee discussed estate condition risks, including ageing infrastructure, capacity constraints, and the impact of unplanned failures. It was noted that estates teams operated on a 24/7 basis, balancing planned preventative maintenance with reactive work, and that workforce pressures within



estates and maintenance services remained a challenge in a competitive labour market.

Akmal Hanuk (AH), Independent Member, noted that some elements of the Health Board's estate were empty and queried whether there were ongoing financial implications associated with vacant buildings. JM provided an update on estate rationalisation and site configuration, including progress in vacating and consolidating services from assets deemed beyond economic repair. JM advised that some buildings were being maintained at a minimal level to ensure safety and security while longer-term solutions were developed. The importance of aligning estate decisions with service strategy and financial sustainability was emphasised.

Iwan Jones (IJ), Independent Member, noted that several estates-related risks remained rated as high or extreme. JM acknowledged that, in many cases, risks could not be fully mitigated without significant capital investment and that existing controls focused on making services safe rather than eliminating risk entirely. IJ requested clarity on how mitigating actions were reflected and evidenced within risk reporting. LW provided assurance that the Health Board's approach to estates compliance and risk management had been subject to external scrutiny, including engagement with regulators and Audit Wales, and that feedback to date had been constructive. The Committee noted that further learning and assurance would be derived from forthcoming external reviews.

The Committee recognised the significant operational and strategic challenge presented by the estate and acknowledged the work of estates teams in maintaining safety and compliance in difficult circumstances.

The Committee **NOTED** the update.

FPC/2602/08

IMTP Ambitions for Future Years

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, presented to the Committee the proposed Integrated Medium-Term Plan (IMTP) ambitions for future years, including projected performance against Ministerial priorities, organisational escalation metrics, and locally defined improvement objectives. HE reported that the IMTP ambitions had been developed to align national requirements



with organisational priorities, while recognising ongoing constraints relating to workforce availability, financial sustainability, and increasing demand. The Committee noted that performance trajectories remained subject to further iteration and assurance ahead of final submission. HE further advised that Ministerial priorities, particularly in Urgent and Emergency Care, Planned care, Cancer performance, and Financial balance, had continued to be the primary focus of external scrutiny. It was acknowledged that not all national ambitions had been fully defined or supported by clear metrics, which created challenges for planning and assurance.

The Committee discussed the balance between ambition and deliverability, noting that while efficiency and productivity improvements had been embedded within the plan, not all improvements were expected to be cash-releasing. It was recognised that some efficiency initiatives could increase activity and performance while placing additional pressure on financial resources. HE highlighted that IMTP performance assumptions had been underpinned by a range of transformation programmes, including planned care productivity, outpatient reform, theatre utilisation, pathway redesign, digital enablement, and system-wide working with partners. The Committee noted that these programmes had been tracked through divisional assurance processes, programme boards, and executive oversight arrangements.

Akmal Hanuk (AH), Independent Member, queried which areas HE considered to be the most challenging. HE advised that Urgent and Emergency Care performance, diagnostic waiting times, workforce capacity, and the sustainability of some services within existing resources had represented the main areas of concern. The Committee acknowledged that certain ambitions, particularly in planned care and diagnostics, would require difficult prioritisation decisions and close monitoring.

The Committee received assurance that robust internal challenge had been ongoing, including executive scrutiny of assumptions, milestones, and risks, and that progress had been monitored through regular performance reporting. It was noted that delivery against IMTP ambitions would be tracked through monthly and quarterly milestones, enabling early identification of variance and corrective action where required.



The Committee emphasised the importance of maintaining a clear line of sight between IMTP ambitions, operational delivery, workforce plans, and financial assumptions, and requested continued transparency where national expectations were not supported by feasible delivery models.

The Committee recognised the complexity of the planning environment and supported a pragmatic approach that balanced national requirements with organisational capacity, quality, and safety.

The Committee **NOTED** the update.

FPC/2602/09

Reporting on Benefits Realisation Projects

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, provided an update to the Committee on the reporting and oversight of benefits realisation arising from approved business cases and transformation projects.

HE reported that the organisation had an established process for the scrutiny of business cases through the Pre-Investment Panel (PIP), with an increasing focus on ensuring that anticipated benefits were clearly defined at the point of approval. The Committee noted that, while assurance arrangements for business case approval were well embedded, further strengthening was required in relation to post-implementation benefits realisation and evaluation.

HE emphasised the importance of consistent and proportionate post-implementation review, ensuring that projects were assessed against the benefits originally approved, including quality, performance, workforce, and financial impacts. It was acknowledged that benefits realisation reporting had not always been applied consistently across all programmes, particularly where projects spanned multiple governance routes.

The Committee noted the range of completed and forthcoming benefits realisation reviews, covering both internal service changes and larger-scale transformation initiatives. The Committee emphasised the need for clear ownership, objective assessment, and timely reporting of



outcomes, including the capture of learning where benefits had not been fully realised.

Furthermore, HE advised that further work had been underway to strengthen guidance and expectations for teams undertaking benefits realisation reviews. This included improved clarity on metrics, timescales, and evidence requirements.

The Committee supported proposals to improve consistency and to ensure that benefits realisation was embedded as a core component of the investment lifecycle rather than treated as an optional activity. In addition, HE advised that forthcoming internal audit work would provide additional assurance on the effectiveness of benefits realisation arrangements and would help to identify further opportunities for improvement.

The Committee reinforced the importance of accountability and transparency, noting that robust benefits realisation was essential to demonstrate value for money, inform future decision-making, and maintain public confidence.

The Committee **NOTED** the update.

FPC/2602/10

Integrated Performance Report, including performance against Ministerial Priorities

Hannah Evans (HE), Director of Strategy, Planning and Partnerships, provided an update to the Committee on the Integrated Performance Report, which presented an overview of organisational performance against national targets, Ministerial priorities, and locally defined objectives.

HE reported that the Integrated Performance Report demonstrated areas of sustained improvement, alongside continued system-wide pressures associated with rising demand, workforce capacity constraints, and financial pressures. HE explained that performance needed to be considered within the context of wider system interdependencies and national policy requirements.

In relation to Prevention and Population Health, HE noted strong performance in influenza vaccination uptake for people aged 65 and over, which had exceeded the all-Wales average. Performance against the eight diabetes care processes had reached its highest recorded level, although



further improvement was acknowledged to be increasingly challenging. Ongoing underperformance in childhood vaccination and HPV uptake was highlighted, with recognised inequalities between localities. The Committee noted that targeted action through the Vaccine Equity Plan had been underway to address these issues.

In respect of Primary and Community Care, HE advised that pharmacy-led consultations had continued to increase, supporting improved access and helping to reduce pressure on other parts of the system. Emerging challenges in audiology waiting times were noted, with further work underway and a paper expected to return through established governance routes.

HE reported that, in Urgent and Emergency Care, performance had remained significantly challenged and those improvements had been difficult to sustain. It was acknowledged that pressures were system-wide, and that a more detailed improvement plan had been in development, informed by incident learning and previous improvement initiatives.

In relation to Planned Care, HE noted continued progress in reducing long waits, including a reduction in 104-week waits in orthopaedics. However, the Committee discussed a material risk arising from a global shortage of bone cement, which was expected to impact joint replacement activity and require prioritisation of trauma cases. Significant reductions in outpatient waiting lists were also noted, reflecting the impact of additional insourcing activity.

HE informed the Committee that Cancer and Diagnostics performance had improved, reversing a previous period of decline and demonstrating sustained recovery. Diagnostics were highlighted as a key area of pressure, particularly non-obstetric ultrasound, although recovery plans were in place with the aim of returning to zero long waits by year-end.

In respect of Mental Health, the Committee noted that services had continued to perform well against key access targets, including adult and CAMHS pathways. Ongoing challenges in psychological therapies and neurodevelopmental services were acknowledged, with further review and improvement work underway.



During discussion, the Committee highlighted the interdependencies between performance, workforce, finance, and national supply constraints, and emphasised the importance of maintaining a clear line of sight between the delivery of Ministerial priorities and organisational capacity. The Committee requested continued transparency where national expectations were not supported by feasible delivery models within existing resources.

The Committee **NOTED** the update.

FPC/2602/11

Monthly Finance Report and Monitoring Returns

Robert Holcombe (RH), Director of Finance, provided an update to the Committee on the Finance Report and monitoring returns, outlining the organisation's financial position, key risks, and progress against the approved financial plan.

RH reported that the Health Board continued to forecast an in-year deficit in line with the agreed plan, with the year-to-date position remaining broadly consistent with expectations. RH noted that financial performance remained subject to significant external and internal pressures, including growth in demand, workforce cost pressures, and reliance on national funding arrangements.

RH discussed income risk, particularly in relation to nationally funded programmes and reimbursement mechanisms. It was noted that a proportion of anticipated income had not yet been formally confirmed, creating uncertainty within the forecast position. RH provided assurance that active engagement with Welsh Government had been ongoing to secure clarity and resolve outstanding funding issues. In addition, RH reported that cost pressures had remained evident across several areas, including planned care delivery, winter pressures, and non-pay expenditure. It was noted that some mitigation had been achieved through non-recurrent measures, rebates, and favourable funding adjustments, which had enabled the organisation to continue to hold its forecast position at the time of reporting.

The Committee discussed workforce costs, noting that while substantive staffing levels had increased in line with service delivery plans, overall pay expenditure had continued to be under pressure. The Committee acknowledged the challenge



of balancing workforce investment with affordability and emphasised the need for continued scrutiny of staffing decisions.

RH reported that capital expenditure and cash management had remained within approved limits. Assurance was provided that capital spend had continued to align with plan and that cash levels had been actively monitored and managed.

The Committee emphasised the importance of maintaining financial grip and control, particularly in the context of increasing reliance on non-recurrent measures and uncertainty around future funding. The need for close alignment between financial planning, performance delivery, and IMTP assumptions was highlighted.

The Committee noted the challenging financial environment and acknowledged the work underway by both the Finance team and additionally that of the Planning team to manage risk, maintain stability, and engage with national partners.

The Committee took assurance that financial performance was being actively monitored and managed, whilst noting the ongoing risks associated with income uncertainty, cost pressures, and workforce affordability. The Committee further noted the work which is underway on the IMTP to ensure Welsh Government approval and sign off.

In addition, the Committee noted that there was a Board Development session planned for the 4th March where a detailed presentation and discussion on both the IMTP and financial position was planned.

The Committee **NOTED** the update.

FPC/2602/12

Efficiency Opportunities focused on Planned Care

Robert Holcombe (RH), Director of Finance, welcomed Greg Bowen (GB), Assistant Director of Finance, to the meeting who provided a presentation to the Committee on efficiency and productivity opportunities within planned care. The presentation set out the scale of the opportunity, alignment with national expectations, and the implications for both performance and financial sustainability.



GB reported that, while progress had been made in reducing long waits, demand for planned care services was expected to continue to increase alongside a significant reduction in additional national funding. As a result, improving efficiency and productivity had been identified as a critical requirement to sustain performance within available resources. GB explained that efficiency was defined as the relationship between inputs and outputs, and that improvements could result in either increased throughput at the same cost or the release of capacity and resources. GB advised that improved performance did not automatically equate to financial savings and that some efficiency initiatives could increase cost pressures within the year.

GB highlighted key areas of opportunity, particularly across:

- **Elective beds**, including reductions in length of stay, increased day-case rates, and reduced day-of-surgery admissions;
- **Outpatients**, including reductions in DNA rates, improved follow-up-to-new ratios, and increased use of patient-initiated follow-up and self-management pathways; and
- **Theatres**, including reductions in cancellations, increased cases per list, improved start and finish times, and improved utilisation.

The Committee noted that the most material opportunities were concentrated within theatres, beds, and outpatient services. Benchmarking demonstrated significant variation and clear scope for improvement when compared with peer organisations and best-practice standards.

GB informed the Committee of the importance of system-wide enablers, including workforce models, pathway redesign, digital support, and stronger operational discipline. It was acknowledged that some efficiency gains could only be realised at scale and would require coordinated change across specialties and sites.

The Committee noted that current IMTP proposals addressed a proportion of the identified efficiency opportunities, with variable levels of delivery across specialties. It was further recognised that additional prioritisation and decision-making were required, particularly in areas where efficiency



improvements were expected to deliver performance benefits without generating cash savings.

Iwan Jones (IJ), Independent Member, emphasised the importance of aligning efficiency programmes with quality, safety, and patient experience, and of avoiding approaches that could undermine staff wellbeing or service resilience. IJ further highlighted that achieving additional efficiency gains would require clear governance, strong clinical engagement, and sustained management focus, and that the risks associated with workforce capacity and change fatigue would need to be carefully managed.

The Committee recognised that planned care efficiency represented a significant strategic opportunity, but one that required delivery through realistic assumptions, clear prioritisation, and strong oversight.

The Committee **NOTED** the report.

FPC 2602/13

Commissioning Update Report

Robert Holcombe (RH), Director of Finance, provided the Committee with a Commissioning Update which provided an overview of the Health Board's externally commissioned services and associated contractual arrangements.

RH reported that the update covered the majority of commissioned activity, including services commissioned through long-term agreements, regional and specialised services, independent sector provision, continuing healthcare, primary care contracts, and arrangements with local authorities and partner organisations. The Committee noted the scale and financial significance of commissioned services within the overall system.

Dafydd Vaughan (DV), Independent Member, raised the emerging risks and pressures within commissioned services, particularly in relation to national policy changes and contractual reforms, with specific reference to challenges arising from changes to the General Dental Services contract, noting an increase in contract hand backs and the potential impact on service capacity and access for the population.

RH acknowledged that while reduced activity may generate short-term financial underspends, there is a significant risk of unintended consequences, including unmet need and



increased demand for secondary care services. The Committee noted that engagement with Welsh Government was ongoing to provide feedback on the impact of contractual changes and to seek resolution of identified issues.

The Committee discussed the importance of effective oversight and assurance of commissioned services, including performance, quality, and value for money and emphasised the need for continued monitoring of risks, particularly where changes in commissioning arrangements could adversely affect patient outcomes or system flow.

In addition, the Committee agreed that issues relating to primary care commissioning and population impact would benefit from further consideration through appropriate governance routes, including referral to the Partnerships, Population Health and Planning Committee (PPHPC) where relevant.

Action: Chief Operating Officer / Committee Secretariat

The Committee recognised the complexity of the commissioning environment and the importance of maintaining strong relationships with partners while ensuring that commissioning decisions support safe, sustainable, and equitable services.

The Committee **NOTED** the update.

FPC/2602/14

Development of Committee Programme of Business 2026/27

Naomi Murtagh (NM), Board Business Manager, presented the Committee Programme of Business for 2026/27 to the Committee and reported that the Programme of Business had been developed to ensure the Committee maintained effective oversight of its core responsibilities, including finance, performance, efficiency, service sustainability, and delivery of organisational and national priorities. The Programme was designed to align with the Board Assurance Framework, statutory reporting requirements, and emerging risks.

The Committee discussed the need to maintain a clear focus on financial sustainability, performance recovery,



	<p>productivity and efficiency, particularly in the context of ongoing system pressures and the development and delivery of the Integrated Medium-Term Plan (IMTP).</p> <p>The Committee APPROVED the Programme of Business for 2026/27, subject to ongoing review and amendment as required to reflect emerging priorities.</p>
ITEMS FOR INFORMATION	
FPC/2602/15	<p>Review of Committee Programme of Business 2025/26</p> <p>The Committee NOTED the updated Committee Programme of Business for 2025/26.</p>
FPC/2602/16	<p>Committee Risk Report</p> <p>The Committee RECEIVED and NOTED the Committee Risk Report.</p>
FPC/2602/17	<p>Value and Sustainability Board Assurance Report</p> <p>The Committee RECEIVED and NOTED the Value and Sustainability Board Assurance Report.</p>
FPC/2602/18	<p>Revenue Budget Allocation letter</p> <p>The Committee RECEIVED and NOTED the Revenue Budget Allocation letter.</p>
OTHER MATTERS	
FPC/2602/19	<p>Items to be Brought to the Attention of the Board and Other Committees</p> <p>The Committee considered matters arising from the meeting that required escalation to the Board or referral to other Committees for further consideration.</p> <p>It was AGREED that issues relating to primary care commissioning and the associated population impact, particularly those arising from national contractual changes, would be brought to the attention of the Partnerships, Population Health and Planning Committee for further consideration, where relevant.</p>
FPC/2602/20	Any Other Urgent Business



	There was no other Urgent Business.
FPC/2602/21	Date of the Next Meeting 21 April 2026