



**Finance & Performance Committee**  
**Minutes of the meeting held in public on 28.1.21**  
**via Webex**

**Present:**

Mark Polin	BCUHB Chairman / Committee Chair ( <i>part meeting</i> )
John Cunliffe	Independent Member / Committee Vice Chair
Eifion Jones	Independent Member
Linda Tomos	Independent Member

**In Attendance:**

Louise Brereton	Board Secretary
Alyson Constantine	Acute Site Director Ysbyty Gwynedd (YG) ( <i>part meeting</i> )
Andrew Doughton	Wales Audit representative – to observe ( <i>part meeting</i> )
Simon Evans-Evans	Interim Director of Governance
Sue Green	Executive Director Workforce and Organisational Development (OD)
Arpan Guha	Acting Executive Medical Director
Dave Harries	Head of Internal Audit – to observe ( <i>part meeting</i> )
Gill Harris	Acting Executive Director Nursing & Midwifery ( <i>part meeting</i> )
Sue Hill	Executive Director of Finance
Andrew Kent	Interim Head of Planned Care Improvement ( <i>part meeting</i> )
Rob Nolan	Finance Director - Commissioning and Strategy ( <i>part meeting</i> )
Emma Wilkins	Deputy Director, Financial Delivery Unit (FDU)
Mark Wilkinson	Executive Director Planning and Performance
Diane Davies	Corporate Governance Manager (Committee Secretariat)

Agenda item	Action by
<b>FP21/1 Welcome and Chair's introductory remarks</b>	
<b>FP21/2 Apologies for absence</b>  Apologies were received from Jo Whitehead and Gavin Macdonald	
<b>FP21/3 Declarations of Interest</b>  None received in public session	
<b>FP21/4 Draft minutes of the previous meeting held on 21.12.20 and summary action log</b>  <b>FP21/4.1</b> It was agreed that the minutes were an accurate record and the summary action log was updated.	

**FP21/4.2** The Chairman had requested that a workforce briefing be prepared for members to provide a picture of the challenges faced as BCU was moving through the third wave of the pandemic. This included base vacancy rates, turnover, sickness absence and other unavailability, Covid19 staff cases, vaccination position and vaccination staffing model and position. The Chairman questioned what actions were being undertaken to address staff absence due to Covid19 which the Executive Director Workforce and OD shared with the Committee. This included additional clinical support through Healthcare Support Workers, introduction of asymptomatic staff testing, reinforcing social distancing, strengthening staff safety and the reintroduction of the Staff Wellbeing Service (SWS) for staff to access. The Executive Director Workforce and OD acknowledged the tremendous impact on staff including fatigue and pressures on mental health. The Committee recognised the huge amount of work being done in moving forward support for staff.

### **FP21/5 Quarter 3&4 2020/21 monitoring report**

**FP21/5.1** The Executive Director of Planning and Performance highlighted the revised format improvements which included additional narrative in respect of Red and Amber assessments. It was also noted that the process included Chief Executive sign off.

Of the assessments this month, there were:

- 23 purple ratings (completed within the timescale)
- 12 green (on target)
- 9 amber ratings (some risks to delivery but these are being managed)
- 14 red ratings (off target or not completed within the timescale)

Of the 14 red rated actions, it could be seen that Covid19 had an effect upon the ability to meet the timescales. In some cases additional resources (financial or workforce) had been secured to ensure delivery (but not in the previously agreed timescale). Nevertheless, even during the pandemic very good progress had been made to complete 23 actions.

**FP21/5.2** In response to the Committee he confirmed that end of quarter actions would be 'rolled in' going forward through the introduction of the revised process. The Committee highlighted the importance of prioritising consideration of BCU's Estate, especially in light of current strategic developments such as the Diagnostic Treatment Centres (DTCs) going forward. The Executive Director of Planning and Performance reflected on BCU's previous share of the All Wales Capital allocation which he perceived to be less than expected.

**FP21/5.3** In relation to the Red status of Theme 20.3 'Safe secure and Healthy environment for our Staff' the Executive Director of Workforce & OD advised that whilst capacity issues had affected availability of the staff wellbeing service (SWS), plans were in place to reintroduce the service.

**It was resolved that** the Committee **noted** the report **agreed** that

- narrative would be provided when theme moves from Red direct to Purple to explain prompt completion in future reports

MW

<ul style="list-style-type: none"> <li>briefing be provided to members on those pertaining to the F&amp;P Committee to provide assurance that the actions had been fulfilled as agreed and not modified to enable completion</li> </ul>	MW
<p><b>FP21/6 Quality and Performance report</b></p> <p>The Executive Director of Planning and Performance highlighted the performance issues that had been caused by the Covid19 pandemic, notably pressure in Unscheduled Care and the dip in Planned Care which would be explored further in the respective reports later in the agenda. The Committee was pleased to note stronger performance in relation to Cancer services and improvements within Diagnostics. The Committee acknowledged the positive performances advised within the report given the Covid19 pressures that the organisation was being subjected to.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the report</p>	
<p><i>The Finance Director - Commissioning and Strategy joined the meeting for this item</i></p> <p><b>FP21/7 Health Board Revenue and Discretionary Capital Allocation for 2021-22</b></p> <p><b>FP21/7.1</b> The Health Board's revenue allocation for 2021-22 was noted as £1,637.9 million. Particular attention was drawn to ring fenced monies including the Strategic Support Funding of £82 million which has been provided to meet core priorities over four financial years (starting in year during 2020-21). It was noted that the allocation did not include funding for the ongoing NHS response to Covid19 in 2021-22. Resource planning assumptions for Covid19 funding would be shared separately. An update on budget setting was also included within the report. It was noted that overall the BCU had received an uplift of 2%.</p> <p><b>FP21/7.2</b> The Committee was pleased that an uplift had been provided and particularly welcomed additional ring fenced Mental Health monies. In response to the Committee it was noted that any nationally agreed salary uplift above 1% would be funded by WG. The Executive Director of Finance confirmed that ring fenced monies would be reported separately to provide clarity for the Committee.</p> <p><b>FP21/7.3</b> The Chairman requested that the Executive Director of Finance set out a clear timeline of the governance path from Committee to Board for the 2021/22 annual plan. He stressed the importance of ensuring that BCU provided a robust plan to WG prior to commencement of the new financial year.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the report <b>agreed</b> that a timeline for review and approval of the 2021/22 Annual Plan be shared with F&amp;P and SPPH Committee members</p>	SH
<p><b>FP21/8 Developing the 2021-24 annual plan</b></p> <p>The Executive Director of Planning and Performance introduced the PowerPoint presentation which encompassed</p>	

<ul style="list-style-type: none"> <li>➤ Planning for 2021/24</li> <li>➤ 2021/2024 Outcomes BCU wishes to achieve - based on a Healthier Wales design principals</li> <li>➤ Strategic Transformation</li> <li>➤ Building on Board approved Q3/4 core priorities</li> <li>➤ Current draft strategic priorities for 2021/2022 and beyond</li> <li>➤ Progress to date</li> <li>➤ Risks and Mitigation</li> <li>➤ Next steps</li> </ul> <p><b>FP21/8.2</b> Whilst the Executive Director of Planning and Performance highlighted the struggle to release time for operational team leads as they were currently delivering services, he stated that he was confident the plan would be delivered in March 2021.</p> <p><b>FP21/8.3</b> A discussion ensued in which it was observed that greater clarity was required in relation to strategies and plans. In addition, the explanation of assumptions would assist to provide clarification and context that could improve setting the planning process. It was suggested that a Business as Usual (BAU) plan would be a helpful and it was understood that other Health Boards were also exploring planning for alternative modelling scenarios.</p> <p><b>FP21/8.4</b> The Committee questioned whether reference needed to be made to the Living Well Staying Healthy Strategy as well as progress of the Digital Strategy which was expected by the end of March. The inclusion of references to enabling strategies was suggested especially in relation to Communications and Engagement which were of great interest to WG. The challenges within Mental Health, Covid19, Vaccination programme and workforce were all acknowledged, however the Committee stated that Recruitment and Training needed to be of higher priority.</p> <p><b>FP21/85</b> A discussion ensued on when Board members would be provided with the opportunity to consider the plan in development. The Chairman emphasised that he wanted the organisation to be successful in preparing the 3 year plan on time.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the presentation <b>agreed</b> that the Executive Director of Planning and Performance would work with the Board Secretary to timetable into next week's Board workshop agenda and ensure that Leadership and Governance topics were also included.</p>	MW/LB
<i>The following items were taken out of sequence for operational requirements</i>	
<p><b>FP21/11 Unscheduled Care (USC) update</b></p> <p><b>FP21/11.1</b> The Executive Director of Nursing and Midwifery presented this item highlighting the pressures currently being experienced. This included 83 closed beds due to infection prevention and control (IPC) measures and a significant number of other inaccessible beds. She highlighted critical care issues and use of beds at Ysbyty Enfys Deeside. A meeting with ED clinical leads to discuss the improvement programme reviewing clinical pathways was also progressing. The Executive Director of Nursing and Midwifery stressed that the pressure at the front door, which was also exacerbated by the reduction in beds (relating to infection prevention control</p>	

<p>measures) was reaching a critical point. She also highlighted issues with reduced access to community beds, staff availability and the positive impact of the phone first programme.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the unscheduled care performance for December 2020 across BCUHB and for each health community <b>agreed</b></p> <ul style="list-style-type: none"> <li>• to follow up on progress with the ED Clinical Leads that the Chairman met with</li> <li>• to provide data on Phone first referrals and ensure inclusion within future USC reports</li> </ul>	<p>GH GH</p>
<p><i>The Interim Head of Planned Care Improvement joined for this item</i> <b>FP21/9 Planned Care update</b></p> <p><b>FP21/9.1</b> The Interim Head of Planned Care Improvement presented this item, highlighting that the report indicated growing numbers of long waiters that were currently paused for their treatment during the pandemic, with a potential year-end forecast of 50,000 over 52 week waiters. In respect of the benchmarking detail requested by the Committee he advised that the Delivery Unit considered that BCU was 'holding our own' and it was noted that when reviewing performance across Wales, it was worth noting that BCU has the largest population of the Health Boards, and that the other Health Boards also had deteriorating positions.</p> <p><b>FP21/9.2</b> The Committee questioned how patients within BCU were being kept informed of this difficult position. The Interim Head of Planned Care Improvement described the work being done to address the situation within the 6 point plan that included patient demand management and communication. He also advised that, whilst the position was unpredictable due to the pandemic, long waiters could be in the region of 30-35k next year. Reduced productivity within Theatres was also highlighted due to infection prevention control (IPC) measures introduced, however lifesaving cancer emergency treatment was taking place which also included providing procedures for patients from the East within the West in a pan North Wales approach. In terms of post Covid recovery for planned care a tender specification and procurement process was being discussed to provide additional resilience.</p> <p><b>FP21/9.3</b> A discussion ensued on Point 5 of the 6 point plan which related to Waiting Initiatives and insourcing patients, the Executive Medical Director stated that this had led to widespread clinical engagement in which working across previous boundaries allowed for better provision to the population of north Wales.</p> <p><b>FP21/9.4</b> The Committee was very supportive of moving forward in this area to ensure support funding was utilised effectively and capacity engaged. The Committee sought the Executive Team and Board to prioritise this urgently. Following discussion on conflicting views of whether capital expenditure could be used for revenue purposes it was agreed that definitive clarity be sought from WG. The Committee was also keen to ensure improvements at pace.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the organisation's planned care Referral to Treatment (RTT) position</p>	

<p><b>agreed</b></p> <ul style="list-style-type: none"> <li>• support for point five of the six-point plan so that the procurement and clinical engagement work could be progressed and included within the 21/22 activity plan.</li> <li>• to ensure future benchmark data is provided data per 100k population to enable a more effective comparison with other Health Boards</li> <li>• seek definitive clarity on whether capital expenditure could be converted to revenue expenditure.</li> </ul>	<p>AK</p> <p>SH</p> <p>SH</p>
<p><i>The Acute Site Director YG joined the meeting for this item only</i></p> <p><b>FP21/10 Planned care update: Option 5 Ophthalmology – Eye Care Collaborative Programme update</b></p> <p><b>FP21/10.1</b> The Acute Site Director YG advised that the Eye Care Programme had been in progress for circa 2 years and was halted throughout the majority of 2020 due to Covid19 being the focus of time and input. This had now been re-started with the re-launch of the collaborative and a focused approach to prioritisation of the various work streams in order to maximise progress against both clinical concerns and the opportunities being made available through the All Wales Digital programme. She highlighted the transformative progress that would take place to improve eye care for the population of North Wales. Priorities to take forward, risks and the next steps were also outlined within the report.</p> <p><b>FP21/10.2</b> The Committee raised concern regarding the ‘Open Eyes’ application’s inability to integrate with WPAS or the Electronic Patient Record, however it was noted that a solution was being explored by BCU’s Digital Group. In response to the Committee’s offer of support, the Acute Site Director YG drew attention to potential for the introduction of weekend working, utilisation of outsourcing along with a suitable base.</p> <p><b>FP21/10.3</b> The Committee was supportive of this approach but questioned how improvements to recruitment and vacancies could be achieved. The Acute Site Director YG commented that improved facilities and the introduction of more complex and challenging procedures could attract skilled professionals and encourage Optometrists to undertake work at the top of their permitted licences which would lead to further improvements. The Committee looked forward to receiving the business case at the next meeting.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> progress of the programme and the anticipated timescales for submission to Executive Team and F&amp;PC as a Business Case (BC) proposal</p>	
<p><b>Exclusion of the Press and Public</b> Resolution to Exclude the Press and Public “That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest in accordance with Section 1(2) Public Bodies (Admission to Meetings) Act 1960.”</p>	

<p>The Committee discussed item FP21/22 Diagnostic Treatment Centre progress update - Model of Care in private session due to the availability of key attendees and then resumed in public session.</p>	
<p><i>The Executive Director of Nursing and Midwifery left the meeting</i></p> <p><b>FP21/12 Capital Programme report Month 8</b></p> <p><b>FP21/12.1</b> The Executive Director of Planning and Performance presented this item. The Committee questioned the cessation of the Ablett Unit redevelopment and was informed that the scheme was paused due to a WG gateway review, further detail of the planning permission decision would be provided at the next meeting. A discussion ensued regarding how lessons learned from the YGC redevelopment scheme were being effected in current business cases processes. The Executive Director of Planning and Performance confirmed that learning had been incorporated to provide more robust processes and the latest audit capital governance reports had provided significant assurance.</p> <p><b>FP21/12.2</b> It was reported that following Board approval of the full business case for the Royal Alexandra Hospital in November, WG had completed their initial review which had led to a series of questions/requests for additional information. These were being responded to and the information would be presented to the Executive Team prior to submission to WG.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the report <b>agreed</b></p> <ul style="list-style-type: none"> <li>• an explanatory briefing regarding Ablett planning permission refusal be included within the next meeting report</li> <li>• that Audit Committee IA / WA Capital Governance reports to provide assurance on learning from YGC redevelopment be shared with members</li> </ul>	<p>MW</p> <p>MW</p>
<p><b>FP21/13 Finance report month 8</b></p> <p><b>FP21/13.1</b> The Executive Director of Finance presented and advised the key assurances to be:</p> <ul style="list-style-type: none"> <li>✓ Current month nil deficit reported and YTD small surplus position.</li> <li>✓ Nil deficit position forecast for the year.</li> <li>✓ Key financial targets for cash, capital and PSPP all being met.</li> <li>✓ In month increase in savings forecast of £0.9m.</li> <li>✓ Review of forecasts for the cost impact of COVID-19 undertaken, in line with the revised and evolving plans for managing the pandemic. Forecast reduced and WG notified that full funding available is not required.</li> </ul> <p>and areas for action as:</p> <ul style="list-style-type: none"> <li>➤ Conversion of £2.4m of savings schemes in pipeline into green/amber schemes.</li> <li>➤ Urgently progress delivery of plans awarded funding by WG, to ensure outcomes are achieved this financial year.</li> <li>➤ Review cost of annual leave carry over liability following Christmas period.</li> </ul>	

- Continue discussions with English NHS providers on potential benefit from contract changes.

**FP21/13.2** The Month 8 position was £3.3m favourable variance to the £3.3m deficit plan, the year to date position was £26.9m favourable to the £26.7m deficit plan and the year-end forecast was to deliver a favourable balanced total against a £40m deficit plan. The Executive Director of Finance highlighted Income at a £5.8m adverse position against the budget of £90m and also drew particular attention to the increased £20.9m shortfall against £9.1m year to date savings target. It was noted that there were issues in the areas of prescribing and CHC which were affecting Divisional positions.

**FP21/13.3** In relation to Covid19 costs the total forecast cost of Covid19 was advised to be £141.5m, £14.2m less than last month. The cost for the carry forward of annual leave by AfC staff was included in forecasts at £10.1m. A reduction in forecast COVID-19 spend included TTP (£2.4m) and PPE (£0.9m), whilst Field Hospital set up costs reduced by £8.7m, but decommissioning costs forecast increased by £5.7m to £7.9m. Elective underspends and slippage in planned investments forecasts had increased. Rising Covid19 rates following the October firebreak, which were expected to continue after Christmas, had resulted in business as usual being delayed

**FP21/13.4** The report also provided detail on Savings, Income, Expenditure, Pay & Non-Pay costs as well as Risks & Opportunities

**FP21/13.5** A discussion ensued on plans to ensure that all allocations provided would be spent during the current financial year to avoid any risk of potential payback, this included bringing forward work that had been scheduled to be undertaken during the next financial year. The Committee reflected on the considerable challenge to bring the organisation to financial balance within 3 years and sought to explore opportunities to do so. The additional 4 year support provided by Welsh Government would support the Health Board to drive improvement towards this target.

**FP21/13.6** The Committee questioned whether an audit of Savings methodology into the next financial year was likely to take place, however it was understood that there was more likely to be focus on Covid19 expenditure, benchmarking activities, transformation schemes and financial sustainability.

**FP21/13.7** In discussion of the granularity of the breakeven forecast, the Chairman questioned whether there was potential to improve on this however, it was noted that there was concern over the delivery of savings during the pandemic.

**It was resolved that** the Committee  
**noted** the report  
**agreed** that

- sensitivity modelling would be provided in future Finance reports re Covid19 volatility
- greater granularity on breakeven/positive variance forecast would be provided in future reports

SH

SH



### **FP21/15 Transfer of Flint Community Hospital Site to Flintshire County Council**

**FP21/15.1** The Executive Director of Planning and Performance presented this item. It was noted that in 2015 the Health Board approved a programme of changes to services in Flint. This decision confirmed that the Flint Community Hospital site was surplus to requirements and as a result, approval was granted by Welsh Government to dispose of the site in accordance with guidance. The site remained on the Health Board's disposal list following a number of unsuccessful community interests in the site and buildings. The current vacant site had been subject to extensive vandalism and arson over recent weeks. North Wales Fire and Rescue Service and Flintshire County Council (under Dangerous Structures Notice) had raised concerns with the Health Board in regard to making the site safe. Whilst additional security and actions contained within the structural engineers reports had been implemented, the buildings still exposed the Health Board to potential litigation and prosecution should there be further incidents on site. The Executive Team had agreed the immediate demolition of all buildings on the site to mitigate the Health Board's exposure to litigation and prosecution. In addition it supported the recommendation to transfer Flint Community Hospital site to Flintshire County Council at Nil Value in line with Welsh Government guidance, at its meeting on 13.1.21.

**FP21/15.2** The Committee discussed potential conditional options regarding the transfer of land however it was noted that the land incurred costs of £25k/annum whilst not being utilised. The Committee also questioned whether the property was listed on BCU's estate disposal register. In response to questioning why the site had not been disposed of earlier, given that it hadn't been in use for 8 years, it was noted that the organisation had been working with partners to identify other potential suitable uses during the period.

**It was resolved that** the Committee **approved** the transfer of Flint Community Hospital site to Flintshire County Council at Nil Value. This is in line with Welsh Government, NHS Wales Infrastructure Investment Guidance and Land Transfer Protocol **agreed** that the Executive Director of Planning and Performance advise of current properties awaiting disposal and their timeline

MW

### **FP21/16a Committee Chair**

The Chairman advised members present that having considered governance advice, he would be standing down as Committee Chair and that he had appointed John Cunliffe to be the Chair of the Finance and Performance Committee. *Post meeting note* – this would take effect from April 2021.

As the Chairman had an urgent operational matter to attend to he requested that John Cunliffe chair the meeting from this point.

*The Chairman left the meeting.*

<p><b>FP21/16 Monthly monitoring reports - Month 9</b></p> <p><b>It was resolved that</b> the Committee <b>noted</b> the contents of the report submitted to Welsh Government about the Health Board's financial position at Month 9 2020/21.</p>	
<p><b>FP21/17 External Contracts Update</b></p> <p><b>It was resolved that</b> the Committee <b>noted</b></p> <ul style="list-style-type: none"> <li>• the financial position on the main external contracts as reported at Quarter 3 2020/21.</li> <li>• the work underway in respect of stabilising wider health / patient care contracts and key risks / related activity.</li> <li>• the impact of Covid-19 on external healthcare contracts and the work of the Health Care Contracting Team.</li> <li>• the impact and risk posed as a result of Covid-19 revised contracting arrangements adopted for contracts with NHS Providers.</li> <li>• the deadline for the approval and transfer of the management of Non-Emergency Patient Transport Service.</li> </ul>	
<p><b>FP21/18 Summary of private business to be reported in public</b></p> <p><b>It was resolved that</b> the Committee <b>noted</b> the report</p>	
<p><b>FP21/19 Issues of significance to inform the Chair's assurance report</b></p> <p>To be agreed outside the meeting</p>	
<p><b>FP21/20 Date of next meeting</b> 25.2.21</p>	