



**Finance & Performance Committee**  
**Minutes of the meeting held in public on 29.4.21**  
**via Teams**

**Present:**

John Cunliffe	Independent Member / Committee Chair
Eifion Jones	Independent Member / Committee Vice Chair
Linda Tomos	Independent Member

**In Attendance:**

Neil Bradshaw	Assistant Director ~ Capital Planning ( <i>part meeting</i> )
Louise Brereton	Board Secretary
Sue Green	Executive Director Workforce and Organisational Development (OD)
Arpan Guha	Acting Executive Medical Director ( <i>part meeting</i> )
Dave Harries	Head of Internal Audit – to observe
Gill Harris	Executive Director of Nursing and Midwifery
Sue Hill	Executive Director of Finance
Andrew Kent	Interim Head of Planned Care Improvement ( <i>part meeting</i> )
Gavin Macdonald	Interim Chief Operating Officer
Dawn Sharp	Deputy Board Secretary ( <i>part meeting</i> )
Tom Stanford	Interim Finance Director – Operational Finance
Mark Wilkinson	Executive Director Planning and Performance
Jo Whitehead	Chief Executive
Diane Davies	Corporate Governance Manager (Committee Secretariat)

Agenda item	Action by
<p><b>FP21/71 Welcome and Chair's introductory remarks and apologies for absence</b></p> <p>The Chairman advised that Chair's action had been undertaken between meetings to approve a GP contract in Wrexham.</p> <p>Apologies were received from Emma Wilkins</p>	
<p><b>FP21/72 Declarations of Interest</b></p> <p>None received</p>	
<p><b>FP21/73 Draft minutes of the previous meeting held on 25.3.21, summary action log and matters arising.</b></p> <p>The minutes were agreed and the summary action log was updated.</p>	

<p>The Committee sought further assurance in regard to backlog clearance. Following discussion it was agreed that an assurance update would be provided to set out the actions taken to address patients in order that BCU's communication reputation was not being adversely impacted and that patients were provided with timely and effective updates through a variety of means. It was noted that the Committee had raised concern since November 2020.</p> <p>The Executive Director of Planning and Performance confirmed that there were no fire safety concerns in utilising the Ysbyty Gwynedd site as North Wales Fire &amp; Rescue had not indicated that the building should not be used.</p>	GH
<p><b>FP21/74 Board Assurance Framework – risks assigned to the F&amp;P Committee</b></p> <p><b>FP21/74.1</b> The Deputy Board Secretary joined the meeting to present this item advising that as a result of discussion at the Strategy, Partnerships and Population Health Committee it had been proposed that BAF20-01 Surge/Winter Plan would transfer to the SPPH Committee and BAF20-21 Workforce Optimisation (previously assigned to SPPHC) would transfer to the Finance and Performance Committee. A number of comments were discussed and it was <b>agreed</b> that</p> <ul style="list-style-type: none"> <li>• BF20-05 Planned Care access -would include narrative to confirm that the target was so high due to the length of time required to address the backlog.</li> <li>• BAF20-17 Value based healthcare - to be reviewed and take into account other transformational and innovative initiatives</li> <li>• BAF20-21 Workforce optimisation - to be further reviewed and ensure consideration of timescales and effectiveness of controls</li> <li>• Ensure consistency of formatting across all risks</li> <li>• Ensure target risk score are aligned with risk appetites</li> </ul> <p><b>It was resolved that</b> the Committee <b>noted</b> the progress on the Principal Risks as set out in the Board Assurance Framework (BAF); <b>agreed</b></p> <ul style="list-style-type: none"> <li>• that the Workforce Optimisation risk (BAF 20-21) should in future report to the F&amp;P Committee</li> <li>• the transfer of BAF 20-01 Surge/Winter Plan to SPPH Committee</li> <li>• the actions as discussed</li> </ul>	GH/DS SH/DS SG/DS DS
<p><b>FP21/75 Draft Committee annual report 2020/21</b></p> <p><b>FP21/75.1</b> The Committee discussed the draft prepared and agreed that the Executive Director of Finance complete the narrative in regard to quality assessment in line with the level of assurance status provided. In respect of the Cycle of Business the Committee Chair agreed to consider the frequency of the Business Tracker submission and it was agreed that that a section be included that considered Value based healthcare along with other transformational areas of work in order that quality, cost and patient experience benefits could be monitored.</p> <p><b>FP21/75.2</b> Following discussion on workforce reporting it was agreed that the Executive Director of Workforce and OD would arrange to meet with the Committee</p>	SH JC SG

<p>Chair and members to consider the most appropriate methods and areas of future workforce performance monitoring required.</p> <p><b>FP21/75.3</b> The Board Secretary advised the Committee that following the governance review the format of the Board and Committee Cycle of Business would be reformatted.</p> <p><b>It was resolved that</b> the Committee</p> <ul style="list-style-type: none"> <li>• reviewed the Terms of Reference and did not consider a need for change prior to the conclusion of the Governance Review.</li> <li>• considered and approved the draft Cycle of Business 2021/22 subject to the amendments agreed and findings of the governance review.</li> <li>• reviewed and agreed section 6 – Committee assessment of the quality of assurance provided and overall RAG status as Amber.</li> <li>• approved the draft Committee annual report for submission to the Audit Committee on 25.5.21 subject to the amendments agreed.</li> </ul>	
<p><b>FP21/76 Quarter 3&amp;4 2020/21 monitoring report</b></p> <p><b>FP21/76.1</b> The Executive Director of Planning and Performance presented this item in which he highlighted significant progress, however there were areas where targets had not been achieved during a very challenging year. He advised that the SPPH Committee would receive a reconciliation of those areas within the 2020/21 which were not met and how they would be dealt with going forward.</p> <p><b>FP21/76.2</b> The Committee emphasised the need for pace in the submission of capital schemes. In response to the Committee’s concern regarding 6.2 “Review and refresh priority business cases relating to service sustainability” reporting ‘green’ throughout the year and changing to ‘red’ at year end, the Executive Director of Planning and Performance agreed to look further into the issue and notify members following the meeting.</p> <p><b>FP21/76.3</b> In regard to Outpatient progress the Executive Director of Planning and Performance advised that this was being monitored on a weekly basis by Executives and whilst a pilot had been undertaken there were delays to further rollout.</p> <p><b>FP21/76.4</b> The Committee questioned progress in relation to 4.3. “Develop the process to arrive at a digitally enabled Clinical Services Strategy”. The Chief Executive assured her personal commitment to this development and gave examples of pathway work that had been undertaken. However, as the Staying Healthier, Living Well Strategy was being refreshed, more work would be undertaken on the Clinical Strategy alongside as opposed to sequentially. Further discussion would be undertaken with the public but it would firstly be important to ensure strategic overview and shared understanding, including that of WG and evidence of efficiencies.</p> <p><b>FP21/76.5</b> The Committee reflected that due to the pandemic, BCU’s reliance on over border services had been highlighted. The Chief Executive shared discussion on specialist commissioning held with WG. She was keen to strengthen BCU’s ambition to explore exciting potential opportunities.</p>	MW

<p><b>It was resolved that</b> the Committee <b>noted</b> the report</p>	
<p><b>FP21/77 Quality and Performance report</b></p>	
<p><b>FP21/77.1</b> The Executive Director of Planning and Performance referred to areas of strong and weaker performance within the report. It was noted that provision of cancer services continued to be the strongest in Wales and sickness absence was at its lowest since before the pandemic commenced. However, planned care referrals were increasing, especially in relation to cancer which was being complicated by constrained capacity due to Covid19 arrangements.</p>	
<p><b>FP21/77.2</b> The Committee was concerned in respect of declining PADR rates and whilst understanding the effect of the Covid19 pandemic on staff time, the process was considered a very important opportunity to address staff concerns and welfare that needed to be prioritised in order to better appreciate how staff were feeling. The Executive Director of Workforce &amp; OD advised that she expected PADR rates to rise from the end of Quarter 1 to the beginning of Quarter 2, as rates had been impacted by the Covid19 response in terms of volume of work as well as redeployment into other services such as vaccination.</p>	
<p><b>FP21/77.3</b> In discussion of Agency cost increases the Executive Director of Workforce &amp; OD agreed to explore how to improve the data provided to better reflect cover for core activity within reporting. She advised that the Committee's concern around retention was also a national issue. The Executive Director of Nursing and Midwifery stated that resources for the Test, Track &amp; Protect services as well as the Vaccination Programme needed to be explored due to the likelihood of longer term activity being required.</p>	SG
<p><b>FP21/77.4</b> Following a query regarding recommencement of services provided within schools it was agreed that the Executive Director of Planning and Performance would seek greater detail. In addition, as there was a lack of understanding that personnel providing these services had been temporarily redeployed to support the Covid19 vaccination response, the Chief Executive advised that a media communication being prepared for release shortly on Restarting Planned Care would also echo the challenges of dealing with staff redeployment. Area Directors would be asked to liaise with education colleagues in order to improve awareness within their establishments and services.</p>	MW GH/ADs
<p><i>The Acting Executive Medical Director and Interim Head of Planned Care Transformation joined the meeting.</i></p>	
<p><b>FP21/77.5</b> In response to the Committee, the Interim Chief Operating Officer advised that the increase in 12 hour waits had been affected by the increase of lost beds due to the Covid19 outbreak that had occurred. He also advised that the decreased Stroke service performance reported had been addressed through the introduction of stroke coordinator nurses on the wards and would continue to improve through stroke bed protection and the business case being progressed. The Interim Head of Planned Care Transformation confirmed that the increased over 36 week waits had been anticipated as the cohort moved through the timeframes.</p>	

<p><b>It was resolved that</b> the Committee <b>noted</b> the report</p>	
<p><b>FP21/78 Planned Care update</b></p> <p><b>FP21/78.1</b> The Interim Head of Planned Care Transformation presented this report. He advised that since the report had been prepared the latest validation position was 43,423 over 52 weeks. In respect of theatre utilisation, Wrexham Maelor day case Orthopaedics had recommenced, as had Abergele under local anaesthesia however, inpatients were still under discussion. Activity at Ysbyty Gwynedd was due to recommence on 20.5.21.</p> <p><b>FP21/78.2</b> It was noted that recovery would take in the region of 3 years. However, plans were being mobilised with external providers, modular theatres, ophthalmic cataract service, urology and the general surgery pathway. The Interim Head of Planned Care Transformation emphasised the importance of primary care through communications and advised of progress regarding patient letters. It was also noted that primary care dashboards were to be made available on a website. The Getting It Right First Time (GIRFT) methodology was referenced in examples of work being taken forward. Attention was drawn to the significantly increased referrals of 100+/week due to patients not presenting during the initial stages of the pandemic. This delay created a significant risk of patient harm. [CAR]</p> <p><b>FP21/78.3</b> In response to the Committee the Interim Head of Planned Care Transformation advised that whilst there was an aspiration to utilise eight ‘day case’ theatres, the availability of staffing resources meant there was potentially six that could be utilised over weekends. He agreed to provide 2019 comparison figures in future reports. The Executive Director of Nursing and Midwifery gave assurance that work was being explored to improve Theatre activity utilising GIRFT methodology.</p> <p><b>It was resolved that</b> the Committee <b>noted</b></p> <ul style="list-style-type: none"> <li>• the non-validated year-end forecast</li> <li>• recognise the complexity of the work and the recognition of Executive and Board support with the challenges and opportunities that lie ahead in the recovery programme.</li> <li>• the planning being undertaken and the approach to backlog clearance</li> </ul> <p><i>The Interim Head of Planned Care Transformation left the meeting</i></p>	<p style="text-align: center;">AK</p>
<p><b>FP21/79 Unscheduled Care (USC) update</b></p> <p><b>FP21/79.1</b> The Interim Chief Operating Officer advised that Unscheduled care services were continuing to operate under pressure and whilst Covid19 admissions reduced other admissions continued to increase which led to significant challenges in managing both simultaneously. He highlighted the unfortunate rise in trolley case waits and advised of actions being undertaken at sites to address these issues. The Interim Chief Operating Officer drew particular attention to the increased capacity in the Single Integrated Clinical Assessment and Treatment service (SICAT) to maximise all opportunities for conveyance and admission avoidance which would also support the wider rollout of Phone First. He reported the National Commissioning Collaborative Unit (NCCU) support for development of BCU’s Unscheduled Care Improvement</p>	

<p>Programme was progressing well and whilst currently in the analysis stage, further detail would be reported at the next meeting.</p> <p><b>FP21/79.2</b> The Executive Director of Nursing and Midwifery expanded on the NCCU improvement work being undertaken including WG funding support for greater clinical leadership involvement, partnership working at locality level and additional work such as that provided by Kendal Bluck (KB). It was agreed that an update on the KB recommendations follow up would be provided in the Workforce report to be provided to the next meeting by the Executive Director of Workforce and OD.</p> <p><b>FP21/79.3</b> Following discussion of the ability to quantify patients' wishes to consult with their GPs face to face instead of virtually, it was agreed that the Interim Chief Operating Officer would seek to provide statistics within the next report as the Committee was concerned that their inability to do so might increase Emergency Department presentations. He also agreed to explore whether there was a correlation between a higher rate of ambulance conveyances and lower acuity in response to a point raised by the Committee Chair.</p> <p><b>FP21/79.4</b> The Executive Director of Nursing and Midwifery undertook to provide the Terms of Reference of the Revised USC Improvement Group to the next meeting.</p> <p><b>It was resolved that the Committee noted</b> the Unscheduled Care performance for March 2021 across BCUHB and the key drivers attributing to performance alongside identified mitigating actions and anticipated outcomes.</p>	<p>GM</p> <p>SG</p> <p>GM</p> <p>GM</p> <p>GH</p>
<p><b>FP21/80 Capital Programme report Month 12</b></p> <p><b>FP21/80.1</b> The Assistant Director ~ Capital Planning joined the meeting to present this item. He highlighted the fact that the Capital Resource Limit had been successfully achieved by delivering a year end expenditure that was under by £60k. The Committee congratulated the team's efforts, given that the allocation had been increased by 50% for the most part during the last quarter and despite Covid19 constraints.</p> <p><b>FP21/80.2</b> It was noted that the report provided updates on Royal Alexandra Hospital, Wrexham Continuity Programme and the Ablett Unit Redevelopment at Ysbyty Glan Clwyd (YGC). The Committee Chair drew attention to the potential for harm that the delays to the Ablett Redevelopment was raising. [CAR]</p> <p><b>FP21/80.3</b> The Assistant Director ~ Capital Planning highlighted the tendering process being pursued in respect of Ward 10 at Ysbyty Glan Clwyd, to increase capacity to meet the expected winter surge in demand. Noting that the initial scheme had been tendered through open competition and that the Cost Advisor would ensure any increase represented value for money for the Health Board. He advised that the benefits in accelerating the programme were considered to outweigh any financial risks.</p> <p><b>FP21/80.4</b> The Executive Director of Planning and Performance advised that the refreshed Estates Strategy being scrutinised by the SPPH Committee in September</p>	

<p>2021 would address the Committee's concern regarding the condition of the current estate at Bryn Y Neuadd and other Mental Health units.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the report</p>	
<p><b>FP21/81 Business case trackers for revenue and capital business cases</b></p> <p>The Executive Director of Planning and Performance presented this item which provided a summary of both revenue and capital business cases schedules for submissions to the Board and its Committees. The Committee Chair requested that the format be revisited in order to provide a more user friendly 'view' electronically. In addition the Committee agreed that providing RAG status against each scheme would be helpful to the monitoring process. It was suggested that linking into the Organisational Plan would also be advantageous.</p> <p><b>It was resolved that</b> the Committee <b>noted</b> the report and <b>agreed</b> that the trackers would be provided quarterly to the Committee and noted on the Cycle of Business</p>	<p>MW</p> <p>MW</p>
<p><b>FP21/82 Finance report month 12 2020/21</b></p> <p><b>FP21/82.1</b> The Executive Director of Finance presented and reported the month 12 position. The Month 12 position was a surplus of £0.4m against the plan. The cumulative year to date position was a £0.5m surplus, being £40.5m less than the planned deficit of £40.0m. This position followed receipt of the £40.0m Welsh Government strategic funding to cover the planned deficit for 2020/21. Following discussions with WG, a residual risk remained around the Health Board's ability to utilise the full amount of funding that had been issued. BCU reviewed all potential opportunities and identified plans that could be accelerated, to help drive the optimum return on the additional funding and prepare for the challenges of the new financial year. Through the adoption of an agile clinical and operating model, the Health Board managed to utilise the additional funding almost in full, in order to report a small surplus position equivalent to 0.03% of the Revenue Resource Limit. This acceleration of plans resulted in increased spend in March. In addition, Month 12 expenditure included some one-off amounts that related to Covid19. The Savings position was a £26.6m shortfall i.e. £18.4m against the plan of £45.0m, however £11.3m of these savings were recurrent and was a significant achievement in comparison to other Health Boards in Wales.</p> <p><b>FP21/82.2</b> The Executive Director of Finance advised that the division was working on the draft accounts, to be submitted to Welsh Government and Audit Wales on 30<sup>th</sup> April. Audit Wales would file the audited accounts with Welsh Government on 11<sup>th</sup> June.</p> <p><b>FP21/82.3</b> The Committee extended thanks to colleagues for delivering an in year surplus for the first time. The Executive Director of Finance was humbled by the efforts of the Team whom had been deployed in various supportive ways and many had been working from home.</p>	

<p><b>FP21/82.4</b> In response to the Committee the Executive Director of Finance confirmed that the plan would be refreshed in June 2021 for WG, as there was current uncertainty in respect of the effect of Covid19 on the Health Board's resources.</p> <p><b>FP21/82.5</b> In discussion of the cost of Primary Care drugs, it was understood that increases had been due to price fluctuation as opposed to primary care prescribing and whilst a proactive team were managing and monitoring the position, the effect of Brexit on pricing remained unknown. Further detail on prescribing would be provided within the next report.</p> <p><b>FP21/82.6</b> In response to the Committee Chair's question, it was understood that the weakest savings delivery, aside from the effect of Covid19, was potentially within the Acute division. In discussion of the exceptional items that had been included in Month 12 pay, it was noted that only superannuation costs would be required to be made the following year, as the others were one-off payments.</p> <p><b>It was resolved that the Committee noted the report</b></p>	SH
<p><b>FP21/83 Savings report 2020/21 out-turn</b></p> <p><b>FP21/83.1</b> The Executive Director of Finance advised that the savings delivery of £18.4m had resulted in a shortfall of £26.6m against the target set within the budget and financial plan. This shortfall had been reported as a cost of Covid19 in the Health Board's financial returns to Welsh Government. Savings delivered were £4.5m higher than the plans submitted and at a significantly higher level than at other Welsh Health Boards, whose forecasts ranged between £3m - £10m (at Month 11). The additional savings related to three main elements, namely medicines management (£1.6m), continuing healthcare (£1.1m) and mental health packages of care (£1.9m). The most significant under-delivery of savings against plan related to the re-assessment of rateable values on hospital premises (£0.4m). This under-performance related to slippage in the timescale for the Health Board's agents to submit claims however, they would be processed in 2021/22 forming part of the new year savings plan.</p> <p><b>FP21/83.2</b> The better performance against other Health Boards given the pandemic pressures was acknowledged however, the Committee questioned delivery and level of confidence moving forward. The Executive Director of Finance advised that, dependent on the potential of a third wave, there was high confidence in delivery of £11m and hope that delivery would be closer to £25m given the back end loading of the savings programme and ensuring that the right things were focussed upon.</p> <p><b>FP21/83.3</b> In relation to Ysbyty Glan Clwyd (YGC) savings delivery she advised the following had been undertaken in response to the three Internal Audit recommendations</p> <ul style="list-style-type: none"> <li>• Recommendation 1</li> </ul> <p>The PMO guidance has been re-written and was issued to Divisions and Corporate functions prior to the submission of savings schemes for 2021/22. The requirement for Stage 3 approval had recently been reviewed and it was agreed by the Executive Team that this stage could be removed, subject to strengthening checks at stages 1 and 2. Guidance was revised to capture this change.</p>	



<ul style="list-style-type: none"> <li>• Recommendation 2</li> </ul> <p>Work continued to identify robust savings plans. New Savings schemes were only added to the tracker once there was a plan in place to deliver these and clear savings had been identified which were accurate and deliverable. This approach would be fully in place for 2021/22 savings plans.</p> <ul style="list-style-type: none"> <li>• Recommendation 3</li> </ul> <p>A saving tracker was in place within the Division to ensure that the details of the reported savings were well documented. Chief Finance Officers in other Divisions had been informed of this approach to ensure that it was in place across the Health Board. Provision was in place for adjusting savings, where they were discovered to have been under/over stated in previous month's reports.</p> <p><b>It was resolved that the Committee noted</b></p> <ul style="list-style-type: none"> <li>• the delivery of £18.4m of savings during 2020/21, resulted in a shortfall of £26.6m against the target set in the annual budget and financial plan.</li> <li>• the recurrent savings value of £11.3m in 2020/21, leaving a shortfall of £33.7m against the budget, which has been taken into account in the financial plan for 2021/22.</li> <li>• the actions taken to address the recommendations arising from the internal audit review of delivery of savings on the Ysbyty Glan Clwyd (YGC) site.</li> </ul>	
<p><b>FP21/84 Monthly monitoring report - Month 12</b></p> <p>The Executive Director of Finance reported that the monitoring report had been provided to WG by the submission deadline.</p> <p><b>It was resolved that the Committee noted</b> the verbal update</p>	
<p><b>FP21/85 External Contracts update</b></p> <p>In response to the Committee the Executive Director of Finance agreed to provide the volume of contracts which not under contract, whilst understanding that this accounted for 8% of the total value. Following discussion on Care Homes and their fragility, she also agreed to provide a briefing note in regard to how their risks were captured in BCU risk registers including pre-placements. It was understood that cross border refunds had been agreed in relation to Liverpool University Health Board (£0.5m) and Robert and Agnes Hunt (£1.1m).</p> <p><b>It was resolved that the Committee noted</b></p> <ul style="list-style-type: none"> <li>• the financial position on the main external contracts as reported at Quarter 4 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 (HCCT).</li> </ul>	<p>SH SH</p>

<ul style="list-style-type: none"> <li>• the impact and risk posed as a result of Covid-19 revised contracting arrangements adopted for contracts with NHS Providers and Commissioners.</li> <li>• the work underway in respect of increasing planned care capacity</li> <li>• the risks associated with the current contractual arrangements with independent care home providers and actions being taken.</li> </ul>	
<p><b>FP21/86 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>FP21/87 Issues of significance to inform the Chair's assurance report</b></p> <p>To be agreed outside the meeting</p>	
<p><b>FP21/88 Date of next meeting</b></p> <p>24.6.21</p>	