



**Minutes of the meeting of the
Performance, Finance and Information Governance Committee
held in public on 23.12.21 via Teams**

Present: John Cunliffe Linda Tomos Richard Micklewright Mark Polin	Independent Member / Committee Chair Independent Member Independent Member Health Board Chairman
In Attendance: Clare Darlington Nick Graham Sue Hill Mandy Jones Rob Nolan Gemma Nosworthy Molly Marcu Jo Whitehead Tim Woodhead To observe: Dave Harris	Acting Associate Director Primary Care (<i>part meeting</i>) for Executive Director of Workforce and OD Executive Director of Finance Interim Secondary Care Nurse Director for Executive Director Nursing & Midwifery Finance Director Commissioning and Strategy (<i>part meeting</i>) Academy Manager (<i>part meeting</i>) representing Board Secretary Chief Executive Finance Director – Operational Finance Head of Internal Audit

Agenda Item Discussed	Action By
PF21/42 Apologies for absence Apologies were received from Chris Stockport (deputies supporting individual papers as required), Sue Green (deputy Nick Graham in attendance), Gill Harris (deputy Mandy Jones in attendance), Louise Brereton (deputy Molly Marcu in attendance) and Nick Lyons.	
PF21/43 Declaration of Interests None were received	
PF21/44 Draft minutes of the previous PFIG Committee meeting held on 28.10.21, matters arising and table of actions The minutes of the inaugural PFIG Committee meeting were approved. There were no matters arising from the minutes. The table of actions was updated and the following noted: FP21/131 – the Committee Chair sought clarification on behavioural issues with Primary Care which were advised.	

<p>FP21/136 – the Committee Chair clarified the question he had raised related to whether a patient or clinician would be able to ascertain where they were in a pathway which was advised.</p> <p>FP21/12 Board Assurance Framework– the Committee Chair questioned how BAF comments were to be reflected in any BAF updates</p> <p>FP21/20.2 Llandudno / Conwy Strategic Outline Case – the Committee expressed concern that the update on estates was more a situation analysis rather than an update on plans.</p> <p>It was noted that a number of actions had no update or response.</p>	
<p>PF21/45 Chair’s report</p> <p>PF21/45.1 The Committee Chair welcomed members to the inaugural Committee meeting and whilst looking forward to the newly introduced governance arrangements, he raised concern regarding the length of the agenda.</p> <p>PF21/45.2 He advised that joint PFIG and Board Chair’s action had been undertaken on</p> <ul style="list-style-type: none"> • 28.10.21 to extend the licence at Forge Road, Managed practice in Wrexham to occupy until 31st January 2022, to allow more time for a long term solution to the practice/premises issues to be reached. • 7.12.21 approved imaging equipment replacement Business Justification Case so that the Health Board could immediately proceed with placing and order and enable delivery and expenditure prior to 31.03.22 for <ul style="list-style-type: none"> ○ Fluoroscopy Room, Radiology department, Ysbyty Glan Clwyd. ○ MR scanner, Radiology department, Wreccsam Maelor <p>PF21/45.3 The Board Chairman stated he had concerns in regard to a number of issues to bring to the Committee’s attention:</p> <ul style="list-style-type: none"> • Concerns with governance processes of chair’s action which he had raised with the Chief Executive and Executive Director of Finance prior to the meeting, following the submission of a recent request. He stated that if these concerns were not addressed by the second week in January, the process of chair’s action would be suspended pending provision of a robust and appropriate revised process. • Internal Audit and Wales Audit had highlighted that high level strategic workforce planning needed to be an integral part of the Integrated Medium Term Plan in order for approval to be agreed • Whilst Welsh Government (WG) had advised the Health Board’s allocation the previous day, he was disappointed that BCU was not further ahead in its planning process as there could have been potential options provided within papers brought to the Committee that day. He was of the opinion that there few ‘real surprises’ within the WG announcement. • Concerns regarding business cases being presented with lack of transparent prior scrutiny outlined, lack of financial consequences and benefits realisation. He was also concerned with the increasing numbers of cases presented with subsequent recurrent revenue costs, and addressing how these would be met 	<p style="text-align: right;">SH</p>

<p>from BCU funds. He sought the introduction of a revised business case template to ensure these areas were addressed at pace.</p>	
<p>PF21/46 Lead Director’s report</p> <p>The Executive Director of Finance advised that in regard to monthly income, an Accountable Officer letter was sent to Welsh Government at the end of November, returning £10.2 million of COVID funding which had been included in the Finance report. As the revised and reduced agenda did not contain a Capital programme report, she advised that the Wrexham Maelor continuity business case was progressing and there was an estimate around fees for design and costing of approximately £2m which Welsh Government was aware of. In regard to imaging and radiotherapy, she was delighted to report that WG had confirmed funding of an additional £12.3 million over the next two years, which, in light of the capital situation was very welcome. In regard to ICT funding the Executive Director of Finance reported that there was no risk to the Capital Resource Limit, as there was confidence on delivery of orders placed within the financial year.</p>	
<p>PF21/47 Presentation : Integrated Medium Term Plan - financial focus</p> <p>PF21/47.1 The Board Chairman highlighted his dissatisfaction with the content of the plan progressed to date. He acknowledged that WG had not provided confirmation of BCUHB’s allocation however, he stated that option appraisals could have been provided, especially as there was a ‘no surprises’ expectation in regard to funding. He had also expected a higher level of workforce planning included that encompassed an articulation and integration of workforce planning into finance and into the planning priorities. The Board Chairman also voiced his concern that business case plans were not being integrated within the Board’s plans in regard to capital and recurrent funding requirements and therefore questioned financial discipline.</p> <p>PF21/47.2 The Committee concurred with the Board Chairman’s comments and voiced concern that there was inadequate opportunity to provide meaningful scrutiny and challenge for an extremely complicated budget, covering huge sums of money across very important services within the timetable outlined. In addition, the Committee highlighted the need for improved corporate processes which could set out options to be considered side by side and presented in the context of an ongoing operational plan, ongoing financial plan and ongoing other resourcing plan.</p> <p>PF21/47.3 The Executive Director of Finance commented on the external review which had been undertaken previously on BCUHB’s budget setting process which had provided assurance to WG that the organisation was proceeding in an appropriate manner. In addition, this year additional meetings had been introduced to the timetable in order to provide opportunities to consider and review feedback both from the Committee and from Board workshops to ensure that the plan was understood and agreed. She accepted comments regarding Chair’s action which required process improvements.</p>	

PF21/47.4 The Chief Executive commented that there was always room for improvement and she had made a commitment last year to improve the process. She reiterated her instruction to colleagues that the year ahead would be one of consolidation and delivery. A reserve list of schemes that needed to be fully worked up and ready to be implemented for when, and if, WG provided additional resources in year was to be put in place to ensure business case discipline provided clear prioritisation against BCU's objectives. She emphasised her goal of remaining within the timetable outlined by BCU, despite slippage of WG's plans.

PF21/47.5 The Executive Director of Finance led the Committee through the presentation provided. She highlighted the Welsh Government strategic support of £297million multi year package was investment provided to allow BCU to transform and improve services and part of the plan around reducing the underlying deficit, which was a significant step within the plan. Significant changes to the allocation were highlighted, namely that the allocation of £1.753 billion had increased from £1.697 billion the previous year and it relates to 23% of the funding provided to health boards across Wales, therefore it was slightly higher than BCU's proportion of the Welsh population. Areas of ring fenced budget were also highlighted and it was noted that WG had been made aware of recurrent funding requirements to move forward transformational change into the future. In terms of sustainability (base) funding, compared to 2% the previous year, the staggered allocation over 3 years was highlighted within the report which would enable more effective planning. Pay award funding was understood to be a separate allocation which would meet actual cost of agreed awards and therefore would not be a cost pressure. Covid19 and Recovery funding was also highlighted as well as Savings expectations and progression of value based healthcare.

PF21/47.6 The Executive Director of Finance drew the Committee's attention to the capital budget, which had potential to be severely restricted and could impact the 22/23 capital schemes, particularly BCU's discretionary income allocation for the next year, she assured this was being worked through. Other areas highlighted were potential increased cost to BCU in relation to energy prices, national insurance contributions, Covid19 cleaning standards and surge costs as well as requirements of the Nurse Staffing Act. The next steps were outlined in the presentation, highlighting particularly that investment choices would be based on clinical priorities and financial risks would be drawn to the attention of the Board.

PF21/47.7 The Committee questioned whether the timeline outlined was out of kilter with appropriate internal governance arrangements and it was agreed that the Executive Director of Finance would follow this up with the Board Secretary. She clarified that although the allocation in the following 2 years would decrease, BCU had the benefit of being sighted on the reduction in plans going forward. Discussion ensued on Covid19 funding and the expectation that the impact of Covid19 would over time be brought in to business as usual activity.

PF21/47.8 The Chair of the Partnerships, People and Population Health Committee (PPPHC) drew attention to her concerns on the lack of workforce strategy planning provided to either Committee to date which was impacting on Board members

SH

<p>confidence regarding appropriate planning. The Chief Executive assured plans were in hand to identify numbers and skills for the present, however there was also work being undertaken with Health Education Wales to provide an improved tactical and long term approach, providing examples of encouraging those living and training within north Wales to remain as part of the workforce. She also stated that WG were provided with high level workforce datasets providing assurance that BCU had thought through the people resource implications. The PPPHC Chair requested that this and greater workforce detail was provided within the IMTP draft being provided to the next PPPHC workshop being held in January.</p> <p>PF21/47.9 In regard to the lack of clarity within the IMTP regarding an Estates Strategy, the Executive Director of Finance advised that there were a number of projects in place whilst more innovative solutions were being developed. She advised that there were also capital constraints, sustainability and WG decarbonisation agenda to take into account and this was being brought together as part of a new Strategic Asset Management Plan. Discussion ensued on the level of savings required which predicated successful delivery of the IMTP outlined. The Committee voiced deep concern, as the organisation had failed to deliver the level of savings required in previous years.</p> <p>It was resolved that the Committee noted the financial update on the draft IMTP financial plan.</p>	<p>NG for SG</p>
<p>PF21/48 Quality and Performance report</p> <p>PF21/48.1 The Interim Director of Performance joined the meeting. He highlighted the dashboard which had been introduced to the executive summary which provided a longer term comparison and greater context. He drew attention to suspected cancer pathway performance which was currently the best in Wales and to be commended. However, ambulance handover delays were continuing on an increased trajectory and not being impacted by various improvement methodologies. He highlighted this as a priority area which required continued attention. In respect of Emergency Department and Minor Injury Unit performance he remarked that as the trend line remained the same over a period of time it was unlikely that the 95% target could be achievable given current resource and operating conditions. The outpatient backlog was also highlighted as requiring systemic attention given the number of patients currently waiting and effect of the pandemic on appointments. On a positive note stroke services were second best in Wales this month, though there had been a decline in performance of late.</p> <p>PF21/48.2 The Committee concurred that introduction of the dashboard had been helpful, but were dissatisfied to note that there was an overall decline in performance generally across activities which required attention by the Board. In discussion of the report it was agreed that narrative be provided within the next report to review whether the introduction of BCU's Stroke model had improved current performance. The</p>	

<p>Committee suggested it might be helpful to demonstrate within the ‘arrow’ signs where a service was meeting target despite increasing or decreasing.</p> <p>It was resolved that the Committee noted the report</p>	
<p>PF21/49 Finance report months 8 and 7</p> <p>PF21/49.1 The Finance Director – Operational Finance presented the month 8 Finance report. He stated that the forecast to deliver a balanced position was expected despite the ramp up in costs which had been anticipated in the latter part of the year and return of £10.2m Covid19 monies to WG. Following discussion, it was agreed that the ‘variances’ reported would be checked for accuracy.</p> <p>PF21/49.2 In response to the Committee’s question regarding accuracy of Agency data, it was explained that whilst employing more wholetime equivalent staff the general expectation would be a lowering of agency staff use, the current plans reflected a rise as performance monies were being utilised to increase all numbers to improve performance and ensure recovery as quickly as possible. It was agreed that the reason for 76% increase on slide 12 – Balance Sheet £58.8m increase in Trade and other receivables between 1st April 2021 and 1st November 2021 be circulated to members following the meeting.</p> <p>It was resolved that the Committee noted the Finance reports for month 8 and month 7</p>	<p>SH/TW</p> <p>SH/TW</p>
<p>PF21/50 Primary Care Academy business case</p> <p>PF21/50.1 The Acting Associate Director Primary Care and Academy Manager joined the meeting to present the item on behalf of the Executive Director of Primary Care and Community Services. It was noted that there was a strong link to BCU’s innovation in primary care and community services and the development of the primary care model for Wales in North Wales, in addition to being one of the main solutions going forward to mitigate the risk around primary care sustainability, this formed part of the Board Assurance Framework. Whilst there was ring fenced Primary Care Innovation Fund monies, the business case sought to grow training and education in order to boost workforce potential in North Wales.</p> <p>PF21/50.2 In response to the Committee’s question regarding strategic linkage with the workforce organisational workforce development plan, the Acting Associate Director Primary Care advised that discussion with the Executive Director of Workforce and OD and other Executives had been taking place to incorporate these roles into the wider strategic workforce plan as the Academy developed. Assurance was also provided that the inclusion of bilingual service development would also be reflected within the document at next iteration.</p> <p>PF21/50.3 The Board Chairman emphasised the importance of the Academy development which was a part of current in year BCU plans however, he sought clarity on funding sources of the £4.5m investment required to develop the business case outlined. In addition, he was disappointed to note that the business case did not</p>	

<p>contain details of benefits realisation. He stated these were themes of concern in regard to this item and other business cases being presented to the Board's Committees. He reminded that the organisations providing sources of funding would also require this information in due course. The Chief Executive accepted this 'long in development' business case was weak in this regard however current business case development had been strengthened to ensure these areas were addressed with Executives. The Executive Director of Finance provided an outline of current processes which incorporated more robust organisational prioritisation, funding and benefits realisation processes including a business case tracker tool.</p>	
<p>PF21/50.4 The Committee Chair, whilst echoing the concerns raised by the Committee, also highlighted concerns around the risk assessments allocated. The Executive Director of Finance agreed to provide a profiled financial summary of costs and associated funding. She also provided assurance that the business case's source of funding had been identified within the current IMTP as provided by WG's Strategic Funding – and not an additional call. The Committee keenly debated the issue of recurrent funding and the pressures that could be placed on the organisation in later years, not only for this development but also for other business cases.</p>	SH
<p>PF21/50.5 Following further debate, the Board Chairman requested that an addendum to the paper be circulated to members which addressed the concerns raised by the Committee, in order that members could advise the Board Chairman that sufficient assurance had been provided and the enhanced document could be submitted to the January Board meeting.</p>	CD / CS
<p>It was resolved that the Committee agreed that</p> <ul style="list-style-type: none"> • the document be enhanced as outlined above <i>and</i> • members should advise the Board Chairman whether sufficient assurance had been provided for submission to the January Board meeting (prior to 13.1.22) 	Members
<p>PF21/51 WG Monitoring report - for information</p> <p>It was resolved that the Committee noted the reports made to Welsh Government about the Health Board's financial position for Months 7 & 8 of 2021/22.</p>	
<p>PF21/52 Review of risks highlighted in the meeting for referral to Risk Management Group</p> <p>None identified.</p>	
<p>PF21/53 Summary of private business to be reported in public</p> <p>It was resolved that the Committee noted the report</p>	
<p>PF21/54 Date of next meeting 27.1.22</p>	
<p>Exclusion of the Press and Public</p> <p>It was resolved 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>	