



## FINANCE AND PERFORMANCE COMMITTEE HIGHLIGHT REPORT TO BOARD

This report provides the Board with key escalation and discussion points at the last Committee meeting. A full list of items discussed appears at the end of the report to enable members to raise any questions to the Chair which have not been drawn out in the report.

<b>Trust Board Meeting Date</b>	28 March 2024
<b>Committee Meeting Date</b>	19 March 2024
<b>Chair</b>	Joga Singh

### KEY ESCALATION AND DISCUSSION POINTS

#### ALERT

(Alert the Board to areas of attention)

1. No alerts for the Board from this meeting.

#### ADVISE

(Detail any areas of on-going monitoring, approvals, or new developments to be communicated)

2. The **Integrated Medium Term Plan (IMTP) and Financial Plan for 2024-27** were presented, with the Committee noting it had received a report on progress and direction of travel in January, and at the Board Development session in February. **The IMTP was endorsed by the Committee**, noting some amendments will be made before it is presented for approval to the Board at the March meeting.

The Committee noted the IMTP was accompanied by a balanced financial plan that requires a £6.4 million savings target, so was not without risk and significant work to deliver it. The Committee was assured there was confidence the 3.67% revenue uplift would be passed through from Commissioners, and that they would support the plan.

The IMTP demonstrated an ambition over three years that was more aligned to the long-term strategy 'Delivering Excellence'. The plan also moves the Trust towards a new clinical response model that integrates 111 and 999 remote clinical teams, expands face to face care and see and treat options, with the intention of reducing conveyance to Emergency Departments. The stretching aspirations were noted as were some concerns about the Trust's resources and the reliance on external factors to deliver, which the Committee will monitor throughout 2024/25.

Members praised the plan for being clear, coherent, and ambitious, and reflecting the strategic direction of the trust. However, management were urged to continue to push the boundaries on patient engagement for the IMTP in 2025.



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3. The Initial **2024/25 Revenue Budget** was received and **endorsed by the Committee**. It will be received by the Board at its March meeting. The budget is consistent with the IMTP financial plan, but there may be some changes as the plan is finalised and endorsed. Through Q1 the Executive Director of Finance and Corporate Resources and the Chief Executive Officer will meet with Directors to confirm and sign off their directorate budgets.
4. A verbal update was received on progress with the **Strategic Demand and Capacity Review**. The timeframe for this to be presented at the Emergency Ambulance Services Committee (EASC) had changed given their transition to new Joint Commissioning Committee and a full update will be provided to this Committee later in the year. The Committee were reassured that work was ongoing on the review in the meantime.
5. This was the first meeting for Peter Curran and members welcomed him to the Committee.  
**Reflections** on the meeting included:
  - Welcomed scrutiny, challenge, and support on the financial position.
  - Internal Auditors and Audit Wales were present at the meeting which was appreciated.
  - The quality of papers was good which allows members to scrutinise and question, and responses from management were clear.
  - From a financial perspective the papers were clear and transparent, and the answers were well made, so members were assured that the outturn for this year and next year's budget have been fully thought out.
  - Good to see a pragmatic approach to closing down audit actions when nothing further can be advanced by the Trust.
  - KPIs for digital will be moved up the agenda following the MIQPR item for future meetings.
  - The focus on our people was welcomed as being considered alongside the financial and performance aspects.
  - Members were thanked for their flexibility as some attendees needed to leave meetings for other unavoidable commitments.

## ASSURE

(Detail here assurance items the Committee receives)

6. The Committee received a presentation on the **financial position for Month 11 2023/24** due to the date of this meeting coming close to end of month. The Board will have a detailed paper on the financial position before it for its March meeting. The cumulative year to date revenue position is an underspend against budget of £0.108m, with the year-end forecast being one of break even, based on the assumptions presented. The capital plan is being progressed and current planned expenditure of £22.6m is forecast to be fully spent by the end of the financial year. The trust is still waiting for confirmation from the Welsh Government on the funding for the fleet replacement business case, which has been submitted for £24 million. The high capital spend planned for March was due to the new 111 CAS replacement, the fleet build slots, the timing of receipt of some defibrillators and some updated times following the tender process for some of the EFAB schemes. It was also noted that the trust is still waiting for confirmation from the Welsh Government on the funding for the 2024/25 fleet



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replacement business case, which has been submitted for £24 million.

7. An update was provided on the **Financial Sustainability Programme** (FSP) with significant progress made. In line with the savings plan that supports the IMTP, gross savings of £6.08m have been achieved against a year-to-date target of £5.462m. Whilst the challenge of finding cumulative costs year on year was recognised, the real achievements in terms of a collective response from across the organisation to drive efficiency was celebrated. The income generation workstream is looking at market options and viability for income generation with a presentation this week at the Executive Leadership Team away day with the outcomes reported to the next meeting. The work on income generation and commercialisation is critical to take the financial sustainability programme to the next level and the support of Trade Union Colleagues with this work was also recognised. It was agreed that this would be a priority area for the Committee in 2024/25.
8. The update against progress on the **IMTP 2023-26** was received as at an interim Q3/4 position with exception reporting were applicable. Progress was discussed and areas marked as 'red' will be drawn out in the report to the Trust Board. Many of the enabling actions are reported through the main IMTP delivery programmes and will be managed within directorates. Despite many ongoing challenges this was a positive report with areas marked red related to lack of resources the cause of our inability to address them.
9. The **Digital KPIs** relating to data and analytics, ICT systems, service provision and the IMPT for the period 1 January to 31 March 2024 were reviewed by exception. The Committee noted:
  - The Mobile Data Vehicle Solutions project has been tested and will be deployed across all vehicle types in Q2 2024.
  - 999 telephony platform upgrade aims to go live mid-April 2024 following testing.
  - National Data Resource programme support is at risk as longer term funding has not yet been confirmed as expected in 2024/25.
  - NADEX Integration – single sign and digital experience of staff is currently at risk as work on hold due to CAS replacement programme taking priority.
  - Digital literacy skills – development of accredited and non-accredited education programmes is underway with the expansion of Learning Launchpad content.
  - The Data Linkage project is progressing with focus on the Out-of-Hospital Cardiac Arrest dataset which will be consumed via the National Data Resource (NDR) analytics platform and shared with the NHS Wales Executive / Cardiac Network and national registry.
  - Staffing and resourcing continue to be under pressure, particularly in the areas of Information Governance, Records Services, analytics, web development and ICT engineering which presents a risk to existing and planned projects.
10. The **Monthly Integrated Quality and Performance Report (MIQPR) for January/February 2024** was presented. This report will also be presented to the Trust Board in March. Members discussed the performance which is within the gift of the Trust to influence such as PADR, and statutory and mandatory training and were reassured that whilst performance is not where we would want it to be, given the pressured time of the year the reporting covered and abstractions due to CAS replacement work and training, it was somewhat anticipated. The point was made that the establishment for 111 is not sufficient currently to meet the out of hours demand which impacts on call abandonment rates.



Management will continue to make the case for a demand and capacity review in this area.

11. The **Value Based Healthcare Report** was received and detailed the activities of the Value Based Healthcare Working Group (VBHC) and the key workstreams within its portfolio. This Working Group is the vehicle for reporting on value-based change within the Trust. The workstreams within its the VBHC portfolio are Patient Recorded Outcomes Measures (PROMS), Patient Data Linkage, Patient Recorded Experience Measures (PREMS), Patient Level Information and Costing System (PLCIS), Revenue Business Case Process, Evaluation Framework & Methodology, and Benchmarking. All workstreams are progressing well. Work is ongoing to identify potential workstreams and priorities which could fall within the remit of 'value-based' activity, and a revised view of the associated governance structures may be taken if considered necessary.
12. Upcoming **changes to waste legislation** in Wales requires the Trust to robustly recycle waste into additional segregated waste streams. New contractual arrangements and internal communications to staff are in place to meet these requirements. These changes include civil action for non-compliance.
13. The Committee held its **annual effectiveness review** and approved its annual report for review by the Audit Committee in April and the Board in May. It also approved revisions to its Terms of Reference.
14. The following **internal audits** were discussed with all, other than ICT Contract Management, having been received by the Audit Committee on 1 March:
  - **Decarbonisation** - limited assurance. The Committee noted that this review is being conducted across all NHS Wales Health Bodies and that all have been given a limited assurance rated, therefore WAST is not an outlier. The significant work the Trust has been undertaking to address the requirements of the Decarbonisation Strategic Delivery Plan were recognised. However, the overall rating reflects the complexity and range of risks associated with this area which, along with the financial shortfalls, impacts on the Trust's ability to deliver on the wider decarbonisation agenda.
  - **Vehicle Replacement Programme** - reasonable assurance with key matters arising including compliance with Standing Orders for Trust Board approval of contracts (included in alert section of the Audit Committee AAA); enhance reporting and review of the procurement strategy to ensure best value; ensure procurement and contractual arrangements obtain best value from strategic partnering; detail variances to programme at business cases; demonstrate optimal vehicle procurement numbers; and to better align the project management and business case processes with best practice.
  - **Strategy Development** - reasonable assurance with key matters arising including delays to the Engagement Framework Delivery Plan; and opportunities to improve how the Trust measures and reports progress.
  - **ICT Contract Management** – reasonable assurance with key matters arising related to the contract register, evidence of contract performance monitoring, and evidence of contract end of term review and assessment process.



15. The **Committee priorities** for 2023/24 are on track as is the cycle of business.

16. In **closed session** members received an update on the CAS replacement programme with the Committee receiving assurance that the programme is on track for go live on 30<sup>th</sup> April 2024. The level of commitment demonstrated by the team working on this was recognised by the members and they were thanked for their intense focus. Cyber KPIs were also presented with results of recent phishing exercises discussed and initiatives to address the outcomes of that.

## RISKS

**Risks Discussed:** There are no material changes to the eight principal risks within the remit of this Committee and all scores remain static as at 7 February 2024. The Committee were assured of the comprehensive review of each risk and received further assurance from the Chair of the Audit Committee on the wide discussion which took place on 1 March 2024.

**Risk 594** (the Trust's inability to provide a civil contingency response in the event of a major incident and maintain business continuity causing patient harm and death) remains at 20 (4x5) despite Chief Operating Officers agreeing a framework for the release of ambulances in the event of a major incident.

**Risks 424** (prioritisation or availability of resources to deliver the Trust's IMTP) and **Risk 458** (a confirmed funding commitment from EASC and/or WG is required in relation to funding for recurrent costs of commissioning) remain static at 16 (4x4); however, scores will be reviewed in the next review in line with mitigating actions.

**Risks 260** (a significant and Sustained Cyber Attack on WAST, NHS Wales and interdependent networks resulting in denial of service and loss of critical systems) and **543** (major disruptive incident resulting in a loss of critical IT systems) remain at a score of 15 (3x5). It is foreshadowed that there may be a reduction in the risk score on 543 given achievement of mitigating actions.

## COMMITTEE AGENDA FOR MEETING

Operations Update	IMTP 2023-26 Delivery and Assurance	IMTP 2024-27 Final Version with Financial Plan
Initial 2024/25 Revenue Budget	Financial Position for Month 11	Financial Sustainability Programme
MIQPR	Strategic Demand and Capacity Review	Value Based Healthcare
Annual Committee Effectiveness Review	Fire safety compliance January 2024	Waste Management Update
Risk Management and BAF	Decarbonisation Internal Audit	Vehicle Replacement Programme Internal Audit
Strategy Development Internal Audit	ICT Contract Management Internal Audit	Digital Reporting

## COMMITTEE ATTENDANCE

Name	15 May 2023	17 July 2023	18 Sep 2023	13 Nov 2023	15 Jan 2024	19 Mar 2024
Joga Singh						
Kevin Davies	Until 11.30am	Chair				
Bethan Evans						
Ceri Jackson						
Martin Turner		Left at 11.30	Left at 12.00			
Peter Curran						



Chris Turley		Navin Kalia				
Rachel Marsh		Hugh Bennett			Left 11-12	Hugh Bennett <sup>1</sup>
Lee Brooks	Sonia Thompson	Judith Bryce <sup>2</sup>	Judith Bryce		Jon Edwards	
Liam Williams	Wendy Herbert			J Turnbull-Ross		Left 11.30 <sup>3</sup>
Angie Lewis	Liz Rogers					Left 11.30
Jonny Sammut						
Leanne Smith			Aled Williams			
Hugh Parry						From 10.00am
Damon Turner						
Trish Mills				Julie Boalch		

	Attended
	Deputy attended
	Apologies received
	No longer member

<sup>1</sup> Rachel Marsh in attendance for IMTP 24-27 item

<sup>2</sup> Lee Brooks in attendance for EPRR item

<sup>3</sup> Returned for closed session