

CONFIRMED MINUTES OF THE MEETING OF THE FINANCE AND PERFORMANCE COMMITTEE (OPEN SESSION) HELD ON 19 MARCH 2024 VIA TEAMS

Meeting started at 09:30

PRESENT:

Joga Singh	Non-Executive Director and Chair of Committee
Peter Curran	Non-Executive Director
Professor Kevin Davies	Non-Executive Director
Bethan Evans	Non-Executive Director

IN ATTENDANCE:

Hugh Bennett	Assistant Director Commissioning and Performance
Julie Boalch	Head of Risk/Deputy Board Secretary
Lee Brooks	Executive Director of Operations
Alexander Crawford	Assistant Director of Planning and Performance (Item 19/24 only)
Paul Hollard	Non-Executive Director (Item 19/24 only)
Fflur Jones	Audit Wales
Navin Kalia	Assistant Director of Finance and Corporate Resources
Angela Lewis	Director of People and Culture (left after item 22/24)
Rachel Marsh	Executive Director of Strategy, Planning and Performance (Joined for item 19/24 only)
Trish Mills	Director of Corporate Governance/Board Secretary
Steve Owen	Corporate Governance Officer
Hugh Parry	Trade Union Partner
Alex Payne	Corporate Governance Manager
Jonny Sammut	Director of Digital Services
Chris Turley	Executive Director of Finance and Corporate Resources
Damon Turner	Trade Union Partner
Liam Williams	Executive Director of Quality and Nursing

16/24 PROCEDURAL MATTERS

The Chair welcomed all to the meeting, especially Peter Curran as a new Member and reminded attendees that the meeting was being audio recorded. Members noted that any declarations of interest were contained within the Trust's Register of Interests.

Apologies

Apologies were received from Rachel Marsh who was attending the meeting for item 19/24 only.

Minutes

The minutes of the open session held on 15 January 2024 were considered by the Committee and confirmed as a correct record.

Action Log

The Action log was considered, and the following actions were recorded as follows:

Action Number; 02/24: *Joint Emergency Services Interoperability Programme (JESIP) Assurance Visit. Lessons learned from the JESIP visit to the Trust in November 2023 to be included in the next update report. Lee Brooks advised that the action plan was currently being developed based on the findings from the report.* It was noted that while responding to the report is not mandatory, but it is a valuable opportunity to incorporate the learnings from it. The action plan will be developed through the Senior Operations Team and Senior Leadership Team with updates provided to the Committee as part of the Emergency Preparedness Resilience and Response Annual Report. Therefore, if the Committee agreed this proposed approach, that will be implemented. The Committee agreed with this approach and agreed to close the action.

Action Number: 02/24a: *Ambulance Care - Eligibility Criteria. Further information was requested, and it was agreed that following the Strategic Transformation Board meeting on 15 January 2024, more information would be known, and this would be provided to Members.* Details had been included in a report to the Trust Board on 25 January 2024. Action Closed.

Action Number: 02/24b: *Volunteer Car Drivers. Further detail was sought by a Committee Member on the number of Volunteer Car Drivers and whether the target of 51 had been reached.* The following response was given during the meeting of 15 January 2024: The Operations Directorate were confident that they will be able to achieve the additional 51 Volunteer Car Drivers by the end of February 2024. Good progress was being made and two courses have been held already. Action Closed.

Action Number 02/24c: *The Committee sought reassurance that the overtime reduction in EMS was not exacerbating the problem of system pressures and ambulance delays. Would reducing the overtime availability affect the capacity and ability to respond to emergency requests.* The following information was given during the meeting of 15 January 2024: The Operations Directorate review Unit Hours Production (UHP) on a daily and weekly basis and the overtime reductions during that period were focused and more efficient in that the need for overtime was monitored and efforts were focused on maintaining a good UHP. The Committee were assured that UHP was maintained as good levels overall during the period. Action Closed.

Action Number 09/24: *IMTP 2024-27 - Progress in Developing the plan. The Trust was waiting on feedback from some targeted engagement that had been undertaken with patients and the public. The Committee requested a more detailed understanding of what that targeted engagement had involved in a future update report.* Hugh Bennett advised the Committee that details were contained in the IMTP item later in the meeting. Action Closed.

RESOLVED: The

- (1) Minutes of the meeting held on 15 January 2024 were confirmed as a correct record; and**
- (2) Action log was considered and updated as described.**

17/24 OPERATIONS QUARTERLY UPDATE – QUARTER THREE 2023/24

Lee Brooks explained there was no further updates to provide in relation to the report, as it was presented at the last meeting of the Committee in January

RESOLVED: The update was noted.

18/24 INTEGRATED MEDIUM TERM-PLAN (IMTP) 2023- 2026 – Q3 DELIVERY AND ASSURANCE

Hugh Bennett provided an update as follows:

1. Emergency Medical Services (EMS) Operations Programme: This is due to close soon and was largely complete with further Human Resources data being awaited.
2. The Ambulance Care Programme was progressing well, however there was one red rated deliverable which related to the Non-Emergency Transport (NET) Centre re-roster as current funding does not provide a new roster within current operating hours.
3. The Non Emergency Patient Transfer Services (NEPTS) roster has been paused due to funding issues.
4. Urgent Care Service, this was making positive progress in terms of tightening scope of practice.
5. Gateway to Care Programme: The main focus was on the CAS replacement, and this was currently on track.
6. The 111 booking and pathway work is currently showing as an amber status due to interim technology led delays.

7. Clinical Transformation Programme: This was mostly on track, there were some issues with independent prescribing caused by the lack of supervisory support for trainee Advanced Paramedic Practitioners (APP).
8. Financial Sustainability Programme and income generation, this continues to progress well and budget balancing was on track.
9. The Administrative Review Action Plan continues to progress well.
10. Enabling Programmes: There is ongoing work with Equality Impact Assessment (EQIA) training, TU partnership, and employee offer development.
11. All planned activities with the National Data resource programme was complete.
12. The upgrade to the 999 telephony platform was due to go live mid-April 2024.

Overall, progress is being made across various programmes, with some challenges and areas needing attention, particularly in funding and support for certain initiatives.

Comments:

The report indicates that a meeting with a preferred bidder took place in February to initiate commercial market analysis work, an update on this was requested. Angela Lewis explained that a bidder has been identified and appointed as the supplier for the Financial Sustainability Programme. This decision was made at the beginning of February, and they were given a tight six-week window to deliver recommendations. Their task primarily involves examining market options and assessing viability. They will be presenting their findings to the Executive Leadership Team this Thursday, allowing for in-depth discussions on options, risks, and the viability of advancing the income generation aspect of the Financial Sustainability Programme. This presentation marks a crucial step in the process, as it will provide the team with the necessary information to make informed decisions moving forward.

Members recognised that digital literacy remains a significant challenge and it was crucial to address this issue to ensure that all staff within the Trust have the necessary skills and knowledge to effectively utilise digital tools and technologies. Further details were sought on any training and support programmes which can be implemented to improve digital literacy across the organisation. Angela Lewis explained it was about maximising its use and effectiveness in the workplace. The Trust has identified and was addressing these gaps in digital literacy as a priority, especially considering that there may be demographic factors at play as well. Focusing on training and support initiatives targeted at improving digital skills across all levels of the organisation will help bridge these gaps and empower employees to leverage technology effectively in their work.

Following a query on the single sign on portal NADEX, Jonny Sammut explained that simplifying the sign-on process is indeed a significant aspect of improving digital accessibility and usability within the organisation. It was essential to identify areas where

current practices may be lacking or could be enhanced to streamline the sign-on experience for users. The continued collaboration and strategic planning will be key in ensuring that this objective is effectively integrated into the overall digital strategy refresh and successfully implemented across the Trust. Liam Williams added that by establishing a unique identifier at the pre-registration level, it becomes feasible to construct a comprehensive database for the broader health sector. Currently, there is a significant focus on this matter within Digital Healthcare Wales. (DHCW)

Members acknowledged that despite the many challenges this was a positive report, all the red areas related to a lack of resources to address them.

The Committee raised a concern about the impact of upcoming changes in legislation on the flexible work policy and questioned whether the Trust was prepared for potential influxes of applications or any related issues arising from the change. Angela Lewis responded to the query by mentioning the extensive publicity efforts surrounding the upcoming changes in legislation regarding flexible work. She highlighted that promoting flexibility has been a priority within the Trust's Integrated Medium-Term Plan (IMTP). Additionally, she expressed confidence in the Trust's readiness for the changes, attributing it to ongoing efforts to address barriers and promote flexibility.

RESOLVED: That the Finance & Performance Committee

- (1) Noted the overall delivery of the IMTP detailed in the report.**
- (2) Noted the update against the ministerial priorities that are relevant to the Trust in Appendix 1 of the report.**

19/24 INTEGRATED MEDIUM-TERM PLAN (IMTP) 2024-27 – FINAL VERSION, INCLUDING FINANCIAL PLAN

Rachel Marsh presented the report and drew the Committee's attention to the following:

The plan reflects the Trust's progression towards its long-term strategic goals. She emphasised the potential for strategic choices to facilitate the Trust's evolution towards a new Clinical Response Model.

The plan outlines the specific strategies for meeting each of the commissioning intentions provided to the Trust. Additionally, like last year, there are Ministerial Priorities that will be addressed as well.

Rachel Marsh highlighted the Trust's goal of reducing the number of patients requiring Emergency Department (ED) visits. She also mentioned ongoing discussions with Commissioners during the plan development process, expressing anticipation of support from them, although formal confirmation is pending.

Furthermore, she mentioned the efforts to transition the plan into a three-year framework, with actions outlined for each year. While year one actions are more detailed, there is a sense of progression over the three-year period.

Financial Plan

Chris Turley provided additional context regarding the three-year Integrated Medium Term Plan (IMTP) and the focus of the financial plan on the 2024/25 financial year. He emphasised the detailed nature of the financial plan, which is primarily centred on the upcoming year due to annual budget allocations and government perspectives. He highlighted the fortunate position of starting from a balanced financial standpoint without underlying deficits.

Chris Turley further mentioned the necessity of delivering commissioning intentions and transformational work within the allocated budget, with the resulting savings requirement. He noted that the financial plan has been shared and discussed over the past few months at various Trust Board and Committee meetings.

Comments:

Members expressed concern about potential discrepancies between the Trust's priorities and those of the broader healthcare system. The challenge of aligning with evolving Ministerial Priorities was acknowledged along with the difficulty in predicting future changes.

Members emphasised the need to address systemic challenges alongside the Trust's ambitions and queried how the team is managing this balancing act. Rachel Marsh highlighted potential actions outlined in the main plan, including investments in remote clinicians, additional Advanced Paramedic Practitioner (APPs), and digital solutions. She commented these investments would enable the Trust to deliver solutions more efficiently.

Rachel Marsh acknowledged that while the Trust can act within its current resources, it operates within a healthcare system under significant pressure. She highlighted discussions with Health Board Chief Executives about collaborative efforts and embedding strategic plans emphasising the importance of partnership with Health Boards for pathway development and other initiatives. Despite positive discussions, she recognised that system pressures will continue to impact the Trust's ability to achieve all desired outcomes.

The Committee queried if the Trust had been able to gain any traction in promoting a different approach to reporting metrics and potentially reconsidering how they were measured. Rachel Marsh indicated that while the Trust had not explicitly discussed metrics reporting in recent meetings with the Emergency Ambulance Services Committee (EASC), it has committed to revisiting the topic in April or May.

Members expressed a significant concern about the demand placed on Rachel Marsh and other team members across the Trust to deliver the plan. Rachel Marsh explained that the expansion of the Trust necessitates corporate support for frontline staff. While significant

investment has been directed towards frontline personnel, there is now a need to bolster corporate support to accommodate this growth. Therefore, several posts will be supported to fulfil this requirement.

With regards to the risk in terms of revenue, members inquired about the assumption of the award of a 3.67% pay uplift and the potential implications if the full amount is not passed on; allied to this there was assumed funding for various items which are assumed to be funded elsewhere, such as the implications of the Manchester Arena Inquiry, and questioned the risk of these not being funded. Furthermore, with respect to the plan's mention of additional posts, the Committee sought clarification on whether the implications of these additional posts are included in the revenue budget.

Chris Turley explained that the plan had been developed since the announcement of the 3.67% uplift, before Christmas. Throughout this period, various scenarios were considered, including best case, worst case, and most likely case scenarios, to assess the impact on the plan. Contingency plans were created to analyse the potential impacts if the uplift passed through had been lower than 3.67%. This involved evaluating the costs and choices associated with delivering on commission intentions. These analyses helped identify potential challenges and adjustments needed to meet financial objectives.

Chris Turley clarified that the other items mentioned as unfunded in the plan are not currently committed to, and their funding will depend on the submission of business cases for funding. The plan acknowledges the level of stretch and savings required to achieve balance within the given resource envelope. If funding for these items is not secured, it is expected that no expenditure will be committed to them. Overall, he emphasised that the plan adopts a cautious approach regarding expenditure on unfunded items and will only proceed with them if adequate funding is secured.

Members expressed concern about the potential implications of the ambulance vehicle fleet not being fully funded in the capital plan, particularly regarding the maintenance budget. They sought assurance regarding any risk analysis conducted for such a scenario. Chris Turley responded by acknowledging the importance of considering the worst-case scenario and conducting risk analysis. He stated that while the Trust had not explicitly conducted a risk analysis for the fleet not being fully funded, it had engaged in broader discussions about the potential impacts of the capital plan not being fully realised. This included considerations of the maintenance budget and the ability to deliver on planned projects. He further added the need to be mindful of such risks and to ensure that the Trust remains flexible and prepared to address challenges as they arise. Chris Turley expressed confidence regarding the current state of the fleet revenue budget. However, he indicated that if next year's capital programme for fleet is not at the requested level, there may be additional impacts to consider in the financial plan for the 2025-2026 period.

In terms of other capital funding, Chris Turley highlighted several estate capital priorities that the Trust is aiming to deliver. These priorities involve either submitting cases to the government for funding or prioritising within their own discretionary annual capital allocation. However, due to limited resources, there will always be some priorities that cannot be addressed. The plan aims to continue the progress made in allocating resources

to these priorities, especially during times when additional funding was available, such as during the COVID-19 pandemic.

Following a query on the capital prioritisation process, Chris Turley indicated that feedback on a long list of proposals against the remaining budget of £2.27 million had been received. The outcome of this process would be presented at an Executive Finance Group meeting, where they would seek approval for the selected schemes. He gave assurance that the process had resulted in a balanced allocation of funds, with a small contingency held for unexpected expenses.

Following a query in terms of patient engagement, Liam Williams, commented that the Trust was expecting Ministerial guidance on patient engagement to be issued in the next six weeks. This guidance will set out expectations stemming from the Civica system, which will aid the Trust in conducting outreach efforts. One of the challenges faced this year was from an information governance perspective, particularly in contacting patients who had used 111 and 999 services but did not receive a face-to-face response. Despite the progress made in aligning this work with regulatory frameworks and reporting, there were still difficulties in achieving community outreach at scale using digital, data-driven insights mechanisms rather than relying on sporadic community events. The Patient Experience Community Involvement (PECI) Team collaborates closely with Health Boards, ensuring joint engagement in terms of information sharing and working together at events or community opportunities.

Rachel Marsh highlighted some inconsistencies in graphics and tables in the document, which need further refinement to ensure alignment and clarity. Additionally, she mentioned the importance of reflecting on deliverability and providing more detail on confidence levels and assurance mechanisms for achieving the objectives outlined in the plan. There will be further details from EASC later in the morning, which might require some adjustments but are not anticipated to result in major change.

The Committee were comfortable endorsing the paper in its current form, subject to any necessary final editing.

RESOLVED: The Committee:

- (1) NOTED the progress made in developing this year's IMTP;**
- (2) ADVISED of any further assurance required during the final stages of the planning cycle.**
- (3) ENDORSED the IMTP 2024-27 for submission to Trust Board at its meeting on 28 March 2024 for approval, subject to any final editing.**

20/24 WAST INITIAL 2024-25 REVENUE BUDGET

Chris Turley commented that the current position is better than last year's. Last year, there was significant movement in the financial plan, which led to challenges in bringing the

budget paper through the Finance and Performance Committee before it went to the Trust Board.

Chris Turley further commented that the initial revenue budget serves as a starting point. It reflects the financial plan outlined in the Integrated Medium-Term Plan (IMTP) and is currently fully consistent with it. However, certain aspects of the budget may undergo changes as the year progresses, particularly in terms of resource allocations from central reserves. These changes are expected due to factors such as non-pay inflation and other additional costs outlined in the plan. While some costs are known and will be funded accordingly, others require further clarification regarding when they will occur and how they will impact the budget. At present, a portion of the budget is held centrally in reserves, but the goal is to reduce this reliance as decisions are finalised in the coming weeks. Despite the challenges of finalising the budget in parallel with the financial plan, upcoming discussions should provide more clarity, allowing for a more detailed allocation of resources to match anticipated costs.

Going forward, Chris Turley will meet with the Chief Executive as the Accountable Officer of the Trust and each of the delegated budget holders. In these meetings, delegated budgets will be discussed in detail. This process ensures that individual senior budget holders in the Trust accept the budget delegated to them from the Chief Executive. Additionally, the allocation of reserves will be done in advance of these meetings so that budget holders are very clear about the level of funding they must deliver within their budgets.

Given that the paper is developed in parallel with the financial plan, there is some repetition of key assumptions, risks, and delivery considerations. These aspects are very similar to what has been seen within the main financial plan document within the IMTP. The plan is to seek the Finance and Performance Committee's endorsement of this today, to then take it to the Trust Board next week for final approval of this initial revenue budget ahead of 1 April 2024.

Comments:

The Committee recognised that for future years, there is a recognition that achieving savings becomes increasingly challenging as cumulative savings are made. It is not as simple as finding more and more savings indefinitely.

Regarding the specific point about the 2024/25 plan, a significant portion of it involves pay vacancy management and corporate savings. This area will likely continue to be a focus in future years as well. Chris Turley explained it was a complex issue with savings categorisation, especially when considering recurring but variable savings like pay vacancy management. While these savings are not consistently in the same budget lines, they do materialise across the Trust over time. There is a debate about whether to classify them as recurring or non-recurring savings, as they are recovered in some form but not consistently in the same areas. This presents challenges in accurately pinpointing which budgets will be reduced by these savings. It is an ongoing discussion that requires careful consideration and balancing between different reporting perspectives and practical

budget management.

Chris Turley added there were no significant changes to the plan at this point. However, he would remain vigilant for any developments that could impact the plan, and if necessary, would communicate these changes to the Board before seeking their approval.

RESOLVED: The Committee endorsed the initial 2024/25 revenue budget, building on the WAST Financial Plan included in the IMTP and recommended it for onward approval at Trust Board on 28 March 2024.

21/24 FINANCIAL POSITION FOR MONTH ELEVEN 2023/24

Chris Turley provided the Committee with a PowerPoint presentation on the financial position for month eleven and drew attention to the following points.

The Trust was currently reporting a break-even position having submitted the month 11 position last week indicates progress in staying on top of current financial reporting requirements while also preparing for the next fiscal period.

Continued Risks: Despite reaching this stage in the fiscal year, there may still be ongoing risks that need attention. These risks pertain to various aspects of financial management, such as budget execution, revenue collection, expenditure control, or external factors impacting financial performance.

The Committee were made aware of the significance of certain invoices that have been submitted, particularly for technical items. These invoices carry greater value than usual because they include costs related to losses and depreciation. It is essential to remember that these figures are not just typical adjustments but rather reflect specific expenses incurred throughout the year.

While addressing the delivery of savings is paramount, it is worth noting that the Trust has historically performed well in meeting other statutory targets, such as those related to public sector payment policy.

The Trust has received final confirmation from Welsh Government (WG) regarding full coverage for the 2023/24 pay award. This confirmation reinforces previous assurances and exemplifies how assurances have been provided regarding the funding mechanisms for covering costs.

There was an assumption regarding a low-risk request from WG to ensure that any costs resulting from the Airwave contract extensions are fully funded. This assumption has been confirmed, and funding has been received for the capital elements associated with this contract.

At the beginning of the year, there is often a reasonable level of risk due to uncertainties and unknowns. These uncertainties are reflected in the assumptions within the plan. However, moving through the year these assumptions become clearer or are supported by

funding, and the associated risks tend to diminish. By the year-end, many of the risks identified earlier may have been resolved or mitigated.

Chris Turley commented that the Trust has successfully achieved its savings plan for the year, even surpassing it in some areas. This overachievement will have a positive impact on the future financial outlook. He referred to the table in the presentation which gave details of the delivery of these savings, showing variations across different areas but generally indicating success in meeting or exceeding targets.

While the capital plan for the year was set at £22.5 million, the actual spend up to month 11 has only reached around £10 million. There are specific reasons for this, including the implementation of the new 111 system, and the scheduled delivery of new vehicles and equipment. For example, the implementation of the new 111 system required a tight timeline for delivery, resulting in costs being incurred later in the year. Similarly, the delivery of new vehicles and equipment was scheduled for March, aligning with planned expenditure. Additionally, factors such as delays in tendering processes have contributed to the timing of the capital spend.

The Trust has recently received further correspondence from WG regarding the fleet business case submitted for 2024/25, asking for further details prior to their final decision on funding. This business case outlines the request for approximately £24 million to fund the replacement of 157 vehicles. Some of this funding is meant to cover the shortfall from this year. While the Trust did not anticipate receiving the full amount this year, it is still awaiting confirmation from WG regarding the funding allocation for fleet replacement in the 2024-2025 financial year and was actively engaging with WG to finalise this matter.

Comments:

Following a query regarding further clarity on balancing finances, Chris Turley explained that whilst there is not a specific reserve set aside for financial risks, there is a statutory duty to balance finances over a three-year period. This means that any surplus in one year could potentially offset a deficit in another year, ensuring overall financial stability over time. It should also be understood there may be some flexibility within the balance sheet to manage certain elements, although these adjustments would be small and immaterial from an audit perspective. Overall, while there may not be explicit reserves designated for specific risks, there are mechanisms in place to maintain financial equilibrium over time and manage any unforeseen fluctuations within the budget.

RESOLVED: The month eleven financial update was noted.

22/24 FINANCIAL SUSTAINABILITY PROGRAMME

Angela Lewis presented the Committee with an update on the Financial Sustainability Programme (FSP) which set out the current position as at quarter four.

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.

There has been significant progress and achievement, which was commendable considering the collective effort involved. The involvement of staff in suggesting savings schemes highlights the importance of a collaborative approach to achieving financial sustainability.

The emphasis on income generation and exploring commercial viability options has shown that the Trust has a forward-thinking strategy to diversify revenue streams and mitigate financial risks. While progress has been made, it's acknowledged that challenges remain, and there is a recognition of the need to be more creative in addressing them.

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.

Additionally, the emphasis on income generation and exploring commercial viability options highlights a proactive approach to financial sustainability.

Comments:

The Committee queried the possibility of exploiting commercial opportunities within the existing resource envelope, which may involve identifying immediate opportunities that can be pursued with minimal additional resources, leveraging existing assets and capabilities. Angela Lewis advised that it is essential to critically assess the Trust's current capabilities and determine if they align with the income generation goals. While there may be immediate opportunities that can be pursued with minimal additional resources, it is also crucial to recognise when additional investment is needed to achieve sustainable income generation. The Trust continues to discuss potential challenges and the need for collaboration with Trade Union colleagues. Engaging stakeholders and seeking their input can be instrumental in navigating cultural shifts and ensuring alignment with the Trust's goals. Chris Turley raised the point about ensuring that efforts in income generation do not detract from core responsibilities as an NHS provider. It is essential that the Trust strikes the right balance and prioritises activities that align with the core mission and obligations to patients and communities.

RESOLVED: That the Committee noted the update.

23/24 MONTHLY INTEGRATED QUALITY AND PERFORMANCE REPORT – JANUARY/FEBRUARY 2024

Hugh Bennett presented the report and drew attention to the following points.

The increase in demand, particularly evident in the higher call volumes, presents a significant challenge. While performance in certain areas like Priority one times remains

good, it is essential to address the impact of increased demand on other aspects of service delivery, such as Priority two and Priority three response times.

The issue of handover delays leading to prolonged ambulance turnaround times is particularly concerning. These delays not only affect the ability to respond promptly to emergencies but also impact staff workload and patient outcomes. Efforts are underway to address this issue, including the implementation of new processes and seeking staff feedback on potential solutions.

Additionally, the focus on enhancing capacity through recruitment and resource allocation is crucial, especially considering the ongoing pressures faced by the service. While there are areas where performance falls short of targets, such as call abandonment rates and consul and close rates, it is evident that concerted efforts are being made to improve these metrics.

Comments:

Members discussed the performance which is within the gift of the Trust to influence such as staff Personal Appraisal Development Reviews (PADR), and statutory and mandatory training and were reassured that whilst performance is not where the Trust would want it to be, given the pressured time of the year the reporting covered and abstractions due to the Clinical Assessment System (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.

Lee Brooks responded to a comment regarding service delivery in oncology adding there had been a significant improvement in oncology services, achieving a plus 70% performance level. This progress is especially commendable considering the challenges faced during the winter period. The investment made to bolster capacity in oncology reflects a strategic use of financial resources to address service needs effectively. It is evident that proactive measures, such as winter investments, have contributed to enhancing service delivery in oncology. This positive outcome underscores the importance of strategic planning and resource allocation to meet the evolving demands of healthcare delivery.

A point was raised regarding the cause and effect relationship between the Trust's performance metrics and the well-being of staff. While the patient-related indicators appear relatively positive, there are concerns about the health and well-being metrics, particularly regarding mental health and sickness absence. Regarding the reduction trend in mental health issues despite the absence of data for January and February, it raises questions about the statistical validity of such claims. Similarly, the lack of figures for sickness absence in February also raises concerns.

Hugh Bennett acknowledged the time lag in obtaining sickness data, often resulting in delays in its release and subsequent amendments. He mentioned the February figure of 8.89%, indicating a high sickness absence rate. Despite challenges in data management, Hugh Bennett highlighted the abundance of information available within the Trust, characterising it as a "number-rich environment." However, he acknowledges the complexity of navigating through this vast amount of data to identify key trends and issues.

Regarding the health and well-being metrics, he commented that the pressure within the system could be contributing factors. He indicated that the impact of shift overruns on individuals' personal lives may also be influencing staff health and well-being.

Lee Brooks highlighted the correlation between health and well-being metrics, such as sickness absence, and the workplace staff experience and attendance. He acknowledges the pressures existing within the system and suggests a reasonable assumption of connectivity between these factors.

Regarding sickness absence, Lee Brooks reiterated the Trust's efforts to achieve a target of 6%, acknowledging the challenges in reaching this target consistently. Despite being off target, he was pleased to see a sustained upward trend over the winter months, indicating ongoing attention to staff well-being.

Trish Mills provided an update on sickness figures discussed during a recent Executive Leadership Team meeting. She mentions that the figures for January were 8.89% and for February were 8.41%, indicating improvement. Additionally, she noted a positive trend in turnover and a reduction in mental health-related absences to 2.23% in January. Trish Mills advised that the People and Culture Committee's comprehensive approach to assessing health and well-being was an ongoing focus.

The Committee sought further detail in respect of the 111-call answering performance expressing concerns about potential funding reductions anticipated from April, coinciding with the implementation of a new call system. Hugh Bennett mentioned that these concerns have been raised with Commissioners and the WG about the potential impact on performance due to funding reductions. He suggested that discussions may be needed to determine what is considered patient safe given the constraints of the current funding situation. Additionally, he referred to the demand and capacity review, which was initially postponed but may be revisited with the involvement of new Commissioners starting from 1 April 2024.

RESOLVED: The Committee considered the January/February 2024 Integrated Quality and Performance Report and actions being taken and determined that it provided sufficient assurance and noted the update on the current position.

24/24

STRATEGIC DEMAND AND CAPACITY REVIEW – VERBAL

A verbal update was given by Hugh Bennett on progress with the Strategic Demand and Capacity Review. The timeframe the review to be presented at the Emergency Ambulance Services Committee (EASC) had changed given their transition to a 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. The Committee noted that a written update report would be presented at the next Committee meeting on 14 May 2024.

RESOLVED: The update was noted, and the Committee also noted that a written update report would be presented at the next meeting on 14 May 2024.

25/24 VALUE BASED HEALTHCARE REPORT

Alexander Crawford outlined several key workstreams that the Trust has been focusing on, facilitated by a working group of colleagues. These workstreams include outcome measures, patient-reported experience, patient-level information costing, evaluation methodologies, business case development, and the use of a value-based lens for investments. He further mentioned upcoming discussions on prioritising spending for the next year and ongoing work on benchmarking.

Regarding patient-reported outcome measures, he pointed out the challenges in collecting data for emergency frontline services compared to elective procedures. However, efforts are being made to assess patient outcomes along pathways, particularly in areas like stroke and heart failure. The Trust is also exploring data linkage to improve outcome measure collection.

The issues related to patient engagement, information governance with Civica, and delays with the 111 system should be noted as ongoing challenges. Plans for the patient level information and costing system are being adjusted, with expectations of providing valuable insights into the Trust's cost base at a patient level.

A project framework incorporating evaluation and business case processes is being developed to ensure a consistent approach to project implementation and impact measurement. Benchmarking work is temporarily on hold but will be revisited in the future.

Looking ahead, Alex Crawford emphasised the need for executive alignment on key priorities related to value-based healthcare and addressing WG expectations. A steering group will be established to oversee these initiatives and ensure proper resource allocation.

Comments:

The Committee sought further detail on the governance and accountability when considering value-based healthcare. Alex Crawford explained the process involved of bringing the value-based healthcare initiative through the Strategic Transformation Board, which includes Executives and is linked to the IMTP (Integrated Medium Term Plan) deliverables.

RESOLVED: The Committee noted the position and progress made in developing value-based healthcare in the Trust.

Trish Mills provided an overview of the annual review conducted by the Committee, highlighting its methodology and outcomes. The review involved using surveys to gather opinions on good practices and areas for improvement.

Although there was an improvement in the return rate compared to the previous year, there were still challenges in receiving responses. The results and comments were themed around focus, engagement, team working, and effectiveness.

There are discussions about improving the timeliness of papers and clarity on the metrics presented in reports. Additionally, there are proposed changes to the committee's terms of reference to streamline processes and ensure alignment with the organisation's strategic objectives.

The importance of the committee's effectiveness, which is assessed based on various factors such as meeting regularity, engagement, adherence to work programmes, and reporting was acknowledged.

Proposed changes to the terms of reference included moving information governance and information security responsibilities to the Quality Patient Experience and Safety Committee (Quest) Committee and clarifying the roles of other committees in reviewing new plans and strategies.

Trish Mills advised that the draft -Annual Report presents a proposed assessment of the committee's effectiveness, which members will have the opportunity to agree with or provide feedback on. She mentions that this assessment is based on various factors beyond just the survey results, including the committee's meeting regularity, level of engagement, the quality of discussions during meetings, and the effectiveness of pre-meeting preparations such as setting the agenda. This holistic approach ensures a comprehensive evaluation of the committee's performance and effectiveness.

Trish Mills highlighted that clarity has been provided regarding the roles of different committees within the Trust. Specifically, the Audit Committee is responsible for shorter-term implementation assurance of the Quality and Performance Management Framework (QPMF) whereas the Finance and Performance Committee has responsibility for oversight of the QPMF effectiveness, once implemented. This delineation ensures that each committee has a clear understanding of its specific responsibilities and areas of focus within the Trust's governance structure.

Trish Mills concluded by outlining the committee's priorities for the upcoming year, which include overseeing the digital plan, monitoring potential commercialisation streams, and addressing information governance and security issues. The Committee considered and supported the following priorities:

1. The development and approval of the Digital Plan.

2. Oversight of the potential commercialisation streams in the Financial Sustainability Programme.
3. Focus on the new elements of its terms of reference relating to Information Governance and Information Security.

RESOLVED: The Committee

- (1) Reviewed and approved the draft Annual Report.**
- (2) Reviewed and endorsed any further changes to the terms of reference;**
- (3) Confirmed the proposed changes to operating arrangements in response to issues raised in questionnaires as set out in the draft Annual Report; and**
- (4) Set priorities for the Committee for 2024/25.**

27/24 WASTE MANAGEMENT UPDATE

Chris Turley drew out the following points:

Upcoming changes to waste legislation in Wales requires the Trust to robustly recycle waste into additional segregated waste streams. These changes include civil action for non-compliance. The new waste regulations (as a provision under the Environment (Wales) Act 2016) will come into force on 4 April 2024.

To comply with his new legislation the current external waste contract has been amended to provide the required additional waste streams. Contract negotiations have been positive and a robust contract management regime set. Changes to external bin provision started in February but may take until the middle-end of April to complete.

The audit of Trust waste management processes took place in April 2022. The audit found limited assurance of compliance to waste management requirements and compliance with Welsh Health Technical Memorandum (WHTM) 07-01 health care waste. Ten recommendations were made, of which three remained as outstanding.

1. Recommendation 501 – Writing of a Waste Policy
2. Recommendation 505a – Waste transfer to hospital sites
3. Recommendation 505(b)- Clinical waste transfer

In respect of recommendation 501, Chris Turley provided an update on the Waste Management policy, indicating that it was in its final stages and would be presented at the upcoming Committee meeting. He assured that any remaining issues, whether internal or external, regarding the finalisation of the policy had been addressed. Therefore, he proposed closing recommendation 501 once the policy was had been through the appropriate governance mechanism. With regards to recommendations 505a and 505b, Chris Turley explained there were more challenges encountered with these, primarily due to the nature of the recommendations requiring collaboration with external parties or relying on their responses. However, he stressed that the Trust had exerted all possible

influence and efforts to address the issues within its control. Recognising the limitations and the ongoing nature of the challenges, he proposed closing these two items in the next cycle of updates to the internal audit tracker. This decision was based on the understanding that the Trust had fulfilled its obligations to the extent possible and that keeping these items open indefinitely on the tracker would not be productive. While acknowledging that this decision was more of an executive function, he expressed his desire for Committee input on the matter.

Furthermore, Chris Turley elaborated that the risks underlying some of the issues addressed by the recommendations were being managed in a different manner. Although the recommendations may not have been fully compliant with their original wording, the Trust had taken steps to mitigate and manage the underlying risks effectively.

Looking ahead, Chris Turley highlighted the importance of being more explicit in internal audit reports regarding when recommendations would be considered closed, especially in cases involving requests or responses from external parties. He commented on the need to clearly outline the steps taken to address recommendations and to indicate when they would be closed based on interactions with other stakeholders. He suggested refining the approach to closing recommendations in future internal audit reports to provide clearer insights into the Trust's actions and interactions with external parties.

Comments:

The Committee recognised and understood that external influences beyond the Trust's control can significantly impact outcomes. The Committee expressed their support for the rationale as mentioned above by Chris Turley to close two audit actions; Recommendation 505a – Waste transfer to hospital sites and Recommendation 505(b)- Clinical waste transfer from the 2021-2022 period as they transition into the 2024-2025 plan. They acknowledged the significant internal effort put into these audits and noted the importance of providing clear closure on actions.

Trish Mills agreed with the rationale for closing these two audit items. She mentioned that this audit was conducted in the 2021/22 period, and now they are moving on to the 2024/25 plan, indicating a significant progression. The Trust has invested a considerable amount of internal resources in addressing these issues. Trish Mills expressed appreciation for Chris Turley's clarity in outlining the criteria for closing actions, as sometimes it can be challenging to determine. She stressed the importance of providing assurance to the Audit Committee that these issues have been effectively closed. Trish Mills mentioned that while it may require some back and forth, with the support of the Committee and Internal Audit colleagues, it was hoped to successfully close these older actions.

Felicity Quance offered her support for the decision to close the recommendations, highlighting the passage of time since they were initially raised, and the internal work undertaken to assess their progress. She mentioned that waste management was conducted across multiple NHS organisations simultaneously. Interestingly, she noted that

she recently closed off similar recommendations for another organisation where they had done as much as they could internally, and now the responsibility has shifted elsewhere.

RESOLVED: The Committee

- (1) NOTED this update, in relation to waste management changes and infrastructure put in place to manage change.**
- (2) NOTED the internal audit recommendations and any remaining challenges in terms of some of their closure.; and**
- (3) SUPPORTED the closure of the two actions. Recommendation 505a – Waste transfer to hospital sites and Recommendation 505(b)- Clinical waste transfer.**

28/24 RISK MANAGEMENT AND BOARD ASSURANCE FRAMEWORK

Julie Boalch explained that the purpose of the report was to provide assurance in respect of the management of the Trust's principal risks, specifically the eight risks that are relevant to the committee's remit for oversight and additionally the Trust's two highest scoring risks which are assigned to the Quality, Safety & Patient Experience Committee (QuEST) for oversight.

Julie Boalch explained that each risk has been updated as of 7 February 2024, with no significant changes in ratings. However, she assured the committee that controls, assurances, and mitigating actions have all been reviewed and updated as necessary. Progress and areas needing attention were highlighted in the accompanying report. She further mentioned that all risks are currently undergoing appropriate review and governance processes.

Comments:

It was noted this update had been discussed at the last Audit Committee meeting.

RESOLVED: The Committee considered the contents of the report.

29/24 INTERNAL AUDITS

The Committee recognised that the following Internal Audits had been presented at the last Audit Committee meeting:

Decarbonisation – Chris Turley mentioned that the final report was presented and discussed at the Audit Committee, including the management actions and responses to each recommendation. Some recommendations have already been addressed, while others are in progress. He emphasised the clarity provided on how and when recommendations will be closed off, within the Trust's control.

Members queried clarity on the management response at 2.1 of the audit. Felicity Quance highlighted the concern regarding the level of detail in reporting the Decarbonisation Action Plan, which wasn't observed during their review. She

acknowledges that the Trust is now working to strengthen this aspect, but at the time of their audit, the evidence provided did not meet their expectations.

Vehicle replacement – Chris Turley identifies an area flagged in the report concerning a more limited assurance, specifically related to a technical breach of standing orders regarding contract approvals. He explained that this issue does not pertain directly to vehicle procurement but rather to evolving organisational practices regarding contract approvals following board level expenditure commitments. He explained the need to implement an additional step in the approval process to ensure full compliance with the scheme of delegation within the standing orders. Trish Mills explained that the Trust had developed a governance practice note specifically addressing the recommendation regarding non-compliance with Standing Orders. This note has been shared with relevant stakeholders, including Internal Audit colleagues and Audit Wales, to ensure clarity and alignment with the Trust’s approval processes.

Strategy Development – Hugh Bennett outlined the three main recommendations in the report:

Update the long-term strategy: This recommendation suggests considering updates to the long-term strategy, particularly in light of potentially implementing a new clinical response model. This aspect is covered in the Integrated Medium Term Plan (IMTP), and a reassessment of the strategy may be needed at that point.

Complete work on the engagement plan: Currently, engagement efforts are ongoing with the Consultation Institute. Once this work is finished, there will be an engagement delivery plan put in place, followed by a period of pause and reflection. This phase is anticipated to be crucial in the first six months of the next year.

Enhance benefits and reporting: The need for improved benefits and reporting, which is related to various programs within the Trust. An initial review of these programs is planned for April and May, with a new benefits framework expected to be implemented in Q1/Q2.

ICT Contract Management – Jonny Sammut outlined the details of the recommendations and the progress being made. These are primarily focused on the contract register, decision-making processes, availability of notes from supplier meetings, application to all ICT contracts, and management of end-of-term reviews and assessments. The aim is to take a balanced view considering the size of the contracts, as the Trust deals with many.

RESOLVED: The updates on the Internal Audits: Decarbonisation, Vehicle replacement, Strategy Development and ICT Contract Management were noted.

30/24 DIGITAL REPORTING: 1 APRIL 2023 TO 29 FEBRUARY 2024

Jonny Sammut provided the following key highlights for the Committee’s attention:

Increased Demand on Records Team: There has been a significant increase in demand on the records team over the last two years, despite having only two full-time equivalent (FTE)

records officers. This will be addressed as part of discussions on the digital strategy plan refresh.

Data and Analytics Turnaround: While there has been improvement in the pace of work, there was still a backlog that required attention.

Digital Contributions to Progress on IMTP: Updates on key digital projects include the data linkage project, out-of-hospital cardiac arrest pilot project feeding into the National Data Repository (NDR), CAS replacement project, and the 999 telephony upgrade planned for April.

Digital Experience and Champions Work: Progress on this has been slower due to resource constraints, primarily driven by the focus on the CAS program.

Resource Strain: There is continued strain on resources, particularly in informatics, prompting a six-week pause to identify internal efficiencies.

Strategy Refresh Work: This was progressing well, with a presentation to the Executive Leadership Team planned for mid-April, followed by presentation to this committee on 14 May 2024 and to the Trust Board for awareness on 30 May 2024.

RESOLVED: The Finance & Performance Committee noted the contents of the accompanying report and the trends in metrics presented.

31/24 CYCLE OF BUSINESS MONITORING REPORT

The report was noted for information.

RESOLVED: The Committee noted the report.

32/24 REFLECTION: SUMMARY OF DECISIONS AND ACTIONS

Reflections of the meeting were given.

Meeting concluded at 13:02.

Date of Next Meeting: 14 May 2024.