FINANCE AND PERFORMANCE COMMITTEE

CONFIRMED MINUTES OF THE MEETING HELD ON 26 FEBRUARY 2026
HELD VIA MICROSOFT TEAMS

MEMBERS		
Ronnie Alexander	RA	Independent Member (General) (Chair)
Steve Elliot	SE	Independent Member (General)
Rhobert Lewis	RL	Independent Member (General)
Cathie Poynton	CP	Independent Member (Trade Union)
Simon Wright	SW	Independent Member (University)
IN ATTENDANCE		
Helen Bushell	HB	Director of Corporate Governance/Board Secretary
Carl Cooper	CC	PTHB Chair (Observing)
Hayley Thomas	HT	Chief Executive Officer
Stella Gwynne	SG	Deputy Board Secretary
Pete Hopgood	PH	Executive Director of Finance, Capital and Support Services and Deputy Chief Executive
Nicola Kelly	NK	Head of Primary, Community Care
Mathew King	MK	Deputy Director of Therapies and Health Science
Claire Madsen	CM	Executive Director of Allied Health Professions, Health Science and Digital
Chris Moss	CMO	Assistant Director of Performance
Sam Ruthven-Hill	SRH	Assistant Director of Planning
Kate Wright	KW	Executive Medical Director
APOLOGIES FOR ABSENCE:		
Nicola Johnson	NJ	Executive Director of Planning, Performance and Commissioning
Elaine Lorton	EL	Executive Director of Primary Care, Community and Mental Health

1. PRELIMINARY MATTERS
1.1 WELCOME AND APOLOGIES FOR ABSENCE (F&P/25/111)
The Chair welcomed everyone to the meeting. Apologies for absence were received as recorded above.
1.2 DECLARATIONS OF INTEREST (F&P/25/112)
No declarations of interest were received in addition to those already recorded on the register.
2. CONSENT AGENDA BUSINESS
The Chair asked Members if they wished to bring forward any items from the Consent agenda to the main agenda. No items were raised.

3. ITEMS FOR APPROVAL / RATIFICATION/ DECISION

3.1 MINUTES OF PREVIOUS MEETING (F&P/25/113)

The minutes of the meeting held on the 04 December 2025 were **CONFIRMED** as an accurate record.

The following matters arising were raised by Committee Members:

- On page 5 of the minutes, regarding emergency response times, the action identified in relation to data for the total time from initiation of a 999 call through to arrival at a hospital, would be incorporated into future reporting of the Integrated Quality and Performance Report (IQPR). This would be added to the latest iteration of the Action Log.

3.2 COMMITTEE ACTION LOG (F&P/25/114)

The Committee RECEIVED the Action Log, and the following updates were provided:

- D&P/25/009 Colonoscopy Reporting: Committee members sought assurance on progress made. HT confirmed work was underway to finalise revised performance trajectories for next year, supported by new information from Public Health Wales on index colonoscopy activity. Further internal discussions would confirm trajectories ahead of the upcoming Board session, where assurance on expected improvement would be considered.
- F&P/25/049 MIU Reporting: HB advised that a deep dive on MIUs had been scheduled in the work programme for this year and a report had been received. Work continued to clarify current operations and assess future model options. Significant activity was ongoing, and a more detailed update would be brought to the Committee when appropriate.

4. ESCALATED ITEMS

4.1 ORGANISATIONAL STATUS (NHS WALES ESCALATION FRAMEWORK) LEVEL 4 MONITORING REPORT (F&P/25/115)

PH provided an overview of the report and confirmed that the final draft of the external review from Grant Thornton and Partners was expected by tomorrow. No significant emerging findings were identified that would deliver benefit in 2025–26. However, the review highlighted substantial opportunities for future years. A management response had been completed, and work was underway to ensure the recommended actions were incorporated into next year's plan to strengthen the organisation's financial position. The final findings would be presented to the Board on 25 March 2026 and reflected in the 2026–27 plan.

Independent Members sought assurance by asking the following questions:
What was Welsh Government's current view of the Health Board's progress in addressing the issues highlighted through the escalation intervention?
PH confirmed that Welsh Government would form its view once the Board's plan for next year was finalised. Welsh Government had already seen and commented on earlier iterations through the Finance, Performance and Delivery process. The Board's formal response would be set out within the plan.

HT added that upcoming Board Development Sessions would explore the balance between setting an ambitious plan that demonstrates improvement and ensuring it remains realistically deliverable. A scrutiny session with

Welsh Government was scheduled for next week as part of the pre-submission process. Further reflections would be provided after the formal scrutiny discussion.

The Committee **RECEIVED** the Organisational Escalation Status Level 4 Monitoring Report and took **ASSURANCE** that appropriate mechanisms were in place to monitor and report to the Board and its Committees against the level 4 de-escalation criteria.

5. ITEMS FOR ASSURANCE

5.1 FINANCE PERFORMANCE REPORT MONTH 10 (F&P/25/116)

PH provided an overview of the report where the following key themes were highlighted:

- The forecast deficit had been revised from £28.4m to £33.3m, and Month 10 performance showed the Health Board remained on track to deliver the position.
- Capital spend stood at £3.8m against the £8.3m Capital Resource Limit, with assurance that full utilisation was expected by yearend.
- Variances in the revenue position were driven by commissioned services, particularly NHS England tariff increases and continued reliance on private mental health and LD providers.
- Agency spend remained broadly on track to meet the 30% reduction target, though a small Month 10 increase was noted.
- Private provider usage had risen, remaining a significant area for focused action.
- Delays in secondary care and community hospitals were forecast to cost £15–16m, representing a key area for future efficiency opportunities.
- Continuing Health Care (CHC) costs remained within plan but continued to contribute to the underlying deficit, estimated at £44m entering next year.

The Committee noted that £20.3m of savings had been delivered, one of the Health Board's highest achievements, although slightly short of the £23m target, due to limited progress in reducing private provider and delayed care costs.

Independent Members sought assurance by asking the following questions: *What were the reasons for the recent increases in agency costs, primarily within medical and dental staffing and the rise in private provider expenditure?*
It was noted that additional social care capacity had generated some positive impact despite ongoing challenges. The increase in medical locum spend related specifically to mental health services and reflected the fragility of a small consultant workforce. Recruitment activity was ongoing, but the position remained highly dynamic, with recent sickness and a significant resignation contributing to fluctuations. The underlying focus continued to be on reducing locum reliance wherever possible.

Three new appointments had been recruited for clinical fellow posts across mental and physical health. These roles were expected to strengthen service

sustainability and significantly reduce, if not remove, locum reliance in Brecon. Onboarding was anticipated to be completed by May.

Could an update be provided on any outstanding risks related to the Wye Valley invoice and the Single Activity Fee?
The invoices received from Wye Valley relating to rurality costs continued to be disputed, as there was no recognised basis for the charges. The status remained unchanged from the previous financial year, and both Audit Wales and Welsh Government were being kept fully informed. The Health Board continued to engage with SATH, who had disputed the commissioning intentions approach but remained unable to accurately report performance. As a result, a block type agreement had been applied for the first three quarters of the year and would continue into the final quarter.

Could assurance be sought that strategic cash issues had been resolved and that sufficient cash was in place to support the year-end position?
Strategic cash cover had been confirmed and increases in agency spend continued to relate to medical staffing, but it was not yet possible to determine whether this was a temporary fluctuation or a developing trend. Private provider costs had also risen again despite strengthened controls and scrutiny. Both areas remained key financial risks and would continue to be closely monitored until sustained assurance was achieved.

Given the importance of hospital delays, it was suggested that a further deep dive be undertaken for Hospital Delays. This would allow examination of the recoding changes, recent performance in reducing delay days, and the influence of social care performance on overall outcomes. A review of actions would be undertaken to review the new coding. The Committee supported the need for a report to come back to committee at its first meeting in the financial year.
Action: Director of Primary, Community Care and Mental Health.

The Committee **RECEIVED** the Finance Report month 10 and took **ASSURANCE** that the organisation has effective financial monitoring and reporting mechanisms in place. The financial forecast was **CONSIDERED** and **DISCUSSED.**

5.2 SIX MONTHLY REPORT ON CONTINUING HEALTH CARE COSTS (F&P/25/117)

PH provided an overview of the report in absence of the Director of Primary, Community Care and Mental Health. The following key themes were highlighted:

- CHC continued to present significant pressure, particularly within mental health and learning disabilities (MH&LD)
- Ongoing National work to implement direct payments within the NHS from April next year, and on the Health Board's preparations and associated implementation timeline.
- CHC remained a major contributor to the underlying deficit due to sustained growth in demand.

The Committee welcomed the report, and it was recommended that future deep dives would place greater emphasis on actions and impact on spend

trajectories aligned to the Grant Thornton recommendations, while ensuring continued focus on the quality of care provided.

Independent Members sought assurance by asking the following questions:
What were the specific factors, beyond general demographic pressures, that was driving the increased growth in EMI cases and associated costs?
Various analyses had been undertaken to understand the drivers behind rising EMI and CHC demand. It was noted that continued growth in CHC was expected, making it essential to ensure high-quality, effective care and optimal use of resources for those requiring this support.

The Committee **SUPPORTED** that future reports would place greater focus on actions, as these areas were critical to achieving traction on the deficit. Despite their complexity, these issues represented key areas where meaningful progress would be required to improve the financial position.
Action: Director of Primary, Community Care and Mental Health.

Could further assurance be provided regarding the digital programme, and appropriate effort was being directed towards managing procurement vulnerabilities and the requirement for a single national system?
The ambition to develop an all-Wales CHC digital system had proven difficult to achieve. The Health Board had begun work to procure its own CHC software and was fast-tracking the required procurement process. Work was underway to cost the options, noting that no national funding was available and the system would need to be funded locally.

The Committee **RECEIVED** the report and took **ASSURANCE** that plans are in place to effectively manage CHC and evolve the service based on the expected national changes. The Committee **SUPPORTED** future reports to include focus on actions critical to achieving traction on the deficit position across CHC.

5.3 INTERGRATED QUALITY AND PERFORMANCE REPORT MONTH 09 (F&P/25/118)

CMO introduced the report and the following key highlights were drawn to the committee's attention:

- Performance against the 8-week diagnostic target had deteriorated slightly at Month 9.
- Patients breaching increased during December 2025.
- Actions underway to address diagnostic delays. despite these actions, the service remained off target.
- Referral to Treatment (RTT) performance as a provider remained compliant with:
- 52-week outpatient target.
- 104-week treatment target.
- In reach capacity challenges continued, leading to an increase in patients waiting over 52 weeks and pressure from Wye Valley in reach.
- Ophthalmology, performance improved for patients seen within their clinical target date.
- Audiology breaches continued to increase.
- Index colonoscopy performance improved, however the four-week target was still not met.

- English commissioned performance had deteriorated between October and November. The main challenge remained with Robert Jones and Agnes Hunt, which had been placed into informal escalation with fortnightly meetings in place.

Ongoing concerns remained about the accuracy of performance data reported by Public Health Wales, though performance was still below target. Work had been undertaken to map the activity trajectory needed to achieve the target, and this would inform forthcoming Board Development discussions and Welsh Government scrutiny relating to the 2026–27 plan. A deliverable trajectory had been identified, and further work was required to determine the insourcing capacity needed to mitigate in reach fragility. An update on the trajectory would be brought to the next Committee meeting. Robust performance across mental health measures was also highlighted.

Independent Members sought assurance by asking the following questions:
What was the reason that Aneurin Bevan Health Board (ABHB) consistently perform closer to the Single Cancer Pathway target compared to other Welsh health boards, and what actions were being taken by commissioned providers to address the persistently poor cancer performance?
Cancer performance across Wales remained poor. Powys had begun reviewing individual long waiting pathways and escalating specific cases. The work aimed to strengthen whole pathway oversight and influence improvements where possible, though wider system level progress, particularly in diagnostics, was still needed nationally. Further discussion would be undertaken with ABHB regarding cancer performance and shared with committee members for information.
Action: Director of Planning, Performance and Commissioning

Why was the ambulance response time performance not escalated to Level 3 within the Health Board's internal escalation process, given the persistently poor service experienced by the Powys population and the external concern this generates?
HT confirmed that escalation required careful consideration given the collective national commissioning arrangements for the Welsh Ambulance Service. Concerns about Powys response times were actively raised through existing forums, the current performance framework did not yet support formally escalating a jointly commissioned service. Time was requested to reflect on how the escalation process for commissioned services may evolve through formal governance arrangements.
Action: Director of Corporate Governance

Could the escalation approach for commissioned services be incorporated into the work to strengthen Powys' commissioning function and would the change in national reportable incident data reflect a reassessment of closed cases?
CMO confirmed that the change in national reportable incident data related to a recording and presentation issue, there was no indication that external colleagues had taken a different view on incidents the Health Board had closed. Work was underway with NHS PNI to understand the data inclusion.

It was agreed that increased harm review data from a quality perspective around commissioned services would be welcomed at Patient Experience, Quality and Safety Committee (PEQS).
Action: Director of Planning, Performance and Commissioning.

Were Robert Jones and Agnes Hunt actively engaging in the increased senior level discussions aimed at securing improvement?
CMO confirmed that engagement was strong and taking place at a senior level, providing confidence in the process.

The Committee **RECEIVED** the report and took **ASSURANCE** that the Health Board has appropriate systems in place to monitor performance and respond to relevant issues.

5.4 INTEGRATED QUALITY AND PERFORMANCE FRAMEWORK 2025/2026 REPORTING CHALLENGES (F&P/25/119)

CMO provided an overview of the earlier recording and reporting issues within the IQPR had now been resolved. As part of the learning, a full review of all IQPR metrics which covered both data quality and reporting processes was underway and due for completion within the next few weeks. A report providing assurance on all metrics, extending beyond the six initially identified areas, would be presented to this Committee and the Executive Committee once the review was concluded.

The Committee **RECEIVED** and report and took **ASSURANCE** that appropriate systems were in place to manage reporting and recording performance data.

5.5 Q3 ANNUAL DELIVERY PROGRESS REPORT (F&P/25/120)

SRH provided an overview of the quarterly report and outlined progress against the annual plan for October–December 2025. A typographical error was highlighted within the cover paper, with the correct position confirmed as 111 items on track, not 107; this would be corrected for submission to the Board at the end of March.

Overall, approximately two thirds of deliverables were on track or complete. Of the remaining third, half were not yet due, and the other half were either at risk or behind schedule, with redrafted items highlighted within the cover paper and correlated with issues already discussed.
The Committee's attention was also drawn to the achievements to date and noted these represented a small proportion of the wider organisational work. This would inform preparations for the annual report.

Independent Members sought assurance by asking the following questions:
Could assurance be sought around the progress made since the Q3 position on implementing the Grant Thornton recommendations, and what updates should be expected in Q4?
HB confirmed that while the Q3 report reflected the position at December, further work had progressed in Q4. The Grant Thornton report was being finalised, and the executive team was developing management responses, most of which were being accepted or partially accepted. Discussions were underway with Grant Thornton on supporting accelerated progress in key areas, including financial governance and turnaround arrangements, CHC,

and potentially commissioning performance data. These discussions were ongoing, with recent meetings held earlier that day. An update would be provided to the Board at the next Board Development session.
Action: Director of Corporate Governance

The Committee **RECEIVED** the report and took **ASSURANCE** that there are appropriate mechanisms in place for monitoring progress against the plan and **SUPPORTED** the report for onward submission to the Board in March.

5.6 ENDOSCOPY UPDATE TO INCLUDE JAG ACCREDITATION (F&P/25/121)

NK provided an overview of the Endoscopy service and JAG Accreditation; the following key highlights were noted:

- JAG accreditation remained a priority, with all underpinning work progressing; however, accreditation was delayed due to a vacancy in the Senior Nurse for Theatres and Endoscopy.
- Positive feedback had been received from the JAG team during the October preassessment, though emphasised the need for full clinical and specialty leadership in post before accreditation could proceed.
- The service continued to rely on fragile in reach support from Cwm Taf Morgannwg Health Board (CTMHB) though no insourcing was required and no waiting time breaches were reported.
- The Llandrindod Endoscopy Suite had been paused due to capacity challenges.
- Referral numbers into Powys had declined, and work was ongoing with commissioning and CTMHB colleagues to increase activity and repatriate patients.
- Workforce improvements included a new dedicated Endoscopy clinical support service.
- Digital enhancements included scope tracking and involvement in the national programme for digital image capture.
- Once specialty nursing leadership was appointed, the JAG accreditation process would resume.

The Committee acknowledged the considerable progress made within and clarity was sought on when a formal JAG accreditation visit would be expected. It was confirmed that, subject to successful recruitment of the Senior Nurse for Endoscopy, the accreditation visit was hoped to take place by the end of the summer.

Independent Members sought assurance by asking the following questions: *Would the £5,000 cost to recommission the Llandrindod Endoscopy Suite a short-term estimate and would costs increase the longer the unit remained out of use?*
NK confirmed that all infrastructure remained in place and that the cost would stay at approximately £5,000, covering only the restarting of equipment and required water and machinery testing, with no additional estates related work anticipated. Patients living in the North of Powys would receive endoscopy services, into Shrewsbury and Telford Trust or other northern providers. The service had not been extended into North Powys although there is opportunity to develop an Endoscopy suite within the North.

Would the temporary closure of the Llandrindod Endoscopy Suite affect the annual JAG accreditation fee, and could assurance be provided that the current JAG assessors and assessment criteria remain consistent with those used previously?
The JAG accreditation fee was £3,000 per site, and the Health Board was currently only paying for the Brecon site, as the Llandrindod suite was not in operation, resulting in a saving. It was noted that while the service had made strong progress and had, at points, been able to achieve reaccreditation, the process had been affected by changing JAG requirements and timing issues, including the need for leadership roles to be in post for longer and the subsequent impact of staff retirement. These shifting expectations, combined with local staffing changes, had contributed to ongoing deferral of accreditation despite the service meeting required standards at various stages.

What were the implications of not securing JAG accreditation and whether continued deferral could lead to an indefinite position without full accreditation?
NK confirmed that many Health Board units in Wales were not accredited and that lack of accreditation did not affect the ability to operate the service. The Endoscopy service continued to meet ambitious standards and receive excellent patient feedback. While accreditation remained desirable as a quality mark, its absence did not impact service delivery.

The Committee RECEIVED and report and took **ASSURANCE** that JAG accreditation remains a priority for the service and work had progressed.

5.7 IN-REACH FRAGILITY (F&P/25/122)

NK presented the report and highlighted the complexity of Powys' provider role, delivering services across two health economies reflecting a complex and fragile system. It was noted that performance heavily affected by wider system level pressures and large backlogs within those commissioned providers. These pressures had reduced providers' ability to deliver contracted in reach activity, resulting in underperformance against service level agreements and corresponding underspend. Powys continue to work hard to maximise in reach capacity, achieving low DNA rates and maintaining target performance. The following key themes were highlighted:

- Provider specific challenges, included:
    a) Reduced in reach templates, particularly from Wye Valley.
    b) Ophthalmology underperformance of around 40%.
    c) Ongoing issues within reach consultant support for key targets
- Work continued through the Better Together Transformation Programme and Getting it Right First Time (GIRFT) to identify and implement opportunities to optimise planned care models, multidisciplinary working, and care flows.
- MSK physiotherapy triage model, implemented in September, had been effective in diverting patients to more appropriate services.
- A strategic plan for future sustainable planned care in Powys was being developed through the transformation and GIRFT programmes.

Independent Members sought assurance by asking the following questions:
Could assurance be provided that, given the flexibility in SLAs and frequent cancellations of in reach activity by providers, each specialty's in reach model remains beneficial?
It was confirmed that the Better Together GIRFT review was examining whether all specialties were best delivered through an in-reach model or whether alternative commissioning approaches would be more appropriate. The lack of clinical specialty leads in Powys had been a challenge, but recent engagement, including a workshop earlier in the week, had been positive and had strengthened confidence in the review's direction.

Was the Health Board confident that it was not paying for services that were not received, particularly in relation to healthcare agreements and whether non-delivered activity was not paid for?
NK confirmed that the in-reach service was operated on a cost-per-case basis, if activity was not delivered, it was not paid for.

Was there opportunity to increase the use of the private sector to maintain or improve current in-reach service levels, despite the associated costs?
NK confirmed that the Better Together Transformation work and the GIRFT review were expected to consider further options for insourcing and private sector provision, with recommendations to follow as part of that process.

The Committee **RECEIVED** the In-reach Fragility report and took **ASSURANCE** that the appropriate mechanisms were in place to monitor compliance.

5.8 CAPITAL AND ESTATES COMPLIANCE REPORT (F&P/25/123)

The Committee received an overview of the compliance framework within Estates and Capital. Within Capital, a structured approach to compliance was in place through capital procedures. Assurance was provided through routine audits undertaken by Shared Services Specialist Estate Services.
The recent Capital audit undertaken across Shared services received a rating of Reasonable Assurance, with the North Powys audit outcome awaited. Facilities compliance was also noted, with the latest food hygiene audit receiving a substantial assurance outcome.

Independent Members sought assurance by asking the following questions:
Was there a mechanism in place to improve the limited or reasonable assurance levels reported for low-voltage electrical systems, given the geographical challenges and recent work at Welshpool?
WT confirmed that audit outcomes had improved significantly over years, with fewer areas now receiving limited assurance. Electrical compliance remained a challenge due to ageing infrastructure, in response to audit recommendations, an electrical safety group had been established, and ongoing efforts continued to improve electrical compliance and infrastructure.

When were the results of the current asbestos audit expected?
WT confirmed that a draft asbestos audit report had been received in recent days and was under review. Assurance was given that the audit findings

would be shared in due course, and the importance of strong asbestos management was emphasised, particularly as Shared Services did not provide support for this compliance area.

Was there anything outside the usual compliance and audit processes that was causing concern or presents a significant risk that may not be visible through standard reporting?
The main concern was the pressures on resource, although audit outcomes provided good assurance, there was always a risk that isolated human error could lead to compliance issues.
Concern was also raised regarding the capacity of the team and the ongoing strain of maintaining compliance across the estate.

The Committee **RECEIVED** the report and took **ASSURANCE** that mechanisms were in place to monitor compliance.

5.9 COMMITTEE RISK REGISTER (F&P/25/124)

HB presented the report and drew attention to the following areas:

- Four strategic risks remain within the Committees' remit:
  - 001 – Financial Position
  - 007 – Estates
  - 009 - Continuing Healthcare
  - 012 – Reputation and Public Confidence
- The first three risks had been discussed in various parts of the agenda, although not all associated actions were discussed in detail.
- The Risk Register remained unchanged following the version received by the Board in January. This would be updated ahead of the Board meeting in March 2026.
- All risks would undergo a full annual review at year-end, aligned with the Board's strategic risk register and risk appetite, to ensure controls and assurances remain appropriate for the new financial year.

Independent Members sought assurance by asking the following questions: *Why was Continuing Healthcare (CHC) included as a strategic risk on the register, and should this risk be broadened to include other areas such as delayed transfers of care?*

HB confirmed this was due to significant growth in demand, associated financial pressures, and wider national issues affecting the service. Related risks such as those linked to provider and commissioned services were captured elsewhere. Broadening or reframing the risk was noted. This would be considered as part of the review of strategic and organisational risks to ensure they are positioned appropriately within the revised register.

The Committee **RECEIVED** the Committee Risk Register and took **ASSURANCE** that the risks are being managed in line with the risk management framework.

6. ITEMS FOR DISCUSSION

There were no items for discussion.

7. CONSENT AGENDA

The reports below were taken under the Consent Agenda and recommendations supported:

FOR ASSURANCE:

- 7.1 Internal Audit Reports (Substantial Assurance)
  - Primary Care Clusters Project Management
  - Core Financials (Reasonable Assurance)
- 7.2 Getting it Right First Time (GIRFT) Report
- 7.3 Highlight Report: Planning, Performance and Finance Sub-Committee report from 23.10.2025 and 27.01.2026
- 7.4 Committee Governance Action Plan

FOR INFORMATION:

- 7.5 Committee Work Programme 2025/26
- 7.6 PTHB Glossary

8. OTHER MATTERS

8.1 ANY OTHER BUSINESS (F&P/25/125)

No other business was raised.

8.2 ITEMS TO BE BROUGHT TO THE ATTENTION OF THE BOARD AND/OR OTHER COMMITTEES (F&P/25/126)

There was none.

8.3 COMMITTEE REFLECTIONS (F&P/25/127)

The following feedback was noted:

- Succinct meeting and easy to understand report presentations.
- Reports flowed well, moved logically from one topic to the next
- Chaired very effectively which contributed to smooth flow.
- Focused and purposeful reports helped ensure clarity

8.4 DATE OF NEXT MEETING (F&P/25/128)

14 May 2026 via Microsoft Teams

Meeting closed at 11:31