

**PWYLLGOR CYLLID A PHERFFORMIAD  
FINANCE AND PERFORMANCE COMMITTEE**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	24 February 2026
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Finance and Performance Committee Self-Assessment Report 2025/26
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Joanne Wilson, Director of Corporate Governance/Board Secretary
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Charlotte Wilmshurst, Assistant Director of Assurance and Risk

**Pwrpas yr Adroddiad (dewiswch fel yn addas)**

**Purpose of the Report (select as appropriate)**

Er Sicrwydd/For Assurance

**ADRODDIAD SCAA**

**SBAR REPORT**

Sefyllfa / Situation

The purpose of the report is to present the outcome of the Finance and Performance Committee (FPC) Self-Assessment 2025/2026 process to the Committee.

Cefndir / Background

In line with Section 10.2.1 of Standing Orders, the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups. Section 10.2.2 also states that each Committee must also submit an annual report to the Board through the Chair within 6 weeks of the end of the reporting year setting out its activities during the year and including the review of its performance and that of any sub-Committees it has established.

In addition to the annual Committee self-assessment process, after each meeting Independent Member (IM) Reflective Sessions take place to gather feedback and insights from Members on the meeting, in terms of what has gone well, what could have gone better, how quality has informed discussions, and issues that need to be raised at the Committee Chair's meeting. This feedback helps with the evaluation process and continuous improvement.

During previous years, Committee self-assessments have been based on a comprehensive review of feedback provided by the Committee Membership from the completion of a long questionnaire assessment. While these approaches provided valuable insights, they also led to survey fatigue and limited engagement. Feedback from a recent Corporate Governance Conference has highlighted the need for a proportionate process for assessment that avoids unnecessary complexity. This year's approach will streamline the assessment, focusing on critical governance behaviours and outcomes rather than exhaustive questionnaires.

This year's Committee self-assessment form focuses on five core areas of governance and assurance:

## **Financial Oversight and Stewardship**

The Committee provides effective oversight of the Health Board's financial planning, financial performance and delivery against Health board financial plans/objectives, and control, ensuring use of public funds in line with NHS Wales principles of value and transparency.

## **Performance Monitoring and Delivery**

The Committee effectively monitors performance against national and local NHS Wales targets, including quality, access, workforce, and operational delivery, as well as overseeing delivery against de-escalation criteria aligned to the Committee.

## **Risk Management and Assurance**

The Committee ensures that financial and operational risks are clearly identified, monitored, and mitigated through effective governance and assurance mechanisms.

## **Strategic Alignment and Value-Based Healthcare**

The Committee supports delivery of the Health Board's strategic objectives and promotes the principles of Value-Based Healthcare (VBHC), ensuring financial and performance decisions improve outcomes and sustainability.

## **Financial Strategy and Long-Term Sustainability**

The Committee receives sufficient assurance on the development and implementation of a clear, coherent, and sustainable financial strategic plan for the Health Board.

## **Asesiad / Assessment**

To improve response rates, taking into account that there is a process of continuous improvement through the IM post-committee Reflective Sessions, a short questionnaire was circulated to members to gather feedback on 5 key areas for the Committee (see above).

Respondents were asked to rate their level of agreement to 5 statements relating to key areas of focus for the Committee on a scale of 1–5. (1 - strongly disagree up to 5 – strongly agree) and to provide more information to support their rating.

Below are the statements relating to 5 key areas of focus for the Committee and the average ratings based on the responses received 5 (out of 9) responses were received (56% response rate).

Area and Statement	Average Rating
<b><i>Financial Oversight and Stewardship</i></b> <i>The Committee provides effective oversight of the Health Board's financial planning, financial performance and delivery against Health</i>	4.6

<i>board financial plans/objectives, and control, ensuring use of public funds in line with NHS Wales principles of value and transparency.</i>	
<b>Performance Monitoring and Delivery</b> <i>The Committee effectively monitors performance against national and local NHS Wales targets, including quality, access, workforce, and operational delivery, as well as overseeing delivery against de-escalation criteria aligned to the Committee.</i>	4.2
<b>Risk Management and Assurance</b> <i>The Committee ensures that financial and operational risks are clearly identified, monitored, and mitigated through effective governance and assurance mechanisms.</i>	4.6
<b>Strategic Alignment and Value-Based Healthcare</b> <i>The Committee supports delivery of the Health Board's strategic objectives and promotes the principles of Value-Based Healthcare, ensuring financial and performance decisions improve outcomes and sustainability</i>	4.2
<b>Finance Strategy and Long Term Sustainability</b> <i>The Committee receives sufficient assurance on the development and implementation of a clear, coherent, and sustainable financial strategic plan for the Health Board.</i>	4

The following themes were provided:

#### **What has gone well:**

- Clearer reporting: report format is helpful and enables transparency
- Papers are generally good quality with increased focus on delivery, efficiency and outcomes, enabling strong Independent Member (IM) challenge.
- Good attendance from Executives and IMs.
- Positive shift in Committee behaviour: finance and performance correlates more effectively.
- Increasing emphasis on forward action plans, trajectories and ownership.
- Strong questioning and assurance on whether mitigations are in place.
- Root cause analysis is more evident, with focused updates from relevant functions

#### **What we want to strengthen going forward:**

- Consistent operational risk management and assurance: Whilst there is a robust corporate regime around risk management and assurance there are inconsistent practices across functions, leading to uneven visibility of risk and assurance.
- Continue refining papers to support strategic, not operational, decision-making: some papers (e.g. action plans, business cases) still lack clarity, making strategic alignment difficult to evaluate. Updates from functions vary in quality and robustness; some prevent the Committee from gaining assurance on corrective actions.

- Assurance: The effectiveness of mitigation is not always probed in enough depth.
- Longer term focus: Short term organisational pressures are impacting longer term transformation decisions.
- Response to scrutiny: Stronger mechanisms are required for escalation when a function is repeatedly underperforming.
- Maintain the increased root-cause focussed approach for focused updates and action plans from those functions who are managing service areas that come under scrutiny.

### Suggestions from Respondents

- Performance monitoring and delivery: A stronger setting of the context in terms of de-escalation would be helpful
- A mechanism to instigate a response to continued escalation for a particular function is required.

### Overall Conclusion

Respondents recognise clear improvement in FPC scrutiny, reporting, and challenge. The Committee is seen as strengthening in rigour, focus, and alignment with Board principles. However, there remain systemic issues. Consistency, clarity, and longer-term organisational planning will strengthen the Committee's ability to take full assurance in several areas particularly sustainability, risk assurance, and strategic links to VBHC, and long-term organisational planning.

Area for improvement	By Whom	By When
Ensure report authors receive feedback on the quality of their papers being brought to Committee in order to improve and develop. Papers need to have a greater focus on longer term strategic matters alongside operational matters, risks, with clear, corrective actions, that provide assurance.	Executive Leads	April 2026
Committee Members to further challenge and scrutinise the effectiveness of risk control/mitigation measures for assurance.	FPC Members	April 2026
Further develop mechanisms to develop a response to continued escalation when a function is underperforming.	Director of Finance	June 2026

### Argymhelliad / Recommendation

The Finance and Performance Committee is asked to **CONSIDER** the outputs from the Committee Self-Assessment process and **AGREE** to the actions to be taken to improve its effectiveness.

<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of the Committees performance and operation, including that of any sub-committees established.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	10. Not Applicable

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	FPC Terms of Reference FPC Self-Assessment digital form results
Rhestr Termâu: Glossary of Terms:	Included within the report
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cyllid a Pherfformiad Parties / Committees consulted prior to Finance and Performance Committee:	Director of Corporate Governance

**Effaith: (rhaid cwblhau)**  
**Impact: (must be completed)**

<b>Ariannol / Gwerth am Arian: Financial / Service:</b>	No Direct Impacts
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	No Direct Impacts
<b>Gweithlu: Workforce:</b>	No Direct Impacts
<b>Risg: Risk:</b>	No Direct Impacts
<b>Cyfreithiol: Legal:</b>	No Direct Impacts
<b>Enw Da: Reputational:</b>	No Direct Impacts
<b>Gyfrinachedd: Privacy:</b>	No Direct Impacts
<b>Cydraddoldeb: Equality:</b>	No Direct Impacts