

**Trust Board Meeting: Wednesday 12 November 2014**  
**TB2014.135**

<b>Title</b>	<b>Finance &amp; Performance Committee Chairman's Report</b>
--------------	--

<b>Status</b>	For Information
<b>History</b>	This is a regular report to the Board

<b>Board Lead(s)</b>	Mr Christopher Goard, Committee Chairman			
<b>Key purpose</b>	Strategy	<b>Assurance</b>	Policy	Performance

## 1. Introduction

The Finance and Performance Committee met on 8 October 2014. The main issues raised and discussed at the meeting are set out below.

## 2. Significant issues of interest to the Board

The following issues of interest have been highlighted for the Trust Board:

- 2.1. The Committee was informed of the requirement issued jointly by NHS England, the Trust Development Authority [TDA] and Monitor, in relation to the 18 week Referral to Treatment [RTT] performance standard. In order to reduce the number of longer waiters across the country, all trusts are being required to focus throughout October and November 2014 on treating patients waiting over 18 weeks, with the only exception being patients who were classified as clinically urgent. It was noted that the new directive reinforced the terms of the NHS Constitution, which should be followed at all times. Insofar as it did make it inevitable that the Trust would fail the 18 week RTT performance standard in Months 8 and 9, the Committee asked that an updated trajectory be provided in relation to the key operational performance standards, together with plans for how and when they would be achieved.
- 2.2. Review of the Integrated Performance Report for Month 5 showed achievement of the standard for A&E, 95% of patients seen within four hours, and achievement of the standard for diagnostic waits, with no more than 1% of patients waiting over 6 weeks. However, it was noted that the number of delayed transfers of care continued to represent a significant challenge, and the 18 week RTT standards had not been met in Month 5.
- 2.3. The Committee was updated on progress made in delivery of the Trust's Cost Improvement Programme [CIP]. It was noted that the target set for Project Initiation Documents [PIDs] in 2015/16 was approximately 15% above the current projected CIP requirement.
- 2.4. An update was provided on progress in developing the Long Term Financial Model [LTFM], as part of the Trust's Integrated Business Plan [IBP]. The Board has since considered this in further detail at its Seminar on 22 October 2014. The IBP was formally approved at the Part II Meeting of the Trust Board held on 22 October 2014, and was submitted to Monitor on 31 October 2014.
- 2.5. In relation to the Better Care Fund initiative, the Committee received confirmation that neither the Trust nor Oxford Health Foundation Trust had accepted the contents of the submission made by Oxfordshire Clinical Commissioning Group [OCCG]. The Trust had submitted its comments on the position as stated by OCCG, and further developments were awaited.
- 2.6. An update was provided on progress towards improving patient experience in outpatients, highlighting in particular progress made in the outpatient re-profiling project, aimed at defining the demand, capacity and activity of all outpatient services at the Trust, to improve the efficiency of general and specialist outpatient clinic utilisation, and to standardise booking systems. A

revised clinic template was ready for adoption in ENT Outpatients, which was proposed as the first department within which the system for directly bookable appointments was to be rolled-out, subject to GPs' agreement. It was reported that the stated aim was for all clinics to be directly bookable by the end of October 2015.

### 3. Key Risks Discussed

The following risks were discussed:

- 3.1. The Committee considered the risk of non-alignment with commissioners' plans. In accordance with the PBR [Payment by Results] Code of Conduct, and the requirement on commissioners and providers to outline their intentions six months ahead of the next financial year, the Committee heard that the Trust had issued the outline of its intentions on 26 September 2014, and had received the OCCG and Wessex Specialist Commissioners' intentions on 30 September 2014. On the basis of initial indications of the commissioners' intentions, it was anticipated that it might prove difficult for the Trust to demonstrate alignment with them. The Committee accepted an increased risk rating recorded on the Corporate Risk Register, in relation to the risk of a mismatch with commissioners' plans.
- 3.2. The risks associated with potential winter pressures were considered, and the Committee reviewed the Trust's plans for delivering safe care over the coming winter, including planned capacity increases, in readiness for submitting finalised plans for winter preparedness to the Board at its meeting on 12 November 2014.
- 3.3. The Committee considered a risk assessment of the current forecast of the Trust's year-end financial position, noting that underlying trends at Month 5 gave cause for concern. The Committee was advised that a route would be set towards a year-end balance by the conclusion of the Quarter 2 Performance reviews.
- 3.4. The risks associated with delivery of the operational performance standards were considered, and the Committee requested updated projections in relation to the key operational performance standards, with detailed plans for how and when the standards would be achieved.

### 4. Key Actions Agreed

The Committee agreed actions as follows:

- Plans for winter preparedness should be finalised for presentation to the Board, including provision for follow-up of any issues which might have a negative impact on the release of planned additional capacity.
- A systematic review would be undertaken of completed and failed CIP, to identify whether there were any common factors which adversely affected the chances of success.

- A paper is to be prepared for consideration at the Committee's next meeting, to provide more relevant background detail on how priorities had been identified in relation to the Outpatients' Project work.
- On-going reports on progress in the Outpatient project work will be provided to the Committee, showing performance against key operational, performance and quality indicators, shown in a 'Dashboard' format.

## **5. Future Business**

Areas upon which the Committee will be focusing in the next three months include:

- Review of the Quarter 2 Divisional Compact Letters;
- Review of the integrated performance of the Trust;
- Review of financial performance against plan;
- Review of in-year delivery of efficiency savings for 2014/15;
- Cashflow Forecasting
- Review of the Board Assurance Framework and Corporate Risk Register;
- Review of the Clinical Divisional Structure;
- Testing the Updated NHS Premises Assurance Model 2014
- Reference Cost Guidance: report on outputs

## **6. Recommendation**

The Trust Board is asked to note the contents of this paper.

**Mr Christopher Goard**  
**Finance and Performance Committee Chairman**

**November 2014**