## Trust Board Meeting in Public: Wednesday 13 March 2019

**TB2019.28**

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<th>Title</th>
<th>Finance &amp; Performance Committee Report</th>
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<th>Status</th>
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<th>History</th>
<th>The Finance and Performance Committee provides a regular report to the Board.</th>
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<th>Board Lead(s)</th>
<th>Ms Paula Hay-Plumb, Finance &amp; Performance Committee Chairman</th>
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<th>Key purpose</th>
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## Executive Summary

1. The Finance and Performance Committee is a sub-committee of the Trust Board, and as such provides a regular report to the Board on the main issues raised and discussed at its meetings.

2. Under its terms of reference, the Committee is responsible for providing information and making recommendations to the Trust Board on financial and operational performance issues and for providing assurance that these are being managed safely.

## Recommendations

3. The Board is asked to:

   - Note the Finance and Performance Committee’s regular report to the Board from its meeting held on 13 February 2018.
Introduction
Since the Board last met in public in November 2018, the Finance and Performance Committee ["the Committee"] held its most recent regular meeting on 13 February 2018. The Committee also held an additional meeting on 27 February to review the Trust’s draft Business Plan for 2019/20.

Under its terms of reference, the Committee is responsible for providing information and making recommendations to the Trust Board on financial and operational performance issues and for providing assurance that these are being managed safely. This report aims to contribute to the fulfilment of that purpose.

Financial and operational performance issues reviewed by the Committee in February 2018

NHSI Undertakings
a) The Committee received an update on the Integrated Recovery Plan following the Board to Board session with NHSI which had taken place on 12 February. The meeting was regarded as having been supportive and had focussed particularly on work being undertaken on cancer pathways. It was noted that NHSI should be given advance warning of any significant concerns to the delivery of the plans described for key standards.

Urgent Care
b) A further update on the Winter Plan, focussed on delivery during December, was provided. It was noted that additional bed equivalent schemes had been delivered but had fallen short of bed numbers modelled as necessary to deliver 92% occupancy by 39 beds at the JR site and 10 beds at the HGH site. Both sites had adult occupancy levels of around 98-100% in December 2018.

c) The Committee heard that in December 2018, the Trust’s four-hour wait performance had been 87.39%. This represented an improvement of 6.7% when compared to December 2017, but did not achieve the trajectory of 90.3%. However the Trust’s four-hour wait performance in December was above both the Shelford and national means.

Elective care
d) On 31 December 2018, 49,466 people had been waiting on incomplete elective pathways for care at OUH. The waiting list size was 681 (1.36%) smaller than it had been on 31 March 2018 having grown in size during the earlier part of the year. The number of patients waiting had fallen by 2,074 since 31 October. 81.94% of people on the list were waiting for less than 18 weeks, worse than the 92% national standard. 8,934 people were waiting for over 18 weeks for treatment.

e) The Committee heard that 52-week waits had reduced from 199 in September to 79 in December. Waits of over 52 weeks in Gynaecology dropped from 158 to 55 over the same period.

Cancer Standards
f) The Committee was notified that six out of the eight cancer waiting time standards had been met in November: The two cancer wait standards that were
not achieved were first treatment within 62 days of urgent GP referral and first treatment within 62 days of referral from a screening service. The Committee heard that action continued to be taken to provide additional capacity to treat cancer patients within the national standards, particularly those waiting for surgical care, and to identify improvements to pathways of care.

g) In addition the Committee was joined by the Trust Cancer Lead and Trust Cancer Nurse who provided an update on the work being undertaken with external support to improve and streamline specific cancer pathways so as to provide more timely treatment and an improved experience for patients. This work had focussed on mapping pathways for the Urology, Gynae-oncology, Lung, Head & Neck, and Colorectal Cancer Services.

Financial Performance

h) The Committee heard that in-month for December, performance against the Control Total, excluding Provider Sustainability Funding (PSF), was a surplus of £0.8m, £1.6m higher than plan. Key drivers of this performance were:

- +£1.6m due to the delivery of one-off items;
- -£1.4m due to undelivered required improvements in the run rate, due to unidentified efficiencies and productivity improvements;
- +£1.3m net benefit from prior period items;
- -£0.5m due to staff incentive and premium costs to maintain capacity; and
- +£0.4m release of contingencies

i) Year to date, against the Control Total, excluding Provider Sustainability Funding (PSF), performance was a deficit of £12.0m, £0.1m higher than plan.

j) On top of the Control Total performance, Provider Sustainability Funding (PSF) of £8.6m has been accrued / paid, based on delivery of performance to date. Including PSF, year to date performance was a deficit of £3.5m.

k) Cash was £51.4m at month end. This is £17.0m above the plan and £13.6m higher than the previous month end.

l) Capital expenditure was £14.2m to the end of December, £7.5m below plan, due to lower spend in Radiotherapy Swindon (£3.1m), ED Resus Bay (£2.2m), Global Digital Exemplar (£1.6m) and Estates General (£2.1m), offset by higher spend on Research and Development (R&D) and Donations.

m) The Committee received an update on the projected forecast outturn, including performance to date, risks and opportunities. This detailed progress against one-off items, Operational Estates, IM&T and the NOTSSCaN. This detailed the discrete areas of improvement required and key assumptions to deliver the Control Total by year end, including that overall there was a plan to mitigate any quantified risk to operational financial performance through one-off items, albeit with a risk to a worsening underlying financial position.

Development of Annual Plan

n) At its additional meeting on 27 February the Committee considered an update on the development of the Trust’s Annual Plan submission to NHS Improvement. It reviewed the draft plan submissions that had been prepared and the timetable for completion of the plan.
o) Particular consideration was given to the work required to confirm the capacity that the Trust would have available for activity during 2019/20, the trajectories that should be included in relation to key performance standards and the issues to be clarified in assessing the viability of the Trust’s financial plans.

Other Items

p) The Committee heard that the Q3 divisional performance reviews would be held during February.

q) The Committee reviewed a summary of the current risks on the corporate risk register, including an update on the changes to risk scores.

Key Risks identified included:

a. It was recognised that bed equivalent capacity, though improved, remained below the levels required to deliver sustainable A&E performance and the overall smooth functioning of urgent care pathways.

b. The impact of insufficient capacity for the urgent care pathway on elective activity and the achievement of RTT (Referral to Treatment) and 52 week wait targets although the continued improvement in the position regarding the latter was recognised as being positive.

c. Ongoing failure to deliver the 62-day wait cancer target for GP referrals with constraints in diagnostics and theatre capacity highlighted.

d. The ongoing impact of workforce constraints on both bed and theatre capacity was highlighted, affecting both the ability of the Trust to treat elective patients and to appropriately manage non-elective flow.

Key Actions agreed included:

a. Continued emphasis on the delivery of plans related to the NHSI undertakings, with a particular focus on delivery of the 52 week target and the need to commit to an achievable trajectory for achievement of the 62 week cancer standard.

b. To secure continue to monitor bed equivalent availability across system and to ensure that sufficient numbers were in place.

Recommendation

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

Ms Paula Hay-Plumb
Finance and Performance Committee Chairman
March 2019