

Trust Board Meeting in Public: Wednesday 8 May 2019

TB2019.51

<b>Title</b>	<b>Finance &amp; Performance Committee Report</b>
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<b>Status</b>	For information
<b>History</b>	The Finance and Performance Committee provides a regular report to the Board.

<b>Board Lead(s)</b>	<b>Ms Paula Hay-Plumb, Finance &amp; Performance Committee Chairman</b>			
<b>Key purpose</b>	Strategy	<b>Assurance</b>	Policy	<b>Performance</b>

**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 10 April 2019.

## Introduction

Since the Board last met in public in March 2019, the Finance and Performance Committee [“the Committee”] held its most recent regular meeting on 10 April 2019.

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.

## Relevant risks on risk registers

Those rated 16 or 20 in Q4 included in the report provided to the Committee were:

- National access targets (A&E, RTT and Cancer)
- Workforce, capacity including the recruitment and retention of staff
- Financial control total and long term financial sustainability

## Updates on other existing concerns

The Committee received updates from the relevant execs on key areas of ongoing concern:

### a) NHSI Undertakings

The Committee received a verbal update on progress with the NHSI Undertakings. The Committee requested a written report on the NHSI enforcement undertakings at its next meeting. The Chair also informed the Committee that the governors raised this as part of the Governor’s Performance Workforce & Finance [PWF] Committee discussions.

### b) Urgent Care

The Committee noted in February 2019, (from the Integrated Performance R) the Trust’s four-hour wait performance was 81.39%. This was an improvement of 0.29% when compared to February 2018 but was below the trajectory of 90.1% agreed with NHS Improvement. No one waited for over 12 hours from a decision to admit to admission. Committee requested a written update on progress against NHSI the high impact areas for urgent care to be presented at the next meeting.

### c) Elective Care

The Committee noted that on 28th February 2019 (from the IPR) 50,267 people were waiting on incomplete elective pathways. This was a decrease in waiting list size when compared to January this year. The list size was 120 above its level on 31 March 2018. 83% of people on the list were waiting for less than 18 weeks, below the 92% national standard. The 52-week waits reduced from 52 in January to 39 in February. Subject to validation the figure was 9 at end March. The Committee recognised the huge effort put in by the Acting Director of Clinical Services and the related teams in relation to this area.

### d) Cancer Standards

The Committee noted (from the IPR) that four out of the eight cancer waiting time standards were met in January, this is a deterioration from the reported position in December 2018. Action continues to be taken to provide the additional capacity required to treat cancer patients, following the rise in demand which has been seen in Urological and Breast tumour sites.

### **e) Financial Performance**

The Committee received a written report on the Month 11 financial performance and a verbal update on the Month 12 performance; this is covered in more detail below.

#### **New issues arising**

The Committee received a report on the following as part of this meeting:

##### JR2 Theatre Refresh.

- a) It was confirmed that quality impact assessments of the theatre moves have been undertaken. The Committee heard that four theatres and central storage are closed in the first phase of the work.
- b) The latest action plan progress report sent to the CQC was provided to the Committee for review.
- c) The Committee asked about how issues such as repairs are reported and about clinical consensus and agreement to escalate issues. It was noted that there are weekly reviews of theatres management, staffing and capacity over the next 20 weeks.
- d) Committee requested a written report to assure itself on the governance and control of this project.

#### **Financial and operational performance issues arising from routine monitoring**

The Committee received the Integrated Performance Report, Financial Performance Report and Trust Annual Business Plan

##### Integrated Performance Report (IPR M11)

- a) The Committee reviewed the IPR M11. In February, diagnostic wait performance improved from 2.55% in January 2019 to 1.6%. This equates to 232 patients waiting for over six weeks. It was noted that there were 65 nationally-reportable breaches of the single-sex accommodation standard in February.
- b) The Committee's key concern from the discussion of this item was bed occupancy, if it were managed at 92% or below, there would be an impact on patient flow through the Trust. The number of patients across the four sites that are medically fit for discharge were also highlighted, if these patients were cared for in a more appropriate care setting this would release inpatient beds. It was confirmed that new strategies are in place especially around the stranded patients review, HART and the trusted assessor model.

##### Financial Performance up to (M11)

- a) The Committee received a written update on the Month 11 financial performance and a verbal update on the Month 12 financial position. It was noted that, subject to audit, the Trust should be £2.6m ahead of the financial control total. The Committee discussed the ongoing risk level in relation to this area and queried if the risk score should be reducing the Chief Finance Officer felt it remained high.
- b) The Committee sought assurance in relation to the capital expenditure plans for 2019/20 and specifically asked about the expenditure on equipment replacement.
- c) The Committee also asked questions in relation to cash flow projections, the expenditure on agency staff that was close to the ceiling and the profiling of one-off items over 2019/20.

Draft Trust Business Plan 2019/20 Update

- a) The Committee was given an outline of the main changes to the draft plan since it was discussed by the Trust Board in March. The modelling of activity has been adjusted to bring in the impact of the JR2 Theatre Refresh Project.
- b) The Committee discussed the main assumptions that make up the business plan, including workforce, productivity and financial.

Other Items

The Committee received updates on the, budget-setting for 2019/20, the Operational Productivity Plan and the Trust's contracting position for 2019/20.

**Key Risk areas** included:

- a. Patient flow and bed occupancy and the impact on the ability to deliver the 4 hour A&E standard.
- b. The impact of the JR2 Theatre Refresh Project on the overall size of the waiting list.
- c. The importance of being able to monitor performance against the Business Plan across all the key assumptions that feed into the plan, e.g workforce and productivity and not just finance.
- d. A discussion on the risk level associated with the on-going achievement of financial control total.

**Key Actions** agreed included:

- a. The Committee asked for short report to summarise the high impact areas on Urgent Care to come to the next meeting.
- b. The Committee asked for a review of the Trust's position as a screening outlier in more detail and for an update to be provided at the next meeting
- c. The Committee will receive a detailed financial performance analysis of year end performance in June. The Committee asked that this should include the delivery outturn for the divisions (clinical and non-clinical) against the forecast and impact on budgetary control in 19/20.
- d. The draft Annual Review of Committee Effectiveness was presented to the Committee and further work is being undertaken to review and update the Terms of Reference of the Committee and once this is completed the Annual Report will be presented to the Trust Board.

**Recommendation**

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

**Ms Paula Hay-Plumb**

**Finance and Performance Committee Chairman**

**May 2019**