Patients First
Together, putting patients first

NHS
Bradford Teaching Hospitals
NHS Foundation Trust

Board of Directors: 11.1.18
Agenda Item: Bo.1.18.20

Report from the Finance and Performance Committee
29 November 2017

Presented by:	Pauline Vickers, Non-Executive Director	**Author:**	Fiona Ritchie, Trust Secretary
Previously considered by:	n/a		

Key points	**Purpose:**
1. This paper provides a brief summary of the key matters that were discussed at the meeting of the Finance and Performance Committee which was held on 29 November 2017.	To discuss and note

Executive Summary:
The purpose of the Finance and Performance Committee, as set out in its Terms of Reference, is to provide detailed scrutiny of financial and performance matters in order to provide assurance and, if necessary, raise concerns or make recommendations to the Board of Directors.

Financial implications:

Regulatory relevance:

Monitor:	

Equality Impact / Implications:	**Is there likely to be any impact on any of the protected characteristics?** (Age, Disability, Gender, Gender Reassignment, Pregnancy and Maternity, Race, Religion or Belief, Sexual Orientation, Health Inequalities, Human Rights) Yes ☐ No ☒ If yes, what is the mitigation against this?

Other:	

Strategic Objective: *Reference to Strategic Objective(s) this paper relates to*	To deliver our financial plan and key performance targets

Finance and Performance Committee – 29 November 2017

1. Introduction

The purpose of this paper is to advise the Board of Directors of the key matters discussed and a brief summary of agenda items of the Committee which was held on 29 November 2017.

2. Key Matters discussed at the meeting held on 29 November 2017

- Financial Metrics
- Improvement Plan
- Organisational Performance
- Cancer Services Recovery Plan
- Winter Planning

3. Agenda items

3.1 Finance and Performance Committee Dashboard

The Finance and Performance Committee dashboard was discussed by the Committee.

3.2 Financial Report

The Trust reported a pre-STF deficit of £6.6m at the end of Month 7 which is £2.4m behind the pre-STF control total. None of the £0.98m STF can be recovered for Month 7. Including STF recovered for Q1 & Q2, the year to date (YTD) post-STF position is a deficit of £3.4m against a planned £0.1m surplus, meaning the Trust is £3.6m behind the cumulative post-STF control total. The in-month position is an adverse pre-STF variance of £2.4m. An adverse variance of £1.5m was forecast in the Improvement Plan, which means the Trust is £0.9m behind the Improvement Plan trajectory shared with NHSI.

The pre-STF forecast position for October including Improvement Plan measures was a net deficit of £1.33m. A pre-STF deficit of £2.3m was delivered, meaning after one month the Trust is behind its improvement plan trajectory by £0.97m.This £0.97m adverse variance is explained at a high level by the income run rate position being £0.8m worse than forecast and the delivery of non-recurrent improvement measures being £0.17m lower than planned. The underlying variances to the forecast for pay and non-pay expenditure and divisional income net off to only £2k, reflecting a broadly accurate forecast. The most substantial issue is the capture, count and coding of activity from EPR, which is reporting a material drop in activity for October. The teams in place to capture the activity and provide assurance around data quality continue to focus efforts on the targeted areas. It is anticipated the issues will be resolved and recovered for the reporting of the November position and the deadlines for reporting to commissioners. The recovery trajectory therefore assumes the Trust will reinstate the lost income in November and report an on plan position for the period ending 30 November. However, if this income cannot be substantiated and retrospectively charged for, the Trust's position will remain almost £1m behind the Improvement Plan after the first month. In this scenario, the Trust would need to make financial run rate improvements throughout the remainder of the year to recover the slippage.

Liquidity is broadly in line with plan at the end of October. The factors that strengthen the forecast liquidity position are the changes to the accounting treatment of NHS injury benefits (road traffic act); movement from non-current to current receivables (£1.7m).Liquidity is forecast to become negative from November. Should the Improvement Plan be delivered, liquidity is forecast to slowly improve from January 2018 onwards.

The Trust spent £1.4m on revenue agency staffing in October, which is £0.5m (56%) higher than the in-month ceiling. YTD agency spend is £8.4m which is £1.3m higher than the

£7.1m YTD ceiling (18%). A forecast based largely on an extrapolation of the current run rate results in full year agency spend of £14.5m - £15m, which is greater than the full year ceiling of £12.3m.

3.3 Approval Process for New Consultant Appointments

The updated Standing Financial Instructions and Scheme of Delegation were presented to the board in November and included a number of amendments.

Following the Board Meeting and subsequent discussion between the Chair and Chief Executive, it was agreed that the approval process for the appointment of new consultants would be summarised for the November meeting of the Finance and Performance Committee.

It was agreed that the current business case process will be followed.

Following approval, a summary FBC will be presented to the Finance and Performance committee that captures the key objectives of the approved appointment. In addition the summary FBC will detail the financial implications including the cash flow impact and will also detail the proposed realisable benefits.

A six month post implementation review will be undertaken and initially presented to EMT then subsequently to the Finance and Perforamce Committee.

3.4 Performance Report

Post Cerner implementation full reporting for a number of key access targets remains outstanding including: RTT and Diagnostics.

Reporting of the total elective waiting list size is being developed as part of the RTT reporting suite. Long waiting patients are being managed by Divisions by front end Cerner applications. The number of long waiting patients >40 weeks has remained relatively stable.

The last nationally reported Cancer position was in August 2017. Work is continuing to re-establish reporting post Cerner implementation.

Due to further development required by Cerner regarding diagnostic reporting for endoscopy and neurophysiology the DM01 position is reported excluding these tests. For other tests the threshold was achieved with no breaches reported for CT tests.

The rerun of September stroke data did not improve performance and the indicator is reported as not achieved for both September and October.

A draft report on VTE assessment performance for October 2017 has been prepared which reports performance as 85.35%. The recreation of reporting via Cerner highlights the need to review the original cohorting rules via the VTE Steering group.

The Emergency Care Standard performance for October 2017 was reported as 84.5%.

The maximum C Difficile position for financial year 2017/2018 is currently 10 cases with 7 cases awaiting post infection review. 3 cases were reported in October 2017.

No MRSA cases were reported in October 2017. There have been 3 attributed cases year to date.

3.5 Emergency Care Standard Recovery Plan

In response to the reduced level of performance of the Accident & Emergency 4 hour standard and a request from NHS Improvement (NHSI), the Trust has developed and agreed a Trust wide Urgent & Emergency Care Improvement Programme.

The programme has been spilt into three separate, although wholly linked and integrated workstreams. These workstreams are Emergency Care Access, Emergency Care Flow and Hospital Flow and Discharge.

This programme reports directly to the Trust Improvement Committee and whilst the programme is all encompassing, is chaired by the Divisional Clinical Director for Medicine & Integrated Care.

3.6 Improvement Programme Update

The Improvement Programme update focussed on the organisational support now in place and the success of the facilitated leadership working session in early November, whereby the senior leaders in the Trust spent two full days evulating the criteria and success factors that are required to be in place to manage and run a complex organisation. From a productivity improvement perspective, the programme initially looks to deliver operational efficiencies in theatres and the endoscopy unit which are scheduled to deliver tangible financial benefits in the 2017/18 financial year.

3.7 Trust Improvement Committee Report

The original improvement programme savings as at the end of October show a total of £9.6m savings delivered against planned savings of £11.1m. Key contributors to the offplan variance are:

- failure to maintain a pipeline of new Divisional housekeeping savings;
- high levels of agency spend;
- a slowdown in the theatre efficiency programme resulting from EPR Go-Live, and,
- the exhaustion of non-recurrent savings in previous months.

In support of the Trusts aggregate position and to reinvigorate its current Improvement Programme a new Improvement Plan has been developed to support existing priorities and to consider new opportunities. These opportunities are currently being prioritised, scoped, and in some areas delivery have already commenced.

3.8 Informatics Performance Report

EPR is in steady state and transitioning to business as usual.

The data warehouse projects continue.

The Information Technology team is now actively focussing on upgrading the core switches that run the network. There continues to be an operational issue with the air conditioning unit in the main Data Centre with replacement completing in November 2017. Planned work is being expedited to provide a more resilient architecture for the link for Pathology.

3.9 Winter Planning

The Director of Governance and Operations gave the Committee a verbal update on the WYAAT winter planning bid submitted to NHSI.

3.10 Board Assurance Framework

The Finance and Performance Committee is responsible for the following strategic risks in the Board Assurance Framework.

- **SR2a: To deliver our financial plan**
  The Executive Lead is the Director of Finance

- **SR2b: To deliver our key performance targets**
  The Executive Lead is the Director of Governance and Operations

The Committee discussed and gained assurance on the management of the risks.

4. Escalation to the Corporate Risk Register

There were no items to escalate to the Corporate Risk Register.

5. Recommendation

The Board of Directors is asked to note the above points.

Board of Directors: 11.1.18
Agenda Item: Bo.1.18.20

Report from the Finance and Performance Committee
20 December 2017

Presented by:	Pauline Vickers, Non-Executive Director	**Author:**	Fiona Ritchie, Trust Secretary
Previously considered by:	n/a		

Key points	**Purpose:**
1. This paper provides a brief summary of the key matters that were discussed at the meeting of the Finance and Performance Committee which was held on 20 December 2017.	To discuss and note

Executive Summary:
The purpose of the Finance and Performance Committee, as set out in its Terms of Reference, is to provide detailed scrutiny of financial and performance matters in order to provide assurance and, if necessary, raise concerns or make recommendations to the Board of Directors.

Financial implications:

Regulatory relevance:

Monitor:	

Equality Impact / Implications:	**Is there likely to be any impact on any of the protected characteristics?** (Age, Disability, Gender, Gender Reassignment, Pregnancy and Maternity, Race, Religion or Belief, Sexual Orientation, Health Inequalities, Human Rights) Yes ☐ No ☒ If yes, what is the mitigation against this?

Other:	

Strategic Objective: *Reference to Strategic Objective(s) this paper relates to*	To deliver our financial plan and key performance targets

Finance and Performance Committee – 20 December 2017

1. Introduction

The purpose of this paper is to advise the Board of Directors of the key matters discussed and a brief summary of agenda items of the Committee which was held on 20 December 2017.

2. Key Matters discussed at the meeting held on 20 December 2017

- Financial Metrics
- Trust Improvement Plan
- Organisational Performance
  - RTT
  - Cancer waits
  - VTE

3. Agenda items

3.1 Finance and Performance Committee Dashboard

The Finance and Performance Committee dashboard was discussed by the Committee and used as the mechanism to discuss key performance indicators.

3.2 Finance Report

The Trust reported a pre-STF deficit of £7.5m at the end of Month 8 which is £3.3m behind the pre-STF control total. None of the £2m STF can be recovered for Months 7 & 8. Including STF recovered for Q1 & Q2, the YTD post-STF position is a deficit of £4.3m against a planned £1.2m surplus, meaning the Trust is £5.5m behind the cumulative post-STF control total. The in-month position is an adverse pre-STF variance of £1m. A YTD pre-STF deficit £6.2m was forecast in the revised Improvement Plan, which means the Trust is £1.3m behind the Improvement Plan trajectory.

Expenditure in November was higher than forecast in a number of areas and many of the improvement plan measures scheduled for November were delayed. This was partially offset by further non-recurrent measures; however these were insufficient to bring the Trust back into line with the revised Improvement Plan trajectory. Work is ongoing to identify new measures to improve the current trajectory forecast.

Cash is lower than plan by £5.7m mainly due to the Quarter 2 payment for STF with NHS England.

Liquidity is 2.2 days below plan at the end of November, reflecting the use of non-recurrent measures to offset improvement plan shortfalls, lower than planned levels of clinical income and delays with STF payments.

The Trust spent £1.3m on revenue agency staffing in November, which is £0.4m (47%) higher than the phased in-month ceiling. YTD agency spend is £9.7mm which is £1.7m higher than the £8m YTD ceiling (21%). The year end forecast is full year agency spend of £14.5m - £15m, which is significantly greater than the full year ceiling of £12.3m.

The forecast delivery from the original CIP programmes have been amalgamated with the £12.2m Improvement Plan requirement to arrive at a projected combined efficiency requirement of £25.8m in 2017/18. This extended target reflects deteriorations in the income and expenditure run rate in recent months and additional unplanned cost pressures arising in the year, as well as the reliance on non-recurrent measures to deliver the control total in Quarters 1 & 2. At present, plans are in place to deliver £21m of efficiencies against

this target, resulting in a shortfall of approximately £4.6m. BTHFT is investigating a number of options to address this shortfall, however delivery at present is not assured.

3.3 Medical Pathways Review by NHSI

An NHSI Improvement team led by Dr Vincent Connolly visited BTHFT on 24 November 2017 to review urgent care medical pathways. The team reviewed BTHFT's Urgent Care Improvement Plan and observed many areas including ED, admissions units and 2 downstream wards; respiratory and cardiology. Initial feedback was given to clinical and managerial colleagues and a follow up letter was sent and discussed by the Committee.

3.4 RTT

A presentation was given on the 18 weeks RTT and Non RTT post EPR implementation. Currently BTHFT cannot report an accurate RTT position post Cerner implementation. This is due to an inability to accurately split the incomplete PTL into admitted and non admitted pathways plus data quality issues. BTHFT is also unable to report the accurate position on endoscopy and neurophysiology.

No date is available as to when this can be fixed.

Internally the incomplete PTL is run daily rather than weekly and daily validation of over 18 weeks patients is occurring.

3.5 Performance Report

Post Cerner implementation full reporting for a number of key access targets remains outstanding including: RTT, Cancer and Diagnostics.

The Emergency Care Standard performance for November 2017 was 84.97%.

Reporting of the total elective waiting list size is being developed as part of the RTT reporting suite. Long waiting patients are being managed by Divisions by front end Cerner applications. The number of long waiting patients >40 weeks has remained relatively stable.

A Cancer position for September has been produced which reports failures against the Cancer 2 week wait, Cancer 62 day first treatment and Cancer 62 day screening targets.

The maximum C Difficile position for financial year 2017/2018 is currently 12 cases with 7 cases awaiting post infection review. 2 cases were reported in November 2017.

No MRSA cases were reported in November 2017. There have been 3 attributed cases year to date.

The Stroke indicator was achieved in November 2017.

VTE assessment performance for November 2017 was 80.22%.

3.6 Trust Improvement Committee Report

The Trust Improvement Committee report was discussed. The majority of this item was covered under the Finance Report.

3.7 Informatics Performance Report

As the Electronic Patient Record (EPR) is becoming embedded the focus is now on adoption metrics and using the EPR as in a standard and consistent way. Key Performance Indicators (KPIs) have been developed.

The Information Technology team is now actively focussing on upgrading the core switches that run the network. The air conditioning unit in the main Data Centre was replaced in November 2017. Planned work is being expedited to provide a more resilient architecture for the link for Pathology.

3.8 Board Assurance Framework

The Finance and Performance Committee is responsible for the following strategic risks in the Board Assurance Framework.

- **SR2a: To deliver our financial plan**
  The Executive Lead is the Director of Finance

- **SR2b: To deliver our key performance targets**
  The Executive Lead is the Director of Governance and Operations

The Committee discussed and gained assurance on the management of the risks and discussed gaps in assurance.

4. Escalation to the Corporate Risk Register

There were no items to escalate to the Corporate Risk Register.

5. Recommendation

The Board of Directors is asked to note the above points.