

Board of Directors: 8.3.18

Agenda Item: Bo.3.18.17

Report from the Finance and Performance Committee 31 January 2018

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 31 January 2018.	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:	
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Equality Impact / Implications:	<p>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)</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If yes, what is the mitigation against this?</p>
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Other:	
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Strategic Objective:	To deliver our financial plan and key performance targets
<i>Reference to Strategic Objective(s) this paper relates to</i>	

Finance and Performance Committee – 31 January 2018

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 31 January 2018.

2. Key Matters discussed at the meeting held on 31 January 2018

- Financial Metrics
- Liquidity
- Trust Improvement Plan
- Organisational Performance
 - RTT
 - Cancer waits
 - ECS

3. Agenda items

3.1 Finance and Performance Committee Dashboard

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

3.2 Finance Report/Trust Improvement Plan

The Foundation Trust reported a pre-STF deficit of £7.7m at the end of Month 9 which is £1.6m behind the pre-STF control total. A YTD pre-STF deficit £7.7m was forecast in the revised Trust Improvement Plan, which means the Foundation Trust is in line with the Improvement Plan trajectory at Month 9. None of the £3m STF can be recovered for Quarter 3. The YTD post-STF position is a deficit of £4.5m against a planned £0.2m surplus, meaning the Foundation Trust is £4.7m behind the cumulative post-STF control total. The in-month position is a favourable pre-STF variance of £1.8m, reflecting non-recurrent flexibility deployed. The FYE forecast presented is full delivery of the pre-STF control total, although there remain unmitigated risks to this forecast.

There is a risk relating to the income estimate as the Trust's ability to substantiate its income position remains restricted following the EPR implementation.

Cash is lower than plan by £7.1m and this reflects the shortfall against the post-STF control total, the reliance on non-recurrent flexibility to deliver this position and an underspend on capital plans.

Liquidity is 1.3 days below plan at the end of December 2018, reflecting the use of non-recurrent measures to offset improvement plan shortfalls, lower than planned levels of clinical income and delays with STF payments. Liquidity is forecast to remain negative from December 2018 onwards. The current improvement plan trajectory is forecast to result in negative liquidity of -10.6 days at the end of March 2018.

The Foundation Trust spent £1.4m on revenue agency staffing in December which is £0.4m (40%) higher than the phased in-month ceiling. YTD agency spend is £11.2m which is £2.2m higher than the £9m YTD ceiling (21%). The year end forecast is full year agency spend of £15m - £15.7m, 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 and run rate deterioration to arrive at a projected combined efficiency requirement of £28.3m in 2017/18. This 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 improvement plan trajectory in Quarters 1-3. At present, plans are in place to deliver £22m of efficiencies against this target, resulting in a shortfall of approximately £6.3m. Even this forecast contains a significant degree of risk and the actual outturn may be even less favourable.

3.3 Contract update 2018/19

The Director of Finance provided the Committee with an update of where BTHFT was with regard to the 2018/19 contract. Central guidance on the 2018/19 contractual process has not yet been published.

3.4 2018/19 Financial Plan

The Director of Finance gave a presentation on the 2018/19 Financial Plan. There will be the opportunity to discuss this in more detail at the Board session of the 8th February 2018.

3.5 Performance Report

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

The Emergency Care Standard performance for December 2017 was reported as 82.96%.

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 increased since December and was reported as 232 in mid-January 2018.

The Foundation Trust has reported 2 RTT Incomplete 52 week waiters as part of the unofficial return for December 2017. Both patients were in the Trauma and Orthopaedic specialty.

A Cancer position for November has been submitted as a national return. Failures to deliver the standards have been reported against the Cancer 2wk, Cancer 31 day, Cancer 62 day first and Cancer 62 day screening thresholds.

The maximum C Difficile position for financial year 2017/2018 is currently 15 cases with 8 cases awaiting post infection review. 3 cases were reported in December 2017.

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

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 not achieved in December due to breaches in Non Obstetric Ultrasound and Rheumatology.

The number of Ambulance handover delays increased sharply in December 2018 with 97 30-60 minute breaches and 78 60 minute plus breaches.

Following clinical review of the long standing VTE cohorting rules the positions for October November and December have been recalculated and report an improvement in performance with December 2017 at 90.4%.

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 Post EPR Outpatients Productivity

The majority of specialties are back to pre EPR levels in outpatients.

Endoscopy and elective surgery are still below pre EPR levels.

A detailed recovery plan is in place which is monitored through the weekly data quality group chaired by the Acting Chief Operating Officer.

3.8 Cancer Deep Dive Presentation

The Acting Chief Operating Officer gave an in depth presentation on Cancer waiting standards. Discussion focused on the delivery of the Cancer Improvement Plan.

3.9 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 Chief Operating Officer

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.