

Board of Directors: 12.07.18

Agenda Item: Bo.7.18.17

Report from the Finance and Performance Committee - 30 May 2018

Presented by:	Pauline Vickers, Non-Executive Director	Author:	Jacqui Maurice, Head of Corporate Governance
Previously considered by:	n/a		

Key points	Purpose:
1. This paper provides a brief summary of the key matters that were discussed at the meetings of the Finance and Performance Committee held on 30 May 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:
Choose an item.

Regulatory relevance:

Monitor:	Choose an item.
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Equality Impact / Implications:	Choose an item.
	Choose an item.
	Choose an item.
	Choose an item.
	Choose an item.
	Choose an item.
	<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>

Other:	
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Strategic Objective: <i>Reference to Strategic Objective(s) this paper relates to</i>	To deliver our financial plan and key performance targets
	Choose an item.
	Choose an item.
	Choose an item.

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1. Key Matters discussed

The Committee would like to draw particular attention to the following key items presented in the report below.

- Finance Report under 2.3
- Performance regarding the Cancer 2 Week Waits included in 2.2
- The benefits that should be realised from the implementation of the Activity Tracker under section 2.9
- The improved performance in relation to the Emergency Care Standard as reported in 2.2

2. Agenda Items discussed

2.1 Board Assurance Framework

The committee discussed the work that had taken place on updating the BAF, particularly in relation to performance. The Committee would now use it to help identify where positive assurance was provided and also help identify any gaps in assurance (and mitigating actions).

2.2 Finance & Performance Committee Dashboard

The Committee receive detailed reporting on all performance areas and noted the following;

- Improvements to Length of Stay
- Overall bed occupancy has reduced and that is having a positive impact.
- The new pathology indicator has been included in the dashboard and has been achieved.
- The indicators for patients who did not attend ("DNA") have improved slightly but within normal variation. A detailed discussion was held by the Committee regarding DNAs
- A validation programme testing and correcting waiting list data quality issues is now underway.
- The Emergency Care Standard ("ECS") has improved. On Saturday 26th May the Trust achieved 95%. The figure for the Bank Holiday Monday (28th May) was 94% but overall the Trust is reporting an improvement.
- The biggest area of concern is Cancer where work on tracking and pathway improvements is ongoing to improve achievement against the target for patients seen by a specialist within 14 days of an urgent GP referral for suspected cancer.
- The Trust achieved the stroke indicator for April with 80% of patients spending 90% of time on a designated stroke ward.

2.3 Finance Report

The Committee focussed discussion on the following key areas within the Finance Report and noted that;

- The month end deficit of £2m which was in line with plan.
- The income planned for April was £32.8m and actual achievement was £31.1m (£1.7m behind on contract income).
- Pay expenditure is online with plan and non-pay expenditure is under plan by £1.8m, which offsets the income under recovery.
- The planned pre-Sustainability and Transformation fund ("STF") control total is for an increasing deficit until September (£8.4m deficit). The plan for September onwards shows a more flattened trend line and a planned £7.5m deficit by year end. The committee noted that the planned post-STF total has a slightly different trajectory due to the planned value of STF

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achieved in quarter three and quarter four (planned STF achievement is for £3.6m in quarters one and two, and £6.7m in quarters three and four).

- From a balance of £25.6m in cash at the beginning of the year, the in-month planned cash trajectory broadly tracks to the I&E profile for the year.
- The bonus STF achieved in 2017/18 by the Trust hasn't, as yet, been allocated to specific schemes within the capital programme and is undergoing an internal prioritisation/review process before being submitted for approval.

The Committee discussed the positive outcomes from the work as One Week, including better performance with regard to the ECS standard however, concerns were expressed with regard to the potential for 'initiative overload'. The Committee noted the support provided to staff so that they were not overwhelmed and, noted that previous experience has shown that the structured nature of such initiatives does help to support improvements which impact both finance and performance.

With regard to assurance the committee noted that;

- A fundamental budget reset has taken place (which was presented at the last Committee meeting)
- All internal monitoring and management governance around the Bradford Improvement Programme (BIP) has been completed
- Performance meetings are focused on run rates and issues have been identified around stock control issues leading to the development of mechanisms to allow Finance to be informed and for the Divisions to introduce improved grip and control.
- BIP meetings are focused on CIP schemes and achievements.
- A new process for receiving income and expenditure requests through Executive Management Team ("EMT") meeting has been introduced.
- Enablers to manage the financial position in more real time have been developed as have enablers are maximising the financial benefits of the embedded ePR.
- It is imperative that the Trust ensures full ownership of BIP . A lot of clinical and non clinical staff have a genuine interest and as such the Trust needs to harness this – ideas are being developed on how to engage with staff.
- The importance of protecting the cash position and noted that slippage on the I&E plan could compromise the capital programme.
- The negative assurance was that some of the key lines are not delivering at the moment

2.4 Budget Re-basing exercise 2018-19

The Committee noted that feedback from the Trust on the budget re-basing has been reasonably positive. Overall the Divisions recognise and understand the approach and the principles with regard to the budgets have been applied consistently with any genuine errors have been corrected.

2.5 Performance Report

The key positive messages noted by the committee were:

- ECS for April was 83% and is 87% in May
- The Diagnostic waiting times (DM01) position has improved but noted the increased trend on cardiac CT referrals. EMT has discussed what is driving this
- The VTE target was achieved for first time since 2016
- There is one never event being discussed at Quality Committee

2.6 Informatics Performance Report

The key points noted from the report were that:

- Full support has been provided for clinical teams for ePR.

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- A full set of commissioning datasets have been submitted for first time post ePR.
- The apprenticeship programme for both Information Technology and Business Intelligence covering specific vacancies.

2.7 Trust Improvement Committee Report

Updates on the key items from the Trust Improvement Committee Report were discussed under other agenda items.

2.8 Recovery Plan Update

Updates on the key areas relating to Recovery Plan updates were discussed under other agenda items.

2.9 Weekly activity tracker & trajectories by specialty update

- The Trust started developing a tool for capacity and demand analysis by specialty in November 2017, focusing on the true core capacity. I
- The tool has been tested and rolled out to main the Referral to Treatment (“RTT”) specialties and the next step is to focus on cancer pathways and capacity.
- The Trust wants to ensure all specialties have sustainable waiting lists.
- The annual capacity and demand exercise is based on job plans and using all capacity resource, looking at waiting lists, theatre capacity, clinic templates etc. and this ultimately gives the Trustwide core capacity to inform what the Trust can deliver sustainably.
- Going forward, specialties will be provided with a dashboard showing activity versus plan, with reference to associated income and performance metrics.
- Next phase of development for the tool will be to look at capacity for urgent pathways for patients to be seen by a specialist within 14 days of an urgent GP referral for suspected cancer.

The committee received a demonstration of the weekly tracker and noted that increasing tracking enables the possibility of assessing for positive assurance as one of the biggest risks to patients is waiting too long and the tracker addresses this by showing the waiting list and if patients are being treated in chronological order. There is an opportunity for patients to come back in urgently if required.

2.10 Draft Internal Audit Plan 2018-19

Committee noted the request from the Audit and Assurance Committee to review the plan for any gaps related to their areas of focus. There were none currently however the Committee would make a request for an audit if the need arose.

2.11 Matters to share with other Committees

The Committee recommended that a presentation be delivered to the Board of Directors once the Activity Trackers were sufficiently embedded.

3. Recommendation

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