

Meeting Title	Board of Directors		
Date	13.9.18	Agenda item	Bo.9.18.31

Finance and Performance Committee Annual Report 2017/18

Presented by	Pauline Vickers, Chair of the Finance and Performance Committee		
Author	Jacqui Maurice, Head of Corporate Governance		
Lead Director	Matthew Horner, Director of Finance and Sandra Shannon, Chief Operating Officer		
Purpose of the paper	To present the annual report from the Committee to the Board of Directors		
Key control	The Finance and Performance Committee assures the strategic objectives to: - deliver the Foundation Trust's financial plan and to - deliver the Foundation Trust's key performance targets		
Action required	To receive		
Previously discussed at/ informed by	Finance and Performance Committee		
Previously approved at:	Committee/Group	Date	
	Finance and Performance Committee	29 August 2018	
Background			
<p>This annual report from the Finance and Performance Committee incorporates an outline of the activities of the Finance and Performance Committee and the; Performance Committee and the Finance and Investment Committee which were in existence up to August 2017.</p> <p>The purpose of the Finance and Performance Committee is two-fold:</p> <ul style="list-style-type: none">- To maintain a detailed overview of the Foundation Trust's assets and resources in relation to the achievement of financial targets, business objectives and the financial stability of the Foundation Trust.- To provide detailed scrutiny of performance matters. <p>The Finance and Performance Committee provides assurance and, if necessary raises concerns or makes recommendations to the Board of Directors. In fulfilling this purpose, the Finance and Performance Committee will at all times seek assurance that patient safety is not compromised by any proposed recovery or action plan.</p> <p>In June 2017 the Board of Directors undertook a comprehensive review of its Board and Committee Structures to improve the effectiveness of the Board. The Board determined that the Performance Committee and the Finance and Investment Committee would merge to form the Finance and Performance Committee. The new Committee structure was implemented in September 2017.</p> <p>The responsibility of the Performance Committee was to provide detailed scrutiny of performance matters in order to provide assurance and, if necessary, raise concerns or make recommendations to the Board of Directors. The Finance and Investment Committee was established in January 2016. The Committee maintained a detailed overview of the Trust's assets and resources in relation to the achievement of financial targets, business objectives and the financial stability of the Trust. The Committee provided assurance and, if necessary raised concerns or made recommendations to the Board of Directors.</p> <p>The Annual Report sets out how the Committees have each met their Terms of Reference and key priorities during the reporting period.</p>			
Recommendation			
The Board of Directors is requested to note the work of the Committees in 2017/18.			

Meeting Title	Board of Directors		
Date	13.9.18	Agenda item	Bo.9.18.31

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

Finance and Performance Committee Annual Report 2017/18 to the Board of Directors

1. Introduction

Good practice states that the Board of Directors (the Board) should review the performance of its Committees annually to determine if they have been effective, and whether further development work is required.

The period reported on is from 1 April 2017 to 31 March 2018

1.1 Review of Committees

In June 2017 the Board of Directors undertook a comprehensive review of its Board and Committee Structures to improve the effectiveness of the Board. The Board determined that the Performance Committee and the Finance and Investment Committee would merge to form the Finance and Performance Committee. The new Committee structure was implemented in September 2017.

1.2 Scope of this Annual Report

This annual report from the Finance and Performance Committee incorporates an outline of the activities of the Performance Committee and the Finance and Investment Committee which were in existence up to August 2017.

The report sets out how the Performance Committee, Finance and Investment Committee and the Finance and Performance Committee have each met their Terms of Reference and key priorities during the reporting period.

2. Finance and Investment Committee (April 2017 to August 2017)

2.1 Responsibilities

The Finance and Investment Committee was established in January 2016. The Committee maintained a detailed overview of the Trust's assets and resources in relation to the achievement of financial targets, business objectives and the financial stability of the Trust.

The Committee provided assurance and, if necessary raised concerns or made recommendations to the Board of Directors. In fulfilling this purpose, the Committee sought assurance that patient safety was not compromised by any proposed recovery or action plan.

From April 2017 to August 2017 the duties of the Committee included:

- 2.1.1 Overseeing the development and maintenance of the Trust's medium and long term financial strategy
- 2.1.2 Overseeing the development and delivery of the Trust's annual plan and integrated business plan
- 2.1.3 Reviewing and monitoring financial plans and their link to operational performance
- 2.1.4 Overseeing financial risk evaluation, measurement and management
- 2.1.5 Scrutiny and approval of business cases (within delegated limits)
- 2.1.6 Approval and oversight of the Capital Programme

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

In addition, the Committee received and reviewed those Board Assurance Framework risks allocated to it by the Board, monitored progress made in mitigating those risks, identified any areas where additional assurance was required and escalated assurance to the Board as agreed by the Committee.

2.2 Membership and attendance record

The Finance and Investment Committee met on a monthly basis and met five times during the reporting period.

Membership and attendance is recorded in the table below:

MEMBERS	26.4.17	31.5.17	28.6.17	26.7.17	30.8.17	TOTAL
Amjad Pervez (Chair)	✗	✓	✓	✓	✓	4 of 5
Pat Campbell	✓	✓	✓	✓	✓	5 of 5
Karen Dawber	✓	✗	✓	✓	✓	4 of 5
Cindy Fedell	✓	✓	✗	✓	✓	4 of 5
Bryan Gill	✓	✓	✓	✓	✓	5 of 5
John Holden	✓	✓	✗	✓	✓	4 of 5
Matthew Horner	✓	✓	✓	✓	✓	5 of 5
Clive Kay	✓	✗	✗	✓	✓	3 of 5
Donna Thompson	✓	✗	✗	✓	✓	3 of 5
Mohammed Iqbal	✗	✓	✗	✓	✓	3 of 5
James Walker	✓	✓	✗	✓	✓	4 of 5
David Munt	✓	✓	✓	✓	✓	5 of 5
Selina Ullah	✗	✗	✓	✗	✗	1 of 5
Pauline Vickers	✗	✓	✓	✓	✗	3 of 5
✓ = Attended	✗ = Apologies sent			Denotes period when not a member of the Committee		

Committee meetings are also attended by the Trust Secretary.

In order for the meeting to be quorate, there should be at least the Chair, four members and the Finance Director and/or Deputy Director of Finance (or Assistant Director of Finance) present.

2.3 Reporting requirements

Each month the Finance and Investment Committee received and reviewed reports on standard agenda items;

- 2.3.1 Finance report
- 2.3.2 New Hospital Wing Progress Report
- 2.3.3 Board Assurance Framework

Additional items reviewed are listed below;

- 2.3.4 2017-18 Financial Plan

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

- 2.3.5 Five Year Capital Programme
- 2.3.6 Claims Annual Report
- 2.3.7 Contract Income
- 2.3.8 Year End Overseas Visitors Report
- 2.3.9 Reference Costs Methodology 2016-17
- 2.3.10 Financial Challenge 2017-18
- 2.3.11 Finance Improvement Plan Framework
- 2.3.12 Reference Costs Checklist
- 2.3.13 Year End Private Patient Report
- 2.3.14 2017-18 Five Year Forward Looking Capital Programme
- 2.3.15 Draft Improvement Plan Framework

After each meeting, the Committee reported to the next Board meeting by way of a summary report of key points discussed. Once the meeting minutes were agreed by the Committee, a copy was submitted to the subsequent Board meeting.

Minutes included a description of the business conducted, risks identified and key actions agreed. Issues and items that have been escalated to the Board covered:

- 2.3.16 Positive Financial position for the year ending 31 March 2017
- 2.3.17 2017/18 Financial Plan
- 2.3.18 2017/18 CIP Challenge
- 2.3.19 Board Assurance Framework
- 2.3.20 Forecast cash and liquidity position
- 2.3.21 Under-achievement of CIP and the timeliness of delivery
- 2.3.23 Quarter 1 Financial Position
- 2.3.24 Financial Improvement Plan
- 2.3.25 Financial Metrics
- 2.3.26 Cash and Liquidity
- 2.3.27 Framework for the Finance Improvement Plan
- 2.3.28 Five-year Capital Programme

2.4 Review of the Terms of Reference of the Finance and Investment Committee

The Finance and Investment Committee Terms of Reference were reviewed in July 2017 by the Board as part of the review of the committees detailed in section 1.1. The Board of Directors approved the merger of the Finance and Investment Committee and the Performance Committee to become the Finance and Performance Committee.

2.5 Cycle of Business

During its operation; the Finance and Investment Committee kept under review its own working arrangements and was mindful of the need to ensure that its remit fit appropriately with the other Committees of the Board of Directors as they were configured up to August 2017.

2.6 Conclusion

The Finance and Investment Committee took all reasonable steps to perform its duties as delegated by the Board and mandated in its Terms of Reference and in accordance with good governance arrangements.

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

3. Performance Committee (April 2017 to August 2017)

3.1 Responsibilities

The responsibility of the Performance Committee was to provide detailed scrutiny of performance matters in order to provide assurance and, if necessary, raise concerns or make recommendations to the Board of Directors. In fulfilling this purpose, the Committee was required, at all times, to seek assurance that patient safety and quality was not compromised by any proposed recovery or action plan.

From April 2017 to August 2017 the Performance Committee reviewed performance against:

- 3.1.1 All performance targets set by Monitor (Risk Assessment Framework);
- 3.1.2 Requirements set out in contracts with the Foundation Trust's Commissioners including Commissioning for Quality and Innovation Plans (CQUINS);
- 3.1.3 The Foundation Trust's Corporate Priorities; and
- 3.1.4 Legislative/regulatory requirements set by regulators and other bodies.

In addition, the Committee:

- 3.1.5 Considered the financial impact of performance matters;
- 3.1.6 Reviewed recovery plans;
- 3.1.7 Referred any issues it deemed necessary to the Finance and Investment Committee for more detailed consideration.

The Committee received and reviewed those Board Assurance Framework risks allocated to it by the Board, monitored progress made in mitigating those risks, identified any areas where additional assurance was required and escalated assurance to the Board as agreed by the Committee.

3.2 Membership and attendance record

The Committee met on a monthly basis and met five times during the reporting period.

Membership and attendance is recorded in the table overleaf.

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

MEMBERS	26.4.17	31.5.17	28.6.17	26.7.17	30.8.17	TOTAL
Pauline Vickers (Chair)	✓	✓	✓	✓	✓	5 of 5
Pat Campbell	✓	✓	✓	✓	✓	5 of 5
Karen Dawber	✓	✗	✓	✓	✓	4 of 5
Cindy Fedell	✗	✓	✗	✓	✓	3 of 5
Bryan Gill	✓	✓	✓	✓	✓	5 of 5
John Holden	✓	✓	✓	✓	✓	5 of 5
Matthew Horner	✓	✓	✓	✓	✓	5 of 5
Clive Kay	✓	✓	✓	✓	✓	5 of 5
Donna Thompson	✓	✗	✗	✓	✓	3 of 5
Mohammed Iqbal	✗	✓	✗	✓	✓	3 of 5
James Walker	✓	✓	✗	✓	✓	4 of 5
David Munt	✓	✓	✓	✓	✓	5 of 5
Selina Ullah	✗	✗	✓	✗	✗	1 of 5
Amjad Pervez	✗	✓	✓	✓	✗	3 of 5
✓ = Attended	✗ = Apologies sent			Denotes period when not a member of the Committee		

Committee meetings are also attended by the Trust Secretary and Head of Performance.

In order for the meeting to be quorate, there should be at least the Chair and four members present.

3.3 Reporting Requirements

Each month the Committee received and reviewed reports on the following standard agenda items;

- 3.3.1 Performance and Productivity Report
- 3.3.2 Informatics Performance Report
- 3.3.3 EPR Report
- 3.3.4 Trust Improvement Committee Report
- 3.3.5 Board Assurance Framework

The Committee also reviewed in detail reports regarding;

- 3.3.6 Cancer Performance
- 3.3.7 VTE (Venous Thromboembolism) Risk Assessment
- 3.3.8 Electronic Patient Record (EPR) – High Risks including RTT
- 3.3.9 Referral to Treatment (RTT) Performance
- 3.3.10 Short Notice Clinic Cancellations
- 3.3.12 Risk Dashboard
- 3.3.13 Performance with regard to the Emergency Care Standard

After each meeting, the Committee reported to the next Board meeting by way of a summary report of key points discussed. Once the meeting minutes were agreed by the Committee, a copy was

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

submitted to the subsequent Board meeting. Minutes included a description of the business conducted, risks identified and key actions agreed. Issues that have been escalated to the Board covered:

- 3.3.14 Cancer Access Standards
- 3.3.15 Emergency Care Standards
- 3.3.16 (RTT) 52 week breach
- 3.3.17 Unplanned Pathology System outage
- 3.3.18 Referral to Treatment (RTT) Improvement Plan
- 3.3.19 DMO1 Cardiac CT Capacity Plan
- 3.3.21 EPR
- 3.3.22 Short Notice Clinic Cancellations
- 3.3.23 Ambulance Handovers
- 3.3.24 Aligning dashboards against targets, recovery plans and trajectories

3.4 Review of the Terms of Reference of the Performance Committee

The Performance Committee Terms of Reference were reviewed in July 2017 by the Board as part of the review of the committees detailed in section 1.1. The Board of Directors approved the merger of the Finance and Investment Committee and the Performance Committee to become the Finance and Performance Committee.

3.5 Cycle of Business

During its operation; the Performance Committee kept under review its own working arrangements and was mindful of the need to ensure that its remit fit appropriately with the other Committees of the Board of Directors as they were configured up to August 2017.

3.6 Conclusion

The Performance Committee took all reasonable steps to perform its duties as delegated by the Board and mandated in its Terms of Reference and in accordance with good governance arrangements.

4. Finance and Performance Committee (September 2017 to March 2018)

4.1 Responsibilities

The purpose of the Finance and Performance Committee is two-fold:

- 4.1.1 To maintain a detailed overview of the Foundation Trust's assets and resources in relation to the achievement of financial targets, business objectives and the financial stability of the Foundation Trust.
- 4.1.2 To provide detailed scrutiny of performance matters.

The Finance and Performance Committee will provide assurance and, if necessary raise concerns or make recommendations to the Board of Directors. In fulfilling this purpose, the Finance and Performance Committee will at all times seek assurance that patient safety is not compromised by any proposed recovery or action plan.

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

From September 2017 to March 2018 the Finance and Performance Committee carried out its duties as laid out in its Terms of Reference. These duties include:

- 4.1.3 Overseeing the development and maintenance of the Foundation Trust's medium and long term financial strategy
- 4.1.4 Overseeing the development and delivery of the Foundation Trust's annual plan and integrated business plan
- 4.1.5 Reviewing and monitoring financial plans and their link to operational performance
- 4.1.6 Overseeing financial risk evaluation, measurement and management
- 4.1.7 Scrutiny and approval of business cases (within delegated limits)
- 4.1.8 Approval and oversight of the Capital Programme
- 4.1.9 Reviewing the performance of the Foundation Trust in achieving National Standards, 4.1.10 Contractual Indicators (National and Local) and Trust-defined indicators
- 4.1.11 Receive, consider and approve the annual reference cost submission ensuring appropriate application of costing methodologies
- 4.1.12 To approve and keep under review the Foundation Trust's investment policy in relation to treasury management (to include cash investments and all other elements of working capital).
- 4.1.13 Receive and review the strategic objectives allocated to it by the Board of Directors identifying any areas where additional assurance is required.
- 4.1.14 Receive and review those Board Assurance Framework risks allocated to the Committee by the Board, monitor progress made in mitigating those risks, identify any areas where additional assurance is required and escalate assurance to the Board of Directors as agreed by the Committee.

4.2 Membership and attendance record

The Finance and Performance Committee meets on a monthly basis and met five times during the reporting period.

Membership and attendance is recorded in the table below.

MEMBERS	27.9.17	25.10.17	29.11.17	20.12.17	31.1.18	28.2.18	28.3.18	TOTAL
Pauline Vickers (Chair)	✓	✓	✓	✓	✓	✓	✓	7 of 7
Karen Dawber	X	X	X	✓	X	✓	X	2 of 7
Cindy Fedell	✓	✓	✓	✓	✓	✓	✓	7 of 7
Matthew Horner	✓	✓	✓	✓	✓	X	✓	6 of 7
Donna Thompson	✓	x	✓	✓	✓	✓	X	5 of 7
Mohammed Iqbal	X	✓	X	X	✓			2 of 5
Trevor Higgins	✓	✓	✓	✓	✓	✓	✓	7 of 7
Jon Prashar						✓	✓	2 of 2
Laura Stroud				✓	✓	✓	✓	4 of 4
David Munt	✓	✓						2 of 2

✓ = Attended	X = Apologies sent
	Denotes period when not a member of the Committee

Committee meetings are also attended by the Trust Secretary and Head of Performance

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

In order for the meeting to be quorate, there should be two Non-Executive Directors and two Executive Directors (or their nominated Deputies). Quoracy requires that the Director of Finance or Deputy Director of Finance is present.

4.3 Reporting Requirements

Each month the Committee received and reviewed reports on the following standard agenda items;

- 4.3.1 Finance Report
- 4.3.2 Board Assurance Framework
- 4.3.3 Performance Report
- 4.3.4 Informatics Performance Report
- 4.3.5 Trust Improvement Committee Report
- 4.3.6 Financial Improvement Plan
- 4.3.7 Finance & Performance Committee Dashboard

The Committee also reviewed;

- 4.3.8 EPR go-live update
- 4.3.9 BTH 082 – Outsourcing Dispensing of Out-Patient Medication
- 4.3.10 Integrated Quality & Performance Dashboard – (Performance and access)
- 4.3.11 Integrated Quality & Performance Dashboard – (broader themes than individual deep dives)
- 4.3.12 Approval Process for New Consultant Appointments
- 4.3.13 RTT Recovery Plan
- 4.3.14 GE Finnermore Improvement Programme Update
- 4.3.15 Risk Appetite
- 4.3.16 Finance & Performance Committee Dashboard and Committee Effectiveness
- 4.3.17 Medical Pathways Review by NHSI
- 4.3.18 Integrated Quality & Performance Dashboard: Night time transfers
- 4.3.19 Contract update 2018/19
- 4.3.20 2018/19 Financial Plan
- 4.3.21 Post EPR Outpatients Productivity
- 4.3.22 Cancer Deep Dive Presentation
- 4.3.23 Contract Update 2018/19
- 4.3.24 Emergency Care Standard Deep Dive Presentation
- 4.3.25 Financial Plan 2017/18
- 4.3.26 Capital Budget Setting Report
- 4.3.27 Recovery Plans for 2 week Cancer Targets
- 4.3.28 Ambulance Handover Standard
- 4.3.29 Finance & Performance Committee business workplan 2018/19

After each meeting, the Committee reports to the next Board meeting by way of a summary report of key points discussed. Once the meeting minutes have been agreed by the Committee, a copy is submitted to the subsequent Board meeting. Minutes included a description of the business conducted, risks identified and key actions agreed. Issues that have been escalated to the Board include:

- 4.3.31 Framework for the Finance Improvement Plan
- 4.3.32 Five year Capital Programme

Board of Directors: 13.9.18

Agenda Item: Bo.9.18.31

- 4.3.33 Performance with regard to RTT, 32 and 62 day cancer waits, diagnostic waits, AED, and VTE
- 4.3.34 EPR go-live
- 4.3.35 Cancer Services Recovery Plan
- 4.3.36 New Finance and Performance Committee Dashboard
- 4.3.37 Trust Improvement Plan
- 4.3.38 Cancer Services Recovery Plan
- 4.3.39 Winter Planning
- 4.3.40 2018/19 Financial Plan
- 4.3.41 Decision regarding formal acceptance of NHS Improvement's Control Total

5. Review of the Terms of Reference of the Committee

The Finance and Performance Committee Terms of Reference were approved by the Board in July 2017. The terms of reference are reviewed annually and recommendations for any changes will be submitted to the Board of Directors for approval.

6. Cycle of Business

The Finance and Performance Committee keeps under review its own working arrangements and is mindful of the need to ensure that its remit fits appropriately with the other Committees of the Board of Directors.

7. Conclusion

The Finance and Performance Committee believes it has taken all reasonable steps to perform its duties as delegated by the Board and mandated in its Terms of Reference and in accordance with good governance arrangements.

Pauline Vickers
Non-Executive Director and Chair of the Finance and Performance Committee

August 2018