FINANCE AND PERFORMANCE COMMITTEE
MINUTES, ACTIONS & DECISIONS

Date:	Wednesday 28th November 2018	**Time:**	08:30 – 10:30
Venue:	Conference Room, Field House, BRI	**Chair:**	Pauline Vickers, Non-Executive Director
Present:	Non-Executive Directors: - Mrs Pauline Vickers, Non-Executive Director (PV) - Professor Laura Stroud, Non-Executive Director (LS) - Mr Trevor Higgins, Non-Executive Director (TH) - Mr Bill McCarthy, Chair of the Board of Directors (BM) - Mr Andrew McConnell, Non-Executive Director (AM) - Ms Trudy Feaster-Gee, Non-Executive Director (TFG) Executive Directors: - Mrs Sandra Shannon, Chief Operating Officer (SES) - Ms Cindy Fedell, Director of Informatics (CF) - Mr John Holden, Director of Strategy & Integration (JH) - Ms Tanya Claridge, Director of Governance & Corporate Affairs (TC)		
In Attendance:	- Professor Clive Kay, Chief Executive (CK) - Chris Smith, Deputy Director of Finance (CS) - Michael Quinlan, Deputy Director of Finance (MQ) - Ms Adrienne Lake, Acting Assistant Director of Finance (AL) – Minute taker - Mr Carl Stephenson, Acting Head of Performance (CSt) - Ms Tanya Claridge, Director of Governance & Corporate Affairs (TC) - Ms Jacqui Maurice, Head of Corporate Governance (JM)		
Observing	- Mr Barrie Senior, Non-Executive Director (BS) - Ms Selina Ullah, Non-Executive Director (SU)		

No.	Agenda Item	Action
F.11.18.1	**Apologies for absence**	
	Matthew Horner, Director of Finance	
F.11.18.2	**Declaration of Interests**	
	None.	
F.11.18.3	**Minutes of the meeting held on 31st October 2018**	
	The minutes were agreed and accepted as an accurate record.	
F.11.18.4	**Matters Arising**	
	The Committee noted that the following actions were closed. 1. F.9.18.4.1 Matters arising from the Board. 'Are we getting better?' review. 2. F.10.18.4: Model Hospital: Non-Executive Directors sign up to F.10.18.4.1: Model Hospital: Next Steps.	

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	3. F.10.18.7: F&P Dashboard: Strategic ECS presentation. 4. F.10.18.8: Finance Report: Agreement of FOT position with Bradford CCG. 5. F.10.18.10. 18/19 Capital Programme. Reprioritised capital programme required. 6. F.10.18.13: Capacity and Demand Analysis: Update provided to Closed Board of Directors 7. F.10.18.14: Informatics Performance Report: Routine reporting to move to quarterly.	
F.9.18.4.1	**Matters arising from Board of Directors**	
	PV asked the committee to note the three actions arising from the Board of Directors. She also asked the committee to note that these actions had been concluded. 1. Bo.11.18.21. Winter Planning. The winter planning allocation has been noted and approved. Action completed (SES) 2. BC.11.18.4. A detailed financial recovery plan should be received at the next F&P Committee meeting. Added to the agenda. Action completed (MH) 3. BC.11.18.4. The F&P Committee to receive and consider more detail in relation to the cancer recovery plan, RTT and ECS recovery plans. Added to the agenda. Action completed (SES)	
F.11.18.4.2	**Matters escalated from sub committees**	
	There were no items escalated.	
F.11.18.5	**Corporate Risks relevant to the Committee**	
	It was noted that there are no corporate risks relevant to the Committee.	
F.11.18.6	**Board Assurance Framework**	
	The framework was reviewed and discussed. TH noted that the finance framework should be reviewed; dates and deliverables should be forward focused.	
F.11.18.7	**Terms of Reference Review**	
	The draft terms of reference were accepted. It was noted that they will be reviewed at the Audit and Assurance Committee – feedback from the Audit and Assurance Committee will be shared with this Committee in December. The draft work programme will be presented at the next meeting before being presented to the Board for approval in January along with all other Committee work plans and Terms of Reference. It was agreed that the membership of the Committee would change from four Non-Executive Directors to three Non-Executive Directors and One Associate Non-Executive Director. TH raised the need to consider under section 3.2 of the ToR how the five and ten year plans of the financial strategy are developed.	**MH**
	Board Dashboard	
F.11.18.8	**Finance & Performance Committee Dashboard**	
	The key points of the Finance and Performance Committee dashboard were discussed and noted elsewhere on the agenda.	

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	With regard to the presentation of the Finance information, AM queried the YTD green assessment in comparison to a red year end projection. CS explained the green rating is due to the Trust reporting an on-line position as at month seven but is reporting an off plan projection by the end of the financial year.	
	Finance	
F.9.18.9	**Finance Report**	
	CS updated the key points from the Finance report: • As at month seven the Trust is reporting an 'on plan' position. The Year to Date (YTD) plan was a pre-PSF deficit of £7.2m which was achieved. • The YTD Income & Expenditure (I&E) position is supported by £1.2m of accrued benefits from the Alternative Delivery Model for Estates & Facilities (ADM) and £5.5m of accrued income overtrade from the Bradford and Airedale CCGs. The Chair queried the latest position with the CCG negotiations. It was noted that MH and his CCG counterpart were working to reach a common understanding of the month six activity position of which the commissioners have accepted in principle. The CCG recognised the numbers being reported by BTHFT however this leaves the CCG with a £5.5m overtrade due to the Trust's improvements to correct coding. BM advised that the Trust should prepare for arbitration. The Trust has improved coding resulting from better information now being available. It is important that the Committee understand the position. CLK advised that he will be giving a presentation to NHSI detailing the progress with the CCG and also the Trust's recovery plan. BM raised the need to prepare for the downside so correct energy is invested in cost cutting exercises. AM questioned that whilst the Trust is still exploring all other avenues open to BTHFT is it appropriate to report an off plan position.	
F.11.18.10	**2018/19 Financial Recovery Plan**	
	CS updated the key points of the Financial Recovery Plan to be shared with NHSI. • Slide five provided details of the required cost reducing efficiencies. Based on a worst case scenario pre-PSF margin at month six of £29.8m. • It is assumed that either the benefits relating to the ADM will be recognized or an adjustment to the Trusts control total of £7m will be made. CK updated that NHSI have issued financial guidance relating to progressing the ADM. A gap analysis is being completed to understand	

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	the implications for BTHFT. BM queried how long it would take to set up the ADM. MQ advised that this is being discussed with the auditors, Deloitte. The ADM is not required trade before the benefit can be realised. TH enquired how much benefit could the Trust accrue in relation to the ADM. MQ advised that this would be a maximum of the last five years capital expenditure. CLK advised that to realise the ADM benefit a certified business case is to be submitted to NHSI. An NHSI panel will then deem the level of risk is posed. If it is deemed a significant risk, additional detailed work will be required by the Trust. CS stated that if the outcome is significant risk, a Board declaration would need to be re-issued. CLK questioned if this should be delegated to the Major Project Committee or if there should be an Exceptional Board. BS raised the importance and need for consistency of the financial values being quoted in various documents being shared with external organisations. TH queried whether enough focus is being given to why the Trust needs to achieve the level of efficiencies. Ultimately this is for patient safety. JH advised that the recovery plan document is not a communication plan, instead the themes will be shared with the organisation in an appropriate format. BM questioned the level of confidence being applied to the MEAV value. MQ advised work to understand the value of the adjustment will be completed at the end of December 2018. BM noted that the Trust is contracted to meet the RTT constitutional standards. To achieve this standard additional activity will need to be undertaken for which the Trust should be fairly paid. • Savings of £5.9m are required. There is commitment by the Executive team to deliver £5.6m leaving a gap of £0.3m. The focus is on cost reduction not transformational projects. BM enquired how much of the recovery plan is based on new ideas. CLK responded that the plan revolves around renewed focus of existing ideas. JH stated the Executive Team see this as an Executive plan, not a Finance plan. TH questioned if the message about the need for savings is reaching the whole organisation. JH responded that equality across the organisation is being felt. The broader message is spread by working with clinical leaders and care teams, sharing plans and asking how they can help. AM enquired if monitoring and reporting of recovery plan achievement is to	

No.	Agenda Item	Action
	be reviewed at the F&P Committee meetings. CLK responded that the fortnightly F&P Oversight Committee will oversee delivery and report to the F&P Committee. BM commented that the RAG rating on slide nine suggests the recovery plan is c£2m too low. CS responded that there are risks within the plan at this point. CLK added only those schemes that the Trust is confident it can deliver by the end of March 2019 have been included. CS stated that the RAG rating had been applied where a decision is outside of the control of the Trust, e.g., approval is sought from the LNC to defer CEA's into 2019/20. A decision is due from the Charity regarding a revenue contribution. TH enquired why more funding from the charity had not been requested. CS advised that the charity cannot boost the Trusts financial position. LS questioned the impact of deferring CEA wards on the moral of those staff being expected to drive the changes required in the Trust. CLK responded it is important to communicate the significant benefits for patients and staff of meeting the Trusts control total. The PSF available will be significant. BM questioned the appropriateness of the level of red risk being proposed to the regulators stating consistency across all documentation is required. The Trust must explain the excess volume of activity has resulted from adhering to constitutional compliance. AM reiterated that the Trust is exploring all avenues. The presentation will be reframed accordingly. • The Trust will require external cash support if the recovery plan is not delivered. If an agreement is not reached with the CCG then arbitration will commence. TH queried how long it takes to receive external funding. MQ advised I&E support takes six to eight weeks. Working capital support would take two to three months for the cash to be deposited in the bank. TH questioned if the Trust should ask for support now. MQ advised that the request would be made in early January 2019 if required. The Chair queried if it would be better to prepare now and to seek support sooner. TH enquired about the negative consequences of applying for support early. CS stated it would give an inconsistent message. The Trust has developed a recovery plan that it is committed to deliver but is also seeking additional cash support. AM requested to see a 2019/20 Q1 cash forecast to understand whether the issue is short term. The Chair enquired if the cash forecast will be shared with NHSI. CS advised that it would. BM suggested the forecast should be presented as	**MH** **MH** **MH**

No.	Agenda Item	Action
	a range to be consistent with the expectations of the recovery plan.	
F.11.18.11	**2018/19 Prioritised Capital Programme**	
	The executive management team has approved to reduce 2018/19 capital from £18.3m by £7.0m to £11.3m. The summarised capital list detailed in section three of the month seven finance report was noted.	
	Performance	
F.11.18.12	**Performance Report**	
	Key points addressed by the ECS presentation.	
F.11.18.13	**Emergency Care Recovery Plan**	
	SES tabled the presentation on Emergency Care Standard trend analysis and recovery plan: Committee noted that findings have shown: • Performance has declined over the last three years • The decline has stopped in the last 12 months but recovery is slow. BTHFT has largely mirrored the national trend over the last 12 months however, BTHFT performance in September and October 2018 has declined more than the national average. • Daily attendances (type1 & 3) have increased over the last three years. Attendance growth has predominately been between 1200 and 1600 each day. • Across all three years there is no specific correlation identified between attendance patterns and ECS performance. However, High volume of attendances causes crowding and this does impact on performance. • There are seven cubicles too few to manage demand. The requirement is to move out seven cubicles of activity, not increase the number of cubicles. BM queried the impact of staff in the department. SES responded that full command and control has been implemented over the last seven days with the use of hourly metrics. A patient's length of wait to be seen is the largest contribution to poor performance therefore the ED needs co-ordination of staff and patients, an effective queue management system. Senior nurse leadership has been introduced by the Chief Nurse spending two weeks in the department. An experienced Head of Nursing has been seconded to the department for six months. A new Matron has been recruited to the department. TH enquired if the command and control approach is to correct cultural issues. SES updated that this was not the case. SES updated that crowding will significantly impact performance management. The hourly metrics being gathered will inform the department of what is actually happening. To address this, with each trigger there is an action to be completed supported by standard operating procedures.	

No.	Agenda Item	Action
	TH requested how assurance can be given that performance will improve. SES updated that there are three main priorities: • The introduction of a queue management system which refers patients to the most appropriate area for treatment. • Patients do not wait unnecessarily for treatment. • Beds are readily available for patients requiring admission. CF noted the importance of cultural impact, instilling a sense of pride and accepting that it is not acceptable to have poor performance. KD enquired if the impact of the Chief Nurse's presence would be seen at the next meeting. SES responded that the work streams in place are not a quick fix. The aim is to reach 95% by the end of March 2019.	
F.11.18.14	**Cancer Recovery Plan**	
	SES updated : • There has been an improvement in 62 week waits. The focus is now on two week waits understanding if capacity and demand modeling facilitates the flexing of resource. • Previously Dermatology and Endocrinology have seen the worst performance. These are both predicted to be compliant by December 2018. • There are risks within Urology due to available capacity. To mitigate this, a locum has been appointed to help address the 27% increase in prostate referrals. • Lung cancers are another area of risk due to the large volume of tests patients required. To help mitigate the risk an optimum lung pathway has been introduced. • Balancing RTT and cancer is challenging. The more urgent patients that are seen out of order results in routine patients being delayed. • There is confidence that the recovery plans following the 12 deep-dives completed to support RTT will deliver with RTT expected to be 88-90% by the end of March. • The national directive states that all Trusts should have waiting lists no greater in March 2019 than March 2018. TFG noted that there has been solid progress in RTT.	
F.11.18.15	**RTT Recovery Plan**	
	The key points were addressed elsewhere on the agenda.	
F.11.18.16	**'Are we getting better' Review**	
	The key points were covered in the ECS presentation under agenda item F.11.18.13	
F.11.18.17	**Model Hospital: Next Steps**	
	Addressed under Matters arising. Committee noted the mock use of resources session on 13 December and the Board Development Session in January 2018 which would feature Model Hospital.	

No.	Agenda Item	Action
F.11.18.18	**Bradford Improvement Programme Board Report**	
	The key points of the Bradford Improvement Programme board report were discussed and noted elsewhere on the agenda.	
F.11.18.19	**Any other business**	
	There was none discussed.	
F.11.18.20	**Matters to share with other committees**	
	There were no matters to share.	
F.11.18.21	**Matters to escalate to the Board of Directors**	
	It was agreed that the Finance Recovery Plan will be shared with the Board of Directors.	**MH**
F.11.18.22	**Matters to escalate to the Corporate Risk Register**	
	There were no matters to escalate.	
F.11.18.23	**Items for Corporate Communication**	
	There were no matters to raise.	
F.11.18.24	**Agenda items for the meeting on 12 December 2018**	
	It was agreed that the committee work programmes will be added to the agenda.	
F.11.18.25	**Date and time of next meeting**	
	Wednesday 12th December 2018. 08:30 am - 9:30 am Conference Room, Field House, BRI	

BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST

ACTIONS FROM FINANCE AND PERFORMANCE COMMITTEE – 28 November 2018

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
28/11/2018	**F.11.18.10**	**2018/19 Financial Recovery Plan** Presentation of the recovery plan to be reframed in the context of risk.	Director of Finance	12/12/2018	
28/11/2018	**F.11.18.10**	**2018/19 Financial Recovery Plan** 2019/20 Q1 cash forecast to be produced to understand whether the cash issue is short term.	Director of Finance	12/12/2018	
28/11/2018	**F.11.18.10**	**2018/19 Financial Recovery Plan** The cash forecast should be presented as a range to be consistent with the expectations of the recovery plan.	Director of Finance	12/12/2018	
28/11/2018	**F.11.18.21**	**Matters to escalate to the Board of Directors** The Finance Recovery Plan will be shared with the Board of Directors.	Director of Finance	30/01/19	
26/09/2018	**F.9.18.4.1**	**Matters arising from the Board** A Theatres deep-dive is to be completed.	Chief Operating Officer	30/01/19	A theatres deep dive will be presented to Committee in January 2019
31/10/2018	**F.10.18.4**	**Matters arising** The Quality Committee was not assured by the data presented regarding readmissions and they have requested that the Finance Committee review the data. SES stated that the data quality of readmissions needs validating/auditing to support understanding of the trends. This would be undertaken as part of the planned 'deep dives' at which point the position would be reported back to the Quality Committee.	Chief Operating Officer and Chief Nurse	30/01/19	
31/10/2018	**F.10.18.5.1**	**Corporate Risks relevant to the Committee** Corporate Risks to be reviewed considering the Model Hospital discussion.	Director of Finance	30/01/19	This will form part of the next review of the Corporate Risk Register.
28/11/2018	**F.11.18.7**	**Terms of Reference Review** Consideration to be given to how the five and ten	Director of Finance	30/01/2018	

		year plans of the financial strategy are developed.			
31/10/2018	**F.10.18.4.1**	**Model Hospital – Next Steps** To be discussed at the next Board Development Session how the Model Hospital should be used as part of the new CBU structure.	Director of Finance	28/02/2018	Board development session