

FINANCE AND PERFORMANCE COMMITTEE MINUTES, ACTIONS & DECISIONS

Date:	Wednesday 29 th September 2019	Time:	08:30 – 10:30
Venue:	Conference Room, Field House, BRI	Chair:	Julie Lawreniuk, Non-Executive Director
Present:	<p>Non-Executive Directors:</p> <ul style="list-style-type: none"> - Professor Laura Stroud, Non-Executive Director (LS) - Trudy Feaster-Gee, Non-Executive Director (TFG) <p>Executive Directors:</p> <ul style="list-style-type: none"> - Mr Matthew Horner, Director of Finance (MH) - Mrs Sandra Shannon, Chief Operating Officer (SES) - Ms Cindy Fedell, Chief Digital and Information Officer (CF) 		
In Attendance:	<ul style="list-style-type: none"> - Ms Tanya Claridge, Director of Governance and Corporate Affairs (TC) - Mr Chris Smith, Deputy Director of Finance (CS) - Mr Carl Stephenson, Head of Performance (CSt) - Ms Jacqui Maurice, Head of Corporate Governance (JM) - Mr Robert Jones, Divisional Head of Finance (RJ) – Minute taker 		

No.	Agenda Item	Action
F.9.19.1	Apologies for absence	
	None	
F.9.19.2	Declaration of Interests	
	None	
F.9.19.3	Minutes of the meeting held on 24th July 2019	
	<p>LS asked if the sections on P4 re: empowerment of General Managers and P5 re: age profile of consultants, could be phrased differently to reflect the conversation.</p> <p>CF added that the PPX upgrade and licences were noted as ‘new’ risks. They are not new risks.</p> <p>These changes were actioned in the confirmed minutes.</p> <p>On that basis the minutes were agreed and accepted as an accurate record.</p>	
F.9.19.4	Matters Arising	
	<p>The committee noted that the following actions were closed.</p> <p>F.6.19.20 Matters to share with other committees Review minutes of previous meeting minutes to consider whether diagnostics should be a risk relevant to this committee.</p> <p>F.7.19.4 Matters Arising: The committee noted that for the August meeting to be quorate an additional NED will be asked to attend.</p> <p>F.7.19.16 Finance & Performance Committee Terms of Reference –</p>	

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	<p>Review: reference to the F&P Oversight Committee should be removed.</p> <p>F.6.19.11 19/20 Capital Plan: MH explained that a condition survey is currently being completed and will be presented to committee when completed.</p> <p>F.7.19.14 Board Assurance Framework: SES to reduce the principle risk relating to objective 2b of 20 within the framework to reflect the committees' discussions. On the agenda.</p>	MH
F.9.19.4.1	Matters arising from Board of Directors	
	<p>The Long Term Plan and Cost Improvement Plan – on the agenda</p> <p>The system based saving plan will be share with the committee when it becomes available.</p>	
F.9.19.4.2	Matters escalated from sub committees	
	There were no items escalated.	
	Oversight	
F.9.19.5	Strategic Risks relevant to the Committee	
	The relevant risks will be discussed as part of each agenda item to facilitate the flow of the meeting.	
F.9.19.6	Board Assurance Framework	
	The Board Assurance Framework will be reviewed at the end of the meeting.	
F.9.19.7	Finance & Performance Committee Dashboard	
	The key points of the Performance Committee Dashboard were discussed and noted elsewhere on the agenda.	
F.9.19.8	Draft Use of Resources Submission	
	TC presented the draft Use of Resources submission for the CQC inspection and requested feedback from committee members within the next 7 days.	ALL
F.9.19.9	Care Group Governance	
	<p>SES presented the Care Group Governance Framework.</p> <p>The committee suggested that the framework should be reviewed at Senior Leadership Team on October 3rd and brought back to the October F&P.</p>	SES
F.9.19.10	Finance and Performance Committee Annual Report	
	<p>TC presented the Finance and Performance Committee Annual Report to the Board.</p> <p>JL suggested that the report should be signed off by TFG as JL was not in post at the time of writing. TFG agreed.</p>	

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	CF updated that the Informatics report is produced on a quarterly basis.	
	Finance	
F.9.19.11	Finance Report	
	<p>MH represented the Finance Report.</p> <p>The Trust is currently reporting a £6.4m deficit which is in line with plan.</p> <p>The current Use of Resources rating is 3 due to the deficit plan and the debt cover having scores of 4.</p> <p>If the Trust delivers its year end income and expenditure plan the overall use of resources rating will be 1.</p> <p>The best case forecast is to deliver the £12.5m deficit plan agreed with NHSI however based on the Trust's current financial performance a more realistic top down (most likely) forecast is a £17.8m deficit whilst the CBU forecasts are less optimistic at £18.8m.</p> <p>The cash balance at year end is forecast to be £18.5m which is £7m better than planned, but recognising that the plan did not include the PSF cash bonus received relating for 18/19 financial performance.</p> <p>A range of potential mitigations to improve the forecast to deliver the year end plan are being explored, including a review and control of projected spend over the winter potential sources of additional income. The key factor driving the off plan forecast remains the identification and delivery of the total CIP requirement. The most likely forecast also assumes the Wholly Owned Subsidiary is operational before the 31st of March 2020.</p> <p>The CIP target for the year is £16.2m. The forecast outturn is £12.4m, however due to some high risk schemes it is thought that £11m is more realistic.</p> <p>MH presented the Planned and Unplanned Care CIP summaries. The committee discussed whether there should be as much focus on the other areas of the Trust. MH highlighted that although Estates and Facilities had a target of £680k and had only identified £80k the remainder would be delivered if the WOS is operational this financial year. .</p> <p>MH drew attention to the effectiveness of the weekly CBU CIP meetings that are jointly chaired by the FD and COO. Significant progress has been made but it should be noted that over recent weeks the CIPs identified are mainly non recurrent in nature and reflect run rate underspends. To facilitate the identification of further opportunities, additional colleagues have been invited which include the Director of Pharmacy and Strategic Head of Procurement. Consideration will be given to other colleagues attending. In addition, a number of CBU deep dive meetings have both taken place or are planned that focus on the signposting of opportunities based on the various sources of information /analysis available, which includes; Model Hospital, Patient Level Costing Information, Get it Right First Time (GIRFT), benchmarking and internal dashboards/management information.</p>	

	<p>JL noted that the committee was sighted on the level of risk with regards to delivery of the control total and the actions being taken in order to mitigate the risks.</p> <p>TFG asked about the £3m of savings that were planned to be delivered from the collaboration work with the wider system. MH updated that there are risks around delivery of this figure and highlighted that to try and mitigate the risk, the full £16.2m has been allocated across all Care Groups and Departments. If any of the £3m is delivered it will go towards addressing the current gap.</p> <p>TFG asked how the system gap will be delivered. MH agreed bring a report back next month that summarised the system plans.</p> <p>JL queried whether the system had the right resource to enable the delivery of the system wide CIP. MH to review and report back.</p>	<p>MH</p> <p>MH</p>
F.9.19.12	Key Supplier Contract	
	<p>The Committee discussed the following recommendations presented within the paper with regard to the supplier of a range of healthcare consumables.</p> <ol style="list-style-type: none"> 1) Enter a 2 year contract under the Addenbrookes Framework. 2) Add to it additional supplies under regulation 72(1)(b)(ii). 3) Continues to engage with NHS supply chain with a view to identifying a solution which allows the Trust to continue to use a third party supplier whilst operating within the new NHS Supply Chain model. <p>Following discussion the Committee approved all for each of the recommendations presented however, due to the size of the Contract MH would work with TC to determine if the Committee was in a position to approve outright or, final approval would be required from the full Board of Directors and if so this matter would be escalated to the Board of Directors.</p>	MH/TC
F.9.19.13	Outpatient Pharmacy Tender	
	<p>The current supplier of the Trust's outpatient pharmacy services will expire on 31st January 2020. A full Tender Process has been carried out to select a new provider of outpatient pharmacy services.</p> <p>This tender report and recommendation was tabled at the closed Board of Directors Meeting 12 September 2019 in line with the Trust's SFIs due to the extent of the overall contract value. The Board of Directors agreed to delegate approval authority to the Finance and Performance Committee scheduled to meet on 25 September 2019.</p> <p>The Committee discussed in detail the open tender process carried out in line with the Foundation Trust's policy and noted the full tender document provided to the Committee.</p> <p>JL asked the Committee if it would approve the recommendation to award the contract to Rowlands Pharmacy, who provided the highest scoring bid</p>	

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	<p>from a quality/service perspective and the most cost effective pricing.</p> <p>The recommendation was approved.</p>	
F.9.19.14	Draft Long Term Plan	
	<p>CS presented the draft Long Term Plan.</p> <p>It should be noted that this plan feeds the wider Integrate Care System (ICS) plan.</p> <p>The paper attached was as at the 6th September, the final draft plan was submitted on 20th September. There is a further opportunity to refine the plan before final submission in November.</p> <p>It should be noted that there are differences between the Bradford and Airedales (B&A) system plans and those of the other systems within the wider West Yorkshire & Harrogate ICS. The main difference being the activity growth assumptions, noting that the B&A plan is in line with the national planning assumptions.</p> <p>There are also activity alignment differences between the assumptions made by the Trust and the Bradford CCGs, together with differences in the valuation of that activity. The alignment differences will need to be addressed as a system before the final submission of the plan in November.</p> <p>CS drew attention table 6 on page 9 regarding the draft income and expenditure (I&E) numbers, the CIP requirement, before the issuance of indicative control totals. The notification of the draft indicative control totals resulted in an adjustment to the income assumptions (i.e. a reduction) to align the Trusts I&E plan to the indicative control total.</p> <p>CF asked if there was any risk. CS explained that the CIP would likely have to be increased to cover any residual GAP.</p> <p>LS suggested that the Trust needs to understand how this fits with the overall system wide allocation.</p> <p>TFG added that the WOS could also be another risk.</p> <p>JL asked for an update and for the governance process for the Long Term Plan sign off to be brought back to the November meeting.</p>	MH
	Performance	
F.9.19.15	Performance Report	
	<p>SES updated on the Performance Report</p> <p>ECS is the area of most significant concern. Performance has been trending at just below 80%.</p> <p>The issues have been due to the variability in the GP fill rate in green zone which have been caused by booking issues. The move to the local care direct system should improve the ability to fill the shifts.</p>	

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	<p>The wait to be seen by a senior decision maker need improving, the main cause of this has been crowding in the department.</p> <p>There is also a plan to align behaviours across the organisation to improve flow.</p> <p>Improvements have been seen in stranded patients and ambulance handovers are improving.</p> <p>For 2 week cancer waits, Upper and Lower GI continue to be a cause for concern due to endoscopy waits. The Trust has approved the recruitment of one colorectal surgeon and awaits approval of one gastroenterologist. 62 day performance has been impacted by delays in the clinical oncology service which affects the prostate cancer pathway. Short term additional capacity has now been agreed with Leeds. DM01. 600 endoscopy surveillance patients past their see by date. Options for additional capacity to reduce this waiting list are being developed.</p> <p>The incomplete referral to treatment position has deteriorated in August and the number of patients on the waiting list has increased.</p> <p>It was noted that some of the waiting lists are over inflated however the Trust does now have a much better understanding of the DQ issues. Only since Sept 2018 has the Trust really understood its waiting list and the recovery plan commenced at this point.</p>	
F.9.19.16	Emergency Care Recovery Plan Quarterly Report	
	<p>SES shared the key points from the quarterly report.</p> <p>The key focus is on the development of blue zone and frailty projects.</p> <p>SES emphasised that the aim of the frailty project reduce attendances to ED, admission and LOS.</p>	

F.9.19.17	Board Assurance Framework	
	<p>The committee confirmed that the quarterly assurance rating of strategic object 2a, to deliver the financial plan should be green. This is reflective of the conversations and evidence presented. It was agreed that the composite risk of 12 was reflective of the current position.</p> <ul style="list-style-type: none"> - MH added that the Trust was on track to deliver green assurance for Q2 however Q3 onwards recognises the risk discussed earlier with regards to the delivery of the CIP Gap. - JL added that the Trust must maintain green but recognises the risks. - It was agreed that the risk appetite should move from cautious to open to support the new budgetary management framework and reflect some of the actions taken to address the financial challenge over the last 12 months. - The committee agreed on the quarterly assurance rating of strategic object 2b, to deliver our key performance targets should be amber. - SES explained that there was limited confidence around ECS however recognised that she had more confidence in 18 weeks and Cancer. - Cerner are looking to address data quality issues around the 18 week waiting list. CF is to confirm dates for resolution. - TFG said that she would like to see the KPI targets moving towards green for Q2. - SES proposed that the risk appetite should remain at cautious. <p>JL added that the Trust should ensure that the F&P dashboard represent what is agreed.</p>	CF
F.7.19.16	Any other business	
	None.	
F.7.19.17	Matters to share with other committees	
	To IGRC to consider where the risk due to diagnostics should be discussed.	TC
F.7.19.18	Matters to escalate to the Board of Directors	
	TC to consider whether Board approval is required for the Bunzl Contract	TC
F.7.19.19	Matters to escalate to Strategic Risk Register	
	There were no matters to escalate.	
F.7.19.20	Items for Corporate Communication	
	There were no matters to raise.	
F.7.19.21	Agenda items for the meeting on 30 October 2019	
	Agreed standard agenda for the October meeting.	
F.7.19.22	Date and time of next meeting	
	<p>Wednesday 30th October 2019 08:30 am - 9:30 am Conference Room, Field House, BRI</p>	

BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST
ACTIONS FROM FINANCE AND PERFORMANCE COMMITTEE – 25th September 2019

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
26/06/19	F.6.19.11	19/20 Capital Plan: MH explained that the condition survey will be presented to the Committee when completed (with a planned date of November).	Director of Finance	27/11/19	To be presented to the Committee in December
25/09/19	F.9.19.8	Draft Use of Resources Submission TC presented the draft Use of Resources submission for the CQC inspection and requested feedback from committee members within the next 7 days.	Director of Governance and Corporate Affairs	02/10/19	Action complete
25/09/19	F.9.19.9	Care Group Governance The committee suggested that the framework should be reviewed at Senior Leadership Team on October 3 rd and brought back to the October F&P.	Chief Operating Officer	30/10/19	Added to October agenda – <u>action closed</u>
25/09/19	F.9.19.11	Finance Report MH to provide a summary of the system wide savings plan.	Director of Finance	30/10/19	Update will be included in the Finance Report – <u>action closed</u>
25/09/19	F.9.19.14	Draft Long Term Plan JL asked for an update and for the governance process for the Long Term Plan to be brought back to the November meeting.	Director of Finance	30/10/19	Added to December agenda as November meeting cancelled – <u>action closed</u>
25/09/19	F.9.19.17	Board Assurance Framework Cerner are looking to address data quality issues around the 18 week waiting list. CF is to confirm dates for resolution.	Chief Digital and Information Officer	30/10/19	Issue resolved. <u>Action closed</u>

25/09/19	F.7.19.17	Matters to share with other committees To IGRC to consider where the risk due to diagnostics should be discussed.	Director of Governance and Corporate Affairs	30/10/19	Discussed at IGRC 16.10.19. Strategic Risks ID 3211 & ID 2417 have the correct assuring committee assigned to them – <u>action closed</u>
25/09/19	F.7.19.18	Matters to escalate to the Board of Directors TC to consider whether Board approval is required for the Key Supplier Contract discussed at agenda item F.9.19.12	Director of Finance / Director of Governance and Corporate Affairs	30/10/19	Added to the closed Board Agenda for the 7 th November 2019