

<b>Meeting Title</b>	<b>Board of Directors</b>		
<b>Date</b>	9/1/20	<b>Agenda item</b>	Bo.1.20.13

## A report from the Chair of the Finance and Performance Committee

<b>Presented by</b>	Julie Lawreniuk, Non-Executive Director
<b>Author</b>	Julie Lawreniuk, Non-Executive Director Tanya Claridge, Director of Governance and Corporate Affairs
<b>Lead Directors</b>	Sandra Shannon, Chief Operating Officer Matthew Horner, Director of Finance
<b>Purpose of the paper</b>	This paper is to provide the Board of Directors with an overview of the work of the Finance and Performance Committee in November 2019.
<b>Key control</b>	This paper is a key control for the strategic objective to deliver our financial plan and our key performance indicators
<b>Action required</b>	To note

### Background

The purpose of the Finance and Performance Committee is:

- to maintain 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
- to provide detailed scrutiny of performance matters
- and if necessary, raise concerns or make recommendations to the Board of Directors.

The Finance and Performance Committee uses the assurance presented throughout its meeting, which is aligned to key controls for identified risks associated with delivering the Trust's strategic objective:

- To deliver our financial plan and our key performance indicators

This is considered in combination with a review of the relevant risks on the strategic risk register to review the Trust's Board Assurance Framework. It was agreed that for the Board Assurance Framework the strategic objective is split into two (2a: to deliver our financial plan and 2b: to deliver our key performance indicators).

Following each meeting, consensus is achieved in relation to the assurance level and associated statement.

This is subsequently presented in the Board Assurance Framework.

### Key Matters Discussed

		Level of assurance
1. Strategic risk and Key Performance Indicators		
1.1	Risk: Strategic Risks relevant to the Committee	Level 1 Operational
	The Committee reviewed strategic risks relating to the above strategic objective during the course of the meetings for which it has an assuring role, and was assured that the systems and controls in place and planned provide proportionate and appropriate mitigation, but recognised significant challenges to performance that remained and that there was an emergent risk	
1.2	Finance and Performance Dashboard	Level 1 Operational
	The Committee reviewed the Finance and Performance Dashboard in the context of the information contained within the relevant detailed reports. In particular the Committee considered the ongoing risk associated with the delivery of the Trust’s constitutional emergency care standard, and the emergent risk in relation to the delivery of the control total.	
2. Strategic Objective 2a: To deliver our financial plan		

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2.1	Key Control: Finance Report	Level 1 Operational
	<p>The Committee considered the finance report and in particular discussed the</p> <ul style="list-style-type: none"><li>ongoing risk associated with the delivery of the control total</li><li>identification and management of the internal opportunities in place including the recovery planning process underway across both the Care Groups and Central/Corporate Departments.</li><li>use of additional capital spend and the review of the capital programme with Care Groups</li><li>CIP forecast of 12m.</li><li>Forecast out turn of 15m deficit (excluding any benefit from system brokerage)</li></ul> <p>The Committee were informed that the ICS is consolidating and quantifying the system wide forecast to determine the likelihood of delivering the system control total, noting that the current figures exclude the financial impact of the WoS. Greater certainty would be known by the end of January.</p>	
2.2	Key Control: Capital Report	Level 1 Operational
	<p>The Committee received the report that had been written, as per the work-plan, for the November Committee meeting which was cancelled. The Committee were advised to review the Strategic Risks relevant to the Committee for the up to date position. The Committee noted the reductions to the plan following the national curtailment exercise in quarter 2 and the subsequent reinstatement (but noting the programme changes given the planning timescales). The Committee challenged that the draft five year capital plan does not currently describe a wider review of estate and reconfiguration, but acknowledged that this was part of a wider Board level strategic discussion.</p>	
2.3	Key Control: Treasury update	Level 1 Operational
	<p>The Committee received its routine update, and acknowledged that the review of the plan and cash projections is ongoing (noting that due to the meeting being cancelled in November the principles within the paper were based on a different deficit being reported to the December meeting). The Committee noted that there were a range of actions for the Cash Committee's work-plan, and some actions for the Finance team to take in relation to the management of the overall cash position</p>	
2.4	Key Control: Long Term Plan Governance	Level 1 Operational
	<p>The Committee were informed that whilst there was no definitive guidance against which to identify key assurance requirements, there had been a discussion at the Contract Management Board, and that there was a focus on working together across the system to develop a plausible plan.</p>	
2.5	Capital plan condition survey	Level 1 Operational
	<p>The Committee received a verbal update on the status of the independent report, and the next steps that require an organisational review. The Committee was informed that the Trust completes the annual ERIC return that includes a review of the estate condition and backlog maintenance, and that the return does not currently indicate a risk with backlog maintenance.</p>	
3. Strategic Objective 2b: To deliver our performance targets		
3.1	Key Control: Performance Report.	Level 1 Operational
	<p>The Committee considered the performance report and in particular discussed the ongoing risk associated with the delivery of the Emergency Care Standard. The Committee also challenged the executive oversight of the delivery of operational performance, and were confident that there was appropriate and proportionate rigour. The Committee noted that the recovery trajectories are reviewed at the fortnightly Care Group Senior Leadership Team meetings.</p>	
3.2	Risk: Emergency Care Standard	Level 3 Independent

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	The Committee were informed of the continued challenge in relation to achieving the Emergency Care Standard. To provide some context to the Trust's position the Committee received a presentation describing the outcome of a GIRFT review into our urgent and emergency service. The Committee acknowledged that the report facilitated a better understanding of our data and our associated performance, but challenged specific elements of the Trust's performance, specifically related to maintaining patient safety. The Committee were provided with an overview of the range of safeguards in place mitigating risk to patient safety. The committee were assured that the granular level data presented indicated that whilst the improvements being made may not have a significant impact in meeting the ECS over winter, it supports the fact that we are doing the right thing for our patients, and that system-wide issues are reflected in the overall issues with performance.	
3.3	Risk: Referral to Treatment	Level 1 Operational
	The Committee reviewed the current position of the Trust and acknowledged the impact of a number of variables on the performance, including an increase in referrals, and the impact of the focus on surveillance patients, which is not reflected in RTT performance but within activity figures. The Committee were assured by the description of the mitigation in place and how its effectiveness is being assured.	
3.4	Risk: Cancer 62 days	Level 1 Operational Level 3 Independent
	The Committee acknowledged that the impact of consultant sickness absence was evident in relation to our provision of clinical oncology, and the attempts to mitigate this risk through the purchase of service to fill the capacity gap from Leeds. The Committee were assured by the description of the processes on place to safeguard patients who were waiting. The Committee were informed that the Cancer Alliance had highlighted that the Trust was demonstrating best time to diagnosis in the region.	
3.5	Key Control: Urgent care recovery plan	Level 1 Operational
	The Committee reviewed the plan and requested that it received a further update to ensure the plan being reviewed reflected the current status.	
3.6	Risk: Winter Plan	Level 1 Operational
	The Committee received a presentation in relation to the system wide planning work-streams relating to winter. The Committee were alerted to the early increase in winter pressures-specifically respiratory issues across all ages, and received a description of plans to increase capacity together with a description of how day to day risks are being mitigated. The Committee discussed the implications of flu and considered our flu vaccination rate, acknowledging this would be discussed at the Workforce Committee.	
4. Governance		
a. Risk appetite statement		
The risk appetite statement related to Strategic Objective 2 was discussed and agreed by the Committee and is attached at Appendix 1 of this paper.		
Recommendation		
The Board of Directors is requested to note the work of the Finance and Performance Committee in scrutinising the Foundation Trust's performance matters. It is also asked to note the assurance level and risk appetite statement (with a move to open) agreed by the Committee which is provided on the Board Assurance Framework.		

Risk assessment						
Strategic Objective	Appetite (G)					
	Avoid	Minimal	Cautious	Open	Seek	Mature

[illegible]