

Meeting Title	Board of Directors - Open		
Date	18 November 2021	Agenda item:	Bo.11.21.8

Report from the Chair of the Finance & Performance Academy

Presented by	Julie Lawreniuk, Non-Executive Director		
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Lead Director	Matthew Horner, Director of Finance / Sajid Azeb, Chief Operating Officer		
Purpose of the paper	To provide a summary of the discussions and outcomes from the Finance & Performance Academy meeting held on 27 October 2021		
Key control	This report is relevant to Strategic Objectives 2a: To deliver our financial plan, and 2b: To deliver our key performance targets		
Action required	To note		
Previously discussed at/ informed by	Finance & Performance Academy 27 October 2021		
Previously approved at:	Committee/Group	Date	
	N/A		
Key Matters Discussed			
1. Finance Improvement Plan			
<p>The Academy received a presentation on the BTHFT's Financial position that was previously presented to the Trust's 'Moving to Outstanding' programme. This highlighted that the Trust achieved a significantly lower weighted activity unit, than the national average and peers in 2019/20 which indicated that the Trust was able to deliver its clinical activity at a lower than average cost when taking account of case mix and complexity. The Trust would need to maintain this position as it was indicative of the overall evaluation of moving towards a CQC rating of outstanding. The most recent model hospital data indicated that one area that required further analysis was with nursing staffing costs and therefore a deep dive would be undertaken to identify opportunities for improvement in the future.</p> <p>Whilst the Trust's funding allocations for 2022/23 remain unknown, the Academy would receive a presentation at the November 2021 meeting on the budget setting framework and timetable which would outline the aspirations for 2022/23 but continue to develop throughout Q4 2021/22. The financial improvement plan for 2022/23 would be aligned to the CBU Accountability Framework which would be focused on earned autonomy, support and scrutiny, and the maintenance of a balanced score card approach through CBU to executive discussions. Other factors for inclusion within the plan include ensuring that it supports the delivery of operational excellence, quality improvement and embedding the 'getting it right first time' (GIRFT) scheme into clinical practice, as an integrated model.</p>			
2. Performance Improvement Plan			
<p>The Academy received an update on the Trust's Operational Improvement Plan which would be delivered throughout the remainder of 2021/22 and into 2022/23. Whilst aligned to the delivery of the H2 (Month 7-12) 2021/22 plan, it had been agreed that the overall improvement plan would continue through to March 2023 to allow for a longer-term transformational change throughout the recovery period.</p> <p>There were three approaches to the delivery of the plan, outlined as:</p> <ul style="list-style-type: none">• Business as usual (operational delivery)• Proactive performance management (tactical response)• Transformation (strategic response)			

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The Academy would receive a deep dive into one of the three following areas at each meeting:

- Urgent and emergency care,
- Planned care,
- Cancer care.

The discussions would be based on the delivery of the ten key standards that underpin the three areas listed above, to provide assurance to the Academy on progress.

The Academy noted the Operational Improvement Plan.

3. Finance and Performance Academy Work Plan

The following amendment had been made to the Academy work plan:

- The Budget Setting Process and Timetable would be received at the next meeting as opposed to this meeting,
- The Budgetary Control Framework would be presented at the January 2022 Academy meeting as opposed to the November 2021 meeting.

The Academy would be in receipt of the work plan for 2022 at the next meeting.

4. Finance and Performance Academy Dashboard

No comments.

5. Strategic Risks relevant to the Academy

There were no new/closed risks to report.

6. NHSE/I Core Standards Self-Assessment Submission

The Board agreed on 23 September 2021 to provide the Academy with delegated authority for the approval of the Trust's self-assessment against NHSE/I Emergency Preparedness, Resilience and Response (EPRR) Core Standards, for submission to NHSE/I on 29 October 2021.

There are forty-eight core standards, aligned to ten overall domains. The Trust is able to demonstrate compliance with forty-six of the standards allowing a declaration of substantial compliance. One area of partial compliance relates to CBRN training, which has been delayed due to Covid-19. There are now training sessions being held monthly and the target is 75% of staff trained by December 2022.

The other area is around full site evacuation and work is underway within the region for a full site plan.

The Academy approved the Trust's EPRR Core Standards Self-Assessment. The Chief Operating Officer would sign this on behalf of the Trust in readiness for submission on 29 October 2021.

7. H2 Plan

a. Performance

The Trust received the planning guidance for H2 (Month 7-12) 2021/22 on 30th September 2021. The initial activity submission was made on the 12 October 2021 in line with the required timeline. The key points from the guidance include the requirements to:

- Eliminate patient waits over 104-weeks by March 2022, except where patients chose to

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wait longer. The current position was 151 patients waiting over 104-weeks; however the Trust expected to meet the trajectory by March 2022.

- Hold or where possible, reduce the number of patients waiting over 52-weeks, which the Trust endeavoured to achieve.
- Stabilise the overall waiting list to the levels seen at September 2021. Whilst improvements had been seen in the reduction of the waiting list, the Trust had submitted a plan that it would be unable to meet the target, due to an increase in referrals to pre-pandemic levels, whilst the Trust was delivering only 80% of pre-COVID-19 pandemic activity. This was highlighted as a risk in the submission.
- Return the number of people waiting for longer than 62-days (cancer or suspected cancer pathway) to the levels seen at February 2020, by March 2022. Significant improvements had been made and the current position was 3.
- Deliver 89% of the 2019/20 baseline completed pathways to access the elective recovery fund.

b. Finance

The H2 2021/22 financial plan would be presented to the Academy for approval in November 2021 prior to the submission deadline of 26 November 2021. The high level summary plan for H2 2021/22 was outlined which highlighted:

- Income was projected to increase by £1.2m in H2 2021/22 compared to H1 2021/22.
- A highly prudent projection suggested that expenditure would increase by £17.7m in H2 2021/22.
- The projected deficit prior to the delivery of efficiencies was expected to be £11.5m.
- The ICS had nominally allocated the Trust £2m of capacity building funding for Urgent and Emergency Care during winter. It was anticipated that Place would have influence on how this funding would be spent, most likely at the A&E Delivery Board.
- The draft plan assumes there would be no recovery of the elective recovery fund for H2 2021/22.
- A total of £4m had been removed from the Trust's funding stream as efficiency targets for H2 2021/22.
- It was expected that the Trust would achieve a break-even position at year-end.
- Discussions would continue to take place regarding any underlying risk to delivery of a break-even position at Place level.

The summary plan is attached at Appendix 1 for reference. The Academy agreed to ask the Board for delegated authority to approve the H2 (Month 7-12 2021/22) at the next meeting on 24 November 2021, prior to the submission deadline of 26 November 2021.

8. Operational Highlight Report and Performance Report

The key points raised as part of the report were:

- Elective activity remained limited by theatre capacity although it was reported that this had increased during September 2021, and would continue through to October 2021 with the utilisation of insourcing.
- Efforts continued to increase day case activity and it was expected that the Trust would report an achievement of 84% against a target of 89% for October 2021.
- It was expected that the Trust would achieve its target of 60% for RTT admitted pathways in October 2021, and 82% for RTT non-admitted pathways.
- 151 patients were waiting over 104-weeks in October 2021 against a projection of 177.
- 1,339 patients were waiting over 52-weeks against a projection of 1,324.
- The total waiting list size was expected to increase to approximately 40k throughout the

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winter period, before reducing again.

- The Trust currently had 31 patients waiting over 62-days for cancer treatment, however had set a trajectory to reduce this to 15 by March 2022. This had reduced from a peak of 179 patients in July 2020.
- The Trust expected to report an improvement in month for the four-hour emergency care standard, and it was reported that the Trust had performed well, placed 16th nationally, 6th regionally and the best performing Trust within the WYAAT area for the standard.
- The average time reported for the Emergency Department decision to admit was reported as 2 hours and 56 minutes, an improvement in month, however, noted as a continued challenge for other departments as wider support was required to admit patients as quickly as possible.
- The cancer 2-week wait position had improved from 91.50% to 95.14% and the cancer 62-day first treatment position had improved from 74.07% to 76.84%.
- Diagnostic performance remained positive.
- Following the introduction of the negative pressure side rooms within the Emergency Department, there had been a significant improvement in the ambulance handover times.

The Academy noted the update.

9. Winter Planning

The contents of the winter plan for 2021/22 were presented which highlighted that, in line with national and local system requirements, the Trust had developed the winter operational plan with five key lines of enquiry:

- Modelling had been undertaken to understand expected COVID-19 demand throughout the winter months. Elective activity and re-start capacity would be ring-fenced to allow for continuity of activity.
- A review of the Trust's bed capacity had been undertaken.
- A review of all clinical and non-clinical rotas had been undertaken to understand the workforce model. This included a consideration of sickness absence.
- There would be a focus on the exit flow of patients through the increase of Same Day Emergency Care and admission avoidance schemes, alongside efforts to reduce the long length of stay patients.
- The winter plan would include a consideration of other external events such as COVID-19, the respiratory syncytial virus, and adverse weather.

A COVID-19 impact tool had been devised which outlines the impact at each level of surge. The high level winter resilience budgets indicated that there was £535k available to support through winter. It was expected that the majority of this would be spent on supporting the medical and nursing workforce through bank and agency.

The Academy noted the update.

10. Monthly Finance Report

The key highlights from the month 6 Finance Report were:

- The Trust achieved a break-even position for H1 (Months 1-6 2021/22).
- The cash position remained ahead of plan.
- The Trust reported a £0.7m year-to-date shortfall on 'other income' due to challenges in recovering a range of income streams.
- Current run rates and projections suggest the Trust should deliver a break-even position for H2 (Month 7-12 2021/22).

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The Academy noted the report.

11. Bradford Place and ICS System Financial Update

The highlights of the report were:

- As at the end of September 2021, the Health System was £0.21m better than plan mainly due to a favourable variation at Airedale FT. The financial risk in the CCG H1 plan had been managed mainly through non-recurrent measures and would therefore carry through to H2.
- The total Health System reported a break-even position; however the overall System position with the inclusion of local authority services was reported at a deficit of £8.29m. It was noted that there was no requirement balance finances across health and local authority.
- Planning guidance and funding envelopes for H2 were published at the end of September 2021, and therefore the focus was now on preparing plans for H2.

The Academy noted the report.

12. Capital Update

The Academy received a capital update which highlighted:

- Of the total ICS capital budget of £228.6m, £154.4m was ICS capital allocation and the remaining £74.2m was other capital allocation.
- There was a year-end forecast of £5.0m overspend on the total ICS capital allocation. This was largely due to the uncertainty surrounding the health infrastructure plan for new hospital builds.
- The Trust had been allocated a total of £21.2m ICS capital allocation and £3.6m other capital allocation. The Trust had forecast a £5.0m overspend at year-end; mainly due to the increase in capital spend relating to the Tilbury Douglas Scheme. The ICS had agreed to loan the Trust £5.0m of CDEL or capital budget (not cash) during 2021/22 to manage ICS capital allocation pressures. The Trust would repay this CDEL 'loan' during 2022/23 by accepting a lower capital limit.
- The Government confirmed a £700m Targeted Investment Fund to aid elective recovery across the NHS for H2 (Month 7-12 2021/22) and the Trust made a bid for £6.4m on 13 October 2021. The Trust would receive confirmation during November 2021.
- Work was ongoing with the Digital Team to identify areas that the Trust would bid for as part of the elective recovery technology fund which was in place for technological innovations that would enhance productivity.
- Work was underway to devise the ICS five-year plan which would be based on individual Trust need, and not affordability. The Academy reviewed the five year indicative plan for the Trust.

13. Pathology Joint Venture – Financial Position

The financial position of the Joint Venture continued to improve with both the Integrated Pathology Solutions and Integrated Laboratory Solutions reporting a cumulative profit position. Work was underway to identify how the profit would be utilised.

The Academy noted the update.

14. NHS System Oversight Framework 2021/22

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NHSE/I had published guidance on their approach to oversight for 2021/22 which outlined that the NHS would continue to manage the impact of COVID-19 and provide a full range of non-COVID services within an evolving local, regional and national context. The Trust had been allocated to segment 2 out of 4, which was a continuation of where the Trust had been allocated prior to the COVID-19 pandemic.

Items of Positive Assurance, Learning and/or Improvement

- The Trust had reported a breakeven position for H2 (Month 1-6 2021/22)
- The introduction of the new negative pressure side rooms within the emergency department had contributed towards the reduction in ambulance handover times.
- The Academy noted that the Trust had in place a carefully organised winter operational plan which contained a scenario based surge plan.
- The Academy was assured that the risks recorded on the Strategic Risk Register are appropriate in the context of the information presented, and are being managed appropriately.

Matters escalated to the Board for consideration

The Academy wishes to ask the Board for delegated authority to approve the H2 (Month 7-12 2021/22) at the next meeting on 24 November 2021, prior to the submission deadline of 26 November 2021.

It was also suggested that it would be beneficial to consider if there should be wider engagement with the Board on future planning and financial implications.

New/emerging risks

There were no new or emerging risks to add to the risk register.

Recommendation

The Board is requested to:

- **note** the discussions and outcomes from the Finance & Performance Academy meeting held on 27 October 2021; and
- **delegate** authority to the Finance & Performance Academy to approve the H2 (Month 7-12 2021/22) at the next meeting on 24 November 2021, prior to the submission deadline of 26 November 2021.