

**FINANCE AND PERFORMANCE ACADEMY
MINUTES, ACTIONS & DECISIONS**

Date	22 February 2023	Time:	08:30-10:30
Venue:	Microsoft Teams Meeting	Chair:	Ms Julie Lawreniuk, Non-Executive Director
Present:	<ul style="list-style-type: none"> - Mr Sajid Azeb, Chief Operating Officer & Deputy Chief Executive (SA) - Mr John Bolton, Deputy Chief Medical Officer & Medical Director (JB) - Mr Chris Danson, Director of Transformation (CD) - Mr Matthew Horner, Director of Finance (MH) - Mr Mohammed Hussain, Non-Executive Director (MHu) - Mr Michael Quinlan, Deputy Director of Finance (MQ) - Mr Chris Smith, Deputy Director of Finance (CSm) - Mr Carl Stephenson, Associate Director of Performance (CS) - Mr James Taylor, Deputy Chief Operating Officer (JT) - Ms Karen Walker, Non-Executive Director (KW) - Ms Adele Hartley-Spencer, Director of Nursing (Operations) (AHS) - Ms Terri Saunderson, Director of Operations (TS) - Ms Rachael Waddington, Deputy Director of Operations for Unplanned Care (RW) 		
In Attendance:	<ul style="list-style-type: none"> - Ms Laura Parsons, Board Secretary/Associate Director of Corporate Governance (LP) - Mr Jonathan Hodgson, Internal Audit Manager, for agenda item FA.2.23.14 - Ms Ruth Dunlop – NED insight placement (observer) 		

No.		Action
FA.2.23.1	Apologies for Absence	
	No apologies were received.	
FA.2.23.2	Declaration of Interest	
	There were no declarations of interest noted.	
FA.2.23.3	Minutes of the Meeting Held on the 25th of January 2023	
	The minutes of the meeting held on the 25 th of January 2023 were accepted as an accurate record of the meeting, with the removal of Sarah Freeman and addition of AHS to the attendance list.	
FA.2.23.4	Matters Arising	
	JL mentioned recent Board effectiveness conversations looking at how the Board operates. The conclusion was that this was audit and assurance heavy and there is a desire to move towards lighter governance and a change in style of the meetings.	

	<p>JL stated that she intends to capture how the meetings felt in her reports to the Board going forward. She reminded the Academy that they don't need to go through every paper in detail and they will be taken as read. The intention is to move towards more richness of discussions.</p> <p>The Academy reviewed the action log. The following actions were discussed and closed:</p> <p>FA220020 - Monthly Finance Report</p> <p>FA220022 - NHSE Operational Plan Submission</p> <p>FA220021 - Capital Update 2022/23 & Indicative Plan for 2023/24</p> <p>FA220023 - Improving Financial Sustainability – Internal Audit Outcome and Recommendations</p> <p>FA220018 - Prioritising Learning Disability Patients</p>	
	Assurance	
FA.2.23.5	Finance and Performance Academy Workplan	
	LP pointed out that the workplan is now colour coded to track which items have been received and deferred.	
FA.2.23.6	Finance and Performance Academy Dashboard	
	SA and MH confirmed that the details within the dashboard would be discussed under other agenda items later in the meeting.	
FA.2.23.7	High Level Risks Relevant to the Academy	
	<p>JL noted no new risks or changes in score of existing risks.</p> <p>SA flagged risk 3696 relating to the condition of the Pharmacy Aseptic Unit. There is a temporary facility in place at SLH and work is ongoing to get the unit commissioned. It is expected that the score will be reduced once the new unit is operational.</p> <p>The Academy noted the update and was assured that all relevant risks were suitably recognised and recorded and that all appropriate actions were being taken within fitting timescales where risks were not appropriately controlled.</p>	
FA.2.23.8	Board Assurance Framework – Strategic Risks Relevant to the Academy	

	<p>LP introduced the Board Assurance Framework (BAF) and the five strategic risks relevant to the Academy. LP highlighted that the financial risks currently scored at 12 reflecting the 2022/23 position are likely to increase in score for 2023/24.</p> <p>The Academy noted the update and was assured that all relevant risks were suitably recognised and recorded and that all appropriate actions were being taken within fitting timescales where risks were not appropriately controlled.</p>	
	Learning and Improvement	
FA.2.23.9	Finance Improvement Plan	
	<p>MH shared that the Foundation Trust has been successful in securing a significant amount of capital monies, but needs to maintain its performance improvement and financial stability.</p> <p>CSm highlighted the following points of the plan:</p> <ul style="list-style-type: none"> • There are opportunities to build upon data sources, such as PLICS, GIRFT and model hospital data. • 2023/24 draft financial plan summary – The gap between income and expenditure is around £25 million (4.5% of costs), but the figure is currently uncertain as the final income allocations have not been determined. • Before income allocations the Trust starts the year with a gap of around a £56 million, excluding ERF, Covid, capacity and Ockenden funding. • NHSE is carrying out a monthly analysis of clinical output expressed as cost weighted activity comparing 2019/20 to 2022/23. Replicating this internally suggests that the cost weighted activity priced at this year's rates has reduced by £32.7 million and expenditure has increased by £70 million. The activity delivered per pound compared to 2019/20 is implied by NHSE to have reduced by 20%. This has been replicated through all specialities to identify the general trend of costs and coded activity. • A £20 million reduction in non-elective work compared to 2019/20 has also been recorded. Some of this has been driven by initiatives to reduce demand and changing models of care. • There has been a material increase in expenditure across the board. • There is a need to focus on non-core expenditure i.e. agency and bank, in/outsourcing and overtime to reduce costs and these areas will be used as the focus for the efficiency programme. <p>MHu queried why there are more cost pressures in certain areas and what can be done about bank costs. MH shared that there is a proposal to reduce the rate of bank pay as the Foundation Trust is an outlier across WYAAT regarding this and a deep dive with the CSUs is required</p>	

	<p>to understand locum costs.</p> <p>JB suggested it may be more financially viable to over-establish in terms of consultant numbers than fund locums when the opportunity to over recruit arose. MH stated that this model is used for nursing and AHP staff, but not consultants.</p> <p>JT raised the possibility of losing staff if bank rates are reduced. MH responded that historically, as rates have risen, fill rates have initially improved, but then reduced to previous levels.</p> <p>CSm presented the Obstetrics and Gynaecology Pack and pointed out that this was compiled from raw, unvalidated data not yet discussed with the CSU:</p> <ul style="list-style-type: none"> • Pre-pandemic the CSU were contributing around £8 million to other services and overheads. • Cost weighted activity has reduced by £3.9 million and expenditure increased by £4.6 million. The NHSE metric analysis largely mirrors the internal position. • 50 more staff have been recruited, equating to a 14% increase. • A range of activity lines have reduced in volume and cost weighted activity. • In other areas activity has increased, but decreased by tariff value, suggesting a reduction in patient complexity or increased efficiency of treatment. • £3.2 million of the cost change is related to pay and £1.8 million to non-pay. • The largest change in expenditure is in medical staff, with a 32% increase. <p>MH asserted that it will be key to work with the CSU to ensure clarity of data validation and identify what help is required.</p> <p>JL stated that it is important to look forward as well as back and it will be interesting to hear about the CSU's reaction to the pack.</p> <p>JT mentioned that it would be useful to run the numbers again before meeting with the CSU to try and pre-empt any discussion around data quality.</p> <p>The Academy noted the update.</p>	
FA.2.23.10	Performance Improvement Plan – RTT	
	<p>SA updated on an emergency decision meeting that was held to sign off the SLH daycase unit work at £18.9 million. This will provide ringfenced elective capacity for just short of 6000 cases per annum and if things progress as planned, it is expected that the new unit could be complete by April 2024.</p>	

	<p>JT highlighted the main points from the presentation:</p> <ul style="list-style-type: none"> • There has been an improvement from 66% to 72.52% of patients being seen within 18 weeks of referral to treatment. • A further area of focus is to reduce the number of patients waiting for longer than 52 weeks. • The position started at 4% of the waiting list being over 52 weeks and is currently at 1.5%. It was pleasing to note that this is ahead of trajectory. • JT provided an overview against each of the areas of work, covering transformation, proactive mitigation of risk and business as usual actions. Although the Foundation Trust was not achieving the expected 110% delivery of activity levels against the 2019 baseline for elective ordinary and daycases, good progress can be seen in delivering against the expected levels for outpatient new and follow ups. • There are currently no patients waiting longer than 104 weeks and the 78 week waiter trajectory is on track. <p>KW commended the layout of the slides and progress and queried how this is communicated to colleagues. It was agreed that more needs to be done to share good news. KW and JT to discuss further.</p> <p>SA stated that it is important to acknowledge the challenges around reducing insourcing and outsourcing and focus on building resilience and internal efficiencies.</p> <p>JL shared that she felt reassured that progress and improvements are being made.</p> <p>The Academy noted the update.</p>	FA230026 JT/KW
FA.2.23.11	System Planning Development Session	
	This item wasn't discussed today and will be added to the March agenda.	FA230027 LP
	Finance	
FA.2.23.12	Monthly Finance Report	
	<p>Csm highlighted the pertinent points of the report:</p> <ul style="list-style-type: none"> • It was expected that the underlying monthly underspend from the early part of the year would reverse and produce a monthly overspend in the latter half of the year. • Month 10 noted an underlying in month deficit of £0.6 million, which is expected to continue into months 11 and 12, meaning that any cumulative surplus will reduce and non-recurrent measures will be required to break-even. • There is no risk anticipated to the break-even forecast. 	

	<ul style="list-style-type: none"> Given the underlying deficit of around £12 million, plus funding reductions and inflation, an efficiency target of around £25 million could be required for 2023/24. <p>MH shared that this is the first month the organisation has started to overspend on pay. The Urgent Care, Elderly and Intermediate Care CSU is £2.7 million overspent and more work is required to reduce their run rate. Junior and middle grade rotas are driving a significant portion of the overspend and a workforce plan is due to be considered by the Planning Committee next month.</p> <p>JL remarked that this challenging financial position is consistent with other providers across the patch and it is important to consider how to achieve productivity gains.</p> <p>The Academy noted the update.</p>	
FA.2.23.13	Capital Programme	
	<p>MQ highlighted the following points:</p> <ul style="list-style-type: none"> A capital overspend of around £1 million is forecast, largely due to a PDC drawdown of £1.5 million for digital diagnostics. This is a good position considering spending of almost £23 million in months 11 and 12. There are likely to be further slippages on some schemes. One key risk is deliverability, for which work is ongoing with Estates and Digital. The TIF funding has been re-phased for the daycase unit at SLH, meaning the majority of funding will be drawn down next year. PDC funding of £2.7 million has also been reallocated into 2023/24 for the Community Diagnostic Centre. There are no leases in place at present, but one is due to be signed next year which could impact on the CDEL allocation. £45.4 million has been allocated for next year, split between £23.9 internal/ Operational capital and £21.5 external/ PDC funding. The draft plan is being worked through with the Executive Management Team and prioritised accordingly. <p>MH stated that a little headroom is available going into next year given the deferral, which will be invested into high risk and backlog areas. If slippage increases, there is a risk that it will need to be top sliced from next year's allocation, which will reduce the amount available for planned schemes. The plan includes more money for backlog maintenance, noting that progressing too many schemes at one time could render it undeliverable.</p> <p>JL cited good news in having a large amount to spend, but backlog vs strategy needs to be understood.</p> <p>The Academy noted the update.</p>	

FA.2.23.14	Internal Audit 2023/24 Planning Process	
	<p>MH introduced JH from Audit Yorkshire, who has been working with the Executive Management Team to establish a risk-based audit plan for 23/24.</p> <p>JH shared that an indicative plan has been presented based on the agreed objectives for last year. The BAF, risk registers and wider NHS have been assessed for audit opportunities. The ask is for the Academy to support the areas identified and suggest further audits that may add value. MH to share JH's contact details.</p> <p>MH and JL thanked JH for his attendance and the Academy noted the report.</p> <p>The Academy noted the planning process that was underway, reviewed the indicative plan and did not identify any gaps or areas for further consideration.</p>	FA230028 MH
	Performance	
FA.2.23.15	Operational Performance Highlight Report	
	<p>CS presented an update:</p> <ul style="list-style-type: none"> • Inpatients - January was a productive month in terms of the number of lists provided and endoscopies undertaken. Next steps to look at start times, booking and minimising cancellations. • Outpatients – high levels of activity were noted in January. 18 Week RTT – the organisation is benchmarking well and the focus is on reducing the total waiting list time. • 52 Week RTT – a significant improvement has been noted against the overall number of patients waiting greater than 52 weeks for treatment. • Diagnostics – There have been challenges with endoscopy capacity and scanner availability. Replacement CT and MRI scanners will help. There has been an increase in demand which is currently in excess of 20%. • Cancer 2 week wait – continue to deliver against this on the whole however there is further focus on Haematology capacity, head and neck and prostate. • Cancer 28 Day Faster Diagnosis – recovery from demand challenges is going well. Improvements are forecasted for Urology and Gynaecology. • Cancer 62 Day First Treatment – the priority the implementation of best practice pathways which will help reduce delays. • UEC – Ambulance Handover – the Foundation Trust is tracking in the upper quartile within West Yorkshire. The gap has been narrowed in terms of how data is recorded with the Yorkshire Ambulance Service. 	

	<ul style="list-style-type: none"> • UEC – ED Measures – Front door and GP streaming work are having a good impact. Work continues on trying to relieve pressure on the Emergency Department using the SDEC. • 21-Day Length of Stay – the MAID Team processes are being reviewed and links with Therapy and learning being strengthened. • SSNAP – a B score is predicted for January. <p>SA remarked that the current SSNAP score is not sustainable and that structural changes are required, which are being worked on.</p> <p>JL commented that it is useful to see the links to improvement and the stroke score is good news.</p> <p>SA stated that the issues have been tackled in a systematic way and the Foundation Trust appears to be ahead of peer organisations in terms of performance improvement. The focus remains on business as usual, proactive mitigation and transformation.</p> <p>The Academy noted the update.</p>	
FA.2.23.16	Performance Report	
	The Academy noted the paper.	
FA.2.23.17	Prioritising Learning Disability Patients and Health Inequalities	
	<p>CS provided an update on the presentation circulated with the papers:</p> <ul style="list-style-type: none"> • The previous analysis has been repeated with the usual waiting list analysis with an added review of inpatient waits by priority, a review of referral data by practice area and a deep dive into DNA rates. • There is work to be done around enabling the analysis to be frequently repeatable using Power BI. • 50% of the waiting list is from the CORE20 cohort (IMD 1 and 2). DNA rates in this cohort of patients accounts for the majority of the delay difference. • A deep dive revealed a strong correlation between DNA rates and age, with younger, more deprived, patients more likely to not attend. • It has been found that CORE20 patient referrals are less likely to result in admitted treatment, but more likely to be admitted on a fast track pathway. • There is a potential scenario of under-referring for Gynaecology and Urology cancers from more deprived areas and work needs to be done with the relevant GP practices. • Once referred on a routine referral, CORE20 patients are more likely to stay as a Priority 3 or 4. • Patients with learning disabilities continue to be expedited as per the Board agreement within their priority group. 	

	<p>JB pointed out that certain ethnicities have a lower incidence of certain cancers so less referrals should be expected in those cases. JT remarked that age also a factor in cancer incidences. SA added that more work is required to get into the finer detail.</p> <p>JL queried what action was being taken on the above findings. SA stated that patients with learning disabilities have already started to be prioritised and work is ongoing around the increased use of digitisation, such as text reminders for appointments as a means to reduce the DNA rates. The presentation will be delivered at the next Board of Directors meeting.</p> <p>The Academy noted the paper.</p>	
FA.2.23.18	Any Other Business	
	No other business was raised.	
FA.2.23.19	Matters to Share with Other Academies	
	There were no matters to escalate to other Academies.	
FA.2.23.20	Matters to Escalate to Board	
	There were no matters to escalate to the Board.	
FA.2.23.21	Date and Time of the Next Meeting	
	29 th of March 2023, 08:30-10:30	

**BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST
ACTIONS FROM THE FINANCE AND PERFORMANCE ACADEMY – 22 February 2023**

Action ID	Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
FA230026	22.02.23	FA.2.23.10	Performance Improvement Plan – RTT KW and JT to discuss how best to share good news stories.	JT/KW	29.03.23	
FA230028	22.02.23	FA.2.23.14	Internal Audit 2023/24 Planning Process MH to share JH's contact details with the Academy.	MH	29.03.23	