

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

Date	24 May 2023	Time:	08:30-10:30
Venue:	Via Microsoft Teams	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 Matthew Horner, Director of Finance (MH) - 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 Chris Danson, Director of Transformation (CD) - Ms Adele Hartley-Spencer, Director of Nursing (Operations) (AHS) - Ms Ellie MacIver, Deputy Director of Operations for Cancer and Diagnostics (EM) - Mr Shaun Milburn, Deputy Director of Operations for Unplanned Care (SM) - Ms Karen Walker, Non-Executive Director (KW) - Ms Terri Saunderson, Director of Operations, Unplanned Care (TS) - Dr James Taylor, Deputy Chief Operating Officer (JT) – joining at 9.30am 		
In Attendance:	<ul style="list-style-type: none"> - Mr John Holden, Director of Strategy & Integration (JH) - Ms Laura Parsons, Board Secretary/Associate Director of Corporate Governance (LP) - Ms Joanne Hilton, Director of Nursing/Deputy Chief Nurse (JH) - Mr Neil Scott, Head of Business Intelligence (NS) - Ms Katie Shepherd, Corporate Governance Manager 		

No.		Action
FA.5.23.1	Apologies for Absence	
	Apologies were received from Ms Rachael Waddington, Deputy Director of Operations (Planned Services) and Mr Mohammed Hussain, Non-Executive Director.	
FA.5.23.2	Declarations of Interest	
	No declarations of interest were made.	
FA.5.23.3	Unconfirmed Minutes of the Meeting Held On The 26th of April 2023	
	The minutes of the meeting held on the 26 th of April 2023 were approved as an accurate record of the meeting.	
FA.5.23.4	Matters Arising	
	<ul style="list-style-type: none"> • The Academy reviewed and updated the action log. The following action was closed: FA230030 - Procurement Strategy. • JL remarked on the success of the CSU to Academy engagement even on the 18th of May and expressed thanks to all involved. 	

	Assurance	
FA.5.23.5	Finance & Performance Academy Workplan	
	LP shared that the Budgetary Management Framework is not due for renewal this year so has been removed from the workplan.	
FA.5.23.6	Finance & Performance Academy Dashboard	
	SA and MH confirmed that the details within the dashboard would be discussed under the relevant agenda items later in the meeting.	
FA.5.23.7	High Level Risks Relevant to the Academy	
	<p>JL noted no new risks for the Academy to be aware of.</p> <p>SA highlighted risk 3808 regarding industrial action and operational resilience. No official notification of further strike action has been received as yet, but the media have reported a planned junior doctors' strike from the 14th to 16th of June. The risk register will be updated to reflect the latest action.</p> <p>The Academy was assured that all relevant risks had been identified, reviewed and were being managed appropriately.</p>	
	Learning and Improvement	
FA.5.23.8	Finance Improvement Plan	
	<p>MH informed the Academy that the updated waste reduction tracker has been circulated to the CSUs and will be presented to the Academy monthly. An overall improvement target of around 2.2% has been set for the CSU's, with the remainder delivered through non recurrent measures and the planned reduction in outsourcing costs.</p> <p>The recent Executive to CSU meetings revealed some positive results. General Surgery has identified £1.6 million of savings and Paediatrics has identified 75% of their target.</p> <p>MH pointed out that there should be a clearer understanding of the positions after the next round of meetings.</p> <p>JL queried how the CSUs learn from each other. MH replied that one of the Terms of Reference of the Waste Reduction Group is how best practice can be shared.</p> <p>SA cited the monthly Hospital Management Group as an opportunity for Executive Directors and Clinical Directors to share information and discuss issues across all the CSUs.</p> <p>MH advised that speciality packs are being shared with a number of the CSUs, with the roll out continuing. The Radiology CSU has received a number of big ticket items over the last few years, which should offer productivity opportunities, as will the new daycase unit. .</p>	

	JL thanked MH for the update and the Academy noted the same.	
FA.5.23.9	Operational Improvement Plan – RTT	
	<p>JT provided an update on the plan:</p> <p>The RTT position has improved against the 18 week standard and there are now no ongoing 104 week waiters and only a very small number of 78 week wait patients. The internal target is for zero greater than 65 weeks by the end of June. There are around 39,000 patients on the waiting list.</p> <ul style="list-style-type: none"> Transformation – work is ongoing with the Outstanding Theatres Programme around culture and a specific focus on recruitment. Theatre efficiencies are part of the national recovery programme in terms of theatre workforce. The Cerner theatre module is being implemented and work is underway around improving start time recording. <p>PIFU is being utilised and good national results have been seen in areas such as Ophthalmology. Work is ongoing to reduce referral numbers. DrDoctor is in place, which is an ongoing patient communication portal used for reminders and See Me Sooner will be implemented later in the year, which enables patients to take advantage of last minute cancellations and hopefully will help in reducing the amount of unfilled capacity.</p> <p>The GIRFT outpatient recommendation around enhanced triage, reducing DNA rates and improving the ratio between new and follow-up appointments is being worked through and the WYAAT Elective Coordination Group meets weekly to share ideas and mutual aid options.</p> <p>A GIRFT self-assessment has been commenced in outpatients and a high volume, low complexity GIRFT visit was made recently, resulting in recommendations around theatre start times, pre-assessment, patient choice and daycase activity.</p> <ul style="list-style-type: none"> Proactive Performance – there are ongoing plans around recovery against the use of insourcing and the teams have been asked to reduce this wherever possible. Outpatient utilisation remains under review and pre-pandemic ways of working are being considered. <p>The new theatre start times and processes are due to go-live in July and patients are continuing to be booked in chronological order to clear waiting lists. A patient validation exercise was completed for patients at 12, 26 and 52 weeks of waiting to ensure they wanted to remain on the list and clinics which progress patients in a virtual manner are being looked into. Vacancies continue to be proactively managed.</p> <ul style="list-style-type: none"> Business As Usual – Work is ongoing to ensure patients are booked earlier in their pathway and ensuring we maximally book all available lists. Weekly access and RTT meetings continue and bespoke RTT 	

	<p>targets are being set for certain specialities, such as Paediatrics.</p> <p>JL asked if the targets shown in the presentation were internal or national. JT responded that the graphs showed the internal plan. The national target was to achieve 110% delivery against baseline. JL remarked that it was useful to see the learning gleaned from peer trusts.</p> <p>SA mentioned challenges around the Foundation Trust's reliance on Medinet needing to reduce at the same time as increasing activity. Discussions are ongoing with operational, finance and clinical colleagues.</p> <p>An elective care priorities letter has been received from NHSE which lists the expectations for next year. There are three areas of focus; to virtually eliminate waits of more than 65 weeks by March 2024, to continue to reduce the number of cancer patients waiting more than 62 weeks and to meet the 75% cancer and faster diagnosis standard by March 2024. The organisation is working to deliver the first two areas and already delivers the third. The plan is for us to complete the assurance checklist ahead of the next academy meeting.</p> <p>JL thanked JT and SA for the information and the academy noted the same. JT left the meeting.</p>	
FA.5.23.10	Operational Highlight Report	
	<p>SA stressed the importance of the background context of this report. Strike action by members of the Royal College of Nursing took place in December, February, April and May and, junior doctors in March and April. In terms of nursing, the derogation list reduced to near zero. There were no derogations agreed with the British Medical Association.</p> <p>All CSUs have been holding operational huddles daily for pre-strike action planning, during the strikes and then afterwards for recovery. Activity that was lost due to the previous strikes includes 905 new outpatient appointments, 4237 follow-up appointments, 148 inpatient procedures and 150 daycase procedures.</p> <p>This was in addition to the background of RTT and cancer pressures as a result of Covid-19, A&E performance and a challenging winter.</p> <p>JL queried if there had been any support offered from the ICS during the strikes as the nursing action mainly affected Bradford, Leeds and Harrogate. JT confirmed that regular meetings take place around mutual aid, which identify transfer needs for acute patients, but this doesn't help with elective cases.</p> <p>CS provided an overview of the presentation:</p> <ul style="list-style-type: none"> • Demand patterns – A&E activity has been steady, but fast-track referrals and cancer demand have increased. • Inpatient Pathway Activity – theatre and daycase productivity has started to improve towards meeting the plan, but April was impacted by the industrial action. A theatre recovery plan is in place to improve 	

	<p>start times, booking and the utilisation of sessions, but there are challenges.</p> <ul style="list-style-type: none"> • Outpatient Pathway Activity – this was also affected by the strikes, but has since improved. Sustained periods of leave have affected activity and work is ongoing around outpatient transformation and trying to avoid unnecessary follow-ups. • 52 Week RTT – this metric is tracking well in terms of the longest waiters. There are plans in place to more evenly distribute the waiting lists between 0 and 52 weeks. The goal is to have first appointments and decisions made sooner, but demand is increasing. • Diagnostics – this is the most challenging area. The major driver in the downturn of performance is non-obstetric ultrasounds due to the Saving Babies Lives initiative requiring more obstetric ultrasounds to be done. There is a plan in place to gain a clearance position and sustain the level of demand. The high demand has also had an impact on fast track performance. The endoscopy position is improving monthly due to maximising the use of Westcliffe and internal capacity. Cardiology echocardiogram numbers have been impacted due to increased leave and alternative workforce models are being explored. • Cancer 2WW – the position has been sustained for a significant amount of time. But challenges remain around lower GI. Work has been done to deal with the increase in demand, but the service struggles if it loses a consultant for a period. • Cancer 28 Day Faster Diagnosis – this has stayed green against the 75% target and will improve as lower GI recovers. The metric is performing well in the upper quartile. • Cancer 62 Day First Treatment – this has stayed in the top quartile for a sustained period, but hasn't met the 85% target. Treatment capacity continues to be prioritised and the team is managing to keep on top of the extra demand. Work is ongoing around pathway efficiency. • UEC Ambulance Handover – this is sustaining well and is now third best out of 16 trusts. Occupancy pressures can lead to longer waiting times and work is ongoing with YAS to tackle build-ups and reallocate capacity. • UEC ED Measures – a national improvement has been noted and the Urgent Care Centre model will help towards the delivery of the ECS. • UEC Admission Measures – there have been challenges with bed occupancy. • 21 Day Length of Stay – the organisation has been performing well in terms of initial assessments, but there are challenges around placing patients within the social care setting on discharge and work is ongoing with Social Care partners. • SSNAP – Additional bed capacity is in place and therapy recruitment is underway. There is a joint improvement plan in place with Airedale. <p>JL queried if an exercise could be undertaken to understand where the performance indicators would be without the impact of the strikes. CS stated that this was absorbed into the planning and SA added that the graphs could be annotated to highlight the dates of the strikes and a narrative provided to explain the activity loss.</p> <p>JL remarked that it is important for the Board to understand the impact of the industrial action.</p>	<p>Chief Operating Officer FA230032</p>
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	<p>SA informed that the Radiology CSU is working on a recovery plan. The new MRI scanner is now in use, which should increase capacity over the mobile version. In terms of the Community Diagnostic Centre in Eccleshill, it is planned to have this in operation from October and the new Endoscopy Unit which has been approved will increase capacity from 6 to 8 rooms. Planning permission for the St Luke's Hospital Daycase Unit is anticipated in the next fortnight with an April 2024 opening.</p> <p>JL commented that it was good to hear about positive new stories and the difference the additional capital programme will make. MH added that new job opportunities are tied to the developments, which will be beneficial for both the organisation and city.</p> <p>JL thanked CS and SA for the information and the Academy noted the same.</p>	
FA.5.23.11	Performance Report	
	This item was covered under agenda numbers FA.5.23.9 and FA.5.23.10.	
	Finance	
FA.5.23.12	<p>a. Monthly Finance Report</p> <p>MH shared that the ERF proposal has been submitted and the ICS believe this will be approved. This is focused on improving waiting times and innovation, rather than a pure Payment by Results approach. JL stated that this seems the right thing to do and MH remarked that the Trust will need to measure the impact of the industrial action and to understand the potential impact on the ERF payment.</p> <p>CSm informed that a break-even position has been reported as per the plan. There was a pay overspend noted of £0.6 million, mostly due to overtime and TOIL as a consequence of the strikes. There are mitigating underspends which have resulted from lower than planned/ funded levels of activity i.e. spend on medicines.</p> <p>£0.9 million of the waste reduction programme has been delivered, with just under £700,000 of non-recurrent flexibility being utilised.</p> <p>The main over-spending issue continues to be a pay overspend in Urgent and Emergency Care and the CSU is working on plans to mitigate this.</p> <p>MH shared that at the recent Executive to CSU meetings there was more of an understanding from the CSUs around the controls needed to manage their rotas more effectively, particularly for junior doctors and a sustainable rota is expected to be presented at end of this month.</p> <p>The Academy noted the month 1 position and status of the Waste Reduction Plan.</p> <p>b. Financial Plan and Internal Budget Setting</p>	

	<p>MH highlighted that the paper to accompany this item explains the steps taken to provide assurance that a robust process is in place around the budget setting process. This has received a significant assurance opinion from Internal Audit and the team are confident that it is the best plan for the organisation. An extraordinary Executive Director meeting was held to formally sign off the recommendations requiring decision, including the treatment of legacy Covid-19 costs and vacancy factors.</p> <p>JL commented that it was useful to understand the process and hear about the discussions at ETM. JL queried the reasoning behind including the vacancy factor. MH responded that a full establishment is never reached and it would not be realistic to reinstate the fully established. There are currently no plans to prevent recruitment into clinical vacancies. Should a pay overspend be projected, CSU's will need to take action to manage their overall financial position.</p> <p>The plan is based on what the whole time equivalent trajectory may look like, noting that the full pay underspend seen in 22/23 has not been applied. This has been reduced (i.e. the vacancy factor) by 15% to reflect the further recruitment.</p> <p>JL enquired about the CSU response to the process. CSM answered that most of the background work was done by the CSUs in conjunction with their Finance Business Partners, so they were already aware of the details. The plans then went to the Central Finance Team for moderation and then to ETM for sign-off. The CSUs have since been written to asking them to confirm acceptance of their budget allocations and waste reduction targets and most of the responses are awaited.</p> <p>JL thanked MH and CSM for the updates and the Academy noted the same.</p>	
FA.5.23.13	Treasury Management Update	
	<p>MQ summarised the key points of the presentation:</p> <ul style="list-style-type: none"> • At end of 22/23 a closing cash balance of £73.1 million was reported, which was £30.3 million more than planned. The main reasons for this are not spending on capital in-line with the plan and large movements in payables and receivables, such as annual leave accrual not being reduced from 21/22. The pay award accrual of £10.8 million for last year was also a factor. • There have been challenges around forecasting cash and liquidity in recent years due to the number of capital projects invested in, such as the Endoscopy Transformation project and the St Luke's Hospital Daycase Unit. • For 23/24 available cash is expected to reduce by around £24 million to a closing balance of £49.2 million. The main reason for this is a significant investment of cash reserves of around £54 million in the capital programme. There will also be a payment of £4.4 million made for loans and lease payments. • In terms of performance for working capital, the metrics are 	

	<p>continuing to improve.</p> <ul style="list-style-type: none"> • The increase in interest receivable to £1.7m was due to the increased interest rates. Further improvement will depend on future interest rate movements and national loan fund rates. Capacity in the Financial Accounts Team has been increased to be able to maximise this number. • Liquidity is forecast to fall from negative 7.1 days to negative 17.8 days. This is dependent on achieving the waste reduction targets and delivering a breakeven position. • The Trust has sufficient cash headroom to deliver its operational plan in 2023/24 with sufficient cover if the waste reduction plan fails to deliver its targeted value. • There is a Cash Management Group that meets monthly to work on improvement and providing assurance on the management of cash. The focus for this year is improving the cash forecasting processes and updating the plan in-line with movements that may happen throughout the year. • The key risks are; not delivering the cash releasing waste reduction schemes, changes to the ICS capital allocation and the assumptions made for future years around working capital, particularly Research and Development deferred income. <p>JL stressed the importance of considering the implications of the cash position in terms of paying staff wages and asked what the optimum position was. MQ explained that liquidity was previously measured by NHSE with a target of 0 days, which has since been removed. The position can be improved by reducing the capital programme or delivering a surplus in I&E.</p> <p>MH stated that the plan has been to maximise deployment of the cash headroom in the capital programme over recent years, working closely with the ICS to secure a fair and deliverable allocation and a substantial allocation has been received via the ICS.</p> <p>JL remarked that it is important to understand the relationship between having a negative liquidity position and maintaining safe services.</p> <p>JL thanked MQ for a useful summary and the Academy noted the report.</p>	
FA.5.23.14	Pathology Joint Venture - Financial Position	
	<p>MH shared that the report detailed a successful year end position. On a £29 million turnover, the Joint Venture generated £1 million of profit, which has been distributed equally between the three partner organisations.</p> <p>A similar level of profit isn't expected for 23/24 due to a reduction in Covid-19 income and the team is looking to propose a £400,000 to £500,000 profit for the year. Improvements in waste reduction opportunities are being sought, particularly around the repatriation of high cost tests that are sent to other organisations for processing.</p>	

	JL commented on the positive year. MH advised that profits go towards waste reduction targets within the individual organisations and reduces the overall ask of the CSUs.	
FA.5.23.15	WYAAT/ICS Programme Updates	
	<p>MH informed that the Community Diagnostic Centre is due to open on the 1st of October and £25 million of capital funding has been secured for the new Endoscopy Unit. Additional capital funding may be available to YIC and further details are awaited.</p> <p>The Pharmacy Aseptic Unit business case is currently going through a questioning process by the centre. Any delay to the commencement of the work could push the capital plan back, resulting in the allocation not being spent in year. A re-profile would look to be negotiated in this scenario.</p> <p>JL thanked MH for the information and the Academy noted the same.</p>	
FA.6.23.16	Any Other Business	
	<p>No other business was raised. JL will include the impact of the industrial action and the Foundation Trust's ability to deliver such a sizable capital programme in the alert section of her report to the Board.</p> <p>JL thanked the attendees for their time.</p>	
FA.5.23.17	Matters to Share with Other Academies	
	There were no matters to share with other Academies.	
FA.5.23.18	Matters to Escalate to Board	
	There were no matters to escalate to the Board.	
FA.5.23.19	Date and Time of the Next Meetings	
	7 July 2023 – 11:00-16:00 26 July 2023 – 11:00-13:00 27 September 2023 – 11:00-13:00 1 November 2023 – 11:00-13:00 29 November 2023 – 11:00-13:00	

**BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST
ACTIONS FROM THE FINANCE AND PERFORMANCE ACADEMY – 24 May 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.	Deputy Chief Operating Officer/ Non-Executive Director	07.07.23	29.03.23 – To remain open and update at the next meeting. 24.05.23 – JT ensuring news shared through Let's Talk and press releases. KW to write a paper. A progress review and forward look at the operational improvement plan for the next 2 years to be shared at the next meeting. Action to remain open.
FA230032	24.05.23	FA.5.23.10	Operational Highlight Report Graphs to be annotated to highlight the dates of the strikes and a narrative provided to explain the activity loss.	Chief Operating Officer	07.07.23	