

TRUST BOARD MEETING 26<sup>TH</sup> JANUARY 2006

**SUMMARY OF THE FINANCE & PERFORMANCE COMMITTEE MEETING  
OF 9<sup>TH</sup> JANUARY 2006**

1. The meeting had been postponed from 28<sup>th</sup> December. The Board had delegated responsibility to the Committee to approve the PACS (Picture Archiving Communication System) Business Case and requested it to scrutinise both finance and performance matters to the end of November 2005. Where information was available, the Committee also received a verbal update to the end of December.
2. In considering Matters Arising, the Committee requested a quarterly report on medical devices and an update on corporate structures for their next meeting.
3. The Committee were very pleased to hear that the Trust had met all its year-end key performance targets, with the notable exception of A&E waits. Achievement of the 26 week target for inpatients and day cases, and the 13 week target for outpatients had involved a huge amount of effort and the Committee extended its thanks to all concerned and notably Nick Evans and Morag Olsen.
4. The Committee were however concerned at the continuing poor performance in A&E, for which the Trust was bottom of the national league table, despite a brief improvement over the Christmas break when there was no elective activity. The Committee acknowledged that this was primarily due to the coincidence of reduced bed capacity within the, insufficient non-acute alternatives in community settings (though this was improving) at a time of increased seasonal demand. As a result additional bed capacity had been opened within the Trust and discussions were ongoing with PCTs on optimising capacity in Intermediate Care and on acknowledging the additional cost pressures falling on the Trust. There were however internal issues to be addressed which had been identified with the assistance of the Department of Health. These were being addressed. The Chairman and Chief Executive would raise the matter with their counterparts within the quadrant.
5. The Committee learned that from January, access times for Diagnostics would also be actively monitored. Performance had already improved considerably though there were still challenges in respect of non-maternal ultrasound services.

6. In relation to Finance, the Committee were informed that there were areas of overspend in some divisions and in others lack of achievement of planned savings. Within Surgery this had to some extent been mitigated by increases in Private Patient income as a result of pursuing debtors more vigorously. The likely out-turn was becoming clearer but was still the subject of ongoing discussions with the Strategic Health Authority, along with the cash position across the health economy.
7. The Trust remained concerned that SLAs were overperforming and was in discussions with PCTs about how best to address this within the context of needing to sustain improvements in performance about access targets.
8. In this regard the Committee were pleased to note the intense activity in December to improve clinical coding in preparation for the roll-out of Payment By Results. Getting this right was critical for future income. They also welcomed the fact that a user friendly Management information system, "Dashboard" would be installed during February.
9. The Committee then received a presentation on the PACS Business Case. The Trust were a vanguard site for implementation of this national initiative which involved strict adherence to tight deadlines outwith the control of the Trust. Members were unanimous in support of the principle of implementing this new system but concerned about the proposed capital and revenue consequences. The Trust would suffer penalties if it did not go ahead. Following discussion the Committee agreed to approve the PACS Business Case provided the Chief Executive was satisfied that the arrangements for capital investment, for revenue consequences and evidence of support for the benefits could be resolved. These issues were satisfactorily resolved and the Board is asked to ratify the decision it delegated to the F&P Committee.
10. The Committee received a progress report from Nigel Armit, the Turnaround Director who had been appointed in December to ensure implementation of the Trust Turnaround Plan.

### ***Recommendation***

#### ***The Trust Board is invited to***

- 1. Receive and Note the content of this report***
- 2. Receive a verbal update on the subsequent Finance and Performance Committee held on 23<sup>rd</sup> January***
- 3. Ratify the delegated decision of the Committee to approve the PACS Business Case, as set out in para 9. above***