

Report to:	Trust Board
Title of Report:	Finance, Investment & Performance Committee Assurance Report to Board
Date of meeting:	Tuesday, 25 October 2016
Recommendation:	For discussion
Chairperson:	John Brougham, Non-Executive Director
Purpose	This report summarises the assurances received, approvals and decisions made by the Finance, Investment and Performance Committee (FIPC).
Background	The FIPC meets monthly and takes scheduled reports from all Trust operational committees with a finance, information technology and performance brief according to an established work programme
Business undertaken	<p><u>Integrated performance report</u></p> <p>The Committee's focus is on the Responsive section of the IPR which includes performance target times for Referral To Treatment (RTT), Diagnostics, A&E, Cancer, treatment of patients following cancellation of operations and outpatients' appointments, and the number of Delayed Transfers of Care (DToC).</p> <p>Of the 21 key performance indicators, 10 met targets in September, one more than reported last month as there are now no RTT 52 week wait breaches.</p> <p>The major challenges for the Trust are to achieve standard performance targets this year in A&E 4 hour waits, at 95%, and RTT 18 week waits, at 92%, compared with the September performances of 85.2% and 86.6% respectively.</p> <p>Detailed recovery plans were agreed at the October Board, and the Committee reviewed progress.</p>

A GP front end service in A&E commenced in September, and its impact on patient flow should be evident from October onwards and the recently introduced Frailty project in A&E is making good progress in reducing frailty admission. The Trust continues to work closely with the NHS emergency care specialist team, ECIP, and with system partners to improve patient flow both within the Trust and externally.

A major barrier to improving both A&E and RTT performance is that Social Care capacity remains a system-wide constraint to achieving DToC targets. In September DToCs at the Trust exceeded last month's highest ever levels with the equivalent of 45 beds occupied every day of the month.

There are 45 specialities delivering elective care, and in September 29 met the 92% RTT standard with 16 falling short. Two Divisions, Elective Medicine, and Women's and Children's Services met the standard and two underperformed, Surgery, which is responsible for the majority of admitted pathways, and Clinical Support Services.

Detailed divisional action plans have been agreed with the Trust Executive to bring the Trust's overall RTT performance back to standard by the end of the calendar year. Progress on these plans is reviewed at every FIPC.

In September 5 of the 7 cancer indicators achieved standard, and the 2 that failed, 2 week waits for cancer, and breast symptomatic, were both primarily due to patient choice. An audit of the breaches has been carried out and is being shared with HVCCG to jointly improve booking arrangements.

The Committee recommends a presentation is made to part 2 of the November Board on the status of plans to deliver A&E and RTT targets in line with the recovery plan.

ICT infrastructure programme update

The Committee received a report on progress. The planned deliverables are on schedule to be completed by April 2017. In September WiFi rollout was successfully implemented across the Trust.

Corporate Risk Register review

The September Committee recommended that a total of 7 risks, and associated mitigating actions under the remit of the

FIPC, be approved by the October Board for inclusion in the CRR. These were all endorsed by the Board. There were no changes to these risks presented to the Committee.

Month 6 report and Efficiency programme update

The Committee reviewed the I&E performance for the month, and half year to date, H1, and the action plans in place and planned, together with the risks, to deliver the deficit target for the year of no more than £22.6m.

The deficit in September of £1.6m was £0.1m worse than budget, bringing the half year deficit to £14.2m, £0.1m better than budget, with lower revenue of £0.7m, 0.4%, and higher non pay costs of £1.0m offset by lower pay costs of £1.5m.

The Committee reviewed the challenge for the second half year, H2, which demands a deficit of no more than £8.4m, £5.8m better than H1. Further revenue shortfall is expected in H2, putting even more pressure on reducing the cost base in particular in agency costs and CIPs.

Agency costs have been managed down significantly in H1, at 12.6% of total pay, compared to 16.7% in H1 last year, a reduction of £4.4m, and in September were 11.3% of pay, the lowest level since July 2013. However this performance is still behind plan by £0.5m in H1, at £14.0m, and has to reduce to no more than £10.4m in H2 to meet the £24.4m target.

CIPs in H1 of £5.4m were £0.2m above target but need to be more than double that level in H2 to hit the target of £18.3m. So far £12.4m of CIPs have been identified for delivery this year and CIP workshops are currently taken place in all Divisions within the Trust to drive this total higher.

After reviewing other initiatives and risks, including reductions in STF funding if A&E and RTT targets are not met, the Committee concluded that more needs to be done to give assurance that the planned improvements can be confidently embedded for delivery.

The Committee recommends that an update on plans and assurance levels is presented at part 2 of the November Board.

Capital Programme and Funding

The Trust's application for NHS funding to cover cash requirements beyond the autumn has still not been approved.

This has impacted timing of payment to a number of larger creditors and capital spend projects are being restricted to the most essential. A temporary loan of £2.7m has been received from NHSI to cover immediate cash requirements.

Financial Plan 2017/8 and 2018/9

The Committee reviewed the deficit targets and assumptions for the next two years issued by NHSI and the associated timetable for the plan submission.

The Committee agreed a response for the preliminary submission on November 1 and recommends this is presented to the November Board for review and for agreement of the approval process for the substantive and final plan submissions scheduled for late November and December.

Divisional presentation: Women's & Children's Services (WACS)

The Divisional management gave a presentation on the actual and planned financial performance for the year, and on the division's IPR.

The division's profit contribution at the half year is £8.2m, £0.4m ahead of budget. However lower volumes and revenues are expected in H2, which puts the full year contribution of £16.2m at risk and the Committee reviewed the CIP programme and the challenge to increase the current forecast to help offset revenue shortfall.

WACS is one of the two divisions currently performing ahead of the RTT standard at 94.4%, compared to the 92.0% target.

Risks to refer to risk register

None

Issues to escalate to Board

The Committee recommends the following papers be submitted to part 2 of the November Board:

1. The status of plans to deliver A&E and RTT standards this year in line with the recovery plan.
2. A review of actions, opportunities and risks to deliver the target deficit for the year
3. A review of the financial plan for the next two fiscal years

Attendance record

Attended

John Brougham, Non-Executive Director (Chair)

Don Richards, Chief Financial Officer

Katie Fisher, Chief Executive

Lisa Emery, Chief Information Officer

Mike van der Watt, Medical Director

Phil Townsend, Non-Executive Director

Stephen Dunham, Assistant Director of Finance & Commercial Development

Prof. Steve Barnett, WHHT Chairman

Tom Drabble, Patient's representative

Vasanta Nanduri, Divisional Director, Women's & Children's Services (for item 14)

Alison McGirr, Divisional Manager, Women's & Children's Services (for item 14)

Bettina Newberry, Divisional Head of Finance, Women's & Children's Services (for item 14)

Apologies

Kevin Howell, Director of Environment

Sally Tucker, Chief Operating Officer (Interim)

Lesley Headland, Chair of Staffside

Clerk

Clare Ransom, Executive Assistant

Tapiwa Songore, Assistant Trust Secretary