

**TRUST BOARD – 30 JANUARY 2013**

**FINANCE & PERFORMANCE COMMITTEE – 23 JANUARY 2013  
EXECUTIVE SUMMARY REPORT**

<b>PURPOSE</b>	To present to the Trust Board the report from the Finance & Performance Committee (FPC) meeting of 23 January 2013
<b>PREVIOUSLY CONSIDERED BY</b>	N/A
<b>Objective(s) to which issue relates *</b>	<input checked="" type="checkbox"/> 1. To improve continuously the quality of all aspects of our services <input checked="" type="checkbox"/> 2. To consolidate acute services for complex or serious conditions onto a single site <input checked="" type="checkbox"/> 3. To work with colleagues in primary care to expand local access to specialist acute services <input checked="" type="checkbox"/> 4. To maintain the pre-eminence of Mount Vernon as a tertiary Cancer Centre, and to provide more cancer care locally
<b>Risk Issues</b> (Quality, safety, financial, HR, legal issues, equality issues)	Key assurance committee reporting to the Board Financial risks as outlined in paper
<b>Healthcare/ National Policy</b> (includes CQC/Monitor)	Potential risk to CQC outcomes Key statutory requirement under SFIs, SOs. Healthcare regulation, DH Operating Framework and other national performance standards
<b>CRR/Board Assurance Framework *</b>	<input type="checkbox"/> Corporate Risk Register <input checked="" type="checkbox"/> BAF
<b>ACTION REQUIRED *</b>	
For approval	<input type="checkbox"/>
For discussion	<input checked="" type="checkbox"/>
For decision	<input type="checkbox"/>
For information	<input type="checkbox"/>
<b>DIRECTOR:</b>	Chair of FPC
<b>PRESENTED BY:</b>	Trust Vice Chairman
<b>AUTHOR:</b>	Company Secretary
<b>DATE:</b>	January 2013

## **FINANCE AND PERFORMANCE COMMITTEE – 23 JANUARY 2013**

### **EXECUTIVE SUMMARY REPORT TO BOARD – 30 JANUARY 2013**

#### **Floodlight Scorecard Month 9**

The Committee reviewed the floodlight scorecard for Month 9 with accompanying exception reports for SHMI and HSMR (for discussion at RAQC), statutory and mandatory training and the cultural indicators for recommending the Trust as a place to work and receive treatment, support from managers and opportunities to influence.

#### Statutory and Mandatory Training exception report

The Director of Nursing highlighted current compliance by competency and job profile and the FPC discussed training and under-utilisation capacities as well as DNA rates. The Committee was concerned that bank staff may be filling shifts in order for staff to attend training courses.

#### Cultural Indicators exception report

The FPC was concerned that, following the internal staff survey, response rates are dropping. The Company Secretary informed the Committee that, in order to address this, RAQC had requested a review of the system. The Chair proposed the review include a method of encouraging staff and recommended a broader discussion at Board around culture and a review of the trends covering the last two-three years. The Committee was agreed that this should be escalated to the Board.

#### **Month 9 Finance Report**

The FPC considered the month 9 finance report to the end of December 2012, which indicates the Trust is £776K worse than forecast for the month, offset by a positive month in November, giving a cumulative position of £189k worse than forecast. The adverse variance is mainly due to a combination of low non-clinical income in month due to the Christmas period as well as higher expenditure due to winter pressures and the impact of Norovirus. The Committee noted the actions being taken to achieve the revised net surplus of £0.5m and discussed 2012/13 agency expenditure against trajectory following which the Chair requested further examination of volume measures.

The Committee discussed the Trust's cumulative BPPC performance, outstanding contractual risks and transformation bids including key income and expenditure issues. Further focus concentrated on the marketing of the new maternity unit to ensure maximum anticipated usage is achieved and further analysis was requested as part of the market report due in February.

The Deputy Director of Finance was pleased to confirm that the temporary loan, requested for the Theatres scheme, had been granted and was received the day before the meeting.

#### **Financial Planning 2013/14 and Operating Plan 2013/14**

The FPC was pleased to receive an update on the national and local context for financial planning in 2013/14, including new guidance for the production of the Operating Plan 2013/14 which provides an indication of the impact on the Trust. The Committee discussed the overall principles and priorities of the planning guidance and the Director of Finance highlighted the key deadlines to drive the annual planning process forward to completion.

## **Our Changing Hospitals**

### Progress Report

The FPC noted this report which provides an update on the Our Changing Hospitals programme (OCH). The Director of Business Development informed the meeting that discussion continues between the Trust and TPP partners to reach agreement on the joint venture partnership. The Committee received assurance on the staff consultation process and mitigation of risks.

### Surgicentre

The FPC received an update following the recent summit and this will be discussed in Part II of the Board meeting.

### New QEII Progress Report

The Committee was appraised of the progress in agreeing the contract documents for the new QEII hospital and noted that a detailed report will be presented in Part II of the Board.

## **Performance Report Month 9**

The FPC was pleased to consider the performance report for month 9 confirming that all DH operating framework measures and Trust KPI's were delivered in the month of December with the following exceptions - admission to a stroke bed within 4 hours from arrival and patients with high risk TIA's seen, scanned and/or treated within 24 hours. The Committee noted that the Trust failed the Quarter 3 and monthly 95% A&E standard for patients spending less than 4 hours in A&E from the time of arrival to admission or discharge but approved the actions taken and next steps in place to ensure delivery of standards for Quarter 4. This triggered a governance risk rating of '1' amber/green in month and Q3.

## **Workforce**

### Month 9 Report

The FPC discussed the discrepancies in the nursing vacancy information recorded within the workforce report. The Director of Nursing recommended a triangulation to ascertain accuracy. This was agreed and the FPC referred the matter to the Audit Committee for consideration if further internal audit work was required.

### ESR Report

The FPC was attended by the Interim ESR project lead who presented the latest update on the ESR project, with key points to note since the delivery of the Remedial Implementation Plan in November 2012. The Committee considered the high level summary of key milestones and risks following the PwC internal audit. The Chair requested the ESR consultant and Head of IT attend the next meeting of the Committee to provide a presentation that will include benefits and realisation of the system.

## **Data Quality Performance Report**

The FPC was pleased to note that the Coding Department has continued to deliver at the improved level of performance established during the summer of 2012 against its key performance indicators.

### Update on GP Correspondence

The Committee approved the actions taken to address the shortfall in the processes around ensuring that correspondence to local GP's is legible, timely and addressed appropriately and agreed the importance of engaging well with GP practices.

#### PbR Data Assurance Report

The FPC received a briefing of the outcomes of the draft report and recommended the Head of Information consider the recommendations and implement a plan with the Director of Finance to enhance PbR data assurance. The improvements that had been made were noted although these were not directly comparable to previous years.

#### **Strategic Projects Review**

The FPC considered this review of the Trust's key strategic projects (excluding OCH), as requested at previous Audit and Finance and Performance Committee meetings, and requested risk rating and RAG indicators for future schedules, to come back to the February meeting.

#### **Critical Contracts**

The Head of Procurement attended the FPC to provide an update on the identification of contracts/suppliers that are critical to the Trust's ability to deliver safe patient care. It was agreed the list should include a wider range of services such as utilities and infrastructure as well as drug information, and suppliers should have in place an SLA to ensure business continuity.

#### **Materials Management**

The Committee considered the materials management process and proposed a 10% CIP be introduced to drive out inefficiency and implement improved inventory control.

#### **Tender Waivers**

The FPC was pleased to note the good progress being made in reducing the number of waivers and thus ensuring value for money for the Trust.

#### **Sustainability Report**

The FPC noted the latest progress report on delivery of the Sustainable Development Management Plan and requested the Trust provide details of its carbon profile, source and what the top priority projects are, suggesting the implementation of its Green Travel Plan to reduce carbon movement in terms of staff travel.

**Julian Nicholls**

**Chair of FPC**

25 January 2013