

TRUST BOARD – 27 FEBRUARY 2013

**FINANCE & PERFORMANCE COMMITTEE – 20 FEBRUARY 2013
EXECUTIVE SUMMARY REPORT**

PURPOSE	To present to the Trust Board the report from the Finance & Performance Committee (FPC) meeting of 20 February 2013
PREVIOUSLY CONSIDERED BY	N/A
Objective(s) to which issue relates *	<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
Risk Issues (Quality, safety, financial, HR, legal issues, equality issues)	Key assurance committee reporting to the Board Financial risks as outlined in paper
Healthcare/ National Policy (includes CQC/Monitor)	Potential risk to CQC outcomes Key statutory requirement under SFIs, SOs. Healthcare regulation, DH Operating Framework and other national performance standards
CRR/Board Assurance Framework *	<input type="checkbox"/> Corporate Risk Register <input checked="" type="checkbox"/> BAF
ACTION REQUIRED *	
For approval	<input type="checkbox"/>
For discussion	<input checked="" type="checkbox"/>
For decision	<input type="checkbox"/>
For information	<input type="checkbox"/>
DIRECTOR:	Chair of FPC
PRESENTED BY:	Chair of FPC
AUTHOR:	Company Secretary
DATE:	February 2013

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EXECUTIVE SUMMARY REPORT TO BOARD – 27 FEBRUARY 2013

Floodlight Scorecard Month 10

The Committee considered the floodlight scorecard for Month 10 with attached exception reports on SHMI/HSMR (Medicine), statutory and mandatory training and culture, and requested an update for the next meeting on clinical efficiency/outcomes, including length of stay and benchmarking. The FPC noted the biggest challenge to statutory and mandatory training is within maternity services where the compliance target is 75%, to be achieved by July, but was confident in the overall progress being made.

Finance Report Month 10

The FPC discussed the Month 10 finance report demonstrating that the year to date surplus is now £758k, which is £3,592k behind the original plan. The Trust is currently maintaining a Financial Risk Rating of 2 which is forecast to improve to a 3 by the year end. The Committee was pleased to note the continued good performance on CIPS (101% in month) and the current cash flow position but was concerned at the adverse variance from forecast which is mainly due to a reduction in Road Traffic Accident (RTA) income for the period April-January 2013, due to the lower number of claims that have been notified to the Trust by the Compensations Recovery Unit.

A further concern was agency expenditure of £587k, the highest since June 2012, mainly owing to nursing costs, as a result of directly staffing additional wards, and winter pressures. The Committee discussed skill mix and 'hidden' agency costs when opening additional wards and the Chair requested more detailed analysis of operational costs. It was agreed there were lessons to be learnt in order that the Trust is better prepared for winter pressures. The FPC noted that issues continue with NHS Professionals and requested a report back to the Committee in March.

The Director of Operations informed the Committee of discharge delays where the Trust is staffing patients that should have been released into the care of other professional care bodies sooner and he will bring back a clear review of the position to the next meeting of the FPC.

The Chair requested further clarification of workforce metrics including vacancy rates, the time taken to fill them and for these to be linked to budget assumptions.

The Director of Finance provided an update on the action plan to achieve the revised net surplus.

Operating Plan 2013/14 Update

The Company Secretary provided the Committee with an update on the feedback she had received following submission of the Operating Plan 2013/14 to the SHA. Overall, the Trust had submitted one of the strongest in the region but there are some minor changes to be made by 28 February, by way of refining detail around improvement and the utilisation of new workforce assessment tool, and contracting negotiations, to include activity and finance with time lines, for the FT application. The amended submission will be made on 28 February and the final submission is due in April 2013 following Board approval.

SLR Project Plan

The Director of Finance presented the Service Line Reporting (SLR) plan to the Committee explaining that the one of the main issues is that of resourcing. It was agreed the timetable for implementation is tight and that the project team should be staffed internally. The Committee suggested Internal Audit be involved to address risks and consider budgets and requested a business case and report back in March.

Our Changing Hospitals

Progress Report

The FPC considered the progress report on the Our Changing Hospitals programme (OCH) noting that work continues on the Emergency Department which remains on target for completion in September 2014, that initial works have commenced on the New Ward Block and Theatres projects, and negotiations are continuing between TPP and the SHA. With regard the New QEII, the Director of Strategic Development reported that the Trust continues to seek financial close and further details will be presented at February Board, Part II.

Surgicentre

The Board members of FPC received an update on the Surgicentre and further discussion will take place at Trust Board, Part II.

Phase 4 Pathology consolidation

The Committee received a report highlighting the increased risk to timely delivery of Phase 4 Pathology and Pharmacy consolidation as a result of further delays to the SHA's Pathology Transformation process. Further discussion will be held at Board, Part II.

Performance Report Month 10 with proposed KPI's for 2013/14

The FPC was pleased to welcome the new Director of Operations to his first Finance and Performance Committee meeting and noted that all Monitor Compliance Framework (MCF) standards had been delivered in January apart from 2 - the A&E maximum waiting time and C.Difficile - giving the Trust an SHA governance risk rating of amber/red. The Committee approved the actions being taken and further initiatives in place to achieve the A&E waiting time standard of 95% for Q4. Further discussion revealed actions to be implemented to improve delays in patient discharges and the stroke clinical efficiency (KPI) indicator.

Workforce Report – new template

The Committee welcomed the new Deputy Director of Workforce and Organisation Development to his first FPC meeting and was pleased to approve this first draft of the new template for reporting workforce performance information. Minor amendments were agreed with further refinement to be approved by the Executive Committee.

Electronic Staff Record (ESR) Report

The FPC received an update on the project work for the delivery of the full benefits of ESR, acknowledged as a critical enabler for accurate reporting of HR data and records. It was agreed an ESR strategy document be produced in collaboration with a full action plan for presentation at the March meeting of FPC with an HR summary update to be provided for Board.

Market Report

The Committee welcomed the quarterly market share report agreeing that it contained quality data but recommended it be converted into a summary of intelligence/governance information and requested that it be re-presented in this format at the March meeting. It was highlighted that some facts are contradictory to those presented in the finance and performance reports due to the data sources and time periods and the FPC agreed that greater linkage between the two is necessary.

Presentation by Women and Children's on activity and income

As requested at the January meeting of the Committee, the FPC received a presentation on activity and income for Month 9 by the former Divisional Director of the Women and Children's Division. The Committee requested more operational information with a plan to drive activity and income forward, to be in place prior to budget setting for 2013/14, and requested an update at the March meeting of FPC.

Julian Nicholls**Chair of FPC**

22 February 2013