

TRUST BOARD – 24 JULY 2013
FINANCE AND PERFORMANCE COMMITTEE – 17 JULY 2013
EXECUTIVE SUMMARY REPORT

PURPOSE	To present to the Trust Board the report from the Finance and Performance Committee (FPC) meeting of 17 July 2013
PREVIOUSLY CONSIDERED BY	N/A
Objective(s) to which issue relates *	<input checked="" type="checkbox"/> 1. To continuously improve the quality of our services in order to provide the best care and optimise health outcomes for each and every individual accessing the Trust's services <input checked="" type="checkbox"/> 2. To excel at customer service, achieving outstanding levels of communication and patient, carer and GP satisfaction <input checked="" type="checkbox"/> 3. To provide and support the best standards of integrated care for the elderly and those with long term conditions by developing key partnerships and services <input checked="" type="checkbox"/> 4. To consolidate services and enhance local access to specialist services in order to deliver high quality, safe, seamless, innovative and integrated services which are sustainable <input checked="" type="checkbox"/> 5. To support the continued development of the Mount Vernon Cancer Centre and provision of leading local and tertiary cancer services <input checked="" type="checkbox"/> 6. To improve our staff engagement and organisational culture to be amongst the best nationally
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:	Acting Board Committee Secretary/Company Secretary
DATE:	18 July 2013

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Floodlight scorecard Month 3

The FPC considered the floodlight scorecard for Month 3 which included exception reports on appraisal rates and statutory and mandatory training and discussions were taken under the relevant Director reports and verbal updates were provided on other red-rated areas. The Committee raised a concern on the number of red areas in priority 5, treating and caring for people in a safe environment and protecting them from avoidable harm. The Committee was assured that all priorities are being closely monitored, that the Trust is one of the leaders in the area of infection control and full reports had been submitted to RAQC. The Committee questioned whether all areas are covered including those that are amber and was assured that these were covered in the director reports and escalated where required.

Finance Report Month 3

The Committee reviewed the finance report for Month 3 which sets out the financial position of the Trust at the end of June 2013. In summary the Trust is marginally ahead of plan in month with a year to date deficit of £2,674k which is £299k behind plan. The FPC was pleased to see a positive variance in relation to clinical income, which was above plan by £342k, and the improvement in levels of pay overspend seen during April and May, particularly within the divisions of Medicine and Surgery. The Committee welcomed the reduction in agency expenditure as a result of tighter controls which include daily meetings to review the requirements.

Of particular concern to the Committee was CIP performance in Month 3 which delivered £753k against a target of £954k (79%) and £1,959k (86%) year to date, mainly due to slippage of several CIP schemes. The Committee was informed that slippage had been predicted at the end of Month 2 but was assured that the CIP plan is deliverable; the executive team are seeking methods of mitigating any risks and investigating ways of bridging any gap.

The Committee discussed the latest cash flow summary and noted that an application had been prepared for submission to the TDA and DH for the £10.4m anticipated Public Dividend Capital (PDC). However, there are indications that the Trust may only receive PDC if it can demonstrate that taking a loan is unaffordable.

The FPC noted the appended service line report for Month 3 reflecting an analysis of income and expenditure by division and requested attendance at future meetings of the committee by the divisions of Medicine and Surgery.

Workforce Report Month 3

The Committee received the Month 3 workforce paper which provides information on standard monthly metrics and Trust-wide issues relating to management of the workforce. The Director of Workforce was pleased to report on the results of the “finger on the pulse” survey which had received 600 responses compared to 285 for the previous survey. The FPC noted the significant achievements that have been made in relation to cohort recruitment, where the Trust remains on trajectory to fill 160 nursing posts, and the commencement of the comprehensive plan to re-implement NHSP across all divisions; this has resulted in a decrease of £238k in agency expenditure compared to May.

The Committee discussed vacancy fill rates and the risk to patient safety, if shifts are not filled and was assured processes are in place to maintain safe staffing levels across the organisation.

The Director of Workforce referred to the exception report on appraisals where June had recorded a drop in rates to 65.48%, seen as a direct consequence of operational pressures. The Committee discussed the recent appraisal amnesty approach taken with the Surgery division which is having a positive impact and is going to be rolled out across all divisions. The Director of Workforce agreed to investigate whether any members of staff have missed having an appraisal for a number of years and report back to the committee. The committee noted the new staff appraisal framework was being presented to RAQC for approval.

Our Changing Hospitals

(i) Progress Report

The Director of Strategic Development presented the monthly report on the Our Changing Hospitals programme and the key risks and mitigations under each project. The committee discussed the TPP project and the staffing pressures within Pathology as a consequence of continued delay in service commencement.

(ii) Surgicentre Update

The Director of Strategic Development provided the Committee with an update on the Surgicentre and further discussion will take place at Trust Board Part II.

Performance Report Month 3

The Director of Operations presented the performance report for Month 3 and the Committee noted the Trust's Monitor Compliance Framework Quarterly Risk rating of amber/green and TDA provider management regime monthly governance risk rating of amber/green. The Committee discussed the key exceptions around stroke, oral surgery, trauma and orthopaedics, restorative dentistry and C.diff indicators and the Director of Nursing provided detailed analysis and actions being taken in relation to the challenges of C.diff which would be discussed in greater detail at RAQC. The Director of Operations reported the latest information with regard delayed transfers of care and bed days lost which stood at 818 for June, a slight decrease from May.

IM&T Strategy Update

The Heads of Information and IT attended the FPC to present initial findings from the IM&T Stakeholder Forum and their alignment against the IM&T Strategy which had previously been agreed in March 2012. The Committee was informed that the conclusions from the forum and the actions being taken will be presented to the September meeting of the FPC. The Committee had a strong debate on the themes of the strategy and agreed divisional champions should be appointed with IT support as the enabler.

Data Quality Metrics

The Head of Information presented the data quality metrics report on data quality performance in key areas identified throughout the Trust, namely clinical coding, GP correspondence and the data quality improvement plan. Discussion focussed on the primary diagnoses indicator which currently stands at 86% and has an impact on income and the Committee requested further clarity in relation to this metric.

Lister MacMillan Cancer Centre Full Business Case

The FPC was pleased to receive a presentation by the Director of Strategic Estates on the Lister Macmillan Cancer Centre full business case which is to be jointly funded by Macmillan. This chemotherapy scheme will address current capacity issues and future demand within a purpose-built, improved treatment environment, delivering improved outcomes for patients. The Committee unanimously approved the FBC and recommended final approval at Board.

Non-medical Education Annual Report

The Director of Nursing presented this annual report which provides assurance that there is an education provision and a planned programme of work for non-medical staff that contributes to ensuring that the Trust has a workforce trained and fit for purpose. The Committee focussed on accountability and performance, educational responsibilities and continuing professional development.

Private Patient Strategy Review

The FPC welcomed an update on progress made to date in relation to the opening of a private patient unit at the Lister Hospital, including details on financial viability and bed reconfiguration, and noted that a further update would be provided in September detailing the income levels achieved since the re-opening of Elizabeth House at the QEII.

Market Report

The Committee considered and approved the Terms of Reference for the project review into the market report.

Strategic Projects Review

The FPC reviewed the Strategic Projects Review and discussed the ESR project rated as red. The Committee recommended future updates contain a narrative and resolution for any item with a risk rating of red.

Alison Bexfield
Trust Vice Chairman
18 July 2013