

# Meeting of the Board of Directors in Public

## Wednesday, 06 March 2024

<b>Title of Report</b>	Finance Planning and Performance – 29.02.24	<b>Agenda Item</b>	4.3b
<b>Author</b>	Paul Kimber, Deputy Chief Financial Officer		
<b>Committee Chair</b>	Gary Lupton, Non-Executive Director		
<b>Reports require an assurance rating to guide the discussion:</b>	No Assurance	There are significant gaps in assurance or actions	
	Partial Assurance	There are gaps in assurance	
	Assurance	Assurance with minor improvements needed.	
	Significant Assurance	There are no gaps in assurance	
	Not Applicable	No assurance required.	
<b>Key headline and assurance level</b>	<b>Key headline</b>		<b>Assurance Level</b>
	<b>1. Terms of reference and work plan</b> The Committee considered the terms of reference and associated work plan, including membership/attendees, sub-committee reporting, the need to include reference to debt management, financial recovery plans and IT strategy. Subject to the amendments discussed being made, the Committee <b>APPROVED</b> the terms of reference and the work plan.		No assurance required
	<b>2. Safe staffing report</b> The Committee received the report and considered the risks and mitigations in place. The results of this review were acknowledged as being included as part of the 2024/25 business planning. It was noted that the next safer staffing review is now beginning. The Committee <b>NOTED</b> the report and was satisfied with it being presented at the Trust Board.		Assurance
	<b>3. National cost collection</b> The Committee received the report which covered the 2022/23 financial year. It noted that the unit cost (i.e. total cost divided by activity delivered) had reduced; this means that the Trust is delivering its services efficiently when benchmarked nationally. The Committee were <b>ASSURED</b> by and <b>NOTED</b> the report.		Assurance

<p><b>4. Deep dive into KPMG report</b></p> <p>The Committee received the KPMG report, noting that this has been discussed within finance, the executive, Trust Board, ICB and NHSE; it will be shared with the Trust Management Board shortly.</p> <p>Key findings were discussed, differentiating between the processes and engagement, and the specific counter measures to address areas of overspend. A key recommendation was confirmed as ensuring there are appropriate governance arrangements for delivery of these findings, including identification of additional support requirements.</p> <p>The Committee <b>DISCUSSED</b> and <b>NOTED</b> the report.</p>	<p>Partial assurance</p>
<p><b>5. Finance Report M10 (inclusive of IQPR)</b></p> <p>The Committee received the paper for Month 10/January 2024. This reported a year to date deficit of £37.0m, being £23.6m adverse to plan, noting the impact of industrial action and emergency demand.</p> <p>The forecast to the year end was still targeting a deficit of £35.6m, however this has been adjusted to allow for the impact of industrial action to £36.0m (noting the impact of February's industrial action is excluded from this figure). A £6.0m risk was noted against this, with mitigations totalling c£4.0m identified against this so far.</p> <p>Further analysis was requested on the clinical supplies overspend at next month's meeting due to the size.</p> <p>The Committee <b>NOTED</b> the report.</p>	<p>Partial assurance</p>
<p><b>6. Activity report</b></p> <p>This new report was presented to the Committee for the first time, showing the activity trends and performance against plan. Feedback on the content was requested from the Committee – initial thoughts were provided, including how this is triangulated with other information, such as income.</p> <p>The Committee <b>NOTED</b> update.</p>	<p>Assurance</p>
<p><b>7. Business Planning</b></p> <p>The plan submission deadline in March was stated, noting that a report on this will come to the next Committee. A final submission will be due in early May.</p> <p>A first cut finance plan was issued to the ICB on 28 February, showing a planned deficit for 2024/25 of £35.0m; however, further work is still required (in particular, the triangulation of activity, workforce and finance) before a final plan is agreed.</p> <p>The Committee <b>NOTED</b> the update.</p>	<p>Partial assurance</p>

<p><b>8. Efficiencies Programme Update 2023/24</b></p> <p>The paper, which included a progress report on 2024/25 planning, was taken as read by the Committee.</p> <p>The Committee <b>NOTED</b> the report.</p>	<p>Assurance</p>
<p><b>9. Performance Report</b></p> <p>The Committee were provided with an update on the operational performance of the Trust. Specifically:</p> <ul style="list-style-type: none"> <li>• RTT performance reduced in January due to industrial action but performance against 78-week waits has reduced. System partners have also offered support in closing down those long waits.</li> <li>• There was an unannounced CQC visit to the Emergency Department in February.</li> <li>• Cancellations and “did not attend” rates have improved due to implementation of new processes.</li> <li>• This has been the first winter where elective work has not been stood down in order to manage winter pressures.</li> <li>• Concern was flagged around DM01 deterioration, which requires further investigation.</li> </ul> <p>The continued capacity issues in respect of endoscopy was emphasised.</p> <p>The Committee <b>NOTED</b> the report</p>	<p>Assurance</p>
<p><b>10. Fire risk</b></p> <p>The Committee <b>NOTED</b> the paper and took this as read.</p>	<p>Assurance</p>
<p><b>11. Interventional radiology replacement</b></p> <p>The Committee <b>APPROVED</b> the case to proceed to Trust Board. Two matters to consider were whether there is any national funding available (none identified at this time) and whether this could be purchased/delivered this financial year.</p>	<p>Assurance</p>
<p><b>12. Investment groups – terms of reference</b></p> <p>The Committee <b>APPROVED</b> the terms of reference for the Trust Investment Group.</p> <p>Some changes were required some to the terms of reference of the Investment Delivery Group, including consideration of an additional Executive and representation from clinical/quality colleagues.</p>	<p>No assurance required</p>
<p><b>13. Standing Financial Instructions</b></p>	<p>No assurance required</p>

	<p>The Committee <b>NOTED</b> that the revised SFIs were targeting approval at the Audit and Risk Committee in March; however, procurement law is being implemented later this year which would affect the contents and so the different options to update are being explored.</p>			
	<p><b>14. Board Assurance Framework (BAF)</b></p> <p>The reports for Sustainability and Systems and Partnership were reviewed. The Committee were <b>ASSURED</b> and <b>NOTED</b> the reports, noting that these will need a full review as part of the new financial year.</p>			Assurance
	<p><b>15. Corporate Risk Register</b></p> <p>The Sustainability and Systems and Partnership Risk Registers were reviewed by the Committee. The downgrading of the efficiencies risk was flagged; Executives confirmed that this should likely still score 25 and hence will be considered/amended accordingly before the next meeting.</p> <p>The Committee were <b>ASSURED</b> and <b>NOTED</b> the reports.</p>			Assurance
	<p><b>Decisions made:</b></p> <ol style="list-style-type: none"> <li>1) Subject to some minor amendments, the Committee approved the terms of reference and work plan.</li> <li>2) The Interventional Radiology business case we approved.</li> <li>3) The terms of reference for the Trust Investment Group were approved.</li> </ol>			
	<p><b>Further Risks Identified:</b></p> <ul style="list-style-type: none"> <li>• Risks as set out above and in papers.</li> </ul> <p><b>Reflection:</b></p> <p>The Committee appreciated the value of the conversations being focused on fewer items but in greater depth. It was recommended that a short comfort break be considered at future meetings given the extended duration.</p>			
	<p><b>Escalations to the Board or other Committee:</b></p> <ol style="list-style-type: none"> <li>1) The Interventional Radiology business case will be presented to the Trust Board for approval.</li> </ol>			
<b>Proposal and/or key recommendation:</b>	Not applicable			
<b>Purpose of the report (tick box to indicate)</b>	Assurance	✓	Approval	
	Noting		Discussion	

<b>Committee/Group at which the paper has been submitted:</b>	Finance, Performance and Planning Committee – 29 February 2024				
<b>Patient First Domain/True North priorities:</b>	Tick the priorities the report aims to support:				
	Priority 1: (Sustainability) ✓	Priority 2: (People)	Priority 3: (Patients)	Priority 4: (Quality)	Priority 5: (Systems) ✓
<b>Relevant CQC Domain:</b>	Tick CQC domain the report aims to support:				
	Safe:	Effective: ✓	Caring:	Responsive:	Well-Led: ✓
<b>Identified Risks, issues and mitigations:</b>	All risk, issues and mitigations are referenced in the Board Assurance Framework item.				
<b>Resource implications:</b>	Individual resource considerations are provided at the Finance, Planning and Performance Committee				
<b>Sustainability and /or Public and patient engagement considerations:</b>	Individual considerations are provided at the Finance, Planning and Performance Committee				
<b>Integrated Impact assessment:</b>	Where applicable, individual considerations are provided at the Finance, Planning and Performance Committee				
<b>Legal and Regulatory implications:</b>	Individual legal and regulatory implications are provided at the Finance, Planning and Performance Committee				
<b>Appendices:</b>	None				
<b>Freedom of Information (FOI) status:</b>	This paper is disclosable under the FOI Act				
<b>For further information or any enquires relating to this paper please contact:</b>	Alan Davies, <a href="mailto:alan.davies@nhs.net">alan.davies@nhs.net</a>				