

Finance and Performance Committee Key Issues Report

Report Date: 28 th April 2020		Report of: Finance and Performance Committee
Date of last meeting: 28 th April 2020		Membership Numbers: The meeting was quorate according to the revised quoracy arrangements (at least 1 x NED and 1 ED) in place during the COVID-19 pandemic.
1	Agenda	The Committee considered an agenda which included the following: <ul style="list-style-type: none"> • Operational Performance 2019/20, including implications of COVID-19 • Finance Report Month 12 2019/20 • Operational Plan and 2020/21 Objectives • 2020/21 Financial Plan update and next steps
2a	Alert	The Committee wish to alert members of the Board of: <p>Operational Performance 2019/20, including impact of COVID-19</p> <ul style="list-style-type: none"> • No formal restoration / recovery plan available at this stage; focus has been on responding to COVID-19 (Phase 1). Lower levels of activity in some areas, increasing backlogs and low referral rates. • Significant reduction in 62 day cancer referrals from GP. Understood this is due to patient choice/behaviour. To be confirmed. • DMO1 performance deteriorated to 77.57%. <p>Finance Report Month 12 2019/20 – disappointed CIP/financial improvement outturn position – only 37% of the plan delivered.</p>
2b	Assurance	The Committee wish to assure members of the Board that: <p>Operational Performance 2019/20, including impact of COVID-19</p> <ul style="list-style-type: none"> • Discussions have commenced regarding restoration of services (Phase 2). Whilst there is an eagerness to restore services, this needs to be done with caution, in line with NHSE/I directives and undertaken in a safe environment. • The Trust continues to undertake activity and monitor its performance against its operational targets and waiting list size. The most alarming impact of COVID-19 noted by the Committee was the reduction in the number of GP cancer referrals. The Committee will continue to closely monitor referrals, backlogs and performance. • Diagnostic work for priority/higher risk patients is to be increased. • A&E performance had increased to 80%+ and over last week had further increased to 90% with better patient flow being achieved throughout the hospital. <p>Finance Report Month 12 and 2020/21 – All COVID-19 related revenue and capital costs for 20/21 are being captured separately and it is expected that these will be reimbursed in full. For 19/20, funding for revenue and capital costs agreed in line with submission.</p>
2c	Advise	The Committee wish to advise members of the Board that:

		<ul style="list-style-type: none"> • Finance Report Month 12 – the Trust ended the 2019/20 financial year with a deficit of £35.3 million, excluding provider support funding, in line with the forecasted position. Furthermore, it achieved its CRL of £22.88 million and its required cash balance of £1.7 million. • Financial Plan 2020/21 - Given the uncertainty regarding COVID-19, budgeting for 2020/21 has required a modified approach. The plan will be developed based upon a block contract for months 1-4. For month 5 onwards the month 1-4 position will be extrapolated and based on guidance released budget variations will be agreed linked to recovery and restoration discussions. • Operational Plan and 2020/21 Objectives – to be finalised by the end of May 2020. Some concern expressed about the delivery of the plan through the care group structure and the timescales for commencing the embedding of the new performance management approach, a third of the way through the year. 		
2d	Review of Risks			
<p>a) The Committee reviewed the Board Assurance Framework for Assurance on the following risks:</p> <ul style="list-style-type: none"> • BAF 561 - IF we do not have system-wide effective processes in place THEN we will not achieve national performance standards for key planned activity. <i>Level of assurance provided: Low</i> • BAF 670 - IF we do not deliver our control total and meet the trajectory to live within our financial means THEN we cannot meet our financial duties nor invest in service development and innovation. <i>Level of assurance provided: Low</i> <p>b) In considering these risks, the Committee can confirm:</p> <p style="text-align: right;"><i>Check box to confirm</i></p> <p>1 The BAF risks are up-to-date <input checked="" type="checkbox"/></p> <p>2 The direction of travel stated is current and correct <input checked="" type="checkbox"/></p> <p>3 The current risk rating is correct <input checked="" type="checkbox"/></p> <p>4 There is no additional/updated content (controls/assurances) or new risk(s) that needs to be added? <input checked="" type="checkbox"/></p>				
If there are changes to content or new risks identified the Committee recommends to the Board				
Recommendation:				
3	Actions to be considered by the Board	<ul style="list-style-type: none"> • Report to be noted. • Requirement for some form of communication to reassure the public that the hospital is open and safe to attend for appointments. 		
4	Report compiled by	<i>Prof. Clive Deadman Chair of Committee</i>	Minutes available from	<i>Amanda Young Committee Support</i>