

<b>Report to:</b>	Trust Board
<b>Title of report:</b>	Finance, Service Improvement and Delivery Committee Assurance Report to Board
<b>Date of meeting:</b>	27 September 2016
<b>Status:</b>	For Discussion
<b>Chairperson:</b>	Gill Ponder, Non Executive Director
<b>Author:</b>	Jayne Warner, Trust Secretary

<b>Purpose</b>	This report summarises the assurances received, approvals and decisions made by the Finance, Service Improvement and Delivery Committee (FSID).
<b>Background</b>	<p>This assurance committee meets monthly and takes scheduled reports from all Trust operational committees with a finance, estates and performance brief according to an established work programme.</p> <p><b>Strategic Risk Register and Board Assurance Framework (BAF)</b></p> <p>The Committee received an update on the position of the current risks captured on the DATIX risk registration system and the current risks captured for the Corporate Risk Register.</p> <p>The risks on the Corporate Risk Register relating to FSID's assurance work were reviewed. Following discussion it was agreed that there were no corporate risks to escalate to the Board.</p> <p>The Committee also considered the Integrated Strategic Risk Register and those risks relating to the remit of the Committee. The Committee agreed it was appropriate that the strategic risk SO 3.3 relating to backlog maintenance issues within the Estates Department be re-graded to 16 to reflect the Trust vulnerability to action from external regulators and the risk of potential prolonged outage of services. The Committee noted the gaps in action against gaps in assurance and requested this be given attention by the Director of Facilities and Estates.</p> <p>SO 5.5.2 The risk rating had been increased last month. The Committee agreed that no further change was necessary.</p> <p>SO 6.6.1 The Committee agreed that in relation to the financial plan for 2016/17 the risk rating and actions were acceptable. This would need to be reviewed again when the 2 year plan had been produced.</p> <p>SO 2.2.1 No change was required although the Committee noted that a further delay in LHAC/ STP may lead to a need to increase the rating.</p>

	<p><b>Finance Performance Report</b></p> <p>Month 5 position</p> <p>The Committee was advised of the Month 5 financial position of £4.2m deficit, leading to a year to date deficit position of £21.1m which was in line with plan.</p> <p>The Trust was at risk of under-achieving £805k of the £16.1m Sustainability and Transformation Fund.</p> <p>The reported position to date highlighted key risks to the delivery of the financial plan, the Trust's underachievement of efficiency savings (particularly in business units) and the current shortfall (and likely future continuing trends) on income growth.</p> <p>The Committee noted that the improved position from month 4 was due to an improved income position. The Committee were advised that the Trust was accruing for an underachievement of the STF due to the performance position as reported for quarter 2.</p> <p>The Committee considered and agreed a streamlined financial report to be taken forward to Trust Board.</p> <p>The Trust was still forecasting that it would deliver its financial target for 2016/17.</p>
	<p><b>Operational Performance Report</b></p> <p>The Committee reviewed the integrated performance report.</p> <p>The RTT standard had deteriorated from the July position and to a greater level than expected. The Trust had failed to mitigate against the effects of the junior doctors strike and the fire at Grantham.</p> <p>The Trust did not achieve the 6 week diagnostic standard for August.</p> <p>The Committee noted that the Trust did not meet the trajectory for A&amp;E for August. The Trust had seen increased activity and an upward trend in the use of escalation beds. The Committee agreed that the trajectory should be recast to give a realistic assessment of the performance which the Trust could get to.</p> <p>The Trust achieved 4 of the 9 cancer standards in July.</p>
	<p><b>Forecast Agency Spend</b></p> <p>The Committee received a report giving detail of the position with agency spend. The Trust was not expected to achieve the control total. The Committee raised the consequence of failing to meet the control total on the conditions in place with respect to the cash loan facility. Further</p>

	assurance was sought.
<b>Risks to refer to risk register</b>	No additional risks highlighted.
<b>Key decisions taken</b>	
<b>Issues to escalate to Board</b>	<p>Continued -risks to delivery of the financial plan.</p> <p>Poor performance against constitutional standards for August and the resulting consequence to achieving the STF for Q2.</p> <p>Recommendation to the Board to increase the risk rating in relation to SO 3.3 to 16 because of the Trust vulnerability in respect of backlog maintenance and possible action by external regulators.</p>
<b>Challenges and exceptions</b>	
<b>Future exceptional items</b>	

## **Attendance**

### ***Voting members***

*John Barber, Interim Director of Finance*

*Paul Boocock, Director of Estates and Facilities*

*Gill Ponder ,Non Executive Director*

*Kevin Turner, Deputy Chief Executive*

*Dean Fathers, Chair*

*Suneil Kapadia, Medical Director*

### ***Non Voting members***

#### ***In attendance***

*Julie Pipes, Associate Director of Strategy and Change*

*Angela Ashcroft, Associate Director Planning and Performance*

*Neil Ellis, Deputy Director of Operations*