

<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>	31 May 2016
<b>Status:</b>	For Discussion
<b>Chairperson:</b>	Tim Staniland/ Non Executive Director
<b>Author:</b>	Mrs 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>	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><b>Clinical Strategy Implementation</b></p> <p>The Committee was advised of progress to date relating to the development of the Clinical Strategy.</p> <p>A strategy for acute medicine across all sites was now being worked on. This would include Stroke, Cardiology, Respiratory, General, Care of Elderly.</p> <p>The Committee was advised that work continued to align this work with the CCG plans.</p> <p>The Committee noted that the Clinical Strategy critical path was reliant on LHAC and the associated public consultation. However the Trust continued to move forward with those areas which were not reliant on the LHAC process.</p> <p>The Medical Director highlighted the renal dialysis unit proposal – this would be new. No facility at present. Lincolnshire patients currently treated in Leicester.</p> <p>The Committee members questioned whether the acute medicine strategy meant that no acute work would be completed at Grantham. The Committee was advised that more elective work was being planned at Grantham. The Committee was advised that the changes would require consultation and this would form part of the LHAC process.</p> <p>New specification for critical care at acute hospitals from DH (D16). This may affect the Trust ahead of the consultation on LHAC.</p>

	<p><b>Annual Planning Assurance</b></p> <p>The Committee was advised that the ToR of this group were being revised to focus on all elements of planning.</p> <p>The group was working on the MTP ahead of next year's planning round. Strengthen process. Looking at strategy development. Defining what is a strategy rather than policy and procedure.</p>
	<p><b>Finance Performance Report</b></p> <p>Month 1 position The Committee was advised of the Month 1 financial position of £4.1m deficit. The Trust had calculated the impact of the Junior Doctors strike, norovirus outbreak and the Grantham fire (£340,000) and released contingency as result. Month 1 was broadly in line with plan.</p> <p>The Committee was advised that the forecast for the key financial duties at present was to achieve.</p> <p>Risks to financial plan were highlighted to the Committee as the achievement of efficiency programme of £19m and contracted activity delivery.</p> <p>Income and Expenditure position Patient care income less than expected mainly inpatient and elective.</p> <p>Pay expenditure better than plan for month 1. Non pay expenditure below plan mainly clinical supplies and services.</p> <p>The Committee questioned the level of contingency remaining for 2016/17. It was confirmed this was £3.9m.</p> <p>The Committee was advised that the £47.9m includes STF release profiled through 12 months.</p>
	<p><b>Cash Report Month 1</b></p> <p>Plan will require further support funding in 2016/17.</p> <p>NHSI have stated that cash requirement will extend to 40 days from 30 days and the Committee was advised that the Trust would need to access this from July 2016.</p> <p>The Committee was advised that the Trust was waiting on national guidelines to how this support will need to be accessed. The Committee requested cash flow forecast month to month – agreed.</p>
	<p><b>Efficiency Programme 2016/17</b></p> <p>The Committee was provided with a position statement. In future this report will be used to monitor and track plans.</p>

	<p>The Committee was advised that the programme had been to CEC and all PIDs had been subject to a review. The Committee was advised that 80 PIDs were fully completed. 13 PIDs had queries risk mitigating at 50%. 8 PIDs outstanding rated as RED £1.867m.</p> <p>£3.5m at risk at moment.</p> <p>The Committee was advised that including corporate schemes £6m of the programme was considered as a risk.</p> <p>The Committee expressed its disappointment that the programme was not yet showing delivery. The monthly profiling was challenged. The Committee was not assured that the programme could be delivered.</p> <p>The Committee asked for further plans which acknowledged the time lost in the first two months and a reforecast monthly plan. Also more information on mitigations against plans. Analysis on where the Trust was against first 2 months.</p>
	<p><b>Going Concern</b></p> <p>The Committee was provided with the letter from the TDA confirming support for the Trust to prepare accounts on a going concern basis. Provided for information.</p>
	<p><b>Investment Programme</b></p> <p>The Committee received an update on the allocation of residual capital funding 16/17 and noted the dependence on the sale of the Welland site</p> <p>The Committee noted the business cases which had been reviewed by the Investment Programme Board in May</p> <p>Work continued to develop the Tracker tool for investments.</p>
	<p><b>Sustainability and Transformation Plan and MTP Assurance</b></p> <p>The Committee noted that NHSI and NHS England had feedback to the community that good progress was being made as a patch.</p> <p>The Committee noted that, although a framework was in place, as yet there was not a plan to deliver.</p> <p>The Committee noted the appointment of an external consultant to pull together. The submission deadline was the end of June.</p> <p>The Committee noted that there was a risk to achieving the deadline. Board members had been invited to a meeting on 14 June to get Boards on board.</p> <p>Boards would be required to meet w/c 20 June to sign off.</p>

	<p><b>Estates Committee</b></p> <p>Estates Committee meeting. No significant risks in report to flag. Review of estates risks on risk register. Limit to core risks for visibility on risk register.</p> <hr/> <p><b>Operational Performance Report</b></p> <p>The Committee noted that the Trust remained on trajectory for A&amp;E performance in April at 76.6%, whilst acknowledging that this was still not a good position but did meet the improvement plans. The Committee was advised that the plans relied on schemes internally and within the community.</p> <p>92.11% for RTT. Still achieving meeting the trajectory. The Committee noted that there were still risks around performance. The Committee questioned how performance affected ability to access STF and was advised that assumption was that trusts needed to meet the national standard 92% or lower trajectory if agreed with commissioners.</p> <p>Issues in cancer performance. Dip in performance early in year, taking longer than expected to recover. Impacted across all of the cancer standards. The Committee was advised that there was less confidence in trajectory areas where appointment of personnel was required.</p> <p>The Committee was advised of an RTT issue emerging. A validation exercise was being completed to determine the scale.</p> <hr/> <p><b>Board Assurance Framework (BAF)</b></p> <p>The Committee noted the reviews being completed. Each area of the BAF was considered as relevant areas were considered on the agenda. The Trust Secretary would feed comments into the document.</p>
<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>Risk to achievement of the efficiency programme.</p> <p>Risk to income</p> <p>Use of contingency reserve during month 1 in response to junior doctors strike, norovirus and Grantham fire.</p> <p>Risks within the performance trajectories.</p> <p>Risk of achieving an agreed STP to timeframe.</p>
<b>Challenges and exceptions</b>	
<b>Future exceptional items</b>	

**Attendance date**

**Voting members**

*Tim Staniland, Non Executive Director (Chair)*

*Jason Burn, Interim Director of Finance*

*Gill Ponder Non Executive Director*

*Kevin Turner, Deputy Chief Executive*

**Non Voting members**

*Jan Sobieraj, Chief Executive*

*Suneil Kapadia, Medical Director*

*Paul Boocock, Director of Estates and Facilities*

**In attendance**

*Neil Ellis, Deputy Director of Operations*

*Julie Pipes, Associate Director of Strategy and Change*

*Jayne Warner, Trust Secretary*