

Report to:	Trust Board
Title of report:	Finance Service Improvement and Delivery Committee Assurance Report to Board
Date of meeting:	18th September 2018
Chairperson:	Gill Ponder Non Executive Director
Author:	Leon Rudman, Interim Deputy Trust Secretary

Purpose	<p>This report summarises the assurances received and key decisions made by the Finance, Service Improvement and Delivery Committee (FSID). The report details the strategic risks considered by the Committee on behalf of the Board and any matters for escalation for the Board’s response.</p> <p>This assurance committee meets monthly and takes scheduled reports from all Trust operational committees according to an established work programme.</p>
Assurances received by the Committee	<p>Assurance in respect of SO 2b Issue: Preparation of a comprehensive Electronic Patient Record</p> <p>Source of assurance: The Committee received and considered the E-Health Record business case.</p> <p>The Committee discussed the options detailed in the proposal and considered the capital and revenue expenditure implications of each; having sought, and received, assurance that the proposal did not pose a risk to the Trust’s financial plan.</p> <p>The Committee considered the need to keep pace with technological developments whilst having due regard to the potential risks around cyber-security. The Committee expressed concerns regarding data quality, and were assured to learn that an action plan was in place in respect of coding. It was noted that in the medium to long term, developments in Artificial Intelligence would drive further improvement.</p> <p>The Committee endorsed the option 2 recommendation contained within the business case and approved it for submission to the Trust Board.</p> <p>Lack of Assurance in respect of SO 2d Issue: Unplanned Income Reduction</p> <p>Source of assurance: The Committee received a Contract Report.</p> <p>The Committee were advised that performance with regards to Duty of Candour was deteriorating, which in addition to the disappointing impact on patient experience, also had financial implications. The Committee also received an update in respect of the PLCV audits and noted the</p>

	<p>differences between the Trust's position and that of the CCG's It was further noted that the Trust had written a response to the CCG outlining its position.</p> <p>The Committee recognised that coding and data quality required improvement and noted that work was ongoing in respect of this.</p>
	<p>Lack of Assurance in respect of SO 2d Issue: Financial Turnaround</p> <p>Source of assurance: The Committee received a Financial Turnaround Update.</p> <p>The Committee received an update in respect of the progress which had been made and the changes which were being enacted in order to bring about the required changes. It was noted that previously identified savings had not withstood scrutiny. It was agreed that although Performance Review Meetings (PRMs) would be a vital component of driving improvement, the Committee were not assured that, on their own, they would provide them with the requisite levels of assurance. It was noted that once PRMs had commenced, assurances around timelines would follow.</p> <p>The Committee asked that an appropriate governance Framework be developed in which the PRMs and the FTG could operate, which would hold divisions to account for delivery of the savings identified and for appropriate grip and control.</p> <p>Other actions in progress included identifying a partner to assist with filling vacancies and streamlining Bank/Agency booking processes.</p> <p>The Committee also requested early sight of the efficiency savings planned in 19/20 to gain assurance that the plan would be in place to enable delivery to start from Month 1.</p>
	<p>Lack of assurance in respect of SO 2d Issue: Cash Position</p> <p>Source of assurance: The Committee received a report entitled <i>Revenue and Capital Borrowing November 2018</i>.</p> <p>The Trust Financial plan for 2018/19 submitted in April incorporated a planned deficit of £79.4m and revenue / capital borrowings of £82.0m / £26.6m respectively. At the end of August the Trust held £1.2m cash. Cumulative revenue and capital borrowings are now £239.2m and were forecast to rise to £306.2m</p> <p>The Committee noted the upward trend in debtors and asked that further investigations be undertaken in order to identify any underlying reasons. The Committee were otherwise satisfied that all actions were being taken to manage cashflow and could not identify further actions to improve the</p>

	<p>cash position.</p> <p>The Committee agreed to recommend that the Board approve the requested loan drawdowns of £5.345m (Revenue) and £3.415m (Capital)</p>
	<p>Lack of assurance in respect of SO 2c Issue: Management of Emergency Demand</p> <p>Source of assurance: Integrated Performance Report and the Committee received an update in relation to the management of Emergency Demand as at August 2018.</p> <p>The Committee, having received the report from the COO, remained concerned that performance had not improved and was below the target trajectory of 88.52%. The Committee noted that workforce constraints and elevated levels of attendance and non-elective admissions were the main causes of this level of performance, although the number of long stay patients had improved.</p> <p>The Committee received assurances that the Winter Plan included a risk-based assessment of internal and external factors and would be presented at the next Committee meeting.</p> <p>The Committee requested an updated recovery plan at the next meeting and also requested an action plan to gain assurance that recent improvements in ambulance handover times would be sustained and further improvements made.</p>
	<p>Assurance in respect of SO 2c Issue: Management of Planned Care</p> <p>Source of assurance: Integrated Performance Report</p> <p>The Committee were advised that, as had been anticipated, the Trust remained behind trajectory for planned care. The Committee noted the significant improvement which had been made in relation to cancellations due to lack of beds.</p> <p>Whilst the waiting list position had deteriorated recently, the Committee were assured that this had been expected in the recovery plan and that the Trust remained on track to deliver the plan for the year.</p>
	<p>Lack of assurance in respect of SO 2c Issue: Management of Cancer Care</p> <p>Source of assurance: Integrated Performance Report and Breast Service Performance Update</p> <p>The Committee noted the improvement in performance which, although falling short of the Trust's target, exceeded the trajectory agreed with the Commissioners. The Committee expressed frustration that reasonably</p>

	<p>foreseeable issues, particularly around workforce planning, were not being mitigated.</p> <p>The Committee did not receive assurance that workforce issues would not adversely impact the sustainability of service levels as demand continued to be higher than capacity.</p>
	<p>Assurance in respect of SO 2c Issue: Emergency Preparedness, Resilience & Response (EPRR)</p> <p>Source of assurance: EPRR Report</p> <p>The Committee received the report and were given assurances that the Trust was substantively compliant. There were two areas of non-compliance which were identified which related to:</p> <ul style="list-style-type: none"> • The absence of a lock-down plan; and • The lack of assurances from third party suppliers regarding their BCPs <p>The Committee reviewed the EPRR policy statement and suggested some minor amendments and clarification regarding the equality impact.</p> <p>The Committee received assurances that responsibility for testing sat with the Emergency Planning Committee, which would have an upward feed to FSID. The Policy was, subject to the aforementioned point of clarification, approved.</p>
	<p>Lack of Assurance in respect of SO 2d Issue: Delivery of the Financial Recovery Plan</p> <p>Source of assurance: Integrated Performance Report and Financial Recovery Plan</p> <p>The Committee were advised that delivery of the financial plan was £5m behind plan due principally to increased agency staff costs, underperformance against elective targets and £3m less delivered in efficiency savings than planned. Delivery of FEP schemes totalling £30 million would be required to recover the position.</p> <p>The Committee requested assurance that appropriate action was being taken to mitigate previously identified Risks to delivery of the financial plan and a summary of actions to recover was requested. The Committee also requested assurance that requirements to obtain CQUIN income would be met.</p>
	<p>Assurance in respect of SO 2e Issue: Fire safety policies, training and governance.</p> <p>Source of assurance: Estates Strategy Assurance Report</p>

	<p>The Committee, having received and considered the report from the Director of Estates and Facilities, were assured that the Fire Improvement Program would deliver its objectives. The Committee were advised that although work was still ongoing and there had been some slippage of revenue work, feedback received from Lincs Fire & Rescue had been positive.</p>
	<p>Lack of assurance in respect of SO 2e Issue: Estates Strategy Assurance</p> <p>Source of assurance: Estates Strategy Assurance Report</p> <p>The Committee discussed the issues around the statutory and non-statutory obligations. The Director of Estates & Facilities was unable to provide adequate assurance that the data quality was sufficiently robust so as to enable correct categorisation.</p> <p>The Committee requested a Board of risk appetite in relation to the allocated of available funds between statutory and non-statutory work.</p>
<p>Issues where assurance remains outstanding for escalation to the Board</p>	<p>None</p>
<p>Items referred to other Committees for Assurance</p>	<p>None</p>
<p>Committee Review of corporate risk register</p>	<p>A cleansed corporate risk register was presented to the Committee. The Committee noted that a full review of the risks remaining on the register were still ongoing and these were linked to the revised BAF.</p>
<p>Matters identified which Committee recommend are escalated to SRR/BAF</p>	<p>BAF updated at the meeting.</p> <p>The Committee requested a quarterly deep dive against each risk on the BAF on a rotational basis.</p>
<p>Committee position on assurance of strategic risk areas that align to committee</p>	<p>None</p>
<p>Areas identified to visit in dept walk rounds</p>	<p>None</p>

Attendance Summary for rolling 12 month period

Voting Members	S	O	N	J	F	M	A	M	J	J	A	S
Gill Ponder Non Exec Director	X	X	X	X	X	X	X	X	X	X	X	X
Geoff Hayward Non Exec Director	A	X	X	A	X	X	X	X	X	X	X	X
Chris Gibson Non Exec Director	X	X	X	X	X	A	X	A	X	X	X	A
Deputy Chief Executive	X	A	X	X	X	X	X	A	A	X	X	X
Director of Finance and Corporate Affairs	A	X	X	X	X	X	X	X	D	X	X	X
Chief Operating Officer	A	D	D	A	D	D	X	X	X	X	X	X
Director of Estates and Facilities	X	X	X	X	X	X	X	D	X	X	X	X
Medical Director	X	A	A	A	A	A	X	A	D	X	X	X

X in attendance A apologies given D deputy attended