

<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>	16th October 2018
<b>Chairperson:</b>	Gill Ponder Non Executive Director
<b>Author:</b>	Leon Rudman, Interim Deputy Trust Secretary

<b>Purpose</b>	<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. This assurance committee meets monthly and takes scheduled reports from all Trust operational committees according to an established work programme.</p>
<b>Assurances received by the Committee</b>	<p><b>Lack of Assurance in respect of SO 2d Issue: Financial Performance</b></p> <p><u>Source of assurance: Financial Performance Report/IPR</u></p> <p>The Committee were advised that the year end forecast deficit of £87.3 m which had been agreed at an extraordinary Board meeting had been submitted to NHSI and subsequently rejected.</p> <p>The Committee noted the progress which had been made in respect of the <i>Duty of Candour</i> compliance which would result in a positive impact in terms of fines and penalties.</p> <p>The Committee reviewed the CQUINs and were not assured. The Committee noted the lost income opportunity and acknowledged the disappointingly modest evidence of improvement.</p> <p><u>Action:</u> The Committee requested a deep dive on the three most significant areas of CQUIN with a firm plan to be brought before the Committee for consideration at the next meeting.</p> <p>The Committee considered the current debtors position and were assured that despite the recent increase, there were not any lapses in control. It was noted that the 90+ day debtors were broadly in line with expectations given the size of the organisation.</p> <p><b>Lack of Assurance in respect of SO 2d Issue: Contracting</b></p> <p><u>Source of assurance: Contracting Report</u></p>

	<p>The Committee were not assured with regards to contracting following the ongoing uncertainty in relation to fines. The Committee did note work was ongoing in relation to data quality, which it was expected would drive improvements.</p> <p>The Committee were assured with regards to the establishment of a coding failsafe/backstop which could be enacted in the event that proposed changes to the terms could not be agreed.</p>
	<p><b>Lack of Assurance in respect of SO 2d</b>  <b>Issue: Income Benchmarking</b></p> <p><u>Source of assurance: Income Benchmarking Report</u></p> <p>The Committee received the report and considered the impact that different case mixes had on income generation. The Committee were keen to understand how the Trust could learn from its peer group in order to improve its own performance.</p> <p><u>Action:</u> The Committee tasked the Director of Operations to consider further what could be learnt from better performing peers to help to increase our income, and report to the Committee.</p>
	<p><b>Lack of Assurance in respect of SO 2d</b>  <b>Issue: Financial Turnaround</b></p> <p><u>Source of assurance: Financial Turnaround Report</u></p> <p>The Committee noted that the potential realisable value of each of the schemes had been risk rated, which had resulted in the previously identified savings of £16.9m being reduced to £14.1m, although stretch schemes had been identified that would increase that to £14.8m.</p> <p>The Committee sought and received assurance that quality impact assessments were embedded and the Turnaround Director confirmed that the circulated list of schemes did not include those that had been rejected due to (among other things) the likely quality impact. The Committee requested assurance that schemes were being rejected as part of the QIA process, both to have evidence that it was robust and that, conversely, the Trust were being bold enough in the identification of potential schemes.</p> <p>The Committee were not presently assured in respect of the speed of implementation and sought assurance with regards to ensuring that the proposed project managers would represent value for money and actually be able to deliver the identified savings.</p> <p>The Turnaround Director provided an update in respect of the progress which had been made in relation to the appointment of a recruitment partner. It was noted that the majority of the benefit would not be realised this financial year but the potential benefits in 19/20 were significant.</p>

	<p><u>Action:</u> The Committee requested continued reports on progress.</p> <hr/> <p><b>Lack of Assurance in respect of SO 2c</b>  <b>Issue: Planned Care</b></p> <p><u>Source of assurance: Integrated Performance Report (Planned Care).</u></p> <p>The Committee were not assured in relation to planned care. It was noted that the waiting lists had increased and that issues persisted in 5 specialty areas; with plans having been developed in respect of 3 of those. The Operations Director remained assured that plans to reduce waiting lists to within year end targets were on track, but the Committee requested a paper on recovery plans at the next meeting to gain assurance.</p> <p>The Committee noted the number of cancelled operations which were above the national average. The Committee were informed that elements of commonality meant that, with consent from patients, ‘pooling’ could be used to greater effect.</p> <p><u>Action:</u> The Committee requested that the Operations Director bring an update paper on recovery plans to the next meeting.</p> <hr/> <p><b>Lack of Assurance in respect of SO 2c</b>  <b>Issue: Urgent Care</b></p> <p><u>Source of assurance: Urgent Care Report</u></p> <p>The Committee were not assured in respect of urgent care. It was noted that demand had increased and that bed occupancy had grown significantly; which had impacted performance. Risks remained from workforce numbers and the lack of substantive staff.</p> <p>The Committee were informed that a new pathway/layout had been developed at Pilgrim (with LCHS) which had been successful and that it was the intention that the model be introduced at Lincoln.</p> <hr/> <p><b>Lack of Assurance in respect of SO 2c</b>  <b>Issue: Winter Plan</b></p> <p><u>Source of assurance: Winter Plan</u></p> <p>The Committee were not assured in respect of the Winter Plan. The Director of Operations updated the Committee in relation to the likely shortage of beds and the Trust’s mitigation plans, but these were dependent on findings from commissioners.</p> <hr/> <p><b>Assurance in respect of SO 2c</b>  <b>Cancer Performance</b></p> <p><u>Source of assurance: Integrated Performance Report (Cancer).</u></p>
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	<p>The Committee were pleased to note the improvement in cancer performance and were assured that improvement plans were having an impact. It was noted that although aspects of the service remained fragile, the service was being maintained and that the Trust's positive performance had bucked the national trend.</p>
<b>Issues where assurance remains outstanding for escalation to the Board</b>	As above.
<b>Items referred to other Committees for Assurance</b>	<p>The Committee discussed the issues around the delays in hiring and reorganising staff; which it was felt were, on occasion, being unduly delayed by banding reviews. The Committee requested that WFOD Committee investigate in order to identify any potential process improvements.</p>
<b>Committee Review of corporate risk register</b>	<p>The Committee noted that each of the directorates now had a fully operational risk register.</p> <p>The Trust Secretary confirmed that work was underway on aligning the risks between the BAF and Risk Register.</p>
<b>Matters identified which Committee recommend are escalated to SRR/BAF</b>	<p>The Committee thoroughly reviewed the BAF and suggested a number of alterations.</p> <p>The Committee clarified that the previous request for quarterly deep dives applied only to those risks not covered by standing agenda items.</p>
<b>Committee position on assurance of strategic risk areas that align to committee</b>	None
<b>Committee Position on Governance Arrangements</b>	<p>The Committee reviewed the Draft Terms of Reference and suggested some minor amendments to the Trust Secretary before recommending them for approval by the Trust Board.</p>
<b>Areas identified to visit in dept walk rounds</b>	None

Cont/d

**Attendance Summary for rolling 12 month period**

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

X in attendance A apologies given D deputy attended