

## CHAIR'S KEY ISSUES

### ISSUES FOR REFERRING / ESCALATING TO BOARD / COMMITTEE / TASK & FINISH GROUP

**PART A:**

<b>ORIGINATING BOARD / COMMITTEE / TASK &amp; FINISH GROUP:</b>	Finance and Performance Assurance Committee	<b>DATE OF MEETING ISSUE RAISED:</b>	25 <sup>th</sup> October 2018
<b>CHAIR:</b>	Julie Parker	<b>LEAD EXECUTIVE DIRECTOR:</b>	Dawn Scrafield

Agenda Item No.	DETAILS OF ISSUE:	FOR APPROVAL / ESCALATION / ALERT / ASSURANCE / INFORMATION?	RISK REGISTER / BAF REFERENCE	PAPER ATTACHED √
6 & 7	<p>Finance &amp; Cost Improvement</p> <p>The financial position for September has significantly deteriorated and was off plan by £6.8m in the month. This is mainly due to the loss of Provider Sustainability funding (PSF) of £4m and overspending on pay (£1.6m) and Cost Improvement Programme (CIP) underperformance (£0.6m). Therefore, at the end of September the Trust incurred a deficit of £16.3m, which is £8m higher than planned.</p> <p>Financial risks and opportunities have been reviewed and there are limited upside opportunities, resulting in the likely expected breach of the control total by the year-end if no recovery action is taken.</p> <p>Agency spending continues to exceed the monthly envelop by £0.5m in the month, meaning that the Trust is now exceeding the agency ceiling by £1.6m, with £7.6m being incurred to date. The majority of this spending is within medical and junior doctors and nursing.</p> <p>A detailed forecast review has concluded and based on available information the forecast is showing an expected £14m adverse variance to plan in the absence of any recovery actions. This would result in the loss of PSF by the end of the year of £16.9m. If recovery of £14m is achieved the PSF can be recovered.</p> <p>Recovery arrangements have been progressed with Executives and divisions have drafted recovery plans. Financial recovery is recognised as a key priority in the organisation and this will be a particular focus in the coming months.</p> <p>The cost improvement programme continues to forecast a £26.1m delivery compared to the £32.7m target. For the second time we have not met the CIP trajectory, which was agreed with NHS Improvement as a merger condition, however following on from the recent review NHS Improvement were positive about the progress and approach to the CIP delivery since the merger.</p>	Escalation		

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8	<p>Performance</p> <p>Detailed review of performance undertaken. Key points;</p> <ul style="list-style-type: none"> <li>• ED performance continues to perform well and the standard achieved for ESNEFT is 96.09% for September.</li> <li>• Cancer performance is disappointing due to significant capacity challenges in some speciality areas. A revised trajectory needs to be developed. A '7 must do plan' has been developed to ensure that we are processing the delivery of care as efficiently as possible. The delivery of the operational performance is being considered in the context of the financial constraints.</li> <li>• RTT performance is not delivering to the trajectory and recovery actions continue to be developed with individual specialities. There were a total of 68 patients waiting over 40 weeks which has halved over the last 2 months. The process for harm reviews will be considered to align with the process followed for cancer treatment delays.</li> <li>• Outpatient utilisation has dropped (86.69%) which could lead to further capacity being available if utilisation is improved. 'Did Not Attend' (DNA) continues to be high, however the team are exploring the use of automation as a means to improve the reminder arrangements to reduce the volume of DNA'.</li> <li>• Community performance was good, with 100% of response time achieved by the Community Health Team for 4-hour responses. Length of stay has reduced in community beds, ever though delayed transfers of care have slightly increased.</li> </ul>	Assurance		
9	<p>Theatre Productivity</p> <p>The committee received a report considering the approach taken to theatre productivity, which encompasses utilisation but goes beyond just the use of the space, but also considers the start and finishing times and cancellations. Monitoring of theatre productivity established on the Ipswich site since August 2018. Changes to the scheduling and management of theatres have been made in response to the information received through the weekly monitoring, including a lock down process for theatre lists, which is good for patients.</p>	Assurance		

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10	<p>Stroke Performance Deep Dive</p> <p>Overall performance is below the standard mainly due to challenges in capacity for Speech and Language Therapy (SALT) services as well as volumes of attendances to the stroke service, which are not stroke (mimics). The committee heard about the operational arrangements that the service are putting in place to allow the stroke service to ensure that patients reach a stroke bed as quickly as possible in line with the standard. Colchester and Ipswich are performing 12<sup>th</sup> and 19<sup>th</sup> respectively out of 138 stroke units across the country. Investment by commissioners in SALT on the Ipswich site commenced in July to bring capacity up to similar levels as on the Colchester site.</p>	Assurance		
14	<p>Capital Development</p> <p>The committee received a report on the development of the plans to underpin the capital investment awarded to the Trust to support the merger of clinical services. The total award was £64.3m (net of capital sales expected). At this stage, a strategic outline case has been developed for £30m, which covers the development of Emergency and Urgent Care at the front of each site, additional capacity for diagnostics (MRI and CT) and Estates rationalisation.</p> <p>The remaining funding (£34.3m plus capital receipt from sales) will be subject to a Pre-Consultation Business Case process, which will set out the investment in elective services to support the merged provision. It is not expected this will be published until June 2019.</p> <p>There is not currently a Board approved Estates Strategy for the Trust; the timeline for this is June 2019 post approval of the clinical strategy.</p>	Assurance		

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11, 12, 13, 15	Other Matters Considered by the Committee: <ul style="list-style-type: none"> <li>• Internal Audit Assurance Review of Quality – Cancer Waiting Times</li> <li>• Transformation Report from the Time Matters Board</li> <li>• Strategy – Medium Term Financial Planning</li> <li>• Accountability Framework – 6 monthly review</li> <li>• Annual Planning</li> </ul>	Information		
<b>DATE COMPLETED AND FORWARDED TO SEC OF RECEIVING BOARD / COMMITTEE / TASK &amp; FINISH GROUP:</b>				

**PART B:**

<b>RECEIVING BOARD / COMMITTEE / TASK &amp; FINISH GROUP:</b>		<b>DATE OF MEETING ISSUE CONSIDERED:</b>	
<b>CHAIR:</b>		<b>LEAD EXECUTIVE DIRECTOR:</b>	
<b>Agenda Item No.</b>	<b>RECORD OF CONSIDERATION GIVEN / APPROVAL / RESPONSE / ACTION:</b>		
<b>DATE COMPLETED AND FORWARDED TO CLERK OF ORIGINATING BOARD / COMMITTEE / TASK &amp; FINISH GROUP:</b>			