

Meeting Assurance Report to the Council of Governors

Name of Committee / Group	Finance and Performance Committee
Date of Meeting	9 October 2023 and 13 November 2023
Chair	Tony Buckham, Non-Executive Director
Lead Officer	Neil Priestley, Chief Finance Officer
Meeting Administrator	Dawn Aykroyd, Executive Personal Assistant to Chief Finance Officer

Purpose

The purpose of this report is to provide in summary an update on the key discussions and outcomes of the above meeting.

Agenda items covered at the meeting

The agendas included the following items:

- Use of Resources Group Quarterly Progress Report
- Review of Finance and Performance Committee Processes and Efficiency
- Financial Performance
 - 2023/24 Financial Position
 - Integrated Care Board (ICB) Finance Report
- Tier One Update
- Operational Performance
 - Deep Dive – Accident & Emergency
 - Protecting and Expanding Elective Capacity
 - Cancer Waiting Times – Performance and Recovery
 - Patient Activity Targets Report to 31 August 2023, and to 30 September 2023
 - Access Target Report
 - Performance and Caseload Overview Group (PCOG) Notes from 19 September 2023 and 17 October 2023
 - Update on Theatre Improvement
 - Winter Plan Update
 - Benchmark Report
 - Delivery Group Minutes from 30 August, 27 September 2023 and 1 November 2023
- Estates 6 Monthly Update
- South Yorkshire & Bassetlaw Pathology Network Full Business Case
- Board Assurance Framework Deep Dive into Strategic Risk 04: Finance

Matters to highlight

Specific areas to highlight are as follows:

- **Finance Report - Month 6.** Further improvement on trend has been seen this month where an adverse variance of £9.1m (1.3%) was noted. There has been an improvement on the run-rate in Month 6 and P&E has slightly improved, although many directorates remain adrift of their target and recovery work needs to continue. National briefings have been held the previous week where acknowledgment of strike costs and loss of elective activity (£1bn each assessment nationally)

has led to further funding becoming available from NHSE (£800m) and reduced Elective Recovery Fund targets. This will come with firm directives to meet financial and service plans at the end of 2022/23. Integrated Care Boards (ICB) are tasked with allocation across the system and all SYB Trusts are in dialogue with their ICB colleagues on current financial status. Revised financial forecasts from ICBs to NHSE are due to be submitted by 22nd November.

- **Productivity and Efficiency (P&E).** P&E targets remain challenging, £1.8m having been delivered year to date (YTD) by Directorates versus a target of £4m. Significant focus continues within the Use of Resources Group work to identify further opportunities and to support implementation where feasible, but the current forecast suggests a c 15% shortfall at end of year. The impact of Industrial Action is fully funded in Directorate positions YTD and does not contribute to the adverse position.
Whilst there is reasonable confidence the financial plan can be achieved for 2023/24, there remains deep concern regarding underlying financial performance of the Trust, and the consequences for 2024/25.
- **Accident and Emergency (A&E) performance.** The Committee reviewed the current Accident and Emergency (A&E) Performance, the last review in June covered actions in progress. This report presented data to compare the current position to that pre-pandemic (2019/20). It suggests a worse overall position, with demand being relatively flat, but the current 4 hr target of 75% looks reachable (currently 72.2%) and the Trust remains in the top quartile for overall A&E performance in the Public View Integrated Performance Report (IPR). The report identified opportunities for further improvement as we continue to recover from the Covid pandemic.
- **Protecting and expanding elective activity.** NHS England has mandated a set of priorities relating to protecting and expanding Elective Activity which require full Board assurance statements to be produced and self-certified. This has now been completed. The statements include actions plans to be followed through and the Committee will receive regular reports on progress and issues and escalate to full Board as appropriate.
- **Estates.** The Committee received the 6-monthly Estates update which highlighted the good progress being made across a number of areas. Key points highlighted/discussed included: completion of a forensic audit of utility/energy bills which is likely to lead to a material recovery of overpayment for the Trust's energy consumption and correction to future billing data; the challenges managing increased energy consumption resulting from extreme weather events; the transition to Forth Engineering Services (FES) from Veolia for handling hard Facilities Management at the Hadfield building (scheduled for 1 Dec 2023); the plans to address the small amount of Reinforced Autoclaved Aerated Concrete (RAAC) now identified; and good progress on delivering Productivity & Efficiency (P&E) targets for 2023/24 which are expected to be met.
- **The SYB Pathology Network – Full Business Case (FBC).** This was presented to the Committee for both acknowledgment and support, prior to being submitted for approval at the STH Board meeting in November. The key variations between this case and the original Outline Business Case (OBC) agreed by the 5 Partner Trust Boards in 2021 were summarised which included changes to staffing configurations and rotas, site configurations and subsequent assessments of technology and estates costs. Whilst this has resulted in an erosion of savings of c £1m from the original OBC savings total of £5.1m, this case still retains a healthy benefit/cost ratio over the 12-year economic period. The risks to the programme were briefly discussed and whilst the Committee was supportive of this case, it was recommended the key risks were articulated clearly at the full Board Meeting.
- **Update on Theatre Improvement work.** Work continues to drive improvements in theatre lists delivered and number of patients on lists, both of which are still below levels seen in 2019/20. Plans are being developed to look at the areas of booking and scheduling and improving the theatre timetable. Analysis is also underway to try and understand why more staff have led to less lists in 2022/23. A consultancy (MBI Healthcare Technologies) has been retained to support the Trust, specifically in the areas of booking and scheduling.

- **Cancer Recovery.** Performance across all Cancer Waiting Time (CWT) metrics remains challenging. Our total cancer waits volume has increased; our two week wait (2WW) only long waits trajectory has also increased further and remains adrift of target; the volume of patients waiting longer than 104 days has increased from last month. It is further recognised that some of our peers in region have seen worse deterioration. Initiatives continue to be followed up to arrest the deterioration, although strike action has had a significant impact in this area and a turn-around in performance looks uncertain in the short-term. The activities on recruitment of consultants, other doctors and nurses were summarised, where certain roles are proving very difficult to fill. It was highlighted that delivering improvements to the Cancer backlogs is a challenge across many Directorates and different approaches to solving the backlogs may be appropriate. These new approaches will be explored and developed further in the coming months. The Board discussed this at length at their Strategy and Development Session on 31 October 2023.
- **The Winter Plan.** The elements of this year's Winter Plan were presented which covered: the key risks (e.g. increased demand levels; Covid/Flu prevalence; workforce well-being and the need to continue with elective recovery) along with how we plan to increase flow, protect/increase capacity.

Documents approved were:

- **Board Assurance Framework (BAF) Deep Dive Review – Strategic Risk 4 – Finance.** The review covered the key controls and oversight and assurances the Board receives, and the Committee was content with all the assurance and likelihood ratings (Adequate/ Possible) which have not changed since the last review.

New significant issues / concerns escalated including proposals on the next steps to address this

Nothing further to report.

Implications

Aim of the STHFT Corporate Strategy		✓ Tick as appropriate
1	Deliver the Best Clinical Outcomes	✓
2	Provide Patient Centred Services	✓
3	Employ Caring and Cared for Staff	✓
4	Spend Public Money Wisely	✓
5	Create a Sustainable Organisation	✓
6	Deliver Excellent Research, Education and Innovation	✓

Recommendations

The Council of Governors is asked to **NOTE** the update provided and respond to any specific points raised within the report.