

Report to:	Trust Board (Public)	Agenda item:	SFT 4142
Date of Meeting:	6 December 2018		

Committee Name:	Finance and Performance		Committee Meeting Date:	23 rd October 2018
Status:	Information	Discussion	Assurance	Approval
			X	
Prepared by:	Paul Miller, Non Executive Director			
Board Sponsor (presenting):	Paul Miller, Non Executive Director			

Recommendation
To note key aspects of the Finance and Performance Committee meeting of the 23 rd October 2018.

Items for Escalation to Board
<p>Operational Performance – The Trust’s worsened emergency department performance, as measured by the 4 hour ED target has been a key feature of the hospitals performance during the summer. As at the 30th September 2018 the year to date performance was 92.2% against a target of 95%, however the performance in September was 87.9%.</p> <p>This is a significant concern for a number of reasons (a) ensuring patients can flow through the ED department i.e. going home or admitted into the hospital as an inpatient, is a key litmus test for the health of the South Wiltshire urgent care system (b) it is essential that the urgent care system works effectively in the run up to the 2018/19 winter, as this is the peak time for urgent referrals, particularly frail elderly patients and (c) the 4 hour ED target is a very important NHS Improvement target, for the reasons above. Therefore failure to achieve it, as well as ongoing financial pressures, puts the Trust the “wrong side” of the two most important NHSI performance targets.</p> <p>Therefore significant time was taken at the meeting reviewing papers on the ED performance and action plan, as well as plans to operate the hospital during the 2018/19 winter. The conclusion was whilst progress was being made it needed to be pulled together as soon as possible into a set of comprehensive integrated operational plans, based on ensuring the South Wiltshire urgent care pathway works as effectively as possible.</p>

Finally the committee also received a presentation from clinical staff on their plan to improve cancer waiting times, in particular against the 62 day treatment standard.

Financial Performance as at 30th September 2018 – The Trust achieved its financial control target at the end of Q2 i.e. an actual deficit of £5.655m against a planned deficit of £5.677m (£22k surplus). This in month performance did include some one-off benefits, but as a consequence the Trust has been able to achieve the financial component of the quarterly Provider Sustainability Funding (PSF) i.e. £531k.

Financial Outturn Forecast 2018/19 and future recovery and sustainability – The Committee also continued to discuss the risks and opportunities affecting the financial outturn for this year's plan (2018/19), as well as the next five years 2019/20 to 2023/24. The current in-year plan for 2018/19 agreed with NHSI, is to end the year with a deficit of £9m, which would require cash borrowing of £5.2m.

Assuming this year's deficit is successfully achieved (and there are still significant risks) the Trust would need to recover this overspend, as well as make future cost improvement savings between now and 2023/24. A current estimate of the size of this financial improvement programme over the next 5 years is circa £45m and plans to address this future challenge continue to be developed.

Demand and capacity planning for 2019/20 – The committee received a paper which explained how next year's plan will aim to balance demand, capacity, workforce and money. Key to ensuring we get this balance right is (a) the availability of clinical staff and (b) our operational efficiency improvements. This demand and capacity work will culminate in the final operational plan for 2019/20 which is likely to be presented to the March 2019 Trust Board for approval.

2019/20 Tariff consultation – The Committee received an initial report on the possible implications to the Trust of the current NHSI tariff consultation.

Serious Untoward Investigation Report into SLAM/SUS reconciliation – The Committee received a draft report on this issue and once the final report is signed off the executive team will present their recommendations.

Business cases and Tenders – The Committee received a tender report on the awarding of a laundry contract, which it supported. The Committee also received a report on the future arrangements for Sterile Services and it was agreed that a clear recommendation would be made following a further special meeting.

European Unit Exit planning – Finally the Committee received a report on the Trusts plan to successfully manage this issue and noted its content.

Report to:	Trust Board	Agenda item:	SFT4142
Date of Meeting:	6 th December 2018		

Committee Name:	Finance and Performance		Committee Meeting Date:	27 th November 2018
Status:	Information	Discussion	Assurance	Approval
			X	
Prepared by:	Paul Miller, Non Executive Director			
Board Sponsor (presenting):	Paul Miller, Non Executive Director			

Recommendation
To note key aspects of the Finance and Performance Committee meeting of the 27 th November 2018.

Items for Escalation to Board
<p>Operational Performance – The Committee received a detailed action plan to improve the Trust's emergency department performance, which has worsened since the Spring. This action plan was based on three key themes (a) staffing (b) leadership and (c) flow of patients through the department and the hospital. The Committee will continue to review the progress of this action plan closely.</p> <p>Winter Plan 2018/19 – The Committee also reviewed an associated document, which contained the hospital's comprehensive plan to ensure the continuity of safe and effective patient care through the forthcoming winter. This plan covered work, both inside and outside of the hospital and included a series of contingency actions that can be escalated if required. One such contingency action is the potential opening of an additional ward (Laverstock) from 1st January 2019 to 31st March 2019. This additional ward would cost circa £500k and if this action was required it would adversely impact on the financial outturn for 2018/19. A further response could see a reduction in non-urgent elective operations during January/February 2019, though this is yet to be confirmed and would only be implemented if required. Finally such a reduction in activity would also impact on the 2018/19 financial out turn, through reduced elective income.</p>

Financial Performance as at 31st October 2018 and Outturn Forecast 2018/19 – The financial position as at month 7 showed the Trust to be £585k behind our planned deficit i.e. an actual deficit of £6.147m. The Committee continued to discuss the risks and opportunities affecting the financial outturn for this year's plan, The current in-year plan for 2018/19 agreed with NHSI, is to end the year with a deficit of £9m, which would require cash borrowing of £5.2m. The conclusion of this conversation was that whilst there was a known set of significant variables outstanding and these would only be "crystalized" by the 31st December 2018 i.e. month 9, there was still a significant risk that the final deficit could be in excess of £12m. Therefore the Committee requested a paper on additional cash borrowing to be produced for the 18th December 2018 F&P Committee.

Salisbury Trading Limited (STL) subsidiary company – The Committee received a presentation on the three year business plan for STL. This business plan outlined a series of exciting future opportunities to expand the business and there was a detailed discussion on how best STL could access additional investment to take the best advantage of these opportunities.