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<b>Meeting:</b>	<b>Brighton and Sussex University Hospitals NHS Trust Board of Directors</b>
<b>Date:</b>	<b>31<sup>st</sup> May 2016</b>
<b>Board Sponsor:</b>	<b>Chair, Finance People &amp; Performance Committee</b>
<b>Paper Author:</b>	<b>Chair, Finance People &amp; Performance Committee</b>
<b>Subject:</b>	<b>Finance People and Performance Committee – April 2016</b>

### Executive Summary

The report describes the discussions at the Committee which focused on Month 12 operational and financial performance; financial planning for 2016/17; and the action plan in response to the national staff survey.

<b>Links to corporate objectives</b>	This report concerns the corporate objective of <b><i>high productivity; empowered and skilled staff; excellent outcomes and great experience</i></b>
<b>Identified risks and risk management actions</b>	Key risks and mitigations are detailed in the Board Assurance Framework and concern: <ul style="list-style-type: none"> <li>• delivery of the financial plan</li> <li>• operational performance in relation to urgent and planned care; and</li> <li>• staff engagement</li> </ul>
<b>Resource implications</b>	The annual account for 2015/16; and Month 1 finance report and Financial Improvement Programme will be considered at the Board meeting
<b>Report history</b>	The Chair of the Committee reports to the Board following each meeting of the Committee
<b>Appendices</b>	None

### Action required by the Board

The Board is asked to note the Finance People and Performance Committee report.

**Report to the Board of Directors, 31<sup>st</sup> May 2016  
Finance People & Performance Committee Report**

**Items on the Board agenda**

**1. Operational Performance and Performance Dashboard Month 12**

The COO presented the Month 12 dashboard which the Committee discussed in detail. It was reported that for Digestive Diseases, Neurology and Spinal, in particular, there was a significant mismatch between capacity and demand. In terms of A&E performance, the Trust's position was 196 out of 235 nationally. With reference to Delayed Transfers of Care, there had been improvement in March to 6% but there were still significant and unresolved issues compounding patient flow. The number of patients medically fit for discharge was very high during the month - 471 occupied bed days.

It was noted that work to make sustained improvements to the urgent care pathway was ongoing. The ED performance continued to be challenging. March performance was 81% and figures for April to date stood at 79.44%. Reasons for the continued deterioration in performance were multi-factorial, including seasonal flu cases and patients presenting with respiratory problems. The locum agency cap on staffing was impacting on staffing levels with locum shifts being cancelled and not re-filled. Discussions around the 4 hour trajectory were being progressed as part of the 2016/17 planning round. The Trust was developing plans for the delivery of a trajectory of 85% compliance of the 4 hour standard by September, though this would require the engagement of partners across the wider health care system.

At PRH, performance fell to 90% on average from 93% the previous month. ED medical staffing and shift times, with an ED consultant led service, was an issue.

**2. Financial Performance and Finance Report Month 12**

The Month 12 Report was presented by the CFO who confirmed that the Trust was reporting a draft deficit of £44.8m. This was a material change from the Month 11 forecast deficit of £37.6m, as a result of creating a £7m provision against income due from commissioners. The provision which was considered prudent as it reflected the risk to recovery of income which had been previously reported and discussed with TDA.

The Committee noted its concern that as a consequence of in year and reported future deficits, the Trust's external auditors would be making a referral under Section 30 of the Local Audit and Accountability Act 2014 on the basis that the Trust had breached the breakeven duty.

**3. Financial Planning 2016/17**

The Committee discussed the work in progress on the Financial Plan.

It was noted that one of the loan conditions was to have the Finance Function benchmarked against NHS Shared Business Services. This was underway.

It was noted that McKinsey was the firm which had been selected to lead the Trust's Financial Improvement Programme.

Grant Thornton as part of the internal audit programme had undertaken an assessment of financial reporting. This assessment, and specifically its findings, would be considered by the Audit Committee.

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## **Items not on the Board agenda**

### **4. Pathology Procurement**

The Chief Financial Officer reported that the investigation agreed at the previous Committee meeting had been completed and a draft report received. The report would be considered by the Senior Management Team and then reported to the Finance, Business and Investment Committee.

### **5. People – Staff Survey**

The Head of People Services presented the 2015 national survey report and summarised the action plan in response to the survey findings. Though the staff response rate of 41% was better than in previous years, staff engagement was low and an identified corporate risk. The Committee approved the action plan and specific work programmes related to the staff survey.

**Antony Kildare**  
**Chair**  
**Finance People & Performance Committee**  
**May 2016**