

Meeting:	Brighton and Sussex University Hospitals NHS Trust Board of Directors
Date:	28th September 2015
Board Sponsor:	Chair, Finance People & Performance Committee
Paper Author:	Chair, Finance People & Performance Committee
Subject:	Finance People and Performance Committee – September 2015

Executive Summary

The report describes the discussions at the Committee on 28th September 2015, which concerned financial performance and the financial recovery plan; operational performance and the recovery trajectories; and the broader internal Turnaround programme; together with the financial settlement for the Booking Hub.

Links to corporate objectives	The discussions at the Committee concerned <i>high productivity; empowered skilled staff</i> and patient access in relation to operational performance
Identified risks and risk management actions	Delivery of the financial plan and CIPs programme; and delivery of our trajectories in respect of emergency and unscheduled care and scheduled care
Resource implications	The M5 finance report and CIPs programme will be considered at the Board meeting
Report history	The Chair of the Committee report to the Board following each meeting of the Committee
Appendices	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, 28th September 2015
Finance & People Committee Report

Items on the Board agenda

1. Introduction

It was noted that performance had been added to the business and agenda and that meetings would be scheduled monthly. The Committee considered the key performance information which would be reported and for which assurance would be sought going forward.

2. Central Booking Hub

The Committee heard from the CFO that the focus for the Hub would be operational performance rather than efficiency gains over the next six months. There had been a heavy reliance on agency staffing to date and it was recognised that this could not be sustained. Though the implementation had been difficult, considerable work had been done to stabilise performance. Resources had now been agreed within which the Hub would need to work and manage. The Committee noted that additional annual investment of £540k had been committed to ensure ongoing stability. Some 38 WTE band 3 staff would be employed on a permanent basis rather than through temporary, agency contracts which would result in savings of between £20k and £30k per month. A further financial benefit would result from not having to pay finders' fees to agencies. The Committee requested further updates on Hub operations, performance against KPIs and in particular lessons which had been learned.

3. Finance Report /Financial Recovery Plan

The CFO confirmed that the Trust was reporting a year to date deficit at Month 5 of £17.6m, £6m behind the plan submitted to the TDA. In terms of operating costs, pay was overspent by £4.1m and non-pay costs overall were overspent by £9.4m. The overspend was due to operational costs and under-delivery of efficiencies, though recovery was anticipated during the remainder of the year. Further detailed work was being undertaken with each clinical directorate to identify the implications and recover the position. The CFO provided assurance that the financial position would improve in Month 6 as a consequence of the tighter controls exercised through the financial recovery plan. A number of downside scenarios and revised trajectories were being considered to address the risks being carried by the Trust. The Committee discussed at length the challenges relating to agreeing CCG/commissioner contracts and income, plans to delay capital programme expenditure, improvements to productivity, and delivery of CIPs. The Trust's income expectations remained higher than commissioners. It was felt that significant improvements would be necessary to control operating costs. The CEO advised that discussions had been held with the Clinical Management Board and Clinical Directors fully understood the gravity of the Trust's financial position.

The Committee considered that the task to achieve the TDA stretch target was an extremely challenging one.

4. Turnaround Report

The Committee supported the creation of an internal Turnaround Team which would provide leadership of and governance over three key priorities: unscheduled care; 18 week RTT; financial control.

The Committee discussed in detail the 30/60/90 day actions, the underlying principles of the plan, providing further comments and feedback which would be incorporated into the paper being presented to the September Board. The Committee was assured that the plan reflected actions required to address the recommendations from both the CQC Report and the ECIST report.

It was noted that a number of work programmes were to be deferred until next financial year (2016/17). Their deferral had been supported by the Clinical Management Board. The Committee requested further information on the savings which would be realised.

5. Urgent Care Transformation

The COO advised the Committee that a risk based approach had been adopted to the development of an appropriate set of metrics with which to measure progress, impact and performance and that issues relating to the 12 hour breach were now much better understood. The COO stated that the objective was for the Trust to develop a robust ED system however this would take time to deliver. There was further work to be done to encourage colleague and partner organisations to help the Trust in the delivery of system wide targets through for example patients ready for discharge being released back into the community, freeing beds. The Committee suggested that this area could be included as an item for discussion at the next CCG board to board.

6. 18 Week Performance/Scheduled Care

The COO reported that work had been done to cleanse waiting list backlog data resulting in a reduction in numbers from 30000 to 11000. A further exercise was planned which would clear an additional backlog of c 6500 from the waiting list and enable much clearer understanding of the true position, following which a sustainable recovery plan could be implemented for RTT.

It was noted that Digestive Diseases continues to underperform though assurance was provided that work has already been done to address a number of underlying issues and clinic cancellations.

7. Performance Dashboard

The Committee discussed the dashboard and, in particular, the way in which information is presented. The COO confirmed that work was already underway to revise the format and presentation.

8. Integrated Workforce Plan

The Committee discussed the integrated plan to modernise the Trust's workforce and noted that this had been discussed with the TDA as part of the due diligence of the 3Ts business case. The Long Term Financial Model (LTFM) required the Trust to do more for less. Inter alia, the Committee considered the risks and issues to implementation as well as the immediate actions to support financial recovery in year, controlling pay and pay overspend, future investment in workforce pilots, employee relations and the potential for changes to terms and conditions.

The Committee approved the plan and requested that more time and an earlier slot be given to this item at future meetings.

9. People Dashboard

The Committee was advised that appraisal rates were slowly improving and current figures showed that 65% of staff had had an appraisal. It was noted that the annual appraisal target for the remainder of the year was 75% and for next year was 100%. It was noted that with the transfer of former Sodexo staff, the Trust headcount had now risen to more than 9000.

The People Board which had been recently established would be responsible for oversight and delivery of 10 key people priorities.

Antony Kildare
Chair
Finance People & Performance Committee
September 2015