

BOARD OF DIRECTORS - PART 1 MEETING

Meeting Date: 25 January 2023

Agenda item: 7.1

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| Subject: | Key Issues and Assurance Report - Finance and Performance Committee Meeting held on: 16 January 2023 |
| Presented by: | Philip Green, Chair of the Finance and Performance Committee |

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| Background: | The reports received by the Committee at its meeting referred to above and the levels of assurance are set out below. |
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| | Substantial assurance received by the Committee |
| | Partial assurance received by the Committee, but assurance received that appropriate plans in place to address |
| | Limited assurance received by the Committee - significant gaps in assurance and/or not sufficiently assured as to the adequacy of action plans |

| Items rated Green | | |
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| Item | Rationale for rating | Actions/outcome |
| <p>Operational Performance: the Committee was advised of the following:</p> <ul style="list-style-type: none"> Reduction in elective longwaiters was on track at end of December 2022. 25 patients waiting more than 104 weeks were reported and waits over a year – ahead of plan. The Trust had achieved the best performance in the south west in December (18 December 2022) for diagnostics (DM01) – Number of patients are waiting 6 weeks or more for a diagnostic test. Cancer: numbers of patients waiting 63 days or more for treatment after referral for suspected cancer was reducing. | <p>The Committee noted the areas of which it was advised.</p> <p>In relation to the reduction in elective longwaiters, a potential risk of increases in the 104 week wait position was noted as a result of planned industrial action in January.</p> | |

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| 232 at 18 December 2022 compared to 332 in September 2022. Expected rise at end of December as a result of reduced validation over Christmas/new year period but plan to address early January. | | |
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| Items rated Amber | | |
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| Item | Rationale for rating | Actions/outcome |
| <p>Operational Performance: the following areas were alerted to the Committee:</p> <ul style="list-style-type: none"> Daily average of medically ready for discharge patients consistently above 220; Significant levels of risk being managed within the Trust's emergency departments on a daily basis. Over 14,000 attendances in December (circa 16% increase compared to December 2021). SDEC and elective care areas escalated to meet surge of emergency demand. Significant IPC | <p>The Committee received a report of the plans in place to seek to address each of the areas alerted.</p> <p>This included: Dorset System agreement to expedite the implementation of the discharge to assess model to provide a step change to managing flow across the system. Covid-style response would be used to create a D2A implementation team. The NHS Dorset CNO team would be visiting the Trust to carry out a case panel on a selection of medically ready for discharge and ward visits to identify areas for further support and opportunities/enablers required for D2A.</p> <p>Escalation capacity fully open, including second stage surge areas (84 beds). Virtual Incident Control Room remains established to manage periods when the Trust is in escalation. Weekly meeting between COO and ED team to review actions on decompressing ED. Corridor care supported by ECS. Increased cohort spaces at both sites to bring patients in from ambulances, supported by SWAST, releasing up to 3 in 4 ambulances back onto the road; ambulance handover clock continues to run for all patients. New national escalation process for handovers > 6 hours implemented.</p> | <p>To be presented to the Board as part of the Integrated Performance Report.</p> |

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| <p>challenges with increase in Covid-19 and Flu-A.</p> <ul style="list-style-type: none"> Ambulance handover delays in December were the highest recorded during 2022/23 with more than 6,600 hours lost, SWAST regionally experienced an increase of 100% in hours lost. Achievement of improvement in cancer faster diagnosis and 62-day standard was off track. | <p>It was noted that as with other trusts, in December, the Trust's position was very challenged including with it having been in critical incident for a period of time. This was very pressurized for staff. The Chief Executive and members of the Executive Team had visited ED and spoken with patients, apologizing for the length of wait times. Clinical and management teams had worked incredibly hard to reach the point where over the preceding weekend the ambulance waits had improved.</p> <p>Funding bid application made to Wessex Cancer Alliance to support additional capacity. Cancer improvement programme in place. Additional insourcing capacity commencing in January for Dermatology and service expected to recover FDS performance by February. FIT< 10 Pathway was on track to launch in January 2023.</p> | |
| <p>2022/23 Financial Performance – Month 9</p> | <p>The Committee was informed that the Trust reported an adverse variance in month of £0.2 million taking the year to date deficit to £4.2 million. The Trust continued to forecast a full year break-even position; however, due to a further increase in expenditure commitments, this was now reliant upon additional income from the Dorset Integrated Care Board which had yet to be confirmed.</p> <p>Capital expenditure remained under budget with a year to date variance of £5.2 million. A forecast underspend of £0.5 million had been agreed in support of the ICS-wide capital outturn.</p> | <p>Summary to be presented to the Trust Board as part of the Integrated Performance Report.</p> |

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| | <p>Operational pressures were continuing to drive the Trust's financial performance, increasing expenditure and limiting clinical and operational capacity to deliver efficiencies and transformation projects. This was exacerbated by rising inflation, with food and energy prices putting particular pressure on Trust budgets.</p> <p>Controls in place in relation to agency spend were discussed and the root cause of increases in agency spend.</p> | |
| Productivity and Efficiency Report – Month 9 including Cost Improvement Programme and Benefits Realisation | <p>The Committee was presented with an update including the savings that had been identified and the associated shortfall. The expected actions in December had been largely delivered.</p> <p>Operational capacity including the pressures related to strike planning was a key limiting factor for change with many projects requiring time to implement. The Trust has appointed Carnall Farrar for a 10 week period to support in developing the programme for the following year.</p> <p>The merger financial savings stocktake report was received. The committee recognised the issues in delivering and quantifying some of the benefits and highlighted importance of having a clear baseline position for future plans. It was essential to have ongoing robust monitoring and review of savings opportunities identified.</p> | The Committee noted the report and would receive ongoing reporting in relation to the revised plan. |
| Estates Improvement | <p>The Committee received a summary in relation to Estates across the Trust's sites. A multi-year programme was being developed: taking account of alignment of financials, access for the works to be performed and supply chain availability. Internal auditors had completed an assessment of the estates quality management system (Planet FM) at Poole which had been discussed at Audit Committee.</p> <p>The findings (substantial</p> | The Committee noted the Estates Improvement report. |

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| | assurance in relation to the design opinion; moderate assurance for design effectiveness) were reported. An update was also provided to the Committee in relation to the maternity call bells at Poole hospital and completion of fire risk assessments. | |
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Items rated Red

| Item | Rationale for rating | Actions/outcome |
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| N/A | | |

Items not rated

| Item | Comments | Actions/outcome |
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| Exception Report – Private Patients Strategy | The Committee received an update in relation to the pricing exercise being undertaken, capacity within the private patient unit and financial performance of Dorset Heart Clinic. | Exceptions reporting would continue to be provided to the Committee, together with quarterly standing reporting. This would include the strategy document being presented to the Committee and subsequently to the Board. |
| Operational Planning 2023/24 Update | The Committee received an update in relation to the 2023/24 priorities and operational planning guidance published by NHS England. | The Committee noted the work programme to develop a detailed organizational and system operational plan for the coming year. |
| Contract Decision Timetable | The Committee received the contract decision timetable report. | The Committee noted the report. |
| Consultancy Commitments | It was reported that there were no commitments that met the definition to be brought to the Committee's attention. | |
| Board Assurance Framework | It was noted that this would be discussed at a Board Development Session in February 2023. | The Board Assurance Framework would be discussed further at a Board Development Session in February 2023. In the meantime, a discussion would take place between relevant Executives and the Associate Director of Corporate Governance about the reporting to the Committee. |
| Exception Reports – Transformation and Sustainability | The Committee received an update in relation to progress with the New Hospitals Programme, which would | The Committee noted the reports. |

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| | <p>be presented to the Board in January 2023.</p> <p>An update was also provided in relation to the UHD Green Plan and decarbonization strategy.</p> | <p>Positive comment was made upon the internal audit review in relation to sustainability.</p> |
| <p>The Committee considered items that were presented to it for information. It also received recommendations for approval/endorsement.</p> | | |