Agenda Item: 21c

The Queen Elizabeth Hospital King's Lynn
NHS Foundation Trust

Committee Chair's Assurance Report

Report to:	Board of Directors (in Public)
Date of meeting:	1 February 2022
Title of Report:	Assurance Report from the Finance and Activity Committee
Recommendation:	For assurance
Chair:	Graham Ward, Non-Executive Director
Purpose:	The report summarises the assurances received, approvals, recommendations and decisions made at the Trust's Finance and Activity Committee meeting on **19 January 2022.**
Background:	The Committee meets monthly and provides assurance on scheduled reports from all Trust operational committees with a finance and activity (including commissioning) brief.
Items for Escalation	The Committee received a presentation from Estates and Facilities. The Associate Director of Estates and Facilities gave an overview of the activity related challenges and the work that was progressing. She also gave a summary of recent successes, including a five-star rating in a recent food hygiene inspection, 2 of the chefs achieving the runner up position at the NHS21 Chef Competition and a compliance result from a recent external review of estates. The Committee recognised the challenges currently faced within this corporate area with a particular focus on staff sickness. It was recognised that the staff sickness issue and the approach to deal with it would be subject to a separate presentation at the Trust's People Committee. The Finance and Activity Committee focussed on the need to understand the amount of backlog maintenance required in order to be able to communicate this clearly internally and externally in the case of the Trust being included on the New Hospital Programme, as well as in a scenario of this not being the case, both in total and as a minimum to achieve compliance. The Committee thanked the Associate Director of Estates and Facilities for the presentation and the work that was being completed across the areas in Estates and Facilities.
Item for Escalation	**Modernising the Estate** The Committee received an update report from the Director of Strategic Estates Projects about progress to date with the modernisation of the estate. The briefing provided an update on all projects and the Committee congratulated everyone involved in the delivery of the Emerson unit work on its timely and successful completion. Reference to positive patient feedback having already been received was made and well received by the Committee.

Items for Assurance	**Financial Strategy** The Director of Finance briefed the Committee about the Trust's financial strategy by referring to a recent confirmation letter from the East of England's Regional Finance Director which set out the deferral of the submission of the Trust's medium-term financial plan to be in line with FY22/23 planning round.
Items for Assurance	**2022/23 Planning guidance (operational and financial)** The Committee received two briefings on this matter, the first from the Director of Strategy and Integration on operational planning guidance, and the second from the Trust's Deputy Director of Finance on financial (revenue and capital) financial planning guidance for FY22/23. The Director of Strategy and Integration briefed the Committee on progress to date with the Trust's Business Planning process and associated service development plans. The Deputy Director of Finance highlighted the key points of departure in the FY22/23 financial regime, including a three-year capital settlement. There was a request from the Chair of the Committee to be informed of the tasks and timetable to deliver the above, recognising a need for flexibility as not all planning deadlines for the FY22/23 planning round had been published nationally.
Item for Assurance	**Green Plan** The Committee received a briefing on the Trust's Green Plan, which had been submitted to the ICS as per the national deadline on 14 January 2022. A discussion as to the importance of the green agenda followed, including a debate whether a green objective should be included in the Trust's strategic objectives and it was agreed this should fit in under 'Healthy Lives', and for the Green Plan's (and its Net Zero Carbon targets) inclusion on the Trust's BAF. The Committee also received an update that the publication of the Green Plan in a QEH brand compliant format was underway with an expectation this should be available on the Trust website for the start of FY22/23. The Committee recommended the Green Plan for approval by the Board on 1 February 2022.
Item for Assurance	**Responsive Section of the IPR** The Committee received the responsive section of the Integrated Performance Report. The Committee was informed of the significant increases in emergency demand and the sustained increases in ED attendances and the associated pressures with regards ambulance handover times. The Committee was informed about a significant deterioration in some cancer access standards and noted in particular the drop in compliance against the 2WW cancer standard due to the higher levels of referrals combined with staffing shortages. The Committee recognised that the Trust was under significant operational pressures and the levels of activity taking place to manage these pressures, including a remedial action plan involving WLIs and additional clinic slots Mondays to Wednesdays.

Item for Assurance	**Urgent and Emergency Care Improvement Plan** The Committee received the monthly verbal update from the Chief Operating Officer for the Urgent and Emergency Care Improvement Plan. The COO explained to the Committee what was in place system-wide in terms of harm reviews and recovery and restorations plans. The COO also briefed the Committee on patient specific reporting that was being shared with the Trust's Quality Committee and the successful impact of the primary care front end service. It was agreed that this service impact would be subject to a post implementation review in about 6 months time.
Item for Assurance	**Elective Care Restoration and Improvement Plan** The Committee received a verbal update to the Elective Care Restoration and Improvement Plan. The Committee recognised the work that had been completed to date and continued to understand the impact of the operational pressures. The Committee was informed that significant improvements had been made through the activities of the booking team. The Committee was further informed that the ERF+ funding available to the Trust for non-recurrent revenue spend until 31 March 2022 was being used to enable a small expansion to the ED footprint.
Item for Assurance	**Monthly Finance and Activity Report Month 9** The Committee received the monthly Finance Report for month 9. The income and expenditure position was reported as a surplus of £92k. The Committee was briefed by the Deputy Director of Finance that the Trust's financial performance continued on plan to meet breakeven for FY21/22. The Committee noted the delivery of the month 9 cost improvement programme and noted the approach to the cost improvement programme and overall finance improvement programme was included as a separate agenda item. The Committee reviewed the capital expenditure position and noted the actual position remained significantly behind the planned position. The additional details and elements within the capital reporting section of the report gave greater clarity on the capital position and the Committee recognised that a significant number of commitments, through the value of raised purchase orders, have been made but sought further assurances that the capital programme would deliver within the year.
Item for Assurance	**Finance Improvement Programme including Cost Improvement Programme** The Committee received a report detailing the Trust's approach to financial improvement including the approach for the development of a cost improvement programme. The report described financial controls in place as well as progress to date with the FY22/23 CIP programme, including RAG ratings of workstreams. The Committee noted the structures in place to support the governance of the improvement programme and recognised the need to ensure this programme was robust and sustainable across the Trust. The Committee reviewed the key workstreams that support the cost improvement programme and noted the ambition of building a rolling programme that would straddle financial years, but also

	noted that the programme was behind where it had been expected to be and therefore the need for the efforts to progress with identification of ideas and their translation into workbooks to be redoubled.
Item for Assurance	**Procurement Strategy** The Committee was briefed about the current Trust Procurement Team and its strategy. While the Committee noted the content of the report, it was requested that the Head of Procurement present on the area to the Committee in future showing the current procurement project plan and to include more detail around what was being worked on collaboratively with the APC. The Committee requested a one pager on procurement to be presented to the Committee monthly going forward by the Trust's Head of Procurement.
Item for Assurance	**DAC OBC Update** The Committee received and discussed a short update on the DAC OBC, primarily confirmation of the location of The DAC at the Trust. The proposed changes were all supported and recommended to Board for approval.
Item for Assurance	**Corporate Strategy** The Committee received a report on SO2 and SO4 at the end of Q3 from the Director of Strategy and Integration (SO4) and the Director of Finance (SO2). The Committee welcomed the update and requested that more detail and granularity be included for the reporting on Q4 progress against SO4, with particular focus on place-based care.
Item for Assurance	**Significant Risk and BAF Report** The Committee received the significant risk register and the Board Assurance Framework Report for strategic objectives SO2 and SO4. The Committee agreed with the updates and the risks aligned to SO2 and SO4. The Committee requested a refresh of significant risks in order to make the most salient facts stand out and to ensure continued readability into FY22/23.
Risks to refer to risk register:	Net Zero Carbon and the Trust's need for compliance with the NHS Net Zero Carbon target (refer to Green Plan item in this report)
Other items of business:	**Other items the Committee reviewed** The Committee received the forward plan for the Committee's forthcoming activities and agreed this would be amended to include a monthly procurement update.
Attendees:	G Ward – Non-Executive Director and Committee Chair S Roberts – Non-Executive Director D Dickinson - Non-Executive Director C Benham – Director of Finance D Smith – Chief Operating Officer C West-Burnham – Director of Strategy C Shaw – Chief Executive Officer N Hunter – Associate Director of Estates and Facilities (item 6)

	L Skaife-Knight – Deputy CEO (item 9) S Jones – Director of Strategic Estates Projects (item 9) K Broom – Deputy Chief Operating Officer L Lippmann – Deputy Director of Finance D Tolputt – PwC (item 15) L Preston – Board/Committee Administrator (minutes)
Apologies:	I Mack – Non-Executive Director A Prime – Trust Secretary
Observers:	Governors – A Walder and Esmé Corner