

REPORT TO THE GOVERNORS' COUNCIL

| SUBMITTED BY: | REPORT FOR: | RELATED WORK: |
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| Steve Clark, Chair of the Business Committee | Action | |
| CONSULTATION: | Information | ✓ |
| | REPORT TYPE: | |
| | Strategy | |
| | Performance | |
| | Governance | ✓ |

Meeting Date: 3rd December 2019

Report Title: Business Committee Report to the Governors' Council

Purpose:

To update the Governors' Council in respect of the activities of the Business Committee, since the last meeting.

Report:

The Business Committee has met on 17th October and 13th November 2019 since the last Governors meeting.

- Finance Position Reports were given to the meetings by Liz Stanford. There continued to be evidence of green shoots of improvements as previously reported. However, it was noted that much was predicated on non-recurring adjustments.
- The overall position was a deficit of £14.3m, which was £13k favourable to plan, as a result of which the trust anticipated receiving the second quarter PSF.
- There continued to be a need to focus on reducing underlying expenditure. Pay continues to be the main pressure with agency pay above planned levels.
- Clinical income in October was below the planned figure. Whilst the year to date clinical income was some £1.5m ahead of plan, this was almost completely due to £1.3m of outsourcing (with costs). The committee queried why the clinical income was lower. This was not clear and the committee asked for this to be ascertained. Liz thought this might be brought back into line.
- There appeared to be better performance than usual against CIP targets. Targets were being challenged. However, much of this was set to be delivered in the latter part of the year. The committee noted this might be difficult to achieve but agreed the approach was more robust than in previous years.
- Additional winter funding has been received and there was a discussion about the intended works to improve Ambulatory Care and the Discharge Lounge. The committee sought assurance that the contracts for the work would be robust and include penalties for failure to deliver on time. Completion is due by the end of December. Members were assured that careful monitoring would be in place. The Deputy COO agreed to examine the contract for these works.

- Finance Training was delivered to governors on 13th November (prior to the Business Committee meeting); presented by Liz Sanford and supported by Richard Moss-Norbury. Liz Sanford was thanked for presenting this which was well received.
- Laura Skaife-Knight joined the meeting to briefly introduce 'Developing our Vision and the new 5-year strategy'. The committee found this helpful and looked forward to a fuller presentation and discussion at the next Governors' meeting. It is intended to finalise the strategy after consultation and launch in April 2020 – to coincide with the 40th anniversary of QEH.

The next meeting is scheduled:

- Wednesday 15th January 2020 at 1 pm in the Chairman's Room

Recommendations:

It is recommended that the Governors' Council:

- (i) Notes the report of the Business Committee