

## Board of Directors

### Item 6.2.3

**Subject:** Integrated Performance Committee Effectiveness Review and Annual Report  
**Date of Meeting:** 26<sup>th</sup> April 2023  
**Presented by:** Louise Robson, Non Executive Director  
**Purpose of Report:** To Note

BAF Reference	Impact on BAF
BAF 2,3, 7	The report provides assurance on the scrutiny of performance and finance during 2022/23 by the Integrated Performance Committee as delegated through the Terms of Reference.

Level of assurance (please tick one) To be used when the content of the report provides evidence of assurance					
<b>X</b>	<b>Acceptable assurance</b> Controls are suitably designed, with evidence of them being consistently applied and effective in practice	<input checked="" type="checkbox"/>	<b>Partial assurance</b> Controls are still maturing – evidence shows that further action is required to improve their effectiveness	<input type="checkbox"/>	<b>Low assurance</b> Evidence indicates poor effectiveness of controls

### 1. Executive Summary

The Integrated Performance Committee (IPC) has met 4 times during the financial year 2022/23 with good attendance demonstrated by all members.

The committee's main priority is to review and scrutinise assurances that the Trust is operating and will continue to operate within the terms of its licence, regulatory requirements and statutory obligations. The work of the committee has continued to be focused on management of risk arising from the COVID-19 pandemic, recovery and the interim financial regime. Risks and issues have been escalated to the Board of Directors through the BAF key issues reports.

The effectiveness review has confirmed that the committee has met its objectives as delegated through the Committee Terms of Reference (TOR) and continues to operate effectively.

Recovery will continue into 2023/24, addressing long waiting patients and cancer performance, and achieving financial sustainability will be a priority. The embedding of the wider integrated care system arrangements, collaboration and joint working will also be a theme for the committee (this will include a focus on balancing the internal recovery with providing system wide mutual aid where appropriate for the benefit of patients).

The Terms of Reference will be reviewed and updated in light of the effectiveness review.

The Audit Committee is asked to note the report, confirming that the committee has operated effectively during 2022/23.

## 2. Committee Effectiveness

The effectiveness of the Committee has been reviewed through:

- a. Review of TOR and workplan
- b. Desktop exercise to confirm alignment of agendas/ papers to TOR
- c. Survey responses
- d. Wider considerations (insight, assurance, foresight and hindsight)
- e. Workshop to discuss findings

### 2.1 Delivery of Objectives

The table below sets out how the Committee has met its objectives as delegated by the Board of Directors through its Terms of Reference.

Terms of Reference	Evidence to support delivery	Outstanding Issues/ Actions/ Escalations
<b>(i) Annual Plan and in-year NHSI Returns</b>  Review the integrity of data prior to submission.	<p>2022/23 saw a return to more structured financial planning arrangements, albeit continued sources of non-recurrent funding were made available to support elective recovery and COVID arrangements.</p> <p>Plans were submitted in line with the financial regime and the requirement to achieve a break-even position at a system level. IPC and Board of Directors received the summary break-even financial plan in April 2022, this was subsequently increased to £2.3m surplus at the end of June due to additional national inflation funding and system CIP stretch which was then reported to the Board of Directors in July 2022.</p>	Performance risks continue as a result of long waiting patients on the waiting list and cancer performance. Recovery trajectories have been impacted by industrial action. Further improvement will be required into 2023/24.
<b>(ii) Integrated Governance</b>  Receive assurance in relation to: <ul style="list-style-type: none"> <li>Current and forecast financial and operational performance against annual plan submitted to NHS Improvement</li> <li>CIP progress</li> <li>Contract performance</li> </ul>	<p>The Committee has reviewed relevant financial and performance reports for 2022/23 and noted the challenges arising from the COVID-19 pandemic including impact upon performance in relation to referral to treatment targets and the recurrent financial position. In addition the Committee sought to understand the Executive Group escalations and reviews as further assurance on the processes.</p> <p>CIP monitoring and delivery has continued to receive an enhanced focus in 2022/23 as a result of the risk to</p>	<p>CIP delivery remains a challenge for financial sustainability going into 2023/24 with the system target of c3.7% and some carry forward of undelivered recurrent CIP.</p> <p>The committee has considered the risks to recovery of private patient income, surgery long waits, cancer and admin performance and has received regular</p>

Terms of Reference	Evidence to support delivery	Outstanding Issues/ Actions/ Escalations
<ul style="list-style-type: none"> <li>Financial and operational performance at directorate and service line level</li> <li>Capital planning</li> <li>Productivity</li> <li>Relevant Workforce metrics</li> </ul>	<p>delivery and slippage on identification in the early part of the year.</p> <p>The Committee received an update with regard to the SLR strategy and the submission of the National Cost Collection.</p> <p>Implications of workforce challenges have been highlighted in performance reports during the year, including staff shortages and industrial action.</p> <p>The committee received an update on benchmarking activities and processes and will consider progress in future meetings.</p> <p>The committee received minutes and escalation of issues from Finance and Performance Group (FPG).</p>	<p>updates on progress which will need to be continued.</p>
<p><b>(iii) Regulatory and statutory guidance</b></p> <ul style="list-style-type: none"> <li>Receive reports which summarise new and emerging guidance from regulators and external agencies</li> <li>Receive external assurance reports from regulatory bodies and external agencies on matters falling within the remit of the Committee</li> <li>Receive assurance on relevant workforce metrics</li> </ul>	<p>Received updates on new and emerging guidance from regulators and external agencies where relevant to its remit. For example, in relation to the requirement to complete the HFMA checklist to provide assurance on effective financial management.</p> <p>Implications of workforce challenges have been highlighted in performance reports during the year, including staff shortages and industrial action.</p>	<p>Planning guidance was received late for 2023/24 which is impacting on system wide financial recovery plans.</p> <p>Expectations are still emerging on local planning assumptions and financial control totals for 2023/24.</p>
<p><b>(iv) Risk</b></p> <p>The Committee will consider and seek assurances in relation to any risks relating to its remit and will identify and escalate any new or emerging risks arising from its work, through the BAF key issues reporting process.</p>	<p>The committee identified and received assurances in relation to a number of risks identified during the course of its work. For example, the committee has identified risk associated with the delivery against the recurrent CIP programme and the impact on the Trusts longer term financial sustainability as well as the performance risk associated with short-term industrial action and sickness.</p>	<p>Continued focus and scrutiny on CIP programme will be required as it is a key risk to financial sustainability.</p> <p>Continued focus on performance against targets and recovery trajectories will be required in 2023/24.</p>

Terms of Reference	Evidence to support delivery	Outstanding Issues/ Actions/ Escalations
	The committee has introduced a formal review of the BAF risks under its remit.	
<b>(v) Matters referred</b>  Consider urgent or material matters referred to the Committee by the Operational Board, Audit Committee or Board of Directors	The Committee has considered matters as referred. In year this has included the Surgery Division financial recovery plan as referred from the Board of Directors.  The Committee also referred waiting list validation to the Audit Committee in year as an opportunity for further assurance as part of a cyclical programme.	Further assurance on waiting list validation to be considered as part of the internal audit cyclical programme.

## 2.2 Assessment of Effectiveness

Members and regular attendees were invited to complete a survey on the effectiveness of the committee. The responses received were overwhelmingly positive with confirmation of effective chairmanship, attendee contributions, assurances received and constructive challenge.

A number of areas were discussed at the workshop including frequency and timing of meetings, reporting, and relationships with other committees.

The full survey responses are provided in Appendix A.

## 2.3 Membership and Attendance

The attendance from members and attendees is confirmed below.

Member	22.04.2022	25.07.2022	24.10.2022	27.02.2023	%
Karen O'Hagan*	✓	N/A	N/A	N/A	100
Margaret Carney	✓	✓	x	✓	75
Bob Burgoyne	✓	✓	✓	✓	100
Louise Robson**	✓	✓	✓	✓	100
<b>In Attendance</b>					
Karen Edge	✓	✓	✓	✓	100
Jonathan Mathews	✓	✓	✓	✓	100
James Bradley	✓	✓	✓	✓	100
Carla Richardson	N/A	✓	✓	N/A	100
Dave Macmillan	N/A	N/A	✓	N/A	100
Mike Filek	N/A	N/A	✓	N/A	100

\*Karan O'Hagan left the Trust in April 2022

\*\*Louise Robson joined the Trust in May 2022 and attended the April 2023 meeting as an observer

### 3. Actions

The following actions are to be progressed.

Action	Responsibility	Timeframe
<b>1. Amend workplan:</b> <ul style="list-style-type: none"><li>• Add benchmarking (2x per year)</li><li>• Add BAF extract (each meeting)</li><li>• Amend 'Performance' to include 'system performance'</li><li>• Amend 'cancellations improvement' to 'performance improvement plans'</li></ul>	KWh	April 2023
<b>2. Amend TOR</b> <ul style="list-style-type: none"><li>• Reword 'relevant workforce metrics to 'workforce impacts/ implications'</li><li>• Add FPG as a reporting group</li></ul>	KWh	April 2023
<b>3. Review timing and frequency of meetings</b> to ensure regular gaps and consider an extraordinary meeting to focus on annual planning (February).	LR (Chair)	April 2023
<b>4. To consider how cross referrals to and from other committees</b> are made and recorded (relevant to all Committees)	KWh / NEDs	April 2023
<b>5. Continue to drive forward improvement in reports</b> including executive summaries setting out the assurances as well as the drivers, risks, and mitigations. To also include the look ahead, scenarios and contingencies.	KWh/ Execs	June 2023

### 4. Conclusion

The review has confirmed the ongoing effectiveness of the Integrated Performance Committee. During the year this has included the escalation of identified risks associated with:

- Delivery against the CIP programme, given the scale of the programme
- Recovery, particularly long waiters and cancer performance
- Administration processes, capacity and delays in patient communication and correspondence (typing backlogs)

In addition to the continued focus on activity and finance in 2023/24, the Committee will:

- Ensure continued development of the SOF and ensure review of system performance aligned to Trust performance within the performance report.
- Continue to track performance improvement action plans.

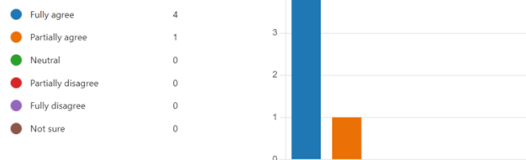
### 5. Recommendations

The Audit Committee is asked to note the report and confirm that the committee has operated effectively during 2022/23.

## Appendix A – Survey Responses

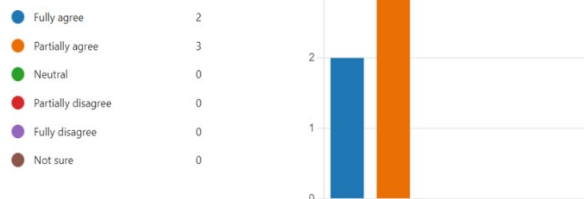
1. The work of the Committee delivers the aims and the purpose detailed in the TOR to provide the Board of Directors with a means of independent and objective review and assurance to the Board of the Trust's current and forecast performance. The Committee's main priority is to review and scrutinise assurances that the Trust is operating and will continue to operate within the terms of its licence, regulatory requirements and statutory obligations

[More Details](#)



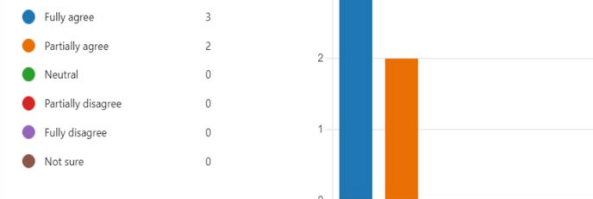
2. The Committee meets frequently enough to fulfil its objectives

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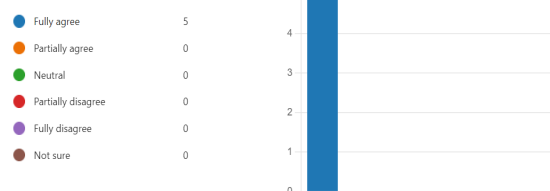
3. The committee receive relevant and timely information and data

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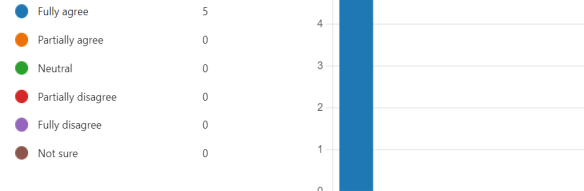
4. the committee has the right membership in terms of the balance of experience, knowledge and skills to fulfil its role

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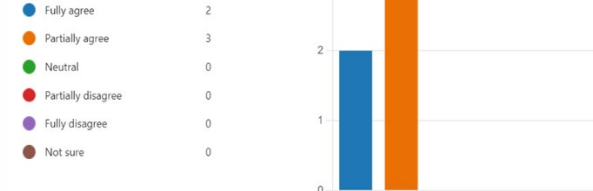
5. There is good attendance at meetings

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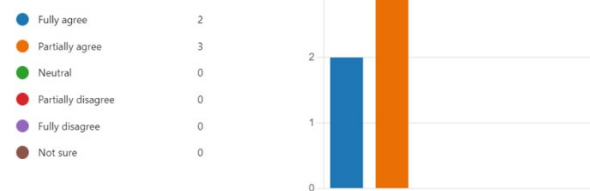
6. Meeting agendas are manageable in the allotted time

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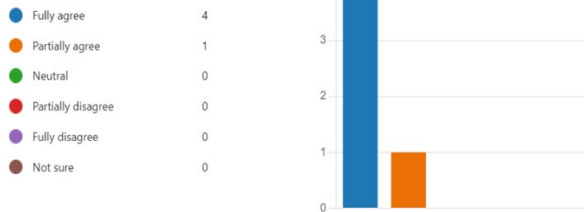
7. Papers sufficiently provide an executive summary, including assurance, risks, purpose and recommendations

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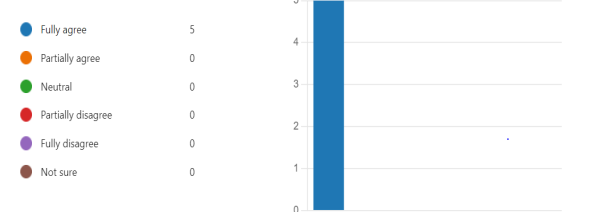
8. The chair is effective in keeping the focus of the meeting and allowing effective debate

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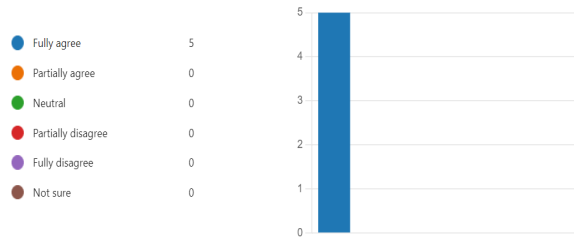
9. All committee members participate fully in meetings in terms of providing effective scrutiny, challenge and support

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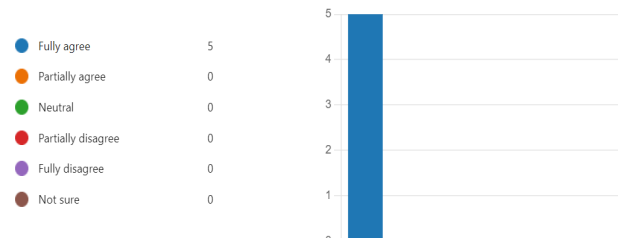
10. Different opinions are encouraged

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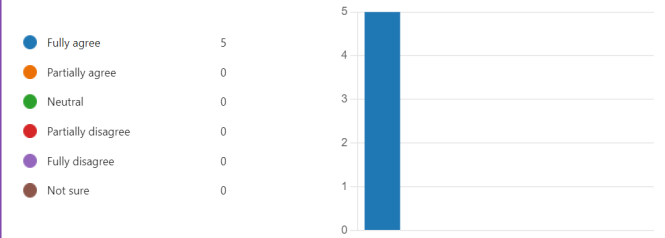
11. There is effective, open, honest and respectful communication in meetings

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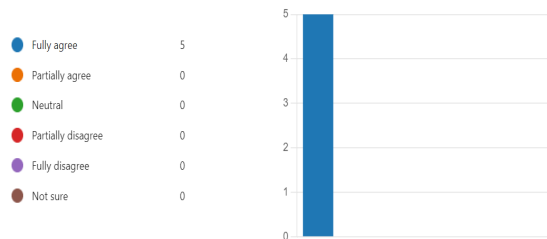
12. The committee is sighted on strategic and operational risks relevant to it's remit and purpose

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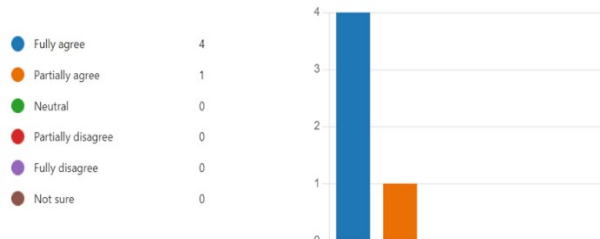
13. At the end of each agenda item there are clear outcomes, decisions and items for escalation or action

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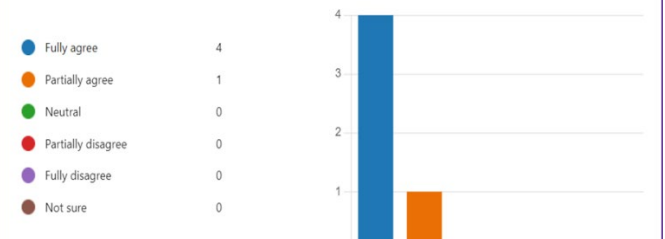
14. Actions are clear and there is a robust approach to delivering and closing agreed actions

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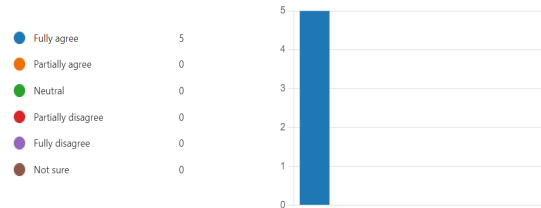
15. The committee provides clear and timely escalation to the Board of Directors

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16. The committee receive appropriate information and assurance from key reporting group (Finance and Performance)

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17. Are there any areas that you feel are not needed in the workplan of the committee?

5 Responses

ID ↑	Name	Responses
1	anonymous	No
2	anonymous	n/a
3	anonymous	No
4	anonymous	No
5	anonymous	None

18. Are there any areas that you feel are missing from the work of the Committee?

5 Responses

ID ↑	Name	Responses
1	anonymous	No
2	anonymous	n/a
3	anonymous	System impact on IPC matters
4	anonymous	No
5	anonymous	Increasingly keeping an overview of finance and performance system pressures, although currently covered

19. What do the committee do really well?

5 Responses

ID ↑	Name	Responses
1	anonymous	Challenge performance data and challenge proposed timescales for addressing issues
2	anonymous	Open & honest discussion and challenge
3	anonymous	Well chaired and prioritised agendas. Good effective challenge. Focussed on key risks and priorities. Supportive
4	anonymous	Consider the broader strategic agenda regarding finance and performance as well as assurance on organisational delivery.
5	anonymous	Focus on ensuring insight; assurance and increasingly foresight

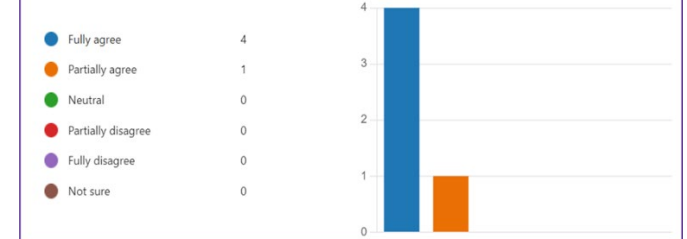
20. What are the opportunities to enhance the committee?

5 Responses

ID ↑	Name	Responses
1	anonymous	Improve the papers on performance reporting to better highlight key issues - question 7. Also provide a clearer view on upcoming issues.
2	anonymous	richer data
3	anonymous	Improved narrative on performance indicators. Succinct executive summaries,
4	anonymous	consider how the committee can provide timely input into planning submissions and assurance to the Board.
5	anonymous	Taking opportunities to have a prospective view presented by Execs, beyond current quarter/year

21. The committee is clear about it's role in relation to other assurance committees

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***“Committee has evolved over recent years and it now more focused and appropriately scrutinising and challenging the assurance provided”***

***“A comprehensive agenda but one which enables focus on deep dives and high and emerging risks”***