

Audit Committee

Item 6.2c

Subject: Integrated Performance Committee Annual Report
2016/17
Date of Meeting: 20th March 2017
Prepared by: Claire Wilson, Chief Finance Officer
Presented by: Claire Wilson, Chief Finance Officer
 Marion Savill, Chair of Committee

BAF Ref	Impact on BAF
3	None

1. Executive Summary

The Integrated Performance Committee has met 4 times during the financial year 2016/17.

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 committee identified risks associated with the delivery against the CIP programme and the potential impact on the Trusts longer term financial sustainability. This has received significant focus of the committee in year and continued scrutiny will be required in 2017/18 given that this is a key risk to the delivery of the 2017/18 financial plan.

The committee is keen to explore further the alignment between operational performance and financial performance and have asked to see more evidence on activity forecasts and the alignment of this to the financial forecasts.

The committee also identified concerns in relation to the level of private patient debt and the debt recovery processes in place at the Trust. As a result, the committee has received an internal audit report into Trust private patient processes and had regular updates on debt recovery and escalation. Further assurance on private patient debt recovery will be required until all audit actions are implemented and debt levels are reduced.

In addition, the development of SLR and productivity metrics will be a key focus of the committee in 2017/18.

The Terms of Reference have been reviewed and it is proposed that the March meeting is no longer required given earlier national planning timetable

All Trust committees were observed and reviewed as part of the Trust's Well Led Review which was conducted by Mersey Internal Audit Agency during quarter 3 2016/17. The final report is expected in quarter 4 2016/17 and any actions agreed in relation to the IPC will be implemented by the committee.

This paper provides an overview of progress against each of the objectives set out within the committee Terms of Reference and concludes that the Committee has met all of its objectives.

2. Delivery of Objectives set by the Board of Directors

A summary of progress against each of the agreed objectives is shown below.

ToR Reference	Terms of Reference	Evidence to support delivery	Outstanding Issues/Actions
(i)	Annual Plan and in-year Monitor Returns	<p>The committee received regular consistency and governance statements to support the quarterly submissions to Monitor/NHS Improvement.</p> <p>The committee discussed the financial plan and the risks associated with it.</p>	Committee will be updated on continued discussions with NHS Improvement in relation to the 2017/18 control total.

(ii)	Integrated Governance	<p>The Committee has reviewed relevant financial and performance reports for 2016/17 and noted the continued delivery of all key performance and financial metrics as required by NHS Improvement.</p> <p>The committee reviewed the 5 year financial plan developed during the year which provided greater visibility of the long term financial sustainability of the Trust.</p> <p>The committee has placed significant focus on the Cost Improvement Plan and has identified delivery of this as a key risk. It has received presentations from clinical divisions and sought assurances on the mitigations in place to support the financial position for any non - delivery in year. It has also received regular updates on the Trusts progress in implementing productivity improvements in relation to the Carter report.</p> <p>Discussions taken place on the impact of the financial position on cash balances and the associated risk to the future capital programme.</p>	<p>Further work to support development of SLR and productivity metrics will be a key focus of the committee in 2017/18.</p> <p>The committee has asked to see more evidence on activity forecasts and the alignment of this to the financial forecasts.</p>
(iii)	Regulatory and statutory guidance	Received updates on new and emerging guidance from regulators and external agencies where relevant to its remit. For example, in relation to control totals, sustainability and transformation funding and planning guidance.	None

(iv)	Risk	<p>The committee identified and received assurances in relation to a number of risks identified during the course of its work.</p> <p>It identified concerns in relation to the level of private patient debt and the debt recovery processes in place. As a result, the committee has received an internal audit report into Trust processes and had regular updates on debt recovery and escalation process.</p> <p>The committee has also identified risk associated with the delivery against the CIP programme and the impact on the Trusts longer term financial sustainability. This has received significant focus of the committee in year and clinical divisions were invited to present on progress.</p>	<p>Further assurance on Private Patient debt recovery will be required until all audit actions are implemented and debt levels are reduced.</p> <p>Continued focus and scrutiny on CIP programme will be required as it is a key risk to the delivery of the 2017/18 financial plan.</p>
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3. Membership

Attendance	Attendance (%)
Members :	
Marion Savill (Chair)	100%
David Bricknell	75%
Mark Jones	100%
Attendees:	
David Jago (in post until May 2016)	25%
Claire Wilson (in post from June 2016)	75%
Jim Davies	100%
Tony Wilding	100%

4. Sub Committees

Since the Business Transformation Steering Group was established in October 2016, the committee has received minutes of the meetings to support assurance on progress of the Cost Improvement Programme.

5. Conduct of Meetings

A committee work plan was agreed at the start of the year and has been delivered as planned. Minutes and action logs have been maintained and all outstanding actions followed up at each meeting. All meetings have been quorate.

6. Terms of Reference

The Terms of Reference are included in Annex 1 and the following changes proposed:

- Minor presentational changes, including replacing references to Monitor with NHS Improvement.
- March meeting no longer required given earlier national planning timetable

7. Recommendations

The Integrated Performance Committee is asked to

- Note the contents of the report and confirm that the committee has operated effectively during 2016/17
- Note that any agreed actions arising from the Well Led review will be implemented by the committee.
- Recommend that the revised terms of reference are approved by the Board of Directors.