

TRUST BOARD
28 January 2016

Agenda item number	
Title of paper	Monitor Q3 2015/16 submission
Sensitivity of this paper :	
• Commercial in confidence?	
• Patient confidential?	
• Suitable for public access?	X
Any other papers which this particular paper relates to?	
<u>Strategic objective(s)</u> that this paper relates to :	
• Best outcomes	X
• Excellent experience	X
• Skilled & motivated teams	X
• Top productivity	X
<u>ASPH value(s)</u> which this paper relates to :	
• Patients first	
• Personal responsibility	
• Passion for excellence	
• Pride in our team	
Executive summary	
<p>In accordance with Monitor's <i>Risk Assessment Framework 2014/15</i>, the Trust is required to make a quarterly submission to Monitor on the Trust's performance in both financial, quality and operational terms. This includes performance against various national targets and indicators.</p> <p>At the start of the new year the Trust also submits an Annual Plan with an accompanying declaration of risks against targets and indicators.</p>	
Recommendation	
Specific issues checklist :	
• Quality and safety issues?	X
• Patient impact issues?	X

Paper 7.1

• Employee issues?	x	
• Other stakeholder issues?		
• Equality & diversity issues?		
• Finance issues?	x	
• Legal issues?	x	Insufficient or inaccurate declaration of future risk to Monitor can impact the Trust's regulatory ratings and potentially our Licence
• Risk issues? Link to relevant BAF item number if so		The Financial Management Committee scrutinises the financial reports on a monthly basis with minutes of the meeting presented in the open Board meeting. The operational performance report is presented in the open Board meetings and regularly scrutinised.
Author name/role		Paul Doyle, Deputy Finance Director Julian Ruse, Associate Director of Performance Liz Davies, Acting Company Secretary
Presented by director name/role		Bob Peet, Chief Operating Officer Simon Marshall, Director of Finance & Information
Date		22 January 2016
Board action		The Board is asked to review and agree the content of the Q3 submission as: <ul style="list-style-type: none"> ▪ Governance Declaration: 2 ▪ Finance Declaration: 2

Monitor Q3 2015/16 submission

1 Introduction

The Trust is required to submit the Quarter 3 Compliance Return to Monitor by 29th January. The Q3 return requires the Trust to declare risks against the governance and Financial Sustainability Risk rating. This paper details recommendations of risks to be made to Monitor as at Q3.

2 Governance declaration

Background

The Governance declaration relates to the performance against national targets and indicators with the Board needing to certify that it:

“is satisfied that plans in place are sufficient to ensure on-going compliance with all existing targets (after the application of thresholds) as set out in Appendix A of the Risk Assessment Framework; and a commitment to comply with all known targets going forwards”.

3 Performance against national targets and indicators

In Q3 2015/16 the Trust has not achieved the:

- A&E four hour standard which stands at 90.41%.

The Trust remained compliant at aggregate and for all specialities during Q3 for the RTT Incomplete Pathway standard.

Foundation Trusts are no longer assessed against the RTT admitted and non-admitted standard, however the figures are included here for reference.

Trust Aggregate Performance

Period	RTT Incomplete (Target 92%)
Quarter 3 2015/16	☑
Dec-15	95.2%
Nov-15	96.1%
Oct-15	96.1%

For Q3, the Trust is provisionally reporting compliance against all Cancer measures with the exception of the 62 day wait. Q3 improvement performance remains better than trajectory and is therefore recorded provisionally compliant at 86.1%.

		Aug	Sep	Oct	Nov	Dec
62 Day GP Referral	Patients Treated	66.5	66.5	58.5	57	61.5
	Patients Treated Within Standard	58	58	52	50.5	50
	Performance Trajectory	89.9%	78.0%	78.7%	79.2%	85.0%
	Performance Actual	87.2%	87.2%	88.9%	88.6%	81.3%

4 Governance Risk Rating

The Trust's Governance rating is currently 'under review'. Monitor's website notes that this is due to:

"Monitor is requesting further information following multiple breaches of the A&E and cancer targets and a deterioration in the forecast financial position, before deciding next steps."

Monitor are likely to undertake their Q3 review before deciding whether to take any further steps which could include investigating the Trust.

5 Recommended declarations

5.1 A&E waiting time target:

The Trust did not achieve the waiting time target (95%) in quarter 3 2015/16 with performance of 90.41%. The Trust failed each month in the quarter with performance of:

- Oct: 91.40%
- Nov: 92.95%
- Dec: 86.82%

Detail on performance against this standard and the proposed actions to improve are included within the Performance Report.

Due to the continuing pressures on A&E **it is recommended that the Trust declare a risk of failing to achieve the waiting time target in Q4 2015/16.**

Referral to Treatment Time - Incomplete target

The Trust continues to meet this target (92%) with strong performance against the target in Q3:

- Oct: 96.1%
- Nov: 96.1%
- Dec: 95.2%

The Trust has been compliant with the incomplete target throughout Q3 and as such **it is recommended that a risk is not declared.**

62 Day Cancer

The Trust is reporting provisional compliance throughout Quarter 3 at 86.1%.

The Trust continues to deliver its Cancer Improvement Action Plan which aims to address the recent issues regarding cancer performance and provide sustainable 62 day pathway performance. The Trust with tertiary partners is using the breach apportionment detailed above to review the effectiveness of the outcomes of the existing action plan and to enhance improvement activities to address current areas of concern.

Although the Trust has achieved compliance provisionally at this stage we may experience difficulty through providing additional capacity to reduce backlogs in the coming months and therefore **it is recommended that a risk is declared against this target for Q4 15/16.**

31 day and two week cancer

The Trust achieved both the 31 day (surgery target – 96.5%; Anti-cancer drug target – 100%) and two week cancer targets in Q3 with performance of 97.6% (31 day) and 95.3% (2 week urgent referrals) and 96.7% (2 week symptomatic breast patients). The Trust forecast continued achievement in Q4 15/16 and as such **it is recommended no declaration of risk is made against these targets.**

C-Difficile

The Trust has a C-Difficile threshold of 17 set for 2015/16. There were 2 cases in October, 1 in November and 0 in December, with YTD of 9 cases. As such it is recommended that **no risk is declared to breaching the target in 2015/16.**

6 Finance Declaration

The Financial Management Committee reviewed the financial aspects of the Monitor Compliance Return for Quarter 3 2015/16 at its meeting held on 21 January 2016.

The submission to Monitor comprises the Statement of Comprehensive Income, Statement of Financial position and Cashflow Statement as at 31st December 2015. These drive the Financial Sustainability Risk Rating (FSRR) for the quarter (year to date). At 31 December 2015 the Trust has a Financial Sustainability Risk Rating of '3' this is against a planned Monitor FSRR of '3'.

Recommended declaration

The Finance Declaration that the Trust is asked to make is: *“the Board anticipates that the Trust will continue to maintain a Financial Sustainability Risk rating of at least 3 over the next 12 months” and “the Board anticipates that the Trust's capital expenditure for the remainder of the financial year will not materially differ from the amended forecast in this financial return.”*

As the first three quarters delivered FSRR of 3 and the full year forecast for 2015/16 is a 3 then the declaration for the remaining quarter to 31st March 2016 has been assessed as 3.

The Financial Management Committee discussed the recommendation that should be made in relation to the maintenance of the 'financial sustainability risk rating' of at least '3' over the next twelve months and agreed that at this point it was not possible to confirm a

'3' In respect of the final three quarters of the 12 month declaration period as we do not yet have a detailed budget profiled by quarter. It was agreed that this was a decision to be made by the Trust Board at the meeting on the 29th January 2016

The Trust's capital spend at quarter 3 is outside of Monitor's reforecast trigger of 15% - a total of £5.4m was spent which was 69% of plan. The forecast has been amended down to £8.7m; an underspend of £1.5m which is at the 15% tolerance level. There is a risk that this might increase further, but it is unlikely to be material.

7 Recommendation

The Board is asked to review and approve a Finance and Governance Declaration of '2' ('not confirmed').

As part of this Governance declaration risks are being declared against the:

- *A&E waiting time target, and*
- *62 day wait for first treatment (Urgent GP referral for suspected cancer)*