

Report to:

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| Board Sponsor (presenting): | Paul Miller, Non Executive Director |

Recommendation

To note key aspects of the Finance and Performance Committee meeting of the 24th April 2018 (a) the approval of the 2017/18 Annual Accounts and Report and (b) the production and approval of the 2018/19 Operational Plan.

Items for Escalation to Board

Operational Performance – the 2017/18 outturn operational performance against key targets was reasonable, particularly when benchmarked against other organisations. However there are key risks going into 2018/19 i.e. size of waiting lists, equipment replacement programme, little or no “buffer” in existing capacity to support performance and known workforce constraints. Acknowledging these risks and the financial challenges going forward it was recognised that the continued achievement of targets in 2018/19 would rely on significantly improved operational performance, rather than additional capacity and the Trust Board and Finance & Performance Committee should develop a structured programme of deep dives into key performance issues e.g. patient flow, diagnostics and theatre utilisation etc.

Financial Performance – the Trust was on track to achieve its reforecast financial outturn for 2017/18. However the Committee devoted significant time to considering the financial plan for 2018/19, particularly as the process was ongoing and needed to triangulate the expectations of the Trust, Commissioners and NHSI. Key issues worth highlighting to the Board are;

any Provider Sustainability Funding as we had not accepted a 2018/19 control total.

- (b) This deficit of £11.8m was after a significant increase in planned Commissioner income and this additional “billed” activity would arise from a combination of improved productivity and targeted investment. This increase in activity and thereby