

Finance and Performance Committee Annual Report (2022/23)

Public Board Meeting

25 May 2023

Presented for:	Information and Assurance
Presented by:	Gillian Taylor – Chair of the Finance and Performance Committee
Author:	Gillian Taylor – Chair of the Finance and Performance Committee
Previous Committees:	Finance and Performance Committee – March 2023 4 May 2023 Audit Committee

Trust Goals	
The best for patient safety, quality and experience	✓
The best place to work	
A centre for excellence for research, education and innovation	
Seamless integrated care across organisational boundaries	✓
Financial sustainability	✓

Trust Risks (Type & Category)				
Level 1 Risk	(✓)	Level 2 Risks	(Risk Appetite Scale)	Risk
Operational Risk	(✓)	Business Continuity Risk	Cautious	↔ (same)
Operational Risk	(✓)	Physical Asset Risk	Cautious	↔ (same)
Clinical Risk	(✓)	Capacity Planning Risk	Cautious	↔ (same)
Financial Risk	(✓)	Financial Management and Waste reduction risk	Cautious	↔ (same)
Financial Risk	(✓)	Revenue Funding & Liquidity Risk	Cautious	↔ (same)
Financial Risk	(✓)	Supply Chain Risk	Cautious	↔ (same)

Key points	
1. Terms of Reference The Committee Chair, along with the Committee has reviewed the Terms of Reference to ensure that the Committee is fit for purpose and carries out its duties as delegated by the Board of Directors. The ToR is detailed in Appendix A.	Assurance

The Committee has discharged its duties in line with the ToR set out in Appendix A.	
2. Reporting Requirements The Terms of reference for Finance and Performance Committee state the focus of the Committee is; <ul style="list-style-type: none"> • Risk • Financial Management • Operational Performance, including recovery updates • Capital Programme • Governance/Approvals • Minutes/ Hot topics for Noting This report provides an annual review on the delivery of the Committee's work programme.	Assurance
3. Work Plans The Board of Directors approved the Committees Work Plan for 2022/23, Appendix B and reports assurance against items received during the year, (or stating where it cannot provide assurance). The Committee sets out its draft Work Plan for the coming year in Appendix C, seeking approval from the Board.	Assurance

1. Purpose

The purpose of this paper is to provide assurance to the Audit Committee that the Finance and Performance (F&P) Committee has discharged its duties in accordance with its Terms of Reference, completed its Work Plan for 2022/23, and delivered against the defined objectives, and sets out the proposed Work Plan for 2023/24.

2. Committee Membership

Gillian Taylor has been the Chair during the year. The membership of the Committee changed during the year:

- Non-Executive membership, Mike Baker replacing Tom Keeney in April 2022.
- Phil Wood replacing Julian Hartley as Chief Executive in February 2023.
- Helen Christodoulides replacing Lisa Grant as (Interim) Chief Nurse from February 2023.
- Hamish McLure replacing Phil Wood as (Interim) Chief Medical Officer from February 2023.

The F&P Committee have met on twelve occasions during 2022/23.

The Committee has been effective during the year, with assurance and information from the Committee flowing to the Board via verbal and a written Chairs report. Full minutes are received in the Blue Box, Board Workshop. In reviewing the reporting of the IQPR within the public Board meeting as from the November, the Committee Chairs report has been revised with a report in the public domain, retaining issues of commercial sensitive within the Board Workshop.

3. Committee Effectiveness

In March 2023 the Committee effectiveness was evaluated using an online survey. This was sent to Committee members, and regular attendees, and nine people responded.

The results show that the F&P is a highly effective and well-structured sub-Committee of the Board. Members have a broad skill-set/experience, with constructive relationships in place. In 2023/24 focus could be given to improving the business case/approvals papers, with a greater focus on benefits realisation.

The survey responses supported the recent changes made to F&P:

- To retain the narrative Operational deep-dive format
- To alternate Finance and Operational Performance, with recognition that adequate agenda time is required for both
- Clarity on approval categories

During the year the Chair has met with a number of equivalent Chairs from other Trusts, observing the Finance, Investment and Operations Committee at Imperial College Healthcare Trust (April 2022), and the Finance Scrutiny Committee at Manchester Foundation Trust (June 2022). Reciprocal visits were arranged for their Committee Chairs to observe LTHT's F&P Committee. A meeting has also taken place with the F&P Chair at Calderdale and Huddersfield Trust to support them with their forward workplan.

The Feedback from the Aqua review was very positive for the F&P Committee, and there wasn't the need for an action log. However, there was one minor comment made that "it is not always clear as to the history of certain papers and what is being asked of the Committee". If a paper has lacked this in 2022/23, the Chair has focused on providing a summary at the end of a paper, with what the 'ask' is of the Committee, ensuring there is clarity recorded in the minutes. Support has also been given to the writers of papers, and Shadow Committee sessions have been held during the year for the development of colleagues who are likely to attend Committees in the future.

In March 2023 the Finance and Best Value sub-Committee of the ICB met for the first time, with LTHT NED representation. This sub-Committee of the ICB replaces the CCG Finance Committee.

4. Delivery Against Terms of Reference

The table below shows how the Committee has discharged its duties against its Terms of Reference.

Duty Ref	Description of Duty	Delivery Against the ToR
3.1	Oversee financial and operational performance.	Completed monthly – reviewing current performance, forecasts, plans and strategy.
3.2	Consider and advise the board on the risks.	Ensure we remain within the risk appetite of the Trust. May escalate a risk to another Committee for review (e.g., QAC).

3.3	Receive regular financial and operational performance reports.	Scrutinised monthly for assurance, with deep dives on the topics which matter most.
3.4	To work closely with and support the Audit Committee to review and oversee the effectiveness of the Trust's internal control framework.	As necessary.
3.5	To consider material issues communicated to it by the Audit Committee arising from the work of the Internal Audit function; Respond to any other matters of an internal audit nature that are referred to it by the Audit Committee as appropriate.	As necessary.
3.6	To review and endorse the content of the Finance & Performance Committee Report in the annual report and accounts for submission to the Board.	March 2023.
3.7	To undertake or consider on behalf of the Chairman or the Board such other related tasks or topics as the Chairman or the Board may from time to time entrust to the Committee.	As necessary, this could be within the F&P; or a separate Task and Finish Group.
3.8	Review annually the Committee's terms of reference and its own effectiveness and recommend to the Board any necessary changes.	ToR updated in November 2022. Effectiveness reviewed by comparing to other Trusts in 2022, and a survey in 2023.
3.9	To report to the Board on matters set out in these terms of reference and how the Committee has discharged its responsibilities.	May 2023.
3.10	Provide an annual letter of assurance to the Chair of Audit Committee confirming the effectiveness of the Committee and fulfilment of its objective.	May 2023.
3.11	Where there is a perceived overlap of responsibilities between the Trust's Committees the respective Committee Chairman shall have the discretion to agree the most appropriate Committee to fulfil any obligation.	As necessary, but will be discussed with the Trust Chair and other appropriate Committee Chair.
3.12	Where the Committee's monitoring and review activities reveal cause for concern or scope for improvement, it shall make recommendations to the Board on action needed to address the issue or to make improvements.	As necessary, but will be discussed with the Trust Chair in the first instance.

5. Committee Objectives

The table below shows the 2022/23 objectives for the Committee and highlights how delivery has been achieved.

	Target	Delivery
1	The delivery of the 'building back' to better recovery plans, demonstrating improvements in productivity and efficiency	<ul style="list-style-type: none"> Deep Dives on operational recovery carried out each month, seeking assurance on the recovery action plans e.g., cancer, discharge, 104/78 week waits, total waiting list size, diagnostics. Productivity and Efficiency focus has increased during the year, with full board session held in January 2023. Will be part of the workplan for 2023/24. Triangulation achieved through the weekly operational performance meeting - showcases Trust's successes on a regular basis. Paper in Feb 2022 F&P reviewed progress vs the 2022/23 planning targets.

2	The financial challenges of delivering the 22/23 and 5-year plans, and the choices/priorities which will have to be made	<ul style="list-style-type: none"> Regular monthly assurance reviews of performance; including the release of technical flexibility. Deep dives completed e.g., on energy costs, the financial mitigation plan, analysis in the change of expenditure between May 2019 and May 2022 Waste reduction plan progress monitored monthly. Mitigation plan formed during the year and progress tracked each month. Use of the Finance Performance Framework tracking CSUs. Tracking of additional costs and operational pressures e.g., transfer of Villa Care to LTHT, strike action, further Covid waves, inflation. Further assurance through quarterly fundamental financial reviews where the full board are in attendance. On track to deliver the planned surplus of £7.6m. Annual plan and 5-year plan approved by the board.
3	Year 1 delivery of the Operational transformation programme	<ul style="list-style-type: none"> Performance metrics from the transformation programme have been included in the Productivity and Efficiency updates. Initiatives delivered through the programme have been included in the operational deep dives. Programme management has been reviewed and assured through both F&P and the BDC, through the Committee's relevant lenses.
4	Ensure sufficient assurance on the new financial regime and new Integrated Care Boards, demonstrating effective collaboration and partnership working.	<ul style="list-style-type: none"> ICB performance is included in LTHT monthly financial performance pack, and is reviewed at each F&P. ICB is forecasting to deliver to plan for 2022/23.

The Committee objectives for 2023/24 will be aligned to the new LTHT Annual Commitments for 2023/24:

Our Annual Commitments for 2023/24	Committee Objectives to support delivering Commitments
Effectively develop and deploy new assets (buildings, equipment, IT)	<p>To scrutinise and seek assurance on the delivery of the capital programme (in year, from the 5-year programme), ensuring the pipeline of developments/investments is appropriately prioritised and approved, giving considering for, and balancing of: clinical needs/patient safety/mitigation of risks on the risk register/ innovation/ staff benefits/workforce planning/ financial benefits.</p> <p>To work collaboratively with Leeds Hospital Charity to prioritise requests for investment support aligned to the Trust priorities.</p> <p>To give greater focus to benefits realisation – ensure expected benefits from investments are tracked, delivered and sustained.</p> <p>Note : IT will be assured through the DIT committee, BtLW through the BDC committee; and the Old Medical School (OMS) through the IDC Committee.</p>
Reduce healthcare associated infections	
Improve staff retention	
Deliver the financial plan	<p>To review, challenge and assure on the difficult financial choices which will have to be made to achieve the plan, balancing the impacts on patient quality, staff and the financial impact, and triangulate appropriate assurance between Board Committees.</p> <p><i>We are entering a very challenging and uncertain financial period, with the reintroduction on the Payments By Results (PBR) system. There will be control on spending commitments such that spending on developments is only incurred when there is reasonable certainty that they can be afforded. Choices which will</i></p>

	<i>be required through the cost base review exercise. The Board approved a financial plan for 2023/24 of breakeven.</i>
Reduce average length of stay by 0.5 days per patient	To review, challenge and assure on the plans in place to achieve the targets set for the Trust as part of the Operational Planning Guidance 2023/24 and the Trusts Commitment to reduce length of stay.
Achieve the Access Targets for Patients	To review, challenge and assure on the plans in place to achieve the targets set for the Trust as part of the Operational Planning Guidance 2023/24 and the Trusts Commitment to reduce length of stay.
Support a culture of research	

6. Work Plan

The workplan for the year has six areas of focus, and a description for each section is given below on how assurance has been achieved.

6.1 Risk – see section 8

6.2 Financial management

At each meeting the financial performance and forecast for the current year were reviewed, scrutinised and tested by the Committee, against the financial regime in place. All elements of the financial position were discussed including income, expenditure and cash management, with the Trust striving for financial sustainability. On each occasion the implications of the forecasts were considered in detail and care taken to ensure that savings were not planned where it was thought it would risk quality or service levels.

The Elective Recovery Scheme was in place during 2022/23, where LTHT was targeted with achieving a 104% activity target against 2019 activity levels. The Trust hasn't achieved this level of activity, however there has been no claw-back of income.

The Committee has received regular iterations of the 2023/24 financial plan, and the five-year strategy/plan. The annual plan was developed in advance, and in anticipation of the national planning requirements. The Committee and the Board (each quarter full Board engagement with Quarterly Fundamental Financial Review) have approved both the 2023/24 and the strategy/five-year plans. The Trust financial plan approved by the Trust Board is to break-even.

During the year, the Committee has received updates on the performance against the Waste Reduction programme.

The Fundamental Reviews of the Trust's financial position set out the forecast risk range and give the Committee the opportunity to challenge and discuss assumptions around the best case, mid case and worst-case forecasts. A decision is made at these meetings whether or not to change the Trust's forecast. Risks to achieving the financial position were explored, alongside impacts on cash and capital. The Committee agreed to support a Cost Mitigation plan to ensure delivery of the financial plan, this action plan was reported throughout the year.

There have been a number of deep-dives completed during the year to seek greater assurance on a range of financial topics including the cost mitigation plan, energy costs, productivity and the change in the cost base from May 2019 to May 2022.

6.3 Performance

The Trusts Constitutional Standards report reviews performance against each of the targets on a monthly basis. Covid and system pressures have continued to have an impact in LTHTs level of operational delivery against each of the Constitutional Standards. The Standards haven't been met consistently during 2022/23, however have remained broadly aligned to the performance of peer Trusts.

Operational pressures have been significant during the year, particularly in the Emergency Departments (ED). The number of patients who remain in LTHT beds, despite having 'no reason to reside' has created bed occupancy levels that have been above 100% for the majority of the year, once patients waiting for placements in our EDs and assessment areas are included. This is despite all available bed capacity across our sites being open for the majority of the year alongside five additional wards being opened. These pressures have resulted in significant crowding in our EDs and extremely long waits for patients. It should be noted that despite the pressures on EDs, LTHT has consistently maintained amongst the best ambulance handovers in the country.

For greater assurance, each month the Committee has completed an operational deep-dive. The deep-dive workplan has been updated during the year, reflecting priorities and the topics which have mattered most. The report format has also been enhanced during the year strengthening assurance, with greater reliance on narrative, and less reliance on slides. Committee members are briefed on more detail, which has led to more in-depth discussion and greater assurance. Deep dive topics include:

- Cancer recovery
- Discharge processes and super-stranded patients
- Recovery plans for patients who have waited 78/104 weeks
- The total waiting list size
- Diagnostic testing
- Winter planning for LTHT

During the year the Committee has gained assurance through receipt of additional information on:

- The Covid 19 vaccination programme
- The planning and impact of the nursing/ambulance/physiotherapists/junior doctor strikes
- The Winter plan for Leeds

6.4 Capital Programme

The Committee regularly reviewed the Trust's Capital Programme, including seeking assurance on the prioritisation of capital spend and forecast Capital Expenditure. Each month, the Committee received copies of the minutes of the Capital Planning Group. During the year, additional special capital funding has been made available by NHSE. Spending approvals have been granted through F&P, or where necessary Chairs action.

6.5 Governance and Approvals

The Committee has reviewed and approved business cases, contracts and frameworks. There have been a number of Chairs action this year, which have required a decision either between an F&P Committee or Board meeting. The process for Chairs action has been followed, as defined in the Standing Orders and has been reported to the following public Board meeting within the Chair's report. The Audit Committee carried out a review of the process earlier in the year and were satisfied that Chairs action was used appropriately.

6.6 Hot topics

The Committee has received a number of updates on:

- The LGI generating station programme
- Energy costs and cap for the Trust
- Geonomics updates to align to the NHSE assurance visits
- The Committee has received copies of the minutes from the Capital Planning Group

7. Other Issues Addressed by the Committee in Year

The Committee has had additional focus on the ICS form, governance, performance and partnership working.

The Committee has also had conversations about the level of 'hosted services' the Trust manages and the workload pressure this creates. Capacity and workforce issues have been escalated to the ICS, and the Committee has discussed the opportunity for a more commercial focus on the recharging of its overheads.

8. Risk Management

The risk register has been regularly reviewed, assessing the financial and operational risks. The Committee reviews any risks arising from their meeting which needs to be escalated.

Key risks to the financial plan have been regularly reported, including the impact of delayed discharge, inflation costs, further Covid waves, delivery of the financial mitigation and waste reduction plans, the transfer of the Villa Care wards to the Trust, and the impact of industrial action.

In addition, the Committee regularly reviewed the relevant risks on the Corporate Risk Register, and there is no evidence to suggest that these risks are materially misstated. Level 1 risk types assigned to the F&P Committee are:

- Business Continuity risk
- Physical assets risk
- Capacity planning risk
- Financial planning and waste reduction risk

- Revenue funding and liquidity risk
- Supply Chain risk

In November 2022, the Committee reviewed the level 2 financial and operational risks which are assigned to the Committee. Each risk was considered and the rationale for the risk appetite was considered. Examples of what had changed/escalated was considered.

For example:

- Financial planning and waste reduction risk – there are significant risks re public finances, inflation, rising energy costs, surplus impact on the investment available for BTLW
- Supply Chain – there have been interruptions to the supply chain due to the war in Ukraine, manufacturing shortages due to specific counties in covid lockdowns, increased energy costs reducing suppliers margin and their corresponding increases in prices.

Further to the discussion and review of risk appetite statements at January 2023 Board, there was a recommendation from both F&P Committee and Building and Development Committee to change the Supply Chain risk appetite from open to cautious. The rationale was set out in a summary paper to Finance and Performance Committee, to confirm that overall supply disruption was increasing as global supply chain challenges remained following the coronavirus pandemic and was exacerbated by ongoing global and European challenges in production and energy costs. It was agreed that the monitoring and oversight of processes would be further strengthened with a tighter threshold for escalation. As a consequence, it was proposed to reduce the risk appetite to cautious, and to include this in the revised risk appetite framework and guidance for staff that will be published in April 2023.

The Committee has a standing agenda item to ask all members towards closing the meeting if there are any issues they wish to escalate to the Board, other Committees (including Risk Management Committee) or Corporate Risk Register from any information they have received and discussed during the meeting. In addition, there is a standing agenda item for the Committee to escalate to the Quality Assurance Committee any area of performance delivery that they would seek further assurance regarding patient care, or quality issues relating to the delivery of constitutional standards.

Introduced in 22/23, as the meeting closes, the Committee also summarises any communications issues and opportunities which need to be addressed as a result of the meeting.

During 2022/23 a number of actions and escalations were made for consideration of other Committees:

- In March 2022 it was agreed that performance against the Constitutional Standards would be escalated to the full Board to ensure wide understanding and ownership of the challenges to recovery the Trust was facing, with a full Board discussion planned for the May meeting.
- In June 2022, it was noted that a verbal summary would be provided at the Board Timeout on 30 June 2022 in relation to the receipt of the draft letter of concern from DHSC regarding issues concerning the EUC Windows 10 upgrade.

- In July 2022, the Executive Team took away an action to reflect and ensure there was no unnecessary duplication of reporting against the financial mitigation plans through the Board Committees.
- In July 2022, the Director of HR and OD confirmed that she would provide a summary within the Board Workshop of the Sickness Management update through the Workforce Committee.
- In August 2022, it was noted that the Staffing Deep-dive (to be received by the Workforce Committee on 14 September) would be provided as a Blue Box item to the F&P Committee at its next meeting.
- In September 2022, the following areas were noted for escalation to the Board or it's Committee's:
 - Procurement Strategy (agenda item 6.4) – appendix to F&P Chairs Report.
 - Genomics Update (agenda item 9.4) – add to November Board agenda.
 - Workforce Committee Reports (Matters Arising) – Workforce Committee to strengthen the assurance within the Committee Chairs report.
- In October 2022, DIT Committee was asked to provide assurance of its support to the EHR development programme and response on improved reporting capabilities.
- In November 2022, it was noted that 7.3 paper Productivity and Efficiency paper would be escalated as an item in January's Trust Board.

9. Internal Control Environment

During the year, the external audit had been carried out on the year end accounts and Value For Money. In addition, in January 2023 the Audit Committee received a positive report which benchmarked LTH financial sustainability performance against other Trusts.

10. Publication Under Freedom of Information Act

This paper is exempt from publication under the Freedom of Information Act 2000, as it contains information which is commercially sensitive.

11. Recommendation

The Board are asked to:

- Take assurance that the F&P Committee has delivered the agreed delegated activities by the Board as set out in its Workplan, and gained assurance as defined by the Committee Terms of Reference.
- Take assurance from the work plan for the next financial year, which will flow to the Board meeting for their approval, (which underpins their delegation to the Committee).

12. Supporting Information

The following papers make up this report:

Appendix A Terms of Reference

Appendix B – Work Plan for 2022/23

Appendix C – Proposed Work Plan for 2023/24

Gillian Taylor
Chair of the Finance and Performance Committee
May 2023

Appendix A - Terms of Reference – Finance & Performance Committee

1. Main Authority / Limitations

- 1.1 The Board has resolved to establish a Committee of the Board to be known as the Finance & Performance Committee (“the Committee”). The Committee is comprised of Non-Executive Directors, accounts to the Board shall have Non-Executive responsibilities, powers, authorities and discretion as set out in these terms of reference. The purpose of the Finance & Performance Committee is to lead on behalf of the Board of Directors the acquisition and scrutiny of assurances concerning (i) budget/5-year strategy/plan and operational processes; (ii) financial and operational performance; (iii) material variance; and (iv) remedial plans.
- 1.2 The Committee is authorised by the Board to investigate any activity within its terms of reference. The Committee may invite any Director, Executive, external or internal auditor, or other person to attend any meeting(s) of the Committee as it may from time to time consider desirable to assist the Committee in the attainment of its objective. The Committee may appoint, employ or retain such professional or legal advisors the Committee consider appropriate. Any such appointment shall be made through the Company Secretary. All Board Members shall be entitled, should they wish to do so, to see the advice received from the Committee’s advisors.
- 1.3 The Committee will report annually on the delivery of its work programme. Reports will specifically comment on Risk, Financial management, Operational Performance, the Capital Programme, Governance/Approvals, Relevant Minutes / Hot Topics for Noting.
- 1.4 The Committee will report annually on the delivery of its work programme. Reports will specifically comment on (i) financial strategy and priorities in the year(s) ahead; (ii) capital and liquidity management; (iii) cost improvement delivery and future improvement opportunity; and (iv) the Trust’s results in key performance indicators as set out in the NHS England Planning Guidance.
- 1.5 Approved minutes of the Committee are circulated to the Board for information at the first formal meeting of the Board after approval. The minutes are also circulated to those regularly in attendance. The Committee Chair provides the Board with a brief summary of the Committee’s work at the first available Board meeting opportunity after each Committee meeting. The Chair of the Committee will escalate matters to the Board as deemed appropriate and, if necessary, to the trust Board Chair prior to a Board meeting.
- 1.6 Each Committee of the Board has a formal work plan that is approved by the Board, which will be used by the Committee Chair and respective Executive for preparing agendas for preparation towards the Committee meeting.
- 1.7 Trust Standing Orders and Standing Financial Instructions apply to the operation of this Committee.

2. Objective

- 2.1 The Committee shall be accountable to the Board and examine assurances relating to financial and operational performance. The Committee will set annual SMART objectives which will be agreed by the Board.

3. Primary Duties and Responsibilities

- 3.1 To oversee and assure financial and operational performance. In providing such oversight and advice to the Board and Committee shall oversee (i) current and forward-looking financial and operational performance pressures including stabilisation, reset and recovery from the Covid-19 pandemic; (ii) consider future financial and operational strategy (oversight on behalf of the Board of the Trust's overall revenue and capital plans, current position forecast risk and mitigations), including capital and liquidity management; (iii) scrutinise assurances provided by management in respect of key performance indicators (this would include the performance framework defined by NHS England/Improvement, and indicators prioritised by the Board from corporate strategy).
- 3.2 To consider and advise the Board on the risks associated with any material financial transactions as required from time to time by any Director in consultation with the Chairman and Chief Executive. In preparing such advice the Committee shall satisfy itself that a due diligence appraisal of the proposition is undertaken, focusing in particular on the implications for financial and operational performance, and is within the risk appetite and tolerance of the Trust, drawing on independent external advice where appropriate and available, before the Board takes a decision whether to proceed.
- 3.3 To require regular financial and operational performance reports from management which enable the Committee to consider the financial and operational risks involved in the Trust's business and how they are controlled and monitored by management.
- 3.4 To work closely with and support the Audit Committee to review and oversee the effectiveness of the Trust's internal control framework.
- 3.5 To consider, within its agenda, material issues communicated to it by the Audit Committee arising from the work of the Internal Audit function relating to matters which fall within the scope of the objective and responsibilities of the Committee. The Committee shall provide feedback on its review of such referred internal audit work, in particular as to any shortcomings perceived in the scope or adequacy of the work. Additionally, the Committee shall respond to any other matters of an internal audit nature that are referred to it by the Audit Committee as appropriate.
- 3.6 To review and endorse the content of the Finance & Performance Committee Report in the annual report and accounts for submission to the Board.
- 3.7 To undertake or consider on behalf of the Chairman or the Board such other related tasks or topics as the Chairman or the Board may from time to time entrust to the Committee.

- 3.8 The Committee shall review annually the Committee's terms of reference and its own effectiveness and recommend to the Board any necessary changes arising therefrom.
- 3.9 To report to the Board on matters set out in these terms of reference and how the Committee has discharged its responsibilities.
- 3.10 The Chair of the Committee shall provide an annual letter of assurance to the Chair of Audit Committee confirming the effectiveness of the Committee and fulfilment of its objective, and to the effect that the Committee has reported to the Board financial or operational performance which could adversely affect achievement of corporate objectives.
- 3.11 Where there is a perceived overlap of responsibilities between the Trust's Audit Committee, Quality Assurance Committee, Digital and Informatics Committee, Workforce Committee or the Building Development Committee usually in consultation with the Director of Finance, the respective Committee Chairman shall have the discretion to agree the most appropriate Committee to fulfil any obligation.
- 3.12 Where the Committee's monitoring and review activities reveal cause for concern or scope for improvement, it shall make recommendations to the Board on action needed to address the issue or to make improvements.

4. Duties and Etiquette

The duties of the Chairperson of the Committee shall be to:

- keep the Board informed regularly of any material matters which have come to the Committee's attention;
- ensure that minutes of the Committee are an accurate reflection of discussion;
- attend or designate another member of the Committee to attend public meetings of the Trust to answer any questions related to the work of the Committee;
- submit an annual report on the work and effectiveness of the Committee to the Board; and
- ensure that all significant risks are discussed and where necessary escalated in line with LTHT's Risk Management Policy.

The duties of members and attendees shall be to:

- attend and contribute;
- have read the papers and materials in advance and be ready to work with them;
- actively participate in discussions pertaining to Committee business ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact Trust-wide;
- disseminate the learning and actions from the meetings;
- to attend at least 75% of meetings of the Committee per year.

5. Constitution

The Committee shall meet with such frequency and at such times as it may determine. It is expected that the Committee shall meet a minimum of ten times per year.

The quorum for meetings shall be two Non-Executive Directors, one of whom should be the Committee Chairman, unless he or she is unable to attend due to exceptional circumstances. In the absence of the Committee Chair a decision will be taken in advance of the meeting as to which independent Non-Executive Director who is a member of the Committee, shall Chair that particular meeting.

6. Membership and attendance

The Membership shall be disclosed in the Annual Report and shall be three independent Non-Executive Directors of the Board. At least one of the members shall have recent and relevant financial experience. There shall be no deputies allowed in the absence of a member attending. Any member of the Committee who is able to speak and be heard by each of the other members shall be deemed to be present in person and shall count towards the quorum. The Members shall be:

- Gillian Taylor (Chair)
- Linda Pollard
- Phil Corrigan
- Mike Baker

The Chief Executive, Director of Finance, Director of Human Resources & Organisational Development, Chief Digital & Information Officer, Chief Operating Officer, Director/s of Operations, Medical Director Operations (Unplanned Care), Medical Director (Planned Care), Associate Director/s of Finance, Director of Estates & Facilities and Company Secretary shall be in attendance at all meetings except in relation to reserved business. The Director of Strategy will attend for relevant items relating to the capital programme. They may send deputies to represent them in their absence or invite specific colleagues to address the Committee where appropriate and agreed with the Committee Chairman. The Chief Medical Officer and Chief Nurse will also be in attendance with representation by agreement with cover arrangements between them – hence will not be in attendance at the same time.

In order for decisions taken by the Committee to be valid, the meeting must be quorate. This will consist of two members of the Committee being present at the point when any business is transacted. [See 6.1 above].

The Committee is serviced by Secretariat which organises meetings. Papers shall be available at least five clear days before each meeting. Papers shall not be tabled unless it is essential and only with the Committee Chair's prior agreement.

Terms of reference are reviewed annually or in the light of changes in practice or national/local guidance.

7. Version Control

Version Control	Date	Comments
V19	27 Jan 2022	Updated COO team membership (Dir Ops)
V20	26 May 2022	Updated membership NED and CMO/CN
V21	29 Sept 2022	Updated membership
V22	24 Nov 2022	Additional of SMART objectives and agenda review process
V23	30 March 2023	Update re NHS E Planning Guidance - reference

Document Owner

The Company Secretary is the owner of this document and of any Board Minute authorising any amendment.

Appendix B – Committee Workplan 2022/23

THE LEEDS TEACHING HOSPITALS NHS TRUST
Finance and Performance Committee Work Plan 2022/23
(Approved Nov 2022 F&P) updated 28 Nov 2022

Item	Lead / Author	2022 April	May	June	July	Aug	Sept	Oct	Nov	Dec	2023 Jan	Feb	March
1 Risk													
Escalate 'major' risks as identified	DoF/ COO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review assurances are in line with the BAF & the ToR	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review Corporate Finance Risk Reg				✓			✓			✓			✓
2 Financial Management													
Finance the Leeds Way	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
In Year Financial Position and Financial Risk Range Forecast; including ICS position, Trust Capital, Cash, CSU performance.	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Contracting & Commissioning Update (incl. Aligned Incentive Contract) and Covid changes	DoF	✓	✓	✓	✓	✓	✓	✓	DoF of CCG to attend	✓	✓	✓	✓
Waste Reduction Plans (monitoring progress)	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2023/24 Financial Planning Assumptions / updates	DoF							✓	✓	✓	✓	✓	✓
Annual Plan										✓			
2024/23 Financial Plan Approval	DoF									✓			✓
5 Year Financial Strategy Refresh (NB ICS WY Impact)	DoF							✓					
Fundamental Review of in year financial position each Q (Reported to full Board)	DoF			✓			✓			✓			✓
Procurement Report (assurance) Deep Dive (NB consider ICS)	DoF						✓						✓

Item	Lead / Author	2022 April	May	June	July	Aug	Sept	Oct	Nov	Dec	2023 Jan	Feb	March
Productivity & Efficiency	DoS								✓ short report	✓ Nov Cttee, agreed to flow to BoD Jan			
Q report from Leeds Hospitals Charity – Funding applications/grants	Included in F&P report with Q update												
Vaccination (contract & £ governance) monthly <i>NB - From Oct included in the finance report (not standalone report)</i>	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Major Service contract review eg review including Pathology Managed service contract (excluding BtLW contacts) 6 month reports		✓						✓	What are we wanting this to be? Didn't happen in Oct				
3 Performance													
Planning Guidance Submission (linked to £ Plan)													✓
Delivery Contract			Results for April	Results for May									
Constitutional Standards Report	COO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Recovery Updates	COO	To be kept under review each quarter for the cycle of reporting											
Cancer recovery							✓						
Discharge & super stranded		✓											
104/78 week recovery plan			✓						✓ 78ww				
ECS								✓					
Total waiting list size				✓						✓			
Productivity & efficiency					✓						✓		
Diagnostics						✓							
Winter								✓					
2022-23 Operational Planning Guidance, (delivery against)												✓	
Generating Station Complex (GSC)								✓ update					
Sustainability Report	E&F		✓ (AR)	✓ AR)			✓ (AR)						

Item	Lead / Author	2022 April	May	June	July	Aug	Sept	Oct	Nov	Dec	2023 Jan	Feb	March
Annual report 6 month update - presentation				✓ Flow to Board ✓ update			✓ Flow to Board						
Workforce Report (now reporting to WFC)										✓			
4 Capital Programme													
Within the 5 year financial plan Capital Programme for 2021/22	S&P							✓					
Monthly Capital Programme Report (incl GSC - LGI)	S&P	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5 Governance													
Business Cases (inc WYAAT cases)	As reported (to meeting at least month before BoD) - Threshold to F&P Cttee over £1m to £3.5m approval - and thereafter to BoD												
Award of Contracts	As reported (to meeting at least month before BoD) - Threshold to F&P Cttee over £1m to £3.5m approval - and thereafter to BoD												
Annual Report of Cttee (to Audit Cttee), Committee Work Plan, Review Cttee ToR (annually)	Cttee Chair & Co Sec											✓	
Self-assessment – Uses of Resources	DoF											✓	
Genomics laboratory service, Pathology CSU & ADOP Genomic Medicine Service Alliance to Board timeouts - as required Reporting to NHSE – confirmed to be Q moving forward (from Oct Review)	Path CSU	March 22	Genomics update to BoD				✓	Follow up for assurance from NHS visit. ✓			✓ Q report		✓
6 Minutes / Hot Topics for Noting													
Capital Planning Group	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CSUs called to Exec Team as per Performance Framework (mins of this part of the mtg for assurance)	CE /DoF	Escalation as required											

Appendix C – Committee Workplan 2023/4

THE LEEDS TEACHING HOSPITALS NHS TRUST
Draft Finance and Performance Committee Work Plan 2023/24

Item	Lead / Author	2023 April	May	June	July	Aug	Sept	Oct	Nov	Dec	2024 Jan	Feb	March
1 Risk													
Escalate 'major' risks as identified	DoF/ COO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review assurances are in line with the BAF & the ToR	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review Corporate Finance Risk Reg	DoF			✓			✓			✓			✓
2 Financial Management													
Finance the Leeds Way	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
In Year Financial Position and Financial Risk Range Forecast; including ICS position, Trust Capital, Cash, CSU performance.	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Contracting & Commissioning Update (incl. PBR) and Covid changes	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Waste Reduction Plans (Monitoring progress)	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2024/25 Financial Planning Assumptions / updates	DoF							✓	✓	✓	✓	✓	✓
2024/25 Financial Plan Approval	DoF									✓			✓
5 Year Financial Strategy Refresh (NB ICS WY Impact)	DoS/ DoF							✓					
Fundamental Review of in year financial position each Q (<i>Reported to full Board</i>)	DoF			✓			✓			✓			✓
Procurement Report (assurance)	DoF						✓						✓
Productivity & Efficiency	DoS			✓						✓			
Major Service contract review e.g., review including Pathology Managed service contract (excluding BtLW contacts) 6-month reports									As necessary, as we have done for the Pathology Managed Equipment service in 2022/23				

Item	Lead / Author	2023 April	May	June	July	Aug	Sept	Oct	Nov	Dec	2024 Jan	Feb	March
3 Performance													
Constitutional Standards Report, including performance vs the Operational Planning Targets	COO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Activity Report	COO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Operational Transformation Programme Report	COO		Board						✓				
2024-25 Planning Guidance Submission (linked to £ Plan)												✓	
2023-24 Planning Guidance Delivery (How have we done?)												✓	
Deep Dive Updates	COO	<i>To be kept under review each quarter for the cycle of reporting</i>											
Long Waits & Total Waiting list size (CRR5 18 week RTT non-compliance) (CRRC8 52/78 week waits)	COO	✓							✓				
Diagnostics (CRR9 >6 weeks for diagnostic tests)	COO		✓							✓			
Cancer Standards (CRRC6 62-day cancer target)	COO						✓						
ECS (CRRC4 Failure to achieve ECS)	COO			✓								✓	
Winter Planning (CRRC10 high occupancy/capacity/flow/impact)	COO							✓					
Bed Occupancy (CRRC10 high occupancy/capacity/flow/impact)	COO				✓						✓		
4 Sustainability													
Sustainability Report Annual report – presentation	E&F			✓ AR ✓ Flow to Board									
5 Capital Programme													
Within the 5-year financial plan Capital Programme for 2023/24	DoS							✓					

Item	Lead / Author	2023 April	May	June	July	Aug	Sept	Oct	Nov	Dec	2024 Jan	Feb	March
Monthly Capital Programme Report	DoS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6 Governance													
Business Cases (inc WYAAT cases)	<i>As reported (to meeting at least month before BoD) - Threshold to F&P Cttee over £2.5m to £5m approval - and thereafter to BoD</i>												
Award of Contracts	<i>As reported (to meeting at least month before BoD) - Threshold to F&P Cttee over £2.5m to £5m approval - and thereafter to BoD</i>												
Annual Report of Cttee (to Audit Cttee), Committee Work Plan, Review Cttee ToR (annually)	Cttee Chair & Co Sec											✓	
Self-assessment – Uses of Resources	DoF											✓	
Genomics Reporting to NHSE – confirmed to be Q moving forward (from Oct 22 Review)	Path CSU	Dates to be aligned to assurance from NHS visit. ✓											
7 Minutes / Hot Topics for Noting													
Capital Planning Group	DoF	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CSUs called to Exec Team as per Performance Framework (<i>mins of this part of the mtg for assurance</i>)	CE /DoF	Escalation as required											

