

**Finance and Performance Committee Chair's Report**  
**Public Board Meeting**  
**27 November 2025**

<b>Presented for:</b>	Information and assurance
<b>Presented by:</b>	Mark Burton, Chair of the Finance & Performance Committee Jenny Ehrhardt, Director of Finance Tim Hiles, Chief Operating Officer
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<b>List of meeting dates:</b>	24 September and 29 October 2025

<b>Our Annual Commitments for 2025/26 are:</b>	
Recognise and act upon moments that matter to our patients	✓
Support our patients to get home a day sooner	✓
Be in the top 25% for patient experience and efficiency in outpatients	✓
Support each other to act with kindness and compassion	✓
Reduce our carbon footprint by creating greener patient pathways	✓
Support our staff to manage every £ wisely	✓
Make best use of our estate, equipment and digital assets	✓

<b>Key points:</b>	
This summary provides an overview of significant issues of interest to the Board, highlights key risks discussed, key decisions taken, and key actions agreed by the Finance and Performance Committee.	For information and assurance

<b>Risk Appetite Framework</b>			
<b>Level 1 Risk</b>	<b>Level 2 Risks</b>	<b>(Risk Appetite Scale)</b>	<b>Impact</b>
Clinical Risk	Capacity Planning Risk - We will ensure that capacity is planned to meet the demand for elective and non-elective (acute) admissions to our hospitals, managing this risk to provide safe treatment and care to our patients.	Cautious	Moving Towards
Financial Risk	Financial Management & WRP - We will deliver sound financial management and reporting for the Trust, aiming to at least break even, with no material variances to forecast.	Cautious	Moving Towards

Financial Risk	Financial Reporting Risk - We will deliver sound financial management and reporting for the Trust, with no material misstatements or variances to forecast.	Minimal	Moving Towards
Financial Risk	Cash Management - We will retain a minimum balance of £3m in line with requirements for a Trust of our size.	Cautious	Moving Towards
External Risk	Regulatory Risk - We will comply with or exceed all regulations, retain its CQC registration and always operate within the law.	Cautious	Moving Towards

## **Finance and Performance (F&P) Committee – 24 September 2025**

### **Patient Story**

The Committee received a Patient Story ([05 M20250527 006 World Continence Day CRACKNELL](#)) which focused on continence care, highlighting the importance of effective management in improving patient outcomes. The video presentation demonstrated how improper use of continence pads could lead to moisture-associated skin damage and reduced mobility (due to less frequent walking to the toilet), noting that patients affected in this way are five times more likely to develop pressure ulcers. Clinical staff featured in the video emphasised the importance of supporting patients to regain or maintain bladder and bowel control, as this significantly enhanced independence and quality of life during and following hospital stays. The environmental impact of continence pads, including their associated carbon footprint, was also outlined. The video showcased ongoing collaborative work with patients, researchers, and staff to reduce inappropriate pad use, illustrating how getting continence care right can make a substantial difference to patient experience and wellbeing, sustainability and cost savings. The Urinary and Faecal Incontinence Care Plan was also presented, underscoring the importance of individualised care and supporting clinical staff to deliver best practice.

The Committee commended the work undertaken and explored how it might further support and facilitate this important area of patient care.

### **Approvals**

The following approvals were made by the Committee:

- Recommendation of approval to the Trust Board for the Mini Competition Compounded Antimicrobial Homecare Medicines Services Contract ('Lot B-Antimicrobial') on behalf of members of the North East and Yorkshire NHS Pharmaceutical Purchasing Consortium (NEYPPC). The contract was for a fixed period of two years, with an estimated total value of approximately £9.34m for NEYPPC and £2.84m (excluding VAT) for LTHT. This was subsequently approved by Board the following day.
- Recommendation of approval to the Trust Board for the Chapel Allerton Hospital New Elective Care business case for submission to NHSE in October 2025. This was subsequently approved by the Trust Board the following day.
- Approval was granted for the establishment of contracts with multiple suppliers via the new framework for the procurement of contrast media. This related to two contracts; one for up to four years at an estimated value of £1.5m (including VAT), and a second for up to four years at an estimated value of £4.8m (including VAT).

- Approval was granted for the submission of a full bid to the Department of Health and Social Care (DHSC) for the continued hosting of the NIHR Academy and confirmed that, if awarded, the contract would be accepted subject to agreement of the terms.

### **Financial and Capital Reports**

The Committee reviewed the month five financial position, noting an improvement compared to July. The Trust recorded a year-to-date deficit of £20.4m, with an in-month deficit of £2m, which was £0.9m adverse to the NHSE plan, resulting in a £6.5m adverse year-to-date position. Pay expenditure was reported at £0.5m lower than the Best Case, reflecting lower substantive nursing costs and backdated pay awards, partially offset by increased nursing bank expenditure. Non-pay expenditure was £2.1m higher than expected, with £0.9m of this offset by increased income.

At system level, the ICB reported a net deficit of £36.1m, £9.3m adverse to plan, with the overall provider deficit also reported at £42.5m, £9.3m adverse. In relation to the Waste Reduction Programme (WRP), the Trust had achieved £23.5m in savings against a plan of £25.7m, £2.3m adverse to plan at month five. Under the Financial Performance Framework (FPF), 16 CSUs were rated red; of these, eight remained crimson and eight red. Two CSUs' forecasts had deteriorated from red to crimson, two were amber (Outpatients and Leeds Dental Institute), and one green (MMPS). The Leeds Dental Institute had moved from red to amber during the month, and ten red CSUs reported improvements.

It was noted that the Trust's capital expenditure forecast for 2025/26 had been reduced by £21.6m to £87.8m, reflecting a £22.6m reduction for the CAH Elective Theatres allocation, which had been reprofiled by agreement with NHSE to 2026/27 and 2027/28.

The Committee supported the recommendation for a yearend breakeven position, which whilst very difficult to be definitive on, given the year on year position it was recommended to hold to a break even position for month five which was to be explored further at the Board meeting the following day as part of the Q2 Financial Forecast Review.

### **Performance Constitutional Standards Assurance Report (CSAR)**

The Committee received a report setting out the Trust's performance against the national constitutional standards at month five (reporting on the August position for all standards with the exception of Cancer which reported on July 2025).

Performance against the Emergency Care Standards (ECS) was reported at 78.4%, with LTHT ranked 25<sup>th</sup> out of 115 trusts nationally. Referral to Treatment (RTT) performance stood at 66.3%, showing a slight improvement on the previous month. "Super Saturday" clinics had commenced in the Head & Neck and Neurosciences CSUs during September to support reductions in waiting list volumes and waiting times. The Committee noted that the Trust aimed to achieve its RTT 52-week wait target by October, with 1,790 patients waiting over 52-weeks, below the recovery trajectory target and an improvement on the previous month. CSUs continued to make progress, working with theatres to optimise activity at Wharfedale. Key actions identified through CSU self-assessments were being closely monitored, with regular updates provided to the Executive Team and through fortnightly escalation meetings.

In relation to Cancer performance, the 28-day Faster Diagnosis Standard was reported at 75.3%, and the 62-day standard at 64%, close to the 65% threshold required to exit NHSE tiered oversight. Weekly Radiology and Pathology Patient Target List (PTL) meetings had been established to address bottlenecks, and Tier 1 funding had been allocated to expand capacity through weekend Urology sessions, six months of additional robotic surgery, locum

consultant cover in Lung Medicine, and agency staffing in Radiology to reduce CT and Ultrasound waits. Pathology turnaround times had also improved, with most samples now processed within a week compared to up to 15 days previously. In relation to elective operations, 102 last-minute cancellations were recorded in August 2025, with 34 breaches of the 28-day rebooking standard. Rebooking within target timeframes remained challenging during the summer months due to staff and patient availability. A new breach report had been introduced to proactively track patients at risk of exceeding the 28-day standard, with oversight provided through SDAMs. The Strategic Theatre Utilisation Group continued to monitor productivity and delivery of High-Volume, Low-Complexity (HVLC) lists. Diagnostic performance stood at 82.9%.

The Committee acknowledged the continued operational pressures and endorsed the actions in place to recover performance across key standards, while recognising the ongoing challenges.

### **Deep Dive – Winter Planning 2025/26 and Diagnostics**

The Committee received a deep dive assurance report on the Trust's Winter Planning 2025/26, which outlined the collaborative work underway with system partners and stakeholders. The Committee noted that a key priority remained the reduction of long waits in the Emergency Department (ED) and escalation areas. A range of initiatives were described, including the "Making Every Day Count" (MEDC) and "Home First" programmes, both designed to support timely discharge and reduce the number of patients in hospital with No Reason to Reside (No RtR) by at least 20 beds. Structured Gemba walks were planned for September and October 2025 to support delivery of these objectives. Activity was being tracked weekly against trajectory, with plans adjusted dynamically in response to demand. The Committee noted the proactive forecasting of demand and staged opening of capacity, supported by a comprehensive winter planning checklist.

Operational and on-call arrangements were confirmed as robust and tested, with seven-day senior leadership cover in place out of hours, including a Head of Nursing, General Manager, and Director on call and Senior Clinical Site Managers based at both SJUH and LGL. Additional maternity out-of-hours support had been planned to enable site managers to focus on patient placement, and consultant-level medical leadership would remain embedded within specialties. Real-time monitoring and reporting of system pressures would continue through the OPEL framework, alongside targeted actions to improve out-of-hours transfers of care. While it was recognised that winter would inevitably bring operational challenges, the Committee was assured of the robustness of the planning, governance, and preparedness in place across the Trust.

The Committee also received an update on the Diagnostic Demand Optimisation Programme (DDO), a newly established initiative for 2025/26, aimed at improving diagnostic efficiency across LTH. The Committee noted that the programme had been developed to support more effective use of diagnostic resources and to enhance patient pathways, ensuring patients received the right investigations at the right time.

### **F&P Committee – 29 October 2025**

#### **Patient Story**

The Committee received a Patient Story ([07 M20250128 012 Continuous 14 10 25 ES](#)) which focused on the Trust's patient catering development journey. The video demonstrated the end-to-end process of how patient menus were prepared, packed, and delivered to wards. It highlighted seasonal menu changes, the involvement of the patient experience group in menu

development, and the move towards producing more food in-house to enhance quality while reducing costs through local sourcing.

A patient from SJUH shared their experience, praising the nutritious and diverse food options, inclusive menu choices, and the responsiveness of ward staff, particularly in managing dietary requirements such as a gluten allergy. The Committee noted the progress of the “Made in Leeds” initiative, including investment in kitchen facilities, reduction in food waste through re-purposing ingredients, development of new main course items, expansion of home-produced food to over five tonnes per week, and ongoing support for medical and cultural dietary needs.

The Committee explored whether menus fully reflected the diversity of the communities served and was advised that menus were developed with cultural considerations and patient group input. Engagement with multi-faith leaders had been undertaken, although continued feedback would be needed to further refine the offer. The Committee acknowledged the positive direction of travel in improving food quality while managing costs effectively.

### **Approvals**

The following approvals were made by the Committee:

- Approval was granted for the award of the contract for the completion of NESF M&E works, at an estimated value of up to £2.5m (£3m including VAT).

### **Finance and Capital Reports**

The Committee reviewed the month six financial position, noting that the Trust recorded a £5.4m deficit for the month, £4.0m adverse to plan, resulting in a year-to-date deficit of £10.5m against the NHSE plan. This position included the £2.7m repayment of the Year Five Maternity Incentive Scheme (MIS) rebate, which had been brought forward from October. Income was reported as £1.2m favourable to plan, driven by additional Fertility income, Hepatitis C funding, Genomics income, and education tariff uplifts. Pay costs were £1.7m higher than the best-case scenario, largely reflecting lower-than-planned efficiency delivery and increased nursing bank usage. Non-pay expenditure was £3.1m above the best-case scenario, primarily due to the Year Five MIS repayment and the monthly impact of Year Six MIS. Year-to-date pay costs were £7.0m higher than planned.

At system level, the ICB reported a net £43.6m deficit at month six, £14.1m adverse to plan, with the provider deficit standing at £51.3m. The Committee noted progress on the Waste Reduction Programme (WRP), with £30.1m delivered against a plan of £32.5m, representing £2.4m adverse. The Financial Performance Framework (FPF) highlighted 16 red CSUs, one amber, and two green. LDI moved from amber to green, and six red-rated CSUs reported improvement. The Trust’s cash balance was £59.4m, £3.9m lower than the month five Fundamental Review. The Committee highlighted that the Finance Team’s Training Directory innovation submission had been officially accepted by One NHS Finance, enhancing accessibility and visibility of training opportunities across the NHS Finance community. The Committee confirmed it had received sufficient assurance on the month six financial position.

The Committee confirmed that it had received sufficient assurance on the month six financial position, and emphasised the need to see improvement in the underlying run rate in month seven in order to maintain the breakeven outlook at the November Committee.

## **Performance CSAR**

The Committee received a report setting out the Trust's performance against the national constitutional standards at month four (reporting on the September position for all standards with the exception of cancer which reported on August 2025).

The Committee noted that Emergency Care Standards (ECS) performance stood at 76.3%, with LTHT ranked 2nd out of 10 peer Trusts for ECS delivery. Referral to Treatment (RTT) performance improved to 66.72%, ranking 21st of 118 Trusts nationally. Several CSUs had successfully reduced waiting list sizes and waiting times through initiatives including super outpatient clinics, re-profiling of waiting list trajectories, theatre insourcing, and engagement of Medacs to provide anaesthetic cover for ENT. RTT 52-week waits reduced to 1,625 in September, ahead of plan, representing 1.7% of the total waiting list. The Committee was assured that LTHT remained on trajectory to exit national tiering arrangements.

The 28-day Cancer performance was reported at 77.6% in August, with 62-day performance at 62.6%. Actions in place included enhanced clinical leadership, deep dives with Multi-Disciplinary Team (MDT) Leads and Clinical Directors, strengthened PTL oversight, and weekly recovery meetings. An extraordinary clinically-led improvement meeting had been convened, with follow-up underway to finalise actions. Regarding Last Minute Cancelled Operations (LMCOs), 165 LMCOs were recorded in September. Diagnostic performance stood at 89.65%, with Ultrasound on trajectory, supported by Medicare staff undertaking weekend work since mid-June. Backlogs continued to reduce in line with the recovery plan, with significant improvement observed in CT six-week waits. The Committee acknowledged the progress made across key performance standards and ongoing actions to address operational pressures.