

**Minutes of a meeting of the Finance & Performance Committee held  
on Tuesday 1 November 2022 at 2.00pm in Meeting Room 2, MDEC  
and via videoconference**

**PRESENT:** Mr S Hegarty, Non- Executive Director (Chair)  
Rev. Canon J McGaffin, Non-Executive Director

**IN ATTENDANCE:** Ms E McCauley, Director of Finance & Contracting  
Mrs T Molloy, Director of Performance & Service Improvement  
Mrs S Nolan, Assistant Director of Financial Management  
Dr M O'Neill, Assistant Director of Performance & Service Improvement  
Miss P McSparron, PA to Director of Performance and Service Improvement

## **1. APOLOGIES**

There were no apologies.

## **2. DECLARATION OF INTEREST**

There were no declarations of interest.

## **3. MINUTES FROM THE PREVIOUS MEETING HELD ON 30 AUGUST 2022**

Minutes of the meeting held on 30 August 2022, were approved as a true and accurate record of the meeting.

## **4. MATTERS ARISING**

### **4.1 Hospital Cancelled Outpatient Appointments**

Mrs Molloy outlined that a specific workstream which covers hospital cancelled outpatient appointments and theatre utilisation has been established and will report through the Delivering Value Management Board.

Members agreed that Mrs Geraldine McKay and Mr Paul Doherty would be invited to attend to the Confidential Finance & Performance Committee meeting on 3 January 2023 to provide an update to hospital cancelled outpatient appointments. **Action: Noted for 3 January 2023 agenda.**

## **5. FINANCE**

### **5.1 Financial Performance Report for the 6 months ending 30 September 2022**

Ms McCauley commenced by briefing members on the financial context for the Month 6 report. She stated that the SPPG have issued two letters to the Trust, which formalises a balance of indicative allocations to the Trust for 2022/23.

Ms McCauley reported that a letter was received from SPPG on 6 October 2022. She outlined that the key assumptions which has been made are:

1. Financial projections should continue to assume that the excess Energy Costs may be funded and while there is no guarantee of additional funding, HSC will seek to manage these costs centrally.
2. In-year savings opportunities of at least £7.15m will be delivered.
3. The Trust must deliver against the in-year agency target of £2.367m

Discussion ensued on the in-year savings opportunities of £7.15m, Mr Hegarty queried the total of in-year savings plan developed for 2022/23. Ms McCauley advised that the Trust is expecting to achieve £3.9m of in-year savings opportunities in 2022/23 and the remaining gap would be achieved through other opportunities. Rev. Canon McGaffin asked if plans to achieve the gap of the in-year savings opportunities would impact on the Trust services and patients. Ms McCauley stated that there may be restrictions placed on travel and lower risk services in the first instance before high risk areas are considered. Mr Hegarty noted that there are a number of medical posts that are currently vacant and queried if there these would create a potential savings for the Trust. Ms McCauley stated that there possibility could be a small potential for savings, however the majority of medical posts are backfilled by locum agency staff.

Ms McCauley confirmed that the Minister has approved the following allocations to the Trust

- |  |          |
|--|----------|
| 1. Funding for non-pay inflation (>2% incl. PFI) | £3.081m  |
| 2. Funding for demand/inescapable pressures      | £3.874m  |
| 3. Funding for in-year deficit support           | £10.987m |

Ms McCauley advised that the above allocations are assumed as non-recurring for now but are subject to further confirmation. She outlined that based on previous submissions to SPPG, the above allocations results in a projected in-year Trust deficit of £10.27m. Ms McCauley stated that further meetings are scheduled with SPPG to discuss the Trust deficit position and associated challenges and risks. Mr Hegarty queried if the projected Trust deficit of £10.27m is dependent on the achievement of in-year savings opportunities of £7.15m in full. Ms McCauley confirmed that this was correct.

Ms McCauley reported that the Trust received a letter from SPPG on 7 October 2022 confirming that Trust's COVID allocations for 2022/23. She advised that the letter confirmed Ministerial approval of funding for COVID costs in 2022/23 of £31.8m. Ms McCauley stated that against the current Trust forecast the allocation results in a deficit of £0.8m associated with COVID expenditure. She noted that expenditure in this area will be kept under review and work will continue to reduce costs where possible.

Moving on to the main body of the Financial Performance report, Ms McCauley provided an update on the Trust's deliverability against the financial performance targets as follows:

### **1. Manage within allocated Capital Resource Limit (CRL)**

Ms McCauley confirmed that the Trust has received a total capital allocation (CRL) of £35.23m from the DoH and that capital expenditure to the end of August 2022 is £8.2m. She noted that this target was RAG rated green.

### **2. Directorates Cost Containment Target 5.2%**

Ms McCauley outlined Directorates overspend at 30 September 2022 is 5.7% which is an increase of 0.5% on the 2021/22 overspend of 5.2%. She stated that the reason for the increase mainly relates to the increased usage of expensive nursing agency and high cost client packages in the Independent Sector. Ms McCauley noted that this target was RAG rated amber.

### **3. Minimise expenditure on Agency and Locum Staff**

Ms McCauley reported that the Trust has spent £30m to 30 September 2022 on agency and locum staff. She advised that the average expenditure on agency and locum staff for 2022/23 has increased by 19% on the average spend in 2021/22. Ms McCauley briefed that average expenditure for flexible staffing has increased by 15.1% on the average spend in 2021/22. She confirmed that the RAG status for this target is red.

### **4. Prompt Payment Target – 95% of suppliers within 30 days**

Ms McCauley advised that the Trust paid 84.91% of its undisputed invoices with suppliers within 30 days at 30 September 2022. She advised that in September 2022, 77.3% of undisputed invoices with suppliers were paid within 30 days.

Mrs McCauley reported that the system outage in August 2022 appears to have had a greater impact on Prompt Payment in September 2022 due to the backlog in invoice scanning at the Regional Payment Shared Service Centre. She advised that there still remains an issue with the approval of agency invoices relating to staff absence in the Nurse Bank Office. Ms McCauley confirmed that the agency suppliers through the Bank Office are paid via payment on account and any additional monies due will be paid once the invoice has been checked and approved.

Ms McCauley referred members to Table 3: Projected Deficit 2022/23, within the report and advised that the SPPG expect that the Trust will deliver in full against the in-year savings opportunities of £7.15m. She outlined that the Trust is expecting to deliver £3.9m of savings and the remaining gap will be bridged from other opportunities.

Ms McCauley confirmed that the Trust has completed a mid-year financial assessment and with income confirmed for 2022/23, the Trust is forecasting a deficit of £10.3m for 2022/23 including COVID expenditure.

Moving on to Table 4 within the report, Ms McCauley outlined that the Trust is reporting pressures of £6.9m at September 2022. She advised that the Trust has been advised of an indicative allocation for Q1 – Q3 of £13.4m for elective care delivery across a range of specialties for in-house and independent sector activity. Ms McCauley outlined that the Trust is reporting expenditure of £7m at the end of September 2022. She noted that some activity commissioned by the Trust in Q3 will be delivered by providers during Q4. Mrs Molloy advised that a Q4 WLI plan has been submitted to SPPG however no funding for Q4 has been confirmed.

Ms McCauley reported that the Acute Directorate has diverged from their prior year overspend position by £2.5m, which is mainly across pay budgets and is particularly due to increased high cost agency nursing usage. She advised that cost of living increases have impacted on corporate non-pay budgets which have also deviated from 2021/22 overspend position and the inflation >2% allocation received by the Trust is being used to off-set these in-year pressures.

Rev. Canon McGaffin asked if the in-year savings opportunities would be recurring. Ms McCauley advise that the in-year savings were generally not recurring but would be opportunistic. Rev. Canon McGaffin queried in respect of services would the Trust stop providing interventions if the outcome for patients were better for them to receive a different intervention. Mrs Molloy confirmed that SPPG make policy decision on commissioned services and the Trust would review patients in clinical priority and chronologically thereafter.

Ms McCauley referred members to Table 5, which provided a summary of financial performance by Directorate. She noted that Directorates are reporting an overspend of 5.7% in September 2022. She advised that the bottom-line position for the Trust is an overspend of 1.5% against budget. Mrs Nolan confirmed that the funding allocations received in October 2022 have been cumulatively applied to budgets.

Ms McCauley advised in relation to pay expenditure that this remains static across all Directorates in September 2022. She stated that expenditure on external non-pay across the Trust in Independent Homes and Domiciliary Care/Direct Payments have decreased in September 2022. Ms McCauley advised that expenditure in Care Contracts have marginally increased in September 2022. Ms McCauley outlined that expenditure on internal non-pay shows an increase in Drugs, Pharmacy (non-drugs) and Heat, Light & Power expenditure in September 2022. She noted that expenditure in Childcare, Fostercare & Adoption and Rent & Rate, Insurance, Water and Leases remain stable during September 2022.

Moving on to Flexible Staffing expenditure, Ms McCauley advised that the total expenditure in 2022/23 to the end of September 2022 is £41.1m with expenditure on Acute Services being £17.8m. She highlighted that total agency expenditure to date in 2022/2023 is £30m including £12.7m on medical agency staff, £12.6m on nursing agency staffing and £4.7m on other staffing. Ms McCauley reported that expenditure on bank staff to the end of September 2022 is £9.2m. She

highlighted that the average expenditure on flexible staffing for 2022/2023 has increased by 15.1% on the average spend during 2021/22.

A discussion took place on the Trust workforce and Mr Hegarty queried how many of the Trust workforce are agency staff. Rev. Canon McGaffin advised that workforce is the largest risk within the Trust. Ms McCauley acknowledged that there is a reliance on locum and agency staffing within the Trust. Mr Hegarty and Rev. Canon McGaffin felt that it would be beneficial for all Non-Executive Directors to have access to the papers that are prepared for the Peoples Committee. Mrs Molloy advised that Ms McCauley and herself would discuss the Workforce issues raised at the meeting today with Mrs K Hargan, Director of Human Resources and invite Mrs Hargan to join the confidential Finance & Performance Committee meeting on 3 January 2023 to provide a briefing on Workforce including the recruitment process. **Action: Noted for 4 April 2023 agenda.**

In conclusion, Ms McCauley outlined the key messages from the Financial Performance Report for the 6 months ending 30 September 2022 as:

1. The Trust has completed the mid-year review of the Trust financial position taking into account confirmed allocations from SPPG in September and October 2022. The Trust is projecting a financial deficit of £10.3m in 2022/23.
2. The Trust is reporting a financial deficit of £6.9m at the end of September 2022.
3. Directors have been briefed on the detail of the key planning assumptions which contribute towards the end of year forecast position. Priority focus will be on monitoring expenditure within planned levels, actions across key overspending areas and delivery against savings targets
4. All Directorates are currently developing savings plans for delivery against the target of £2.4m. Monitoring against plan development as well as savings achievement will commence from 1 October 2022.
5. The role of the Trust Delivering Value Management Board to support financial objectives is currently under review to ensure that its scope supports the wider financial recovery agenda to ensure alignment with current strategic requirements, taking into account ongoing projects, new opportunities and the regional focus for agency savings.

## 6. PERFORMANCE

### 6.1 Performance Management Report – Quarter 2 2022/23

Mrs Molloy outlined that the performance management report has been revised which includes information taken from Power BI which is a data analytic tool. Mr Hegarty confirmed that he had found the reporting format and approach helpful. Mrs Molloy advised that she is content to receive feedback on the report presentation offline in order to further improve it.

Mrs Molloy highlighted that the performance management report will be presented to the Committee and Trust Board on a quarterly basis. She stated that the report provides an update on progress against the performance trajectories set out in the 2022/23 HSC Service Delivery Plan for Acute and Community Services. Mrs Molloy confirmed that under each service the report provides an update on actual performance against expected performance in September 2022 and information on access performance within the service area.

Mrs Molloy advised that page 2 of the report, details the Trust's performance against SPPG targets which is collated by SPPG and provided to members of the HSC Performance and Transformation Executive Board chaired by the Permanent Secretary. She highlighted that Appendix 1 provides a detailed assessment of September 2022 and Quarter 2 SPPG expected target and activity delivered for each service area.

## **Cancer Services**

### ***Service Delivery Plan***

Mrs Molloy reported that activity levels across the 14 Day, 31 Day and 62 Day are below the expected trajectories in September 2022. She advised that both the 31 Day and 62 Day target require a time lag to confirm the actual activity delivered.

### ***Access Performance***

Mrs Molloy highlighted that the 14 Day target is RAG rated amber with 94% of patients seen within 14 days, however, the service did not meet the 100% access standard with 15 breaches in September 2022 due to clinics not being held. She outlined that the RAG rating for the 31 Day target is green. Mrs Molloy confirmed that this target was met in September 2022, with 99% of patients being treated within 31 days. Moving on to the 62 Day target, Mrs Molloy confirmed that the RAG status for this target is red. She reported that the 62 Day target was not met in September 2022, with 31% of patients being treated within 62 days. Mrs Molloy stated that performance has also been impacted by an increase in red flag referrals with a 29% increase in September 2022 compared to September 2019.

## **Outpatients**

### ***Service Delivery Plan***

Mrs Molloy reported that new and review activity levels are below the expected trajectory for September 2022. She noted that in September 2022 the trajectory increased to 100% compared to 80% in July and 90% in August 2022. Mrs Molloy advised that actual attendances increased by 1,465 in September 2022 from August 2022. She confirmed that activity delivered in Quarter 2 is 96% of the expected target.

Mrs Molloy stated that activity levels are below target in specialties including: ENT, Ophthalmology, Oral Surgery, Gastro, Skin, Cardiology, Paediatrics and Gynaecology due to various reasons, including vacant consultant posts, sick leave, reduction of middle grade support staff and the increase in the complexity of patients. She advised that recovery plans are being worked through with these service areas. Rev. Canon McGaffin raised her concern regarding the underdelivery of gynaecology outpatients. Members agreed that a briefing paper would be requested from the service which sets out the reason for underdelivery and the actions being taken by the service.

**Action: Maura O'Neill to link with the service.**



### ***Access Performance***

Mrs Molloy advised that in September 2022, 18 % of new patients were waiting less than 9 weeks and 48,706 were waiting greater than 9 weeks.

### **Elective Care**

#### ***Service Delivery Plan***

Mrs Molloy outlined that in Inpatients and Day Cases, activity levels are below the expected trajectory for Inpatients in September 2022 which reflects 65% of pre-pandemic levels. She confirmed that activity in Day Cases exceeded the expected target achieving 119% which is 95% of pre-pandemic levels.

Mrs Molloy referred to Endoscopy performance and outlined that this requires a one month time lag for reporting. She advised that the target was met for July 2022 and August 2022 after activity validation. Mrs Molloy highlighted that cumulatively in Quarter 2, the Endoscopy service achieved 107% of the expected target and 86% of pre-pandemic levels.

### ***Access Performance***

Mrs Molloy brief members that in September 2022, 22% of patient were waiting less than 13 weeks and 19,533 waiting greater than 13 weeks (including scopes) for Inpatient and Day Case treatment.

### **Imaging Diagnostics**

#### ***Service Delivery Plan***

Mrs Molloy reported that Imaging activity continues to perform well across the 3 tests (CT, MRI and Non-obstetric Ultrasound). She confirmed that the expected target for September 2022 is 100% of 2019/20 or activity level met in 2021/22 whichever is highest. Mrs Molloy highlighted that Imaging met the expected target across all tests.

Dr O'Neill outlined that in September 2022, Non-obstetric Ultrasound achieved 95% of the 2019/20 expected target. She noted that the target set is above the SBA for this modality.

### ***Access Performance***

Mrs Molloy briefed that in September 2022, 64% of patients on a diagnostic waiting list are waiting less than 9 weeks and 5,101 were waiting greater than 9 weeks. She noted that 90% of urgent patients were reported within 2 days.

## **Cardiac Services**

### ***Service Delivery Plan***

Mrs Molloy stated that performance in the Echo service has been impacted by sickness absence and a vacant post. She advised however that activity in September 2022 has increased from August 2022 and there should be a gradual recovery in activity levels into October and November 2022. Mrs Molloy advised that Cardiac MRI and Cardiac CT activity continue to exceed the targets set in September 2022 and for Quarter 2.

## **Unscheduled Care**

### ***Service Delivery Plan***

Mrs Molloy outlined that SPPG are reviewing the targets for unscheduled care and additional indicators are expected to be included. The current targets continue to be challenging and the number of delayed discharges, complex and ill patients admitted to specialties have increased the Length of Stay (LOS).

Mrs Molloy advised that ED attendances at Altnagelvin Hospital have slightly decreased in September 2022 (5,579) compared to September 2019 (5,949). She highlighted that the number of 12 hours breaches have doubled from September 2019 (458) to September 2022 (977). Mrs Molloy highlighted that the LOS in Altnagelvin has increased by 1 day in September 2022 compared to September 2019.

Mrs Molloy reported that in SWAH, ED attendances remain mainly at the same level in September 2022 (3,195) compared to September 2019 (3,199) with the number of 12 hour breaches increasing significantly from September 2019 (87) compared to September 2022 (443). She confirmed that this is impacted by a high increase in the LOS by 3.5 days at September 2022 compared to September 2019.

Rev. Canon McGaffin queried if there was any particular specialty where the LOS had significantly increased. Mrs Molloy confirmed that LOS had increased in Care of the Elderly wards across both Altnagelvin and SWAH mainly due to more complex discharge or a delay in discharge.

## **Stroke Services**

### ***Service Delivery Plan***

Mrs Molloy outlined that the metric for Thrombolysis is demand driven and fluctuates on a monthly basis therefore the SPPG are reporting a rolling 3-monthly average figure. She advised that in Altnagelvin and SWAH the Quarter 2 target is based on a 3 month average of 15%. Mrs Molloy confirmed that in Altnagelvin, the Quarter 2 average performance achieved was 7% which is below the expected target. She stated that in SWAH the Quarter 2 average performance exceeded the expected target with 19% achieved.



Moving on the % of patients admitted <4 hours, Mrs Molloy outlined that in Altnagelvin the Quarter 2 expected target is 24% and the September 2022 performance exceeded the expected target with 33% achieved. Mrs Molloy outlined that in SWAH, the Quarter 2 expected target is 85% and the September 2022 performance achieved was 71%, which was below the expected target.

## **Adult Social Care**

### ***Service Delivery Plan***

Mrs Molloy confirmed that in Adult Day Care attendances the number of overall monthly attendances continued to increase in September 2022 by over 2,000 attendances. She outlined that the expected target is 100% of pre-pandemic level from September 2022 and noted that on average the Trust is achieving 87% of expected target in September 2022.

Mrs Molloy stated that service areas are progressing measures to increase attendances and a pilot is planned in 5 Day centres with the aim of moving fully back to pre-COVID attendance levels. She highlighted that Adult Mental Health Day centres have fully returned to pre-pandemic levels of day care activity delivered.

Within Domiciliary Care, Mrs Molloy advised that the Quarter 2 trajectory is based on 80% of 2019/20 Quarter 2 activity. She outlined that the service continues to exceed the expected activity targets with 115% Independent Hours and 111% Statutory Hours achieved in September 2022. Mrs Molloy advised that when compared to pre-pandemic levels, the September 2022 activity achieved represents 92% Independent Hours and 89% Statutory Hours.

Mrs Molloy highlighted that in Quarter 3, the expected target will increase to 90% of 2019/20 Quarter 3 activity.

## **Children's Social Care**

### ***Service Delivery Plan***

Mrs Molloy reported that performance in the number of Initial Family Assessments completed and the % of Initial Child Protection Case Conferences held within 15 days continues to significantly exceed the expected targets. She stated that the % Review Child Protection Case Conferences held within 3 months and % subsequent Child Protection Case Conferences held within 6 months are below the expected trajectory in September 2022. Mrs Molloy confirmed that the service are focusing on improving performance and as a short term measure staff are undertaking overtime to manage demand however this will not be sustainable in the long term.

## **Mental Health Services**

### ***Service Delivery Plan***

Mrs Molloy confirmed that the Quarter 2, trajectory is based on 90% of 2019/20 Quarter 2 activity. She advised that activity levels remain below the expected trajectory within Adult Mental Health and

Dementia New Outpatients. Mrs Molloy stated that these services are impacted by workforce challenges.

Mrs Molloy outlined that overall, performance in New and Review activity, across the three service delivery areas (Adult Mental Health, Dementia and Psychological Therapies) remains strong with 126% of expected activity target achieved including the delivery of an additional 1,497 outpatient appointments. She highlighted that when compared to pre-pandemic activity levels, the September activity achieved represents 113%.

### ***Access Performance***

Mrs Molloy said that access performance in Mental Health Services remains challenging within the three service delivery areas. She confirmed that Psychological Therapies waiting times have improved although they remain well outside the 13 week target.

With regards to New Adult Mental Health outpatient appointments, Mrs Molloy advised that at the end of September 2022, there were 876 waiting for a new outpatient appointment with 315 waiting greater than 9 weeks.

In Dementia Services, Mrs Molloy noted that at the end of September 2022, there were 861 waiting for a New Dementia outpatient appointment with 690 waiting greater than 9 weeks. The difficulties with dementia Consultant workforce have been escalated to SPPG for support.

### **District Nursing**

#### ***Service Delivery Plan***

Mrs Molloy reported that the Quarter 2 trajectory is 75%. She confirmed that in September 2022 this service has exceeded the expected activity targets with 132% achieved. Mrs Molloy noted that the number of overall monthly contacts has continue to increase throughout September 2022.

### **Allied Health Professionals (AHPs)**

#### ***Service Delivery Plan***

Mrs Molloy advised that the Quarter 2, trajectory is to incrementally increase activity by September 2022, so that each profession is delivering activity to a similar level as September 2019/20 (100% expected target).

Mrs Molloy highlighted that overall, September 2022 performance in New and Review activity across the six services has exceeded the expected activity targets with 103% of pre-pandemic levels achieved. She outlined that workforce and capacity challenges continue to impact performance within Orthoptics and Podiatry.

## **Access Performance**

Mrs Molloy emphasised that access performance remains challenging within these areas. She advised that the overall number waiting greater than 13 weeks has increased monthly from 6,064 in April 2022 to 8,290 in September 2022. Mrs Molloy outlined that performance has improved in Orthoptics with the total number waiting and those waiting greater than 13 week reducing in August and September 2022.

Mrs Molloy noted that performance has been impacted by incremental increase in demand especially urgent referrals.

## **Community Dental**

### **Service Delivery Plan**

Mrs Molloy confirmed that the Quarter 2 trajectory is 80% of 2019/20 service provision. She advised that performance against the new and review trajectories have marginally deteriorated in September 2022 with an under delivery of 86 outpatient appointments. Mrs Molloy stated that performance was impacted by cancelled clinics due to bank holiday closure and workforce issues.

Mrs Molloy outlined that performance in September 2022 achieved 101% of the cumulative expected target in Quarter 2, delivering an additional 21 outpatient appointments. She noted that compared to pre-pandemic levels of delivery, the Quarter 2 cumulative activity achieved is 81%.

Dr O'Neill agreed to clarify the recommencement of school visits in September 2022 and update the Committee accordingly. **Action: Dr O'Neill**

## **7. ANY OTHER BUSINESS**

### **7.1 DoH/Trust Ground Clearing Meeting**

Mrs Molloy briefed the Committee on the Mid-Year Ground Clearing meeting with DoH on 27 October 2022. She stated that the Ground Clearing meeting is held prior to the Chairman/Chief Executive Mid-Year Accountability meeting with the Permanent Secretary.

### **7.2 Workforce**

Rev. Canon McGaffin wished to acknowledge staff within particular specialties that are undertaking specific pieces of work that are over and above their core daily work and that this places considerable pressure on these services.

## **8. DATE OF NEXT MEETING**

The next formal meeting of the Finance & Performance Committee will take place on 31 January 2023 at 2.00pm in Meeting Room 2, MDEC.

The next confidential meeting of the Finance & performance Committee meeting will take place on 3 January 2023 at 2.00pm in Meeting Room 2, MDEC.

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31 January 2023  
Sean Hegarty, Chair  
Finance & Performance Committee