

Report to Trust Board

Date: 21 July 2011

Agenda item no 8.1

Title: **Monthly Board Self-Certification Return**

Author: Helen Mulhern-Wilson, Deputy Director of Finance & Performance

Responsible Director: Don Richards, Interim Director of Finance & Performance

Purpose: ~~Strategy/ Decision / Ratification/ Assurance/Information~~
Delete as appropriate

Action required:

1. Note the new style Governance return
2. Review the reported performance for June 2011
3. Agree that Declaration 1 be signed in respect of June performance and submit to the Strategic Health Authority by the end of the month
4. Agree that as the Board does not meet in August, the Chairman be authorised to sign off the return for July

Executive Summary:

The SHA Provider Management Regime return comprises the Governance Declaration, Governance Risk Rating, Financial Risk Rating, Financial Risk Triggers, Contractual Risk Rating, Quality indicators and an additional Board declaration.

The attached return details performance against the SHA's indicator set for June 2011.

- All governance indicators were achieved in June. The position recorded therefore results in a score of 0.0 and a Green rating.
- The Trust reported an income and expenditure deficit of £1.0m for the period to the end of June 2011. Given this, the Trust's performance against achievement of the EBITDA margin and an improved position on the return on assets indicator, the Trust achieved an overall financial risk score of 3, which is an improvement over May's position.
- Three further risk indicators are reported as Red on the Financial Risk Trigger return this month:
 1. Interim Finance Director in place over more than one quarter end

2. Quarter end cash balance <10 days of operating expenses
 3. Capital expenditure < 75% of plan for the year to date
The trigger related to the level of overdue debt as a proportion of debtor balances is still reported as Red.
- The Trust reported a Green rating for Contractual Risks.

Given this level of performance, and the plans to achieve an acceptable outcome, it is requested that Declaration 1 be signed.

The Quality return looks at in-month performance against 16 quality indicators, the majority of which are reported through the Performance and Quality Board reports. Please note that these indicators are not RAG rated on this return and are not referred to in the Governance declaration.

The final page of the return is a list of statements. For each statement, the Board is asked to confirm compliance or otherwise. Statement 10 relates to achievement of level 2 against the requirements of the Department of Health's Information Governance Toolkit. BHT has not achieved this currently.

Relevant CQC standard/ NHS Constitution pledge	Pledge 6 We will spend tax payers' money carefully. Essential standard 14 Assessing and monitoring the quality of service provision
---	--

Link to strategy/plans	Good financial performance, delivery of high quality services and management of risk are elements of the Trust's Integrated Business Plan and objectives for the year.
------------------------	--

Impact assessment:

- | | |
|----------------------|--|
| - quality | Governance risk ratings indicate quality through measurement of service performance |
| - financial/business | Financial risk ratings demonstrate monthly financial performance and risks to achieving plan |
| - equality/diversity | N/A |
| - risk | The ratings templates and Board declaration provide evidence of risk being managed |
| - legal/statutory | SHA requires monthly returns as part of Provider Management regime |
| - sustainability | N/A |

Previous consultation / decision / discussion	Quarterly returns made in 2007/08; monthly submission made in 2008/09, 2009/10 and 2010/11; monthly monitoring continuing in 2011/12
---	--

21 July 2011