

Appendix 8 - Provider Capability – Self Assessment Template

Domain: **Financial Performance and Oversight**

Lead Committee: Performance and Finance Committee

Exec lead: Adrian Marr

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
1 The trust has a robust financial governance framework and appropriate contract management arrangements	1) Trust has a work programme of sufficient breadth and depth for internal audit in relation to financial systems and processes, and to ensure the reliability of performance data	<p>The Trust has an internal audit work programme for 25/26 and it is focused on key risk areas.</p> <p>The Internal Audit cyclical reviews look at systems and processes. The Head of Internal Audit opinion for the past several years has been: <i>Overall the organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.</i></p> <p>Independent assurance is also provided via external audit (performed in 24/25 by EY). Since the inception of ESNEFT, external auditors have provided for every financial year an unqualified opinion concluding that the financial statements give a true and fair view of the financial position of the Trust.</p>
	2) Have there been any contract disputes over the past 12 months and, if so, have these been addressed?	<p>There have not been any contract disputes in the last 12 months. ESNEFT contracts are managed in accordance with the Contract Management Framework policy.</p> <p>Each contract has been drafted with provisions to manage the expected delivery requirements and clauses to describe how any disputes will be managed through an escalatory dispute resolution process. If disputes arise, they are usually capable of management and resolution at local supplier and user level. When a dispute cannot be resolved at the level at which it arises it will be escalated to a higher level of authority in accordance with the contract terms.</p>

Ward, Emma
31/10/2025 14:22:36

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
<p style="text-align: right; font-size: small; color: gray; transform: rotate(-45deg);">Ward, Emma 31/10/2025 14:22:36</p>	3) Finance compliance and governance	<p>The Trust has up to date Standing Financial Instructions (SFIs) in place to provide a structured framework for managing efficient financial operations and ensuring accountability. The SFIs are built around legal and regulatory compliance and allow the Trust to ensure that financial decisions are made by authorized personnel and that there is a clear audit trail. The SFIs also reduce the risk of fraud, misappropriation and financial mismanagement.</p> <p>Alongside the SFI's, the Trust has a Scheme of Delegation (SOD) that assigns financial authority to specific roles and individuals, specify limits on spending, contracting and resource allocation as well as ensuring accountability and transparency in financial decision making.</p> <p>Both the SFIs and SODs are updated and reviewed annually by the Trust's Audit and Risk committee.</p>
	4) Are the trust's staffing and financial systems aligned and show a consistent story regarding operational costs and activity carried out?	<p>Systems & Processes: The Trust's General Ledger monitors both financial and WTE information, which is used to inform the Trust's financial and workforce reporting (to board and its sub-committees such as Performance and Finance Committee and People and Organisation Development Committee). Information from the ledger is also shared at regional finance and workforce meetings.</p> <p>Systems & Processes: SQL Paysheets - The Finance Workforce Team have developed a standardised, automated solution that automates daily staff data updates. This captures staff budget and WTE and enables self-service forms for establishment changes and reporting. A single data feed now updates the finance ledger, replacing hundreds of manual journal entries. This improves the reliability of the data presented.</p> <p>Systems & Processes: Establishment Change Forms (ECFs): ECF forms are created using existing information from the SQL paysheets related to vacancies and staff replacements. This process links together both the financial budget and the workforce requirements of the service. An ECF form must be completed if there is a financial impact for a new staff post, a change in a role or if there is a change in an employee's terms and conditions. The ECF goes through multiple levels of approval from line manager up to the DMT. The Executive team are required to sign off ECFs for roles where there is not sufficient budget.</p> <p>Systems & Processes: Workforce systems for staffing include annual Acuity Reviews for all wards. These provide standardisation, consistency and ensure the best utilisation of our staff for patient safety and experience as well as any potential excess or shortfall of budget.</p> <p>A business case is also in development regarding the EPIC module for rostering which would provide real time visibility of the Trusts workforce (e.g. staff on call, scheduling templates, capacity forecasting).</p> <p>Systems & Processes: Internal Audits on financial systems and processes have always concluded that there is 'substantial assurance'.</p> <p>Budget setting and Business Planning: The Trust goes through a robust business planning process each year to assure the appropriateness of budgets, and align them to the Trust workforce, and required performance and quality levels. Consistency across the Trust is ensured by Executive Senior Responsible Officers (SROs) who agree business plans and ambitions, with cross divisional conversations following this. Meetings are chaired by the Executive team between divisions to discuss draft plans with representation from quality, finance and workforce executives and Divisional Management Teams (DMTs).</p> <p>The triangulation and consistency of plans is promoted through the production of a 'plan on a page' which brings together all dimensions of the plan (quality, performance, people and use of resources). Dedicated review sessions are held with the Trust's NEDs where the consistency and integrity of plans is robustly tested.</p>

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
		<p>Reporting: An integrated performance report (IPR) is produced and reviewed by the Trust Board on a monthly basis. This brings together quality, performance, activity, workforce and finance information. The basis of the information that is presented to board is the more detailed information that is presented to the Board's sub-committees: Quality from the Quality & Patient Safety Committee (QPS), Performance from the Performance and Finance Committee (PFC), Finance from the Finance Report also from PFC and Workforce slides that align to the People & Organisational Development Committee (POD).</p> <p>Separate more detailed Finance Reports & Performance Reports are presented at PFC to both Executive Directors and NEDs.</p> <p>Quarterly reports on progress made on the Trust objectives for the year are reported to PFC.</p> <p>The Trust NEDs are members of various committees ensuring good knowledge and information across all the committees.</p> <p>Prior to having been presented to the PFC committee, the finance and activity positions will also have been presented to all divisions in Executive Management Committee (EMC).</p> <p>Each division also presents their position on a monthly basis at Divisional Accountability Meetings (DAMs) which use the Accountability Framework (AF) to structure discussions. All reports to committees and Board align to the AF which is the accountability mechanism used to hold both Clinical Divisions and Corporate Directorate to account. It is the primary performance management regime for the Trust.</p>

Ward, Emma
31/10/2025 14:22:36

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
	<p>5) Has the trust had to rely on more agency/bank staff than planned?</p>	<p>Divisions present their temporary staffing position to the DAM's on a monthly basis and are challenged on how they are planning on reducing spend. Exit plans for all agency staff are outlined in these monthly reports. Divisions are encouraged to progress with substantive recruitment to minimise agency/bank usage and reduce vacancies across the Trust.</p> <p>There is a risk on the Board Assurance Framework (BAF) for Recruitment and Retention that notes that an inability to recruit and retain staff will result in increased agency spend.</p> <p>Despite good controls in place for Bank and Agency, cumulatively as at the end of August, the Trust has now exceeded the bank ceiling by £1.7m (£23m v £20.3m) and the agency ceiling by £1.7m (£5.8m v £4.1m). The Trust is implementing Divisional Workforce Planning & Bank / Agency Review meetings monthly. In addition, the Trust is implementing the following processes:</p> <ul style="list-style-type: none"> • Review and challenge agency and bank spend of all categories at board level, with reference to NHSE agency spend requirements. • Limit who can authorise bank and agency staff to increase transparency; follow up on all short notice use. • Implement policy of no usage of non-clinical agency spend, exclusions to be authorised at exec/delegated authority level.

Ward, Emma
31/10/2025 14:22:36

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
2 Financial risk is managed effectively and financial considerations (for example, efficiency programmes) do not adversely affect patient care and outcomes.	1) Budget setting and monitoring effectively manage financial considerations and allows the Trust to make plans that support patient care and outcomes	<p>The annual budget setting process is led by divisions and Executive Senior Responsible Officers (SROs) to ensure that budgets effectively manage financial considerations while ensuring patient care is at the forefront of all decisions.</p> <p>The Trust goes through a robust budget setting process each year to assure the appropriateness of budgets. This ensures all income, pay and non-pay budgets are aligned to Trust ambitions and these budgets are discussed with Executive representatives from clinical, operational, finance and workforce areas to ensure that triangulation with activity targets, patient care and patient safety is at the forefront of plans.</p> <p>Cost pressure and capacity investment discussions for 25/26 took place with the Chief Nurse and Chief Medical Officer to ensure that all investment decisions considered patient safety and clinical quality impact.</p> <p>Dedicated meetings for divisional budget planning conversations take place at DAMs from December through to March each financial year.</p>
	2) Risks and Opportunities are factored into the Business Planning process to ensure effective financial management that does not affect patient care and outcomes.	<p>Risk analysis is factored into the Business Planning process. For 25/26 planning Divisions had to clearly identify risks and outline realistic mitigation strategies. Risks had to be clearly articulated, scored, and linked to the Trust's risk register. Divisions were encouraged to use the "5 strategic objectives" from the clinical strategy to support risk mitigation and strategic delivery.</p> <p>A key principle of 2526 planning was that plans did not just identify cost pressures to put forward for additional funding, but identified opportunities and actions to reduce spend, particularly for those divisions that were over-spending.</p>
	3) A robust forecast is included in monthly reporting to ensure that the Trust plans will be met, and predicted overspend can be mitigated without affecting patient care.	<p>The Finance Report to PFC includes a base forecast, incorporating risks and opportunities, with proposed mitigations and remedial actions.</p>

Ward Emma
31/10/2025 14:22:36

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
	<p>4) Does the board stress-test the impact of financial efficiency plans on resources available to underpin quality of care?</p>	<p>Throughout the business planning process, notably the presentation of the financial framework, the level of CIP being considered is clearly shown. Consideration of other key aspects of business planning (such as quality, workforce and performance), including 'plan on a page', and the rigorous sessions with NEDS, ensure the impact of that CIP is also articulated and understood. This is then considered and assessed for reasonableness in the various meetings and reviews that take place around business planning.</p> <p>In-year, progress against the business plan is reported quarterly to P&FC and again any issues in terms of financial efficiency and its wider impact are captured and considered here.</p>
	<p>5) Are there sufficient safeguards in place to monitor the impact of financial efficiency plans on, for example, quality of care, access and staff wellbeing?</p>	<p>The Chief Nurse (CN) and Chief Medical Officer (CMO) are at the forefront of financial efficiency conversations. This is managed via Quality Impact Assessments (QIAs) that must be completed for every scheme and must be signed off by both the CN and CMO before a scheme is implemented to ensure that there will be no negative impact on the quality of care delivered by the Trust.</p> <p>Schemes may also need formal sign off from Workforce, Quality or Privacy Impact assessments. The QIA has 5 domains as follows:</p> <p>Safety: What is the impact on patient safety and avoidable harm? Are incidents more likely to happen. Effectiveness: What is the impact on recovery, length of stay and mortality? Align to GIRFT and best practice? Experience: What is the impact on experience and access? Including families and carers? Staff: Is the change consistent with our values? What is the impact on staff recommending to work at ESNEFT? Strategy: Is the change consistent with our strategy? Does it support our partners and alliances?</p> <p>The standard 5x5 risk scoring from the Trust's Risk management Policy is used for scoring QIA risks.</p> <p>Schemes are also monitored through the DAM's where any potential negative impacts on patient care would be highlighted to the Executive team for discussion.</p>

Ward, Emma
31/10/2025 14:22:36

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
	<p>6) Does the board track performance against planned surplus/deficit and where performance is lagging it understands the underlying drivers?</p>	<p>The Trust financial position (including revenue and capital performance) is reported in the IPR at the Board. The report is derived from the Finance Report that goes to PFC. The NEDs also meet monthly with the Director of Finance to discuss the Trust's financial position. The financial position is also presented to divisions at EMC via both a headline report (as soon as possible) and a more detailed report to the meeting that falls later in the month. All divisions present their financial position at monthly DAM meetings.</p> <p>The Trust has a long track record of delivering its financial targets. However, The Trust recognises that it is currently £1.7m adverse to plan. This is in part driven by performance in temporary pay and a shortfall against CIP.</p> <p>The CEO, DoF and relevant operations director continue to meet with all clinical divisions each month to understand the drivers of their positions and their recovery plans and trajectories. These meetings will be held until sustainable improvement is demonstrated by a division.</p> <p>On 11 September an extraordinary EMC was chaired by the Director of Finance to review the financial deterioration at the Trust. At this meeting a series of 'grip and control' actions were agreed with the aim of curtailing discretionary expenditure for the remainder of the year. The estimated impact of this is a reduction in the forecast of circa £11.4m.</p> <p>In relation to CIP, the Trust is taking further steps to close the gap, these include:</p> <ul style="list-style-type: none"> - Assessment of divisional financial recovery plans / enhanced run rate reviews - Additional controls to be put in place - Implementation of Model Health opportunities for improvement. - Enhanced oversight with fortnightly meetings, director led with DMTs and executive colleagues.
<p>3 The trust engages with its system partners on the optimal use of NHS resources and supports the overall system in delivering its</p>	<p>1) There is Trust Executive and Non-Executive representation at the ICB Finance Committee.</p>	<p>The SNEE system collaboratively discusses system financial performance through the SNEE ICB Finance Committee. These meetings provide input into resource allocation decisions and expenditure control actions to support the achievement of system balance.</p> <p>The Trust is well represented in the ICB Finance Committee with the Director of Finance and the Trust Chair regularly attending this meeting. The membership of the committee consists of no fewer than four members of the Committee including one who is an Independent Non-Executive Member of the Board. Other members of the committee need not be members of the board but may be.</p>

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
<p>planned financial outturn</p> <p><i>Ward, Emma 31/10/2025 14:22:36</i></p>	2) The Trust has a track record of delivering a balanced financial position/outturn for the system.	<p>In previous years the Trust has supported the delivery of a balanced financial position across the system working with partners to ensure balance. When the Trust has been requested to deliver beyond its control total by the wider system it has done so (for example 24/25 when it was asked to deliver a surplus position).</p> <p>The SNEE position is outlined in the Trust's Finance Report that goes to PFC and is presented to both Executive Directors and NEDs so there is wider understanding of the system position.</p>
	3) Engagement between system DOFs	There are weekly Director of Finance (DOF) meetings held between SNEE system's organisations to ensure that the overall system is delivering its financial plan and discuss key issues.
	4) Is the board contributing to system-wide discussions on allocation of resources?	The Trust feeds into and contributes to the development of the systems annual financial plan and ultimately the Integrated Performance Return (IPR). The Trust's own plan (as completed in the PFR) feeds into this plan. The overall performance and ambition of the Trust in terms of revenue performance is discussed with and agreed with the wider system.
		<p>A system wide commissioned Sustainability Review was completed in April 2025. The outcomes and recommendations were discussed at Trust Board and with system partners.</p> <p>There is a monthly Joint Productivity Board between ESNEFT and WSH, with Non-Exec and Exec Director membership (from each Trust). Outcomes from this meeting are reported into both Trust Boards. The partnership is focused on two main areas: Resource allocation for strategic plans for clinical service developments & Corporate service collaboration</p>
	5) Does the trust's financial plan align with those of its partner organisations and the joint forward plan for the system?	<p>The Integrated Performance Return was completed with a collaborative approach between system partners, including ESNEFT</p> <p>The Trust contributed to the SNEE Joint Forward Plan agreed for 2023-2028 which includes a Medium Term Financial Plan.</p>

Self-assessment criteria <i>'The Board is satisfied that...'</i>	Indicative evidence or lines of enquiry	Trust response
		<p>There is a risk on the Board Assurance Framework (BAF) related to Partnership Working. The risk of not working together in partnership will not allow the Trust to align plans and will result in lost opportunities to deliver the right care at the right place and at the right time. Aligning financial positions is critical to allowing the system to deliver future plans.</p>
	<p>6) Would system partners agree the trust is doing all it can to balance its local/organisational priorities with system priorities for the overall benefit of the wider population and the local NHS?</p>	<p>There are a number examples of where the Trust has acted with system partners to contribute to and support wider system priorities and developments that would improve the lives of the wider population:</p> <p>The Clacton (Site Transformation and Redesign (Star) project was developed in collaboration with the SNEE ICB with a goal of benefitting the wider population the Trust serves. The agreed business case was for investment into the Clacton Hospital Site in Tendring to build a new UTC and GP service.</p> <p>ESNEFT is an "Anchor Organisation" which allows for community engagement and partnerships. The arrangement works to address wider detriments of health and add to the social value of the organisation to the population it serves.</p> <p>The smoking cessation plans at ESNEFT were developed in collaboration with commissioners to benefit patients across ESNEFT and ESH populations. Agreements and invoicing were established with SNEE</p>

Ward, Emma
31/10/2025 14:22:36