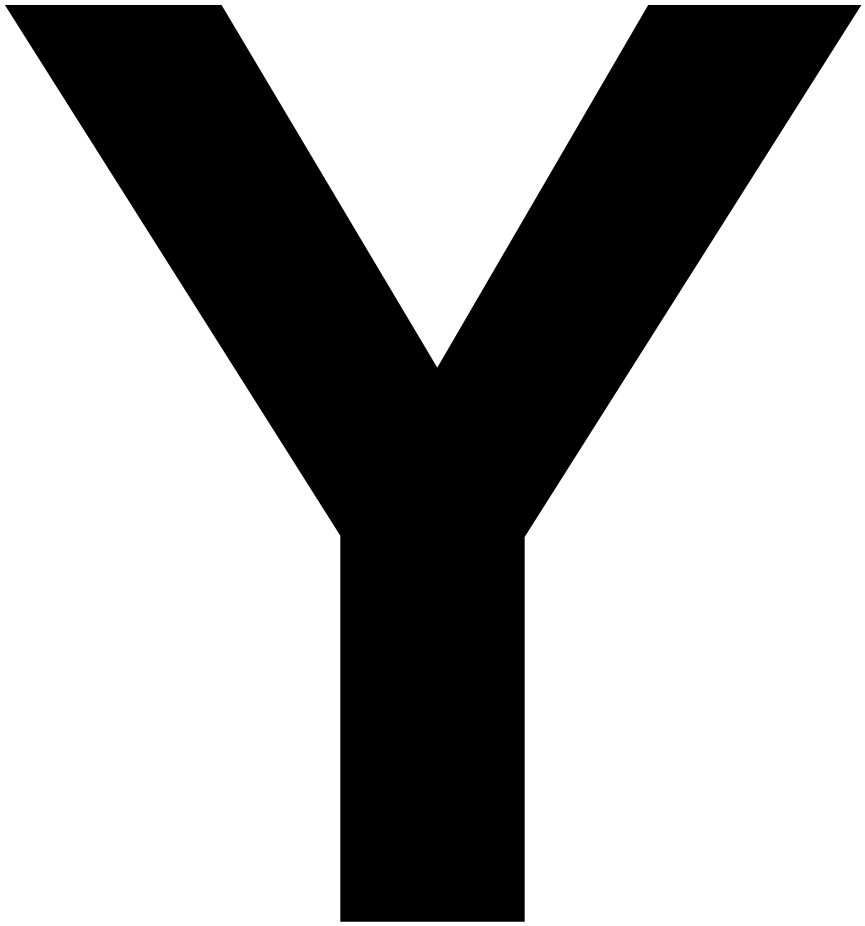

University Hospitals of Leicester NHS
NHS Trust

To:	Trust Board
From:	Stephen Ward, Director of Corporate & Legal Affairs
Date:	26 June 2014
CQC regulation:	N/A

Title:	NHS Trust oversight self certification

Author/Responsible Director: Stephen Ward, Director of Corporate & Legal Affairs
Helen Stokes, Senior Trust Administrator

Purpose of the Report:

At the beginning of April 2013, the NHS Trust Development Authority (NTDA) published a single set of systems, policies and processes governing all aspects of its interactions with NHS trusts in the form of **'***Delivering High Quality Care for Patients: The Accountability Framework for NHS Trust Boards'.*

In accordance with the Accountability Framework, the Trust is required to complete two self certifications in relation to the Foundation Trust application process. Copies of the self certifications submitted in May 2014 (April 2014 position) are attached as Appendix A and B.

The Report is provided to the Board for:

Decision	X	Discussion	X
Assurance		Endorsement	

Summary / Key Points:

- Subject to discussion at the June 2014 Trust Board meeting on matters relating to operational and financial performance, it is proposed that the self certifications against Monitor Licensing Requirements (Appendix A) and Trust Board Statements (Appendix B) be updated following the Trust Board meeting to reflect the May 2014 position and submitted to the NHS Trust Development Authority accordingly

Recommendations:

The Trust Board is asked to provide the Director of Corporate and Legal Affairs with the delegated authority to agree a form of words with the Chief Executive in respect of this month's submission, with the self certifications then to be updated following the Trust Board meeting and submitted to the NHS Trust Development Authority accordingly.

Previously considered at another corporate UHL Committee? No

Strategic Risk Register: No	**Performance KPIs year to date:** N/A

Resource Implications (eg Financial, HR): No

Assurance Implications: Yes

Patient and Public Involvement (PPI) Implications: No

Stakeholder Engagement Implications: No

Equality Impact: None

Information exempt from Disclosure: None

Requirement for further review? All future trust oversight self certifications will be presented to the Trust Board for approval

NHS TRUST DEVELOPMENT AUTHORITY

tda Trust Development Authority
Quality. Delivery. Sustainability.

OVERSIGHT: Monthly self-certification requirements - Compliance Monitor

Monthly Data.

CONTACT INFORMATION:

Enter Your Name: * John Adler

Enter Your Email Address * john.adler@uhl-tr.nhs.uk

Full Telephone Number: * 01162588940 Tel Extension: 8940

SELF-CERTIFICATION DETAILS:

Select Your Trust: * University Hospitals Of Leicester NHS Trust

Submission Date: * 30/05/2014 Reporting Year: * 2014/15

Select the Month *

- April
- May
- June
- July
- August
- September
- October
- November
- December
- January
- February
- March

Next Page 1 of 7

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

COMPLIANCE WITH MONITOR LICENCE REQUIREMENTS FOR NHS TRUSTS:

1. **Condition G4** – Fit and proper persons as Governors and Directors (also applicable to those performing equivalent or similar functions).
2. **Condition G5** – Having regard to monitor Guidance.
3. **Condition G7** – Registration with the Care Quality Commission.
4. **Condition G8** – Patient eligibility and selection criteria.

5. **Condition P1** – Recording of information.
6. **Condition P2** – Provision of information.
7. **Condition P3** – Assurance report on submissions to Monitor.
8. **Condition P4** – Compliance with the National Tariff.
9. **Condition P5** – Constructive engagement concerning local tariff modifications.

10. **Condition C1** – The right of patients to make choices.
11. **Condition C2** – Competition oversight.

12. **Condition IC1** – Provision of integrated care.

Further guidance can be found in Monitor's response to the statutory consultation on the new NHS provider licence: The new NHS Provider Licence

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

COMPLIANCE WITH MONITOR LICENCE REQUIREMENTS FOR NHS TRUSTS:

		Comment where non-compliant or at risk of non-compliance
1. Condition G4 Fit and proper persons as Governors and Directors. *	Yes	
2. Condition G5 Having regard to monitor Guidance. *	Yes	
3. Condition G7 Registration with the Care Quality Commission. *	Yes	

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18% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

Comment where non-compliant or at risk of non-compliance

4. Condition G8
Patient eligibility and selection criteria. *

Yes

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39% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

Comment where non-compliant or at risk of non-compliance

5. Condition P1
Recording of information. *
Yes

6. Condition P2
Provision of information. *
Yes

7. Condition P3
Assurance report on submissions to Monitor. *
Yes

8. Condition P4
Compliance with the National Tariff. *
Yes

Prev | Next | Page 5 of 7

45% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

Comment where non-compliant or at risk of non-compliance

9. Condition P5
Constructive engagement concerning local tariff modifications. *

Yes

Prev Next Page 6 of 7

73% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

Comment where non-compliant or at risk of non-compliance

10. Condition C1
The right of patients to make choices. *
Yes

11. Condition C2
Competition oversight. *
Yes

12. Condition IC1
Provision of integrated care. *
Yes

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NHS TRUST DEVELOPMENT AUTHORITY

tda Trust Development Authority
Quality. Delivery. Sustainability.

OVERSIGHT: Monthly self-certification requirements - Board Statements
Monthly Data.

CONTACT INFORMATION:

Enter Your Name: * John Adler

Enter Your Email Address * john.adler@uhl-tr.nhs.uk

Full Telephone Number: * 01162588940 Tel Extension: 8940

SELF-CERTIFICATION DETAILS:

Select Your Trust: * University Hospitals Of Leicester NHS Trust

Submission Date: * 30/05/2014 Reporting Year: * 2014/15

Select the Month *

- April
- May
- June
- July
- August
- September
- October
- November
- December
- January
- February
- March

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NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

CLINICAL QUALITY
FINANCE
GOVERNANCE

The NHS TDA's role is to ensure, on behalf of the Secretary of State, that aspirant FTs are ready to proceed for assessment by Monitor. As such, the processes outlined here replace those previously undertaken by both SHAs and the Department of Health.

In line with the recommendations of the Mid Staffordshire Public Inquiry, the achievement of FT status will only be possible for NHS Trusts that are delivering the key fundamentals of clinical quality, good patient experience, and national and local standards and targets, within the available financial envelope.

NHS TRUST DEVELOPMENT AUTHORITY

tda Trust Development Authority
Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For CLINICAL QUALITY, that

1. The Board is satisfied that, to the best of its knowledge and using its own processes and having had regard to the TDA's oversight model (supported by Care Quality Commission information, its own information on serious incidents, patterns of complaints, and including any further metrics it chooses to adopt), the trust has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.

1. CLINICAL QUALITY
Indicate compliance. *

Yes

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16% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For CLINICAL QUALITY, that

2. The board is satisfied that plans in place are sufficient to ensure ongoing compliance with the Care Quality Commission's registration requirements.

2. CLINICAL QUALITY
Indicate compliance. *

Yes

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22% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For CLINICAL QUALITY, that

3. The board is satisfied that processes and procedures are in place to ensure all medical practitioners providing care on behalf of the trust have met the relevant registration and revalidation requirements.

3. CLINICAL QUALITY
Indicate compliance. *

Yes

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28% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For FINANCE, that

4. The board is satisfied that the trust shall at all times remain a going concern, as defined by the most up to date accounting standards in force from time to time.

4. FINANCE
Indicate compliance. *

Yes

Prev Next Page 6 of 16

34% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For GOVERNANCE, that

5. The board will ensure that the trust remains at all times compliant with the NTDA accountability framework and shows regard to the NHS Constitution at all times.

5. GOVERNANCE
Indicate compliance. *

Yes

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40% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For GOVERNANCE, that

6. All current key risks to compliance with the NTDA's Accountability Framework have been identified (raised either internally or by external audit and assessment bodies) and addressed – or there are appropriate action plans in place to address the issues in a timely manner.

6. GOVERNANCE
Indicate compliance. *

Risk

Timescale for compliance: *

31/03/2015

RESPONSE:

Comment where non-compliant or at risk of non-compliance *

UHL is currently non compliant with the ED 4-hour wait target. The Trust is working towards sustainable compliance with the ED target.

UHL continues to experience high numbers of emergency admissions and until such time as the LLR health economy is able to respond to the required increase in discharges, UHL will continue to experience significant day to day capacity issues.

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46% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For GOVERNANCE, that

7. The board has considered all likely future risks to compliance with the NTDA Accountability Framework and has reviewed appropriate evidence regarding the level of severity, likelihood of a breach occurring and the plans for mitigation of these risks to ensure continued compliance.

7. GOVERNANCE
Indicate compliance. *

Yes

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52% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For GOVERNANCE, that

8. The necessary planning, performance management and corporate and clinical risk management processes and mitigation plans are in place to deliver the annual operating plan, including that all audit committee recommendations accepted by the board are implemented satisfactorily.

8. GOVERNANCE
Indicate compliance. *

Yes

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58% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For GOVERNANCE, that

9. An Annual Governance Statement is in place, and the trust is compliant with the risk management and assurance framework requirements that support the Statement pursuant to the most up to date guidance from HM Treasury (www.hm-treasury.gov.uk).

9. GOVERNANCE
Indicate compliance. *

Yes

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64% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For GOVERNANCE, that

10. The Board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets as set out in the NTDA oversight model; and a commitment to comply with all known targets going forward.

10. GOVERNANCE
Indicate compliance. *

No

Timescale for compliance: *

31/03/2015

RESPONSE:

Comment where non-compliant or at risk of non-compliance *

UHL is currently non compliant with ED 4 hour wait target and the Referral to Treatment (RTT) admitted and non-admitted targets.

The Trust is working towards sustainable compliance with the ED target. An Emergency Care Improvement Hub has been established, which brings together partners from across health and social care.

An RTT recovery plan has been agreed with Commissioners.

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70% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For GOVERNANCE, that

11. The trust has achieved a minimum of Level 2 performance against the requirements of the Information Governance Toolkit.

11. GOVERNANCE
Indicate compliance. *

Yes

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76% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For GOVERNANCE, that

12. The board will ensure that the trust will at all times operate effectively. This includes maintaining its register of interests, ensuring that there are no material conflicts of interest in the board of directors; and that all board positions are filled, or plans are in place to fill any vacancies.

12. GOVERNANCE
Indicate compliance. *

Yes

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82% Complete

NHS TRUST DEVELOPMENT AUTHORITY

Quality. Delivery. Sustainability.

BOARD STATEMENTS:

For GOVERNANCE, that

13. The board is satisfied that all executive and non-executive directors have the appropriate qualifications, experience and skills to discharge their functions effectively, including setting strategy, monitoring and managing performance and risks, and ensuring management capacity and capability.

13. GOVERNANCE
Indicate compliance. *

Yes

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88% Complete

NHS TRUST DEVELOPMENT AUTHORITY

BOARD STATEMENTS:

For GOVERNANCE, that

14. The board is satisfied that: the management team has the capacity, capability and experience necessary to deliver the annual operating plan; and the management structure in place is adequate to deliver the annual operating plan.

14. GOVERNANCE
Indicate compliance. *

Yes

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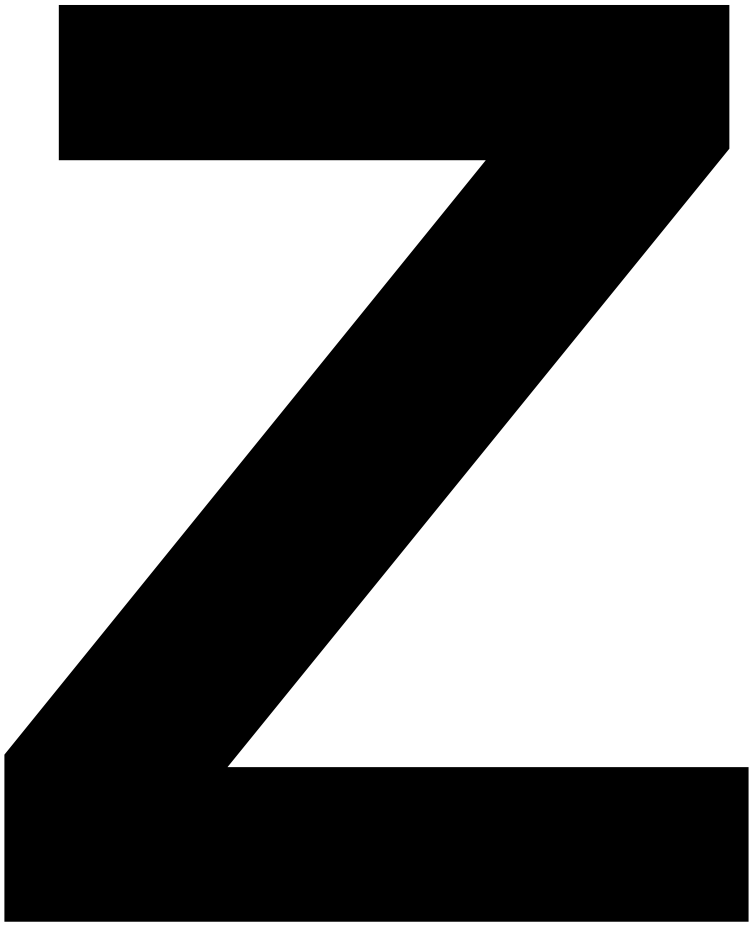


University Hospitals of Leicester NHS
NHS Trust

Trust Board paper Z

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 26 June 2014

COMMITTEE: **Audit Committee**

CHAIRMAN: **Ms K Jenkins, Non-Executive Director**

DATE OF COMMITTEE MEETING: 27 May 2014

RECOMMENDATIONS MADE BY THE COMMITTEE FOR CONSIDERATION BY THE TRUST BOARD:

- **draft statutory exchequer accounts 2013-14 (Minute 38/14/1 refers), and**
- **draft annual governance statement 2013-14 (Minute 38/14/3 refers).**

OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR CONSIDERATION/ RESOLUTION BY THE TRUST BOARD:

- **None**

DATE OF NEXT COMMITTEE MEETING: 9 September 2014.
Meeting scheduled to be held on 3 July 2014 has been cancelled.

Ms K Jenkins
19 June 2014

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST
MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON TUESDAY 27 MAY 2014 AT 10:30AM IN THE TEACHING ROOM 2, CLINICAL EDUCATION CENTRE, LEICESTER ROYAL INFIRMARY

Present:
Ms K Jenkins – Non-Executive Director (Chair)
Mr P Panchal – Non-Executive Director

In Attendance:
Mr J Adler – Chief Executive
Mr P Cleaver – Risk and Assurance Manager (for Minute 43/14)
Miss M Durbridge – Director of Safety and Risk (for Minute 43/14)
Mr P Hollinshead – Interim Director of Financial Strategy
Mrs H Majeed – Trust Administrator
Ms R Overfield – Chief Nurse
Mr N Sone – Financial Accountant
Mr S Ward – Director of Corporate and Legal Affairs

Mr A Bostock – KPMG (the Trust's External Auditor)
Mr D Hayward – KPMG (the Trust's External Auditor)

Ms C Wood – Internal Audit Manager, PwC (the Trust's Internal Auditor)

RECOMMENDED ITEMS **ACTION**

38/14 DRAFT STATUTORY ACCOUNTS 2013-14

38/14/1 Draft Statutory Exchequer Accounts 2013-14

The Interim Director of Financial Strategy presented paper A, the annual accounts for the year ended 31 March 2014 (appendix 1 to the report refers). The following key points in respect of the Trust's performance against its statutory and administrative targets were highlighted:-

- Break even - £39.7m deficit;
- External Financing Limit - a permissible undershoot of £1,265k;
- Capital Resource Limit - a permissible undershoot of £52k;
- Better Payments Practice Code – Under the Better Payments Practice Code, the Trust was required to pay 95% of NHS and non-NHS invoices within 30 days of receipt. The target had not been met, due to actions agreed within the Trust's liquidity plan. However, supplier payment terms had been reviewed.

The material changes to the current assets and liabilities were detailed in section 3.4 of paper A.

Responding to a query from the Committee Chair in respect of the Trust not meeting the administrative target relating to the Better Payment Practice Code, the Interim Director of Financial Strategy confirmed that payments were appropriately prioritised and no suppliers were at risk for not receiving the payment within 30 days of receipt of the invoice.

In response to a further query on the increase in costs and whether any measures could have been put in place to forecast it, it was noted that a majority of the increase was in relation to drugs reflecting activity increases particularly around NICE and High Cost Therapies.

In discussion on the increase in costs due to the Interserve contract and managed business partnership with IBM, it was noted that appropriate contract management was in place and there had been a significant improvement in the performance of the contracts. However, it might be that a more commercial procurement management approach could be put in place. In response to a comment, the Chief Executive advised that the model for the interface between the Trust and Interserve would be reviewed.

Members noted the additional report on the Letter of Representation – this comprised a letter from External Audit to the Trust and a draft letter for UHL to consider and sign.

<u>Recommended</u> – that (A) the draft statutory annual accounts 2013-14 be endorsed and recommended onto the Trust Board for formal approval, and **IDFS/ TA**

(B) the Interim Director of Financial Strategy be requested to include information in the letter of representation as detailed below (Minute 38/14/2 refers) prior to submitting it to the Trust Board for formal approval. **IDFS**

38/14/2 <u>External Audit Draft Audit Memorandum and Verbal Opinion on the 2013-14 Statutory Accounts</u>

Mr A Bostock, KPMG (the Trust's External Auditor) presented paper B, which detailed the draft Audit Memorandum and provided a verbal opinion on the 2013-14 statutory accounts, including the Trust's management response to the Audit Memorandum. As a result of KPMG's 2013-14 audit work, the following key recommendations were made. The Trust should:-

- strengthen the quality assurance procedures in relation to valuation of its land and buildings on an annual basis, especially in years when no formal external valuation was received – responding to a query from the Committee Chair in respect of this recommendation, it was noted that the Trust's current policy for valuation of its land and buildings was every three years. The Interim Director of Financial Strategy undertook to ensure that valuation was undertaken mid-year and that the results of the assessment were submitted to the Audit Committee in order that it could be used as evidence for the External Auditors; **IDFS**
- ensure that all relevant information pertaining to outsourcing contracts was obtained and reviewed on a timely basis to ensure that the accounting treatment and disclosures remained appropriate – the Financial Controller confirmed that the Finance team would remain engaged with the Trust's major contracts including IBM and Interserve and review any developments against appropriate accounting standards;
- review its policies and procedures with regards to ensuring that signed copies of contracts for all members of staff were received prior to the commencement of employment – it was noted that the Director of Human Resources had confirmed that in relation to a particular case, it was a one-off issue and HR would review policies and procedures relating to staff contracts of employment, and
- ensure that all working papers were made available to a high standard and quality by the start of the onsite audit.

The Committee Chair noted that the Trust's plan also required a significant injection of Public Dividend Capital (PDC) in 2014-15, and a CIP plan of £45m. The Trust's plan had also assumed a requirement for temporary borrowing of £28m in the first half of the year until permanent PDC funding of £78m was

agreed. The Interim Director of Financial Strategy advised that the NHS Trust Development Authority had acknowledged this requirement but had not yet agreed to it and highlighted that the cash arrangements would not be resolved by the UHL 5-Year Plan submission deadline of 20 June 2014. The External Auditors requested that appropriate details were included as appendices to support the letter of representation prior to its submission to the Trust Board on 29 May 2014. **IDFS**

External Audit intended to issue an unqualified confirmation to the National Audit Office regarding the Whole of Government accounts submission, made through the Trust's submission of the summarisation schedules to the DoH. They were required to report any inconsistencies greater than £250k between the signed audited accounts and the consolidation data and details of any unadjusted errors or uncertainties in the data provided for intra-group and intra-government balances and transactions. It was noted that 13 variances had been identified, however the Trust considered the counterparties to be in error in relating to all these identified differences.

Recommended – that the contents of this report, and additional verbal information provided, be received and noted, and the draft Audit Memorandum, and Management's response thereto, be accepted and endorsed.

38/14/3 Draft Annual Governance Statement 2013-14

The Director of Corporate and Legal Affairs presented paper C, the Trust's draft annual governance statement for 2013-14.

Responding to a query from Mr P Panchal, Non-Executive Director, the Director of Corporate and Legal Affairs undertook to consider the suggestion that the Trust's commitment towards equality be incorporated within the Statement noting, however, that the Trust's annual report 2013-14 would include a section on equality and diversity. **DCLA**

The Committee Chair suggested that consideration be given to inclusion of appropriate additional wording in the draft Statement in respect of the internal audit recommendations that had been completed. The Director of Corporate and Legal Affairs undertook to liaise with the Internal Audit Manager outside the meeting in respect of this and update the Trust Board accordingly on 29 May 2014 when presenting the final version of the Statement for approval. **DCLA**

The Director of Corporate and Legal Affairs reported that a footnote in respect of the Committee Chair's attendance to the Quality Assurance Committee had inadvertently been missed from the appendix to the Statement and undertook to include this prior to submission to the Trust Board. **DCLA**

Recommended – that subject to the suggestions and amendments made (as described above), the draft Annual Governance Statement 2013-14 be endorsed and recommended onto the Trust Board for formal approval. **DCLA/ TA**

RESOLVED ITEMS **ACTION**

39/14 PRIVATE DISCUSSIONS WITH BOTH SETS OF AUDITORS

Private discussions took place between the Chairman and members of the Audit Committee and External and Internal Audit ahead of the start of the formal meeting.

Resolved – that the position be noted.

40/14 APOLOGIES

Apologies for absence were received from Ms A Breadon, Trust's Internal Auditor; Mr I Crowe, Non-Executive Director; Ms J Clarke, Local Counter Fraud Specialist and Ms J Watson, Trust's Internal Auditor.

41/14 MINUTES

Resolved – that the Minutes of the meeting held on 15 April 2014 (papers D and E refer) be confirmed as a correct record.

42/14 MATTERS ARISING FROM THE MINUTES

The Committee Chair selected the following key actions from paper F and members reported on progress:-

Minute 22/14/5 of 15 April 2014 – it was noted that relevant elements of the private patient and overseas visitors report would be considered by the Finance & Performance Committee in June 2014. Therefore, this action could be removed from the log. **TA**

Minute 23/14/1a of 15 April 2014 – in discussion re. whether national guidance existed in respect of dealing with outbreaks of disease in the local population/overseas visitors, the Chief Nurse undertook to provide confirmation to the Audit Committee whether this would be discussed via the LiA workstream for private patients and overseas visitors. **CN**

Minute 23/14/4 of 15 April 2014 – the Committee Chair advised that she had raised with the Director of Marketing and Communications re. processes for checking the content being posted on Insite and an update would be provided by the Director of Marketing and Communications to the Audit Committee in July 2014. **DMC**

Minute 24/14a of 15 April 2014 – the Committee Chair confirmed that job planning discussion would be considered by the Finance and Performance Committee. Therefore, this action could be removed from the log. **TA**

Minute 25/14 of 15 April 2014 – the Chief Nurse confirmed that a discussion on the indicators that NHS Trusts and non-NHS bodies were required to report in their Quality Accounts would take place at the Quality Assurance Committee in June 2014. Therefore, this action could be removed from the log. **CN**

Minute 26/14a of 15 April 2014 – an update on the Renal Transplant service would be presented to Quality Assurance Committee in June 2014. Therefore, this action could be removed from the log. **TA**

Minute 26/14/2 and 30/14/2 of 15 April 2014 and Minute 70/13/52 (i) of 12 November 2013 had now been closed and could be removed from the log. **TA**

Minute 09/14 of 7 March 2014 – in response to a comment from Mr P Panchal, Non-Executive Director, the Director of Corporate and Legal Affairs undertook to liaise with the Head of Operations in respect of the structure by which NEDs would be alerted to relevant incidents. **DCLA**

Minute 52/13/1 of 10 September 2013 – the Committee Chair to give consideration to whether a discussion on clinical audit should feature on the

agenda for Audit Committee or whether this matter should be referred to another Committee. **Chair**

<u>Resolved</u> – that the matters arising report (paper F) be received and noted and the action log updated accordingly. **TA**

43/14 UHL RISK REPORT INCORPORATING THE BOARD ASSURANCE FRAMEWORK (BAF) FOR THE PERIOD 1 APRIL – 30 APRIL 2014

The Director of Safety and Risk and the Risk Assurance Manager attended to present paper G, which provided an overview of significant risks impacting upon the Trust and also detailed information in relation to the effectiveness of risk management processes within the Trust.

Responding to a query from the Committee Chair, the Director of Corporate and Legal Affairs confirmed that the updated version of the BAF was scheduled to be presented to the Trust Board at the end of June 2014 and a discussion on this had also been provisionally scheduled for the Trust Board Development session in June 2014, however this would be confirmed further to recommendations from Foresight Partnership following the review of the Trust's governance framework.

Responding to a further query, the Risk and Assurance Manager confirmed that engagement with CMGs in respect of reviewing the risk register had significantly improved.

In response to a query from Mr P Panchal, Non-Executive Director whether a risk would be included in the BAF in respect of the forthcoming changes to the Trust Board membership, the Director of Safety and Risk advised that this would potentially be encompassed with the 'Recruitment and Retention' risk which already featured on the BAF. The Chief Executive confirmed that consideration to this matter would also be given as part of the refresh of the BAF.

The Risk and Assurance Manager advised that he would develop a programme of CMG attendance to Audit Committees to provide an update on their risk management processes. **RAM**

<u>Resolved</u> – (A) the contents of this report be received and noted, and

(B) the Risk and Assurance Manager to develop a programme of CMG attendance to Audit Committees to provide an update on risk management processes. **RAM**

44/14 FINANCE – STRATEGIC AND OPERATIONAL ISSUES

44/14/1 <u>Discretionary Procurement Actions</u>

Paper H provided the discretionary procurement actions for the period April-May 2014 in line with the Trust's Standing Orders.

In response to whether any administration charges/currency conversion on the pass through payment in respect of the British Thoracic Oncology Group Annual Conference was in place, the Interim Director of Financial Strategy undertook to check this. **IDFS**

In respect of the Knighton Street Outpatient Building Refurbishment, assurance was sought in respect of whether a competitive process had been followed. The Interim Director of Financial Strategy undertook to check this. **IDFS**

Resolved – that (A) the contents of paper H be received and noted, and

(B) the Interim Director of Financial Strategy be requested to undertake the actions outlined above. **IDFS**

44/14/2 2014-15 External Audit Fee

Paper I detailed the proposed external audit fee for 2014-15. It was noted that the scale fee had been reduced by £10,000 in relation to work on quality accounts assurance. The scope of this work was due to change and the Audit Commission had indicated that new assurance arrangements would be established.

Resolved – the contents of paper I be received and noted.

44/14/3 Letter from NHS TDA re. Effective Management and delivery of referral to treatment pathways

The Interim Director of Financial Strategy drew members' attention to the letter dated 25 March 2014 from the Chief Executive of the NHS TDA addressed to NHS Trust Chief Executives (paper J). All NHS Trusts were expected to:-

(a) review data quality annually though their internal audit programme – it was noted that this was in-train;

(b) ensure checks of waiting list management were undertaken through the external audit programme at least every 3 years – it was suggested that this needed to be taken forward through Internal Audit rather than External Audit. **IA**

Resolved – that (A) the contents of paper J be received and noted, and

(B) Internal Auditors be requested to ensure that checks of waiting list management were undertaken through the internal audit programme at least every 3 years. **IA/TA**

44/14/4 Report from the Interim Director of Financial Strategy

Resolved – that this Minute be classed as confidential and taken in private accordingly.

44/14/5 Overseas Visitors and Private Patient Debts – root cause analysis, lessons learned and action plan

Paper L detailed the underlying issues surrounding Overseas Visitors (OSV) and Private Patients (PP) debt and explored the causes of the write off of this debt. A LiA pioneering scheme had been put in place to ensure that the Trust received income for every patient treated and that free at the point of care NHS treatment was only provided to patients who were entitled to receive it. The scheme would be led by the Financial Controller and the Income, Private Patient and Overseas Visitor Manager. The Interim Director of Financial Strategy was the LiA sponsor for this scheme.

Mr P Panchal, Non-Executive Director made the following observations:-

(a) the need for clear distinction between private patients and overseas visitors;
(b) the need for inclusion of public and patient implications in the cover

sheet of this report;
(c) different ways be put in place to secure the debt rather than writing it off;
(d) a policy be formulated indicating the stage at which the Trust Board needed to be informed of any cases, and
(e) consideration be given to any administration charges that needed to be put in place.

The Financial Controller advised that the above would be taken forward through the LiA workstream.

The Chief Executive requested the Financial Controller to inform him outside the meeting regarding the current national guidance for proactive entitlement checks. **FC**

Resolved – that (A) the contents of paper L be received and noted, and

(B) the Financial Controller be requested to inform the Chief Executive of the current national guidance regarding proactive entitlement checks. **FC**

45/14 ITEMS FROM INTERNAL AUDIT

45/14/1 Internal Audit Year-End report and Head of Internal Audit Opinion 2013-14

Further to Minute 28/14/2 of 15 April 2014, the Internal Audit Manager, PwC presented paper M, the Internal Audit Annual report for 2013-14 and the proposed Head of Internal Audit opinion. The IBM contract and data security review reports had been issued. The quality assurance framework review had been issued in draft. The Delayed Transfer of Care (DTOC) review had been deferred due to further work currently being undertaken by the Chief Operating Officer in respect of DTOCs.

The Chief Executive noted that a discussion was scheduled at the Executive Performance Board on the afternoon of 27 May 2014 in respect of any outstanding internal audit actions which had passed the deadline dates.

Resolved – that the contents of paper M be received and noted.

45/14/2 Internal Audit Progress Report

Paper N provided the Committee with an update on progress since the last meeting on 15 April 2014. The Internal Audit Manager provided an update on how agreed actions were being tracked using the tracking tool 'TrAction' highlighting that appropriate reminders were sent to Lead Officers requesting them to provide an update on the actions.

The Chief Executive requested that Executive Director Leads be copied into the chasing emails sent to the actions' operational leads, and that the report be amended to list the Executive Directors. He also requested Internal Audit to prioritise the actions within the report to enable an appropriate focus. **IA**

In respect of the Leicester City CCG audit, the Interim Director of Financial Strategy noted the need for confirmation from the CCG that the audit would be funded by them and that the data would be provided by the Trust. **IA**

Resolved – that (A) the contents of paper N be received and noted;

(B) Internal Audit be requested to prioritise the actions within the outstanding actions report in order to enable an appropriate focus, and **IA**

(C) Internal Audit be requested to seek confirmation from the Leicester City CCG that the audit commissioned by them (review of the funding arrangements around overseas patients) would be funded by the CCG. **IA**

45/14/3 Internal Audit Reviews

The IBM Contract Review (paper O) and the Data Security Review (paper O1) were noted.

The Internal Audit Manager provided a verbal update on the Quality Assurance Framework review. The scope of the review was to ascertain how quality and safety issues were escalated within the Trust. Internal Auditors had observed a number of Quality and Safety committees within the Trust noting that some Committees were still in the early stages of their formal establishment. She advised that some good examples of escalation and cascading had been noticed. However, in some instances there was a need for further clarity around roles and responsibilities, and the link between Committees needed to be formalised.

Resolved – that the contents of papers O&O1 and the verbal update be noted.

45/14/4 Internal Audit Plan 2014-15

The Internal Audit Manager presented paper Q which outlined the internal audit risk assessment and the proposed areas of internal audit focus for 2014-15. The Committee Chair queried whether succession planning and talent management reviews had been included – in response, the Interim Director of Financial Strategy advised that the Director of Human Resources has indicated that these were picked up on a rolling basis.

In response to a query from the Director of Corporate and Legal Affairs whether the issue of follow-up appointments had been covered by any of the reviews as this was a matter raised by the Quality Assurance Committee in April 2014 – it was noted that this had been discussed by the Interim Director of Financial Strategy and the Internal Audit Manager and would be taken forward through the RTT review.

Resolved – that the internal audit plan 2014-15 (paper Q) be approved.

46/14 ASSURANCE GAINED FROM THE FINANCE AND PERFORMANCE (F&P) COMMITTEE AND THE QUALITY ASSURANCE COMMITTEE (GRMC)

Resolved – that there were no specific issues raised.

47/14 MINUTES FOR INFORMATION AND DISCUSSION

47/14/1 Quality Assurance Committee

Resolved – that the Minutes of the Quality Assurance Committee meeting held on 23 April 2014 (paper Q refers) be received and noted.

47/14/2 Finance and Performance Committee

Resolved – that the Minutes of the Finance and Performance Committee meetings held on 26 March 2014 (paper R refers) and 23 April 2014 (paper R1 refers) be received and noted.

48/14 ANY OTHER BUSINESS

48/14/1 Safeguarding Children Policies and Procedures

Responding to a query from Mr P Panchal, Non-Executive Director, the Director of Corporate and Legal Affairs confirmed that following a recent investigation, the Trust's policies and procedures for safeguarding children had been independently audited and had been deemed fit for purpose.

Resolved – that the position be noted.

48/14/2 Ms K Jenkins, Non-Executive Director/ Audit Committee Chair

The Committee Chair advised that this would be her last meeting of the Audit Committee as her term as a NED would come to an end in June 2014. She thanked members for their support.

Resolved – that the update be noted.

49/14 IDENTIFICATION OF KEY ISSUES THAT THE COMMITTEE WISHES TO DRAW TO THE ATTENTION OF THE TRUST BOARD

- **draft statutory exchequer accounts 2013-14 (Minute 38/14/1 refers), and**
- **draft annual governance statement 2013-14 (Minute 38/14/3 refers).**

Resolved – that the recommended items listed above be brought to the attention of the Trust Board.

50/14 DATE OF NEXT MEETING

Resolved – that (A) the next meeting of the Audit Committee be held on Thursday, 3 July 2014 from 2:45pm in the Board Room, Victoria Building, Leicester Royal Infirmary, and

(B) it be noted that this meeting would be preceded by a private meeting between the Audit Committee Chairman and the Non-Executive Director members at 2:15pm, with representatives from Internal and External Audit to attend from 2.30pm in the Board Room, Victoria Building, Leicester Royal Infirmary.

The meeting closed at 12:45pm.

Hina Majeed, **Trust Administrator**

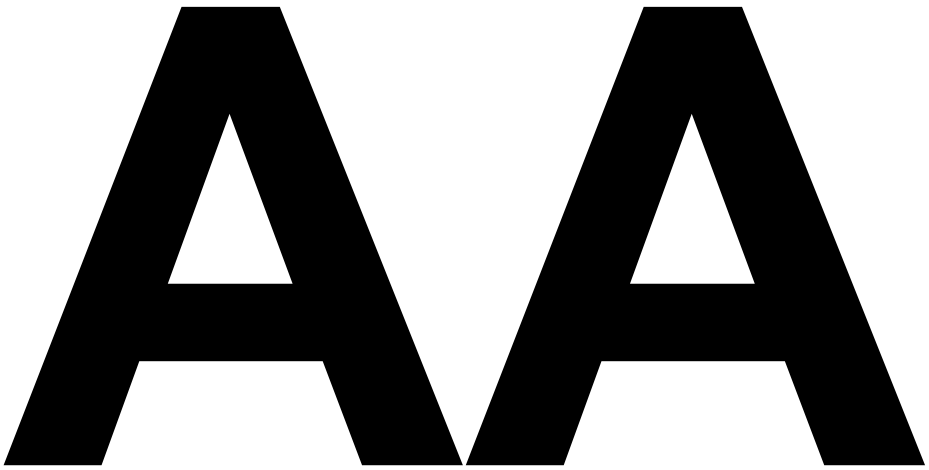
Cumulative Record of Members' Attendance (2013-14 to date):

Name	Possible	Actual	% attendance
K Jenkins (Chair)	2	2	100%
I Crowe	2	1	50%
P Panchal	2	2	100%

Attendees

Name	Possible	Actual	% attendance
P Hollinshead	2	2	100%
S Ward	2	1	50%

R Overfield	2	1	50%


AA

University Hospitals of Leicester NHS
NHS Trust

Trust Board paper AA

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 26 June 2014

COMMITTEE: Finance and Performance Committee

CHAIRMAN: Mr R Kilner, Non-Executive Director

DATE OF COMMITTEE MEETING: 28 May 2014

RECOMMENDATIONS MADE BY THE COMMITTEE FOR CONSIDERATION BY THE TRUST BOARD:

None

OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR CONSIDERATION/ RESOLUTION BY THE TRUST BOARD:

- Minute 56/14/1 – concerns raised relating to ENT Consultant recruitment by the Musculoskeletal and Specialist Surgery CMG
- Minute 56/14/2 – progress of the 5 year planning submission;
- Minute 57/14/2 – assurance provided regarding short-term liquidity, and
- Minute 58/14/2 – RTT improvement plan (including waiting list incentives and medical productivity.

DATE OF NEXT COMMITTEE MEETING: 25 June 2014

Mr R Kilner – Acting Trust Chairman and Finance and Performance Committee Chair
16 June 2014

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

MINUTES OF A MEETING OF THE FINANCE AND PERFORMANCE COMMITTEE, HELD ON WEDNESDAY 28 MAY 2014 AT 8.30AM IN THE LARGE COMMITTEE ROOM, MAIN BUILDING, LEICESTER GENERAL HOSPITAL

Present:
Mr R Kilner – Acting Chairman (Committee Chair)
Mr J Adler – Chief Executive (up to and including Minute 57/14/4)
Mr P Hollinshead – Interim Director of Financial Strategy (up to and including Minute 57/14/4)
Mr R Mitchell – Chief Operating Officer
Mr G Smith – Patient Adviser (non-voting member)
Ms J Wilson – Non-Executive Director

In Attendance:
Ms L Bentley – Head of Financial Management and Planning (on behalf of the Deputy Director of Finance)
Ms E MacLellan-Smith – Senior Manager, Ernst Young
Ms S Taylor – General Manager, Musculoskeletal and Specialist Surgery CMG (for Minute 56/14/1)
Mr R Power – Clinical Director, Musculoskeletal and Specialist Surgery CMG (for Minute 56/14/1)
Mrs K Rayns – Trust Administrator

ACTION

RESOLVED ITEMS

53/14 APOLOGIES

Apologies for absence were received from Colonel (Retired) I Crowe, Non-Executive Director, Mr S Sheppard, Deputy Director of Finance and Ms K Shields, Director of Strategy.

54/14 MINUTES

Resolved – that the Minutes of the 23 April 2014 Finance and Performance Committee meeting (papers A and A1) be confirmed as correct records.

55/14 MATTERS ARISING PROGRESS REPORT

The Committee Chairman confirmed that the matters arising report provided at paper B detailed the status of all outstanding matters arising. Members received updated information in respect of the following items:-

(a) Minute 45/14/1(B) of 23 April 2014 – the Chief Operating Officer was reviewing the current schedule of CMG meeting commitments (using sample data being provided by the Women's and Children's CMG). The outputs of this review would be presented to an informal ET meeting within the next few weeks to inform a discussion on the scope to reduce the meeting commitments for CMG leadership teams and reduce any areas of duplication. The Interim Director of Financial Strategy added that this review would link with the process for developing CMG-level earned autonomy. The Finance and Performance Committee supported this development and requested that this action be marked as complete and removed from the progress log; **TA**

(b) Minute 45/14/1(C) of 23 April 2014 – the Medical Director was producing a lessons learned document based on the findings of the transplant review for consideration by the Executive Team at the end of June 2014. This was expected to outline how CMGs should assure themselves that key requirements for effective team working were met by all their services. The Trust Administrator was requested to mark this action as "on track" and retain it on the progress log; **TA**

(c) Minute 46/14/2 of 23 April 2014 – a breakdown of causes for cancelled operations would be included in future iterations of the cancelled operations exception report. The Chief Operating Officer clarified that the threshold was 0.8% (not 1%); **COO**

(d) Minute 46/14/2(A) of 23 April 2014 – progress of RTT improvement plans for ENT and Orthopaedics would be included within the CMG presentation later in the agenda. Item to be marked as complete and removed from the progress log; **TA**

(e) Minute 46/14/2(B1) of 23 April 2014 – a report had been submitted to the Trust Board on proposals for ring-fencing beds. Item to be marked as complete and removed from the progress log; **TA**

(f) Minute 46/14/2(B2) of 23 April 2014 – this action relating to mitigating service level RTT penalties had been superseded by the outcome of the contract arbitration process and could be removed from the progress log; **TA**

(g) Minute 30/14/1(a) of 26 March 2014 – the expected update on the development of an interface between e-prescribing and Sunquest ICE had been deferred to the 25 June 2014 to (to align with the timetable for the associated software upgrade); **CD, CSI**

(h) Minutes 30/14/1(b) and 30/14/1(c) of 26 March 2014 – progress updates were awaited from the General Manager, CSI regarding additional areas for Executive walkabouts and opportunities to include imaging reporting timescales within the main Q&P report, and **GM, CSI**

(i) Minute 17/14/3 of 26 February 2014 – the timetable for seeking PPI engagement in UHL's key strategic priorities would be reviewed by the Trust Board and could be removed from the Finance and Performance Committee progress log. **TA**

<u>Resolved</u> – that the matters arising report and any associated actions above, be noted. **NAMED LEADS**

56/14 STRATEGIC MATTERS

56/14/1 <u>Musculoskeletal and Specialist Surgery CMG Presentation</u>

The Clinical Director and General Manager attended the meeting from the Musculoskeletal and Specialist Surgery (MSS) Clinical Management Group (CMG) to present paper C providing a summary of the CMG's financial and operational performance. Introductions took place. During the presentation, Finance and Performance Committee members particularly noted:-

(a) progress with issued identified on the CMG's risk register, including:-
- reduction of follow-up backlogs and resolution of capacity issues in Ophthalmology using an outsourced provider (Newmedica);
- staffing levels on ward 16 had been resolved and this risk would now be removed from the register;
- ongoing risks surrounding elective cancellations;
- the scope to review the entry relating to electronic prescribing in line with progress of the EPMA project, and
- assurance provided that a process was in place for analysing any future service level risks and escalating these through the CMG Board meetings;

(b) financial performance in respect of patient care income (£73k adverse variance) and non-pay (£97k adverse variance);

(c) action plans were in place to address RTT performance in ENT, Ophthalmology and Elective Orthopaedics. National recruitment challenges relating to ENT Consultants were highlighted and consideration was being given to appointing locums in the short term. The impact upon the ENT service was being closely monitored and every effort was being made to avoid inefficiencies associated with split-site working. RTT

performance against the agreed trajectory was being reviewed weekly and a level of confidence was expressed regarding UHL's ability to deliver the required Orthopaedics activity in house, and

(d) concerns regarding fractured neck of femur performance and the flexibility required in theatre capacity to cope with peaks and troughs in activity (in order to provide surgery within the 36 hour threshold).

Following the presentation, Committee members raised the following comments and questions:-

(1) the Committee Chairman provided feedback from his recent Executive walkabout visit to Ward 32, commenting upon the positive attitude of staff in reducing incidents of pressure ulcer damage;

(2) Ms J Wilson, Non-Executive Director and Quality Assurance Committee (QAC) Chair confirmed her intention for QAC to undertake a further review of fractured neck of femur performance. The Committee Chairman suggested that opportunities to improve staffing levels on the fractured neck of femur ward through e-rostering also be explored; **QAC Chair**

(3) the Chief Executive thanked the CMG team for their clear presentation and commented upon the lessons learned from 2013-14 in respect of financial performance. In response, the Clinical Director expressed his view that delivering all planned patient activity would be crucial for 2014-15, as both pay and non-pay costs were relatively well-controlled;

(4) the Interim Director of Financial Strategy highlighted the CMG's risks surrounding delivery of CIP savings, noting the further work required to close gaps in assurance for those schemes currently RAG-rated as red;

(5) Ms J Wilson, Non-Executive Director sought and received assurance that the Ophthalmology activity outsourced to Newmedica had been incorporated into the financial forecast position and that all costs were covered by tariff. In response to a query from the Committee Chairman, the General Manager undertook to explore with Newmedica any opportunities for outsourcing activity from other specialties, eg ENT **GM, MSS**

(6) the Chief Operating Officer requested a progress update on the validation process for follow-up appointments and noted in response that no further significant issues had been identified, but a refreshed report was expected later that day, and

(7) the Committee Chairman noted the Clinical Director's comments regarding recruitment challenges within smaller clinical specialties and a decline in the number of medical school trainees coming forwards for small services within acute hospitals. The Clinical Director also highlighted support required to develop more ANP roles within such services.

<u>Resolved</u> – that (A) the presentation on the Musculoskeletal and Specialist Surgery CMG's operational and financial performance be received and noted;

(B) the Quality Assurance Committee be requested to review fractured neck of femur performance and the scope to strengthen staffing levels on the fractured neck of femur ward via e-rostering, and **QAC Chair**

(B) the General Manager, MSS be requested to contact Newmedica with a view to exploring other opportunities for outsourcing activity, eg ENT services. **GM, MSS**

56/14/2 <u>5 Year Planning Submission</u>

In the absence of the Director of Strategy, the Head of Planning and Business Development attended the meeting to provide an overview of the milestones and

headlines for the 20 June 2014 submission of UHL and LLR 5 year plans to the TDA. Members noted that the majority of the UHL chapters would be ready in draft form by 2 June 2014, although the finance chapter was expected to be slightly later than this. Finalised versions were planned to be available by 9 June 2014 for submission to the 16 June 2014 Extraordinary Trust Board meeting. It was noted that the reporting format had been adapted to make it shorter and more succinct (using a model from Bristol).

The Chief Executive reported on progress of the parallel process being undertaken in the LLR health economy, which appeared to be slightly behind the pace. He confirmed that a reconciliation process would be held following the 20 June 2014 submission to align the separate 5 year plans. The Interim Director of Financial Strategy voiced his concerns regarding the level of detail, timing of deadlines and UHL's reliance upon LLR workstreams. He highlighted the need for consistency across the various plans and the pressure to reach rapid conclusions within the timescale provided.

The Chief Executive re-iterated his concerns regarding the UHL and LLR planning processes being undertaken in parallel, noting that he had challenged the TDA on this point, but they remained committed to the original timescale. The outputs of the external Ernst Young workstreams were due to be presented to a meeting on 2 June 2014 and then a summit would be held on the evening of 3 June 2014, at which point UHL would be able to sense-check the major interventions proposed for each service model. Pending the outcomes of the LLR workstreams, members noted that the Trust should be prepared to revert back to original activity assumptions in the absence of any sustainable alternative provider plans.

In respect of PPI engagement, members noted that the LLR forum (Chaired by Ms J Fenelon) was well-established, but the last UHL engagement exercise had been undertaken in relation to the development of the 2 year operational plan. Members discussed the scope to use the 16 June 2014 UHL Members' Engagement Forum meeting to consult upon UHL's 5 year plan, but as this was being held on the same day as the Trust Board meeting, it was agreed to use the LLR PPI engagement framework for this purpose. **CE/DS**

Finally, the Interim Director of Financial Strategy drew members' attention to the crucial nature of developing financial plans to deliver a recurrent balance within the next 3 years and that this assumption would form the basis of UHL's capital aspirations and arrangements for maintaining the Trust's future cash flow. The Committee Chairman agreed to highlight this point at the next day's Trust Board meeting. **CHAIR MAN**

<u>Resolved</u> – that (A) the progress report on UHL's 5 Year Planning Submission be received and noted;

(B) PPI engagement in respect of UHL's 5 year plans be channelled through the LLR engagement forum, and **CE/DS**

(C) the development of plans to achieve a recurrent financial balance within the next 3 years be raised at the 29 May 2014 Trust Board meeting. **CHAIR MAN**

56/14/3 <u>Trust Development Authority – Presentation Slides</u>

The Chief Executive introduced paper D, a set of presentation slides summarising the Trust's Strategic and Operational plans for 2014-15 and 2015-16. He confirmed that constructive feedback had been received on the content of the presentation and that he and the Interim Director of Financial Strategy were due to present a similar presentation to the TDA later that afternoon.

<u>Resolved</u> – that the presentation slides on UHL's Strategic and Operational Plans for 2014-15 and 2015-16 be received and noted.

56/14/4 Update on Apportionment of Clinical Academic Posts and Landlord Elements of University Occupied UHL Premises

The Interim Director of Financial Strategy presented paper E, providing the Committee with progress reports on the following 2 distinct workstreams:-

(a) ***apportionment of clinical academic post funding*** – following a comprehensive validation exercise, a formal two-way process had been developed with the University of Leicester to develop post by post Service Level Agreements and re-base the budgets accordingly. Ms J Wilson, Non-Executive Director particularly supported this workstream noting the scope to increase visibility of posts and inform the Trust's strategy moving forwards. She sought assurance regarding the future frequency of such reviews and noted the Interim Director of Financial Strategy's view that such reviews would be undertaken regularly as part of the Trust's arrangements for "business as usual", and

(b) ***validation of UHL premises occupied by the University of Leicester*** – the Committee Chairman noted that the survey and assessment of embedded space had been undertaken already and that the subsequent validation work was expected to be completed by the end of July 2014.

The Committee requested that a further progress report on the above workstreams be provided to the 24 September 2014 Finance and Performance Committee meeting.

Resolved – that progress reports on the apportionment of clinical academic posts funding and landlord elements of University occupied UHL premises be presented to the 24 September 2014 meeting. **IDFS**

56/14/5 Updated Finance and Performance Committee Work Programme

The updated work programme provided at paper F was supported, subject to the appropriate information flows from cross-cutting CIP themes being confirmed. For example, the Committee was not expected to directly monitor the progress of the Outpatient Productivity scheme (as progress of this CIP scheme would be reported through the regular CIP submissions).

Resolved – that (A) the updated Finance and Performance Committee work programme be approved, and

(B) information flows relating to cross-cutting CIP schemes be clarified in the June 2014 CIP report. **COO**

56/14/6 Progress report on UHL's Financial and Business Awareness Training Programme

Building upon the success of the financial and business awareness training sessions for Consultants and SpRs, paper G outlined proposals for rolling out various levels of financial and business awareness training programmes for other UHL staff groups, including Non-Executive Directors, Finance and Procurement staff, Clinical Directors, General Managers, Service Managers and other budget holders. The Interim Director of Financial Strategy noted his slight reservations regarding the resources to deliver such a comprehensive programme of training, but he confirmed the essential nature of this work.

In discussion, Finance and Performance Committee members supported the direction of travel, noting the scope to make such training a developmental requirement for earned autonomy and requested that the details of the training programme be worked up for submission to a future meeting. **DDF**

Resolved – that (A) the outline proposals for developing a programme of financial and business awareness training be supported, and

(B) a detailed training programme be worked up and submitted to a future Finance and Performance Committee meeting for approval. **DDF**

57/14 FINANCE

57/14/1 2014-15 Cost Improvement Programme

Further to Minute 47/14/1 of 23 April 2014, the Chief Operating Officer and the Interim Director of Financial Strategy introduced paper H, advising that the current value of schemes on the CIP tracker was £38.43m and the risk adjusted total was £29.49m (against the target of £45m). The Committee particularly noted the following actions being progressed with a view to increasing the value of the 2014-15 programme (as set out in section 4 of paper H):-

(1) focussed work within the CMG management teams supported by the embedded EY resources;
(2) additional planned savings to be achieved through cross-cutting Trust wide schemes;
(3) short term measures to reduce run-rate expenditure/tighter controls ;
(4) plans to reduce headcount – the Chief Executive reported on various ways in which the 2% tactical workforce savings might be achieved, ie removing vacant posts, re-banding vacant posts, removing occupied posts through VSS or redundancy, and the less palatable option of re-banding occupied posts, and
(5) service reviews in loss-making specialties – the first 3 of these were noted to be ED, Vascular and Trauma and Orthopaedics and the next wave was currently being identified for a further rollout.

Section 5 of paper H detailed progress in respect of strengthening UHL's CIP governance arrangements confirming that this work had now been completed (as summarised in the CIP governance framework provided at appendix 4). Members noted that Ernst Young (EY) had also been requested to review UHL's current programme of work against the TDA Special Administrator Framework (a list of the actions that would be applied in the event of the Trust being placed under Special Administration). This assessment was expected to be complete by the end of May 2014 and the outputs would be included in the June 2014 CIP report. **COO**

During discussion on the CIP report:-

(a) Ms E MacLellan-Smith, EY Senior Manager stressed the importance of increasing the pace of actions (2) to (5) above and provided assurance that opportunities for non-recurrent savings were being explored to mitigate the part year impact of some recurrent schemes;

(b) the Chief Executive cautioned against over-reliance upon central controls and short term savings measures, noting that agency staffing controls could not be centrally-led for quality and safety reasons. In respect of the 2% target for headcount reductions, locally-led reviews were progressing well, although plans were in place to deliver these centrally (if required);

(c) Ms J Wilson, Non-Executive Director commended the improved CIP governance arrangements but sought further assurance regarding the scale and pace of the workstreams being undertaken within the CMG teams. In response, the Interim Director of Financial Strategy confirmed that a robust process had been established to sign off CMG level budgets, activity assumptions and CIP targets. In addition, any unidentified CIP savings had been phased into the plans in equal monthly instalments;

(d) the Chief Operating Officer briefed the Committee on the high calibre of EY support embedded within the CMG management teams. The CMG teams broadly fell into 3 categories – the first group was felt to be achieving the required standard and needed space to complete the work, the second group needed additional support but there was confidence that they would achieve the target in due course, and the third group were considered to be working hard but not making sufficient progress. The latter group was being monitored more closely and fortnightly reviews were being undertaken;

(e) the Chief Operating Officer voiced concerns regarding the Trust's ability to achieve financial balance within 3 years when there was still such a reliance upon external factors, and

(f) the Committee Chairman noted the scope to increase planned headcount reductions to achieve the full £45m CIP target, but the Chief Executive reiterated the need to factor premium rate and temporary staffing reductions into the overall CIP performance. The Chief Executive requested that headcount reductions be presented clearly in a single table alongside the financial savings in the June 2014 iteration of the CIP report. **COO**

Resolved – that the 2014-15 CIP update be received and noted and a further progress report be presented to the Finance and Performance Committee on 28 May 2014. **COO**

57/14/2 Month 1 Financial Performance for 2014-15

Papers I and I1 provided an update on UHL's performance against the key financial duties surrounding delivery of a planned surplus, achievement of the External Financing Limit (EFL) and achievement of the Capital Resource Limit (CRL), as submitted to the 29 May 2014 Trust Board and the 27 May Executive Performance Board (respectively).

The Interim Director of Financial Strategy summarised the key points arising from paper I, noting that the Trust did not yet have an agreed contact, there was a forecast shortfall of £6.6m against the £45m CIP target, the capital plan was currently over-committed and the Trust was reporting a month 1 deficit of £4.3m, which was £27k favourable to the planned position. Income was slightly behind plan, partly due to a £200k reduction for transplantation services during the recent pause in clinical service delivery. He particularly highlighted the potential risks surrounding capacity, penalties, RTT, CIP delivery, liquidity and the minimal contingency for unforeseen events.

In discussion on the financial performance reports, members sought and received clarity regarding the requirement to ring fence elective surgery beds, noting that much of the reported 9% increase related to additional RTT activity. In addition, members noted the need for the Women's and Children's CMG to identify additional CIP schemes to mitigate the slippage in some income-related schemes.

Finally, the Chief Executive reported that a ruling was expected to be received later that day from the TDA/LAT in respect of the contractual dispute with Commissioners and he undertook to update the Trust Board verbally at the 29 May 2014 meeting.

Resolved – that (A) the report on the Trust's Month 1 financial performance for 2014-15 be received and noted as papers I and I1, and

(B) the Chief Executive be requested to brief the Trust Board on the outcome of the TDA/LAT consideration of the Trust's contractual dispute with Commissioners at the 29 May 2014 meeting. **CE**

57/14/3 2013-14 Financial Forecasting and Managing Financial Positions – Lessons Learnt

The Interim Director of Financial Strategy introduced paper J, setting out the variances between the 2013-14 financial year end position and the control total and making recommendations for improving the robustness of monitoring arrangements and forecasting processes moving forwards. Appendix 1 provided an action plan to support improved financial robustness.

The Committee Chairman invited the Interim Director of Financial Strategy to highlight the biggest risks to the Trust arising from this review, noting in response that the management of change process within the Finance and Procurement Directorate would eventually provide strengthened support for CMGs and Corporate Directorates, however there was currently a 25% vacancy rate within the Directorate and active recruitment was taking place to fill these vacancies.

Ms J Wilson, Non-Executive Director noted that there were no target dates provided in respect of the actions to develop workforce plans and forecasts for each area. He agreed to continue populating the action plan and present an updated version to the Finance and Performance Committee in July 2014.

The Interim Director of Financial Strategy sought the Committee's view on the future format of financial reports to the Trust Board, Finance and Performance Committee and Executive Performance Board and queried whether the 2 page financial summary would still be required within the Q&P report. In response, the Chief Executive noted that a fully integrated financial and quality performance report would be regarded as a strength and he recommended that the full Trust Board financial report be incorporated into the Q&P report (in place of the existing 2 page summary). The Acting Chairman suggested that this option be considered further at the 29 May 2014 Trust Board meeting.

Resolved – that (A) the Interim Director of Financial Strategy be requested to present an updated action plan for improving robustness of financial monitoring and forecasting to the July 2014 Finance and Performance Committee meeting, and **IDFS**

(B) consideration be given to integrating the separate Trust Board financial performance report into the quality and performance report for future meetings. **IDFS**

57/14/4 PLICS, SLR and SLM Update

Paper K provided an update on the continued development of the following workstreams at UHL:-

- Patient Level Information and Costing System (PLICS)
- Service Line Reporting (SLR),
- Service Line Management (SLM), and
- the upcoming 2013-14 Reference Costing submission process – a copy of the self-assessment checklist would be presented to the June 2014 meeting with the Reference Cost submission for approval.

The Committee supported the proposal to convene a group to steer the Trust's direction of travel for SLR and the supporting data that is produced from the PLICS system. Draft terms of reference for this group were being prepared, for submission to a future meeting. Discussion took place regarding the progress made by a clinically led group within the Cardiology service and the positive impact arising from an increased service line focus upon clinical processes and patient pathways.

Resolved – that the update on PLICS, SLR and SLM be received and noted, and the Reference Cost submission be presented to the June 2014 meeting for approval.

58/14 PERFORMANCE

58/14/1 Month 1 Quality, Finance and Performance Report

Paper L provided an overview of UHL's quality, patient experience, operational targets, HR and financial performance against national, regional and local indicators for the month ending 28 February 2014 and a high level overview of the Divisional Heatmap report. Noting that a separate report on ED performance would be presented to the 24 April 2014 Trust Board meeting, the Chief Operating Officer reported on the following aspects of UHL's operational performance:-

Diagnostic test waiting times - a deterioration was reported in the number of patients waiting over 6 weeks;

Cancelled operations – performance for April 2014 stood at 1.1%. To date in May 2014 this had improved to 0.7%. A visit had taken place to NUH to review their cancelled operations performance and a specific funded resource had been appointed to support this workstream. Assurance was provided that a risk assessment mechanism was in place to prevent clinical harm arising from patients being re-booked outside the 28 day timescale. The Chief Operating Officer agreed to provide a trajectory for improving cancelled operations rates within future Q&P reports;

Delayed transfers of care – performance for April 2014 stood at 3.7% (slightly higher than the 3.5% threshold for good practice). Any delays in discharging medically fit patients (whose period of acute hospital care was concluded) continued to impact upon UHL's elective capacity and ED performance, and

Choose and book – slot unavailability had deteriorated to 22% for April 2014 and members noted the intrinsic links with RTT performance.

Resolved – that (A) the month 1 Quality, Finance and Performance report (paper L) and the subsequent discussion be received and noted, and

(B) the Chief Operating Officer be requested to develop a target trajectory for improving cancelled operations performance. **COO**

58/14/2 Progress Report on Referral to Treatment (RTT) Improvement Plan

Further to Minute 46/14/2 of 23 April 2014, the Chief Operating Officer introduced paper M providing an update on the RTT improvement plan. Admitted performance stood at 78.9% and the target was expected to be achieved in November 2014. Non-admitted performance stood at 94.3% (including the Alliance contract) and the target was expected to be achieved in August 2014. Disappointingly, 3 patients had moved across to UHL with the Alliance contract at 51 weeks into the patient journey, resulting in three 52-week breaches. RTT performance in respect of the 4 challenged specialties continued to be monitored closely. In discussion on paper M, the Finance and Performance Committee:-

(a) noted concerns raised by NHS England in respect of the timescales for recovering RTT performance, the additional national funding that was likely to be made available to support this workstream during the summer months and considered the impact of delays in agreeing the recovery plans with Commissioners;
(b) queried whether the supporting resources for RTT improvement plans were sufficiently robust and noted that discussions were ongoing with the Chief Executive and the Director of Human Resources regarding the scope to increase this management resource;
(c) noted the impact of delays in recruiting to key clinical posts with the ENT service, which was managed by the MSS CMG;

(d) considered the links with improving medical productivity and the arrangements for seeking assurance that appropriate activity levels were being delivered prior to additional waiting list incentives – the Committee Chairman agreed to escalate this issue for discussion at the 29 May 2014 Trust Board meeting.

Resolved – that (A) the progress report on RTT improvement plan be received and noted, and

(B) issues relating to payment of waiting list incentives and medical productivity within normal working hours be escalated for discussion at the May 2014 Trust Board meeting. **CHAIR MAN**

58/14/3 Progress Report on Clinical Letters Backlog

Further to Minute 46/14/3 of 23 April 2014, the Chief Operating Officer reported verbally, updating the Committee on progress with reducing the backlog of clinical letters. Following a meeting between the CMGs and the IM&T Department on 19 May 2014, some positive progress had been made and it was expected that a detailed report on performance against KPIs and an update on the outstanding IM&T issues would be presented to the June 2014 Finance and Performance Committee meeting.

Resolved – that (A) the progress report on reducing the backlog of clinical letters be received and noted, and

(B) a further report on the clinical letters backlog be presented to the Finance and Performance Committee on 25 June 2014. **COO**

58/14/4 UHL Capacity Plan 2014-15

Further to Minute 41/14 of 23 April 2014, the Chief Operating Officer introduced paper O providing an update on the proposals for modelling the "right-sizing" of UHL capacity for 2014-15. Members noted that the latest iteration of the plan aimed to increase UHL's bed stock by 45 beds and was also predicated on moving appropriate elective work to day case, introducing surgical triage and reducing delayed transfers of care to 3.5%.

The report highlighted the complex range of actions required within the domains of quality, finance, recruitment, operational and strategy and that a dedicated EY project resource, Mr T Moyo, had commenced a 3 month placement with UHL on 27 May 2014. Discussion took place regarding the timescale for the planned delivery of the modular wards in September 2014 and any opportunities to improve UHL's processes in the meantime, eg reducing medical outliers in elective surgical beds.

Resolved – that the update on UHL's capacity plan for 2014-15 be received and noted.

59/14 SCRUTINY AND INFORMATION

59/14/1 Clinical Management Group (CMG) Performance Management Meetings

Resolved – that the action notes arising from the April 2014 CMG Performance management meetings (paper P) be received and noted.

59/14/2 Executive Performance Board

Resolved – that the notes of the 22 April 2014 Executive Performance Board meeting (paper Q) be received and noted.

59/14/3 Quality Assurance Committee (QAC)

Resolved – that the 23 April 2014 QAC Minutes (paper R) be received and noted.

60/14 ITEMS FOR DISCUSSION AT THE NEXT FINANCE AND PERFORMANCE COMMITTEE

Paper S provided a draft agenda for the 25 June 2014 meeting and a number of minor amendments were agreed:-

TA

- remove the 5 year planning submission item, and
- remove the item on Service Line Management.

The Trust Administrator was requested to update the agenda with the additional items agreed at this meeting and circulate a revised version outside the meeting.

Resolved – that the items for consideration at the Finance and Performance Committee meeting on 25 June 2014 (paper S) be noted, and the Trust Administrator be requested to update and recirculate the draft agenda outside the meeting. **TA**

61/14 ANY OTHER BUSINESS

Resolved – that there were no items of any other business raised.

62/14 ITEMS TO BE HIGHLIGHTED TO THE TRUST BOARD

Resolved – that the following issues be highlighted verbally to the Trust Board meeting on 24 April 2014:-

- Minute 56/14/1 – concerns raised relating to ENT Consultant recruitment by the Musculoskeletal and Specialist Surgery CMG
- Minute 56/14/2 – progress of the 5 year planning submission;
- Minute 57/14/2 – assurance provided regarding short-term liquidity, and
- Minute 58/14/2 – RTT improvement plan (including waiting list incentives and medical productivity.

63/14 DATE OF NEXT MEETING

Resolved – that the next Finance and Performance Committee be held on Wednesday 25 June 2014 from 8.30am – 11.30am in Seminar Rooms A and B in the Clinical Education Centre at Leicester General Hospital.

The meeting closed at 11am

Kate Rayns,
Trust Administrator

Attendance Record 2014-15

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
R Kilner (Chair)	2	2	100%	P Hollinshead	2	2	100%
J Adler	2	2	100%	G Smith *	2	2	100%
I Crowe	2	1	50%	J Wilson	2	2	100%
R Mitchell	2	2	100%				

* non-voting members

BB

University Hospitals of Leicester NHS
NHS Trust

Trust Board paper BB

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 26 June 2014

COMMITTEE: Quality Assurance Committee

CHAIRMAN: Ms J Wilson, Non-Executive Director

DATE OF COMMITTEE MEETING: 28 May 2014

RECOMMENDATIONS MADE BY THE COMMITTEE FOR CONSIDERATION BY THE TRUST BOARD:

- **None.**

OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR CONSIDERATION/ RESOLUTION BY THE TRUST BOARD:

- **RTT report – a section within this report to include an update on the safety implications and clinical quality risk assessments (Minute 32/14 (a));**
- **to propose at the Trust Board that the Trust's Quality Commitment was highlighted in any communication relating to the LLR Mortality Review, (Minute 33/14/1);**
- **discussion around administrative processes around partial booking (Minute 34/14/6), and**
- **triangulation of patient feedback (Minute 35/14/1).**

DATE OF NEXT COMMITTEE MEETING: 25 June 2014

Ms J Wilson – Non-Executive Director and QAC Chair
20 June 2014

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

MINUTES OF A MEETING OF THE QUALITY ASSURANCE COMMITTEE HELD ON WEDNESDAY 28 MAY 2014 AT 12:30PM IN THE LARGE COMMITTEE ROOM, LEICESTER GENERAL HOSPITAL

Present:
Ms J Wilson – Non-Executive Director (Chair)
Dr S Dauncey – Non-Executive Director
Dr K Harris – Medical Director
Ms C O'Brien – Chief Nurse and Quality Officer, East Leicestershire CCG (non-voting member)

In Attendance:
Dr B Collett – Associate Medical Director (Clinical Effectiveness)
Miss M Durbridge – Director of Safety and Risk
Mrs S Hotson – Director of Clinical Quality
Mrs H Majeed – Trust Administrator
Mrs C Ribbins – Director of Nursing
Mr I Scudamore – CMG Director, Women's and Children's (for minutes 34/14/1 and 34/14/3)
Ms K Wilkins – CMG Head of Nursing, Women's and Children's (for minute 34/14/2)

RESOLVED ITEMS **ACTION**

29/14 APOLOGIES

Apologies for absence were received from Mr J Adler, Chief Executive; Mr M Caple, Patient Adviser; Ms K Jenkins, Non-Executive Director; Ms R Overfield, Chief Nurse; Mr P Panchal, Non-Executive Director and Professor D Wynford-Thomas, Non-Executive Director and Dean of the University of Leicester Medical School.

30/14 MEMBERSHIP OF QAC

The Committee Chair advised that Ms K Jenkins, Non-Executive Director had stood down from QAC and Ms S Dauncey, Non-Executive Director had been included on the membership.

Resolved – that the update on the membership be noted.

31/14 MINUTES

In respect of Minute 22/14/3, the Director of Clinical Quality noted an amendment to the first sentence – 'three site based reports' be replaced with 'five reports'. **TA**

Resolved – that subject to the above correction, the Minutes (papers A and A1) from the meeting held on 23 April 2014 be confirmed as a correct record. **TA**

32/14 MATTERS ARISING REPORT

Members received and noted the contents of paper 'B', noting that those actions now reported as complete (level 5) would be removed from future iterations of this report. Members specifically reported on progress in respect of the following actions:- **TA**

(a) Minute 22/14/2 (b) (report to EQB re. RTT) – further to a brief discussion, it was suggested that one overall report re. RTT be prepared for discussion at the Finance and Performance Committee and a section within this report to include an update on the safety implications and clinical quality risk assessments which would need to be submitted to the EQB and QAC; **MD**

(b) Minute 23/14/3 (d) – a risk assessment in respect of ring fencing elective capacity be

presented to Executive Team in June 2014 noting that a regular update on this matter would also be presented to Trust Board; **MD**

(c) Minute 14/14/2 – the Director of Nursing advised that Information Boards were now in place in ward entrances. This action could now be removed from the log, and **TA**

(d) Minute 120/13/7 (regarding whether any support from QAC was required in terms of expediting a particular case to get 'full assurance') – the Director of Nursing informed members that this had been discussed at the Children's Safeguarding Board and further information was awaited from other parties. Therefore, this action could now be closed. The Director of Nursing advised that funding had been received to increase the staffing in the adults safeguarding team. **TA**

Resolved – that the matters arising report (paper B) and the actions above, be noted and undertaken by those staff members identified. **MD/TA**

33/14 QUALITY

33/14/1 Quality Commitment – Final Version

Further to Minute 22/14/6 of 23 April 2014, the Director Clinical Quality presented paper 'C', which detailed the refreshed quality commitment priorities for 2014-15. For each of the priorities, an action had been identified together with a programme/corporate lead, key performance indicators and frequency of reporting. The detail of the quality commitment would be monitored through the Executive Quality Board.

Ms C O'Brien, Chief Nurse and Quality Officer, East Leicestershire CCG requested that the recommendations from the impending LLR mortality review were mapped onto the quality commitment priorities accordingly. In response, the Director of Clinical Quality advised that the recommendations had been considered however wording to that effect had not been included in the Quality Commitment as the recommendations from that review were not yet in the public domain. The Committee Chair undertook to raise this matter at the private section of the Trust Board on 29 May 2014. **Chair**

In respect of the future arrangements for reporting against the Quality Commitment, it was noted that standard reporting templates were being developed which would include the key performance indicators (KPIs) incorporating an update on the narrative and the numbers. Ms C O'Brien requested that updates in respect of the Quality Commitment KPIs were included within the Quality Schedule reports to the Clinical Quality Review Group. **DCQ**

Resolved – that (A) the contents of this report be received and noted;

(B) the Committee Chair to propose at the Trust Board that the Trust's Quality Commitment was highlighted in any communication relating to the LLR Mortality Review, and **Chair**

(C) an update on the Quality Commitment KPIs be included within the Quality Schedule reports to the Clinical Quality Review Group. **DCQ**

33/14/2 Month 1 – Quality and Performance Update

Members received and noted the contents of paper 'D', detailing the quality and performance updates for the period ending April 2014 (Month 1).

The Medical Director/Director of Nursing highlighted the following:-

(a) performance for time to surgery within 36 hours for fractured neck of femur patients was below the target of 72%. The MSS CMG had been tasked to develop an action **MSS**

plan which would be presented to the Executive Team in June 2014 and monitored through the EQB. Further to discussion at EQB, assurance be provided to QAC, as appropriate; **CMG/ MD**

(b) a total of three maternal deaths in January and February 2014;

(c) an update on critical safety actions was provided. Dr Annamaneni had been appointed as the new Trust lead for the critical safety action relating to Early Warning Score;

(d) the friends and family score was 69.6;

(e) an update on the detailed expectation from Trusts on delivering nurse staffing information was scheduled to be presented to the Trust Board on 29 May 2014;

(f) in respect of the clinical measures dashboard, evidence of quality of care was being reviewed. In response to a query from Dr S Dauncey, Non-Executive Director regarding the sustainability in respect of the metrics review tool, the Director of Nursing advised that this had been discussed at the Nursing Executive Team (NET) meeting and the matrons had been requested to undertake the audits in the first month and be given the time to action the findings in order for this to be sustainable. The Committee Chair requested that the information regarding which wards were focused on and the main concerns in these wards be included in future versions of the Q&P report in addition to the whole ward performance dashboard, and **DN**

(g) responding to a query on improving pressure ulcer performance, the Director of Nursing advised that appropriate education and management of individual cases was being taken forward, and

(h) responding to a query from Ms C O'Brien, Chief Nurse and Quality Officer, EL CCG regarding the process for managing patients who had been waiting over 18 weeks for treatment, the Medical Director advised that the case notes of these patients would be reviewed to ascertain whether there had been any harm as a result of the additional delay. If the review indicated harm, then it would be reported as an incident. Ms C O'Brien raised further queries in respect of the tracking system for priority areas and the judgement that was being used to prioritise patients. Further to a brief discussion, Ms O'Brien undertook to liaise with the Medical Director and Chief Nurse outside the meeting to seek assurance regarding the Trust's processes for patients being prioritised based on clinical needs. **CN, ELCCG**

<u>Resolved</u> – that (A) the contents of this report be received and noted;

(B) the MSS CMG be requested to present an action plan to improve fractured neck of femur performance to a meeting of the Executive Team in June 2014. The action plan be monitored through the EQB and assurance be provided to QAC, as appropriate; **MSS CMG/ MD**

(C) the Director of Nursing to ensure that information regarding which wards were focused on and the main concerns in these wards was included in future versions of the Q&P report in addition to the whole ward performance dashboard, and **DN**

(D) Ms C O'Brien , Chief Nurse and Quality Officer, East Leicestershire CCG be requested to liaise with the Medical Director and Chief Nurse outside the meeting in respect of the matter detailed in point (h) above. **CN, EL CCG**

33/14/3 <u>Quality and Performance Report – Future Format</u>

The Director of Clinical Quality advised that a draft version of the new quality and performance report had been formulated by the Chief Nurse, Chief Operating Officer and the Assistant Director of Information. The next step was for a discussion to be held with the Executive Directors. Further to this, the future format of the Q&P report would be presented to the QAC in June 2014. **CN**

<u>Resolved</u> – that (A) the verbal update be noted, and

(B) the future format of the quality and performance report be presented to the **CN/TA**

QAC in June 2014.

33/14/4 CQC Report and Action Plan

The Director of Clinical Quality presented paper 'F', which detailed progress against compliance actions detailed in the CQC action plan. In respect of the monitoring progress against the action plan, it was noted that progress would be reported on a monthly basis at the EQB and QAC.

In respect of an area for improvement relating to 'reviewing medical staffing and support staffing for CDU', the Committee Chair noted that the deadline for reviewing the staffing model was currently October 2014 and she suggested that a phased approach be taken and some actions be put in place prior to October 2014. She suggested that this matter be discussed at EQB in June 2014. **DCQ**

Resolved – that (A) the contents of this report be received and noted, and

(B) the Director of Clinical Quality to ensure that a discussion was held at EQB in June 2014 in respect of bringing forward the deadline for reviewing the staffing model in respect of the area for improvement relating to 'reviewing medical staffing and support staffing for CDU'. **DCQ/TA**

33/14/5 CQC Registration of Alliance Contract Locations

The Director of Clinical Quality presented paper 'G' which provided background to the set up of the Alliance and set out the governance and reporting structure in relation to UHL. Responding to a query, it was noted that regular/quarterly monitoring reports would be presented to EQB and the Alliance would be regarded as an eighth virtual CMG. **Alliance Director/ TA**

The Director of Safety and Risk reported that some members of her team have undertaken a walkabout on areas of the Alliance from a safety/risk point of view and members of the Alliance have welcomed this engagement.

Resolved – that (A) the contents of this report be received and noted, and

(B) regular monitoring reports in respect of the Alliance contract be presented to the EQB. **Alliance Director/ TA**

33/14/6 CIP Schemes Quality Impact Assessment

The Medical Director presented paper 'H', which detailed the list of CIP schemes which had been approved further to quality impact assessments being undertaken. Members noted that quality impact assessments were sought automatically for any CIP scheme with a value greater than £50k or with a risk rating at 15 or above.

Responding to a query from the Chief Nurse, ELCCG regarding the process for monitoring the approved schemes, the Medical Director advised that specific additional KPIs had not been introduced, however, oversight in respect of these schemes was sought at the CMG performance management sessions and any issues would be escalated to EQB, by exception.

The Director of Safety and Risk queried the process for undertaking the quality impact assessments highlighting that the quality and safety had not been involved, in response the Medical Director advised that a PMO set up and process was now in place and undertook to circulate a report outside the meeting. **MD**

Resolved – that (A) the contents of this report be received and noted, and

(B) the Medical Director to circulate a report outside the meeting re. the PMO set up and process for undertaking quality impact assessments of CIP schemes. **MD**

34/14 SAFETY

34/14/1 Update on Perinatal Mortality and Puerperal Sepsis

The CMG Director, Women's and Children's provided a brief background on perinatal mortality in UHL and presented paper 'I', providing assurance to the QAC that UHL perinatal mortality rate was being appropriately monitored, and that strategies were being developed to reduce the rate. A structure had been put in place for identification of perinatal deaths across the whole of UHL. All perinatal deaths were logged on a database, and an annual statistical review was undertaken. Perinatal mortality had been included on the quality dashboard and the run rate was routinely monitored and overseen by the Perinatal Mortality Working Group which was chaired by the CMG Director, Women's and Children's.

Data provided by Dr Fosters in 2013 suggested that UHL had a high perinatal mortality relative risk. On closer evaluation of the Trust's data in collaboration with representatives from Dr Fosters it became apparent that the Trust's high relative risk largely arose from a very low expected perinatal mortality based on the coding of babies born. Dr Fosters suggested that the Trust used an unusual pattern of coding, assigning codes associated with an increased risk of mortality to very few babies compared to other Trusts. Work was being undertaken to identify and code the diagnoses accurately and a methodology for this would be developed. Other Trusts would be contacted to ascertain the coding methodologies that they used. The Committee Chair noted the significant progress that had been made and requested that an update be provided to QAC in six months' time (i.e. November 2014). **CMG Director, W&C**

Further to Minute 87/13/2 of 25 September 2013, the CMG Director, Women's and Children's tabled the 'Puerperal Sepsis CQC Alert Action Plan'. Following the 2013 CQC alert, the CMG had worked with the clinical coders to improve the clinical relevance of the coding process and developed a flowchart to ensure that coding better reflected the actual levels of septic illness experienced by patients. Further to the Trust's response, the CQC had indicated that the alert would be closed however formal confirmation had not yet been received. The Director of Clinical Quality reported that she had a meeting scheduled with a CQC assessor on 2 June 2014 and if further details of the alert were provided to her then she could liaise with the assessor in respect of closing the alert. **CMG Director, W&C**

Responding to a query from the Chief Nurse, ELCCG, the CMG Director, Women's and Children's undertook to provide assurance outside the meeting in respect of whether spot audits were being undertaken for checking of perineal wounds by midwives. **CMG Director, W&C**

The Committee Chair requested that a verbal update on the implementation and effectiveness of the flowchart to improve accuracy of initial coded diagnoses in respect of puerperal sepsis be provided to the QAC in September 2014. **CMG Director, W&C/ CMG Rep**

Resolved – that (A) the contents of this report be received and noted;

(B) the CMG Director, Women's and Children's to provide :- **CMG Director, W&C/ TA**

- **an update on perinatal mortality to the QAC in November 2014;**
- **further details on the actions taken in respect of the perinatal mortality alert to the Director of Clinical Quality;**
- **assurance to the Chief Nurse, ELCCG outside the meeting in respect of whether spot audits were being undertaken for checking of perineal wounds by midwives, and**

(C) the CMG Director Women's and Children's or a representative to provide a verbal update on the implementation and effectiveness of the flowchart to **CMG**

improve accuracy of initial coded diagnoses in respect of puerperal sepsis to the QAC in September 2014. **Director, W&C/ CMG Rep**

34/14/2 Report by the Head of Nursing, Women's and Children's

Resolved – that this Minute be classed as confidential and reported in private accordingly.

34/14/3 SUI Report – Retained Vaginal Swab

Paper K provided a summary of events and update into a SUI relating to a retained vaginal swab and assurance that actions had been taken to prevent recurrence. The CMG Director, Women's and Children's provided a brief background in respect of this incident and the actions that had been put in place following a review.

Dr S Dauncey, Non-Executive Director noted that although a number of actions had been put in place, she queried whether an audit process was in place to ensure that the actions had been completed. The Committee Chair requested that an update be provided in six months' time on how the CMG sought assurance that the recommendations had been followed through and whether an audit mechanism was in place to monitor the actions been put in place following this incident. **CMG Director, W&C**

Resolved – that (A) the contents of this report be received and noted, and

(B) the CMG Director, Women's and Children's to provide an update to the QAC in November 2014 on how the CMG sought assurance that the recommendations from the review had been followed through and whether an audit mechanism was in place to monitor actions been put in place following the above incident. **CMG Director, W&C**

34/14/4 Existing Process for the RCA Group and recommendations for the future

The Director of Safety and Risk advised verbally that when the governance arrangements were re-organised and the EQB and its sub groups were established, it was suggested that the Patient Safety Group had a subgroup to review and monitor implementation of actions arising from a root cause analysis action plans. Work was in progress for establishing this group which was expected to be in place by July 2014.

Resolved – that the verbal update be noted.

34/14/5 Patient Safety Report

The Director of Safety and Risk presented paper 'L', which detailed the monthly patient safety report. Members' attention was drawn to the following:-

- update on Five Critical Safety Actions;
- walkabout thematic review April 2014;
- 3636 Staff Concerns Report line – concerns reported for April 2014;
- CQC Whistleblowing Concerns raised;
- SUIs reported and closed in April 2014;
- CAS performance for April 2014, and
- 45 Day RCA Performance.

Particular discussion took place regarding the following points:

(i) the proposal that the Trust no longer continued to report all 10 x medication errors as serious incidents undertaking a full root cause analysis investigation (as this had been an internal decision applicable only to UHL) and instead in the future it was proposed that whilst all medication errors within the Trust continued to be reported, the grading criteria should be

properly applied and the appropriate reporting investigation process undertaken, i.e. 10 x medication error with no harm = not an SUI and not reported as such, 10 x medication error causing harm = SUI and appropriate reporting. This proposal had been supported by the EQB at its meeting on 7 May 2014 (note 7.1 refers). The QAC also supported this proposal noting that all medication errors would be continued to be monitored by the Medicines Optimisation Committee, and

(ii) a completed root cause analysis report and a consolidated action plan relating to two SUIs in ophthalmology department be presented to the QAC, when available. **DSR**

<u>Resolved</u> – that (A) the contents of this report be received and noted,

(B) a completed root cause analysis report and a consolidated action plan relating to two SUIs in ophthalmology department be presented to the QAC, when available. **DSR/TA**

34/14/6 <u>Out-Patient Follow-Up Arising from Backlog Letters Across the Trust</u>

The Medical Director re-iterated that this agenda item was in relation to a potential issue that had been identified in the way outpatient follow up appointments were being managed, where in some cases (approximately 20000) appointments had not been made in a timely way. Administrative processes around partial booking were not appropriately followed. CMGs had now been advised of the processes that should be followed for all patients who required follow up appointments. The CMGs had been asked to provide assurance that instructions provided had been implemented in all their Specialties and all patients awaiting follow up outpatient appointments had been captured on the Trust's HISS system. A task and finish group had been convened to oversee and provide assurance in relation to concerns about delays and loss of patients to follow up UHL outpatient services. The Committee Chair requested that a report on the outstanding follow-up appointment numbers by Specialty, clinical importance and the steps taken to resolve the issues be presented the QAC in June 2014. The Chief Nurse, EL CCG noted the need for clinical oversight and scrutiny to ensure that such issues did not re-occur. In response, the Medical Director advised that monitoring processes were now in place to ensure that procedures were being followed. The Committee Chair undertook to raise this matter at the Trust Board in May 2014. **MD**

<u>Resolved</u> – that (A) the verbal update be received and noted, and

(B) the Medical Director be requested to present a report on the outstanding follow-up appointment numbers by Specialty, clinical importance and the steps taken to resolve the issues to the QAC in June 2014. **MD/TA**

34/14/7 <u>Use of Non-Luer Devices for Non-Chemotherapeutic, Spinal, Epidural and Regional Anaesthetic Procedures</u>

Further to note 7.5 of EQB on 7 May 2014, the Associate Medical Director presented paper 'M' which provided a background on the 2009 National Patient Safety Agency (NPSA) patient safety alert recommending healthcare organisations to use non-luer devices for spinal (intrathecal), epidural and regional procedures (i.e. neuraxial procedures) and the NHS England patient safety alert which superseded the 2009 NPSA alert.

In relation to managing the risks, there were two options currently available to the Trust:

- continue to use luer equipment for epidural and regional anaesthesia with the existing controls in place (as listed in appendix one of paper M) until such time that the ISO specification was agreed, and
- use the currently available non-luer devices by 'mixing and matching' the

acceptable components from different manufacturers. Some inherent risks must be considered with this option in as much that by connecting together components from different manufacturers meant that the Trust had created a new device and therefore product liability was transferred to the Trust. In this instance if there was a physical failure of any of the components leading to patient injury, then the Trust would be liable for any future claim without any further recourse to the original manufacturer.

Further to discussion at EQB, the risk score had been increased to 15. The EQB had referred this matter to the QAC for appropriate consideration. Further to discussion, it was noted that as this was a clinical decision it needed to be referred to the Medical Devices Group. The Committee Chair requested that the Medical Devices Group considered this matter and the recommendation from this Group be discussed with the Director of Corporate and Legal Affairs' team for ratification. **Medical Devices Group**

Resolved – that (A) the contents of this report be received and noted, and

(B) the Medical Devices Group be requested to consider the options in respect of the use of Non-Luer Devices for Non-Chemotherapeutic, Spinal, Epidural and Regional Anaesthetic Procedures and discuss its recommendation with the Director of Corporate and Legal Affairs' team for ratification. **Medical Devices Group**

34/14/8 Quarterly Health and Safety Report

Paper N detailed the 2013-14 quarter 4 (January-March 2014) health and safety report. An update on RIDDOR reporting, health and safety services training and claims was provided.

Members noted that security staff had been instructed by Interserve's senior management teams not to accede to requests from clinical staff to intervene in cases where patients required some form of physical restraint. This was on the basis that security staff were not insured for these actions and therefore were liable to prosecution and/or litigation should they intervene on such occasions. This has resulted in the issue being raised on the Trust's Risk Register with an initial risk rating of 25. However, further to discussions with Interserve, the risk score had been downgraded to 16. A request for an addendum to the Interserve contract had been made – the Committee Chair requested that a verbal update under 'matters arising' be provided to confirm whether this had been actioned. **CN**

Responding to a query from the Committee Chair, the Director of Safety and Risk undertook to discuss at the June 2014 Health and Safety Committee regarding any health and safety key performance indicators that needed to be included in the quality and performance report. **DSR**

Resolved – that (A) the contents of this report be received and noted;

(B) the Chief Nurse be requested to provide a verbal update under matters arising at the June 2014 QAC meeting regarding whether the addendum to the Interserve contract in respect of security staff had been accepted, and **CN/TA**

(C) the Director of Safety and Risk undertook to discuss at the June 2014 Health and Safety Committee regarding any health and safety key performance indicators that needed to be included in the quality and performance report. **DSR**

35/14 PATIENT EXPERIENCE

35/14/1 Triangulation of Patient Feedback

Further to Minute 24/14/4 of 23 April 2014, the Director of Nursing presented paper 'O'

which detailed work recently undertaken for the purpose of routinely triangulating patient feedback which was focused upon the qualitative elements of feedback and excluded the National Patient Survey results, local Patient Experience Survey question results and other questionnaire based surveys.

The main 'negative' theme arising from the triangulation of feedback related to waiting times and the main 'positive' theme was staff attitude.

The Director of Nursing advised that this report was labour intensive and recommended that the CMGs received this information on a monthly basis, however a strategic level report be provided to the QAC on a quarterly basis. This was agreed. **DN**

Responding to a query from the Director of Safety and Risk, the Committee suggested that complaints data (rate, trend and numbers of complaints by CMG) either be included in the patient experience triangulation report or in the quarterly patient safety report but noted the need for both these reports to be presented to the QAC in the same month. **DSR**

Resolved – that (A) the contents of this report be received and noted;

(B) the triangulation of patient feedback report now be presented to the QAC on a quarterly basis, and **DN**

(C) specific complaints data (to include rate, trends and numbers by CMG) be included in future iterations of the triangulation of patient feedback report or as part of the quarterly patient safety report. If the latter, then both the reports to be presented to the QAC in the same month. **DSR**

36/14 MINUTES FOR INFORMATION

36/14/1 Executive Quality Board

Resolved – that the Minutes of the Executive Quality Board meetings held on 2 April 2014 and 7 May 2014 (papers P and P1 refer) be received and noted.

36/14/2 Finance and Performance Committee

Resolved – that the public Minutes of meeting of the Finance and Performance Committee held on 23 April 2014 (paper Q) be received and noted.

36/14/3 Executive Performance Board

Resolved – that the Minutes of the Executive Performance Board meeting held on 22 April 2014 (paper R refers) be received and noted.

37/14 ANY OTHER BUSINESS

Resolved – that there were no further items of business.

38/14 IDENTIFICATION OF ANY KEY ISSUES FOR THE ATTENTION OF THE TRUST BOARD

Resolved – that the QAC Chair be requested to bring the following issues to the attention of the Trust Board at its meeting the following day:

- **RTT report – a section within this report to include an update on the safety implications and clinical quality risk assessments (Minute 32/14 (a));**
- **to seek the Trust Board's view on the value of sharing the recommendations arising from the LLR Mortality Review within the Trust's Quality Commitment (Minute 33/14/1);**

- **report by the Head of Nursing, Women's and Children's (Minute 34/14/2);**
- **discussion around administrative processes around partial booking (Minute 34/14/6), and**
- **triangulation of patient feedback (Minute 35/14/1).**

39/14 DATE OF NEXT MEETING

Resolved – that the next meeting of the Quality Assurance Committee be held on Wednesday 25 June 2014 from 12.00noon until 4.00pm in the Seminar Rooms 1A and 1B, Clinical Education Centre, Leicester General Hospital.

The meeting closed at 3.30pm.

Cumulative Record of Members' Attendance (2014-15 to date):

Name	*Possible*	*Actual*	*% attendance*	*Name*	*Possible*	*Actual*	*% attendance*
J Adler	2	1	50	*R Overfield*	2	1	50
*M Caple**	2	1	50	*P Panchal*	2	1	50
S Dauncey	2	1	50	*J Wilson (Chair)*	2	2	100
K Harris	2	2	100	*D Wynford-Thomas*	2	0	0
K Jenkins	1	0	0				
*C O'Brien – East Leicestershire/Rutland CCG**	2	1	50				

- ** non-voting members*

Hina Majeed
Trust Administrator

CC

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

Trust Board Bulletin – 26 June 2014

The following reports are attached to this Bulletin as items for noting, and are circulated to UHL Trust Board members and recipients of public Trust Board papers accordingly:-

- **Updated declaration of interests from Mr R Kilner, Acting Trust Chairman** – Lead contact point Mr S Ward, Director of Corporate and Legal Affairs (0116 258 8615) – **paper 1**.

It is intended that these papers will not be discussed at the formal Trust Board meeting on 26 June 2014, unless members wish to raise specific points on the reports.

This approach was agreed by the Trust Board on 10 June 2004 (point 7 of paper Q). Any queries should be directed to the specified lead contact point in the first instance. In the event of any further outstanding issues, these may be raised at the Trust Board meeting with the prior agreement of the Chairman.

Updated 2014-15 Trust Board declaration of interest (addition shown in bold)

NAME	POSITION	INTEREST(S) DECLARED
Mr R Kilner	Acting Trust Chairman	Managing Director of Deltex Consulting Ltd. Non-Executive Director of Triconnex Ltd; Non-Executive Chairman of SHS Integrated Services Ltd. **Director of Glebe Meadow Developments Ltd.**