Trust Board paper S

University Hospitals of Leicester NHS
NHS Trust

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 3 December 2015

COMMITTEE: Integrated Finance, Performance and Investment Committee

CHAIR: Ms J Wilson, Non-Executive Director

DATE OF COMMITTEE MEETING: 29 October 2015

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

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

- **Minute 111/15/5 – Interserve Facilities Management Performance;**
- **Minute 113/15/4 – 2016-17 Planning Principles**
- **Minute 113/15/6 – Overview of the Workforce Cross-Cutting CIP Theme;**
- **Minute 115/15/1 – East Midlands Congenital Heart Centre Interim FBC, and**
- **Minute 115/15/2 – Children's Hospital PID.**

DATE OF NEXT COMMITTEE MEETING: 26 November 2015

Ms J Wilson
Non-Executive Director and Committee Chair

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

MINUTES OF A MEETING OF THE INTEGRATED FINANCE, PERFORMANCE AND INVESTMENT COMMITTEE (IFPIC), HELD ON THURSDAY 29 OCTOBER 2015 AT 8.30AM IN THE BOARD ROOM, VICTORIA BUILDING, LEICESTER ROYAL INFIRMARY

Voting Members Present:
Ms J Wilson – Non-Executive Director (Committee Chair)
Colonel (Retired) I Crowe – Non-Executive Director
Dr S Dauncey – Non-Executive Director
Mr R Mitchell – Chief Operating Officer (from Minute 111/15/2)
Mr M Traynor – Non-Executive Director
Mr P Traynor – Chief Financial Officer

In Attendance:
Mr S Barton – Director of CIP and Future Operating Model
Mr C Benham – Director of Operational Finance
Dr A Bolger – Head of Service (for Minutes 115/15/1 and 115/15/2 only)
Mr N Callow – Empath Director of Finance (for Minutes 111/15/1 and 11/15/2 only)
Mr J Clarke – Chief Information Officer (for Minute 111/15/4 only)
Ms J Davies – Ernst Young (for Minutes 113/15/5 and 113/15/6 only)
Mr G Di Stefano – Head of Strategic Development (for Minute 113/15/4 only)
Mr A Furlong – Acting Medical Director (from Minute 113/15/5)
Ms M Gordon – Patient Partner
Mr P Gowdridge – Head of Strategic Finance (for Minutes 115/15/1 and 115/15/2 only)
Mr W Monaghan – Director of Performance and Information
Mr R Moore – Non-Executive Director
Mrs K Rayns – Trust Administrator
Mr B Samarasinghe – Project Manager, Cancelled Operations (for Minute 112/15/1 only)
Mr B Shaw – Head of Procurement and Supplies (for Minute 111/15/3 only)
Dr P Shaw – Empath Managing Director (for Minutes 111/15/1 and 11/15/2 only)
Ms K Shields – Director of Strategy (from Minute 113/15/6)
Mr K Singh – Trust Chairman
Ms J Smith – Chief Nurse (for Minutes 113/15/5 and 113/15/6 only)
Ms L Tebbut – Head of Performance and Quality Assurance (for Minute 111/15/5 only)
Ms N Topham – Reconfiguration Director (for Minutes 115/15/1 and 115/15/2 only)
Mr M Williams-Gray – Children's Project Director (for Minutes 115/15/1 and 115/15/2 only)
Mr D Yeomanson – Head of Operations, Women's and Children's (for Minutes 115/15/1 and 115/15/2 only)

RESOLVED ITEMS **ACTION**

108/15 APOLOGIES AND WELCOME

Apologies for absence were received from Mr J Adler, Chief Executive, Ms L Bentley, Head of Financial Management and Planning, Professor A Goodall, Non-Executive Director and Mr D Kerr, Director of Estates and Facilities. Members noted that Ms K Shields, Director of Strategy was attending another key commitment and was expected to arrive for the latter part of the meeting (in time for the strategy-related items).

109/15 MINUTES

Papers A and A1 provided the Minutes of the Integrated Finance, Performance and Investment Committee meeting held on 24 September 2015.

Resolved – that the Minutes of the 24 September 2015 IFPIC meeting (papers A and A1) be confirmed as a correct record.

110/15 MATTERS ARISING

110/15/1 Matters Arising Progress Report

The Committee Chair confirmed that the matters arising report provided at paper B detailed the status of all outstanding matters arising from previous Finance and Performance Committee (FPC) and Integrated Finance, Performance and Investment Committee (IFPIC) meetings. The Committee noted additional information in respect of the following items:-

(a) Minute 100/15/1 of 24 September 2015 – a structured ward visit had been scheduled for 4pm on 26 November 2015 (hosted by the ESM CMG). All of the Non-Executive Directors were planning to attend and an invitation was also extended to Executive Directors, and

(b) Minute 88/15/4 of 27 August 2015 – a delay was reported in the implementation of the proposed charging mechanism for University of Leicester embedded accommodation at UHL, and further clarity was being requested regarding the expected timescale for resolution of this issue. **DEF**

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

111/15 STRATEGIC MATTERS

111/15/1 Empath Performance Report

The Empath Managing Director and Director of Finance attended the meeting to present paper C, providing an update on operational and financial performance for UHL's Pathology services. The report was taken as read but members commented upon the significant under-performance in the area of Cellular Pathology turnaround time for surgical hospital activity (which had been RAG- rated as red since January 2015). Confirmation was provided that a recovery plan had been developed in conjunction with UHL's Clinical Support and Imaging CMG and progress was being made with its implementation.

However, the Empath Managing Director advised that the current set of key performance indicators (KPIs) were not a true reflection of existing operational performance priorities. For example, cancer pathways were given a priority status, but this was not reflected in the report. The Committee Chair sought and received assurance that a new set of KPIs was being developed and that a clear focus on the pathology improvement agenda would emerge as part of the workstream to develop the Empath strategy and governance arrangements. It was also agreed to invite the Clinical Support and Imaging CMG to provide feedback on the selection of Pathology KPIs when they next presented to the Committee (early in 2016).

Resolved – that (A) the next update on Empath's operational and financial performance be presented to the 17 December 2015 IFPIC meeting (to include an update on the development of a more focused set of KPIs), and **Empath MD/DOF**

(B) the Clinical Support and Imaging CMG be invited to provide feedback on the selection of Pathology KPIs when they next presented to the Committee (early in 2016). **CSI**

111/15/2 Report by the Chief Financial Officer

Resolved – that this Minute be classed as confidential and taken in private on the grounds of commercial interests.

111/15/3 UHL Procurement Strategy

Further to Minute 90/15/4 of 27 August 2015, paper E provided the draft UHL Procurement and Supplies Strategy 2015-18 for the Committee's approval. Mr B Shaw, Head of Procurement and Supplies attended the meeting to introduce this item and he provided an overview of the procurement and supplies team within UHL, including the financial context, vision, strategy development, future impacts upon procurement and identified weaknesses to be addressed. He commented upon the helpful nature of a recent visit to the procurement team by the Trust Chairman and Mr M Traynor, Non-Executive Director. The Head of Procurement and Supplies also sought the Committee's views on ways in which his team could win the "hearts and minds" of Trust staff in delivering the vision and he queried the process for updating the Committee on progress.

The Committee supported the proposed strategy and commented as follows:-

(a) the report and the underlying development process provided a good example of well-led services within the context of leadership development and people-focused processes;
(b) the scope to develop a commercial strategy to complement the procurement strategy (eg selling of knowledge and expertise). The Optimed project for individual medicine dosing was highlighted as a potential opportunity in this respect, although the Committee noted that this pilot scheme was already being progressed appropriately and a business case would be coming forwards for approval in due course;
(c) opportunities to use Internal Audit resources to support the delivery of the strategy within any identified areas of weakness. As an example, the Committee was scheduled to receive an awareness session on value for money arrangements within the capital programme at 4pm that day, and this might highlight some key areas to be expanded upon;
(d) noted a reasonable level of confidence that the procurement team would be able to identify 75% of their 2016-17 cost improvement programme by the end of November 2015;
(e) sought a view on whether the forecast CIP plan for 2016-17 would increase or decrease as a result of the Carter review analysis, recognising that there was more work required at UHL to explore the potential savings highlighted by the Carter review;
(f) queried whether it would be helpful to make the e-learning procurement module a mandatory training course to increasing the "hearts and minds" of UHL staff, noting in response that this might have a negative effect and it would be preferable to encourage staff to utilise the training module as a tool to achieving cost effective procurement and delivering cost savings;
(g) noted opportunities to build on the enthusiasm of the team by cross-representation at meetings and increased awareness of opportunities to "do more with less", and
(h) agreed that monthly updates would continue to be provided to the Committee on the cross-cutting non-pay CIP theme, but it would be helpful to receive quarterly updates on the implementation of the strategy.

<u>Resolved</u> – that (A) the UHL Procurement and Supplies Strategy for 2015-18 be approved, and

(B) quarterly updates on the implementation of the strategy be scheduled on the Committee's calendar of business. **TA/ HPS**

111/15/4 <u>Report by the Chief Financial Officer and the Chief Information Officer</u>

<u>Resolved</u> – that this Minute be classed as confidential and taken in private on the grounds of commercial interests.

111/15/5 <u>Interserve Facilities Management Contract Performance Quarterly Report</u>

Paper G provided the regular quarterly performance update in respect of the Trust's

Facilities Management contract with Interserve. Ms L Tebbutt, Head of Performance and Quality Assurance attended the meeting to present this item on behalf of the Director of Estates and Facilities. She summarised the key challenges in respect of delivering standards of patient facing services, particularly noting concerns in respect of the quality of cleaning services and the associated impact upon the patient environment. Interserve had reduced the amount of staff hours provided within the contract and their ability to recruit to vacant posts was becoming problematic, but assurance was provided that all emails and incident reports were being followed up and appropriate monitoring mechanisms and audit trails were being maintained. A reciprocal peer audit inspection was due to be undertaken by colleagues from a Derbyshire Trust during week commencing 1 November 2015.

Members noted that the above cleaning issues had also been raised at recent meetings of the Quality Assurance Committee (QAC) and the Executive Performance Board and some additional actions had been agreed by QAC to strengthen the delivery of catering services.

Resolved – that the quarterly update on Interserve's contractual performance and the subsequent discussion be noted.

112/15 PERFORMANCE

112/15/1 Month 6 Quality and Performance Report

Paper H provided an overview of UHL's quality, patient experience, operational targets, and HR performance against national, regional and local indicators for the month ending 30 September 2015. Particular discussion took place regarding the following key issues:-

(a) ***cancelled operations*** – Mr B Samarasinghe, Cancelled Operations Project Manager attended the meeting to provide a helpful insight into the daily activities being undertaken in order to reduce the number of on-the-day cancellations. LiA engagement events had been held to re-enforce the impact of cancellations from a patient's perspective. Up to 100 cancellations per month were currently being averted, but the focus was predominantly on operational issues rather than strategic workstreams and the predicted shortfall in bed capacity was likely to impact upon elective activity throughput over the winter period;
(b) ***RTT incomplete 18 weeks*** – performance remained compliant although some concerns were noted in respect of gastro-enterology, orthopaedics and paediatric ENT. Assurance was provided that an additional 6 paediatric beds would be opened within the next 8 weeks. National performance was expected to deteriorate in December 2015 and UHL's performance was likely to deteriorate as a result of the ICU reconfiguration workstream;
(c) ***RTT 52 week waits*** – a meeting had been held with NHS England in respect of orthodontics incomplete pathways and the waiting list was now closed. Patients were being asked to consider alternative treatment options and feedback on the take-up rates was awaited. 100 available treatment slots with an alternative provider (community orthodontist) had recently been withdrawn due to the retirement of the individual practitioner. A communications plan for patients was being developed in association with NHS England, and
(d) ***6 week diagnostics*** – additional endoscopy sessions continued to be delivered and assurance was provided that the required changes to the service were being implemented at pace. Lessons learned by the Corporate teams had included the development of a more coherent interaction with challenged CMGs (so as not to overwhelm them with requests for assurance). The Committee Chair recorded the Committee's appreciation of the significant efforts of the Endoscopy team in turning around the performance trajectory and she undertook to email the Endoscopy team to them to thank them for this contribution.

Members discussed the arrangements for embedding staff understanding of the effects of on-the-day cancellations from a patient's perspective. Despite the context of increasing

emergency attendances and 7 major internal incidents being declared within the last 4 weeks, the Chief Operating Officer confirmed that a reduction in the overall cancellation numbers was being evidenced. However, as the winter season approached, the Trust was short of 108 medical beds and this was expected to increase the number of patients outlying into other wards and reduce the level of planned elective activity.

The Patient Partner queried the scope to improve discharge processes to enhance patient flows and the Chief Operating Officer confirmed that improvements were taking place and this would be referenced in his next monthly report on Emergency Care performance to the Trust Board on 3 December 2015.

Resolved – that (A) the month 6 Quality and Performance report (paper H) and the subsequent discussion be received and noted, and

(B) the Committee Chair be requested to write to the Endoscopy team to recognise their significant achievement in delivering the additional endoscopy activity. **IFPIC Chair**

112/15/2 Planned Patients Review – final update report

Further to Minute 80/15/2 of 30 July 2015, paper I provided a summary of the actions being taken as a result of the planned waiting list issues reported in the Trust's Endoscopy and Orthodontics services. The report also referenced the outcomes of the Serious Untoward Incident (SUI) investigation and informed the Committee on the wider review of waiting list practice.

Resolved – that the final update on the review of Planned Patients waiting lists be received and noted (as presented in paper I).

113/15 FINANCE AND PLANNING

113/15/1 Month 6 Financial Performance and Forecast 2015-16

The Chief Financial Officer introduced paper J, providing an update on performance against the Trust's key financial duties, including delivery against the planned deficit and achieving the External Financing Limit (EFL) and Capital Resource Limit (CRL). Whilst the actual year to date position (£26.5m deficit) was currently £0.5m adverse to the planned £26m deficit, IFPIC members noted that this performance represented an indicative improvement on the month 5 position (prior to the implementation of the revised year end target) and the Trust remained on trajectory to deliver the year-end forecast of £34.1m deficit.

The year to date analysis confirmed that income was £0.5m favourable to plan, pay expenditure was £0.5m adverse to plan (despite an in-month reduction of £0.3m between August and September 2015), non-pay costs were £1.1m adverse to plan and financing costs and donated assets adjustments were £0.6m favourable to plan. A welcome reduction in premium pay expenditure of £0.6m had been offset by a £0.3m increase in substantive spend and members were pleased to note that premium pay costs were now at their lowest point in the current financial year (as a result of the nationally imposed framework arrangements).

IFPIC members commented upon the size of the challenge to improve upon the existing trajectory in order to meet the forecast year end control total, suggesting that an average improvement of £0.8m would be required each month between now and 31 March 2016. The Chief Financial Officer confirmed this point, highlighting the graphs on pages 6, 7 and 8 of paper J, which set out the trajectories to eradicate any variances prior to the financial year-end. Indications were that the deteriorating trend had been halted during month 6 and this movement was re-assuring, but the challenge remained to deliver additional savings to mitigate the position going forwards.

The Committee requested that the format of the financial performance report be adapted to include:- (i) a more detailed breakdown of the main non-pay expenditure themes, and (ii) a narrative summary of progress against each of the agreed financial recovery actions (including any new actions arising from the detailed review by the Executive Performance Board).

In further discussion on the year-end forecast, IFPIC members:-

(a) noted that the recovery action to improve productivity of pre-existing sessions (including outpatient clinics) should have been RAG-rated as green (and not red as indicated in the report);
(b) noted that the LLR health economy financial deficit appeared to be falling within the acute sector (for the third consecutive year), and
(c) queried the scope to undertake a year-end financial re-balancing exercise within the local health economy, noting in response that discussions had commenced with the key stakeholders but it was difficult to pursue this matter in the absence of any clear national guidance.

Resolved – that (A) the month 6 financial performance report and the subsequent discussion be noted, and

(B) the format of future iterations of the financial performance report be amended to include a more detailed breakdown of non-pay expenditure themes and a narrative summary of progress against the agreed financial recovery actions. **CFO**

113/15/2 Development of Patient Level Information Costing System (PLICS) and Service Line Reporting (SLR)

The Director of Operation Finance introduced paper K, providing an overview of UHL's PLICS and SLR positions and providing an update on 3 significant workstreams relating to updated floor areas, renal dialysis costs and patient level costing within the Alliance Contract. A Trust Board awareness session had been held on this topic in June 2012. Since then, a suite of additional dashboards had been made available to the CMGs which served as a powerful business intelligence tool to support the development of CIP opportunities. Members recognised the importance of driving a cultural shift in linking the PLICS data to patient outcomes and noted that the Trust was working with Monitor to develop this further.

Section 5 of paper K advised that the Trust's high level 2014-15 Reference Cost Index score was 99 and benchmarking data with other comparable peer group Trusts was provided in the table on page 3. IFPIC members highlighted the negative SLR position within Central Imaging and the cost of re-admissions as areas of concern and queried what actions were being taken to address areas of poor performance. In response, the Director of CIP and Future Operating Model briefed members on the detailed reviews of all loss-making services and members supported the proposal to include mandatory reporting of SLR data at CMG Board meetings and within the CMG presentations to this Committee.

Resolved – that (A) the update on PLICS/SLR be received and noted, and

(B) mandatory reporting of SLR data at CMG Board meetings and within CMG presentations to IFPIC be implemented for the 2016-17 financial year. **CFO**

113/15/3 Better Payment Practice Code (BPPC) Performance

Further to Minute 101/15/3 of 24 September 2015, the Director of Operational Performance introduced paper L, providing a summary of the Trust's compliance with BPPC targets to pay at least 95% of invoices within 30 calendar days (by volume and value). Performance

for the month of September 2015 stood at 75% by volume and 85% by value and a trajectory had been agreed to achieve full in-month compliance by January 2016.

Assurance was provided that Financial Services were working closely with their Procurement colleagues to improve the efficiency of UHL's purchase to pay (P2P) processes, purchase order compliance and resolving specific issues which might delay invoice payment. IFPIC members particularly welcomed the establishment of a SME supplier category in order to identify small and medium sized companies to ensure that these organisations could be prioritised, noting that this information would be included in the regular reporting mechanism with effect from next month (November 2015). The Committee supported the actions underway to improve the Trust's BPPC performance and recorded their thanks to the Financial Controller and his team for their work in this area.

Resolved – that the update on BPPC performance and the implementation of a SME supplier category be received and noted.

113/15/4 2016-17 Planning Principles

The Head of Strategic Development attended the meeting to present paper M, providing a summary of the draft planning principles and requirements for the 2016-17 UHL planning round, including the operational planning assumptions and proposals for the associated assurance/confirm and challenge process to ensure consistency across all CMGs and Corporate Directorates. In discussion on paper M, the Committee:-

(a) queried the scope for engaging patients, patients' representatives and local partners earlier in the development of business plans, instead of presenting them with the finalised plans for approval. In response, an opportunity was identified to address this through the CMG Board meetings and the Head of Strategic Development agreed to liaise with Ms M Gordon, Patient Partner (outside the meeting) to progress this opportunity; **HSD**

(b) supported the planning principles, noting that they were based upon sensible and logical advice, but queried the arrangements for consideration of any subsequent actions to address the gaps between bottom-up service level plans and the Trust's overall financial strategy;

(c) commented upon the scope to hold early discussions on the theme identified in point (b) above at the November 2015 Trust Board thinking day, although it was acknowledged that some further time would need to be set aside in January 2016 once the plans became more developed. The Head of Strategic Development agreed to explore this point further with the relevant individuals (outside the meeting); **HSD**

(d) noted that Commissioners were keen to engage in the demand and capacity planning processes for 2016-17, but agreed that outline plans would need to be sufficiently well-developed to make this useful;

(e) noted that a key private sector provider had served notice of its intention to cease all NHS activity in 2016-17, and

(f) suggested that a range of additional known internal and external factors be captured within the planning assumptions listed within appendix 1 to paper M (eg changes in national policy, infrastructure developments and commercial opportunities) and that any such changes be tracked appropriately. **HSD**

Resolved – that (A) the 2016-17 Planning Principles be supported, and

(B) the Head of Strategic Development be requested to:-

(i) liaise with Ms M Gordon, Patient Partner to explore an opportunity for Patient Partners to engage in the business planning processes via the CMG Board meetings; HSD

(ii) arrange for subsequent conversations to be held regarding the arrangements for addressing any gap between bottom-up service level business plans and the overall financial strategy (in November 2015 and January 2016), and HSD

(iii) include a range of additional (known) internal and external factors within the planning assumptions set out in appendix 1 to paper M and arrange for these to be tracked accordingly. **HSD**

113/15/5 Cost Improvement Programme (CIP)

The Director of Cost Improvement and Future Operating Model introduced paper N, providing an update on UHL's cost improvement programmes for 2015-16 and 2016-17. IFPIC members noted that the value of the 2015-16 savings to date stood at £19.4m against the target trajectory of £20.8m and the forecast outturn was expected to deliver savings of £42.4m against the £43m total. All CMGs were now forecasting to deliver or exceed their CIP total, and Corporate level schemes were being focused upon to mitigate the forecast £0.6m shortfall.

In respect of 2016-17 CIP development, the Trust had identified £12.2m of potential savings to date, which represented 29% of the indicative £41.4m target. CMGs and Corporate Directorates had been challenged to identify 75% of their savings target before the end of November 2015. Progress was currently behind trajectory and fortnightly meetings were being held with each of the CMG and Directorate management teams in order to identify additional schemes and explore further opportunities within the cross-cutting themes.

Section 4 of paper N outlined the key risks and mitigations and members commented upon the risk factors surrounding the forecast 230 bed closures due to arise from the planned out of hospital activity shift in 2016-17. Discussion also took place regarding the future arrangements for PMO support and the potential requirement to retain EY resources (which were currently supporting this function) pending approval by the TDA.

Resolved – that (A) the CIP update provided in paper N be received and noted, and

(B) a detailed review of the 2016-17 CIP development progress be undertaken at the December 2015 IFPIC meeting. **DCIP& FOM**

113/15/6 Overview of the Workforce Cross-Cutting CIP Theme

Paper O provided an overview of the 3 workstream components being taken forward under the workforce cross-cutting CIP theme (premium pay, medical productivity and nursing and midwifery productivity). Progress of each workstream was being monitored by the Workforce Board on a fortnightly basis and this Board was Chaired by the Chief Financial Officer. The Chief Nurse, the Acting Medical Director and Ms J Davies, EY Consultant attended the meeting for this item and discussion took place regarding the following areas of focus:-

(a) ***premium pay*** – revised agency controls were beginning to impact upon expenditure trends, but these savings were still being treated as cost containment/cost avoidance and not yet been removed from the recurrent budgets. Appendix 1 to paper O provided an extract of the outputs from the high earner review. The Acting Medical Director briefed the Committee on the purpose and different types of high earners, eg staff undertaking waiting list initiatives, filling rota gaps, or undertaking a management role in addition to their clinical activity. A task and finish group had been established to drive the required changes in this area and this group reported to the Workforce Board;

(b) ***medical productivity*** – 95% of medical job plans were now entered onto the electronic system (Codel) and 59% of these had been approved. The Executive Performance Board had requested the Acting Medical Director and the Chief Financial Officer to develop and agree an approach for resolving any job plans which exceeded the recommended number of programmed activities (including consideration of whether EWTD derogations or additional payments would be appropriate). A discussion took place regarding the Virginia Mason clinical productivity model which

involved clinicians only undertaking the key elements of clinical practice, appropriately supported by the Trust's infrastructure (eg entering data onto multiple clinical systems during the course of clinics), and

(c) ***nursing productivity*** – a summary of progress with the Clinical Nurse Specialist (CNS) review was provided in appendix 2. To date 7 of the 32 speciality teams had been reviewed and savings opportunities of £640,000 had been identified. In respect of ward nursing establishments, a full acuity review was being undertaken (including shift patterns and skill mix). Nursing teams were beginning to understand the additional value of this workstream and good engagement was noted. A number of e-rostering master classes were being held for staff and a clear focus was being maintained in respect of safe staffing levels, transparency, effective resource management and control of expenditure. The outputs of the October 2015 acuity review would be reported to the Trust Board on 7 January 2016 and then at 6 monthly intervals thereafter.

Resolved – that (A) a further progress report on the Workforce Cross-Cutting CIP theme be provided to IFPIC in April 2016 (as per the Committee's calendar of business), and **DCIP & FOM**

(B) the outputs of the October 2015 nursing acuity review be presented to the Trust Board in January 2016 and then at 6 monthly intervals thereafter. **CN**

114/15 SCRUTINY AND INFORMATION

114/15/1 Updated Timetable for UHL Business Case Approvals

Resolved – that the updated timetable for Strategic Business Case Approvals be received and noted as paper P.

114/15/2 Executive Performance Board

Resolved – that the notes of the 22 September 2015 Executive Performance Board meeting be received and noted as paper Q.

114/15/3 Revenue Investment Committee

Resolved – that the notes of the 11 September 2015 Revenue Investment Committee meeting be received and noted as paper R.

114/15/4 Capital Monitoring and Investment Committee

Resolved – that the notes of the 11 September 2015 Capital Monitoring and Investment Committee meeting be received and noted as paper S.

114/15/5 Updated IFPIC Calendar of Business

Resolved – that the IFPIC calendar of business be received and noted as paper T and an updated version be presented to the 26 November 2015 meeting reflecting any amendments arising from today's meeting. **TA**

115/15 INVESTMENT BUSINESS CASES

As previously agreed with the Director of Corporate and Legal Affairs and the Quality Assurance Committee Chair, the Trust's Acting Medical Director and Chief Nurse had been invited to attend the meeting at this point, to provide input on the clinical quality aspects of the business cases. However, the Chief Nurse (who had attended the meeting earlier for consideration of the workforce cross-cutting CIP theme) was unable to remain for this item. The following clinical and project management representatives also attended to support

the Committee's consideration of the 2 strategic business cases:-

Dr A Bolger – Head of Service;
Mr P Gowdridge – Head of Strategic Finance;
Ms N Topham – Reconfiguration Director;
Mr M Williams-Gray – Children's Project Director, and
Mr D Yeomanson – Head of Operations, Women's and Children's CMG.

115/15/1 East Midlands Congenital Heart Centre (EMCHC)

Paper U provided the Full Business Case for the interim solution to deliver the clinical benefits and immediate requirements to comply with the new Congenital Heart Disease Review by increasing the physical capacity of the existing accommodation at Glenfield Hospital to support an increase in clinical activity to 375 cases per year. The longer term requirement would be to increase the clinical activity to 500 cases per year and to co-locate paediatric congenital heart services with all other paediatric services on a single site. The total capital cost of the interim solution was noted to be £842,000.

During the discussion on this item, IFPIC members:-

(a) sought and received assurance that the space created for the expansion would be suitable for re-use as adult inpatient accommodation once the EMCHC was relocated to the LRI as part of the longer term solution;
(b) noted that lessons learned from previous strategic business case developments had been applied and that significant productivity improvements had also been incorporated into the scheme;
(c) commented upon the revenue implications of the scheme and the impact of commissioning standards going forwards;
(d) noted that the additional resources would be recruited in a phased approach in line with the trajectory for increasing activity;
(e) received assurance on the robust project management structure and the arrangements in place to ensure that the scheme was delivered within the specified cost envelope;
(f) considered how the project would contribute towards the Trust's deficit reduction, noting in response that the income assumptions included population growth trends and repatriation of activity currently referred to other centres, and
(g) commented upon the scope to review outline costs for the longer term EMCHC solution within the context of this business case, suggesting that the Chief Financial Officer might wish to explore the governance implications of pre-committing to the Children's Hospital OBC which was due to be presented to the January 2015 IFPIC meeting (Minute 115/15/2 below refers).

In conclusion, the Committee supported the Full Business Case for the interim EMCHC solution, commending the work that had taken place in order to reduce the capital cost to £840,000 from an original budget of £3m.

Resolved – that the EMCHC Interim Business Case be approved (as set out in paper U) in the sum of £840,000 capital expenditure. **CFO**

115/15/2 Children's Hospital Project Initiation Document (PID)

Paper V provided an executive summary of the arrangements for UHL to deliver its vision to create a single entity Children's Hospital on the LRI site, including the relocation of the EMCHC (see Minute 115/15/1 above) by 2018 to comply with the requirements of the new Congenital Heart Disease Review. The detailed PID was provided at appendix 1.

Discussion took place regarding the current estates configuration of Children's services and the intention to co-locate all Children's wards and departments (wherever this was considered sensible). The project team was mindful of the constraints upon the Trust's capital programme, recognising that refurbishment of existing accommodation would be

required in order to improve patient and family experiences within this key service. The Committee also considered the scope to raise funds through Charitable Appeals and receive financial contributions from other tertiary service providers. Consultation and engagement with patients, charities and key stakeholders would be crucial to the successful implementation of the project.

The Committee welcomed the direction of travel of the PID, noting that the Children's Hospital Outline Business Case was currently scheduled to be presented to the January 2016 IFPIC meeting and the February 2016 Trust Board.

Resolved – that (A) the Children's Hospital Project Initiation Document be received and noted, and

(B) the Children's Hospital Outline Business Case be presented to IFPIC in January 2016 and the Trust Board in February 2016 for approval.

116/15 ANY OTHER BUSINESS

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

117/15 ITEMS TO BE HIGHLIGHTED TO THE TRUST BOARD

Resolved – that (A) a summary of the business considered at this meeting be provided to the Trust Board meeting on 5 November 2015, and **TA/ Chair**

(B) the following items be particularly highlighted for the Trust Board's attention:-

- **Confidential Minute 111/15/2 – report by the Chief Financial Officer;**
- **Confidential Minute 111/15/4 – report by the Chief information Officer;**
- **Minute 111/15/5 – Interserve Facilities Management Performance;**
- **Minute 113/15/4 – 2016-17 Planning Principles**
- **Minute 113/15/6 – Overview of the Workforce Cross-Cutting CIP Theme;**
- **Minute 115/15/1 – East Midlands Congenital Heart Centre Interim FBC, and**
- **Minute 115/15/2 – Children's Hospital PID.**

118/15 DATE OF NEXT MEETING

Resolved – that the next meeting of the Integrated Finance, Performance and Investment Committee be held on Thursday 26 November 2015 from 9am – 12noon in the Board Room, Victoria Building, Leicester Royal Infirmary.

The meeting closed at 12.34pm

Kate Rayns, Trust Administrator

Attendance Record 2015-16

Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
J Wilson (Chair)	7	7	100%	R Mitchell	7	6	86%
J Adler	7	4	57%	M Traynor	7	7	100%
I Crowe	7	7	100%	P Traynor	7	6	86%
S Dauncey	7	5	71%				

Non-Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
D Kerr	7	6	86%	K Singh	7	7	100%
M Gordon	3	3	100%	G Smith	5	5	100%
R Moore	7	7	100%	K Shields	7	4	57%