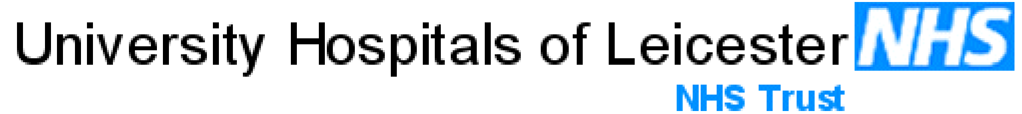

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 5 November 2015

COMMITTEE: Integrated Finance, Performance and Investment Committee

CHAIR: Ms J Wilson, Non-Executive Director

DATE OF COMMITTEE MEETING: 24 September 2015

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

- **Confidential Minute 96/15 – report by the Chief Financial Officer**

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

- **Minute 99/15/2 – Endoscopy performance;**
- **Minute 100/15/1 – CMG presentation;**
- **Confidential Minute 100/15/2 – report by the Chief Executive;**
- **Minute 100/15/3 – Alliance performance, and**
- **Minute 101/15/1 – Financial performance and delivery of the revised financial plan for 2015-16.**

DATE OF NEXT COMMITTEE MEETING: 29 October 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 24 SEPTEMBER 2015 AT 8.30AM IN THE BOARD ROOM, VICTORIA BUILDING, LEICESTER ROYAL INFIRMARY

Voting Members Present:
Ms J Wilson – Non-Executive Director (Committee Chair)
Mr J Adler – Chief Executive (excluding Minutes 97/15 to part of 99/15/2)
Colonel (Retired) I Crowe – Non-Executive Director (excluding Minutes 97/15 and 98/15)
Dr S Dauncey – Non-Executive Director
Mr R Mitchell – Chief Operating Officer (excluding Minutes 101/15/4 to 101/15/6 and 103/15 to 107/15)
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
Ms J Dixon – Senior Site Manager, ESM (for Minute 100/15/1 only)
Ms C Ellwood – Chief Pharmacist (for Minute 96/15 only)
Dr G Garcea – Acting Clinical Director, CHUGGS (for Minute 99/15/2 only)
Ms G Kenney – Head of Nursing, CHUGGS (for Minute 99/15/2 only)
Mr R Gill – CMG Finance Lead, ESM (for Minute 100/15/1 only)
Ms M Gordon – Patient Partner
Mr P Gowdridge – Head of Strategic Finance (for Minute 101/15/5 only)
Ms T Hooton – Alliance Director (for Minute 100/15/3 only)
Ms K Khaira – CMG HR Lead (for Minute 100/15/1 only)
Mr D Kerr – Director of Estates and Facilities
Ms S Leak – Head of Operations, RRCV and Interim Head of Operations, ESM (for Minute 100/15/1 only)
Mr R Moore – Non-Executive Director
Mr M Nattrass – Deputy Head of Operations, CHUGGS (for Minute 99/15/2 only)
Mr S Pizzey – Transformation Lead (for Minute 100/15/1 only)
Mrs K Rayns – Trust Administrator
Ms H Seth – Head of Local Partnerships (up to and including Minute 100/15/3)
Mr K Singh – Trust Chairman (excluding Minutes 101/15/4 and 101/15/5)
Mr N Sone – Financial Controller (for Minutes 101/15/2 and 101/15/3 only)
Ms G Staton – Head of Nursing, ESM (for Minute 100/15/1 only)
Ms E Wilkes – UHL-BCT Programme Director (for Minute 104/15/1 only)

RECOMMENDED ITEM — **ACTION**

96/15 REPORT BY THE CHIEF FINANCIAL OFFICER

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

RESOLVED ITEMS

97/15 APOLOGIES AND WELCOME

Apologies for absence were received from Mr A Furlong, Acting Medical Director, Professor A Goodall, Non-Executive Director, Mr W Monaghan, Director of Performance and Information, Ms K Shields, Director of Strategy, and Ms J Smith, Chief Nurse.

98/15 MINUTES

Paper A provided the Minutes of the Integrated Finance, Performance and Investment

Committee meeting held on 27 August 2015.

Resolved – that the Minutes of the 27 August 2015 IFPIC meeting (paper A) be confirmed as a correct record.

99/15 MATTERS ARISING

99/15/1 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 received progress updates in respect of the following items:-

(a) Minute 88/15/4 (b) of 27 August 2015 – the Director of Estates and Facilities provided assurance that the proposed charging mechanism for University of Leicester embedded accommodation at UHL would be implemented before the end of September 2015 and a report on the final position would be submitted to the 29 October 2015 IFPIC meeting, and **DEF**

(b) Minute 42/15/2 (d) and (e) of 30 April 2015 – the Chief Financial Officer briefed the Committee on progress with the refreshed Empath governance arrangements and the development of the business case. The inaugural meeting of the new Empath Executive Board was due to be held on 5 October 2015, following which a summary of the proposals would be presented to the 29 October 2015 IFPIC meeting. The Trust Chairman provided feedback from his recent visit to UHL's Pathology department, highlighting the impressive nature of this service and noting some staff concerns raised regarding the future service model during a question and answer session. **CFO**

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

99/15/2 Update on Endoscopy Performance

Further to Minute 88/15/1 of 27 August 2015, the Clinical Director, Deputy Head of Operations and Head of Nursing attended the meeting from the CHUGGS CMG to introduce paper C, providing a summary of the current position in relation to endoscopy waiting lists and the actions planned to deliver an improved position to support compliance with the diagnostics waiting time target by the end of October 2015.

The report was taken as read, and the Committee Chair invited the CMG team to focus upon recent changes in Endoscopy processes and the level of confidence in the revised trajectory for delivering compliant performance. In response, the CMG reported on the following issues:-

(a) changes in the Endoscopy management structure and recent appointments to key posts, providing consistent senior management support on all 3 hospital sites;
(b) UHL's participation in a national pilot scheme to improve systems and processes within Endoscopy services, with the aim of developing a gold standard for this service;
(c) the development of a unified pre-assessment process;
(d) activity plans to maximise both the in-house and the outsourced capacity, noting good clinical engagement in the additional weekend lists throughout October 2015;
(e) plans to recruit additional Endoscopists, Gastroenterologists, and non-medical Endoscopists, recognising that UHL's staffing levels currently benchmarked lower than some peer group Trusts;
(f) plans to utilise additional Endoscopy capacity in the community via the Alliance contract (subject to appropriate JAG accreditation being achieved). The CMG's Head of Nursing noted some opportunities for joint recruitment of Endoscopy nurses and

rotational posts between UHL and the Alliance. The Head of Local Partnerships undertook to progress this workstream with the Alliance, and **HLP**

(g) an expectation that some new Endoscopy workstreams were likely to arise from 2 external visits (NHS IQ and IST) over the coming month.

In conclusion, the Chief Operating Officer commended the team on the comprehensive range of actions being taken to deliver the required improvements. He briefed the Committee on the risks associated with delivering compliant performance by the end of October 2015, as per the trajectory agreed with the TDA. The Committee Chair recorded the Committee's appreciation of the significant efforts that were being made to turn around the position. She requested that a further update on Endoscopy performance be submitted to the December 2015 IFPIC meeting, to include a summary of any lessons learned. **COO**

<u>Resolved</u> – that a further update on Endoscopy Performance be presented to the December 2015 IFPIC meeting (including the updated performance data and a review of any lessons learned). **COO**

99/15/3 <u>Value for Money Considerations within Capital Expenditure on Charitable Projects</u>

At the Trust Board thinking day held on 11 June 2015, the Committee had been invited to review the arrangements for ensuring value for money within capital expenditure on charitable projects. The Chief Financial Officer suggested that this theme be widened out into a Trust Board awareness session covering the value for money arrangements within the Trust's capital expenditure programme (including the procurement arrangements for new buildings, plant and equipment). It was agreed that this session would be held at 4pm on 29 October 2015 (immediately following the IFPIC and QAC meetings on that date) and that it would be jointly led by the Chief Financial Officer and the Director of Estates and Facilities. **CFO/ DEF**

<u>Resolved</u> – that the Chief Financial Officer and the Director of Estates and Facilities be requested to schedule a Trust Board awareness session on value for money arrangements within UHL's capital expenditure programme on 29 October 2015. **CFO/ DEF**

100/15 STRATEGIC MATTERS

100/15/1 <u>CMG Presentation – Emergency and Specialist Medicine (ESM)</u>

Before the ESM management team was invited into the meeting room, the Committee considered the following key issues affecting the CMG's performance and the areas of focus required for today's meeting:-

(a) this CMG could be rightly proud of its achievements and effective performance in the context of the realistic challenges being faced and the volume of patients being treated within a bed-base which had reduced by 7%;
(b) staffing expenditure was causing the main cost pressure and the CMG was striving to reduce its agency resources and the level of one-to-one security supervision for particular cohorts of patients, and
(c) significant progress made since the appointment of Dr I Lawrence as Clinical Director in January 2015 and the arrangements for recruiting a Head of Operations of the right calibre for this CMG. Despite 2 rounds of recruitment, a suitable candidate had not yet been found. Ms S Leak was currently performing extremely well in her dual role as Head of Operations for RRCV and Interim Head of Operations for ESM, but this was not considered to be sustainable in the longer term.

The Interim Head of Operations, Head of Nursing, Transformation Lead, Finance Lead and HR Lead attended the meeting from the ESM CMG and provided an overview of their CMG's financial and operational performance. The presentation included a focus on the following issues:-

(i) a poignant patient story involving the family of Mr R Mayne, a UHL patient who had died in the flight MH17 disaster;
(ii) the actions underway to address performance indicators currently RAG-rated as red (C. Diff, inpatient Friends and Family Test coverage, sickness absence, staff appraisals, 30 day re-admissions, ED 4 hour waits, 31 day cancer waits for first treatment, and choose and book slot unavailability);
(iii) some qualitative improvements that had arisen from the successful closure of Ward 42 which included reduced length of stay, improved staffing levels, reductions in patient complaints and appropriate decant accommodation to refurbish wards;
(iv) development of a new patient pathway to receive IV antibiotic therapy at home;
(v) plans to reduce premium pay expenditure through recruitment to nursing vacancies, the development of new roles, changes in the skill mix on wards and opportunities to rotate staff between the ESM and RRCV CMGs. In addition, research nurses were being encouraged to work bank shifts in order to retain their professional status;
(vi) changes in the process for providing one-to-one supervision for violent, aggressive or vulnerable patients. The CMG would be able to monitor this expenditure more coherently once the revised booking process had been implemented.;
(vii) CIP performance – a shortfall of £124,000 would be mitigated by the development of additional schemes in-year;
(viii) winter capacity plans and the arrangements for "left shift" of activity into the community setting, and
(ix) the arrangements for developing workforce plans for the new Emergency Floor (in conjunction with members of the Strategy Team).

In discussion on the CMG's presentation, IFPIC members commented upon the redistribution of medical training posts and the benefits of the CESR training programme for medical staff. Dr S Dauncey, Quality Assurance Committee Chair offered to share some clinical audit data on 30 day re-admissions with the CMG. The Chief Financial Officer invited the CMG to seek any additional support from the Executive Team in driving down their premium pay expenditure. The Committee Chair sought additional assurance regarding the level of confidence in the forecast income profile, noting in response that this was discussed on a weekly basis through the confirm and challenge meetings and that the forecast activity did correlate with winter activity trends.

The Committee Chair thanked the presentation team for their comprehensive presentation and the significant contribution they were making to the Trust's overall position. She welcomed an invitation for Board members to visit some of the refurbished ward areas and undertook to arrange such a visit. She also suggested that the patient story featured at the beginning of the presentation might be helpful to share with the Trust Board at a future meeting.

Following the departure of the CMG team, the Committee considered the deep-rooted challenges being faced by the CMG in parallel with developing the new operating model for the emergency floor and the need to progress the appointment of a high calibre substantive Head of Operations at the earliest opportunity. The Chief Executive commented upon the scope to explore a root and branch review of management resources as part of the "UHL Way" improvement methodology.

Resolved – that (A) consideration be given to sharing the patient story featuring the family of Mr R Mayne (deceased) at a future Trust Board meeting;

(B) the QAC Chair be requested to arrange for clinical audit information on re-admissions to be shared with the ESM CMG team, and

(C) the IFPIC Chair to contact the Interim Head of Operations, ESM to arrange a visit to the CMG's recently refurbished wards.

100/15/2 Report by the Chief Executive

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

100/15/3 Alliance Performance – Quarterly Update and Update on Delegated Approvals Limits

Ms T Hooton, Alliance Director attended the meeting to present paper F, providing a summary of current issues relating to the Alliance Contract and progress with moving appropriate activity from UHL acute sites into community and primary care. Section 2 of paper F outlined the leadership, governance and decision making arrangements within the Alliance and section 2.5 provided the agreed delegated financial limits for decision making purposes.

A summary of the Alliance performance was provided at appendix 1. All key performance indicators had been delivered with the exception of admitted RTT performance in March 2015. The Alliance had also achieved a financial surplus of £487,000 in 2014-15 which was due to be reinvested in the 2015-16 financial year to support the costs of transformation. In respect of the business planning process, members noted that the strategy for developing the community service offer was becoming more defined and was being more clearly articulated, although progress had been disappointingly slow for the following key reasons:-

- lack of a clear process for developing and agreeing transformation plans;
- concerns regarding the financial and operation impact of UHL losing the related activity in the absence of a clear financial handling mechanism, and
- lack of a clear workforce plan for transferring clinical capacity with the shift of contracted service activity.

In discussion on the quarterly Alliance update, IFPIC members:-

(a) noted the identified priority areas for service shifts in 2015-16 and 2016-17 (as set out in section 7.3 of paper F);
(b) commented upon opportunities to develop rotational roles and joint recruitment processes between UHL and the Alliance to strengthen the workforce planning workstream;
(c) sought and received additional background information regarding the context of the Alliance agreement, the pillar contracts and the overarching governance arrangements, noting that the contracts referred to were all between NHS bodies;
(d) queried how well the governance arrangements were working and whether any challenges had arisen, noting in response that the main challenges had related to organisational behaviours and relationships and a lack of clarity regarding the alignment with the Better Care Together Programme. One of the issues was that the City CCG was not currently a partner in the Alliance, but this position was currently under review and a decision was expected by the end of October 2015;
(e) noted that the financial surplus for 2014-15 represented approximately 2% of the value of activity transferred to the Alliance and queried whether how this margin compared to the host Trusts' margins. The Alliance Director provided assurance that there was much more scope for efficiency which would be realised as the productivity levels increased;
(f) requested that details of forthcoming patient engagement events be sent to Ms M Gordon, Patient Partner (outside the meeting), and **AD**
(g) commented on UHL's inability to deliver cost improvements in relation to expenditure linked to the Alliance and received assurance that the Alliance Director was working closely with the Director of CIP and Future Operating Model to address this issue.

In summary, the Committee Chair thanked the Alliance Director for the clarity contained in

her report and queried whether there were any areas where additional support was required from UHL. In response, the Alliance Director suggested that additional support in the area of joint workforce planning would be welcomed and it was agreed that the next quarterly update would include a focus upon this theme. **AD**

<u>Resolved</u> – that (A) information on the Alliance engagement events be shared with Ms M Gordon, Patient Partner (outside the meeting), and **AD**

(B) the next update on Alliance performance to be presented to the January 2016 IFPIC meeting (and then scheduled quarterly thereafter). The January 2016 report to include a focus on workforce initiatives (eg joint recruitment and rotational posts). **AD**

101/15 FINANCE AND PLANNING

101/15/1 <u>Month 5 Financial Performance 2015-16, Contract Performance and Delivery of the Revised 2015-16 Financial Plan</u>

The Director of Operational Finance and the Chief Financial Officer introduced papers G, H and I, providing updates on month 5 financial performance, contract performance and the arrangements for delivering the revised financial plan for 2015-16. These 3 reports (which were taken together due to time constraints at this meeting) highlighted the following key issues:-

(a) the year to date deficit of £25.2m was currently £5.3m adverse to the planned deficit of £19.9m and appendix 3 to paper G provided a breakdown of this variance by Directorate and CMG;
(b) the impact of the 2015-16 acute contract risk share was summarised in table 2 on page 3 of paper H. After taking account of the impact of the penalties rebate, the overall benefit to the Trust was £3.1m, however a technical penalty was pending in respect of 52 week RTT waiting times and the value of activity in query was noted to be £0.8m;
(c) the consultation process for 2016-17 contracts was currently underway;
(d) the need to reduce the Trust's current run-rate by approximately £2m per month for the remainder of the current financial year. Revised year end financial control totals were due to be issued to all Directorates and CMGs in October 2015 and they would be expected to deliver these;
(e) the Trust's revised financial plan (including an additional £2m stretch target) had been submitted to the TDA on 11 September 2015 and the Trust was now expected to deliver a year end income and expenditure deficit of £34.1m;
(f) new rules for nursing agency expenditure had been launched and a trajectory for reducing such expenditure had been agreed which involved the mandatory use of approved frameworks. A copy of the new rules was appended to paper J, and
(g) following a review by the Executive Performance Board on 22 September 2015, the main financial recovery actions would focus upon (i) nursing agency expenditure, (ii) medical agency expenditure, (iii) theatre productivity, and (iv) recruitment controls.

In discussion on papers G, H and I, IFPIC members:-

(1) commented upon the size of the challenge involved in reversing the financial run-rate and delivering the year end control total within the remaining 7 months of the financial year and sought assurance regarding the level of confidence that this was considered achievable;
(2) noted that July and August were often challenging months from a financial performance perspective due to the number of staff and patients taking holidays impacting upon clinical activity levels;
(3) commented upon the current under-delivery in CIP delivery, the risks surrounding the income profile and opportunities to manage a degree of variance within the final control total between UHL and Commissioners;
(4) noted that the nursing agency rules would provide a significant opportunity to control

agency expenditure through negotiated frameworks whilst maintaining safe staffing levels and that September and October performance would be crucial in this respect;

(5) queried whether the implementation of weekly pay for bank nurses had demonstrated any improvements in the take-up of additional shifts. In response, the Chief Financial Officer noted some positive anecdotal evidence, and that this initiative (combined with e-rostering and smart sickness management) was expected to deliver an improved position;

(6) re-iterated a comment on the scope for UHL to implement an in-house agency initiative (as previously highlighted for discussion at the 10 September 2015 Trust Board thinking day);

(7) considered at what point the Trust would be expected to develop further mitigation measures (eg a plan C) or consider revising the year end financial forecast, noting in response that any movement in the position would be demonstrated before Christmas 2015, once the month 8 performance results were reported;

(8) commented upon the need to demonstrate robust financial control mechanisms in order to secure the financial resources to support the Trust's capital programme;

(9) requested a further update on the arrangements for delivering the revised 2015-16 financial plan be presented to the October 2015 meeting to focus on the 4 themes identified in note (g) above, and **CFO**

(10) referred to the income price and volume variances schedule provided in appendix 2 to paper G and sought assurance in the level of confidence attached to the income profile. In response, the Chief Financial Officer advised that a piece of work was being undertaken with Commissioners (at the request of the TDA) to assess the viability of UHL's income plans and an update on this workstream would be provided to the 29 October 2015 IFPIC meeting. **CFO**

Resolved – that a further update on the arrangements for delivering the revised 2015-16 financial plan be presented to the 29 October 2015 IFPIC meeting (including the affordability of income plans from a Commissioning perspective). **CFO**

101/15/2 Update on 2015-16 Capital Programme

The Director of Operational Performance and the Financial Controller introduced paper J, providing an update on UHL's 2015-16 Capital Programme and year to date expenditure. The report was taken as read and discussion took place regarding the impact of changes in timescales for funding of the Electronic Patient Record (EPR) project and approval of the ITFF application to support the new emergency floor. Section 4.2 of paper J set out the requirements for a further £19.5m of external funding to support the vascular and ICU schemes and the multi-storey car park. Arrangements were being made to apply for ITFF funding (despite the emerging national position), but alternative plans were being formulated in parallel.

Resolved – that the update on the 2015-16 Capital Programme be received and noted.

101/15/3 Update on 2015-16 Working Capital Strategy

The Financial Controller presented paper K, providing an update on performance against each of the 5 objectives identified within UHL's 2015-16 Working Capital Strategy. IFPIC members considered the available assurance in respect of liquidity metrics, cash balances, inventories and stock management, accounts receivable, over 90 day debts, overseas visitor debts and performance against the Better Payment Practice Code (BPPC).

Mr R Moore, Non-Executive Director and Audit Committee Chair sought and received additional information regarding 2 categories of over 90 day debt (namely, the overpayment of salaries and the "sundry companies" category), noting that a detailed report on the overpayment of salaries was scheduled for discussion at the 5 November 2015 Audit Committee. The Financial Controller also briefed members on the ongoing **DHR**

review of UHL's financial services, to ensure that sufficient systems and resources were in place to secure timely recovery of debts.

The Chief Financial Officer raised a query in respect of the new national rules concerning overseas visitors debts and at what point a position would be reached where the outstanding debts all related to the financial year 2015-16. In response, the Financial Controller advised that proposals for writing off any overseas debts would be presented to the 5 November 2015 Audit Committee, but in the meantime a breakdown of the outstanding debts (by month) was available.

The Committee Chair requested that a trajectory for improving BPPC performance be provided to the October 2015 IFPIC meeting to include clarity on the actions underway to address this and a breakdown by category of supplier also to be included (if possible) eg the ratio of small and medium sized companies where delayed payments might have a bigger impact. **CFO**

Resolved – that (A) a report on overpayment of salaries be presented to the November 2015 Audit Committee (including the scale, causes and periods for reimbursement); **DHR**

(B) a report on bad debt provision and the process for writing off bad debts be presented to the November 2015 Audit Committee, and **CFO**

(C) the trajectory for improving performance against Better Payment Practice Code (BPPC) targets to be submitted to the October 2015 IFPIC meeting (including a breakdown by category of supplier, if possible). **CFO**

101/15/4 Cost Improvement Programme (CIP) 2015-16, Overview of the Theatres Cross-Cutting CIP Theme and the Development of 2016-17 CIP Schemes

The Director of Cost Improvement and Future Operating Model introduced papers L, M and O, providing updates on the separate elements of UHL's cost improvement programme. These 3 reports were considered together due to time constraints at this meeting. IFPIC members noted the following key issues arising from the reports:-

(a) the forecast outturn for 2015-16 had reduced in-month to £42.1m against the target of £43m. The £873k variance was primarily due to a re-phasing of the nurse rostering scheme, which featured in the Corporate Nursing Directorate's reporting line;
(b) the risk adjusted total had increased by £700k in-month and now stood at £38.8m. Actions were underway to ensure delivery of the forecast outturn, which might include bringing forward some of the 2016-17 schemes to start in the current financial year;
(c) the key risks surrounding the Theatres cross-cutting workstream related to a reluctance to decommission sufficient theatre sessions and the high rate of weekend sessions being undertaken at additional cost to the organisation, and
(d) the indicative 2016-17 target was currently set at £41.4m and this was likely to be the minimal level. Appendix 1 set out the excluded expenditure (which had been deemed to be non-controllable non-pay) and appendix 2 to paper O provided the indicative CIP targets broken down by CMG and Corporate Directorate.

In discussion on the reports, the Committee Chair commented upon the variance in Corporate Directorates' CIP delivery to date, and commented upon the messages that this sent to the wider organisation. In response, it was noted that the majority of this variance was attributable to the re-phasing of the nurse rostering scheme. The Chief Executive advised that no Corporate Directorate CIP variances were permitted and he requested the Director of CIP and FOM to send him a breakdown of any such variances (outside the meeting).

Resolved – that a breakdown of any variances in Corporate Directorate CIP delivery **DCIFOM**

be provided to the Chief Executive (outside the meeting).

101/15/5 5 Year Financial Strategy Update

The Chief Financial Officer introduced paper N, providing an update on the Trust's 5 Year Financial Strategy and the Ernst Young review of the Trust's proposed approach in respect of site rationalisation savings. A copy of the review findings was appended to paper N. Members noted that the next 6 monthly review of the Long Term Financial Model would be presented to the November 2015 IFPIC meeting. **CFO**

The Head of Strategic Finance briefed members on the outcome of the EY review and the further actions required to verify the assumptions (the action plan provided at appendix 1 refers). A detailed "route map" was being prepared which would set out the estates and financial implications of the reconfiguration programme and a Trust Board thinking day had been set aside for this discussion on 12 November 2015. **CFO/ DEF**

<u>Resolved</u> – that (A) an update on the Long Term Financial Model (LTFM) be presented to IFPIC in November 2015, and **CFO**

(B) a route map showing the potential estates and financial implications of the Site Reconfiguration Programme be considered at the November 2015 Trust Board thinking day. **CFO/ DEF**

101/15/6 Service Reviews

Ms E Wilkes, UHL-BCT Programme Director, attended the meeting on behalf of the Director of Strategy to introduce paper P, providing an evaluation of the Service Reviews carried out to date and outlining the next steps for rolling out the Service Review Programme.

In discussion on the report, the Chief Executive advised that the Executive Strategy Board had commented on opportunities to improve the integration with the CIP programme and the models of care workstreams to increase traction and add value. The Committee Chair queried whether any peer input was included in the process and the Audit Committee Chair suggested that consideration be given to including some form of external facilitation within the service review methodology. However, the Chief Executive advised that the aim was to train central in-house resources to undertake this role, instead of appointing external consultants.

<u>Resolved</u> – that (A) future update reports on the service reviews be built into the regular CIP reporting mechanism for IFPIC, and **DCIFOM**

(B) consideration be given to including some form of peer review process and/or external facilitation within the service review model. **DS**

102/15 PERFORMANCE

102/15/1 Month 5 Quality and Performance Report

Paper Q provided an overview of UHL's quality, patient experience, operational targets, and HR performance against national, regional and local indicators for the month ending 31 August 2015. Particular discussion took place regarding the following key issues:-

(a) ***Fractured Neck of Femur*** – compliant performance (78.1%) had been achieved in August 2015 for the first time since July 2014 and there was evidence that the process changes made were delivering the required results, eg on Monday 21 September 2015, there had been 6 related admissions and all of these patients had received their surgery within the first 24 hours of their journey;

(b) ***Referral to Treatment (RTT)*** – admitted and non-admitted performance indicators had now been removed from the Q&P report (in line with national policy), but performance remained strong. There had been 258 breaches against the zero 52 week RTT non-complete target;
(c) ***Diagnostics*** – Endoscopy performance was noted to be the main factor affecting diagnostic performance and this had been discussed earlier in the meeting (see Minute 99/15/2 above);
(d) ***Ambulance Handovers*** – a summit meeting between the relevant stakeholders was due to be held during week commencing 28 September 2015 and a further update on progress would be provided to the November 2015 IFPIC meeting, and
(e) ***Cancelled Operations*** – the percentage of operations cancelled for non-clinical reasons was compliant for August 2015 (0.7%), however there had been 5 patients who were not offered an alternative date for surgery within 28 days of their cancellation. In addition, cancelled operations performance was expected to deteriorate for September 2015, due to the impact of elective demand.

Resolved – that (A) the month 5 Quality and Performance report (paper Q) and the subsequent discussion be received and noted;

(B) a "deep dive" report on ambulance turnaround performance to the November 2015 IFPIC meeting, and **COO**

(C) an update on cancelled operations performance be provided to the October 2015 IFPIC meeting (as an exception report within the usual Q&P report). **COO**

102/15/2 Review of Cancer Performance

Further to Minute 89/15/2 of 27 August 2015, the Chief Operating Officer introduced paper R, providing an update on current cancer performance, the actions underway to improve performance, recommendations arising from the Intensive Support Team's visit in August 2015, and the proposed approach to support improvements in cancer waiting times moving forwards.

The Chief Operating Officer provided updated information in respect of the 3 cancer targets (out of 9) which had not been achieved in July 2016 (2 week waits for urgent GP referrals, 31 day waits for subsequent treatment: surgery, and 62 day waits from referral to first treatment). Assurance was provided regarding the trajectories for achieving sustainable compliant performance, although some of the timelines were longer than originally anticipated, due to the multi-faceted nature of issues being faced in parallel. Confirmation was provided that the monthly thematic review of cancer breaches would continue. The Trust Chairman queried whether the recently implemented recruitment controls would have any impact upon the compliance dates, noting (in response) that referral rates and interactions with the various cancer networks would be more significant.

Resolved – that the update on cancer performance be received and noted (as presented in paper R).

103/15 SCRUTINY AND INFORMATION

103/15/1 Strategic Business Case Approvals Process

Further to Minute 91/15/1 of 27 August 2015, paper S provided the revised approvals process and updated timetable for the submission of key business cases for members' information.

Resolved – that the Strategic Business Case Approvals Process and updated timetable be received and noted

103/15/2 Executive Performance Board

Resolved – that the notes of the 25 August 2015 Executive Performance Board meeting be received and noted as paper T.

103/15/3 Revenue Investment Committee

Resolved – that the notes of the Revenue Investment Committee meeting be held on 11 September 2015 be presented to the 29 October 2015 IFPIC meeting.

103/15/4 Capital Monitoring and Investment Committee

Resolved – that the notes of the 14 August 2015 Capital Monitoring and Investment Committee meeting be received and noted as paper U.

103/15/5 Updated IFPIC Calendar of Business

Resolved – that the IFPIC calendar of business be received and noted as paper V and an updated version be presented to the 29 October 2015 meeting reflecting any amendments arising from today's meeting. **TA**

104/15 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 Acting Medical Director was unable to attend on this occasion and the Chief Nurse had reviewed the papers and determined that the focus was primarily of a financial rather than a clinical nature.

104/15/1 Adult Level 3 Intensive Care Unit Reconfiguration – update on Revenue Costs, Capital Costs and Contingency Planning

Further to Minute 92/15/1 of 27 August 2015, paper W provided an update on the progress of the Adult Level 3 ICU Reconfiguration Project, revised revenue cost pressures, and progress of the estates solution. Members noted the key risks set out in section 4 of the report and the amended timeline to submit the full ICU business case to the 26 November 2015 IFPIC meeting and the 3 December 2015 Trust Board meeting. **DS** Particular discussion took place regarding the proposed relocation of the medical records function on the Glenfield Hospital site and how this would align with the EPR and EDRM projects. **DS** Proposals were being prepared for urgent consideration by the Executive Team.

The Chief Executive advised that his main concerns related to the availability of national capital to fund the scheme and the arrangements to spread the total capital expenditure over the financial years 2015-16 and 2016-17. The Committee Chair requested that **DS** appropriate clinical representation be invited to attend the IFPIC meeting in November 2015 to support the Committee's consideration of the full business case.

Resolved – that (A) a report on the proposed refurbishment of internal space used by Medical Records at Glenfield Hospital be urgently considered by the Executive Team; **DS**

(B) the ICU Full Business Case to be presented to the November 2015 IFPIC meeting and the December 2015 Trust Board meeting, and **DS**

(C) appropriate operational and clinical representation be invited to attend the November 2015 IFPIC meeting to present the ICU full business case. **DS**

105/15 ANY OTHER BUSINESS

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

106/15 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 1 October 2015, and **TA/ Chair**

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

- **Confidential Minute 96/15 – report by the Chief Financial Officer;**
- **Minute 99/15/2 – Endoscopy performance;**
- **Minute 100/15/1 – CMG presentation;**
- **Confidential Minute 100/15/2 – report by the Chief Executive;**
- **Minute 100/15/3 – Alliance performance, and**
- **Minute 101/15/1 – Financial performance and delivery of the revised financial plan for 2015-16.**

107/15 DATE OF NEXT MEETING

Resolved – that the next meeting of the Integrated Finance, Performance and Investment Committee be held on Thursday 29 October 2015 from 9am – 12noon in the Board Room, Victoria Building, Leicester Royal Infirmary.

The meeting closed at 12.40pm

Kate Rayns,
Acting Senior Trust Administrator

Attendance Record 2015-16

Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
J Wilson (Chair)	6	6	100%	R Mitchell	6	5	83%
J Adler	6	4	67%	M Traynor	6	6	100%
I Crowe	6	6	100%	P Traynor	6	5	83%
S Dauncey	6	4	67%				

Non-Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
D Kerr	6	6	100%	K Singh	6	6	100%
M Gordon	2	2	100%	G Smith	5	5	100%
R Moore	6	6	100%	K Shields	6	3	50%