

Trust Board paper P

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 2 June 2016

COMMITTEE: Integrated Finance, Performance and Investment Committee

CHAIR: Mr M Traynor, Non-Executive Director

DATE OF MEETING: 26 May 2016

This report is provided for the Trust Board's information in the absence of the formal Minutes, which will be submitted to the Trust Board on 7 July 2016.

SPECIFIC RECOMMENDATIONS FOR THE TRUST BOARD:

- none

SPECIFIC DECISIONS:

- **2016-17 Financial Plan** – paper D1 provided additional detail underpinning the Annual Operational Plan submission on 18 April 2016. Appendix 3 set out the 2016-17 Capital Plan scenarios and sought the Committee's approval to constrain the Trust's capital expenditure within scenario B until the end of June 2016. In the meantime, a detailed review of the risks associated with approved and non-approved capital expenditure within scenario C would be undertaken at the 7 June 2016 EQB meeting. The Committee endorsed this transparent approach and agreed that the outstanding discretionary investments and expenditure (cost pressures) outlined in sections 3.7 and 3.8 would be reviewed by the Chief Executive, Chief Financial Officer, Chief Operating Officer, Medical Director and Chief Nurse (outside the meeting). As previously agreed, the Trust's income and expenditure profile would be reported both inclusive and exclusive of Sustainability and Transformation Funding (STF). The Chief Financial Officer briefed the Committee on the potential impact of phasing differences between the AOP submission and the budget setting process, advising that his request to resubmit the AOP with the corrected phasing had been declined;

DISCUSSION AND ASSURANCE:

- **Matters arising:-**
 - the Director of Estates and Facilities advised that the outputs arising from the Capita estates review would be available by the end of June 2016 and would be considered at an appropriate Executive meeting forum prior to consideration at the 28 July 2016 IFPIC meeting;
 - the Chief Operating Officer advised that updated demand and capacity plans would be considered at EQB or ESB in June 2016 prior to submission to the 30 June 2016 IFPIC meeting;
 - a report on the recently piloted tool for preventing re-admissions was due to be considered at

that afternoon's QAC meeting;

- the Trust Chairman agreed to consider scheduling a discussion on UHL's Outpatient Strategy at the 14 July 2016 Trust Board thinking day;
- the outputs of demand and capacity modelling would be fed into the Estates Development Control Plan with a view to submitting the Estates "Route Map" to the 30 June 2016 IFPIC meeting;
- **Review of the Procurement Strategy** – the Committee received a progress report on the 3 year Procurement Strategy and welcomed the Trust's formal accreditation to Level 1 on the NHS Standards of Procurement, noting that UHL was the first Trust to attain this standard nationally. Particular discussion took place regarding the development of benchmarking data, CIP savings, catalogue usage, workforce development and the repatriation of facilities management services. Challenges were noted in relation to the development of future CIP schemes, development of key suppliers/contracts and clinical standardisation (eg surgeons' gloves). The Chief Executive acknowledged the support of the Procurement Team in relation to compliance with the HSE Improvement Notice for safer sharps;
- **Briefing on the 2016-17 Contracts with CCGs and NHS England** – IFPIC received the briefing note and sought and obtained assurance that the activity numbers had been modelled through each specialty. Discussion took place regarding the clinical coding process and successful recruitment to clinical coding posts (including the opportunity to develop an apprentice model in clinical coding). Members noted the potential impact of the mismatch between demand and capacity in key services. The Committee agreed to receive quarterly Contract updates and these would be scheduled on the calendar of business going forwards;
- **2015-16 Month 12 Pay Review** – paper E1 provided further analysis of the month 12 peak in agency expenditure and the lessons learned as a result of the review. The Committee Chairman queried the scope to re-apportion the increases in pay expenditure into the relevant preceding months to make the data more meaningful;
- **Month 1 Financial Performance 2016-16** – IFPIC members welcomed the new format of this report and the Chief Financial Officer introduced each section, highlighting key pieces of data and the rationale for their inclusion in the report. He invited members to comment on any areas for improvement although he expressed a desire to retain a concise approach without exceeding the 20 pages already provided. The Chief Executive provided clarity that the Trust had signed up to using its best endeavours in order to achieve the performance standards associated with STF. However, caveats had been provided in respect of 62 day cancer performance (which was not expected to be fully compliant until September 2016) and 4 hour ED performance and some degree of performance management measures might be expected in the meantime. The Committee commented upon disappointing performance against the Better Payment Practice Code (BPPC) and agreed that proposals for improving performance would be provided to the June 2016 IFPIC meeting (if the data was validated as 17% of invoices of invoices being paid within the 30 day target). Mr A Johnson, Non-Executive Director requested an amendment to the headings on page 8 to indicate WTE (wherever applicable) and he requested that the planned position be reported alongside the actuals throughout the year;
- **Cost Improvement Programme** – the Director of CIP and Future Operating Model presented paper F1, noting actual CIP delivery of £1.703m against the month 1 target of £2.025m (an adverse variance of £0.322m). Assurance was provided regarding a number of schemes which were due to start delivering savings in month 2. A comprehensive CIP quality and safety impact assessment process had been undertaken and the outputs presented to EQB and a related presentation had been well-received by the CCGs. Paper F2 provided an update on the Beds cross-cutting CIP theme;
- **Workforce Update** – the Committee received the monthly update on key workforce metrics, noting the intention of the Director of Workforce and Organisational Development to re-format the structure of this report following her recent meeting with the Committee Chair. Members noted the development of a new Applicant Portal which was planned to be demonstrated at the 9 June 2016 Trust Board thinking day on recruitment. Meeting dates had now been arranged for the recently

established Task and Finish group, but assurance was provided that significant work was already taking place within the pre-existing workstreams. A particular focus was being maintained on improving staff retention and reducing variability in premium pay rates. The Trust Chairman and the IFPIC Chair briefed the Committee on recent discussions held with the University of Leicester and DeMontfort University regarding the exploration of joint education initiatives going forwards. In considering the future format of the monthly Workforce updates to the Committee, members suggested the inclusion of metrics to demonstrate performance against the agency staffing caps and equality and diversity data. In addition, this data should also be included in the monthly quality and performance report and the associated dashboard;

- **Month 1 Quality and Performance Report** – the Director of Performance and Information briefed the Committee on RTT performance and the impact of ENT capacity issues. Diagnostics performance was compliant for April 2016 and indications were that May 2016 would also be compliant. He briefed the Committee on the main areas of concern relating to 2 week wait and 62 day cancer performance, advising that an overseas locum for Head and Neck Cancers had been appointed (subject to visa requirements). Further discussion took place regarding ambulance handover times and e-referrals metrics;
- **Empath** – papers I1 and I2 provided the Empath Annual Plan for 2016-17 and the quarterly update on Empath's financial and operational performance. Particular discussion took place regarding positive staff engagement in the partnership approach, cellular pathology turnaround times, cancer turnaround times (especially in lung cancer), and improvements in electronic ordering of tests. The Chief Executive advised that e-ordering was being rolled out within outpatients during 2016-17 and this was expected to significantly improve compliance;
- **Reports for Scrutiny and Information** – the Committee received and noted the following documents:-
 - IFPIC calendar of business;
 - Updated timetable for UHL Business Case Approvals;
 - Minutes of the Executive Performance Board meeting held on 26 April 2016;
 - Minutes of the Capital Monitoring and Investment Committee meeting held on 15 April 2016, and
 - Minutes of the Revenue Investment Committee meeting held on 15 April 2016;
- **Investment Business Cases** – none submitted for consideration at this meeting;
- **CMG Presentation (Emergency and Specialist Medicine)** – topics discussed included:-
 - 2 recent Health Service Journal awards for international recruitment and training and development within the Emergency Department;
 - repatriation of all ESM's outlying activity from other CMGs' bed bases;
 - delays in implementing a 1 month trial for enhanced bank rates (pending the provision of an appropriate extra duty form from Payroll services). This issue would be escalated by the CMG's HR Lead for urgent resolution;
 - an upwards trend in 4 hour ED performance and the arrangements for embedding the positive aspects of rapid cycle testing. Improvements in time to assessment within ED and a continued focus on management of sepsis were recognised;
 - data quality in ambulance handovers (including an analysis of those patients who had been allocated a low priority status by EMAS prior to delayed transportation);
 - financial performance;
 - strategic discussions required in relation to refurbishment of Wakerley Lodge on the LGH site;
- **Any Other Business** – none noted.

DATE OF NEXT COMMITTEE MEETING: 30 June 2016

Mr M Traynor – Committee Chair
26 May 2016