

Trust Board paper J3

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 1 October 2020

COMMITTEE: Finance and Investment Committee (FIC)

CHAIR: Mr A Johnson, Non-Executive Director and FIC Chair

DATE OF COMMITTEE MEETING: 27 August 2020

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

- None

OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR NOTING BY THE PUBLIC TRUST BOARD:

- None

DATE OF NEXT COMMITTEE MEETING: 24 September 2020

Mr A Johnson, Non-Executive Director and FIC Chair

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

**MINUTES OF A FINANCE AND INVESTMENT COMMITTEE (FIC) ASSURANCE CONFERENCE CALL,
HELD VIRTUALLY ON THURSDAY 27 AUGUST 2020 AT 9AM VIA MICROSOFT TEAMS**

Voting Members Present:

Mr A Johnson – Non-Executive Director (Committee Chair)
Mr S Lazarus – Interim Chief Financial Officer
Mr M Traynor – Non-Executive Director

In Attendance:

Mr N Bond Deputy Director of Estates and Facilities (up to and including Minute 38/20/1)
Mr R Cooper – Financial Improvement Director (NHSE/I)
Miss M Durbridge – Director of Quality Transformation and Efficiency Improvement
Mr D Kerr – Director of Estates and Facilities (up to and including Minute 38/20/1)
Mr J Shuter – Deputy Chief Financial Officer
Ms H Stokes – Corporate and Committee Services Manager

ACTION

RECOMMENDED ITEMS

33/20 REPORT FROM THE DIRECTOR OF ESTATES AND FACILITIES

Recommended – that this item be classed as confidential and taken in private accordingly.

RESOLVED ITEMS

34/20 APOLOGIES FOR ABSENCE

No apologies for absence were received.

35/20 DECLARATIONS OF INTERESTS

Mr A Johnson FIC Non-Executive Director Chair, the Interim Chief Financial Officer, and the Deputy Chief Financial Officer declared their roles as (respectively) Non-Executive Chair, Non-Executive Director, and the Finance Director and Company Secretary of Trust Group Holdings Ltd. Mr M Traynor Non-Executive Director also declared his role with the Cabinet Office as Small Business Crown Representative. As these were judged by the Committee to be non-prejudicial interests, they remained present at the meeting.

Resolved – that the declarations of interests be noted.

36/20 MINUTES OF JULY 2020 FIC ASSURANCE CONFERENCE CALL

Resolved – that the Minutes of the 30 July 2020 Finance and Investment Committee assurance conference call be confirmed as a correct record.

37/20 MATTERS ARISING LOG

Paper B set out the status of actions from previous FIC meetings. The FIC Non-Executive Director Chair undertook a detailed review of the actions, receiving updates from the lead Executive Directors. The matters arising log would be updated to reflect those updates.

CCSM

Resolved – that the matters arising log be noted, and any required actions be progressed by the identified lead.

LEADS

37/20/1 Reports from the Director of Estates and Facilities

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

37/20/2 Report from the Interim Chief Financial Officer

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

37/20/3 2020/21 Month 2 Finance Report (action from May 2020 FIC assurance conference call)

The FIC Non-Executive Director Chair requested that consideration of whether any additional fraud prevention/detection measures (re: invoice authorisation) were required beyond those already in place, be included in UHL's financial governance improvement plan, with appropriate advice to be sought from the Local Counter-Fraud Specialist.

**FID/
ICFO**

Resolved – that consideration be given to including this issue in the financial governance improvement plan, with appropriate advice to be sought from the Local Counter-Fraud Specialist.

**FID/
ICFO**

38/20 KEY ISSUES FOR DISCUSSION AND ASSURANCE

38/20/1 Report from the Interim Chief Financial Officer

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

38/20/2 Report from the Financial Improvement Director

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

38/20/3 Key Financial Controls in Place at UHL

The report from the Financial Controller at paper F confirmed the process for producing a viable and accurate trial balance, including identifying who was responsible for monitoring that process. The FIC Non-Executive Director Chair was content that the report indicated that a previous lack of control would now be addressed, and he noted his expectation that this would be progressed through the overarching financial improvement plan. FIC noted the report for information.

Resolved – that the position be noted.

38/20/4 Report from the Interim Chief Financial Officer

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

38/20/5 Report from the Interim Chief Financial Officer

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

38/20/6 Financial Recovery Board

FIC received and noted the actions from meetings of the FRB meetings held on 28 July 2020 and 11 August 2020, and the agenda from the most recent (25 August 2020) FRB – papers J1-J3 respectively. In discussion on the 25 August 2020 FRB agenda, the FIC Non-Executive Director Chair reiterated his comment from the July 2020 FIC that (evidenced by the number and range of agenda items) FRB was not currently focusing on its primary purpose: that of driving financial recovery to achieve the targeted outcome. This needed to be addressed with some urgency. The Interim Chief Financial Officer agreed with this point and provided reassurance that FRB would become more targeted on financial recovery now that UHL's financial recovery programme partner had been appointed. The FIC Non-Executive Director Chair emphasised that the necessary assurance needed to be provided through effective action to change the FRB agenda.

**ACE
/ICFO**

Resolved – that the actions from and agenda (and the comments thereon) for the Financial Recovery Board meetings be noted.

**ACE/
ICFO**

39/20 ITEMS FOR NOTING

Resolved – that the Executive Performance Board action notes from 21 July 2020 be noted for information.

40/20 ANY OTHER BUSINESS

40/20/1 Contract Management Process

The FIC Non-Executive Director Chair proposed that the Audit Committee be requested to consider seeking an Internal Audit review of UHL contract management processes, to ascertain whether any further improvements could be identified. Such a review should include consideration of appropriate triggers when long-term contracts neared their end, and ensuring that an appropriate cost perspective was being applied to overall contract management.

**FIC NED
CHAIR/
ICFO/AC
NED
CHAIR
FIC NED
CHAIR/
ICFO**

Resolved – that the UHL Audit Committee be invited to consider requesting an Internal Review of UHL contract management processes.

40/20/2 Report from the FIC Non-Executive Director Chair

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

41/20 IDENTIFICATION OF ANY KEY ISSUES FOR THE TRUST BOARD

Resolved – that the item in private Minute 33/20 be recommended for approval by the Trust Board, and the items in private Minutes 38/20/2 and 38/20/5 be highlighted to the 3 September 2020 Trust Board for information.

**FIC NED
CHAIR**

42/20 DATE OF NEXT MEETING

Resolved – that the next meeting of the Finance and Investment Committee be held virtually on Thursday 24 September 2020, from 9am to 11am via Microsoft teams.

The meeting closed at 11.34am

Helen Stokes **Corporate and Committee Services Manager**

FIC Attendance Record 2020/21

Voting Members:

| Name | Possible | Actual | % attendance | Name | Possible | Actual | % attendance |
|-------------------|----------|--------|--------------|-------------------------------|----------|--------|--------------|
| A Johnson (Chair) | 5 | 5 | 100 | K Jenkins | 3 | 3 | 100 |
| J Adler | 0 | 0 | N/A | S Lazarus | 5 | 4 | 80 |
| R Brown | 0 | 0 | N/A | K Singh (<i>ex officio</i>) | 5 | 1 | 20 |
| | | | | M Traynor | 5 | 5 | 100 |

Non-Voting Members:

| Name | Possible | Actual | % attendance | Name | Possible | Actual | % attendance |
|----------|----------|--------|--------------|------------|----------|--------|--------------|
| J Shuter | 5 | 4 | 80 | M Wightman | 0 | 0 | N/A |