

Trust Board paper AA

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 26 June 2014

COMMITTEE: Finance and Performance Committee

CHAIRMAN: Mr R Kilner, Non-Executive Director

DATE OF COMMITTEE MEETING: 28 May 2014

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

None

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

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

DATE OF NEXT COMMITTEE MEETING: 25 June 2014

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

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST**MINUTES OF A MEETING OF THE FINANCE AND PERFORMANCE COMMITTEE, HELD ON WEDNESDAY 28 MAY 2014 AT 8.30AM IN THE LARGE COMMITTEE ROOM, MAIN BUILDING, LEICESTER GENERAL HOSPITAL****Present:**

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

In Attendance:

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

ACTION**RESOLVED ITEMS****53/14 APOLOGIES**

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

54/14 MINUTES

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

55/14 MATTERS ARISING PROGRESS REPORT

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

- (a) Minute 45/14/1(B) of 23 April 2014 – the Chief Operating Officer was reviewing the current schedule of CMG meeting commitments (using sample data being provided by the Women's and Children's CMG). The outputs of this review would be presented to an informal ET meeting within the next few weeks to inform a discussion on the scope to reduce the meeting commitments for CMG leadership teams and reduce any areas of duplication. The Interim Director of Financial Strategy added that this review would link with the process for developing CMG-level earned autonomy. The Finance and Performance Committee supported this development and requested that this action be marked as complete and removed from the progress log; **TA**
- (b) Minute 45/14/1(C) of 23 April 2014 – the Medical Director was producing a lessons learned document based on the findings of the transplant review for consideration by the Executive Team at the end of June 2014. This was expected to outline how CMGs should assure themselves that key requirements for effective team working were met by all their services. The Trust Administrator was requested to mark this action as "on track" and retain it on the progress log; **TA**

- | | | |
|-----|--|------------|
| (c) | Minute 46/14/2 of 23 April 2014 – a breakdown of causes for cancelled operations would be included in future iterations of the cancelled operations exception report. The Chief Operating Officer clarified that the threshold was 0.8% (not 1%); | COO |
| (d) | Minute 46/14/2(A) of 23 April 2014 – progress of RTT improvement plans for ENT and Orthopaedics would be included within the CMG presentation later in the agenda. Item to be marked as complete and removed from the progress log; | TA |
| (e) | Minute 46/14/2(B1) of 23 April 2014 – a report had been submitted to the Trust Board on proposals for ring-fencing beds. Item to be marked as complete and removed from the progress log; | TA |
| (f) | Minute 46/14/2(B2) of 23 April 2014 – this action relating to mitigating service level RTT penalties had been superseded by the outcome of the contract arbitration process and could be removed from the progress log; | TA |
| (g) | Minute 30/14/1(a) of 26 March 2014 – the expected update on the development of an interface between e-prescribing and Sunquest ICE had been deferred to the 25 June 2014 to (to align with the timetable for the associated software upgrade); | CD,
CSI |
| (h) | Minutes 30/14/1(b) and 30/14/1(c) of 26 March 2014 – progress updates were awaited from the General Manager, CSI regarding additional areas for Executive walkabouts and opportunities to include imaging reporting timescales within the main Q&P report, and | GM,
CSI |
| (i) | Minute 17/14/3 of 26 February 2014 – the timetable for seeking PPI engagement in UHL's key strategic priorities would be reviewed by the Trust Board and could be removed from the Finance and Performance Committee progress log. | TA |

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

56/14 STRATEGIC MATTERS

56/14/1 Musculoskeletal and Specialist Surgery CMG Presentation

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

- (a) progress with issued identified on the CMG's risk register, including:-
 - reduction of follow-up backlogs and resolution of capacity issues in Ophthalmology using an outsourced provider (Newmedica);
 - staffing levels on ward 16 had been resolved and this risk would now be removed from the register;
 - ongoing risks surrounding elective cancellations;
 - the scope to review the entry relating to electronic prescribing in line with progress of the EPMA project, and
 - assurance provided that a process was in place for analysing any future service level risks and escalating these through the CMG Board meetings;
- (b) financial performance in respect of patient care income (£73k adverse variance) and non-pay (£97k adverse variance);
- (c) action plans were in place to address RTT performance in ENT, Ophthalmology and Elective Orthopaedics. National recruitment challenges relating to ENT Consultants were highlighted and consideration was being given to appointing locums in the short term. The impact upon the ENT service was being closely monitored and every effort was being made to avoid inefficiencies associated with split-site working. RTT

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

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

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

- (1) the Committee Chairman provided feedback from his recent Executive walkabout visit to Ward 32, commenting upon the positive attitude of staff in reducing incidents of pressure ulcer damage;
- (2) Ms J Wilson, Non-Executive Director and Quality Assurance Committee (QAC) Chair confirmed her intention for QAC to undertake a further review of fractured neck of femur performance. The Committee Chairman suggested that opportunities to improve staffing levels on the fractured neck of femur ward through e-rostering also be explored;
- (3) the Chief Executive thanked the CMG team for their clear presentation and commented upon the lessons learned from 2013-14 in respect of financial performance. In response, the Clinical Director expressed his view that delivering all planned patient activity would be crucial for 2014-15, as both pay and non-pay costs were relatively well-controlled;
- (4) the Interim Director of Financial Strategy highlighted the CMG's risks surrounding delivery of CIP savings, noting the further work required to close gaps in assurance for those schemes currently RAG-rated as red;
- (5) Ms J Wilson, Non-Executive Director sought and received assurance that the Ophthalmology activity outsourced to Newmedica had been incorporated into the financial forecast position and that all costs were covered by tariff. In response to a query from the Committee Chairman, the General Manager undertook to explore with Newmedica any opportunities for outsourcing activity from other specialties, eg ENT
- (6) the Chief Operating Officer requested a progress update on the validation process for follow-up appointments and noted in response that no further significant issues had been identified, but a refreshed report was expected later that day, and
- (7) the Committee Chairman noted the Clinical Director's comments regarding recruitment challenges within smaller clinical specialties and a decline in the number of medical school trainees coming forwards for small services within acute hospitals. The Clinical Director also highlighted support required to develop more ANP roles within such services.

**QAC
Chair**

**GM,
MSS**

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

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

**QAC
Chair**

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

**GM,
MSS**

56/14/2

5 Year Planning Submission

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

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

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

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

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

CE/DS

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

CHAIR
MAN

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

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

CE/DS

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

CHAIR
MAN

56/14/3

Trust Development Authority – Presentation Slides

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

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

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

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

- (a) **apportionment of clinical academic post funding** – following a comprehensive validation exercise, a formal two-way process had been developed with the University of Leicester to develop post by post Service Level Agreements and re-base the budgets accordingly. Ms J Wilson, Non-Executive Director particularly supported this workstream noting the scope to increase visibility of posts and inform the Trust's strategy moving forwards. She sought assurance regarding the future frequency of such reviews and noted the Interim Director of Financial Strategy's view that such reviews would be undertaken regularly as part of the Trust's arrangements for "business as usual", and
- (b) **validation of UHL premises occupied by the University of Leicester** – the Committee Chairman noted that the survey and assessment of embedded space had been undertaken already and that the subsequent validation work was expected to be completed by the end of July 2014.

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

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

IDFS

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

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

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

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

COO

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

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

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

DDF

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

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

DDF

57/14 **FINANCE**

57/14/1 2014-15 Cost Improvement Programme

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

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

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

COO

During discussion on the CIP report:-

- (a) Ms E MacLellan-Smith, EY Senior Manager stressed the importance of increasing the pace of actions (2) to (5) above and provided assurance that opportunities for non-recurrent savings were being explored to mitigate the part year impact of some recurrent schemes;
- (b) the Chief Executive cautioned against over-reliance upon central controls and short term savings measures, noting that agency staffing controls could not be centrally-led for quality and safety reasons. In respect of the 2% target for headcount reductions, locally-led reviews were progressing well, although plans were in place to deliver these centrally (if required);
- (c) Ms J Wilson, Non-Executive Director commended the improved CIP governance arrangements but sought further assurance regarding the scale and pace of the workstreams being undertaken within the CMG teams. In response, the Interim Director of Financial Strategy confirmed that a robust process had been established to sign off CMG level budgets, activity assumptions and CIP targets. In addition, any unidentified CIP savings had been phased into the plans in equal monthly instalments;

- (d) the Chief Operating Officer briefed the Committee on the high calibre of EY support embedded within the CMG management teams. The CMG teams broadly fell into 3 categories – the first group was felt to be achieving the required standard and needed space to complete the work, the second group needed additional support but there was confidence that they would achieve the target in due course, and the third group were considered to be working hard but not making sufficient progress. The latter group was being monitored more closely and fortnightly reviews were being undertaken;
- (e) the Chief Operating Officer voiced concerns regarding the Trust's ability to achieve financial balance within 3 years when there was still such a reliance upon external factors, and
- (f) the Committee Chairman noted the scope to increase planned headcount reductions to achieve the full £45m CIP target, but the Chief Executive reiterated the need to factor premium rate and temporary staffing reductions into the overall CIP performance. The Chief Executive requested that headcount reductions be presented clearly in a single table alongside the financial savings in the June 2014 iteration of the CIP report.

COO

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

COO

57/14/2

Month 1 Financial Performance for 2014-15

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

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

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

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

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

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

CE

57/14/3

2013-14 Financial Forecasting and Managing Financial Positions – Lessons Learnt

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

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

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

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

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

IDFS

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

IDFS

57/14/4

PLICS, SLR and SLM Update

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

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

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

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

58/14 PERFORMANCE

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

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

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

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

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

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

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

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

COO

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

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

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

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

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

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

CHAIR
MAN

58/14/3 Progress Report on Clinical Letters Backlog

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

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

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

COO

58/14/4 UHL Capacity Plan 2014-15

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

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

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

59/14 **SCRUTINY AND INFORMATION**

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

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

59/14/2 Executive Performance Board

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

59/14/3 Quality Assurance Committee (QAC)

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

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

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

TA

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

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

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

TA

61/14 ANY OTHER BUSINESS

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

62/14 ITEMS TO BE HIGHLIGHTED TO THE TRUST BOARD

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

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

63/14 DATE OF NEXT MEETING

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

The meeting closed at 11am

Kate Rayns,
Trust Administrator

Attendance Record 2014-15

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

* non-voting members