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UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

**DATE OF TRUST BOARD MEETING:** 3 September 2015

**COMMITTEE:** Integrated Finance, Performance and Investment Committee

**CHAIR:** Ms J Wilson, Non-Executive Director

**DATE OF MEETING:** 27 August 2015

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 1 October 2015.

**SPECIFIC RECOMMENDATIONS FOR THE TRUST BOARD:**

- None

**SPECIFIC DECISIONS:**

- **Strategic Investment Business Cases:-**
  - **Update on Interim Reconfiguration of Level 3 ICU Services** – the interim adult ICU business case for re-provision of 6 beds (3 on the LRI site and 3 at Glenfield) was approved in the maximum sum of £717,120 capital costs, and
  - **Vascular Hybrid Theatre Internal Rate of Return** – the Committee received and noted the additional information provided in paper R (as agreed by the Trust Board on 6 August 2015).

**DISCUSSION AND ASSURANCE:**

- **Matters arising:-**
  - Minute 78/15/3 – arrangements for ensuring Trust Board oversight of the key performance indicators for the Facilities Management Contract had been agreed between the Audit Committee Chair and the Director of Estates and Facilities;
  - Minute 80/15/2 – an update was provided on the development of locally agreed guidance for the management of Endoscopy planned waiting lists, and
  - Minute 69/15/6 – the expected report on Service Reviews had been deferred to the September 2015 IFPIC meeting;
- **Presentation by the CHUGGS CMG** – the CMG presentation focused upon the following issues:-
  - the scale and pace of actions required to deliver compliant 2 week wait cancer performance and 6 week diagnostics performance within the Endoscopy service;
  - an improved position in respect of 62 day cancer performance within the Urology Service;
  - arrangements for recruiting 2 new Gastroenterology Consultants and for building Endoscopy capacity within the wider healthcare community;

- equipment decontamination arrangements for the Endoscopy Service;
  - a progress report on Endoscopy service performance was requested for the September 2015 IFPIC meeting, and
  - financial recovery plans and the arrangements for raising awareness of issues within the wider CMG team;
- **TDA Quarterly Review Feedback** – correspondence between the TDA and UHL following the 30 July 2015 Quarterly Review meeting was received and noted for information;
- **IBM Contract Performance Quarterly Update:-**
    - the Committee noted recent improvements in the business intelligence reporting system and timely provision of data, although isolated issues with system stability had continued to cause a concern;
    - risks surrounding the delays in the external approvals process for the Electronic Patient Record (EPR) project continued to be managed and mitigated, but any delays beyond December 2015 would cause more severe challenges. In parallel, alternative funding streams were being explored for the EPR project in the event of national DoH capital not being available – an update would be provided to IFPIC in September 2015, and
    - further discussion took place regarding the pension arrangements for staff transferred to IBM, procurement opportunities relating to managed contracts, and improving engagement and communications between IBM and UHL staff;
- **University of Leicester Embedded Space at UHL** – the Committee supported the proposed charging mechanism on the basis of “pass through” costs to cover the cost to UHL of providing and servicing the accommodation occupied by University of Leicester staff (as agreed in the schedule). Invoices would be issued at the end of September 2015 and back-dated to 1 April 2015. A final update would be provided to the September 2015 IFPIC meeting to confirm the quantum of charges and the future charging model;
- **Month 4 Quality and Performance** – the Committee considered the following issues:-
    - RTT admitted performance and the impact of removing the “pause” for patients taking a holiday or being unfit for treatment during their pathway journey;
    - recruitment plans and longer term commissioning arrangements for the Orthodontics service;
    - diagnostics performance – issues highlighted during the CHUGGS presentation were the main cause of non-compliance;
    - a deterioration in cancelled operations performance arising from lack of ICU capacity on the LGH site and non-availability of a key surgeon;
    - implementation of tumour-level reporting standards for cancer performance (instead of the Trust’s aggregated position), and
    - opportunities to strengthen the level of assurance surrounding the data currently provided in the Q&P report on the Estates and Facilities KPIs;
- **Review of Cancer Performance** – the Committee welcomed the granularity of this report, noting that the thematic breach analysis was due to be repeated for the subsequent month. A further report would be provided to the September IFPIC meeting and the Committee requested a focus on the training and development of administrative staff involved in cancer patient pathways. The Standard Operating Procedure (as appended to paper H) was also approved;
- **Review of Fractured Neck of Femur Performance** – the Committee noted that the Chief Resident for Trauma had commenced in post during August 2015. A comprehensive summary of the actions underway to achieve high impact changes in performance was received and the Committee requested a further update report in December 2015 (unless a fully compliant position was reported via the Q&P report before that date);
- **Month 4 Financial Performance** – the Committee noted that a revised year end control total (£34.1m deficit) had been agreed with the TDA for month 5 and that this would be acknowledged at the Trust Board meeting on 3 September 2015. The net income and expenditure deficit at the end of July 2015 was adverse by £3.6m and this was attributed to premium pay costs, income below plan for month 4, and under-delivery against the CIP plan (£1.2m). An adverse pay

expenditure trend within the CSI CMG had been caused by an administrative error and this was being investigated thoroughly and appropriately corrected;

- **Delivery of the Revised 2015-16 Financial Plan** – IFPIC members supported the actions underway to ensure delivery of the revised financial plan (£34.1m deficit) and agreed to receive a further update at the September 2015 IFPIC meeting;
- **Cost Improvement Programme 2015-16**
  - the total CIP forecast outturn had risen to £42.764m against the £43m target and the risk adjusted total stood at £38.1m;
  - key risks related to delivery of CMG targets within the ITAPS and RRCV CMGs, demand for inpatient beds affecting the Trust’s ability to achieve forecast bed reductions, and decommissioning of theatre sessions in a timely manner under the theatre trading model;
  - the Committee also received a progress report on development of CIP schemes for 2016-17, noting that CMGs had been tasked to identify 75% of their target by the end of November 2015, and
  - the Committee queried whether the Trust’s 2016-17 CIP target was consistent with the LTFM and requested an update on the LTFM to be provided to IFPIC in either September 2015 or October 2015 (to be determined by the Chief Financial Officer);
- **Overview of the Non-Pay Cross-Cutting CIP Theme** – the Head of Procurement and Supplies presented the report and briefed the Committee on the non-pay workstreams arising from the Carter Review. Discussion took place regarding opportunities to create a more stretching target for 2016-17 based on that element of non-pay expenditure which could be influenced by efficiency measures. The Procurement Strategy was scheduled for IFPIC consideration in October 2015 and the scope would be explored for holding a Trust Board thinking day discussion on wider procurement issues in the near future;
- **Reports for Scrutiny and Information** – the following reports were received and noted:-
  - Strategic Business Case Approvals Process;
  - Executive Performance Board meeting notes of 28 July 2015, and
  - Updated IFPIC Calendar of Business.
- **Any Other Business** – noting this would be the last IFPIC meeting for Mr G Smith, Patient Adviser, the Committee thanked him for his contribution and wished him well for the future.

**DATE OF NEXT COMMITTEE MEETING:** 24 September 2015

Ms J Wilson – Committee Chair  
27 August 2015