

Trust Board paper M

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

**DATE OF TRUST BOARD MEETING:** 5 May 2016

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

**CHAIR:** Mr M Traynor, Non-Executive Director

**DATE OF MEETING:** 28 April 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 2 June 2016.

**SPECIFIC RECOMMENDATIONS FOR THE TRUST BOARD:**

- none

**SPECIFIC DECISIONS:**

- none

**DISCUSSION AND ASSURANCE:**

- **Matters arising:-**
  - the Director of Estates and Facilities confirmed that the non-clinical occupied space data provided in the response to Lord Carter's review excluded any off-site leased accommodation;
  - concerns were raised regarding the delay in reviewing BAF risk 11 (estates infrastructure capacity) and members noted that this review was linked with the development of the Estates Route Map. Assurance was provided that any statutory compliance issues would be raised at the Executive Quality Board and escalated to the subsequent Quality Assurance Committee during the interim period;
  - the IFPIC Chair requested that a summary of the outputs arising from the Capita estates review be circulated to IFPIC members outside the meeting (once available);
- **Month 12 Financial Performance and Forecast 2015-16** – the Trust had achieved the planned 2015-16 year end deficit of £34.1m and this was welcomed. Particular discussion took place regarding pay expenditure trends, an adverse EBITDA variance, potential implications of the 2016-17 patient care contracts, re-valuation of assets and treatment of depreciation. The final Statutory Accounts were scheduled for Audit Committee consideration on 25 May 2016 and Trust Board approval on 2 June 2016. The year-end cash balance was £3.178m and the cash forecast for the next 13 weeks was provided within paper C. The Committee received assurance that small and medium sized business invoices were being appropriately prioritised for payment, noting the intention to include a breakdown of the payment profile (by size of organisation) in future iterations of the monthly financial performance report. Finally, the Committee commended the successful delivery of £43.1m against the planned £43m Cost Improvement Programme;

- **Cost Improvement Programme** – the Director of CIP and Future Operating Model thanked the CMGs for their significant achievements in 2015-16, noting that 546 separate schemes had been delivered. In respect of the £35m 2016-17 CIP target, the current value of identified schemes stood at £30.7m and work was underway to address the unidentified gap of £4.3m. The Committee noted the change in culture that would be required to deliver the Trust's future CIP strategy and it was agreed that a future Trust Board thinking day session would be scheduled on Lean techniques. A summary of the Workforce cross-cutting CIP theme was also presented and the Committee discussed premium pay, agency caps compliance, bank staff usage, medical job planning and pay expenditure controls;
- **2016-17 Planning (Draft Annual Operational Plan, Financial Plan, Capital Programme, CIP and Demand and Capacity Plan)** – the Committee supported the Annual Operational Plan for submission to the Trust Board meeting on 2 June 2016, noting that further work was required in respect of finalising the financial plan, capital programme and the demand and capacity plan. Additional clarity was required in relation to the relocation of Vascular and ITU services, strategic reconfiguration programme, Better Care Together assumptions for bed capacity, and the improvement trajectories to be met in order to qualify for Sustainability and Transformation Funding (STF). Updated versions of the annual planning documentation would be presented to the 24 May 2016 Executive Performance Board, 26 May IFPIC and 2 June 2016 Trust Board meetings;
- **Development of PLICS/SLR for 2016-17** – the Committee received a briefing note on key national and locally driven developments for improving engagement in costing information systems. A breakdown of the February 2016 SLR position by service line and specialty was provided in appendix 1 and appendix 2 provided an example of a service level dashboard;
- **Reference Costs Submission for 2015-16** – paper G updated the Committee on the proposed process for submission of the nationally mandated reference costing information and advised that the 2015-16 submission would be presented to IFPIC on 30 June 2016 for review and approval;
- **Review of Board Assurance Framework Risks 10 and 18** – the Committee reviewed the following updated BAF entries:-
  - risk 10 (a caring, professional and engaged workforce) – a system-wide approach to workforce planning was being developed and feedback from the Internal Audit review of medical staffing would be presented to the Audit Committee in due course;
  - risk 18 (delay to the approvals for the EPR programme) – assurance was provided that additional costs, risks and pressures on UHL's existing IT systems were being managed appropriately, pending approval of the EPR FBC. An amber/green rating had been provided following the EPR healthcheck review and the Chief Information Officer had been invited to brief the NHS Improvement lead on the finer points of the business case prior to consideration by the National Investment Committee;
- **Workforce Update** – the Committee received the monthly update on key workforce metrics and considered the available assurance in relation to improving retention rates and reducing key vacancy gaps. Following the 24 March 2016 IFPIC meeting, a task and finish group had been established to build on existing workstreams to address gaps in the nursing and nursing support workforce. In response to a query raised by Colonel (Retired) I Crowe, Non-Executive Director, the Director of Workforce and Organisational Development agreed to double-check that the Committee's specific recommendation in relation to expanding local nurse training capacity was being addressed within the scope of the task and finish group;
- **IBM Contract performance quarterly update** – paper K provided the quarterly contract performance report for core service delivery and updated the Committee on changes to the prioritisation process to focus upon delivery of the Trust's objectives. Members queried the scope to arrange a follow-up event for the Trust Board thinking day session held in July 2015 and the Trust Chairman agreed to liaise with the Director of Corporate and Legal Affairs to schedule a future event. Responding to a query, the Chief Information Officer agreed to send Colonel (Retired) I Crowe, Non-Executive Director a briefing note on the scope of the near patient testing

project;

- **Month 12 Quality and Performance Report** – the Director of Performance and Information briefed the Committee on 52 week waits, diagnostics performance, cancer performance, RTT performance and the short term arrangements for insourced activity to support the ENT service. The Chief Operating Officer agreed to ensure that appropriate feedback was provided to the cancer LiA workstream leads regarding the positive impact upon patient experience arising from the implementation of the “next steps” booklet for cancer patients. He also agreed to provide Colonel (Retired) I Crowe, Non-Executive Director with an update on the implementation plans for the recently piloted tool for preventing re-admissions. The QAC Chair highlighted concerns regarding recent fractured neck of femur performance and received assurance that future reports would disaggregate the statistics for those patients who were not considered to be medically fit for surgery;
- **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 22 March 2016, and
  - Minutes of the Capital Monitoring and Investment Committee meeting held on 11 March 2016;
- **Investment Business Cases** – none submitted for consideration at this meeting;
- **CMG Presentation (Clinical Support and Imaging)** – topics discussed included a reflection of recent service developments in Imaging and Pharmacy, progress of key commercial developments and opportunities for the CMG to strengthen its future performance. Members noted that Ms S Khalid, Clinical Director would be assuming the role of Clinical Director for RRCV in May 2016 and they thanked her for her significant contribution to the CSI CMG.
- **Any Other Business** – none noted.

**DATE OF NEXT COMMITTEE MEETING:** 26 May 2016

Mr M Traynor – Non-Executive Director and Committee Chair  
28 April 2016