

Cover report to the Trust Board meeting to be held on 2 November 2017

Trust Board paper M

Report Title:	Finance and Investment Committee – Committee Chair’s Report (formal Minutes will be presented to the next Trust Board meeting)
Author:	Kate Rayns, Corporate and Committee Services Officer

Reporting Committee:	Finance and Investment Committee
Chaired by:	Martin Traynor, Non-Executive Director
Lead Executive Director(s):	Paul Traynor, Chief Financial Officer Mark Wightman, Director of Strategy and Communications
Date of last meeting:	26 October 2017

Summary of key matters considered by the Committee and any related decisions made:

This report provides a summary of the following key issues considered at the Finance and Investment Committee on 26 October 2017:-

- **2017-18 Month 6 Financial Performance** – paper D advised of a year-to-date deficit of £25.8m which was in line with plan, although there was significant risk in quarters 2 to 4 relating to CIP delivery and overall delivery of the income and expenditure plan. Assurance was provided that the Trust was doing everything possible to deliver the forecast year-end deficit of £26.7m whilst meeting challenging operational performance pressures and maintaining patient quality and safety. The Informal Executive Team meeting on 25 October 2017 had agreed a range of enhanced controls given the current run-rate and pay expenditure trends. Revised control totals were now being developed for sign-off by each CMG and Corporate Directorate and a summary of these would be presented to the Trust Board on 2 November 2017. The Director of Operational Finance also briefed members on an opportunity to reduce non-operating costs in March 2018, subject to completion of a proposed asset sale;
- **Cost Improvement Programme** – paper F1 provided the monthly CIP progress report, noting in-month delivery of £3.2m (in line with plan) and year-to-date delivery of £16.361 (adverse to plan by £0.011m). Particular discussion took place regarding the procurement workstreams and the Trust’s forthcoming assessment for level 2 of the NHS Procurement Standards. Paper F2 provided a progress report against the £3.5m supplementary workforce CIP target for 2017-18 and members agreed that the detailed discussion on this report would be held at the People, Process and Performance Committee later that day;
- **Efficiency Strategy** – the Director of Efficiency and CIP provided an overview of the proposed strategy to help the Trust to maximise efficiency and achieve financial sustainability by maximising use of the Model Hospital Portal and the associated Carter workstreams. Members were encouraged to access the Model Hospital Portal information for themselves by visiting the website www.modelhospital.co.uk. Particular discussion took place regarding the Carter metrics for Estates and Facilities services, PLICS data, opportunities to support the LLR healthcare economy as a whole, those aspects of the strategy which were already working well at UHL, and the proposed next steps for implementation;
- **Accountability Framework Update** – paper H provided an update on the Accountability Framework (as supported by the Executive Team on 3 October 2017). The report was received and noted;
- **Approach to Refreshing the Annual Operational Plan for 2018-19** – the Director of Strategy and Communications had recently joined the Finance and Investment Committee. He introduced paper I, outlining the proposed approach to constructing the AOP for 2018-19 by agreeing the principles and parameters at a Trust level prior to the detailed meetings with CMGs. The Trust Chairman noted an opportunity to hold a Trust Board thinking day discussion on this subject and he agreed to liaise with the Director of Corporate and Legal Affairs to arrange this;
- **Quarterly Alliance Update** – paper J provided the quarterly update on the Alliance performance as at month 5 including financial and operational performance, workforce issues and progress towards shifting planned care services into the community hospital setting. Detailed exception reports were provided in respect of staff turnover, outpatient clinic letters, DNA (did not attend) rates, and appointment slot issues. Members recognised

the significant reduction in the backlog of clinic letters, noting the forecast position for the next reporting period was that no letters would be waiting longer than 10 days.

Matters requiring Trust Board consideration and/or approval:

The following item was recommended for Trust Board approval on 2 November 2017:-

- **Intensive Care Unit (ICU) Outline Business Case (OBC)** – the presentation team provided an overview of the business case to relocate level 3 adult ICU activity and associated dependent services from the LGH site to the LRI and GH site, retaining a reduced level 2 service only at LGH. The business case can be viewed by following this link [ICU outline business case](#). The £30.8m scheme included the expansion of GH ICU by 11 bed spaces, refurbishment of space at GH for interventional radiology facilities, creation of new wards on the roof of GH for Hepatobiliary and Renal Transplant services and refurbishment of ward space at the LRI for relocation of colorectal and emergency general surgery services. The Committee particularly discussed the timescale for the NHSI approvals process, HBN derogations relating to the proportion of single rooms, progress of design and enabling works, infrastructure improvements, clinical adjacencies, reduced numbers of patient transfers, capital charges, facilities management costs, financial contingencies, theatre working patterns (6 day working and 3 session days), inherent risks, lessons learned from the Emergency Floor project and opportunities to develop new patient pathways and more efficient ways of working. The Committee supported the OBC for Trust Board approval, noting the significant amount of work undertaken by the Strategy Team and colleagues to finalise the OBC within the timescale constraints.

Matters referred to other Committees:

- None.

Date of next meeting:

30 November 2017