

Roadmap assurance report – January 2022

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Trust Board paper I1

Purpose of report:

This paper is for:	Description	Select (X)
Decision	To formally receive a report and approve its recommendations OR a particular course of action	
Discussion	To discuss, in depth, a report noting its implications without formally approving a recommendation or action	
Assurance	To assure the Board that systems and processes are in place, or to advise a gap along with treatment plan	X
Noting	For noting without the need for discussion	

Previous consideration:

Meeting	Date	Please clarify the purpose of the paper to that meeting using the categories above
CMG Board (specify which CMG)		
Executive Board		
Trust Board Committee		
Trust Board		

Executive Summary

Context

FIG has overseen development of a roadmap to sustainable financial improvement ('the roadmap') which sets out eventual outcomes that will demonstrate 'good' financial governance across the board and the key actions that will support the delivery of these.

The roadmap incorporates requirements of and recommendations to the Trust with respect to finance (for example, s106 undertakings), and maps actions and outcomes to the four existing Special Measures for Finance (SM-F) exit criteria. It has been developed with UHL senior responsible officers (SROs) and action owners (AOs) and will remain a live document. The dedicated roadmap PMO (which sits within the wider Transformation team) holds regular accountability updates with SROs and AOs for roadmap actions and outcomes, supporting roadmap updates, delivery and collation of the evidence of delivery.

The January report on progress against the roadmap is in appendix 1 setting out:

- A. Key risks
- B. Roadmap progress
- C. A forward look of milestones

Questions

1. What progress is there on delivery against the roadmap?

Progress against the key roadmap outcomes is set out in section B of the appendix.

2. Are there any significant risks to delivery?

The key risks and mitigations are set out in section A of the appendix.

Input sought

We would welcome the Trust board's input on progress on delivery of the roadmap and the key risks to delivery of the roadmap.

For Reference:

This report relates to the following UHL quality and supporting priorities:

1. Quality priorities

Safe, surgery and procedures	No
Improved Cancer pathways	No
Streamlined emergency care	No
Better care pathways	No
Ward accreditation	No

2. Supporting priorities:

People strategy implementation	No
Investment in sustainable Estate and reconfiguration	No
e-Hospital	No
Embedded research, training and education	No
Embed innovation in recovery and renewal	No
Sustainable finances	Yes

3. Equality Impact Assessment and Patient and Public Involvement considerations:

- What was the outcome of your Equality Impact Assessment (EIA)? **N/A**
- Briefly describe the Patient and Public Involvement (PPI) activities undertaken in relation to this report, or confirm that none were required **N/A**
- How did the outcome of the EIA influence your Patient and Public Involvement? **N/A**
- If an EIA was not carried out, what was the rationale for this decision? **Not directly relevant at this stage**

4. Risk and Assurance

Risk Reference:

Does this paper reference a risk event?	Select (X)	Risk Description:
Strategic: Does this link to a Principal Risk on the BAF?	X	PR4: Financial Sustainability
Organisational: Does this link to an Operational/Corporate Risk on Datix Register		
New Risk identified in paper: What type and description ?		
None		

5. Scheduled date for the **next paper** on this topic: March 2022

6. Executive Summaries should not exceed **5 sides** My paper does comply



Roadmap to Sustainable Financial Improvement: January Overview Report

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- A. Key risks
- B. Roadmap progress
- C. Forward look: Actions due for completion

One team shared values



A. Key risks: January 2022

	Risk	RAG Oct	RAG Nov	RAG Dec	RAG Jan	Mitigation	Owner	Delivery date
1	There are delays to the production of the 2019/20 and 2020/21 accounts given the complexity of the work and delays in the start date.	R	R	R	R	The Trust continues to work closely with key stakeholders, in particular NHSE/I National and Regional finance leads and external audit. The relevant elements of UHL's finance team continue to prioritise 2019/20 and 2020/21 accounts preparation and audit(s) and to manage delivery of both sets of accounts. Work continues to complete both full sets of accounts and they are scheduled to go to the March 2022 Trust board.	(SRO) Mark Brice / (AO) Simon Linthwaite	31 March 2022
2	While currently on track the finance directorate restructure is a significant and complicated work programme. There are inherent risks to work of this nature which could impact on the timeline such as the complexity and amount of feedback on proposal. Timelines are also challenging because of delays earlier in the calendar year following competing demands on key staff with the financial accounts work.	G	G	G	G	The finance team restructure work is largely complete. As at 18th January 2022 only 6 posts require appointments, of which only 2 are as a result of the restructure, the other 4 being secondment covers or internal promotions. A paper was taken to the Audit Committee on 17th December 2021 outlining the latest position on finance culture and behaviours action plan. Many improvements are already in place and there is a plan managed by the Finance and Procurement Staff Development (FPSD) working group over the coming year to deliver further improvements.	(SRO) Rob Cooper / (AO) Donna Briggs	January 2022
3	Development of the Medium Term financial recovery Plan (MTFP) and underpinning Long Term Financial Model (LTFM) is not completed by the 31st Dec deadline or is not agreed and accepted by all key stakeholders.	A	A	A	A	A draft for consultation of the MTFP was completed by 31 August. It was recognised that further work is required and a review date of 31 December 2021 was agreed by the Trust Board chair. Key areas to mature for further work are the underlying deficit (agreement with NHSE), closing information gaps e.g. reconfiguration, EPR, system redesign and national planning guidance consultation with system partners and NHSE. It is now anticipated to divide the MTFP into phases: (i) 2022/23 plan, (ii) Year 2-5 and then (iii) Year 5 onwards (Reconfiguration). An update will be presented to the Trust board in February 2022, subject to new CEO and CFO agreement.	(SRO) Rob Cooper / (AO) Simon Wombwell	February 2022
4	There is no clear link between System-wide recovery planning (including financial elements and supporting governance) with the Trust's approach to delivering sustainable financial improvement. This is a significant piece of work and there is a risk this does not progress in line with Trust and stakeholder expectations, and that Trust and System longer term plans are not formally aligned and embedded within a wider System recovery programme	A	A	A	A	The UHL MTFP has been completed from the UHL perspective, including System-related elements and assumptions where possible i.e. to meet the 31 Aug deadline. (first draft completed). UHL Finance Team and System colleagues to share and agree progress on Planning workstreams. The UHL LTFM is incorporating the current assumptions (inflation etc) as System projections. On the System side – External support from PWC has been secured to support in the development of a system PMO to drive development of the system efficiencies.	(SRO) Richard Mitchell / (AO) Simon Wombwell	February 2022
5	Whilst work is ongoing to review the Trust's control environment against the 'grip and control checklist', progress has been slowed by competing demands on the team, in particular due to accounts preparation work. There is a risk of delay to grip and control improvement work as a result.	A	A	G	G	A report was presented to October Audit Committee confirming 85% (verses 74% in July) of actions were complete. A report went to EFPB in December showing over 90% of actions are now complete. This report will also go to audit committee in January 2022. It is forecast that 99% of the check-list will be completed by 31 March 2022.	(SRO) Jonathan Shuter / (AO) Tim Moore	31 March 2022
7	Operational pressures over Winter and with COVID may impact on delivery of the overall roadmap to sustainable financial improvement. In particular activities that require clinical staff involvement such as planning for 2022/23.	N/A	N/A	A	A	The Financial Improvement Group chaired by the CFO and attended by senior finance team members, the COO, the Director of Transformation and the national intensive support team from NHSE/I monitor progress and risks on a weekly basis. Risks are escalated through executive committees as needed. Formal monthly meetings are held with NHSE/I on progress on financial improvement.	(SRO) Richard Mitchell / (AO) Simon Pizey	31 March 2022

B. Roadmap progress - January 2022 update (1/4)

The roadmap is framed around 4 exit criteria agreed with the regulator for Special Measures for Finance (SM-F)*. Against each of these are a series of outcomes with named SROs. Supporting each outcome are a number of detailed actions which are contained in the detailed roadmap document. Progress against all actions and outcomes is monitored by the Programme office in the transformation team.

This summary table over the coming pages captures key progress to date against outcomes and maps to risks outlined in Section A of the report.

SM-F exit criteria	#	Outcome	SRO	AO	Timeframe		Key progress to date	Risks to escalate
					Start	End		
1. Delivery against agreed financial recovery plan	1	Delivery against planned Trust year to date financial position per System approved financial plan clearly demonstrated through financial report to Trust Board.	Rob Cooper	Jonathan Shuter	Monthly from April 2021	Ongoing	<ul style="list-style-type: none"> The Trust delivered H1 and is on track to deliver H2. 	
	2	Improvement in efficiency demonstrated through, for example, CIP delivery, Model Hospital, external benchmarking	Moira Durbridge	Ben Shaw	01/04/21	31/10/21	<ul style="list-style-type: none"> Actual delivery of cash releasing savings in H1 against the agreed H1 target of £4.8m is £8.375m. It should be noted that £4.290m of this is currently considered as 'recurrent' and further work is underway to increase this value in H2. 	
	3	Demonstrable Executive action to identify and address material risks to financial position evidenced through financial report to Trust Board	Rob Cooper	Jonathan Shuter	Monthly from April 2021	Ongoing	<ul style="list-style-type: none"> Improved finance board report launched. Board development programme underway supported by Deloitte. 	
	4	Demonstrable Trust Board ownership of material risks to financial position, including holding Executives to account for delivery of key actions	Rob Cooper	Jonathan Shuter	Monthly from April 2021	Ongoing	<ul style="list-style-type: none"> Improved finance board report launched. Board development programme underway supported by Deloitte. 	
	5	No unplanned or short notice cash requests.	Rob Cooper	Jonathan Shuter	April 2021	Ongoing	<ul style="list-style-type: none"> No cash requests to date. Cash committee in place to review and improve cash management. 	
	6	Medium term financial plan agreed by Trust Board and System.	Rob Cooper	Simon Wombwell	April 2021	31/03/22	<ul style="list-style-type: none"> A draft medium term financial plan for UHL was completed at the end of August 2021. This includes key system planning assumptions, a LTFM and UHL drivers of the deficit. An update will be presented to the Trust board in February 2022, subject to new CEO and CFO agreement. 	See risk 3 and 4

* It should be noted the Recovery Support Programme "RSP" has now replaced the Special Measures regime. The exit criteria have been ported across and unchanged.

B. Roadmap progress - January 2022 update (2/4)

SM-F exit criteria	#	Outcome	SRO	AO	Timeframe		Key progress to date	Risks to escalate
					Start	End		
2. Robust financial controls, process and governance	7	External review of financial control environment (e.g. internal audit) with 'good' (or equivalent) rating	Jonathan Shuter	Simon Linthwaite	01/04/22	30/09/22	<ul style="list-style-type: none"> NHSE/I grip and control checklist review undertaken and progress reported to FRB and Audit Committee every 2 months. AFR action plan in place and progress reported to Audit Committee. Review of outstanding IA recommendations undertaken and reported to Audit Committee in October 2021. 	See risk 5
	8	External review of financial systems (e.g. internal audit) with 'good' (or equivalent) rating	Jonathan Shuter	Simon Linthwaite	01/04/22	30/09/22	<ul style="list-style-type: none"> AFR action plan progress reported to Audit Committee regularly. Review of outstanding IA recommendations undertaken and reported to Audit Committee in October 2021. 	
	9	2019/20 accounts approved by UHL Board and submitted to deadline agreed with NHSE/I	Rob Cooper	Mark Brice	08/03/21	31/03/22	<ul style="list-style-type: none"> On track 	See risk 1
	10	2019/20 updated AFR issued by external audit that demonstrates significant positive improvement in number & materiality of issues vs 2019/20 original AFR	Rob Cooper	Mark Brice	01/04/21	31/03/22	<ul style="list-style-type: none"> AFR action plan in place and progress reported to Audit Committee regularly. 	
	11	2020/21 accounts approved by UHL Board with 'except for' audit opinion and submitted to deadline agreed with NHSE/I	Rob Cooper	Simon Linthwaite	01/04/21	31/03/22	<ul style="list-style-type: none"> On track 	See risk 1
	12	2020/21 updated AFR issued by external audit demonstrates significant positive improvement in number and materiality of issues vs 2019/20 AFR	Mark Brice	Simon Linthwaite	01/04/21	31/03/22	<ul style="list-style-type: none"> AFR action plan in place and progress reported to Audit Committee regularly. 	
	13	2021/22 accounts approved by UHL Board with clean audit opinion and submitted in line with national accounts deadline	Rob Cooper	Simon Linthwaite	01/04/22	27/05/22	<ul style="list-style-type: none"> Work on 21/22 accounts will commence following the close down of 19/20 and 20/21. 	
	14	2021/22 updated AFR issued by external audit demonstrates significant positive improvement in number and materiality of issues vs 2020/21 AFR	Jonathan Shuter	Simon Linthwaite	01/04/22	27/05/22	<ul style="list-style-type: none"> AFR action plan in place and progress reported to Audit Committee regularly. 	
	15	New B2B Transformation Team structure to address existing capacity and capability gaps goes live	Moira Durbridge	Ben Shaw	15/05/21	04/05/21	<ul style="list-style-type: none"> Complete 	

B. Roadmap progress - January 2022 update (3/4)

SM-F exit criteria	#	Outcome	SRO	AO	Timeframe		Key progress to date	Risks to escalate
					Start	End		
2. Robust financial controls, process and governance	16	New financial team structure to address existing capacity and capability gaps goes live	Rob Cooper	Donna Briggs	04/01/21	04/01/22	<ul style="list-style-type: none"> The consultation closed on 31st August. The proposed structure and investment went to FRB on 15th September and was approved. The final structure was shared with staff on 15th September and letters were sent to staff w/c 20th September outlining their roles in the new structure. The start date for the new roles was 27th September. Finance team culture and behaviours review complete and action plan agreed by FRB in August 21. 	See risk 2
	17	Follow up external review of Trust Board governance (including sub-committees) identifies no significant additional areas for improvement	Trust Sec.	Trust Sec.	04/01/22	31/03/22	<ul style="list-style-type: none"> Board development programme underway supported by Deloitte. Deloitte have also been commissioned to review and support any improvements needed to sub-committees. 	
	18	Finance development programme in place, with Executive leadership and clear plan for ongoing delivery	Rob Cooper	Sean Ceres	03/05/21	31/12/21	<ul style="list-style-type: none"> Budget holder training launched and at 96.7% compliance New financial objectives launched for all staff in 21/22 Finance training steering group set up Finance training strategy drafted and under review 	
	19	Communication and engagement strategy on financial position and improvement approach in place for the finance function & wider Trust	Rob Cooper	Sean Ceres	03/05/21	31/12/21	<ul style="list-style-type: none"> Briefing on the roadmap given to EFPM in August 21 and Nursing and Midwifery board in October. Monthly all finance team meetings in place. 	
	20	95% of Trust-wide staff have completed relevant training from the Financial Development Programme	Rob Cooper	Sean Ceres	TBC	TBC	<ul style="list-style-type: none"> Finance Training steering group have drafted new training package for wider group of staff than budget holders. Currently under review. 	
	21	Meaningful discussions held with all Finance Team employees regarding CPD requirements and development plan for coming year as part of performance appraisal	Rob Cooper	Donna Briggs	6 monthly from March 2021	Ongoing	<ul style="list-style-type: none"> Appraisals held with finance team. Further improvements are planned to be delivered as part of culture and behaviours action plan. 	
	22	95% of budget holders completed budget holder training	Debra Mitchell	Sean Ceres	08/03/21	31/05/21	<ul style="list-style-type: none"> Current performance in December is 96.7%. 	
	23	Meaningful discussions held with all Trust employees over delivery of financial objectives and development plan as part of performance appraisal	TBC	TBC	01/04/21	31/03/22	<ul style="list-style-type: none"> New financial objective for all staff launched in 20/21. Focus on use of resources and waste reduction. 	

B. Roadmap progress - January 2022 update (4/4)

SM-F exit criteria	#	Outcome	SRO	AO	Timeframe		Key progress to date	Risks to escalate
					Start	End		
3. Trust and System have a shared understanding of financial risks and mitigations	24	Demonstrable input into System-wide action against material risks to financial position evidenced in the System-wide working and financial reporting	Rob Cooper	TBC	TBC	TBC	<ul style="list-style-type: none"> External support from PWC has been secured to support in the development of a system PMO to drive development of the system efficiencies. A draft medium term financial plan for UHL was completed at the end of August 2021. This includes key system planning assumptions, a LTFM and UHL drivers of the deficit. It is now anticipated to divide the MTFP into phases: (i) 2022/23 plan, (ii) Year 2-5 and then (iii) Year 5 onwards (Reconfiguration). An update will be presented to the Trust board in February 2022, subject to new CEO and CFO agreement. 	See risk 3 and 4
	25	Delivery against planned system-wide year to date financial position in line with the three year System financial recovery plan	Rob Cooper	TBC	TBC	TBC		
4. Trust and System have dedicated oversight and support to ensure continue improvement	26	System-wide governance structure in place, with significant contribution from UHL leadership team & agreed escalation routes to resolve issues, to oversee development and delivery of overarching recovery plan	Richard Mitchell	TBC	TBC	TBC		
	27	Demonstrable action against material risks to overarching System recovery plan evidenced in the System-wide working and reporting to include system three year recovery trajectory	Richard Mitchell	TBC	TBC	TBC		
	28	Delivery against planned System-wide year to date overarching recovery plan position (including clinical and operational KPIs)	Richard Mitchell	TBC	TBC	TBC		
	29	Post-exit support package for UHL from NHSE/I and / or System agreed with key partners, including additional resource where appropriate	Richard Mitchell	TBC	TBC	TBC		

C. Forward look: Actions due for completion

Topic	Ref	Action	SRO	Action owner	Governance Forum	STATUS	START DATE	END DATE
22/23 planning	17	Carry out demand and capacity review by specialty	Debra Mitchell	Paula Vaughan	EFPB & PPPC or FIC	On track	Wed 1/9/21	Mon 31/1/22
22/23 planning	17.1	Review clinical job planning against the outcomes of the demand and capacity work to ensure efficient use of clinical time	Andrew Furlong	TBC	TBC	TBC	Wed 1/9/21	Mon 31/1/22
	17.2	[Null - replaced by 17.4, 17.5, 17.6, 17.7]	Elanor Meldrum	Debbie McBride	TBC	Superseded	Wed 1/9/21	Mon 31/1/22
22/23 planning	17.3	Review link between demand and capacity planning (including clinical job planning and establishment setting) and budget setting and set out improvement plan.	Rob Cooper	Sean Ceres	EFPB & PPPC or FIC	On track	Wed 1/9/21	Mon 31/1/22
22/23 planning	17.4	Month 5 - Establishment staffing review undertaken	Elanor Meldrum	Debbie McBride	TBC	On track	Wed 1/9/21	Mon 31/1/22
22/23 planning	18	Take paper to appropriate governance committee (likely EPB/PPPC or FIC) detailing plan to set out improvement plan to address issues between demand and capacity and budget setting	Rob Cooper	Sean Ceres	EFPB & PPPC or FIC	On track	Wed 1/9/21	Mon 31/1/22
	42.3	January 22 - Take paper to FRB and Audit Committee setting out approach to evidencing improvement of the grip and control environment, including 'grip and control KPIs'	Jonathan Shuter	Sophie Pallett	FRB	On track	Sat 1/1/22	Mon 31/1/22
Financial systems	54	Take paper to FRB setting out plan to address issues with financial system interfaces and structure	Jonathan Shuter	Sean Ceres	FRB	On track	Mon 8/3/21	Mon 31/1/22
Accounts	62.1	Agree deadline for 2020/21 accounts with NHSE/I	Rob Cooper	Mark Brice	Trust Board	Complete	Tue 16/3/21	Mon 31/1/22
Accounts	65	2021/22 audit 'dummy run' at month 9	Mark Brice	Simon Linthwaite	Trust Board	On track	Sat 1/1/22	Mon 31/1/22
External Review	68	2019/20 updated AFR issued by external audit that demonstrates significant positive improvement in number & materiality of issues vs 2019/20 original AFR	Mark Brice	Simon Linthwaite	Audit Committee	Revised plan (OT)	Thu 1/4/21	Mon 31/1/22
Accounts	69	2020/21 accounts approved by UHL Board with 'except for' audit opinion and submitted to deadline agreed with NHSE/I	Rob Cooper	Simon Linthwaite	Trust Board	Revised plan (OT)	Thu 1/4/21	Mon 31/1/22
External Review	70	2020/21 updated AFR issued by external audit demonstrates significant positive improvement in number and materiality of issues vs 2019/20 AFR	Mark Brice	Simon Linthwaite	Audit Committee	Revised plan (OT)	Thu 1/4/21	Mon 31/1/22
Finance team restructure/development	83	Interviews and filling of posts	Rob Cooper	Donna Briggs	FRB	Revised plan (OT)	Mon 20/9/21	Fri 21/1/22
Organisational Financial Development	88.1	Finance development programme in place, with Executive leadership and clear plan for ongoing delivery	Rob Cooper	Sean Ceres	FRB	On track	Mon 3/5/21	Mon 31/1/22
Organisational Financial Development	88.3	Take paper to FRB setting out Trust-wide Financial Development Programme (including accounting, governance and ethics training as relevant)	Rob Cooper	Sean Ceres	FRB	TBC	Sat 1/5/21	Mon 31/1/22
Organisational Financial Development	89	Trust-wide training identified in FRB paper re Trust-wide Financial Development Programme is live and available to all relevant staff	Rob Cooper	Sean Ceres	FRB	TBC	Wed 1/9/21	Sun 27/2/22
Finance team restructure/development	91	Take paper to FRB setting out Finance Directorate Development Programme (including accounting, governance and ethics training)	Rob Cooper	Donna Briggs	FRB	TBC	TBC	Mon 31/1/22
Finance team restructure/development	92	Development and training packages identified in FRB paper re Finance Directorate Development Programme are live and available to finance team	Rob Cooper	Donna Briggs	FRB	TBC	TBC	Mon 31/1/22
Governance	103	Develop UHL financial governance improvement case study to share learning and support external recognition of Trust progress	Rob Cooper	Sophie Pallett	FRB	On track	Mon 2/8/21	Mon 31/1/22