

Meeting title:	Trust Board	Public Trust Board paper P
Date of the meeting:	3 rd November 2022	
Title:	Roadmap to Sustainable Financial Improvement October 2022 Overview Report	
Report presented by:	Moira Durbridge, Director of Transformation	
Report written by:	Transformation Programme Manager	

Action – this paper is for:	Decision / Approval		Assurance	x	Update	x
Where this report has been discussed previously	RSP Exit Steering Group Executive Quality and Performance Board Finance Investment Committee					

To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which

The purpose of this report is to provide assurance against the actions necessary to meet the criteria required to exit the Recovery Support Programme (RSP)

Impact assessment

None

Purpose of the Report

In August 2020, UHL was placed into Financial Special Measures (now called the Recovery Support Programme) by the regulator, NHS Improvement. With support from the Financial Improvement Director, UHL created a Roadmap to Sustainable Financial Improvement. This Roadmap sets out the actions necessary to meet the criteria required to exit RSP. Progress against the Roadmap is overseen by the RSP Exit Steering Group which is chaired by the Chief Financial Officer. The October report on progress against the Roadmap is attached.

Recommendation

Trust Board Members are asked to receive this report for assurance.

Summary

The Chief Financial Officer and the Director of Quality Transformation are invited to highlight the key points from this report.

Main report detail

See subsequent pages



Roadmap to Sustainable Financial Improvement: October 2022 Overview Report

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- A. Recent progress
- B. Key risks
- C. Roadmap actions

One team shared values



A. Recent Progress

- The Trust has resubmitted 2021/22 Accounts to NHSE on 10th October 2022, ahead of the national NHS provider consolidation.
- A date had been set for a national 'Board to Board' session on 11th November, to review progress towards to the RSP exit criteria. However, the Trust has subsequently received notification from the Regional Director of Intensive Support that this meeting has now been postponed until the New Year. This is in part due to the timing of the Audit Opinion on our 21/22 Accounts, which will be a key factor in considering transition from RSP. The Regional Director of Intensive Support has stressed that the delay in this meeting does not reflect negatively on the recovery work being undertaken by the Trust.
- The Trust has reported a favourable variance to plan at the end of month 6, although principally related to the timing of spend. Forecast risk ranges have been developed and are focussed on the actions needed to mitigate up to £37m of risk. The Trust is working closely with system colleagues on collating a risk range for the system to enable clear mitigations to be identified and delivered where possible.
- Work continues on the Medium Term Financial Plan. The Trust is working with system colleagues on aligning assumptions and identifying potential opportunities for cost reduction / avoidance over the planning window, in anticipation of an expected autumn deadline for national planning for 3 years.

B. Key risks: October 2022

Ref	Risk	RAG May 2022	RAG June 2022	RAG July 2022	RAG August 2022	RAG September 2022	RAG October 2022	Mitigation	Owner	Delivery date
2a	2020/21 Accounts CFO/Audit Committee unable to recommend the 2020/21 Accounts to the Board for adoption. Adoption of 2020/21 Accounts not delivered to planned timeline - 1/9/22	A	A	A	A	G	G	N/A	(SRO) Lorraine Hooper (AO) Simon Linthwaite	Accounts adopted at 9.9.22 Trust Board
2b	2021/22 Accounts CFO/Audit Committee unable to recommend the 2021/22 Accounts to the Board for adoption. Adoption of 2022/22 Accounts not delivered to planned timeline - 31/12/22					A	A	<ul style="list-style-type: none"> Audit working papers being finalised ahead of audit to commence w/c 24th October. 	(SRO) Lorraine Hooper (AO) Simon Linthwaite	Adoption of the Accounts by Trust Board 31.12.22
3	Medium Term Financial Plan The MTFP is a complex and significant programme of work for UHL. There is a risk there is a risk insufficient progress is made in its development or the scope, resourcing or timeframes are not agreed by all relevant stakeholders.	A	A	A	A	A	A	Next steps: <ul style="list-style-type: none"> Development of three year System financial plan - date tbc Update of MTFP to align with approved Trust strategies - spring 2023 Development of 2023/24 detailed financial plan, in line with operational planning process - March 2023 	(SRO) Lorraine Hooper (AO) Jonathan Shuter	April 2023
5	2022/23 financial plan Revised (breakeven) UHL / system financial plan submitted 20 th June 2022. This plan includes financial risk for the Trust that is not yet fully mitigated.		R	R	R	R	R	Risk share arrangement agreed with system partners. In addition the Trust is working with NHSE to ensure risks and progress against mitigating these are clearly understood, including where support is needed.	(SRO) Lorraine Hooper (AO) Jonathan Shuter	March 2023

C. Roadmap actions (1 of 5)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
1	1. Delivery against agreed financial recovery plan	22/23 plan	22/23 plan agreed with system and NHSE/I	Lorraine Hooper	Jonathan Shuter	Complete	28/04/2022	EVIDENCE SENT TO REGION
2	1. Delivery against agreed financial recovery plan	22/23 plan	UHL delivers against the 22/23 financial plan	Lorraine Hooper	Jonathan Shuter	On track	30/04/2023	EVIDENCE SENT TO REGION *Evidence submitted with the exception of the minutes of the 30.9.22 FIC and 6.10.22 TB meetings
3	1. Delivery against agreed financial recovery plan	22/23 plan	Review by NHSE/I of 22/23 plan including focussed work on risk areas such as CIPs	Lorraine Hooper	Jonathan Shuter	Complete	20/05/2022	EVIDENCE SENT TO REGION *Intensive Support Team working with Region on joint review of the 2022/23 CIP programme - review held 12.5.22 & 7.10.22 *Ongoing delivery against action 3 will be embedded in action 2
4	1. Delivery against agreed financial recovery plan	22/23 plan	UHL develops and improves its understanding of its productivity. (following national analysis from NHSE/I)	Moira Durbridge	Ben Shaw	Complete	30/05/2022 31/8/2022	EVIDENCE SENT TO REGION
5	1. Delivery against agreed financial recovery plan	MTFP	Approach and timeline for MTFP agreed with NHSE/I and UHL Board	Lorraine Hooper	Jonathan Shuter	Complete	31/04/2022	EVIDENCE SENT TO REGION
6	1. Delivery against agreed financial recovery plan	MTFP	Develop the MTFP by the agreed timeline	Lorraine Hooper	Jonathan Shuter	Superseded	30/05/2022	
6a	1. Delivery against agreed financial recovery plan	MTFP	Revised draft of MTFP inc system numbers	Lorraine Hooper	Jonathan Shuter	On track	31/08/2022 3/11/2022	*Update to 3.11.22 TB *Timeline for socialisation of MTFP tbc
6b	1. Delivery against agreed financial recovery plan	MTFP	Develop 3 year system plan	Lorraine Hooper	Jonathan Shuter	TBC	tbc	*National timeline to be confirmed

C. Roadmap actions (2 of 5)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
6c	1. Delivery against agreed financial recovery plan	MTFP	Align MTFP & 3 year system plan with trust strategies	Lorraine Hooper	Jonathan Shuter	On track	30/04/2023	
7	2. Robust financial controls and governance	Accounts	19/20 financial accounts signed off by UHL board	Lorraine Hooper	Mark Brice	Complete	31/03/2022	EVIDENCE SENT TO REGION
8	2. Robust financial controls and governance	Accounts	20/21 financial accounts signed off by UHL board	Lorraine Hooper	Simon Linthwaite	Complete	20/05/2022 1/9/2022 9/9/2022	EVIDENCE SENT TO REGION *Evidence submitted with the exception of the minutes of the 31.8.22 Audit Committee and 9.9.22 TB meeting
9	2. Robust financial controls and governance	Accounts	Programme of work underway and agreed with UHL Board and NHSE/I to sign off 21/22 financial accounts by agreed deadline	Lorraine Hooper	Simon Linthwaite	On track	01/12/2022	*2021/22 draft accounts (TACS and PFRs Technical schedules) submitted to NHSI on 27/4/2022. *Exact timing of the audit of 2021/22 is still to be determined and is driven in part by the completion of the 2020/21 accounts process; expected to conclude towards the end of this calendar year (December 2022).
10	2. Robust financial controls and governance	Accounts	Programme of work in place to drive forward continued improvements in financial accounts including implementing recommendations from AFR and reporting continued progress to audit committee	Lorraine Hooper	Simon Linthwaite	On track	31/08/2022 30/9/2022 3/11/2022	*Linked to Action 8 above *Action relates to the AFR for 2020/21; (AFR for 2019/20 received by Audit Committee 25/3/2022). *Consolidated improvement plan for 2019-20 & 2020-21 Accounts to be presented at October 2022 Audit Committee

C. Roadmap actions (3 of 5)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
11	2. Robust financial controls and governance	Internal Audit	Owners and actions in place for all current internal audit recommendations. Regular paper to audit committee demonstrating progress in delivering recommendations	Lorraine Hooper	Jonathan Shuter	On track	09/05/2022 31/8/2022 31/10/2022	*Extension to end of Oct 2022 agreed at 31.8.22 Audit Committee.
12	2. Robust financial controls and governance	Grip and Control	Final grip and control paper agreed by AC which demonstrates successful completion of the checklist and also an agreed programme to manage grip and control going forward, including monitoring of KPIs	Lorraine Hooper	Jonathan Shuter	Complete	09/05/2022	EVIDENCE SENT TO REGION *Getting the Basics Right Audit report to be added as evidence - draft expected 7.11.22
13	2. Robust financial controls and governance	Governance	UHL's performance accountability framework is up to date, agreed by relevant committee and communicated to all staff (including training where appropriate)	Becky Cassidy	Becky Cassidy	On track	31/05/2022 1/10/2022	*To be presented at Exec Board, Audit Committee then 3.11.22 Trust Board
14	2. Robust financial controls and governance	Governance	SFIs are reviewed, agreed be relevant committee and communicated to all staff (including training where appropriate)	Lorraine Hooper	Becky Cassidy	On track	09/05/2022 30/9/2022 3/11/2022	*To be presented at October 2022 Audit Committee and 3.11.22 Trust Board.
15	2. Robust financial controls and governance	Governance	UHL prepare board update on governance describing improvements in place so far since entering RSP and forward plan for further improvements. Share paper with NHSE/I as part of evidence to support exit from RSP	Becky Cassidy	Becky Cassidy	Complete	09/06/2022	EVIDENCE SENT TO REGION

C. Roadmap actions (4 of 5)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
16	2. Robust financial controls and governance	Governance	Refresh and improved Board Assurance Framework in place at UHL	Becky Cassidy	Richard Manton	Complete	31/05/2022	EVIDENCE SENT TO REGION *Evidence submitted with the exception of the minutes of the 1.9.22 TB meeting
17	3. The trust and system have a shared understanding of risks to the financial plan	Process to manage financial risk	Clear process agreed and documented (where appropriate) to manage financial risk in year within UHL , including investment decisions	Lorraine Hooper	Jonathan Shuter	Off track	31/07/2022	*The 2022/23 plan includes financial risk for the Trust that is not yet fully mitigated. Clear quantification of this risk, oversight through FIC and development of the risk share agreement in the system is needed to drive financial delivery. This work has already begun. *BC/SP/TM to meet to agree timeline and content *Performance Accountability Framework to capture oversight of financial risk inc role of committees (Risk and FIC specifically to finance), oversight of BAF at committees and Board (including escalation process) and PRMs which pick up financial risk elements.
18	3. The trust and system have a shared understanding of risks to the financial plan	Process to manage financial risk	Clear process agreed and documented (where appropriate) to manage financial risk in year within the LLR System , including investment decisions	Lorraine Hooper	Jonathan Shuter	Complete	01/08/2022	EVIDENCE SENT TO REGION

C. Roadmap actions (5 of 5)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
19	4. Trust and wider system have declared oversight and support mechanisms to ensure continued improvement	Post exit support	UHL, system and NHSE/I agree post exit support package	TBC	TBC	On track	30/09/2022	
20	5. Assurance that the plan places no significant risk to maintaining quality, and robust internal processes are in place to identify any worsening	Quality impact of financial improvement	UHL prepare trust board paper evidencing assurance over quality outcomes and mortality has improved. 2 external independent assessments of QIA. Triangulation at exec team. Linked to activity	Moira Durbridge	Helen Harrison	On track	31/03/2023 31/12/2022	EVIDENCE SENT TO REGION *Evidence submitted with the exception of the minutes of the 13.9.22 EQB and 29.9.22 Quality Committee meeting