

<b>Meeting title:</b>	Trust Board <b>Public Trust Board paper L2</b>
<b>Date of the meeting:</b>	5 May 2022
<b>Title:</b>	Roadmap to Sustainable Financial Improvement April 2022 Overview Report
<b>Report presented by:</b>	Moira Durbridge, Director of Quality Transformation and Efficiency Improvement
<b>Report written by:</b>	Deputy Director of Intensive Support

<b>Action – this paper is for:</b>	Decision / Approval		Assurance	x	Update	x
<b>Where this report has been discussed previously</b>	RSP Exit Steering Group, FIC					

**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 April report on progress against the Roadmap is attached.

**Recommendation**

FIC Members are asked to receive this report for assurance.

**Summary**

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

**Main report detail**

See subsequent pages.



# Roadmap to Sustainable Financial Improvement: April 2022 Overview Report

## Index

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

One team shared values



## A. Recent Progress

- The Trust has submitted its financial plan for 2022/23 and is working with NHSE&I to assure the plan, and understand the implications for RSP.
- 2020/21 accounts audit continues to progress with a now anticipated completion date of end July.
- The RSP exit steering group continues to meet regularly and NHSEI and ICS colleagues join monthly to provide update and support on relevant actions.
- The grip and control project is coming to a close with a final paper on how this transfers to business as usual planned in May.
- Review and update of SFIs is underway with an update planned for June 2022.
- Internal audit plan for 2022/23 is being developed and includes reviews of areas where improvements have been made to ensure these are robust and embedded.

## B. Key risks: April 2022

	Risk	RAG Jan	RAG Feb	RAG Mar	RAG Apr	Mitigation	Owner	Delivery date
1	<b>2019/20 Accounts.</b> The 2019/20 financial accounts have not yet been signed.	R	A	G	closed	The Trust adopted the 2019/20 accounts on 31 <sup>st</sup> March 2022	(SRO) Mark Brice / (AO) Simon Linthwaite	31 March 2022
2	<b>2020/21 Accounts.</b> The 2020/21 financial accounts have not yet been signed.	R	A	A	A	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 these accounts. GT anticipate completing the audit in July 2022 and accounts will be presented at end July,	(SRO) Mark Brice / (AO) Simon Linthwaite	July 2022
3	<b>Medium Term Financial Plan.</b> 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	The Trust has submitted its financial plan for 2022/23 and is working with NHSE&I to assure the plan, and understand the implications for RSP. Following this the development of the forward modelling for the next 5 years and the currently identified programmes of work will take place for June. System modelling will also take place in the same timescales. Following this detailed work on delivery will need to take place alongside development of the system plan, in anticipation of national allocations being published.	(SRO) Lorraine Hooper / (AO) Jonathan Shuter	June 2022 for model
4	<b>System-wide Recovery Planning</b> There are significant financial and operational challenges across the system. While system working has developed significantly there remains a risk this could impact	A	A	A	A	The UHL plan has been developed alongside the system financial plan for 2022/23, incorporating the same assumptions and with clear understanding of risk. System planning group is in place to oversee and support the plan development and the transformation schemes required. External support from PWC has been secured to support in the development of a system PMO to drive development of the system efficiencies. System working and relationships are also being developed more widely including on the emergency pathway.	(SRO) Lorraine Hooper / (AO) Jonathan Shuter	
5	<b>Grip and Control.</b> This is a crucial area underpinning financial improvement and there is a risk with competing pressures from the financial accounts progress it not sufficient.	G	G	G	G	A report went to EFPB in December showing over 90% of grip and control checklist actions are now complete. The report was also forwarded to the audit committee in January 2022. Assurance will be sought for activities that will remain open post March 2022 via appropriate forums. Grip and control KPI's are now monitored monthly to assist in ensuring existing progress and trajectory is not lost. A final paper detailing how these actions will be sustained and formal closure of the specific programme is planned for May.	(SRO) Jonathan Shuter / (AO) Tim Moore	May 2022

## C. Roadmap actions (1 of 4)

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	On track	28/04/2022	17/3/2022: draft plan submission 28/4/2022: final plan submission
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	31/03/2023	Reports from April 2022 onwards, earlier reports captured under phase 1 of the Roadmap
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	On track	31/05/2021	Dan Wright working with region on joint review of CIPs over April and May
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	On track	30/05/2022	Working with the Costing Team to develop a methodology for tracking the Trust's monthly productivity performance down to speciality level. This will be added to the Trust's QlikSense performance monitoring tool (IQS) for review and action on a regular basis (e.g. CMGs).
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	On track	31/04/2022	6-8 month piece of work Needs to align with Strategy development
6	1. Delivery against agreed financial recovery plan	MTFP	Develop the MTFP by the agreed timeline	Lorraine Hooper	Jonathan Shuter	TBC	TBC	

## C. Roadmap actions (2 of 4)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
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	
8	2. Robust financial controls and governance	Accounts	20/21 financial accounts signed off by UHL board	Lorraine Hooper	Mark Brice	On track	20/05/2022	
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	26/04/2022	<b>Timetable:</b> 26/4/2022: Submission to NHSI (confirmation of submission goes to Kelvin Mucheke) Draft Accounts: May Audit Committee, June Trust Board, audited end of Oct, back to Audit Committee November, Trust Board December

## C. Roadmap actions (3 of 4)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
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	31/05/2022	Action relates to the AFR for 2020/21. AFR for 2019/20 goes to Audit Committee 25/3/2022
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	13/05/2022	BC/JS to review the outstanding actions Need to agree with Audit Committee re frequency of updates
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	On track	13/05/2022	
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	TBC	31/05/2022	First stab to put onto paper Stage it - level of comfort for the regulator. Plan for a plan. Stage 1 template. Stage 2 hearts and minds. New IPR which TM can help with. Talk about at the RSP Exit Steering Group. Evidence on risk will come sooner.
14	2. Robust financial controls and governance	Governance	SFIs are reviewed, agreed by relevant committee and communicated to all staff (including training where appropriate)	Lorraine Hooper	Mark Brice	On track	13/05/2022	
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	TBC	31/05/2022	Emphasis on finance; Grip & Control, Roadmap actions, Deloitte Review, FIG then RSP Exit Steering Group, TM CMG review

## C. Roadmap actions (4 of 4)

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	TBC	31/05/2022	New BAF will reflect the Trust's interim strategy. Session covering the BAF with NEDS w/c 21-3-202. Trust Board development session scheduled for May 2022
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	TBC	31/07/2022	Is this a duplication of action 13? What would the evidence be for this?
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 UHL, including investment decisions	Lorraine Hooper	Jonathan Shuter	TBC	01/08/2022	See note for action 17
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	TBC	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	