

**UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST****MINUTES OF A FINANCE AND INVESTMENT COMMITTEE (FIC) MEETING, HELD VIRTUALLY ON THURSDAY 25 AUGUST 2022 AT 9AM VIA MICROSOFT TEAMS****Voting Members Present:**

Mr S Harris – FIC Non-Executive Director Chair  
 Mr S Barton – Deputy Chief Executive  
 Ms L Hooper – Chief Financial Officer  
 Mr B Patel – Non-Executive Director  
 Mr M Williams – Non-Executive Director

**In Attendance:**

Ms R Abeyratne – Director of Health Equality and Inclusion  
 Mr N Bond – Deputy Director of Estates and Facilities (on behalf of the Interim Director of Estates and Facilities)  
 Mr A Carruthers – Chief Information Officer  
 Ms B Cassidy – Director of Corporate and Legal Affairs  
 Miss M Durbridge – Director of Quality Transformation and Efficiency Improvement (from Minute 114/22/1)  
 Ms L Gale – Reconfiguration Head of Finance (for Minute 107/22)  
 Ms H Hendley – LLR Director of Planned Care (for Minute 107/22)  
 Mr R Manton – Head of Risk Assurance (for Minute 112/22/1)  
 Mr J Shuter – Director of Operational Finance  
 Mr J Sandbach – Capital Projects Manager (for Minute 107/22)  
 Mr J Stewart – PwC (for Minute 107/22)  
 Ms H Stokes – Corporate and Committee Services Manager  
 Ms S Taylor – Deputy Chief Operating Officer (on behalf of the Chief Operating Officer)  
 Ms C Teeney – Chief People Officer (for Minute 112/22/3)  
 Mr J Worrall – Associate Non-Executive Director

		<b><u>ACTION</u></b>
	<b><u>RECOMMENDED ITEMS</u></b>	
<b>107/22</b>	<b>REPORT FROM THE DEPUTY CHIEF EXECUTIVE</b>	
	<b><u>Recommended</u> – that this Minute be classed as confidential and taken in private accordingly.</b>	
	<b><u>RESOLVED ITEMS</u></b>	
<b>108/22</b>	<b>APOLOGIES FOR ABSENCE</b>	
	Apologies for absence were received from Ms G Collins-Punter Associate Non-Executive Director, Mr J Melbourne Chief Operating Officer, and Mr M Simpson Interim Director of Estates and Facilities.	
<b>109/22</b>	<b>DECLARATIONS OF INTERESTS</b>	
	Mr S Harris FIC Non-Executive Director Chair and Mr J Shuter Director of Operational Finance declared their respective roles as Director, and Finance Director and Company Secretary of Trust Group Holdings Ltd. As these declarations were judged by the Committee to be non-prejudicial interests, they remained present at the meeting.	
	<b><u>Resolved</u> – that the declarations of interests be noted.</b>	
<b>110/22</b>	<b>MINUTES</b>	
	<b><u>Resolved</u> – that the Minutes of the 28 July 2022 meeting be confirmed as a correct record.</b>	

111/22	<b>MATTERS ARISING LOG</b>	
	Paper B set out the position of actions from previous FIC meetings. The FIC Non-Executive Director Chair emphasised the need to allow sufficient lead-in time for the procurement process in previous Minute 64/22/1, and to be appropriately aware of any potential risks to the timeline.	
	<b>Resolved – that any updates provided at this meeting be reflected in the next iteration of the action log and taken forward by the appropriate lead.</b>	Named leads
112/22	<b>ITEMS FOR APPROVAL</b>	
112/22/1	<u>Board Assurance Framework</u>	
	FIC reviewed and supported the updated iteration of the 2022/23 BAF risks within its remit (paper E), noting the updates since the initial version discussed in July 2022. The full 2022/23 BAF would be presented to the September 2022 public Trust Board for approval, and a Trust Board workshop on risk scoring was scheduled for November 2022. The FIC Non-Executive Director Chair emphasised the need for the BAF to be a living, evolving document, and the Chief Financial Officer advised that some of the more operational financial risk elements were likely to move from the BAF to the corporate risk register as UHL progressed further towards exiting the Recovery Support Programme. As previously discussed, KLOEs (key lines of enquiry) had also been developed and would be crucial in informing Committee papers and discussions. FIC took assurance from the work on the updated BAF risks, and supported the report as presented.	
	<b>Resolved – that the updated iteration of the FIC risks on the 2022/23 BAF be endorsed.</b>	
112/22/2	<u>Report from the Chief Information Officer</u>	
	<b>Resolved – that this Minute be classed as confidential and taken in private accordingly.</b>	
112/22/3	<u>Report from the Chief People Officer</u>	
	<b>Resolved – that this Minute be classed as confidential and taken in private accordingly.</b>	
113/22	<b>ICS FINANCE UPDATE</b>	
	FIC noted that this item was covered in the discussions at Minute 114/22/2 below.	
	<b>Resolved – that the position be noted.</b>	
114/22	<b>IN-YEAR REPORTING</b>	
114/22/1	<u>2022/23 Month 4 Financial Position</u>	
	FIC noted the month 4 position for 2022/23 as detailed in paper G, which was a deficit of £1.5m (£2.4m favourable to plan) due primarily to the timing of elective recovery spend. Current CIP performance was positive. The Trust's July 2022 cash position remained stable at £64.9m, and it was advised that HEE funding would be reflected in the month 5 report. Noting the potentially challenging impact of the 2022/23 agency ceiling cap (once confirmed), work was currently underway within UHL to review the drivers for agency spend and explore the scope to reduce agency use further. The FIC Non-Executive Director Chair queried the increase in 30-day debtors and received assurance in response that this was likely due to a specific one-off issue. With regard to the bridge showing the movements between the planned and actual position for month 4, the FIC Non-Executive Director Chair	

	requested further information on the changes to catering and parking income – in response, the Deputy Director of Estates and Facilities and the Chief Financial Officer advised that this was due to footfall returns and Covid-19 recovery plans rather than any rise in rates. FIC took assurance from the month 4 finance report, and agreed to highlight the position to the Trust Board for information.	
	<b>Resolved – that the 2022/23 month 4 finance report be noted.</b>	
114/22/2	<u>Report from the Chief Financial Officer</u>	
	<b>Resolved – that this Minute be classed as confidential and taken in private accordingly.</b>	
114/22/3	<u>2022/23 Capital Plan Month 4 Update</u>	
	As detailed in paper I, year-to-date capital expenditure at month 4 was £11.4m, representing an underspend of £6.8m for the reasons detailed in the report, noting the progress assurance now provided by the Deputy Director of Estates and Facilities re: the Linac scheme. The capital subgroups were undertaking a further review of their 2022/23 programmes, for onward report to the Capital Monitoring and Investment Committee (CMIC) and FIC in September 2022 – those discussions would focus on the spend profile for the remainder of 2022/23 and on identifying appropriate prioritised contingency schemes. In discussion, FIC emphasised the need to have appropriate capital schemes ready to go in the event that any additional national capital became available in-year – FIC noted the view of the Deputy Chief Executive that such contingency schemes were more likely to be IM&T or waiting list related, due to the longer lead-in time needed for Estates capital schemes. The Chief Financial Officer provided assurance that CMIC was appropriately focused on this issue, and she agreed to provide a risk range assessment to the September 2022 FIC together with details of ‘ready to go’ contingency schemes. FIC agreed to highlight the position to the Trust Board for information.	CFO
	<b>Resolved – that the following be included in the next capital plan update to FIC:</b> <b>(1) a risk range assessment, and</b> <b>(2) a list of contingency schemes for 2022/23 in the event of additional national capital becoming available.</b>	CFO
114/22/4	<u>Transformation and Cost Improvement Programme (CIP) Update</u>	
	The Director of Quality Transformation Efficiency and Improvement highlighted the good position in month 4 re: CIP delivery, with £6.857m delivered year-to-date against the plan of £4.762m. Going forward, the FIC Non-Executive Director Chair requested that the report also show the CIP figures as a % of each area’s spend. Delivery of the 2022/23 CIP was recognised as a key requirement within delivering the 2022/23 overall financial plan, but the Director of Quality Transformation Efficiency and Improvement was also cognisant of the challenges facing clinical and corporate teams, and she provided assurance to FIC that the Transformation Team was closely monitoring any quality and safety aspects of CIP schemes (as reported to the UHL Quality Committee). FIC was also briefed on progress against the additional £5m CIP requirement, noting the relatively light population (to date) of the tracker re: those elements. Although the majority of those additional schemes were currently still in development, the Transformation Team continued to work closely with corporate and clinical areas to work up those schemes further and it was noted that most of them were planned for delivery later in the financial year. The Transformation Team was using Power BI to improve the transparency and interactivity of its CIP and Quality Impact Assessment reporting, fed by the CMG and corporate trackers (live demonstration planned for the September 2022 Executive Finance and Performance Board). System-level working also continued, and the Director of Quality Transformation Efficiency and Improvement advised FIC of a recent meeting with NHSE/I re: UHL’s CIP work. Although welcoming the good progress made on CIP and transformation generally, the FIC Non-Executive Director Chair voiced concern over the current position of the £5m additional schemes.	DQTEI

	<b>Resolved – that future reports also show the CIP figures as a % of each area’s spend.</b>	<b>DQTEI</b>
114/22/5	<u>Roadmap to Financial Sustainability/Exiting the Recovery Support Programme (RSP)</u>	
	The Director of Quality Transformation Efficiency and Improvement advised that the risks and their ratings had not changed since the July 2022 FIC. A further meeting on RSP was scheduled for November 2022 with NHSE/I.	
	<b>Resolved – that the position be noted</b>	
<b>115/22</b>	<b>PLANNING</b>	
115/22/1	<u>Medium Term Financial Plan (MTFP) update</u>	
	The Director of Operational Finance briefed FIC on the development of a medium term financial plan, noting continued close working with ICB colleagues on the underlying assumptions and on the glide path. A more detailed report would be presented to FIC in September 2022. Within UHL, the finance team was working with CMG and corporate areas on the underlying position, with a view to discussion and sign off through the Executive Finance and Performance Board (EFPB) and FIC. Medium term efficiency opportunities (including, eg PLICS data) were a key element of the plan, and would also be reported to EFPB and FIC.	<b>CFO</b>
	<b>Resolved – that a detailed update be provided to the September 2022 FIC, including efficiency opportunities and progress in CMG/Corporate Directorate budget-holder-level sign-off of the MTFP underlying position.</b>	<b>CFO</b>
<b>116/22</b>	<b>ITEMS FOR NOTING</b>	
	<b>Resolved – that the following items be noted at papers L1 – L3 respectively:</b> (1) Procurement Contracts Committee update including quarterly forward contracts pipeline, and (2) Executive Finance and Performance Board actions from 26 July 2022 and agenda from 23 August 2022.	
<b>117/22</b>	<b>ANY OTHER BUSINESS</b>	
	There were no items of any other business.	
<b>118/22</b>	<b>IDENTIFICATION OF ANY KEY ISSUES FOR THE TRUST BOARD</b>	
	<b>Resolved – that (A) the item in confidential Minute 107/22 be recommended to the next private Trust Board for approval, and</b>	<b>FIC NED CHAIR</b>
	<b>(B) the discussions in confidential Minutes 112/22/2 and 114/22/2, and in Minutes 114/22/1 and 114/22/3 be highlighted to the Trust Board for information.</b>	<b>FIC NED CHAIR</b>
<b>119/22</b>	<b>DATE OF NEXT MEETING</b>	
	<b>Resolved – that the next meeting of the Finance and Investment Committee be held virtually on Thursday 29 September 2022 from 9am to 11.15am via Microsoft teams.***</b>  <b>*** subsequently rescheduled to Friday 30 September 2022 from 1pm – 3.15pm</b>	

The meeting closed at 10.35am

Helen Stokes Corporate and Committee Services Manager

**FIC Attendance Record 2022/23 (updated)**

## Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
S Harris	7	6	86	J Melbourne	6	5	83
S Barton (from 1 July 2022)	2	2	100	R Mitchell (including until 30 June 2022)	4	3	75
A Furlong	6	4	67	B Patel	7	6	86
L Hooper	7	6	86	M Williams	7	7	100

**Regular Non-Voting Members/Attendees:**

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
S Barton (until 30 June 2022)	1	1	100	M Durbridge	6	6	100
A Carruthers	3	3	100	J Shuter	7	7	100
B Cassidy	7	6	86	M Simpson	3	2	67
G Collins-Punter	3	2	100	J Worrall	7	7	100