

Meeting title:	Trust Board Public Trust Board paper K1
Date of the meeting:	9 th June 2022
Title:	Roadmap to Sustainable Financial Improvement May 2022 Overview Report
Report presented by:	Lorraine Hogg, Chief Financial Officer and Moira Durbridge, Director of Quality Transformation and Efficiency Improvement
Report written by:	Deputy Director of Intensive Support

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

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 May 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 and Efficiency Improvement are invited to highlight the key points from this report.

Main report detail

See subsequent pages.



Roadmap to Sustainable Financial Improvement: May 2022 Overview Report

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- B. Key risks
- C. Roadmap actions

One team shared values



A. Recent Progress

- The Trust has submitted its financial plan for 2022/23, however this is a larger deficit than would be expected given national planning assumptions. We continue to work 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 Trust is continuing to provide audit evidence to Grant Thornton (external auditor) whilst they are away with other NHS clients throughout May.
- 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 has now closed with a final paper on how this transfers to business as usual supported Audit Committee 9.5.22.
- Review and update of SFIs is underway with an update planned for June 2022.
- Internal audit plan for 2022/23 has been agreed and includes reviews of areas where improvements have been made to ensure these are robust and embedded.
- Members of the Board are meeting with the national NHSEI finance team and national Intensive Support Team on 26th May to provide an update on progress, risks and issues.

B. Key risks: May 2022

	Risk	RAG Jan 2022	RAG Feb 2022	RAG Mar 2022	RAG Apr 2022	RAG May 2022	Mitigation	Owner	Delivery date
2	2020/21 Accounts. The 2020/21 financial accounts have not yet been signed.	R	A	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 to trust Board at the end of July,	(SRO) Lorraine Hooper / (AO) Simon Linthwaite	July 2022
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	R	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 completion of the 22/23 plan the development of the forward modelling for the next 5 years and the currently identified programmes of work will take place for June (subject to work being done on 22/23 plan). 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. The changed rag rating is reflective of the financial challenge within the 22/23 plan and the assurance work still ongoing.	(SRO) Lorraine Hooper/ (AO) Jonathan Shuter	June 2022 for model
4	System-wide Recovery Planning 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	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	Grip and Control. 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	Closed	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 was received by Audit Committee 9.5.22.	(SRO) Jonathan Shuter / (AO) Tim Moore	May 2022

C. Roadmap actions (1 of 3)

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	Off track	28/04/2022	*Final plan submitted to NHSE/I 28/4/2022. *Awaiting NHSE/I feedback.
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	*Reports from April 2022 onwards, earlier reports captured under Phase 1 of the Roadmap. *Month 1 report to be received at June 2022 Trust Board.
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	20/05/2022	*Intensive Support Team working with Region on joint review of the 2022/23 CIP programme - review scheduled for 12/5/2022.
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)	Moir Durbridge	Ben Shaw	On track	30/05/2022	*Work underway across the Trust on themes including theatre productivity, length of stay improvement and outpatient utilisation – supported by the GIRFT programme and Transformation Team. *Costing Team are developing 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). Costing Team to distribute the Productivity Performance Tracker to CMGs by email in the interim.
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	
6	1. Delivery against agreed financial recovery plan	MTFP	Develop the MTFP by the agreed timeline	Lorraine Hooper	Jonathan Shuter	On track	30/05/2022	*MTFP in development, beginning with detailed understanding of underlying recurrent position and modelled assumptions for future years. * First draft to be completed by the end of May 2022 (dependent on ongoing 2022/23 planning work).
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	Simon Linthwaite	Off track	20/05/2022	*All parties are working towards/aiming to conclude the overall process with a recommendation of the 2020/21 accounts to the UHL Trust Board by the end of July 2022.

C. Roadmap actions (2 of 3)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
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 the 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	*Linked to Action 8 above *Action relates to the AFR for 2020/21; (AFR for 2019/20 received by 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	Off track	09/05/2022	*Discussed at 9/5/2022 Audit Committee: Director of Corporate & Legal Affairs to contact all owners of outstanding Internal Audit actions for a progress update - any actions no longer relevant / superseded will be evidenced, and actions remaining relevant will be given new / realistic due dates. *Update to be provided at an Exec Committee in two weeks (from date of May 2022 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	
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	*To be presented at Exec Board, Audit Committee then Trust Board.
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	Becky Cassidy	Off track	09/05/2022	*To be presented at June 2022 Audit Committee and July 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	On track	09/06/2022	*Paper to NHSE/I by 31/5/2022. *Paper to 9/6/2022 Trust Board.
16	2. Robust financial controls and governance	Governance	Refresh and improved Board Assurance Framework in place at UHL	Becky Cassidy	Richard Manton	On track	31/05/2022	*Session covering the BAF with NEDS w/c 25/3/22. *Trust Board development session covering the revised BAF scheduled for 25/5/22.
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	On track	31/07/2022	

C. Roadmap actions (3 of 3)

Ref	Exit criteria	Topic	Action	SRO	Action owner	STATUS	END DATE	Notes
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	On track	01/08/2022	
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	5.0 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	Moirá Durbridge	Helen Harrison	On track	31/03/2023	*Q4 QIA review and year end lessons learned report received at 10/5/2022 EQB. *Quality Governance Framework.