

Trust Board paper P

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 7 April 2016

COMMITTEE: Integrated Finance, Performance and Investment Committee

CHAIR: Mr M Traynor, Non-Executive Director

DATE OF MEETING: 24 March 2016

This report is provided for the Trust Board's information in the absence of the formal Minutes, which will be submitted to the Trust Board on 5 May 2016.

SPECIFIC RECOMMENDATIONS FOR THE TRUST BOARD:

- **Workforce Update** – the Committee received the monthly workforce update and welcomed the detailed information provided in relation to the NHS apprenticeship levy. Members commented upon the deteriorating position for nursing vacancies (444 in December 2015 and 477 in February 2016). Despite the significant work streams being progressed to improve recruitment, the Committee was not assured that the position would be sustainable going forwards – particularly in the context of the age profile of UHL's existing nursing workforce.

The Committee Chairman highlighted the recent development of a partnership between the Lancashire Teaching Hospitals Foundation Trust and the University of Bolton to increase the number of nursing trainees entering the profession through self-funded courses. IFPIC recommended that a task and finish group be established to review the scope to develop a similar partnership in Leicester. In addition, the Committee noted the need for BAF risk 10 (a caring, professional and engaged workforce), to be reviewed and refreshed.

SPECIFIC DECISIONS:

- none

DISCUSSION AND ASSURANCE:

- **Matters arising** – a number of agenda items had been deferred from the 24 March 2016 meeting to the 28 April 2016 IFPIC meeting. The Committee Chairman commented upon the importance of the estates route map and the review of BAF risk 11 (estates infrastructure capacity) and requested that no further slippage occurred in the timescale for consideration of these important issues. He suggested that it might be necessary to start the meeting earlier on 28 April 2016;
- **CMG Presentation (Women's and Children's)** – topics discussed included:-
 - an overview of the safe, caring, well-led and responsive performance indicators – the Committee noted that C section rates were no longer considered to be a good quality measure

- and this performance was being removed from the Commissioner's dashboard going forwards;
- assurance provided that a consistent prioritisation process had been developed for managing elective cancellations, on the basis of clinical need;
 - action being taken to improve staff appraisal rates and assurance that the 95% target would be met in March 2016;
 - key achievements which included collaborative working with NuH on Paediatric Intensive Care transport, response to peaks in non-elective activity, the results of the National Maternity Survey and implementation of the electronic document records management (EDRM) system. In respect of EDRM, the Chief Information Officer was requested to brief IFPIC on the key learning points arising from implementation of the pilot;
 - challenging financial performance associated with income pressures and high levels of premium pay expenditure – the CMG was forecasting to deliver an adverse variance to plan of £1.793m;
 - successful delivery of the 2015-16 CIP target and challenges surrounding identification of schemes for 2016-17;
 - progress with recruitment (particularly midwives and paediatric nurses);
 - a task and finish group had been established to review winter plans for 2016-17 and this would include adjusting the profile of elective capacity during the summer months to build resilience to cope with winter pressures, and
 - the importance of finalising the business case for the Children's Hospital to support a forthcoming charitable fundraising campaign;
- **Month 11 Financial Performance and Forecast 2015-16** – the Trust's year to date deficit was £35.6m which was £0.8m adverse to plan (£34.8m), but the February 2016 position reflected a positive variance following the planned release of provisions and a range of technical accounting adjustments and the Trust was still forecasting to achieve its year end control total (£34.1m). Discussion took place regarding the key risks within the forecast and the Trust's run-rate looking ahead to the 2016-17 financial year. Assurance was provided that the Trust's External Financing Limit and Capital Resource Limit were likely to be compliant at the end of March 2016;
 - **2016-17 Planning (Draft Annual Operational Plan, Financial Plan and Capital Programme)** – the Committee supported the draft Annual Operational Plan for submission to the Trust Board on 7 April 2016, noting that a further submission would be required to IFPIC on 28 April 2016 and the Trust Board on 5 May 2016 reflecting the outcome of contractual negotiations, demand and capacity modelling and workforce plans. The Committee suggested that it would be helpful to extract the key messages from the planning documentation and commence relevant communications exercises with patients, staff and stakeholders (including the Patient Engagement Forum);
 - **Cost Improvement Programme** – year to date savings of £39.1m had been achieved against the target of £40.2m and the forecast outturn for 2015-16 had risen to £43.137m. The Committee noted the on-going risks relating to cancellation of elective activity (due to emergency pressures) and considered the learning points around the phasing of schemes and the need to increase the proportion of recurrent savings schemes in 2016-17. The indicative CIP target for 2016-17 was £41.4m (representing approximately 7% of influencable expenditure) and to date approximately £31m had been identified, leaving a gap of £10m. Discussion took place regarding opportunities to increase the proportion of savings delivered through cross-cutting schemes and arrangements to up-skill staff in areas of quality management and Lean processes. Confirmation of the likely range for the 2016-17 savings target would be provided at the 28 April 2016 IFPIC meeting. The update on the Theatres cross-cutting CIP theme was also received and noted;
 - **Lord Carter Review** – paper H provided an update on the Trust's involvement in Lord Carter's review of "operational productivity and performance in English NHS acute hospitals: unwarranted variations" and the recommendations contained in the final report (as published on 5 February 2016). In relation to recommendation 6, members were surprised to note that 52.1% of space was occupied by non-clinical services and they requested clarity regarding the inclusion or exclusion of leased accommodation within this figure. The Director of Estates and Facilities was requested to clarify this point in his reports that were due for submission to the April 2016 meeting;
 - **Non-Urgent Patient Transport** – the Committee received paper I, describing the arrangements

for contracting and payment of invoices for non-urgent patient transport, noting that (under the terms of the NHS contract) CCGs were responsible for commissioning such additional transport and these costs would therefore be treated as 'pass-through' by UHL in future;

- **Month 11 Quality and Performance Report** – the Director of Performance and Information updated the Committee on good progress with diagnostics performance and cancer 2 week waits. He also highlighted reductions in the backlogs for 62 day and 31 day cancer treatments. Particular discussion took place regarding the psychological impact of cancelling cancer operations, a potential deterioration in RTT performance and emergency re-admissions. The QAC Chair confirmed that concerns regarding 30 day re-admission rates would be raised at that afternoon's QAC meeting;
- **Demand and Capacity Planning 2016-17** – the Committee received a briefing report on the detailed nature of the demand and capacity modelling being undertaken to address high levels of elective cancellations (including some cancer patients) and deliver a balanced capacity plan for the winter of 2016-17. It was noted that commissioning negotiations would be key and further updates would be presented to the April 2016 IFPIC meeting and the 5 May 2016 Trust Board meeting;
- **Cancelled Operations and Re-Booking Process** – the Committee reflected upon the example of poor patient experience highlighted within paper M (a patient whose surgery had been cancelled and re-booked 4 times since January 2016). The Chief Operating Officer sought and received the Committee's approval (in principle) to adopt a phased approach to ring-fencing elective beds on the LRI site. The detailed proposal was due to be considered at the 29 March 2016 Executive Workforce Board meeting;
- **Alliance Financial and Operational Performance** – paper N provided the quarterly update on Alliance performance and progress being made in respect of transferring identified areas of planned care activity into a community and primary care setting. The Leicester City CCG would be joining the Alliance with effect from 1 April 2016 and this was welcomed. A particular emphasis was being maintained on service re-design and transformation (instead of "lifting and shifting"). Discussion took place regarding Endoscopy unit JAG accreditation, future business case developments, staff appraisals, RTT performance, preparations for the CQC inspection, re-opened complaints and the expected financial surplus for 2015-16, subject to resolution of lease costs and a back-dated invoicing issue;
- **Reports for Scrutiny and Information** – the Committee received and noted the following documents:-
 - IFPIC calendar of business;
 - Updated timetable for UHL Business Case Approvals;
 - Minutes of the Executive Performance Board meeting held on 23 February 2016;
 - Minutes of the Revenue Investment Committee meeting held on 22 February 2016, and
 - Minutes of the Capital Monitoring and Investment Committee meeting held on 12 February 2016;
- **Investment Business Cases** – none submitted for consideration at this meeting;
- **Any Other Business** – the Chief Operating Officer briefed the Committee on the arrangements for the forthcoming 2 day Doctors' Strike and robust plans for the Easter Bank Holiday weekend, noting that only 1 GP practice would be open (out of 140 across the LLR region).

DATE OF NEXT COMMITTEE MEETING: 28 April 2016

Mr M Traynor – Committee Chair
30 March 2016