

University Hospitals of Leicester 
NHS Trust

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 26 September 2013

COMMITTEE: Finance and Performance Committee

CHAIRMAN: Mr R Kilner, Non-Executive Director

DATE OF COMMITTEE MEETING: 28 August 2013

RECOMMENDATIONS MADE BY THE COMMITTEE FOR CONSIDERATION BY THE TRUST BOARD:

None

OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR CONSIDERATION/ RESOLUTION BY THE TRUST BOARD:

- Minute 91/13/1 – month 4 financial performance;
- Minute 92/13/2 – Divisional financial recovery plans, and risk of slippage in CIP delivery associated with the implementation of the revised clinical management structure.

DATE OF NEXT COMMITTEE MEETING: 25 September 2013

Mr R Kilner
20 September 2013

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

**MINUTES OF A MEETING OF THE FINANCE AND PERFORMANCE COMMITTEE, HELD
ON WEDNESDAY 28 AUGUST 2013 AT 8.30AM IN THE C J BOND ROOM, CLINICAL
EDUCATION CENTRE, LEICESTER ROYAL INFIRMARY**

Present:

Mr R Kilner – Non-Executive Director (Committee Chair)
Mr J Adler – Chief Executive
Colonel (Retired) I Crowe – Non-Executive Director
Mr R Mitchell – Chief Operating Officer
Mr P Panchal – Non-Executive Director
Mr A Seddon – Director of Finance and Business Services
Mr G Smith – Patient Adviser (non-voting member)
Ms J Wilson – Non-Executive Director

In Attendance:

Mrs S Khalid – Head of Improvement and Innovation (for Minutes 92/13/1.1 to 92/13/1.3 inclusive)
Mrs K Rayns – Trust Administrator
Ms C Ribbins – Acting Chief Nurse (for Minutes 90/13/1 and 90/13/2 only)

ACTION

RESOLVED ITEMS

87/13 APOLOGIES AND WELCOME

The Committee Chairman welcomed Mr P Panchal, Non-Executive Director to his first meeting as a member of the Finance and Performance Committee and advised that Mr N Ryan from the NHS Trust Development Authority had not been able to attend to observe this meeting as expected.

Apologies for absence were received from Mr P Burns, Head of Trust Cost Improvement Programme and Mr S Sheppard, Deputy Director of Finance.

88/13 MINUTES

Resolved – that the Minutes of the 24 July 2013 Finance and Performance Committee meeting (paper A) be confirmed as a correct record.

89/13 MATTERS ARISING PROGRESS REPORT

The Committee Chairman confirmed that the matters arising report provided at paper B detailed the status of all previous matters arising. Particular discussion took place in respect of the following items:-

- (a) action note 7.1 (Minute 77/13/6) – the Director of Finance and Business Services advised that his team would be meeting with Asterol later that day and he would subsequently clarify whether any additional expenditure had been incurred as a result of delays with the MES installation work; DFBS
- (b) action note 9.1 (Minute 78/13) – the Committee Chairman had discussed the proposal for a Non-Executive Director to chair the Clinical Procurement Group with the Trust Chairman. They had agreed that such an appointment would not be appropriate and that the Chairman of this group should have a more clinical background. The Director of Finance and Business Services was requested to feed back this information to the Assistant Director of Procurement and Supplies; DFBS
- (c) action note 9.1 (Minute 79/13) – in the absence of the Deputy Director of Finance, it was not clear whether a financial “road map” briefing note had been circulated to UHL clinicians as requested during the Consultant financial and business awareness workshops. An update on this issue would be sought and reported via the matters arising progress log; DDF

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| (d) | action note 10.1 (Minute 83/13) – the Committee noted that the template for Divisional presentations to the Finance and Performance Committee had been deferred from today’s agenda, due to the proposed changes in the Trust’s clinical management structure. Subject to the Trust Board’s approval of the proposals, it was agreed that a template for presentations by each of the proposed Clinical Management Groups would be presented to the Committee in October 2013 and that the schedule of presentations would commence in November 2013; | DDF |
| (e) | Minute 65/13/1 of 26 June 2013 – the Chief Executive confirmed that he had requested the Improvement and Innovation Framework Board to consider whether it would be appropriate to re-convene the Readmissions Project Board; | |
| (f) | Minute 65/13/3 of 26 June 2013 – Ms J Wilson, Non-Executive Director confirmed that she had met with the Head of Trust CIP and received assurance regarding the quality impact pre-assessment of CIP schemes. Further assurance regarding post-implementation reviews and continuous monitoring was due to be provided through the Quality Assurance Committee; | QAC
Chair |
| (g) | Minute 67/13(D) of 26 June 2013 – outputs from the benchmarking exercise to compare other Trusts’ data in respect of Consultant numbers by patient care activity and Consultant PAs per WTE were due to be considered by the Executive Team and an update on this issue would be provided to the Finance and Performance Committee on 25 September 2013; | DFBS |
| (h) | Minute 67/13(E) of 26 June 2013 – the Chief Operating Officer agreed to provide an example of some clinical outcome metrics to the Trust Administrator for circulation to all members of the Committee, and | COO/
TA |
| (i) | Minute 28/13/3 of 27 March 2013 – the Director of Finance and Business Services provided a verbal update on progress of negotiations with the University of Leicester relating to the apportionment of pay costs and landlord elements of University occupied hospital accommodation under Minute 90/13/5 below. | |

Resolved – that the matters arising report and any associated actions above, be noted. **NAMED LEADS**

90/13 STRATEGIC MATTERS

90/13/1 Progress of the Corporate Workstream to Improve the Ratio between Bank and Agency Expenditure

The Acting Chief Nurse introduced paper C providing a summary of the strategy and actions being taken forward to increase UHL’s nurse bank capacity and reduce agency nursing expenditure whilst protecting ward staffing levels. She drew members’ attention to section 5 of the report which highlighted the re-introduction of a quota system to support the incremental reduction of bank and agency staff within each CBU. The action plan detailed in appendix 1 was reviewed on a fortnightly basis by the Executive Team. The Director of Finance and Business Services showed members a set of graphs which demonstrated some early improvement and advised that the graphs were reviewed weekly at the Executive Team meetings. It was agreed that the Finance and Performance Committee would review these graphs on a monthly basis until a sustainable improvement had been embedded.

In response to a query raised by Ms J Wilson, Non-Executive Director, the Committee received assurance regarding progress for recruitment to substantive nurse vacancies through the use of notices on trains and buses, targeted approach with nursing schools, colleges and clearing houses, recruitment fairs, overseas recruitment and apprenticeships. Ms Wilson noted the success of the recent recruitment campaign following the opening of the new Neonatal Unit and suggested that any similar future opportunities be fully explored. The Acting Chief Nurse was requested to circulate a summary of the various nursing recruitment initiatives currently taking place.

Mr P Panchal, Non-Executive Director suggested that the nurse recruitment strategy for the next 10-15 years be analysed alongside any potential impact upon the local economy.

He recommended that discussions be held with local authorities, stakeholders and educational establishments in order to tackle structural issues relating to longer term workforce issues and he highlighted potential opportunities to apply for European development funding through local enterprise partnerships by 6 October 2013. The Director of Finance and Business Services reported on the development of UHL's Sustainability Plan in conjunction with Interserve, confirming that this would be presented to the Executive Team and the Trust Board in the near future and that this would address some of the issues raised by Mr Panchal above.

The Committee Chairman sought and received additional information regarding the drivers for a 15% increase in bank and agency nursing requests between April 2012 and July 2013. He requested that a progress report be provided to the Committee in November 2013 including an analysis of supply and demand, arrangements for future-proofing the nursing workforce and any scope to take account of changes across the whole of the LLR health economy.

Resolved – that (A) a graph depicting the ratio between bank and agency nursing staff be presented to the Finance and Performance Committee on a monthly basis until a sustained improvement had been embedded;

ACN

(B) the Acting Chief Nurse be requested to circulate a summary of nursing recruitment initiatives to members for information;

ACN

(C) the local impact of nursing recruitment be built into UHL's Sustainability Plan prior to presentation to the Executive Team and the Trust Board, and

DFBS

(D) a progress report on the Corporate Workstream to improve the ratio between bank and agency nursing staff be provided to the 27 November 2013 Finance and Performance Committee meeting.

ACN

90/13/2 Review of Nursing Establishment – Right Sizing

Further to Minute 77/13/7 of 24 July 2013, the Director of Finance and Business Services reported on discussions held by the Executive Team on 13 August 2013 following the "bottom up" review of UHL's nursing establishment across 92 clinical areas to determine nursing requirements against agreed acuity levels and build in supervisory capacity for ward managers. Revised proposals to clarify key issues had been presented to the Executive Performance Board on 27 August 2013 and copies of this report were tabled at the meeting (paper D refers). Particular discussion focused around the table provided in section 2.3 of paper D and members supported the additional Phase 1 investment required to deliver an additional 106.91 WTE posts, noting that 75.67 WTE posts were already committed.

The Executive Team had received assurance that such investment was sustainable but it was recognised that recruitment to the additional posts would remain challenging alongside existing rates of staff turnover and internal promotions. The Chief Operating Officer reported on activity trends, gross patient length of stay, additional winter bed capacity plans and forward planning to reduce beds where appropriate. He added that the requirement to provide supervisory status for ward managers had added 0.4 WTE to each ward baseline and that the total cost of this element alone was in the region of £1m.

The Chief Executive commended the progress made to date suggesting that approximately 90% of the work had now been completed. He highlighted the importance of robust arrangements for tracking and accounting for any changes in ward establishment levels. Finally, the Committee considered the impact of recent management of change processes, vacancy rates and changes in additional bed capacity upon nursing staff morale and agreed that consistent messaging to staff regarding the final agreed position for each clinical area would be crucial.

Resolved – that (A) the Executive Team’s progress in confirming the nursing establishment levels for wards and clinical areas be received and noted, and

(B) once finalised, the agreed establishment levels be clearly communicated to staff and robust arrangements developed for tracking and accounting for any future changes.

ACN/
DFBS

90/13/3 Report by the Committee Chairman

Resolved – that this Minute be classed as confidential and taken in private accordingly, on the grounds of commercial interests and that public consideration at this stage could be prejudicial to the effective conduct of public affairs.

90/13/4 Improvement and Innovation Framework Update

The Chief Executive introduced paper E, providing a progress report on the implementation and roll out of UHL’s Improvement and Innovation Framework (IIF). He particularly highlighted the proposed arrangements for supporting the Project Management Office using IBM’s Programme Management Tool which was already being used for IM&T developments, subject to satisfactory feedback following the final demonstration scheduled for 2 September 2013. A quotation for this system was provided in appendix 1 to paper E. Proposals for building UHL’s capability were due to be presented to the October 2013 IIF Board meeting following completion of further scoping work.

In discussion on the report, the Chief Executive clarified the direct linkages between IIF and the development of multi-year CIP schemes and provided assurance that IIF was fully embedded within the Divisional teams, noting that many of the IIF support staff were posted within the Divisions. He confirmed the intention to move away from centrally-led schemes and stressed the importance of not delaying any schemes that were progressing well.

Mr P Panchal, Non-Executive Director queried the arrangements for encouraging brainstorming and “thinking outside the box” and noted in response that IBM were proposing to host a 1 day innovation session to generate ideas for improvement. In response to a further query from Mr Panchal, the Chief Executive confirmed that the contractual arrangements for purchasing licences for the Programme Management Tool would be on a “pay as you go” basis.

Resolved – that the progress report on UHL’s Improvement and Innovation Framework (paper E) be received and noted.

90/13/5 University of Leicester Occupation of UHL Premises

Further to Minute 28/13/3 of 27 March 2013, the Director of Finance and Business Services provided verbal feedback from a meeting held with the Medical Director and the Director of Human Resources and representatives from the University of Leicester 2 weeks previously. The Committee Chairman sought a timescale for the resolution of the identified issues and it was advised that a summary of the agreed position relating to apportionment of medical staffing pay costs would be reported to the Finance and Performance Committee in October 2013 and the agreed position relating to landlord elements of University occupied UHL premises would be reported to the November 2013 meeting.

In response to a query raised by Mr P Panchal, Non-Executive Director, discussion took place regarding value for money considerations relating to UHL’s partnerships with local Universities and the articulation of performance metrics, such as medical student examination results and numbers of research papers published. The Chief Executive commented upon future opportunities to strengthen the partnership with Loughborough University through the exercise medicine workstream.

Resolved – that (A) the agreed position regarding apportionment of medical staffing pay costs between UHL and the University of Leicester be reported to the October 2013 Finance and Performance Committee meeting, and

DFBS

(B) the agreed position regarding landlord elements of University occupied UHL premises be reported to the November 2013 Finance and Performance Committee meeting.

DFBS

91/13 PERFORMANCE

91/13/1 Month 4 Quality, Performance and Finance Report

Paper F provided an overview of UHL's quality, patient experience, operational targets and HR and financial performance against national, regional and local indicators for the month ending 31 July 2013.

The Chief Operating Officer highlighted the recent addition of a table on page 17 of paper F summarising performance against 22 operational performance indicators. He invited members to comment on the indicators selected and invited suggestions for further indicators to be included within this table. The Committee Chairman requested that future iterations of this table be constructed to read from left to right in ascending date order. The Chief Operating Officer provided a verbal update on the following aspects of UHL's month 4 operational performance, reporting by exception:-

- (1) ED 4 hour performance for July 2013 was non-compliant against the 95% target – a detailed paper on ED performance and recovery plans was due to be considered by the Trust Board on 29 August 2013. Members discussed performance against the trajectory set towards achieving a sustainable compliant position and the Chief Operating Officer provided an analysis of some of the causal factors and plans to address these;
- (2) RTT 18 week performance – the admitted targets had not been delivered at specialty level in Ophthalmology and ENT. A detailed exception report was provided at appendix 3 to paper F. The Trust had submitted a comprehensive action plan in response to a contract query raised by Commissioners on 14 August 2013 and a meeting was due to be held in the next 2 days to consider any outstanding concerns. Work was taking place to address administrative staffing challenges within Ophthalmology and the Chief Operating Officer was confident that the action plan would deliver a compliant position by the end of September 2013;
- (3) the 62 day cancer performance target for June 2013 (reported one month in arrears) had been met;
- (4) choose and book slot unavailability stood at 13% (against the target of 4%) and it was noted that slot availability remained a key component of the RTT recovery plan;
- (5) cancelled operations performance for July 2013 stood at 1.2% against the threshold of 0.8% and a detailed exception report was provided at appendix 4. Some additional bed capacity had been re-allocated to the Planned Care Division to reduce the number of cancellations caused by unavailability of ward beds, but there had been some delays staffing these beds, and
- (6) stroke performance stood at 77.3% for June 2013 (reported one month in arrears) against the target for 80% of stroke patients to spend 90% of their stay on a stroke ward. The Chief Operating Officer reported that July 2013 performance was likely to be 86.2% subject to validation.

Finance and Performance Committee members raised the following comments and queries in relation to the Trust's operational performance:-

- (a) Ms J Wilson, Non-Executive Director sought assurance that a continued focus would be maintained in respect of 62 day cancer performance by tumour site and that

individual cases were reviewed appropriately. The Chief Operating Officer confirmed that this was the case and updated the Committee on the arrangements for the weekly Cancer Action Board meetings, and

- (b) the Chief Executive referred to the table provided on page 27 of paper F summarising the status of contractual queries and sought assurance that these were being progressed in a timely manner. In response, the Chief Operating Officer voiced concerns regarding a delay by the CCGs in responding to the RTT remedial action plan which had been submitted on 14 August 2013 and was still awaiting formal acceptance by the CCGs.

The Director of Finance and Business Services briefed members on the Trust's month 4 financial performance, advising that the NHS Trust Development Authority (TDA) had assessed the Trust's financial risk rating at a level 4. Nationally, it was noted that approximately 20 other Trusts had fallen into this category. The Trust had been requested to provide comprehensive details of the 2013-14 financial year end forecast position and recovery strategy (inclusive of all financial recovery actions) for a meeting with the TDA which was scheduled to be held on 12 September 2013.

During discussion on the Trust's financial performance, Finance and Performance Committee members particularly noted the following points:-

- (i) that the month 4 position did not include any additional contingency release, although the year to date position included contingency of £5.0m which was consistent with the assumptions within the Annual Operational Plan;
- (ii) the Committee Chairman queried the adverse variances in pay and non-pay expenditure, noting that these were both higher in month 4 than the average adverse variances in months 1 to 3. In respect of pay costs, the Director of Finance and Business Services reported on the requirements for increased ward staffing levels to reflect higher acuity levels and supervisory status for ward managers;
- (iii) emergency patient care income had been impacted by increased diversion rates to the Urgent Care Centre, which had highlighted an issue regarding the funding of emergency care resources which UHL had been requested to retain in place, and
- (iv) table 5 (on page 32 of paper F) summarised the provision made for performance penalties and fines, but there was little clarity available regarding the arrangements for re-investing such penalties to improve UHL's services. Members noted the importance of clarifying this issue prior to the meeting with the TDA on 12 September 2013. The Chief Operating Officer also advised that subject to the resolution of ambulance turnaround data issues, these fines might prove to be substantial.

Resolved – that (A) the month 4 Quality, Performance and Finance report (paper F) be received and noted;

(B) detailed discussion on ED performance and emergency care issues be deferred to the public Trust Board meeting on 29 August 2013, and

COO

(C) the table summarising UHL's operational performance be re-formatted to read from left to right in ascending date order.

COO

92/13 **FINANCE**

92/13/1 Delivery of Cost Improvement Programme (CIP)

In the absence of the Head of Trust Cost Improvement Programme, the Director of Finance and Business Services introduced paper G, providing an update on the status of 322 CIP schemes with an in-year value of £36.3m against the revised target of £37.7m. Members noted that the Executive Performance Board had also reviewed this report on 27 August 2013. The Director of Finance and Business Services agreed to provide feedback to the Head of Trust CIP regarding opportunities to simplify the Project Initiation Document

(PID) used for tracking small scale “simple” service improvements, where the full 16 paged document might appear to be somewhat excessive.

The Chief Executive noted a strengthening position in respect of the programme’s RAG profile. The Committee Chairman concurred with this view and advised that he had met with the Head of Trust CIP one week previously. Discussion took place regarding progress of the theatre transformation project where it was suggested that a proportion of these savings should now be RAG rated as amber.

Resolved – that (A) the 2013-14 CIP update (paper F) be received and noted;

(B) the Director of Finance and Business Services be requested to feedback the Committee’s comments on opportunities to simplify the PID proformas for use in tracking small scale “simple” service improvements to the Head of Trust CIP outside the meeting, and

DFBS

(C) consideration be given to adjusting the RAG rating for the theatre transformation project.

**DFBS/
SK, HII**

92/13/1.1 Optimising Medical Expertise and Productivity

Further to Minute 67/13 of 26 June 2013, Mrs S Khalid, Head of Improvement and Innovation attended the meeting to present paper G1, providing a progress report on the savings opportunities being delivered through optimising expertise and productivity. Appendix 1 to paper G1 provided a RAG-rated summary of the forecast CIP savings by CBU. During discussion on paper G1, Finance and Performance Committee members noted:-

- (a) the assurance provided that forecast in-year savings expected to be achieved were in the region of £1.8m to £1.9m (just short of the £2m original forecast);
- (b) that there were other CIP schemes relating to improving medical productivity listed on the CIP tracking tool. Although not all of these schemes had been coded to this work stream, the Head of Improvement and Innovation confirmed that they were mindful of the risk of any double-counting;
- (c) the arrangements for converting improved medical expertise and productivity into tangible cost improvements (eg removal of premium cost medical cover, reductions in Consultant PAs, headcount reductions, or savings in other areas through the model for Consultant delivered services);
- (d) opportunities were being explored for greater savings in future years arising from an external review undertaken by Ms Kim Hodgson in June 2013. A copy of this summary report had been circulated to Committee members on 26 June 2013, but the Trust Administrator was requested to provide a copy to the Chief Operating Officer following the meeting;
- (e) that the Chief Operating Officer and the Chief Executive would work with the Head of Improvement and Innovation to develop 2014-15 savings targets to be presented to the Improvement and Innovation Framework Board, and
- (f) that the Head of Improvement and Innovation would be re-examining the arrangements for the Corporate Medical Directorate to benefit from a 25% gain share agreement relating to improving medical expertise and productivity. Alternative methods of measuring and analysing the benefits of these schemes would be proposed with a view to changing behaviours within the organisation.

Resolved – that (A) the update on optimising medical expertise and productivity (paper G1) be received and noted,

(B) opportunities for 2014-15 savings targets relating to medical expertise and productivity be presented to the Improvement and Innovation Framework Board, and

SK, HII

(C) consideration be given to developing alternative methods of measuring and sharing the financial benefits of optimising medical expertise and productivity.

SK, HII

92/13/1.2 Theatre Transformation Programme

Mrs S Khalid, Head of Improvement and Innovation attended the meeting to present paper G2, providing a detailed progress report on the theatre transformation programme. Finance and Performance Committee members particularly noted that:-

- (a) detailed discussions were underway with the relevant specialties regarding the arrangements for covering RTT backlog activity;
- (b) the Theatre Board had agreed that each specialty would be provided with 4 weeks' notice to improve performance prior to the removal of identified sessions;
- (c) the arrangements for physically removing costs through reduced theatre sessions would be made transparent;
- (d) Mr R Mitchell, Chief Operating Officer had been appointed as the Executive Director lead for this project;
- (e) some slippage had occurred in the phasing of the £1.7m anticipated part-year savings. The in-year savings were expected to be in the region of £1m for 2013-14 with the balance to be delivered in 2014-15, and
- (f) consideration was being given to replacing General Surgery as one of the priority pilot areas for the 2013-14 financial year.

Ms J Wilson, Non-Executive Director raised a query regarding the number of operating theatres to be closed or moth-balled under this project. In response, the Chief Operating Officer reported on the clear methodology being used to deliver reductions in theatre sessions at key milestones alongside the arrangements for creating capacity for programmed maintenance to be carried out to UHL's estate and theatre plant.

Mr P Panchal, Non-Executive Director sought and received assurance regarding any potential impact upon patients, noting that the worst performing 3% of theatre sessions was initially being targeted and that a positive impact on patient experience was likely to be delivered through reduced waiting lists and improved cancellation rates.

Resolved – that the update on progress of the Theatre Transformation Programme (paper G2) be received and noted.

92/13/1.3 Discharge

Mrs S Khalid, Head of Improvement and Innovation attended the meeting to present paper G3, providing a detailed progress update on the discharge project. Appendix 1 provided an overview of the project work streams and key performance indicators. The Chief Operating Officer noted the benefits of this project in bringing together a number of important work streams for additional focus under one banner. He advised that a report had been presented to the Urgent Care Board confirming that 100% of ward rounds were taking place but an additional focus on their effectiveness and the way they were being conducted was expected to draw out some additional learning points.

Ms J Wilson, Non-Executive Director commended this work which complemented 1 of the Trust's 5 Critical Safety Actions and she queried whether it would be helpful to undertake a "deep dive" through the Quality Assurance Committee. The Committee Chairman commented that the report seemed a little light on performance metrics and trajectory for delivering improvements. He queried whether the right calibre of decision making clinicians were in attendance at ward and board rounds. Members discussed the opportunities to increase the time allocated to ward and board rounds within Consultant job plans and noted a suggestion raised by the Chief Operating Officer that theatre list reductions might be used to provide additional input into ward rounds.

Resolved – that the update on improving discharge arrangements at UHL (paper G3) be received and noted.

92/13/2 Progress of Divisional Financial Recovery Plans

Further to Minute 77/13/3 of 24 July 2013, paper H updated the Committee on the Executive Performance Board's consideration of the revised recovery plans for the Acute Care and Planned Care Divisions (as presented to the EPB on 27 August 2013). The Chief Operating Officer confirmed that detailed confirm and challenge sessions had been held with each of the Divisions and that the top 15 to 20 leaders within each Division had been fully engaged in developing the agreed recovery actions. Both of the recovery plans were now presented in the standardised format to ensure clarity and ease of presentation.

Finance and Performance Committee members particularly noted the key risks surrounding ownership of the Divisional recovery plans during the period of transition to the new clinical management structure. Assurance was provided that weekly meetings would be held with each Division to maintain a focus on improving financial performance and further specific support was being provided to the Emergency Care and ITAPS CBUs which had previously been identified as having the greatest need for such support.

The Chief Executive highlighted the further work still required to reduce the Trust's forecast year-end deficit, which included work within the Corporate Directorates (Minute 92/13/3 below refers). In addition, clarity was required regarding the status of strategic transitional support, transformation funding and the arrangements for reinvesting performance related penalties in UHL's services. A comprehensive summary of UHL's forecast year-end position was required to be submitted to the TDA prior to the meeting due to be held on 12 September 2013 and it was agreed that Trust Board members would be sighted to the outputs of this work before the meeting.

The Chief Operating Officer noted a comment received from the Patient Adviser in respect of the significance of Patient and Public Involvement implications in this report and agreed to clarify this in future iterations of the report.

Resolved – that (A) the update on progress of Divisional financial recovery plans (paper H) be received and noted;

(B) the Director of Finance and Business Services be requested to circulate copies of the financial recovery strategy report to Trust Board members for information prior to the meeting with the TDA on 12 September 2013, and DFBS

(C) the Chief Operating Officer be requested to reflect the significance of PPI implications within future iterations of this report. COO

92/13/3 Consolidated Report on the Corporate Directorate Financial Positions

The Director of Finance and Business Services introduced paper I, providing a consolidated summary of the 2013-14 financial position for the Corporate Directorates. This report had also been considered by the Executive Performance Board on 27 August 2013 and it had been agreed to hold a Corporate Directorate confirm and challenge session on 17 September 2013 and the outputs from this meeting would be reported to the Finance and Performance Committee on 30 October 2013.

Mr P Panchal, Non-Executive Director queried whether there were any plans to restructure the Corporate Divisions and he noted in response that the Chief Executive had summarised some changes to Executive Director portfolios within his report to the 29 August 2013 Trust Board meeting (paper N refers). The Chief Executive also noted that the balance between clinical and non-clinical membership of the Trust's Executive Team

would change with the implementation of the revised clinical management structure.

Resolved – that (A) the consolidated report on the Corporate Directorate financial positions (paper I) be received and noted, and

(B) the outputs from the Corporate Directorate confirm and challenge session be presented to the Finance and Performance Committee on 30 October 2013.

COO/
DFBS

92/13/4 Arrangements for Managing UHL's Cash Position

The Director of Finance and Business Services presented paper J which provided a summary of the month 4 cash position against plan, the forecast position for the next 13 weeks and provided a commentary on potential actions that might be taken to alleviate any forecast shortfall in the Trust's cash balance. The Committee Chairman queried the assumptions underlying the forecast position in respect of pay, non-pay and patient income and noted (in response) that the short term forecasts were based on a combination of Divisional forecasts and general ledger trends.

Resolved – that the report on the arrangements for managing UHL's cash position (paper J) be received and noted.

93/13 **SCRUTINY AND INFORMATION**

93/13/1 Divisional Confirm and Challenge

Resolved – that the notes of the 18 July 2013 Divisional Confirm and Challenge meeting (paper K) be received and noted.

93/13/2 Executive Performance Board

Resolved – that the notes of the 23 July 2013 Executive Performance Board meeting (paper L) be received and noted.

93/13/3 Improvement and Innovation Framework Board

Resolved – that the notes of the 30 July 2013 and 14 August Improvement and Innovation Framework Board meetings (papers M and M1) be received and noted.

93/13/4 Quality Assurance Committee (QAC)

Resolved – that the Minutes of the 23 July 2013 QAC meeting (paper N) be received and noted.

93/13/5 Quality and Performance Management Group (QPMG)

Resolved – that the notes of the 3 July 2013 QPMG meeting (paper O) be received and noted.

94/13 **ITEMS FOR DISCUSSION AT THE NEXT FINANCE AND PERFORMANCE COMMITTEE**

Paper P provided a draft agenda for the 25 September 2013 meeting. The Committee Chairman suggested that the annual calendar of business for the Finance and Performance Committee be reviewed and updated at the 11 September 2013 pre-meeting.

Resolved – that the items for consideration at the Finance and Performance Committee meeting on 25 September 2013 (paper P) be noted.

95/13 **ITEMS TO BE HIGHLIGHTED TO THE TRUST BOARD**

Resolved – that the following issues be highlighted verbally to the Trust Board meeting on 29 August 2013:-

FPC
CHAIR

- Minute 91/13/1 – month 4 financial performance;
- Minute 92/13/2 – Divisional financial recovery plans, and risk of slippage in CIP delivery associated with the implementation of the revised clinical management structure.

96/13 ANY OTHER BUSINESS

The Director of Finance and Business Services reported verbally on a recent article published in the Health Service Journal concerning the local allocation of healthcare funding.

Resolved – that the verbal information provided by the Director of Finance and Business Services be noted.

97/13 DATE OF NEXT MEETING

Resolved – that the next Finance and Performance Committee be held on Wednesday 25 September 2013 from 8.30am – 11.30am in Seminar Rooms A & B, Clinical Education Centre, Leicester General Hospital site.

The meeting closed at 11.19am

Kate Rayns,
Trust Administrator

Attendance Record

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
R Kilner (Chair from 1.7.13)	5	5	100%	I Reid (Chair until 30.6.13)	3	3	100%
J Adler	5	5	100%	A Seddon	5	5	100%
I Crowe	2	2	100%	G Smith *	5	4	80%
R Mitchell	2	2	100%	J Tozer *	2	2	100%
P Panchal	2	1	50%	J Wilson	5	4	80%

* non-voting members