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UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 1 December 2016

COMMITTEE: Integrated Finance, Performance and Investment Committee

CHAIR: Mr M Traynor, Non-Executive Director

DATE OF MEETING: 24 November 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 January 2017.

SPECIFIC RECOMMENDATIONS FOR THE TRUST BOARD:

- *None*

SPECIFIC DECISIONS:

- *None*

DISCUSSION AND ASSURANCE:

- **Month 7 Financial Performance 2016-17** – the Trust had delivered a £9.9m deficit for the year to date (£2m adverse to plan), including £13.7m of Sustainability and Transformation Funding (STF). The appeals process for non-receipt of STF had been announced within the last 24 hours and the deadline for submission of quarter 2 appeals was 25 November 2016. Appeals submissions were required to evidence Provider and Commissioner sign-off. Granular financial recovery plans were in place for CMGs and Corporate Directorates which were expected to improve the position by between £5m and £6m and the Trust was still expected to deliver the forecast year end deficit of £8.3m. The Committee also considered an income shortfall for Estates and Facilities services, noting that this was offset by pay costs and reduced expenditure, but still reflected a budget misalignment. Confirmation had been received from NHS England that external capital funding was available in 2016-17 for a replacement Linear Accelerator;
- **Cost Improvement Programme** – year to date CIP delivery stood at £19m (as at the end of October 2016) against the planned £18.7m – a favourable variance of £0.3m. Particular discussion took place regarding the key risks, opportunities to deliver additional savings, and progress of the Workforce cross-cutting CIP theme. Paper E2 provided a summary of progress with the Beds cross-cutting CIP theme;

- **Workforce Update** – the Committee received the monthly update on key workforce metrics, including vacancy rates, recruitment plans, flu vaccination rates (69% against the 75% target for patient-facing staff), gender pay gap, the Leadership Development Programme, staff sickness and development of the STP workforce plan. IFPIC noted that 82 new HCAs were due to commence in post on 28 November 2016, intensive work was taking place to recruit to vacant Estates and Facilities posts and the January 2017 workforce report would track progress with appointments to the UHL Apprentice Programme. In respect of the matters arising from the 27 October 2016 meeting, plans for a 6-week diagnostic review of Corporate Services were not currently being progressed and the request to split pay expenditure by clinical and non-clinical roles was being explored.

Ownership of the Alfred Hill Centre on the Glenfield Hospital site had transferred to UHL from LPT and this had been re-opened as a UHL training facility for nurses, midwives and AHPs. Members noted an opportunity to hold a formal opening ceremony to raise awareness of this new facility. Areas of focus for cost improvements in 2017-18 would be reducing the gap between workforce establishment and actual pay expenditure, job planning, new roles and workforce functional mapping. Opportunities to improve medical productivity in relation to accessing computer systems had been highlighted by Professor P Baker, Non-Executive Director at a recent Trust Board thinking day and the Committee Chair requested details on the potential quantum of savings be included in the December 2016 workforce update. IFPIC also commented upon the disappointing performance for completion of statutory and mandatory training within the Corporate Directorates;

- **Month 7 Quality and Performance Report** – the Director of Performance and Information briefed the Committee on RTT incomplete performance (91.8% against the 92% target), cancelled operations, the impact of the major internal incident declared on 16 November 2016, cancer performance and the reliance upon HDU and ITU capacity. Assurance was provided that patients were being discharged from HDU and ITU beds, as soon as they were medically fit to do so. In terms of rebooking patients within 28 days, exceptions were noted which involved HDU or ITU care, or treatment by a specific surgeon. IFPIC commended the additional slides within the Executive Summary showing activity trends and length of stay data;
- **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 25 October 2016;
 - Minutes of the Capital Monitoring and Investment Committee meeting held on 14 October 2016;
 - Minutes of the Revenue Investment Committee meeting held on 14 October 2016, and
- **Any Other Business** – none noted.

DATE OF NEXT COMMITTEE MEETING: 22 December 2016

Mr M Traynor – Committee Chair
24 November 2016