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UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 1 September 2016

COMMITTEE: Integrated Finance, Performance and Investment Committee

CHAIR: Mr M Traynor, Non-Executive Director

DATE OF MEETING: 25 August 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 6 October 2016.

SPECIFIC RECOMMENDATIONS FOR THE PUBLIC TRUST BOARD:

- *None*

SPECIFIC DECISIONS:

- *None*

DISCUSSION AND ASSURANCE:

- **Month 4 Financial Performance 2016-17** – the Trust had delivered an £8.6m deficit for the year to date, which was on plan. The CIP was reported as ahead of plan. Members were advised of a reduction in activity against plan, which had been discussed at EPB. Members received assurance that the lower than expected month 4 spend on high cost drugs and devices was being verified by the Chief Pharmacist. Agency spend was above target but members received assurances that this was discussed in detail at EPB. Apparent local/national variation between the cancer STP funding trajectory was discussed; this will be reviewed and clarified at the September 2016 IFPIC. There was a general discussion on the financial position of commissioners;
- **Cost Improvement Programme (Month 4)** – year to date CIP was currently in line with target. Members received assurance that work was progressing in Emergency and Specialist Medicine, with work on long-stay patients discussed at EPB and an ED lock-in workshop this week. Women and Children's continues to be a key risk with a £6.25m shortfall against plan;
- **2016-17 Quarterly Contract Update** – Paper F outlined the updated position on contractual performance against the NHS Standard Contracts for Acute and Specialised Services. Appendix 1 reported an increase in performance against planned activity as at month 3. It was noted that whilst trajectories were currently being met these would become more challenging later in the year. Indications were that there may be scope to review back office functions;
- **PLICS/SLR/SLM Update** – paper G outlined the changes to the NHSI Costing Transformation Programme and UHL's response to meeting the challenges. Assurance was provided with regards to the scope of the new posts and the process used to verify the need for those appointments. Members endorsed the proposal to provide the PLICS Strategy to IFPIC as part of the next quarterly PLICs update;

- **5 Year Financial Strategy** – members discussed the content and conclusions of the financial strategy, agreeing to support the submission with a review in early 2017. Members discussed the balance between realism and ambition in the plan;
- **OptiMed Business Case Update** – IFPIC noted that the requested assurances had been received from the Chief Information Officer;
- **Workforce Update** – the Committee received an updated Workforce and Organisational Development plan outlining pay expenditure and agency staffing costs, staff turnover, workforce redesign issues, staff wellbeing, and diversity. Members considered the ageing workforce, particularly in Estates and Facilities and allied health professionals. It was noted that work had increased to understand the reason for staff leaving, but further work was required on communication of apprenticeship posts;
- **Month 4 Quality and Performance Report** – the Director of Performance and Information outlined positive progress on RTT performance, cancer performance, 52 week waits and diagnostics performance. It was reported that there had been a significant reduction in 52 week wait patients, with a challenging trajectory ahead. It was noted that ED performance remained disappointing as was the blip in ambulance handover performance.
- **Quarterly Update on Empath Financial and Operational Performance** – members received an update on Empath including details of key issues to be presented to the September 2016 IFPIC;
- **Quarterly Update on Alliance Financial and Operational Performance** – members were assured that surpluses were being reinvested back into services, although 2015/16 had been lower than expected due to delays in debtor payments. Members considered the progress on targets and received assurances that best practice was being shared from UHL to meet performance which was outside target. Members also received assurance on progress on operational issues. Clarity was sought over the lower than expected forecast surplus, although it was noted that CIP was on target. Collaborative work would now take place around the shared issue of an ageing workforce in some areas;
- **Reports for Scrutiny and Information** – the Committee received and noted the following documents:-
 - IFPIC calendar of business 2016-17;
 - Updated timetable for UHL Business Case Approvals;
 - Minutes of the Executive Performance Board meeting held on 26 July 2016;
 - Minutes of the Capital Monitoring and Investment Committee meeting held on 15 July 2016;
 - Minutes of the Revenue Investment Committee meeting held on 15 July 2016;
- **CMG Presentation – Cancer, Haematology, Gastroenterology and General Surgery** – the CHUGGS Head of Operations introduced the team. Further work was being undertaken to capture data from triage patients for the inpatient friends and family test. It was anticipated that the texting service would achieve performance for the equivalent outpatient target. The team went on to highlight to members the biggest achievements in the past 6 months and the healthy financial forecast position for the year end. Members also considered the proposed strategic changes to the CMG and key commitments for the next 12 months, and
- **Any Other Business** – none noted.

DATE OF NEXT COMMITTEE MEETING: 29 September 2016

Mr M Traynor – Non-Executive Director and Committee Chair
25 September 2016