

Integrated Performance Committee

minutes

Minutes of the Integrated Performance Committee Meeting Monday 25th July 2022

Present:	Louise Robson Margaret Carney Bob Burgoyne	Non-Executive Director (Chair) Non-Executive Director Non-Executive Director
In Attendance:	Karen Edge Jonathan Mathews James Bradley Carla Richardson Jennifer Ohlsson	Chief Finance Officer Deputy Chief Operating Officer Deputy Chief Finance Officer Head of Income and Costing Senior Executive Assistant (Minutes)
Apologies for Absence:		

1. Apologies for Absence

No apologies noted

2. Declarations of Interest

None declared.

3. Minutes of meeting held on 25th April 2022.

Minutes from the meeting of 25th April were noted and approved.

4. Action Log

Action 1: CFO provided an update and noted that work is being done with the DHoNs and Finance Business Partners on a trajectory for the cost of the supernumerary nurses. The paper will report to Executive Group Meeting and Operational Board. CFO agreed to feedback any financial pressures that may arise and it was agreed to keep the action open for a further update at the next meeting.

5.1 Finance Report including CIP

CFO asks IPC colleagues to note the finance paper circulated prior to the meeting and highlights will be noted below.

5.1.1 Month 3 finance update

CFO provided an overview of the month 3 finance update and noted that the month 3 position is a £672k surplus. A £586k surplus in the year to date, consistent with the plan.

Private patient income was £65k lower than the plan, with the shortfall being in the surgery division. Income from the Isle of Man was £125k higher than plan in June and is £153k higher for the year to date. The ERF income has been matched to plan for the first quarter of the year. The Trust is still awaiting the agreed ERF activity baselines from commissioners. Income for Targeted Lung Health Checks continues to be higher than plan, with in-month over-performance of £63k, year to date £204k above plan. This reflects an increase in the number of scans conducted.

There is a small underspend on pay costs resulting from vacancies in a range of areas. The supernumerary period for international nurse recruits continues to cause budgetary pressures in some areas but is expected to ease later in the year.

Non-pay costs relate to unidentified CIP. There is an overspend on drugs relates to a move to a more expensive licensed drug. Pharmacy colleagues are working on a solution, and it is hoped that this is a non-recurrent pressure. The utilities budget has been increased to reflect the significant rise in prices. The Trust has received 21/22 data, but is awaiting Q1 information.

Surgery elective activity is 97% of 22/23 plan in June and the Medicine elective activity is 106% of 22/23 plan in June.

The Trust Cash balance is £40.6m. Capital expenditure for the first quarter was £1,697k. The most significant expenditures were Cath Labs Phase 2 £1,420k, and high-risk backlog maintenance.

Comments and questions were welcomed, and the surplus position was noted, and a query raised on whether this will need to be returned to the ICS. CFO confirmed that it won't need to be returned in this round and the Trust can retain the surplus, which will impact positively on the Trust cash position.

CFO provided and C&M system plan update to IPC colleagues and informed colleagues that a revised plan was submitted on 20th June and noted that the planned submission £30m deficit as agreed nationally to recognise exceptional costs of new Royal. It was noted 7 Organisations are in deficit and subject to ICB deep dive except LUHFT who are subject to separate external financial review. Risks include; plans assume 100% ERF, High level of CIP and low level of identification, Significant risk accepted by organisations in deficit on reducing run rate

Comments and questions were welcomed, and the uncoded income was raised and clarity sought on the cause and risk. CFO confirmed that there has been some sickness and leavers within the clinical coding team which has created a challenge getting through the workload. CFO added that coded activity needs to be submitted two months after month end, so the Trust are still able to meet statutory returns in terms of coded activity. A further query was raised on whether it was thought there would be any challenges recruiting a Clinical Coder. DCFO confirmed that the Trust are considering an Apprentice Scheme for the Clinical Coding position.

Pay inflation was noted and the NHS potentially funding higher the plan pay increases and queried whether there was a risk to the organisation. CFO confirmed that 2% has been assumed in the plan and noted the recent announcement of a higher pay uplift for the NHS. CFO confirmed that communication has been received stating that funding will be provided via national allocations for the pay uplift and will not be taken out of provider contracts.

The increase in drug expenditure and run rate was raised and a query raised whether this was a specialised service issues or whether this was more general across the patch. CFO confirmed that a full report has been requested from the divisions and pharmacy. The issue affects specialist providers.

5.1.2 Month 3 CIP Progress

CFO provided a CIP update to IPC colleagues and informed IPC colleagues that the CIP target has been set at 2% of influenceable spend. This is added to the unidentified balance brought forward from last year, giving a total CIP target of £4.2m. To date, the Divisions have identified £3.0m of recurrent savings, which is 71% of the target, an improvement of £0.7m since May. "Deep dive" meetings with each Division are helping to increase the value of schemes identified, and further confirm and challenge meetings are planned.

CFO also provided a Northwest CIP update and noted that provider efficiencies have increased by £33m since the previous plan, with £32m in C&M and £4m in GM. ICB efficiencies are ranging from 3.8% to 4.4. There are currently no further details of provider risk analysis and the development split yet.

It was noted that it is really helpful for the committee to see the processes that the Divisional teams are going through in terms of identifying CIP.

The SLA review within Medicine was noted and a query raised on how realistic it would be for other organisations to pay more for what the Trust offers. CFO noted that during Covid-19 all negotiations were paused, and SLAs were based on the previous years values. These SLAs have not been reviewed in 2 years and the review will include a review on appropriate pricing structure and also whether the services delivered are still required. COO also noted that there are also some elements in Medicine around increasing SLA opportunities.

5.1.3 2022/23 Capital Update

DFO presented a 2022/23 Capital Update to IPC colleagues and noted that in 2022/23, total capital resources available to C&M are £303.2m, of which, £175.6m is the non-ringfenced system allocation. Initial 2022/23 capital plans submitted by providers totalled £388m, against the £175.6m available. Within this total are a number of significant legacy issues that need to be understood together with some areas of very high infrastructure pressures across the system. Ultimately, the System does not have the resource available to meet the plans submitted and so any distribution methodology will mean some preferred investments cannot be made. Prioritisation process devised that mirrors the national funding allocation:

Through an internal prioritisation process the Trust developed a capital programme for 2022/23. The plan was affordable; the Trust had the resources to deliver the plan. The plan focused primarily on backlog maintenance, the next stage of the cath lab project and a small number of clinical equipment replacements.

A number of infrastructure and backlog maintenance schemes were not approved by the ICS. In addition two surgery equipment schemes were also rejected. An exercise was undertaken to establish if there were any unacceptable risks identified for those schemes not approved by the ICS.

The schemes not approved were raised and a question asked on whether the risks deemed tolerable with mitigations would be short term or long term. DFO noted that many of these schemes would be on future programmes and the assessment was on a shorter-term basis.

CFO provided an update on the air conditioning units and stated that a review has now been done with IT and estates and in terms of immediate mitigations and temporary mobile air conditioning units in. are being used.

5.1.4 2019/21 – 2022/23 I&R Ridge

Not discussed at this meeting.

5.2 Reference Cost Collection

Carla Richardson, Head of Income and Costing attended IPC to provide and update on the reference cost collection and the Committee is asked to note the submission date of the National Cost Collection 2022, which is 8th August 2022 and to delegate sign-off approval to the Chief Finance Officer. There is a delay to the national publication of the costing return outputs for 2020 – 21

There were no further comments or questions.

5.3 Service Line Reporting

5.3.1 SLR Strategy Update

Head of Income and Costing also provided an overview of the Costing Strategy update and asks colleagues to note the paper circulated prior to the meeting. There has been some good progress made against the key actions of the strategy, most notably in workstream 2 with the data feed development and data quality reviews with Head of Data.

There next steps include; completing the 2021/22 National Cost Collection submission by the deadline of the 8th, August 2022. Sharing the outputs of the submission with Divisions to ensure operational oversight and reverting focus back to workstream 1 as we move out of the pandemic and really drive clinical engagement and raise awareness of Costing and support operational teams in understanding their costs and cost drivers.

There were no further comments or questions.

5.3.2 SLR 2021/22 Position

IPC colleagues were asked to note the SLR 2021/22 position circulated prior to the meeting and noted the 2021/22 SLR model has drawn attention to the initial impact of Covid and the differences recovery is making, quantifying decreased average patient costs across services impacted by changing costs, service provision reconfigurations and activity growth.

Comments and questions were welcomed, and it was noted that this was a very informative and clear report. CFO added that the emphasis on SLR has changed since covid-19 and efficiency and productivity of services is now being looked at.

5.5 Q1 Performance Report

5.5.1. Dashboard

COO asks IPC colleagues to note the performance dashboard circulated prior to the meeting.

5.5.2. Exception report

IPC colleagues were asked to note the targeted performance report and associated actions circulated prior to the meeting.

The Trust has continued to have staffing challenges in Q1 but have been able to deliver improved performance in several indicators. The Trust continues to monitor issues with COVID sickness as well as staffing pressures across Anaesthetics and Radiology. However, these are being mitigated as far as possible. The clinical and operational teams are well sighted on the required performance and targets for 22/23 which will be managed through divisional governance structures and Operational Board.

5.5.3 Weekly POF

COO asks IPC colleagues to note the performance report and informed colleagues that this is the update that is presented at the Executive

Group Meeting on a weekly basis. The weekly performance report is broken down into 5 sections: RTT waiting list, outpatients and access, activity and utilisation, DM01 cancer and referrals and cancelled ops and admins.

A query was raised on whether this committee needs this level of granular detail. It was noted that the report provides assurance that the high-risk areas are the right ones.

5.6 Admin Update

COO presented an admin update to IPC colleagues and informed colleagues that the areas of focus are leadership, reducing risk, digital enablement and the future model.

COO provided a service delivery progress update and noted that recruitment to vacancy has been challenging with few applications received via NHS jobs with relevant the skill sets. Bank and agency have been utilised to fill gaps in the workforce, in June the equivalent to 7% of the gap was filled with overtime. Agency is often unavailable, and the reliability of staff varies.

A recruitment event was held on Saturday 25th June for administration roles. The event was attended by 280 candidates who were interested in roles at the Trust. The event has supported the backfill of the current vacancies and supplemented the staff members available via bank. The event also illustrated the need to utilise a different workforce model which the education team are supporting.

A query was raised on whether is there a financial penalty linked to the typing position. COO confirmed that there is no financial penalty, and the typing position is reported to the commissioners.

5.7 Cancer Action Plan

COO provided an update on the cancer action plan and noted that the greatest risk to performance currently in the 28 day faster diagnosis standard and subsequently the 62 day adjusted target.

COO highlights the main challenges in each divisional. The main challenges are in Surgery include increased referrals post pandemic, Clinic Capacity due to reduction in peripheral clinics, Patients taking longer to reach treatment within LLCU leaving limited time for treatment.

Clinical Services challenges include increased demand on the BX service, Case complexity, Failed BX referrals from secondary care trusts., Gaps in service due to number of BX trained consultants due to sickness and annual leave.

Medicine experience a variable demand for EBUS and there are gaps in the service due to the number of EBUS trained operators and annual leave/sickness etc.

It was noted that Cancer Services sits across three divisions and cause challenges across the divisions, such as aligning Cancer Strategy & Pathways, Target Healthy Lung Demand, Administration pathway and External providers such as PET & LCL.

Comments and questions were welcomed, and a query was raised on what was being done to try to increase capacity of EBUS. COO confirmed that mitigations are put in place for the annual leave periods and offering additional to the Consultants. The Trust also link in with LUHFT regarding the joint appointments.

The Target Lung demand and the extension into two further districts. A question was asked on what the extent of the impact would be on the trajectories. COO confirmed this is currently being discussed with specialist commissioning.

5.8 Surgery Long Waiters position

COO provided an update on the surgery long waiters position and noted that there has been an increase in total waiting list size across Cardiac, Aortic and Thoracic. 65 against a trajectory of 42. Currently 18 over trajectory in total.

Key Issues include late referrals, reduction in clock stops, productivity – volume, weekend working WLI 2021 vs PP 2022, reduction in core sessional backfill from April to mid May 22 and urgent demand impacting elective capacity

Comments and questions were welcomed, and BB raised the robotic surgery against conventional surgery for discussion. COO noted that understanding the wait time with minimally invasive versus open surgery is important. Patient choice and preference is also taken into considerations.

6. Governance

6.1 IPC Work Plan Review

IPC colleagues were asked to note the IPC workplan.

Comments and questions were welcomed and it was query was raised on whether the workplan needs to include the position with benchmarking and a contractual overview. It was noted that the Executive Directors are looking at benchmarking and an update will be provided in October. CFO stated that LHCH hold far fewer contracts and any issues would be raised in the finance reporting.

IPC colleagues were informed that there will be a change the date of the January meeting and this will now take place on Monday 27th February 2022.

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6.2 Finance and Performance Group Approved minutes & Issues for escalation for the IPC

IPC colleagues were asked to note the Finance & Performance Group minutes and there were no further comments or questions.

7. Evaluation of Meeting

All committee members confirmed that the meeting had been conducted effectively and useful documentation had been received and useful discussions had taken place.

8. Date and Time of Next Meeting:

Monday 24th October 2022, 09.30am – 11.30am, Microsoft Teams