

Item 6.1.2a*

Integrated Performance Committee Item 3

minutes

Minutes of the Integrated Performance Committee Meeting held on Monday 29th July 2019

Present:	Karen O'Hagan Bob Burgoyne Mark Jones	Non-Executive Director (Chair) Non-Executive Director Non-Executive Director
In Attendance:	Hayley Kendall Frankie Morris Jennifer O'Brien Rebecca Stokes Claire Wilson	Chief Operating Officer Deputy Chief Finance Officer Secretary Finance Accounts Assistant Chief Finance Officer
Apologies for Absence:		

1. Apologies for Absence	Action
None to note.	
2. Declarations of Interest Relating to Agenda Items	
None declared.	
3. Minutes of meeting held on 29th April 2019	
Noted and approved.	
4. Action Log	
Item 1- The Chief Operating Officer (COO) provided an update under agenda item 5.1 on the histopathology options available to the Trust. This item would be marked as complete and removed from the action log.	
Item 2- It was confirmed that the IPC work plan had been updated to include cancellation improvement plan to be seen at all future IPC meetings. This item would be marked as complete and removed from	

the action log.

Item 3-The cash forecast for 2019/20 was included within the finance paper under agenda item 5.3 and an update on the long term financial model (LTFM) was provided as under agenda item 5.6. This item would be marked as complete and removed from the action log.

Item 4-An update on the Clinical Services Division CIP Progress was included under agenda item 5.5. This item would be marked as complete and removed from the action log.

Item 5-The Corporate Benchmarking Action Plan was for presentation at the October IPC.

Item 6-It was confirmed that the most appropriate forum for the presentation of the assurance report relating to the changes in the capital programme processes was the Integrated Performance Committee. An update was provided under agenda item 5.7. This item would be marked as complete and removed from the action log.

5. Financial / Performance Reporting

5.1 Month 03 Performance Report

The report was taken as read by all IPC members, with the COO highlighting the following;

- Improvement was still required in relation to histopathology 10 day turnaround times. Negotiations at a network level were taking place between LHCH, LCL, Arrowe Park, Whiston Hospital and the Cancer Network to review how the service could be improved. Positive responses had been received from both Arrowe Park and Whiston, however as no further progress had been made and this was becoming an urgent situation, the COO had contacted colleagues again and was awaiting a response. It was agreed that the anticipated delivery would be amended to Q3 as it could not wait until 2020.
- Overall 6 week diagnostic performance was below the 80% trajectory for June 2019 as there had been further downtime with the MRI Scanner and increased difficulty in covering weekend additional sessions, mainly due to securing specialist Radiographer cover. The Trust would re-submit a compliance trajectory to NHSE/I which would show slight improvements until September 2019 with a plan to achieve close to 99% compliance by March 2020. IPC colleagues did note that there had been significant improvements made in reporting times.
- There had been an improvement in June's performance in all areas, - admitted, non-admitted and incomplete pathways regarding Welsh 26 weeks referrals. The Trust was assisting commissioners in identifying ways of improving the referral process to enable delivery of the target. Additional monitoring of waiting times had also been introduced by Welsh

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commissioners to identify issues in the patient pathway; an initiative the Trust was actively participating in, with a meeting scheduled between LHCH and Welsh commissioners for September 2019. The indicator would be updated to show this scheduled meeting.

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The COO confirmed that clarification would be sought from HR before the Board of Directors on Tuesday 30th July 2019 as to whether the Turnover target set included voluntarily turnover.

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It was confirmed that the reported 41 days stay in month for cardiac surgery was inaccurate and the figure was 11 days and therefore in line with target. This error would be rectified before submission of the report to the BoD on 30th July 2019.

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The COO informed IPC colleagues that the go live date for the Trust's partial booking system was mid-September 2019, following which, DNA rates would continue to be monitored regularly with considerable reductions expected. The key points section of the operational performance: outpatients would be updated to reflect the improvements seen in some areas.

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A question was raised over the impact of the recent network issue experienced by LHCH and whether this had an impact on cancelled operations. The COO confirmed that the AMD reviewed the cases and cancelled two which were deemed unsafe if imaging went down. IPC members were informed that a full STEIS external report would be completed on the network failings.

5.2 Cancellation Improvement Plan

Further to the request at the April 2019 IPC, the surgical division provided the quarterly update on the cancellations improvement plan.

The COO highlighted the significant work the IT department had undertaken in order to get a theatre scheduling system in place. Training was now underway with the system due to go live in September 2019.

The full contents of the report were noted.

5.3 Month 03 Finance Report

The overall financial position for month 03 was a surplus of £81k against a planned surplus of £79k, showing a favourable variance of £2,000. It was noted that this position had been supported by a £50k non-recurrent benefit from the delayed transfer of high cost devices to the zero cost national procurement programme. IPC colleagues were informed that without this, funding from reserves would have been required to support the position due to lower than expected activity levels.

Key issues to note and future risks were detailed on pages one and two of the report with the CFO confirming that CIP progress was a key focus for the Executive team.

Concern was raised regarding the particularly high agency spend this month although the COO assured IPC members that this had already been raised at the Operational Board on Friday 26th July 2019 and recovery plans were being developed by divisional teams. The increased spend related to pressure points in Junior Doctors and Critical Care and further expenditure was expected in Estates and HR. Assurance would be provided that mitigating actions were being taken with an update presented at the October 2019 IPC.

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The CFO informed IPC members that Executive colleagues would be drafting a detailed forecast with the divisions, ensuring that the correct activity levels for the next quarter were included. The CFO expressed confidence that the control total would be met and risks would be managed, with a key focus to also keep track of the recurrent exit run rate.

A question was raised regarding the decline in CABG procedures and whether this related to efficiency, the COO confirmed that following discussions with referring Trust's, the requirements of the CABG was no longer needed as frequently due to the advances in medical management, resulting in single vessel disease being less common an ailment. The COO assured IPC colleagues that an in depth piece of work was looking into this change in activity type as this change in acuity of procedures could lead to more all day cases. Annual planning in September 2019 would allow a clearer view of what model the Trust needed to follow going forward in order to stay ahead as a specialist hospital. This would be shared at the October 2019 IPC.

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The CFO confirmed that non-patient related income could be an area of focus for the finance and senior managers to determine whether this area could be utilised to generate more income for the Trust.

5.4 Patient Level Costing & Reference Costs

The Committee received the assurance paper on the costing submission processes in place in advance of the deadline of 16th August 2019. Approval was sought to give the CFO the authority to submit the costing submission, subject to addressing any concerns raised in the report or by the committee.

The Committee was also asked to note the Service Level Reporting (SLR) reports in section 3 of the paper which showed the Trust's 2018-19 draft position, along with the summary of SLR developments over the coming 12 months in Appendix 2.

The costing team were progressing the main areas of the Costing Transformation Programme in line with NHSI transition expectations. The costing models were based on the Trust's information flows and the increasing importance of a robust data warehouse would be crucial to delivering timely and valuable Patient Level Information Costing (PLICs) and SLR outputs.

It was noted that more work was needed to determine why the Critical

Care department was in deficit.

The committee approved the process outlined in the paper and received assurance that the following actions would be completed prior to submission;

- i. Subject to the issues noted in Appendix 1, the costing submission was being completed in line with the approved Costing Guidance.
- ii. All mandatory and significant non-mandatory validations would be reviewed and verified.
- iii. The information included in the submission, both cost and activity would be reviewed and verified with services.
- iv. The quantum of costs had been reconciled to the audited accounts where required and other exclusions would be verified with NHS Improvement.

5.5 CIP Progress Update

The CIP performance at month 3 was £0.618m (70%) of the CIP plan, £0.531m (60%) of the target achieved recurrently with £88k (10%) non-recurrent savings to bridge the gap. The month 3 CIP performance was lower than anticipated in some of the divisions largely due to a number of the CIP schemes not starting as early as anticipated, and the initial CIP ideas that were found not viable, hadn't been easily replaced.

It was noted that CIP remained a significant risk for the Trust. However, a focus on delivery across the divisional teams had resulted in the identification of CIP schemes for 2019/20 with 81% identified thus far. Although, further work was needed and would continue in order to identify additional schemes.

Identifying schemes for delivery in 2020/21 and 2021/22 would be part of the development of the divisional benchmarking action plans which were due to be completed by August 2019.

The CFO informed IPC members that the Trust had enlisted the assistance of a third party ('Foureyes') used by NHSI to populate model hospital for certain areas. The Trust would be looking to identify large transformation schemes and link in with the three year CIP planning.

There would also be a review of opportunities looking at changing professional roles in Radiology which may yield efficiencies.

The IPC noted the contents of the report.

5.6 LTFM Update

The CFO informed IPC colleagues that some guidance was published

in recent weeks which set out the requirements and assumptions of the long term financial model submission and an outline of the timetable. A draft version was expected October/November, a copy of which would be presented to the IPC, with a final version scheduled for November/ December 2019.

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5.7 Capital Review Recommendations & Action Plan

As previously reported to the Board of Directors, a number of recent capital projects had overspent on their original approved budget allocation and experienced delays in delivery. The CFO therefore commissioned a review by an external agency to provide independent expert advice to assess the opportunity to enhance the corporate approach to capital programme planning, management and delivery.

The paper provided an update on this recent review and an action plan, provided at Appendix 1, had been developed to address each of the 26 recommendations set out in the report. The CFO would circulate the full report to IPC members.

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The review assessed the Private Patient Unit (PPU), the Cath Lab phase 1 business case and the CT & MR business case. An analysis of the resources in place, capacity, external suppliers, and governance was also undertaken.

It was noted that a number of the recommendations had already been implemented. Recommendation's 24 and 25 would be changed from red, to avoid any confusion for the reader, as these were not due until October.

CW

The CFO provided details on the improvements made to the Cath Lab project following this review, the full details of which are scheduled for presentation at the BoD on Tuesday 30th July 2019.

IPC members took assurance from the update that robust governance was now in place for future schemesIPC acknowledged the clear line of accountability of operational projects managed by the COO, and the newly identified Cath Lab Project Manager to maintain the project going forward.

6. Governance

6.1 Business Transformation Steering Group Approved Minutes 25/03/19, 23/04/19 and Update

The minutes of the two meetings were noted. There was nothing significant to highlight.

A question was raised regarding the quoracy of the meetings to which the CFO responded that the next Business Transformation Steering group meeting would be the last as it was being disbanded. The CFO and COO would be establishing a Finance & Performance Group, which they would jointly chair that would incorporate income, expenditure and CIP progress. There was no attendance issues anticipated for this newly formed group.

6.2 Work Plan Review

The following amendments to the IPC work plan were approved;

- Service Line Reporting (SLR) would become Patient Level Costing & Reference Costs
- Forward Look Work Programme Review would become Work Plan Review
- CIP Progress would become CIP Progress Update
- The IPC terms of reference would be reviewed annually in January rather than July

Committee members were satisfied that work was being carried out per the work programme schedule.

7. Evaluation of Meeting

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

8. Date and Time of Next Meeting:

Monday 28th October 2019, 9.30-11.30am, Boardroom