

**UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST**

**MINUTES OF A PARTLY INQUORATE MEETING OF THE FINANCE AND INVESTMENT COMMITTEE  
(FIC) MEETING, HELD ON FRIDAY 27 SEPTEMBER 2024 AT 2.30 PM VIA MICROSOFT TEAMS**

**Voting Members Present:**

Mr D Moon – FIC Non-Executive Director Chair  
Mr S Barton – Deputy Chief Executive  
Mr L Bond – Chief Financial Officer  
Mr N Bond – Interim Director of Estates and Facilities  
Mr A Carruthers – Chief Information Officer  
Mr S Harris – Associate Non-Executive Director (for Minutes 131/24 – 134/24 inclusive and Minutes 145/24 – 152/24 inclusive only)  
Mr J Melbourne – Chief Operating Officer

**In Attendance:**

Ms G Belton - Corporate and Committee Services Officer  
Ms R Briggs – Associate Director of Operations Projects (for Minute 133/24)  
Ms B Cassidy - Director of Corporate and Legal Affairs  
Mr S Ceres – Deputy Director of Finance  
Ms J Hogg – Chief Nurse (for Minute 132/24)  
Ms L Jones – Assistant Director of Financial Planning (for Minute 139/24)  
Mr S Linthwaite – Deputy Director of Finance  
Mr R Manton - Head of Risk Assurance  
Mr B Shaw – Associate Director of Financial Sustainability  
Mr D Shoker – Associate Director of Commercial Services  
Mr D Streets – Head of Procurement (for Minute 131/24)  
Dr L Walker – Clinical Director, ESM (for Minute 134/24)

*(The meeting was inquorate from Minute 135/24 to 144/24 inclusive)*

**ACTION**

**RECOMMENDED ITEMS**

**131/24 REPORT FROM THE HEAD OF PROCUREMENT**

**Recommended** – that this Minute be classed as confidential and taken in private accordingly.

**132/24 REPORT FROM THE CHIEF NURSE**

**Recommended** – that this Minute be classed as confidential and taken in private accordingly.

**133/24 REPORT FROM THE CHIEF OPERATING OFFICER**

**Recommended** – that this Minute be classed as confidential and taken in private accordingly.

**134/24 REPORT FROM THE CLINICAL DIRECTOR ESM**

**Recommended** – that this Minute be classed as confidential and taken in private accordingly.

**135/24 REPORT FROM THE DEPUTY DIRECTOR OF FINANCE**

**Recommended** – that this Minute be classed as confidential and taken in private accordingly.

136/24 **BOARD ASSURANCE FRAMEWORK**

FIC received the BAF strategic risks (paper C refers) which aligned to its terms of reference and noted updates with respect to controls, gaps and key next steps.

FIC was invited to receive and note the changes in the latest iteration of the BAF:-

**BAF risk 6** (*Insufficient capital funding*) – The risk had been reviewed; there were no proposed changes to the risk scores. The current risk score was Likelihood 4 (likely) x Impact 4 (major) = 16, with a tolerable rating of 12 and a target rating of 9.

**BAF risk 7.2** (*Medium to long term financial challenge across the LLR system to meet both operational and inflationary pressures*) – The risk had been reviewed; there were no proposed changes to the risk scores. The current risk score was Likelihood 5 (Almost certain) x Impact 4 (major) = 20, with a tolerable rating of 12 and a target rating of 8.

**BAF risk 7.3** (*In-year financial sustainability challenge*) – The risk had been reviewed; *The changes included the updated gap in control that the current financial forecast indicates an increasing likelihood of failure to achieve the 2024/25 financial plan and updated key next steps to implement additional financial grip & control measures e.g. pay controls (CFO: Oct 2024); to maximise operational productivity (within existing resources/cost) whilst maintaining high standards of patient safety and quality of care (COO: Oct 2024) and to review activity which results in a negative financial contribution (CFO: Oct 2024).* There were no proposed changes to the risk scores. The current risk score was Likelihood 5 (Almost certain) x Impact 4 (major) = 20, with a tolerable rating of 12 and a target rating of 8.

**BAF risk 8 (Digital)** – (*IT infrastructure unfit for the future may result in Unable to provide safe, high quality, modern healthcare services*) - The digital risks reported to FIC had been reviewed; There were no significant changes to report this period. The highest current risk score for the Digital risk was Likelihood 5 (Almost Certain) x Impact 4 (Major) = 20.

**BAF risk 9 (Estates & Facilities)** (*Estate infrastructure unfit for the future may result in Unable to provide safe, high quality, modern healthcare services*) – The risks had been reviewed; there were no significant changes to report this period and no proposed changes to the risk scores. The highest current risk scores were Likelihood 4 (Likely) x Impact 4 (Major) = 16.

FIC supported the BAF and the risk scores as presented.

**Recommended** – that (A) the contents of paper D be received and noted and

(B) the BAF Risks within FIC's remit be approved as presented.

137/24 **2024/25 MONTH 5 CIP DELIVERY**

The Associate Director of Financial Sustainability presented an update on CIP delivery as at Month 5 (paper I refers), the contents of which were received and noted. At Month 5, the Trust was forecasting CIP delivery (including pipeline schemes) of £91.6m versus the target of £91.6m. Year to date, the Trust had delivered £35,546k actual versus a plan of £28,640k. The current CMG forecast delivery was £63,400k versus the 2024/25 CIP target of £91,606k. This was an improvement of £5,275k against the £58,125k declared in Month 4. The Trust had, however, identified opportunities of £28,206k which needed to be delivered at pace, supported by agreed workstreams and external partners. Achievement of the £91,606k efficiency target still represented a significant challenge and was high-risk.

At the request of the FIC NED Chair and in respect of those workstreams relating to the work of the Trust's external partner, the Associate Director of Financial Sustainability undertook to present year-to-date delivery separate from forecast in future iterations of this report.

ADoFS

**Recommended** – that (A) the contents of this report be received and noted, and

**(B) in relation to those workstreams relating to the work of the Trust's external partner, the Associate Director of Financial Sustainability be requested to present year-to-date delivery separate from forecast in future iterations of this report.**

ADoFS

**138/24 ICB FINANCE UPDATE – MONTH 5**

FIC received and noted a report detailing the M5 ICB position (paper K refers). The LLR ICB system had an £80m deficit plan for 2024/25; the overall year-to-date (YTD) system position at M5 was a deficit of £65.2m which was an adverse variance of £18.8m against plan.

**Recommended – that the contents of this report be received and noted.**

**139/24 REPORT FROM THE ASSISTANT DIRECTOR OF FINANCIAL PLANNING**

**Recommended – that this Minute be classed as confidential and taken in private accordingly.**

**140/24 ITEMS FOR NOTING**

**140/24/1 Trust Group Holdings – Assurance Meeting Update**

The Director of Corporate and Legal Affairs presented paper M, which provided an overview of the assurance meeting between Trust Group Holdings Ltd (TGH) and University Hospitals of Leicester NHS Trust (UHL) held on 13<sup>th</sup> August 2024. Particular discussion took place regarding the Accounts for Trust Group Holdings, which had a clear opinion, and it was agreed to discuss outside the meeting whether these should be submitted to the UHL Audit Committee in addition to the UHL Trust Board

**Recommended – that (A) the contents of this report be received and noted, and**

**(B) the FIC NED Chair and Director of Corporate and Legal Affairs be requested to discuss, outwith the meeting, whether the TGH Accounts should be submitted to the UHL Audit Committee, in addition to the UHL Trust Board.**

FIC NED  
Chair /  
DCLA

**140/24/2 Summary of Financial Implications of Cases presented for approval**

**Recommended – that the contents of paper N (summary of financial cases presented for approval) be received and noted.**

**140/24/3 TLT Agenda and Actions**

**Recommended – that the contents of paper O (TLT agenda for 24.9.24 and actions from 10.9.24) be received and noted.**

**141/24 ANY OTHER BUSINESS**

**Recommended – that there were no further items of business.**

**142/24 IDENTIFICATION OF ANY KEY ISSUES FOR THE ATTENTION OF THE TRUST BOARD / REFERRAL TO OTHER TRUST COMMITTEES**

Mr D Moon, FIC Non-Executive Director Chair, recommended the following items to the Trust Board for approval and / or information. These items would be highlighted to the Trust Board through the escalation report process and would represent a standalone item on the relevant Trust Board agenda, where appropriate:-

- Report from the Head of Procurement (Minute 131/24)
- Report from the Chief Nurse (Minute 132/24)
- Report from the Chief Operating Officer (Minute 133/24)
- Report from the Clinical Director ESM (Minute 134/24)
- Report from the Deputy Director of Finance (Minute 135/24)

- Report from the Assistant Director of Financial Planning (Minute 139/24) and
- Verbal report from the Chief Financial Officer (Minute 151/24).

**143/24 ITEMS NOT RECEIVED IN LINE WITH THE FIC WORK PLAN FOR THIS MONTH**

**Recommended** – that it be noted that one item (Annual Fire Report) had not been received in line with the FIC Work Plan for this month.

**144/24 DATE OF NEXT FIC MEETING**

**Recommended** – that the next FIC meeting be held on Friday 25 October 2024 from 2.30pm.

**RESOLVED ITEMS**

**145/24 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr A Furlong, Medical Director and Ms C Teeney, Chief People Officer.

**146/24 QUORUM**

The meeting was confirmed to be partly quorate. The meeting was inquorate from Minutes 135/24 to 144/24 inclusive and all inquorate items therefore feature as 'recommended' items within these Minutes.

**147/24 DECLARATIONS OF INTERESTS**

There were no declarations of interests made.

**148/24 MINUTES**

**Resolved** – that the FIC Minutes of 30 August 2024 (papers A1 and A2 refer) be confirmed as a correct record.

**149/24 MATTERS ARISING LOG**

The Committee received and noted the latest iteration of the Matters Arising Log and were assured that all actions had been completed or were on track.

The Chief Financial Officer, who had not been in post at the time of the 30 August 2024 FIC meeting, made reference to the need to be cognisant, when approving new investments, of the income requirements this could potentially load into the System and of the need therefore to consider the totality across the System of any such approvals.

**Resolved** – that (A) the contents of this report be received and noted, and

(B) any updates provided at this meeting be reflected in the next iteration of the action log and taken forward by the appropriate lead.

CCSO

**150/24 2024/25 MONTH 5 FINANCIAL POSITION**

Mr S Ceres, Deputy Director of Finance, presented the Month 5 year to date position for the Trust (paper G refers) which was a deficit of £49.3m, which was £10.3m worse than plan. This was mainly driven by UEC pathway costs greater than plan by £6.5m and unfunded industrial action of £2.2m.

The emergency pathway continued to experience increasing activity pressures, with combined Emergency/Non elective inpatients 10.5% above planned levels and combined ED/Eye Casualty attendances 7.4% above plan.

CIP delivery was ahead of plan by £6.9m at M5. The Trust has transacted £35.5m. The Trust committed YTD gross capital expenditure of £18.0m to 31 August 2024 (£11.7m last month), which net down to £17.4m, after deducting charitable donations/capital grants and the net book value of assets disposed/transferred. The cash position at the end of August was £15.6m, representing an increase of £1.8m on the previous month and £1.8m above forecast.

The Trust had been informed that its planned deficit would be funded and this would be actioned at Month 6, thereby significantly improving the Trust's cash position, although monitoring of the cash position would be required particularly towards year-end.

Particular discussion took place regarding the financial performance of Trauma & Orthopaedics.

The Chief Financial Officer reported verbally on the outcome of work undertaken to-date regarding the likely year-end financial position for the Trust.

**Resolved** – that the contents of this report be received and noted.

**151/24 VERBAL REPORT FROM THE CHIEF FINANCIAL OFFICER**

**Resolved** - that this Minute be classed as confidential and taken in private accordingly.

**152/24 REPORT FROM THE CHIEF PEOPLE OFFICER**

**Resolved** - that this Minute be classed as confidential and taken in private accordingly.

The meeting closed at 4.44pm

Gill Belton - **Corporate and Committee Services Officer**

**FIC Attendance Record 2024/25**

Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
A Moore ( <i>until July 2024</i> )	4	1	33	L Hooper ( <i>until May 2024</i> )	2	1	50
S Barton	6	6	100	J Melbourne	6	5	83
M Brearley ( <i>from June 2024 until August 2024</i> )	3	2	67	D Moon	6	5	83
A Carruthers / W Monaghan	6	5	83	B Patel ( <i>until July 2024</i> )	3	0	0
A Furlong	6	4	67	J Worrall ( <i>until August 2024</i> )	5	3	60
S Harris	6	5	83				

**Regular Non-Voting Members/Attendees:**

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
B Cassidy	6	4	67	K McKinley	6	4	67
S Ceres	6	4	67	R Manton	6	6	100
S Linthwaite	6	4	67				