



University Hospitals
Coventry and Warwickshire
NHS Trust

Finance Strategy 2018 - 2021

Su Rollason

Chief Finance Officer

20th December 2018

Background and Aim

The aim is to enable the delivery of a sustainable portfolio of excellent healthcare services which collectively achieve a recurrent cash-backed net surplus for management of risk and to support future investment.

- The financial strategy is presented as a framework for the next three years. The Finance & Performance Committee will oversee its delivery through regular monitoring and evaluation arrangements and will provide assurance to the Board on progress.
- The detailed objectives that support the delivery of the financial strategy will be set out in the **Finance business plan** which will be refreshed annually.

The financial strategy is **relevant to every member of staff at UHCW**, led by the Trust Board and facilitated by the Finance function



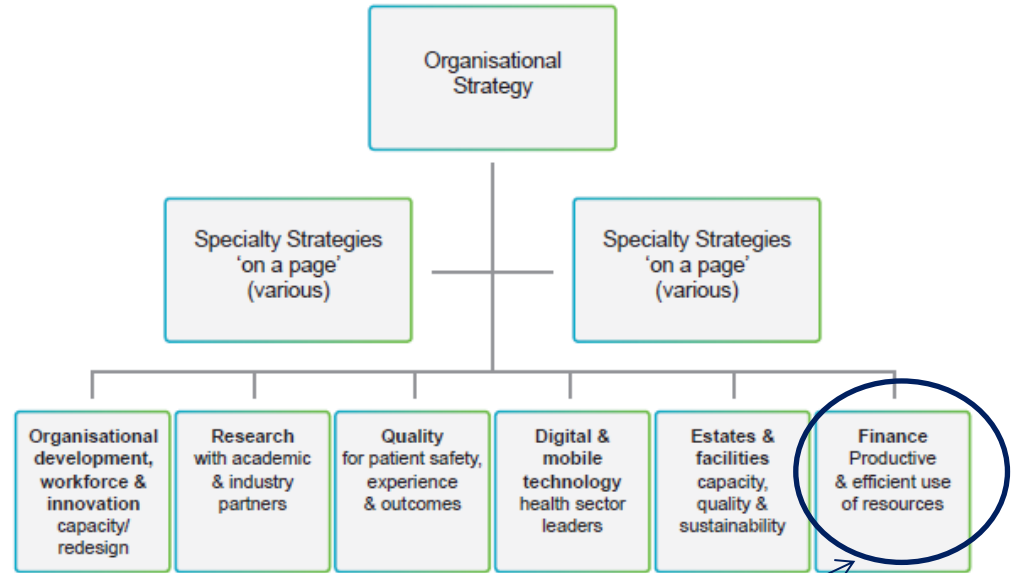
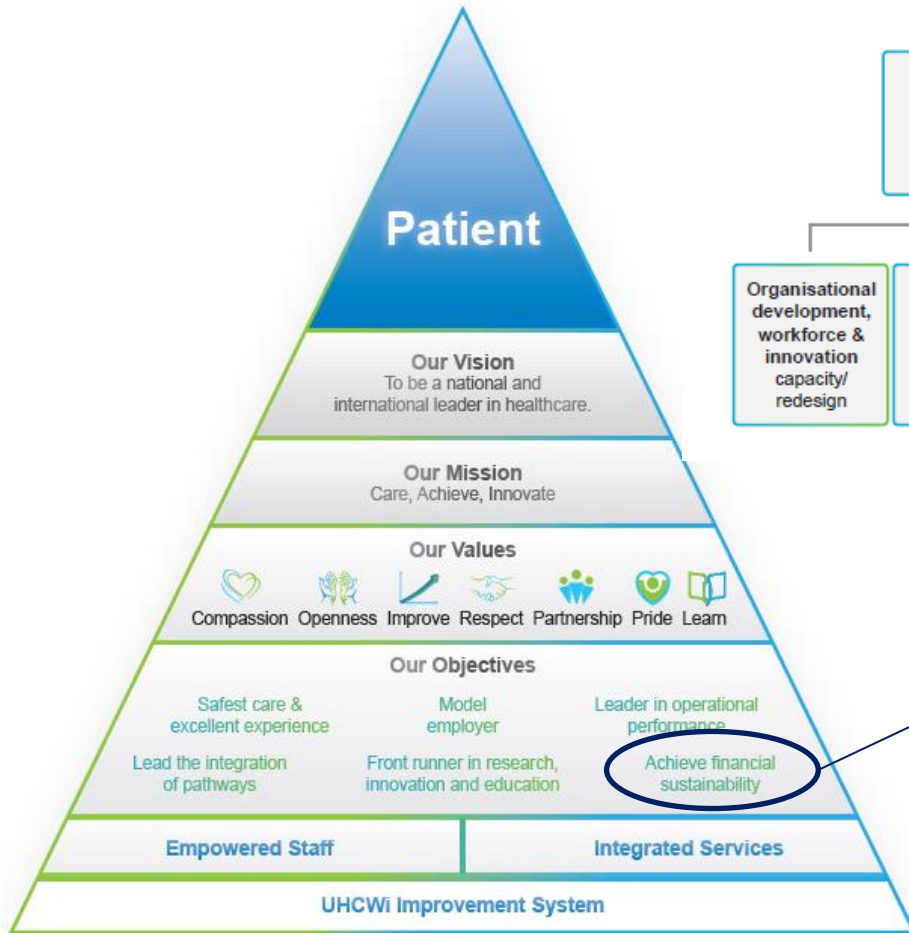
Principles

Improvement in recurrent run rate to achieve recurrent run rate balance by Q4 2020/21

- A focus on **recurrent waste reduction** using the principles of **UHCWi**
- All Groups to operate in surplus over time otherwise individual service lines to be retracted
- Capital investment schemes to be consistent with the estates strategy and prioritisation criteria
- Best value for money options to be derived from integration of pathways and total elimination of waste
- In the context of the strategy the sustainability money is assumed to contribute to the underlying position, but that at some point the national quantum value will be absorbed within tariff for allocation



Vision



- Visual representation of how enabling strategy links to organisational strategy

Key Partners and Stakeholders



External

- NHSi / NHSE
- Provider Alliance
- Clinical Commissioning Groups
- Specialised Commissioning
- HFMA



Internal

- Executives & Non Executives
- Clinical Directors and Specialty Leads
- Group Directors
- Associate Directors of Nursing & Modern Matrons
- Corporate Directors

Work Streams Impact and Link to Trust Strategic Objectives

Work stream	Contribution to strategic objectives					
	Safe care/ excellent experience	Model employer	Operational performance	Integrated pathways	Research innovation & education	Financial sustainability
Financial Projection						
Long Term Financial Model (1/2 yearly)			✓		✓	✓
STP System Plan			✓			✓
Financial performance						
Relaunch SLR / PLIC's			✓	✓		✓
Model Hospital embedding						✓
Develop Investment/Disinvestment framework	✓		✓	✓		✓
Income						
Clinical Data Quality	✓					✓
Integrated Care Systems - financial principles	✓		✓	✓		✓
Group forecasting						✓
Capital Investment						
Review Capital Investments Strategy	✓		✓	✓		✓
Working capital & liquidity						
Develop a Working Capital Strategy with NHSI			✓			✓
SLA Governance						✓
Efficiency						
Ledger System Development			✓			✓
Lean Reporting						✓
GS 1 (Scan for Safety)	✓		✓			✓
Catalogue Management			✓			✓
Re branding CIP's to Waste reduction programme						✓
Working with partners						
Staff Development		✓	✓			✓
Finance training for non-finance staff		✓	✓			✓
Redesign Finance to meet the organisational structure		✓	✓			✓
UHCWi embedding		✓	✓			✓



Financial Strategy Roadmap 2018 -2021

Work stream	Financial Strategy Roadmap 2018 -2021											
	2018/19				2019/20				2020/21			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Financial Projection												
Long Term Financial Model (1/2 yearly)					Long Term Financial Model (1/2 yearly)							
STP System Plan					STP System Plan							
Financial performance												
Relaunch SLR / PLIC's					Relaunch SLR / PLIC's							
Model Hospital embedding					Model Hospital embedding							
Develop Investment/Disinvestment framework									Develop Investment/Disinvestment framework			
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Clinical Data Quality					Clinical Data Quality							
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Staff Development					Staff Development							
Finance training for non-finance staff					Finance training for non-finance staff							
Redesign Finance to meet the organisational structure								Redesign Finance to meet the organisational structure				
UHCWi embedding					UHCWi embedding							



Outcomes

World Class Financial Management

- **Financial governance and leadership** – to create a culture of individual and collective responsibility for financial stewardship and use of resources
- **Financial planning** – the Operational Delivery Plans will be used to align control of and responsibility for all resources
- **Finance for decision making** – service line reporting will be developed to incorporate other benchmarking
- **Financial monitoring and forecasting** – forecasting will be consistent and transparent and use sensitivity analysis to understand and mitigate key risks to the plans
- **Financial reporting** – reporting will be timely, accurate and transparent with engagement of key stakeholders

