

Cover page	
Meeting	Trust Board
Paper Title	Award of Public Dividend Capital for Endoscopy
Date of meeting	6 th February 2020
Date paper was written	21 st January 2020
Responsible Director	James Drury, Interim Director of Finance
Author	James Drury, Interim Director of Finance
Executive Summary	
<p>£100,000.00 of Public Dividend Capital (PDC) has been approved by The Department of Health & Social Care for Endoscopy. This will be used to deliver increased capacity for gastrointestinal endoscopy procedures through the transition to more up-to-date technology, increasing patient throughput. It will increase efficiency through the procurement of new devices and facilitate appointment reminder implementation beyond Outpatients to reduce DNAs and visibility of list booking and free slots.</p> <p>The scheme will deliver:</p> <ul style="list-style-type: none"> • Replacement of ageing, poorly performing devices with faster, Windows 10 devices within the Trust's two Endoscopy Departments to provide improved security, increased efficiency • Improved user experience through increased responsiveness, integration and usability of IT devices • Improved visibility and utilisation of capacity through DNA reduction and providing increased patient choice across the symptomatic and screening services, maximizing the number of "points per list." <p>Trust Board is asked to note the allocation and approve the use of this funding.</p>	
Previously considered by	Sustainability Committee 23 rd January 2020

The Board is asked to:			
<input checked="" type="checkbox"/> Approve	<input type="checkbox"/> Receive	<input checked="" type="checkbox"/> Note	<input type="checkbox"/> Take Assurance
To formally receive and discuss a report and approve its recommendations or a particular course of action	To discuss, in depth, noting the implications for the Board or Trust without formally approving it	For the intelligence of the Board without in-depth discussion required	To assure the Board that effective systems of control are in place

Link to CQC domain:				
<input checked="" type="checkbox"/> Safe	<input checked="" type="checkbox"/> Effective	<input checked="" type="checkbox"/> Caring	<input checked="" type="checkbox"/> Responsive	<input checked="" type="checkbox"/> Well-led

Link to strategic objective(s)	<p><i>Select the strategic objective which this paper supports</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> PATIENT AND FAMILY Listening to and working with our patients and families to improve healthcare <input checked="" type="checkbox"/> SAFEST AND KINDEST Our patients and staff will tell us they feel safe and received kind care <input type="checkbox"/> HEALTHIEST HALF MILLION Working with our partners to promote 'Healthy Choices' for all our communities <input type="checkbox"/> LEADERSHIP Innovative and Inspiration Leadership to deliver our ambitions <input type="checkbox"/> OUR PEOPLE Creating a great place to work
	<p>Link to Board Assurance Framework risk(s)</p> <p><i>Are any Board Assurance Framework risks relevant to the paper?</i></p>

Equality Impact Assessment	<ul style="list-style-type: none"> <input checked="" type="radio"/> Stage 1 only (no negative impact identified) <input type="radio"/> Stage 2 recommended (negative impact identified and equality impact assessment attached for Board approval)
Freedom of Information Act (2000) status	<ul style="list-style-type: none"> <input checked="" type="radio"/> This document is for full publication <input type="radio"/> This document includes FOIA exempt information <input type="radio"/> This whole document is exempt under the FOIA
Financial assessment	As described above.



Award of Public Dividend Capital (PDC) made on X December 2019 between:

- 1) The Department of Health & Social Care (The Authority), and**
- 2) Shrewsbury and Telford Hospital NHS Trust (The Recipient)**

PURPOSE OF AWARD

To deliver the Diagnostic - Endoscopy capital scheme as announced in December 2019. The scheme will be delivered as described below:

The supply of capital funding will deliver increased capacity for gastrointestinal endoscopy procedures through the transition to more up-to-date technology, increasing patient throughput. It will increase efficiency through the procurement of new devices and facilitate appointment reminder implementation beyond Outpatients to reduce DNAs and visibility of list booking and free slots.

THE AWARD

It has been agreed to make available up to £13m of Public Dividend Capital (PDC), in 2019-20 and there is no provision for carry forward to future years. If slippage in the scheme does occur, this will be at the risk of the Recipient. The creation of capital assets and the associated draw of funding is expected to be made by the end of March 2020 with all funds needing to be drawn by 16 March 2020. As with all awards of PDC, the drawing of funding should take place only at the point of the Recipient incurring the related cost.

PAYMENT OF AWARD

PDC will be made available to the Recipient who will have ownership of the resulting capital asset. Capital funding is only available to be spent on items that can be classified as capital expenditure according to the recipient's local accounting rules. In addition to the PDC the Recipient will also receive, if appropriate, an increase to their Capital Resource Limit (CRL) and External Financing Limit (EFL).

It has been agreed to make available Public Dividend Capital (PDC) to invest the following amounts in Financial Years:

Financial Year	£
2019-20	£100,000

Any underspends against the award must be identified as soon as possible and the Authority and NHS England and NHS Improvement informed to allow for this resource to be potentially allocated elsewhere to support other Trusts.

The issue of PDC is conditional on the advances being held in the Recipient's Government Banking Services account until payments are made. The Authority reserves the right to ask the Recipient to repay cash that has been drawn but not spent in the financial year that the cash draw occurred.

A cash limit will be set against the schedule of the Recipient's anticipated cash requirements. It is against this limit that requests for PDC will be assessed. In due course, a unique PDC reference number will be allocated, to be used in all correspondence between parties on this matter.

PDC is issued by the Authority on a Monday. All capital draw requests (Utilisation Request) must be submitted via the NHSE&I Capital & Cash Team in the first instance (NHSI.CapitalCashQueries@nhs.net). Where requests are submitted directly to the Authority, these will be referred to NHSE&I before any action is taken.

To enable the access of funds, the Recipient must submit a Utilisation Request and a capital cash flow statement to NHSE&I. The Utilisation Request is the official request to release the funds into the recipient's Government bank account. The form must be signed by two authorised signatories, duly authorised to do so under the Trust's Standing Financial Instructions, and scheme of delegation. The capital cash statement details the planned spend for the initiative as well as confirming that the cash is not being drawn in advance of need. The Recipient will submit these forms in accordance with standard practice to the NHSE&I Capital & Cash Team.

The Authority shall be entitled to repayment of payments incorrectly claimed by the Recipient or issued by the Authority.

The amount of the Award shall not be increased in the event of any overspend by the Recipient in its delivery of the Project.

CONDITIONS OF AWARD

The scheme will be delivered with due regard to any local Standing Financial Instructions with accountability for delivery and compliance resting with the individual Trust Board.

The capital funding is conditional on the scheme being delivered by March 2020 and in support of diagnostic capacity improvement, and confirmation of this through the NHSE& I assurance processes.

The capital funding will be made available as PDC. Funding can only be spent on items that score as capital expenditure in Trust accounts.

The Recipient set out in its application to this fund plans for meeting the revenue costs associated with this capital award from its own funds.

The Recipient shall use this award only for the delivery of the Project as set out in 'Purpose of Award'.

The Director of Finance must sign and return a copy of this letter to the Authority (agreeing to the conditions of the award and in due course also complete the Utilisation Requests as required). PDC requested will be assessed against the limit set for this award.

The Director of Finance will nominate a lead person who shall act as a point of contact between the Recipient and the Authority in all matters connected with the award.

The Recipient shall keep all invoices, receipts and accounts and any other relevant documents relating to the expenditure of the award for a period of at least six years following the receipt of any monies to which they relate. The Authority shall have the right to review accounts and records that relate to the award and shall have the right to take copies of these records.

The scheme must deliver improved service resilience and responsiveness. Please describe below:

The scheme will deliver:

- Replacement of ageing, poorly performing devices with faster, Windows 10 devices within the Trust's two Endoscopy Departments to provide improved security, increased efficiency
- Improved user experience through increased responsiveness, integration and usability of IT devices
- Improved visibility and utilisation of capacity through DNA reduction and providing increased patient choice across the symptomatic and screening services, maximizing the number of "points per list."

The revenue costs of the scheme must be managed without it adversely affecting either your Board approved 19/20 Plan agreed with NHSE & I, OR the system control total and plan. Please describe below:

The system control total and plan will not be impacted by this investment

MONITORING AND REPORTING

The Recipient shall closely monitor the delivery and success of the scheme(s) to ensure that the purpose of the award is being met. The Recipient is to ensure delivery of the scheme's benefits and regularly report implementation progress to the NHS E & I regional team on a monthly basis. The Authority and NHSE & I shall have the right to request the recipient to provide details on implementation and commissioning of the scheme on more regular intervals if required.

The Recipient shall on request provide the Authority or NHSE & I with such further information, explanations and documents as the Authority or NHSE & I may reasonably require in order for it to establish that the Award has been used properly in accordance with this Agreement.

The Recipient shall permit any person authorised by the Authority such reasonable access to employees, records, premises or facilities for the purpose of validating the status and progress of the planned work.



Signed on behalf of DHSC

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Name & Position

Patrick Carey - Deputy Director Capital and Provider Finance

Date

18th December 2019

Signed on behalf of NHS Trust/FT

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Lead Contact

James Drury

Position

Interim Finance Director

Date

21st January 2020

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