

**Minutes of the Investment and Workforce Committee – Part 1**  
**Held on 30th November 2011 2:00 – 4:00pm**  
**In AD77, Maple House, East Surrey Hospital, Redhill**

<b>Present</b>	Richard Durban	RD	Non-Executive Director (Chair)
	John Power	JP	Non-Executive Director
	Edward Cooke	EC	Non-Executive Director
	Michael Wilson	MW	Chief Executive
	Paul Simpson	PS	Chief Financial Officer
	Joe Chadwick-Bell	JCB	Director of Strategy and Transformation
	Yvonne Parker	YP	Director of Workforce
<b>In attendance</b>	Ian Mackenzie	IM	Director of Information and Facilities
	Julie Wells	JW	Head of Financial Planning (Minutes)

<b>1</b>	<p><b>WELCOME AND APOLOGIES FOR ABSENCE</b></p> <p>There were no apologies for the meeting.</p>
<b>2</b>	<p><b>MINUTES OF THE PREVIOUS MEETING</b></p> <p>Minutes of the 3<sup>rd</sup> November 2011 meeting were approved as an accurate record.</p> <p>Actions from the 3<sup>rd</sup> November 2011 meeting were reviewed, and all noted as complete, with the exception of <b>Action 3</b> : IM to populate the Post Project Evaluation date in the tabular summary in the monthly Capital report. <b>Carried f/wd.</b></p> <p>RD asked whether there were any projects pre-dating the Committee which the Committee should look at.</p> <p><b>Action 1 : PS and IM to consider which capital projects (pre-dating the Committee) should come back to the Committee for a Post-Evaluation review.</b></p>
<b>3</b>	<p><b>CAPITAL PROGRAMME AND ESTATES</b></p> <p><u>Capital Report : Month 7</u> IM talked through the Month 7 Capital report, highlighting :</p> <p><u>Endoscopy Project</u> – Due for completion 2<sup>nd</sup> December 2011 – on time and under budget. IM confirmed a post evaluation review will be carried out.</p> <p><u>Modular Ward</u> – IM noted the Modular Wards were delivered 24<sup>th</sup>-25<sup>th</sup> November 2011 and praised that they were delivered on time with little interruption to the hospital. IM confirmed it is a 10 week period until the Modular Wards will be opened. JCB added there will be an Executive/Non-Executive Director walkaround the new wards on the 8<sup>th</sup> December 2011.</p>

West Entrance : IM confirmed the tender is due back 6<sup>th</sup> December 2011, with work starting in January 2012. MW added that he showed Andrea Young, Chief Operating Officer at the South of England SHA, around the hospital site on Tuesday 29<sup>th</sup> November 2011, who confirmed the entrance redevelopment is appropriate for the Trust to do.

RD questioned the £330k Project Management Costs. IM confirmed this was for the Capital Manager (employed by SaSH) and Project Managers (External to SaSH) for the various schemes.

#### 2011/12 and 2012/13 Capital Budget Positions

2011/12 – IM noted that some of the £296k has now been allocated to Capital Schemes as there was a Capital Investment Group meeting the week before. IM confirmed the trust will spend the £15.3million Capital Resource Limit for 2011/12.

2012/13 – IM stated the Capital Resource Limit is estimated at £7.5million for 2012/13. PS highlighted this was based on Depreciation estimates for 2012/13, together with the disposal of Kibblewhite (£0.5million).

IM confirmed that there is already Projects pre-committed to 2012/13 totaling £4.7million (of the £7.5million), including Unscheduled Care, Theatres Upgrade, Main Entrance, IT Virtualization (OBC agreed earlier this year) and Corrosion of water pipe work (deferred from 2011/12).

PS stated that as CFO, he wanted the Committee to note that he has confidence that IM has full knowledge of all the Capital projects, including the Finances. All agreed.

RD noted that in addition to our 2012/13 capital plans, other Organisations may, through partnernship agreements, invest in facilities at SaSH that will benefit patients.

## **4 BUSINESS PLANNING**

#### SaSH Future Organisational Form Update

RD referred to the Ian Dalton letter previously circulated by PS, along with the Operating Framework summary, which emphasized the milestones on the way to achieving FT status and the Board's accountability for delivering them.

JCB confirmed the Department of Health has still not developed the Assurance Framework for Aspirant Foundation Trusts.

#### Internal Business Planning Progress Update

JCB confirmed the TFA has 2 key milestones – end of Q3 and end of Q4. By the end of Q3, the Trust must submit a list of ideas/service changes to take forward for financial modeling (together with reasons for wanting to pursue). PCTs and CCGs may have additional ideas. These options will then be modeled and assessed against their impact on the LTFM (Long Term Financial Model).

JCB confirmed that by the end of Q4, the Board must agree what SaSH will look like, update the LTFM and update the Clinical Strategy etc.

JCB confirmed the SHA have agreed the Integrated Business Plan (IBP) can not be written before the end of Q4.

MW updated the Committee on the first TFA Programme Board meeting and the first Sussex Together Clinical Summit.

JCB confirmed that Sussex Together is the first critical point in the path, though noted it is currently running a month late and will not deliver any output until January.

JCB talked the Committee through a Business Planning Update' paper. She highlighted the Annual Business Planning timetable was issued prior to the TFA, though stated good progress is being made in line with the original timetable. JCB confirmed there is a change in the timetable – the Workforce, Estates, IM&T and Clinical Strategies will not be updated (and submitted to the SHA) until the future Organisational Form is confirmed, at the end of Q4.

JCB confirmed Divisions have produced 1<sup>st</sup> cut Divisional Plans and presented them to the Trust Management Board. 2<sup>nd</sup> cuts are being presented on the 14<sup>th</sup> December 2011 (with Estates and Facilities and Corporate Directorates presenting their 1<sup>st</sup> cut business plans).

PS confirmed that Finance has written to Divisions, issuing control totals, their 5% savings target and highlighting that Cost Pressures will not be considered until the 5% savings target is identified. PS stated overspending in 2011/12 has not been built into control totals, and that the letter clearly states the rules of the finance element of the business planning process. PS noted that Divisions will need KPMG to help deliver their 5% saving target.

PS concluded that the Trust has a much better and comprehensive Business Planning process this year. He commended the Divisions on their coherent, consistent and sensible 1<sup>st</sup> cut business plans, and highlighted the £10million CIP for 2012/13 will be very challenging.

## **5 WORKFORCE**

### General Update

YP stated there are 3 submissions to the SHA regarding the Workforce Plan, the first being in January (the second in March/April and no date confirmed for the 3<sup>rd</sup> submission).

YP confirmed the Workforce Plan relates to planned establishment for 2012/13 and any gaps against the current position, and the headline approach about how to close them. The Divisions are working up their workforce plans by the end of November 2011. YP noted that Jo Thomas, Des Holden and herself will sign off the Trustwide Workforce Plan before it comes to the 22/12/11 Committee.

	<p>YP confirmed the Workforce Strategy has wider coverage, including sickness, appraisal and training needs.</p> <p>MW confirmed that the workforce plan needs to show an overall reduction in permanent staff and a decrease in the percentage of temporary staff, without compromising quality and safety. PS stated the first cut needs to include an estimate of headcount savings.</p> <p>PS confirmed that the weekly TDG (Transformation Delivery Group) reviewed Agency and Nursing costs this week. PS noted the Trust is overspent by 0.3% on the Paybill, and 75wte under-budget. Agency amounts to 6.3% of the Paybill of which 1% is exceptional items (Therapies – after TUPE, Sonographers, A&amp;E Consultant/Middle Grades etc). The Trust should be at 4%.</p>
<b>6</b>	<p><b>ANY OTHER BUSINESS</b></p> <p>There was no other business.</p>
<b>8</b>	<p><b>DATE OF NEXT MEETING</b></p> <p>Next meeting is scheduled for 22<sup>nd</sup> December 2011 1pm-3pm AD65.</p> <p><b>Any papers and apologies to <a href="mailto:julie.wells@sash.nhs.uk">julie.wells@sash.nhs.uk</a></b></p>

**Action Log : Meeting 03/11/11 C/fwd**

<b>Action :</b>	<b>By :</b>
<b>Action 3</b> : To populate the Post Project Evaluation date in the tabular summary in the monthly Capital report.	Ian MacKenzie
<b>Action Log : Meeting 30/11/11</b>	
<b>Action 1</b> : To consider which capital projects (pre-dating the Committee) should come back to the Committee for a Post-Evaluation review.	Ian MacKenzie and Paul Simpson