

**Minutes of the Investment and Workforce Committee – Part 1
Held on 3rd July 2013 1 – 4pm
In AD77, East Surrey Hospital, Redhill**

Present	Richard Durban	RD	Non-Executive Director (Chair)
	Richard Congdon	RC	Non-Executive Director
	John Power	JP	Non-Executive Director
	Alan Hall	AH	Non-Executive Director
	Paul Simpson	PS	Chief Finance Officer (Part meeting)
	Ian Mackenzie	IM	Director of Information and Facilities
	Gillian Francis-Musanu	GFM	Director of Corporate Affairs

In attendance

Lorraine Clegg	LC	Deputy Chief Finance Officer (Part meeting)
David Knight	DK	Senior Income & Cost Accountant (Minutes)
Janet Miller	JM	Deputy Director of Human Resources (Part meeting)
Wendy Mahoney	WM	Head of IBP and Business Development (Part meeting)

1	<p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p>Apologies: Yvonne Parker and Michael Wilson</p>
2	<p>MINUTES AND ACTIONS OF THE PREVIOUS MEETING</p> <p><u>MINUTES – EXTRAORDINARY 5TH JUNE MEETING</u></p> <p>The minutes of the 5th June 2013 meeting Part 1 were approved as an accurate record of the meeting.</p> <p><u>REVIEW OF ACTIONS</u></p> <p>The following Actions were carried forward from the June extraordinary meeting:</p> <p>Efficiency gains enabled by the Theatres project to be worked up and presented to a future meeting as part of the CIP reporting IM</p> <p><u>MINUTES – Part 1 1ST MAY MEETING</u></p> <p>The following minor adjustments were highlighted</p> <ul style="list-style-type: none"> • Spelling of I Mackenzie name to be corrected • Richard Congdon was present for Part 1 of the IWC meeting • Spelling of G Francis-Musanu name to be corrected

	<p>Following these corrections the minutes of the meeting were approved as an accurate record of the meeting.</p> <p><u>ACTION</u></p> <p>The changes to the 1st May minutes to be made DK</p> <p><u>REVIEW OF ACTIONS</u></p> <p>The WH Smiths income figures had been e-mailed out prior to the current meeting. I Mackenzie informed the committee that there was a higher than anticipated income for the Trust and also an improved patient experience.</p> <p>P Simpson highlighted that the delay to the Boots figures was due to Boots not contractually being obliged to provide the Trust with monthly data. R Durban requested that a one page summary of the relationship between Boots and the Trust be provided to the Committee once the numbers had been finalized. .</p> <p><u>ACTIONS</u></p> <p>P Simpson to provide analysis of the performance of the Boots outlet. PS</p> <p>D Heller to be asked to provide a one page summary on the relationship between Boots and the Trust. DH</p> <p>G Francis-Musanu to come back to the Committee with an update on the organisational development plan following the GE supported work. GFM</p> <p>All other actions from the previous meeting were completed or included in the agenda for this meeting.</p>
3	<p><u>WORKFORCE</u></p> <p><u>Workforce KPI's</u></p> <p>J Miller presented the workforce KPI's to the Committee. It was noted that there was no specific turnover figure in the report. P Simpson gave assurance that staff turnover is being monitored using starter and leaver information.</p> <p>R Durban noted the gap between the posts being advertised and accepted offers on one hand and the vacancy number on the other. It inferred that we did not have an effective recruitment programme. P Simpson assured the Committee that the Trust had ramped up recruitment activity with Michael Wilson leading the working group on workforce.</p> <p><u>Workforce Strategy</u></p>

In the absence of Y Parker, J Miller presented the Workforce strategy. This reflected output from the Francis report. She highlighted that workforce numbers had increased in line with activity and the expansion of the wards. The Trust's partnership with the Health Education Kent Surrey and Sussex (HEKSS) has been a particular area of success and one which the Trust wishes to grow.

A wide ranging discussion followed which resulted in a number of suggested additions/changes to the next iteration of the strategy:

- Clear distinction between the strategy (3 year + timeframe) and the annual plan
- The Workforce Strategy to support and reference the Clinical and Quality strategies. Specific areas raised for inclusion were:
 - 1 The desired balance between full and temporary staff
 - 2 Productivity – how to deliver more for less
 - 3 Values and behaviors; skills and capabilities
 - 4 Increased flexible working to allow 7 day a week services
 - 5 Outsourcing and partnership working
 - 6 Clinical leadership and our chosen organizational model
 - 7 Reward and grade structure
 - 8 Improvement in HR processes
- The Workforce Annual plan to reflect the strategy i.e. to be Year 1 of its delivery. It should include numbers and tables illustrating both 12/13 delivery and 13/14 plans. Sections to include:
 1. Nurse recruitment and retention
 2. Significant changes to ways of working, workforce impact of the CIP
 3. Training and development
 4. New clinical roles
 5. Consultants' contracts
 6. Third party working e.g. Medihome, Pathology
 7. GE development program
 8. Basic information around numbers, grades, costs

This, or similar additional information was needed to provide adequate assurance to the Committee.

ACTION

Y Parker to present a revised Workforce Strategy and Annual Plan to the September Committee following input from the new Executive Directors Workforce Group.
YP

4 CAPITAL

M1 & M2 Capital Report

The Committee noted the month 1 capital report.

I Mackenzie presented the M2 Capital report and noted that the majority of projects are progressing to plan. The current major projects include Theatres, BOC and the Radiology project.

The Committee sought assurance over the funding of the 13/14 capital programme. A discussion regarding the impact of the unsecured funds and the potential consequences to the Theatres project followed. P Simpson commented that the funding for the first phase of the Theatre project has been confirmed but that the funding for phase 2 (£5.1m) had not been formally agreed by the TDA. The preferred funding route is via Public Dividend Capital (PDC); a case for exceptional PDC funding is currently being prepared for submission to the relevant organizations. The worst case scenario will see the Trust having to borrow which will have consequences for the Trusts Long Term Financial model.

The Committee asked that a resolution needed to be sorted as soon as possible over the uncertainty around the 13/14 funding. P Simpson informed the Committee that resolution will be dependent on the speed of approval by the TDA of the current Theatres phase 2 full business case.

ACTION

P Simpson to report fully the funding status in the monthly capital report in particular with regards to the Theatre Business Case PS

IT Strategy

I Mackenzie presented the strategy to the Committee informing them that clinical input had played a key role in its production. The strategy had been reviewed and approved by the Clinical Health group chaired by Barbara Bray (Chief of Surgery). A wide ranging discussion followed.

The need to include all potential costs relating to the IT strategy in the 3 year capital program was noted e.g. patient entertainment systems as was the need for the IT strategy overtly to support the Clinical and Quality strategies.

The Committee discussed overall options for the Trust's development and use of IT. A Hall pointed out that the Trust might be better as a fast follower of IT implementation as this allows the Trust to learn from others on how best to implement new technology. It would also reflect a more realistic position regarding the capability and capacity of a future IT function. I Mackenzie highlighted the need for IT to receive investment appropriate to the aspirations of the Trust. R Durban pointed to IT being an enabler to savings. G Francis-Musanu reminded the Committee that the target of paperless by 2015 needed to be considered within the strategy.

	<p>The discussion raised other suggested additions to the IT Strategy:</p> <ul style="list-style-type: none"> • Add a section on risks e.g. continuity and resilience, possible over reliance on a single supplier • An approach to data integrity • Expand on IT role as enabler for greater productivity • Add more “blue sky” thinking developed jointly by clinicians and IT people • Add section on our capability to develop and implement the strategy • Useful to see a systems overview of current and desired position (simple wiring diagram) • Integrate into the IBP (after the Estates section) <p><u>ACTION</u></p> <p>The revised IT Strategy to be represented to the Committee and as a new section in the IBP IM</p> <p><u>Estates KPIs</u></p> <p>I Mackenzie presented Estates KPI’s. This was the first time such KPIs had been presented and they were welcomed by the Committee.</p> <p>R Durban noted that the bank members of staff where higher than the establishment. I Mackenzie commented that the bank staff are cheaper than agency and provide flexibility but accepted that currently there is an over reliance on bank staff and that it is important to get the balance right.</p> <p>R Durban commented on provision of better information and therefore greater assurance regarding the speed and successful resolution of small maintenance jobs was needed. I Mackenzie informed the committee that he was reviewing and changing both how such work was carried out and reported in the future.</p> <p><u>ACTION</u></p> <p>I Mackenzie to update the Committee on small maintenance jobs IM</p>
5	<p>BUSINESS PLANNING</p> <p><u>Communications Update</u></p> <p>G Francis- Musanu updated the Committee on the development of the Communications Strategy. The Communications department was currently in the middle of a consultation and that the new team should be in place by the end of August. The strategy when ready will deal with areas such as brand clarity, working with local and regional media, improving of internal communications, development of</p>

the website and fundraising. A Hall highlighted that it is important to remember that less but more targeted communication can be more effective than bombarding people with high volumes of information.

The Committee noted that communications is closely linked to the marketing strategy.

ACTION

G Francis-Musanu to present the Communication/Strategy plan to a future Committee
G F-M

Integrated Business Plan (IBP)

G Francis-Musanu & W Mahoney presented the strategy section of the IBP. Highlights included all four strategic objectives have been updated to reflect the 2013/14 position and that the Trust has now achieved Trauma Unit Status in November 2012.

Following discussion the Committee made the following points:

- A Quality Strategy needs to be written (Chief Medical Officer)
- Clarity needs to be given on governance strategy (Chief Nurse)
- The need for a shorter version which can be used as a working document in the Trust e.g. ensuring consistency between various strategies and plans
- Add IT Strategy in a section of its own (following Estates).
- The need for the Board to overtly track Clinical Strategy objectives

ACTION

G Francis-Musanu to update the IBP in light of the Committees recommendations. **GFM**

Long Term Financial Model (LTFM)

P Simpson informed the Committee that the Peter Burnett was currently in the process of updating the Trust LTFM.

Business Case Procedures

P Simpson presented the Business Case Procedures paper. The Committee sought and received assurance that a project would not be split into two to avoid a financial threshold and therefore going to a designated Committee. P Simpson assured the Committee that if a project was split and the two respective amounts were under the level for that Committee it would still be sent to the relevant Committee to ensure the business case under went the proper scrutiny before being allowed to proceed.

The Committee agreed that Post Implementation Reviews were part of the process and that they must include benefits management and learning from the implementation.

	<p>Clarity over the reporting and governance surrounding project over runs was sought.</p> <p><u>ACTION</u></p> <p>P Simpson to amend the paper in respect of PIRs, splitting of cases, over runs and governance update. PS</p> <p><u>Reference Costs</u></p> <p>L Clegg presented the reference cost paper which sets out the requirement for the Committee to approve the costing processes and systems of the Trust.</p> <p>A discussion was had around the figures that were presented in the report and the rationale behind the exclusions. L Clegg highlighted that what to exclude from the cost Quantum is determined by the Department of Health.</p> <p>The Committee approved the Trusts costing processes and systems</p> <p>The Committee requested an update on the implementation of Service Line Reporting and Service Line Management.</p> <p>ACTION</p> <p>P Simpson to present and update on SLR/SLM to a future committee. PS</p>
6	<p>ANY OTHER BUSINESS</p> <p>The Committee discussed the need for there to a declaration of interest at the beginning of all future IWC meetings to ensure no conflict of interests occur during discussions held by the Committee. G Francis-Musanu was in agreement that from a governance point of view this would be an important requirement and this should become a standing agenda item for each meeting.</p> <p><u>IWC Update</u></p> <p>R Durban informed the Committee of discussions that had been taking place with regards to the IWC taking on some financial monitoring responsibility that is currently carried out by the board. This will require the IWC to revert to monthly meetings and may require the date to be moved to later in the month. This will ensure that the Committee is receiving the most up to date financial figures. The Committee will then become known as the Finance, Investment and Workforce Committee.</p> <p>A discussion then followed with regards to the practical implementation/timing of the proposed changes with September being considered the most likely timing for this change.</p> <p>ACTION</p> <p>A revised work plan and meeting timetable to be produced and circulated asap. PS</p>

7	DATE OF NEXT MEETING Next meeting provisionally scheduled for 4 th September 2013 1pm-3pm AD77.