

Minutes of the Investment and Workforce Committee – Part 1
Held on 7th March 2012 2:00 – 4:00pm
In AD80, East Surrey Hospital, Redhill

Present	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
	Yvonne Parker	YP	Director of Workforce
	Joe Chadwick-Bell	JCB	Director of Strategy and Transformation
	In attendance	Ian Mackenzie	IM
	Monica Palmer	MP	Minutes

1	<p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p>There were no apologies.</p>
2	<p>MINUTES AND ACTIONS OF THE PREVIOUS MEETING</p> <p><u>MINUTES – Part 1</u></p> <p><u>Workforce Plan</u></p> <p>The following paragraph to be amended as follows:-</p> <p>JP asked whether Divisions are bottom-up costing their staffing requirements and whether they were zero based or looking at it incrementally? YP responded bottom-up, where possible.</p> <p>With the above amendment, the minutes of Part 1 were approved as an accurate record of the meeting.</p> <p><u>ACTIONS</u></p> <p><u>Meeting 22/12/11</u></p> <p>Action 1 - IM to add whether Capital Projects were on time and on budget into the monthly Capital Report. IM to action – action closed.</p> <p>Action 2 - IM to highlight any changes to capital project budgets in the monthly Capital report. IM to action – action closed.</p> <p><u>Meeting 01/02/12</u></p> <p>JCB to produce a timetable of TFA outputs against Board / Board sub-committee meetings by 21st February 2012. JCB had not agreed to this date and it was agreed</p>

that this should be brought to the next meeting.

Action 1 - JCB to produce a timetable of TFA outputs against Board/Board sub-committee meetings for the April meeting - action closed.

The dates of when Estate Project PIRs would be presented to the committee needed to be amended.

Action 2 - IM to confirm all PIR dates. PIRs to use a standard template.

Action 3 - 2012/13 Workforce Plan and Training Plan to be reviewed at the April Committee meeting – action closed.

3 BUSINESS PLANNING

TFA Programme Update – incorporated in the Financial Update.

2012/13 Financial Plan Update

An Extraordinary Board meeting is being held on Monday 12 March at which the NEDs will be updated on the business planning process and the negotiations with the PCTs.

Plan A is to proceed to Foundation Trust status as a stand alone organisation with a number of limited partnerships. Partnerships have been explored with other Acute Trusts and Community Services areas but no sustainable/strategic partnerships are currently available. Neither are any private partnerships. RDD asked if other organisations had been approached with specific proposals and was told the approach was more of a general review. Partnerships would need to have been agreed by the end of March 2012.

MW is meeting with Sir Ian Carruthers on Tuesday 13-March at which the business plan and funding will be discussed.

At the last TFA Board meeting, the partnership scenario and modeling were presented by PS and a list of actions to be carried out jointly was compiled. The model described the benefits and consequences of a managed and jointly owned programme of reducing non elective activity and using freed up resources to manage increased levels of elective referrals to the Trust.

There is still a gap of £1.2m with Sussex and £4.9m with Surrey, although no confirmation has yet been received from Surrey and further reductions need to be made to the £4.9m. Indicative intentions have been drawn up but no actions or plans.

Numbers are currently being scoped for the 12/03 Board. If ready, PS will run through them, showing the maximum amount of income that the Trust needs to sustain and recover and the maximum number of savings that the Trust can achieve in order to break even in 3 years. A bridge chart will be produced to explain the implications over

	<p>a 2 year period and an update on the savings plan. Each scenario takes 2 years to overcome the recurrent deficit in the Trust.</p> <p>Once the financial plan has been agreed, operational and marketing plans will be drawn up.</p> <p>A meeting was held with the Chief Executives of the 2 PCTs and a line was agreed over the support to be received from them. There is also a greater understanding with the CCGs.</p> <p><u>SaSH 2012/13 Savings Plan Update</u></p> <p>PS met with Jeff Buggle from East Kent Hospitals this week to carry out a review of the robustness of the 12/13 CIP plans at the request of Vanessa Harris. He expressed 70% confidence in the plan. PS had 80% confidence at this stage.</p> <p>The Project Definition document is due to be signed off with KPMG. Reduction in medical staffing is due to a reduction in PAs and not staff numbers.</p> <p>The PMO and Business Planning document was circulated to give assurance of the management and governance of the Transformation/Savings Programme.</p> <p>The PMO consists of JCB, Ben Emly & Larisa Wallis They monitor the actions and activities while the Divisions are responsible for the actions. The Committee recorded that it was assured that the process was robust.</p>
<p>4</p>	<p>CAPITAL PROGRAMME AND ESTATES</p> <p><u>Capital Report : Month 10</u></p> <p>The CRL for 12/13 was estimated to be £7.5m. Expenditure this year will be below CRL by £1.3m and this will be transferred to next year's programme (agreed by the SHA). In addition to this, there was funding of £6m from the DH, which will be split equally between theatres and other developments. Therefore there was a total CRL of c£15m.</p> <p>It is hoped that the sale of Kibblewhite will be greater than forecast as there are several interested parties.</p> <p>British Oxygen – discussions have been held over the value of the lease and an offer will be sent to British Oxygen. A commercial agent has been recruited to act on behalf of the Trust. Potentially there is an income of £200k per year. The building will be sited in a separate building at the back of the hospital. Work with Royal Surrey on the linear accelerator is progressing well.</p>
<p>5</p>	<p>WORKFORCE</p> <p>Update on PCT Assurance paper</p>

	<p>The PCT is changing the format of the paper. It was agreed that the same format could be used for both the PCT and this committee. The PCT is satisfied with progress as recorded in the report.</p>
6	<p>ANY OTHER BUSINESS</p> <p><u>Risk Register – review of non-clinical areas</u></p> <p>There was a requirement for the Board to review material risks from the RR. As the Safety & Quality committee could be overwhelmed with both clinical and non-clinical items, it has been agreed that this committee would take responsibility for reviewing non-clinical items.</p> <p>5 risks are currently shown as red rated (i.e. 15 or over) of which 4 items relate to Estates & Facilities. These items have been resolved and should be removed from the list.</p> <p>In addition to the remaining risk (inability to pay suppliers), the following should also be added to the list for the next meeting:-</p> <p>Reliance on a single generator – E & F (although this might have been resolved by that time</p> <p>There was surprise expressed at the small number of red rated risks. This was due to a large number having been reviewed over the last year and the Executives confirmed that there were no additional substantial risks that the Board should be made aware of.</p>
7	<p>DATE OF NEXT MEETING</p> <p>Next meeting is scheduled for 4th April 2012 1pm-3pm AD77. Please note change of room.</p>

Action Log : Meeting 01/02/12

<u>Action 2</u> : To confirm all PIR dates for Estates projects	Ian Mackenzie
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Action Log : Meeting 07/03/12

No additional actions.