

Minutes of the Finance and Workforce Committee
Held on 25th February 2014 3pm - 5pm
In AD65, East Surrey Hospital, Redhill

Present

Richard Durban	RD	Non-Executive Director (Chair)
John Power	JP	Non-Executive Director
Richard Congdon (part meeting)	RC	Non-Executive Director
Alan Hall	AH	Non-Executive Director
Michael Wilson	MW	Chief Executive
Paul Simpson	PS	Chief Finance Officer
Ian Mackenzie	IM	Director of Information and Facilities
Fiona Allsop	FA	Chief Nurse
Yvonne Parker	YP	Director of Human Resources
Gillian Francis-Musanu	GFM	Director of Corporate Affairs

In attendance

Andy Humm (part meeting)	AH	Head of IT
Catriona Tait	CT	Head of Service Line Reporting

Observing the meeting

Suzanne Cliffe	Trust Development Authority
Richard Boyce	Trust Development Authority

1	<p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p><u>Apologies:</u> Des Holden</p> <p><u>Declarations of Interest:</u> Alan Hall declared an interest in the EPR business case and the EPMA business case addendum as he is an employee of BT. It was agreed that he could participate in the EPR discussion as there was no direct link with BT in this OBC but that he would leave the meeting before the EPMA business case addendum was discussed.</p>
2	<p>MINUTES AND ACTIONS OF THE PREVIOUS MEETING</p> <p>The minutes of the 28 January 2014 meeting were approved as an accurate record of the meeting.</p> <p><u>Review of Actions</u></p> <p>The action tracker was presented and the following actions were discussed:</p> <ul style="list-style-type: none"> - Estates small maintenance jobs – deferred to March meeting - Workforce KPIs/Performance Reporting - the Workforce sub group have been asked to propose a reporting mechanism for the Trust Committees and this to be used from April 2014 reporting onwards. - PIR for PACS/RIS – an external company is being employed to perform the PIR and the report will come to the April 14 FWC meeting. - Linear accelerator – to be discussed under the partnership report.

Action: C Tait to request a copy of the minutes of the Board meeting on 7th February 2014 that agreed the Cardiology OBC as the FBC will come to the FWC.

3 FINANCE

Financial Performance M10 and CIP Update

P Simpson presented the M10 Finance Report. He highlighted the following in the report:

- As at month 10 the Trust had a small surplus YTD.
- The outturn forecast is a small surplus for 2013/14
- Savings are still doing well.

P Simpson reported that the Trust underlying deficit has got worse. Trust is experiencing pressure from expenditure in the divisions, particularly in CSS. This has been offset by an increase in Trust income, particularly in December and January, due to patients passing through the hospital faster. CCGs have accepted our reduction in excess bed days.

P Simpson informed the Committee that the main risks to the Trust year end position are the readmissions audit, which is now in mediation with the TDA and NHS England, and the NEL threshold, where we are in formal correspondence with the CCGs. R Congdon asked about the readmissions audit. P Simpson said that the CCGs want a 25% reduction; we calculate it as 6% and have 14% as a worst case scenario. M Wilson then explained the process that the Trust has gone through with the CCGs to try and agree the readmissions audit. R Durban asked what the process is now, P Simpson said that we are waiting to be informed of the process but it will probably be mediation and arbitration if required.

P Simpson stated that the liquidity ratio looks like it has got better but this is due to capital cash that has been drawn down but not yet spent. J Power commented that the BPPC rating is the only rating that is red. P Simpson said that as we continue to manage our working capital we have had to reduce our payment runs. An invoice has been raised and sent for the cash relating to the £3.5m financial support. Until it is received the Trust is still using its £5.5 temporary borrowing loan

4 WORKFORCE

Workforce Performance Reporting M10

The Workforce Performance report was presented by Y Parker and accepted by the Committee. R Durban asked why in some divisions the number of vacancies being advertised and the number about to start do not add up to the number of vacancies. Y Parker said this was because the vacancies being advertised is based on the number of adverts and in some wards and departments one advertisement is used to advertise several posts that are the same.

Appraisal Update

Y Parker presented the paper and commented that the number of Appraisals completed is largely on track. The Committee discussed the need to focus on the quality of appraisals and to ensure that senior grades had appropriate targets and that behaviours were assessed as well as performance. This focus tied in with the GE development work.

<p>5</p>	<p>CAPITAL</p> <p><u>M10 Capital Report</u></p> <p>The Capital report was presented by I Mackenzie and the Committee were assured that the Capital programme is on track.</p> <p>J Power asked about the delays on the Linear Accelerator. I Mackenzie said the delays had not affected us financially. It had been estimated that there had been around 45 patients from the local area that have had to travel to Guildford rather than to East Surrey Hospital but there no been no impact on their treatment.</p> <p>R Durban asked about the main entrance final account. I Mackenzie advised that it was finally resolved last week and he will bring an update to the Committee.</p> <p>Action: A final account on the main entrance work to be presented to the Committee IM</p>
<p>6</p>	<p>ANY OTHER BUSINESS</p> <p>R Durban confirmed that the work plan of the Committee for the next year is in progress and would be finalised by the March meeting.</p>
<p>9</p>	<p>DATE OF NEXT MEETING</p> <p>Tuesday 25th March 2014 3.30pm – 5.30pm AD77</p>