

Minutes of the Finance and Workforce Committee
Held on 22nd April 2014 at 3pm
In AD77, East Surrey Hospital, Redhill
PART 1

Present

Richard Durban	RD	Non-Executive Director (Chair)
Alan McCarthy	AM	Trust Chairman
Paul Simpson	PS	Chief Finance Officer
Yvonne Parker	YP	Director of Human Resources
Ian Mackenzie	IM	Director of Information & Facilities
Gillian Francis-Musanu	GFM	Director of Corporate Affairs

In attendance

Catriona Tait	CT	Head of Service Line Reporting
David Heller (part meeting)	DH	Chief Pharmacist

1	<p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p><u>Apologies:</u> Apologies were received from John Power, Richard Congdon, Paul Bostock, Fiona Alsop, Des Holden, Michael Wilson and Alan Hall (who provided written comments to the Chair)</p> <p>The Committee then discussed its membership and it was suggested that Michael Wilson (CEO) and Des Holden (MD) were not required to be members of the Committee. Paul Bostock (COO) was recently added and Fiona Allsop (CN) was a regular attender. Michael and Des remain welcome to attend the meeting when required.</p> <p><u>Declarations of Interest:</u> There were no declarations of interest.</p>
2	<p>MINUTES AND ACTIONS OF THE PREVIOUS MEETING</p> <p>The minutes of the 22 April 2014 meeting were approved as an accurate record of the meeting, with the following amendment: Pg2. Two Year Operating Plan should read One Year Operating Plan</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 –I Mackenzie presented a short paper written by Dave Axten on the how the new system. R Durban asked if more information was available such as response times and the backlog etc. - PIR for PACS/RIS – an external company is being employed to perform the PIR and an update on the report will come to the June 14 FWC meeting. - Final account for main entrance work – Ian Mackenzie said that the remaining outstanding issues with the contractors are nearly resolved and the account swill be presented to the next meeting. - Trust Annual Operating Plan – it was agreed that this paper would come to the June meeting.

3 BUSINESS CASE INVESTMENT

EPMA Implementation Plan

D Heller outlined to the Committee the progress on the EPMA project. The system is broadly designed and the Trust has a go live date of 10th November on Bletchingly Ward only until January 2015. This is to enable the Trust to test processes before any further rollout. There have been issues with Discharge letters. A McCarthy asked whether there had been interaction with GPs on the issues with Discharge letters and P Simpson replied that this was now part of the 2014/15 contract process.

D Heller went on to say that the plan would be to rollout to Outpatients next but any future rollout would be dependent on the Bletchingly rollout and would be agreed through a business case. A McCarthy asked what the concerns were. D Heller responded that it was the engagement of staff, the potential of clinicians operating a personal opt-out and that it may be seen to totally eradicate errors. It will reduce errors but potentially different errors may arise.

P Simpson requested that we Committee receive a paper on the quality and financial gain this project will bring to the Trust and D Heller agreed that they have a benefits plan for the project and this will be brought to the July meeting.

Action: A benefits plan for the EPMA project to be presented to the July FWC meeting **DH**

G Francis-Musanu queried where the project board from EPMA reports into. D Heller replied that it reports to the Clinical Health Informatics group and the project board is chaired by I Mackenzie.

4 BUSINESS PLANNING

IBP and LTFM Update

G Francis-Musanu and P Simpson gave a verbal updates on the latest IBP and LTFM submissions. G Francis-Musanu confirmed that business plans had been received from all the divisions and we have received feedback from the TDA review of the previous IBP and LTFM. In the submission for the 20th June 2014 the Trust was required to have a 5-year plan that was sustainable and downside mitigations. R Durban requested confirmation on when the Board would get sight of the plans and mitigations. G Francis-Musanu stated that there was a Board session on 3rd June where the IBP development would be discussed and then a session on 19th June where the Board will sign off the submission.

P Simpson added that the private board meeting on the 29th May would receive the mitigations and the Trust needed to agree the 2nd year of the CIP programme and we would start discussions with the TDA early in June regarding the level of risk. All other aspects of the LTFM have been discussed at various Committees except the second year of the CIP programme.

A McCarthy asked how aligned our strategy is with the Commissioners. P Simpson replied that the IBP will have to go up without alignment with Commissioners as we have not received plans from the CCGs. We have included the thread of M Wilson's discussions with the CCGs but we have no strategic Commissioning plan. P Simpson confirmed that the Monitor phase of the plans will be different to the current TDA plan.

A McCarthy asked how we match non-growth to an increase in income. P Simpson responded that the Board agreed that the initial staff reductions were not viable so we have agreed to increase our income

	<p>from repatriation and PP income. P Simpson added that the model was based on decisions previously made at the Board.</p>
<p>5</p>	<p>FINANCE</p> <p><u>Financial Performance M01 and CIP Update</u></p> <p>P Simpson presented the M01 Finance Report. He highlighted the following in the report:</p> <ul style="list-style-type: none"> • The Trust is on plan for M01 2014/15, with a £889k deficit at M01 and the outturn forecast is £2.3m surplus (on plan). • Divisional and agency overspends are continuing as unidentified CIPs budgets were spread evenly across the 12 months. <p>P Simpson advised the Committee that the issues in CCS were being worked through, specifically their use of agency radiographers above their establishment. A McCarthy asked what delegate authority the division have to recruit above establishment. P Simpson stated that they should have got approval through Execs but this is not always possible if resources are required immediately to manage the service. Significant work is also on going looking at agency usage across the divisions and agreeing processes to reduce the agency usage. P Simpson advised the Committee that he has increase the level of risk in the Trust outturn position, but it is a realistic level of risk based on the M01 position.</p> <p>A McCarthy queried whether we got pressure from the TDA regarding our back ended CIP schemes. P Simpson replied that we did not this year but that we need to start our business planning process for 2015/16 to ensure adequate CIP schemes start in April 2015.</p> <p>R Durban asked about the level of reserves used in M01, P Simpson replied that it was £600k out of £9.4m, so less than 1/12th of the total reserves.</p>
<p>6</p>	<p>WORKFORCE AND ORGANISATIONAL DEVELOPMENT</p> <p><u>Workforce & Organisational Development Report M01</u></p> <p>The Workforce Performance report was presented by Y Parker for April 2014 and outlined the discussions in the workforce group.</p> <p>The Committee received and welcomed the new style Workforce & Organisational Development Report and especially noted the good staff morale across the Trust. G Francis-Musanu liked how the report linked our values to the NHS Constitution values. P Simpson asked about the time to recruit metric, which is used by other organisations. Y Parker confirmed that they were assessing how they would use this metric and how useful it would be. R Durban queried what actions the Trust was taking to address the turnover issues. Y Parker replied that the nursing group was looking at the retention programme, which was a big issue in the Medical wards.</p> <p>Action: It was requested that the next report include assurance around the recruitment of 200+ nurses and an update on the clinically led GE work. FA</p>
<p>7</p>	<p>CAPITAL AND ESTATES</p> <p><u>M01 Capital & Estates Report</u></p>

	<p>The M01 Capital and Estates report was presented by I Mackenzie and updates were given on Theatres, BOC, Radiotherapy, Mains power, McMillian, Cardiology and the Car Park expansion. P Simpson confirmed that the Trust was submitting a loan application to the Independent Trust Funding Committee for £4.4m to pay for the Cardiology Business Case. If the loan application is not successful then the Trust will not be able to proceed with the case as there is no other capital funding available.</p>
<p>8</p>	<p>IT</p> <p><u>M01 IT Report</u></p> <p>I Mackenzie presented the IT report and an update was given on the EPR process. The Trust has now agreed it's preferred supplied from Lot 1, which is the software element of the business case. We now need to go through the same process for Lot 3. The Trust is looking to award the contract in October and will go-live transferring to the datacentre in May next year.</p> <p>A verbal update was received on the PACs/RIS PIR and a report will come to the next meeting.</p>
<p>9</p>	<p>GENERAL</p> <p><u>FWC Annual Report</u></p> <p>The FWC received an annual report on the Committee's activities over the last year. The report was approved to be presented to the board in June, with a few comments still to be received.</p> <p>Action: Terms of Reference need refreshing for the change to the Committee membership RD/CT</p> <p><u>Date of next meeting</u></p> <p>Tuesday 24th June 2014 3pm – 5pm AD65</p>