

**Minutes of the Finance and Workforce Committee**  
**Held on 24 May 2016 at 8.30am**  
**In AD77, East Surrey Hospital, Redhill**  
**PUBLIC**

**Present**

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| Richard Durban                        | Non-Executive Director (Chair)                    |
| Alan Hall                             | Non-Executive Director                            |
| Fiona Allsop                          | Chief Nurse                                       |
| Angela Stevenson                      | Chief Operating Officer                           |
| Ian Mackenzie (part meeting)          | Director of Information & Facilities              |
| Mark Preston                          | Director of Organisational Development and People |
| Gillian Francis-Musanu (part meeting) | Director of Corporate Affairs                     |

**In attendance**

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| Alan McCarthy | Trust Chair  |
| Peter Burnett | Deputy Chief Finance Officer                                   |
| Catriona Tait | Head of Costing & Service Line Reporting (Committee Secretary) |

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| <b>1</b> | <p><b>WELCOME AND APOLOGIES FOR ABSENCE</b></p> <p><b><u>Apologies:</u></b></p> <p>There were apologies from Paul Biddle (Non-Executive Director) and Paul Simpson (Chief Finance Officer).</p> <p><b><u>Declarations of Interest:</u></b> There were no declarations of interest.</p>   |
| <b>2</b> | <p><b>MINUTES OF THE PREVIOUS MEETING</b></p> <p>The minutes of the 26 April 2016 meeting were approved.</p> <p><b><u>Action Tracker</u></b></p> <p>It was agreed that the IT Roadmap business case, the Workforce plan and the Details of the Nursing agency CIP would be taken at the June meeting. All other actions are on the agenda or due to future meetings.</p>               |
| <b>3</b> | <p><b>BUSINESS PLANNING</b></p> <p><b><u>Replacement of Cerner EPR PIR</u></b></p> <p>Ian Mackenzie presented the Post Implementation Review (PIR) for the Cerner EPR Business Case and advised that the data flip was successful, achieved its targets and had a minimal impact on hospital. One issue the PIR highlighted that was learnt from was how we bring users back on to</p> |

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|                 | <p>the system.</p> <p>Alan Hall asked about the finances of the project and Ian Mackenzie advised that the project had underspent.</p> <p>Richard Durban asked about the confidence of the Radiology team in the new system and the Trusts relationship with Cerner. Ian Mackenzie replied that he had no issues that had been raised by the Radiology Consultants and the relationship with Cerner is good and the support strong.</p>  |
| <p><b>3</b></p> | <p><b>FINANCE</b></p> <p><b><u>Financial Performance M01</u></b></p> <p>Peter Burnett presented the M01 Finance performance report. The Trusts deficit was £(1.3)m, £1.0m better than the planned £(2.3)m deficit position. This improvement is attributable to achieving more day case and outpatient income than planned. There was overspending in all Divisions bar Surgery, and two Divisions (Radiology, in Cancer, and WaCH) had overspends greater than 2%. These overspends are being reviewed within the refreshed performance management framework. The cash balance at the end of April 2016 was £2.7m.</p> <p>The Committee had a discussion on the working capital facility and the Trusts ability to pay this back. Points raised included the sustainability of the Trusts activities and the predicted future cash flows.</p> <p><b>Action: Working capital assumptions and loans to be advised to the Committee. – Paul Simpson</b></p> <p>The Committee sought and received assurance around the impact of the Junior Doctors Strike on the Trust with Angela Stevenson highlighting that the extra consultant cover in ED helped achieved a better flow of patients in the short term.</p> <p>Richard Durban asked for clarification on the over establishment and overspending currently being seen in Nursing. Fiona Allsop commented that the Filipino nurses are currently in the establishment at Band 2 but that we would have vacant band 5 posts. We would expect everything to balance out in the long run.</p> <p><b><u>2016/17 CIP Update</u></b></p> <p>Peter Burnett presented the 2016/17 CIP paper and highlighted that the CIP target YTD in the submitted NHSI plan for 2016/17 is £0.2m and at month 1 the Trust has delivered this and is on plan. The Committee noted that (£3.6m) of risk was recorded in the Finance report and asked that the M2 report showed the CIP projects against the Gateways and QIA</p> <p><b>Action: CIP Paper to include gateway analysis – Paul Simpson</b></p> <p><b><u>BPPC Performance</u></b></p> <p>Peter Burnett presented a report of the Trust BPPC performance against its target of paying 95% of</p> |

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|   | <p>suppliers within 30 days. The Trust has not met the BPPC target for several years and over the last financial year the Trust's performance had deteriorated due to our cash and financial position. The trajectory for 16/17 shows a further decline in performance as the payables backlog is reduced but then an improvement to 50% - 60% by year end.</p> <p><b>Action: BPPC performance for other local NHS Trusts to be distributed to the Committee. – Paul Simpson</b></p>   |
| 4 | <p><b>WORKFORCE AND ORGANISATIONAL DEVELOPMENT</b></p> <p><b><u>Workforce and Organisational Development Report M01</u></b></p> <p>Mark Preston presented the Workforce &amp; Organisational Report to the Committee. The following areas were highlighted:</p> <ul style="list-style-type: none"> <li>- Lean for leaders programme</li> <li>- Freedom to Speak up Guardian</li> <li>- Due to the referendum on the new junior doctor contract the Trust has to maintain a pause on its implementation until after the result of the 6<sup>th</sup> July vote.</li> <li>- New Achievement Review programme was launched and by the end of April the Trust had achieved 12%.</li> <li>- The Trust had received a good staff friends &amp; family test result.</li> <li>- NHSi is going to run a survey with our staff to look at how VMI is changing the culture of the organisation. This will be done in May and then in year 3 and year 5 of the programme.</li> <li>- Bank and agency has shown a downward trend in the last couple of weeks and the Trust is setting up agency PMOs to monitor divisional performance.</li> </ul> <p>The Committee received an Annual Training plan overview. This is being developed by the HR Department and balances individual development needs and Trust priorities. An expanded plan will come to the FWC later in the year.</p> <p>The Committee had a discussion around the current levels of appraisals and Mark Preston agreed to present the data in the format requested.</p> <p><b>Action: Level of appraisals to be shown in Workforce report as percentage of the number that need to be done e.g. Number of 8As, number done and percentage done. – Mark Preston</b></p> <p>The Committee received an Annual Training Plan overview. This is being developed by the HR Department and balances individual needs and Trust priorities.</p> <p><b>Action: An expanded plan with come to the FWC later in the year.</b></p> <p><b><u>Workforce and Organisational Development M01 KPIs</u></b></p> <p>Mark Preston presented to the Committee the monthly W&amp;OD KPIs.</p> |

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|                 | <p>The Committee discussed the agency and bank shifts worked figures with Fiona Allsop commenting that continental travel nurses are included in the agency figures but we would not include them in our figures.</p> <p>Richard Durban sought clarification on employee relation and Capsticks with Mark Preston providing assurance that this related to advice to managers but that how we use Capsticks was being monitored to insure that we remain within the contract that we have.</p> <p>It was noted by the Committee that sickness levels of 4% is high compared to other Trusts but that other areas are comparable.</p> <p>The Committee sought clarification on the consequences of breaking the agency cap. Fiona Allsop confirmed that to date we had no known consequences.</p> |
| <p><b>5</b></p> | <p><b>CAPITAL AND ESTATES</b></p> <p><b><u>Capital &amp; Estates Report M01</u></b></p> <p>Ian Mackenzie presented the Month 01 Capital report and highlighted that the Medical Records building is progressing well and that the first part of the Resus development in ED has been completed.</p> <p>The Committee discussed the use of the proposed users of the new office space in the medical records development and the Capital Resource Limit (CRL).</p> <p><b>Action: Details of the proposed occupants of the top floor of Medical Records building to be advised to the Committee - Ian Mackenzie</b></p> <p><b>Action Ensure the Capital Report reflects the Trusts CRL - Ian Mackenzie/Paul Simpson</b></p>  |
| <p><b>6</b></p> | <p><b>IT</b></p> <p><b><u>IT Report M01</u></b></p> <p>Ian Mackenzie presented the IT report to the Committee and advised that the new OP electronic booking in system had been trailed as a proof of concept and was being used by a significant number of patients.</p>  |
| <p><b>7</b></p> | <p><b>GENERAL</b></p> <p><b><u>Date of next meeting</u></b><br/>Tuesday 26<sup>th</sup> June 2016 8.30am – AD77</p>  |

