

**Minutes of the Finance and Workforce Committee  
Held on 23 August 2016 at 8.30am  
In AD77, East Surrey Hospital, Redhill  
PUBLIC**

**Present**

Richard Durban	Non-Executive Director (Chair)
Paul Simpson	Chief Finance Officer
Fiona Allsop	Chief Nurse
Angela Stevenson	Chief Operating Officer
Ian Mackenzie (part meeting)	Director of Information & Facilities

**In attendance**

Alan McCarthy	Chairman
Janet Miller	Deputy Director of Organisational Development and People
Alison James (part meeting)	Associate Director, Medicine Division
Maria Gubala	Finance Manager – Medicine
Diane Lester	Deputy Associate Director – Surgery
David Knight	Senior Cost Accountant (Minutes taker)

<b>1</b>	<p><b>WELCOME AND APOLOGIES FOR ABSENCE</b></p> <p><b><u>Apologies:</u></b></p> <p>There were apologies from:</p> <p>Paul Biddle (Non-Executive Director), Alan Hall (Non-Executive Director), Gillian Francis-Musanu (Director of Corporate Affairs), Mark Preston (Director of Organisational Development and People) Janet Miller deputising on behalf of Mark.</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 July 2016 meeting were approved.</p> <p><b><u>Action Tracker</u></b></p> <p>It was noted that all the due actions from the action tracker were on the agenda. Two items were to remain on the Tracker</p>

1. Medical Records: Verbal updates on the embedding of the new ways of working and the release of clinical space AS
2. Strategy for Chemo AS

**Medical Records**

Angela Stevenson gave a verbal update to the Committee for the use of the top floor of the medical records new build. The current thinking is to centralise all the booking staff into a call centre style office. This will require potentially three or four moves of personnel before the Trust manages to get the right people in the right areas. The top priority is to clear the offices from clinical areas which will enable the Trust to improve the patient experience.

**3 POST IMPLEMENTATION REVIEWS**

**MacMillan Centre PIR**

Angela Stevenson presented to the Committee the PIR for the MacMillan Centre. The centre opened to the public on 27 January 2016. The project came in below its Capital budget (£448K SASH budget to £410K SASH actual) and is currently running below its revenue budget which is in part due to the volunteer base which has been building as demand has required. Lessons around the relationship with external organisations were acquired from this well run project as well as the positive impact that user involvement during the planning process can have. The building itself has been nominated for an award.

The Centre has seen 1,003 visits, 257 people registering, 33 referrals for welfare benefit and finance advice, 558 complementary therapy sessions, 32 counselling patients and 48 Look good feel better participants.

The Committee commented that it was a very good project which had met its original aims.

Richard Durban sought and received assurance around the capacity of the building and whether a user survey was being considered. Angela Stevenson confirmed that patients and users had been involved in the planning/designing process. Current cancer services are being rated well by the users.

**Cardiology Unit PIR**

Alison James presented the Cardiology Unit PIR. The *Cardiology Unit* was opened in November 2015 with the initial aims to increase NHS activity going through the laboratories, reduce waiting time, increase the number of procedures and to start a private patient service. The unit has enabled the reduction of waiting times with urgent patients now being seen in 2 weeks and routine patients waiting down to 6-8 weeks. Inpatients have also seen reductions in waits to just a few hours. Private patient activity has yet to be

developed due to, *inter alia*, capacity constraints in the hospital requiring the day ward to be used as an escalation area.

The Committee was told that demand was increasing, activity from the likes of Angiography and pacemaker procedures has increased and that the outpatient waiting list is the biggest challenge for the team along with developing an electrophysiology service.

Ian Mackenzie sought clarification of when the private patient part of the project might commence. Alison James confirmed this would only start when capacity issues in the hospital allowed. Angela Stevenson added that with demand from Crawley and Horsham growing at 17.6% for cardiology the need to commence private patient work was not as pressing. The Trust needs to update the private patient policy including how staff will get paid for private work. Other priorities currently exist such as working on the outpatient waiting time to appointment which will then feed into a greater level of inpatient work for the Trust.

Alan McCarthy asked if information was available on whether the increase in demand from Crawley and Horsham was a real growth in demand for the service or if the Trust had increased its market share. Angela Stevenson confirmed that market analysis in cardiology had not yet been released.

Richard Durban commented that if up to date private patient policies were not yet in place and the work to do so would be significant the Trust may need to consider if private patient income should be used in future projects.

**Action: A Cardiology income and activity plan would be produced and shared with the FWC . AS**

**.Action: The Trust to update the private patient strategy and policy**

Richard Durban asked how the SASH+ work for this area was linking in with the outpatient waiting times. Alison James confirmed that the SASH+ work will improve the way that Cardiology is working but that the demand is such that extra lists and potentially an extra consultant will need to be brought in. Angela Stevenson confirmed that the Trust wanted to see the impact of the SASH+ work first.

Richard Durban highlighted the increased activity and income, patient benefit and better staff working from the £4.5m investment but noted the additional opportunities.

**3 FINANCE**

**Financial Performance M04**

The Trusts YTD deficit at the end of month 4 was £(3.0)m, £1.9m better than the planned £(4.9)m deficit position. Sustainability and Transformation funding for Q1 has been paid. This payment has enabled the Trust to improve its better payment practises.

We are seeing the highest number of attendances to the Emergency Department ever seen but that the conversion rate is good with admissions similar to those seen in 2015/16. M04 has seen income reductions in Day cases and outpatients with inpatient elective activity continuing to track below plan. The income risk was increased by £1m giving a total risk to the plan of £7.2m.

Agency spend has remained flat resulting in a £150K year to date (YTD) adverse spend.

Although still ahead of plan, there was overspending within all Divisions (except Surgery and Clinical Services). Radiology has improved, WACH remains of significant concern.

The cash balance at the end of July 2016 was £4.9m. The Trust has drawn down £7.3m of its 2016/17 revolving working capital facility.

Richard Durban sought confirmation of the application for Capital expenditure. Paul Simpson commented that the Trust had applied for £3m more in capital than would be allowed by the Trusts Capital Limit and the application was allowed to proceed with NHSi.

Alan McCarthy sort clarification on what element of the Sustainability and Transformation funding was at risk given that we have not managed to lower nursing agency spend. Paul Simpson highlighted that the agency spend trajectory did not impact the paying if the STF.

### **2016/17 CIP Update**

Paul Simpson presented the 2016/17 CIP paper and highlighted that at the end of July the Trust achieved savings of £1.6m and is ahead of the NHSi plan by £0.2m. The Committee noted the report.

## **4 WORKFORCE AND ORGANISATIONAL DEVELOPMENT**

### **Workforce and Organisational Development Report M04 and M04 KPIs**

Janet Miller presented the papers which were received by the Committee. It was noted that considerable work has been undertaken by the team to improve MAST compliance and completion rates through logistical and technical improvements. The Committee extended it's thanks to Nathaniel Johnston for the work undertaken to make this improvement.

The review of the establishment changes in the previous months has been completed in all areas other than for Junior Doctors and Estates.

	<p>Alan McCarthy commented that the Trusts friends and family test for staff at 14% was low. Janet Miller highlighted that the highest in the country was just 19% with us not being out of line with other hospital Trusts.</p> <p>Alan McCarthy sought assurance that the objectives for the Trust had been set for the majority of staff as the figures suggest that more than 50% of staff will not have had objectives set until after half way through the year. Janet Miller confirmed that the objectives for the lower bands are more generic ones and for band 7 and above they tend to be more specific. Most of the Band 7 and above are expected to have had the achievement reviews completed shortly.</p> <p><b>ACTION: Reword the CEA to ensure the numbers show a true and fair reflection of the clinical awards agreed – Janet Miller</b></p> <p>Janet Miller presented the KPI paper to the Committee. Sickness rates are dropping thanks to the better use of disciplinary processes.</p> <p>Richard Durban sought reasons for the high level of agency shifts in July. Fiona Allsop commented that the number of staff willing to do bank hours in the holiday time tends to reduce which forces the Trust to use agency staff.</p>
5	<p><b>CAPITAL AND ESTATES</b></p> <p><b><u>Capital &amp; Estates Report M04</u></b></p> <p>Ian Mackenzie presented the Capital report. The Trust is yet to receive written confirmation of the return of the Capital to Revenue transfer for 2015/16. This however has not been included in the budgets. The report was received and noted by the Committee.</p>
6	<p><b>IT</b></p> <p><b><u>IT Report M04</u></b></p> <p>The IT report was presented by Ian Mackenzie and noted by the Committee.</p>
7	<p><b>GENERAL</b></p> <p><b><u>Date of next meeting</u></b> Tuesday 27<sup>th</sup> September 2016 8.30am – AD77</p>

