

Minutes of the Finance and Workforce Committee

Held on 23 May 2017 at 8.30 am in AD77, East Surrey Hospital, Redhill

PUBLIC

Present

Richard Durban	Non-Executive Director (Chair)
Paul Biddle	Non-Executive Director
David Sadler	Non-Executive Director
Paul Simpson	Chief Financial Officer (attended part)
Fiona Allsop	Chief Nurse (attended part)
Mark Preston	Director of Organisational Development and People
Ian Mackenzie	Director of Information and Facilities

In attendance

Alan McCarthy	Chairman
Peter Burnett	Deputy Chief Finance Officer
Ben Emly	AD of Insight and Improvement
Daphnee Pushparajah	Assistant NED
Paula Fitzgerald	Committee Secretary

1	WELCOME AND APOLOGIES FOR ABSENCE <u>Apologies:</u> There were apologies from Gillian Francis-Musanu, Director of Corporate Affairs and Angela Stevenson Chief Operating Officer <u>Declarations of Interest:</u> There were no declarations of interest.
2	MINUTES OF THE PREVIOUS MEETING The minutes of the 25 th April 2017 were approved. <u>Actions from the Action Tracker</u> Action 1 : IM to provide an update on medical records' offices and the timing of the PIR for the next meeting Action 2: Business Case Methodology is an agenda item

	<p>Action 4: Pathology – closed</p> <p>Action 5: CCP investments – closed</p> <p>Action 7: Staff Survey actions – MP to bring back to the June Meeting. MP to forward template to RD in relation to monthly updates going forward</p> <p>RD informed the Committee that an additional table had been added to the tracker with items passed to Board.</p>
3	<p>BUSINESS CASES</p> <p><u>Post-Implementation Review (PIR) Standardisation</u></p> <p>The Committee agreed the PIR approach put forward by Peter Burnett. It was noted this was reflected in the Business Case templates to provide a consistent approach. The Committee asked that the lessons learned section be expanded and the tone of the purpose be amended so that it reflects quality as well as numbers.</p> <p>The Committee agreed to sign off and for sign off delegation to Paul Simpson.</p>
4	<p>Finance</p> <p><u>Financial Performance M12 16/17 and M01 17/18</u></p> <p>PS reported a deficit of £1.0m, £0.6m favourable to the M01 2017/17 plan.</p> <p>Activity will be represented differently, with comparisons against last year and this year’s plan to include assumptions and actuals. Action : PB</p> <p>The Committee had a discussion around its overall use of resources rating which is currently 3 against a forecast of 1, and the drivers and implications of this. The Committee drew attention to the importance of achieving level 1 or 2.</p> <p>The Committee noted on-going improvement in BPPC performance which is 94% by volume, 97% by value for April 2017 – the best in the Trust’s last 7 years.</p> <p>PS will update the 17/18 risk table on a monthly basis</p> <p>PS highlighted that all indicators are green on the dashboard including Better Payment Practice where the target has been hit.</p> <p>PB informed the Committee that the process of allocating budgets to divisions is taking place currently.</p> <p><u>17/18 CIP</u></p> <p>It was noted that £154k of contingency was used to deliver the planned period 1 outturn. The Committee questioned this and was advised that this would be returned to reserves later in the year when schemes over delivered.</p> <p><u>Costing Board Assurance</u></p> <p>Given the positive external audit of Reference Cost methodology, the Trust being</p>

	<p>selected as a pilot site for Carter costing work and consistency in the staffing of the costing team, the Committee approved the costing methodology and delegated authority to Paul Simpson to sign it off.</p> <p>The paper provoked discussion around value of various costing information and how it was used to drive productivity. Current and future use of costing information and SLR was described, including feeds into the Modern Hospital model which would enhance our ability to benchmark performance.</p> <p>The Committee noted that Carter was one of the streams of activity contributing to the Trust target of £5m of productivity contribution on top of the CIP</p>
5	<p>Workforce and Organisational Development</p> <p>MP presented the report which along with the Trust's Workforce KPI Report, provides an update on the key workforce priorities to deliver the Trust's Workforce and Organisational Development Strategy, as well as providing information on in-month changes to workforce metrics</p> <p>The Committee discussed the VMI compact/agreement around values and behaviours currently being worked on. It noted tensions between the approach advocated by VMI and the long established Trust Values. There was consensus around fitting the VMI approach under the Trust's existing Values rather than setting up a new framework and to having a single set of behaviours applicable to all staff rather than a separate one for managers which may create a 'them and us' situation. The Committee considers that this was a significant decision which should be put to the Board for ratification</p> <p>Action (AMC): Board to ratify VMI compact/agreement</p> <p>The Committee noted that the new Board level IPR needed to dovetail with FWC (and S&Q) reporting and asked that Executive Directors ensure there were neither duplications nor gaps in their specific areas.</p> <p>MP updated Committee on progress with Lean for Leaders. The third cohort would commence in September and the Trust were seeing benefits from the programme.</p> <p>MP informed the Committee that following the results of the staff survey, local action plans were being put together by business partners.</p> <p>Action MP: Local action plans to be brought back to the next meeting</p> <p>As part of the Trust's Inclusion initiative the SaSH Diversity & Inclusion Action Plan is continuing to be updated.</p> <p>The Trust's 2016 Annual Equality report is being produced and the Trust's response to the Gender Pay Equality requirements will be completed in due course.</p> <p>The results of the 2016 Workforce Race Equality Scheme (WRES), have been issued. The WRES reports on nine indicators. SASH was noted nationally as a Trust where experience may be better for the likelihood of BME staff entering the formal disciplinary process compared to white staff. Discussions are taking place with BRAP equality charity on how staff are supported and how we can use case studies to raise</p>

awareness.

The Trust is currently working with other local stakeholders to set up a regional Disability Network Forum.

The Trust continues to implement the new junior doctor's contract in line with the implementation plan set out by NHS Employers. The next phase will involve the August changeover of junior doctors. The Trust is continuing to work with LNC on the progress and implementation of the new contract. One claim had been received regarding early issue of contract and MP will keep the Committee updated.

The new Head of Education, Training & OD, commenced on 15th May. They will work with the Chief of Education and Director of OD & People to support the implementation of the Trust's multi-professional education strategy.

The Trust launched 'SaSH Active' across the Trust with the aim of increasing staff's take up health and well-being initiatives.

The Trust has submitted its report for the CCG in relation to the 2016/17 Health & Well-being CQUIN and are developing the plan to meet the 2017/18 objectives

International nurse recruitment

FA provided an update in the context of significant delay in the international recruitment of nurses. She informed the Committee that the Trust had recruited nurses from EU (2) India (71) Philippines (210). In addition a programme of direct nurse recruitment continues with 78 registered nurses anticipated to join the organisation in 2017. Resourcing staff continue to work closely with operational divisions to transfer temporary Continental Travel Nurses onto permanent directly employed contracts.

FA told the Committee that the Trust needed to recruit c 250 nurses per year to maintain a vacancy rate of 16% and to achieve a target of 14% would require approximately 30 additional nurses – a total of c 280. Normal recruitment brought in 10 nurses per month (c 120) and the delays in international recruitment meant only c 50 would join in 17/18. Therefore despite working hard at all options to mitigate the situation it was likely that there would be the need to rely still further on agency staff. The Committee noted that 600 shifts per week (100 nurses) were currently through agency.

FA went on to describe the various actions in hand. The process for recruiting overseas nurses was slow due mainly to increased standards of assessment in English tests and costs of visas. The Committee noted the Trust's ongoing actions around recruitment and retention including discussions with both providers to agree a targeted approach for funding IELTS (language test) for candidates who are experiencing difficulties in paying for their tests locally.

A meeting is due to take place with MSI to discuss future strategy and gain assurance regarding the trajectory in 2017/2018. The Trust is exploring the training and deployment of Nurse Associates and how the new role may support filling gaps in the registered nurse workforce. This will require a review of the organisation's nursing

	<p>workforce profile and staffing levels.</p> <p>(nb Recruitment and Retention Strategy is a separate item on the Board agenda).</p>
6	<p>Capital and Estates</p> <p>IM presented the key highlights:</p> <p>Pathology Joint Venture - The OBC is currently with NHSi. The procurement method chosen is ProCure22 (P22) and all the potential suppliers are being met with in collaboration with the P22 DoH lead. The precise siting of the building is being reviewed by BSUH and this will be decided at the next BSUH Board on the 25th May.</p> <p>The Committee noted that a bid for funding has been submitted to the recently announced £325m STP fund however no feedback has been received.</p> <p>The Committee asked whether the project was still on plan and were informed that there would be a delay and it was anticipated to be late 2019.</p> <p>Action: IM to update the Board.</p> <p>Day Surgery Unit – IM informed the Committee that work continues on time and on budget for the completion of the new day surgery unit by the beginning of June 2017. The first patients in the unit will be IRU inpatients who will be decanted as part of the ambulatory unit</p> <p>Ambulatory Care Unit - The modules for the Ambulatory Care Unit are due to arrive on June 9th following which there will be twelve weeks construction works with the unit opening in early September. The IRU will need to be vacated for a week to allow the modules to be put in place above it and the new day surgery unit will be used as a decant area for this purpose.</p> <p>The Trust had secured funding of £0.9m in respect of the bid submitted for A&E Primary Care Streaming. Work was due to start in June with a completion date of October.</p>
7	<p>IT</p> <p>IM gave an update on the delivery of the IT Strategy as at March 2017.</p> <p>The useful and informative session at the Board Seminar was noted IM would give more detail in the future around how the Trust was being set up for success.</p>
8	<p>General</p> <p><u>Any Other Business</u></p> <p>There was nothing to report</p> <p><u>Issues to report to the Board of Directors</u></p> <p>There was nothing to report</p>

	<u>Date of next meeting</u>
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