

Minutes of the AWP NHS Finance and Planning Committee Meeting

Friday 25th July 2014, 0930-1230

Seminar Room 4, Jenner House, Chippenham

These Minutes are presented as final

Members Present

Lee O'Bryan (Chair) – Non-Executive Director

Tony Gallagher (TG) – Chair of the Trust

Kris Dominy (KD) – Executive Director of Operations

Sue Hall (SH) – Executive Director of Resources

Staff In attendance

Alexander Lauder-Bliss (ALB) - Governance Support Officer (Minute Taker)

Emma Roberts (ER) – Company Secretary and Director of Corporate Affairs

Joi Demery (JD) – Managing Director, Bristol

Amanda Willis (AW) – Head of Procurement and Contracts

Suzanne Howell (SuH) – Managing Director, North Somerset.

Suzanne Webb (SW) – Head of Financial Management

Malcolm Sinclair (MS) - Head of Strategy & Business Development (Interim)

Graham Coxell (GC) – Associate Non-Executive Director

John Ridler (JR) – Financial Controller

Nic Robinson (NR) – Project Manager

Tim Williams (TW) – Clinical Director, Specialised Services

Dick Beath (DB) – Head of Investment and Planning

Action

FP/14/039 - Apologies

1. The Chair thanked the Committee for the high level of attendance for July's Committee.
2. Apologies were received from Pippa Ross-Smith.

FP/14/040 - Declarations of Interest

1. In accordance with AWP Standing Orders (s7.1) members present were asked to declare any conflicts of interest with items on the Committee Agenda.
2. None were declared.

FP/14/041 - Minutes/Summary of the meeting on 24 June 2014

1. Minutes were reviewed and approved with no changes.

FP/14/042 - Matters Arising from the Previous meeting

1. The matters arising were approved with the following amendments:
2. All actions marked as Complete from the last meeting to be removed.
3. 4.2 CIP Update; The Committee noted that the Quality Impact Assessments had gone to the Quality and Standards Committee in June. It was noted that Alan Metherall is leading further work. This action was marked as Complete.
4. FP/14/014; Bed management/Repatriation; The Committee was informed that the Repatriation process had been agreed at Ops SMT. It was highlighted that, depending on locality, the Trust is aiming to repatriate as many patients as possible by 31st August. This action was resolved as closed with on-going routine reporting to the Committee (to be added to the work plan).
5. FP/14/015; CIP; This action was marked as on-going although Quality and Standards Committee was content that it would lead the scrutiny of the assurance process. It was recommended by the Chair that this action remains on the Matters Arising to maintain focus on the quality impact of CIPs.
6. FP/14/021; Estates Strategy; This action had already been added to the agenda as FP/14/052. The Committee resolved that this action be marked as complete.
7. FP/14/027; Finance Report; This action was included in the Finance Report for M3 and resolved as complete.
8. FP/14/028; CIP 14/15 Update; This action was included in the CIP Update for M3 and was therefore complete.
9. FP/14/029&030; Commercial and Tendering Report/Bristol Tender; This action was included in the Agenda for July. The Committee resolved that the action was complete.
10. FP/14/031; Quality and Performance Report; KD informed the Committee that this action is complete as it was included in the Quality and Performance Report for July. The Committee resolved to mark this action as complete.
11. FP/14/036; EPR Procurement Decision and Final Business Case; The Committee was informed that this was included on the agenda for July. The Committee resolved this action as complete.

FP/14/043 - Bristol Locality

1. JD presented report No. FP/14/043 on the Bristol Locality finance position. This paper presented the financial position for Bristol Services. The dashboard appendix attached gave detail behind the locality's position for the year and summarised the risks.
2. In presenting the report, JD highlighted the following key issues:
 - 2.1. The redesign of Inpatient, Community, and Specialist services.

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- 2.2. Achievement of first quarter CQUINs for the Inpatient redesign.
- 2.3. Inpatient Units are a focus with the Safer Staffing numbers, Ward Calculator, budgets, and the CQC Inspection.
- 2.4. A perceived rise in acuity over the last 6 months with a need to flex staffing at different times.
- 2.5. The follow up actions from the CQC Inspection focusing on staffing at Elizabeth Casson House, particularly floating staff at night, with a corresponding need to increase bank and agency staff.
- 2.6. The response to the Bristol tender, with particular attention to the Community redesign.
- 2.7. Cost pressure of LIFT in Bristol due to activity being less than expected. It was outlined that Peter Wilison on behalf of the LDU is currently in negotiations with Bristol CCG to redesign the service and bring it within the contracted budget. They have offered additional funding to cover some of shortfall in this financial year.
3. JD confirmed the overall financial budget for Bristol LDU as being £41,233k and the WTE budget as 706.2.
4. It was highlighted that overspends had increased between M2 and M3. This was due to budget phasing of CIPS, Staff turnover, and the increase of Bank and Agency spend. KD provided assurance that Bristol was being mindful of the possible cost pressure for Safer Staffing moving forward.
5. It was discussed that the time of year and weather conditions were affecting staff shortages causing a rise in bank and agency usage. This included some bank taking last minute leave leading to discussion from the Committee of the level of commitment required from Bank staff. SH provided assurance that this was already being discussed at Employee Strategy and Engagement Committee and outlined current mitigations/processes that were in place to tackle the issues.
6. The Committee noted that the forecast for Bristol is slightly over at year end and offered confidence that planned work in the last quarters of the year would ensure this position was achieved.
7. Questions were raised over the transition period from old contract to new after October 2014. The Committee felt that more assurance was needed to be provided for the financial position post-transitional stage.
8. It was resolved that a cost schedule would be presented at the next Finance and Planning Committee meeting which would detail the financial position to October 2014 (for the transition period) and then the financial projections for the first 6 months of the new contract. **ACTION JD/SH**
9. Further discussion was had on DTOC and the Committee requested that a detailed schedule of DTOC numbers broken down into locality would be available at the next Committee meeting. **ACTION KD**
10. The Committee requested that KD presents the agreed Safer Staffing numbers at the next Committee meeting to enable the Committee to understand the cost

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pressures and mitigations when working to the Safer Staffing target. **ACTION KD**

11. Questions were raised regarding the impact of the Inpatient staffing review and activity. JD stated that the 7 day a week service will have a cost impact but this has yet to be quantified for Q1.
12. JD outlined the intention to bring the occupancy levels down to 85% and that this will be a challenge.
13. The Committee resolved to **note** the update.

FP/14/044 - Finance Report M3

1. The Committee received report FP/14/044 presented by SW which presented the Trust's financial position at Month 3. The Dashboard appendices attached gave detail around the Local Delivery Unit (LDU) and Corporate forecast positions for the year which were summarised in this paper.
2. The Financial position was noted as being slightly ahead of plan for Month 3. However, there are Trust cost pressures which will crystallise in the later part of the Financial year. Therefore, the committee noted that additional savings plans are being developed to address these cost pressures.
3. The I&E position shows a year to date underspend of £10k and a £750k forecast surplus position in line with the annual plan.
4. The Balance Sheet had been reported showing separately the movement between the plan and the balances brought forward in April, and any further movements in the year to date.
5. It was noted, in response to a question, that the pay overspend was due to vacancies in Bath and North East Somerset (BaNES), South Gloucestershire, Specialised, Secure, Wiltshire, and Operations Management.
6. It was also outlined that a non-pay overspend was due to CQC requirements for anti-ligature work. £425k has been identified in revenue to improve the environment and complete works in Fromeside and Hillview predominately. The Chair asked for assurance that mitigations were in place, and SH confirmed that plans were in place, including discussions with the PFI provider related to lifecycle work.
7. The Committee noted the cash balance as at 30th June 2014 is £8.2m against a plan of £9.1m. The variance to plan last month of £1,253k has narrowed to £832k in month 3. The target of £10.4m is still realistic and remains the forecast out turn position. This is due to timing differences between the plan and actual cash flow. The out turn is not expected to change because the timings will eventually come back into line.
8. The Committee was requested to agree the Month 3 budget adjustments to be made to the TDA submitted plan. Following consideration of the proposals, the Committee approved the changes.
9. The Committee was asked to consider a large number of proposed variations to the Capital Programme and a separate paper had been provided. SH presented the Capital Report describing how the proposals had been considered through the

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Investment Planning Group prior to the Committee.

10. The costs outlined total £1.2m including the replacement of all windows and cabinets throughout the Trust. A reshuffle of planned works had taken place to accommodate this.
11. SH informed the Committee that the aspiration is to cover costs through the revised capital and lifecycle plan alluded to before. SH highlighted that there is a potential risk of £900k but the proposal to move capital work is expected to mitigate this cost pressure.
12. TG asked for clarification on the he figures provided showing a potential £900k gap and £800k gap on disposal. SH highlighted that the Trust is not getting income for the sale of Brentry of £1.3m but the Trust is also not planning to spend £1m on the Hillview Lodge reconfiguration in year so the gaps offset one another. This is documented in the minutes for the meeting of the Investment Planning Group.
13. The Chair recommended that more commentary be added to the Capital Programme in future.
14. The Committee resolved to **note** the report and **endorse** the recommendations.

FP/14/045 - CIP Update 14/15

1. FB presented the report FP/14/045 on CIPs which presented the Trust's Cost Improvement Programme M3 position.
2. The Committee noted that the programme has delivered £506k against a plan of £356k at M3. This is an excess of 42% on the plan. The year to date cumulative position is £1140k against a plan of £869k which represents an excess delivery 31% over plan to date. Gains are early delivery of plans not overachievement on the year end position. The year-end position is forecast for delivery. Further to the Committee's suggestion at its last meeting relating to the creation of a single quality indicator for the Committee to scrutinise, the issue had been referred to the Quality and Standards Committee which had confirmed that it felt assurance was sufficient, and cross committee reporting was taking place and therefore there was no requirement for the Committee to record a single quality indicator. As highlighted above, the Chair reflected that the Committee would keep this issue on its matters arising log and revisit it in time.
3. The Committee resolved to include more time on the agenda for next month's CIP update. **ACTION FB**
4. FB highlighted that there are no risks/issues in month 3 but some may emerge in month 4; Bristol is currently the main risk.
5. FB assured the Committee that lessons had been learnt during the CIP process which will enable better forecasting for next financial year's CIPs.
6. Questions were raised on the £150k savings above trend not being reflected in the budget. It was requested that CIPs are clearly shown on the budget to ensure this is transparent.
7. The Chair asked for feedback from the locality representatives on level of confidence in achieving the CIP targets. In North Somerset, there is a feeling of

FB

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confidence and that they are remaining on track with Bristol feeling much the same.

8. The Committee asked for clarity around the savings plans which were required in addition to CIP plans to mitigate the cost pressures identified in the earlier paper. FB informed the Committee that savings have been located in the Corporate side of the Trust which have been identified for use as required. The Chair requested a focus on the Corporate and back office side of the Trust for the next meeting.
9. FB resolved to include a summary on quality impact and assurance to keep Finance and Planning sighted.
10. The Committee resolved to **note** the report.

FP/14/046 - Commercial and Tendering Report

1. AW presented report FP/14/046 to the Committee. The report provided an update on the current tenders that the Trust is bidding for, summarised new business development work, and updated the committee on any issues raised at Performance and Contracts Management Group (PacMan) on 4th July 2014
2. The Committee noted that there had been new business opportunities gained, which included business advertised at approximately £3m for the Wiltshire Learning Disability Patient placement. TW provided a detailed explanation of this business opportunity and its alignment with the Trust's learning disability service aspirations.
3. The Committee received an update on new business opportunities being pursued and noted that there are currently a number of potential new business opportunities being investigated and considered, including several partnership opportunities with the Priory Group but with no strategic decision yet.
4. AW briefed the Committee on the Children and Adolescent Mental Health Services (CAMHS) development being pursued, in line with the strategic intentions identified in the Integrated Business Plan (IBP).
5. It was raised that there needs to be a decision made on bidding for Tier 4 beds and that this was being considered by the Executive.
6. The Committee noted the Bid Register.
7. It was noted that the Committee fully supports the newly won tender and there was a brief discussion around the business opportunities and potential to relieve cost pressures across the Trust.
8. The Committee resolved to **note** the report.

FP/14/047 - National Procurement Update

1. AW presented report number FP/14/047 which provided an update on the plan that NHS England and the Department of Health have devised for procurement across the NHS.
2. AW outlined a need for a Board Director to champion procurement, the continued support for the implementation of an e-tendering system, investigation of all framework agreements, ensuring best value for money, and a mandatory implementation of GS1 coding.

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3. AW raised that GS1 coding may be less useful for a Mental Health Trust that buys services and that current saving targets for procurement is £400k as was attained last year.
4. The Committee supported the changes moving forward and resolved to have the Chair of the Committee as the Board Lead on procurement.
5. GC informed the Committee that he is a member of the Chartered Institute of Procurement and would be happy to provide on-going support.
6. The Committee resolved to **note** the report.

FP/14/052 - EPR Business Case

1. Under the time constraints, the Committee resolved to consider the EPR Business Case ahead of the rest of the agenda .
2. The June Board gave the Chair of the Finance and Planning Committee delegated authority to approve the EPR Business Case.
3. NR provided more information in response to the requests of the Committee during the last meeting.
4. NR provided assurance to the Committee that the impact of the migration is minimal as the move will be between like to like systems. In depth testing will be undertaken and discussion with Alan Metherall and KD has ensured that they are happy with the level of operational impact.
5. It was raised that the capital cost of the system has already been built into the plans. There is a £230k revenue cost for this financial year and there will be a strain with £180 externally funded. Assurance was provided that the rest of the costs will be shared across the LDUs if funding cannot be found.
6. Assurance was provided that RiO gave the best outcome with particular weighting put on the functionality of the system over the costs to ensure quality.
7. GC informed the Committee that he felt that the business case being presented showed a high level of assurance, with particular emphasis on the customisation of the system. GC informed the Committee he was supportive of the EPR Business Case.
8. GC raised concerns on the level of understanding within the Trust on hosting. If it is supported by the central hub in the NHS, the Trust will not be charged. GC emphasised the importance of understanding the on-going cost pressures raised by hosting the system locally. GC also stated that there was a lack of confidence on the amount of effort that is needed to effectively implement the system. It was discussed that if implementation slips, the Trust may have to identify additional resources to assist which will create a cost pressure, with GC recommending a quick decision needed in this area moving forward.
9. GC raised the issue around the governance and escalation process and recommended that this needs to be looked at in detail. GC recommended an in-depth look at the structure so as to include a project board and a one-to-one process with Hayley Richards.
10. TG raised concerns on the “downtime” and asked for assurance that the impact

was minimised. KD informed the Committee that she will put a process in place with lessons learnt from the implementation of the current RiO system.

11. TG also emphasised that any changes that the Trust make to the bespoke model need to be escalated up to Board for approval to provide a level of assurance that each change is necessary.
12. It was discussed that a major risk factor for implementation may be the limitations of Serverleek dealing with the high amount of Trusts making the change over after the contract end date.
13. The Committee also discussed the visibility of the project and the governance processes. It was raised that it is high on the Executive Team meeting agenda, with continued reporting to Senior Management Team and up to Board as appropriate. It was discussed that there may be a possibility in having a forum with the Serverliec Executive.
14. The Committee resolved to **APPROVE** the EPR Business Case.

FP/14/053 - Learning Disability Strategy

1. TW presented the Learning Disability Strategy to the Committee outlining the national agenda on learning disability moving towards inclusion in general services. The paper presented the Trusts proposed strategic direction for the development of Mental Health Services for People With Learning Disabilities (PWLD) for the period 2014-17, and the process for implementing it are set out.
2. The paper aimed to ensure that developments undertaken in the Trust for PWLD are within the strategic and business direction of both the Specialised LDU and the wider Trust.
3. The Committee noted that the strategy is designed to support the Trust's journey to become a Foundation Trust and to ensure that, as an organisation, we are planning ahead to deliver the range and quality of services sought by our service users, our commissioners and our partner agencies.
4. The Committee noted that the paper covered the following areas:
 - 4.1. Strategic Drivers
 - 4.2. Service History
 - 4.3. Population demographics and prevalence
 - 4.4. Stakeholder and local commissioner intelligence
 - 4.5. Timescales, milestones and areas for growth
5. It was outlined that those with learning disabilities would be cared for by Community Learning Disability teams. They are currently in place in Bristol and BANES with negotiations in Wiltshire to implement more across the Trust.
6. TW highlighted that there are proposals to work with partners like Sirona care for Service Users with low-end learning disabilities and the Trust to focus on high-end needs. Assurance was provided that the strategy aligned with the Trust strategy of providing highly specialist care.
7. TW discussed the main challenge around those with severe and enduring learning

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disabilities. It was raised that this would be difficult in a community setting so a small group for specialist intervention will need to be set up.

8. It was raised that there is national pressure on repatriating those with learning disabilities back to their home area.
9. Discussion was had regarding the need for more clarity around partnerships and the mechanics around these.
10. The Committee resolved to approve the strategy.

FP/14/048 – Quality and Performance Report M3

1. KD presented the report to the Committee with changes outlined in the report summary. The paper presented the following key issues:
2. Key Contractual Indicators: 2014-15 has revised list of indicators, those that roll over from 2013-14 were presented.
3. Monitor Compliance: Governance and financial risk scores at 0 (green). Two indicators in the governance section were at amber; gate keeping of admissions and DTOC. These are being investigated to understand the issues.
4. Finance: As at Month 2, this was green.
5. KD drew the Committee's attention to gate-keeping in Wiltshire, shown as amber, with assurance that this issue was being investigated and actions identified to address this.
6. Attention was also drawn to the rising rates of DTOC with variance across localities. Work is being done with partner organisations to agree the placements.
7. Referral to Memory Services continues to show red from last month. The Committee resolved to escalate this to Board for August. **ACTION KD**
8. KD highlighted that the percentage of service users in settled accommodation has stabilised at 68%.
9. The Committee resolved to NOTE this report.

KD

FP/14/049 - TDA Return Month 3

1. The Committee noted the TDA Return with attention drawn to the update reflecting the current progress for the IBP as being reviewed more recently.

FP/14/052 - Estates Strategy – Verbal Update

1. SH gave a verbal update on the progress of the Estates Strategy.
2. It was highlighted that work is being done with Commissioners and Capita to review the strategy.
3. Capita are meeting with a number of people within and outside the Trust to look at comparing rents, wider planning options and other key elements of the strategy. This will ensure better value for money and a more efficient use of current estate.

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4. The Committee resolved to **NOTE** the update.

FP/14/051 - Lessons Learnt from IBP Production

1. This item was not discussed due to time constraints.

FP/14/054 - Any Other Business

1. TG; The Wiltshire debt was raised as a major issue for year end and highlighted a need for greater coverage of this issue. It was also discussed that in the Commercial and Tendering Report, the relationships with CCGs are described as incongruent and the Trust as a whole needs to talk about how to deal with this and understand the Trust's position. TG also raised that IAPT and LIFT are an on-going issue that will need to have a report presented to Finance and Planning to work around this.
2. It was resolved that Swindon would present at the next locality update.

Next Meeting: 22nd August 2014

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