

Minutes of the AWP NHS Finance and Planning Committee Meeting

Friday 22nd Aug 2014, 0930-1230

Conference Room, Jenner House, Chippenham

These Minutes are presented as **Final**

Members Present

Lee O'Bryan (Chair) – Non-Executive Director	Kris Dominy (KD) – Executive Director of Operations
Tony Gallagher (TG) – Chair of the Trust	Sue Hall (SH) – Executive Director of Resources

Staff In attendance

Alexander Lauder-Bliss (ALB) - Governance Support Officer (Minute Taker)	Paula May (PM) – Managing Director, Swindon
Joi Demery (JD) – Managing Director, Bristol	James Eldred (JE) – Clinical Director, Bristol
Amanda Willis (AW) – Head of Procurement and Contracts	Sarah Harding (SH) – Practice Development Nurse
Suzanne Webb (SW) – Head of Financial Management	Peter Wilson (PW) – Head of Business Development
Malcolm Sinclair (MS) - Head of Strategy & Business Development (Interim)	Paul Townsend (PT) – Managing Director, Specialised Services and Secure Services
	Pippa Ross-Smith (PRS) – Deputy Director of Finance
	Iain Tulley (IT) – Chief Executive (part)

Action

FP/14/050 - Apologies

Apologies were received and accepted from:

Fiona Bell

Emma Roberts

Graham Coxell

FP/14/051 - 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/14/052 - Minutes/Summary of the meeting on 25 July 2014

1. The minutes of the last meeting were received and **approved** as accurate.
2. The Chair asked the Committee to note the length of the minutes as reflecting the nature of the Committee meeting. He gave positive feedback on the tone and welcomed on-going challenge where it demonstrates we are aiming for a high level of quality in our business.

FP/14/053 - Matters Arising from the Previous meeting

1. The Committee considered the Matters Arising and **resolved** to note progress and remove items completed.

FP/14/054 - Swindon Locality Performance

1. PM presented the Swindon locality report. The paper presented focused on quality rather than just financial information. The Chair requested a deep dive review of the financial position of the LDU, with particular interest around IAPT/LiFT financial implications and the YTD forecast.
2. PM gave background information on LiFT, highlighting that LiFT originally operated across the Trust under the management of Specialised and Secure Services. In October 2013, LiFT was devolved into localities to be managed locally, with the budget split between Swindon and Wiltshire.
3. PM raised that LiFT within Swindon has a £597k YE overspend. There are on-going disputes with the income assumptions and LiFT feels that the income from the Swindon CCG contract should be apportioned more to the LiFT service.
4. PM discussed the high costs for senior staff including two Band 8Ds.
5. PM stated that through meetings with the locality the Year end forecast was reduced to £390k. The locality is working with Dick Beath to produce plans for reducing activities further to achieve a balanced position at year end and is confident it can achieve this. It was discussed that there are a number of part-time and temporary posts which will reduce as the contract ends – this is a historic issue as the division of LiFT across Swindon and Wiltshire in October 2013 resulted in 45 staff being allocated to Swindon, which is more than required. It was raised that there has been some discussion from LiFT about it moving to become a social enterprise.
6. TG commented that there has been a lot of debate with LiFT over the years around whether the portion of the block contract is correct. It was further discussed that if LiFT were to become a social enterprise the services would be external to the Trust.
7. TG questioned why there is a forecast overspend for Swindon when there are plans to correct the position. PM stated that the overspend is related to the IAPT service and staffing issues have been addressed.
8. SH stated that she is assured that the numbers reported are accurate, and that she believes the Trust is due additional income from the CCG for LiFT services based on the national allocation guidance via the old SHA but this is at the discretion of

each CCG.

9. KD commented that the issue regarding whole time equivalent (WTE) staff is something she and PM have been working on, as Swindon holds a number of roles which work Trust-wide, and therefore some costs should be apportioned to other localities. They have been liaising with Swindon LiFT and are meeting with them soon. KD also stated that, if LiFT costs are removed, Swindon is forecast to meet its financial targets for the year.
10. PM raised that the locality's biggest risk currently relates to CIP saving plans for additional beds in Windswept . They are currently using between 11 and 13 beds but need to increase this. There are 14 beds available and if these could be filled this would put the locality in a better position.
11. To address these issues PM is in discussion with SEQOL to understand whether LiFT could transfer to them..TG stated that PM and KD needs to produce a paper for the Trust Board on moving LiFT in Swindon from the Trust to SEQOL ensuring all governance arrangements are considered. PW commented that the current model requires high volumes of staff and the service won't be able to operate effectively if high numbers of staff are lost. The paper to the Board needs to consider all implications. **ACTION: KD to prepare business case for Trust Board.**
12. The Committee resolved to **note** the report.

FP/14/055 - Bristol Money Update

1. JE and JD presented an update on the Bristol financial position in the form of a presentation to the Committee, as per the request from the previous meeting.
2. The Chair highlighted that preparing for the Bristol transition is taking a big proportion of the Trust's resources to manage and that there is significant change ahead in Bristol. It was raised that there is pressure from commissioners to ensure the Trust is managing all aspects effectively, including financial position, and the Committee had requested an update on work underway for these reasons.
3. JD reported that managing finances within Bristol is more complex this year as the year is split into two halves in terms of delivery of services; the current contract has a value of £20.3m, whilst the contract to commence from October 2014 has a value of £20.7m due to transition funding being given in the first 6 months.
4. JD further discussed that there are challenges regarding IT systems and project support, which will be non-recurring costs, and the phased transition of some services meaning some changes will not be complete until April 2015.
5. JD highlighted that in October, the Trust will lose dementia services, currently delivered by Later Life teams, and Care Liaison and Memory Services will move to the new providers in those lots. JD stated that some income will be lost at this point.
6. The current position in Bristol is an overspend of £465k, and the M6 forecast is £720k. At Year End the forecast overspend is £918k.
7. JD discussed issues in Laurel Ward, reporting that bed usage has been reduced

Minutes of the Finance and Planning Committee Meeting 22nd August 2014

by 16 beds but the ward is retaining staff. It was raised that in M3 and M4 the locality has seen an increase in locum consultants, particularly within inpatient units. JD stated that they do not use agency staff lightly but have needed to increase Bank and agency usage for inpatient wards due to sickness. Wards have needed to maintain safe staffing numbers and feedback from the recent CQC visit asked for additional staff/floating staff to be identified.

8. JD discussed the key risks for Bristol currently is the overspend not being brought into line if new teams do not reduce costs from 1st October, and also the need for staff to change how they work. There are also pay protection issues which the locality needs to understand more clearly. JD confirmed that band 7 staff are now substantive, and 0.5WTE of a band 7 will be redeployed so there is anticipated to be minimal pay protection and no redundancies.
9. JD highlighted that there are some stranded costs around Estates; Gloucester House and Callington Road will remain as Trust sites. Costs will be offset for the next 6 months as Devon Partnership NHS Foundation Trust want to continue to use Callington Road to provide services. The team are working closely with Estates and other LDUs to make full use of empty estate across the Trust area.
10. JD then discussed the risk of non-achievement of CIPs. There are impacts in terms of delaying some recruitment and a need to transition the move around Registered staff. JD stated that they are tracking this very carefully with 25 posts to be recruited in October 2014, 25 recruiting in January 2015 and 25 recruiting in Mar 2015.
11. Work is ongoing to change the culture within the locality and make changes to the way people work through implementing mobile working and different methods of caseload management. There is a meeting with Staffside planned to aid this, and the first culture tour of Bristol happened on the 21st August in partnership with SARI.
12. JD confirmed that action plans are in place for overspending cost centres and a number of project managers are working on detailed plans, with a number of plans in place for culture change also. JD is working with PRS closely to locate cost pressures and is maintaining close scrutiny and monitoring of the budget. KD and JD meet the management accountant on a monthly basis.
13. LO'B asked, in terms of risks, whether these have been itemised and quantified. JD confirmed that the forecasts consider risks to achievement.
14. TG asked how the Committee can reconcile this with Trust-wide figures, as the Finance paper reports a forecast overspend of £3.4m, and questioned if the Bristol element was included. He stated that an overspend of £200k in the second half of the year seems optimistic, and asked what confidence they have in the second half of the year. JD confirmed that she and KD scrutinise the figures very carefully and agreed that transitional money is included in the Finance report. JD stated that they are remaining mindful that figures are not double counted, and have taken CIPs out of the first 6 months leaving them less to find in the second half of the year.
15. Within inpatient units, work is ongoing to address Bank and agency issues, and specifically Laurel Ward is a concern. There has been agreement on environmental improvements to be made which should reduce some staffing needs. The locality is

Minutes Prepared for the Finance and Planning Committee Meeting 22.8.2014

Sponsored by the Chair

Agenda Item:

Serial:

Page 4 of 11

also entering a consultation phase for its medical workforce which is expected to reduce Bank and agency staff usage also.

16. TG highlighted that his main concern is that there is no detailed plan for the later part of the year and requested a break down with narrative to explain plans. The Chair felt that this would be of benefit as it would give the Committee a plan to track progress against. KD agreed that month by month tracking is useful way to provide evidence that the locality is mitigating the issues as it planned. The Committee supported this point. SH commented that it would be useful to have this but that the tender costs and “business as usual” should be kept separate.

ACTION: KD to provide detailed plan for mitigating cost pressures for the second half of year for Bristol.

17. The Committee resolved to **note** the report.

FP/14/056 – Month 4 Report

1. SW presented the M4 Finance Report. The Report presents the Trust position. The Executive summary highlight the key areas and RAG rates these to illustrate areas of concern. At month 4, it was reported that the Year End Forecasted position is £9k behind target as there are cost pressures which have been identified for the year to date and offset by additional savings. This was rated as amber within the report.
2. The LDUs have included in their forecasts cost pressures that are likely to arise in year which total £3.4m. (This includes at this stage all the additional spend required following the CQC inspection although some of the work may be capitalised which is reflected in the mitigation.) The Trust has identified further savings and non-recurring measures to offset these pressures through working with locality management teams and these have been agreed.
3. The Chair commented that the forecast includes both risks and opportunities, with more opportunities identified at the moment. SH stated that half of the identified mitigations are based on additional savings around pharmacy and drugs, which will be challenging to deliver but are being pulled forward. The Chair asked how the Trust quantifies concerns around this. PRS confirmed that this will be RAG rated in the next report, evaluating what is required to complete the mitigations.
4. TG stated that he'd like to see a report which offers some assurance over the identified risks and opportunities with ratings on how risky actions are to take. The Committee agreed a report which triangulates the numbers and narrative reporting through a deep dive review of the risks and opportunities which should be brought to the Committee. **ACTION: Report to be presented to the next meeting of the Committee.**
5. It was highlighted that Bristol and South Gloucestershire LiFT activity is less than forecast at this point. The Chair requested that commentary is provided giving an overview of localities and what the key concerns are for finance. **ACTION: SW to provide commentary on locality position and concerns.**
6. PRS highlighted CIPs relating to procurement which focus on improved processes for purchasing of drugs, use of FP10s and memory drug dispensing. A breakdown will be provided on this outside of the meeting.

7. SH commented on the Balance Sheet, highlighting that it is planned to address variances related to raising invoices as there is consistently a variance around invoiced amounts as a result of how the Trust profiles invoiced income. This will be reviewed from next year so profiling is based on when an invoice is raised.
8. SH also highlighted some timing issues with cashflow with savings on spending on the capital behind plan. The Trust has looked to reprioritise its capital plan but has not used its capital as originally planned. In month, the disposal of the Speedwell site has been completed.
9. SH reported a recommendation from the Investment Planning Group (IPG) that the Trust retains recommend that the Trust retains the current £951k Capital programme underspend for 2014/15 as a contingency for the cost of CQC works. The Trust will continue to consider other methods of funding and then can reverse this if needed. SH gave assurance that there are no significant risks related to this decision. TG commented that some additional narrative on this would have been useful within the report.
10. The report also set out adjustments to the budget which the Committee was asked to approve.
11. The Committee resolved to **note** the report and **approve** the recommendations.

FP/14/057 – CIP Update ‘14/15

1. SH presented the CIP update that included the CIP quarterly report.
2. SH reported that the Bath and North East Somerset (BANES) plan is forecasting that the plan for LiFT (£49K) which was scheduled to deliver from M7 onwards is unlikely to be delivered. The Committee is asked to agree amendments to this plan as captured in the report on the Current Position of LiFT services, item 062 on the agenda. KD stated that she was unsure that the right thing is to agree to a shortfall in BANES against the LiFT service and she will undertake further discussion with team on what this means to determine whether the savings can be achieved elsewhere. The Committee agreed this.
3. The Committee was also asked to agree a transfer from recurrent to non-recurrent savings for Wiltshire. The recurrent element to follow through the next financial year and therefore be added to the CIP target for FY 15/16. The Chair commented that Wiltshire is slightly troubling. There are very live issues in terms of CIPs and the explanation is insufficient with the re-design work undertaken. He stated that he would not be happy to approve this change until the Committee is provided a greater degree of assurance. IT stated he would pick this up. **ACTION: IT to ensure assurance is provided to the Committee over issues in Wiltshire and associated CIP challenges.**
4. The Committee resolved to **note** the report.

FP/14/058 – TDA Return Month 4

1. SH presented the TDA return for Month 4. The Committee welcomed the report and noted that changes were highlighted in line with the request made in the last meeting.

2. The Committee resolved to **note** the report.

FP/14/059 – Commercial and Tendering Report

1. MS presented the Commercial and Tendering Report which provided an update on business development work within the Trust in relation to the strategic intentions and growth plans set out in the current Integrated Business Plan (IBP). The report has been restructured from previous months in order to reflect actions related to the five main service and financial growth areas set out in the IBP. Further quantitative information of action against growth targets will be introduced from September as it is recognised that the report is currently more qualitative. The direction should be toward more quantitative information.
2. MS highlighted section 3 of the paper which describes actions underway, demonstrating that the Trust is moving toward a more proactive systematic approach. There are themes running through a number of these actions, most significantly the need for a range of children and adolescent services issues.
3. The Chair commented that the intended developments are not incremental and suggested that a half day session to undertake a deep dive review in this area to identify the opportunities in this area would be beneficial. **ACTION: MS to consider a half day session to deep dive on Tendering.**
4. IT suggested that the Committee and also the Trust Board should consider the wider implications of this report, highlighting that 6 of the opportunities discussed within the report mention The Priory and, as a Trust, consequences of these developments should be considered with Staffside. He also raised the need to ensure a formal approach as opportunities come to fruition.
5. TG agreed that the team needs to take a tactical approach and consider strategic issues. He asked that the team provides the Committee with information what the issues are, what traction they are seeing with consolidation and triangulate this. The Committee would welcome this oversight as actions are progressed.
6. JE commented that within localities it is recognised that partnership working is the only way to have a sustainable mental health service, as demonstrated in the changes in Bristol. This is a big culture change for staff.
7. SH advised that the Trust can seek shared learning through its relationships with Interserve and The Priory. IT observed that there is a need to formalise how the Trust chose partners and the reasons for doing so. TG supported this view.
8. KD stated that immobilisation is where there is a gap. Teams who win contracts are required to do so as part of their daily business but there are a number of lessons to learn from Bristol and Specialised Services. The Trust needs to be smarter in this area and should take CAMHS as the example.
9. The Committee were supportive of the report overall and resolved to **note** the report.

FP/14/060 – Quality and Performance Report

1. KD presented the Quality and Performance report to the Committee and highlighted the areas of greatest concern currently as delayed transfers of care

(DTOC) and referral to assessment times.

2. PM stated that Swindon Memory Services are the most significant issue for referral to assessment times and has been on the locality risk register for the past 12 months. There is no shared agreement so there is an increasing referral rate into the service but there is no model for exit from the service. PM confirmed that there has been positive progress as, on 31 July 2014, PM met with the CCG and proposed a shared care model. GP practices have been identified which are willing to pilot the model which is a significant step. Simon Manchip, the locality's interim Clinical Director, is leading on this work.
3. JE stated that in Bristol there are different challenges as, although there is a shared care system in place, the issue is waiting times for scans for individuals with suspected memory conditions. JE confirmed that the locality has reviewed and audited delays and identified that GPs are not undertaking their role as agreed and are making referrals before a Service User has had a scan. The Trust cannot diagnose a Service User without a scan. JE confirmed the locality is discussing the issue with the CCG, including ensuring GPs make scan requests promptly, making priority appointments for scanning if there is a suspected memory problem, and possible adjustment of targets whereby if a scan has not been done it is possible to stop the clock as the reporting is false until the scan is done. JE confirmed that a review of referrals showed that once a Service User had the scan they were seen within two weeks.
4. The Chair stated that the Committee needs assurance that the issues are not within the Trust's control and a short paper would be useful to document this. PW raised the point that once the transition of services in Bristol is complete the Trust will no longer be responsible for its delivery in that locality, and in Swindon there are ongoing prescribing costs as a result of the long waiting list. KD stated that it is positive that there is movement in Swindon but the Trust needs to keep sight of it until there are clear resolutions.
5. A paper was presented as an appendix to the Quality and Performance report which set out the Trust's Delayed Transfer of Care (DTC) activity, showing trend over time and reasons for delay. The Chair commented that the paper did not analyse the information it presented. IT stated that KD is currently working to resolve immediate issues but the Trust hasn't sufficiently understood the problems to fully resolve these and is seeking some external input to get to the bottom of the problem. IT highlighted that the trust needs target to measure performance against and would like to see this set out with clear metrics for the Committee and for Quality and Standards Committee also so there is a clear process in place and a way to measure performance against it.
6. TG commented that this is a classic flow and capacity issue, with clinical judgements causing a variance.
7. The Committee resolved to **note** the report.
8. IT left the meeting at this point.

FP/14/061 – Memory Service Waits (verbal)

Minutes Prepared for the Finance and Planning Committee Meeting 22.8.2014

Sponsored by the Chair

Agenda Item:

Serial:

Page 8 of 11

Minutes of the Finance and Planning Committee Meeting 22nd August 2014

1. PM presented a report on the Memory Service that updated the Committee on the status of the service provision from January 2013, highlighting that the Trust needs to move from a historic position to improve processes in place. It is recognised that this is an important issue and plans are being put in place to address this.
2. TG stated that it needs to be agreed what the current position is to be communicated when talking to external agencies. If the CQC come onto the ward there needs to be narrative to avoid language issues. **ACTION: Board to discuss current position regarding memory services and communication regarding this to staff.**
3. The Committee resolved to **note** this report.

FP/14/062 – LIFT/IAPT Update

1. PW presented the paper which briefed the Committee on the current position of each of the LIFT and /or IAPT services, with a particular focus on Bristol and South Gloucestershire.
2. PW gave the headline of the report as Bristol and South Gloucestershire showing a notable overspend as a result of some complex issues. Operationally, in Bristol and South Gloucestershire the Trust has more referrals than it is contracted to handle with no additional income received to date. The service operationally decided to ensure it responded to referrals within a sensible time frame, and is performing outside of its targets but is trying to see referred individuals quickly. This has an impact in greatly reducing income.
3. In Bristol, in response to the over-activity at the front end, the service made the decision to reduce the amount of AQP to focus resources on managing waiting times at the front end. Alongside this, a natural turnover of staff and staff attending IAPT training has reduced the number of experienced clinicians able to provide AQP. This has resulted in a 50% reduction in AQP activity with a projected income of £240,000, £200,000 under assumed income.
4. In South Gloucestershire the front end service and over performance on contract has been discussed with the CCG. The overall cost pressure of this is currently being calculated and once this information is available, it will be shared with the CCG. The locality has frozen some posts but recruited to the majority to increase AQP income.
5. PW highlighted that, in Wiltshire, the service is preparing for the military to move back into Wiltshire and to understand how this will impact on services. This has been identified locally as a CQUIN which requires the service to develop a care pathway for military personnel. The service is meeting with the CCG and the military to agree process and clarify medical responsibility for service personnel.
6. The Committee resolved to **note** the report.

FP/14/063 – Learning from AQP

1. PW presented a report on Any Qualified Provider to inform the Committee of the Trust experience in providing care under the 'Any Qualified Provider' mechanism as opposed to traditional block contracted services.

Minutes Prepared for the Finance and Planning Committee Meeting 22.8.2014

Sponsored by the Chair

Agenda Item:

Serial:

Page 9 of 11

2. In 2012, as part of the choice agenda, PCTs were required to nominate three local clinical services to be part of the first wave of providing services under the 'Any Qualified Provider' initiative, opening up the market to a range of providers who met the clinical accreditation requirements. Three local commissioning authorities chose to include a mental health service as part of their three AQP clinical services. These were:
 - Wiltshire – Assessment of Autistic Spectrum Disorder (Circa £170k)
 - Bristol – Step 2 & Step 3 Psychological Therapy (IAPT) (Circa £2m)
 - South Gloucestershire - Step 2 & Step 3 Psychological Therapy (IAPT) (Circa £1.2m)
3. The report presented describes the tariffs set, income received and forecast income for these services across the localities. PW stated that AQP can work satisfactory if the tariff is appropriately set, but costs identified have been based on salary costs alone without other costs considered appropriately.
4. Meetings are scheduled with CCGs to determine if AQP is a viable option at the rates that CCGs are paying and to review tariffs with the intention of back dating payments.
5. The Chair requested that an update is provided to the Committee in 3 months' time, highlighting that learning is really fundamental in this area.
6. TG stated that the paper is the clearest he has seen on AQP and that he is satisfied action is being undertaken and the broad issues have been raised. He highlighted that the Trust needs some very clear, specific rules and needs to determine a finite target to work with commissioners to. The Committee supported a future report on the issues and stressed that this should be when the time is right.
7. **ACTION: PW to provide future report to the Committee as appropriate.**
8. The Committee resolved to **NOTE** the report.

FP/14/064 – A.O.B

1. A query was raised around winter pressure bid SH confirmed she would circulate the formal bid submission which has identified bids in each area, with the exception of BANES as the money is carried over and in Wiltshire where the money has been ring fenced and additional funding identified for gate keeping. SH will provide a bank breakdown for ALB to circulate.
2. Items to escalate to Board were identified as
 - 2.1. Quality measure for safer staffing to be identified
 - 2.2. Bed management and DTOC issues to be escalated
3. The Committee evaluated the meeting positively, noting that triangulation from localities was good, as was the content of papers presented. Challenge within the meeting was highlighted as useful but that some information presented needed to be analysed further before reaching the Committee.

Next Meeting: 19th September 2014

Minutes Prepared for the Finance and Planning Committee Meeting 22.8.2014		
Sponsored by the Chair		
Agenda Item:	Serial:	Page 10 of 11

Minutes of the Finance and Planning Committee Meeting 22nd August 2014

Minutes Prepared for the Finance and Planning Committee Meeting 22.8.2014

Sponsored by the Chair

Agenda Item:

Serial:

Page 11 of 11