

Minutes of a Meeting of the AWP NHS Trust Finance and Planning Committee

Held on 24 April 2015 at 9.30am in the Seminar Room 4 at Jenner House, Chippenham, Wiltshire, SN15 1GG

These Minutes are **Approved**

Members Present

Tony Gallagher (Chair) – Chair of the Trust	Peaches Golding (PG) – Non-Executive Director
Kristin Dominy (KD) – Director of Operations	Barry Dennington (BD) – Non-Executive Director
Sue Hall (SH) – Director of Resources	

Staff In Attendance

Paul Townsend (PT) – Managing Director, Specialised and Secure	Fiona Bell (FB) – Head of Project Management
Paula May (PM) – Managing Director, Swindon	Felicity Husband (FH) – Project Support Officer
Alexander Lauder-Bliss (ALB) – Governance and Risk Coordinator	Trudi Oak (TO) – Project Support Officer
Gary Bryant (GB) – Deputy Director of Finance	Moira McMurrin (MM) – Business Change Manager (Not present throughout)
Anna Klonowski (AK) – Head of Strategy	

FP/15/001 – Apologies

1. Apologies were received and accepted from: Lee O'Bryan and Emma Roberts.

FP/15/002 – Declaration of Members' Interests

1. In accordance with AWP Standing Orders (s7.1) members present were asked to declare any conflicts of interest with items on the Committee meeting agenda. **No interests were declared.**

FP/15/003 – Minutes of the Meeting on 20 February 2015

1. There were no amendments and the minutes were **approved**.
2. SH requested that minutes of the non-quoted March meeting should be presented at the next Committee meeting to provide a clear audit trail.

FP/15/004 – Matters Arising from the Previous Meeting

1. SH noted the Bristol CCG had said they had not received the results of the gateway review from NHS England. The Chair asked that the Trust approach NHS England.
2. The CIP report was marked as **complete**.
3. KD noted that the out of area placements executive review formed part of the acute

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care pathway work to understand escalation procedures. The item was left on the agenda.

4. SH explained the authorisation process for bad debts was reported to Audit & Risk's previous meeting. **The item was closed.**
5. SH stated the year-end accounts assumed there would be no repayment regarding the RUH liaison service. **The item was closed.**
6. SH confirmed the Otsuka business case had already been approved by the Committee. **The item was closed.**
7. SH stated opportunities for agency staff to become substantive had been referred to ESEC. **The item was closed.**
8. KD updated the Committee regarding new rostering arrangements. She noted there remained challenges with good rostering practice.
9. The clinical decision making process under the CQC works was left for Lee O'Bryan to follow-up.
10. SH confirmed the 2015/2016 budget detailed an updated property disposal table. **The item was closed.**
11. SH explained low cost decisions would not need to be put before the Committee. The item was closed with a note that the Committee should be informed of the value of the lower limit.
12. SH stated and GB confirmed that a risk schedule was included in the Annual Operating Plan. The item remained on the agenda until the Operating Plan had been finalised.
13. The Chair asked when Daisy would be implemented. SH replied a timetable was being adhered to. AG asked that the Committee be provided a timeline.
14. The Chair suggested that the meeting for the next reference cost deep dive, which had been scheduled for March, should be re-arranged for May.

FP/15/005 – Finance Report M12

1. SH took the Committee through the Finance Report for M12.
2. The Chair was glad the summary items were green and stated credit was due to everyone in the Trust. SH noted targets had been met due to the hard work of the localities. The Trust met its TDA Control Total for the year, external financing limit and capital resource limit. There remained a number of variances: income was higher than had been planned; staffing and recruitment issues remained.
3. The Chair stated two localities retained significant discrepancies with nursing shifts. KD noted that Allocate had been rolled out which provided visibility of non-compliance.
4. BD referred to previous Committee discussions regarding improved arrangements with agencies. KD explained the Future Focus Programme Board would look at the workforce work-stream. SH noted the Trust had a map to end the use of the most costly agencies and a formal approval system for use of agency staff. PG asked whether vacancies were being filled by new starters. PM and PT confirmed

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most were.

5. SH explained the majority of variance for non-pay was due to the out-of-area spend. An outstanding issue with Swindon CCG regarding 2013-14 had been resolved. On CIPs, SH noted there had been cost-reductions to offset pressures mainly around pay. GB noted there was a consistent gap between spend and income, which the Chair agreed displayed financial control.
6. SH noted a large variance on the balance sheet had been caused by properties for disposal not meeting criteria to be reclassified as for sale. The Trust's cash target had been met. SH confirmed the Trust had no outstanding disputes regarding cash. The Trust had re-prioritised its capital programme to enable spend on the CQC work in-year.
7. The Chair suggested the Trust should carry out an audit to reveal whether the expected benefits of the IT investment had been realised. He wondered whether there had been enough focus on the end-user experience of the IT infrastructure.
8. The Chair requested an audit on IT and Operations, to provide clarification on soft front versus mechanical measures in IM&T investment.
9. SH noted the anti-ligature group had been reviewing all of the CQC works.
10. Further information was required by way of a cost benefit analysis, to give a direct comparison of reported costs versus opportunity costs. This was to be taken as a separate item on the agenda – **ACTION**.
11. **ACTION KD**: to share the route map with BD, to provide more information on the use of agency staff, bank staff and rostering.
12. The line of best fit was to be included in future charts, to better track trends – **ACTION**.
13. PG asked for the external versus internal dimensions and profiles of who was filling the vacancies – **ACTION**.
14. The Committee **noted** the report.

FP/15/006 – CIP Report M12

1. FB led on the CIP Report paper for M12.
2. FB explained the first Future Focus Programme Board had met. The Programme Board had looked at CIPs and at cost reduction in more detail. KD commented that MDs would attend the Programme Board on behalf of the localities.
3. FB detailed the variances in the CIP programme. SH agreed the Trust had not been planning sufficiently well to avoid spikes. The Chair suggested checking during 2015-16 the CIPs were embedded savings.
4. FB noted the Trust intended to plan more rigorously by Q2 rather than Q3. PT agreed ensuring the planning cycle was correct was important for the operational side, to avoid mere opportunistic savings.
5. FB explained the savings profile was flatter for the current year relative to the previous year. She noted the current report would broaden to include more than CIPs.

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6. FB stated the cost reduction programme would henceforth be monitored from the start. The Chair wished to understand where the Trust was with respect to associating the QIAs to the CIPs. FB noted no plans had been rejected because they were non-starters. The Chair cautioned that if the plans were rejected then there would be financial implications.
7. The Chair raised that it may be beneficial to look backwards to show embedded savings for evidencing. It was discussed this could be done via internal audit around one specific locality or service – **ACTION KD**.
8. FB was asked to report on QIAs for all CIP projects, to support the alignment between Quality and Standards and Finance and Planning – **ACTION FB**.
9. The Committee resolved to **note** the report.

FP/15/007 – Quality and Performance Report

1. KD presented the Quality and Performance Report.
2. KD highlighted there remained performance challenges across the Bristol service, and additional management resources had been provided to support its transition. The Chair suggested a programme to evaluate the financial implications of the additional support. He also suggested the commissioners should be contacted for funding as they may also have underestimated the cost of the transition.
3. The monitor and compliance dashboard indicated delayed transfers of care remained a priority. BD asked why a concern had been triggered after nine months under target. The Chair explained that was the national rule but agreed a local early warning trigger should be implemented.
4. KD noted AQP had created challenges in Bristol and South Gloucester. The Trust would continue discussions with both sets of commissioners. Both contracts would expire in October 2015. The Chair wished to know what the Trust's strategy would be for the contracts.
5. On bed pressures, KD noted three beds had closed on Ashdown, though one bed had since re-opened. SH asked whether four/five beds per day were occupied by non-AWP registered used. KD confirmed she had asked for that to be investigated.
6. A proposal on IAPT contracts and strategy was to come to Finance and Planning – **ACTION**.
7. The Committee resolved to **note** the report.

FP/15/008 – TDA Oversight Return

1. SH led on the TDA Oversight Return.
2. She highlighted to the Chair that there were no changes.
3. The Committee **approved** the report.

FP/15/009 – Committee Work-plan 15/16 Approval

1. The Chair presented the Committee work-plan.
2. PG noted Estates and IM&T strategies had no date in the calendar. ALB stated

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they were not due for review. The Chair asked that it be made clear.

3. The item was **deferred** under the instruction that it would be more appropriate for the work plan to be approved when Lee O'Bryan was present.

FP/15/010 – Budget Paper 15/16

1. GB took the Committee through the budget paper.
2. GB stated the major change since the previous report was reducing the cost pressure from £5 million to £3 million. NHS England had agreed to fund Safer Staffing in the baseline. The Trust had informed the TDA there would be no arbitration on any contracts. BD asked what had caused the increase in the cost of drugs. SH replied that was primarily due to inflation.
3. On Safer Staffing, KD explained her understanding had been funding would be conditional on the posts being filled appropriately. SH noted there was no financial risk if the money had been spent appropriately on ward staffing.
4. On the expenditure bridge, GB confirmed the wage budget would increase by £4.2 million. A Patient Care Fund contingency of £800,000 had been created. SH noted a loan would be required for Hillview but not for Daisy.
5. **Action:** To come back with an explanation on Operations assurance mechanism highlighting risks and to clarify safer staffing numbers vs OOA costs.
6. The budget paper was **approved**.

FP/15/011 – Annual Operating Plan

1. The Chair asked to **defer** the Annual Operating Plan until the draft plan had been approved at Board.

FP/15/012 – Business Development Strategy – Update

1. AK introduced herself and explained that her role was to help the Trust with business development and strategy. A strategy would be consolidated for Board approval in July. AK compared the process to a commercial franchise.
2. She detailed three key themes: provision of core services, systems leadership and systems infrastructure. She explained the strategy should engage the LDUs. AG noted 'franchise' should be defined.
3. MM joined the meeting.

FP/15/013 – Update from Future Focus Programme Board

1. FB noted the Daisy and Hillview projects had progressed. The Project Manager was in post and had been providing oversight for both builds. This had resulted in a more formalised approach to the projects.

FP/15/014 – Reimbursement for Involves Policy

1. MM noted there was a need for a consistent process for reimbursement across the Trust which retained flexibility. She noted a monitoring and auditing process on

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Trust reimbursements would be instituted. AG noted the importance of the policy.

2. The policy was **approved**.
3. MM thanked the Chair for his time and left the meeting.

FP/15/015 – Any Other Business

1. The Chair noted that the Board should be made aware of where the Trust is on QIAs for CIPs and the Bristol transition issues. The approved budget would also be forwarded to the Board as would the success the Trust had in achieving its 2014-15 metrics.
2. The Committee meeting dates were taken as read.

Review of the Meeting

1. The Committee reviewed the meeting between 3 and 4 with consensus that papers did not need the lead in time and should be taken as read. The Chair was commended for his chairing and the finance paper received considerable support from NEDs with the mixed use of charts, tables, and accompanying text.
2. There was no further business and the meeting concluded.