

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

Held on Friday 23rd October 2015 at 9.30am, in the Conference Room, Jenner House

These Minutes are presented for **Approval**

Members Present

Sue Hall (SH), Director of Resources	Barry Dennington (BD), Non-Executive Director
Mathew Page (MP), Director of Operations	Tony Gallagher (TG), Non-Executive Director, Acting Committee Chair
Peaches Golding (PG), Non-Executive Director	

Staff In Attendance

Pippa Ross-Smith (PRS), Head of Strategic Finance	Fee Bell (FB), Head of the Project Management Office (PMO)
Peter Wilson (PW), Head of Business Development	
Graham Hotchen (GH), Interim Deputy Director of Finance	Zelda Peters (ZP), Project Manager

FP/15/094 Apologies

1. None were recorded.

FP/15/095 Declaration of Members' Interests

1. In accordance with AWP Standing Orders (s8.1) members present were asked to declare any conflicts of interest with items on the Committee meeting agenda.
2. **None were declared.**

FP/15/096 Minutes of the Previous Meetings

Minutes of the Meeting on Friday 21st August 2015

1. It was noted that BD had issued his apologies for this meeting and had not been present.
2. The minutes of the meeting held on Friday 21st August were **approved**, subject to the amendment recorded above.

Minutes of the Meeting on Friday 25th September 2015

1. The minutes of the meeting were reviewed for accuracy page by page. The minutes were **approved**.

FP/15/097 Matters Arising from the Previous Meeting

1. On action one, SH reported that there had been no Gateway Review but noted that both the Trust and the CCG supported a review being conducted, particularly focussing on the costs of tendering. SH added that she was also due to meet with Bristol CCG and would raise the issue there. This action was marked as **ongoing**.
2. On action two, SH reported that the internal audit review was not complete. This action was marked as **ongoing**.
3. Actions three and four were deferred to November. These actions were marked as **ongoing**.

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4. On action five, MP reported that a meeting had been set for 13th November 2015 to share learnings between Swindon and Bristol. This action was marked as **ongoing**.
5. On action six, BD advised that the workforce reduction programme meetings had not been set but MP undertook to provide an update from August during this meeting. This action was marked as **ongoing**.
6. It was reported that action item seven had been set as an agenda item for this meeting. This action was marked as **complete**.
7. On action eight, it was reported that the reference costs update would be provided at this meeting. This action was marked as **complete**.
8. Action nine was deferred to November. This action was marked as **ongoing**.
9. On action ten, the report had been updated and feedback would be sought during this meeting. This action was marked as **complete**.
10. Action eleven was deferred to November. This action was marked as **ongoing**.
11. Action twelve was marked as **complete**.
12. Action thirteen was deferred to November. This action was marked as **ongoing**.
13. TG formally thanked Lee O'Bryan, former Chair of the Finance and Planning Committee, acknowledging the work he and the Committee had undertaken to move the Trust forward.

Horizontal Reporting

1. On item one, it was noted that the Finance and Planning Committee would review the Quality Academy costings/finances in November. The Chair requested a note be sent to AD asking him to complete his actions for this Committee.

FP/15/098 Finance Report M6

1. SH advised that the financial gap at Month 6 was £6.4 million, not including the £1 million TDA stretch target.
2. There had been a deterioration of £200k due to agency cost accumulation in Bristol. SH reported recruitment success in the Bristol Central Team, and updated that Secure Services had also significantly reduced agency staff numbers. This would be reflected in the next month's report. SH stated that this reduction was a direct result of strategies engaged for this purpose, such as the rationalisation of safe staffing levels.
3. The Committee noted that AD's work and success on Safe Staffing and other strategies should be communicated throughout the Trust.
4. SH reported on the cash position, advising that the Trust was £500k behind the intended position. It was noted that capital program delays would offset some overspend.
5. SH updated that the Daisy Project had begun and was scheduled to open in June 2016. As a result, there could be some push-back in spending and a delay in cash into the next year. SH advised that this was being managed with the CCG and the family of the first service user. Positive news stories had been reported in regard to this project.
6. SH summarised that the overall position had not changed significantly from the previous month.
7. BD asked about the £6.4 million gap and the planned surplus of £2 million, identified in green within the report. SH explained that the planned surplus was where they had hoped to be, but the current gap between the time of meeting and the planned position was now £6.4 million. It

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Sponsored by the Chair

Agenda Item:

Serial:

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was suggested that the green colouring gave the impression that this target would be reached and SH undertook to record the target in a neutral colour in future iterations of the report.

8. TG asked about the gap between the achievement of £26k New Business Delivery Income and the target of £410k. SH undertook to provide a gap analysis. **ACTION SH.**
9. TG turned to Chart 2 in the Finance Report, noting the significant rise in agency staff. He suggested that the chart would benefit from further narrative.
10. TG referred to Chart 4 (Leavers and Starters). It was noted that there were twice as many starters as leavers in Bristol, but that Secure Services and Wiltshire had a significant number of vacancies. TG reported that during a Secure Services strategy meeting he had been informed that HR had withdrawn its support for the recruitment drive and related actions. SH advised that this comment had been contentious and advised that a report would be provided to the Board about the actions that were being taken by HR in relation to the Secure Services strategy.
11. BD suggested that building connections between the Academic Institutes/Further Education organisations and the Trust would potentially address recruitment issues in the longer term. SH outlined that apprenticeship training was being run through Wiltshire College. She also reported that AWP was talking to Bath Spa University about running a bespoke mental health training course. Rachel Clark and Wendy Kelvin also held regular meetings with Swindon and Wiltshire Colleges, and sat on a pan-Wiltshire recruitment group with Wiltshire Council and the CCG. TG suggested that the Committee explore a strategy in relation to recruitment of returning military personnel. BD and SH confirmed that they were currently exploring options in this area.
12. TG asked that clarification be provided in the report about whether the patients referred to as 'out-of-area' in Section 1.4 Non Pay were out of area in-Trust or out of area out-of-Trust. MP advised that this figure was the headcount of all patients across the month outside of AWP – **ACTION MP.**
13. TG requested more detail on why Establishment and Transport had overspent by £49k. MP reported that there had been an incident during which a pharmacy had been blockaded and security and police had been deployed. TG asked if this was being picked up by another Committee. MP advised that through the Business Continuity Group, a plan had been set in place and executed. TG stated that the issue also required Board scrutiny and oversight.
14. The Committee resolved to **note** the report.

FP/15/099 Future Focus Programme Board

1. FB outlined that there had been a 1% improvement (£120k) on the previous month, which was the result of the inclusion of an NQD of £280k. The Estates program had improved by £250k, and the team was confident they would recover £700k by the year end.
2. TG asked whether the localities remained focused on the Cost Reduction Programme. FB stated that there was buy-in but that spending did not appear to have been curtailed, given the data shown on "Table 16: Items Purchased" which indicated that there was little difference in spending between this and the previous year. This had been discussed with the LDUs, and the position was expected to change. TG noted that he would not be advocating devolved responsibility to LDUs if they did not deliver on the Financial Challenge. He advised that he wanted to see evidence of internal controls being exercised at the LDU level – **ACTION FB.**
3. TG asked how confident the Trust was that Wellow Ward would be opened by 1st December. MP and SH undertook to provide an update on this before the Board meeting.

4. FB reported that AWP would be seeking a 50% stake in the Acute Care Pathway (Bed Management) savings that are achieved (£600k). It was agreed that the data would be ready to present at the October CQPM meeting.
5. The Committee resolved to **note** the report.

FP/15/100 Quality and Performance Report M6

1. MP presented the headlines from the report. He reported an improvement of the gatekeeping process in Wiltshire.
2. MP sought feedback on the display of the in-patient information in the report, which had been requested at a previous meeting. TG confirmed that the presentation of the data was very visual and informative. He noted in comparison that the charts in Section 6 were confusing. TG confirmed that Appendix D and the snapshot of the Locality Assurance plan were also much improved.
3. MP updated that the Bed Management position had been stabilized and was returning to the commissioned bed base. He noted that there were particular issues around psychiatric and intensive care.
4. MP drew the meeting's attention to the Bristol Locality Assurance Plan. He added that Central Recovery measurement was not reliable at the time of meeting, but undertook to clarify those numbers at a later date.
5. MP advised that Mark Bunker had written a short summary about how the Bristol Assurance process was being managed. TG noted his concern about the number of unallocated cases suggesting that this was a lead indicator of problems to come. It was noted that this issue would be addressed at the upcoming Board meeting.
6. BD asked why Trust-wide costs had significantly increased in August. MP outlined that there was an additional female bed; the Committee acknowledged that female beds were more expensive and specialist than male beds.
7. The Committee resolved to **note** the report.

Review of Bristol Operational Issues: Lessons Learnt

1. It was noted that while the Embedding Change report was informative, it did not specify the lessons learnt that could be shared with other localities. MP undertook to report back on the specific lessons learnt at the next meeting – **ACTION MP**.

FP/15/101 Quality Academy Update: Financial Impact

1. This item was **deferred**.

FP/15/102 Recruitment Deep Dive Update

1. FB highlighted ongoing issues with agency spend, noting that the current focus was being placed on nurses, medics and ancillary staff. It was noted that hiring ancillary staff through agencies was often more cost effective. FB advised that there was a £600k cost pressure on the premium of medical agency. Going forward, focus would be on recruiting two medic positions before the end of the year. It was reported that internal issues of long term sick leave and disciplinary cases were also being managed.
2. FB reported that the agency nursing budget across the Trust was £30 million for 2015-16. Year to date, 7000 shifts had been filled by agency workers, 53% of which had been worked by off-framework agency staff. The focus would be to use staff from framework agencies. FB advised

that nursing overspend was budgeted to be £2.1 million. An extraction plan was being devised which would seek to fill gaps with bank staff, by recruiting agency staff into the bank or into permanent positions. The action plan was due to be presented for sign off at the next SMT.

3. FB updated the Committee on the targets to reduce agency spend by 25% by month seven and by 50% by the end of year. PG indicated her concerns with the plan, noting that despite plans to reduce agency spend over the course of the last year, the Trust had been unsuccessful in doing so. She also suggested that the Trust could not be sure it would get the staffing it needed from the approved agencies, given the increasing demand. FB advised that the groundwork had been laid to make 'grass root changes' within AWP, and communications with agencies had been instigated.
4. FB reported that the Recruitment and Retention Strategy Group and the Strategic Workforce Group would be working on longer term strategies to resolve workforce issues, rather than day-to-day operational issues. KPIs had been set and would be monitored going forward, to ensure that the work being carried out was effective.
5. The recruitment statistics were presented. Starters had risen significantly between April and September. SH advised that 75 posts had been moved to the voluntary sector, and that there had been a LIFT transfer.
6. FB reported that three key deliverables had been identified in relation to recruitment, these being: ensuring there was an AWP 'internal fast track' process; ensuring there was an 'NHS-to-NHS fast track' process; recruits who are new to or unknown by the NHS undergo a thorough process and can expect professional communication and responsiveness.
7. FB reported that the rostering trend in rostering indicated that internal staff were rostered within regular office hours, while agency staff were recruited for evenings and weekends. She advised that Secure Services had made changes that had reduced agency spend. Responsibility had been given back to the ward managers to control rosters and to have them agreed in a timely manner.
8. FB spoke to staff incentives, noting that weekly pay had been put in place on September 1st 2015 and had been well received. Other incentives had been flagged for implementation.
9. ZP made a presentation about Bed Management and Out of Trust bed use. She provided an overview of the costs associated with the current situation. She suggested that the CQC Bed Management Action plan should be reinvigorated, and recommended that a Bed Manager role be formed to bring the management back under control. MP confirmed that bed administration was being centralised and an oversight role was being formed.

FP/15/103 Resource Mapping Update

1. PRS reported that work was being carried out with the CCGs on a regular basis around the resource mapping exercise, to support any decisions that might be made around contracts for 2016-17.
2. The last month had been spent re-building the model, to make it more flexible and able to be refreshed more frequently as the position changed.
3. SH outlined that Hayley Richards was leading a piece of work to identify what services would look like across AWP with the quantum of funding available. Accountable officers had agreed to work together to provide an overall picture.
4. TG asked that a full presentation be provided on Resource Mapping at the next meeting – **ACTION PRS.**

FP/15/104 Commercial and Tendering Report

1. It was noted that this section of the meeting was commercially sensitive and should be reported internally only.
2. GH advised that AWP had been successful in securing the Tier 2 and Tier 3 Community Services for CAMHS. The due diligence phase was underway.
3. It was reported that two secure children's homes were mobilising.
4. In terms of live business opportunities, AWP had submitted a tender with Huntercombe to provide the inpatient CAMHS unit. The result was anticipated in the following week.
5. An announcement was expected for the Bristol Offender Health tender on 17th November.
6. TG reported that he had received information about a legal challenge in relation to the Wiltshire Community Health tender (with Medvivo).
7. GH reported that Virgin Healthcare had been successful in providing Wiltshire's Children's Community Health Services. It was noted that if Medvivo were successful in their bid to provide for the adults, AWP would be the only NHS provider of community services in Wiltshire.
8. GH reported that notice had been served on the contract in North Somerset and it was anticipated that a procurement process would take place for services starting in 2017.
9. TG requested that, going forward, the Commercial and Tendering report be split into 'New Business' and 'Current Business'. He suggested a representative from the triumvirate should be invited to discuss the report and to assist with risk analysis – **ACTION GH**.
10. GH declared a conflict of interest, noting that he sat on the Board of the CCG of Hereford.
11. The Committee resolved to **note** the report.

FP/15/105 Hillview OBC

1. PRS advised that the OBC would be presented to the next Finance and Planning Committee meeting and to the Board in November.
2. PRS reported that a previous option that had been considered and discounted on the RUH site was now being reconsidered. There had been productive meetings with the RUH about the possibility of a land swap, and structural surveys were being undertaken on the Manor House. PRS advised that if the Trust was able to use this land, it could build the required wards and take on the Manor House at a cost of £1.5 million less than rebuilding on the Hillview site.
3. BD cautioned the Committee on the potential additional costs that may arise as a result of the Manor House being a listed building. The Committee agreed to consider this when the business case was presented at the next meeting.

FP/15/106 Daisy FBC

1. PRS reported that the build was beginning, but noted that no substantive contract had been signed with the CCG. TG asked about AWP's position in relation to AWP Standing Orders. SH advised that the contract with the CCG to deliver services from 1st June 2016 would be signed in the following week. She confirmed that the Trust remained compliant with its Standing Orders, given that the spend was in the capital plan and had been approved by the Board.
2. It was acknowledged that, by undertaking the build in advance of a contract being signed with the CCG, the Trust was taking a financial risk.
3. A new cash flow had been projected, based on the fact that the building was scheduled to open in January but would now be open in June 2016.

FP/15/107 Lot 2 OBC

1. PRS advised that Second Step and Missing Link in partnership with AWP had been successful in their bid to provide community rehabilitation services and step down accommodation. Premises were required from which to deliver the services. The build cost would be £2.1 million

compared with the estimated £2 million outlined in the tender.

2. TG asked whether Second Step and Missing Link had signed the lease, and whether work would begin on the project before the lease was signed. SH undertook to report back to the Committee on lease and contract signing at the next meeting – **ACTION SH**.

FP/15/108 Standing Financial Instructions

1. SH stated that there had been no significant changes. She advised that additional processes had been developed around losses and special payments.
2. The Finance and Planning Committee **noted** the report.

FP/15/109 TDA Oversight Return

1. There were no changes to be identified.

FP/15/110 TDA Meeting Minutes

1. SH fed back to the Committee on the recent meeting with the TDA. She stated that support had been shown for the Trust, and that she had received good feedback about the Trust's relationships with accountable officers, both centrally and within localities.
2. Operational support around detox and acute services bed management had been offered.
3. The Committee resolved to **note** the minutes.

FP/15/111 Any Other Business

1. SH thanked noted that this would be FB's last meeting and thanked her for her work and contribution to the Committee and the Trust.
2. The Committee Members gave their feedback on the meeting. Overall, attendees scored the meeting as four out of five.