

## Minutes of Finance and Planning Committee Meeting

Held on Friday 20<sup>th</sup> July 2012

Seminar Room 4, Jenner House

### Present:

Alison Paine (AP), Non-Executive Director (Chair)  
 Tony Gallagher(TG) Chair  
 Sue Hall – Interim Director of Finance  
 Paul Miller (PM) – Acting Chief Executive  
 Arden Tomison (AT) – Executive Medical Director and Director of Strategy  
 Andy Sylvester (AS), Executive Director – Operations,  
 Peter Wilson (PW) – Head of Business Development & Bids  
 Jane Britton (JB) – Foundation Trust Programme Director  
 Denise Claydon – SD Liaison and Later Life SBU  
 David Colyer – SD Adult Acute Inpatient SBU  
 Alison Howard-Evans - Head of Information Systems and Technology

Louise Hussey (LH) Assistant Company Secretary  
*(Minute taker)*

### Apologies:

Emma Roberts–Company Secretary  
 Peter Greensmith (PG) – NED  
 Pippa Ross-Smith – Deputy Director of Finance

Item		Name
1	<p><b>Apologies</b></p> <p>Emma Roberts (ER), Company Secretary. Peter Greensmith (PG), Non Executive Director</p>	
2	<p>Alison Paine welcomed everyone to the first meeting of the newly constituted Finance &amp; Planning Committee. She particularly welcomed those who had not previously attended including SBU Service Directors.</p>	
3	<p><b>Minutes of the meeting on 24<sup>th</sup> May</b></p> <p>These were agreed as an accurate record.</p>	
4	<p><b>Matters Arising Action Plan – 24<sup>th</sup> May</b></p> <p><i>F &amp; C Strategy</i></p> <p>This will be developed in conjunction with, and complementary to, the revised IBP and should be completed by the end of November 2012.</p> <p><i>Earned Autonomy</i></p>	

Item		Name
	<p>This will be taken forward as part of a wider discussion around service line management (SLM) and is addressed as a commitment in the Fit for the Future (FFtF) action plan, to decentralise to SBU level. This will include a review of the size and structure of SBUs, clarity around accountability, the formalising of delegated responsibilities and a review of resources to carry this out.</p> <p><i>SBU &amp; E&amp;FM Business Plans</i></p> <p>Individual meetings with Service and Clinical Directors have taken place or are planned. There has been some confusion around whether these plans are Development Plans or 1 x year Business Plans. It was agreed that next steps are important. Paul Miller noted that the meeting with the Department of Health (DH) in September will crystallise the timeline for the Trust's re-entry into the FT pipeline. At this point the organisation will be required to have a 5 year strategy which will be fed by SBU business plans.</p> <p>Alison suggested that the next meeting of this committee should consider the outcome from the ongoing meetings with SBUs and identify next steps.</p>	AP
5	<p><b>Revised Terms of Reference for the Finance &amp; Planning Committee</b></p> <p>The committee reviewed the revised Terms of Reference.</p> <p>The following amendments were agreed:</p> <ul style="list-style-type: none"> <li>• the ToR should include a version number in the footer.</li> <li>• review of the Trust's IM&amp;T Strategy and Policy should be added in Section 3.</li> <li>• Since Sue Hall is leading on a major piece of work around business case planning, the ToR should be further amended to reflect this when this work is complete.</li> <li>• that Section 4 '<i>Scrutinise Capital and Revenue Business Cases</i>' covers all requirements of the committee to scrutinise business cases at an early stage and that the detail will be captured in the Scheme of Delegation.</li> <li>• that Section 5 should include reference to scrutiny by the Trustwide Management Group of proposed business partnering arrangements.</li> <li>• That under Section 5 the membership should include the Director of Operations and <i>not</i> the Director of Strategy</li> <li>• That under Section 5 it be noted that the committee may invite, in addition, on a regular or ad hoc basis <i>the Foundation Trust Director and Service Directors</i>.</li> </ul> <p>Tony Gallagher underlined that Service Directors should be invited to this committee subject to the workload review by the Executive.</p>	LH

Item		Name
	It was agreed that the TORs would be amended to reflect those changes, reviewed by the Committee and signed off by the Trust Board.	AP/TG
6	<p><b>Fit for the Future Action Plan – committee responsibilities</b></p> <p>The committee noted the actions assigned to this committee for tracking and scrutiny. Paul Miller underlined that central to this is an understanding of ‘what does success look like’? Evidence, based on objective measures, will be tracked as it is achieved</p> <p>Tony Gallagher underlined that this committee must evidence its review of this plan at each of its meetings.</p> <p><i>Short term actions</i></p> <p><i>1.2 – Implement Localism</i></p> <p>It was agreed that this is on track and GREEN but that it would be important to check over time that the actions taken are effective.</p> <p>Positive feedback was reported from commissioners on the work done by the Trust’s recently appointed area leads and the current level of engagement from AWP.</p> <p><i>1.3 – Decentralisation programme</i></p> <ul style="list-style-type: none"> <li>- <i>Corporate Services Review</i></li> </ul> <p>It was confirmed that the Corporate Services review has been implemented.</p> <p>As part of this review it was also confirmed that the Executives and senior managers have been interviewed by Steve Batson.</p> <ul style="list-style-type: none"> <li>- <i>Scoping Service Line Management (SLM)</i></li> </ul> <p>It was confirmed that the SLM audit process is on track.</p> <p><i>6.1 – Rationalise and refocus KPIs</i></p> <p>It was confirmed that service directors have been involved in the short life KPI review group and that proposals for change have been submitted to commissioners. The Trust is awaiting their response.</p> <p>Paul Miller confirmed that he would discuss with colleagues off-line whether the outcome of the review of KPIs should be reported through this committee of the Quality and Safety Committee.</p> <p>Jane Britton noted that a further objective under this section has been recently included. This relates to the performance management culture and an understanding that, whilst performance is important, a safe service is the Trust’s prime concern. A message to this effect will be attached to August payslips and reinforced via email. It was stressed that this message will be</p>	PM

Item		Name
	<p>regularly transmitted and will be informed by the Trust's vision and values.</p> <p><i>11.1 Major business opportunities and improved management of change</i></p> <p>It was confirmed that this is on track.</p> <p><i>11.2 – Management of Change</i></p> <p>It was confirmed that this is on track and will be reviewed in September. The paperwork associated with the Prince 2 methodology has been reviewed by EMT on a number of occasions. Sue Hall has been asked to pull together a single package for this process, this having been reviewed by herself, Paul and Jane Britton.</p> <p><i>Medium term actions</i></p> <p><i>1.3 – Implement Localism</i></p> <p>It was noted that this will be better evidenced later in the year and that by October it will be expected that the Director of Operations will have a better understanding of the issues to be scrutinised.</p> <p>Tony Gallagher noted that success will be defined by improved internal and external relationships and that these should correlate. He underlined that outputs are likely to be evidenced within commissioning groups.</p> <p><i>1.4 Implement decentralisation and Service Line Management (SLM)</i></p> <p>The Internal Audit review will confirm success in this area aligned with perceptions in the SBUs.</p> <p>It was noted that service lines will be fluid and a piece of work is on-going to be concluded in the summer.</p> <p>Tony Gallagher noted that this work should be completed in time for next year's budget and that the aspiration should be to have this resolved by 1 April 2013.</p> <p><i>24 – Amend Trust Performance Management Strategy</i></p> <p>It was confirmed that this is underway. Paul noted that all each of the high level actions has its own action plan. Clinical discussions are underway. Jane Britton highlighted that the revised ToR for the Professional Council are in development and, since this is key to the delivery of this objective, the committee will want to be assured on how this is working.</p> <p><i>Trust 5 year Strategy</i></p> <p>It was noted that this is about pulling together all of the above and it was confirmed that we would not expect to have made any progress on this at this stage. Tony Gallagher noted that the revised IBP will be informed by the outcomes from this process.</p>	

Item		Name
	Paul confirmed that planning associated with this has started. The starting point is the review and re-writing of the Strategic Objectives and this work is well advanced.	
7	<p><b>Commercial Activities Update</b></p> <p>The committee received this report which highlighted current and new business opportunities.</p> <p>The new contracts won relating to the provision of cleaning services in Swindon and the Bristol IAPT service were welcomed.</p> <p>It was agreed that Andy Sylvester should report back at the August meeting on any operational issues related to these contracts.</p> <p><i>SDAS – Devon Prisons</i></p> <p>It was noted that SDAS, together with a partner, Care UK, are about to sign a Memorandum of Understanding. The contract for Devon prisons would be about providing specialist support and would be to the value of circa £2.5m.</p> <p>It was noted that it is the intention that any future partnerships of this nature would be scrutinised by this committee. However, in this instance, as this was already work in progress, the Trust has proceeded, having briefed the Chair and relevant Executives.</p> <p>Tony Gallagher underlined the broader issue around Business Unit strategies and that, if these are agreed and include specific tenders or partnerships, then the committee would not be required to scrutinise at every stage. He noted that there is a debate to be had by the Board around the level of autonomy of business units when a strategy has been agreed.</p> <p>The committee discussed the ability of the SDAS team to digest all potential bids should these be won. It also noted the strategic discussions to be had around the extent of their geographic reach. It was agreed that Andy Sylvester and Kristin Dominy would produce a paper for the August meeting on upstream issues related to this.</p> <p>Tony Gallagher suggested that learning points from both winning and losing tenders should be identified and also a formal process for disseminating these lessons more widely within the Trust.</p>	<p><b>AS</b></p> <p><b>TG</b></p> <p><b>AS</b></p> <p><b>PW</b></p>
8	<p><b>Finance Paper (M3)</b></p> <p>The committee received this paper which will be presented to the Trust Board on 25<sup>th</sup> July. The appendices were not attached and will be circulated separately.</p> <p>Sue Hall noted that some changes have been made to previous reports including more explanation around actions taken where the Trust is off-track against targets.</p> <p>There is also further explanation included on the financial position of SBUs.</p>	<b>LH</b>

Item		Name
	<p>It is planned that in future that the Finance &amp; Performance Report will be combined.</p> <p>Sue Hall highlighted the M3 position regarding the CRES plans for 2012/13 and it was noted that there is a gap of £2.5m regarding savings to be made, currently without a plan. It was noted that plans are in place at SBU level to minimise risk at year end.</p> <p>Paul Miller reported that there is work to be done to better align budgets going forward and that this undermines the quality of the forecast at present. Andy Sylvester confirmed that there are conversations to be had about realistic resources to get the job done whilst working with historically set budgets.</p> <p>Tony Gallagher asked that Executives should be sighted on the requirement for the realignment of budgets between SBUs. He also highlighted that the £1.8m gap between Trust risk and mitigations at M3 be kept in sight.</p> <p><i>Contingency Reserve</i></p> <p>It was requested that the process and issues behind the reduction in the contingency reserve from £2m to £750k be expanded upon.</p> <p>It was also requested that the themes around bank and agency staffing and the quality implications associated with these be explained.</p> <p>Paul noted that the corporate CRES targets are situated within the Chief Executive's budget to ensure that these are visibly driven through.</p>	<p>SH</p> <p>SH</p>
9	<p><b>Performance Report (M3)</b></p> <p>Andy Sylvester welcomed the planned integrated Finance &amp; Performance report.</p> <p>The movement of the performance reporting team to the Finance &amp; Commerce directorate to be integrated with IM&amp;T was welcomed. This will facilitate the production of a finance and performance activity report.</p> <p>Tony Gallagher noted that this committee should track the performance indicators not tracked by other committees. This will require a report on the qualitative impact of this from the Operations Directorate and one reflecting the quantitative impact from the Finance &amp; Commerce directorate. He asked that Andy and Sue recommend the KPIs to be tracked as informed by the Strategic Objectives of the Trust. It was agreed that Andy, Sue and David Colyer will meet to discuss this and recommend a way forward, which will include examination of the process for the capture of activity data</p>	<p>AS/SH</p> <p>AS/SH /DCo</p>
10	<p><b>IM&amp;T Strategy</b></p> <p>It was clarified that this item was requested by the Board to demonstrate the process of the IT Capital Programme.</p> <p>It was noted that Mobile IT has been a consistent issue and that a paper</p>	<p>AHE</p>

Item		Name
	<p>regarding a mobile working pilot will circulated separately.</p> <p>It was agreed that the IM&amp;T Strategy should be scrutinised 6 monthly in future.</p> <p>Tony Gallagher noted that the current risks identified in the Strategy are the wrong risks and that the non performance of RiO outweighs all others. He welcomed the comprehensive report but requested that RiO and mobile working should be better identified and highlighted to give clarity about priorities.</p> <p>Paul noted, that now that the Information Team has moved under the IM&amp;T umbrella, there is an opportunity to include this in the IM&amp;T Strategy and bring together all issues concerning the RiO system. It was confirmed that Alison Howard-Evans, Toby Rickard and Sue Hall are due to meet shortly to progress this. The committee would like to be kept informed of the outcome.</p>	<p>AHE</p> <p>AHE/ SH</p>
11	<p><b>Commercial Director Update</b></p> <p>It was confirmed that there are three candidates and that they would be interviewed in the week beginning 30<sup>th</sup> July.</p> <p>It was requested that a Service Director be included on the interviewing panel if possible.</p>	SH
12	<p><b>IMP Board</b></p> <p>The committee received the minutes and actions of the last meeting of the IMP Board.</p> <p>It was noted that it has been agreed that the IMP Board should be closed down and its area of scrutiny be transferred to this committee.</p> <p>It was confirmed that Sue Hall is taking over Executive responsibility for CRES and Andy Sylvester will be responsible for Redesign, the corporate review and enabling actions around PbR.</p>	
13	<p><b>AOB</b></p> <p>There were none.</p>	
14	<p><b>Date and Time of next meeting</b></p> <p>17th August – 9.00</p>	