

Minutes of a Meeting of the AWP Finance & Planning Committee

Held on 23rd April at 1.00pm in Seminar Room 3

These Minutes are presented for Information

Members Present

Alison Paine (AP) – Non Executive Director (Chair)	Paul Miller (PM) – Director of Finance Sue Hall (SH) – Interim Director of Business Development
Tony McNiff (TMC) – Non-Executive Director Kristin Dominy (KD) – Operations Director Carol Bowes (CB) – Clinical Director, Specialised and Secure Services	Pippa Ross-Smith (PRS) – Deputy Director of Finance Emma Roberts (ER) – Company Secretary Louise Hussey (LH) – Assistant Company Secretary

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1. Apologies	1.1. Tony Gallagher (TG) – Non Executive Director, Peter Greensmith (PG) – Non Executive Director, Denise Claydon (DCI) Managing Director – Wiltshire 1.2. Alison welcomed Tony McNiff to the committee in the absence of Tony Gallagher and Peter Greensmith.	
2. Minutes of the meeting on 18th March and matters arising	2.1. Paragraph 5.12 should refer to <i>high level principles</i> . 2.2. The strap line in 6.1 is You Matter – We Care . 2.3. With these amendments the minutes were agreed as an accurate record. Matters Arising not on the agenda elsewhere 2.4. 18.3.13 – 02 – in answer to the question on where Performance sits in terms of Board reporting, it was noted that there is due to be a discussion at the next Board Seminar on 8 May on the Quality Information System (QIS) and how the Board would like this to be reported. It was suggested that the Board may wish to receive the output of QIS to inform a strategic discussion and that this committee should continue to review activity. The committee asked for a steer on this approach, post the May Seminar. 2.5. 05 – Carol Bowes responded to the query about potential tendering at Eastwood Park and it was noted that there may be concerns about the Pathfinder Service coming in and that this may have had an unsettling effect	TG

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<p>on staff.</p> <p>2.6. 06 – it was noted that the specifics around local corporate and operational general efficiencies will be picked up through the outcomes of the PWC work.</p> <p>2.7. 07 – PM noted that he had produced a memorandum report which summarised actions taken to close off 12/13 and the assurance that these do not adversely affect quality. This is attached at <i>Appendix 4</i> to the Finance report on the agenda of this meeting.</p> <p>2.8. 10 – Clinical Directors have been asked to attend this committee when possible and, when not possible, that Managing Directors should attend in their place.</p>	
<p>3. Update on IBP/FT</p> <p>3.1. The committee received a verbal update on Foundation Trust and Integrated Business Plan progress from the Interim Director of Business Development.</p> <p>3.2. It was confirmed that the Annual Operating Plan had been submitted to the Trust Development Authority (TDA) on 5th April. The Trust has not yet received any feedback and will follow this up if nothing is received by early May.</p> <p>3.3. The committee was updated on the stringent guidelines from the TDA around FT readiness and the Monitor assessment journey.</p> <p>3.4. In light of the recent Francis Report the Trust has been asked to reflect on its position in relation to this report and whether it can demonstrate it is able to address any relevant issues within its FT application timeline.</p> <p>3.5. Emma Roberts underlined that a major source of evidence for this is the Quality Information System (QIS) which will demonstrate that the Board has a system which tracks quality from ward to board.</p> <p>3.6. The implication of the Trust delaying entering the FT pipeline by a couple of months was considered and it was agreed that the Board must decide when the Trust is ready to enter the pipeline. This is due to be discussed at the 2 May Board meeting.</p> <p>3.7. Paul Miller noted that there are elements of the FT journey that are externally validated such as Historic Due Diligence (HDD) and that these must be co-ordinated with any changed timescales.</p> <p>3.8. Alison Paine asked about progress in relation to Commissioner Convergence and it was confirmed by Sue Hall that this will be formally led by North Somerset CCG as the lead coordinating commissioner.</p>	
<p>4. Update on enabling strategies</p> <p>4.1. The committee received a verbal update from the Interim Director of Business Development on the status of enabling strategies within the Trust.</p> <p>4.2. The necessity for a Financial Strategy was discussed as this is integral to the Annual Operating Plan. It was considered that the Integrated Business Plan</p>	

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<p>(IBP) incorporates a Finance Strategy for the organisation and that there is a stand alone Business Strategy alongside this.</p> <p>4.3. Alison Paine questioned whether it might be necessary to have a strategy on how the organisation deals with the financial side of its business in terms of issues such as surpluses, re-investment and its approach to loss making elements of the business.</p> <p>4.4. It was agreed that this is covered by the Business Strategy and that the Finance Strategy is made up of a number of elements including the Business Strategy and the IBP. Sue Hall agreed to check that the summary in the IBP which reflects this is accurate.</p> <p>4.5. The Workforce & Leadership Strategy is expected to go to the Employee, Engagement and Strategy Committee (ESEC) in May.</p> <p>4.6. The Innovation Strategy is due to go to the Trust Board in May.</p> <p>4.7. It was confirmed that the IT Strategy is a rolling process and that this will be presented at the next meeting in draft.</p> <p>4.8. It was confirmed that the Performance Strategy will be included as part of the Quality Strategy.</p> <p>4.9. The Estates Strategy is in the process of being owned and approved across the organisation and will be updated in the next 2 weeks.</p> <p>4.10. The committee resolved to note progress on the status of the enabling strategies.</p>	<p>SH</p> <p>PM</p>
<p>5. 2013/14 Financial Plan closure</p> <p>5.1. The Committee received a tabled report from the Director of Finance on the actions proposed to ensure that the 2013/14 financial plan is balanced.</p> <p>5.2. Paul Miller underlined that any adjustments are based on proposals discussed and agreed by the Senior Management Team on 17th April. He confirmed that the Finance Directorate are now working on the final detail and that a short paper closing this off will be presented to the Trust Board on 2 May.</p> <p>5.3. Alison Paine asked for confirmation that this budget is supported across the Trust.</p> <p>5.4. Kristin Dominy noted that it is in a period of refinement which will identify where there are any issues. She acknowledged that there may be some posts that have been fallen through the net in the process and that, to address this, Clinical Directors and Managing Directors are examining the plan line by line with their accountants. It is accepted that there may be some budgets which historically cross Localities and the intention is that there is sufficient time to work through these.</p> <p>5.5. Paul Miller underlined that this process is about closing down the financial framework and that it is acknowledged that in a newly constructed organisation with new personnel the validation process is important. He</p>	

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<p>confirmed that it is important to swiftly close off the virement process.</p> <p>5.6. Paul Miller noted that that, in terms of staffing budgets, the run rate for 12/13 has informed 13/14. He confirmed that, going forward, the intention is to recruit more permanent staff with less reliance on agency and back staff except for temporary cover in short term situations.</p> <p>5.7. Tony McNiff cautioned against building in structural inefficiencies with the run rate as well as inflated costs for agency and back staff.</p> <p>5.8. It was agreed that it would be useful to use the recent PWC work to inform work on volume and capacity planning.</p> <p>5.9. The committee resolved to note this report.</p>	
<p>6. Finance & Performance</p> <p>M12 Finance Report</p> <p>6.1. The committee received this report from the Director of Finance which presented the financial position for the year to 31 March 2013 and also informed it of the 2012/13 final capital programme position.</p> <p>6.2. The committee noted that the Trust has delivered the SHA 'control total' surplus £6k ahead of its target. It also noted that, as a result of confirmation of in year impairment changes, there has been a reduction in the 'bottom line' surplus.</p> <p>6.3. The Trust has achieved a FRR for the year of 4.</p> <p>6.4. The Pay overspend of £6, 868k was noted and the associated issues related to this.</p> <p>6.5. It was acknowledged that the Trust must improve on the delivery of Cost Improvement Programme (CIP) savings plans and the position for 12/13 was noted.</p> <p>6.6. The position on contract penalties and potential CQUIN billing was also noted.</p> <p>6.7. The closing off of the capital programme was noted and it was agreed that this should be more front loaded in 13/14 to avoid the position in 12/13 when there was a concentration of capital spend in the last few months of the year.</p> <p>6.8. Sue Hall noted that the temporary staffing costs in M12 are significantly higher than previously and it was agreed that further work is required to examine why this has happened. Pippa Ross-Smith and Kristin Dominy agreed to meet to re-examine this.</p> <p>6.9. Alison Paine welcomed the overall position at year end considering the difficult year that the Trust has had. She congratulated all concerned on this achievement.</p> <p>M12 Performance Report</p> <p>6.10. The committee received this Activity Report from the Interim Director of</p>	<p>PRS/KD</p>

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<p>Business Development which identified high level issues within the organisation.</p> <p>6.11. It was acknowledged that some of the data is still crude but that the Trust is improving at recording and reporting.</p> <p>6.12. Kristin Dominy noted that work is ongoing to gain a clearer picture on the rate of activity in Intensive teams.</p> <p>6.13. Alison Paine queried that 'days lost' related to Delayed Transfers of Care (DTOC) are a commissioner responsibility. Sue noted that there are a number of different reasons for each DTOC and that there seems to be little incentive for Local Authorities to resolve this situation.</p> <p>6.14. Tony McNiff questioned the 14% difference between demand and occupancy in the Eating Disorder Service (EDS). Carol Bowes responded that integral to the treatment programme is that the ward is available as a safety net when service users are discharged. She also noted that that the EDS has a very specific service specification from NHS England including specific rules of engagement.</p> <p>6.15. Alison welcomed this detailed report.</p> <p>Future Performance reporting arrangements</p> <p>6.16. Sue Hall confirmed that this may be re-badged as the Activity Report and that there are likely to be changes of emphasis when the Director of Operations has identified specific areas of focus.</p>	
<p>7. Commercial (Tendering) Report</p> <p>7.1. The committee received this report from the Interim Director of Business Development which provided an update on tendering activities during April 2013.</p> <p>7.2. The committee noted that the Trust has won the NHS BANES IAPT service and that the SDAS Bristol contract is currently out to tender.</p> <p>7.3. The committee was updated on the NHS Bristol tender process.</p>	
<p>8. AOB</p> <p>8.1. There was none.</p>	

Key to Abbreviations Used

Abbreviation	For
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Key to Abbreviations Used	
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Chief Exec	Chief Executive
DoF	Executive Director of Finance & Commerce, and Deputy Chief Executive
Int Dir BD	Interim Director of Business Development
Exec Dir Nursing	Executive Director of Nursing
Exec Dir Ops	Executive Director of Operations
Dir FTP	Foundation Trust Programme Director
CoSec	Company Secretary
ACoSec	Assistant to the Company Secretary
EMT	Executive Management Team
SBU	Strategic Business Unit
NED	Non-executive Director

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