

Minutes of a Meeting of the AWP Finance & Planning Committee

Held on 18 July at 2.30pm in Seminar Room 3

These Minutes are presented for Information

Members Present

Lee O'Bryan (LOB) – Non Executive Director (Chair)
 Tony Gallagher (TG) – Trust Chair
 Iain Tulley (IT) – Chief Executive
 Sue Hall (SH) – Interim Director of Business Development

Kristin Dominy (KD) – Operations Director
 Pippa Ross-Smith (PRS) – Deputy Director of Finance
 Jenny MacDonald (JD) – Managing Director, South Glos.
 Paul Townsend (PT) – Managing Director, Specialised and Secure and SDAS

Louise Hussey(LH) –Assistant Company Secretary (*minute taker*)

Item	Action
Apologies	
<p>Apologies for absence were received from Paul Miller (PM) – Director of Finance Peter Greensmith, Denise Claydon (DCI) - Managing Director, Wiltshire, Bill Bruce-Jones (BBJ) – Clinical Director, B&NES.</p>	
<p>1. Minutes of the meeting on 17th June and matters arising</p> <p>1.1. The minutes were accepted as an accurate record.</p> <p>Matters arising not on the agenda elsewhere</p> <ul style="list-style-type: none"> ● 18.3.13 – 2 – <i>Activity Report</i> – It was agreed that discussion on where performance indicators are best scrutinised should be rolled forward to the next meeting of the committee. ● 20.5.13 – 2 – <i>Finance Reporting – agency spend saving</i> – KD updated the meeting that the budget validation process has taken place and that agency spend will cease shortly. There is ongoing work to review all establishments per ward and look at skill mix. 	SH

Finance & Planning Committee Minutes

Item	Action
<p>2. Academy Update</p> <p>2.1. The committee received a verbal update from Hazel Watson.</p> <p>2.2. Lee confirmed that he expects this committee to push hard at the value for money agenda and that consideration of the work of the Academy will provide an opportunity to do this.</p> <p>2.3. Hazel updated on the formation of the Academy and confirmed that some posts are not yet in place. She reiterated that its role is to design, check and check again. Its reporting route is through the Quality and Standards Committee but it is expected that other committees will be interested in its workstream.</p> <p>2.4. It was considered that there should be a discipline where the Academy, on behalf of the Quality and Standards Committee, deliver initiatives and report back to this committee on the delivery of these.</p> <p>2.5. Tony Gallagher said that he would like to see a demonstration that Local Delivery Units get value for money against the annual budget of the Academy. It was also considered that it would be useful to measure if its initiatives are achieved and what the cost was of these.</p>	
<p>3. Quality and Performance Report</p> <p>IQ Performance: Monitor Compliance, Key Contract Indicators and Finance</p> <p>3.1. The committee received a report from Sue Hall on the two indicators allocated to it for scrutiny within the IQ system.</p> <p>3.2. It was agreed that going forward it will be helpful to use this information to better understand the implications for the Trust and link this in to the work of the Academy. The committee noted the three indicators that are not on or above target:</p> <ul style="list-style-type: none"> • Care clusters: timeliness of review – red (89% - target 95%) • Discharge protocols – amber (97%) – target 98%) • Crisis assessment waits – amber (97% - target 98%) <p>3.3. It was noted that the numbers concerned are small and that this position should be easily rectified. The Care Clusters indicator has been discussed at the recent Operations Senior Management Team meeting where a course of action has been agreed.</p> <p>3.4. Hazel noted that the concept of care clustering is not as ingrained as we would like in the organisation and suggested that this could be added to the records audit for Information Governance to underline its importance.</p> <p>3.5. Iain Tulley underlined that whilst this needs to be resolved, the Trust is in the top three in the south of England for care clustering. He suggested that this and the target relating to discharge protocols could be usefully</p>	

Minutes Prepared for the Finance & Planning committee dated 17 June 2013

Sponsored by the Chair of the Committee

Agenda Item:

Serial:

Page 2 of 7

Finance & Planning Committee Minutes

Item	Action
<p>addressed in the weekly huddle.</p> <p>Activity Report</p> <p>3.6. The committee received a report from Sue Hall which provided data relating to the activity levels within the Trust's Adult Acute inpatient facilities.</p> <p>3.7. Key points were noted in relation to:</p> <ul style="list-style-type: none"> • Occupancy – occupancy levels exceeding 97% in adult acute wards • Usage versus commissioned capacity – the usage in some CCG areas is significantly higher than the commissioned capacity leading to high numbers of service users receiving treatment in units in other areas of the Trust. B&NES and Swindon are most affected. • Delayed Transfers of Care (DTOC) – only Bristol and Wiltshire are showing significant volumes of bed days 'lost' due to service users noted as DTOC. <p>3.8. That this demonstrates Adult Acute inpatient units under pressure was noted and agreed. Iain noted that the process should evolve to the next stage where SMT, the Academy and the Medical Advisory Group work to address these issues and report back to this committee on actions taken.</p> <p>3.9. Tony noted the potential impact on quality of care if service users are treated outside the area and also the financial implications of the Trust committing significant extra resources above that for which it is commissioned. He asked about conversations with commissioners in relation to this.</p> <p>3.10. Sue Hall confirmed that the Trust shares this contractual information with commissioners.</p> <p>3.11. Iain reiterated that future reports to this committee should include information on actions in hand to address these issues and that these will look at the complete picture. This will include description of analysis, synthesis, diagnosis and action.</p> <p>3.12. It was requested that the Executive Team discuss these issues further and that assurance is provided that the Trust is talking to commissioners about additional funding before September.</p>	<p>SH</p>
<p>4. Finance Report – M3</p> <p>4.1. The committee received a report that presented the Trust Financial position for June 2013.</p> <p>4.2. The committee noted the position at the end of June and that this is a shortfall against plan of £89k.</p> <p>4.3. The committee also noted the forecast year end position against NHS</p>	

Minutes Prepared for the Finance & Planning committee dated 17 June 2013

Sponsored by the Chair of the Committee

Agenda Item:

Serial:

Page 3 of 7

Finance & Planning Committee Minutes

Item	Action
<p>TDA control total surplus and the bottom line surplus.</p> <p>4.4. It was noted that pay spend, including costs of employing temporary staff, is £207k higher than budget for the month and £161k underspent YTD. The achievement of the YTD position despite some pay CIPs failing to deliver and the cost of the temporary staffing bill in the first three months was also noted.</p> <p>4.5. The contribution of Out of Area (OOA) costs to the non pay expenditure overspend was highlighted.</p> <p>4.6. Lee O'Bryan identified that the bottom line appears satisfactory, but for the wrong reasons because this relies more on one off non-recurring changes, as opposed to recurring savings . He noted that pay spend looks to be going in the wrong direction and that OOA costs are a concern. He also voiced concerns about CIP performance .</p> <p>4.7. It was confirmed that management actions are in place to minimise OOA spend and that it is hoped to bring this down by the end of Quarter 2.</p> <p>4.8. Lee asked for an update on the OOA position to ensure that this is about volume, as suggested, and not a management issue.</p> <p>4.9. The achievement of Cost Improvement Plans (CIPs) was agreed as a significant area of concern and it was acknowledged that there is much work required to make these more measurable.</p> <p>4.10. It was agreed that future finance reports should include a paragraph on plans to close the CIPs gap.</p> <p>4.11. In terms of pay spend, it was identified that there are two elements to the pay overspend around agency spend and sickness and this has been a focus of the Senior Management team. Kristin Dominy underlined that there is a concerted drive to educate the workplace around sickness issues.</p> <p>4.12. It was acknowledged that there is a training gap around ownership of budgets for team managers and that a greater depth of understanding is required around the mechanisms for managing budgets.</p> <p>4.13. The committee resolved to agree the following:</p> <ul style="list-style-type: none"> a. The IT Infrastructure Replacement project (£575k 2013/14) b. The revised changes to the not yet authorised capital schemes c. To proceed with negotiations on the Fountain Way proposal 	<p>KD</p> <p>PM</p>
<p>5. Cost Improvement Plan (CIP) Update</p> <p>5.1. The committee received a report on the delivery of the 2013/14 CIP schemes at Month 3.</p> <p>5.2. It was confirmed that this has been separated from the Finance report to emphasise that delivery of the CIP programme is the responsibility of the</p>	

Minutes Prepared for the Finance & Planning committee dated 17 June 2013

Sponsored by the Chair of the Committee

Agenda Item:

Serial:

Page 4 of 7

Finance & Planning Committee Minutes

Item	Action
<p>Executive team.</p> <p>5.3. It was noted that for M3 each scheme in the 13/14 programme has been risk assessed and the forecast financial savings adjusted to reflect the risk rating applied.</p> <p>5.4. It was acknowledged that this has been a prudent risk assessment exercise which presents a 'worst case' scenario. The possible shortfall of £4.8m is recognised as a major risk to the trust achieving its financial targets and that there is a need to identify and implement replacement schemes and other mitigating actions. It was confirmed that this work is underway and that this is on the agenda at all Operations' Senior Management Team meetings.</p> <p>5.5. Iain Tulley acknowledged that this is a good start but that much of this is about non recurrent schemes which is a risk and that currently this is an evolutionary process.</p> <p>5.6. There was some discussion about a systematic approach to identifying cost reductions, and Lee asked that this is returned to in the context of 2013/14 plans .</p> <p>5.7. Lee O'Bryan welcomed this report and underlined that the process must start earlier in the year in future. It was agreed that the new Project Office will have an impact on this and it was confirmed that there are plans to the 14/15 CIPs to be available in December of this year.</p>	
<p>6. Update on IBP/FT</p> <p>6.1. Sue Hall updated the committee on the commissioner convergence comments received so far from commissioners. This has been generally positive with helpful suggestions on how the Trust could better present the positive changes that have been made recently.</p> <p>6.2. It was confirmed that this will tie in with the work being undertaken by Keith Pople.</p>	
<p>7. Commercial and Tendering Report</p> <p>7.1 The committee received a report on the tendering activities during June/July 2013.</p> <p>7.2 The committee noted that the Trust has been successful in retaining its contract to provide Specialist Drug and Alcohol Services in Bristol.</p> <p>7.3 It was noted that it has been decided to withdraw from the SDAS tender process in Somerset as there were serious concerns regarding the specification. It was confirmed that there have been discussions with local commissioners on the rationale for this decision.</p> <p>7.4 The committee noted the Trust expression of interest in expanding the SDAS services in Bournemouth and also the provision of a recovery</p>	

Minutes Prepared for the Finance & Planning committee dated 17 June 2013

Sponsored by the Chair of the Committee

Agenda Item:

Serial:

Page 5 of 7

Finance & Planning Committee Minutes

Item	Action
<p style="text-align: center;">orientated substance misuse service in Devon.</p> <p>7.8 It was noted that Localities are asking for information on all tenders in order for them to better understand the competitive marketplace. It was agreed that a summary of these tenders would be a useful agenda item on a Part 2 Board agenda to inform strategic discussions.</p>	SH
<p>8. Bristol tender and timetable for decisions for this committee</p> <p>8.1. The committee received a report on the strategic aims and risks of the Bristol Mental Health Community Services tender and agree the input of the Board or sub committee in the various stages of the submission.</p> <p>8.2. It was confirmed that a final governance structure is being oput in process .</p> <p>8.3. Lee O'Bryan commented that this is such a significant piece of work that he would expect the Chair and Chief Executive to be closely involved with it.</p> <p>8.4. It was considered that critical strategic debates around partnerships should take place at this committee with recommendations then going to the Board. It was noted that there may be issues around timelines for decisions related to this approach.</p> <p>8.5. Experiences in SDAS with other tendering processes have underlined that this must be taken forward with care.</p> <p>8.6. It was agreed that Lee, Tony Gallagher and Iain Tulley should meet to discuss options for taking this process forward which should be informed by local intelligence from those on the ground. It was confirmed that as a principal in future all decisions regarding partnerships should involve the chair of this committee, the Chief Executive and the Chair in the discussions.</p> <p>8.7. It was underlined that decisions will be needed early in the next week and that discussions should be timed to take this into account.</p>	
<p>9. Locality Focus</p> <p>9.1. Lee O'Bryan requested that for future meetings there should be a rolling programme of Locality management attendance with time allocated to discuss locality-specific issues.</p>	KD
<p>10. Counter Fraud Policy</p> <p>10.1. The committee received this policy which has been updated.</p> <p>10.2. The committee resolved to note this updated policy.</p>	
<p>11. AOB</p> <p>11.1. It was confirmed that the Historic Due Diligence (HDD) process will take</p>	

Minutes Prepared for the Finance & Planning committee dated 17 June 2013

Sponsored by the Chair of the Committee

Agenda Item:

Serial:

Page 6 of 7

Finance & Planning Committee Minutes

Item	Action
place in the last week of August and the first week of September and that July's outturn position will be considered. It was requested that the comments of this committee in relation to this position be presented with it.	PM

Key to Abbreviations Used	
Abbreviation	For
Chief Exec	Chief Executive
DoF	Executive Director of Finance, 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
CoSec	Company Secretary
ACoSec	Assistant to the Company Secretary
ET	Executive Team
NED	Non-executive Director

Minutes Prepared for the Finance & Planning committee dated 17 June 2013

Sponsored by the Chair of the Committee

Agenda Item:

Serial:

Page 7 of 7