



## Finance & Investment Committee (F&IC) Minutes

**Venue:** Roche, YAS HQ, Springhill 2, WF2 0XQ

**Date:** Thursday 14 September 2017

**Time:** 1300 hours

**Chairman:** John Nutton

### Membership:

John Nutton	(JN)	Non-Executive Director & Chairman of F&IC
Pat Drake	(PD)	YAS Deputy Chairman & Non-Executive Director
Rod Barnes	(RB)	Chief Executive
Mark Bradley	(MB)	Executive Director of Finance
Leaf Mobbs	(LM)	Director of Planning & Development

### Apologies:

Ronnie Coutts	(RC)	Non- Executive Director
Mike Fairbotham	(MF)	Associate Director of Procurement & Logistics

### In Attendance:

Barrie Senior	(BS)	Non-Executive Director (Observing)
Alex Crickmar	(AC)	Deputy Director of Finance
Anne Allen	(AA)	Trust Secretary
Rachel Monaghan	(RM)	Associate Director of Performance Assurance and Risk
Chris Dexter	(CD)	Managing Director, PTS (Item 11)
Deborah Mitchell	(DM)	Portfolio Manager (Transformation) – Hub and Spoke Programme Lead (Item 5)
John Loughran	(JLo)	Head of Capital & Investment (Item 5)
Perry Duke	(PDu)	Financial Controller (Item 12)
Dr Phil Foster	(PF)	Director of Planning & Urgent Care (Item 10)
Phil Storr	(PS)	Associate Non-Executive Director (Observing)

### Minutes produced by:

Joanne Lancaster	(JL)	Committee Services Manager
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	The meeting commenced at 1300 hours.	
<b>1.0</b>	<b>Introduction and Apologies</b> JN welcomed everyone to the meeting and apologies were noted as above.	

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<b>2.0</b>	<p><b>Declaration of Interests for any item on the agenda</b>            There were no interests to be declared in relation to the agenda items but any would be noted throughout the meeting should they arise.</p>	
<b>3.0</b>	<p><b>Feedback from Board Meetings</b>            JN summarised discussions that had taken place at the last Board meeting on 31 August 2017 which had included the revised Control Total for 2017/18, the impact on the 2018/19 budget due to the number of non-recurrent Cost Improvement Programmes (CIPs) for 2017/18 and the slow progress on the Patient Transport Services (PTS) Transformation scheme.</p> <p>It was noted that the information provided in the A&amp;E paper was not the same as had been in the paper for Quality Committee earlier that day.</p> <p>AC clarified that both papers were Month 4 and it was likely that the paper at Quality Committee had included figures for the Emergency Operations Centre (EOC).</p>	
<b>4.0</b>	<p><b>For Approval: Minutes of the meeting 15 June 2017</b>            The minutes of the meeting held on 15 June 2017 were agreed as a true and fair representation of the meeting.</p> <p><b>4.1 Action Log:</b>            Action 2016/014 – Model Ambulance Template – This action was on-going and regular verbal updates had been received as and when there were things to report. A letter had been received from NHSI and YAS had some clarifications for NHSI to address. There would be a formal Board to Board meeting between NHSI and YAS prior to the implementation of the Model Ambulance Template. Action remains open.</p> <p>Action 2016/023 – Pay/Non-Pay expenditure mapped against income – This item was on the agenda. Action closed.</p> <p>Action 2016/024 – NAA comparative data – This item had been discussed at the June meeting. Action closed.</p> <p>Action 2017/004 – Benchmark data of back-office functions – This action was on-going. Action remains open.</p> <p>Action 2017/006 – Delivery of PTS Transformation Programme – This was on the agenda at item 11.0. Action closed.</p> <p>Action 2017/007 – RAG rating for PTS on reports – This had been included on the reports. Action closed.</p> <p>Action 2017/009 – Pay/Non-Pay expenditure including ‘cost creep’ into budgets – This item was on the agenda. Action closed.</p> <p>All other actions had either been appropriately closed or had a future deadline for completion.</p>	

		<b>Action</b>
<b>6.0</b>	<p><b>For Approval: Revised Capital Plan 2017/18</b> This item was taken out of order of the agenda.</p> <p>The paper set out a number of proposed changes to the 2017/18 Capital Plan. The changes had arisen as a result of reviewing the prioritisation and deliverability of capital schemes with service leads within the Capital Resource Limit approved by NHS Improvement (NHSI) in June 2017.</p> <p>AC explained that the original capital plan for 2017/18 totalling £13.232m was submitted to NHS Improvement (NHSI) in December 2016 in line with the national timetable and the Board had approved a revised capital plan in February 2017 but still of the same value of £13.232m.</p> <p>The Trust's Capital Monitoring Group had met to discuss whether there was a need to reprioritise the approved capital plan reflecting changes since initial planning. Furthermore the Trust had received its approved Capital Expenditure Limit (CRL) from NHSI in June 2017 of £8.533m and therefore the group also considered the prioritisation of the programme in light of this information.</p> <p>The revised capital plan of £8.5m was outlined at paragraph 3.1 of the report all priority 1 'must do' schemes had been able to be included within the plan. It was proposed the priority level 2 and 3 schemes become the reserve list for the capital programme as set out in Appendix 1. The key changes to the previous plan were outlined including:</p> <ul style="list-style-type: none"> <li>• A reduction in allocation for Hub and Spoke/VPS for 2017/18 by c £2.7m reflecting the phasing of capital expenditure in the preferred option set out in the Doncaster Business case.</li> <li>• A reduction in the ICT allocation by c£0.7m due to the telephony system replacement being delayed (due to long lead in time) into future years.</li> </ul> <p>AC confirmed that the Trust was not planning on applying to draw down cash reserves to fund the 2017/18 plan at this point as the revised capital plan was within the CRL limit set by NHS Improvement and the revised phasing of the Hub and Spoke development had meant that cash reserves for this project would need to be drawn down in 2018/19 rather than 2017/18 AC also advised that the Trust was currently planning to use £780k of its replacement funding to fund service developments to Doncaster Hub and VPS. This could therefore place future funding for replacement programmes at risk as depreciation funding has been used to fund new assets rather than existing assets.</p> <p>JN asked that as the Trust had cash whether it would be prudent to use the cash on some of the capital schemes.</p> <p>AC responded that if schemes could be brought forward then the Trust would do so providing it was in-line with the Trust's Operating Plan. The</p>	

	<b>Action</b>
<p>plan was to use some of the cash reserves to partly fund for example the Doncaster Hub capital costs as set out in the Doncaster Business Case.</p> <p>MB added that the Board had previously approved that should the capital plan slip and capital expenditure be available then the Trust could purchase an additional 8 DCAs. It was the intention that a 5 year capital plan for the Trust be developed.</p> <p>JN referred to the replacement of vehicles and the need to ensure the replacement process was smoothed to avoid spikes in purchases in future years.</p> <p>MB advised that a Fleet Strategy was being developed and would be brought to F&amp;IC for discussion in due course.</p> <p>AC advised that the Trust had put a combined bid into the STP national funding (tranche 2) in relation to Doncaster Hub and Spoke and vehicles. The SY STP had shortlisted this bid and the Trust waited to see if the bid would be successful or not at the national stage to be approved by Department of Health.</p> <p>BS asked that should the Trust be successful in the bid would the assets belong to the Trust or the STP.</p> <p>AC set out that it was his understanding that the assets would be YAS' responsibility.</p> <p>MB added that there would be a depreciation impact for YAS should the bid be successful.</p> <p>It was noted that the capital plan could not be resubmitted to NHSI and therefore the plan referred to in the paper as 'February Board approved plan' would be monitored against in the returns to NHSI and the IPR, with the forecast position updated to reflect the revised plan if approved by Trust Board.</p> <p><b>Approval:</b>  <b>The Finance and Investment Committee approved the reprioritised capital plan for onward presentation to Trust Board.</b></p>	
<p><b>7.0</b> <b>For Assurance: Planning &amp; Development Team Update</b>  This item was taken out of order of the agenda.</p> <p>The paper provided an update on current and future market testing in Patient Transport Services (PTS) and other service lines and described the current risks in relation to service reconfiguration.</p> <p>The current position with regard to key contract tenders was summarised.</p>	

	<b>Action</b>
<p>The reasons for YAS' unsuccessful bid for the South Yorkshire Renal Transport were outlined. The Trust would learn from this and take this learning into future bids. It was confirmed this would have been an additional contract and not one that had been previously been undertaken by YAS.</p> <p>It was noted that the four North Yorkshire CCGs (Vale of York, Scarborough and Ryedale, Hambleton, Richmondshire &amp; Whitby and Harrogate and Rural District) had given notice on the PTS North Yorkshire Consortia contract with a view to re-tendering for a new service commencing June 2018. YAS had passed the Selection Questionnaire stage with a specification and Invitation To Tender (ITT) documentation expected on 18 September 2017.</p> <p>LM explained that in parallel to this process two of the CCGs (Harrogate and Rural District and Hambleton, Richmondshire &amp; Whitby) were seeking to reach a contractual agreement outside of procurement process which would enable them to withdraw from the tender and continue with YAS service provision until April 2019.</p> <p>MB explained the financial risks to this which were mainly in relation to contribution to overhead costs. On balance the lesser financial risk to the Trust was to honour the remainder of the contract with Harrogate and Rural District and Hambleton, Richmondshire &amp; Whitby and work with the two CCGs on eligibility criteria of patients. There was no indication that Vale of York and Scarborough &amp; Ryedale would suspend their procurement process.</p> <p>RB joined the meeting at 1330 hours.</p> <p>BS remarked that the fluctuations within the external healthcare system such as the Acute reconfigurations and PTS tenders were having a direct impact on YAS and he asked how the Trust intended to achieve the balance between reaching its own Control Total and performance and being part of a wider health care system that worked jointly for good outcomes for patients.</p> <p>RB responded that YAS had a history of good partnership working which would continue. Any YAS service decision that was taken was given full scrutiny and consideration to ensure that it did not jeopardise the Trust's financial, performance and reputational position and would not negatively impact on patient care and safety.</p> <p>MB added that the Trust was working collaboratively with partners to overcome issues and to work towards a whole system approach to patients across the region.</p> <p>LM emphasised that talks with Commissioners not only focused on the financial aspect of contracts but very much on what was best for the patient and positive patient outcomes.</p>	

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<p>LM outlined the known intentions with the PTS West Yorkshire and Integrated Urgent and Emergency Care future contracts.</p> <p>There were a number of Acute reconfigurations across the region that had significant implications for the Trust's financial and performance position.</p> <p>PD asked whether the reconfiguration of Calderdale &amp; Huddersfield NHS FT (CHFT) ought to be on the Corporate Risk Register (CRR) as a separate risk.</p> <p><b>Action:</b>  <b>Review the Corporate Risk Register and determine whether a separate risk should be developed for Calderdale and Huddersfield NHS FT reconfiguration.</b></p> <p>LM and MB outlined conversations they had had with CHFT and whether YAS could model the impact and assess whether the service could safely respond to the changes proposed under the CHFT reconfiguration. It was noted that CHFT had indicated that the reconfiguration would be implemented by 30 November at the latest.</p> <p><b>Action:</b>  <b>A report to TEG in relation to Calderdale and Huddersfield FT reconfiguration and YAS' impact assessment on whether the service could respond to the changes safely. Quality Committee and Finance and Investment Committee to be kept informed as appropriate.</b></p> <p><b>Approval:</b>  <b>The Finance and Investment Committee noted the contents of the paper.</b></p>	<p>RM</p> <p>LM</p>
<p><b>5.0 For Discussion/Onward Recommendation to Trust Board: Doncaster Hub Full Business Case</b></p> <p>The paper presented the Doncaster Hub Business Case which proposed the remodelling of the current Doncaster Station at Clay Lane West to a new hub design with supporting spoke facilities and integrated vehicle preparation. The paper also outlined proposals to close the Bentley station and the relocation of Operations to the hub. The Doncaster training department currently based at Doncaster station would be relocated to alternative premises in the South locality.</p> <p>DM explained that the business case presented provided the evidence to remodel the Doncaster station as a hub with six spokes. The staff side were supportive of this proposal. She added that Bentley station would close and be relocated to the Doncaster site. The training facility currently based at Doncaster would be closed and facilitated elsewhere.</p> <p>JN asked whether there were any A&amp;E Operation implications whilst the Doncaster station was being re-modelled.</p>	

	<b>Action</b>
<p>DM explained that once the level of work for the re-model was known then it would become apparent whether a full or partial de-cant of resources and staff would be required.</p> <p>She added that the future operating model would mean that 15% of staff would be deployed from the hub and the rest of staff deployed from the spokes. Staff would pick up a vehicle from the hub and go to the spoke in the heart of the community to await jobs. Non-clinical staff would be responsible for cleaning and stocking vehicles. There would be the facility to increase/decrease the number of spokes depending on the need in the local economy.</p> <p>It was noted there was a robust communications and engagement plan accompanying the project. There had been significant staff engagement with the project. The staff side sat on the Programme Board. BS asked whether there would be any objections to the planning applications from the Local Authority (LA).</p> <p>DM responded that advice received indicated that as the site was currently an ambulance station then planning permissions should be granted. Informal dialogue had taken place with the LA and once the Trust Board had approved the Business Case for the Doncaster Hub and Spoke project then a formal approach to the LA would take place.</p> <p>MB asked for clarification regarding the presentation which referred to a 3.5% performance improvement. MB's understanding was that this performance improvement would not be realised as the performance benefit had been assumed to be an efficiency saving (through a reduction in operational staffing) rather than a performance benefit in the business case.</p> <p>DM confirmed that MB's understanding of the business case was correct and that the performance benefit had been assumed as an efficiency saving in the business case.</p> <p>RB advised the scheme had demonstrated a £200k saving however with the introduction of the national ARP there would be decisions to make in terms of banking the saving or putting in additional resource to improve response time.</p> <p>JN asked how confident the team were of achieving the 3.5% efficiencies savings.</p> <p>DM responded that she was confident this would increase once the operational model had been changed and implemented. The regular cleaning of vehicles should result in the deep clean cycle being elongated. There would be energy saving from the project due to the specification of the building.</p> <p>JLo advised that should the Trust be successful with its bid for STP</p>	

	<b>Action</b>
<p>funding for this project the funding elements would change.</p> <p>JN asked what the 'spoke' facility would encompass.</p> <p>DM advised these would either be co-located with other partner agencies or with private sector partners or be of a modular build design.</p> <p>MB advised that a significant cost pressure within the project was the development cost impairment of £0.3m relating to previously capitalised project team costs. Advice had been sought from External Audit in relation to whether the impairment was 'below the line' for NHS Improvement who needed to provide more information to the Trust for a more informed view; at present the Trust's view was that it should be 'below the line'.</p> <p>JLo took the Committee through the key financial implication of the project as outlined in the business case. Overall, the impact on YAS' financial position and ability to meet its control total is a c.£300k- £350k cost pressure per annum. This cost pressure would need to be recouped elsewhere or as part of the Trust's cost improvement plan (CIP). There was also a cost pressure assumed in the business case to be below the line of c£1.1m relating to the construction impairment. However discussions were ongoing with NHS Improvement regarding the accounting treatment for the impairment and whether or not this would impact on the achievement of the Trust's control total. Current thoughts were that this should not impact on the control total achievement following discussions with external audit.</p> <p>RB emphasised that the scheme was a quality improvement scheme and not a CIP scheme.</p> <p>Discussion took place in relation to the do nothing option and the do minimum option; it was noted that the Trust would need to spend money on the do minimum option.</p> <p>JN asked that the paper to Board include information relating to the 'do minimum' option and also a list of benefits from the scheme.</p> <p><b>Action:</b>  <b>The paper to Board to include information relating to the 'do minimum' option and also a list of benefits from the scheme.</b></p> <p><b>Approval:</b>  <b>The Finance and Investment Committee gained assurance that the Doncaster Hub and Spoke project was in the best interests of the Trust to take forward and would recommend as such to the Board.</b></p>	<p><b>DM</b></p>
<p><b>8.0</b> <b>For Assurance: Financial Review 2017/18</b>  The paper provided an overview of the key points in relation to the Trust's Month 4 financial position which reflected the revised Control Total.</p>	



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<p>The year to date (YTD) position for the Trust was £622k surplus; the YTD position excluding STF was a surplus of £294k against a planned surplus of £294k. The forecast position for the Trust was £3,408k surplus (including STF) against a surplus Control Total f £3,408k. The YTD position excluding STF was a surplus of £1,898k against a planned surplus of £1,898k. AC also set out the draft YTD position for Month 5, which was a £1.3m surplus against a planned surplus of £0.9m and therefore a favourable variance of £0.4m</p> <p>The key area of underspend was within A&amp;E Operations where the forecast underspend of £3.7m within Operations had increased significantly since Month 3. This was mainly due to less resources than planned and overtime uptake being less than expected. The Finance team was working closely with colleagues in Operations to understand the reasons for this and identify options to resolve this.</p> <p>AC set out that, there was currently forecast to be a significant non-recurrent underspend across the Trust driven primarily by the underspend in A&amp;E and also the non-utilisation of reserves set aside at the beginning of the financial year. However Trust management in addition to reviewing A&amp;E underspend were also looking at proposals for non-recurrent spend in 2017/18. This included potential invest to save schemes which would support delivery of future years CIP plans and essential investment required in an aging estate based on the six facet survey.</p> <p>Discussion took place in relation to using some of the underspend on other appropriate areas which would result in longer term savings such as LED lighting schemes. It was noted that it would be prudent to revisit the financial position around December when a more informed decision could be made as to whether to use some of the underspend in other areas.</p> <p>It was noted that PTS was a key area of adverse spend and the delivery of the CIP within this area was crucial. It was noted that part of the management restructure had been implemented within PTS and it was expected this would enable the PTS Transformation Programme to move at pace and deliver some efficiencies.</p> <p>The Trust was performing well against the agency cap being 28% under the nationally set cap.</p> <p>There were risks relating to the CIP programme as had previously been discussed mainly relating to the high number of non-recurrent schemes. As previously noted TEG and TMG were actively identifying recurrent schemes. It was noted that within CIPMG there was a heavy focus on the Cost Improvement Programme and the active identification of schemes of a recurrent nature and invest to save schemes in order to support a recurrent sustainable financial position for the Trust.</p>	

	<b>Action</b>
<p>MB emphasised that although there was a significant underspend showing at Month 4 it was expected that a large proportion of this would be used over the winter period. The Trust should remain focused on delivering CIP schemes and not adding costs into the organisation.</p> <p>BS asked what impact the national ARP implementation would have on the Trust.</p> <p>RB responded that the definitions had changed with the national rollout of ARP. The changes the definitions of Inter Facility Transfers and Category 1 and 2 calls had the ability to negatively impact on YAS' performance. There was a high proportion of IFTs and the Trust was considering how to mitigate the impact of these on YAS.</p> <p>PD relayed a discussion that had taken place in the Quality Committee earlier that day where it had been noted that the Trust was at Demand Management Level 2 on most weekends. She added that with issues around IFTs, reconfigurations and the introduction of new ECAs who would need mentoring whether the Trust's Winter Plan, as excellent as it was, would be able to be delivered.</p> <p>RB advised that the Trust was not moving away from the A&amp;E Operations model and that the intention was always to carry out a post-implementation review in October 2017. The review would look at the rota patterns, resources and review policies including the Relief Policy. He added that the implementation of the new rotas had gone well but there were issues that needed addressing in a timely manner.</p> <p>PD asked about the resource issues on a weekend and whether the introduction of the 36 ECAs would resolve these.</p> <p>RB responded that the Trust was addressing the issues raised by PD and working with Acute Trusts to resolve the impact of reconfigurations and IFTs. The introduction of 36 ECAs was seen as a positive move. The Relief Policy was being reviewed to ensure it was effective.</p> <p>JN thanked MB for the update. The financial position was noted as were the challenges faced by the Trust. The Finance and Investment Committee would be kept apprised of the position through the regular standing item on the agenda.</p> <p><b>Approval:</b>  <b>The Finance and Investment Committee noted the Trust's financial performance to date including the risks to delivery of the Trust's Operating Plan and gained appropriate assurance.</b></p>	
<p><b>9.0 For Assurance: Draft 2018/19 Financial Plan</b>  This item was taken out of order of the agenda.</p> <p>The paper outlined the draft financial plan for 2018/19 and the medium</p>	

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<p>term financial plan including key assumptions, CIP requirements and next steps.</p> <p>It was noted that the financial planning and budget setting process had been commenced early to enable a longer lead time to the process. It was expected that the Trust would receive a letter from NHSI in September in relation to the 2018/19 Financial Plan.</p> <p>The Trust would also need to contribute to the financial plans of each of the four STPs within the region.</p> <p>A number of assumptions had been made when developing the financial plan for 2018/19 and these had been detailed at paragraph 5 of the report. Of particular note:</p> <ul style="list-style-type: none"> <li>• Vacancy factor of 5% had been added back to the relevant budgets to ensure approved structures were reflected;</li> <li>• 2017/18 CIPs either not identified or delivered non-recurrently had been added back into the 2018/19 financial plan;</li> <li>• Non-recurrent national funding of £1.5m for the regrading of Paramedics from Band 5 to Band 6 had been included in to the 2018/19 financial plan.</li> </ul> <p>A number of national assumptions had been made including:</p> <ul style="list-style-type: none"> <li>• A reserve of £3.6m set aside for pay awards and increments provided for in the national tariff assumptions, plus the expected cost pressure associated with B5 Paramedics moving to B6;</li> <li>• A reserve of £0.4m had been set aside for inflation on non-pay items; A tariff inflation of 0.1% for A&amp;E Operations and PTS in line with national planning assumptions and contracts.</li> </ul> <p>The draft “do nothing” financial plan resulted in a deficit position of £6.951m against an assumed Control Total of £1.9m and thereby a gap of £8.849m. To date CIPs of £3,881m had been identified of which £2.271m related to schemes not delivered in 17/18 and therefore at high risk. It was noted that the actual Control Total set for 2018/19 remained at £5.1m at this point.</p> <p>AC set out the key messages and principles for developing the plan were:</p> <ul style="list-style-type: none"> <li>• Trust to aim for a £1.9m surplus (excluding STF) in line with this year’s control total with a view to negotiating with NHS I a revised control total in line with 17/18;</li> <li>• No additional income assumed due to two year contracts;</li> <li>• Need to reassess recurrent budgets in light of forecast outturn;</li> <li>• Need to develop and deliver CIP plans totalling 3.5%;</li> <li>• Identify cost pressures which are unavoidable but any developments would not be approved without an additional funding source identified.</li> </ul> <p>AC also took the Committee through the long term financial plan</p>	

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<p>including progress to date, key assumptions, key risks and future developments.</p> <p>MB emphasised the need for the Trust to maintain a surplus cash position to realise the Trust's future ambitions.</p> <p>BS asked when the long term strategy for YAS would be available.</p> <p>MB responded that the financial strategy would be developed as the overall YAS Strategy was developed and the supporting strategies underpinning that. The financial Plan would need to mirror the Business Plan.</p> <p>Discussion took place in relation to the number of non-recurrent CIP schemes. The F&amp;IC noted the importance of TEG and TMG identifying recurrent schemes.</p> <p>MB advised that the PTS CIP would be reviewed to ensure it reflected a more realistic CIP scheme.</p> <p>The timescales for submission of the financial plan for 2018/19 was noted. Depending on the timescales there may be a need for an extraordinary F&amp;IC.</p> <p><b>Approval</b>  <b>The Finance &amp; Investment Committee noted the first draft of the 2018/19 plan to deliver a £1.9m surplus (excl STF) and the five year financial plan, supporting the key assumptions and principles presented. The Committee supported the development and delivery of a recurrent CIP plan set out within the paper and noted the significant risks identified to with regards to the Trust's financial plan.</b></p>	
<p><b>8.1</b></p> <p><b>For Assurance: Action from Private Trust Board – Pay/Non-Pay Expenditure over last 4 years identifying areas where there had been a creep of budgets within directorates and service lines across the organisation</b></p> <p>JN introduced the item which had arisen from an action at the Private Board following a discussion in relation to 'cost-creep' of budgets over time.</p> <p>MP guided the F&amp;IC through the presentation. The presentation provided a high level overview of staff budget analysis by Directorate for the previous 5 years. The reasons for increases or reductions in staff numbers were explained for each Directorate.</p> <p>JN thanked MP for the presentation and remarked that he had been expecting something slightly different. He had expected a presentation which highlighted where there had been an increase in staffing costs that could be scrutinised to establish whether the tasks that these roles</p>	

	<b>Action</b>
<p>were undertaking were still required in order to establish possible efficiency savings (or otherwise). RB remarked that a number of Directorates had been through structural reviews. Mandy Cockcroft, HR Consultant had reviewed the Human Resources structure and had advised that she felt this was reasonable for an organisation the size of YAS.</p> <p>It was noted that some staff increases within teams had been purposeful to provide the Trust with the capacity to implement CIP schemes, deliver against the CQUINs and support the service improvement process. These increased should provide efficiencies in other areas.</p> <p>Discussion took place in relation to the Trust actively scrutinising all activities undertaken particularly with reference to back office functions to ensure that tasks undertaken were required and essential.</p> <p>It was noted that the Trust was constrained by the Government Framework it had to work within.</p> <p>MB remarked that F&amp;IC challenge in relation to this was appropriate and he would look to build this into the CIP programme.</p> <p><b>Approval:</b> <b>The Finance and Investment Committee noted the contents of the presentation.</b></p>	
<p><b>9.1 For Assurance: 2018/19 Control Total Position</b> MB provided an update on the 2018/19 Control Total position.</p> <p>It was noted that MB had been in a telephone conversation with NHSE in relation to the Control Total.</p> <p>Further updates in relation to the 2018/19 Control Total would be presented to the F&amp;IC as appropriate.</p> <p><b>Approval:</b> <b>The Finance and Investment Committee noted the update.</b></p>	
<p><b>10.0 For Assurance: Vanguard Update</b> The paper sought approval from F&amp;IC for expenditure of the Vanguard money as detailed in the paper.</p> <p>PF explained that as part of the Vanguard and West Yorkshire Acceleration Zone (WYAZ) income streams there had been £700k carried forward in to 2017/18 due to some delays with the Clinical Advice Service (CAS) programme. This money had to remain with YAS with a transparent governance process to ensure the money was expended appropriately and in line with HST and WYAZ priorities:</p> <ul style="list-style-type: none"> <li>• Mental health clinicians and frequent caller management;</li> <li>• ED referral clinical validation, based on the initial successful pilot of 43% deflection.</li> </ul>	

	<b>Action</b>
<p>These priorities had demonstrated the most impact to date and had added the most value to patient experience. Both featured as a requirement within the Integrated Urgent Care specification and therefore matched the strategic direction of travel.</p> <p>PF advised that he sought approval from F&amp;IC to continue to spend the money as outlined including recruitment of more nurses and additional clinical advice for the ED. He confirmed that the Trust would not commit to anything that required recurrent funding. However the Trust did require funding for the CAS.</p> <p><b>Approval:</b>  <b>The F&amp;IC noted the paper and approved:</b></p> <ul style="list-style-type: none"> <li>• <b>Establishment of a project team;</b></li> <li>• <b>Recruitment and training to get staff in for Winter (associated cost controls would be presented to the next Vacancy Panel);</b></li> <li>• <b>Weekly measurement and formal reporting established;</b></li> <li>• <b>Evaluation scoped out.</b></li> </ul>	
<p><b>11.0 For Assurance: PTS Transformation Update</b></p> <p>JN welcomed CD to the meeting and explained that previously the F&amp;IC had expressed reservations in relation to the lack of progress with the PTS Transformation Programme and the impact this had on the PTS Cost improvement Plan (CIP).</p> <p>CD confirmed that the PTS management structure was now in place and those managers had been tasked with various elements of implementing the PTS Transformation Programme.</p> <p>He circulated the PTS Action Plan and explained that some of the milestone dates required amendments to reflect a more realistic position.</p> <p>The various workstreams within PTS had been re-cast to include a wider remit than the PTS Transformation Programme and CIP to include bid mobilisation and the CQC action plan implementation.</p> <p>There would be three Operations Managers reflecting the contracts within PTS and with a clearer line of accountability.</p> <p>The impact on workforce and non-pay budgets was noted for the East Riding of Yorkshire and South Yorkshire contracts.</p> <p>It was noted that although the forecast against budget was not as expected that there had been year on year improvement within PTS and it was making a positive impact. The CIP scheme within PTS remained an issue and plans were in place to help with delivery on this.</p> <p>JN asked whether the forecasted run-rate had been based on 12</p>	

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<p>months of performance.</p> <p>CD explained that both East Riding of Yorkshire and South Yorkshire bids had been based on full cost recovery. He acknowledged that the bid prices had been post the CIP model and therefore there was still a lot of work towards realising efficiencies and this would be accelerated where possible.</p> <p>MB remarked that there had been financial benefits from not having people in post and now that posts had been filled the run-rate may dip before evening out.</p> <p>JN noted the positive news and requested a further update at the F&amp;IC December meeting.</p> <p><b>Action:</b>  <b>For an update on PTS to be provided to the December meeting of F&amp;IC.</b></p> <p><b>Approval:</b>  <b>The Finance and Investment Committee noted the update and contents of the presentation and gained assurance that plans were in place to accelerate to the PTS Transformation Plan.</b></p>	<p>CD</p>
<p><b>12.0 For Assurance: Salary Sacrifice Scheme (Action from Audit Committee)</b></p> <p>The Finance and Investment Committee noted the paper and the actions taken in regard to the Salary Sacrifice Scheme.</p> <p><b>Approval:</b>  <b>The Finance and Investment Committee noted the update, approved the actions taken and confirmed that remaining actions could be pursued as part of ‘business as usual’.</b></p>	
<p><b>13.0 For Assurance: A&amp;E, PTS and NHS 111 Contract Negotiation and Contract Management Update 2018/19</b></p> <p>The paper set out the current position in relation A&amp;E, NHS 111 contracts and provided an update on contact negotiations for 2018/19.</p> <p>It was noted that the Contract Management Board (CMB) recognised the challenges for YAS with the increasing fragmentation being caused by the variation in approaches to service re-design and re-procurement across the region.</p> <p>Acute Trust reconfigurations across the region continued to challenge YAS performance and on-going discussions were taking place with those Trusts to seek a joint solution.</p> <p>In terms of the NHS 111 contract discussions were taking place on Intermediate Urgent Care specification within the contract. It was noted that there was a task and finish group working on the WYUC action plan.</p>	

	<b>Action</b>
<p>It was noted that the South Yorkshire PTS contract had gone live.</p> <p>The issue of stranded costs was noted by the Committee as having been raised and escalated with Commissioners.</p> <p>The NHS 111 and WYUC contract and the offer by Commissioners of a transitional one year contract would be discussed by the Board at their meeting 26 September.</p> <p>PD referred to the issues with Scarborough and York transfer times and the impact on YAS' resource and performance and asked whether the Trust would be given additional funding to counteract this.</p> <p>AC confirmed that this had been escalated at the CMB.</p> <p>The F&amp;IC noted the update and paper.</p> <p><b>Approval:</b>  <b>The F&amp;IC noted the current position in relation to the 2017/18 contract management position and the current position in relation to the negotiation of the A&amp;E, NHS 111 and PTS contracts.</b></p>	
<p><b>14.0 For Assurance: Procurement Update including: Lord Carter</b>  The paper updated on key procurement activity which had taken place since the previous F&amp;IC.</p> <p>The F&amp;IC noted the update and contents of the paper.</p> <p><b>Approval:</b>  <b>The Finance and Investment Committee noted the update and gained assurance that the procurement process and associated contracting conformance were being managed effectively.</b></p>	
<p><b>15.0 For Assurance: Northern Ambulance Alliance (NAA) Update</b>  RB provided an update on the work of the NAA since the last F&amp;IC meeting.</p> <p>It was noted that all workstreams were progressing. Work on the Human Resources (HR) had not progressed as quickly as had hoped and the lead Chief Executive would look into the reasons for this. There had been a meeting in relation to the digital agenda and the electronic patient record form. Consideration was being given to infrastructure on fleet.</p> <p>It was noted that EMAS had requested to join the NAA as an associate member.</p> <p><b>Approval:</b>  <b>The finance and Investment Committee noted the update and gained assurance that the NAA workstreams were progressing appropriately.</b></p>	



		<b>Action</b>
<b>16.0</b>	<p><b>For Assurance: Statement to the Audit Committee</b></p> <ul style="list-style-type: none"> <li><b>Board Assurance Framework/Risk Register risks relating to F&amp;IC</b></li> </ul> <p>JN advised that the BAF had been attached for reference and that the relevant risks for F&amp;IC assurance had been addressed through meeting papers and discussion.</p>	
<b>14.0</b>	<p><b>Summary of issues to Trust Board</b></p> <p>JN summarised the items for Trust Board:</p> <ul style="list-style-type: none"> <li>Doncaster Hub &amp; Spoke Business Case;</li> <li>Vanguard;</li> <li>Capital Spend.</li> </ul> <p>The meeting closed at 1610 hours.</p>	
<b>13.0</b>	<p><b>Date &amp; Time of Next Meeting</b></p> <p><b>14 December 2017 - 1300 – 1600</b></p>	

**CERTIFIED AS A TRUE RECORD OF PROCEEDINGS**

\_\_\_\_\_ **CHAIRMAN**

\_\_\_\_\_ **DATE**