



Extraordinary Finance & Investment Committee (F&IC) Minutes

Venue: Kirkstall and Fountains, YAS HQ, Springhill 2, WF2 0XQ
Date: Thursday 16 November 2017
Time: 0930 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:

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
Anne Allen	(AA)	Trust Secretary

In Attendance:

Ronnie Coutts	(RC)	Non- Executive Director
Barrie Senior	(BS)	Non-Executive Director (Observing)
Alex Crickmar	(AC)	Deputy Director of Finance
Rachel Monaghan	(RM)	Associate Director of Performance Assurance and Risk
Kathryn Vause	(KV)	Associate Director of Finance (for MB)
Emma Bolton	(EB)	Director of Facilities, Estates and Fleet (Item 4.0)
Mike Fairbotham	(MF)	Associate Director of Procurement & Logistics (Item 3 – Dial-in)

Minutes produced by:

Joanne Lancaster	(JL)	Committee Services Manager
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	The meeting commenced at 0945 hours.	
1.0	<p>Introduction and Apologies</p> <p>JN welcomed everyone to the meeting and apologies were noted as above.</p> <p>JN apologised for the delay in the start of the meeting.</p> <p>It was confirmed the meeting was quorate.</p>	

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	<p>In view of the recent need for extraordinary or virtual F&IC meetings, JN asked for the following action to be formally noted.</p> <p>Action: For the Trust Secretary and Executive Director of Finance to consider the assurance flow and the cycle of meetings.</p>	AA/MB 2017/014
2.0	<p>Declaration of Interests for any item on the agenda 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>	
3.0	<p>For Assurance: Update of Purchase of DCA Vehicles MF provided a verbal update on the purchase of Double Crew Ambulance (DCA) vehicles.</p> <p>He provided an overview of the tender process and the contract awards which were split into two lots; Lot 1 Box Body and Lot 2 Van Conversion.</p> <p>An in depth discussion took place in relation to the contract awards, the associated risks of any contracts entered into and mitigations to reduce those risks.</p> <p>It was emphasised that the contracts needed to be delivered on time, be of appropriate quality and within the expected financial envelope of the contract.</p> <p>Action: The Finance and Investment committee would revisit the issue again prior to final contract sign-off.</p> <p>Approval: The Finance and Investment Committee gained limited assurance on the Purchase of DCA Vehicles from the recent tender exercise. Suggested areas for mitigation were discussed. The Finance and Investment committee would revisit the issue again prior to final contract sign-off.</p>	MF 2017/015
4.0	<p>For Approval: Alternate Options for Non-Recurrent Revenue Spend 2017/18:</p> <ol style="list-style-type: none"> I. Ambulance Station Improvement Works; II. Estates Backlog Maintenance; III. Springhill Infrastructure Replacements and Minor Works. <p>JN expressed concerns that were shared by BS in relation to funds being expended before the full impact of winter pressures would be known. He asked for assurance that should the Trust find itself in the midst of a winter crisis that the Trust would still have sufficient funds to provide a safe service for patients. He further asked for clarification on how works had been prioritised and an explanation in regards to the moving of some spending from capital to revenue.</p>	

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<p>KV confirmed that the Trust could confidently allow for the expenditure as detailed in the reports and the Trust had made appropriate funding provision for winter in the budget setting process.</p> <p>AC added that, the forecast position presented included the winter plans currently set out by Operations. The current underspend available for non-recurrent spend as previously highlighted to the Committee and Board had been caused by a significant underspend in the first part of the year relating to A&E, due to a number of factors including limited uptake of overtime and also that contingency reserves set aside at the beginning of the year for potential risks still being available to the Trust. AC raised that if the Trust chose not to approve the non-recurrent spend at this point there was a risk that the planned work would not be completed by year end and there could be a significant underspend at year end as had been highlighted in the monthly finance reports with this set out in further detail in the Month 7 report which would be presented to Trust Board at the end of November.</p> <p>It was confirmed that A&E Operations had scrutinised the resource requirements for winter and were confident that plans were deliverable and within budget.</p> <p>It was noted that it was likely that Month 7 & 8 would continue to show a positive financial position. The Month 7 financial paper which would be shared with the Board on 28 November would provide more detail.</p> <p>JN remarked that he would like to caveat the approval of the papers in that it was subject to the Month 7 papers and more detail being provided regarding assurance concerning winter plans. This would be discussed further at Trust Board in the afternoon..</p> <p>Action: A paper would be provided to the Finance and Investment Committee on 14 December 2017 providing further assurance in relation to winter plans and associated finances.</p> <p>It was discussed whether consideration should be given to whether projects could be paused or halted should funding be required to be redirected to aid with winter pressures. This would be discussed further at Trust Board in the afternoon.</p> <p>EB explained how the schemes within all three papers had been prioritised. She explained that following discussions with the District Valuer it had been suggested that it would be more appropriate to finance some of the works as revenue as the Trust were 'making good' the asset.</p> <p><u>Ambulance Station Improvement Works</u> Approval: The F&IC recommended to the Board the use of £434,500 non recurrent revenue for use on ambulance station improvements as</p>	<p>MBKV/ Ops 2017/016</p>

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<p>detailed within the report. It was agreed work could commence immediately but it should be considered if work could be paused or halted should funds be required to be redirected for winter pressures.</p> <p><u>Estates Backlog Maintenance</u> Approval: The F&IC recommended for Board to approve the use of £468,923 of non-recurrent revenue funding from the remaining earmarked minor works reserve of £300k with the balance from the non-recurrent underspend for use on high and significant estates backlog maintenance. It was agreed work could commence immediately but it should be considered if work could be paused or halted should funds be required to be redirected for winter pressures.</p> <p><u>Springhill Infrastructure Replacements and Minor Works</u> Approval: The F&IC recommended that the Board approve:</p> <ul style="list-style-type: none"> • The virement of £922,400 non-recurrent revenue to Estates and Facilities to fund the revenue works detailed in the paper:- <ul style="list-style-type: none"> ○ The Springhill 1 & 2 Condition and Backlog Proposal at a cost of £167,400; ○ Risk mitigation works at £490,000; ○ Staff welfare and space utilisation works at a cost of £265,000 • The replacement capital works for air conditioning and security upgrades at a cost of £463,366. <p>It was agreed work could commence immediately but it should be considered if work could be paused or halted should funds be required to be redirected for winter pressures.</p>	
<p>4.1 For Approval: Contract for the Purchase of Defibrillators The paper provided details on the selection process for the new Defibrillator/Monitor equipment to be used on Rapid Response Vehicles (RRVs), replacing the MAC600 ECG monitors and Automatic External Defibrillators (AEDs).</p> <p>The Finance and Investment Committee noted the paper.</p> <p>The Committee noted that it seemed sensible that if there was capital slippage that capital planned for 18/19 could be brought forward as set out in the paper.</p> <p>It was noted that the intention was to award the contract once F&IC had considered the paper and it would be made clear to bidders that any offer would be subject to final Board approval.</p>	

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	<p>Approval: The Finance and Investment Committee recommended the Board approve:</p> <ul style="list-style-type: none"> • The purchase of 89 <i>Corpuls3</i> Defibrillator/Monitors, in line with the TEG agreed two-year capital replacement schedule; • Should there be a capital underspend in 2017/18, an additional purchase of 50 <i>Corpuls3</i> Defibrillators/Monitors programmed for purchase in 2018/19; • That this paper goes forward to Trust Board for final approval; • To agree that Contract Award Letters (which include a reference to the award being subject to Trust Board approval) could be issued prior to Trust Board approval. <p>JN thanked everyone for attending the meeting.</p> <p>The meeting closed at 1040 hours.</p>	
5.0	<p>Date & Time of Next Meeting 14 December 2017 - 1300 – 1600</p>	

CERTIFIED AS A TRUE RECORD OF PROCEEDINGS

_____ **CHAIRMAN**

_____ **DATE**