



MEETING TITLE Public Trust Board		MEETING DATE 23/07/2013	
TITLE of PAPER	Finance & Investment Committee Report	PAPER REF	7.5
STRATEGIC OBJECTIVE	All		
PURPOSE OF THE PAPER	The purpose of the paper is to provide an update to the Board regarding the activities of the Finance & Investment Committee.		
For Approval	<input type="checkbox"/>	For Assurance	<input checked="" type="checkbox"/>
For Decision	<input type="checkbox"/>	Discussion/Information	<input checked="" type="checkbox"/>
AUTHOR / LEAD	Rod Barnes, Executive Director of Finance & Compliance	ACCOUNTABLE DIRECTOR	Director of Standards & Compliance
PREVIOUSLY CONSIDERED BY	Committee/Group: N/A	Date:	N/A
RECOMMENDATION	It is recommended that the Board notes discussions within the Finance & Investment Committee and the key issues highlighted for further scrutiny within the Committee work programme.		
RISK ASSESSMENT		Yes	No
Corporate Risk Register and/or Board Assurance Framework amended		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Resource Implications (Financial, Workforce, other - specify)		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal implications/Regulatory requirements		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Quality and Diversity Implications		<input type="checkbox"/>	<input checked="" type="checkbox"/>
ASSURANCE/COMPLIANCE			
Care Quality Commission Registration Outcome(s)	All		
NHSLA Risk Management Standards for Ambulance Trusts	All		

1. PURPOSE/AIM

- 1.1 The purpose of the paper is to provide an update to the Board regarding the activities of the Finance & Investment Committee.

2. SUMMARY REPORT FROM THE QUALITY COMMITTEE

Overview

- 2.1 The Trust Board have previously received the Chairman's Finance & Investment Committee report for 14 May meeting and the Committee agreed minutes are attached for completeness. The Finance & Investment Committee met on 9 July 2013 as part of its established work programme. This meeting was observed by Stephen Downs from the NHS Trust Development Authority as part of the Trust's application assessment process.
- 2.2 The committee work plan has been updated for 2013/14 and is used as the basis for the agenda for each meeting. This is reviewed and updated regularly throughout the year by the Chairman and Director of Finance & Performance and any subsequent changes are brought back to the Committee for approval.
- 2.3 Discussion of financial risks is a standing item on the Committee agenda and a paper is presented to each meeting quantifying the value of these risks and capturing any emerging issues.
- 2.4 The format of the meeting allows for specific presentations and reports in relation to the Trust's Cost Improvement Plan, Service Transformation Programme, in-year financial performance, major business cases and significant contracts.

Papers presented

- 2.5 Papers presented to the Committee included an update on Cost Improvement Plan delivery for Quarter One 2013/14; year to date financial performance as contained in Section 5 of the Trust's IPR; an update on the implementation of service line management and the 111 and PTS service transformation projects.
- 2.6 In addition to scheduled regular updates, specific papers, presentations or discussion took place in relation to the following subjects:
- The Chief Executive fed back to the Committee on the recent confirm and challenge meetings for the six CIP schemes currently behind plan.
 1. A&E Skill Mix and Overtime (value £3m)
 2. PTS (value £2.9m)
 3. Clinical Hub (value £1.4m)
 4. Reduction in Sickness Absence (value £0.8m)
 5. Mealbreaks and AVP (value £1.7m)
 6. Clinical Leadership (value £0.6m)

- Positive assurance was provided in relation to delivery of the clinical leadership and A&E skill mix CIP schemes. The Clinical Hub is currently triaging patients in line with plan, however it was noted that CIP delivery is dependent upon either A&E activity occurring in line with the planned 3% growth target or a reduction in A&E resources. This scheme would remain amber rated until trends became clearer. Clear actions have been identified to deliver the reduction in overtime CIP set against a realistic activity profile for the remainder of the year. Risks were noted in relation to timescales to recruit to the A&E establishment of 2106 wte by early October.
- PTS, Sickness Absence and Mealbreaks remain red rated pending further action.
- The PTS management team is developing a list of mitigating actions to bridge the current identified slippage of £1.6m. This work is being supported by a joint workshop with Staffside representatives to explore early implementation of project deliverables and mitigation schemes. The outcome of this work will be reported back to the Committee at the end of July.
- Actions being taken to mitigate slippage within the Mealbreak scheme include better management of crew mealbreaks by EOC based upon a pilot run in Leeds and meetings with Unison to negotiate early implementation of revised rosters and mealbreak arrangement from Quarter Three.
- The confirm and challenge meeting with regard to Sickness Absence identified that actions taken had had a positive impact on sickness levels within A&E operations. This needed to be translated into identifiable reductions in agency and overtime use and associated financial savings. Further work is also required to identify actions and timelines to embed good practices across the Trust and clarify associated savings targets.
- The Director of Finance & Performance presented a paper and presentation on revisions to the compound downside risks to be included within the IBP for submission to the NTDA on 17 July. This included feedback and lessons learned from trusts currently going through the Monitor process.
- The Committee also received a paper detailing working capital bridge analysis for the current and two previous financial years demonstrating the improvements made to the Trust's underlying liquidity position. This paper included a review of Monitor's continuity of service risk rating and the Trust's assessment against this based upon the 2012/13 financial outturn.
- The Committee received and discussed a first draft proposal for a new capital investment appraisal framework. The Committee asked that this be developed further to emphasize the financial benefits to be delivered including scheme and payback periods.
- The Committee reviewed and approved capital business cases for A&E & PTS fleet replacement and local rollout of ePRF. The Director of Finance & Performance also presented a paper updating progress on the purchase of the proposed new HART site at Manor Mill Lane and the due diligence report received from Jacksons solicitors.
- Contract updates were received from the Associate Director of Support Services and Head of Procurement in relation to staff uniforms and

defibrillators. It was agreed that these required further work before being re-presented to the Committee.

3. SUMMARY AND NEXT STEPS

- 3.1 The Committee agreed that the CIP plan delivery and financial position of the NHS 111 contract would remain key areas of attention when the Committee next meets in September. Given the timescales to the next meeting it was agreed that an update on these issues would be provided out of the Committee in early August.

4. RECOMMENDATIONS

- 4.1 It is recommended that the Board:

Notes discussions within the Finance & Investment Committee and the key issues highlighted for further scrutiny within the Committee work programme.

5. APPENDICES

- Finance & Investment Committee Minutes 14 May 2013