



MEETING TITLE Public Trust Board		MEETING DATE 26/11/2013	
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 Trust 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 & Performance	ACCOUNTABLE DIRECTOR	Director of Finance & Performance
PREVIOUSLY CONSIDERED BY	Committee/Group: N/A	Date:	N/A
RECOMMENDATION	It is recommended that the Trust 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 FINANCE & INVESTMENT COMMITTEE

Overview

- 2.1 The Trust Board has previously received the Chairman's Finance & Investment Committee report for 10 September meeting and the Committee agreed minutes are attached for completeness. The Finance & Investment Committee met on 12 November 2013 as part of its established work programme.
- 2.2 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.
- 2.3 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

- 2.4 Papers presented to the Committee included an update on Cost Improvement Plan delivery for the period to 30 September 2013 and a review of the five year Cost Improvement Plan. Discussions noted slippage in the delivery of the following schemes: A&E Meal-break Payments, PTS Transformation and Sickness Management. A number of reserve schemes including ceasing unsocial hours payments during sickness and reduced excess mileage and hospitality costs have been instigated to mitigate the effectiveness on planned delivery, however there remains a risk to full year delivery of £696k (circa 6%) of plan. It was noted that discussions are ongoing at national level regarding the status of withholding unsocial hour's payments when staff are off sick and the outcome of these could affect the delivery of this reserve scheme.
- 2.5 The Committee had been due to receive detailed project documentation on the Clinical Hub CIP, however this had been discussed as part of a joint Quality and Finance & Investment Committee review which received presentations and documentation on PTS Transformation, Clinical Hub, A&E Meal breaks, A&E Overtime Reduction, A&E Workforce Model and Clinical Leadership. This joint meeting also included discussion regarding the Cost Improvement Plan and programme delivery.
- 2.6 The Director of Finance & Performance presented a paper on the planned changes to the PTS planning and schedule function. These proposals addressed the recommendations from the Unipart diagnostic work undertaken in 2012 to create locality planning and scheduling teams and combine the previously separate roles of planners and day controllers into a new single scheduler job description to avoid duplication. These proposals were issued

for staff consultation week commencing 4 November 2013. The paper also outlined the steps being taken to review the wider PTS management structure.

2.7 In addition to scheduled regular updates, specific papers, presentations or discussion took place in relation to the following subjects:

- The Director of Standards & Compliance presented an update on the financial position and service optimisation programme for 111. The Trust has concluded contract settlement discussions with West Yorkshire Commissioners regarding the contract variation for West Yorkshire Urgent Care. The discussion also highlighted a potential £300k cost pressure for staffing over the winter period. Further discussion is needed for 2014/2015 onwards to agree appropriate recurrent resource levels. Commissioners have been written to directly regarding winter pressures and the limited capacity available during peak periods of demand; however, no responses have been received so far.
- The Committee received the Trust's Treasury Management Policy covering the processed to be adopted for investment of surplus funds. This was approved by the Committee.
- The Committee also received the proposed outline budget timetable for establishing capital and revenue budgets for 2014/2015. It was agreed that progress against this plan would be brought back to future meetings.
- A number of contract and tender awards were presented to the Committee for review including: A&E Defibrillators, PTS Community Transport, Telephone Translation Services, Gas Equipment & Maintenance, the Neutral Vendor contract for non-medical temporary staff, A&E Sub-Contractors and the contract for Microgeneration Technologies. The Committee agreed that proposals for Defibrillators, PTS Community Transport, Gas Equipment & Maintenance, Neutral Vendor & A&E Sub-Contractors could go forward to the Trust Board for approval.
- The Head of Business Development presented an update on income contracts. The discussion included a debate about the financial risks associated with penalties for A&E handover and wrap up times and it was agreed that a more detailed paper on these risks would be presented to the February Committee meeting.
- The Director of Finance & Performance presented a mid-year financial review for 2013/14 summarising the key trends and variances, particularly in relation to the three main operating areas, A&E, NHS 111 and PTS. The Committee Chairman stated that this was a useful summary and should be presented to the next Trust Board to improve awareness of the current financial picture.
- The Head of Business Development presented a mid-year review of new commissioning arrangements across the Trust's three key business areas. The Committee debated the increased complexity in dealing with 23

CCGs, 3 Commissioning Support Units and the 3 Local Area Teams of NHS England. The number of meetings being requested at local CCG level was continuing to pose a challenge and this would be raised with Contract Management Board

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 10 September 2013.