

**TRUST BOARD**  
**28<sup>th</sup> June 2012**

<b>TITLE</b>	<b>Draft Minutes of the Finance Committee meeting held on 23<sup>rd</sup> May 2012</b>
<b>EXECUTIVE SUMMARY</b>	<p>The draft minutes of the Finance Committee meeting held on 23<sup>rd</sup> May 2012 are attached for noting. The key points are: -</p> <ul style="list-style-type: none"> <li>▪ <b>Finance Report to 30<sup>th</sup> April 2012</b> – the Committee reviewed the month 1 financial position which was £229k behind plan and requested further information on actions to be taken to reverse the poor start to the new financial year;</li> <li>▪ <b>Operational Performance</b> – the Committee noted the improved performance against the A&amp;E target but requested more clarity on which drivers had made the most significant changes;</li> <li>▪ <b>Service Line Reporting</b> – received a presentation on how SLR was being used within the Trust to make improvement; and</li> <li>▪ <b>Monitor Three Year Plans</b> – reviewed the Monitor three year plan outputs prior to a Trust Board discussion on signing them off.</li> </ul>
<b>BOARD ASSURANCE (Risk) / IMPLICATIONS</b>	The Board is assured by the scrutiny provided by the Finance Committee on matters of financial risk.
<b>STAKEHOLDER / PATIENT IMPACT AND VIEWS</b>	None obtained.
<b>EQUALITY AND DIVERSITY ISSUES</b>	None that we are aware of.
<b>LEGAL ISSUES</b>	None that we are aware of.
<b>The Trust Board is asked to:</b>	Note the draft minutes of the Finance Committee meeting held on 23 <sup>rd</sup> May 2012.
<b>Submitted by:</b>	Jim Gollan, Non-Executive Director and Committee Chair Paul Doyle, Deputy Director of Finance
<b>Date:</b>	20 <sup>th</sup> June 2012
<b>Decision:</b>	For Noting

**TRUST BOARD**  
**28<sup>th</sup> June 2012**

**Draft Minutes of the Finance Committee meeting held on 23<sup>rd</sup> May 2012**

<b>PRESENT:</b>	Mr. Jim Gollan	Non-Executive Director (Chair)
	Mr. Peter Taylor	Non-Executive Director
	Mr. Clive Goodwin	Non-Executive Director
	Mr. Simon Marshall	Director of Finance and Information
	Ms. Raj Bhamber	Director of Workforce & Organisational Development
	Ms. Suzanne Rankin	Chief Nurse
	Mr. Paul Doyle	Deputy Director of Finance
<b>IN ATTENDANCE</b>	Ms. Aasiya Moreea	Head of Information
	Ms. Claire Braithwaite	Associate Director, Performance Improvement
<b>SECRETARY:</b>	Ms. Desireé Irving-Brown	Assistant Director, Financial Management
<b>APOLOGIES:</b>	Mr. Andrew Liles	Chief Executive
	Ms. Valerie Bartlett	Deputy Chief Executive
	Mr. Ian McNuff	Integration Director

**Actions**

**1. Introductions and Apologies**

Apologies were as noted above. It was noted that the meeting constituted a quorum.

Jim Gollan welcomed Simon Marshall.

**2. Minutes of the Meeting held on 18<sup>th</sup> April 2012**

The minutes of the meeting held on 18th April 2012 were agreed subject to clarification on point 4.2.

DIB

**3. Matters Arising**

3.1 Action Points List

3.1.1 Action point 2

A verbal update was provided; there is still no written confirmation and this action point remains open.

3.1.2 Action point 9

Capital Control Group was advised of the comments made by the Finance Committee. It was noted that the Capital Control Group minutes did not capture the strength of the point. The audit of capital bid processes would be picked up through the Audit Committee.

SM

All other action points were either completed, not yet due or on the agenda.

#### 4. Activity, Workforce and Finance

##### 4.1 Activity Report

The 2012/13 counting changes were identified and explained. The activity in April was in line with expectations, and also comparable to other Trusts. The Committee requested that activity trends be included from month 3, and that measures such as “tariff/bed day” and “tariff/spell” be included in the report from month 2. AM

It was also requested that the trends for vascular and bariatric work be tracked, covering a 3 year history as well as current, as these areas were requesting significant investment to grow services. AM

##### 4.2 Operational Performance Report

The improvement in A&E was noted, however, the Committee was not completely satisfied that there was no clear explanation as to the drivers of this improvement. It was requested that more clarity be provided ahead of the Trust Board meeting. CB

The various interventions that had been made were discussed, and it was agreed that these would be plotted against the daily A&E performance over time, to gauge the impact of each intervention. CB

##### 4.3 Workforce Report

It was noted that Pay costs had come in at the lowest level since November 2011, but that agency spend remains high. Jim Gollan asked what was being done to address the use of agency. The Director of Workforce and OD explained that meetings were being held with all Divisions to get to the bottom of the issues.

The Director of Finance and Information suggested that two significant issues had been flagged, namely (i) agency staff qualifications were not being checked, and (ii) there appeared to be several differential rates with little standardisation.

##### 4.4 Finance Report

The Director of Finance and Information provided a summary of the month 1 performance, which was below plan, with CIPs also underachieving. The Non Executive Directors raised concerns about controls and messaging, as the Trust was not able to reverse the poor start in the previous year. They requested a list of all interventions that would be required to bring spend into line to achieve the target, and also for a forecast of what the result would be if nothing changed. SM

##### 4.5 Cost Improvement Programme Report

The report was noted. This was discussed as part of 4.4 above.

#### 5. SLR Presentation

Stuart Adds presented an update on how SLR data was being used

within the organisation, providing specific examples of where improvements had been made as a result of using SLR data. The Committee agreed that going forward; regular updates of this nature should be provided by the Service Lines themselves.

## 6. CMAO Update

This paper was withdrawn and not discussed. It would be added to a future months' agenda. PD

## 7. Monitor Three Year Plans – Finance Elements

The paper was tabled at the meeting. Clive Goodwin asked for clarity on the risk contained in the budget in £ terms ahead of the Trust Board meeting, given the poor start to month 1. SM

The Trust Board would discuss the position with regard to achieving an FRR of 3 over the next twelve months at its May meeting to sign off the plans.

## 8. Commercial Group

### 8.1 Minutes of meeting held on 12<sup>th</sup> April 2012

The minutes were noted. A review of the purpose and role of this group will be undertaken.

### 8.2 Feedback from meeting held 10<sup>th</sup> May 2012

Noted.

## 9. Capital

### 9.1 Minutes of the Capital Control Group meeting held on 14<sup>th</sup> May 2012

The minutes were noted.

## 10. Review of Terms of Reference of Committee

Jim Gollan suggested alternative wording for the paragraph covering "Duties". This will be forwarded after the meeting. JG

## 11. Identification of Financial Risks

### 11.1 Financial Risks

This report was noted by the Committee.

### 11.2 Items for the Risk Register

Nothing new to be added.

### 11.3 Key Points to take to Trust Board

- Performance (Financial and Operational)
- Assurance to sign off Monitor Returns,

**12. Items for Information**

12.1 Schedule of Business

Noted.

12.2 Business Cases Approved by TEC

The business case approved by TEC in April was noted by the Committee.

JG/CG

Non-Executive Directors agreed to share their thoughts on what helped in a good business case process.

12.3 Tender Waivers >£50k

There were no such tender waivers in April 2012.

**13. Any Other Business**

None.

**14. Date and Time of Next Meeting**

Wednesday 20<sup>th</sup> June 2012 at 8.30a.m. in Room 2, Chertsey House, St. Peter's Hospital