

## Chairpersons Report

Chairpersons Name	Jon Lloyd		
Committee Name	Finance & Investment Committee		
Date of Meeting	14.02.17		
Name of Receiving Committee	Trust Board		
Date of Receiving Committee meeting	February 2017		
Strategic Items for referral to Trust Board	Barn Theatres problems to Part 2		
Items for escalation?	Yes	No x	If yes, to which Committee

### Please detail up to 3 key successes or achievements discussed at the meeting

1. Financial performance in month and NHSI agreement to the inclusion of land sale profit
2. Budget planning process
3. A&E performance despite challenges
4. CQUIN performance
5. The continued superb efforts of frontline colleagues

### Details of the top three risks identified during the course of the meeting and initials of primary member of staff actioning

1.	Wrightington theatres	RM		
2.	CIP	RM		
3.	The risk around the Limes building until demolished	MF		
Attendance at the meeting (please highlight):	Excellent (well attended) X	Acceptable (some apologies)	Unacceptable (quorate)	Unacceptable (not quorate)

Was the agenda fit for purpose and reflective of the Committees terms of reference?	YES
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### Narrative report of the key issues of the meeting

Because of the very early date of the meeting this month the Performance Report was not yet available but MF & AE gave a very full verbal summary. The Finance report had been circulated the previous day. RF provided a presentation of the more granular level of the 2017 budget the headlines of which sand agreed Control Total had been approved at December Board.

The Committee raised several discussion point and questions as part of the assurance process and all were answered satisfactorily.

A Risk Escalation was taken from REMC regarding the risks around the vacant vandalised building at and around the Limes at Leigh site.

The Committee approved the proposed advancement of the demolitions required at the cost of circa £120k and asked that the Execs seek ways to minimise the effect of this expenditure on the year end P&L result.

The verbal Performance update was given including Cancer target achieved again in December and for the quarter, the TIA target was back on track. 70% effectiveness of theatres at Wrightington despite ongoing problem

Chairman: Robert Armstrong

Chief Executive: Andrew Foster CBE

Reviewed December 2016, next review December 2017

with the new theatres. Despite significant pressures over the year end/start of 2017 100% of patients responding felt they had been treated with compassion.

CDT figures had increased as was expected but pleasingly the the number of lapses of care had not increased. There had been no grade 3 or 4 pressure ulcers but there had been one further serious fall which was very disappointing given the strong focus on fall prevention efforts by colleagues.

A full discussion took place on A&E performance and plans in place for improvement both in short and more medium term. Despite pressures WWL remained the best performing A&E in GM and the Committee again asked for its thanks to be passed to frontline colleagues across the hospital as this was a front end to back end effort. It was particularly noted that at and subsequent to a recent B2B with CCG good progress was being made on GP co location at A&E. It was felt that if possible both social care representation and therapeutic colleagues co location at A&E would be beneficial.

Financial performance in the month had been good with a further £174k surplus achieved taking YTD to surplus to £3.1m versus plan £2.3m. However the committee remained very concerned at the continuation of the poor underperformance on CIP and noted this really had to be addressed prior to commencing the new financial year with everything being done in the meantime to make maximum effort to improve on performance by the year end. The continuing problems at Wrightington Barn theatres were discussed in depth and referred to Part 2 at Board as there could be commercial implications.

Two of the three BAF scores remained the same with an improvement of the risk from 20 to 12 in respect of achieving the year end financial plan.

#### **Key outcomes from the reports taken at the meeting**

The key outcome of the meeting was the improved level of confidence in our ability to achieve the year end financial plan.

All other outcomes either set out above and or noted as action points below.

<b>Agreed actions from the meeting</b>	<b>Name of primary lead for the actions</b>
The demolition of the Limes building at Leigh to be progressed	D Evans
R Mundon to provide an update on the potential care home facility at Leigh at the next meeting	R Mundon
M Fleming to share data with the Committee in relation to the closure of care homes and over which periods	M Fleming
A further update on Wrightington theatres to be taken at the next meeting	R Mundon
A Foster to write to the CEO of the contractor organisation to express WWL's continuing concerns	A Foster
D Hughes to increase the indemnity limit for Directors and Officers liability to £2m in line with other, similar Trusts	D Hughes

**PRIVATE & CONFIDENTIAL**

**Minutes of a meeting of the Finance and Investment Committee held at 9.30am on 14<sup>th</sup> February 2017 in the Boardroom, Trust HQ**

	2017									
<b>PRESENT</b>	<b>17 01</b>	<b>14 02</b>								
Robert Armstrong, Chairman	√	√								
Rob Forster, DOF	√	√								
Andrew Foster, CEO	Apols	√								
Sanjay Arya, Acting MD	√	Apols AA								
Jawad Husain, Acting MD	-	-								
Neil Turner, NED	√	√								
Pauline Law, DoN	√	Apols AE								
Neil Campbell, NED	√	Apols								
Richard Mundon, Director of Strategy	√	√								
Alison Balson, Director of Workforce	√	Apols VM								
Jon Lloyd, NED (Chair)	√	√								
Mary Fleming, DoP	Apols DA/RL	√								
Carole Hudson, NED	√	√								
Mick Guymer, NED	√	√								
<b>IN ATTENDANCE</b>										
David Evans, Assoc. Director E&F	√	√								
Lynda Hancock, Corporate Services Administrator	√	√								
Carolyn Wood, Deputy DoF	Apols	Apols DH/GE								
Mark Singleton, BI	-	√								

**1. CHAIRMAN'S OPENING REMARKS**

J Lloyd welcomed all to the meeting.

He noted that the performance report was not available due to the exceptionally early date of the meeting but M Fleming would provide an update of the key matters.

## **2. DECLARATION OF INTERESTS**

None declared.

## **3. APOLOGIES FOR ABSENCE**

As noted in the table above.

## **4. BUDGET 2017**

R Forster gave a presentation to the Committee with regard to the 2017 budget and circulated a sheet of 'Frequently Asked Questions' in relation to the move to the block contract.

C Hudson noted the need to make savings of £14m in each year of the two year contract. She noted that this would be very challenging and queried whether capacity to deliver and consultation timescales (where required) had been considered when agreeing the transformation schemes. R Forster felt that the ED team were up for the challenge and would have assistance from a support ED and a delivery team. R Mundon further advised that PMO resource would be diverted to focus on the delivery of these big schemes.

M Guymer felt that the contract agreement was very positive in that it gave extra room for the Trust to make changes happen. It would be important to ensure that this was maximised to drive change.

J Lloyd thanked R Forster for his presentation and noted that there would be more discussions around the transformation required as part of the block contract at the Board Away day next week.

## **5. MINUTES OF THE LAST MEETING 17.01.17**

The minutes were agreed to be accurate.

## **6. MATTERS ARISING**

### **a. ACTIONS FROM THE LAST MEETING 17.01.17**

Completed actions were received and noted.

### **b. WORK PLAN 16/17**

The work plan was received and noted.

## **7. RISK ESCALATIONS**

The Committee received and noted the escalation from REMC around the Limes building.

R Mundon advised that this had been at a risk rating of 20 for more than three months and so had been escalated to the Committee for consideration. There had been some discussion at Q&S Committee about the scoring of this risk which was felt to be high for the demolition of a building. However, R Mundon advised that this was a long standing risk which required scrutiny at a high level.

D Evans advised that the building had stood vacant for a considerable amount of time and had become a target for vandalism. The risk was felt to be high given the health and safety responsibility that the Trust had in relation to the building. There was concern that, if not addressed, there was a risk of injury to the public. The cost of the demolition had been tendered to £127k but would be revenue expenditure rather than capital.

J Lloyd agreed that there was a need to address this risk as it was having a negative impact on the Leigh site. He felt that the Committee could not receive the report without requesting that the EDs find a way of expediting the demolition.

It was also agreed that discussions around the proposed care home facility on the Leigh site needed to be accelerated. R Mundon advised that meetings and discussions had been taking place and he would provide an update at the next meeting.

**ACTION: The demolition of the Limes building at Leigh to be progressed**

**R Mundon to provide an update on the potential care home facility at Leigh at the next meeting**

## 8. PERFORMANCE REPORT M10 AND A&E REPORT

M Fleming apologised that the performance report had not been released in time for the meeting. She provided the Committee with an overview of the following highlights / lowlights:

- The Trust had achieved its cancer targets for December and for Q3
- The TIA target was back on track
- 70% theatre effectiveness had been achieved at Wrightington, despite issues with the barn theatres
- Despite the significant pressures, 100% of patients had advised that they felt they had been treated with compassion
- CDT figures had increased but the number of lapses of care remained the same
- VTE risk assessment was non-compliant – VTE assessments were currently being recorded on two separate systems which was an issue when assessing compliance. The HIS team were working on this
- There had been one serious fall
- There had been no grade 3 or 4 pressure ulcers

### A&E report

M Fleming advised that A&E remained under pressure. The norovirus had continued to hit the hospital in January and the introduction of an ethical framework by the council had resulted in a significant delay in care packages which delayed transfers of care. Length of stay had increased. Work continued with the CCG on admission avoidance, deflection and streaming schemes. The environment in A&E continued to be difficult and M Fleming acknowledged the hard work and commitment of staff.

The breach analysis report was also received and noted. M Fleming advised that this pointed to the fact that the majority of breaches were due to capacity issues and were in relation to elderly patients.

A Foster advised that the whole of the NHS was suffering from similar issues and it was important to take WWLs experiences in this context. He felt that primary care on site and the expansion of A&E would assist significantly.

R Armstrong noted that it would be helpful for the Committee to understand which care homes had been closed and for what period. M Fleming advised that the CCG prepared a report containing this data which she would share.

C Hudson noted that despite all the issues discussed, WWL A&E remained the best performing in GM. It was important to acknowledge this. She also felt it would be important for social care to be on site with GPs.

J Lloyd thanked M Fleming for her report.

**ACTION: M Fleming to share data with the Committee in relation to the closure of care homes and over which periods**

### NHSI submissions for breaches of agency capped rates

The report was received and noted.

## **9. FINANCE AND CIP REPORT M10**

R Forster advised that M10 had been a good month with a £174k surplus achieved. This brought the year to date position to a surplus of £3.1m against a plan of £2.3m. Income was ahead whilst expenditure was over plan. CIP was behind in month by £0.5m. Capital expenditure continued to be controlled and the cash position had recovered. The use of resource risk rating was at 2. The Trust continued to project achievement of the year end position.

R Forster confirmed that NHSI had agreed that land sale profit could be used as part of the control total. This was very positive news.

The Committee noted the continued concerns around the CIP delivery. Weekly meetings were taking place with Divisions to scrutinise CIP plans.

J Lloyd thanked R Forster for his update.

## **10. MEAV REPORT**

The report was received and noted.

It was noted that the exercise had the potential to deliver savings in terms of reducing the depreciation charge for the estate and lowering the PDC payment. This would need to be reviewed by the Trusts valuers and auditors.

## **11. CARTER**

The report was received and noted.

J Lloyd noted that this was good work in progress and thanked R Mundon for the report.

R Armstrong noted that he had attended the Chairs meeting and WWL had been the only Trust that received a monthly report on Carter at Board and had done for some time.

## **12. CQUIN Q3**

M Fleming presented the report to the Committee.

She noted that most of the 9 schemes were performing well. She particularly highlighted the screening and treatment of sepsis scheme which had significantly improved and was 1% away from target. Good work was also being done around the wellbeing CQUIN. The flu vaccination CQUIN had struggled and it was expected that the CQUIN target would reduce next year. It was also noted that the suspected cancer referrals target had achieved 95% so far against a target of 90%.

J Lloyd thanked M Fleming for an excellent report.

## **13. ISSUES AT WRIGHTINGTON THEATRES**

R Mundon noted that the new barn theatres at Wrightington had undergone annual validation in November but had failed. Therefore activity had been moved to the old block of theatres. There had been no clear reason for the failure. Revalidation took place last week and one of the pods had failed again. A review of the design was in the process of being arranged and R Mundon would be meeting with Vinci on the 7<sup>th</sup> March to discuss further. A review of the sign off process would be undertaken by MIAA.

This would be discussed further at Trust Board next week. The Committee felt that this needed to be added to the corporate risk register and would look to the EDs to drive a resolution to this issue. The Committee also felt that it would be appropriate under these circumstances for A Foster to write to the CEO at the P21+ contractor organisation to express WWL's continuing concerns.

A further update would be taken at the next meeting.

**ACTION:**            **A further update on Wrightington theatres to be taken at the next meeting**  
**A Foster to write to the CEO of the contractor organisation to express WWL's continuing concerns**

#### **14. RESEARCH AND EDUCATION CENTRE AT WRIGHTINGTON**

R Mundon provided an update to the Committee on the Research and Education Centre at Wrightington. He noted that discussions continued around this with the aim that the business case would be taken at the Committee meeting in March.

#### **15. WINNING BACK THE WORK**

The report was received and noted.

R Mundon advised that the report would change to focus on out of area work going forward.

The Trust was currently above plan on activity and GP referrals but was behind on income. This was mainly in relation to Orthopaedics, ACU and Cardio Respiratory.

#### **16. BAF SCORING**

a) *Achieve Zero points on the Monitor (NHS Improvement) Compliance Framework*

The Committee noted the continued pressures in A&E and agreed that this score should remain at 20.

b) *Achieve a full year FSRR of 3 and in line with plan; achieve a surplus of £3.7m; maximise access to NHSE funds; return to underlying financial balance by Q4*

The Committee noted the positive news that the land sale could be included in the control total. R Forster felt confident that the plan would be delivered at year end. The Committee agreed to reduce the risk score to  $3 \times 4 = 12$ .

c) *Develop a WWL GM devolution plan focused on patient benefits by Q4*

The Committee noted that work continued around this objective but there was no requirement to change the score at this stage.

#### **17. MINUTES RECEIVED FOR INFORMATION**

The Committee received and noted the reporting Committee minutes.

#### **18. ANY OTHER BUSINESS**

*Insurance Review*

The report was received and noted for information. The Committee noted that WWL was not in line with other Trusts in relation to Directors and Officers liability and asked that the indemnity limit was increased to £2m.

R Forster briefed the Committee on potential commercial interests in a service run by the Trust. This was in the very early stages and needed further discussion.

**ACTION:**            **D Hughes to increase the indemnity limit for Directors and Officers liability to £2m in line with other, similar Trusts**

## **19. KEY SUCCESSES AND RISKS**

Key successes were agreed to be:

- Financial performance and agreement to the inclusion of land sale profit
- Budget planning
- A&E performance despite challenges
- CQUIN performance
- The continued efforts of frontline colleagues

Key risks were agreed to be:

- Wrightington theatres
- CIP
- The risk around the Limes building

## **20. COMMITTEE EFFECTIVENESS FEEDBACK**

J Lloyd thanked all for their participation in what had been a good meeting.

## **21. DATE AND TIME OF THE NEXT MEETING**

21<sup>st</sup> March 2017, 9.30am, THQ Boardroom.