

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

OUTCOME SUMMARY OF FINANCE AND PERFORMANCE COMMITTEE

TUESDAY 26th JULY 2011

Present:	Barry Simms (Chair) Martin Beardwell Tina Cookson John Davies Dennis Jones Jill Price William Wraith	Non-Executive Director Non-Executive Director Chief Operating Officer Chairman of the Trust Non-Executive Director Assistant Director, Financial Management (on behalf of Neil Nisbet) Head of HR
Apologies:	Adam Cairns Neil Nisbet Debbie Vogler	Chief Executive Finance Director Director of Strategy
In attendance:	Rob Clarke Ben Edwards Chris Benham	PricewaterhouseCoopers PricewaterhouseCoopers Assistant Director, Financial Accounting
Secretary:	Amanda Young	PA to Finance Director

Minute	Decision/recommendation/further action	Responsibility/ Deadline
2011.85 – Declaration of Interests	There were no declarations of interests.	
2011.86 – PricewaterhouseCoopers – Cost improvement opportunities	<p>Rob Clarke and Ben Edwards of PricewaterhouseCoopers presented the cost and performance improvement opportunities available in 16 areas across the Trust.</p> <p>The Trust would focus on six key areas in the first stage, namely Administration, Consultants and Junior Doctors, Nursing, Capacity Management, Coding and Procurement. A Team had been assigned to each workstream and would be responsible for producing project plans. Once the maximum cost and performance opportunities had been delivered in these 6 areas, the Trust would look at the remaining 10 areas.</p> <p>The Committee thanked Rob Clarke and Ben Edwards for attending the meeting and looked forward to receiving regular updates from the Programme Management Office on the progress of the projects.</p>	DV/AG Ongoing
2011.87 – Minutes of the previous meetings	<p>The minutes of the previous meeting held on 28th June 2011 were approved as a correct record, subject to the following amendment:-</p> <p><i>Page 3 Item 2011.78 first bullet point should have read: SHA external funding (£6.5 million) – to be approved at SHA Board <u>26.7.11</u> (not 27.7.11 as minuted).</i></p> <p>With the exception of the following all items were either completed, included as agenda items or carried forward.</p>	

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2011.88 – Report from Chief Operating Officer	<p>Tina Cookson updated the Committee on key projects currently underway including Bed Modelling, Outliers and Delayed Transfers of Care. The Committee was advised of progress to reduce bed numbers and the latest position regarding the creation of two internal discharge/transfer wards.</p> <p>The Committee NOTED the content of the report and asked for there to be a particular focus on control of payroll costs in the next report.</p>	TC 23.8.11															
2011.89 – Strategic Performance as at Month 03	<p>The Committee received the Strategic Performance Report as at Month 03 and noted that six of the nine headline measures being reported upon for June had been assessed as Red with the remaining three assessed as Amber. A positive improvement in the number of patients discharged before midday was reported.</p> <p>The Committee discussed the use of ‘bed watch’ or ‘enhanced care’ and sought clarification on the expenditure attributable to this.</p>	JP 23.8.11															
2011.90 – Report from Finance Director	<p>Jill Price introduced the report and noted that:-</p> <ul style="list-style-type: none"> • Income and Expenditure overspend position of £1.616 million as at the end of June 2011 • Pay budgets continued to overspend. £511,000 overspend as at end June 2011. Actions to address overspend had been identified. • Total number of staff employed both permanently and temporarily increased in June 2011 compared with May 2011 by 50 posts. • Overspend of £211,000 on non-pay budgets as at end of June 2011. • <i>Best case</i> scenario would be a surplus for the year amounting to £2.5 million. <i>Worst case</i> scenario would be a deficit amount to £6.45 million. <p>An update on the current position of the live capital expenditure projects was received and it was agreed that the Committee would revisit the Terms of Reference for the Capital Planning Group to clarify their role and approval limits and ensure consistency with SFIs.</p>	All 23.8.11															

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	<p>The Committee asked for future finance reports to reflect “in period” figures in addition to cumulative and wte numbers should reflect integers only</p> <p>The reasons for the pay overspend in Corporate Services was requested.</p>	<p>JP 23.8.11</p>
2011.91 –Reconfiguration OBC Update paper	<p>Chris Benham updated the Committee on the Trust’s Reconfiguration Outline Business Case noting that work was still ongoing. An explanation of the process being followed and results of the option and benefits appraisal was given.</p> <p>There would be a further opportunity to discuss this at a meeting arranged to take place on Thursday 28th July 2011. To assist the Board’s understanding of the process the Committee requested information regarding the methodology including capital costs, operating/housekeeping costs and staff costs.</p>	<p>CB/DV 28.7.11</p>
2011.92 – Any Other Business	<p>Tina Cookson informed the Committee of an issue which had been discovered whilst reviewing systems and processes within the Trust. Further validation of the information was being undertaken and a training programme was also being rolled out.</p>	
	<p>Production and timing of Board papers</p> <p>The Chair asked Executive Directors to ensure availability of papers to allow the agenda to be circulated and received 5 working days prior to the meeting.</p>	<p>EDs/AJY Ongoing</p>

Date and Time of Next Meeting - Tuesday 23rd August 2011 at 2.00 pm in Seminar Room 1, SECC.

