

Sustainability Committee

Key summary points for the board from the meeting of the Sustainability Committee held on 29th November 2016:

Charitable Funds

The committee received the Draft Charitable Funds Annual Report and Accounts 2015/16 and Management Representation letter noting that Ernst Young had given a clean audit report with no issues. The committee approved these ahead of the Trust Board meeting on 1st December 2016. As the charitable fund income was below the £1 million threshold, the auditors supported the decision agreed in the Sustainability Committee to move to an independent review of charitable funds from next year rather than a full audit.

Finance Report: Month 7

Based on performance at the end of month 7 and assuming the delivery of CIP over the remaining months of the year, the Trust is forecasting a deficit of £10.7 million at year end, £4.8 million in excess of the agreed control total with the NHSI. This has arisen largely because we have not been able to deliver planned savings, and partly because the winter plan is not funded in 2016/17. Work has been undertaken with Care Groups to identify savings to meet this gap. Savings schemes amounting £2.9 million have been identified, with £1.865 million forecast to be delivered.

The committee received assurance from representatives of the four Care Groups with regard to the delivery of their parts of our savings and improvement plan. Whilst it was recognised that further discussion by the Executive Team and work within the Care Groups was required, there was a great sense of personal ownership, visible leadership, sensitivity about safety and commitment exhibited by 'local owners' of these plans. They were thanked for this. This was important in view of the potential impact on cash and to minimise operational risk.

CIP Deep Dive – Procurement Efficiencies

The Procurement Department was forecasting an in year project of £1.7 million against a target of £2.0 million. The committee noted the benchmarking work and the work being undertaken with the West Midlands Clinical Consortium. The Procurement Department was congratulated on its continued successes in achieving best value for money and delivering its CIP year on year.

Draft Outline Business Case

The committee received and discussed the Draft Outline Business Case ahead of discussion at Trust Board meeting on 1st December 2016. Details of the amendments identified by the Sustainable Services Programme Steering Group yet to be included were received for completion.

An independent review by Deloitte on the Sustainable Services Programme Business Case had been undertaken and the draft report was received.

There was considerable discussion about our success to date in 'convincing the person in the street' our outline proposals made sense. There was broad agreement that:

- 1) The OBC document was a great document and all who had prepared it were congratulated and thanked.
- 2) The sense of clinical leadership was very valuable and effective.
- 3) The political/community passions shown meant some clinicians were concerned they were at risk of them being seen to favour one site or the other.
- 4) Many felt we had not got our message over to the public. Several people pointed out that the consultation process had not yet formally started.

Name of Chair: Clive Deadman

Date report prepared: 30th November 2016