

Sustainability Committee

Key summary points for the board from the meeting of the Sustainability Committee held on 21st February 2017.

Finance Position Month 10

The in month position was £574,000 better than expected. At the end of month 10 the Trust had planned to deliver an in year deficit of £6.02 million and actually recorded a deficit of £6.29 million.

The Trust is continuing to present a forecast outturn deficit for the year of £7.4 million. However, this is dependent upon the Care Groups and Procurement savings in the remaining two months of the year amounting to £604,000. In the event that the Trust were able to avoid the CQUIN penalties and contract challenges from Shropshire CCG (£1.5 million), the forecast deficit would reduce to £5.9 million. The worst case scenario for the Trust would be the imposition of CQUIN and contract penalties and failure to receive STF of £2.6 million which would result in a deficit at year end of £10 million.

There was a small risk associated with the income relating to outpatient attendances and elective day cases.

CIP Deep Dive

Theatre Productivity was the focus of the CIP Deep Dive this month. There was a recognition by the care group of the need for improvement and commitment given to improve theatre utilisation. A rectification plan demonstrating how they intended to do this was shared with the committee who were encouraged by the renewed focus and ownership of the plan by plan owner. It was agreed that Scheduled Care Group would return to a future meeting to provide an update on progress with this.

Business Case for a replacement Medicines Stock Control System and Electronic Prescribing and Medicines Administration

The committee approved phase 1 of the business case ie the replacement of the existing Medicines Stock Control System costing £305,000 from the Capital Programme 2016/17.

This would link in with elements of the Hospital Pharmacy Transformation Plan (to be presented to Trust Board in March 2017) and Carter of Coles and would act as an enabler toward the completion of phase 2 of the business case, Electronic Prescribing and Medicines Administration (EPMA) which would be required in 2018/19. Before a decision

about phase 2 could be made, a much bigger strategic decision regarding an IT system is needed, ie best of breed or single provider. A business case is to be developed over the next 6 months which will require Board approval. The cost of a new IT system will be substantial and is estimated to cost many millions and the amount of work this will involve should not be underestimated. It was agreed that the Head of IT should be invited to attend the next meeting to present his initial thoughts about the potential options for a new IT system.

Charitable Funds

In addition to an update on the Trust's charitable income and expenditure, the committee reviewed and approved the following:

- Consolidation of Charitable Funds – agreement not to consolidate.
- Investment Policy
- Reserves Policy

There was recognition by the committee of the great benefits to the organisation as a result of the very generous charitable donations both from members of the public and the Trust's charitable partners, including Friends of PRH, RSH League of Friends and Lingen Davies and others.

Other issues discussed

- Objectives for Sustainability Committee – Three indicators were proposed relating to Finance, Operational Performance and Operational Business Plan. Three objectives to be developed and agreed.
- Operational Plan 2017/18 and 2018/19 – the Trust had not achieved/delivered key elements of the plan for January 2017 and would be unable to recover this without immediate mitigating actions. Strategic solutions are needed which may in future enable the care groups to deliver their business plans. Discussion to take place at Board Development session on 23rd February 2017.
- Infrastructure Estates Risk – The financial analysis of estates risk was helpful, we are clearly carrying a lot of risk, but it was hard to see a direct link to current day to day/real life experience of front line staff. It was resolved a paper would be presented by the estates manager to the next meeting showing numbers of actual breakdowns/failures of Estate equipment and near misses over a 3-5 year period to show the level of risk within the Trust.
- Board Assurance Frame risks were reviewed and rag rating status agreed.

Name of Chair: Clive Deadman
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