

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

OUTCOME SUMMARY OF FINANCE AND PERFORMANCE COMMITTEE

TUESDAY 29th MARCH 2011

Present:	Barry Simms (Chair) Martin Beardwell Tina Cookson John Davies David Gilburt Debbie Vogler	Non-Executive Director Non-Executive Director Chief Operating Officer Chairman of the Trust Interim Finance Director Director of Strategy
In attendance:	Vicky Morris Ashley Fraser Chris Benham Tony Brown Paul Hodson	Director of Quality & Safety/Chief Nurse Medical Director Assistant Director, Financial Accounting Assistant Director, Financial Performance Head of Contracts and Performance
Apologies:	Adam Cairns Dennis Jones Neil Nisbet	Chief Executive Non-Executive Director Finance Director (wef 1.4.11)
Secretary:	Amanda Young	PA to Finance Director

Minute	Decision/Recommendation/Further Action	Responsibility/ Deadline
20.11.37 – Declarations of Interest	There were no declarations of interests.	
2011.38 – Budget Proposal 2011/12	<p>The Budget Proposal 2011/12 was presented to the Committee. The key principles and assumptions used in forecasting income and setting the expenditure budgets were noted.</p> <p>The Committee requested improvements to be made to accelerate the time between the approval and recruitment process.</p> <p>The Finance Director was asked to consider the introduction of continuous rolling forecasts.</p> <p>The Non-Executives present supported the measures being taken by the Executive Team, clinicians and managers, to bring the Trust into a sustainable financial position but requested the following additional information to be presented to the next meeting on 26th April:</p> <ul style="list-style-type: none"> • A reconciliation/bridge analysis of the outturn position 2010/11 and the proposed budget 2011/12. To include both income and expenditure and take account of the risks. • A sensitivity analysis regarding potential additional activity 	<p align="center">WW/EDs April 2011</p> <p align="center">NN April 2011</p> <p align="center">NN 26.4.11</p>

Minute	Decision/Recommendation/Further Action	Responsibility/ Deadline
	<ul style="list-style-type: none"> • An outline of how the risks will be mitigated/managed , specifically:- <ul style="list-style-type: none"> ○ delivery of CIP ○ reduction in the use of agency staffing ○ correct funding for known vacant posts <p>The Finance and Performance Committee APPROVED the proposed budget 2011/12 and asked the Finance Director to pass on the Committee's thanks to all his staff involved in the preparation of budgets and the clear and concise presentation.</p>	<p>DG 30.4.11</p>
2011.39 – Productivity Improvement and Savings Proposals 2011/12	<p>The Productivity Improvement and Savings Proposals for 2011/12 were shared with the Committee. £7.3m of savings had been identified and a further £1.1m had already been removed from corporate budgets with an assumed risk of £2m, leaving a net saving of £5.3m.</p> <p>Details of the full year effect of CIP schemes on the 2011/12 budget was requested.</p> <p>Potential savings associated with the Sterile Services Unit had not been included in the plan for 2011/12 because the unit was not fully operational. An update on this, including the marketing strategy, would be provided at the next meeting.</p> <p>An outline of how the risks associated with the delivery of the CIP plan would be managed was requested for the meeting on 26th April 2011.</p> <p>The Committee APPROVED the Productivity Improvement and Savings Proposals for 2011/12.</p>	<p>TB/NN 26.4.11</p> <p>DV/AK/MO 26.4.11</p> <p>NN 26.4.11</p>
2011.40 – Capital Programme 2011/12	<p>The draft programme for 2011/12 forecasting a CRL of £8.288m and an outline plan for the years to 2015/16 agreed by Capital Planning Group was presented to the Committee.</p> <p>The Committee was reminded that Trust Board approval was required for any capital expenditure relating to larger schemes and requested inclusion of the total project expenditure for each scheme in the Capital Programme 2011/12 including prior year amounts.</p> <p>The Committee APPROVED the proposed capital programme for 2011/12 and noted the contingencies contained therein.</p>	<p>NN 26.4.11</p>
2011.41 – Budget Statement of Financial Position 2011/12	<p>The Committee NOTED the assumptions of the budget statement of financial position and APPROVED the budget statement of financial position.</p> <p>The Committee was pleased to note that the creditor and debtor position was currently in balance.</p>	
2011.42 - Month 11 Finance Report	The Month 11 Finance Report was presented to the Committee and it was noted that :-	

Minute	Decision/Recommendation/Further Action	Responsibility/ Deadline
	<ul style="list-style-type: none"> • February trading deficit £1.159m • February surplus, post SHA support, £66k • the Cumulative trading deficit £4.289m • Cumulative deficit, post support £314k • Trust remains on course to break even or deliver a small surplus at year end. Risks to achieving this position include materiality with Auditors and deferment of £2m income associated with Pending from 2010/11 into 2011/12 as agreed with PCT. <p>The Finance and Performance Committee NOTED the report and APPROVED the actions taken.</p>	
2011.43 – Review of Cash and Statement of Financial Position at Month 11	The Committee received and NOTED the review of cash and statement of financial position as at Month 11.	
2011.44 – Month 11 Integrated Performance Report	The Integrated Performance Report for Month 11 was received and performance NOTED . A meeting would be convened to discuss the revised measures and the forums in which they should be discussed. The Committee agreed that William Wraith, Head of HR should be a member of the Finance & Performance Committee to ensure his presence for discussions relating to workforce.	<p>PV/BS/JD/TC April 2011</p> <p>AJY 26.4.11</p>

Date of next meeting – Tuesday 26th April 2011 at 2.00 pm in Meeting Room 229.