

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST
OUTCOME SUMMARY OF FINANCE AND PERFORMANCE COMMITTEE

TUESDAY 30TH NOVEMBER 2010

Present:	John Davies (Chair) Sue Assar Martin Beardwell Adam Cairns Julia Clarke Ashley Fraser David Gilburt Dennis Jones Barry Simms Vicky Morris Peter Vernon Debbie Vogler Simon Walford	Trust Chairman Non-Executive Director Non-Executive Director Chief Executive Director of Corporate Affairs Acting Medical Director Interim Finance Director Non-Executive Director Non-Executive Director Interim Director of Quality & Safety/Chief Nurse Non-Executive Director Director of Strategy Non-Executive Director
In attendance:	Chris Needham Jill Price	Head of Estates Assistant Director, Financial Management
Apologies:	Simon Walford	Non-Executive Director
Secretary:	Amanda Young	PA to Finance Director

The Chairman opened the meeting by explaining the main agenda item for this meeting of the Finance & Performance Committee would be to review in detail the proposal for the Future Configuration of Hospital Services in advance of the Trust Board Meeting on Thursday 2nd December 2010.

Minute	Decision/Recommendation/Further Action	Responsibility/ Deadline
2010.162 – Welcome	David Gilburt and Vicky Morris were welcomed to the meeting.	
2010.163 – Future Configuration of Hospital Services	<p>Adam Cairns presented the proposal he would be taking to the Trust Board and also to the Shropshire County PCT and NHS Telford and Wrekin Boards, on Thursday 2nd December 2010.</p> <p>Three key risks relating to sustaining safe acute surgery and inpatient services on two sites and the unsatisfactory physical environment of the Maternity Unit at RSH needed to be resolved through the reconfiguration.</p> <p>Rigorous testing of the proposal had taken place within the Trust. The findings of the review that had been undertaken by the Office of Government Commerce (OGC) were noted. An assessment of the proposal by the National Clinical Advisory Team (NCAT) was expected to provide the final independent clinical assurance necessary to proceed with the reconfiguration consultation.</p> <p>The meeting noted the forward timetable which would see a period of public consultation from December 2010 to March 2011, a detailed planning for implementation phase through April 2012 (including securing</p>	

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	<p>financing, planning and procurement) and a phased implementation phase commencing in April 2012.</p> <p>The meeting was asked to forward any comments on the Public consultation document "Keeping it in the County" to Debbie Vogler by Friday 3rd December 2010.</p> <p>It was agreed that Debbie Vogler would amend the proposal document to include reference to gynaecology and breast surgery and review the A & E sections in the public consultation document to clarify that no significant changes were planned to the way A & E services were currently provided on each site.</p> <p>The findings of a high-level review of the capital requirements and the revenue implications of the proposal were presented. It was anticipated that there would not be any increased cost to the PCTs as a result of the proposals and that it would provide opportunities to introduce efficiencies which in the medium term would significantly strengthen the organisation's financial position.</p> <p>David Gilburt agreed to demonstrate the impact of activity related reductions, as proposed to PCTs at the next meeting.</p> <p>It was assumed that funding would be through a £28 million capital loan repayable over 25 years and that the Trust would need to make at least an additional £1.6m surplus each year to service the interest payments on the loan.</p> <p>Chris Needham explained that £28 million would cover relocation of Obstetrics, Neonatology, Gynaecology, Head and Neck and Paediatrics to PRH but that it excluded any refurbishment of accommodation that may be required at RSH.</p> <p>The Committee SUPPORTED the content of the proposal, subject to the amendments discussed.</p>	<p>All 3.12.10</p> <p>DV 1.12.10</p> <p>DG 25.1.11</p>
2010.164 - Financing	<p>The overall cash position of the Trust had improved over the past month due largely to the payment of over-performance by SCPCT, NHS Telford and Wrekin and Powys on a current basis. These receipts had allowed the Trust to reduce its overdue creditor gap position from £7m to £4m.</p> <p>The Trust was currently in discussion with the Strategic Health Authority regarding a £3.5m support to the Trust to offset projected I & E losses for the year.</p> <p>The Committee agreed to consider a deferral in the 2010/11 capital programme (circa £1m+) and to explore the potential to sell land (circa £2m in 2011/12) in order to help repair the Trust's weak balance sheet. A proposal regarding this would be presented to the Board.</p>	<p>DG 27.1.11</p>
2010.165 – Update on Pending Waiting Lists	Adam Cairns updated the Committee on the findings of the IST Review of Ophthalmology and the action needed to get the Trust back on track.	

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	<p>The Intensive Support Team had been asked to undertake additional work in other specialties and the findings of this will be presented to the Board meeting in January 2011.</p> <p>Vicky Morris and Ashley Fraser had been asked by the Quality & Safety Group to review the IPR so that waiting time issues could be tracked.</p>	<p>AC 27.1.11</p> <p>AF/VM 25.1.11</p>
2010.166 – Review of Terms of Reference	Terms of Reference to be reviewed.	BS/DG 24.12.10
2010.167 - Month 07 Performance Reports	<p>The following reports were received and NOTED by the Committee:-</p> <ul style="list-style-type: none"> • Month 07 Integrated Performance Report • Month 07 Finance Report • Month 07 Divisional Finance Report 	

Date of next meeting –Thursday 6th January 2011 at 2.00 pm, Meeting Room 1, Treatment Centre, RSH