

Audit Committee

Key summary points from the meeting held on 6 June 2013

1. External Audit issued ISA260 – Audit memorandum relating to audit of 2012-13 financial statements. They concluded that the Trust has adequate arrangements to secure economy, efficiency and effectiveness in its use of resources. However due to the Trust's failure to achieve the A&E target and the 18-week RTT target, they considered a qualified conclusion paragraph to be necessary. They did not notify the Secretary of State of the Trust's failure to achieve its five year breakeven duty this year, as they did advise in 2011/12 that due to the historic nature of this cumulative deficit, it was likely that the failure to achieve this duty would continue. The Committee accepted the need for the qualification but asked that some acknowledgement be given to other indicators which showed the trust to be in 'best-performing' category eg CHKS Top 40 hospitals. The auditor agreed to do this.
2. The committee received the Internal Audit progress report for 2013/14 and noted the planned schedule. An audit from 12/13 – Payroll analytics – was received which gave substantial assurance. The Committee was concerned that one audit from the 12/13 performance element of the plan remained outstanding – Clinical coding, although it was noted that as this was a 'performance' audit it would not affect the Audit Opinion. The Committee also discussed some proposed Internal Audit indicators, for both the auditors and management. It was agreed these KPIs –which gave more defined timescales for actions should be implemented, along with a training session for staff on the process and implication of the Internal Audits and the role of the Audit Committee. This would also include ensuring that the priority classification of all audits by Internal Audit was understood and could be challenged where appropriate.
3. The Local Counter Fraud Annual Report 2012/13 was received and the Committee was pleased to note that the committee was largely compliant with all NHS Protect Standards. It was also felt that there was a much more proactive stance taken by Counter Fraud who worked closely with the Trust to raise awareness.
4. The Security Annual Report 2012/13 was also received and it was noted that the new NHS Standard Contract required much greater compliance by providers for both Security and Counter Fraud arrangements with CCGs given responsibilities and powers to assure these. There was discussion about staff perceptions of violence and aggression and the Trust's zero-tolerance of such matters. The Committee was pleased to note that there would be a pilot to increase security guarding cover, which would provide better responses to incidents and allow more monitoring of CCTV information, following the introduction of a Control Room at PRH and work on a similar facility at RSH. It was agreed that greater communication of improvements should be shared with staff to ensure there was no misperception about the Board's absolute commitment to zero tolerance of this issue.
5. The Committee was pleased to note there were only 10 overdue recommendations, all of which had explanations for non-implementation and which the committee agreed could be extended to allow completion. In relation to an outstanding recommendation in relation to appraisals the Committee suggested that the areas of lowest compliance should be reported to the Workforce Committee so that supportive actions could be taken to increase compliance and aim towards 100% compliance

Action: Workforce Committee to consider including in reports to Committee

Name of Chair: Dr Robin Hooper (NED)

Date report prepared: 18 April 2013

Finance Committee

Key summary points from the meeting held on 25th June 2013

FCHS Update

Chris Needham and Kate Shaw reported that the project was progressing well and within the agreed programme and budget.

A solution to the additional investment required to support the creation of additional inpatient capacity at PRH was being explored, although it remains to be expected that the Trust would be required to fund this from within the Trust future Capital Programme.

Referring to the comments made by Mr Sandbach at the Trust Board meeting on 30th May 2013, the Committee was assured that his suggestions had previously been considered and as near to the full template would be used to create the additional capacity at PRH. However, modern standards now dictate that the space available would only accommodate 27 beds.

The Committee noted the extensive engagement being undertaken with staff, patients, families and the public.

A further update on the project will be provided at the Finance Committee meeting in August 2013, unless the Committee needs to be alerted to any issues in advance of this.

Finance Director Report Month 02

An update on the Month 02 financial position of the Trust was provided. With regard to income it was noted that a description of the Commissioners' QIPP plans were still awaited and the issue regarding the zero length of stay had not yet been resolved. The Committee was advised of national delays in the Commissioners' contract reconciliation process affecting the ability to sign-off the month 1 position and the impact this may have on the Trust. Income prospects thus contain an element of risk and uncertainty that may not be clarified until towards the half year stage and there remains a prospect for very close review of contract claims.

Concern continues regarding pay expenditure. Although pay levels had reduced in May when compared to the month of April, it remained significantly above an acceptable and budgeted level. The Committee reiterated the need to get pay spend under control, acknowledging that it was too early to see the impact of the recent controls put in place to manage agency and bank expenditure. The Committee expected to see a noticeable reduction in pay spend in the next Finance Report if a significant accumulating problem is to be avoided.

Non-pay spend remains within budgeted levels.

The implications of the current rate of spending on the cash position were discussed and it was noted that a review of the cash flow plan was being undertaken to ensure this reflected the level of prospects for pay spend over the next four months. Overspends are placing considerable strain on cash and this could result in adjustments to the Capital Programme having to be made.

The Committee discussed the status of the Project Initiation Documents and Quality Impact Assessments required to facilitate the Cost Improvement Programme, especially those relating to pay cost reductions which remain unresolved. The approval process of the QIAs in ensuring that the balance of risk is acceptable to the Trust was noted but the Committee stressed the need to secure agreed [or alternative] proposals that both maintain quality and safety and also facilitate effective financial management.

Neil Nisbet advised the Committee that he would be convening a meeting with the Deputy Chief Nurse to discuss losses of patient property with a view to ensuring that the Trust was adhering to good working practices to safeguard the belongings of patients attending hospital. This followed a recent increase in the number of claims submitted for reimbursement. These incidents undermine patient satisfaction and experiences.

Any Other Business – Terms of Reference

Following discussions within the Executive Team about membership of committees, it was agreed that the Terms of Reference of the Finance Committee would be amended to include Dennis Jones, Simon Walford and Neil Nisbet as members and that Debbie Kadum, Debbie Vogler and Victoria Maher would attend for relevant items/upon request. One Executive Director would attend in conjunction with the Deputy Finance Director in the event of the Finance Director being unavailable.

Name of Chair: Dennis Jones

Date report prepared: 26th June 2013

HOSPITAL EXECUTIVE COMMITTEE

Key summary points from the meeting held on Tuesday 25th June 2013

Month 2 finance update was noted, with particular focus on a detailed overview of the concerning Pay overspend. Scrutiny has determined issues within excessive use of Bank and Agency, and actual staffing WTE against planned; particularly in the two areas of medical staffing and nursing. Robust and enhanced control measures now being but in place.

Progress updates were given including one on The Bribery Act, its planned implementation throughout the Trust and methods for ensuring compliance.

A detailed update was given on progress around the Pathology service reconfiguration including the challenges being encountered as part of the commissioning tendering process, protracted staff consultation process and negotiations with UHNS to resolve TUPE issues. Even if now implemented, due to staffing and pay protection issues will not realise the anticipated financial benefits for 3 years.

An update was given on the refreshed operational management structure, outlining the purpose and rationale behind the restructure as well as the anticipated gains & benefits. Detail was given on the current status including those posts appointed into.

Peter Herring

Tuesday 25th June 2013

Quality and Safety Committee

Key summary points from the meeting held on 20th June 2013

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| Present: | Vicky Morris Dr Edwin Borman Dr Simon Walford Debbie Kadum | Chief Nurse/Director of Quality and Safety Medical Director Non Executive Non Executive Director Chief Operating Officer |
| In attendance: | Sarah Bloomfield | Deputy Chief Nurse |
| Apologies: | Dr Peter Vernon (Chair) Chris Beacock | Non Executive Director Deputy Medical Director |

1. The Committee had the opportunity to discuss the key operational challenges with the Chief Operating Officer. Some core agreements were made about how we can monitor some additional quality indicators which would support measuring the impact of different escalation levels on the quality of care.
2. The Quality and Safety Committee received the updated QIS strategy and felt that the strategic objectives summarised on page 25 will be a helpful primary oversight for the Quality and Safety Committee to track progress.
3. The Committee reviewed and approved the Committee's Annual report. It was noted that the committee were confident in the systems and processes that have been established, however as the report outlines the committee has concerns with some of the priority outcomes.

Name of Chair; Peter Vernon

Date report prepared; 21.6.13

Workforce Committee

Key summary points from the meeting held on 13th June 2013

People Strategy (previously Workforce Strategy)

The Committee received an update on the People Strategy, the strategy will be a live document as such will require regular review.. A key element to the Strategy is embedding the organisational values into the employment life cycle to ensure the values are real within the organisation.. This includes Values Based Recruitment which will be introduced in September 2013 as a pilot for Healthcare Assistants.

The committee discussed the importance of ensuring that the Strategy supported the Trust's ambition to ensure an excellent employment experience. It was agreed that the proposed strategy would support this however the implementation plan would be crucial.

Sickness Absence

The Committee were informed that the sickness figures for May were 3.99% which was a positive improvement. The Trust's target is less than 4% and sustainability will be a challenge but additional HR resources are being provided to support this work along with a review of Occupational Health services. The cost implications of a 25% reduction from January 2013 to May 2013 results in cost avoidance of £1.2m for the year if this is maintained.

Statutory and Mandatory Training

The committee received an update on Statutory and Mandatory Training highlighting coverage remains at 55% however medical compliance is showing improvements. The National Learning Management System has been launched and this includes Doctors. The Appraisal documentation and policy have been redesigned to emphasize the importance and requirement for Statutory and Mandatory Training to be completed, this is in accordance with recent changes to Agenda for Change.

Response to Francis

The committee received a presentation focusing on a response to the workforce recommendations within the Francis report. The Workforce team have assessed the recommendations against current and proposed work to develop an analysis of any areas that are not currently being considered. As a result a number of enhancements will be made to existing workforce programmes for example People Strategy, policy development and recruitment. This will then be shared with the Quality and Safety Committee.

Name of Chair Victoria Maher

Date report prepared 17 June 2013