

NLG(17)044

DATE OF MEETING	31 January 2017
REPORT FOR	Trust Board of Directors – Public
REPORT FROM	Wendy Booth, Director of Performance Assurance & Trust Secretary and Neil Gammon, Non-Executive Director & Chairman of the Resources Committee
CONTACT OFFICER	Wendy Booth, Director of Performance Assurance & Trust Secretary
SUBJECT	Resource Committee Meeting Minutes, November 2016
BACKGROUND DOCUMENT (IF ANY)	N/A
REPORT PREVIOUSLY CONSIDERED BY & DATE(S)	N/A
EXECUTIVE COMMENT (INCLUDING KEY ISSUES OF NOTE OR, WHERE RELEVANT, CONCERN AND / OR NED CHALLENGE THAT THE BOARD NEED TO BE MADE AWARE OF)	The report provides the November 2016 Public minutes of the Resources Committee
HAVE THE STAFF SIDE BEEN CONSULTED ON THE PROPOSALS?	N/A
HAVE THE RELEVANT SERVICE USERS/CARERS BEEN CONSULTED ON THE PROPOSALS?	N/A
ARE THERE ANY FINANCIAL CONSEQUENCES ARISING FROM THE RECOMMENDATIONS?	NONE
IF YES, HAVE THESE BEEN AGREED WITH THE RELEVANT BUDGET HOLDER AND DIRECTOR OF FINANCE, AND HAVE ANY FUNDING ISSUES BEEN RESOLVED?	N/A
ARE THERE ANY LEGAL IMPLICATIONS ARISING FROM THIS PAPER THAT THE BOARD NEED TO BE MADE AWARE OF?	NO
WHERE RELEVANT, HAS PROPER CONSIDERATION BEEN GIVEN TO THE NHS CONSTITUTION IN ANY DECISIONS OR ACTIONS PROPOSED?	YES
WHERE RELEVANT, HAS PROPER CONSIDERATION BEEN GIVEN TO SUSTAINABILITY IMPLICATIONS (QUALITY & FINANCIAL) & CLIMATE CHANGE?	YES
THE PROPOSAL OR ARRANGEMENTS OUTLINED IN THIS PAPER SUPPORT THE ACHIEVEMENT OF THE TRUST OBJECTIVE(S) AND COMPLIANCE WITH THE REGULATORY STANDARDS LISTED	Ensures compliance with good governance and the requirements of the Trust's constitution
ACTION REQUIRED BY THE BOARD	The Board is asked to note the report and consider any additional action required

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RESOURCES COMMITTEE MEETING - Public
WEDNESDAY 23 NOVEMBER 2016 – MAIN BOARDROOM, DPoW
Minutes of the Resources Committee Meeting held on Wednesday 23 November 2016

Present:

Linda Jackson	Non-Executive Director (Chair)
Marcus Hassall	Director of Finance
Karen Dunderdale	Deputy Chief Executive
Jayne Adamson	Director of People and Organizational Effectiveness
Pam Clipson	Director of Strategy & Planning
Jug Johal	Director of Facilities
Alan Bell	Non Executive Director
Anne Shaw	Chairman, Trust Board
Wendy Booth	Director of Performance Assurance & Trust Secretary
Paul Corlass	Deputy Director of Finance
Steve Vaughan	Interim COO
Janet Mellor	PA to Karen Dunderdale

1. Apologies for Absence:

Neil Gammon, Tara Filby, Karen Jackson, Lawrence Roberts

2. (i) The Public minutes of previous meeting were delayed therefore not approved. Approval will be given to Janet Mellor.
- (ii) The Private Minutes from the previous meeting were approved.

3. Matters Arising from the Minutes of the Meeting 19 October

3.1 Pam Clipson confirmed that the Referrals list is now up-loaded to Sharepoint.

3.2 Wendy Booth confirmed that the CQC Action Plans 8a, 13 & 17 are now uploaded to Sharepoint. These have been approved by the Board and turned Blue.

3.3 Assurance on the Quality of Data is linked to the discussion of the last meeting about the waiting list report. It was agreed that Wendy Booth, Marcus Hassall and Karen Jackson would meet to pick this up, however this has now been overtaken by two other pieces of work, first the audit being done by KPMG around the Management Reporting of the waiting list and secondly the work which is being done through the NHSI Intensive Support Team that the new self assessment around quality and as a result of this it was agreed at the Executive Team meeting on Tuesday 22nd November that depending on the outcome it would go out to secure to external validation. Wendy Booth will bring this back to a future meeting.

3.4 Jayne Adamson confirmed that the Recruitment Strategy had come through to her in draft form on Wednesday 23rd November. Jayne will look through this and take it through the local Committees.

3.5 Jayne Adamson updated the Committee on the non-attendance of training courses. There were 834 in the last quarter. This has been raised at Workforce, Sustainability & Transformation meeting and there

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is an action around putting plans in to improve the attendance rate. This will go back to the next W, S & T Committee for approval. . Alan Bell enquired about the concerns around Safeguarding training Compliance by clinicians in A & E Jayne Adamson confirmed that it would be covered later in the agenda and is also part of TGAC agenda for the next meeting.

4 Finance

4.1.1 Month 7 Finance Report

Marcus Hassall gave the outline report that the month 7 position with the deficit of £11.89m against plan of £9.40m giving a £2.49m deficit, a significant deterioration on month 6. This results from a combination of further marginal deterioration in the underlying position, slippage in required recovery actions and resulting reductions on accrued Sustainability and Transformation income. The net shortfall on income is compounded by increased medical staffing and non-clinical pay costs. Also pressures from provision of additional activity in critical areas most significantly diagnostics.

The full year forecast is £22.99m without recovery action. The full year forecast after recovery is compliant at £12.01m.

Marcus Hassall gave a summary of cost categories, medical staffing is going up, nursing is doing very well. Capacity and Demand is primarily medical staffing, the failure to get the job plan through and get controls generally is driving this up. There have been a few difficulties with Estates and Facilities and Contracting Cardiac Devices. Marcus went on to show a graph of the Medical Staff which showed spending going up and October being another increase.

There is a downward trend through the job planning process and control improvements have been put in place after the surge of late last year and early this year but they have not gone back down to normal as yet. Marcus went on to explain that more activity is being done and there is more regulatory pressure, there are one or two targeted areas to have more staff on the ground, this is not just driven by requirement. Alan Bell asked what it is driven by and Marcus answered that it is increase in vacancies, acute care investment and A and E investment. Marcus Hassall continued that it is also the lack of clarity that comes from not having good job plans and service plans. Anne Shaw questioned where is the energy being put in to focus on the service plan. Marcus Hassall suggested that there is a need to understand the outline establishment plan is in each service planning area, following the policy as quickly as possible to end the current year with a live job plan. Anne Shaw asked if a date had been considered for this? Karen Dunderdale advised the committee that no date had been considered yet. Linda Jackson asked that this subject be highlighted on the Resource Committee Highlight Report.

Linda Jackson asked about Holt, is it going well or not? Karen Dunderdale advised that the Final agreement has been reach between NL and Holt. Marcus Hassall went on to explain that there is a mixed economy until December, getting it down to compliance will give £4m+ per year.

Marcus Hassall continued and advised that nurses staffing is steady at the moment. Agency usage continues to come down significantly. Adherence to policies and procedures within nursing is not as it should be. Every shift is not locked down appropriately and controls strengthened. Also the process for securing agency and escalation does not appear to be working properly. Finally a really robust base bed plan needs completing . Because this is not firmly in place as yet Marcus would predict that next month's nursing spend may go up.

Marcus Hassall advised the Committee that admin & management staffing needs to start reversing. Spending is at £0.5m more than the same time last year. Every new non-clinical position is being reviewed. Alan asked that for next month the committee see the detail. . Karen Dunderdale advised that this is something that Karen Jackson is leading with the Carter Recommendation 7. . Marcus replied that there wasn't a process built as yet but he was happy with the commitment to doing it.

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Forecast position is £23m deficit with a shortfall of £1.9m, this has reduced. S & T Income is £6.5m which has increased by £2.5m. Lost income is £6.5m with a net balance of £2.8m and net gap £11.2m.
Other risks to create a worst case forecast

Marcus then went through the five action points

Action Point 1: Contracting Risk Mitigation

Progress Status Update - Ongoing: The Trust is behind schedule on this plan, but has written to each commissioner outlining the position, and also met with NLCCG to discuss a range of issues. The evidence pack for submission to NHSI has been completed, and the meeting with CCGs and NGS/NHSE has been requested.

Action Point 2: Performance Recovery

Progress Status Update - Incomplete: The plans have not been completed, though progress has been made. Plans will need to be significantly scaled back to live within commissioned activity levels.

The absence of a definitive plan set raises a significant financial plan risk. The Finance Directorate are therefore compiling an outline proxy plan of known actions taken or proposed, to support financial control.

Action Point 3: Sustainability Programme Recovery

Progress Status Update - Incomplete: Further firmly identified items in the recovery plan have been developed sufficiently to incorporate into the main forecast, with remaining recovery plan items linked to capital awaiting from NHSI confirmation of liquidity support decisions.

Work remains incomplete on further recovery actions set out through the CEO Challenge process. The Carter Programme work has also made limited progress in the month, with action confirmed to further data submission.

An outline plan based around tightened vacancy control in non clinical areas and securing full benefit from the new Holt contract for locum doctors, but has not yet been sufficiently developed to support forecastable gains.

Work is continuing through the Trust's Sustainability Stocktake Group, to mitigate this risk with appropriate challenge through the CEO, Resources Committee and the Trust Board. This process must be brought to fruition promptly.

Action Point 4: Maintaining Budgetary Discipline

Progress Status Update - Ongoing: Systems are in place, but remain under pressure, most significantly due to activity delivery costs (pending finalising plans), and costs arising from Governance and regulatory actions, including final actions identified ahead of the CQC visit.

This action point is critical if budgetary controls are to remain effective in supporting the wider financial plan agreed by the Trust Board in March. The Trust Board should be clear and definitive over any deviation from plan, and justify this on urgent patient safety grounds.

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Action Point 5: Cash and Capital Financial Plan Review

Progress Status Update - Pending: Though the full redrafting cannot take place until the final values are confirmed by DH and NHSI, progress has been made. The final business case and associated summaries for the DPoW Residences scheme have been submitted and NHSI. The DH review of capital programme has also now been completed. These two pieces of work are now being collated by NHSI into a formal application on behalf of the Trust to the DH. The Trust is supporting this process as far as possible. A decision is needed imminently on the residences, given the existing contract deadlines for contractors and subcontractors. Delay is forecast to increase costs significantly. The Trust is exerting whatever pressure it can to expedite the construction and review of the Trust plan.

4.1.2 Mid Year Finance Report

This item was discussed in the Private section of the meeting and minutes.

4.1.3 Capital Plan Update

Marcus advised the Committee that after a call with NHSI on Tuesday 22nd November nothing on the existing Capital Programme is red rated.

From a £9.8m programme £9m is green rated and £0.8m is amber rated. This means that NHSI have to sign off these actions. A report is being submitted to DH on Friday 25 November for formalization. A full package of loans should be approved by December Board.

4.2 Sustainability

4.2.1 Sustainability Plan for 2016/17: Month 7 Update

4.2.2 Update on Holt Mobilisation

Wendy Booth advised the Committee that Month 7 shows the Sustainability Programme delivery of £7.2m against Plan of £6.5m with a negative variance of £1.5m. A predicted forecast delivery of £11.9m against plan of £13.85m leaves a negative variance of £1.9m. Not all of the agreed mitigation actions are included in the forecast. These will be added once there is certainty of those.

Work stream 11 actions are still being worked up and determined. Some of these included the strengthened Establishment Control Process and Staffing Rota Management Controls. It is intended that they are the focus of discussion at the Stocktake meeting this week.

Linda Jackson commented on the £1.7m recovery on locums, if this will be possible, with the delay on Holt and questioned the position of the medical savings. Wendy went onto say that this discussion is needed and also the assurance is needed that these controls are in place. Marcus Hassall stated that it should be made clear that some of the controls are not where they should be. Marcus also informed that the other key action is to get the control up and working, make sure that they were appointing into establishments that had some form of review applied to them. Karen Dunderdale added that Establishment Control panels are being run. The first of these has taken place for non-clinical posts. Karen stated that there were common themes across the posts being review therefore first stage information is being strengthened.

Linda Jackson questioned the possibility of filling posts that are not actually needed if the process outlined is followed? Karen Dunderdale advised that there was one post that was pushed back where there was potential that the post was not required. Jayne Adamson suggested that it also has the benefit of reducing the TRAC system recruitment cycle. Karen Dunderdale suggested that it is also strengthening the

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controls of budget holders. Karen asked Paul Corlass if there was anything further that needed to be added to which Paul added that it is about raising awareness. Anne Shaw asked if the reviews are part of normal project cycle and Marcus confirmed that it was. Linda Jackson asked for an update in next Resources Committee meeting as to how the review has gone after Stocktake.

Alan Bell questioned if more resources were needed to move the vast majority of reds to show progress. Pam Clipson answered that theatres have delivered well and we are showing an improvement in Out-Patients. However the problem is that we do not have the staff to deliver what is required.

4.2.3 Sustainability Outline Plan & Arrangements for 2016/17

Wendy Booth went through the first outline draft of plan 2017/18. The Supporting Programme is also included for structure arrangements. Carter is incorporated in the programme for the next year. This is subject to further discussions with Executive Team and Stocktake for information and challenge at this point.

4.2.4 Agency Spend – Self Assessment checklist

This paper will also go the Board for signing off for CQC. It will need signing off by the Chairman and CEO. The initial Self Assessment was taken through Stocktake to challenge and there is further work to do on this. This process will be managed through Stocktake. The paper is going to Trust Board next week. It does ask for Clarity around exec lead and Wendy Booth will pick up on the measurement of this through Stocktake.

4.3 Performance (by Exception)

4.3.1 Monitor Performance Compliance Report

Wendy Booth advised the Committee that the key issue in this paper is the RTT Recovery, this will be covered by Steve Vaughan in item number 4.3.4 RTT & OPD Recovery Plans.

4.3.2 Integrated Performance/KPI Report

4.3.3 Monthly Overall Waiting List Reporting

Wendy Booth advised that there was nothing to highlight, however after discussions with Steve Vaughan and Maria Wingham the Monthly/Weekly Overall Waiting List Report will be simplified going forward. As from December there will be a slightly simplified version of the list.

4.3.4 RTT & OPD Recovery Plans

Steve Vaughan explained that over the past few weeks his team have reviewed the position in terms of the continuing reduction of compliance against the 92% standard. The number of patients waiting and the length of time waiting are going up. The Intensive Support Team have recently completed a diagnostic tool, and a meeting being held today will go through the next steps. Page 2 of the report holds a Summary of key issues with that diagnostic tool. This is refreshed regularly, it shows a number of issues around operational grip and poor quality data.

After being asked on a number of occasions when a recovery plan would be available Steve has made the decision that there would be no recovery plan until the back log has stopped getting bigger. NHSI came in and worked with Maria Wingham and Sue Hillyard who captured the conversations and recommendations of where we are going. The email from the Intensive Support Team has been included in the paper and externally this is the view of where we are and what we are doing currently. Steve advised that there is no clean waiting list at the moment and a recovery plan cannot be built from the waiting lists that are current.

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Steve has been advised that an extended period of recovery will be 12 to 18 months. There are several areas of work which needs to be focused on. Section 4 highlights the areas as follows: Technical Review of Data, Enhanced Performance Management Arrangements, Capacity & Demand, Policy/Process Review, Development of Speciality Level Plans, Partnership Work with Commissioners, Modelling of Scenario's.

The paper and discussion brought the Resources Committee up to date and an indication of the timescales of activities. Steve advised the Committee that it would probably take to the end of quarter 4 before a robust recovery plan can be agreed

Karen Dunderdale advised that should we engage with an external Data validation company the Data Quality issue should be done fairly quickly, possibly within 30 days.. Linda Jackson asked if we have agreed to external validators, Karen Dunderdale confirmed that we have agreed in principal yesterday at ET and are working through funding arrangements and areas of priority. Paul Corlass enquired if there is anything that can be done with neighbouring Trusts? Steve Vaughan replied that it is an area which has not been looked into yet but it may be possible.

To be Highlighted on the Resource Committee Highlight Report

5 CQC Action Plan

5.1 CQC Action Plan Update

Wendy Booth asked the Resources Committee for approval of the actions at the bottom of page 2 of the report. Templates have now been circulated. Linda Jackson stated that she was happy with them, there were no other issues and they are now turned to blue.

4.4 Workforce

4.4.1 Monthly Staffing Report.

Jayne Adamson advised that the focus this month was on Vacancies and recruitment activities. Overall against target things look ok. Nursing recruitment is going well but not so well on medical recruitment. The medical vacancy position has increased significantly over the past 12 months and the nursing vacancy position has improved. At DPoW once the newly recruited nurses are in position there will only be 10 vacancies in registered nurses. On the Medical side there are 22% of vacancies, in theaters, ODP's with 47% vacancies at DPoW and 27% at SGH. These present significant challenges. A Talent Acquisition Team has been put in place which looks at innovation and pro-active recruitment. Internal social media has been a good success. In the past week there has been 7 people placed in theatres. Anne Shaw asked if there is an area to set up our own training? Jayne replied that we have tried to get local providers for nursing but it is still a headache. Training has to go through recognised establishments and colleges but many things are being tried at the moment. A discussion took place in about offering incentives and how if this was done it would need to be done in a robust way. Jayne advised that there are different views about financial incentives, concepts are drawn up and ready to be discussed further. Jayne went on to advise the Committee that the new talent team are focusing on this and being pro-active with recruitment however, retention needs to be better focused on. Linda Jackson asked about the time scale of when things would be more robust. Jayne replied that Lawrence Roberts is leading this with the support of the recruitment team, Jayne confirmed that she will seek clarification of time scales. The difference between medical vacancies now and the same time last year was discussed and Jayne advised that it was much better, the percentage is 21% now and it was around 16/17% at same time last year. Anne Shaw then enquired as to what was done to stop them leaving. Jayne replied that some of the gaps are annual rotations, but does not really know the full reasons, Lawrence Roberts would have more information.

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Jayne went on to advised that exit interviews have not improved. It has been picked up on at WS & T and a plan is being put together around how to get that to improve and this will feed back through into Resources Committee. Jayne confirmed that absence 4.7% rather than 4.1% target currently in place.

Linda Jackson requested that Jayne add to her Highlight Report the tipping points and areas of concern around some departments and what the new team is doing to help these areas. Jayne agreed that this would be done.

4.4.2 Highlight Report from Workforce, Sustainability & Transformation Committee

Jayne Adamson suggested that this paper plus the minutes from the meeting is self explanatory and taken as read.

4.5 I M & T

4.5.1 I M & T Highlight Report

Pam Clipson presented the paper to the Committee and stated that it was the usual process with continued improvement following Web V EPR dermatology pilot, this has taken longer than expected but there have been some significant challenges seen in turning the workforce more electronic savvy. There is continued improvement on accuracy on theatres systems. This has only been live for the past eight weeks and needs some and needs slight improvements. Anne Shaw asked if it is working for them? Pam replied that it works but they are trying to get better at getting the information out that we need and getting the performance data from it. Pam confirmed that within 3 to 4 weeks week it is hoped that there will be a combined version. PACS procurement is progressing with NLaG being identified as the first trust to migrate. There are no additional risks or issues to raise about this. Pam suggested that the paper was taken as read.

4.5.2 Cyber Security

Pam Clipson talked the Committee through the embedded NCC report. Page 2 gives the NCC Statement which has now been received, this states that there is no evidence that any data has been viewed, stolen or removed. The biggest issue which caused this was a misconfiguration of the fire wall. A full position assessment has been requested, the order went through but the attack happened before the necessary work on weakest parts of the system had been completed. Linda Jackson asked if this had now been closed off, Pam confirmed that it had, although a recommendation for a black box placed on both sites for a period of 8 weeks for monitoring purposes was not done due to costs. All other recommendations from NCC report have been done. Penetration testing is going to take place and also have asked for staff awareness to be tested in that emails asking for passwords will be sent out randomly to gauge the reactions of the staff. Anne Shaw stated that the response time for the recovery has been noted nationally. Pam confirmed that some other hospitals have lost up to two weeks due to similar service interruptions. Linda Jackson would like a well done for the IT team within the Highlight Report

4.7 Strategy and Planning/Healthy Lives, Healthy Futures

4.7.1 Strategy & Planning

Pam Clipson reported that there had been a continued increase in referrals up to month 7. Total referrals and total referral to consultants are being split. There was a slight reduction in Mth 7 in ophthalmology services.. The remainder of the paper focuses on contractual activity position compared to plan. Linda Jackson asked Pam to go through the Orchard position. There are some complexities of identifying the patients to move. Until we move to tier two, tier two patients will get us the volume and the viability of

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the service. There are some challenges in getting to tier two. One is to man mark the patients within our wards and two is to be able to provide physio and OT care for tier two. District nursing is the two challenges are faced – District Nursing and Lincolnshire Social Services. LSS are now onboard and are happy to provide care for tier two but District Nursing is a problem. Having been to both DN providers in NE Lincs and they are struggling to provide nursing care for N E Lincs residents. Claire Phillips and the working group has been tasked with the project to find out the clinical needs of the patient and how to get that care for them and how it should be approached. Linda Jackson asked what needs to happen in terms of the blockage so that the teams know that patients can be moved from the hospital into Orchard. Pam advised that there are weekly project group that Claire runs and Chairs and this gets the message out there.

4.6 Estates

4.6.1 Estates and Facilities Highlight Report

This item was covered in the Private section of the Resources Committee Meeting.

6. Items for approval prior to submission to the Trust Board

Control total

7. Items for Information

7.1 Minutes W S & T Group

8. Any Other Business

There was no other business to discuss

9. Agreement of Matters for Escalation to the Trust Board

Month 7 Final Position, S and T Income, Capital Programme Update, Mid Year Final Review
Sustainability Update Month 7 – Medical Staffing and Recruitment
RTT Recovery
Cyber Security Incident - Card from committee

10. Review of Action Log

Linda Jackson will review with Neil Gammon

11. Date and Time of Next Meeting

Wednesday 14th December 2016 – 09.30am to 13.00 – Board Room, SGH