

DATE OF MEETING	22 December 2015
REPORT FOR	Trust Board of Directors – Public
REPORT FROM	Neil Gammon, Non-Executive Director & Chairman of the Resources Committee and Karen Dunderdale, Deputy Chief Executive
CONTACT OFFICER	Karen Dunderdale, Deputy Chief Executive
SUBJECT	Resources Committee Minutes – November 2015
BACKGROUND DOCUMENT (IF ANY)	None
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 2015 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 requirements and the requirements of the Trust Constitution
ACTION REQUIRED BY THE BOARD	The Board is asked to note the minutes

Resources Committee

PUBLIC

**Minutes of the Resources Committee Meeting held on Friday, 20 November 2015
at 9.30 am in the Main Boardroom, DPOWH**

Present:

Neil Gammon	Non-Executive Director (Chair)
Alan Bell	Non-Executive Director
Wendy Booth	Director of Performance Assurance & Trust Secretary
Michael Clements	Deputy Director of Finance
Pam Clipson	Director of Strategy & Planning
Karen Dunderdale	Deputy Chief Executive
Karen Griffiths	Chief Operating Officer
Marcus Hassall	Director of Finance
Jane Heaton	Deputy Director of OD & Workforce
Jug Johal	Director of Facilities
Lawrence Roberts	Medical Director

In Attendance:

Wendy Jones	Executive Personal Assistant – taking minutes
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11 Apologies for Absence:

Apologies for absence were received from Karen Jackson

12 Minutes of the previous meeting held on Friday, 23 October 2015

The minutes of the previous meeting were accepted as a correct record.

13 Matters Arising:

13.1 Bursaries from Sheffield Hallam University (Minute 13 refers)

NLAG were exploring the possibility of working exclusively with Sheffield Hallam to offer bursaries to radiology students. Sheffield have since pulled out of discussions as they felt that NLAG should attend their career fairs. NLAG wanted to include in the contract that if students leave we could claim back part of the bursary i.e. 100% in the first year, 50% in the second year and 25% in the third year. The bursary would be £1,000 and if students stayed at NLAG for five years after qualifying a payment of £5,000 would be paid off their student loan, if they have one. Both radiology and finance are very keen to pursue this scheme.

13.2 Fixed Term Contract (ends) Nurses (Minute 13.1 refers)

Jane Heaton reported that this item arose from the monthly staffing reports. The data has been looked into and line managers are being contacted to see if the ESR forms are wrong as nurses in permanent contracts are not necessarily a training need, they may have ticked the wrong box. ESR information has been highlighted in the HR newsletter so that they can

highlight the importance of making sure that ESR information is correct. Alan Bell felt that this was quite worrying and Jane Heaton stressed that is only a very small percentage of forms. Karen Dunderdale highlighted that there was some ambiguity regarding forms and staff were not clear what end of contract meant. This is being picked up through the Workforce Review Group.

13.3 Unregistered nurse vacancies (Minute 14.4.1 refers)

Jane Heaton reported that forty eight unregistered nurses are waiting for inductions and start dates. As at 11 November the register is showing that out of 150 whole time equivalents 77 are waiting for start dates. Alan Bell highlighted that according to the reports unregistered nurse numbers have risen for the past thirteen months. Karen Dunderdale stressed that this is the numbers appointed and offers accepted. The Chair felt that the Committee had been assured regarding the vacancies and suggested that it would not be necessary to raise this to the Trust Board.

13.4 Employment promise (Minute 14.4.1 refers)

Jane Heaton reported that NLAG are working with Lincoln University to target student nurses from year two who are living in the local NLAG area to consider roles within NLAG. The Trust will offer an initial interview and give students a guaranteed promise of an interview at NLAG when they qualify. One student has been through the process and is being used as an advocate.

13.5 Trend line on exit questionnaires (Minute 14.4.1 refers)

Jane Heaton asked the Chair if she could discuss this further with him outside of this meeting as she needed to understand what the Committee is looking for.

Action: Jane Heaton

14 Items for Discussion:

14.1 Finance:

14.1.1 Monthly Finance Report, M07 (November 2015)

Marcus Hassall presented the report and highlighted that at the end of month 7 the Trust recorded an Income & Expenditure account deficit of £14.64m, which is £1.47m better than the re-plan deficit for month 7 of £16.11m. The cash balance currently stood at £6.1m. The Committee were informed that there was the potential to manage slippage of £2.6m of cash outflow from the capital programme in year, with £2.0m through scheme slippage into 2016/2017 and the remainder through management of creditors. It was highlighted that the Strategy and Planning Group meet on 30 November and they will work through the business risk of amending the planned Capital Programme and how this can (or cannot) be managed. The Chair asked Marcus Hassall to highlight this to the Trust Board. Marcus Hassall stressed that the risks are the same as last month and stated that the Trust is awaiting firm information concerning its starting financial position in April 2016 and does not have any certainty of 2016/2017 income.

Alan Bell asked at what point the suppliers will not want to supply us. He stressed that the Trust is approaching a level of unreality, which is a terrible place to be and he does not think that regulators realise how serious this is. The Chair confirmed that the capital programme, income and ability to manage the cash balances will be highlighted to the Trust Board.

14.1.2 Business Governance Improvement Update

Marcus Hassall delivered a presentation to update the Committee and highlighted that the Procurement Strategy was approved by the Trust Board last month.

14.1.3 Mid-Year Finance Review

Marcus Hassall reported that this is a first draft plan for 2016/2017 and the next two years. The forecast shows an underlying positive trend, and this follows on from progress in 2015/16. Marcus stressed that NLAG must try and manage without additional external support in 2015/16 if at all possible through internal management action, given restricted national cash support availability – though NLAG had made it clear that the full stretch target was not deliverable as set out by Monitor, NLAG could significantly enhance its standing and credibility with regulators if it could manage the cash position to the end of March.

Alan Bell highlighted the quality funding increases included in the future model of £0.75m per year. This was likely to be severely stretched, even with caveats as to possible need for upward revision in the final plan. The Chair noted the challenge on the likely cash pressures arising from quality improvement requirements.

It was noted that £13.75m of additional capital is needed in 2016/17 for residential accommodation. This was outlined in a paper that went to Monitor in June, which identified public and private sector capital funding as both viable options. Bearing in mind the need to enhance the attractiveness of the Trust to potential medical and nursing employees, using modern, 21st century accommodation as one of the draws, it is essential that the residential accommodation scheme proceeds in full and to current planned timescales. To not proceed is not an option, and the regulator must be made unequivocally aware of that. Alan Bell stated that the evidence needed for this development goes back to significant comments in the Keogh report. The Chair asked when the next meeting with Monitor was scheduled to take place and it was noted that this was due in early December, but had not been confirmed.

Marcus Hassall informed the Committee that NLAG was planning to clearly differentiate between support needs for underlying I&E deficits, and for capital investments.

The Mid-Year Review document set out a “pre HLHF” position, which retained significant deficits for NLAG and the local health economy, and then set out a potential community wide recovery programme which is developing as the core of the HLHF plan. HLHF will face significant key decisions in the coming two months. Marcus Hassall reiterated the imperative to continue working together to deliver the efficiency improvements in line, otherwise the HLHF Programme would fail in both financial and service terms.

Alan Bell asked whether the cost of carrying out critical care improvements is essential. Pam Clipson confirmed that a piece of work is being undertaken for 2016/2017, and if critical care service improvements cost £1.5m, we must ask commissioners if they want the service to be delivered at the full improved specification, and accept the funding commitment. Alan Bell stated that if this is essential and necessary to meet the CQC’s requirements, the revenue capital elements need to be included in our plans and discussions. Pam Clipson agreed to address this.

Action: Pam Clipson

14.2 Strategy & Planning:

14.2.1 Strategy & Planning Highlight Report

Pam Clipson added that she had nothing further to add under this item.

14.3 Sustainability:

14.3.1 HLHF

This was discussed under item 4.1.1 on the Private agenda.

14.3.2 Sustainability Plan Update

(i) 2015/16 Update: Reporting Dashboard & Tracker at M07

Wendy Booth reported that the revised dashboard and tracker had been well received in many quarters. Together they provided the required assurance in more detail and with significantly more simplicity for the reader.

(ii) Workstream / Project Milestone Updates / Slippage & Mitigation

Nothing discussed under this item

(iii) Feedback from CEO Q2 Challenge Session

Wendy Booth reported that resources going forward need to be considered. It is planned to hold a further CEO Challenge session in either December 2015 or January 2016 to work up the detail, lessons learnt and to plan for next year.

The PWC report was very positive and balanced and reflected the progress and commitment of the organisation and how much had been achieved through the Sustainability Programme. The report strengthens the recommendation regarding additional project management support. This has been recommended through Stocktake and will go to Exec Team on Tuesday 24 November 2015.

(iv) PWC Review

Nothing discussed under this item.

14.4 Workforce:

14.4.1 Monthly Staffing Report

Jane Heaton reported that the medical recruitment data could be misleading as the figures are always for the previous month. The Chair asked for Executive comments to be given at the beginning of the report. It was noted that the dashboard is improving each month and the Chair asked if there were any further comments.

Alan Bell queried the nursing numbers on page 8. Lawrence Roberts reported that e-job planning is in its early stage and has started to be rolled out. Some doctors are worried about the gap between plans and actual pay as substantial reductions in salary are being seen. This may understandably cause some disquiet and is unlikely to help the morale barometer. The Chair asked if the Resources Committee can do anything to assist. Pam Clipson highlighted the importance of getting the balance right when undertaking service capacity and demand. Lawrence Roberts felt that this should not affect operations at all. Karen Dunderdale asked if Allocate had experience of this elsewhere or is NLAG unusual. Lawrence Roberts replied that we do not know for a fact, but probably slightly unusual, which would imply relatively lax controls hitherto. The Chair asked if implementation was on target. Lawrence Roberts confirmed it is slipping as it is taking longer to get the job plans in because of the complexity of each one and the lower level starting point than anticipated. The paper copies are not correct and additional information is needed. There is a recovery plan and the likely savings could be substantial when the new job plans come into force on 01 April 2016.

14.5 IM&T:

14.5 IP Telephony Tender

Steve Mattern, Interim Associate Director of IM&T joined the meeting at 12.19 pm. He spoke about the paper which sought Committee approval to invest in a new telephony system. He briefed that there are currently two manned switchboards, one at DPOWH and one at SGH that also services Goole. When the Trusts merged inter-site direct dial links were put

installed. These systems are obsolescent and can no longer be bought as systems today. Contemporary systems employ VOIP and offer considerably more varied communication enhancements such as direct dialling-in; the ability for telephones to follow the user; teleconferencing; video links from the desktop and support for electronic ways of working throughout the Trust. There is only one bidder offering an alternative network and that bidder is already working on a small IP system in the Trust. To make sure this company are offering value for money the Trust is working with an independent third party to ensure value for money. New handsets will be provided but there will be very little difference on the ground, except for there being one number on both sites. Pam Clipson reported that the process has taken a long time as the Trust has been specific about what is needed. Karen Dunderdale asked if there were any implementation risks. Pam Clipson stressed that a plan will need to be signed off that details how to get to the finished project but this is a big piece of work. Pam Clipson highlighted that the project was £142,000 over the capital allocation which could be offset against IM&T in 2016/2017. Alan Bell queried the order being placed by the end of November to get the price stated. Lawrence Roberts highlighted the clinical benefits for inter-specialty consultations, virtual clinics and for skyping clinician to clinician. Marcus Hassall reiterated that the tender is value for money. The Chair asked the Committee if they were content and they confirmed that they were. The Chair thanked Steve Mattern and his team for getting to this point. Karen Dunderdale stressed the need for a detailed implementation plan to capture the risks including governance and assurance. The Chair asked Pam Clipson to bring the implementation plan back to the January meeting for information. The Chair also agreed to highlight the IP telephony tender to the Trust Board.

Action: Pam Clipson

14.5.1 IM&T Highlight Report

Nothing discussed under this item

14.6 Estates & Facilities:

14.6.1 Highlight Report from Estates & Facilities Group including Key Risk Issues

Nothing discussed under this item

15 Quality Development Plan & KPIs

Nothing discussed under this item

16 Items for Approval Prior to Submission to the Trust Board

16.1.1 People & OD Strategy

Karen Dunderdale reported that there had been an OD Strategy for the organisation for the last four years and this had been refreshed and subject to a NED challenge from Neil Gammon, Jim Whittingham and Linda Jackson. This strategy links to the HLHF Workforce requirements and Karen Dunderdale seeks approval today through the Resources Committee. The strategy will then go to the Board next week and be part of a Board Briefing to launch the Strategy and refreshed Visions and Values. Karen Griffiths asked how this would be presented to staff as it is a wordy document. Karen Dunderdale highlighted that it will be presented at the Board with visuals and form part of the PADR process. The Chair confirmed that the Committee were happy to approve the strategy and recommend it to the Board.

17 Items for Information:

17.1.1 Performance Report

Nothing discussed under this item

17.1.2 Minutes from sub-groups of the Resources Committee

17.1.2(i) Workforce Review Group Minutes – October

The Chair thanked Jane Heaton for the Workforce Review Group Minutes for October.

It was noted that the Terms of Reference had been amended to state that the Medical Director or representative should attend the Workforce Review Group. The Chair noted that the Committee approved this amendment to the Terms of Reference.

18 Any Other Business

Nothing discussed under this item

19 Agreement of matters for escalation to the Trust Board

- Finance – capital programme, income risks, cash top up situation, mid-year finance review plus specific quality income allowance
- Approval – Telephony tender and the People and OD Strategy

20 Review of Action Log

The action log was not discussed and will be updated outside of the meeting.

21 Date and Time of Next Meeting

- Friday, 11 December 2015
- 9.30 am – 12.30 pm
- Oak Room, Training and Development Suite, DPOWH