The Royal Wolverhampton
NHS Trust

Minutes of the Finance and Performance Committee
Wednesday 25th October 2017

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Date Wednesday 25th October 2017
Venue Conference Room, Hollybush House, The Royal Wolverhampton NHS Trust (RWT)
Time 8.30am

Present:

Name	Role
Mary Martin	Non-Executive Director (Chair)
Sue Rawlings	Non-Executive Director
Junior Hemans	Non-Executive Director
Mike Sharon	Director of Strategic Planning & Performance
Alan Duffell	Director of Workforce
Gwen Nuttall	Chief Operating Officer

In Attendance:

Name	Role
Helen Troalen	Deputy Chief Finance Officer
Neil Simmonds	Head of Procurement (part)
Will Nabih	Head of Estates Development (part)
Jo Cotterell	Acting Head of Clinical Coding and Data Quality (part)
Claire Richards	PA to Director of Strategic Planning & Performance (Note Taker)

111/2017	**Apologies for Absence** Apologies were received from Jeremy Vanes, Kevin Stringer and Simon Evans.	
112/2017	**Minutes of Meeting Held on 20th September 2017** The minutes were agreed to be a true record.	
113/2017 113.1	**Action Points From Previous Meeting** Back Office Update – Added to the agenda, see item 120.6. **Action closed.**	
113.2	Budget Manager Training – Added to the agenda, see item 122.1. **Action closed.**	
113.3	NIHR CRN: West Midlands Report – K Stringer to liaise with P Boyle regarding internal audit requirements. **Repeat action**.	**KS**
113.4	SR11 Governance (Backlog Maintenance Programme) – Added to the agenda, see item 120.7. **Action closed.**	
113.5	Financial Performance Period 5 (Format of Finance Reports) – M Martin asked for feedback regarding the format of the Finance Reports from all Committee members. **Repeat action.**	**All**
113.6	Agency Cost Report (VI Addition to Risk Register) – G Nuttall discussed GP agency use with A Nisbett. All agency is approved by the VI management team with no locum over £100 per hour. At present GP agency spend is not above prediction. Use will be reviewed with new practices coming on line in the next couple of months and will be available for monitoring by Finance & Performance Committee via the agency spend dashboard that is now produced. **Action closed**.	

113.7	Agency Cost Report (BAF Update re Competitive Pay) – The BAF has been updated. **Action closed.**	
113.8	Agency Cost Report (Registrar Price) – G Nuttall confirmed that she had investigated the registrar price per hour increase and that it had occurred when the IR35 regulations were implemented. **Action closed**.	
113.9	F&P Objectives (Coding/Data Report) – Added to the agenda, see item 116.2. **Action closed.**	
113.10	NIHR CRN West Midlands Exception Report – Added to the agenda, see item 117/2017. **Action closed.**	
113.11	Governance 6 – M Sharon stated that the risk had not been reduced due to further changes regarding STP. See item 120.3 for further information. **Action closed.**	
114.12	(Ambulatory Care and Frailty Business Case) – The business case was added as an agenda item but has since been deferred and will be presented to Finance & Performance Committee in November.	**MS**
114.13	Temporary Staffing Expenditure Dashboard – M Martin asked that a copy of this month's Temporary Staffing Expenditure Dashboard Report be circulated to the Non-Executive Directors for information. K Stringer agreed to action. **Repeat Action from September.**	**KS**
114.14	STP Update – Added to the agenda, see item 120.3. **Action closed.**	
114.15	Capital Programme Update – Discussed as part of the agenda. **Action closed.**	
114.16	Pathology Business Case – Added to the agenda, see item 120.9. **Action closed.**	
114.17	Stroke Business Case – Added to the agenda, see item 120.8. **Action closed.**	
115/2017	**Declaration of Interest** None declared.	
116/2017 116.1 116.2	**Yearly F&P Committee Objectives** Review of Supplementary Finance Report – See item 113.5 Coding/Data Capture Report – J Cotterell provided an update on the significant changes that had occurred during the last 12 months to improve Clinical Coding & Data Quality. J Cotterell stated that a proposed improvement plan is in place for the following areas: • Reduction of Episodes within Patient Spells • Improving Clinical Documentation and Coding Accuracy. • Admission Processes • E-Discharge • Recruitment M Martin thanked J Cotterell for the report and requested a further update for the Finance & Performance Committee Meeting in March 2018.	

	C Richards to update the workplan. Action closed. J Hemans asked if there had been any consideration regarding the future development and training of coders. J Cotterell stated that there were some difficulties regarding recruitment as other Trusts were paying a 15- 20% retention and payment fee. The Trust is currently running an internal training programme, however, it would take 2 – 3 years to train a coder to the required standard and there is a risk that the coders will then leave the Trust for the higher retention fee. J Cotterell is looking to submit a Business Case to request that the fee be paid in line with other Trusts. A Duffell stated that discussions are taking place with other Trusts within the Black Country to try to eradicate the retention fee, rather than adding the fee and running the risk of a bidding war. M Martin asked if the workshops and additional education was assisting with the accuracy of the coding data. J Cotterell confirmed that this was the case and that there had been definite improvement in some areas. J Cotterell stated that there is a need to ensure consistent accurate recording of comorbidity data. The failure to record all relevant comorbidities has a direct impact of HRG and consistent use of the form would ensure that all long terms conditions are recorded. M Martin noted that the improvement plan highlighted that divisional ownership was required for point 2 'Improving Clinical Documentation and Coding Accuracy' and point 4 'E-Discharge'. M Martin asked for clarification regarding this. J Cotterell stated that discussions have taken place at Mortality Review Group and an action plan has been drawn up. Dr Odum is looking into the possibility of having a clinical lead for coding within certain areas. Discussions are still taking place regarding this. M Martin asked if the Improvement Plan was being discussed at Divisional Meetings. J Cotterell confirmed that this was the case. S Rawlings asked if this was embedded into appraisal objectives. A Duffell stated that objectives were variable. G Nuttall felt that this could be linked to job plans. The Committee thanked J Cotterell for the report. The report was noted.	
117/2017	**<u>NIHR CRN West Midlands Exception Report</u>** M Martin thanked P Boyle for the report and stated that the next report was due November. The report was noted.	
118/2017 118.1 118.1.1 118.1.2	**<u>Governance</u>** <u>BAF Update</u> – The BAF was discussed, none of the risks have changed in terms of severity. Highlights are as follows: <u>SR4</u> – H Troalen stated that the Trust met with NHSI yesterday and discussed the £6M service transfer cost that was still required. The Trust have raised an invoice for the cost and there will be further discussion to reach agreement. H Troalen also informed the Committee that NHSI had contacted the Trust to request an invoice for the £600k towards the cost of the modular ward. The invoice has been raised and this figure helped the Trust to hit the control total for month 6. <u>SR6</u> – M Sharon stated that the risk has remained the same due to the appointment of Neil McKay as STP Lead for Staffordshire. The appointment of the STP Lead may have an, as yet	

	unknown, impact on the Trust.	
119/2017	**Financial Performance for Period 6**	
119.1	Trust Financial Report H Troalen provided an overview of the Finance Report.	
119.1.1	Income and Expenditure (I&E) position as at month 6 (against the internal and NHSI plan) is as follows:	

	Target (£'000)	Performance	Variance (£000)
Performance Against NHSI Month 6	(547)	(355)	192
I&E Target Performance Month 6	4,332	(355)	(4,688)

119.1.2	The main issues are: 1) Income is behind plan by £1.7m. Division 2 has a shortfall of £1.2m, Trust wide income is below plan by £1.9m with a division 1 over recovery of £0.9m. Education income is over recovered by £0.5m but this is offset by additional expenditure of an equivalent amount. There is no one single reason for the income shortfall and currently activity plans and the pricing in the plan are under review in a number of areas. 2) Expenditure is £2.6m over plan. This is predominately due to overspends on pay (£2.3m), drugs (£0.2m), CIP shortfall (£0.1m) and non-pay (£0.7m), all offset by unutilised reserves of £0.8m.	
119.1.3	Financial Risks: remain the same and are being actively managed: • MSFT transitional income (£6m). • Challenging CIP target (Range). • STF income risk (£3.5m-£6.5m). • 16/17 year end invoice in dispute with host commissioner (£4.8m). • 0.5% of CQUIN income at risk due to new NHSI/E guidance (£1.4m).	
119.1.4	CIP: There is a marked improvement in CIP achievement this month which has been driven by recognising non recurrent spends within pay and non-pay as CIP. In month six there has been an over recovery of £1m and the year to date position is £0.1m below plan. However, recurrent CIP delivery does continue to be a challenge and the profile of the plan means the month on month requirement ramps up over the year.	
119.1.5	Cash: The Trust had a cash balance of £13.1m as at 30th September 2017 which is £4.0m below the plan. However, despite being below plan, weekly cash monitoring is in place and it is not anticipated that distress financing will be required this financial year.	
119.1.6	Charity: Charitable Fund balances are circa £2.6m for quarter end September 2017. M Martin asked if the underlying performance would be made available in the Finance Reports. H Troalen stated that a large piece of work is taking place in order to achieve this and that it should be available at month 7 or 8. M Martin noted that the Care of the Elderly income figure had reduced. G Nuttall stated that this was due to the continuing impact the of Physician A model. The Trust closed a ward due to Physician A and removed the CIP savings, however, the activity forecast had not been revised. The closure of the ward also left some remedial costs.	

	M Martin noted that the Clinical Decisions Unit (CDU) activity had reduced. G Nuttall stated that the role of CDU was being reviewed as part of the frailty and ambulatory care business case. The forecast outturn was reviewed. M Martin asked if the forecast outturn was split into Directorates. H Troalen stated that the forecast is at Directorate level and can be drilled into down to cost centre level. A discussion took place regarding patient income. M Martin stated that press/media are currently reporting that 2 hours a day can be saved in operating theatres. M Martin stated that the Trust is currently reviewing theatre efficiency and asked G Nuttall for an update. G Nuttall confirmed that this was the case but also stated that the starting point of recording of theatre activity is not consistent across the country, some record when a patient leaves a ward, some once the patient is anaesthetised and others record knife to skin. The Trust has received a letter regarding national theatre productivity. A total of 100 Trusts have taken part in a pilot study and the Trust will need to also submit plans. G Nuttall felt that once this exercise has been completed there will be further clarity. M Martin asked why CQUIN had been reduced. H Troalen stated that there is a YTD reserve for the 0.5% CQUIN that the Trust has been asked to hold. The current forecast assumes that 90% of the rest of the CQUIN will be achieved. However, emerging risks on the schemes suggest that this estimate is too high. S Rawlings stated that the report highlighted Rheumatology being overspent against drugs and asked for clarification. M Sharon stated that this would be linked to biosimilar replacements which forms part of risk/gain share discussions and an agreement is normally reached. H Troalen will chart the progress in next month's report. The report was noted.	
119.2	Supplementary Finance Report The supplementary report was read in conjunction with the Finance Report (see above). The report was noted.	
119.3 119.3.1	Financial Recovery Board (FRB)Report M Sharon presented the above report. The 2017/18 CIP Target is £26.900M. This is broken down into a £20.000M recurrent CIP Target and £6.900M non-recurrent CIP Target. At month 6, the Trust is forecasting to deliver £14.233M (an increase from M5 of 25.5%). Of which, the Trust's recurrent YTD delivery is £2.143M with forecast outturn of £6.719M and the Trust's non-recurrent YTD delivery is 5.530M with forecast outturn of £7.514M. As of M6, the Trust has delivered £7.673M (82%) YTD against a YTD plan of £9.312M. M Sharon stated that the waterfall chart has been updated on page 6 of the report. The value of the Clinical Excellence Programme and job banding projects has been reduced. There will be a further review of vacancies to determine the extent of taking posts for re-current or non-recurrent CIP. M Martin thanked M Sharon for the key that is now available on the waterfall chart. M Martin asked G Nuttall for an update regarding Central Sterile Services Department (CSSD)	

	Decontamination. G Nuttall stated that a meeting would be taking place with Steris within the next week. M Sharon stated that the Trust were close to reaching an agreement with Deloittes regarding Safehands that did not require NHS Improvement (NHSI) approval. Once savings have been identified a business case will be submitted to NHSI. The report was noted.	
119.4	Temporary Staffing Expenditure Dashboard H Troalen presented the report. M Martin noted that the Trust pay expenditure was below budget. H Troalen stated that she would confirm that the reason for the budget being different is that it hasn't been adjusted for NR CIP. The report will not be amended as it keeps the budget intact and proves better representation. H Troalen will confirm that this is the case next month. G Nuttall stated that the Trust now has to report its weekly bank expenditure as well as agency expenditure. The report was noted.	**HT**
119.5	Quarterly Cash Flow Report H Troalen presented the report.	
119.5.1	Cash Position: The Trust's cash position as at 30th September 2017 is £13.1m; £4.0m below the NHSi Plan of £17.2m. Therefore despite entering 2017/18 with a higher level of cash than forecast in the NHSI plan the Trust is currently below plan. This is mainly due to the settlement of the 2016/17 capital payables (£5.6m) and also receivables being £8.9m higher than planned. This is offset by payables being payables being £3.6m higher than planned. STF income for Q1 was received on 30th September.	
119.5.2	Internal Cash Flow as at Q2 2017/18: A revised cash flow was produced in mid-September, which forecasts a year end cash balance of £4.5m. The revised cash flow is being used as an internal cash plan which the Trust is now monitoring against. The revised internal cashflow forecast does indicate that the Trust's cash balances are significantly below the NHSI cash plan, which then has the consequence of the Trust potentially not hitting its External Finance Limit (EFL). H Troalen stated that this had been highlighted to NHSI. The revised forecast does demonstrate that with close cash management the Trust is not expecting to require a cash loan in this financial year. However there are periods within the month where the cash balances drop and payments need to be managed carefully until receipt of the monthly contract income is confirmed. H Troalen felt that the forecast was realistic and stated that it did not include the £6M transition funding for Cannock that is still awaited. The Committee were happy with the revised format of the report. The report was noted.	

120/2017	**Performance**	
120.1	Performance Element of the IQP Report (National & Contractual Standards) G Nuttall provided an update on the report.	
120.1.1	Patient Experience – 33 operations were cancelled during September, compared with 18 for the same period last year. All targets were met.	
120.1.2	Waiting Times RTT – The 18 weeks complete target saw a slight dip in September, this is a knock on effect from reduced activity in August due to the holiday period and patients choosing to prolong their waits. The Trust is continuing to focus on reducing the backlog where possible and work closely with Directorates. Diagnostics performance remained static during September, however, continues to be within standard. G Nuttall stated that it was hoped we would be back on standard buy the end of July but this has not been the case. The Trust has re-submitted our trajectory, which now states we hope to be reaching 92% by the end of March 2018.	
120.1.3	Urgent Care – G Nuttall informed the Committee that there had been a slight dip and that she would be carefully monitoring performance. Vocare have improved performance slightly but are still struggling with staffing issues. G Nuttall informed the Committee that the Trust is on the cusp of meeting the required A&E performance to receive ST payment. Vocare have a CQC Inspection taking place tomorrow, 26th October 2017.	
120.1.4	Ambulance Conveyances – The fine for Ambulances during September was £16,000,00. This is based on 70 patients between 30-60 minutes @ £200 per patient and 2 patients >60 minutes @ £1,000 per patient. There were no patients who breached the 12 hour target during September 2017. G Nuttall stated that the Trust continues to do well and fines are reducing.	
120.1.5	Cancer – There were 5 patient breaches in month for 31 day sub surgery due to capacity issues. A total of 26 patient breaches in month for the 62 day target and 3 breaches in month for the 62 day screening target. There are currently 13 patients at 104+ days on the cancer waiting list (compared with 8 reported in August), all of these patients have had a harm review and no harm has been identified. G Nuttall stated that the Trust has been asked to submit a revised trajectory for the reduction of waiting times but stated that performance will get worse as activity increases and median waits are reduced because breaches are recorded the month they're completed. G Nuttall highlighted challenges around Oncology with City Sandwell which have recently been highlighted in press/media and will impact on the Trust in terms of capacity. The transfer of Gynaecology Oncology from Sandwell and West Birmingham will also impact on the Trust. The Trust continues to be part of the Cancer Collaborative. A partner is working with us and is currently focusing on straight to test for the upper GI pathway. G Nuttall stated that she would do a deep dive into the day surgery rates for breast surgery as they should not be showing as red. G Nuttall to report back on findings.	**GN**
120.1.6	NHS E-referrals – G Nuttall informed the Committee that the Trust has been above trajectory for a period of time. However, this target is also linked to a risk on CQUIN and will be monitored closely in the future.	
120.1.7	Delayed Transfers of Care – G Nuttall informed the Committee that Wolverhampton Health Economy have a robust plan to address delayed transfers of care. However, the Trust had 14	

	delays on Monday, 12 of which were from Staffordshire. The report was noted.	
120.2	Performance against Contractual Standards (Fines) The Committed noted the report.	
120.3 120.3.1 120.3.2 120.3.3	STP Update M Sharon provided an update on STP progress and plans. Black Country STP: has been rated overall as Making Progress and the leadership rating is "Established". A copy of the STP Progress Dashboard was attached to the report for information. The Board has spent significant time: • discussing winter plans and preparedness and the development of a joint winter communications plan; • developing a draft maternity strategy; • agreeing a broad approach to the Tackling Wider Determinants of Health workstream; • agreeing to shift the focus of the planned care workstream to a shared approach to the Getting It Right First Time (GIRFT) initiative. The Finance Directors in the Black Country have been asked to consider whether they support moving to a single system control total. An initial discussion took place on 20th October. Staffordshire STP: This STP is rated overall as "Needs Most Improvement" (the lowest ranking) and its leadership score is "Developing". The main focus of the STP has shifted to the Capped Expenditure Programme in Staffordshire which seeks to reduce in year spend across the County. The two community providers, SSSFT and SSOTP have formally stated that they will merge. It is also likely that all of the CCGs in Staffordshire except East Staffordshire CCG will move to appoint a single Accountable Officer. M Sharon informed the Committee that a letter to be sent to neighbouring providers and commissioners regarding the increase in bookings within the Maternity Service at the Trust has been agreed. The letter will formally state that the Trust is no longer able to accommodate additional bookings/deliveries that risks significantly exceeding the number of births commissioned in order to maintain safety and quality standards within the maternity service at the Trust, unless they're a clinical emergency. The Trust will only accept those from the 6 agreed areas and the agreed coverage in Staffordshire. The report was noted.	
120.4 120.4.1 120.4.2	Contracting Report 2017/19 Contracts: Contract management is on-going with Wolverhampton CCG and Associates Contract with a focus on renegotiation of year two of the contract. NHS England Specialised Services: The Trust submitted its Quality Surveillance self-assessments against national specialised Service Specifications in July and 9 were flagged as non-compliant. Action plans were submitted to the Quality Surveillance Team to rectify areas of non-	

	compliance.	
120.4.3	City of Wolverhampton Council (CoWC): Following significant negotiation, RWT and CoWC were unable to agree a service model for the 0-19 Healthy Child Programme and as a result have agreed a two year extension of the current contract with commitment to jointly redesign existing services.	
120.4.4	CQUIN 2016 – 17: The Trust achieved the AMR CQUIN and the CCG have signed off Q4 milestones for frailty. In order to complete 2016/17 CQUIN we await notification on the percentage achievement of FFT which is expected imminently.	
120.4.5	CQUIN 2017 – 18: The Trust has agreed 19 CQUIN schemes for 2017-19. These total £8,488,356. No further questions. The report was noted.	
120.5	<u>Tendering Update</u> M Sharon outlined the content of the report.	
120.5.1	Successful Tenders: The Trust was successful with the following tenders: • Provision of Medical Physics Service (approx. £70,000 per year) • Supply of Radiopharmaceuticals (£80 – 100,000 per year) • Provision of Physiotherapy Services (£23,500 per year)	
120.5.2	Current Tender: Primary Care Medicines Management Team. A bid was submitted on 12th October with Wolverhampton CCG looking for the new Medicines Optimisation Support Service to commence on 1st April 2018. Value: Ceiling value of £730,000 per year for a period of 3 years with the Commissioner having the option to extend the Contract for up to a further 2 years.	
120.5.3	Future Tenders: • Falls Prevention Service • Wolverhampton Community Outreach Reablement Service Outsourcing • Community Equipment Service (ILS) • Community Dental Service • Stereotactic Ablative Body Radiotherapy (SABR) No further questions. The report was noted.	
120.6	<u>Back Office Update</u> H Troalen presented the report. The four Black Country Acute/Community Trusts (Sandwell and West Birmingham, The Dudley Group, The Royal Wolverhampton and Walsall Healthcare) commissioned a report from Capita to review whether there was any benefit in working together with back office services. A Strategic Outline Case was produced in March 2017 which set out a case for change and collaboration. The initial long list of back office services was reduced to 4 key services: • Payroll • Procurement • Human Resources (Transactional) • Finance (Transactional)	

	Subsequently additional work was commissioned by the four Trusts to further develop the range of options and costs which are outlined within the report. M Sharon stated that there has not been a discussion at Executive Director level regarding the final draft of the outline business case. A Duffell stated that the Trust has received a letter from NHSI stating that a Black Country Bank service needs to be in place by the end of the financial year. The report was noted.	
120.7	Backlog Maintenance Programme W Nabih outlined the content of the report.	
120.7.1	The allocation for Backlog as at month 6 is £4.12M. The allocation has reduced since month 5 which was at £4.6M. This has been as a result of putting on hold the IPS/UPS backlog scheme intended for theatres subject to the theatres service review currently under way.	
120.7.2	The current backlog programme is prioritised according to risk using the Estates Code risk rating and the 'Risk Adjusted Backlog' methodology. Estates development is in the process of commissioning a Trust wide backlog maintenance survey enabling the prioritisation of backlog capital schemes starting from financial year 2018/19. All information will be captured electronically on a custom system enabling future management of backlog spend and a five year forward financial plan. The backlog survey will be comprehensive and will be professionally assessed to the Estates Code and methodology.	
120.7.3	The capital programme spend profile is currently being reviewed in line with the revised capital spend working assumption and available CRL.	
120.7.4	M Martin asked for the total cost of backlog maintenance for the Trust. W Nabih stated that he would email the figure to M Martin. The report for the Committee provided the total cost of backlog maintenance for this financial year. M Martin also asked that the report provide a view of the total cost of backlog maintenance to show the value rather than the number of future schemes.	**WN** **WN**
120.7.5	W Nabih stated that the current programme was based on a survey that was completed a number of years ago. A survey will be completed in January and W Nabih will present a revised 5 year programme to the Finance & Performance Committee Meeting in February 2018. The report has been added to the workplan.	
120.7.6	S Rawlings noted that there were a number of business cases in December and asked if they would be delivered on time. W Nabih assured the Committee that the smaller business cases were held back until the end of the year as they would turn around very quickly.	
120.7.7	M Martin asked about the progress of maintenance work for the steam main. W Nabih stated that he would provide M Martin with an update via email. The report was noted.	**WN**
120.8	Stroke Business Case M Sharon outlined the content of the report.	
120.8.1	In line with national and West Midland clinical recommendations the proposal is that hyper acute and acute stroke services will transfer from Walsall Healthcare Trust to RWT from April	

	1st 2018. The implementation of this service is dependent on agreement from NHSE. However as a parallel process the Trust along with Walsall CCG and WHT are continuing to plan the service in readiness for the start.	
120.8.2	A discussion took place regarding finances and potential tariff splitting. M Sharon stated that Walsall CCG needed to invest significant funding to assist with bed based medically supported rehabilitation for the model to work. It may be that the tariff has to be split to make a contribution towards this.	
120.8.3	M Sharon highlighted risks to the Committee. Risk 1: There is a risk that the Trust is unable to recruit enough staff to commence from 1st April 2018. The Trust has started recruiting to the roles at risk. A Duffell confirmed that a recruitment plan is in place and if the business case fails the nursing staff can be redeployed to be used in other areas. Risk 2: Rehabilitation arrangements are not put in place at Walsall. Walsall CCG have commenced discussions with Walsall Healthcare to resolve this issue Risk 3: The STP capital bid has not yet been approved and the outcome will not be known until After 22 November. The Trust has to commence construction of a ward refurbishment budgeted to cost £2.3M. M Martin asked if this build could be used for something else if the Business Case was not agreed. Directors agreed that it was possible. G Nuttall stated that the capital work is due to start next week.	
120.8.4	M Sharon stated that the Stroke Clinical Senate Review will be visiting the Trust on 9th November. The earliest that NHSE will give final approval following the Senate review is February 2018.	
120.8.5	S Rawlings asked for an update regarding GDPR. M Sharon stated that neither IG or IT seem to think that there will be any difficult issues to resolve regarding the transferring of images and data between the Trusts. The Committee agreed and supported the report.	
120.9	Black County Pathology Services (BCPS) Paper M Sharon outlined the content of the report. NHS Improvement released a letter to all CEOs and Medical Directors in England highlighting the need to consolidate their Pathology Services into networks and through collaboration. The Trusts in the BCPS partnership were given a joint savings target of £5.1m per year to be achieved by 2020. M Martin asked if there had been any significant changes since the outline business case. M Sharon stated that there had been a number of changes. It is unlikely that the Trust Board will sign up to the business case on 30th October as further work is required. A further paper will be submitted to Finance & Performance Committee and Trust Board in December. Savings have reduced from £97M to £60M but the level of confidence is greater despite the reduction. The Committee noted the report. M Martin asked that all queries be emailed to M Sharon.	**All**

	M Sharon will submit a further report to the Committee and Trust Board in November.	**MS**
121/2017 121.1	**<u>Financial Planning</u>** <u>Procurement Strategy</u> N Simmonds outlined the content of the report. Savings and Cost Efficiencies: Overall performance is tracking against the combined YTD plan values of both PID's. However, NHS Supply Chain savings delivery will be affected by delays to the National Contract Products Programme, with initiatives now scheduled to be delivered later in the year. This will have a negative impact on the in-year delivery for this PID with an initial forecast shortfall of £209K projected against the 2017-18 target figure. Additional savings areas identified within a workplan for PID 1 are being worked up to try and recover the shortfall. Collaborative Procurement: The Trust continues to actively participate with the Group Purchasing Organisation (GPO) programme, delivered by HealthTrust Europe. Recurrent annual savings of £122,000 have been realised as at the end of quarter 2. The report was noted.	
122/2017 122.1	**<u>Training & Development</u>** <u>Budget Training Report</u> H Troalen presented the above report. Following the last report in June 2017 3 face to face budget manager training sessions have taken place with a total of 13 staff being trained. Out of the 13 staff trained, 4 were current budget managers. The overall percentage of budget managers trained across the Trust is 78%. If clinical directors were removed then the number of budget managers trained would increase to 79%. Informal training continues to be carried out on an adhoc basis where an individual or management team identify a specific need. The remainder of 17/18 training will be removed from the KITE site, with only face to face sessions being available as well as one to one sessions that budget managers may receive. The long term plan is to re-design and re-write the budget manager training packages available to reflect the level of training required for new managers and refresher training. The aim is to have this ready in draft format by February 18 for both the face to face sessions and the KITE site training to go live in April 18. S Rawlings asked if there had been much interest in completing the course for personal development purposes. H Troalen stated that she would look into this and report back. The report was noted.	**HT**
123/2017 123.1	**<u>Reports to Note for Period 6</u>** <u>Financial Monitoring NHSi Return</u> The return was noted.	

123.2	Financial Monitoring NHSi Return Commentary Template The commentary template was noted.	
123.3	Annual Work Plan The work plan was noted.	
123.4	Finance Minutes The minutes were noted.	
123.5	Capital Programme Update M Martin asked how many business cases there were at present. W Nabih stated there were 116. The report was noted.	
124/2017	**Any Other Business** There was no further business to discuss. The meeting ended at 11.11am.	
125/2017	**Date and Time of Next Meeting** The next Finance & Performance meeting will take place on Wednesday 22nd November 2017 at 8:30am, Conference Room, Hollybush House. Reports will be required by 12 midday on Friday 17th November 2017.	