

WELSH AMBULANCE SERVICES NHS TRUST

MINUTES OF THE OPEN SESSION OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 13 AUGUST 2015 AT VANTAGE POINT HOUSE, CWMBRAN AND VIA VIDEO CONFERENCING AT HEADQUARTERS ST ASAPH

PRESENT :

Professor Kevin Davies	Non Executive Director	KD
Pam Hall	Non Executive Director (VC, St Asaph)	PH
James Mycroft	Non Executive Director (Via Audio, Chaired the meeting)	JM
David Scott	Non Executive Director (VC, St Asaph)	DS

DIRECTORS:

Judith Hardisty	Director of Workforce and Organisational Development	JH
Dr Brendan Lloyd	Medical Director	BL
Patsy Roseblade	Director of Finance and ICT	PR

IN ATTENDANCE:

Hugh Bennett	Head of Planning and Performance	HB
Nathan Holman	Staff Side Representative	NH
Jonathan Jones	Assistant Corporate Secretary	JJ
Bleddyn Roberts	Staff Side Representative (VC, St Asaph)	BR
Gordon Roberts	Interim Assistant Director of Operations (EMS)	GR
Claire Vaughan	Associate Director Workforce Transformation	CV

APOLOGIES

Martin Woodford	Non Executive Director and Chair of the committee
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14/15 PROCEDURAL MATTERS

James Mycroft explained to the Committee that due to the absence of Martin Woodford he would act as Chair of the Committee and welcomed all to the meeting and confirmed there were no declarations of interest.

Minutes

The Minutes of the Open and Closed sessions of 25 June 2015 were considered and confirmed as a correct record subject to the following comments:

PH referred to **Minute 8/15, Open session** and it was agreed that the following sentence be inserted prior to the final paragraph of that Minute: 'In terms of one of the initiatives and in particular the tele-health trial in which Skype was being used as a communication medium within the Neath Port Talbot area; were there any inherent security risks going forward that the Trust should be aware of in terms of using Skype in this way.'

Minute 12/15 open session, Resolution number three to be re-written taking into account that the word *aspiration* be replaced with a more suitable word to reflect the Committee's analysis in terms of how it could support the PADR target and it was agreed that **CV** be asked to resolve this issue and forward the revision to the Corporate Secretary for inclusion in the Minutes.

Action Log

The Action Log was reviewed by the Committee and the actions therein were discussed.

In terms of the Sickness Absence Management plan **CV** advised the Committee that this would be circulated separately to Members after the meeting.

Annual Work Plan

The Director of Finance and ICT **PR**, advised the Committee that an issue had arisen with regards to the dates of the Committee and the timing of the closing of the financial ledger and the release of financial information to Welsh Government. In order to meet this requirement the October and February dates would need to be changed to a date later in the month. It was noted that this issue was already under discussion with the Chairman of FRC and the Director of Finance and ICT.

JM commented as to why the work plan was discussed under procedural matters and whether it was the correct place for it.

PH questioned whether the timing of any anticipated business cases could be included within the work plan in order to allow the Committee to be given forewarning. **PR** agreed to consider this issue in further detail and would provide clarification to the Committee.

RESOLVED: That

- (1) there were no declarations of interest;**
- (2) the Minutes of the Open and Closed Sessions of the meeting held on 25 June 2015 be agreed as a correct record subject to the issues raised above;**
- (3) the Sickness Absence Management plan be circulated separately to Members by CV;**
- (4) CV to re-word Minute 12/15 resolution number three as reflected above and forward to the Corporate Secretary; and**
- (5) Corporate Secretary to confirm with Chair of FRC revised dates of FRC meetings in October 2015 and February 2016.**

15/15 FINANCE REPORT (MONTH 4)

In introducing the presentation, **PR** stated WG had approved the abridged business case for vehicles which was presented at the last Trust Board meeting.

A report setting out the Trust's overall financial position as at the end of month four was provided in a presentational format by the Director of Finance and ICT and she indicated

that there were still several items, at this stage, which were in draft form.

The reported deficit at this time was £1.332m and this was consistent with the forecasting previously reported at Trust Board. Members were provided with further analysis in the following areas for the period:

- Pay – the overspend was £835k with £870k being attributable to service delivery which was being offset with under spending in Corporate areas.
- Overtime payments – this was just over £1m.
- Sickness – the figure of £1.679m was based on the whole Trust and was a reduction of £429k for the same period last year. **BR** asked whether operational staff who were off sick and were not in receipt of the paid unsocial hours payment had impacted upon the overall savings. **PR** stated that this had helped to deliver some savings and had assisted in reducing the level of sickness.
- The Director of Workforce and OD **JH**, explained that the sickness figure quoted were not the validated figures for July, due to the reporting process timelines.
- Non-Pay expenditure was an overspend of just over £0.5m, the main contributory factor being the use of private provision.
- Major variances – these included overtime (£2.252m), use of private providers (£1.1m), unachieved savings (£382k) which had been offset by operational vacancies.
- Forecast position – A number of options had been considered which had resulted in different year- end outturn positions. The Committee were reminded of the options previously considered. Should the Trust continue spending as it did which Welsh Government had endorsed, there would, at the end of the financial year be an overspend of approximately £4.411m. **PR** stated that at this stage there had been no written confirmation from Welsh Government stating that the Trust's financial position would be covered, nevertheless their guidance was to continue with the current spending.

JM queried whether all the assurances provided by the stakeholders to continue with the Trust's current course of action were comprehensive and were the major variances expected to be where planned. **PR** commented that the Trust was on target to where it believed the end of year forecast would be. In terms of savings, a shortfall in delivery had been assumed and this would be around £300k - £400k.

The Chairman welcomed comments for Members:

- **DS** expressed concern on the unallocated money of over £1m and was there any progress in this regard. **GR** explained that certain areas had been considered for example Estates and **PR** explained that the Trust must have by the end of the financial year identified the recurrent savings and a plan was in place to recover that position which will start from April 2016.
- In terms of performance had there been a detrimental impact on it due to not providing additional capacity for the months of July and August. **GR** commented that daily measures were in place to sustain and improve performance

notwithstanding the constant pressure from Welsh Government.

- **PH** expressed slight nervousness in the Trust's ability to break even having not at this point received formal notification from Welsh Government expressing their support and backing of financial support.
- **KD** commented that the success of the Cwm Taf pilot had demonstrated to both the public and staff the positive impact this scheme was producing.

JM asked the Committee to consider whether it was content for the Trust to carry on with its current course of action. **PR** advised that it was unlikely the confirmation letter would be received within the next 2 weeks due to the absence on leave of Dr Andrew Goodall.

RESOLVED: That the financial position as reported for Month 4 and the associated key risks and issues be noted.

16/15 SAVINGS DEEP DIVE SICKNESS SCHEME

The Director of Finance and ICT provided the Committee with a presentation which focused primarily on the savings indicating that the planned savings forecast would create a shortfall of £425k at year end.

In terms of the sickness reduction scheme, **PR** advised the Committee of the procedure involved in determining the actual cost of sickness. It was important for the Committee to be mindful that the Trust, in considering the scheme would always have enough relief capacity to cover absence and within that there was an expectation that the sickness absence element was 5.62%. **PR** added that the starting position and the cost of saving compared to the budget was the element being measured.

With regard to the savings targets set for each Health Board **PR** provided the Committee with a brief summary in terms of how they were achieved.

Furthermore, the Director of Finance and ICT explained in greater detail the measures in place that were delivering the Trust wide 1% reduction in savings.

The Committee were given a summary by **CV** in terms of how the glide paths were utilised in analysing sickness rates which assisted in providing information relating to sickness levels within a particular area enabling the Trust to act upon effectively.

Members raised the following issues:

- In terms of the savings shortfalls within the 16/17 budget why had they been included. **PR** explained that where the 3% savings were given to each Directorate at the beginning of this financial year, the Trust would not be covering that with cost pressure money in next year's budget setting and that each individual directorate was required to find their total amount of savings. However if Directorates could actually cover that shortfall of savings within their baseline budget and could still break even then that would be a satisfactory outcome.
- In terms of the calculation of the savings which was based on the amount of relief capacity that was put in, was it possible to identify categories and what the capacity was in order for the Trust to identify and separate out each element. The Director of Finance and ICT confirmed that it was possible, and explained that the

Trust was absolutely able to categorise what the Trust was spending its money on. The relief capacity was designed to inform the Committee what the expected levels of sickness were. **PR** provided examples of these levels and added that the calculation had been done at the standard rates.

JM commented that it should be noted in terms of the movement on recurrent savings as a percentage of total and should be recognised and acknowledged as a breakthrough going forward.

RESOLVED: That the report be noted.

17/15 INTEGRATED PERFORMANCE REPORTS (MAY AND JUNE 2015)

The Head of Planning and Performance, **HB** presented the report and highlighted key areas for the Committee' attention.

- Overall demand was relatively constant
- A9 calls performance reached 67%
- Hospital handover to clear times
- Explorer project

HB advised the Committee of details of a recent national survey which had been conducted to ascertain the quality of service provided by the Trust which had been very positive.

The following comments were raised:

In terms of sickness figures **CV** advised that the Trust was doing well and on its expected trend however it was still below the accepted level.

With regard to Staff Personal Appraisals, **GR** confirmed that the consistency of approach and the quality of appraisals was at the standard required. He further added that Red 1 performance had continued to improve along with handover to clear times.

PH expressed disappointment with the Return to Work interviews following a period of sickness being only reported at 32.79%. **CV** advised the Committee that this particular measure was being considered and provided assurance that the number of Return to Work interviews recorded for July had increased.

RESOLVED: That the update be noted.

18/15 GATEWAY REVIEW – VEHICLE REPLACEMENT

The Director of Finance and ICT presented the report which provided the Committee with an update following the Welsh Government Gateway Review (zero), held on the 22-24 June 2015.

Members raised the following comments:

- It was likely that vehicle replacements would be subject to change in the near future going forward and therefore what was the value of this process. **PR** explained that the value of this was that Welsh Government would commit their

capital in a three year period to the Trust's vehicle procurement process. The money would be allocated but would only be released once the Trust's annual business justification case was received and agreed.

RESOLVED: That

- (1) the Gateway Review (zero) was undertaken by WG reviewers on the 22-24 June 2015 be noted;**
- (2) the review outcome and overall assessment rating along with the recommendations made as part of the review be noted; and**
- (3) the proposals to ensure that each of the recommendations are addressed in parallel to the development of the Vehicle Replacement SOP which will contain a three year rolling programme for vehicle replacement be noted.**

19/15 BUSINESS CONTINUITY PLAN

The Interim Assistant Director of Operations (EMS) **GR** presented the Committee with the report, which provided an update in terms of the Trust's position with regard to its preparedness arrangements relating to business continuity.

The following comments were raised:

- There was a tremendous amount of frustration in terms of the lack of progress with regard to elements within business continuity which was expressed by members of the Audit Committee. **GR** emphasised that this issue must sit firmly within all departments as a priority.

The Committee held a lengthy discussion which focused on how to address the issue of resolving the lack of progress with business continuity.

RESOLVED: That

- (1) the Executive Management Team prioritise and task sufficient resources to drive forward the schedule of work agreed within the Trust Business Continuity Working Group be noted; and**
- (2) a table be provided which illustrates the ongoing/completed work in terms of business continuity that emphasises and demonstrates any areas which remain deficient with an update being provided at the next FRC meeting.**

20/15 WORKFORCE STRATEGY AND PLAN

The Associate Director Workforce Transformation, **CV** presented the report which provided Members with an update on progress towards completion of the Trust's integrated finance and workforce plan, which was a key element in the approval of the Trust's 2015/16 Integrated Medium Term Plan (IMTP).

The Director of Finance and ICT, **PR** commented that the recruitment plan, as it stood, had been incorporated in to the financial forecast outturns which meant that overtime would be reduced when new starters become operational; therefore there would be a corresponding increase in substantive pay and a decrease in overtime which had

already been factored in.

The following comments were raised:

- Was the up skilling of paramedics being considered and had it been incorporated in to the plan. **CV** advised that it would be part of the workforce planning going forward.
- At what stage would the plan be ready. **CV** advised that the plan would be submitted to the Board in September 2015.
- Was there sufficient administrative support in particular at Locality level to effectively maintain the Electronic Staff Register (ESR) - **CV** confirmed that further modelling work was being conducted to address this issue. **PR** added that the capacity to update the ESR had and was continuing to be challenging.
- In terms of the report and in particular paragraph 12, clarification was sought with regard to 'forecast establishment' and whether that meant budgeted whole time equivalent or whether it referred to the Trust's required establishment in order to deliver demand - **CV** explained that whilst working through the second phase of the roster review there would not be any significant changes to the workforce numbers. Furthermore, **CV** explained that ongoing work to validate the establishment was being carried out.
- With regard to the clinical model, the workforce plan would have to take account of any changes this change would bring and whether the ongoing roster review would be affected and what had been done to address this - **GR** explained that the key to this was to understand which codes would receive a single responder which would create, in theory, more time.

RESOLVED: That the report be noted.

21/15 ITEMS FOR NOTING

- NHS Wales Pay Progress Policy and PADRs Pilot
- CFR Handheld Mobile Data Solution
- Commission Update/Feedback from EASC

NHS Wales Pay Progress Policy and PADRs Pilot

In terms of the PADR it was agreed that the wording within the policy be added to reflect 'it was the expectation that every member of staff received a PADR'

With regard to the expected target of completed PADRs **CV** advised that the intention was to reach the target of 85% by March 2016.

Members discussed the process involved in terms of policies and their adoption via this Committee.

CV further advised the Committee that any concerns with regard to PADR's from staff had been recognised and was being implemented and developed along with other ideas into the improvement of PADR's going forward.

CFR Handheld Mobile Data Solution

The Director of Finance and ICT, **PR**, provided the Committee with an update on the CFR Handheld Mobile Data Solution Pilot. The Committee were advised that until the results of the pilot scheme were known, the Trust would not be in a position to make a further commitment, however, it was expected that the scheme would be a success.

Commission Update/Feedback from EASC

HB provided the Committee with a summary of the Feedback from EASC which included:

- Timetable in terms of IMTP
- Funding initiatives
- Transformational projects

PR reiterated that the current year to date deficit was attributable, amongst other initiatives to the financing of the Cwm Taf pilot.

PH asked whether the Commissioner was mindful of the reporting processes involved and that further requests from him applied more pressure to the Informatics team – **PR** advised that this issue was being addressed.

RESOLVED: That

(1) the above items be noted; and

(2) the NHS Wales Pay Progress Policy and PADR's be submitted to Trust Board for adoption via approval of the minutes.

Reports relating to the items of business in these minutes can be found on the Trust's website, www.ambulance.wales.nhs.uk