

Meeting Note

Finance Committee, Wednesday 7 March 2012

Executive Meeting Room, Watford General Hospital

Attendees

Board of Directors

Chris Green (CG) Non-Executive Director (Chair)
Robin Douglas (RD) Non Executive Director

Jan Filochowski (JF) Chief Executive
Anna Anderson (AA) Finance Director

In attendance

Clare Stafford (CS) Deputy Director of Finance
Ian O'Connor (IO) Big Ask Project Manager
Dave Self (DS) Financial Controller and Capital Accountant
Cassandra Daubney (CD) Finance Team (for Item 6)
Robert Wiggins (RW) Consultant, Microbiology (for Item 2)

Gary Cox (GC) Board Administrator

Agenda		Action
Item 1	Chair's Introduction	
	<p>Welcome CG welcomed GC and IO to their first Finance Committee meetings.</p> <p>Apologies Apologies received from Sarah Connor and Chris Pocklington.</p> <p>Minutes Minutes of the meeting held on 12 January 2012 were agreed.</p> <p>Matters and actions arising CG considered that the Trust strategy on PPU (private patient unit) should go back to the Strategy Committee for further consideration of feasibility.</p> <p>Matters and actions arising from the previous meeting were all cleared or on agenda for today. Future meetings to be scheduled for 90 minutes; an action log should be produced to accompany minutes.</p>	<p>Action 1.1: CG to refer PPU issue back to Strategy Committee</p> <p>Action 1.2: GC to ensure 90 minutes allowed for future meetings.</p> <p>Action 1.3: GC to provide action log with minutes in future.</p>
Item 2	Pathology	
	GSTS bid for pathology services far higher than expected. RW confirmed the bid met quality criteria expected of pathology. Consortium will consider options, evaluate risks and determine	

	best way forward at meeting on 15 March.	
Item 3	Big Ask	
	<p>CS reported on improving delivery on previous years – so far £10.9m savings have been identified and this is expected to reach c £13.4m for this year. MFD contract now signed and NHSP contract likely to be finalised this financial year. Work underway for departments to recognise, own and respond to Big Ask challenges for 2012/13. Gateway ratings will help provide assurance on deliverability of savings.</p> <p>RD asked if next meeting could consider experience, lessons learned and good practice guide drawn from Trust and elsewhere and expected the profile of Big Ask savings in 12/13, both to provide assurance to NEDs that on-track to deliver at start of the year.</p>	Action 3.1: IO and CS to provide good practice guide and revise the profile of Big Ask savings in 12/13 for May FC meeting
Item 4	Virtualisation of Servers Business Case	
	Committee agreed that Trust needed to refresh it's IT strategy, and how IT services are best delivered before considering any infrastructure business case. IT strategy review underway for Strategy Committee consideration and Board adoption. Server Business case put on hold pending the outcome.	Action 4.1: AA/LG to bring IT Strategy to Board, <i>provisionally</i> in April 2012.
Item 5	Cash Management	
	DS reported a cash balance of £8.1m at end of February which is higher than expected mainly due to slower than planned capital spending on estates. End year out-turn anticipated to be £2.8m but this may increase in accounting for £7m for link road. Committee asked for report from LG/Capital Planning Group, to provide assurance that plans in place for full capital expenditure in 12/13.	Action 5.1: LG to provide report to May FC meeting on plans for full capital expenditure in 12/13
Item 6	SLR/SLM	
	<p>CD presented on status of SLR/SLM across Trust. Reports used partially but not embedded. SLM already making savings and ENT case study shows potential for income generation, making savings and benchmarking opportunities SLM can bring across Trust.</p> <p>CG asked how Pharmacy can generate income and CS/CD would investigate and respond.</p> <p>RD asked what the Board can do to help embed SLM across the Trust in 2013/14. Agreed that Board should consider paper on the proposed SLM approach, governance and structure arrangements and proposed pilots which would serve as case studies to promote further and wider use. That should include incentivisation schemes for pilots to reinvest improvements in income/savings into delivery of services.</p>	<p>Action 6.1: CS to clarify how Pharmacy generates income in time for May FC meeting.</p> <p>Action 6.2: AA/CS/CD to develop SLM proposals for Board consideration in April.</p>
Item 7	Finance Committee Terms of Reference	
	The Committee agreed the terms of reference for the Committee and identified areas requiring a little more clarity and focus. AA undertook to circulate a revised draft in correspondence and to put agreed revisions to the Board, aiming, if possible, for endorsement at the March Board meeting.	Action 7.1: AA to circulate revised terms of reference for agreement, aiming to put to the March Board if possible.

Action Log from Finance Committee 3 March 2012

Agenda Item	Issue	Action Agreed	Date	Lead	Status
1. Chair's Introduction	Private Patient Unit	Action 1.1 CG to refer PPU issue back to Strategy Committee	April	LG	
	Meeting Duration	Action 1.2 GC to ensure 90 minutes allowed for future meetings.	Ongoing	GC	Cleared
	Action Log	Action 1.3 GC to provide action log with minutes in future.	Ongoing	GC	Cleared
3. Big Ask	Good practice and savings profile	Action 3.1 IO and CS to provide good practice guide and expected the profile of Big Ask savings in 12/13 for May FC meeting	May	IO/CS	
4. Server Business case	IT Strategy	Action 4.1 AA to bring IT Strategy to Board, <i>provisionally</i> in April 2012.	April	AA	
5. Cash Management	Capital Expenditure	Action 5.1 LG to provide report to May FC meeting on plans for full capital expenditure in 12/13	May	LG	
6.SLR/SLM	SLM Proposals	Action 6.2 AA/CS/CD to develop SLM proposals for May Finance Committee, for presentation to June Board..	May	AA/CS/CD	
7. Terms of Reference	Revised Terms of reference	AA to circulate revised terms of reference for agreement, aiming to put to the March Board if possible.	March	AA	