

FINANCE COMMITTEE

Minutes of the Finance Committee Meeting held on Tuesday 6 January 2015

West Herts meeting room
Watford General Hospital

Chair: John Brougham

Present: Samantha Jones, Chief Executive
Mahdi Hasan, Trust Board Chairman
Paul Cartwright, Non Executive
Phil Townsend, Non Executive
Tracey Carter, Chief Nurse
Antony Tiernan, Director of Corporate Affairs and Communications
Lisa Emery, Chief Information Officer
Lynn Hill, Deputy Chief Executive
Clare Stafford, Director of Operational Finance and Efficiency
Don Richards, Chief Financial Officer

In attendance: Lisa Morris, Clerk to the Committee

Apologies:

Geoff Brown, Healthwatch
Ginny Edwards, Non Executive
Mike Van der Watt, Medical Director
Helen Brown, Director of Transformation
Paul Da Gama, Director of HR

MEETING MINUTES

	Action	Who	When
1.	Chairman's Introduction		
1.1	JB welcomed everyone to the meeting and explained that, due to time constraints, the meeting would focus on just two items, Finance Report M8 and Annual Plan and Budget report. All other items would be taken as read.		
2.	Apologies for absence		
2.1	As recorded above.		
3.	Declarations of Interest		
3.1	None for this meeting.		
4.	Minutes of the Finance Committee held on 6 November 2014 (1/04)		
4.1	The minutes of the previous meeting were approved for accuracy and matters arising.		
5.	Action Log (1/05)		
5.1	Members noted the Action Log.		
6.	Committee Workplan 2014/15 (7/06)		
6.1	Members noted the Committee Workplan.		
7.	Finance Report M8 FY15 (1/07a)		
7.1	<p>DR reported that, in November, the Trust delivered an actual deficit of £2.4m, with year to date deficit at £13m.</p> <p>DR further reported on the risks associated with a forecast outturn of £14m deficit and stated that future reports would provide added assurance that the forecast was achievable leaving aside the financial implications of £7m expected Transformation Funding from HVCCG.</p>		
7.2	It was also reported that the particular risks to the forecast included sustained elective activity in line with the RTT plan. DR reported that the Trust expects to make a contribution of £1M, which was the difference between revenue and expenditure.		
7.3	<p>The Committee heard that Interim staff spending had cost £0.5m per month but that the Executive Team aim to get this reduced to less than £2m for the last 5 months of the year.</p> <p>SJ assured the Committee that the Executive Team had debated how much could be saved without jeopardising patient safety and quality.</p> <p>It was agreed that DR would produce a paper regarding Interim Savings.</p>	DR	3 Feb 15
7.4	It was also reported that the Trust had received informal		

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	confirmation of cash support in line with the Trust's ITFF application but awaited formal notification of this and how the funding would be split between PDC and loan funding. Due to the nature of the settlement, the only cash risk posed by the I&E position was the inability to improve the balance sheet.		
7.5	DR further reported that there is scope to get overspending in line with budget for Theatre establishment.		
7.6	The Committee heard that the Trust is continuing to review creditors that have been on the balance sheet for some time and that we had set a £1M target reduction of these creditors by year end. CS added that there would now be quarterly reviews of creditors.		
7.7	CS further reported to the Committee on the savings forecast of £13.4M. She added that that it was reasonable to assume £10M. However, there was only reasonable confidence regarding £8M. It was noted that there were other schemes and actions to bring forward this year and that there were a list of another 10 or so that were not in QPID. DR further added that it had been confirmed to the TDA that containing the deficit at £14M required success with the CCG £7M.		
7.8	The Committee discussed the implications of the cost of paying staff unused annual leave. SJ asked for the Committee to receive assurance at the next meeting.	DR	3 Feb 15
8.0	Annual Plan and Budget report		
8.1	The Committee noted that the Trust would be submitting an updated high level financial plan to the NTDA on 13 th January relating to the 2015/16 year. Details would be circulated to all Directors for discussion before submission.		
9.0	Transfer of elective surgical activity from WGH to SACH		
9.1	Members noted for assurance.		
10.0	Items for Escalation to the Board		
10.1	1. Report of this meeting 2. Annual Plan for approval.		
11.0	Agenda for next meeting		
11.1	The Committee noted and agreed the draft Agenda for the next meeting.		
12.0	Any other business (7/15)		
12.1	There being no further business the meeting closed at 10.05		
13.0	Date of Next Meeting (7/16)		

	Action	Who	When
	The next meeting of the Finance Committee will be on 3 February from 09.15 to 10.45 in West Herts meeting room at Watford General Hospital.		

Signed	Name: John Brougham (Committee Chairman)
Dated	