

**Minutes of the Finance and Performance Committee
26 October 2021 at 1pm
(Zoom).**

Present: Mrs Sue White, Non-executive Director (Chair of Committee)
Mrs Joanna Forster Adams, Chief Operating Officer
Mrs Dawn Hanwell, Chief Financial Officer and Deputy Chief Executive

In attendance: Mr Gerard Enright, Senior Finance Manager
Mr Bill Fawcett, Chief Information Officer (agenda items 1 – 4, 10 & 6)
Miss Bea King, Corporate Governance Assistant (Committee Secretariat)
Mr Dave Sanderson, Transformation Director (Estates & Facilities) (agenda Item 8)

		Action
21/105	<p>Welcome and Introduction</p> <p>Mrs White welcomed everyone to the meeting.</p>	
21/106	<p>Apologies for absence (agenda item 1)</p> <p>Apologies from members had been received from Mr Cleveland Henry, Non-executive Director, and Mr Martin Wright, Non-executive Director. Apologies from attendees had been received from Mr David Brewin, Assistant Director of Finance, Mrs Cath Hill, Associate Director for Corporate Governance and Mr Darren Skinner, Interim Director of Human Resources.</p>	
21/107	<p>Members and attendees declaration of any conflict of interest in respect of any agenda items (agenda item 2)</p> <p>No declarations of interest were made.</p>	
21/108	<p>Minutes of the meeting held on 27 September 2021 (agenda item 3)</p> <p>The minutes of the meeting held on the 27 September 2021 were accepted as a true record, subject to one typographical amendment.</p>	
21/109	<p>Approval for the minutes of the meeting held on 27 September 2021 to be uploaded to the Trust’s external website (agenda item 3.1)</p> <p>The Committee agreed that the minutes of the meeting held on the 27 September 2021 were suitable to be uploaded to the Trust’s external website.</p>	
21/110	<p>Matters arising (agenda item 4)</p>	

There were no additional matters arising.

21/111 Update on recording of Cardiometabolic Physical Health Checks for Inpatients (agenda item 4.1)

The Committee reviewed an update on the actions taken to improve the Trust's compliance with cardiometabolic physical health checks for inpatients, where performance had been below target. An audit had identified where problems and challenges existed and there had been recent improvements as a result. The Committee noted that performance in community settings remained low (around 35%) and this would be the focus of attention going forward. The Committee would continue to monitor progress in this important area and requested an update in due course.

JFA

The Committee **received** the report and **noted** the integrated approach that had been taken to address this issue across clinical, operational and informatics staff.

21/112 Microsoft Licensing (agenda item 4.2)

The Committee heard that NHS organisations were now required to pay for Microsoft Software Licensing which was previously provided free. Mr Fawcett explained that NHS Digital had negotiated a discounted rate which the Trust had signed up to, but the costs were still substantial (up to £373k per year from 2022/23) and this was being factored into the Trust's revenue planning. The Committee noted that a phased roll-out of the new programme was on track to be completed by February 2022. The Committee received assurance that there was no additional cyber risk to the Trust during the transition period as Microsoft had agreed to support the existing product until May 2022.

The Committee **received** the verbal update.

21/113 Quarterly Chair's Report from the Information Governance Group (agenda item 10)

The Committee noted that the previously delayed Cyber Security Penetration Test had been completed and the resulting action plan was being developed. The Committee understood that completion of the test meant that the Trust would be fully compliant with the requirements of the Data Security Protection Toolkit and accreditation was expected in mid-November.

Mr Fawcett highlighted that Information Governance (IG) training compliance was lower than usual (84.7% in September), but plans were in place to address this. The Committee asked that an update on IG training compliance was provided as part of the action log to the November meeting.

BF

The Committee noted that policies were being developed relating to appropriate data storage and how this would be managed when staff leave the Trust.

It was agreed that Mr Fawcett would update Strategic Risk 6 in the Board Assurance Framework to reflect that the Cyber Security Penetration Test had been completed and could now be shown as an assurance rather than a gap in control.

BF

The Committee **received** and **noted** the assurance of the Information Governance Group.

21/114

Combined Quality and Performance Report (agenda item 6)

The Committee reviewed the service performance aspects of the CQPR. Mrs Forster Adams highlighted some key issues for the Committee to note, these included: performance in the Leeds Autism Diagnostic Service where they were seeing an anticipated dip in performance, but this was expected to improve following the recruitment of additional part-time staff; it was expected that restarting IQ assessments in the Learning Disability Service would improve performance against the target to be seen within four weeks of a referral; and following a review into Perinatal Service performance there was confidence that all referrals classified as urgent by the team would have received contact within 48 hours, however recording issues were causing the data to indicate that this was not the case and actions were being taken to address this.

In terms of capacity and demand, the Committee heard about additional funding from NHS England to support care homes to facilitate discharge packages for older people and looked forward to receiving an update on this in due course.

The Committee then asked for updates on specific areas to be provided in the Chief Operating Officer's (COO) report in November. These were: Crisis Service response times and the results of the work to understand why some service users were not being seen within four hours; options to increase the CT scanning resource in the Memory Assessment Service to improve waiting times; and the introduction of key performance indicators for the West Yorkshire Children and Young People's Service. The Committee also noted that performance forecasting was on track to be introduced into the COO report from November.

JFA

The Committee noted that work was underway to ensure there was significant capacity in the digital change and performance teams to support accurate data recording, to analyse accrued Covid-19 waiting lists, and to move to performance forecasting. The Committee agreed that an update on this issue would be provided in November.

DH / JFA

The Committee understood that from November onwards it would receive the bi-monthly COO report which would align with the public Board of Directors schedule but noted there was still a decision to be made about

whether a CQPR was presented at the remaining meetings (April and October).

The Committee **reviewed** and **noted** the content of this report and **identified** areas for further analysis as part of the Trust's governance arrangements.

21/115 Cumulative action log (agenda item 5)

The Committee asked that log number 228 was closed as the action was already covered by log number 214.

The Committee **received** the action log and **noted** the updates provided.

21/116 Chief Financial Officer Report – Month 6 (agenda item 7)

The Committee reviewed the financial performance of the Trust at month 6 which continued to operate in the revised framework that was rolled forward into the first half of 2021/22 (referred to as H1). The Committee noted that the plan for the second half of 2021/22 (H2) would come to the November meeting.

The Committee reviewed an analysis of agency costs including benchmarking with West Yorkshire Trusts, noting that if the NHS Improvement agency cap was still in place, the Trust would be exceeding it by £1.5m per year. The Committee heard that the recruitment and retention of medical, nursing, and other professional staff remained a universal challenge. The Committee noted that an initiative led by the North of England Commercial Procurement Collaborative and the creation of a West Yorkshire mental health staffing bank were positive developments. However, the Committee was concerned about the high rate of agency cover required for Health Support Workers and the associated cost pressure and asked the Workforce Committee to review the steps being taken on this front. The Committee heard how other sectors being more attractive in terms of pay may be having an impact on the Trust's ability to recruit to these roles.

Mrs White asked how the new Responsive Workforce Team would be staffed and Mrs Forster Adams explained that they were actively recruiting and incentivising people to join from the Trust's Bank.

The Committee reviewed the Trust's performance against the national benchmarking cost data, noting that the data was a year out of date, and that it may not be complete. Nevertheless, the Trust's costs were 9% higher than average overall (an improved position), but inpatient costs remained an outlier at 24% above average. This data would be reviewed by the Safer Staffing Group and as part of the financial rebasing exercise which the finance team were conducting. Finance Directors would also be reviewing benchmarking data at both Place and Integrated Care System levels.

RC

The Committee understood that there was no update on the Red Kite View VAT reclaim at this stage as they were still waiting on a response from HMRC.

The Committee **noted** the income and expenditure position at month six, which was a favourable variance from plan of £67k; **noted** that better payment practice code (BPPC) performance remained strong; **noted** that the Trust remained in an overall good financial position; **noted** the detailed update on agency spending; and **noted** the ongoing work to finalise H2 2021/22 and 2022/23 plans.

21/117 Update on rebasing the financial framework (agenda item 7.1)

This would be discussed in more detail at the November meeting.

21/118 Update on key activities of the Clinical Environments Group and Estates Steering Group (agenda item 8)

The Committee reviewed a full report from the Clinical Environments Group and the Estates Steering Group and was assured about the comprehensive governance arrangements underpinning the work of these groups, which ensured a focus on quality of service and CQC physical environment standards. The Committee heard there had been improvements made to the management of estates escalations which had seen a reduction in number since the last audit report that gave limited assurance.

The Committee noted that the outstanding lifecycle works and upgrades which were due to be carried out at the Mount would be a significant challenge to deliver due to the need to vacate the wards whilst the work was undertaken. Mr Sanderson explained what additional safety measures had been put in place to mitigate any risks.

The Committee discussed the suitability of the National Inpatient Centre for Psychological Medicine (NICPM) estate at Leeds Teaching Hospitals Trust and Mrs Hanwell outlined some potential solutions such as temporarily reducing the bed base.

The Committee noted that the team were currently carrying out scaled down Patient Led Assessment of the Care Environment (PLACE) rounds, but they hoped to reinstate them fully by the end of next year.

It was agreed that the Committee would review an estates and clinical environments report on a quarterly basis. Ms Cooper would add this to the cycle of business. The Committee asked that future reports incorporated the Trust's sustainability agenda and provided an update on the work of the healthcare planners and progress with the PFI renegotiations.

RC

DS

	The Committee received the report and noted the assurance provided.
21/119	Board Assurance Framework (agenda item 9)
	The Committee received the Board Assurance Framework (BAF). The Committee discussed the contributory risk relating to reliance on non-core income (Strategic Risk 4, Datix 908) and agreed that this was still a risk given the uncertainty about the future of the procurement strategic landscape.
	Mrs Hanwell explained that the action to develop longer term cost improvement plans by December 2021 linked to the ongoing rebasing work.
	The Committee reviewed the risks detailed in the Board Assurance Framework and was assured that these were being adequately controlled. The Committee also noted that the BAF was currently being updated for presentation to the November Board of Directors' meeting.
21/120	Any item that needs to be escalated to the Board of Directors or referred to another Board subcommittee (agenda item 11)
	The Committee agreed the items to be included in the Chair's Report to the next public Board of Directors' Meeting on the 25 November 2021.
21/121	Any issues for discussion at joint meetings with other Board subcommittees (agenda item 11.1)
	There were no items suggested for future joint meetings.
21/122	Any other business (agenda item 12)
	The Committee did not discuss any other business.