

**Minutes of the Finance and Performance Committee
25 March 2024 at 1pm (via Teams).**

Present: Miss Katy Wilburn, Non-executive Director (Deputy Chair of Committee)
Mrs Joanna Forster Adams, Chief Operating Officer
Mrs Dawn Hanwell, Chief Financial Officer and Deputy Chief Executive
Mr Cleveland Henry, Non-executive Director
Mr Darren Skinner, Director of People and Organisational Development

In attendance: Ms Rose Cooper, Deputy Head of Corporate Governance (Committee Secretariat)
Mr Gerard Enright, Assistant Director of Finance
Mr Jonathan Hodgson, Internal Audit Manager (agenda item 6)
Ms Olivia Humphrey, Procurement Support Officer - North of England Commercial Procurement Collaborative (observing for agenda items 1 – 10)
Mr Jonathan Saxton, Deputy Director of Finance
Ms Nicola Woodhead, Head of Procurement (agenda item 10)

		Action
24/017	Welcome and Introduction	
	Miss Wilburn welcomed everyone to the meeting. The Committee noted that, although Mr Henry was present, Miss Wilburn (Deputy Chair of the Committee) was chairing the meeting on his behalf.	
24/018	Apologies for absence (agenda item 1)	
	Apologies from members had been received from Mr Martin Wright, Non-executive Director. Apologies from attendees had been received from Mrs Clare Edwards, Associate Director for Corporate Governance and Mr Ian Hogan, Chief Information Officer.	
24/019	Declaration of any conflicts of interest in respect of agenda items (agenda item 2)	
	No declarations of interest were made.	
24/020	Minutes of the meeting held on the 23 January 2024 (agenda item 3)	
	The minutes of the meeting on the 23 January 2024 were accepted as a true record.	
24/021	Approval for the minutes of the meeting held on the 23 January 2024 to be uploaded to the Trust’s external website (agenda item 3.1)	
	The Committee agreed that the minutes of the meeting held on the 23 January 2024 were suitable to be uploaded to the Trust’s external website.	

24/022 Matters arising (agenda item 4)

There were no matters arising.

24/023 Cumulative action log (agenda item 5)

The Committee discussed the open actions and received the following updates:

Action 339: Mr Skinner provided a verbal update and explained that since the Committee had made the request, they were looking at ways to better capture and report on the Vacancy Management Panel (VMP) data. He informed the Committee that the number of vacancies had reduced following the introduction of the VMP; he explained that some roles and bands were excluded from the process but overall, it showed the positive impact the panel was having. He also provided a breakdown of staffing requests by grading and explained that further analysis would be undertaken to understand the figures in more detail. He added that they planned to overlay the VMP data with key performance data such as length of stay and productivity to inform future decision making around job roles. The Committee thanked Mr Skinner for the update provided.

Action 298: Mrs Forster Adams reminded the Committee that the West Yorkshire Secondary Care Pathways Group was the holding group for the inpatient benchmarking data and suggested that an update on progress was included in the Chief Operating Officer's Report going forward. The Committee discussed the update and agreed to revisit this action in the Part B meeting.

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

24/024 Draft Internal Audit Annual Plan 2024/25 (agenda item 6)

The Committee reviewed the draft internal audit plan for 2024/25, at its current stage of development. The Committee asked why some of the audits deferred from 2023/24 had not been carried over to 2024/25 and Mr Hodgson explained that an audit needs assessment had been carried out to prioritise the audit areas which presented the most risk to the Trust. The Committee noted that the decision as to which audits should be deferred had already been considered by the Audit Committee.

The Committee then discussed the deferral of the Electronic Patient Record (EPR) data quality audit which had not been selected for the 2024/25 plan and suggested that this decision was revisited with executive director colleagues before the final version of the plan was presented to the Audit Committee in April 2024 given the importance of being assured on data quality for future patient record systems. Mr Hodgson noted the suggestion and reassured the Committee that there was a reserve list in place which could be used to pick up the deferred items if time became available and that the scope of any of the audits could be adjusted according to the scale of the risk.

The Committee **noted** the progress to date with the development of the Draft Internal Audit Annual Plan 2024/25 and **discussed** the areas identified for assurance.

24/025 Suggestions for future internal audits (agenda item 6.1)

The Committee did not have any suggestions for future internal audits over and above what was listed in the paper; however, it **suggested** that the decision to not include the EPR data quality audit in the 2024/25 plan was revisited.

24/026 Chief Operating Officer Report (agenda item 7)

Mrs Forster Adams introduced the report and highlighted the sustained demand and workforce supply issues at Red Kite View. The Committee heard that the position had not yet stabilised and that alongside the leadership team looking at innovative ways to recruit, the team was looking at what extraordinary recovery actions could be taken over the coming weeks to improve the position, including a review of the staffing establishment for the General Adolescent Unit to ensure it reflected the current requirements of the service. The Committee discussed the proposal that the current capped admissions at Red Kite View should continue in response to the continued staffing challenges, understood the risks this could pose from a clinical, financial, and reputational perspective, and noted that this would be discussed in more detail as part of the Safer Staffing Report to the March Board meeting. Mrs Forster Adams also informed the Committee that negotiations were ongoing with colleagues at partner organisations about how best to manage the pressure in the short term. The Committee was pleased to note that the Psychiatric Intensive Care Unit at Red Kite View was performing well, and that vacancies were relatively low in this part of the service.

Mrs Forster Adams then referred to the out of area placements (OAPs) recovery trajectory as of 7 March 2024 included in the report and informed the Committee that this was subject to change in light of the current operational and financial planning submission. The Committee requested more information on the distances young people were being sent out of area when they could not be accommodated at Red Kite View, noting that on occasion the OAPs were agreed as appropriate in order to best support the needs of the service user. Mrs Forster Adams agreed to report on the distances that people were supported out of area in future Chief Operating Officer Reports to this Committee and the Board. She also agreed to add an additional section to future reports on the performance of the Children and Young People's Provider Collaborative to supplement the updates on Red Kite View.

Miss Wilburn then noted the increased average waiting time from referral to first face to face contact within the Deaf Child and Adolescent Mental Health Service (CAMHS) alongside an underspend in Deaf CAMHS as referenced in the Chief Financial Officer's Report and asked for more detail on this. Mrs Forster Adams explained that staff turnover had led to some significant vacancies and that a recruitment plan was in place to address this; however, due to the specialist nature of the staff employed by the service, this was a fairly limited pool and

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therefore recruitment could take longer. She added that they were also recovering some absence in the clinical leadership team.

The Committee also noted that there were unoccupied tenancies in the Specialist Supported Living Service (SSLS) and asked what could be done to expediate placements given the demand in the community and the financial pressure of running with voids. Mrs Forster Adams informed the Committee that Leeds City Council and Adult Social Care had committed to working in collaboration with the Trust to fill the voids at the earliest opportunity.

The Committee also briefly discussed the following updates. Mrs Forster Adams informed the Committee there had been a change in the direction of travel for Emergency Preparedness, Resilience and Response (EPRR) and the associated resource requirements, more on which would be included in the EPRR update report to the April meeting. The Committee also received an update on productivity in community services and noted that this was being explored in more detail by colleagues in Care Services. The Committee was also pleased to note the improvement in the number of Crisis Resolution Intensive Support Service (CRISS) referrals seen for assessment within 4 hours and the progress towards achieving the target of 90% and congratulated the team on this achievement.

The Committee **reviewed** the report and **agreed** the areas to highlight to the Board of Directors via the Chair's Report.

24/027 Chief Financial Officer Report – Month 11 (agenda item 8)

The Committee received an overview of financial performance at month 11 and noted that the revenue position had deteriorated in recent months due to the sustained high level of out of area placements, agency spending, and high inpatient staffing levels. The Committee recognised that there needed to be an improvement in the delivery of productivity and efficiency into 2024/25 as the recurrent benefits in-year had not been realised at the scale originally aimed for and supported action being taken to enable this.

The Committee then discussed agency expenditure in more detail, noting that the Trust was a significant outlier in terms of spending in this area and was informed that a small number of high-cost locum medics and the increased use of agency nursing staff were both contributing to this position. The Committee noted that actions were being taken to reduce agency spending and referenced the important check and challenge provided by the Vacancy Management Panel which was providing robust oversight of the Trust's vacancies and staffing requests. However, the Committee noted that further work needed to be done to improve the position which would be discussed in more detail in the private meeting.

The Committee also discussed the funding for the development of six additional inpatient perinatal beds at The Mount and noted that the Trust had to date received verbal confirmation on the timing of the funds from NHS England, which may slip into 2024/25. The Committee understood that the Trust was proceeding at risk at this stage; however, it was reassured to note there was a contingency commitment in place should the full amount not materialise.

The Committee also noted a few other key updates including capital expenditure which was behind plan but was expected to improve and an update on the Integrated Care System (ICS) financial position which, following some recalibration, was expected to breakeven at year end.

The Committee **noted** the revenue and capital position at month 11 and the actions being taken to ensure the delivery of the plan, in the context of the wider system challenges and the work to achieve financial balance; and **noted** that work continued on 2024/25 planning.

24/028 Contract Development Analysis (agenda item 9)

The Committee received the report and noted that all significant contracts had been signed for 2023/24 and that the focus was now on agreeing the contracts for 2024/25; however, it was noted that the planning guidance from NHS England had not yet been issued for the new financial year. Mr Saxton drew the Committee's attention to the revised governance arrangements for approving and managing the performance of subcontracts which would provide greater oversight of subcontracts heading into the next financial year. The Committee noted that some additional performance reporting was required in 2024/25 and Mr Saxton confirmed that the additional metrics would feed into the new governance and reporting arrangements.

The Committee **received** the update on the current service development opportunities and risks.

24/029 Strategic Estates Plan Update (agenda item 11)

The Committee received a verbal update on the approach being taken to develop the Trust's Strategic Estates Plan, including timescales for completion. The Committee noted that key principles had been established for the use of the Trust's Private Finance Initiative (PFI) estate beyond 2028; however, work needed to be undertaken to align the direction of travel with the Care Services Strategic Plan. The Committee noted that the intention was for the revised Strategic Estates Plan to be developed by the end of the first quarter ready to go to the Board of Directors in July 2024.

The Committee **received** a verbal update on the development of the Trust's Strategic Estates Plan and **noted** the current position.

24/030 Procurement and Logistics Update (agenda item 10)

The Committee received an update on the highlights, activities, and progress within the Trust's Procurement and Logistics Function and noted the key developments which had contributed to the improved position. The Committee understood that there were some residual issues both internally and amongst

partners relating to transactional procurement; however, Ms Woodhead reassured the Committee that these would be resolved over time with the improvements put in place. The Committee also noted that partnership working with neighbouring trusts and the sharing of learning and resources would help to alleviate the pressure on the Trust's service. The Committee discussed how the Trust's procurement function benchmarked against other organisations and noted that work needed to be undertaken to understand this in more detail and to look at how it could be improved. Overall, the Committee was assured by the update provided and pleased with the progress to date and thanked those involved for their hard work to achieve this.

The Committee **noted** the update provided and was **assured** as to the scale of improvement and that good progress was being made against the key milestones.

24/031 Cyber Security Dashboard (agenda item 12.1)

The Committee **received** the cyber security update, noted that good progress was being made against the key projects, and was **assured** that the Trust continued to maintain a robust position in relation to its cyber defences.

24/032 Electronic Signature Update (agenda item 12.2)

The Committee received a report on the review that had been undertaken regarding options for signing documents electronically. The Committee noted that, due to the license cost and the additional complexity of digital signatures, it was recommended that a 2-tiered approach was adopted across the Trust. The Committee approved the recommended approach which comprised Signature Approval by Default through NHSmail and the use of the eSignature functionality embedded within Microsoft Word (for instances where a signed form was required). The Committee sought assurance on the robustness of the approvals process in place and the steps taken to protect the security of email authorisation to mitigate the known cyber risks. The Committee noted that there was no significant cost pressure associated with the recommended approach.

The Committee **approved** the recommended a 2-tiered approach with Signature Approval by Default through NHSmail and the use of the eSignature functionality embedded within Microsoft Word for instances where a signed form was required.

24/033 Chair's Report from the Information Governance Group (agenda item 13)

The Committee received the report and noted the key matters for escalation and assurance. The Committee discussed the Information Commissioner's Office (ICO) reportable breach incident which had occurred during the period covered by the report and noted that the risk of financial penalty was currently unknown; however, the Committee would be kept updated on this via the quarterly report from the Information Governance Group.

The Committee **received** the Chair's Report from the Information Governance Group and was **assured** by the updates provided.

24/034 Any item that needs to be escalated to the Board of Directors or referred to another Board subcommittee (agenda item 14)

The Committee agreed to inform the Board that it was monitoring the outputs of the Vacancy Management Panel in the context of the Trust's efficiency programme. The Committee acknowledged that there was an overlap with the remit of the Workforce Committee; however, it agreed that the focus of this Committee would be on improvements in productivity and the delivery of efficiencies.

The Committee **agreed** the items to be included in the Chair's Report to the next public Board of Directors' Meeting on the 28 March 2024.

24/035 Any other business (agenda item 15)

The Committee did not discuss any other business.