

**Minutes of the Finance and Performance Committee
23 July 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
Ms Nichola Sanderson, Director of Nursing and Professions
Mr Darren Skinner, Director of People and Organisational Development
Mr Martin Wright, Non-executive Director

In attendance: Mr Jon Campbell, Associate Director of Estates and Facilities (items 9, 10 & 11)
Ms Rose Cooper, Deputy Head of Corporate Governance (Committee Secretariat)
Mrs Clare Edwards, Associate Director for Corporate Governance
Mr Gerard Enright, Assistant Director of Finance
Mr Ian Hogan, Chief Information Officer
Ms Olivia Humphrey, Procurement Support Officer: North of England Commercial Procurement Collaborative (observing)
Mr Peter Ongley, Carer Governor (observing)
Mr Jonathan Saxton, Deputy Director of Finance

		Action
24/069	Welcome and Introduction	
	Miss Wilburn welcomed everyone to the meeting.	
24/070	Apologies for absence (agenda item 1)	
	Apologies from members had been received from Mr Cleveland Henry, Non-executive Director. The Committee noted that Miss Wilburn (Deputy Chair of the Committee) was chairing the meeting on his behalf. No apologies had been received from attendees of the Committee.	
24/071	Declaration of any conflicts of interest in respect of agenda items (agenda item 2)	
	No declarations of interest were made.	
24/072	Minutes of the meeting held on the 24 May 2024 (agenda item 3)	
	The Committee agreed a correction to minute 24/064 to state that the Committee agreed to recommend that Strategic Risks 4 and 6 were both increased to a level 12 risk, as opposed to agreeing the upgrade. The minutes of the meeting on the 24 May 2024 were accepted as a true record subject to this amendment.	
24/073	Approval for the minutes of the meeting held on the 24 May 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 24 May 2024 were suitable to be uploaded to the Trust's external website, subject to the agreed amendment.

24/074 Matters arising (agenda item 4)

The Committee asked for an update on the outcome of the review of Mental Health Service Development Funding (SDF) which had been due at the end of May 2024 (minute 24/058). Mrs Hanwell informed the Committee that SDF was paused and still under review by the Integrated Care Board and undergoing an equality and quality impact assessment process. The Committee asked to be kept updated on the outcome of the review and agreed to add this to the action log.

RC / DH

The Committee **noted** the update provided.

24/075 Cumulative action log (agenda item 5)

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

Action 346: the Committee noted that Appendix D of the Chief Financial Officer's report had not been amended as per the request and asked that this was actioned for the next report due in September.

Action 328: the Committee heard that there was still no update in terms of an expected timeframe for the release of this information.

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

24/076 Workforce and Agency Group Trajectories at Month 3 (agenda item 5.1)

The Committee **agreed** to discuss this item as part of the Chief Financial Officer's Report (agenda item 7) and **agreed** that this would be the case when receiving this report at future meetings.

24/077 Chief Operating Officer Report (agenda item 6)

Mrs Forster Adams introduced her report, noted there were no new issues of concern and highlighted the key areas for the Committee to be aware of. Firstly, the Committee was pleased to note the improved out of area placements (OAPs) position, now on trajectory, and the work of the Improving Flow Programme to achieve this. The Committee noted the reduced number of people being treated at far distances with activity increasingly consolidated in the north of England and noted the positive impact of this on patient experience. The Committee also welcomed the approach being taken to recruit staff to the Adult Eating Disorders Service under the Transfer to Nursing Scheme and noted that this approach was

being shared across other service lines to improve the Registered Nurse vacancy position.

The Committee then discussed the workforce challenges at Red Kite View which had led to two months of various levels of reduced occupancy. The Committee highlighted the negative implications of this for the Trust's OAPs position and for young people either awaiting admission or being placed out of area, and the significant financial pressure both from a Trust and Provider Collaborative perspective. The Committee noted that Mrs Forster Adams would provide a more detailed update on this in the Part B meeting. The Committee also received an update on the contract negotiations with the local authority in respect of the Specialist Supported Living Service and the intention to reach a resolution in the coming weeks which was important because the Trust could not carry the level of underpinning cost pressure. However, the Committee noted the positive news regarding the increase in the number of tenancies in the service which was expected to improve further.

The Committee then asked for more detail on specific updates in the report such as the increase in the average wait time from referral to first face to face contact in Deaf CAMHS. Mrs Forster Adams acknowledged that this was an important issue but explained that the scale of the problem was small due to the size of the service. She outlined what factors had contributed to this which included some long-term workforce absence in the service. The Committee then noted the challenges in relation to seclusion facilities on Bluebell Ward at Clifton House due to substandard repairs by a company sub-contracted by NHS Property Services (PS). The Committee heard that the issues were now resolved, and work was being done on the service line agreement with NHS PS around their provision of services. The Committee was mindful of the impact to the Forensic Service of not having readily available access to seclusion facilities.

Finally, the Committee discussed the issues in relation to the implementation of the 111 Mental Health Crisis Line and noted that concerns regarding the potential barrier to service users trying to access crisis support had been raised by Committee members prior to implementation. Mrs Forster Adams explained the issues linked to the soft launch and the communications around this and noted that there were lessons to be learnt from this approach. She advised that the situation was being monitored through the West Yorkshire office and no untoward incidents had been reported at this time. She added that the Trust had strengthened its communications in partnership with regional colleagues. The Committee noted that the situation was improving but was not fully resolved.

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

24/078 Chief Financial Officer Report (agenda item 7)

The Committee received an overview of the Trust's financial performance at month 3 and noted the £0.3m deficit against year-to-date budget with OAPs, agency and inpatient staffing levels continuing to be the key drivers contributing to this position. Mrs Hanwell explained the presentational issue linked to the change in accounting treatment of Private Finance Initiative (PFI) contracts which

meant that the Trust was having to report a surplus plan but, in reality, was still operating to achieve a run rate balance. The Committee noted that this accounting treatment presented no detriment or benefit to the Trust.

The Committee then discussed the changes to NHS England's Financial Oversight Framework and the new investigation and rapid intervention process for systems struggling to meet their financial plans. The Committee noted this did not present an immediate cause for concern given the West Yorkshire Integrated Care System's (WY ICS) current rating (segment 2 out of 4); however, it noted that all partners within the system would be subject to interventions should the overall position worsen. Mrs Hanwell highlighted that the WY ICS was marginally off-plan at month 3 and alerted the Committee that intervention may become more likely by quarter 2, particularly given the risks in the plan positioned toward the latter end of the year. The Committee asked if it was credible for the system to not exceed the £50m deficit plan by the end of the financial year given the current deficit position and Mrs Hanwell acknowledged that there was a significant amount of work to do to achieve the deficit plan.

The Committee then reviewed the Workforce and Agency Group trajectories at month 3, noted the progress to date and the areas where there was significant work still to do, highlighting that a reduction in medical agency spend would be critical to achieving the trajectory. Mr Skinner also informed the Committee that the Financial Planning Group had just agreed to move to a non-clinical vacancy freeze which would include any roles that did not involve direct patient care. The Committee highlighted the importance of understanding the quality and safety impact of the measures and making fully informed decisions. The Committee thanked those involved for the work so far.

Mr Wright then shared some feedback from a recent service visit where he had been told about issues with accessing e-Roster training and outdated rules on the e-Roster system. Mr Skinner explained that the decision had been taken to increase the rules on the system to provide check and challenge with regard to overtime and outlined what work the e-Roster team were undertaking directly with services to support them to effectively roster staff based on their budgeted establishment. He also reassured the Committee that the e-Rostering team actively targeted areas where further training was required and that buddying arrangements had been set up to support staff with the process.

The Committee **noted** the Trust's revenue and capital plans position for 2024/25 and **noted** the intervention that would take place if the West Yorkshire system went significantly off plan.

Ms Humphrey left the meeting.

24/079 Costing Assurance (agenda item 8)

The Committee received assurance on the successful submission of the 2023/24 National Cost Collection (NCC), an update on the 2022/23 NCC publication, and details of the national currency development work. The Committee discussed the results of the 2022/23 NCC and noted that the Trust had received a score of 82 which meant it was 18% less expensive than the average. Mr Saxton drew the

Committee's attention to the variances in efficiency between services which would need to be understood further and indicated data quality issues in the publication, both internal and external to the Trust. The Committee also noted that OAPs were excluded from the calculations which may be causing inpatient services to appear more efficient than in reality. The Committee requested a future update once the analysis of the results and variances of the 2022/23 NCC had taken place.

JS

The Committee **noted** the successful submission for 2023/24; **noted** the output from the 2022/23 submission and understood the potential limitations of the publication; and **noted** the currency development in Mental Health.

24/080 Strategic Estates Plan Update (agenda item 9)

The Committee received a verbal update on the development of the Trust's Strategic Estates Plan (SEP) and noted the progress to date with key delivery principles now confirmed and initial stakeholder engagement workshops almost complete. The Committee also noted that a timeframe for presenting the draft SEP to this Committee and the Board of Directors had been set for November 2024. Ms Cooper would note this for the Committee's cycle of business. The Committee thanked Mr Campbell for the update and recognised the importance of this work in relation to the PFI demise planning.

RC

The Committee **noted** the update provided.

24/081 Estates and Clinical Environments Report (agenda item 10)

The Committee received the report and noted that good progress was being made across the key projects. The Committee was pleased to see a proposed solution to the internal doors issue at Red Kite View which had undergone a successful trial period and was expected to be rolled out across the unit, subject to sign off by key staff members. The Committee also noted the progress with rectifying the roofing and water ingress issue at Red Kite View.

Mrs Hanwell then referred to the earlier discussion on NHS PS and the request for assurance on how the Trust was managing this provider given the sub-standard works on the Bluebell Ward at Clifton House. Mr Campbell acknowledged there had been challenges with some of the work undertaken by NHS PS some of which were linked to resource constraints and supply chain issues. He went on to provide assurance to the Committee on how the situation was being managed and improved which included introducing more rigour in processes as per the new compliance risk assurance and governance framework, increased presence at monthly site meetings, and the introduction of a facilities manager based at Clifton House all of which were aiming to drive improvements in standards. He added that relations were improving as a result of these steps.

The Committee **received** the Estates and Clinical Environments Report and was **assured** that good progress was being made against the key projects.

24/082 Green Plan Update (agenda item 11)

The Committee received an update on the Green Plan and noted that work continued across several projects involving energy, waste, travel, estate and environmental governance. The Committee noted that JRP Solutions were near completion of their review of the Trust's Green Plan which included a revision of the Trust's strategy to become net zero carbon by 2040, putting the Trust in a good position to meet the target set by Greener NHS for all trusts to have a refreshed Green Plan by January 2025. Mr Campbell added that the Green Plan would be updated with key performance indicators, clear SMART targets and action plans which would help to support better engagement with stakeholders and maximise opportunities with the SPV and NHS PS.

The Committee heard how the Trust funded sustainability schemes internally as part of its own financial planning, noting that money was set aside on the capital plan for sustainability, albeit a reduced amount this year due to financial pressures. However, Mr Enright added that sustainability was priced into the programme of work for any significant scheme as much as possible. The Committee identified a challenge relating to the expectations of government policy in terms of 'green' targets and the money available to support this, highlighting that funding from external sources would likely have to be sought in order to achieve the targets as well as a national policy shift in terms of capital investment. Mrs Hanwell also referenced the work done at a West Yorkshire level to develop an infrastructure plan setting out the investment required to achieve net zero.

The Committee then considered what support and guidance it could provide. Ms Wilburn reminded the Committee of her role as the non-executive director champion for sustainability and offered to spend time with the Sustainability team in this capacity to discuss the new Green Plan. Mr Wright noted that there was still a lot of work to be done in order to achieve NHS England's targets and highlighted the urgency around the Trust understanding its key priorities to achieve these. He added that Committee members could support the team to develop and agree these strategic priorities and areas of focus.

The Committee **received** the update on the Trust's Green Plan, **discussed** the progress and challenges with the delivery of the plan and **considered** what further support could be offered by the Committee and its members.

24/083 Cyber Security Update (agenda item 12)

The Committee received the Cyber Security Dashboard and discussed the roll-out of NHS Multi-Factor Authentication (MFA). The Committee noted that currently there were two separate MFA processes, one for NHSmail and one for Global Protect users, and Mr Hogan explained that they planned to align the two systems into one process to improve the experience for staff.

The Committee also discussed the global Microsoft outage the previous week and Mr Hogan reassured the Committee that their process was to test patches before deployment to help protect against any potential negative impacts to the Trust. Mrs Hanwell then referenced Internal Audit's recent limited assurance report into

the cyber security of the Trust's external suppliers which was linked to the work to establish supply chain security highlighted in this paper. Mr Hogan explained that efforts were being made across the NHS digital network and by the Centre to increase the level of visibility and seek assurance from vendors on the robustness of their supply chains but emphasised that this would be a challenge.

The Committee then received an update on the build of Windows 11 and heard this was currently undergoing intensive testing ahead of roll-out on Trust devices within the next 15 months. The Committee noted the time constraint associated with this as Windows 10 would no longer be supported from October 2025. Mr Hogan reassured the Committee that he was satisfied with the resilience of the Windows 11 software.

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 and **continued** to invest in the appropriate technologies to improve its cyber defenses.

24/084 Data Security and Protection Toolkit (agenda item 13)

The Committee reviewed the NHS Digital Data Security and Protection Toolkit return and noted that Internal Audit had given a finding of significant / high assurance and on this basis the Trust had claimed a 'standards met' outcome on the Toolkit. The Committee was pleased to note the positive result and thanked the team for their work to achieve this.

The Committee **received** the assurance provided, **noting** that this was already the final position.

24/085 Chair's Report from the Information Governance Group (agenda item 14)

The Committee received the report and was pleased to note that Information Governance training compliance had increased to 89.7% in June. The Committee then discussed the risk highlighted in the report relating to Advanced's continuing support of CareDirector. The Committee acknowledged that the relevant Board Assurance Framework risk score had already been increased to reflect Advanced's reduced level of support and heard about the impact this was having operationally in terms of slowing response times and requirements not being implemented and what arrangements were in place to mitigate this.

The Committee also noted the update on referrals to the Information Commissioner's Office and heard that these had been reviewed in detail at a recent Information Management Steering Group. Mr Hogan explained there was a potential for a fine or prosecution to take place on an individual basis, but this was not likely to be a risk to the organisation.

Mrs Forster Adams then asked a question on behalf of Dr Frances Healey, Non-executive Director and Chair of the Quality Committee, who wanted to understand if there were any risks to the Trust associated with the MFA deadline for NHSmail

accounts. Mr Hogan responded that a review had been undertaken early in the process of the migration and he confirmed that all risks and issues were now resolved. However, he explained that MFA exemptions for services, such as for the Forensic Service, would have to be reapplied for each year as per the strict national guidelines. Mrs Forster Adams thanked Mr Hogan for the response and agreed to report back to Dr Healey outside of the meeting.

The Committee **received** the report from the Information Governance Group and was **assured** by the updates provided.

24/086 2024 – 2025 Organisational Priorities Quarter 1 Progress Report (agenda item 15)

The Committee received the report which provided a summary of the Trust's progress against its 2024/25 organisational priorities. The Committee noted the new format of the report and supported the revised approach to monitoring the priorities and high-level milestones. The Committee was assured to note that the issues highlighted in this report were consistent with those highlighted in other reports received by the Committee, and therefore had been addressed earlier in the meeting. The Committee thanked Mrs Amanda Burgess, Head of the Programme Management Office, for her development of the report.

The Committee **considered** the position against the 2024/25 organisational priorities at the end of quarter 1 and was **assured** as to the systems and processes in place for monitoring and supporting the delivery of each priority's high-level milestones and underpinning tasks.

24/087 Finance and Performance Committee Effectiveness Review (agenda item 16)

The Committee evaluated the results of its effectiveness review and considered what developments could take place to ensure it remains effective. The Committee noted the areas which had been marked "disagree" and considered what improvements could be made to address the issues raised. The Committee understood that currently paperwork circulation was constrained by the financial month-end cycle and Mrs Hanwell informed the Committee that planned changes to the reporting deadline would enable a quicker turnaround of finance paperwork. In light of this, it was agreed that a conversation would take place between Mrs Hanwell and Mrs Forster Adams to see if it would be feasible to prepare and circulate papers earlier to give Committee members more time to review them ahead of the meeting. The Committee also highlighted the "disagree" in response to whether papers were appropriate to the agenda items being discussed and included sufficient detail regarding benefits, alternatives and risks and suggested this was given further consideration.

The Committee also acknowledged the positive results of the questionnaire and celebrated the improvements already made, in particular the move toward more concise paperwork.

**DH &
JFA**

The Committee **evaluated** the results and comments received; **considered** what developments could take place to ensure it remains effective; and **noted** that a summary of the findings would be included in the Chair's Report to Board.

24/088 Any item that needs to be escalated to the Board of Directors or referred to another Board subcommittee (agenda item 17)

The Committee **agreed** the items to be included in the Chair's Report to the next public Board of Directors' Meeting on the 25 July 2024.

24/089 Any actions agreed today that ameliorate the strategic risks for which the Committee is assurance lead (agenda item 18)

The Committee **considered** if any actions agreed in the meeting ameliorated the strategic risks for which it is assurance lead. The Committee **agreed** that there were no new actions linked to Strategic Risks 4,5, 6 or 7.

24/090 Any other business (agenda item 19)

The Committee did not discuss any other business.