

<p>TRUST BOARD IN PUBLIC</p>	<p>Date: 28th November 2013 Agenda Item: 5.1.2</p>
<p>REPORT TITLE:</p>	<p>Finance & Workforce Committee Chair Update</p>
<p>NON EXECUTIVE SPONSOR:</p>	<p>Richard Durban (Non Executive Director and FWC Chair)</p>
<p>REPORT AUTHOR:</p>	<p>Paul Simpson (Chief Financial Officer)</p>
<p>REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)</p>	<p>No – Board update</p>
<p>Purpose of the Report and Action Required:</p>	
<p style="text-align: right;"> Approval Discussion Information/Assurance <input checked="" type="checkbox"/> </p>	
<p>Summary: (Key Issues)</p>	
<p>The Finance and Workforce Committee met on the 22nd October 13 minutes are for information among the Board’s papers. Key points from the meeting were as follows:</p> <p>Finance Performance Report</p> <ul style="list-style-type: none"> The summary of the report is presented in the Integrated Performance Report. No additional issues were raised at the Committee for discussion at Board. <p>Workforce</p> <ul style="list-style-type: none"> A workforce Annual Plan was discussed along with the workforce risks on the BAF. The Committee recommends to the Board that 3 risks relating to workforce be removed from the BAF. <p>Capital & Estates</p> <ul style="list-style-type: none"> The M06 capital paper was reviewed. It assured the Committee that the programme on plan. <p>Information technology</p> <ul style="list-style-type: none"> The report was noted and a revised format to be presented at future meetings. <p>Communications</p> <ul style="list-style-type: none"> The FT Communications strategy paper was received for information. <p>Business Planning</p> <ul style="list-style-type: none"> The Committee discussed the LTFM update paper. The Service Line Reporting update was received. 	

Relationship to Trust Corporate Objectives & Assurance Framework:

This Board sub-committee supports the achievement of all Trust objectives but of specific relevance is: Priority 4: Develop an effective organisation.

Corporate Impact Assessment:

<p>Legal and regulatory implications</p>	<p>The FWC reviews assurance in respect of workforce, capital and investment projects, business planning (which includes financial planning) and cash aspects. Employment law: laws governing the rights of individuals and terms and conditions terms include: National Minimum Wage Act 1998; the Working Time Regulations 1998; Employment Rights Act 1996; Equality Act 2010; Employment Rights Act 1996, and; the Transfer of Undertakings (Protection of Employment) Regulations 2006. Other key laws affecting employees include the Pensions Act 2004 and the Trade Union and Labour Relations (Consolidation) Act 1992.</p> <p>Financial performance is subject to Schedule 5 of the NHS Act 2006 which provides the “breakeven duty”. Legal aspects related to capital works will depend on the nature of the works.</p> <p>The main regulators, are as follows:</p> <ul style="list-style-type: none"> • External audit (the Audit Commission for this Trust) give an opinion on the Trust’s compliance with International Financial Reporting Standards and with NHS accounting conventions – this is not purely financial and deals with procurement, fraud, transparency and legal duties. It also gives a Value for Money Conclusion on the Trust’s ability to put in place arrangements to deliver economy, efficiency and effectiveness in its use of resources. • The Care Quality Commission registers the Trust according to its compliance with regulations concerning the safety and quality of services
<p>Financial implications</p>	<p>The report provides assurance about savings, capital spend and the structure of the business planning process.</p>
<p>Patient Experience/ Engagement</p>	<p>Indirect impact through Trust planning and workforce.</p>
<p>Risk & Performance Management</p>	<p>The committee, and this report, provides assurance about workforce and capital management.</p>
<p>NHS Constitution/ Equality & Diversity/ Communication</p>	<p>No relevant aspects</p>
<p>Attachments: paper</p>	

Finance & Workforce Committee Chair Update

Date	28 October 2013 (FWC was on 22 October 2013)
Author	Paul Simpson (CFO)
Audience	Trust Board Members

The **key points from the last F&WC meetings** are as follows:

The Finance and Workforce Committee (previously the Investment and workforce Committee) met on the 22nd October 2013.

Finance Performance Report (M06)

The Committee received the report with the following highlights:

- As at month 6 the Trust had a small surplus YTD.
- Redid the outturn forecast at M05 and are doing it again at M06
- Savings are still doing well.

The summary of the report is presented in the Integrated Performance Report. No additional issues were raised at the Committee for discussion at Board, but the following points were noted:

- The Trust is experiencing pressure from expenditure. The initial Divisional forecasts based on M06 are suggesting a higher level of overspend than the M03 or M05 forecasts. The divisions have been given a further 2 weeks to review and refine the forecasts.
- We have received a reconciliation statement from the CCGs which has allowed us to invoice for over performance. The gap at M04 between accrued income in the position and invoiced income was £800k. The Trust has another £1.4m of data quality and other reviews before these can be billed.
- The Trust still has a cash issue and is working on getting cash in. The TDA has raised queries regarding now we would pay back a £5.5m Temporary Borrowing Loan and it has not yet been agreed. The Trust is also working on getting in the Capital cash.

Workforce

The Committee was presented with the Workforce Annual Plan. The workforce development group is now meeting regularly and the building blocks are in place for the workforce strategy development. The Committee agreed that the report presented was a good list of the heading and activities that the workforce department are focusing on but that more numbers regarding staffing levels are required and there needs to be more details on the training requirements.

Workforce KPIs form part of the Integrated Report to the Board, the Finance Report and the report to the FWC. The M06 report was noted by the Committee.

The committee discussed the workforce risks that are on the Trust Board Assurance Framework (BAF). The BAF risks are 4.2a, 4.2b and 4.2c. After a discussion it was agreed that the risks had been met and agreed that they should be removed from the BAF.

It was then discussed about adding a risk ensuring that appropriate staff and working in the correct departments in the Trust and the agency to permanent ratio was correct. It was agreed that this needs to be done with D Holden and F Allsop.

Capital & Estates

The M06 Capital Report was noted but not discussed.

Information Technology

A paper is to be presented to the next meeting proposing the structure, frequency and level of reporting required.

Communications

The Committee received the FT Communications strategy papers. This had previously been discussed at the FT Project Board and is one element of the overall Communications Strategy which will be discussed at the Committee before December.

Business Planning – Update on LTFM & Service Line Reporting

The Committee received an update paper on the LTFM. So far the Trust has received only minor comments from the TDA on our LTFM and they have been asked to come in and be more critical of it. The model is based on actual levels of income and delivers surpluses with no substantial changes to assumptions. Contractual income is significantly increased in the model. The Committee was assured that there would be a detailed discussion on the LTFM with the Committee before it has to sign it off in January 2014.

The Committee received the Service Line Reporting update paper. The paper related to the financial reporting aspect of Service Line Management and it was noted that Sue Jenkins is working on the Clinical Systems and Service Design. It is anticipated that Service Line Rep[orts will be fully rolled out from M09 reporting.

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