

TRUST BOARD IN PUBLIC	Date: 31 January 2013 Agenda Item: 6.2.2
REPORT TITLE:	Investment & Workforce Committee Chair Update
NON EXECUTIVE SPONSOR:	Richard Durban (Non Executive Director and IWC Chair)
REPORT AUTHOR:	Paul Simpson (Chief Financial Officer)
REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)	No – Board update
Purpose of the Report and Action Required:	
<p style="text-align: right;"> Approval Discussion Information/Assurance <input checked="" type="checkbox"/> </p>	
Summary: (Key Issues)	
<p>The Investment & Workforce Committee has met on three occasions since the last Board meeting (5th December, 13th December and 8th January). This report covers all 3 meetings.</p> <p>Workforce</p> <ul style="list-style-type: none"> ▪ Noted management focus on staff appraisals and nurse recruitment and retention. <p>External Communications</p> <ul style="list-style-type: none"> ▪ Received a report on External Communication and welcomed the intention to develop a full strategy and annual plan. <p>Capital & Estates</p> <ul style="list-style-type: none"> ▪ Received a draft of the 13/14 Capital Plan. <p>Sustainable Management Plan</p> <ul style="list-style-type: none"> ▪ Approved the Sustainable Management Development Plan <p>Reference Costs</p> <ul style="list-style-type: none"> ▪ Congratulated the Trust on it's excellent Reference Costs. <p>Business Cases</p> <ul style="list-style-type: none"> ▪ Approved the Hospital at Home; Pathology and Picture Archive & Communication System business cases, in some cases subject to further work. 	
Relationship to Trust Corporate Objectives & Assurance Framework:	

This Board sub-committee supports the achievement of all Trust objectives but of specific relevance is: Priority 3: Develop an effective organisation

Corporate Impact Assessment:

<p>Legal and regulatory implications</p>	<p>The IWC reviews assurance in respect of workforce, capital and investment projects, business planning (which includes financial planning) and cash aspects.</p> <p><u>Employment law</u>: 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.</p> <p>Other key laws affecting employees include the Pensions Act 2004 and the Trade Union and Labour Relations (Consolidation) Act 1992.</p> <p><u>Financial performance</u> is subject to Schedule 5 of the NHS Act 2006 which provides the “breakeven duty”.</p> <p>Legal aspects related to capital works will depend on the nature of the works.</p> <p>The <u>main regulators</u>, 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>	

Investment & Workforce Committee Chair Update

The **key points from the last 3 I&WC meetings** are as follows:

Workforce

- The Committee received updates on two areas of management focus – staff appraisals and the recruitment and retention of nurses.
- HR was reviewing the timing of appraisals so that unrealistic targets were not being set for any one month, checking the quality of appraisals and also investigating how best to carry out appraisals in areas with large groups of similar staff. Appraisal rates were looked at as part of Divisional reviews.
- There were now monthly nurse recruitment assessment centres. In addition there were periodic recruitment exercises in Ireland. The Committee welcomed this focus and noted the importance of increasing permanent headcount and reducing dependency on agency staff both from a quality and financial point of view.

External Communications

- The Committee received a paper on external communication and noted the use of various channels and the CEO's strong focus on this area. It was agreed that a strategy and annual plan needed to be developed which articulated which messages to convey to what audiences using which channels and with appropriate measures of success. They would be produced at the end of the process to update our Integrated Business Plan (IBP) and the 13/14 Operating Plan and would support both.

Capital & Estates

- The Committee received a draft 13/14 Capital Plan which totalled £12.7m. £7.9 was allocated to the Theatres and PACS/RADNET projects carried forward from the current financial year and the rest of the programme had a strong maintenance and refurbishment theme. The plan would be subject to Board discussion as part of the budget sign off process.
- A Sustainable Development Management Plan was presented to the Committee which noted the requirements placed upon the Trust, work carried out to date and the future plans for carbon reduction (notably window replacement and site power for ESH). The Committee approved the plan on behalf of the Board noting that any capital expenditure would be subject to the full business case approval process and appropriate investment appraisal.

Reference Costs

- The Committee noted and welcomed the Trust's excellent result – a score of 89 which was 17th out of 248 across the country. This was due to additional activity being carried out at the same time as delivering the savings plan.

Business Cases

- The Committee has reviewed three business cases:
- Hospital at Home
The business case proposed a continuation of the existing practice of providing nursing care at home to patients that had undergone hospital procedures. This had the dual benefit of the patient receiving care in their own house and beds being freed at the hospital. The discussion centred on accountability for the care, how the quality of care was assured, the financial viability of the service and potential providers. The Committee approved the proposal to go the open tender.
- Pathology
The business case proposed a joint venture with Brighton & Sussex University Hospital to provide pathology services. A full and wide ranging discussion focused on capital costs, IT solutions, the competition implications, the detail of the heads of terms agreement and the establishment of a Joint Management Board and benefits realisation. It was agreed that further work was required. Subject to that work being successfully completed the Committee approved the business case.
- Picture Archive and Communication System (PACS)
The current PACS licence lapses at the end of June 2013 and a replacement was needed. The business case compared providers and made a recommendation. A full discussion took place covering the degree of clinical involvement and sign off, the confidence levels around the resolution of some (minor) issues, the robustness of the solution, the strength of the contract and the relationship with the recommended provider. The Committee approved the business case.