

<b>TRUST BOARD IN PUBLIC</b>		<b>Date: 29 May 2014</b>	
		<b>Agenda Item: 3.2</b>	
<b>REPORT TITLE:</b>		Finance & Workforce Committee Chair Update	
<b>EXECUTIVE SPONSOR:</b>		Paul Simpson (Chief Financial Officer)	
<b>REPORT AUTHOR:</b>		Richard Durban (Non-Executive Director and FWC Chair)	
<b>REPORT DISCUSSED PREVIOUSLY:</b> (name of sub-committee/group & date)		No – Board Update	
<b>Action Required:</b>			
<b>Approval ( )</b>	<b>Discussion ( )</b>	<b>Assurance (√)</b>	
<b>Summary of Key Issues</b>			
<p>The Finance and Workforce Committee met on the 23<sup>rd</sup> May 2014. The key points from the meeting were as follows:</p> <p><b>Business Planning</b></p> <ul style="list-style-type: none"> <li>The Committee discussed the IBP and LTFM progress; the mitigations required and agreed the timeframe for approval for the June submission (at Board level).</li> </ul> <p><b>Business Case Investment</b></p> <ul style="list-style-type: none"> <li>The Committee approved the revised EPR OBC be submitted to the TDA and received an update on the EPMA project.</li> </ul> <p><b>Financial, Workforce, Capital and IT M01 performance reports</b></p> <ul style="list-style-type: none"> <li>M01 reports were received for Finance, Workforce and Organisational Development, Capital and IT.</li> <li>The Trust has performed on plan, with a deficit of £889k for M01 2014/15.</li> </ul> <p><b>General</b></p> <ul style="list-style-type: none"> <li>The Committee reviewed the FWC Annual Report and discussed the Committee membership – changes were agreed in respect of CEO and Medical Director no longer being formal members, noting they remain welcome to attend. The COO has been added.</li> <li>Part 2 reports were received and discussed around MSK and the Pathology Joint Venture.</li> </ul>			
<b>Relationship to Trust Strategic Objectives &amp; Assurance Framework:</b>			
<p><b>SO2:</b> Effective - Deliver effective and sustainable clinical services within the local health economy</p> <p><b>SO4:</b> Responsive – Become the secondary care provider and employer of choice for the catchment populations of Surrey &amp; Sussex</p> <p><b>SO5:</b> Well - led</p>			

<b>Corporate Impact Assessment:</b>	
<b>Legal and regulatory implications</b>	<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"> <li>• External audit (the Grant Thornton for this Trust) gives 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.</li> </ul> <p>The Care Quality Commission registers the Trust according to its compliance with regulations concerning the safety and quality of services</p>
<b>Financial implications</b>	The report provides assurance about savings, capital spend and the structure of the business planning process.
<b>Patient Experience/Engagement</b>	Indirect impact through Trust planning and workforce.
<b>Risk &amp; Performance Management</b>	The committee, and this report, provides assurance about workforce and capital management.
<b>NHS Constitution/Equality &amp; Diversity/Communication</b>	
<b>Attachments:</b>	
Report paper	

## TRUST BOARD REPORT – 29<sup>th</sup> May 2014 Finance & Workforce Committee Chair Update

The Finance and Workforce Committee met on 23<sup>rd</sup> May and it was quorate. The key points were as follows:

### Business Planning

The Committee discussed the progress on the IBP and LTFM for the June TDA submission:

- Agreed the discussion and approval timetable for the TDA deadlines – to be approved on 19<sup>th</sup> June by the Board
- The IBP / LTFM is not currently aligned with Commissioners
- Board sessions on 29<sup>th</sup> May and 3<sup>rd</sup> June will cover downside scenario, mitigations and the narrative around broad actions to deliver the plans e.g.:
  - NEL down – QUIP
  - EL up – repatriation, referrals up
  - Productivity – service efficiency programme
  - Costs control - CIPs

### Business Case Investment

The Committee received an updated EPR OBC with revised costs and approved its submission to the TDA. The Committee also received a verbal update on the EPMA project from David Heller which is due to go live in one ward, Bletchingly, in November until January 2015 in order to test processes. Any further roll out would be approved through new business cases and would be required to articulate the quality and financial benefits of the system.

### Financial, Workforce, Capital and IT M01 performance reports

The month 1 Finance, Workforce and Organisational Development, Capital and IT performance reports were presented to the Committee:

- The Trust is on plan for M01 2014/15, with a £889k deficit at M01 and the outturn forecast is £2.3m surplus (on plan). Divisional and agency overspends are continuing as unidentified CIPs budgets were spread evenly across the 12 months
- The Committee received and welcomed the new style Workforce & Organisational Development Report and especially noted the good staff morale across the Trust. It was requested that the next report include assurance around the recruitment of 200+ nurses and an update on the clinically led GE work.
- The capital report was received and updates were given on Theatres, BOC, Radiotherapy, Mains power, McMillian, Cardiology and the Car Park expansion.
- A verbal update was received on the PACs/RIS PIR and a report will come to the next meeting.

### General

The FWC received an annual report on the Committee's activities over the last year. The report was approved to be presented to the board in June, with a few comments still to be received.

The Committee discussed its membership and it was suggested that Michael Wilson (CEO) and Des Holden (MD) were not required to be members of the Committee. Paul Bostock (COO) was recently added and Fiona Allsop (CN) was a regular attender. Michael and Des remain welcome to attend the meeting when required.

The Committee also discussed both the status of the MSK procurement and the progress of the Pathology joint venture business case (where TDA had approved that it could proceed to business case as there were no applicable competition restrictions).

[END]