

TRUST BOARD IN PUBLIC		Date: 26 June 2014 Agenda Item: 3.3	
REPORT TITLE:		Finance & Workforce Committee Annual Report to the Board 2013/14	
NON EXECUTIVE SPONSOR:		Richard Durban Chair of Committee	
REPORT AUTHOR:		Catriona Tait Head of Service Line Reporting)	
REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)		Finance and Workforce Committee	
Action Required:			
Approval	Discussion	Assurance (√)	
Summary of Key Issues			
<p>This paper is to provide assurance to the Board that the Terms of Reference of the Committee are being met, highlights significant issues that have been raised, resolved or challenged and to describe improvements in the way the Committee works.</p>			
Relationship to Trust Strategic Objectives & Assurance Framework:			
SO5: Well – led			
Corporate Impact Assessment:			
Legal and regulatory implications	N/A		
Financial implications	These are outlined in the report		
Patient Experience/Engagement	N/A		
Risk & Performance Management	Included in the report		
NHS Constitution/Equality & Diversity/Communication	Included in the report where appropriate		
Attachments:			
Appendix 1 – Meeting the FWC Terms of Reference Appendix 2 – FWC Terms of Reference Appendix 3 – FWC Business Case Tracker			

FINANCE AND WORKFORCE COMMITTEE

2013/14 ANNUAL REPORT TO THE BOARD – 26th June 2014

Purpose

The purpose of this paper is to provide assurance to the Board that the Terms of Reference of the Committee are being met, to highlight significant issues that have been raised, resolved or challenged and to describe improvements in the way the Committee works.

Context

The purpose of the Committee is to assist the Board of Directors in exercising its business planning, financial and workforce and investment governance procedures in four key areas:

- i) monitoring Financial Performance
- ii) Business planning, including strategic financial and workforce planning;
- iii) approving investment decisions and;
- iv) monitoring delivery of significant projects and investments, and any potential business combinations.

It acts in a dual role both providing assurance that control systems are working and approving investments, plans and strategies either directly or recommending them to the Board.

The Committee meets monthly, on the Tuesday before the Board meeting. The members of the Committee are:

- three non-executive directors, one of whom shall be appointed as Chairman of the Committee; another of whom shall be a member of the Audit and Assurance Committee;
- Chief Executive, Chief Financial Officer, Director of Corporate Affairs, Director of Human Resources, Director of Information and Estates, Medical Director and Chief Nurse
- The quorum necessary for the transaction of business shall be three, which shall include at least one non-executive and one executive director.

The Agendas are split into Part 1 and Part 2, with Part 2 dealing with items that are commercially sensitive.

From April 2014 the Chief Operating Officer joined the Committee. At the May 2014 meeting the Committee discussed its membership and it was agreed that

the Chief Executive and the Medical Director were not required to be members of the Committee but remain welcome to attend the meeting when required.

Sources of assurance

To meet its terms of reference the Committee receives:

- *Monthly reports* on Finance, Workforce and Organisational Development, Capital, Estates, IT and Partnerships
- *Quarterly/ad hoc reports* e.g. Service Efficiency Programme
- *Strategies and Annual plans* i.e. draft IBP and LTFM, all supporting strategies (not Clinical or Quality), draft financial budget and (in the future) a draft annual operating plan.
- *Business cases* - Outline, Full and Post Implementation Reviews
- Some specific *policies and procedures* e.g. budgetary process and timetable

Themes

During the 13/14 financial year the Committee has looked to strengthen the Trust's approach to planning and investment through encouraging:

- a longer term and integrated view e.g. a 5 year capital programme and joined up supporting strategies
- a stronger commercial, partnership and marketing view e.g. receiving monthly partnership reports and the Marketing strategy and annual plan.
- the simplification of reports and strategies with a focus on priorities
- the identification and delivery of patient, financial and productivity benefits in Business Cases and post-implementation reviews
- a broader view of Workforce and Organisational Development

The development of these themes links closely to the needs of the FT application and to comments from the TDA.

Ways of Working

In the last year the Finance and Workforce Committee has significantly changed the way it works. Up to July 2013 it was the Investment and Workforce Committee. From August 2013 it took over scrutiny of the monthly Finance Performance Report and was renamed the Finance and Workforce Committee.

The Committee now receives a separate IT report and has started to receive a quarterly Service Efficiency Programme report. This allows greater scrutiny of these key areas. We have identified the need to change to Workforce and Organisational Development report away from a statistical report to a performance report which includes both KPIs and the resulting insights and actions and a narrative around the delivery of the most important Trust initiatives. The Committee has introduced an action tracker in the last year and we need to be better at adhering to agreed timescales. We also need to ensure appropriate covering papers on all reports.

The TDA observed the February meeting and its comments support the actions described above.

Challenges for 14/15

The Committee has identified the following as its main challenges for 2014-15s:

1. Balancing time on agenda – the agenda is very busy and often meetings are longer than the 2 hours. We have started adding timings and the purpose of the paper to the agenda.
2. Develop greater challenge/assurance on health economy wide issues and having an external focus.
3. Refresh strategies – how do we do this efficiently?
4. Simplify and customise business planning post FT process
5. Approve a clear annual operating plan at the start of the financial year in line with the budgets.
6. Drive and encourage benefits delivery e.g. through process change

Conclusion

The Board can be assured that the Finance and Workforce Committee is meeting its terms of reference.

Appendices

Meeting the Finance & Workforce Committee Terms of Reference



Meeting the FWC
ToR.pdf



Finance Workforce
Terms of Reference J

List of Business Cases Reviewed 2013/14



Business case
tracker FWC 13-14.p