

TRUST BOARD IN PUBLIC		Date: 28 April 2016	
		Agenda Item: 3.2	
REPORT TITLE:		Finance & Workforce Committee Chair Update – Public	
EXECUTIVE SPONSOR:		Paul Simpson (Chief Financial Officer)	
REPORT AUTHOR (s):		Richard Durban (Non-Executive Director and FWC Chair)	
REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)		No – Board Update	
Action Required:			
Approval ()	Discussion ()	Assurance (√)	
Purpose of Report:			
To update the Board on the discussions and actions from the Finance and Workforce Committee.			
Summary of key issues			
<p>The Finance and Workforce Committee met on the 26th April 2016 and was quorate.</p> <ul style="list-style-type: none"> • M12 reports were received for Finance & the 15/16 CIP, Workforce and Organisational Development, Capital and IT. • The Trust submitted draft 2015/16 accounts with an I&E deficit of £(6.5m) after technical adjustments and delivered 66% of its CIPs. • The Committee received an update on the Trust’s budget for 2016/17. 			
Recommendation:			
Relationship to Trust Strategic Objectives & Assurance Framework:			
<p>SO2: Effective - Deliver effective and sustainable clinical services within the local health economy SO4: Responsive – Become the secondary care provider and employer of choice our catchment population SO5: Well led: Become an employer of choice and deliver financial and clinical sustainability around a clinical leadership model</p>			
Corporate Impact Assessment:			
Legal and regulatory impact		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	

	<p>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 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. <p>The Care Quality Commission registers the Trust according to its compliance with regulations concerning the safety and quality of services</p>
Financial impact	The report provides assurance about savings, capital spend and the structure of the business planning process.
Patient Experience/Engagement	Indirect impact through Trust planning and workforce.
Risk & Performance Management	The committee, and this report, provides assurance about workforce and capital management.
NHS Constitution/Equality & Diversity/Communication	
Attachment:	
Report Paper	

TRUST BOARD REPORT APRIL 2016 Finance & Workforce Committee Chair Update

The Finance and Workforce Committee met on 26th April 2016 and it was quorate. The key points from Public meeting were:

Finance Performance & CIP M12 Reports

M12 Finance performance report was received by the Committee. The Trust has a draft year end I&E deficit of £(6.5m) after technical adjustments. The Trust's cash balance at the end of March was £2.5m, which was on plan and in accordance with our External Financial Limit. The CIP delivered £5.4m in the financial year against a target of £8.2m. The Trusts BPPC has been affected by the cash constraints over the year and was 55% by value and 47% by volume below the national target of 95%. The Committee agreed the setting a trajectory for improving this performance within the 2016/17 financial plan.

Interim Budget 2016/17

The Committee sought assurance over the level of risk in the latest iteration of the 2016/17 budget. Discussion focused on the CIP, income/contracts, Productivity and the additional actions necessary to deliver the control total of £15.2.

QIAs had been agreed for 80% of the CIP of £9.2m. The largest single project – Nursing Temporary Staff (£3.9m) – will be presented to the next FWC. Heads of terms agreements are at values lower than budget but the risk is covered as outline activity plans have been agreed. Speedier payment is also being agreed. Productivity plans are being firmed up and will be reported to the next FWC. Some progress has been made on MRET but further agreements are needed to achieve the control total. Budget are currently being finalised and uploaded.

Month 12 Workforce and Organisational Development

The papers were received by the Committee. The following areas were highlighted:

- Junior Doctor's Industrial Action held between 6-7th April (Emergency cover provided)
- Further Junior Doctor's action is planned for 26th and 27th April where Emergency cover will not be provided
- Trust Working Group supporting the implementation of the new Junior Doctor's contract held first meeting
- New Achievement Review programme launched from 1st April – 90% of all staff with 12 months or more continuous service to be appraised by end of October 2016. The Committee noted the large variation in compliance between divisions in 15/16.

- NHSi is going to run a survey with our staff to look at how VMI is changing the culture of the organisation. This will be done in May and then in year 3 and year 5 of the programme.

The Committee discussed Mandatory & Statutory (MAST) training within SASH and how we can improve compliance. It was agreed that the executive would clarify the content of MAST, confirm the vehicles to deliver it and set a trajectory for compliance. This would be reported to FWC in due course.

The latest W&OD Internal Control Framework was discussed and the Committee noted the work still to do around Temporary Staffing. It would be presented to the May AAC.

The Month 12 Capital report was received and it was confirmed that we have finalised our agreement with the Council for the IRU and an invoice had been raised to them for the building costs.

The IT report was received and the projects on the IT road map were discussed. The Committee noted the significant changes to ways of working which would result. There would be a full presentation to the next FWC, including an OBC, which will include looking at patient record electronic integration with CCGs and the STP IT impact.

The Committee reviewed the draft **FWC Annual Report to the Board**.