

<b>TRUST BOARD IN PUBLIC</b>		<b>Date: 25 February 2016</b>	
		<b>Agenda Item: 3.2</b>	
<b>REPORT TITLE:</b>		Finance & Workforce Committee Chair Update – Part 1	
<b>EXECUTIVE SPONSOR:</b>		Paul Simpson (Chief Financial Officer)	
<b>REPORT AUTHOR (s):</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>Purpose of Report:</b>			
To update the Board on the discussions and actions from the Finance and Workforce Committee.			
<b>Summary of key issues</b>			
<p>The Finance and Workforce Committee met on the 23<sup>rd</sup> February 2016 and was quorate.</p> <ul style="list-style-type: none"> <li>• M10 reports were received for Finance &amp; the 15/16 CIP, Workforce and Organisational Development, Capital and IT.</li> <li>• The Trust has year to date I&amp;E deficit of £(3.9m) which is £(3.3m) adverse to the revised TDA plan.</li> <li>• The Trust’s cash balance at the end of January was £4.5m, with a forecast year end cash balance of £2.5m</li> <li>• The Trust has delivered £3.6m of savings and is behind both the TDA plan and also the internal plan</li> </ul>			
<b>Recommendation:</b>			
<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  <b>SO4:</b> Responsive – Become the secondary care provider and employer of choice our catchment population  <b>SO5:</b> Well led: Become an employer of choice and deliver financial and clinical sustainability around a clinical leadership model</p>			
<b>Corporate Impact Assessment:</b>			
<b>Legal and regulatory impact</b>		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"> <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 impact</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>Attachment:</b>	
Report Paper	

## TRUST BOARD REPORT –23 February 2016 Finance & Workforce Committee Chair Update

The Finance and Workforce Committee met on 23<sup>rd</sup> February 2016 and it was quorate. The key points from Public meeting were:

### ***Finance Performance M10 Report***

M10 Finance performance report was received by the Committee. The Trust has year to date I&E deficit of £(3.9m) which is £(3.3m) adverse to the revised TDA plan. The Trust's cash balance at the end of January was £4.5m, with a forecast year end cash balance of £2.5m. The Trust has been granted an extension to its working capital facility which will cover the Trust cash requirements until the end of the financial year.

### ***Month 10 CIP report***

The savings target YTD in the submitted TDA plan for 2015/16 is £6.2m and at month 10 the Trust has delivered £3.6m of savings and is behind both the TDA plan and also the internal plan. Contingency savings of £0.6m have been used to achieve this position.

### ***Month 10 Workforce and Organisational Development***

The paper was received by the Committee. The report highlighted the results of the staff survey where the Trust scored in the top 20% in the country for 17 of the findings. The Committee discussed the 3 where the Trust was in the bottom 20% and the actions that are being taken to identify the reasons for the scores. The achievement review timetable was shared. Achievement review appraisals will be cascaded down from the executive team with 90% of staff who have been employed at the Trust for more than a year having had their appraisal by the end October. The Committee noted the improvement in the recruitment shown in the report.

### ***Month 10 Capital report***

The Committee noted the completion of the Theatres refurbishment project and the Cardiology Unit.

### ***Draft 2016/17 Capital plan***

The Committee receive the draft Capital Plan. This reflected the reduced scale of funding - £9.0m v £17.1 (plan) and £14.1m (forecast) in 15/16. The Committee noted the need to ensure benefits are realised and the greater emphasis on productivity gains to increase capacity.

- ***The IT report*** was noted and the Committee.

[END]