

TRUST BOARD IN PUBLIC		Date: 24th November 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 22nd November 2016 and was quorate.</p> <ul style="list-style-type: none"> • The Committee received the EPR Digitise OBC Benefits Plan. • The Urology Ambulatory Care OBC was discussed and approved. • M06 reports were received for Finance & the 16/17 CIP, Workforce and Organisational Development and Capital. • The Trust achieved a £0.1m surplus (adjusted) at the end of October, £(1.7)m adverse to the the planned £1.8m surplus. The Trust is £400k adverse to plan YTD against the NHSi agency spend target. 			
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	

	<p>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"> - 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 OCTOBER 2016 Finance & Workforce Committee Chair Update

The Finance and Workforce Committee met on 22nd November 2016 and it was quorate. The key points from Public meeting were:

EPR Digitise OBC Benefits Plan

The Committee received an updated benefits plan. It describes benefits in terms of safety and quality, productivity; cash releasing and income generating. The Committee recognised the overarching need for the Trust to invest in electronic patient record technology to bring us in line with best practice. It also noted that the ability to share information with GPs and ultimately patients was in line with STP thinking. The Committee agreed that the revised benefits plan would be added to the already approved OBC and be sent to NHSi for approval.

The new framework for describing business case benefits (with the addition of a measurement column) would be incorporated into Trust methodology.

Urology Ambulatory Care OBC

The Committee received the Urology Ambulatory Care OBC. The business case is for the development of an ambulatory urology unit at Crawley Hospital and the moving of less complicated urology activity from East Surrey Hospital. This would free up Endoscopy capacity at East Surrey to help meet a growing demand.

The Committee discussed the need formally to secure a long term lease, the staffing implications which were seen as low risk, the need to expand the benefits plan including productivity gains and the sources of capital. **The Committee approved the OBC.**

Finance

The Trust achieved a £0.1m surplus (adjusted) at the end of October, £(1.7)m adverse to the planned £1.8m surplus. The YTD position includes £2.4m Q1 STP funding (as planned). This variance is accounted for by the shortfall in MRET and readmission penalty refunds.

The cash balance at the end of October 2016 was £4.8m. The Trust has drawn down £7.3m revolving working capital in 2016/17. The Committee discussed how this will be repaid over the remainder of the financial year. This cash has supported on-going improvement in BPPC performance which is now 77% by volume, 77% by value year to date.

The Single Oversight Framework metrics have now been incorporated into reporting describing a “3”, primarily because of a poor liquidity position.

Month 06 Workforce and Organisational Development

The Workforce & Organisational Development report and KPIs were received. The Committee noted the good level of Achievement Review compliance and discussed the current status of recruitment of Nurses and Consultants and the movements in the funded establishment.

The Inclusion Report clearly showed the SASH specific actions in place and was welcomed by the Committee

The M06 Capital report

The Capital report was received and noted. The Medical Records building and the ED CT/Resus build have both been completed with the contingencies unused.