

Board of Directors' Meeting Report – 6 March 2018

Agenda item 15/18

Title	Report from the Finance and Resources Committee
Sponsoring Director	David Parkins – Non-Executive Director
Author	David Parkins – Non-Executive Director
Purpose	To update the Trust Board on the meeting of the Finance and Resources Committee held on 9 January 2018
<p>Executive Summary This paper summarises the issues considered at the meeting which included:</p> <ul style="list-style-type: none"> • HR Performance including Mandatory Training • Workforce Retention Programme • Month 8 Board Finance Report for 2017/18 • Financial Improvement Plan • Cash Flow and Loans • BAF Review of Risk 3, 4 & 6 • CCG Contracts • Estates and Facilities • Mortuary Business Case • Single Data centre update 	
Related Trust Objectives	Financial and Operational Sustainability
Related Risk	All BAF risks
Legal implications / regulatory requirements	Additional scrutiny of Finance issues, NHSI FRR
Quality impact assessment	QIA's are applied to the financial recovery plan actions and to all CIP programmes
Equality impact assessment	As far as can be considered this paper has no detrimental impact for the 8 protected characteristics under the Equality Act 2010
<p>Recommendations: The Board is asked to receive assurance from the report.</p>	

Report from the Finance and Resources Committee

Background

The purpose of the Committee is to provide the Board with an objective review of the financial position of the Trust, its use of other resources and oversee the delivery of financial performance. This report sets out the issues considered at the 9 January 2018 meeting.

HR Performance including Mandatory Training

The trend of workforce KPIs largely indicating improvements was discussed:

- Vacancy rate reduced to 11.28% in November
- Establishment increased by a net of 17.14 WTE
- Agency cost for medical staff reduced between September and November by £170k to £1.48m
- Appraisal compliance has improved to 78.2% in November
- Sickness continues to reduce month on month and is currently at 3.76% year to date
- Turnover has reduced to 12.90%
- Statutory Mandatory training compliance is at 86.41% and meeting the target for all staff minus bank staff.

The Committee was assured by the report.

Workforce Retention Programme

A report was presented to the Committee providing an update on the recommended actions and initiatives identified and prioritised during phase 1 of the NHSI nursing staff retention programme.

Month 8 Board Finance Report

The year to date figures were presented showing a deficit of £5.4m favourable to plan by £0.7m.

- Cash balances finished the period at £1.5m in line with plan.
- Capital spend for the year to date was £5.5m, under plan by £1m.
- The cost improvement plans achieved £5.6m below plan by £4.9m, largely due to slippage in some schemes
- The Financial Sustainability Risk Rating was a rating of 3 (1 is best, 4 is worst).

The Committee was assured by the report.

Financial Improvement Plans

The Committee received an update on the plans and were assured.

Cash Flow and Loans

The Committee received an update on the current cash position and the ITFF (Independent Trust Finance Facility) loans. The Committee noted that further funds will have to be applied for on a month by month basis. The Committee also noted the actions in hand to ensure that the Trust meets the loan conditions.

The Committee noted the report.

BAF Review

The Committee received an updated review of BAF Risks 3, 4 and 6 and, after discussion, the following is recommended:

Risks 3 ('Trust not being financially sustainable'), it is recommended that the current risk level remains at 20 and the target at 15.

Risk 4 (Inability to recruit and retain staff), it is recommended that the current risk level remains at 20 and the target at 15.

Risk 6 (Lack of robust IT infrastructure & cyber security), it is recommended that the current risk level remain at 15, the target remains at 6.

The Committee was assured by the reports.

CCG Contracts

The Committee received a briefing on the CCG commissioning intentions and the contract structure for 2018/19

Estates and Facilities Report

The Committee received a report on the provision of services

The Committee was assured by the report.

Mortuary Business Case

The Committee received a progress report on the proposals to improve the Mortuary and the ongoing discussions with Essex County Council.

Single Data Centre

The Committee were updated on the procurement activity to support longer term IT resilience.

Recommendations

The Board is asked to note the report and the assurances received by the Committee.