

Trust Board meeting (Part 1)	Date:	24 June 2015
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Agenda item	Title	Executive Director lead and presenter	Report author
BD/15/077.3	Finance and Planning Committee Report	Lee O'Bryan, Committee Chair	Lee O'Bryan, Committee Chair

This report is for:	
Decision	X
Discussion	
To Note	

History
None.

The following impacts have been identified and assessed within this report	
Equality	None identified
Quality	None identified
Privacy	None identified

Executive summary of key issues

This report provides an overview of the Finance and Planning Committee's activity throughout the year 2014/15. The Committee's Terms of Reference, attendance, business, survey feedback and forward-looking plans are presented.

The Board should **note** the report and make a **decision** regarding the recommendations made by the Committee Chair for further development.

This report addresses these strategic priorities:	
We will deliver the best care	X
We will support and develop our staff	X
We will continually improve what we do	X
We will use our resources wisely	X
We will be future focussed	X

1 Terms of Reference

1.1 Committee membership

The Committee's membership comprises three Non-Executive Directors (NEDs), appointed by the Board, and two Executive Directors (EDs). The two EDs present will be the Director of Resources and the Director of Operations. The Chair of the Committee is appointed by the Trust Board.

The quorum for Committee meetings is two members. This ensures compliance with the Trust Standing Orders. Any NED of the Trust may act as a nominated substitute or deputy in the unavoidable absence of any NED. This attendance will count towards the quorum.

Local and Specialised Business Unit Clinical Directors, the Head of Professional Council and Managing Directors (MDs) or their equivalent are expected to attend Committee meetings. Any member of the Trust Board may be in attendance at any meeting.

1.2 Terms of Reference Review

All Committees reviewed their Terms of Reference in February and March 2015. These have subsequently been approved by the Trust Board in March 2015.

1.3 Chair's comment

The Committee agendas are structured to reflect the primary areas of focus for the Committee, including financial review, other performance review, planning and commercial development.

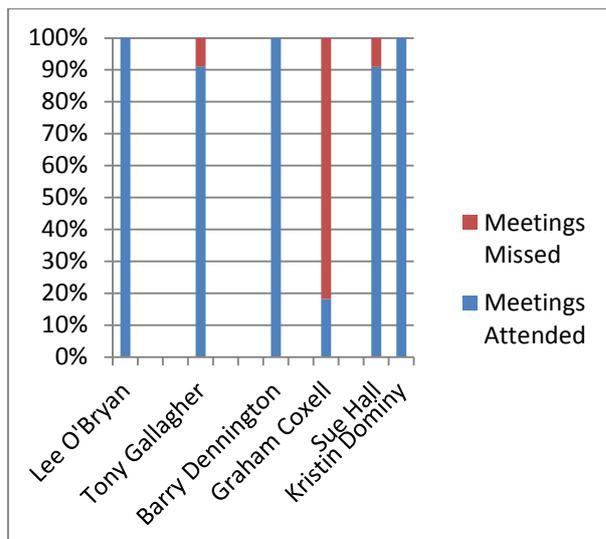
The MDs make an important contribution, enabling the Committee to test effective 'deployment' of plans, and also to report back on local performance, and any areas where Trust support may be required.

In addition to the Trust formal review process, the Committee discusses performance improvements after every meeting, thereby ensuring a focus on continuous improvement.

1.4 Summary

There were 11 Committee meetings during the year. Of these 11 meetings, the Chair, Lee O'Bryan, attended 11; Tony Gallagher

attended 10; Graham Coxell (Associate) attended 2 and Barry Dennington attended 2 out of a required 5. Kristin Dominy attended 11 meetings and Sue Hall attended 10.



2 Committee Business

2.1 Overview

During the course of the year, the Trust had to manage two areas of unanticipated costs, firstly the costs of responding to CQC recommendations, especially with regard to anti ligature improvements, and also respond to extra staffing costs arising out of NHS-wide safer staffing improvements.

To deliver these additional challenges, the Trust developed a series of cost savings projects, over and above the stretching Cost Improvement Plan (CIP).

Both the cost savings projects, and the CIPs, were subject to rigorous scrutiny by clinical colleagues, to ensure that quality of service would not be adversely affected by savings plans.

The Committee oversaw the development of these plans, and also reviewed progress against plans during the course of the year.

The good news is that the Trust delivered against both its CIP programme and cost savings projects, and as a result, delivered its financial targets.

During the course of the year the Committee also provided direction for the Trust response to the Bristol tender of community mental health services, and the creative proposal, involving working in partnership

with a range of local community groups, was the winning proposal, against stiff opposition from a range of other NHs and also private providers.

The theme of partnership with other providers was extended through the development of an exciting proposal to develop a new offering in one part of the Trust, and also the development of a new data collection and analysis tool.

Conscious that the Trust spends significant sums of money on buildings, the Committee also developed a 5 year accommodation strategy, using external property experts to help us develop plans which will deliver improved efficiencies and quality.

Given the ending of NHS wide support for the RIO patient records system, the Committee oversaw the review and procurement decision for its replacement, a process which included IT expertise, but also staff and service user requirements.

3 Committee survey and feedback

3.1 Committee self-assessment 2015/16

3.1.1 About the survey

A newly-created electronic self-assessment survey was sent out to all members and regular attendees of Trust Board and Board committees in February 2015.

From a possible 53 committee members and regular attendees the Trust received 21 responses within the two week timeframe (or 40% of potential respondents).

A previous paper-based survey, undertaken in February 2014, was completed by only a handful of committee members preventing meaningful year-to-year comparison. This year's survey should therefore be considered a baseline.

3.1.2 A survey in two parts

This year's survey was in two parts:

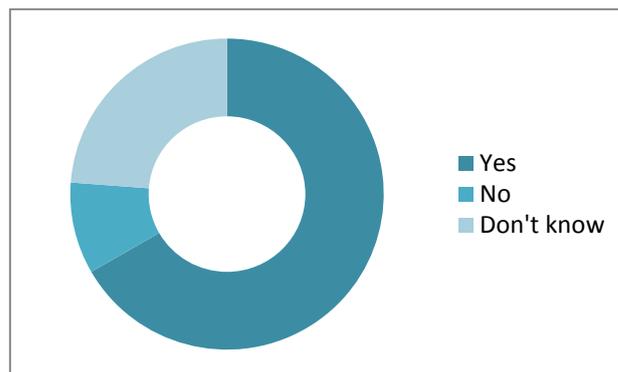
1. Generic questions asked of all respondents
2. Questions specific to the committee the respondent sat on.

In future surveys, Parts 1 and 2 will be amalgamated, such that the Trust will be able to analyse the responses to the generic committee questions by which committee the respondent sat on.

3.2 Generic questions

3.2.1 Self-assessment

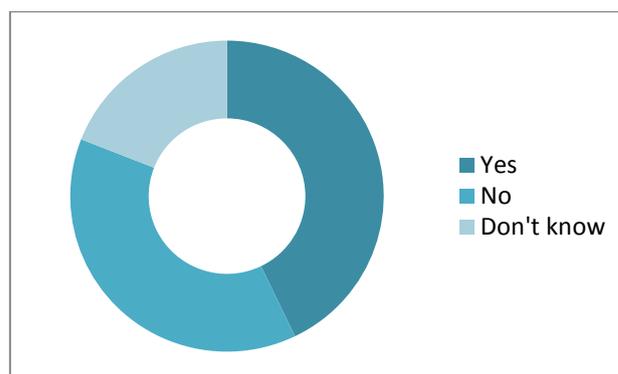
Two thirds (66.6%) of respondents stated that their committee or committees had formally assessed its compliance against its own terms of reference within the last 12 months, 23.8% didn't know.



Q1. – In the last 12 months, has your committee(s) formally assessed its performance against ToRs?

71.4% also reported that their committee measured itself against objectives or a workplan.

A majority of respondents reported that either they didn't know if their committee had reviewed its skill base in the previous 12 months (19.1%) or confirmed that it hadn't (38.1%).

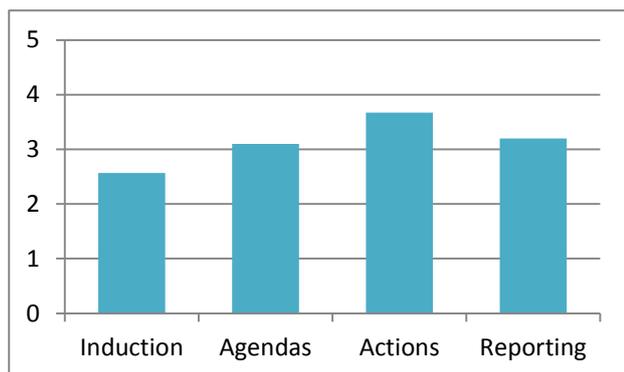


Q3. In the last 12 months, has your committee reviewed its skills base?

Furthermore, a majority of respondents did not know if their committee, or committees, had adequate succession planning in place (57.1%).

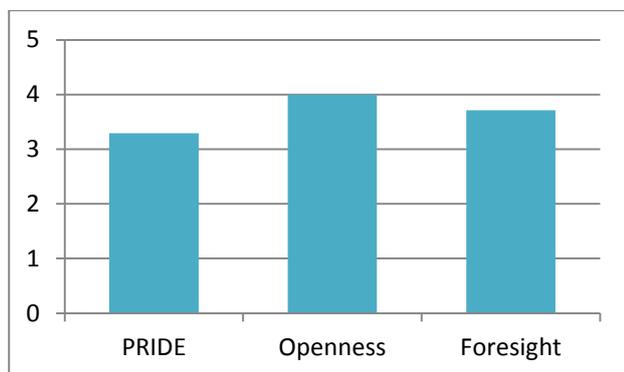
3.2.2 Induction, agendas and reporting

Respondents were asked, on a scale of 1-5 (where 1 was strongly disagree and 5 was strongly agree) how they rated the following:



With an average rating of 2.57, respondents rated their induction and training poorly, with a number of respondents (n=5) giving their induction and training the lowest score of 1 (poor).

Respondents were more positive about the openness of discussions at their committee, although, on average they agreed less with the statement ‘Committee members always behave according to Trust values (PRIDE)’.



3.3 Finance and Planning Committee (F&PC)-specific questions

Seven (out of 21) respondents sat on the Finance and Planning Committee and completed the F&PC question set.

3.3.1 The Committee’s role

Members feel strongly that F&PC is empowered to ensure strong financial management (100%, ‘yes’), that it scrutinised the development and implementation of the financial plan (86%), that it challenges the Trust’s financial performance and decision making (100%) and that it scrutinises the Cost Improvement

Plan and Cash-releasing Efficiency savings (100%).

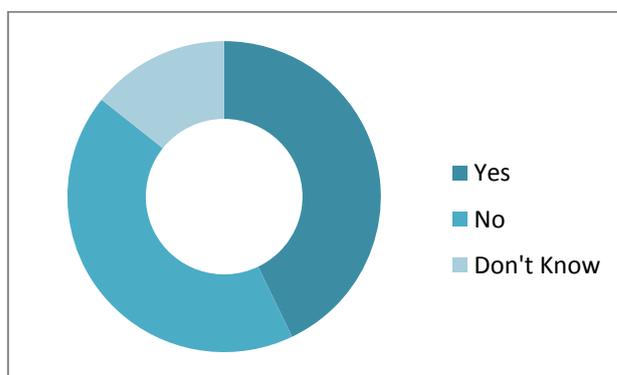
3.3.2 Business planning

However there wasn’t consensus over the

1. The **induction** and training for your committee role
2. The length and contents of the committee **agenda(s)**
3. How well your committee follows up **actions** from previous meetings
4. The quality of **reporting** from your committee to Board and vice versa

Committee’s role in the business planning process with two of respondents stating that the Committee did not ensure clear links between financial and service planning and the Integrated Business Plan (IBP) and one respondent did not know whether the F&PC considered the IBP and Annual Plan prior to approval at Trust Board.

One of the few areas of clear disagreement was whether the F&PC do post-implementation reviews of business cases with an even split between ‘yes’ and ‘no’:



3.3.3 Comments

One positive comment was left.

“One of the most focused [committees] in the trust from my experience.”

3.4 Recommendations

1. The Committee Chair should review the role of the Committee in monitoring the governance arrangements of partnership agreements, updating terms of reference where appropriate.

4 Future Focused

4.1 Planning

The Committee has agreed a work plan that will inform on actions to take around capability and culture, process and structure and measurement. Further, it will give consideration to and make decisions around policies and strategies.

One of the critical success factors in delivering 2014/15 results was the use of project management disciplines and a project support office for savings projects.

The Committee have agreed to strengthen this for 2015/16 given the ongoing demanding savings requirements.

The Committee will ensure that the appropriate balance between local accountability and strong project governance is achieved.

Costs of the Trust, as measured by a tool know and reference costs, suggest that there are areas of high costs which could be improved, and in 2015/16 the Committee will be focusing on these areas of high costs.

Staff costs remain the single largest area of cost, and the Committee will be actively seeking ways to ensure that staff costs remain within agreed safe levels, and agreed budgets – there will be particular focus on agency costs, although the root cause, turnover, and also attracting permanent staff to the Trust, will require cross Committee working.

Having won the Bristol bid, the focus now is to deliver service, and the Committee will be working to assure this.

Finally, the impact of out of area placements is extremely distressing for service users and their families, and so from a service perspective, keeping these placements to a minimum is a priority. There is also a cost factor, and so from this perspective also, the Committee will be seeking to reduce out of area placements.

5 Recommendation

The Board should **note** the annual report of the Committee and make a **decision** regarding the recommendations made.