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Summary Report – Trust Board Meeting (Part 1)	Date: 26th September 2012
Report Title:	
Chair’s report – Finance & Planning Committee	
Agenda Item: 19	Enclosures: none
Sponsor: Chair F & P Committee	Presenter: Chair F & P Committee
Report Author: Chair F & P Committee	
Report discussed previously at:	<i>n/a</i>

Purpose of the Report and Action required		
	Approval	
	Discussion	
	Information	X

Executive Summary of Key Issues
<ul style="list-style-type: none"> This report outlines the activity of the committee during July and August. There have been two meetings, on 20th July and 17th August, reflecting a decision in July to meet more frequently during the next few months to ensure the actions ascribed to this committee under the Fit for the Future action plan are properly scrutinised.

Which Strategic Objective does this paper address	
A sustainable value for money business	Y
Excellent service user access and experience	
Excellent partnership working with other organisations	
Effective engagement and improvement in staff satisfaction	

Link to Fit for the Future Implementation Plan	
Objective	All assigned to F & P Committee

Corporate Impact Assessment	
Quality and Safety implications	None specified
Corporate Risk Register	None specified
FGEB (Trust ALE replacement)	None specified

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IG Toolkit	None specified
Equality Impact Analysis	None specified

Recommendations to other committees

n/a

Recommendation/Decision

The Board is recommended to **note** the report.

Chair's report – Finance & Planning Committee

1. Introduction

1.1. This report outlines the activity of the committee during July and August. There have been two meetings, on 20th July and 17th August, reflecting a decision in July to meet more frequently during the next few months to ensure the actions ascribed to this committee under the Fit for the Future action plan are properly scrutinised.

2. Committee Activity

2.1. The committee's name was changed in June of this year and its terms of reference have been revised, but its remit remains mostly unchanged, namely to:

- Oversee the development and implementation of the Financial Plan to meet business objectives, statutory and regulatory obligations.
- Develop Trust plans for changes in the financial regime.
- Oversee the development and implementation of the Business Development Strategy.
- Scrutinise capital and revenue business cases.
- Scrutinise proposed business partnering arrangements and possible tenders.
- Scrutinise the implementation of improvements associated with Improvement Action Plans eg the Fit for the Future Plan
- Oversee ongoing delivery of performance against plan, monitoring its impact on Trust Finances and alerting the Board when necessary.

2.2. During the report period the committee has considered the following issues:

2.2.1. The committee has reviewed and approved its revised Terms of Reference and Annual Work Plan.

2.2.2. It has also received reports on commercial and tender activities, progress in implementing the FFtF plan (see 3 below), final Minutes and Actions Arising from the IMP Board - the latter being incorporated into its own Actions Arising, the Trust's financial position each month, the IT capital programme, and development of the SBUs' business development strategies, which are still at an early stage.

2.2.3. In August the committee considered some proposed capital schemes and changes to previous schemes, as well as a request to reduce the contingency budget from £2,000K to £1,000K. The committee agreed to recommend these to the Board.

2.2.4. Following receipt of an assessment from RSM Tenon the committee considered at length the implementation of service line methodology within the organisation. The review indicated that overall the Trust is at an early stage of implementing SLM, and provided a useful yardstick for assessing strengths and weakness and measuring progress. The committee discussed at length the meaning of the term SLM, whether Monitor's methodology really measured progress towards it, and what the Trust driver for adopting it was. Following a subsequent discussion with Monitor, Sue Hall has reported that they acknowledge that their

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approach may be somewhat too prescriptive and geared to the needs of acute rather than mental health Trusts, and are open to a more flexible interpretation.

3. Fit for the Future Implementation Plan – committee assurance

Objective and Action	Delivery Date	Assured on progress	Not assured	Refer to the Trust Board
Short Term Actions				
1.2 – Implement Localism	1.6.2012	Yes – short term actions complete		
1.3 (a) – Corporate Services Review	31.7.2012	Yes – Interim report to EMT – 31.7.12. Final report due 19.9.2012		
1.3 (b) – Scoping Service Line Management	1.9.2012	SLM audit completed and presented to committee on 17/8. Work on-going re Implementation plan dependant on outcome of Operation Directorate re-structure		
6.1 – Rationalise and re-focus KPIs	1.9.2012	Assured Trust is on target to close off action by due date. Proposal re reporting of KPIs for Trust Board went to TMG on 15/8.		
11.1 – Major business opportunities and improved management of change	1.09.2012	Combined paper to be produced in draft in week of 20th August for circulation and comment. To be signed off by TMG on 19/9 and back to this committee 21/9		
11.2 – Management of change	1.09.2012	Addressed in paper referred to in 11.1.		
Medium Term Actions – awaiting updated report from JB for recorded progress.				
13 – Implement Localism	10/12 – 10/13	On going conversations with commissioners to assess progress. A regular report to the Board will be considered by F & P in future.		

3.1. Given the above, the committee is currently assured on the actions assigned to it for its

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oversight of the Fit for the Future Implementation Plan.

4. Committee concerns

- 4.1. The committee continues to be concerned at the slippage of identified and unidentified CRES plans in this year.
- 4.2. The committee is concerned at the increase in temporary staff costs and the lack of clarity around vacancies.
- 4.3. The committee is concerned at the continued overspend on transport and drugs and looks forward to the output from ongoing project work to address this.
- 4.4. The committee looks forward to the early appointment of a Commercial Director to co-ordinate and support the SBUs in developing their currently rudimentary Business Development Strategies, and to provide overall strategic and commercial leadership for the Trust as a whole.

5. Ongoing actions

- 5.1. The committee has noted that a major piece of work will take place within the Finance Directorate to track and better understand the background to temporary staff costs. This will be reported to the Trust Board.
- 5.2. It has been requested that the Trust engage with commissioners and partners to address the issue of unfunded S136 costs.
- 5.3. The committee requested that its next meeting should receive a list of SBU mitigations to address shortfalls in savings plans.
- 5.4. It is expected that an audit of the implementation of Service Line methodology will take place when the planned Trust restructure is embedded.
- 5.5. The committee welcomed the proposed new Finance & Performance Report but asked for its format to be further developed for review.
- 5.6. The committee has asked that SBU business development strategies be presented to it as they are completed, and that these must reflect the needs of service users and clinical commissioners.
- 5.7. The committee is expecting that any substantial formal partnerships entered into for commercial tendering purposes will be brought to it for consideration in future.

Alison Paine
Chair
27/08/12

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