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Summary Report – Trust Board Meeting (Part 1)	Date: 31 October 2012
Report Title:	
Chair’s report – Finance & Planning Committee	
Agenda Item: 18	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		
To inform the Board of the activities of the Finance and Planning Committee during September and October.	Approval	
	Discussion	
	Information	X

Executive Summary of Key Issues
<p>The committee has met twice since the last Chair’s report, on September 21st and October 25th.</p> <p>Matters considered include 18</p> <ul style="list-style-type: none"> - Monthly Performance against the Committee’s allocated FF4F indicators - Business Development Plans (S&S) and progress (SDAS) - The Annual Business Planning Cycle - Service Redesign progress (formerly the IMP Board) - Tendering and New Business - Financial and Operational performance - Initial findings of the new marketing consultant. <p>The FF4F indicators are all delivered or on track.</p> <p>Concerns include the continuing £2.5m gap in identified CRES and lack of sufficient detail regarding progress with service redesign.</p> <p>Ongoing work includes continuing to monitor all the above, plus the review of new business plans post restructure, the Trust wide strategy, and the IBP given the accelerated FT timeline.</p> <p>Given the above the committee expects to continue meeting monthly until the end of the financial year.</p>

Chair's report – Finance & Planning Committee

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 indicators assigned to the F & P Committee ie 1.2, 1.3, 6.1, 11.1, 11.2, and 13

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

Recommendations to other committees
None.

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 September and October. There have been two meetings, on 21st September and 25th October.

2. Committee Activity

2.1. The committee's remit is 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. Monthly Performance against the Committee's allocated FF4F indicators which are 1.2, 1.3, 6.1, 11.1, 11.2, and 13. See paragraph 3 below for assurance regarding the current position.

2.2.2. SBU Business Development Planning: further iterations of the S&S Business Plan and Business Development Strategies were reviewed in September, as well as SDAS progress against plans and tender activity. Updates from the other 3 SBUs on performance against current plans are expected in November. Given the impending reorganisation we are not pushing on the development of new plans for the SBUs in their current form.

2.2.3. The Annual Business Planning Cycle: In September the Committee reviewed papers on the Business Planning Process, procedures governing the development of Business Cases, and Project Management Guidance. In October a paper on the Operating Plan was reviewed. As the September Minutes mention, TG has suggested that the Board needs to consider its overall approach to the 5 year business planning cycle.

2.2.4. Service Re-design (a previous IMP Board responsibility): in September an initial report was received detailing progress on implementing the various redesign projects since the dissolution of the IMP Board. The Committee asked for more financial detail and sight of the original project plans as without either it is difficult to assess where we are.

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2.2.5. Tendering and New Business: the Committee has received monthly updates on tendering and new business opportunities and is beginning to see a real picture as more requested detail has been added, including tenders won and lost, business opportunities and business under threat, and a financial summary. SDAS has been the most active on tendering, with a mixed picture on wins and losses but plenty of growth and a gradually growing reputation. The Committee has been tracking progress closely on the Bristol tender, which recently concluded its consultation phase. It is encouraging to see the major role being played by AWP clinicians in this process, and the progress being made in improving our reputation with commissioners.

2.3. Reports on the Trust's financial position: the Board will be seeing the figures for itself, but the Chair would like to make two observations:

2.3.1. The current practice of reviewing Board Finance Reports 3 days before the Board receives them neither adds much assurance nor saves the Board any time. The Board is invited to consider whether it might be more helpful to delegate selected problematic aspects of Board level financial and planning reports to the Committee for subsequent detailed scrutiny, with conclusions reported back under matters arising the following month.

2.3.2. The October meeting saw a huge improvement in the quality of the management reporting provided in the Finance and Performance Report, with the newly agreed performance indicators fully populated with data for the first time, and a one page dashboard for each SBU which hugely assists in understanding the reasons for variations in performance. The committee thanked Sue Hall and Andy Sylvester for the work that had gone into improving this report. There was equally a great improvement in the other reports presented to the Committee in October.

2.4. Market analysis project: Henry McNeil joined us on a short term contract as marketing consultant on 3rd October, and presented his initial findings and proposed way forward to the committee on 25th October (see Appendix 1).

3. Fit for the Future Implementation Plan – committee assurance

Objective and Action	Delivery Date	Assured on progress – actions to be taken	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 – short term actions complete		
1.3 (b) – Scoping Service Line Management	1.9.2012	Yes -short term actions complete. IA recommendation that SLA implementation plan be taken forward into the medium term.		
6.1 – Rationalise	1.9.2012	Yes – short term		

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Objective and Action	Delivery Date	Assured on progress – actions to be taken	Not assured	Refer to the Trust Board
and re-focus KPIs		actions complete.		
11.1 – Major business opportunities and improved management of change	1.09.2012	Yes – short term actions complete following consideration of the Annual Business Planning Cycle at the October meeting		
11.2 – Management of change	1.09.2012	Yes – short term actions complete following consideration of the Annual Business Planning Cycle at the October meeting		
Medium Term Actions				
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.		
14 - Implement decentralisation and Service Line Management (SLM)	10/13	JB and SH to look at re-draft of this action.		
31 – Trust 5 year Strategy	10/12 – 10/13	Further thinking re milestones for FT following the 2/10 meeting with DH.		

3.1. Given the above, the committee is currently assured on the actions assigned to it for its oversight of the Fit for the Future Implementation Plan. The Trust's Internal Auditors reviewed actions 11.1 and 11.2 following the October meeting and confirmed this assurance in addition to all other short term actions assigned to this committee.

4. Committee concerns

- 4.1. The continuing slippage and non-identification of CRES plans remains a concern. Four months have gone by and the £2.5m gap persists, although non-recurrent mitigations have been found to cover the shortfall if required.
- 4.2. The committee is not yet sufficiently assured regarding progress with the Service Redesign. It has asked for more detailed financial information, together with ability to track progress over what was promised in the original project plans. Papers are expected in November and March.

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5. Ongoing actions

- 5.1. Outstanding tasks delegated to the committee last month by the Board include a review of out of area placements, drug spend, and the reporting of penalty expenditure.
- 5.2. The committee has requested a template for the review of business cases, post implementation, and will be expecting to undertake an initial pilot review in the early part of 2013.
- 5.3. Once the current reorganisation is completed the committee expects an acceleration in business planning activity both at the new business unit level and Trust wide. The first priority is to redevelop and obtain consensus on the Trust wide strategy, and the next is to start the job of redeveloping the IBP in accordance with the latest FT Timeline.
- 5.4. The committee will also be tracking progress against its medium term FF4F items at each meeting.
- 5.5. The above workload suggests that the committee needs to continue meeting monthly until the end of the financial year.

Alison Paine
Chair

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