

enabling and empowering people to reach their potential and live fulfilling lives

<b>Summary Report – Trust Board Meeting (Part 1)</b>	<b>Date: 2<sup>nd</sup> May 2013</b>
<b>Report Title:</b>	
<b>Chair's report – Finance and Planning Committee</b>	
<b>Agenda Item: 17</b>	<b>Enclosures:</b>
<b>Sponsor: Chair of Finance and Planning Committee</b>	<b>Presenter: Committee Chair</b>
<b>Report Author: Committee Chair</b>	
<b>Report discussed previously at:</b>	<i>n/a</i>

<b>Purpose of the Report and Action required</b>		
	Approval	
	Discussion	
	Information	x

<b>Executive Summary of Key Issues</b>
<p>The Committee has met once since the last Chair's report, on the 23<sup>rd</sup> April. Issues discussed were:</p> <ol style="list-style-type: none"> <li><b>Progress with the IBP/FT</b> – the Committee received a verbal update and discussed the current position, which is not summarised here since a separate paper is being prepared for the 2<sup>nd</sup> May Trust Board by the Company Secretary and the interim Director of Business Development.</li> <li><b>Update on Enabling Strategies needed for the IBP</b> – Progress on these strategies was noted and it was agreed that updated strategies could go through the Trust's existing approval processes with no further scrutiny by this Committee.  It was agreed that there is no need for a separate financial strategy since this is embedded in the IBP (particularly chapters 6 and 7). However a short "signposting" paper will be produced which identifies the key strategic financial documents eg investment strategy, business strategy, IBP, Treasury management, SFI's/SO's etc. It was also agreed that there is no need for a separate Green Strategy.</li> <li><b>2013/14 Financial Plan Closure</b> – A paper identifying a range of actions implemented to close off the £7.1m budgetary gap was presented and discussed and a separate paper will be presented to the Trust Board on the 2 May meeting closing off the final actions. The Committee was assured that QIAs have been completed or are under way on all actions. It was acknowledged that there will be a period of continuing financial refinement of the budgets resulting from further Clinical Director and Executive Director reviews, but it was agreed that this refinement phase needs to be finalised as soon as possible and within the approved financial plan framework.</li> </ol>

4. **2012/13 Financial Performance / Year End** – The month 12 Finance Report was reviewed in detail and is tabled as part of Trust Board's Agenda (parts 1 and 2). Key issues discussed included:
- The final bottom line surplus in the draft accounts submitted on the 22nd April 2013 was a surplus of £648k, rather than the £752k shown in the month 12 Finance Report to the Board, which was prepared to an earlier timescale. The reduction of £104k is due to an increase in IFRIC12 costs, which is a technical non cash charge to the accounts relating to the use of PFI estate.
  - The Committee queried what appeared to be a sharp rise in month 12 expenditure on pay and temporary staffing. Pay expenditure in month 12 was an adverse variance of £1,671k which was double the previous month's pay variance of £834k. In addition the month 12 temporary staffing was £1,750k which was about £500k higher than previous months.
  - A fuller explanation of these variances has been added to the Part 2 Trust Board Finance Report (page 6). £500k of the pay increase seems to have been caused by a combination of high usage over Easter, preparations for CQC visits, the taking of annual leave before the year end and the release of some year end accruals. The other £300k mainly consists of £248k MARS payments paid or accrued in month 12.
  - There was a discussion on CIP performance and the importance of delivering the 2013/14 CIP programme in a timely way.
  - The committee requested a paper summarising the current position and future direction of the Trust's Learning and Disabilities services, including ongoing unfunded liabilities and implications for the 2013/14 financial plan.
  - Assurance was given that the 2013/14 capital programme would not be "back ended" as in 2012/13.
  - The Performance Report was reviewed and the Committee requested further assurance on solutions to the Delayed Transfer of Care (DToC) issue.

Finally, the Chair noted that the Trust had achieved its control total and FRR despite a very stressful year; this was clearly a considerable achievement and all concerned were congratulated.

5. **Future Performance Reporting** – The Committee was assured that detailed options for ongoing Performance Reporting would be a topic at the Trust Board development seminar on the 8<sup>th</sup> May 2013.
6. **Commercial Tendering Report** – This was noted and the Committee requested an update as soon as possible on the possible Bristol CC tendering process.

## Finance and Planning Committee - Chair's Report

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

Corporate Impact Assessment	
Quality and Safety implications	
Corporate Risk Register	
FGEB (Trust ALE replacement)	
IG Toolkit	
Equality Impact Analysis	

Recommendations to other committees
n/a

Recommendation/Decision
The Board is recommended to <b>note</b> the report.