

**'You matter, we care'**

Trust Board Meeting (Part 1)	Date: 27 <sup>th</sup> November 2013
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<b>Title:</b>	Committee Chair's report – Finance & Planning Committee
<b>Item:</b>	BD/13/246

<b>Executive Director lead and presenter</b>	Chair of Finance & Planning Committee
<b>Report author(s)</b>	Assistant Company Secretary

<b>History:</b>	<i>n/a</i>
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<b>This report is for:</b>	
Decision	
Discussion	
To Note	X

<b>Purpose</b>
To inform the Board of business discussed at the Finance & Planning Committee of 20 <sup>th</sup> November 2013.

<b>Background</b>
This report outlines the business discussed at this meeting.

<b>Business undertaken</b>
<ul style="list-style-type: none"> <li>• M7 Finance report</li> <li>• Cost Improvement Plan Update</li> <li>• M8 NTDA Oversight return</li> <li>• Business Planning Update</li> <li>• Quality and Performance report</li> <li>• Data Quality Strategy</li> <li>• Commercial (Tendering) Report</li> <li>• Verbal update on Bristol Tender</li> <li>• Update on FT issues</li> </ul>

## Chairs Report to Trust Board

### Key risks and their impact on the organisation

As reflected in the report.

### Key decisions

None

### Exceptions and challenges

None

### Governance and other business

None

### Future Business

First cut of 14/15 Trust Business Planning to be reviewed at December meeting

### Recommendations

None

### This report addresses these Strategic Objectives:

Consolidate	X
Integrate	
Expand	

### This report addresses these Values:

<b>Passion</b>	Doing our best, all of the time	X
<b>Respect</b>	Listening, understanding and valuing what you tell us	X
<b>Integrity</b>	Being open, honest, straightforward and reliable	X
<b>Diversity</b>	Relating to everyone as an individual	X
<b>Excellence</b>	Striving to provide the highest quality support	X

## Chairs Report to Trust Board

### 1. F&P November Committee Meeting Update

- 1.1. The P7 pre-mitigated cost forecast of £3.3m negative vs. £5.2m negative in P6 is a month on month improvement of £1.9m, and reflects the impact of revalidated CIPs and other management actions.
- 1.2. Primary actions to ensure year end delivery include £2.1m from revalidated CIPs/stop spending actions, £400k debt recovery from Wiltshire CCG, and £700k from CCGs for patient transport.
- 1.3. Given the apparent positive impact of actions on the full year financial position, the Committee discussed quality impact and were assured that appropriate quality impact assessments are being undertaken, although in some instances, the formal paperwork is lagging behind the actual assessments. The Committee noted that some planned actions have been rejected on quality grounds as part of this process.
- 1.4. The Committee reviewed the new Monitor risk rating and noted that the overall new risk rating for 2012/13 was a 3 and for 2013/14 the Trust are currently at 4, which is now the highest score that can be achieved. End of year score will be dependent on achieving the financial target (the new risk rating is based on Liquidity ratio, Capital servicing capacity and an Overall risk rating)
- 1.5. Temporary staff costs have not shown a reduction, although review of non pay indicators suggests that a cost reduction will flow through to the financials for P8.
- 1.6. Non pay remains above target and will result in a forecast overspend of £2.3m, with OOA the largest element of this (£1.3m, of which £1m will be recharged to commissioners). A further £650k relates to additional SDAS work, of which £375k will be recharged to commissioners)
- 1.7. The Committee discussed the extent to which AWP costs are being driven by unfunded commissioner requirements/changes in specifications, and it is clear that this is an issue, although it is not quantified at this stage.
- 1.8. The Committee discussed capital and agreed a number of schemes.
- 1.9. Cash for the month is down, due to a variety of factors, including a 5 week month, although the forecast is held at £10.3m.
- 1.10. Bristol and Specialised would appear to be the two unit outliers regarding financial performance.
- 1.11. The Committee reviewed financial performance, reported elsewhere, and noted improvements.
- 1.12. The Committee reviewed evidence to support the NTDA oversight return, and endorsed the return which will be presented to the Board.
- 1.13. An update on CIPs was provided, with good work undertaken on development of leading non financial indicators, and evidence that the project management disciplines are helping in the current year, and are helping lay foundations for future years.

## **Chairs Report to Trust Board**

- 1.14. A Business Planning Update was taken, and first cut will be reviewed at the next meeting
- 1.15. Verbal updates on the Bristol tender and also FT journey were shared – both currently progressing to plan.
- 1.16. The Committee reviewed commercial bids and tenders – the Trust has a robust process for reviewing individual tenders, but further work is required to help assess the fit of individual opportunities with Trust strategy.