

**SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST****FINANCE, PERFORMANCE AND WORKFORCE COMMITTEE ANNUAL REPORT**  
**2014/15****1. Introduction**

1.1 The purpose of this report is to formally report on the work of the FPW Committee during 2014/15 and to indicate its work plan for the 2015/16 financial year. This reflects the Terms of Reference of the Committee.

1.2 The Committee has met on a monthly basis throughout the year, except for August, and has provided minutes for Board of Director consideration on a timely basis.

**2. Work Undertaken in 2014/15**

2.1 The Committee has ensured that it has given equal focus to each of the areas of finance, workforce and service performance over the year.

2.2 The bulk of the Committee's work reflected the routine consideration of monthly reports which consider the following issues:

- Overall financial position of the Trust.
- Directorate financial performance and the Performance Management Framework processes.
- The activity income position.
- Contractual issues.
- Directorate performance on efficiency plans.
- Balance Sheet and Working Capital issues.
- Financial risks.
- National and Regional issues and context.
- Performance on key service targets, i.e. 18 Weeks RTT, Cancer Waiting Times, A&E 4 Hour Waits, MRSA and C Difficile.
- Delivery of activity and waiting list plans.
- Other key performance monitoring measures, e.g. length of stay, cancelled operations, DNAs, CQUIN standards, R&D metrics, etc.
- Workforce numbers and costs.
- Bank and Agency staffing costs and proposed actions to control.
- Staff sickness rates and proposed actions.
- Staff appraisal performance.
- Mandatory Training performance and action plans.
- Recruitment KPIs.
- Other key workforce KPIs, e.g. turnover rates, diversity profile, etc.

2.3 However, the Committee also considered other issues on a less routine basis including:

- Reports on development of the 2015/16 Financial Plan including the overview, key issues, contract negotiations and Directorate plans.
- Reports on issues with the 2015/16 Tariff Payment System arrangements.
- Reports on the development of the 2015/16 Efficiency Plan and development of the Trust's Efficiency Programme.

- Actions being taken to address the Directorates with major financial challenges including presentations from relevant Directorates.
- Reports on key operational challenges, including delayed discharges, issues with social care, winter pressures, RHH Theatre developments, etc.
- Development of the 2014/15 "Winter Plan".
- Development of the Major Trauma Centre.
- Progress on the Right First Time Programme.
- DGH Referrals on Cancer Pathways.
- The programme to address the Trust's issues on the 18 Week RTT targets.
- Monitor Annual Plan/Quarterly Monitoring Return submissions and feedback.
- Achievement of CQUIN targets.
- Commissioner financial positions.
- The Trust's Capital Programme, investment plans and planning processes.
- Reports on Specialty/Directorate Service Line Reporting and Reference Cost positions.
- Discussions between the Shelford Group and NHS England/Monitor on the adequacy of tariffs for complex treatments.
- Performance against Monitor's Continuity of Services Risk Rating and working capital/cash balances issues.
- The Trust's Costing Development Plan.
- Various workforce issues including Staff Engagement initiatives, the annual Staff Survey, Employment Law Updates, Industrial Action, Raising Concerns at Work, implementation of the PALMS system, consideration of the "Living Wage", developments in the working arrangements with Staff Side, NHS Pensions Choice 2 and national developments on Terms and Conditions.
- The Flu Vaccination Programme.
- Delivery of the Trust's Procurement Strategy and other procurement and logistics issues.
- Audits of clinical coding in respect of PbR.
- Developments on workforce Education and Training, including the work of Health Education Yorkshire and the Humber.
- Management of the reductions in Junior Doctor posts.
- The Sustainable Development Programme Annual Report.
- Consideration of the T3 IT Programme Business Cases and progress reports.

2.4 The Committee undertakes its role by receiving and questioning papers and presentations; discussion of key issues; seeking of assurance; making suggestions and recommendations where appropriate; and drawing significant issues to the attention of the Board of Directors.

### 3. 2014/15 Attendance at Finance Committee Meetings

Member	Meetings Attended	Deputy attended
Tony Pedder	9/11	
Vic Powell	11/11	
John Donnelly	1/5	
Martin Temple	7/11	
Dawn Moore	4/6	
Andrew Cash	6/11	
Neil Priestley	11/11	
Mark Gwilliam	9/11	2/11
Kirsten Major	10/11	

#### **4. Work Plan for 2015/16**

4.1 The Finance, Performance and Workforce Committee's work for 2015/16 will be very similar to the work undertaken in 2014/15.

4.2 However, with the financial, operational, efficiency, workforce and performance challenges which will be faced in 2015/16 the committee will need to consider issues, and their inter-relationships, with particular care.

4.3 The committee will consider issues at Trust level but will also seek assurance that performance at individual Directorate level is satisfactory and issues are being addressed.

#### **5. Terms of Reference**

The Committee's Terms of Reference were updated in October 2013 and are attached (Appendix 1). Other than membership changes, no further revisions are required at this stage.

#### **6. Conclusion**

The Finance, Performance and Workforce Committee continues to provide an important role in the governance of the Trust and has a key role to play in ensuring continued good performance in finance, efficiency, operational delivery and workforce management.

Vic Powell  
Chair  
May 2015

## **TERMS OF REFERENCE**

### **FINANCE, PERFORMANCE AND WORKFORCE COMMITTEE**

#### **1. PURPOSE**

- 1.1 The Finance, Performance and Workforce Committee is a formal committee established by the Board of Directors (along with the Healthcare Governance, Audit and Remuneration Committees).
- 1.2 The Finance, Performance and Workforce Committee will interface with the other Board Committees and the Trust Executive Group.
- 1.3 It will also have particular regard to the work of the Business Planning Team, the Capital Investment Team, Chief Executive Efficiency Programme PMO and the Staff Engagement Executive Group meetings.

#### **2. DUTIES/RESPONSIBILITIES**

- 2.1 On behalf of the Board of Directors, to give detailed consideration to the Trust's financial, performance and workforce issues in order to provide the Board with reassurance, information on key issues and clear decision points.

In doing so the Finance, Performance and Workforce Committee will review in detail and propose action on:

- (a) The Trust's financial plans and strategies (revenue, capital and working capital).
  - (b) The Trust's service plans and performance in delivering service targets.
  - (c) The Trust's efficiency/productivity plans and processes.
  - (d) The Trust's workforce strategies and plans.
  - (e) The Trust's in-year financial and service performance, and plans for corrective action.
  - (f) The content of financial, service and workforce performance reports to the Board.
- 2.2 To give early strategic consideration to significant business cases/capital investment proposals to ensure that they are developed in an appropriate way.

- 2.3 To consider key financial policies, issues and developments to ensure that they are shaped, developed and implemented in an appropriate way.
- 2.4 To give early strategic consideration to key service and operational issues and developments.
- 2.5 To provide assurance to the Board that the HR/Organisational Development strategy supports the corporate aims of the Trust and that the strategy is being implemented with appropriate results.

**3. ACCOUNTABLE TO**

Board of Directors

**4. REPORTS TO AND METHOD (INCLUDING MINUTES CIRCULATION)**

Provides Minutes of Meetings to the Board of Directors.

Circulation: - To Members of the Finance, Performance and Workforce Committee and Board of Directors

**5. MEMBERSHIP - NAME/DESIGNATION/CHAIR OR DEPUTY**

➤ Members

NAME	DESIGNATION	CHAIR/DEPUTY
Andrew Cash	Chief Executive	
Dawn Moore	Non Executive Director	
Mark Gwilliam	Director of Human Resources	
Kirsten Major	Director of Strategy and Operations	
Vic Powell	Non-Executive Director/Vice Chairman	Chair
Tony Pedder	Chairman	Deputy
Neil Priestley	Director of Finance	
Martin Temple	Non Executive Director	

➤ In attendance

NAME	DESIGNATION
Rob Wilson	Deputy Director of Finance

➤ Standing Invitation

NAME	DESIGNATION
Hilary Chapman (re Infection Control Targets)	Chief Nurse

➤ Serviced by

NAME	DESIGNATION
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Rob Wilson	Deputy Director of Finance
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➤ Lead Officer (If applicable)

NAME	DESIGNATION
Mr. Neil Priestley	Director of Finance

**6. QUORUM**

Four members, of which at least one must be a Non Executive Director.

**7. MEETING FREQUENCY (MINIMUM IF APPLICABLE)**

7.1 The Finance, Performance and Workforce Committee will meet monthly but may have additional ad hoc meetings as required when certain key issues necessitate.

7.2 The routine meetings will normally take place on the Monday (morning) of the week before the monthly Board of Directors meeting.

**8. DATE TERMS OF REFERENCE WERE APPROVED**

October 2013

**9. REVIEW DATE**

April 2016

**10. PROCESS FOR REVIEWING EFFECTIVENESS**

The effectiveness of the Committee will be monitored on an annual basis via the following:

- Review of the Terms of Reference
- Review of attendance rate of members
- Production of an Annual Report and Work Plan.