

**FINANCE, PERFORMANCE AND WORKFORCE COMMITTEE ANNUAL REPORT 2016/17****1. Introduction**

- 1.1 The purpose of this report is to formally report on the work of the FPW Committee during 2016/17 and to indicate the 2017/18 work plan for the relevant areas.
- 1.2 The Committee has met on a monthly basis throughout the year and has provided minutes for Board of Director consideration on a timely basis.

**2. Work Undertaken in 2016/17**

- 2.1 The Committee has ensured that it has given focus to each of the areas of finance, workforce and operational performance over the year. It has also given a significant amount of time to reviewing progress on the Trust's T3 and General IT Programme and to reviewing progress in addressing social care capacity issues which emerged during the year.
- 2.2 The bulk of the Committee's work reflected the routine consideration of monthly reports on the following issues:
- The overall financial position of the Trust.
  - Directorate financial performance.
  - 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.
  - The Trust's Integrated Performance Report.
  - 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, 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:
- Negotiations with NHS Improvement (NHSI) on the 2016/17 Control Total.
  - Actions taken to improve activity delivery.
  - Development of the 2017/18 Financial Plan including the overview, key issues, contract negotiations and Directorate plans.
  - The 2017/18 Tariff Payment System arrangements, including the proposed Sustainability & Transformation funding and Control Total arrangements.
  - Development of the 2017/18 Efficiency Plan.

- Consideration of the proposed 2017/18 CNST Premium following discussions with the NHS Litigation Authority.
- On-going development of the Trust's *Making It Better* Programme and incorporation of the recommendations of the Carter Report on Acute Hospital Efficiency.
- The Performance and Assurance assessment of Directorates.
- Actions being taken to address the Directorates with major financial challenges.
- Reports on key operational challenges, particularly delayed discharges and associated issues with social care.
- Progress on implementing the Emergency Care Pathways Review, the A&E Action Plan and development of the 2016/17 "Winter Plan".
- Development of the Major Trauma Centre.
- DGH Referrals on Cancer Pathways.
- The programme to address the Trust's issues on the 18 Week RTT targets and Diagnostic Waits.
- Management of Contract Performance Notices received by the Trust.
- Review of 12 hour trolley wait breaches.
- Consideration of the NHSI Single Oversight Framework and implications for the Trust.
- Development of the 2017-19 Operational Plan and review of the NHSI Operational Plan/Quarterly Monitoring Return submissions and feedback.
- Achievement of CQUIN targets.
- The Trust's Capital Programme, investment plans, planning processes and financing options.
- Reports on Specialty/Directorate Service Line Reporting and Reference Cost positions.
- Performance against NHSI's Use of Resources Risk Rating and working capital/cash balances issues.
- The Trust's Costing Development Plan and Reference Cost production arrangements.
- The Trust's Agency Expenditure Ceiling, initiatives to reduce spend and relevant performance metrics.
- Development and agreement of the new Managing Attendance Policy.
- Junior Doctor Industrial Action and the new contract.
- Staff Engagement initiatives and the annual Staff Survey results.
- Other workforce issues including Raising Concerns at Work, Health & Wellbeing Initiatives, the Workforce Race and Equality Standards, Values Based Recruitment and the Living Wage
- The Flu Vaccination Programme.
- Delivery of the Trust's Procurement Strategy and other procurement and logistics issues.
- Progress on the T3/IT Programme including system performance and contractual issues.
- Actions to address the operational issues arising from the Lorenzo implementation.
- Developments relating to the South Yorkshire and Bassetlaw STP.
- Consideration of emerging Trust arrangements regarding Organisational Development.
- Quarterly review of the Integrated Risk & Assurance Report.
- Consideration of the Trust's arrangements for Charging Overseas Visitors and approval of the Trust's new Overseas Visitors Policy.

2.4 The Committee undertook 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. 2016/17 Attendance at Finance Committee Meetings

Member	Meetings Attended	Deputy attended
Tony Buckham	9/12	
Andrew Cash	7/12	
Mark Gwilliam	10/12	2/12
Kirsten Major	11/12	1/12
Dawn Moore	9/12	
Tony Pedder	10/12	
Neil Priestley	12/12	
Martin Temple	12/12	

### 4. Work Plan for 2017/18

- 4.1 With effect from May 2017, the Finance, Performance and Workforce Committee has been replaced by two separate Board Committees. There are Finance & Performance Committee and the Human Resources & Organisational Development Committee.
- 4.2 The work for 2017/18 will be similar to the work undertaken in 2016/17 and relevant agenda items will be transferred from the Finance, Performance and Workforce Committee to the two new Committees.
- 4.3 However, the additional time created by having the two separate Committees will enable the financial, operational, efficiency, workforce and performance challenges which will be faced in 2017/18 to be considered in greater detail. The overlapping membership will ensure that the interfaces are recognised.
- 4.4 The new Committees will consider issues at Trust level but will also seek assurance that performance at individual Directorate level is satisfactory and issues are being addressed.
- 4.5 The Committees will also need to monitor the Trust's input to, and implications from, the South Yorkshire and Bassetlaw STP process and the Sheffield Place Based Plan.

### 5. Terms of Reference

Terms of Reference have been produced for the new Finance & Performance Committee and Human Resources & Organisational Development Committee and these are attached for reference.

### 6. Conclusion

The Finance, Performance and Workforce Committee has provided an important role in the governance of the Trust and the two newly formed Committees will have a key role in ensuring continued good performance in finance, efficiency, operational delivery and workforce management.

Martin Temple  
Chair  
May 2017

**TERMS OF REFERENCE**

**FINANCE AND PERFORMANCE COMMITTEE**

**1. PURPOSE**

- 1.1 The Finance and Performance Committee is a formal Committee established by the Board of Directors (along with the Healthcare Governance, Human Resources & Organisational Development, Audit and Remuneration Committees).
- 1.2 The Finance and Performance 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, the Making It Better Programme and the Chief Executive Efficiency Programme PMO.

**2. DUTIES/RESPONSIBILITIES**

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

In doing so the Finance and Performance 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 in-year financial and service performance, and plans for corrective action.
  - (e) The content of financial, service and performance reports to the Board.
  - (f) Other key financial/service initiatives such as the IT Programme, Procurement, etc.
- 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 consider financial and performance submissions (plans and in-year monitoring returns) to NHS Improvement and responses; and to ensure that the relationship with NHSI is managed appropriately.
- 2.6 To oversee the financial, service and performance issues for the Trust in respect of the STP and Sheffield Place Based Plan.

**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 and Performance Committee and Board of Directors

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

➤ Members

NAME	DESIGNATION	CHAIR/DEPUTY
Tony Buckham	Non-Executive Director	
Andrew Cash	Chief Executive	
Dawn Moore	Non-Executive Director	
Kirsten Major	Deputy Chief Executive	
Tony Pedder	Chairman	Deputy
Neil Priestley	Director of Finance	
Martin Temple	Non-Executive Director	Chair

➤ In attendance

NAME	DESIGNATION
Catherine Proudfoot	PA to Director of Finance

➤ Standing Invitation

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

➤ Serviced by

NAME	DESIGNATION
Catherine Proudfoot	PA to Director of Finance

- Lead Officer (If applicable)

<b>NAME</b>	<b>DESIGNATION</b>
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 and Performance 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**

April 2017.

**9. REVIEW DATE**

Updated yearly as part of annual report.

**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.

## **TERMS OF REFERENCE**

### **HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT COMMITTEE**

#### **1. PURPOSE**

To provide assurance to the Board that the Human Resource and Organisational Development strategy supports the corporate aims of the Trust and that the strategy is being implemented with appropriate results.

The Human Resources and Organisational Development Committee is a formal Committee established by the Board of Directors (along with the Healthcare Governance, Finance and Performance, Audit and Nomination and Remuneration Committees).

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

On behalf of the Board of Directors the Committee will:

- ❖ Take a strategic overview of Human Resource and Organisational Development practice within the Trust with particular reference to the aim of employing caring and cared for staff of the Trusts' corporate strategy.
- ❖ Review and monitor progress against the NHS National Staff Survey with a particular focus on Staff Engagement and Health and Wellbeing.
- ❖ Provide assurance to the Board of the effective use of its Human Resource through workforce planning and re-design strategies and the monitoring of pay costs (including agency spend/usage).
- ❖ Review and monitor workforce information, identify and monitor any management interventions / actions that may be required.
- ❖ Provide assurance to the Board that the Human Resource policies are fit for purpose and support the Trusts' corporate aims and objectives.
- ❖ Commission and monitor specific pieces of work which the Human Resource and Organisational Development Committee deem necessary in order to provide assurance to the Board.
- ❖ Approve, monitor and support Human Resources and Organisational Development matters in relation to external partners including partnership development, e.g. the Working Together Vanguard Partnership.

#### **3. ACCOUNTABLE TO**

Board of Directors

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

The minutes of the meetings of the Human Resources and Organisational Development meeting will be formally recorded and submitted to the Board of Directors.

Circulation to members of the Human Resources and Organisational Development meeting and Board of Directors.

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

### ➤ Members

<b>NAME</b>	<b>DESIGNATION</b>	<b>CHAIR/DEPUTY</b>
Tony Buckham	Non-Executive Director	
Sir Andrew Cash	Chief Executive Officer	
Prof Hilary Chapman	Chief Nurse	
Dr Andrew Gibson	Deputy Medical Director	
Mark Gwilliam	Director of Human Resources & Organisational Development	
Becky Joyce	Service Improvement Director	
Dawn Moore	Non-Executive Director	Chair
Tony Pedder	Chairman	Deputy
Julie Phelan	Communications & Marketing Director	
Martin Temple	Non-Executive Director	

Members of the Human Resources and Organisational Development meeting should ensure that an appropriate deputy attends the meeting on their behalf if they are unable to attend in person.

### ➤ Serviced by

<b>NAME</b>	<b>DESIGNATION</b>
Miss J Spotswood	PA to the Director of Human Resources & Organisational Development

### ➤ Lead Officer (If applicable)

<b>NAME</b>	<b>DESIGNATION</b>
Mr M Gwilliam	Director of Human Resources & Organisational Development

## 6. **QUORUM**

Four members, which consist of at least one Non-Executive Director and one Executive Director.

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

7.1 The Human Resources and Organisational Development 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.

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