

Title of Report:	Financial, Planning and Investment Committee Annual Report 2015/16	
Prepared By:	Alan Dodds, Committee Chair on behalf of the Financial Planning and Investment Committee	
Sponsor:	Justine Richards, Interim Director of Strategy and Business Support	
Action Required:	The Board is asked to note the contents of this report	
Purpose of Paper:	This Annual Report outlines how the Committee has complied with its duties, as delegated by the Trust Board through its terms of reference, and identifies key actions to address developments in the Committee’s role.	
Key Messages/Issues:	The Financial Planning and Investment Committee is a Committee of the Trust Board and has the powers delegated as described in its Terms of Reference.	
	The Committee is directly accountable to the Trust Board and provides assurance on financial planning and investment issues	
	The Committee met 10 times during the reporting period (April 2015 to March 2016) and has monitored progress by use of dedicated action trackers.	
	The Committee has developed a set of standing agenda items which are included within the Business Planning Calendar.	
	During 2015/16 the Committee had oversight of the key financial and planning agenda as highlighted in Section 3 of this Annual report.	
	The Committee is committed to improving its effectiveness as outlined in Section 8	
Links to Strategic Objectives:		
To deliver an exceptional patient experience first time, every time		✓
To provide excellent care, ensuring effective, person- centred clinical outcomes		✓

To be an employer for whom people choose to work		✓	
To be an active partner, always ready to improve by working with others		✓	
To be an efficient organisation providing excellent services		✓	
Resource Implications, if any:	-		
Links to BAF:	✓		
Has an Equality Impact Assessment been completed?		NO	
Paper History:			
Considered by	Date	Summary of Outcome	
FPIC	12 April 2016	Recommend to Board	

Report to Public Trust Board 26 April 2016

Financial Planning and Investment Committee Annual Report: 1 April 2015 to 31 March 2016

1. Introduction

- 1.1 The Trust Board has established a Board Committee known as the Financial Planning and Investment Committee. Membership comprised Non-Executive Directors, Chief Executive and Director of Finance, Performance and Information. The Committee is directly accountable to the Trust Board and provides assurance on financial planning and investment issues. The powers of the Committee were delegated by the Trust Board and are as set out in the Terms of Reference and the Trust's Standing Orders, as approved by the Trust Board.
 - 1.2 This report outlines how the Committee has complied with its duties, as delegated by the Trust Board through its terms of reference, and identifies key actions to address developments in the Committee's role.
 - 1.3 The Committee is authorised by the Board to consider and investigate any matters within its delegated authority and Terms of Reference. It is authorised to seek any information it required from any employee and all employees are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience or expertise if it considered this necessary.
 - 1.4 This annual report covers the period from 1 April 2015 to 31 March 2016. It deals with the reporting of financial and investment matters relating to the Trust's operation.
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2. Constitution

- 2.1 The Committee members were appointed by the Board from amongst the Board members and comprised
 - i. Three Non – Executive Directors of the Trust (one of whom has recent and relevant finance experience)
 - ii. Chief Executive Officer or Deputy
 - iii. The Director of Finance, Performance & Information
- 2.2 The following officers normally attended meetings by standing invitation
 - i. The Director of Operations
 - ii. Director of Strategy and Business Support
 - iii. Associate Director of IT
 - iv. Associate Director of Estates and Facilities
 - v. Programme Director FT and Business

- 2.3 The Board appointed one of the Non-Executive members of the Committee to act as its Chair, and one as Vice Chair of the Committee. Other Trust Directors and managers were invited to attend meetings as and when required. An attendance schedule is attached for the period April 2015 to March 2016. (Appendix 1) Meetings were held every month, 7-10 working days after the full Trust Board which meets the requirement for the meetings to be held at least ten times each financial year.
- 2.4 The Committee Chair reports, through the Board Committee Assurance Report and orally, to the Trust Board on key issues considered by the Committee following each meeting.
- 2.5 In discharging its duties the Committee sought to meet its responsibilities through self-assessment and review, requesting assurances from Trust officers.
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3. Duties and Responsibilities

- 3.1 On behalf of the Board:
- i. Received and reviewed the Trust's revenue and capital investment requirements in conjunction with the Trust's financial performance and its 5 years Integrated Business Plan and identified key issues and risks requiring discussion or decision by the Trust Board.
 - ii. Undertook on behalf of the Trust Board objective scrutiny of the application of the Trust's Investment Policy and revenue and capital investment decisions, including those relating to the Trust's estate and infrastructure.
 - iii. To approve the development of strategic outline business cases through the 5 case model process and ensure there was alignment with the agreed strategic direction of the Board.
 - iv. Made recommendations to the Board on the categorisation and prioritisation tool as a framework for decision making.
 - v. Provided assurance to the Board that business cases for investment had been properly prepared and that they fully and fairly describe the costs and benefits both financial and non-financial over the life of the investment.
 - vi. Advised the Board and reviewed compliance with financing agreements and covenants and the operation of treasury management policies.
 - vii. Evaluated and monitored the performance of investments approved through the post project evaluation reporting process.
 - viii. Reviewed and recommended to the Board for approval the Trust's Financial Plan and Budget Setting Policy.
 - ix. Approved the annual capital budget prior to submission to the Trust Board for approval.
 - x. Approved and kept under review, on behalf of the Trust Board, the Trust's investment and borrowing strategies and policies.
 - xi. Reviewed and recommended to the Trust Board the Trust Capital Investment Strategy and maintain oversight of the Trust's revenue and capital investment, including:

- established and maintained the overall methodology, processes and controls which govern the Trust's investments in capital,
 - evaluated, scrutinised and monitored revenue investment,
 - Formally considered post project evaluation reports on significant business cases approved.
- xii. Within limits set out in the Standing Orders, the Committee approved, evaluated and scrutinised the financial and commercial validity of individual investment, disposal and disinvestment proposals, including the review of 'Outline' and 'Final' Business Cases.
- xiii. Gave advice on preliminary outline business cases or business opportunities. It judged whether to proceed with a business venture.
- xiv. Undertook 'deep dive' exercises where requested to do so by the Trust Board.

4. Reporting Arrangements

- 4.1 A summary assurance report of key issues discussed at the Committee was submitted to the next Board after each meeting by the Committee Chair or Vice Chair. The Chair of the Committee drew to the attention of the Board, at the earliest opportunity any issues that required disclosure to the full Board, or required executive action or Board approval. Approved minutes of the Committee meetings were made available to Board members. The Board ensured that critical issues were reported on to other Trust Committees via the Board. Any such decisions to refer matters on to other Committees were recorded in the Board minutes and communicated directly to the Committee Chair by the Trust Secretary.
- 4.2 An Annual Report would be submitted by the Committee Chair to the Trust Board concerning the work and effectiveness of the Committee.
- 4.3 Minutes of the Committee meeting were made available to Board Members. The Committee worked closely and in an integrated manner with all other Board Committees, in order to ensure consistency, avoid duplication and omissions.
- 4.4 Following feedback from the Evalu8 review it was proposed and agreed the Committee would meet bi monthly from October 2015, with an ongoing feasibility review.

5. Monitoring Compliance

- 5.1 The Committee ensured compliance through:
- i. Receipt of relevant and timely reports
 - ii. Review and analysis of completed and outstanding actions at each meeting through the application of an 'Action Tracker' process
 - iii. The Committee undertook an annual review of its performance and effectiveness. The results were reported to the Committee and Trust Board. This included;
 - the main areas of performance against duties and responsibilities and

➤ Concerns or issues it had addressed.

6. Standing Items which have been received for review, information* or approval:

- i. Finance and Contracting reports from January to December 2015*.
- ii. Capital Programme [2014/15 and 2015/16 – with regular monthly updates].
- iii. Tenders and New Business Development Report
- iv. Investment Quarterly Reports
- v. Transformational Change Programme Benefits Quarterly Reports
- vi. Contingency Bid Approvals
- vii. Agenda and Draft Minutes from Enabling Sub Programme Board*

7. Report(s) which have been discussed and reviewed:

Financial	Planning
Capital Report 2015/16: (M1) April 2015 (09/06/15) (M2) May 2015 (14/07/15) (M3) June 2015 (11/08/15) (M4) July 2015 (15/09/15) (M5) August 2015 (13/10/15) (M7) October 2015 (08/12/15) (M9) December 2015 (09/02/16)	Five Year Capital Programme 2015 -20 (14/04/15) Five Year Capital Programme Progress (12/05/15)
2015/16 Finance and Contracting Report: (M1) April 2015 (09/06/15) (M2) May 2015 (14/07/15) (M3) June 2015 (11/08/15) (M4) July 2015 (15/09/15) (M5) August 2015 (13/10/15) (M7) October 2015 (08/12/15) (M9) December 2015 (09/02/16)	Financial Plan 2015/16 – Final (14/04/15)
Quarterly Investment Report 2015/16: 11.08.15 08.12.15	Budget Setting Policy (08/12/15)
Bids Against Contingency Reserves: 14/04/15 12/05/15 09/06/15 14.07/15 11/08/15 15/09/15 13/10/15 08/12/15	Contracting Strategy 2016/17(09/02/16)
Rolling 24 Month CIP Plan 2016 – 18: 11/08/15	Capital Planning Report 2016/17 (09/02/16)

15/09/15 08/12/15 09/02/16 16/03/16	
Investment Report (12/05/15)	Preparation of 2016/17 Operational Plan for NHS Improvement (09/02/16)
Land and Property Update Report – Oliver House (08/12/15)	Financial Plan First Draft 2016/17 (09/02/16)
Land and Property Update Report (Disposals 2015/16) (12/05/15)	Financial Plan Second Draft 2016/17 (16/03/16)
Quarterly Contracting Update: 14/07/15 08/12/15	
Investment	Investment and other key reports
Tenders and New Business Development Report : 14/04/15 12/05/15 09/06/15 14/07/15 09/02/16	Financial Planning and Investment Committee Terms of Reference Review (14/04/15)
Tenders and New Business Development – Competitor's Analysis Report: (11/08/15) (08/12/15)	Agenda and Draft Minutes of the Enabling Sub Programme Board: 25/03/15 (14/04/15) 29/04/15 (12/05/15) 27/05/15 (09/06/15) 24/06/15 (14/07/15) 29/07/15 (11/08/15) 26/08/15 (15/09/15) 30/09/15 (13/10/15) 25/11/15 (08/12/15)
Transformational Change Programme Benefits Quarterly Report: 09/06/15 08/12/15	Evalu8 – Review of Monthly frequency (14/04/15)
Clinical Systems Project Contract Negotiation Update (14/04/15)	Occupational Health Cost Pressures and Tender Business Case (12/05/15)
Tuxford Adolescent Unit Progress Report (14/04/15)	Values Based Recruitment (12/05/15)
Acute IPU Business Justification Update (12/05/15)	Business Case Approvals Process (09/06/15)

Clinical Systems Final Business Case (12/05/15)	Digital Strategy (09/06/15)
Estates Strategic Outline Programme (12/05/15)	New Multi-Functional Devices Framework (12/07/15)
Brooklands Site Control Plan (including Tuxford) (09/06/15)	Migration to Bank and Framework Agencies for all Temporary Staffing Needs – June 2015 (14/07/15)
Clinical Systems final Business Case (09/06/15)	New Multi-Functional Devices Framework (Revised) (11/08/15)
North Warwickshire CRC Strategic Outline Programme (14/07/15)	Lessons Learnt – Janet Shaw En-suites (15/09/15)
Clinical Systems Summary Report (11/08/15)	Evalu8 Summary Report 2015 (08/12/15)
Tenders and New Business Development Dashboard (11/08/15) ((15/09/15)	Occupational Health Update (08/12/15)
Transforming Care Fast Track Bid (15/09/15)	Lone Worker Proposal (09/02/16)
Longford Training Venue (13/10/15)	Facilities Review (09/02/16)
Tenders and New Business Development Quarterly Report including Lessons Learnt (13/10/15)	Outsourcing CWPT Occupational Health Service (09/02/16)
Tenders and New Business Development Quarterly Report (08/12/15)	Payroll Contract Renewal (09/02/16)
Capital Prioritisation Programme – Update on 2015/16 Position and 5 Year Overview (08/12/15)	
Clinical System Project Highlight Report (09/02/16)	
Transformational Change Programme Benefits Months 1 – 8 (09/02/16)	

8. Committee Effectiveness Review – Evalu8 Report

8.1 A Committee effectiveness review was completed by committee members and scores were overall very positive: Green 64; Amber 5; Red 4. Resulting in an 89% positive response rate.

8.2 Although all questions received an overall positive response rate the questions below were highlighted for action by the Chair with the full approval of the Committee:

Red Category

- i. Papers received in sufficient time to allow proper consideration and understanding.
 - ii. Clinical quality issues feature sufficiently strongly
 - iii. The Committee reviewed its activities against those delegated to it in the Terms of Reference
- 8.3 The Board will continue to systematically review the Terms of Reference of its committees and this Committee will review its roles and responsibilities as part of that process.
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Alan Dodds
Committee Chair on behalf of the
Financial Planning and Investment Committee
April 2016

Financial Planning and Investment Committee Attendance
1 April 2015 to 31 March 2016

	14.04.16	12.05.15	09.06.15	14.07.15	11.08.15	15.09.15	13.10.15	08.12.15	09.02.16	16.03.16
Present										
Alan Dodds (Chair)	✓	✓	X	✓	✓	✓	✓	✓	✓	✓
Zulfiqar Darr			✓	✓	✓	✓	✓	✓	✓	X
Simon Gilby					✓	X	✓	✓	X	✓
Gale Hart	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rachel Newson	✓	✓								
Jagtar Singh	✓	X								
Josie Spencer			X	D					D	
Michael Williams	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
In Attendance										
Pru Allington-Smith			✓							
Ian Andrew										
Sarah Banks	✓	✓	✓	✓		✓	✓	✓	✓	✓
Kulwant Basi								✓		
Dr Sharon Binyon								✓		

	14.04.16	12.05.15	09.06.15	14.07.15	11.08.15	15.09.15	13.10.15	08.12.15	09.02.16	16.03.16
Cheryl Clements		✓		✓					✓	
Zulfiqar Darr	✓	✓								
Dion Davies										✓
Barry Day										
Jamie Deas	✓	✓	✓	✓		✓	✓	✓	✓	✓
Allyson Downes	✓									
Anna East	✓	✓								
Martin Ellis									✓	✓
Suzi Gentry										✓
Simon Gilby		✓								
Jane Hodge	✓	✓		✓	✓	✓		✓		
Mark Jones	✓		✓			✓				
Tricia Jones										✓
Shafiq Khalifa			✓					✓		
Vicki Kennedy (minutes)									✓	✓
Karen Mascia		✓	✓	✓		✓	✓	✓	✓	
Ann Moore (minutes)	✓	✓	✓	✓	✓	✓	✓	✓		

	14.04.16	12.05.15	09.06.15	14.07.15	11.08.15	15.09.15	13.10.15	08.12.15	09.02.16	16.03.16
Neil Mulholland	✓		✓	✓		✓	✓		✓	✓
Ade Odunlade										
Kevin O'Leary	✓	✓	✓	✓					✓	
Justine Richards	✓	✓	✓	✓	✓	✓	✓		✓	✓
Martyn Richardson										
Ian Robinson	✓		✓			✓	✓	✓		
Jagtar Singh			✓	✓	✓				✓	✓
Jamie Soden								✓		
Josie Spencer	✓	✓				✓				✓
Paul Sykes							✓			
David Tait										
James Walker	✓	✓			✓	✓	✓	✓	✓	
Kevin West				✓						
Tracey Wrench								✓		

X Apologies
D Deputising