

Interim Revenue Support Loan Application

Author: Nick Sone Sponsor: Paul Traynor – Chief Financial Officer

Trust Board paper S1

Executive Summary

Context

We are able to apply to the Department of Health for an Interim Revenue Support Loan up to the value of our agreed stretch deficit target of £34.1m. This will be used to repay our current financing arrangement and has a 2% lower interest rate that will save us £56k per month.

The Department of Health require the application to be accompanied by a written Trust Board resolution (Appendix A) agreeing to the loan's terms and conditions and nominating a named officer to manage and execute the agreement. In our case this officer is the Chief Financial Officer. The submission deadline for the loan documentation was the 6th January, prior to this Board meeting.

Questions

1. Has the Board resolution been appropriately approved?
2. Has the loan documentation been appropriately authorised and submitted by the deadline?
3. Is any further action required by the Trust Board?

Conclusion

1. The Board resolution has been appropriately approved by the Trust Chair and Chief Executive following consultation with two Non-Executive Directors. Under our Standing Orders these officers have delegated authority to exercise Board powers in an emergency.
2. The loan application documentation was authorised by the Chief Financial Officer and submitted on the 6th January 2016.
3. Our Standing Orders require the Board to ratify any decision taken under delegated authority.

Input Sought

The Board is asked to ratify the decision taken under emergency powers to approve the Board resolution.

For Reference

Edit as appropriate:

1. The following objectives were considered when preparing this report:

Safe, high quality, patient centred healthcare	Not applicable
Effective, integrated emergency care	Not applicable
Consistently meeting national access standards	Not applicable
Integrated care in partnership with others	Not applicable
Enhanced delivery in research, innovation & ed'	Not applicable
A caring, professional, engaged workforce	Not applicable
Clinically sustainable services with excellent facilities	Not applicable
Financially sustainable NHS organisation	Yes
Enabled by excellent IM&T	Not applicable

2. This matter relates to the following governance initiatives:

Organisational Risk Register	Not applicable
Board Assurance Framework	Not applicable

3. Related Patient and Public Involvement actions taken, or to be taken: None

4. Results of any Equality Impact Assessment, relating to this matter: None

5. Scheduled date for the next paper on this topic: TBC

6. Executive Summaries should not exceed 1 page. My paper does comply

7. Papers should not exceed 7 pages. My paper does comply

Leicester Royal Infirmary
Infirmary Square
Leicester
LE1 5WW

Tel: 0300 303 1573
Switchboard Fax: 0116 258 7565

BOARD RESOLUTION Loan reference: DHPF/ISWBL/RWE/2015-12-16/A.

Statement from the Chair and Chief Executive of the University Hospitals of Leicester NHS Trust regarding the Trust Board approval of an Interim Revenue Support Loan reference: DHPF/ISWBL/RWE/2015-12-16/A.

Under our Standing Orders the Trust Chair and Chief Executive, in consultation with two Non-Executive Directors, have delegated authority to exercise Board powers in an emergency.

The Trust Chair, Chief Executive and two Non-Executive Directors have scrutinised the finance documents regarding the proposed loan; and a paper has been circulated to all Trust Board members on the 6th January 2016; and will be presented at the Board meeting on the 7th January 2016.

This recommends that an Interim Revenue Support Loan totalling £34,100,000 is taken, repayable by the 18th February 2019.

We confirm the Board have accepted this recommendation and therefore approve the facility on behalf of the Trust.

In line with Schedule 1 of the Interim Revenue Support Loan Agreement (henceforth referred to as the Finance Documents), we also:

- a) Approve the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;
- b) Authorise Paul Traynor (Chief Financial Officer) to execute the Finance Documents to which it is a party on its behalf;
- c) Authorise Paul Traynor (Chief Financial Officer) to sign and/ or dispatch all documents and notices (including the Utilisation Request) in connection with the Finance documents to which it is a party on its behalf; and
- d) Confirm our undertaking to comply with the Additional Terms and Conditions

We certify that a paper has been presented to the Trust Board and that this has been circulated to all Trust Board members.

Karamjit Singh
Chair, University Hospitals of Leicester NHS Trust

John Adler
Chief Executive, University Hospitals of Leicester NHS Trust

Dated:

