

Cover report to the Trust Board meeting to be held on 7 January 2021

Trust Board paper G3

Report Title:	Finance and Investment Committee – Committee Chair’s Report
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Reporting Committee:	Finance and Investment Committee
Chaired by:	Andrew Johnson, Non-Executive Director
Lead Executive Director(s):	Simon Lazarus, Chief Financial Officer
Date of FIC:	17 December 2020

Summary of key public matters considered by the Committee:

This report provides a summary of the key public issues considered by the Finance and Investment Committee on 17 December 2020 (*involving Mr A Johnson, FIC Non-Executive Director Chair; Mr M Traynor, Non-Executive Director; Mr M Williams, Non-Executive Director; Mr J Shuter, Director of Operational Finance; Miss M Durbridge, Director of Quality Transformation and Efficiency Improvement; Mr D Kerr, Director of Estates and Facilities [part]; and Mr S Pizzey, Head of Strategy and Planning [part]. Apologies were noted from Ms D Mitchell, Acting Chief Operating Officer due to UHL’s recent escalation to Covid-19 alert level 5*). NB: full Minutes will be issued prior to the January 2021 FIC and February 2021 Trust Board meeting.

- **FIC matters arising log** – the FIC Non-Executive Director Chair commented that the majority of entries on the action log were either complete or on track, noting also that the reasons for any delays with specific actions were clearly understood. The Director of Estates and Facilities highlighted some potential duplication between item 8 from the 26 November 2020 FIC and item 18 from the 30 July 2020 FIC and it was agreed to close the latter entry and remove it from the progress log. The matters arising log would be amended to reflect this change.
- **2021/22 Planning Process update** – the Head of Strategy and Planning shared some presentation slides briefing FIC on progress with the planning process to date and the next steps. He acknowledged the exceptional leadership and support demonstrated by the Chief Financial Officer, Director of Operational Finance and Mr S Wombwell, Financial Consultant which he felt had benefited the process greatly. A detailed narrative was provided in paper D for each of the three planning scenarios (best, likely and worst case) which broadly centred around Covid-19 levels, the ability to restore elective activity and staff sickness. The Phase 4 planning guidance (which was due to be issued imminently) was expected to require all Trusts to completely clear their 52-week backlogs during 2021/22 and accurate costings were being worked up to support that level of restoration and recovery. The planning process, principles and timetable had all been signed-off at an Executive level prior to the CMG Launch meetings which would ensure that the CMG teams were aware of and appropriately engaged in the business planning principles and processes. The second of the multi-agency ‘lock-in’ events was being held later that day to review the CMGs’ activity plans, cost pressures and service development proposals. Feedback from these ‘lock-in’ events would be provided to the CMGs ahead of the activity/income check and challenge meetings on 8 January 2021. Executive check and challenge meetings were due to commence on 15 February 2021 and the first cut budgets would be prepared at the beginning of March 2021. Formal approval of the 2021/22 budgets would be sought at the 25 March 2021 FIC and 1 April 2021 Trust Board meetings. In parallel, the Head of Strategy and Planning advised that a benefits realisation process was being undertaken in respect of previous years’ service investments and consideration would be given to disinvesting in any services which were not fully delivering their forecast benefits. Mr M Traynor, Non-Executive Director commended this sensible approach. The FIC Non-Executive Director Chair thanked the Head of Strategy and Planning for his logical presentation and he confirmed his support of the post-investment reviews, noting that this was crucial to driving accountability. He also noted an opportunity to strengthen the ability of CMG teams in identifying any rate-limiting factors to improving service capacity, both within and outside of their established cost base. In order to achieve true cost reductions, it would be necessary to eliminate such rate-limiting factors or (at least) reduce them to a minimum. FIC received and noted the update on the 2021/22 planning process, and endorsed the approach being adopted.
- **Financial Recovery Board (FRB)** – FIC received and noted for information the action notes from meetings of the FRB held on 17 November 2020 and 1 December 2020, and the agenda from the FRB meeting on 15 December 2020.
- **Items for noting** – the following reports were received for information:-
 - Executive Finance and Performance Board action notes from 25 November 2020, and
 - Executive Finance and Performance Board agenda from 15 December 2020.

Public matters requiring Trust Board consideration and/or approval:

Recommendations for approval

None

Items highlighted to the Trust Board for information

None

Matters referred to other Committees:

None

Date of next FIC meeting:

28 January 2021