

Trust Board paper M

**Summary for Trust Board members**

<b>Report Title:</b>	<b>Finance and Investment Committee – Committee Chair’s Report</b>
<b>Author:</b>	Helen Stokes, Corporate and Committee Services Manager

<b>Reporting Committee:</b>	<b>Finance and Investment Committee (FIC)</b>
<b>Chaired by:</b>	Steve Harris, Non-Executive Director
<b>Lead Executive Director(s):</b>	Richard Mitchell Chief Executive, Lorraine Hooper Chief Financial Officer, Jon Melbourne, Chief Operating Officer
<b>Date of FIC:</b>	28 April 2022

**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 28 April 2022 (*involving Mr S Harris FIC Non-Executive Director Chair; Mr A Carruthers Chief Information Officer [part]; Ms B Cassidy Director of Corporate and Legal Affairs; Miss M Durbridge Director of Quality Transformation Efficiency and Improvement; Ms L Hooper Chief Financial Officer; Mr J Melbourne Chief Operating Officer; Mr B Patel Non-Executive Director; Mr J Shuter Director of Operational Finance; Mr M Williams Non-Executive Director, and Mr J Worrall Associate Non-Executive Director*). Full Minutes will be submitted to the May 2022 FIC and next public Trust Board thereafter.

- **ICS finance update** – FIC received and noted the month 12 ICS finance report, noting a reported surplus position subject to audit of £15.3m, which was favourable to forecast due to an improvement in UHL’s position. The report also noted the ICS CIP and capital spend position for 2021/22.
- **2021/22 month 12 financial performance** – subject to audit the Trust was reporting a year end surplus of £10.7m which was £5.6m favourable to forecast. That improvement was driven primarily by non-recurrent factors as detailed in the report (including eg a rates rebate, a specific VAT credit, annual leave accruals, etc). Month 12 had seen a further increase in workforce, and this was highlighted to FIC to note the impact on the 2022/23 plan. The Chief Financial Officer provided assurance that the position in the report was reflected in the annual accounts. FIC emphasised the need to be able to provide appropriate assurance to Regulators re: the Trust’s financial sustainability and robustness, and took assurance from the Chief Financial Officer’s confirmation that NHSE/I was closely sighted to UHL’s 2021/22 closedown process and the production of annual accounts. In discussion, the FIC Non-Executive Director Chair sought assurance on the processes in place to identify appropriate VAT reclamation opportunities; the FIC Non-Executive Director Chair took assurance from the processes for this as now described by the Director of Operational Finance, who also stated his view that there were unlikely to be other significant reclamations to be identified. The Trust’s cash position remained strong, as per previous months, and the FIC Non-Executive Director Chair queried how this had not been impacted by the significant month 12 capital spend; in response, the Director of Operational Finance advised that this was likely to be a timing issue relating to drawdown and invoice payment. Although the Director of Operational Finance anticipated a likely reduction in cash balances in 2022/23, the position would still remain very healthy compared to previous years. FIC took assurance from the month 12 financial report.
- **2021/22 month 12 capital plan update** – FIC welcomed the 2021/22 delivery of £77.6m capital expenditure, which constituted a small underspend of £79k against its Capital Resource Limit (CRL). £30m capital had been spent in month 12. Although welcomed, Mr M Williams Non-Executive Director commented however that this delivery of the capital plan had required continuous close monitoring, energy, and oversight – the Chief Financial Officer recognised this point and advised that she was developing a plan with UHL’s Capital Monitoring and Investment Committee to try and accelerate capital spend in 2022/23. The FIC Non-Executive Director Chair supported this approach, and reiterated his previous comments on the need for a more even spend through the year (if feasible). FIC welcomed the delivery of the 2021/22 capital plan.
- **Executive Finance and Performance Board** – FIC received and noted the Executive Finance and Performance Board actions from 29 March 2022, and the agenda for the EFPB meeting on 26 April 2022.

**Public matters requiring Trust Board consideration and/or approval:**

***Recommendations for approval***

- none

***Items highlighted to the Trust Board for information***

- none

**Public matters referred to other Committees:**

- None

<b>Date of next FIC meeting:</b>	26 May 2022
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