

Summary for Trust Board members

Report Title:	Finance and Investment Committee – Committee Chair’s Report Paper O
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Reporting Committee:	Finance and Investment Committee (FIC)
Chaired by:	Mike Williams, Non-Executive Director (Acting FIC Chair)
Lead Executive Director(s):	Richard Mitchell Chief Executive, Lorraine Hooper Chief Financial Officer, Jon Melbourne, Chief Operating Officer
Date of FIC:	30 June 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 30 June 2022 (*involving Mr M Williams FIC Non-Executive Director Acting Chair; Mr S Barton Deputy Chief Executive; Mr A Carruthers Chief Information Officer; Ms B Cassidy Director of Corporate and Legal Affairs; Ms G Collins-Punter Associate Non-Executive Director; Miss M Durbridge Director of Quality Transformation Efficiency and Improvement; Mr A Furlong Medical Director; Mr L Gates Deputy Head of Capital [part]; Ms J Hogg Chief Nurse [part]; Mr J Melbourne Chief Operating Officer; Mr B Patel Non-Executive Director; Mr J Shuter Director of Operational Finance; Mr M Simpson Interim Director of Estates and Facilities, and Mr J Worrall Associate Non-Executive Director*). Full Minutes will be submitted to the July 2022 FIC.

Discussion items

- **ICS finance update** – FIC received and noted the 2022/23 month 2 ICS finance report for information.
- **2022/23 month 2 financial performance** – at month 2, the Trust was reporting a year to date deficit of £7.2m which was essentially on plan (£0.5m favourable, due mostly to lower than expected expenditure on pay). The in-month position was a reported deficit of £3.4m which was £1.1m favourable to plan). FIC particularly noted both the bridge showing the movements between the month 2 plan and the month 2 actuals, and the risk and mitigation information within the report. FIC was advised that the Trust’s cash position had reduced by £25m due primarily to the timing of receipts. FIC noted the month 2 finance report.
- **2022/23 month 2 capital plan update** – month 2 capital expenditure was £5.9m against a year to date plan of £7.9m, representing an underspend of £1.9m against the original year to date spend profile. The profile of the 2022/23 capital spend had been reviewed, and the Trust continued to forecast to deliver its 2022/23 £53.3 capital programme as per the revised plan. The FIC Non-Executive Director Acting Chair strongly noted the need to accelerate the spend, noting his concern that the plan was already 25% behind. In response, the Interim Director of Estates and Facilities clarified the factors behind the Estates and Facilities capital position and voiced his confidence that the programme would deliver by year end. He also provided assurance that he was continuously monitoring the Estates and Facilities capital programme, and the Director of Operational Finance echoed that point, noting his view that the capital programme was being proactively managed through the year. FIC noted the month 2 capital plan update and the concerns voiced above.
- **2022/23 Transformation and cost improvement programme (CIP) update** – the Director of Quality Transformation Efficiency and Improvement briefed FIC on (i) month 2 progress against the 2022/23 £35m (£21m cash-out) programme; (ii) the position re: the specific further £5m CIP allocation included in that, and (iii) progress on the UHL productivity schemes. In a further improved position since producing the report, £7m had now been identified of the 2022/23 CIP plan, representing a slight over-achievement in month 2. FIC received assurance that the transformation team continued to monitor progress closely, and to meet with CMGs on a fortnightly basis to review the position. Schemes were only placed on the formal CIP tracker once thoroughly reviewed and validated, and the Director of Quality Transformation Efficiency and Improvement was confident therefore that a significant number of additional CIP schemes were currently in the pipeline. FIC received further assurance that good progress was also underway on the additional £5m CIP requirement, which from the July 2022 FIC onwards would be included in the overall CIP position rather than presented separately. The transformation team was also working on longer-term, strategic, system-wide schemes, thus building further resilience for 2023/24 and beyond. With regard to productivity schemes, these were presented to FIC in terms of their activity impact, and further work was underway with CMGs on that detail. Mr J Worrall Associate Non-

Executive Director emphasised the need for greater clarity in future reports in terms of the cash-releasing/productivity split of schemes and the overall resulting CIP target. The Director of Quality Transformation Efficiency and Improvement noted that the report reflected a System-wide presentation approach. FIC took assurance from the 2022/23 CIP progress update although recognising that there was further work to do on the level of cash-releasing savings, and queried when the final plan would be available (reiterating previous comments on the need for plans to be finalised earlier in the financial year [as far as possible]).

- **Roadmap to sustainable financial improvement** – FIC noted the progress, key risks, and action tracker detailed in the June 2022 position. As referred to at the May 2022 FIC, Intensive Support Team feedback was also included in the report, for FIC’s information.
- **Estates and Facilities intermediate rota changes** – the Interim Director of Estates and Facilities provided assurance to FIC re: progress in improving rota design and management for Estate and Facilities staff rotas. FIC was now the oversight group for Estates and Facilities issues, and took assurance from the intermediate stage progress report now presented on the rota developments en route to moving to e-rostering for Estates and Facilities staff.
- **Executive Finance and Performance Board** – FIC received and noted the Executive Finance and Performance Board actions from 24 May 2022, and the agenda for the EFPB meeting on 28 June 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

Date of next FIC meeting: 28 July 2022