

### Finance and Investment Committee Report

<b>Trust Board</b>	<b>Item: 23</b>
<b>27<sup>th</sup> July 2016</b>	<b>Enclosure: R</b>
<b>Purpose of the Report / Paper:</b> This report to the Trust Board on the meeting of the Finance and Investment Committee held on 21 <sup>st</sup> June 2016.	
<b>FOR: Information</b> <input checked="" type="checkbox"/> <b>Assurance</b> <input checked="" type="checkbox"/> <b>Discussion and input</b> <input type="checkbox"/> <b>Decision/approval</b> <input type="checkbox"/>	
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<b>Financial / Resource Implications:</b>	See below
<b>Quality Governance:</b>	N/A
<b>Risk Implications - Link to Assurance Framework or Corporate Risk Register:</b>	Objective 4: To deliver the 2015/16 and 2016/17 financial plans
<b>Document Previously Considered By:</b>	None
<b>Link to Relevant CQC Domain:</b> <b>Safe</b> <input type="checkbox"/> <b>Effective</b> <input checked="" type="checkbox"/> <b>Caring</b> <input type="checkbox"/> <b>Responsive</b> <input type="checkbox"/> <b>Well Led</b> <input checked="" type="checkbox"/>	
<b>Recommendations and Action required:</b> The Board is asked to <b>note</b> the report	

## Finance and Investment Committee 21<sup>st</sup> June 2016

### Finance Report

The Committee received the Month 2 finance report. The Trust reported a year to date deficit of £1.4m, which is £0.6m adverse to the plan agreed with NHSI. This was mainly as a result of lower income in-month.

**Cost Improvement Programme:** Delivery for the Month was 79%. The shortfall was across Specialist Services and Clinical Support Services, achieving 77% and 86% respectively.

**Cash:** The cash balance at the end of June was £3.5m, an increase due to a receipt of cash from CCG's as payment for 2015/16 over-performance.

### Contracts Update

The Committee was updated on the 16/17 long stop contract items which are in the process of being agreed.

### Reports from Investment Committee

The following reports from Investment Committee were ratified and approved.

- ToR and Approval Limits
- Radiology Business Case
- Paediatrics business case post implementation review

### Sustainability Transformation Plan (STP)

The Committee was updated on the Sustainability Transformation Plan for South West London. Key assumptions and risks inherent in the plan were discussed. The Committee agreed the importance of re-iterating to external stakeholders that delivery of the financial plan would be dependent upon these assumptions holding true.

### Other matters

**Partnerships:** The financial position on the partnerships – BMI, RMH, SWLEOC and SWLP – was reviewed.

**Reference cost paper:** The Committee reviewed a paper on the Trusts 2015/16 reference cost return and confirmed that it was satisfied with the Trust's costing processes and systems, and that the Trust is submitting its reference cost return in accordance with DH Reference Cost guidance.

**NHS Improvement Letter:** The Committee discussed a letter from NHS Improvement on the 2016/17 Financial Position and the areas where further action is required from Trusts. The areas that they want Trusts to focus on are as follows.

- Planned cost growth in 2016/17
- Back office and Pathology Consolidation
- Unsustainable Service Consolidation.