

Update from the Finance and Investment Committee

<b>Trust Board</b>	<b>Item: 18</b>
<b>28<sup>th</sup> September 2016</b>	<b>Enclosure: 0</b>
<b>Purpose of the Report:</b> To receive the report from the Finance and Investment Committee meeting held on 31 <sup>st</sup> August 2016.	
<b>For information</b> <input checked="" type="checkbox"/>	<b>For Decision</b>
<b>Sponsor (Executive Lead):</b>	Jacqui Unsworth Non-Executive Chairman of the Finance and Investment Committee
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<b>Risk Implications – Link to Assurance Framework or Corporate Risk Register:</b>	None
<b>Legal/Regulatory/Reputation Implications:</b>	None
<b>Link to Relevant CQC Domain:</b> Safe <input type="checkbox"/> Effective <input checked="" type="checkbox"/> Caring <input type="checkbox"/> Responsive <input type="checkbox"/> Well Led <input checked="" type="checkbox"/>	
<b>Link to Relevant Corporate Objective:</b>	Objective 4
<b>Document Previously Considered By:</b>	N/A
<b>Recommendations:</b> The Trust Board is asked to note the report	

## **Finance and Investment Committee 31 August**

### **Finance Report**

The Committee received the Month 4 finance report and discussed the year to date position including those of the partnerships, the CIP programme, the Sustainability and Transformation Fund (STF) and the cash position. An outlook/high level forecast for the year along with possible actions to help the position was also reviewed. A detailed bottom-up forecasting exercise would be undertaken for month 5, with forecasts being reviewed with divisions at the monthly performance meeting.

### **Reports from Investment Committee**

The Investment Committee had approved the business case for the Clinical Decisions Unit (CDU). The establishment of the CDU was a core recommendation of the ECIST, of the McKinsey review and of the CQC report. It was noted that there was a level of income risk within the case due to the pricing of short stay activity still being challenged by commissioners. In the absence of clarification from NHSI regarding the arbitration process and timescales which had been requested some months before, the Trust needed to judge this risk against the risk of a further decline in A&E performance over the winter should the CDU not be in place. The case was ratified by the Finance and Investment Committee.

### **Cash and cash support**

The Committee received a summary of the draft agreement for a DH revolving capital facility to support the cash position in the absence of the Q1 STF payment. The Committee was advised that some conditions being placed around this agreement were unfavourable and that alternative forms of support to manage the cash position would instead be pursued.

### **Corporate Objectives**

The revised corporate objectives were re-presented in the absence of a Board meeting this month and approved by the Committee on behalf of the Board.