

Enclosure O

Finance and Investment Committee Report

Trust Board	Item: 19
11th April 2018	Enclosure: O
Purpose of the Report: To provide an update from the Finance and Investment Committee meetings on 1 st and 29 th March 2018.	
For: Information <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Discussion and input <input type="checkbox"/> Decision/approval <input type="checkbox"/>	
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Link to Relevant Corporate Objective:	Corporate Objective 11
Document Previously Considered By:	N/A
Link to Relevant CQC Domain: Safe <input type="checkbox"/> Effective <input checked="" type="checkbox"/> Caring <input type="checkbox"/> Responsive <input type="checkbox"/> Well Led <input checked="" type="checkbox"/>	
Recommendations: The Trust Board is asked to note the report.	

Finance and Investment Committee 1st March 2018

M10 Finance Report

The Finance Report for M10, showing an overall in-month deficit position of £0.2m (£1.5m adverse to budget) and a year to date deficit of £6.6m (£5.9m adverse to budget) was discussed at some length. The Committee then focused on the performance in relation to the reforecast under the next item.

Forecast Review

The Committee reviewed the Trust's financial performance in relation to the reforecast full year deficit of £6.2m submitted to NHSI in January 2018. In bottom line terms performance was broadly in line with the reforecast. The main areas of uncertainty in relation to achieving the revised outturn position, namely the outcome of the ongoing PFI review and any significant costs associated with the unforeseen and ongoing levels of escalation over winter. Potential mitigations to these items were also discussed.

Financial Scenarios and Budget Setting

The Committee considered a paper of the indicative budget and financial scenarios for 2018/19. The key areas reported were the:

- 2018/19 control total has been down by approximately £2m to a break even position.
- The agency ceiling has reduced to £9.3m, which is £1.4m above agency expenditure forecast for this year.
- The financial challenge that needs to be met for 2018/19 is estimated at £17m.

Meeting the Financial Challenge

The Committee considered the Transformational Programmes proposed to address the financial challenge of 2018/2019 including the reduction and improved flow in emergency work, increased elective activity through the provision of waiting list support to others, theatre productivity improvements and the transformation of outpatient services.

The plan to meet the financial challenge also assumes additional benefits being derived from closer collaboration and working with local partners and deriving further benefit from the Trust's estate.

Working Capital and Loan Position

An update on STF funding was provided, together with an outline of capital loan support received and requested. Discussion concluded that the current picture remains challenging, however, the Trust continues to remain solvent subject to continued NHSI support.

Business Cases

The Committee considered a business case in relation to the in-house development of a new Data Warehouse. The Committee tested whether the development offered opportunities to work collaboratively with local partners before the case was approved.

Finance and Investment Committee 29th March 2018

The Finance and Investment Committee also met on 29th March 2018. The most substantive agenda items related to the 2017/18 financial performance against the revised forecast submitted to NHSI in January 2018, the consideration and approval of the indicative budget and capital plan for 2018/19 and a review of the progress that is being made in developing the schemes that will help the Trust meet the significant financial challenge that lies ahead in 2018/19.