

### Finance and Investment Committee Report

<b>Trust Board</b>	<b>Item: 22</b>
<b>Date: 11<sup>th</sup> July 2018</b>	<b>Enclosure: Q</b>
<b>Purpose of the Report: To provide an update from the Finance and Investment Committee meetings on 28<sup>th</sup> June 2018.</b>	
<b>For: Information <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Discussion and input <input type="checkbox"/> Decision/approval <input type="checkbox"/></b>	
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<b>Risk Implications – Link to Assurance Framework or Corporate Risk Register:</b>	None
<b>Legal / Regulatory / Reputation Implications:</b>	
<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 type="checkbox"/>
<b>Link to Relevant Corporate Objective:</b>	Corporate Objective 11
<b>Document Previously Considered By:</b>	N/A
<b>Recommendations:</b> The Trust Board is asked to <b>note</b> the report.	

## **Finance and Investment Committee 28<sup>th</sup> June 2018**

### **M2 Finance Report**

The Finance Report for M02, showing an overall in-month deficit position of £0.4m (£0.1m favourable to budget including receipt of PSF) and a year to date deficit of £1.5m (£0.6m favourable to budget including PSF) with the major driver being additional income from prolonged winter activity partially offset with activity related increases in pay and increased non-pay costs linked mainly to premises costs. The variance to the NHSI Operating Plan was £0.3m adverse year to date, and the two plans have now been aligned as per the Operational Plan Refresh item below. It is expected that the Operating Plan target for Q1 will be achieved.

### **Meeting the Financial Challenge – FIP Tracking**

The Committee reviewed the month 2 FIP position, and details were provided on the progress of various schemes and how they will be delivered. The updated phased plan for 2018/2019 was shared with the Committee.

### **Operational Plan Refresh**

An update was provided on the recent NHSI operating plan refresh which allowed the Trust to re-profile its plans based on latest FIP information, as well as to align the internal and external budgets. The overall control total deficit of £6m remains unchanged.

### **Land Sale OBC**

A progress report on the proposed land sale was presented to the Committee.

### **Maternity CNST Incentive Scheme**

The Committee approved the CNST return for submission.

### **Reference Cost Review**

The Committee was asked to note, on behalf of the Board, the assurance process the Trust employs to satisfy the Reference Cost Submission guidelines as defined by NHSI.

### **Working Capital and Loan Position**

An update on the current loan position and proposed draw down dates was provided. The forecast remains challenging, and the position on funding the pay awards has not yet been clarified by NHSI, however, the Trust continues to remain solvent subject to continued NHSI support.

It was proposed that FIC formally requests the Board to delegate authority to FIC for approving loan draw-downs. This will enable FIC to approve draw-downs without waiting for Board approval which will stream line the process, and enable the draw-downs to be approved in one forum for the following month avoiding the need for ad hoc approvals to be sought. FIC will review the cash flow requirements on behalf of the Board in consideration of the approval requests.