

## Board of Directors Meeting in Public - Cover Sheet

### All reports **MUST** have a cover sheet

<b>Subject:</b>	Report of the Finance Committee	<b>Date:</b> 3rd June 2021								
<b>Prepared By:</b>	Neal Gossage, NED									
<b>Approved By:</b>	Neal Gossage, NED									
<b>Presented By:</b>	Neal Gossage, NED									
<b>Purpose</b>										
This paper summarises the assurance provided by the Finance Committee around financial management in the Trust and records matters the Committee considers need to be brought to the attention of the Board of Directors		<table border="1"> <tr> <td><b>Approval</b></td> <td></td> </tr> <tr> <td><b>Assurance</b></td> <td>X</td> </tr> <tr> <td><b>Update</b></td> <td>X</td> </tr> <tr> <td><b>Consider</b></td> <td></td> </tr> </table>	<b>Approval</b>		<b>Assurance</b>	X	<b>Update</b>	X	<b>Consider</b>	
<b>Approval</b>										
<b>Assurance</b>	X									
<b>Update</b>	X									
<b>Consider</b>										
<b>Strategic Objectives</b>										
<b>To provide outstanding care</b>	<b>To promote and support health and wellbeing</b>	<b>To maximise the potential of our workforce</b>								
		<b>To continuously learn and improve</b>								
		<b>To achieve better value</b>								
		X								
<b>Overall Level of Assurance</b>										
	<b>Significant</b>	<b>Sufficient</b>								
		X								
		<b>Limited</b>								
		<b>None</b>								
<b>Risks/Issues</b>										
<b>Financial</b>	<b>Performance and financial forecasts</b>									
<b>Patient Impact</b>										
<b>Staff Impact</b>										
<b>Services</b>										
<b>Reputational</b>										
<b>Committees/groups where this item has been presented before</b>										
N/A										
<b>Executive Summary</b>										
<p>A virtual short meeting of the Finance Committee was held on 24<sup>th</sup> May 2021 due to the Covid-19 restrictions. The meeting mainly focussed on 2021/22 planning including progress on the Financial Improvement Plan (FIP).</p> <p>Matters to be brought to the attention of the board:</p> <p>1.1 2021/22 Plan</p> <p>Planning for 2021/22 has been divided into two halves (H1 and H2). For H1, the ICS has submitted a break-even plan and SFH also has a break-even plan – although the phasing is not equal over the April to September period. Workforce and activity plans together with a narrative are due to be submitted on 3<sup>rd</sup> June 2021.</p> <p>Nottinghamshire has now achieved accelerator status with a ‘grant’ of £10m based on using best endeavours to achieve 120% of 2019/20 levels for elective, outpatient and day case activity by July 2021. The SFH share of the grant is £2.4m. This additional funding has not been included in the H1 plan but projects have been identified to help to make the improvements; the key ones being a mobile endoscopy unit, a mobile CT facility and insourced provision for general surgery and theatre lists. The Committee approved these key projects and commitments.</p> <p>The H1 plan does include an element of the new ERF funding and there is a degree of confidence that the targets will be achieved across the ICS unless Covid cases grow substantially.</p>										

Planning guidance for H2 is awaited as that partly depends on how the pandemic progresses.

The system still has a big underlying deficit (£86m) and work is underway to identify improvements that can be made to eliminate this over a three year period.

## 1.2 FIP

Work continues to develop the 2021/22 plan and at present, the forecast is to deliver £7.19m – 112% of the target. In H1, the Trust is expected to deliver savings of £1.93m against a target of £0.5m. The plan is based on a number of assumptions and the finance committee will seek further assurance at the next meeting as to the validity of the assumptions.

## 1.3 PFI

The performance and governance arrangements for the PFI contract were reviewed. The self-declared PFI performance is currently below the threshold limits laid out in the PFI Project Agreement and performance under the PFI contract remains under constant review and discussion with ProjectCo.

Other matters discussed by the Committee

## 2.1 Month 1 Financial Report

The committee noted the deficit of £0.6m for the month - £0.7m better than the H1 plan. The phasing of the break-even H1 plan reflects the timing of income – particularly in relation to the ERF.