

Escalation and Assurance Report

Agenda
Item

12.5

Report from the: Finance, Business and Investment Committee

Date of meeting: 22 March 2021

Report to the: Board of Directors

Key escalation and discussion points from the meeting

Alert:

No issues were noted that require further discussion or action.

Advise:

- The Committee reviewed the 2021/22 draft financial plan and noted:
 - the planned break-even position for Quarter 1
 - the likely deficit of £6.7million relating to Quarters 2 to 4 (based on and driven by various planning assumptions which were reviewed by the Committee)
- This draft plan assumed that the temporary financial framework put in place by NHSEI for Half 2 of last year would be rolled forward to the end of Quarter 1 of the new year. N.B. Since the FBIC met, NHSEI has announced that the temporary framework will be rolled forward to the end of **Half 1** of the new year, i.e. with block funding continuing to be managed at ICS level and NHS contract suspension continuing during that period;
- The Committee discussed the expectation of efficiency savings and cost improvements for organisation to achieve during 2021/22 with work taking place at the Trust to ensure shared ownership and empowerment takes place across a multi-disciplinary team to support quality improvements and reduction in waste.
- The Committee recognised the need to identify in excess of £7m recurrent savings to tackle the Trust's underlying deficit and the need for appropriate resourcing of the programme (including the potential for external support). The Committee was in agreement that this should be a top priority programme for the Trust and looked forward to reviewing the proposed shortlist of prioritised schemes by the end of June.
- The Committee supported the proposal to invest a further £154k capital expenditure in 2021/22 for the Lynfield Mount development; and
- The Committee requested delegated authority from the Board to the Chief Executive, Chair of the Trust, Director of Finance Contracting and Estates, and Chair of FBIC for approval of the final plan where timescales did not allow this to be brought to Trust Board in advance of the submission.

Assure:

- The Committee noted that high quality financial governance continued in place at the Trust with the Trust's 2020/21 financial position underpinned by unprecedented national financial arrangements due to the pandemic;
- A progress update on the estates strategy was received covering the Lynfield Mount Hospital (LMH) redevelopment and redesign of our community estate.

<p>There was a request for a risk assessment to be made in relation to potential funding options for LMH redevelopment;</p> <ul style="list-style-type: none"> • The performance dashboards for Month 11 were reviewed noting the elevated agency spend which is £2.6 million over the national spending cap (this is a technical breach with no material ramifications for the Trust); the capital plan is forecast to overspend against budget by £1.7 million (this was planned for and agreed at system level, with equivalent underspends agreed with ICS partners). The Committee noted the operational performance targets for community dental services being worse than target and the increasing occupancy on inpatient wards and associated need for out of area placements; • The Committee received an update on the lead provider arrangements for the Assessment and Treatment service for West Yorkshire and noted the progress to date, the next steps and timescales in progressing to the new model of care and the key risks associated with the service; • The Committee reviewed and approved the Trust’s Green Plan; and • The Committee received the Annual Assurance Reports for the Fire Safety Policy and the Health and Safety Policy.
<p><u>Risks discussed:</u></p> <ul style="list-style-type: none"> • Risk 5 – To deliver a financially sustainable organisation.
<p><u>New risks identified:</u></p> <ul style="list-style-type: none"> • None

Report completed by: Maz Ahmed