

## Escalation and Assurance Report

**Report from: Finance, Business and Investment Committee**

**Date the meeting: 24 November 2022**

### Key discussion points and matters to be escalated from the discussion at the meeting:

#### Alert:

- Whilst the trust is forecasting a break even financial position for 2022/23 which is in line with plan, there are a number of financial risks that are mitigated by non-recurrent mitigations mainly due to the level of vacancies across services. Financial risks primarily relate to bank and agency staff being use to deliver model roster staffing model, as well as acuity levels and staff absence in low secure services. Transformation work streams to identify savings for next year and beyond need to be accelerated to avoid a significant financial gap. To date, the Committee has not received sufficient assurance on the deliverability of initiatives or the associated financial savings. The organisations Board Assurance Framework has elevated the risk associated with financial sustainability. In addition, the Committee noted that NHS England have issued a new protocol covering the implications for providers that are not able to achieve financial balance.
- Given the ongoing delays and uncertainty surrounding capital for the Lynfield Mount redevelopment, the Committee raised a concern regarding the ongoing operational viability of the site. An assessment will be undertaken to understand the clinical and patient safety aspects, which will most likely to be reviewed at Quality & Safety Committee. Furthermore an assessment of the ongoing estates maintenance costs and backlog will be reviewed in detail in a future FBIC meeting.

#### Advise:

- The Committee reviewed the YTD financial position to month 7. The Trust continues to meet the financial trajectory for the year, reporting a YTD position of £834k against a planned surplus of £705k. Whilst there is a degree of confidence that we will deliver the full year breakeven plan, this is reliant on £5.02m of non-recurrent measures. The efficiency programme of £14.4m is off track up to October by £995k with a forecast shortfall against plan of £5.02m. Workforce availability to support the Model Roster efficiency plans has proved a limiting factor during the year.

#### Assure:

- The Committee received an update on the Provider Collaboratives financial performance. No material financial risks or issues were noted.
- The Committee noted that the Trust had been allocated c£1.2m (which must be match funded) to achieve the nationally mandated Frontline Digitisation Minimal Digital Foundations. The business case for this expenditure is to ensure the Trust's clinical systems can meet National expectations, support the trusts transformation agenda and to inform the

procurement process for the long term Frontline Patient Record System (new contract due to commence in July 2025).

**Risks discussed:**

- The Board Assurance Framework and Organisational Risk Register were considered.

**New risks identified:**

- None.

**Report completed by: Maz Ahmed, Finance Business & Investment Committee  
Chair  
24 November 2022**