

Escalation and Assurance Report

Report from: Finance, Business and Investment Committee

Date the meeting: 24 March 2023

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

Alert:

- No issues noted.

Advise:

- The Committee reviewed a draft of the financial plan for 2023/24. This showed a gap of £4.16m but with identified further improvements that bring the gap down to £1.65m. There was confidence that further improvements could be identified to enable a break even to plan to be submitted when finalised. The plan was discussed at length including the deliverables around cost savings plans. The Committee noted a significant amount of work had taken place to get to this position. Whilst savings plans had been identified, deliverability of these savings continues to be a key risk. Furthermore, the current plan has a level of non-recurrent mitigation still assumed within it. The Committee challenged the Executive team to identify further cost savings to improve the underlying recurrent position.
- The Committee also noted a significant financial gap for 2023/24 at Bradford District and Craven Place with further work taking place to understand underlying issues in the organisations driving this gap. It was noted that there could be an impact on the Trust's finances as the system-wide risk was a risk to the Trust.

Assure:

- The Committee reviewed the YTD financial position to February 2023. The Trust continues to meet the financial trajectory for the year. Whilst there is a degree of confidence that we will deliver the full year breakeven plan, this is reliant on £4.7m of non-recurrent measures.
- The Committee received an update on the Green Plan, highlighting progress on the Trust's sustainability programme. The Committee asked for a consolidated dashboard showing key performance indicators related to sustainability, enabling the impact of various initiatives to be measured.
- The Committee reviewed the extension of the Cygnet contract. An inflationary uplift has been agreed at 8% (versus initial ask of 23%) and favourable contract terms negotiated to support reduced bed requirements in line with out of area placement plan trajectories. The contract value for 18 beds is £3.928m and was recommended for Trust Board approval. FBIC requested that a further update was received as to when this contract could be exited, based on successful reduction of out of area placements.

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
2nd April 2023