

Report to:	Public Board of Directors	Agenda item:	12
Date of Meeting:	31 March 2021		

Title of Report:	Finance and Performance Committee Update Report
Status:	For Discussion
Sponsor:	Jeremy Boss, Chair of the Finance and Performance Committee
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Appendices	

Purpose

This report summarises the discussions, recommendations and approvals made by the Finance and Performance Committee on 20 January 2021 and 1 March 2021, to provide the Board with an update of the Committee's activities.

Background

The Finance and Performance Committee holds delegated responsibility from the Board of Directors; this report provides evidence to satisfy the Board that the tasks required to meet those responsibilities are being carried out.

Business Undertaken

January 2021:

A deficit of £3m was forecast for the remainder of the year. Capital was highlighted as a risk. It was agreed the following points would be monitored by the Committee;

- Overall outturn
- COVID cost trail
- System position
- Capital
- Cash

The Committee discussed the 3 key areas that were affecting operational performance, namely COVID, Phase 3 recovery and ED performance.

The Director of Finance provided the Committee with an update on the Drivers of Deficit and stated that the Trust was in a breakeven position at the end of 2019/20. Going into 2020/21 there was a £9m gap in the financial plan and in order to support the return to financial sustainability the Board of Directors had agreed to commission independent work to review the drivers of deficit.

Planning 2021/22 had been paused due to COVID

It was confirmed that BAF 4, 5, 7 and 8 would now fall to this Committee

March 2021:

The revised Terms of Reference were approved.

The Committee discussed the 4 risks they had been allocated and agreed that all scores should remain as they are.

The Committee discussed the 3 key areas that were affecting operational performance, these were COVID, Phase 3 and ED

The COVID pandemic meant that staff had had been unable to take their annual leave, which would result in an additional cost pressure. ITU costs were been higher than planned. The QIPP target has been set at 1% for each division.

The Trust was forecast to spent £43m capital this year, the Capital Prioritisation Management Group had been reviewing all the high risk schemes to ensure the funds were not lost. Slippage was highlighted as a potential risk.

The 2021/22 planning process had been paused to enable maximum resources to be freed up to respond to operational challenges of COVID.

The Committee agreed that the Trust needed to Maintain financial probity as it moved forwards.

Issues on the format of ITU and Respiratory care were discussed and these would require further monitoring.

Further work was required on the recovery of diagnostic waiting times especially ultrasound.

The Committee agreed that ED performance was challenging but a significant amount of internal processes had been identified that would support improving performance.

The Committee agreed that nothing had been discussed that would require any changes or additions to the risk register/BAF.

The Committee agreed to discuss the frequency and timings of further meetings at the April meeting.

Key Risks and their impact on the Organisation

- Slippage in the Capital Programme

Key Decisions

- Approval of the revised Terms of Reference

Exceptions and Challenges

Nothing impacted on the Committee's ability to undertake its business.

Governance and Other Business

Finance and Performance Committee meets bi-monthly and the Committee's Terms of Reference are reviewed annually.

The Committee's membership consists of the Non-Executives, the Chair, and the Chairs of the Non-Clinical Governance Committee, and the Clinical Governance Committee.

Future Business

In addition to standing items, we will be considering:

- Financial strategy update
- Continued implementation of Improving Hospital Flow programme
- Initial evaluation of the committee effectiveness

Recommendations

The Board is asked to note this report.