

Report to:	Public Board of Directors	Agenda item:	14
Date of Meeting:	12 January 2022		

Title of Report:	Finance and Performance Committee Update Report
Status:	For Discussion
Board Sponsor:	Jeremy Boss, Chair of the Finance and Performance Committee
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Appendices	None

Purpose

This report sums up discussions, recommendations and approvals made at the Finance and Performance Committee's meeting on 17 November 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

Board Assurance Framework: The Committee considered the BAF risks that sit under Strategic Priority 4 (Be a sustainable organisation that is fit for the future), in line with recommendations made during discussion at the September meeting.

Learnings from Leicester Hospital (ULH FT): the Committee considered lessons learn from UHL FT following understatement of their deficit by £55m.

The following recommendations were noted and would be overseen by the Committee:

- Full cash flow statement to be reinstated in FPC papers to ensure there is a balancing set of reports including Income and Expenditure, Balance Sheet and Cash Flow statement. **Responsibility:** Deputy Director of Finance. **Deadline** November FPC.
- Monthly financial services review meetings to be reinstated with Finance Director as part of the reporting cycle. **Responsibility:** Director of Finance. **Deadline:** December 21.
- Request independent assurance from external audit on aggressive nature of accounting policies. **Responsibility:** Director of Finance and Trust External Auditors. **Deadline:** February 22 as part of the interim audit.

H2 Plan:

Financial Sustainability Update: the Committee considered an update on the progress being made to deliver the Trust's True North Objective on sustainability and deliver a breakeven position. The Committee noted that further work was happening across the BSW system to review the system underlying deficit and recovery plan. The Committee would receive reports on the next steps on the sustainability updates in the coming new year.

BSW Single EPR Outline Business Case Update: The Committee reviewed the financial case which showed how RUH-specific capital and revenue would be impacted over the 15 years. The Committee noted that financial impacts were previously reviewed by RUH Director of Finance at the EPR Finance Working Group.

Orthotics Contract Recommendation: The Committee reviewed the report which detailed the outcome of a tendering exercise for the provision of an orthotics managed service. Following thorough discussions the Committee agreed to recommend the Contract to the Trust Board for approval.

Integrated Performance Report: the Committee considered and discussed the Integrated Performance report which included reports on Finance. The Committee noted the Trust was experiencing challenges in hospital flow and ED productivity. The Committee noted that the medium term (for winter 2022) solutions to the flow issues would include looking at improvements in estates, improving infection prevention control and recruiting to vacant positions.

Approval of Winter Schemes: the Committee reviewed and approved the Winter planning schemes.

Deep Dive – Elective: the Committee also received a deep dive presentation into issues and updates on elective activities.

Committee Terms of Reference Review (ToR): the Committee reviewed its Terms of Reference for Board consideration and approval. There was one additional task added to the ToR, which was:

- Work with the Subsidiary Oversight Committee on a group basis with regard to issues relating to the operational and/or financial performance of the Trust's subsidiary company, Sulis Hospital, Bath.

Key Risks and their impact on the Organisation

- The aggregated risk was greater than individual risk
- Cancer performance was still challenging
- Operational pressures were high
- Structural issues
- Capacity and demand issues

Key Decisions

- Orthotics Contract approved
- Approval of Winter Schemes

Exceptions and Challenges

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

Governance and Other Business

Finance and Performance Committee meets 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, the Committee will consider: <ul style="list-style-type: none"> • Work plan 2022
Recommendations
The Board is asked to note this report.