

Board of Directors Meeting in Public - Cover Sheet

Subject:	Finance Committee Annual Report	Date: 4 May 2023	
Prepared By:	Richard Mills, Chief Financial Officer		
Approved By:	Andrew Rose-Britton, Non Executive Director and Chair of Finance Committee		
Presented By:	Andrew Rose-Britton, Non Executive Director and Chair of Finance Committee		
Purpose			
To provide assurances that the Finance Committee is performing its responsibilities as set out within its Terms of Reference.		Approval	X
		Assurance	
		Update	
		Consider	
Strategic Objectives			
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve
			To achieve better value
			X
Identify which principal risk this report relates to:			
PR1	Significant deterioration in standards of safety and care		
PR2	Demand that overwhelms capacity		
PR3	Critical shortage of workforce capacity and capability		
PR4	Failure to achieve the Trust's financial strategy		X
PR5	Inability to initiate and implement evidence-based Improvement and innovation		
PR6	Working more closely with local health and care partners does not fully deliver the required benefits		
PR7	Major disruptive incident		
PR8	Failure to deliver sustainable reductions in the Trust's impact on climate change		
Committees/groups where this item has been presented before			
Finance Committee – January 2023			
Acronyms			
Executive Summary			
<p>This report provides a description of the activities and assurance that the Finance Committee has carried out its obligations in accordance with its terms of reference and work programme for the 2022 calendar year. It provides assurances and synopsis on activity undertaken throughout the year and identifies areas for development.</p> <p>The time period is aligned to the annual governance timetable to enable consideration by the Audit & Assurance Committee and the Board of Directors, and to support the Annual Governance Statement.</p>			

Annual Report from the Finance Committee 2022

1. Summary

This report provides an overview of risk management activities undertaken throughout the Trust and a summary of the work undertaken within the Finance Committee activities from January to December 2022, for assurance that the Committee has carried out its obligations in accordance with its Terms of Reference and work programme for 2022.

The time period is aligned to the annual governance timetable to enable consideration by the Audit & Assurance Committee and the Board of Directors, and to support the Annual Governance Statement.

2. Background

The Finance Committee meets not less than 6 times a year and reports to the Board of Directors. Its Terms of Reference establish that its role is to conduct independent and objective reviews of financial and investment policy and performance issues.

The Committee's membership is set out below:

- Three Non-Executive Directors one of whom nominated as Chair and one as Vice Chair. The Chair of the Committee is appointed by the Board of Directors.
- Chief Executive.
- Chief Financial Officer.
- Chief Operating Officer.
- Associate Director of Estates & Facilities

Also in routine attendance:

- Deputy Chief Financial Officer
- Associate Director of Transformation
- Governor observer

Other Directors and Managers have attended meetings in accordance with the Committee work programme and/or in response to specific issues being identified.

3. Meetings

The Committee has held 10 meetings during the period covered by this report, 4 meetings being held as Extra-ordinary meetings as agreed by the Committee.

Attendance of core members (or a nominated deputy) at meetings during the period covered by this report is detailed below:

Non Executive Director Chair	9/10
Non Executive Director Vice Chair	10/10
Chief Executive	9/10
Chief Financial Officer	10/10
Chief Operating Officer	6/10
Director of Culture & Improvement (Left September 2022)	5/6
Associate Director of Estates & Facilities	7/10

The Committee has agreed that meetings should be scheduled on a monthly basis over the next calendar year, with a limited agenda in place for six of the meetings to focus on specific items warranting focused discussion.

4. Work Programme

The Committee has received regular reports throughout the year in accordance with its agreed Annual Work Programme. A series of monthly reports are received from Committee members in respect of:

- Financial Performance and Financial Improvement Programme (FIP)
- PFI Governance
- Nottingham & Nottinghamshire ICB and NHS England Updates
- Procurement Forward View
- Board Assurance Framework (BAF) – Principal Risk 4 and Principal Risk 8

The Committee has also received reports on the following specific matters:

- Annual Planning and Budgeting process and delivery
- NHIS quarterly performance
- Capital Plan
- Strategic Priority updates
- Terms of reference review (March 2022 and December 2022)
- National Cost Collection submission
- Internal Audit Reports
- Private Patient Pricing Policy
- The Maturity Assessment Action Plan

5. Approvals

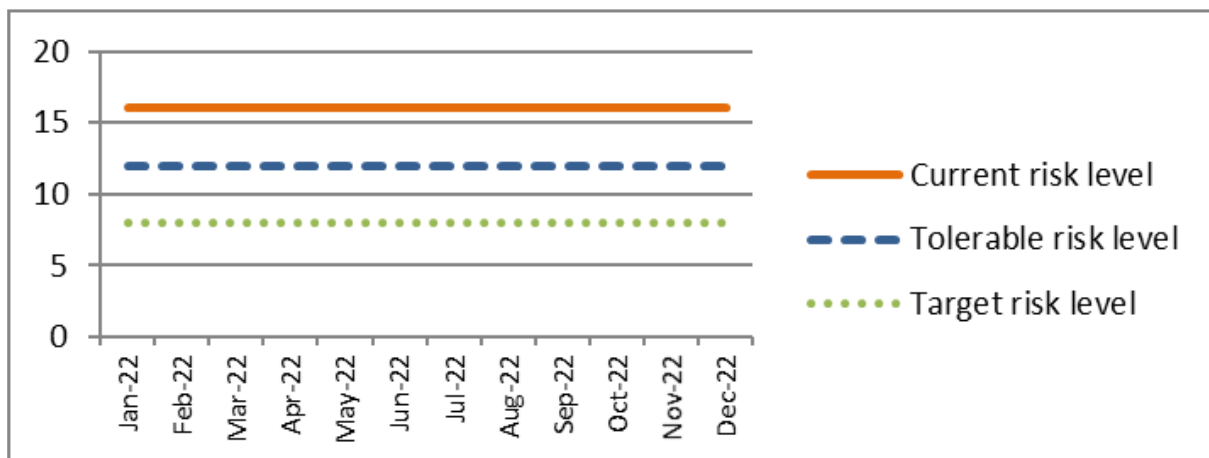
The Trust Scheme of Delegation describes the Committee has delegated authority from the Board of Directors to approve revenue and capital expenditure up to the value of £1.0m. The Governance process requires Finance Committee approval of all expenditure in excess of £250,000. Expenditure above the £1.0m threshold requires the final approval of the Board.

In accordance with this the Committee has considered and approved the following:

- NHIS Service Desk ITSM replacement
- Virtual Desktop Integration (VDI) solution (supporting readiness for EPR)
- Virtual Private Network (VPN) replacement
- End User Devices (EUD) Pooling Scheme
- Record Digitisation Services for Nottingham & Nottinghamshire ICB
- EPR Business Case (for ratification at Trust Board)
- Virtual Ward nursing posts
- Mobile Endoscopy contract extension
- Radiology Multi-Vendor contract renewal
- Mobile CT contract extension
- Sherwood Community Unit
- Vodafone Mobile contract renewal
- MRI Replacement Programme (for ratification at Trust Board)
- Pharmacy Robot replacement (for ratification at Trust Board)
- Emergency Department resourcing (for ratification at Trust Board)
- E-rostering and Job Planning contract extension (for ratification at Trust Board)
- SQUIRE Stroke funding bid
- Mansfield Community Diagnostics Centre (for ratification at Trust Board)
- Frontline Digitisation infrastructure (for ratification at Trust Board)

6. Board Assurance Framework

The Committee reviews BAF principle risk 4 (Failure to maintain financial sustainability) at each ordinary meeting. At the January 2022 meeting of the Committee the risk score was recorded at 16 (Significant), with a Consequence score of 4 (High) and a Likelihood score of 4 (Somewhat Likely). The score remained unchanged for the rest of the period covered by this report.



7. Committee Effectiveness Review

The Committee carried out an Effectiveness Review which was reported in March 2022. The review was based upon the National Audit Office Committee Healthcheck and is to help review governance arrangements, check appropriate systems are in place and to identify areas for improvement

The self-assessment tool considered 16 criteria and the Committee reported that each was fully met. Evidence to support this assessment was reported and no required actions were identified.

8. Matters for escalation

At the end of each Committee meeting items for escalation to the Board of Directors are identified. Throughout the year, at various points in time, these have included:

- Approval of business cases, or support for cases requiring ratification by the Board, as detailed in Section 5 of this report.
- Financial performance and forecast outturn updates, including financial years 2021/22 and 2022/23.
- Financial planning and budgeting updates, including revisions to NHS financial framework.
- Transformation & Efficiency updates, including Financial Improvement Programme (FIP) plans and performance updates.
- Board Assurance Framework (BAF) assurance updates, relating to Principal Risks 4 and 8.
- Confirmation of changes to the frequency of Finance Committee meetings.
- National Cost Collection (NCC) final submission

9. Conclusion

The Committee self-assessments of compliance with Terms of Reference, the review of effectiveness, the robust work programme and escalations to Board of Directors provide assurance that the Committee continues to be effective in discharging its responsibilities.