

Finance Committee Chair’s Highlight Report to Trust Board

Subject:	Finance Committee (FC) Report	Date: 4 April 2024
Prepared By:	Graham Ward – FC Chair	
Approved By:		
Presented By:	Graham Ward – FC Chair	
Purpose:	To provide an overview of the key discussion items from the Finance Committee meeting of 26 March 2024.	
	Assurance	Significant

Matters of Concern or Key Risks Escalated for Noting / Action	Major Actions Commissioned / Work Underway
<ul style="list-style-type: none"> • <u>BAF, PR8 Sustainability</u> – concern that limited progress is being made on the sustainability agenda. • <u>Month 11 Finance Report</u> – The deficit year to date is £8.1M (£1.6M better than plan). Key issues for escalation: <ul style="list-style-type: none"> ○ Financial outturn position is on target to deliver the forecast £8.5M deficit. ○ January and February Industrial Action cost has been covered/mitigated. ○ There remains a risk on income, especially that the CDC funding of £5.5M for 2023/24 may not be received and a further £2.5M on the Derby/Derbyshire contract. <p>Concerns continue with respect to cash, exacerbated by the income risk above.</p>	<ul style="list-style-type: none"> • <u>Agency Expenditure</u> – More detail still needed on the components of agency expenditure and the accruals approach, to ensure trends can be understood. • <u>Capital Expenditure</u> – capital plan for 2024/25 to be presented to April’s meeting. • <u>FIP</u> – continues to be a concern and there will be a deep dive in April, with a particular focus on position and approach for 2024/25. • <u>Annual Plan</u> – ICB financial risk position for 2024/25 to be circulated. • <u>Monthly Finance Pack</u> – contents to be reviewed with a view to slimming down the pack. <p><u>Workplan & Terms of Reference</u> – To be revised focussing on 6 ‘formal meetings’, plus 6 informal/optional meetings.</p>
Positive Assurances to Provide	Decisions Made (include BAF review outcomes)
<ul style="list-style-type: none"> • <u>Month 11 Finance Report</u> – Finance team and Trust, as a whole, were congratulated on being on track to deliver the revised 2023/24 financial outturn. • <u>Procurement</u> – noted the change in procurement regulations for the NHS and assured that SFH is in a good position to implement. • <u>PFI Settlement</u> – continuing to progress with a target to have all issues for SFH resolved by mid April. 	<ul style="list-style-type: none"> • <u>MRI Options</u> – agreed to recommend to Board approval, subject to receiving a letter of support on capital funding from the ICB and a review of the revenue income. • <u>Radiology Contract Extension</u> – agreed to recommend to Board for approval. <ul style="list-style-type: none"> • <u>BAF</u> – agreed to hold PR4 (financial Strategy) at 16 and PR8 (Sustainability) at 9, though note escalated concern.

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| <ul style="list-style-type: none">• <u>2024/25 Planning</u> – progress noted.• <u>Financial Strategy</u> – draft strategy concept presented and discussed, with good progress being noted.• <u>Internal Audit Reports</u> – reports on Key Financial Systems and Financial Ledger & Reporting were presented. Both reports were issued with significant assurance and assured that recommendations were on track to be implemented by agreed dates. | |
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Comments on effectiveness of the meeting

- All papers were of a high quality and clear which helped the meeting run smoothly and promoted good constructive challenge and discussion.

Items recommended for consideration by other Committees

- Audit Committee to be appraised that the 2 internal audit reports were reviewed and actions to implement discussed (including one action to be further reviewed).

Note: this report does not require a cover sheet due to sufficient information provided.