

Finance Assurance Committee, Key Issues Report		
Report Date: 30 October 2024		Report of: Finance Assurance Committee
Date of meeting: 30 October 2024		Members: Richard Miner (Chair), Simon Crowther, Raj Dhaliwal, Helen Troalen, Hayley Flavell Attendees: Adam Winstanley, Clair Young, Simon Balderstone, Debbie Bryce (part), Lisa Mitchell
1	Agenda	<p>The Committee considered the following:</p> <ul style="list-style-type: none"> • Finance Highlights Month 6 Report (including forward look) • Medium Term “System” Finance Strategy • Energy Centre Business Case & Contract Award • Workforce plan and financial impact • Efficiency and Sustainability Group and Capital Planning Group 4A Issue Reports • Board Assurance Framework quarterly report
2a	Alert <i>Matters of concerns, gaps in assurance or key risks to escalate to the Board</i>	<ul style="list-style-type: none"> • Deficit is £5.6m adverse to a plan which is itself a planned deficit for the year of £44.3m. This planned deficit is funded and, in essence, reduces the Trust to a break-even position. • Risks remain around pay (national award, reduction plan, bank, unavailability, CSWs), escalation, efficiency and income albeit plans in place to mitigate. • The issues around a long-term staffing plan for escalation spaces was discussed which led to a wider conversation about sufficiently balancing financial risk and performance. • Varying divisional performance continues with MEC particularly challenged.
2b	Assurance <i>Positive assurances and highlights of note for the Board</i>	<ul style="list-style-type: none"> • Current cash balance is £15m with deficit funding (cash support) forthcoming of £44.3m. • Strengthened governance and control procedures and greater engagement with divisions. This includes intervention by the Finance Recovery Programme Office, the Medical Efficiency Group, UEC Group and PwC. • With mitigation, the Month 6 report suggests we could get to within £5m of the agreed deficit albeit significant risks remain.
2c	Advise <i>Areas that continue to be reported on and/or where some assurance has been noted/further assurance sought.</i>	<ul style="list-style-type: none"> • We need to ensure future quoracy and sufficient NED attendance • FAC has reviewed the “System” Finance Strategy and will feed back to the System after circulating. • After reviewing the BAF, FAC is recommending a reduction in BAF risk 5 (the Trust does not operate within its available resources) from 20 to 16 albeit FAC was not unanimous on this. This view is based on the enhanced governance arrangements. • After substantial discussion the energy centre full business case and contract award was recommended to Board for consideration in the private session.

		<ul style="list-style-type: none"> • Efficiency and Sustainability Group and Capital Planning Group 4A Issue Reports noted with no follow up actions required. • The finance team has been shortlisted for 2 HFMA awards. 		
2d	Actions Significant follow up actions	<ul style="list-style-type: none"> • Given many of the “back ended” cost reductions, application of sensitivity analysis to the forward look of all future reports coming to FAC meetings, in order to provide clear insight on the year end impact of recovery actions. 		
3	Report compiled by	<i>Richard Miner, Chair, Non-Executive Director</i>	Minutes available from	<i>Lisa Mitchell</i>