

BOARD SUBCOMMITTEE ASSURANCE REPORT

Presented for:	Information/Escalation/Decision
Committee Name:	Finance Committee
Presented by:	Ray Harding, Non-Executive Director (Committee Chair)
Date of Committee meeting:	27 November 2020

Points of Escalation

- NHSI had responded to the revised System submission for 2020/21 (NWAFT deficit £15.9m), with a further request to improve. The System has agreed an improvement, with NWAFT’s share being £2m, taking our target to deficit £13.9m. The Finance Committee supported this change, as it represented simply the favourable variance to plan in M7. However, the Committee requested that any further requests to improve the plan be notified to the Committee or its chair in advance of commitment.
- The Committee recommends the OBC for Hinchingsbrooke theatres to the Board for approval.
- Financial Governance arrangements for Covid second wave were supported by the Committee. These essentially allow for retrospective use of existing controls to enable speed of action.

Key Issues

- Financial performance at M7 is favourable to plan at a deficit of £0.4m, primarily in pay costs.
- Capital funds, previously approved, remain to be received – £20m – this will not cause cashflow issues this year.
- The CIP programme of £3.7m was reviewed; £300k remains to be identified. The approach is for 1.1% in Q3 and 2.1% in Q4.
- The National Cost Collection for 2019/20 was submitted. The findings will be used to inform future CIP.

Risks

- The Pay run-rate, necessarily increased because of Covid-19, may be difficult to take out of the system – subject to increased management focus. Agency costs are down for second month, but the market is tightening.

**Spotlight
Outstanding
Practice and
Innovation**

- Hinchingsbrooke's A&E, AAU and ACU project was completed on time, within budget and of good quality.
- The PFI dispute over Sch.18(part E) has been resolved in NWAFT's favour.

Author:	Ray Harding
Job Title	Non-Executive Director
Date:	28 October 2020