



Sandwell and West Birmingham NHS Trust Board Committee Chair's Report

Meeting:	Finance and Productivity Committee		
Chair:	Rachel Hardy		
Dates:	29 th September 2023 and 27 th October 2023		
Present:		29 th September 2023	27 th October 2023
	Rachel Hardy, Non-Executive Director (Chair)	Attended	Apologies
	Mick Laverty, Non-Executive Director (Member)	Attended	Attended
	Andrew Argyle, Non-Executive Director (Member)	Apologies	Apologies
	Dinah McLannahan, Chief Finance Officer (Member)	Apologies	Attended
	Johanne Newens, Chief Operating Officer (Member)	Attended	Attended
	James Fleet, Interim Chief People Officer (Member)		Attended
	Martin Sadler, Executive Director of IT & Digital (Member)	Attended	Attended
	Daren Fradgley, Chief Integration Officer (Member)	Attended	Apologies
	Jatinder Sharma, Assoc Non-Executive Director (Member)	Attended	Attended
	Dave Baker, Chief Strategy Officer	Apologies	Apologies
	Simon Sheppard, Director of Operational Finance	Attended	Attended
	Craig Higgins, AD Finance Accounting	Apologies	Attended
	Paul Stanaway, AD Financial Management	Attended	Apologies
	Dan Conway, Assoc Director of Corporate Governance	Apologies	Attended
	David Dingwall, CIP Consultant	Attended	Attended
	Tammy Davies, Deputy Chief Integration Officer	Attended	Apologies

* See Reading Room for assurance classification

29th September 2023

1.	Month 5 Finance Report <u>Chair's opinion:</u> <ul style="list-style-type: none"> Report noted and Received. As previously reported it is likely that the trust will not hit the planned deficit position with a deteriorating exit underlying position. A further more detailed discussion to be undertaken at the October meeting to review the forecast position in more detail 	Partial Assurance
2.	Capital Programme and Cash 23/24 Report <u>Chair's opinion:</u> <ul style="list-style-type: none"> Report noted and received. Further updates to be received regarding the system cash position and the developing policy. 	Partial Assurance
3.	Financial Recovery Plan – Reset <u>Chair's opinion:</u> <ul style="list-style-type: none"> Good work underway in the organisation to embed an ongoing approach to improvement. However, there remains a £15m shortfall in the CIP programme against plan. Triangulation required for October meeting to ensure the most likely position is reflected in the likely forecast outturn and to review options to close the £15m gap. Also to be projected forward into 24/25 and beyond to start developing a multi year plan. 	Partial Assurance
4.	Workforce Plan Report <u>Chair's opinion:</u> <ul style="list-style-type: none"> Report noted and received. The work undertaken so far was commended. 	Partial Assurance
5.	Operational Performance Report (including FIPC Metrics) <u>Chair's opinion:</u> <ul style="list-style-type: none"> The key issues were discussed at the committee. A more detailed discussion was agreed for the October meeting to review the direction of travel of the key indicators and to develop a narrative with a clear risk rating. This will enable the conversation and discussion to be developed further. 	Partial Assurance
6.	IT Frontline Digitisation Update <u>Chair's opinion:</u> <ul style="list-style-type: none"> Report noted and an update will be received in future months. 	Partial Assurance
7.	Learning Campus Business Case <u>Chair's opinion:</u> <ul style="list-style-type: none"> Business case approved to be recommended to the board. A more detailed financial deep dive will be overseen by FIPC in October 	Partial Assurance
	MMUH Finance Report	

8.	Chair's opinion: <ul style="list-style-type: none"> Received and Noted 			Partial Assurance
9.	TLHC Briefing paper Chair's opinion: <ul style="list-style-type: none"> Business case approved in its current form. Contract award approved subject to the receipt of a letter agreeing the covering of any exposure costs. 			Partial Assurance
10.	Salix PSDS Bids Governance Chair's opinion: <ul style="list-style-type: none"> Received and approved 			Substantial Assurance
	Positive highlights of note	Matters of concern or key risks to escalate to the Board	Matters presented for information or noting	Actions agreed
	<ul style="list-style-type: none"> Good debate and interaction for all agenda items 	<ul style="list-style-type: none"> Forecast outturn and the efficiency programme 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">

27th October 2023

11.	Month 6 Finance Report Chair's opinion: <ul style="list-style-type: none"> Actual deficit was £21.24m against a plan of £12.02m – an adverse variance of £9.228m. M7 has been a difficult month financially – so is unlikely to improve the position. Planned deficit of £18.823m is not achievable, most likely deficit at year-end will be double that. 			Partial Assurance
12.	Capital Programme and Cash 23/24 Report Chair's opinion: <ul style="list-style-type: none"> Received and noted. Concern that cash will run out in May 2024. Capital programme currently £3m overprogrammed – aiming to take advantage of capital underspends across the system. 			Partial Assurance
13.	Financial Recovery Plan – Reset (Including Workforce Trajectory) Chair's opinion: <ul style="list-style-type: none"> Progress being made – but not enough, nor quick enough. c£53m of savings needed, forecast outturn is c£36.4m – of which only £16.8m is recurrent. 			Partial Assurance

	<ul style="list-style-type: none"> As a result, the underlying deficit will significantly increase and carry into 2024/25 (see next item). Work continues to identify and make recurrent savings. 	
14.	Year End Forecast and alignment to 2024/25 Planning Chair's opinion: <ul style="list-style-type: none"> Most likely outturn is a c£34.4m deficit, c£15.6m adverse to plan. Worst case deficit could be c£51.4m. Underlying deficit could be c£70.8m at the end of 2023/24 (including £14.6m MMUH). Planning has started for 2024/25. 	Partial Assurance
15.	ICS Financial Improvement (PA Consulting) Chair's opinion: <ul style="list-style-type: none"> Interim report circulated and presented by PA Consulting. Work is ongoing to quantify the system deficit and benchmark the Black Country Trusts to identify areas to explore/make savings. Further reports will be received by the Committee/Board. 	Partial Assurance
16.	Operational Performance Report (including F&PC Metrics) Chair's opinion: <ul style="list-style-type: none"> Received and noted. 	Noted
17.	Learning Campus Business Case Chair's opinion: <ul style="list-style-type: none"> Agreed to recommend to the Board for approval, subject to conditions being met (i.e. confirmation of funding from the WMCA). 	Partial Assurance
18.	Frontline Digitisation Funding – Progress reporting Chair's opinion: <ul style="list-style-type: none"> Received and noted. Recommendations re revised bids approved. 	Partial Assurance
19.	Stage 3 MMUH posts for 23/24 recruitment Chair's opinion: <ul style="list-style-type: none"> Received and noted. Committee agreed to recommend approval of further MMUH recruitment to the Board – subject to the report being clear(er) that the posts were within the 484 wte originally signed off by the Board and were net new posts (after reductions elsewhere where taken into account post move to MMUH – a point also made by POD). 	Partial Assurance

Positive highlights of note	Matters of concern or key risks to escalate to the Board	Matters presented for information or noting	Actions agreed
•	• In year recurrent savings not being achieved, and underlying deficit is growing as a result.	•	• Agreed to recommend the recruitment of additional MMUH posts.