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|------------------------------|---|--------------|----------------------------|
| <b>REPORT TITLE:</b>         | Finance Report Month 2 2324   |              |                            |
| <b>SPONSORING EXECUTIVE:</b> | Dinah McLannahan, Chief Finance Officer   |              |                            |
| <b>REPORT AUTHOR:</b>        | Simon Sheppard, Director of Operational Finance<br>Paul Stanaway, Associate Director of Finance |              |                            |
| <b>MEETING:</b>              | Public Trust Board  | <b>DATE:</b> | 12 <sup>th</sup> July 2023 |

**1. Suggested discussion points** *[two or three issues you consider the Trust Board should focus on in discussion]*

The Trust set a deficit plan of £18.8m, as part of a £69m Black Country ICS wide deficit plan. The BC ICS stands 4<sup>th</sup> worst in the country for the size of the deficit plan, and is under significant scrutiny as a result, with a particular focus on spend controls, particularly pay. Additional inflationary funding has been withheld. NHSEI have formally communicated an expectation that the system will aim to achieve break even in year despite the risks in the plans.

At Month 2, the Trust has a year to date adverse variance of £4m, due, in the main, to non-delivery of the stretch FRP of £16.2m, and excess inflationary pressures of £7m. Elective activity delivery is going well, despite industrial action pressures.

The Trust needs to focus on three things;

1. Delivering and evidencing the expected grip and control on workforce alongside recurrent compliant workforce plans from the groups
2. Delivery of the FRP to cover £16.2m stretch
3. Mitigations to manage the excess inflationary risk in the plan

**2. Alignment to our Vision** *[indicate with an 'X' which Strategic Objective[s] this paper supports]*

| OUR PATIENTS                                       |   | OUR PEOPLE   |  | OUR POPULATION  |
|--|---|--|--|---|
| To be good or outstanding in everything that we do | X | To cultivate and sustain happy, productive and engaged staff |  | To work seamlessly with our partners to improve lives |

**3. Previous consideration** *[at which meeting[s] has this paper/matter been previously discussed?]*

FIPC, PMG and TMC June 2023

**4. Recommendation(s)**

The Public Trust Board is asked to:

- a. DISCUSS** the contents of the report

**5. Impact** *[indicate with an 'X' which governance initiatives this matter relates to and, where shown, elaborate in the paper]*

|                                   |                   |  |   |   |                       |
|-----------------------------------|-------------------|--|---|---|-----------------------|
| Board Assurance Framework Risk 01 |                   | Deliver safe, high-quality care.                                       |   |   |                       |
| Board Assurance Framework Risk 02 | X                 | Make best strategic use of its resources                               |   |   |                       |
| Board Assurance Framework Risk 03 |                   | Deliver the MMUH benefits case   |   |   |                       |
| Board Assurance Framework Risk 04 |                   | Recruit, retain, train, and develop an engaged and effective workforce |   |   |                       |
| Board Assurance Framework Risk 05 |                   | Deliver on its ambitions as an integrated care organisation            |   |   |                       |
| Equality Impact Assessment        | Is this required? | Y  | N | X | If 'Y' date completed |