



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

<b>Meeting:</b>	Finance, Investment and Performance Committee		
<b>Chair:</b>	Rachel Hardy		
<b>Dates:</b>	1 <sup>st</sup> December 2023 & 22 <sup>nd</sup> December 2023		
<b>Present:</b>		1 <sup>st</sup> December 2023	22 <sup>nd</sup> December 2023
	Rachel Hardy, Non-Executive Director <b>(Chair)</b>	Attended	Attended
	Mick Laverty, Non-Executive Director <b>(Member)</b>	Attended	Attended
	Andrew Argyle, Non-Executive Director <b>(Member)</b>	Attended	Attended
	Dinah McLannahan, Chief Finance Officer <b>(Member)</b>	Attended	Attended
	Johanne Newens, Chief Operating Officer <b>(Member)</b>	Attended	Apologies
	Frieza Mahmood, Chief People Officer <b>(Member)</b>	Attended	Attended
	Martin Sadler, Executive Director of IT & Digital <b>(Member)</b>	Attended	Attended
	Daren Fradgley, Chief Integration Officer <b>(Member)</b>	Attended	Apologies
	Jatinder Sharma, Assoc Non-Executive Director <b>(Member)</b>	Attended	Apologies
	Dave Baker, Chief Strategy Officer	Apologies	Attended
	Simon Sheppard, Director of Operational Finance	Attended	Attended
	Craig Higgins, AD Finance Accounting	Apologies	Attended
	Paul Stanaway, AD Financial Management	Attended	Attended
	Dan Conway, Assoc Director of Corporate Governance	Attended	Apologies
	David Dingwall, CIP Consultant	Attended	Attended
	James Fleet, Interim Chief People Officer	Attended	Attended

\* See Reading Room for assurance classification

# 1<sup>st</sup> December 2023

1.	<p><b>Operational Performance Report (including F&amp;PC Metrics)</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>• Further clarity on the key areas of concern was discussed. The narrative report currently doesn't support the verbal update received. The report states that most targets are currently not delivering, however, the verbal update states that all will be delivered by the end of march apart from EAS.</li> <li>• Presentation of actions and trajectories to demonstrate how the targets will be delivered by the end of March was agreed for the January meeting.</li> </ul>	Partial Assurance
2.	<p><b>Capital Programme and Cash 23/24 Report</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>• Cash position is significantly deteriorating due to under delivery of recurrent targets in 23/24. This is a continuation and of the pattern in 22/23 and mirrors the deterioration in the underlying position.</li> <li>• It is estimated that cash will be depleted by Q1 2024/25 and borrowing will be required.</li> <li>• This is a significant issue with the trust and it is recommended that this is discussed alongside the approach to recovery in the organisation</li> </ul>	No Assurance
3.	<p><b>23/24 Financial Planning Submission</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>• The deficit of £27m forecast outturn was presented. This is based upon the planned deficit figure of £18.8m plus £9m MMUH costs unfunded.</li> <li>• There is still risk to this position.</li> <li>• This would deliver circa an exit 2% recurrent CIP ( not 4%)</li> <li>• It is balanced using significant non recurrent means and will lead to a significant further deterioration of the underlying financial position.</li> </ul>	Partial Assurance
4.	<p><b>Financial Recovery Plan – Reset (Including Workforce Trajectory)</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>• Further progress underway, however, there will be a significant shortfall in the recurrent CIP forecast to be delivered by the year end.</li> <li>• Exit recurrent CIP 2% ( £14.3m)</li> <li>• Unclear on how the recurrent workforce establishment will look to achieve the recurrent flat workforce position required.</li> <li>• Lack of clarity on how this ongoing programme of work will be resourced and supported as part of a broader reset and improvement programme across the trust.</li> </ul>	Partial Assurance
5.	<p><b>In year 23/24 financial forecast – link to 24/25 planning and medium-term affordability model</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>• Further work required to :</li> <li>• Discuss and agree how this will be galvanised as an organisation wide sustainability programme not just a traditional CIP programme – who will lead the programme, how does overall improvement and workforce fit into this plan.</li> <li>• Lack of clarity how we will resource, organise and lead the organisation to deliver a significant improvement and recovery programme to ensure a sustainable organisation that is not just led by finance.</li> </ul>	Partial Assurance
6.	<p><b>Model Hospital and GIRFT</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>• Initial work has been undertaken</li> <li>• However, lack of clarity as to how this will link in with the improvement work already underway in the organisation and how this will be resourced to move forward to delivery.</li> </ul>	Partial Assurance

7.	<b>MMUH Finance Report</b>		
	<u>Chair's opinion:</u>		
	<ul style="list-style-type: none"> <li>Received and noted</li> </ul>		
8.	<b>Benefits dashboard and strategic delivery framework</b>		
	<u>Chair's opinion:</u>		
	<ul style="list-style-type: none"> <li>Received but questioned how this links to the overall recovery and improvement work.</li> </ul>		
9.	<b>EQUANs Contract Report</b>		
	<u>Chair's opinion:</u>		
	<ul style="list-style-type: none"> <li>The largely static position was received</li> </ul>		
10.	<b>Estates Compliance Report</b>		
	<u>Chair's opinion:</u>		
	<ul style="list-style-type: none"> <li>Small areas of progress noted.</li> </ul>		
11.	<b>Telephony Case</b>		
	<u>Chair's opinion:</u>		
	<ul style="list-style-type: none"> <li>Received and Approved</li> </ul>		
12.	<b>BAF</b>		
	<u>Chair's opinion:</u>		
	<ul style="list-style-type: none"> <li>Received and approved</li> </ul>		
	<b>Positive highlights of note</b>	<b>Matters of concern or key risks to escalate to the Board</b>	<b>Matters presented for information or noting</b>
	Good debate and discussion	<ul style="list-style-type: none"> <li>Cash Position</li> <li>CIP Delivery</li> <li>Non recurrent nature of FOT delivery</li> <li>Lack of clarity regarding the make up and delivery model for the 24/25 and onwards strategic plan</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
			<b>Actions agreed</b>
			<ul style="list-style-type: none"> <li></li> </ul>
			<b>Partial Assurance</b>
			<b>Partial Assurance</b>
			<b>Partial Assurance</b>
			<b>Substantial Assurance</b>
			<b>Substantial Assurance</b>

13.	<p><b>Month 8 Finance Report and Update on Forecast</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>Received and noted.</li> <li>However,</li> <li>Risks were still presented to the outturn position, specifically relating to the winter plan.</li> <li>The non recurrent nature of solutions to achieve a forecast outturn leading to, again, a significant reduction in the underlying exit position of the organisation.</li> <li>This will materialise in significant cash issues in the first quarter of 24/25</li> <li>Recurrent CIP has under delivered from a planned exit CIP of 4% to 2%.</li> <li>Clarity required of the proposed forecast position impact on cash, underlying position , recurrent CIP, any flexibility remaining on the balance sheet.</li> </ul>	<p>Partial Assurance</p>
14.	<p><b>FPC Metrics Recovery Plan and Forecast</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>Received</li> </ul>	<p>Partial Assurance</p>
15.	<p><b>ERF Recovery Plan</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>Deferred to January meeting</li> </ul>	<p>N/a</p>
16.	<p><b>24/25 Planning Update</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>An initial set of information was presented, and a detailed discussion summarise the following:</li> <li>Clarity is required on the strategic medium-term plan.</li> <li>It is recommended that this is discussed as a sustainability plan for the organisation – it is not just money focused, but focusses on improvement overall including the current improvement programme, Gifft, model hospital, the integrated performance and workforce plan. It doesn't have an integrated focus at present.</li> <li>Clarity is required on how a significant medium-term programme will be lead (by whom) and how it will be resourced, as it will require a change in approach and a different way of working to be successful.</li> <li>It was agreed that any future reports should not just be focussed solely on finance but how the delivery approach for a medium term sustainability plan will be shaped and delivered.</li> <li>There was concern over the pace of pulling this plan together for 24/25 and beyond and how will the organisation deliver it.</li> </ul>	<p>Partial Assurance</p>
17.	<p><b>Operational Performance Report</b></p> <p><u>Chair's opinion:</u></p> <ul style="list-style-type: none"> <li>Deferred to January meeting</li> </ul>	<p>N/a</p>

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"> <li>• Good broad discussion</li> </ul>	<ul style="list-style-type: none"> <li>• Clarity is required on the strategic medium-term plan.</li> <li>• It is recommended that this is discussed as a sustainability plan for the organisation – it is not just money focused, but focusses on improvement overall including the current improvement programme, Girft, model hospital, the integrated performance and workforce plan. It doesn't have an integrated focus at present.</li> <li>• Clarity is required on how a significant medium-term programme will be lead (by whom) and how it will be resourced, as it will require a change in approach and a different way of working to be successful.</li> <li>• It was agreed that any future reports should not just be focussed solely on finance but how the delivery approach for a medium term sustainability plan will be shaped and delivered.</li> <li>• There was concern over the pace of pulling this plan together for 24/25 and beyond and how will the organisation deliver it.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>