

REPORT TO THE TRUST BOARD: PUBLIC
25 November 2021

Title	Finance, Business and Investment Committee (FBIC) 9 November 2021 – Committee Chair’s Report
Committee Chair	Eileen Taylor, Vice-Chair and Chair of FBIC
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Purpose of the report

To bring to the Board’s attention key issues and assurances discussed at the Finance, Business and Investment Committee (FBIC) meeting held on 9 November 2021.

Key messages

The Committee considered a range of items including the finance report month 6, financial viability update, virtual desktop infrastructure, agency expenditure, BAF, aged creditors, procurement update, soft facilities management tender, capital update and the investment register. The Committee wished to particularly draw the Board’s attention to:

• **Finance Report Month 6**

- The ongoing challenge in recruiting staff which has contributed to the current underspend against income
- The potential impact of no settlement for Health Education England in the recent budget which will also contribute to increased recruitment challenges in the future
- The plans to increase the monies already invested with our third sector partners over the next six months in order to help increase future resilience within the sector
- *This paper is also being presented as an agenda item at the Trust Board in public on 25 November 2021.*

• **Financial Viability Update**

- The Trust is working towards a full year effect (FYE) target of £12m for 2021-2022
- For 2021-2022, the FV programme requirement is £9.1m of which £5.3m is carried over from previous years
- Achievement of FV requirements remain challenging; at month 6 the requirement was £3.465m of which £1.569m has been achieved
- The Trust met the national H1 target and is on track to meet the H2 target; however, the plan remains short of our internal target
- A particular challenge is balancing the need to make savings alongside the implementation of new investment; all clinical services are being encouraged to identify efficiencies triggered by the implementation of transformation investment
- The national efficiency requirement for 2022-2023 is currently unknown but anticipated it could be significant. The planning process has commenced with directorates based on a potential ‘worse-case scenario’, with invitations extended to a broader group of attendees to increase clinical engagement
- Challenges remain around capacity and expertise to deliver the amount of ideas put forward, in particular around support for growing income general stream.

• **Agency Expenditure**

- No significant change in terms of agency spend
- Work continues with a focus on bank rates of pay; how to make some posts more attractive as substantive positions, increasing bank rates of pay using savings made on NHS employer’s pension contributions for the majority of bank staff and ensuring best value in our engagement with agencies
- The Committee requested more information on the higher level strategic overview to provide assurance on the potential larger deliverables expected at a later stage.

- **Capital Update Report**
 - The importance of continuing to address the 'tired' condition of some of the Trust's estates
 - The estates strategy is being refreshed and due to be presented in March 2022.
- **Virtual Desktop Infrastructure**
 - The proposal to improve IT user experience which is currently variable by using a cloud based model, using dumb terminals instead of traditional degradable hardware
 - Range of benefits including fast login with connectivity via any internet connected device; easier deployment and management with reduced vulnerability to cyber-attack; issues can be resolved remotely; reduced carbon footprint; reduction in the time for new starters to be placed on the system removing the need for the building of PCs
 - The Committee acknowledged the importance of enabling teams to work in a more agile way and of ensuring estates planning takes into account VDI rollout to achieve effective repurposing of space
 - The Committee supported the business case in principle and approved to move to procurement stage with a request for a more costed out proposal on affordability and additional information on net cash flow projection.
- **Soft FM Tender**
 - Received assurance on user involvement in the development of the specification, with an invitation also extended to participate in the selection panel which could not be taken up due to illness. Service users were also involved in the food tasting sessions, with their feedback taken into the assessment process
 - Received assurance that the plan of migration will involve a rolling transition to ensure a smooth process; and the involvement of staffside to ensure affected staff are supported through the process
 - The Committee approved the recommendation for the Soft FM tender.
- **Procurement Update**
 - Achievement by the procurement team of the level 1 of the national procurement standards which was awarded for good procurement practice; the Trust is an early implementer and good practices evidenced are being showcased nationally
 - Sub-contracts are being reviewed and contributions benchmarked to the Trust as an anchor institution.
- **Board Assurance Framework: Risks 7 and 8 – Improved value**

Risk 7: *If the Trust's approach to value and financial sustainability are not embedded, this may impact on the achievement of the Trust's financial, service delivery and operational plans*

Risk 8: *If the Trust fails to robustly implement and embed infrastructure plans including digital and estates, this will adversely impact on our service quality and delivery, patient care and carer experience, and our ability to transform services in line with our aspiration to be a leader in both of our ICSSs*

 - An overview of the UK Cloud issue was provided which is being managed through a 'gold' command approach; work is being undertaken at speed to reduce the risks to our data. Assurance was provided that an exit strategy is being developed and all business continuity plans are being reviewed. The longer term strategy is to work with procurement on other market options and also to examine other single points of failure to shore up resilience
 - Commended the improved clarity of the BAF report format giving more assurance around actions being taken to mitigate the risks
 - The Committee agreed no changes to the risk wording or risk scores, and received assurance that appropriate controls are in place and operating effectively.

FBIC Minutes

The approved minutes of the FBIC meeting held on 8 September 2021 are available on request by Board Directors from the Director of Corporate Governance.