
DATE	September 2013
REPORT FOR	Trust Board of Directors – Part A
REPORT FROM	FINANCE COMMITTEE – Neil Gammon, Chair for Sept meeting
CONTACT OFFICER	MIKE ROCKE, Director of Finance, Planning & Performance
SUBJECT	HIGHLIGHT REPORT - Finance Committee September 2013
BACKGROUND DOCUMENT (IF ANY)	
REPORT PREVIOUSLY CONSIDERED BY & DATE(S)	
EXECUTIVE COMMENT (INCLUDING KEY ISSUES OF NOTE OR, WHERE RELEVANT, CONCERN AND / OR NED CHALLENGE THAT THE BOARD NEED TO BE MADE AWARE OF)	This paper summarises the key issues presented to, and discussed by, the Finance Committee at its meeting on 19 Sept 2013
HAVE THE STAFF SIDE BEEN CONSULTED ON THE PROPOSALS?	
HAVE THE RELEVANT SERVICE USERS/CARERS BEEN CONSULTED ON THE PROPOSALS?	
ARE THERE ANY FINANCIAL CONSEQUENCES ARISING FROM THE RECOMMENDATIONS?	As outlined in the main body of the report
IF YES, HAVE THESE BEEN AGREED WITH THE RELEVANT BUDGET HOLDER AND DIRECTOR OF FINANCE, AND HAVE ANY FUNDING ISSUES BEEN RESOLVED?	
ARE THERE ANY LEGAL IMPLICATIONS ARISING FROM THIS PAPER THAT THE BOARD NEED TO BE MADE AWARE OF?	n/a
WHERE RELEVANT, HAS PROPER CONSIDERATION BEEN GIVEN TO THE NHS CONSTITUTION IN ANY DECISIONS OR ACTIONS PROPOSED?	n/a
ACTION REQUIRED BY THE BOARD	To note the report and consider the need for any further actions to address the issues highlighted in the report.

REPORT TO THE TRUST BOARD – September 2013

HIGHLIGHT REPORT – FINANCE COMMITTEE September 2013

The Finance Committee received update reports as to the Trust's financial and performance position for the end of August 2013. The Committee noted that, whilst there were certain operational risks which require continued management focus, performance against all of the key compliance targets and standards allowed the Trust to declare a green governance rating for the cumulative period to the end of August. Performance thus far in September would also continue this trend although it is anticipated that Monitor will apply an override in respect of the conditions on the Trust's License.

The Trust reported a financial deficit of £0.43mil for the period ending August 13 and the Committee reviewed the factors contributing to this. It was highlighted that commissioners intend to invoke performance penalties on the Trust to a potential value of approximately £0.60mil and the Committee noted its disappointment at the actions of the Commissioners in applying this penalty and the resultant impact this would have on the Trust's ability to invest in frontline services.

Despite this it was acknowledged that the primary factor which will influence the Trust's immediate financial prospects was the delivery against the cost reduction programme applied upon the Trust under the terms of the commissioning contract. The Committee agreed to place a specific focus on the following elements of the plan at its next meeting:

- Medical staffing and job planning
- Facilities cost improvement plans
- Terms & Conditions
- Nursing – with a particular focus on E-rostering

In addition to the above cost improvement themes the Committee received a report on the various opportunities for non-pay savings and agreed that an update/assurance report for each of the individual elements of the plan would be reported quarterly to the Committee.

Finally, the Committee received details of the outcome of a re-profiling exercise on the investment programme and discussed the main themes which would be incorporated into the in-year review of financial prospects which was due to be submitted to Monitor by the end of October.

These themes and the potential range of options available to the Trust to mitigate in-year financial risks will form part of the discussion in part B of the Trust Board agenda.

Neil Gammon
Chairman (representing Stanley Shreeve)
Finance Committee
September 2013