

Meeting Title	Board of Directors		
Date	10.9.20	Agenda item	Bo.9.20.35

Finance Report (Month 4)

Presented by	Chris Smith, Deputy Director of Finance		
Author	Chris Smith, Deputy Director of Finance		
Lead Director	Matthew Horner, Director of Finance		
Purpose of the paper	To inform the Board of the Trust's financial performance at Month 4.		
Key control	Identify if the paper is a key control for the Board Assurance Framework		
Action required	To note		
Previously discussed at/ informed by	N/a		
Previously approved at:	N/A	Date	

Key Options, Issues and Risks

This paper provides a summary of the Income & Expenditure, Cash and Capital position as at the end of Month 4 (July 2020).

Appendix 1 provides a summary of the interim financial regime and highlights concerns raised with NHSE/I about the accuracy of their baseline funding calculation.

Analysis

Month 4 Financial Performance

BTHFT has broadly delivered the level of deficit before top up and COVID19 costs for Month 4 that NHSE/I projected. The Trust can therefore be seen to have delivered NHSE/I's financial plan for July 2020.

A total of £7.9m of COVID19 costs were recorded for Month 4 and an associated retrospective top up has been accrued into the I&E position to result in a breakeven position.

Until NHSE/I have concluded their audit and scrutiny of the Trust's claim for reimbursement of the full COVID19 costs, there remains a degree of risk in the reported position (£2.2m). The risk is not considered significant however as appropriate governance and record keeping processes have been followed.

The Trust is querying aspects of NHSE/I's baseline projection methodology to ensure the issues identified are recognised by the regulators and potentially adjusted if increased activity levels in future months mean the mitigating non-pay underspends recorded in April and May begin to reduce.

The Trust's closing cash position on 31 July 2020 was £73.3m. This includes the top up payment on account and the advance block payment from CCGs for July 2020. The Trust's cash position is therefore strong and is expected to remain so for the duration of the financial year.

The Trust submitted a revised capital plan to NHSE/I in July 2020 totalling £21.672m. Year to date capital expenditure is £3.765m.

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Recommendation

The Committee are asked to note the content of this report.

Risk assessment

Strategic Objective	Appetite (G)					
	Avoid	Minimal	Cautious	Open	Seek	Mature
To provide outstanding care for patients			g			
To deliver our financial plan and key performance targets			g			
To be in the top 20% of NHS employers					g	
To be a continually learning organisation				g		
To collaborate effectively with local and regional partners					g	
The level of risk against each objective should be indicated. Where more than one option is available the level of risk of each option against each element should be indicated by numbering each option and showing numbers in the boxes.	Low		Moderate	High	Significant	
	Risk (*)					
Explanation of variance from Board of Directors Agreed General risk appetite (G)						

Benchmarking implications (see section 4 for details)	Yes	No	N/A
Is there Model Hospital data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is there any other national benchmarking data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the Trust an outlier (positive or negative) for any benchmarking data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Risk Implications (see section 5 for details)	Yes	No
Corporate Risk register and/or Board Assurance Framework Amendments	<input type="checkbox"/>	<input type="checkbox"/>
Quality implications	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Resource implications	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal/regulatory implications	<input type="checkbox"/>	<input type="checkbox"/>
Diversity and Inclusion implications	<input type="checkbox"/>	<input type="checkbox"/>
Performance Implications	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Regulation, Legislation and Compliance relevance

NHS Improvement: (please tick those that are relevant)

- ☒ Risk Assessment Framework
 ☐ Quality Governance Framework
☒ Code of Governance
 ☒ Annual Reporting Manual

Care Quality Commission Domain: Well Led

Care Quality Commission Fundamental Standard: Good Governance

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NHS Improvement Effective Use of Resources: Finance
Other (please state):

Relevance to other Board of Director's Committee: (please select all that apply)					
Workforce	Quality	Finance & Performance	Partnerships	Major Projects	Other (please state)
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>