

# Report to the Meeting of the

# Oxford Health NHS Foundation Trust

**BOD 18/2023**

(Agenda item: 10)

# Board of Directors

**29 March, 2023**

**Report from Finance & Investment Committee on matters to Alert, Assure or Advise**

**Executive Summary**

The Committee meets bi-monthly. The agenda and minutes of its last are attached for information. From the Committee’s scrutiny of papers, and reflecting on the matters we reviewed and discussed at our most recent meeting, I would draw the Board’s attention to the following matters:

**For Alert**

The Board is asked to note the following:

* While good progress has been made over this year to reduce nursing **agency expenditure** (M1-11 being £4.8m less than in 2022-23), in financial terms this has been largely offset by the increased level of medical locum expenditure (at M11, being £4.4m more than in 2022-23).
* Work is on hand to reduce this challenge but the Committee has been advised that internal resourcing constraints are impacting on the rate of progress. The Committee has asked the Executive team to review these issues and consider potential options for accelerating progress.

**For Assurance**

The Board is asked to note the following:

* The 2022-23 M11 finance report has already been circulated to Board colleagues. I can confirm that delivery of the **current year’s financial forecast** of a £1.5m deficit (£4.6m better than Plan) looks secure. There are a few year-end variables for the CFO to manage but I do not expect these to impact adversely on the delivery of the forecast position.
* **Current year capital expenditure** is **forecast to total £13.4m by the year end**, £1.5m above Plan. This over-commitment is acknowledged by the ICB and will be offset by a capital underspend at another trust within the ICS.
* **Budget setting for 2023-24** is further advanced than in previous years, with the large majority of base budgets now in place and agreed with budget holders. The work required to finalise budgets is focussed on the agreement of corporate service budgets and the distribution of growth monies across budgets.
* The CFO updated the Committee on the work in hand to develop the **financial culture** within the Trust. Good progress is being made.

**To Advise**

The Board is asked to note the following:

* The **financial outlook for 2023-24** is challenging but the position may be better than previously expected, in part, as a consequence of the maturing relationships and financial planning arrangements which are developing across the BOB ICS. However, there are still a number of significant funding matters under discussion with ICS and regional colleagues which may impact on the overall financial plan for next year.
* The **draft capital investment plan for 2023-24** is currently significantly over-subscribed, as is usual at this point in the process. The Director of Estates and Facilities is discussing bids and proposals with service and corporate directors, to prioritise and sift their requirements. The Capital Planning Sub Committee (chaired by the CFO) will review the outcome of these discussions at its next meeting in April with the objective of agreeing a final draft plan for FIC’s consideration and approval at its next meeting, on May 10.
* To avoid unnecessary delays and slippage in the early part of 2023-24, the Committee has agreed that projects that started in 2022-23, and those that have slipped into 2023-24 from this year, can be advanced in the interim.

**Review of risks**

The Committee reviewed the five BAF risks which are within its purview and has not proposed any immediate change to individual risk ratings.

**Sharing of learning**

None to note.

**Recommendation**

The Board is asked to note the above.

**Author and Title:** Chris Hurst, Chair of Finance & Investment Committee

1. *Strategic Objectives/Priorities and strategic Board Assurance Framework (BAF) risk themes – this report relates to or provides assurance and evidence against the following Strategic Objective(s)/Priority(ies) of the Trust [OR N/A – no Strategic Objectives/Priorities apply]:*

*3) Sustainability – Make best use of our resources and protect the environment*

*Strategic risk themes: planning and decision-making at System and Place level and collaborative working with Partners; governance of external Partners; Financial Sustainability; Governance and decision-making arrangements; Business Planning; Information Governance & Cyber Security; Single Data Centre; Business Continuity and Emergency Planning; Environmental Impact; and Major Capital Projects.*