

BOARD PAPER - NHS ENGLAND

Title: Report of the Finance and Investment Committee

Clearance: Moira Gibb, Chair of the Finance and Investment Committee
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Purpose of paper:

- To inform the Board of the work undertaken by the Finance and Investment Committee.

Key issues and recommendations:

- This paper contains an update on the committee's activities for the period 3 September 2013 until 1 October 2013 and highlights any issues and decisions that the Board should be aware of.

Actions required by Board Members:

- To note the contents of the report.

Report of the Finance and Investment Committee

1. The Finance and Investment Committee (“the committee”) was established as a committee of the board in order to scrutinise the financial planning and performance of NHS England and the wider NHS commissioning sector.
2. The main ways that the committee will deliver this objective are by:
 - reviewing and approving the financial policy framework for the commissioning sector;
 - considering and approving NHS England financial policies;
 - monitoring the in-year financial performance of the commissioning sector;
 - considering NHS England’s medium term financial strategy, in relation to both revenue and capital, and making recommendations to the Board;
 - reviewing and recommending the overall annual revenue and capital budgets to the Board for approval, and then monitoring spend during the year; and
 - approving business cases on behalf of the Board.
3. The committee meets monthly and have met once since last reporting to the Board in September. This paper highlights any issues and decisions that the Board should be aware of.
4. Update on activities for the period 3 September 2013 until 1 October 2013.

4.1. Financial policies

- National Tariff for 2014/15 – the committee received an update on the National Tariff Document, a joint publication between NHS England and Monitor which was in the final stages of production at the time of the committee meeting.
- The committee delegated resolution of the final drafting issues to the NHS England Pricing team and sign-off of the final document to the National Director of Policy and Chief Financial Officer.
- The document has been subsequently published on both organisations’ websites on 3 October 2013.

4.2. Financial position 2013/2014 (Month 5)

- The financial position for CCGs and NHS England’s direct commissioning budgets was reviewed, and risks and mitigations were considered in detail.
- The lack of robust activity data on which to identify trends for forecasting remains a significant issue. The activity reporting programme is urgently taking forward work in this area.

- A half year stocktake of the likely full year outturn is in progress which will be reflected in the month 6 finance report to the board.

4.3. Business cases

- The Leadership Academy Business Case – the committee noted the progress of the Leadership Academy business case since it was submitted to the Department of Health in May. At the request of ministers, further work is being carried out to recheck the availability of NHS properties in different locations across the country.
- Relocation from Maple Street to Skipton House – the committee received an update on the development of a business case for the planned move of London-based NHS England National Support Centre staff from Maple Street to Skipton House.
- The committee agreed to delegate approval of the final business case to the Chief Financial Officer and Director of Policy in line with the financial parameters set out in the paper.

4.4. Other key issues

- CT/PET – The Specialist Services team reported on the work being undertaken to prepare for the re-procurement of two CT/PET service contracts across the North and South when the current contracts come to an end in March 2015. It was agreed that work on this needed to commence urgently and that a fully worked up options paper would be presented to relevant national directors as soon as possible for review. An update will be considered at the next meeting.

5. The Board is asked to note the work of the committee for the period 3 September to 1 October 2013.

Paul Baumann

Chief Financial Officer

October 2013