

**BOARD PAPER - NHS ENGLAND**

**Title:** Report of the Finance and Investment Committee

**Clearance:** Moira Gibb, Chair of the Finance and Investment Committee  
Paul Baumann, Chief Financial Officer

**Purpose of paper:**

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

**Key issues and recommendations:**

- 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.
- This paper contains an update on the committee’s activities for the period 2 October 2013 until 2 November 2013 and highlights any issues and decisions that the board should be aware of.

**Actions required by Board Members:**

- Note the outcome of discussions and next steps from the Finance and Investment committee.

## **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;
  - Approving business cases on behalf of the Board
3. This paper contains an update on the committee’s activities for the period 2 October 2013 until 2 November 2013 and highlights any issues and decisions that the board should be aware of.
4. **Update on activities for the period 2 October 2013 until 2 November 2013.**

### **4.1. Financial policies**

- **National Tariff for 2014/15** – the committee noted that the consultation on the National Tariff document had ended and the objection threshold had not been met. The final national tariff for 2014/15 will therefore be published on the 17<sup>th</sup> of December 2013.

### **4.2. Financial position 2013/2014**

- The financial position for CCGs and NHS England’s direct commissioning budgets were reviewed and risks and mitigations were considered in detail.
- The committee discussed financial issues within the Essex health economy as a case study and noted the work on-going in this area.

### **4.3. Business cases**

- **South London Commissioning Support Unit** – the committee approved a 3 ½ year lease renewal for a property at Lower Marsh in London.
- **Eltham Community Hospital** – the committee endorsed the stage 2 LIFT business case for Eltham Community Hospital and recommended its approval by urgent action.

- **NHS e-referrals Telephone Appointment Line** – the committee were briefed on the development of a full business case for the telephone appointment line to support Choose and Book and NHS electronic referrals. The committee delegated authority to the Chief Financial Officer to provide assurance on the full business case, and to then seek urgent action for its final approval.

#### **4.4. Other key issues**

- **PET/CT** – the committee noted the work being undertaken to prepare for the re-procurement of two PET/CT service contracts across the North and South which are due to end in March 2015.
  - **Hospice grants** – the committee reviewed the progress on hospice capital grants awarded earlier in the year. It was agreed that the treatment of any under-utilised funding should be as an extension to those schemes already funded.
  - **Legacy balances** – the committee received an update on the issues associated with the transition of legacy balances and the work being done to manage the risk.
  - **Primary care capital grants** – a number of budget virements between area teams were approved following a mid-year review of capital grant funding.
5. Note the outcome of discussions and next steps from the Finance and Investment committee.

**Paul Baumann**

**Chief Financial Officer**

**December 2013**