

**Finance and Performance (F&P) Committee
Chairs Summary Report**

**Public Board
30 July 2026**

Presented for:	Alert, Advice and Assurance
Presented by:	Mark Burton Non-Executive Director and Chair of the F&P Committee
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List of meeting dates:	27 May and 24 June 2026

Freedom of Information Act (FOIA) Exemption	☐ YES (restricted from the FOIA) ☒ NO (available to the public under the FOIA)
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Link to Strategic Objective	Outcomes – being outstanding now and in the future.
Link to Provider Capability Assessment	Governance, risk and regulatory
Link to CQC Well-led Statement	Governance, Management and Sustainability
<u>Regulatory Impact</u>	Regulation 17: Good governance

Key points:	
This report provides a summary of the key highlights from the F&P Committee meeting and seeks to alert, advice and provide assurance to the Board on the areas discussed.	Alert, Advice and Assurance

Risk Appetite Framework			
Level 1 Risk	Level 2 Risks	(Risk Appetite Scale)	Impact
Clinical Risk	Capacity Planning Risk - We will ensure that capacity is planned to meet the demand for elective and non-elective (acute) admissions to our hospitals, managing this risk to provide safe treatment and care to our patients.	Cautious	Operating outside
Financial Risk	Financial Management & WRP - We will deliver sound financial management and reporting for the Trust whilst seeking to deliver against Waste Reduction targets but always with a focus on maintaining and enhancing patient safety.	Cautious	Operating within

1. Introduction

Following its last meeting the Committee has considered significant issues and key areas to highlight to the Board under three key categories Alert, Advice, Assurance (AAA):

- Alert - areas which the Committee wishes to escalate as potential areas of non-compliance, that need addressing urgently, or that it is felt Board should be sighted on.
- Advice - any new areas of monitoring or existing monitoring where an update has been provided to the Committee and there are new developments.
- Assurance - specific areas of assurance received warranting mention to Board.

2. Alert

- The Committee reviewed its engagement with the corporate risk governance documents and processes including the Corporate Risk Register (CRR), Board Assurance Framework (BAF), and Risk Appetite Framework (RAF) to ensure it was working effectively. A copy of the report is shared with the Board at agenda item 8.2 for consideration by other Committee Chairs.
- Within its review of the month two constitutional standards position the Committee identified an alert to the Board regarding the ongoing impact of the volume of patients with No Criteria to Reside (NCtR) within the Trust's bed base and expressed concern at the continued impact of high volumes of patients on hospital flow. It explored if the system actions were sufficient to deliver the change required at pace and the Board is requested to consider its tolerance level of the NCtR position.
- The Committee reviewed the Trust's aspiration to create a Wholly Owned Subsidiary (WOS) for the management and development of income generation from innovation projects. The Board is alerted that the Trust has volunteered as a pilot site for DHSC with the current proposal anticipating confirmation of next steps by September 2026. It was noted that a key principle of the proposal is that there will be no staff transfers to the WOS.

3. Advice

- The Committee received an update on the process in place to manage collaborative procurement contracts and a summary of the benefits to the Trust in partaking in collaborative arrangements. There was an agreement that the Committee would receive an annual update to review the collaborative procurement position and ensure that the Trust continued to benefit from these arrangements and not take on unforeseen risk in acting as lead in any wider collaborative procurement.
- Within the month one Constitutional Standards Assurance Report (CSAR) the Committee noted a reduction in performance against the Diagnostics Waits position due to a loss of Ultrasound Capacity. The Committee and the Board were verbally notified of this position and assurance provided as to the mitigation plans in place at its meeting on 28 May 2026.
- The Committee continues to receive oversight and assurance of the actions being led via the Executive Turnaround Meetings to support improvements in the overall run rate.
- The Committee received an update on the development and strategic direction of Private Healthcare Services at LTHT, including progress against agreed priorities, emerging opportunities, and key risks, and confirmed its endorsement of the strategic direction.

- In line with its delegated authority as defined within the Standing Financial Instructions (SFI) the Committee reviewed a number of Business Cases which included:
 - Neonatal Cots (recommended for Board approval and subsequently approved on 28 May 2026 to progress for NHSE approval).
 - Lung Cancer Screening Mobile CT Unit.
 - Ashley Wing Roof and Window Replacement
 - Brotherton Wing D&E Floor Window Replacements
 - Public Sector Decarbonisation Scheme (PSDS) Phase 4 (recommendation for Board approval)
 - In addition, the Committee received an information update on the tender placed with the National Institute of Health Research (NIHR) Academy which was subsequently presented for Board approval on 24 June 2026. An information update was also received to provide visibility of planned procurement activity relating to unlicensed medicines managed through the North East and Yorkshire NHS Pharmaceutical Purchasing Consortium (NEYPPC). A copy of these reports was shared with the Board via the Blue Box at its meeting held 28 May 2026.

4. Assurance

- The May Committee meeting had a finance focus with the Committee conducting a review of the month one position. At month one the Trust was reporting a deficit of £6.6m against a planned deficit of £3.1m, including £2m related to unplanned costs associated with Industrial Action. There continued to be a variance against plan in pay expenditure primarily related to medical and nursing.
- Progress was called out as being made against the Waste Reduction Plan with attention drawn to the ambition within the current year to phase plans throughout the year versus significant backloading to Q4 as seen in previous years.
- The introduction of the Integrated Accountability Framework (IAF) was flagged as replacing the Financial Performance Framework (FPF) for CSUs from May, and it was explained that escalations would be reported to the Committee by exception.
- The Trust was reported as performing favourably against its capital and cash position.
- It was also called out that the formal confirmation had been received that the Trust had been successful in its reaccreditation of the Level 3 Towards Excellence Accreditation.
- Lastly, the Committee received a deep dive against the Referral to Treatment and Total Waiting List; Committee members challenged the level of ambition with recognition of the complexities within the waiting list and received assurance on the phased approach to improvements.

5. Risk review

As raised in the alert section of the report the Board is requested to review its risk tolerance in relation to the current NCtR position.

6. Publication under the Freedom of Information Act

This paper has been made available under the Freedom of Information Act 2000.

7. Recommendation

The Board are asked to receive and note the content of this report and be assured that the F&P Committee is fulfilling its assurance function as delegated from the Board and as defined within its Terms of Reference.