

Silver Command Group:	Finance
Purpose:	To provide an overview of decisions made by COVID-19 Finance Silver Command Group since the last Board meeting on 25 March 2020.
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Date of Board Meeting	29 th April 2020

Situation

Finance Silver Command has largely been working to

- ensure COVID related expenditure is captured, understood and factored in to an annual forecast and submissions to Scottish Government.
- ensure continuity of key financial services.
- agree amendments to the annual accounts process in light of the disruption caused by isolation and social distancing

Background

The Logistics silver group is commanded by the Director of Finance and includes the 3 deputy Finance Directors. There are no bronze groups.

Assessment

Although multiple decisions have been taken they mostly fall within the normal parameters of financial and process decision making within the Finance Department.

The following key decisions/facts however should be noted by the Board:

- 1) The disruption caused by isolation and social distancing measures has delayed the 19/20 annual accounts process. Nationally an extension of up to 3 months has been agreed and there is ongoing discussion on whether some of the reporting requirements can be reduced. NHS Lanarkshire has reached an agreement with Audit Scotland that the main accounts audit will start one month later on 8th June. We have also agreed that the endowment and patients funds accounts will not be prepared in parallel to the main accounts but in sequence. The implications for audit committee dates and final signing dates are being worked through.
- 2) Additional expenditure authorised by various groups to prepare for Covid 19 amounted to £1.842m in 19/20 (of which £0.372m was capital). On top of this there was a nationally agreed methodology for calculating increased Prescribing costs as people stocked up and for additional cancelled annual leave in March 2020. At Month 11 the Board was on target for breakeven. If there is not a funding solution to the additional expenditure the Board will have an in year deficit. A discussion is scheduled for 30 April with SG to identify the solution.
- 3) The forward modelling for 2020/21 is fluid given the evolving understanding of the outbreak and required response. At present the forecast additional costs are considerable but these are being refined on a weekly basis.

Recommendations

Board Members are asked to note the decisions/key facts reported by Finance Silver Command during the current Incident.