

Board of Directors

Thursday, 01 November 2018

Report Title:	Board Decision by Chair's action
Executive/NED Lead:	Dawn Scrafield, Director of Finance
Report author(s):	Ann Alderton, Company Secretary
Previously considered by:	Board members by email

Approval

 Discussion

 Information

 Assurance

Executive summary

The Trust's Standing Orders allow the board to exercise its powers outside a board meeting in an emergency or for an urgent decision, having consulted at least two non-executive directors. When it does so, it is required to report that action to the next formal meeting of the Board for ratification.

At the 30 August confidential Board meeting, the board agreed a proposal to progress a retail development proposal at Colchester Hospital, to improve patient, visitor and staff hospital experience on the site. As part of that agreement, the Trust would provide a guarantee directly to the funder for the first two stages of the project, which it would only be liable to if it withdrew from the project. It was anticipated that an interim finance facility would be provided externally to the Trust's partner which the Trust would underwrite. Subsequent to that meeting, loan funders advised that they would prefer for the Trust to be a direct party to the loan rather than underwriting it, costing the Trust £16k plus VAT for the loan agreement.

Having considered its options, rather than procure a loan, the Trust Board agreed by Chair's action to fund the amount required within its current working capital, saving a cost of £16k plus VAT for the loan agreement. This would have no impact on the Trust's capital programme as the loan would be repaid by the investor in January following financial close.

This proposal was shared with all board members. Ten members (four executive directors and six non-executive directors) responded supporting the proposal, which was enacted using emergency powers.

Action Required of the Board of Directors

To ratify the Board's decision as explained above

Link to Strategic Objectives (SO)		Please tick
SO1	Improve quality and patient outcomes	<input type="checkbox"/>
SO2	Provide better value for money	<input type="checkbox"/>
SO3	Sustain and improve access to services that meet the needs of the population	<input type="checkbox"/>
SO4	Deliver a sustainable, skilled workforce	<input type="checkbox"/>

Risk Implications for the Trust (including any clinical and financial consequences)

Click here to enter text

Trust Risk Appetite	Compliance/Regulatory: The board has a minimal risk appetite when it comes to compliance with regulatory issues. It will meet laws, regulations and standards unless there is strong evidence or argument to challenge them
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Legal and regulatory implications <i>(including links to CQC outcomes, Monitor, inspections, audits, etc)</i>	The exercise of emergency powers is part of the ESNEFT Standing Orders agreed 2 August 2018
Financial Implications	As above
Equality and Diversity	None noted