

Key Matters and Escalation Report to the Group Trust Board

Name of Committee: Finance and Infrastructure Committee

Chair: Mani Sharma, Non-Executive Director

Meeting Date: Monday, 27 October 2025

Key matters

The committee received the following reports:

Finance [Reasonable Assurance]:

- The cash balance position at the end of M6 was:
 - NCHC - £41.0m of cash.; this was £1.3m above plan and represented 2.9 months of operating cash outflows.
 - CCS - £3.9m of cash (**Partial Assurance – see escalation below**)
- Agency spend was below plan for both Trusts. However, staff bank expenditure was above plan (NCHC by £0.7m; CCS by £0.02m).
- Capital expenditure to date:
 - NCHC: £1.3m scored to CDEL, £3.0m behind plan
 - CCS: £1.2m scored to CDEL, £538k behind plan
 - Both variances are primarily due to timing of lease recognition.
- Overall efficiency delivery remained on plan in both organisations, but there was a £6m gap in recurrent schemes which would potentially impact the planning target for 2026/27.
- Most Commissioned Service contracts with both Trusts had been agreed and signed, with just 10 remaining which have been agreed in principle.

Estates [Partial Assurance]:

- Fire actions: 58% of actions at CCS remain open (fallen from 64% in July), with 15% actions open at NCHC (down from 48% in July).
- 2,522 health & safety incidents and near misses have been reported across both Trusts during 2025/26.
- Seven significant security incidents were reported across CCS sites during August and September 2025.
- 91 cleaning audits were conducted across both Trusts in August and September. All sites at CCS passed with a 5-star rating. In NCHC two sites failed - Thorpe Health centre 75% (acceptable level 85%) and Watton Health centre - Leg Ulcer 91% (acceptable level 95%). Both sites passed follow up audits post re-cleans.
- Premises Assurance Model (PAM) self-assessment - the five inadequate responses recorded for CCS in 2023-24 had been addressed.

Estates Strategy [Reasonable Assurance]:

- The committee welcomed the opportunity to discuss an outline proposal to develop a unified estates framework that would support and enable the future clinical strategy,

including a shared vision for the estate infrastructure of CCS and NCH&C, and supporting the delivery of high-quality, community-based, digitally enabled care.

Digital Report [Reasonable Assurance]:

- *Digital Assurance Ratings*: both trusts report substantial assurance in the domains of Safe, System Reliability, Incident Monitoring, Service Delivery, and Efficiencies. Reasonable assurance is reported in Caring, Responsive, Well-Led, and Information Governance. The Effective domain remains minimal, reflecting the early stage of benefits realisation work.
- *Cybersecurity and IG (Information Governance)* - no major incidents reported. MFA (Multi-Factor Authentication) has been fully implemented and risk closed, and IG training compliance is improving. Data protection incidents remain low, with mitigation measures in place.
- *Digital Transformation and Leadership* - strong leadership is in place, with strategic oversight through Digital Transformation and Infrastructure Steering Groups. A new divisional structure will be implemented by January 2026.
- *Infrastructure and Merger Readiness* - migration of NCHC to the National Tenant domain is underway but subject to NHS England scheduling. An external provider option is now closed to NCHC, other options are being considered to mitigate risks and ensure alignment with the merger deadline of 1 April 2026. New risk raised.
- *Shared Care Record / EPR* - currently stuck between TPP and InterSystems legal teams. Resolution expected mid-December.

Key Risks and Issues:

Strategic

- Risk 3709 - Cyber security (*rated 16*).
- Infrastructure and Merger Readiness - migration of NCHC to the National Tenant domain. Other options are being considered to mitigate risks and ensure alignment with the merger deadline of 1 April 2026.
[A new risk has been raised and included on the Board Assurance Framework – Risk ID: 3732 (*rated 16*)]

Project

- Risk 0001 (*rated 16*) - Shared Care Record / Electronic Patient Record (EPR) - currently stuck between TPP and InterSystems legal teams. Resolution expected mid-December.

Key Escalations

Material variances against significant programme / plan.

- CCS cash position as of 30 September was £3.9m. although a slight increase from the July position of £2.3m, it was £3.2m below plan which was predominately due to timing of receipts, with £2.6m received between 1-3 October. The cash balance on 15 October was £16.0m, with aged debt falling from £12.4m in July to £4.1m in September.

Action: The committee will increase scrutiny, and this has been escalated to the Group Board for **awareness**.

Adverse variance which is higher than £250,000 or 15% of the full year efficiency plan.

- Efficiencies - £6m gap in recurrent schemes.

Good Practice or Innovation

Observations: to continue to proactively seek assurance at the F&I committee

- The overall strategic plan - encapsulating all key elements of clinical and community service delivery, digital, finance, etc – in the context of key non-negotiable priorities is under development. The committee will seek assurance that the integration, resource need and interdependencies are understood and managed.
- The upcoming MTP will be a key step toward defining the strategic and operational plan.