

Key Matters and Escalation Report to the Group Trust Board

Name of Committee: Finance and Infrastructure Committee

Chair: John Kennedy

Meeting Date: Monday, 23 June 2025

Key matters

1. The Committee approved the Trusts Corporate Benchmarking target submissions.
2. The Digital work plan and the Estates work plan will add value to their respective papers. These infrastructure reports will reach the level of the finance reports in future meetings.
3. Underlying financial performance to be reported to Board for note.

Norfolk and Waveney (N&W) system finance performance update

- The N&W system were £2.9m behind plan at M2, driven by the 3 acute hospitals due to efficiency performance and activity variances.
- The system has an approved overall full year plan of a balanced financial position against approximately £3bn turnover.

Cambridgeshire and Peterborough system finance performance update

- The Director of Finance reported that at M2 Cambridgeshire and Peterborough delivered a £8.7 million deficit against the planned £4.5m. This was driven by performance at North West Anglia and the ICB.
- The system has a balanced plan for 25/26 against a £3.2bn turnover.

NCHC Finance Report to year ending May 2025

- The Trust delivered a slightly better position at M2 compared to its planned £589k deficit, with an actual position of £587k deficit.
- The cash balance was £42m against the planned £40m.
- Agency spend was £160k lower than plan, however bank spend was £225k above plan.
- The Trust delivered efficiencies which were £90k better than plan.

CCS Finance Report to year ending May 2025

- The Trust delivered an overall operating breakeven position for the reporting period in line with the plan.
- The cash balance of £2.2m at month 2 represents an overall increase of £4.9m behind plan. The reduction was due to a delay to Contract Income from Local Authority Commissioners.
- Agency spend was lower than plan, however Bank spend was above plan in April.
- The Trust delivered efficiencies which were £200k better than plan.

Efficiency progress paper

- CCS have identified that £292k is high risk with the remainder of the £4.8m being moderate and low risk. The unidentified schemes totalling £2,080k are currently rated as moderate risk.
- NCHC have identified £2.6m is high risk with the remainder of the £4.6m being moderate and low risk. The schemes to achieve the efficiencies still have to be worked out. The unidentified schemes totalling £2,562k are currently rated as high risk.
- There is a difference between how the two Trusts classify the risk of schemes. NCHC report planned balances with no agreed projects against them as high risk, whereas CCS typically report these as moderate risk. This is why there is such a significant difference between the value of schemes identified as high risk between the two Trusts.
- £4.6m of efficiency savings are unidentified but there is confidence that efficiency schemes will be identified with increased focus directed towards recurrent schemes.

Digital paper

- The first Digital Transformation Steering Group meeting has taken place which reviewed the ToR and combined risks. The Infrastructure and Security Steering Group has met and established a work plan for the year. There was one Cyber/Security incident in the last 3 months. The incident was a probe/attempt on the CCS website server and was identified and managed through the Security Operation Centre.
- The Committee received updates of progress regarding Digital Skills Programme, Data Incidents, a Federated Data Platform for Children's Services, plans to migrate NCH&C staff to NHS Mail, and the current workstream for implementing Ambient AI.

Estates paper

- The Committee was presented with the first joint Estates report. The report provides assurance to the Committee in relation to the management services, Fire Actions and compliance, including compliance with estates related to Health and Safety and Infection Prevention and Control.
- The Committee were also advised of the plan to establish a joint Estates Steering Group which will report into this Committee.

Key escalation

- Both Trusts need to identify a total of £4.6m efficiency schemes to address the overall finance gap.
- The unknown scope and additional cost impact related to the Band 5 nursing pay review.
- The impact of the underlying deficits within each Trust currently at circa £3m.

To note NHS funded contracts will be uplifted to mitigate the above plan increase in the A4C and Medical staff pay award

Key risks and issues

- There are currently 8 operational risks assigned to this Committee rated 12 and above. There is also a risk on the BAF for CCS in relation to the medium term finance plan.