

Key Matters and Escalation Report to the Group Trust Board

Name of Committee: Finance and Infrastructure Committee

Chair: David Crawford

Meeting Date: Friday, 05 September 2025

Key matters

Digital Report [Reasonable Assurance]:

Highlights from the report are (a) the teams coming together and (b) the development of a strategic approach to project work. This will move the digital teams from tactical working to strategic working. The Committee understand that this is a work in progress and future progress will be reported to this Committee. The Committee agreed that the 'Effective' workstream does have a minimal assurance rating because the strategy is not yet in place. The Board need to be sighted to the Shared Care Record and potential move to an alternative EPR supplier. The Board need to support the Chief Information Officer with this work stream.

Finance [Reasonable Assurance, although Partial Assurance for the CCS cash balance]:

The cash position of CCS at the end of M4 was £1.6m. The cash balance has improved and is currently at £12.5m due to local authority contract receipts. The Chief Finance and Resources Officer is taking actions to ensure a smooth cash flow position across the financial year. The aim is to have local authority contracts signed earlier in the financial year. Predictive Purchase Orders had not met with a positive response from local authorities.

Efficiencies [Partial Assurance]:

The Board are asked to note the position within both Trusts on efficiencies. As a Group the efficiency target is £17.4m. The efficiency target for NCHC is £8.8m and the efficiency target for CCS is £8.6m.

- Within NCHC the efficiency target is split £4.7m recurrent and £4.1m non recurrent. Of the recurrent efficiency £2.8m has been identified. Of the non-recurrent savings £3.2m has been identified. There is still a need to identify £1.8m of recurrent efficiencies
- For CCS £3.0m of non-recurrent savings from vacancies has been delivered. An unidentified recurrent gap of £1.3m remains. Discussions are ongoing with Executive leads to identify solutions. At the end of M4 delivery of £2.1m of efficiency savings remain at high risk.

Although the report indicated Reasonable Assurance the committee felt that it was 'Partial' owing to a significant gap in recurrent savings of £1.3m yet to be identified for CCS.

Estates [Partial Assurance]:

The estates report highlighted opportunities for estates to be rationalised and potentially expanded in different ways.

(a) at Colman Hospital an inpatient ward is moving on site to address concerns raised by HealthWatch regarding accessibility and fire safety.

(b) Oak Street, an iCaSH premises, there is a feasibility study underway on whether to stay in leasehold or move to freehold. This is an example of a true rationalisation across the two Trusts. A CCS service could move into a NCHC freehold property.

(c) Land for sale at St Ives and Princess of Wales Hospital in Ely.

The Chief Finance and Resources Officer will be working on an estate's strategy. The estates strategy will align to the clinical strategy and the NHS 10 Year Health Plan. The estates teams will be brought together in the merged organisation and the skill set of the team reviewed.

Although the report indicated Reasonable Assurance, the committee felt that it was 'Partial' owing to the lack of connection with an Estates Strategy.

Green Plan 2025-2028: the committee felt that the proposed refreshed Group plan for 2025-28 was more of vision and agreed that further work was required to develop a comprehensive delivery plan with set activities and milestones.

The committee noted that the Estates and Digital Strategies, along with the Green Plan, would be developed as enablers of the new Group Clinical Care and Health Strategy over the coming months

In conclusion the Chair highlights to the Board the requirement for an overarching strategy for each of following reports: Digital, Estates and the Green Plan, and this needs to be reported to Board.

Key Risks and Issues:

- Risk 3326 - Cyber security (rated 16). The Committee acknowledged that Cybersecurity will always be highly rated due to the nature of the risk.
- Risk 5275 - Financial risk/service delivery based on future National model stroke service (rated 20). The risk to the funding of the stroke service was of particular concern. There is a funding gap of £1m for delivery of the stroke service.

The Chief Finance and Resources Officer proposed to develop a risk for the East of England financial position, and this would be included in the Board Assurance Framework in future reporting.

The committee noted that the following strategic risks on the Board Assurance Framework which were previously rated as extreme had been reviewed and were now rated as high:

- Risk 3708 – Long Term Financial Sustainability
- Risk 3707 - Delivery of 25/26 NCHC Financial Plan

These risks had been reduced from 16 to 12. The impact score has stayed the same, but the likelihood score has reduced from 4 to 3, due to achievement of financial plan year to date at M4. Potential growth opportunities in the longer term which provide assurance that the Group will be in a stronger position in terms of financial sustainability.

Key Escalations

No further matters to escalate.