

**Trust Board paper F6**

<b>Meeting title:</b>	Public Trust Board					
<b>Date of the meeting:</b>	14 August 2025					
<b>Title:</b>	<b>Escalation Report from the Finance and Investment Committee (FIC) 30 July 2025</b>					
<b>Report presented by:</b>	Mr A Inchley, FIC Non-Executive Director Chair					
<b>Report written by:</b>	Mr M Reeves, Corporate and Committee Services Officer					
<b>Action – this paper is for:</b>	Decision/Approval		Assurance	X	Update	
<b>Where this report has been discussed previously</b>	Not applicable					

**To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which**

**Yes. BAF risks within the remit of FIC are listed below:**

BAF ref	Risk Cause	Risk Event
06-FIC	Insufficient capital funding	Unable to address statutory requirements such as health and safety standards and legislation, and address backlog maintenance requirements (concerning medical equipment, estate and IM&T)
07b-FIC	Significant financial challenge over 2023/24 and for the future 3 years across the LLR system to meet both operational and inflationary pressures and recovery from COVID	Failure to deliver the 2023/24 financial plan and achieve long term financial sustainability
08-FIC	IT Infrastructure unfit for the future	Unable to provide safe, high quality, modern healthcare services
09-FIC	Estate Infrastructure unfit for the future	Unable to provide safe, high quality, modern healthcare services

**Impact assessment**

N/A

Acronyms used: BAF – Board Assurance Framework CIP – Cost Improvement Programme CHUGGS – Cancer, Haematology, Urology and General Surgery	FIC – Finance and Investment Committee ICB – Integrated Care Board NHSE - NHS England W & C – Women’s and Childrens
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**1. Purpose of the Report**

To provide assurance to the Trust Board on the work of the Trust’s Finance and Investment Committee (FIC), and escalate any issues as required.

**2. Recommendations**

There were no items from the FIC meeting of 30 July 2025 requiring public Trust Board approval.

**3. Summary**

The FIC meeting was quorate.

## **4. Discussion Items:**

### **4.1 Board Assurance Framework**

The Committee was requested to receive and approve the latest iteration of the BAF (appendix A of the report), noting that it should:-

- use the BAF in conjunction with the Committee work plan to inform the development of meeting agendas;
- assure itself that key strategic risks were clearly identified and appropriately aligned to the Trust's objectives;
- review whether the controls in place were robust, comprehensive, and supported by appropriate evidence (assurance);
- consider the BAF as a tool to identify the assurances the Committee should be seeking, and ensure these assurances were of sufficient quality and reliability;
- confirm that appropriate actions were in place to address any identified gaps in control and/or assurance, and that these actions were being delivered in line with agreed timelines, and
- refer to the Key Lines of Enquiry provided in Appendix B to the report when reviewing Committee papers, to support scrutiny of the assurances being presented.

The proposal from the Risk Committee to increase risk, 05-Estate-01 (as detailed below) from 16 to 20, changing the likelihood score from 'likely' to 'almost certain' was discussed. Whilst it was acknowledged that there were failures within the Estate, the Committee did not have the benefit of the Estates quarterly update presented at its meeting to guide any consideration of the risk. Therefore, it was agreed to retain the score at the current 16, with a view to discussing in more detail at the August FIC meeting when it received the Estates quarterly update.

*Risk Description: 05-Estate-01: There is a risk that the estate will not support safe, compliant, and productive healthcare delivery due to ageing infrastructure, an unresolved £125m maintenance backlog (plus around £75m in VAT and fees), and poor use of space. This could lead to safety incidents, enforcement action, service disruptions, and inefficient use of resources*

The Committee received and approved the latest iteration of the BAF, subject to the point above regarding outstanding consideration regarding risk, 05-Estate-01.

### **5.4 ICB Finance Update 2025/26 M2**

FIC received and noted the 2025/26 Month 3 financial position for the LLR ICB. The overall Year-To-Date (YTD) system position at Month 3, before deficit support, was a deficit of £38.10m, which was a £5.56m adverse variance to plan.

Points were noted regarding the challenges faced by the ICB to reduce staff and the current level of spend would lead to a deficit of £150m at year which highlighted the improvement plan targets across the system. Some concern was expressed about the possible risk of not receiving deficit support, as had happened in Systems, but it was confirmed that the ICB had received its deficit allocation for quarter 2.

The contents of this report were received and noted.