

Appendix C: Joint capital resource use plan 2025/26 template

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|------------------------|--|
| Region | Midlands |
| ICB or system | Staffordshire and Stoke-on-Trent ICB |
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Introduction

This resource plan provides transparency for local residents, patients, NHS health workers and other NHS stakeholders on the prioritisation and expenditure of capital funding within the NHS bodies in Staffordshire and Stoke on Trent to achieve their strategic aims. This aligns with ICBs' financial duty to not overspend their allocated capital and to report annually on their use of resources.

As set out in our Integrated Care Partnership (ICP) Strategy and [Joint Forward Plan \(JFP\)](#) our [strategic Integrated Care System](#) (ICS) ambitions and priorities have been informed by understanding the needs of our population identified in existing Joint Strategic Needs Assessments and engaging with our local people and communities to identify where there are existing shared priorities.

The system has a mixed estate, with a mix of PFI provided, NHS owned and leased estate. We know that there is limited opportunity for further expansion on our existing sites and that there are significant constraints both operationally and financially to the continued expansion of estate.

Recognising the ICS priorities and challenges, this strategy is shaped by six core objectives. These are to:

1. High quality estate which will support the delivery of operational service developments and ongoing transformation projects which are critical to the system
2. Have an affordable, well utilised and fit for purpose estate; by establishing new investment principles supported by clinically driven investment and collaboration with our communities. This includes consideration for our estate backlog maintenance and reducing our statutory compliance risks.
3. Maximise our digital opportunities to free up estate where possible; we will have a digitally mature ICS supported by a smarter network of intelligent and connected buildings to digitise, connect and transform.

4. Improve our energy efficiency and deliver estate which meets the NHS Green principles.
5. Create a culture of shared estate whereby all organisations can use appropriate space irrespective of the legal ownership. This will be particularly important as we seek to minimise the use of estate for non-clinical purposes and reduce non-essential staff travel.
6. Production of a local estates and facilities workforce plan to respond to the aging workforce profile and recruitment and retention issues that exist in this specialist area.

These priorities feed through the governance process of a System Transformation Group, the Strategic Estates Group with representation from estates leaders and sustainability leads and our System Capital Group chaired by a Chief Finance Officer with system wide representation from senior finance, estates, digital and strategy leads through monthly meetings feeding into System Finance and Performance Committee.

The CQC ratings across the system are as follows; UHNM requires improvement, NSCHT outstanding, MPFT good. A number of the capital schemes being progressed this year are targeted at areas highlighted for improvement, particularly within urgent and emergency care at UHNM.

2025/26 CDEL allocations and sources of funding

The system has an operational capital allocation of £43.1m plus additional capital granted by NHS England for specific schemes and priorities funded through public dividend capital (PDC). The government can issue new PDC as a way of giving finance to NHS trusts with repayment through provider dividend based on net assets. Capital to support primary care is in addition to this capital and retained at a national level.

The System capital programme is funded as follows:

| CDEL | ICB £000 | UHNM £000 | MPFT £000 | NSCHT £000 | Total full year plan £'000 |
|--|--------------|---------------|---------------|---------------|-------------------------------------|
| Operational Capital – ICB | 2,417 | | | | 2,417 |
| Operational Capital – Provider | | 22,456 | 15,088 | 3,158 | 40,702 |
| Total System Operational Capital | 2,417 | 22,456 | 15,088 | 3,158 | 43,119 |
| Total System CDEL | 2,417 | 64,387 | 27,996 | 5,143 | 99,943 |
| Return to Constitutional Standards: Diagnostics | | 21,273 | 2,488 | | 23,761 |
| Elective Recovery | | 3,839 | | | 3,839 |
| UEC | | 10,150 | | | 10,150 |
| Return to Constitutional Standards Total | | 35,262 | 2,488 | | 37,750 |

Capital prioritisation

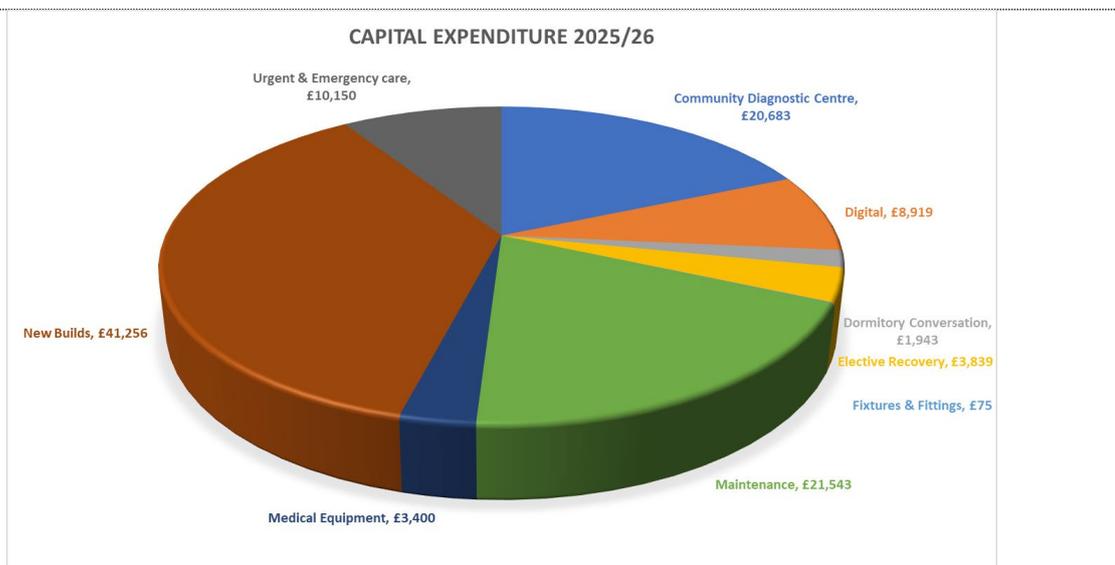
We have established a system-wide capital group including capital leads, finance leads and subject matter experts. All system partners are represented on the Group. The Group's terms of reference are included as Appendix C and this meets in place to collate and discuss the system capital position a monthly basis. The aim of this group is to ensure a collaborative approach to capital and to ensure capital investment is prioritised and used effectively.

The Capital Investment Group is a sub-group of the System's Finance and Performance Committee and consider in two distinct categories of spend:

- Funded by provider's annual depreciation charges – No system level capital prioritisation required, and backlog maintenance is also to be included in this category.
- Capital funded from other sources – System capital prioritisation to be completed for consideration by the Capital Prioritisation Group and CFOs. This will then be considered by the System Performance Group and if approved it will be used for the system capital planning submissions; and a "reserve" list maintained to respond to in year opportunities.

Capital planning

The system capital expenditure is seeking to address both immediate pressures and backlog requirements through operational capital while new innovations will be bid for from national monies. An overall outline of the areas and types of expenditure the capital plan:



This expenditure is supported by a range of strategic objectives which will now form the infrastructure strategy. For 2025/26 the providers capital planning is largely managed by finance and the technical subgroups (Estates, ICT and Medical Equipment) to ensure those areas most in need of investment are prioritised.

All capital plans are ratified within governance structure comprising of Capital Investment Group reporting upwards through the Executive Infrastructure Group, Performance and Finance Committee and Trust Board. All capital expenditure is managed by controls as set out in the Standing Financial Instructions.

Significant backlog maintenance has been identified across key sites. The condition of our estate is mixed, with significant tracts of aged estate carrying the higher risk backlog maintenance requirement.

Overview of ongoing scheme progression

Updates on the key schemes included within the capital plan:

Community Diagnostic Hubs (CDH) – In line with national planning requirements, every ICS are required to have in place one large CDC, the Stoke on Trent City community diagnostic centre which we have now had a Business Case approved to the value of £42m which went through system F&PC in August 2023 and was supported on the basis revenue element is cost neutral. Due to issues on the site, construction timescales are delayed and following extensive discussions between the Trust, ICB, NHSE regional team and NHSE national team, NHSE have confirmed support for the project into 2025/26. The next phases of this project are being funded through Return to Constitutional Standards capital for Diagnostics.

Business cases in 2025/26

During 2025/26 the system is progressing key business cases that will require submissions to NHS England for approval and potential funding support, these are:

Estates Safety – A number of bids have gone in from the system against this area of capital totalling £7.8m across 18 different bids. These bids all relate to areas highlighted on organisations risk registers.

Return to Constitutional Standards – A number of bids have gone in from the system against this area of capital within Diagnostics, Urgent & Emergency Care, Elective. The largest of which is the CDC additional phases mentioned above as well as co-located Urgent Treatment Centres.

Cross-system and collaborative working

System collaboration is key to ensure capital expenditure is maximised to provide the optimum outcome for the patients we serve. This includes any schemes funded or managed by other systems or local authorities. This section provides evidence of the strong partnership working within schemes and across the wider system.

Urgent treatment centres – In October 2023 NHSE published the Principles and Standards for Urgent Treatment Centres. System colleagues have undertaken an assessment of all urgent and emergency portals to identify sites which would be designated as stand-alone or co-located UTCs. UHNM has identified areas for a UTC at both Royal Stoke Hospital and County Hospital. Bids for these to be developed will be submitted against the designated NHSE funding for Return to Constitutional Standards: UEC.

We have commenced work in building strong foundations with local authority partners to understand local growth aspirations (housing and employment) and the associated trajectories for delivery. In developing these working relationships with the 9 local planning authorities across Staffordshire and Stoke-on-Trent we have started to secure inward investment through Community Infrastructure Levy (CIL) and Section 106 mechanisms to secure additional capital to support the transformation and resilience of our estate.

We have established a system wide capital group which comprises capital leads, finance leads and subject matter experts. All system partners are represented on the Group. The aim

of this group is to ensure a collaborative approach to capital and to ensure capital investment is prioritised and used effectively.

Net zero carbon strategy

Delivering a “Net Zero” National Health Service’ (2020) plots an ambitious yet feasible set of actions to respond to climate change with clear targets for achieving a net zero health service for direct emissions by 2040 and indirect emissions by 2045.

- For the emissions the healthcare sector control directly (the NHS Carbon Footprint): net zero by 2040, with an ambition to reach an 80% reduction by 2028 to 2032.
- For the emissions the healthcare sector can influence (our NHS Carbon Footprint Plus), net zero by 2045, with an ambition to reach an 80% reduction by 2036 to 2039.

NHS estate and facilities has a critical role to play in achieving this ambition. System partners continue to work with their estates teams to identify investment required to support Heat decarbonisation plans, freehold estate decarbonisation plans and infrastructure upgrades.

UHNM have an element of subgroup expenditure set aside for investment in net zero carbon schemes. This is managed and prioritised by a specialist team who ensure that investment is added to existing schemes to improve their sustainability or is used for standalone net zero carbon schemes. UHNM is hoping to fund significant investment in LED lighting over the next 5 years and is installing air heat boilers using PSDS funding.

Appendix B: System CDEL template for joint capital resource use plan 2025/26

The presentation of financial data must include a version of this table applicable to the ICB and its partner organisations. The data must be consistent with information in the final system (IPR) and provider (FPR) financial plan submissions. A version of this table will be automatically produced in system financial plans (IPRs) for 2025/26, which can be pasted into JCRUPs to ensure consistency with financial plans.

| CDEL | ICB £000 | UHNM £000 | MPFT £000 | NSCHT £000 | Total full year plan £'000 | Narrative on main categories of expenditure |
|--|--------------|---------------|---------------|---------------|-------------------------------------|---|
| Operational Capital – ICB | 2,417 | | | | 2,417 | |
| Operational Capital – Provider | | 22,456 | 15,088 | 3,158 | 40,702 | Dormitory conversion, Frontline digitisation & leases |
| Total System Operational Capital | 2,417 | 22,456 | 15,088 | 3,158 | 43,119 | |
| Total System CDEL | 2,417 | 64,387 | 27,996 | 5,143 | 99,943 | |
| Return to Constitutional Standards: Diagnostics | | 21,273 | 2,488 | | 23,761 | Community Diagnostic Centres |
| Elective Recovery | | 3,839 | | | 3,839 | |
| UEC | | 10,150 | | | 10,150 | Co-located Urgent Treatment Centres (UTC's) |
| Return to Constitutional Standards Total | | 35,262 | 2,488 | | 37,750 | |

Appendix C – Terms of Reference

Staffordshire and Stoke-on-Trent ICB

Terms of reference – Capital Investment Group

Purpose of the Group

- To formulate the system's annual and medium term NHS capital programme, for all aspects of capital investment, in the context of the available capital resources:
 - Agree a system-wide prioritisation policy
 - Be sighted on all the various sources of capital and how these are being accessed by the system
- To work collectively to maximise available resources from NHS CDEL, other NHS sources and external options such as working with Local Authority partners.
- To utilise available capital resources effectively, efficiently and economically by ensuring that there is not an unplanned impact upon the system's revenue I&E account.
- To monitor in year delivery, review risks and mitigations and revisit the capital programme on a regular basis in order to reprioritise/rephase as necessary to ensure maximum use of the available resources.
- To ensure that capital business case and procurement processes are fit for purpose and in line with best practice.
- To assure and (if appropriate) approve capital business cases as required by the powers delegated to ICSs from NHSE&I
- To provide the basis for capital reports to the ICS Board.
- To receive (or possibly commission?) appropriate Post Implementation Reviews and disseminate any lessons learnt from them appropriately.

Membership

Chair – ICB CFO

- Directors of Finance or representatives
- System Estates lead – representing the System Estates Forum
- Chief Digital Officer
- System Planning and Development Lead
- Medical Equipment Lead
- Primary Care Estates and Digital Lead
- Capital Finance lead (to be nominated from the system financial controllers)
- System lead for sustainability
- Head of System Finance

Reporting Line

Working group reporting to the System Finance Committee.