

Declarations required by Continuity of Service condition 7 of the NHS provider licence

The board are required to respond "Confirmed" or "Not confirmed" to the following statements (please select 'not confirmed' if confirming another option). Explanatory information should be provided where required.

3 Continuity of services condition 7 - Availability of Resources (FTs designated CRS only)

EITHER:

3a After making enquiries the Directors of the Licensee have a reasonable expectation that the Licensee will have the Required Resources available to it after taking account distributions which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.

Confirmed

Please fill details in cell E22

OR

3b After making enquiries the Directors of the Licensee have a reasonable expectation, subject to what is explained below, that the Licensee will have the Required Resources available to it after taking into account in particular (but without limitation) any distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate. However, they would like to draw attention to the following factors (as described in the text box below) which may cast doubt on the ability of the Licensee to provide Commissioner Requested Services.

OR

3c In the opinion of the Directors of the Licensee, the Licensee will not have the Required Resources available to it for the period of 12 months referred to in this certificate.

Statement of main factors taken into account in making the above declaration

In making the above declaration, the main factors which have been taken into account by the Board of Directors are as follows:

- In 2023-24 the Trust delivered an adjusted financial performance surplus of £1.9m.
- The Trust's accounts for 2023/24 have been prepared on the going concern basis and this has been agreed by the external auditor as appropriate.
- The Trust Board, through its Finance, Commercial and Investment Committee, scrutinises the Trust's financial position and forecasts on a bi-monthly basis, but has not concluded that the Trust's financial position would prevent it from delivering its full range of clinical services
- Assurance has been received from external auditors in relation to the annual accounts and from internal auditors regarding the robustness of the Trust's financial systems and processes.
- The Trust's Board Assurance Framework acknowledges the financial risks linked to the uncertain economic environment, but recognises that much of the risk in this area is out of the Trust's control (for example the developments in specialised commissioning and high levels of inflation).
- The Trust's 2024/25 business plan is recognised by the Board as ambitious but achievable, and no material concerns have been raised by clinical groups about being unable to deliver healthcare with the resources they have available (in terms of financial, personnel, or estates).
- The Trust Board recognises the Trust retains an underlying deficit and that there is a high degree of risk in the 2024/25 financial plan, which will be disclosed in the Trust's Annual Report. However, to date, the Trust is making good progress with the identification and delivery of its £94m CIP programme.
- The Trust's cash position is not currently considered commensurate with the scale of the Trust and its cost base. Steps are being taken to deliver cash releasing cost improvement schemes, more closely peg capital expenditure to depreciation, and to implement more robust cost controls.
- The Trust has continuing support from commissioners of its clinical services.
- The Trust has no provider licence conditions in place from its regulatory body

Signed on behalf of the board of directors, and, in the case of Foundation Trusts, having regard to the views of the governors

Signature *Charles Alexander*

Signature *Ian Abbs*

Name Charles Alexander

Name Ian Abbs

Capacity Trust Chair

Capacity Chief Executive

Date 26 June 2024

Date 26 June 2024

Further explanatory information should be provided below where the Board has been unable to confirm declarations under G6.

N/a