Board of Directors (in Public)
23 July 2026

Report Title	2026-27 Revised Capital Expenditure Plan
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Previous committees/groups	Board of Directors, 26 March 2026 Trust Executive Group 17 June 2026 Finance and Performance Committee 16 July 2026
Recommended action(s) (assurance, approval, information)	Assurance/Information
Purpose of the paper	To provide the Trust Board with an update of the revised Capital Expenditure Plan for 2026-27.
Executive Summary	

This paper provides an update and assurance on the Capital Expenditure Plan for 2026/27 following confirmation of the 2025/26 capital outturn and a review of the schemes previously included in the multi-year Capital Plan approved by Board on 26 March 2026.

The revised programme reflects changes arising from the final year-end position, including higher levels of work in progress being accounted for in 2025/26, additional capital funding confirmed by NHSE late in the year, and delivery issues affecting vehicle conversion schemes. As a result, uncommitted capital funds have increased by £800k, enabling further prioritised schemes to be included in the 2026/27 programme.

The main changes include reprofiling the £10m NHSE funds for the Sheffield Make Ready Hub across 2026/27 and 2027/28; deferring the 2026/27 PTS replacement programme into 2027/28; and progressing replacement of 50% of the Rapid Response Vehicle fleet in 2026/27 to mitigate operational and financial risks.

Key risks relate to timely Board and NHSE approvals, vehicle specification and conversion issues, delivery of the Sheffield Hub, and potential revenue implications where short-term lease extensions are required.

Recommendation(s)	The Trust Board are asked to note the pragmatic changes to the Capital Expenditure Plan 2026/27 that were approved at Trust Executive Group on 17 June 2026.
Link to Board Assurance Framework Risks (board and level 2 committees only)	13. Secure sufficient capital resources and use them wisely to ensure value for money.

REVISED 2026/27 CAPITAL EXPENDITURE PLAN

1.0 INTRODUCTION

1.1 A multi-year Capital Plan covering the period 2026/27 to 2029/30 was approved by Board on the 26 March 2026.

1.2 At this time, the 2025/26 financial year was not concluded and there was a great deal of uncertainty on the outturn position for capital expenditure, which impacted upon the ability to finalise an accurate capital expenditure plan for 2026/27.

1.3 Now that the 2025/26 capital position is known, the plan for 2026/27 can be finalised. This paper sets out the changes from the March plan and provides further detail on all schemes proposed for the 2026-27 Capital Programme.

2.0 BACKGROUND

2.1 The 26/27 planning round took place earlier than in previous years, with the final plan submission to NHSE taking place on the 12 February 2026.

2.2 The Trust has a number of high value capital expenditure schemes which span financial years. Significant variances arose between the forecast position for 25/26 year end (which determines the 26/27 plan) and the final 25/26 outturn. There were several factors which influenced this:

- NHSE awarded the Trust a further £4.8m of capital funds at the end of January, which led to the acceleration of some projects planned for 26/27.
- The Trusts chosen vehicle converter went into administration in early February having commenced the conversion of 41 DCAs. This also had consequences for the delivery of the next tranche of DCA chassis, which had been planned for early March. This created a high level of uncertainty however final outturn for 25/26 was more advantageous than had been anticipated at planning stage.
- Work in progress (WIP) estimates made at the planning stage for several schemes, including vehicle conversions and some estates projects were significantly different from those reported at 31 March.

2.3 As a result, a number of schemes were delayed beyond their planned completion dates and other schemes were accelerated to mitigate against potential underspends.

2.4 Several schemes scored similarly and exceeded the limit of available capital funds; further discussions were needed with capital budget holders to finalise prioritisation.

2.5 The number of movements, and the value associated with them, means it has been necessary to restate the capital plan. Uncommitted funds increased by £800k due to a higher value of WIP being accounted for in 25/26. A revised programme of capital expenditure is set out in section 4, along with explanation of key movements.

3.0 CAPITAL FUNDS

3.1 NHSE have now confirmed that the £10m fund available for a Make Ready Hub will be profiled as:

- £7m in 2026/26
- £3m in 2027/28

This was previously shown as £10m in 2026/27. Expenditure has been reprofiled to match the funding stream.

3.2 There are no other changes to capital funds. The level of capital funding is summarised below.

Funding	Status	2026/27	2027/28	2028/29	2029/30
ICB Core Allocation - Purchase & Lease	*Confirmed*	£14,275	£14,930	£15,280	£16,548
DCA Replacement (Ambulance RtCS) -Diesel	*Confirmed (business case submitted and approved)*	£9,527	£8,587	£6,354	£3,036
DCA Replacement (Ambulance RtCS) - BEV	*Confirmed (business case submitted and approved)*	£1,913	£3,734	£6,745	£9,084
Estates Safety Fund	*Confirmed*	£178	£178	£178	£178
Sale Proceeds: Wath	*Subject to sale*	£400			
Sale Proceeds: Hull fleet workshop & Sutton Fields	*Subject to sale*	£1,150			
Springhill HQ Loan repayment		-£334	-£334	-£334	-£334
RtCS Make Ready*	Confirmed (subject to short form business case)	£7,000	£3,000		
2025/26 revenue surplus		£2,500			
PLANNED CAPITAL FUNDS		£36,609	£30,095	£28,223	£28,512

** previously shown as £10m in 2026/27*

4.0 CAPITAL EXPENDITURE

4.1 Overall, the year-end position was more favourable than had been anticipated when the plan was presented to Board, and the Trust was able to account for higher levels of WIP on partially completed vehicle conversion. This meant a higher proportion of capital funds was uncommitted enabling more schemes to be included in the plan.

4.2 **PTS Replacement:**

4.2.1 In 25/26, Trust Board approved the replacement of 70 PTS vehicles. There was an expectation that the majority of this could be delivered in 25/26, however neither the diesel nor the electric vehicle conversions could be delivered and as there were no electric vehicle conversions scheduled, the base vehicle supplier deferred the chassis build.

4.2.2 The Trust had planned a further PTS replacement programme in 26/27 (subject to Board approval), however the significant slippage of the 25/26 programme meant there would be insufficient funds to account fully for the 26/27 programme. There is little benefit in planning for partial completion of PTS vehicles as it limits the Trust to a purchase-only option and removes the opportunity to lease and vehicles would not be available for operational use until early 2027/28.

4.2.3 Therefore, the 26/27 PTS replacement programme has been deferred fully into 27/28. This frees up resources for other schemes, allows the Trust to explore both lease and purchase options and, as vehicles could not be delivered before Q1 in 27/28 in any event; does not impact upon vehicle availability. It should be noted however, that the delay to the 25/26 programme has meant that expired leases on a number of vehicles have had to be extended on a short-term basis. This is financially disadvantageous to the revenue position, as short-term lease expenditure does not attract depreciation funding.

4.3 **Rapid Response Vehicles**: The Trust has 106 RRVs that were acquired under 3,4 and 5 year lease terms, with 5-years being the maximum available lease period. The 3-year leases have already been extended to 5 years. Extending the 4-year leases to 5 years would require all 106 vehicles to be replaced in 2027/28, which would cause operational pressures for the Fleet department and require a high proportion of operational capital funds in-year, putting other high priority schemes at risk. This risk has been mitigated by planning to replace 50% of the RRV fleet in 26/27.

4.4 The detailed, revised capital expenditure plan is set out in the table below.

2026-27 Capital Expenditure Programme				2026/27 Capital Expenditure Plan (March '26 Board)	Revised 2026/27 Capital Expenditure Plan	Movement	Explanation of movement	Approval Status
Dept.	Scheme Description	Status/Score	No. Vehicles	£000s				
Fleet	c/fwd from 25/26 41 DCA conversion	Ordered	41	£ 3,000	£1,202	-£1,798	Higher WIP value at year end	Board approved
Fleet	c/fwd from 25/26 PTS (45 Diesel conversion)	Ordered	45	£ 2,015	£1,841	-£174	Favourable price variance following tender	Board approved
Fleet	c/fwd from 25/26 PTS (25 x Electric chassis & conversion)	Ordered	25	£ 1,089	£ 1,636	£547	Chassis not delivered as expected in 25/26	Board approved
Fleet	c/fwd BEV DCA (5 vehicle conversion)	Ordered	5	£ 655	£655	£0		Board approved
Fleet	c/fwd from 25/26 CBRN conversion & equipment	Ordered		£ 694	£253	-£441	Higher WIP value at year end	Board approved
Fleet	c/fwd from 25/26 Private and Event conversion	Ordered	3	£ 251	£251	£0		Board approved
Fleet	DCA Conversion (YAS6)	Pre - commitment	73	£ 7,505	£7,425	-£80	Cost of yellow paint - paid in 25/26	Board approved
Fleet	Engine replacement + staff	Pre - commitment	100	£ 1,700	£1,700	£0		Board approved
Estates	Hull Ambulance Station	Pre - commitment		£ 1,026	£2,071	£1,045	Couldn't fully complete in 25/26	Board approved
ICT	Common CAD (Project)	Pre - commitment		£ 65	£65	£0		Board approved
Fleet	Embrace Ambulance	Pre - commitment	1	£ 224	£0	-£224	Delivery expected July 2027	Board approved
ICT	ePR replatforming (999 Operations Ipads)	Pre - commitment		£ 217	£217	£0		Board approved
Estates	EV charging Infrastructure PTS	Pre - commitment		£ 395	£296	-£99	Some completed in 25/26	Board approved
Fleet	Reach Truck	Pre - commitment	1	£ 13	£13	£0		Within delegated limits
Fleet	Hull AVP Fleet uplift (5DCA + 2 RRV)	Pre - commitment	7	£ 350	£300	-£50	Some Equipment purchased in 25/26	Board approved
ICT	RPC CAD Development	Pre - commitment		£ 93	£93	£0		Board approved
Fleet	BEV DCA (10 vehicles) incl. self-loading stretchers	Ringfenced	10	£ 2,142	£2,142	£0		National programme
Estates	Estate Safety Fund	Ringfenced		£ 178	£178	£0		Within delegated limits
Estates	Make Ready Hub	Ringfenced		£ 10,000	£8,000	-£2,000	Reprofiled funds plus £1m internal funds	FBC needs Board approval
Fleet	RRV & PTS	Risk scored	70	£ 5,385		-£5,385	see detail below	
Estates	Backlog maintenance, Seacroft, Estates strategy	Risk scored		£ 1,945		-£1,945	see detail below	
ICT	AI, 111, PTS Cleric, Laptops & PCs, Servers, Network	Risk scored		£ 668		-£668	see detail below	
Estates	Renewal of existing leases - Edlington & Adwick Le St LRP	Must do			£16	£16		Within delegated limits
Procurement	Renewal of existing lease - Trust wide Managed Print Service	Must do			£167	£167		Approved
Estates	High priority backlog maintenance	510			£700	£700		Multiple schemes - delegated limits
Estates	Seacroft	480			£400	£400		Within delegated limits
ICT	AI & innovation initiative	480			£100	£100		Within delegated limits
ICT	111 Development & GPOOH	480			£32	£32		Within delegated limits
ICT	WFM System (moving to Cloud)	480			£95	£95		Within delegated limits
ICT	PTS - Cleric system	470			£10	£10		Within delegated limits
ICT	Sso using NHSE	460			£20	£20		Within delegated limits
Fleet	RRVs	460	54		£3,159	£3,159		Requires Board approval
ICT	ICT Hardware Refresh	450			£296	£296		Within delegated limits
ICT	ICT Server Refresh	440			£200	£200		Within delegated limits
ICT	ICT Network infastructure	440			£30	£30		Within delegated limits
Fleet	Private Events 4x4	440	4		£550	£550		Requires TEG approval
Fleet	Training School Vehicles	440	3		£302	£302		Within delegated limits
ICT	Unified Comms enhancements/licences	400			£30	£30		Within delegated limits
Estates	YAS Academy - Morley 2 year lease	Efficiency plan			£373	£373		Within delegated limits
Estates	Minor works				£250	£250		Within delegated limits
Estates	EV infrastructure				£564	£564		Within delegated limits
Fleet	DCA fleet increase 12 vehicles (balance of equipment)		12		£516	£516		Requires TEG approval
All	Contingency				£461	£461		Within delegated limits
Total Capital Expenditure				£ 39,609	£ 36,609	-£ 3,000		

5.0 RISKS

5.1 There are several high value programmes of expenditure that require Trust Board approval, before orders can be raised; including PTS fleet Replacement, RRV fleet replacement and Sheffield Hub. Furthermore, 999 operations have requested a respecification of the RRV vehicle which means a like-for-like replacement cannot be considered. Failure to obtain Board approval in a timely way poses a risk to delivery in-year.

5.2 Electric Vehicles: There are issues emerging in respect of the converted vehicle weight for both the Ford and Renault base vehicle. A different base vehicle may need to be considered, which may necessitate a change to the conversion specification, requiring consultation with 999 operational colleagues. Delays in determining a suitable base vehicle and conversion, could pose a risk to delivery in-year.

5.3 Funds have been set aside to increase the size of the DCA fleet, aligned to the increased frontline staffing numbers included in the revenue plan. This will be achieved by retaining some older vehicles initially but will require an investment in additional equipment. Work to determine the required number of DCAs is being undertaken by 999 Operations. There is a risk to delivery if this is not approved in a timely way.

5.4 There are implications to the Trusts revenue position if vehicle leases have to be extended under short-term arrangements which result in higher costs that can't be offset with depreciation funding.

5.5 **Sheffield Hub**: NHSE have allocated £10m of funds for a new hub, which will be drawndown over 2 financial years. There are several risks to the delivery of this scheme.

5.5.1 A site has been identified and an offer accepted, which is subject to planning approval. If planning permission is not granted on this site, alternative locations would need to be explored. If suitable alternatives cannot be found within the required timeframe, the programme would not be able to proceed and funding may be withdrawn.

5.5.2 Multi-stage approval is required from both Trust Board and NHSE. If this is not achieved within required timeframes, the vendor may choose to withdraw from the sale and remarket the property.

5.5.3 The cost of purchasing the site and refurbishing the premises is expected to be higher than the funds from NHSE, requiring the Trust to commit some of its operational capital. These costs are not yet known. If costs become prohibitive, the project may need to be deferred/cease.

6.0 RECOMMENDATION

6.1 The Trust Board are asked to note the pragmatic changes to the Capital Expenditure Plan 2026/27 that were approved at Trust Executive Group on 17 June 2026.