

# Connect More: What's the latest on the financial context?

- Most providers have weathered FY23/24
- FY24/25 and FY25/26 are of real concern
- The modelling for FY25/26:
  - 72% in deficit
  - 40% with less than 30 days' liquidity
- Restructuring plans/asset sales/financial covenant amendments/waivers
- Medium and low tariff providers are finding it harder to borrow
- Transformation Fund to cover the up-front costs of transformation?
- Sound decisions at a provider level could be disastrous at a regional or collective level

# Connect More: key policy recommendations

- Still time to respond to Government about future collaborations
- What guidance and support on the ground will there be?
- Process for finding a collaboration partner
- Competition issues
- Metrics post merger/collaboration
- Statutory frameworks
- Transformation costs
- SAR
- Boards need to plan for strategic collaborations to set own agenda

# Thank you

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