

## **BNSSG ICB Board Meeting**

Date: 2<sup>nd</sup> February 2023

Time: 12:30pm

Location: The Holder and Frys Rooms, Future Inn, Bond Street South, Bristol BS1 3EN

Agenda Number:	7.3.1		
Title:	eview of Finance, Estates and Digital Committee Terms of eference		
Purpose: For decision			
Key Points for Discussion	n:		
	Reference were approved by the ICB Board at the July 1 <sup>st</sup> meeting. As		
	cess the terms of reference of all ICB committees have been reviewed.		
Proposed amendments to t	the Terms of Reference are highlighted in the paper.		
Recommendations:	To approve the revised Finance, Estates and Digital Committee Terms of Reference		
Previously considered by	The Terms of Reference have been reviewed by the Finance,		
and feedback:	Estates and Digital Committee		
Management of Declared Interest:	There are no potential or actual Conflicts of Interest.		
Risk and Assurance:	There is a risk that without a change to increase the membership of the committee achieving a quorum may be challenging. This will affect the committee's ability to progress ICB governance business and provide the ICB with adequate assurance. The proposed amendment is intended to mitigate this risk. Unmitigated this risk is rated as 4 (probable) x 4 (major) = 16. The proposed mitigation reduces the risk score to 2 (unlikely) x 4 (major) = 8		
Financial / Resource Implications:	The is a resource implication in relation to Non-executive Director time.		
Legal, Policy and Regulatory Requirements	It is best practice to establish a committee with oversight and responsibility for finance, estate and digital matters		
How does this reduce Health Inequalities:	The Finance, Estates and Digital Committee will receive reports that relate to the reduction of health inequalities as part of its work programme		

**Shaping better health** 

How does this impact on	The Finance, Estates and Digital Committee will receive reports that
Equality & diversity	relate to the reduction of inequalities as part of its work programme
Patient and Public	The Finance, Estates and Digital Committee will receive reports that
Involvement:	relate to the patient and public involvement as part of its work
	programme
Communications and	The revised Terms of Reference will be added to the ICB website as
Engagement:	part of the Governance Handbook
Author(s):	Sarah Carr, Corporate Secretary
Sponsoring Director:	Sarah Truelove, Chief Financial Officer





### **Strategic** Finance, Estates and Digital Committee Terms of Reference

#### 1. Introduction

#### **Constitution:**

The Strategic Finance, Estates and Digital Committee (the Committee) is established by the Integrated Care Board (the Board or ICB) as a Committee of the Board in accordance with its Constitution.

These terms of reference, which must be published on the ICB website, set out the membership, the remit, responsibilities and reporting arrangements of the Committee and may only be changed with the approval of the Board.

The Committee is a non-executive committee of the Board and its members, including those who are not members of the Board, are bound by the Standing Orders and other policies of the ICB.

#### Purpose:

The aims of the ICB are to:

- improve outcomes in population health and healthcare
- tackle inequalities in outcomes, experience and access
- enhance productivity and value for money
- help the NHS support broader social and economic development.

The purpose of the Committee is to contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board in the development and delivery of a robust, viable and sustainable system financial strategy and operational plan. This includes:

- financial performance of the ICB
- financial performance of NHS organisations within the ICB footprint

Providing financial advice to the Integrated Care System Partnership Board to enable the development of a financially sustainable Strategy

Develop financial strategy and plan for the ICB with due regard for the Strategy of the Integrated Care System Partnership Board and associated Health & Wellbeing Boards

These dual roles may be reflected in separate sections of the Committee's agendas, have due regard for managing any real or perceived conflicts of interest.

The Strategic Finance, Estates and Digital Committee has no executive powers, other than those delegated in the Scheme of Reservation or Delegation and specified in these terms of reference.



#### 2. Delegated Authority

The Strategic Finance, Estates and Digital Committee is authorised by the Board to:

- Investigate any activity within its terms of reference;
- Seek any information it requires within its remit, from any employee or member of the ICB (who are directed to co-operate with any request made by the committee) within its remit as outlined in these terms of reference;
- Commission any report it deems necessary to fulfil its obligations;
- Obtain legal or other independent professional advice and secure the attendance of advisors with relevant expertise if it considers this is necessary to fulfil its functions. In doing so the committee must follow any procedures put in place by the ICB for obtaining legal or professional advice;
- Create standing or task and finish sub-groups in order to take forward specific programmes of work as considered necessary by the Committee's members. The Committee shall determine the membership and terms of reference of any such task and finish sub-groups in accordance with the ICB's constitution, standing orders and Scheme of Reservation and Delegation (SoRD)

For the avoidance of doubt, in the event of any conflict, the ICB Standing Orders, Standing Financial Instructions and the SoRD will prevail over these terms of reference other than the Committee being permitted to meet in private.

#### 3. Membership

The Committee members shall be appointed by the Board in accordance with the ICB Constitution.

The Executive members of the Committee can send a nominated deputy to the meeting. These individuals must be able to operate with full authority over any issue arising at the meeting. Members will possess between them knowledge, skills and experience in:

- accounting
- risk management
- and additional technical or specialist issues pertinent to the ICB's business, notably
  provision of clinical services; population health management; legal, regulatory and
  financial governance of NHS and Local Authority Social Care & Public Health services
  and statutory functions

When determining the membership of the Committee, active consideration will be made to diversity and equality.

#### Chair and Vice Chair:

In accordance with the constitution, the Committee will be chaired by a Non-Executive Member of the Board appointed on account of their specific knowledge skills and experience making them suitable to chair the Committee. The Chair of the Committee shall be independent and therefore may not chair any other committees.

Committee members may appoint a Vice Chair from amongst the members.

In the absence of the Chair, or Vice Chair, the remaining members present shall elect one of their number Chair the meeting.

The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these terms of reference.

#### 4. The members of the Strategic Finance, Estates and Digital Committee are:

- The ICB Non-Executive Member who leads on Strategic Finance, Estates and Digital
- The ICB Non-Executive Member who leads on Audit Governance and Risk
- At least two Non-Executive and or Elected Members (drawn from Partner members)
- A Director of Public Health from a partner local authority
- A Section 151 Officer from another partner local authority
- Chief Executive (ICB Accountable Officer)
- ICB Chief Finance Officer
- ICB Chief Medical Officer
- The ICB Director of Transformation and Chief Digital Information Officer

#### 5. In attendance

Only members of the Committee have the right to attend Committee meetings, however all meetings of the Committee may also be attended by other invited and appropriately nominated individuals who are not members of the Committee. Other individuals may be invited to attend all or part of any meeting as and when appropriate to assist it with its discussions on any particular matter including the ICB Chief Executive, other ICB Executive Directors, Chairs of ICB Directors of Finance Group, Estates Steering Group, Digital Steering Group; Representatives of Health and Wellbeing Board; Representatives of Providers, Provider Collaboratives and Locality Partnerships (Place based partnerships); Directors of Adults and Children's Social Care; Senior Finance, Estates and Digital Department officers.

The Chair may ask any or all of those who normally attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.

The Chair of the ICB may also be invited to attend one meeting each year in order to gain an understanding of the Committee's operations.

#### Attendance:

Where an attendee of the Committee (who is not a member of the Committee) is unable to attend a meeting, a suitable alternative may be agreed with the Chair.

#### 6. Administration

The Committee shall be supported with a secretariat function from the ICB Finance, Information & Corporate Directorate (FICS Directorate). Which will include ensuring that:

- the agenda and papers are prepared and distributed in accordance with the Standing Orders having been agreed by the Chair with the support of the relevant executive lead
- attendance of those invited to each meeting is monitored and those that do not meet the minimum attendance requirements are highlighting to the Chair

- records of members' appointments and renewal dates and the Board is prompted to renew membership and identify new members where necessary
- preparation, collation and circulation of papers in good time
- good quality minutes are taken in accordance with the standing orders and agreed with the chair so that a record are kept of matters arising, action points and issues carried forward
- the Chair is supported to prepare and deliver reports to the Board
- the Committee is updated on pertinent issues/ areas of interest/ policy developments
- action points are taken forward between meetings and progress against those is monitored.

#### 7. Quoracy

For a meeting to be quorate a minimum of 3 members is required, including one of ICB Non-Executive members; and one of <del>Chief Executive or</del> the ICB Chief Finance Officer or the ICB Director of Transformation and Chief Digital Information Officer or the ICB Chief Medical Officer.

If any member of the Committee has been disqualified from participating in an item on the agenda, by reason of a declaration of conflicts of interest, then that individual shall no longer count towards the quorum.

If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

#### **Decision-making and voting:**

Decisions will be taken in accordance with the Standing Orders. The Committee will ordinarily reach conclusions by consensus. When this is not possible the Chair may call a vote.

Only members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter. Where there is a split vote, with no clear majority, the Chair of the Committee will hold the casting vote.

If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication. Where any such action has been taken between meetings, then these will be reported to the next meeting.

#### 8. Frequency of meetings

The Strategic Finance, Estates and Digital Committee will meet at least 6 times a year. Initial work programme expects to meet once per month for 2hours. Arrangements and notice for calling meetings are set out in the Standing Orders. Additional meetings may take place as required.

The Board, Chair or Chief Executive may ask the Strategic Finance, Estates and Digital Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

In accordance with the Standing Orders, the Committee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.

#### 9. Remit and Responsibilities

The Committee's duties are as follows:

#### System financial management framework:

- to set the strategic financial framework of the ICB and monitor performance against it
- to develop and keep under review the system Long Term Plan
- to develop the ICB financial information systems and processes to be used to make recommendations to the Board on financial planning in line with the strategy and national guidance
- to ensure health and social inequalities are taken into account in financial decisionmaking
- Participate in the development of the ICS financial framework with an awareness of the funding, cost pressures and risks which impact on delivery

#### Resource allocations (Revenue & Capital):

- to develop an approach to distribute the resource allocation through commissioning and direct allocation to drive agreed change based on the ICS strategy and recommend this to the ICB Board
- to advise on and oversee the process regarding the deployment of NHS England Service Development Funding and other ad-hoc allocations
- to work with ICS partners to identify and allocate resources where appropriate to address finance and performance related issues that may arise
- to work with ICS partners to consider major investment/disinvestment outlined in business cases for material service change or efficiency schemes and to agree a process for sign off in line with the ICB Standing Financial Instructions and Scheme of Reservation and Delegation
- to monitor the NHS system capital programme against the capital envelope, taking action to ensure that it is appropriately and completely used
- to ensure oversight of future prioritisation and capital funding bids
- Recommend approach to decisions regarding delegation of budgetary responsibility to place and to provider collaboratives

#### National framework:

- to advise the ICB on any changes to NHS and non-NHS funding regimes and consider how the funding available to the ICB can be best used within the system to achieve the best outcomes for the local population
- to oversee preparation of national ICB level financial submissions and recommend these to ICB Board
- to ensure the required preparatory work is scheduled to meet national planning timelines

#### Financial monitoring information:

• to develop a reporting framework for the ICB as a statutory body, using the chart of accounts devised by NHSE and the integrated single financial environment (ISFE) and

the ICB as a system of bodies.

- to articulate the financial position and financial impacts (both short and long-term) to support decision-making
- to work with ICB partners to identify and agree common approaches across the system such as financial reporting, estimates and judgements
- to work with ICB partners to seek assurance over the financial reports from system bodies and provide feedback to them (being clear on how this role interacts with that of the audit committee)
- to oversee the development of financial and activity modelling to support the ICB priority areas
- to develop annual, medium and long-term financial plans which demonstrate ongoing value and recovery and recommend these to the ICB Board
- to develop an understanding of where costs sit across the system, system cost drivers and the impacts of service change on costs
- understanding the financial and performance impact of transformational changes on individual originations and the wider system
- to ensure appropriate information is available to manage financial issues, risks and opportunities across the ICB
- manage financial and associated risks and the Board Assurance Framework, ensuring that appropriate and effective mitigating actions are in place.

#### Performance:

- to oversee the management of the system financial target and the ICB 's own financial targets
- to agree key outcomes to assess delivery of the ICB financial strategy
- to monitor and report to the ICB Board overall financial performance against national and local metrics, highlighting areas of concern
- to monitor and report to the ICB Board key service performance which should be taken into account when assessing the financial position
- to ensure that suitable policies and procedures are in place to comply with relevant regulatory, legal and code of conduct requirements

#### System efficiencies:

- to ensure system efficiencies are identified and monitored across the ICB, in particular opportunities at system level where the scale of the ICS partners together and the ability to work across organisations can be leveraged
- to ensure financial resources are used in an efficient way to deliver the objectives of the ICB
- to review exception reports on any material breaches of the delivery of agreed efficiency improvement plan including the adequacy of proposed remedial action plans

#### Communication:

- to co-ordinate and manage communications on financial governance with stakeholders internally and externally
- to develop an approach with partners, including the ICB health and care partnership, to ensure the relationship between cost, performance, quality and environment sustainability are understood

#### People:

 to develop a system finance staff development strategy to ensure excellence by attracting-and retaining the best finance talent

#### Estates:

- to oversee the development of the ICB estates strategy and plan to ensure it properly balances clinical, strategic and affordability drivers and recommend it to the ICB Board
- to gain assurance that the estates plan is built into ICS financial framework
- to ensure effective oversight of future prioritisation and capital funding bids

#### Digital:

- to oversee the development of the ICB Digital strategy and plan to ensure it properly balances clinical, strategic and affordability drivers and recommend it to the ICB Board
- to gain assurance that the digital plan is built into ICS financial framework
- to ensure effective oversight of future prioritisation and capital funding bids

#### **Procurement:**

 Oversight of procurement exercises (including Invitation to Tender, Evaluation, Preferred Bidder Appointment and Contract Award) where contracts with an estimated value above £1m or where there is a significant reputational or service issue and make recommendations to the ICB Board

#### **10. Behaviours and Conduct**

#### **ICB** values

Members will be expected to conduct business in line with the ICB values and objectives and the principles set out by the ICB.

Members of, and those attending, the Committee shall behave in accordance with the ICB's constitution, Standing Orders, and Standards of Business Conduct Policy.

#### Equality diversity and inclusion

Members must demonstrably consider the equality, diversity and inclusion implications of decisions they make.

#### **Conflicts of interest**

In discharging duties transparently, conflicts of interest must be considered, recorded and managed. Members should have regard to both the ICB's policies and national guidance on managing conflicts of interest.

All potential conflicts of interest must be declared and recorded at the start of each meeting. A register of interests must be maintained by the Chair and submitted to the Board. If the Chair considers a conflict of interest exists then the relevant person must not take part in that item, and the Chair may require the affected member to withdraw at the relevant point.

#### **11. Reporting Requirements**

The Committee is accountable to the Board and shall report to the Board on how it discharges its responsibilities. The minutes of the meetings shall be formally recorded by the secretary and submitted to the Board.

The Chair will provide assurance reports to the Board after each meeting and shall draw to the attention of the Board any issues that require disclosure to the Board or require action. The Committee will provide an annual report to the Board to describe how it has fulfilled its terms of reference, details on progress and a summary of key achievements in delivering its responsibilities.

#### 12. Review of Terms of Reference

The Committee will review its effectiveness at least annually.

These terms of reference will be reviewed at least annually and earlier if required. Any proposed amendments to the terms of reference will be submitted to the Board for approval.

1.7.22



## **BNSSG ICB Board Meeting**

#### Date: Thursday 2<sup>nd</sup> February 2023

#### Time: 12.30pm

#### Location: The Holder and Frys Rooms, Future Inn, Bond Street South, Bristol BS1 3EN

Agenda Number :	7.3
Title:	Monthly Finance Report – Month 9 (December)
Purpose: For Assurance	

#### Key Points for Discussion: 1. Overall Financial Position

At the end of December, the system has reported an overall **year to date surplus against plan of \pounds0.1m (YTD plan = \pounds12.8m deficit, YTD actual = \pounds12.7m deficit).** 

The ICB is maintaining a forecast **a break-even financial position at year end**, both at system, and individual organisation level. At system level, the total level of risk to delivering the reported year-end position has been fully mitigated.

#### 2. Savings Delivery

At the end of December, the system has delivered £33.3m of savings against a target of £45.2m (74%), a year to date shortfall of £10.9m

Forecast in-year savings delivery stands at £48.8m (76% of this years plan), which represents a £0.1m improvement from that reported at Month 8. However, it should be noted that non-recurrent savings are projected to deliver £12.9m (26%) of this in-year position

In order to maintain trajectories set out in the Systems Medium-term Financial Plan (MTFP), and not worsen the underlying position, it is key that plans to deliver recurrent savings of £61m (including Sirona) are in place by April next year. Current forecast suggests a **£16.7m shortfall in recurrent savings identification** (66% of target).

Although the continued improvement should be noted, the forecast recurrent savings shortfall remains at a level where the ability to maintain the MTFP financial improvement trajectory is at risk of being compromised, including the affordability of currently planned revenue and capital investments.

#### 3. Capital Plan

Providers are forecasting full delivery of their capital expenditure plans in line with the System Capital Expenditure Limit (CDEL) of £79.6m

#### 4. Other Emerging Risks & Mitigation

Non-availability of workforce, high turnover, continued high levels of sickness, and unplanned escalation capacity are driving premium workforce costs which will need to be mitigated by implementation of controls on agency expenditure whilst maintaining patient safety

BNSSG has been set a target to reduce premium agency usage by 21% from 2021/22 expenditure levels. At the end of December, total agency expenditure, when compared to the same period last year is currently £14.3m higher (26%).

Recommendations:	To note the year-to-date financial position and forecast outturn at the end of December 2022 To note the key risks and issues emerging but improved risk- adjusted outturn of breakeven; and actions undertaken in response To note the underlying financial position and key risks and issues emerging regarding savings delivery, which is the baseline for Medium Term Financial Plan and 23/24 operational planning
Previously Considered By	At Quarter end there was longer reporting deadline and therefore
and feedback :	due to timing of this meeting a full dataset and review was not
	possible.
	However, System DoFs have reviewed and approved the overall
	YTD, FOT and risks and mitigations position
	Finance, Estates and Digital Committee received a full briefing of
	the ICB financial position and ICB savings at it's meeting 26 Jan
	2023
Management of Declared	Declarations of interest stated in meeting and recorded in
Interest:	Committee minutes.
	At month 9, all financial risks to forecast outturn have identified
Risk and Assurance:	mitigations and no net risk is declared.
Financial / Resource	This paper presents the financial position of the Bristol, North
Implications:	Somerset and South Gloucestershire ICB and NHS ICS partners.
Legal, Policy and	
Regulatory Requirements:	BNSSG is required not to exceed the cash limit set by NHS England, which restricts the amount of cash drawings that the ICB can make in the financial year.
	The ICB must also comply with relevant accounting standards. The M1-M3 CCG financial position will be consolidated with the M4- M12 ICB financial position and year to date provider sector financial position. The ICS are required to breakeven on a cumulative basis for the financial year 22/23.
How does this reduce Health Inequalities:	Annual operating plan and savings & transformation projects require assessments to be completed during the planning stages to ascertain whether there are positive, negative or neutral impacts on health inequalities.
How does this impact on	Annual operating plan and savings & transformation projects require
Equality & diversity	assessments to be completed during the planning stages to
	ascertain whether there are positive, negative, or neutral impacts in relation to the 9 Protected Characteristics.
Patient and Public	BNSSG ICB has given a firm commitment, that where annual
Involvement:	operating plan and savings & transformation projects look to deliver
	services in a different way, specific patient and public involvement
	programmes will be carried out so that people can be directly
	involved.



Communications and Engagement:	The financial position of the ICB is subject to regular reporting and review by the Finance Estates and Digital Committee and public Governing Body. In addition, the ICB has regular meetings with NHSEI to review performance throughout the year. Planning, Savings and Transformation Project Leads are working with Comms representatives to facilitate engagement with patients, the public and stakeholders when appropriate. Their feedback is sought on a number of proposals which aim to improve services and increase efficiency.
Author(s):	Rob Ayerst System Finance Lead and Jon Lund, Deputy Chief Finance Officer
Sponsoring Director / Clinical Lead / Lay Member:	Sarah Truelove, Deputy Chief Executive and Chief Finance Officer





Improving health and care in Bristol, North Somerset and South Gloucestershire

# **BNSSG ICS System Finance Report - 2022/23** Month 9 (December 2022)

Integrated Care Board Written by: Rob Ayerst, System Finance Lead Executive lead: Sarah Truelove



## **1a. Key Financial Performance Indicators (December)**

i) System Oversight Framework Metrics	Measure	SYS	STEM TOTAL		Previous N	onth	UHBW	NBT	AWP	BNSSG ICB
	Variance from plan <b>(YTD)</b>		£0.1m		£0.3m	•	£2.6m	(£4.2m)	£0.0m	£1.7m
Financial Stability (S118a) Assessment of organisational financial stability	Variance from plan (Forecast)	G	£0.0m		£0.1m	•	£0.0m	£0.0m	£0.0m	£0.0m
· · · · · · · · · · · · · · · · · · ·	Net Risks & Mitigations to Forecast		£0.0m		£0.0m	-	(£5.5m)	£0.0m	£0.0m	£5.5m
Financial Efficiency (S119a)	Year to Date Delivery (recurrent schemes)	P	61%		59%	•	50%	45%	51%	104%
Assessment of efficincy plan delivery	In-Year Forecast Delivery (recurrent schemes)	R	65%		66%	•	52%	48%	65%	116%
Agency Spend vs agency ceiling (S120a)	Agency Spend in Excess of cap (YTD)	P	(£25.0m)		(£23.0m)	•	(£0.9m)	(£15.3m)	(£8.8m)	n/a
Agency Staff Spend v Agency Spend Cap	Agency Spend in Excess of cap (Forecast)	R	(£30.8m)		(£31.0m)	•	(£0.8m)	(£19.1m)	(£10.9m)	n/a
ii) Other Financial KPIs					/	•				
	Forecast Delivery (recurrent schemes only) %		70%		70%	<b>A</b>	58%	48%	91%	116%
Efficiency Delivery (Full-Year Effect)	Forecast Shortfall (recurrent schemes only) $\pm$	R	(£16.7m)		(£16.7m)	•	(£6.9m)	(£11.1m)	(£0.5m)	£1.9m
	Variance v Capital allocation (YTD)		£8.1m		£5.2m	•	£6.9m	(£1.5m)	£2.7m	n/a
Capital Expenditure	Variance v Capital allocation (Forecast)	G	(£0.0m)		£0.0m	•	£0.0m	(£0.0m)	£0.0m	n/a
	MHIS Achieved per Plans submitted	G	Yes		Yes	-	-	-	-	Yes
Mental Health Investment Standard (MHIS)	MHIS Forecast Achievement in 2022/23		Yes		Yes	-	-	-	-	Yes
	Excess/(Shortfall) in 2022/23 MHIS Delivery %	G	0.0%		0.1%	•				0.0%
	Current Cash Balance		£287.3m		£291.6m		£147.3m	£103.3m	£36.7m	n/a
Cash	Variance to Plan	G	£0.0m		£16.0m		£0.0m	£0.0m	£0.0m	n/a
	Movement v March 2021		£11.6m		£7.2m		£20.8m	£12.8m	(£22.1m)	n/a
Better Payment Practice Code (BPPC) Year to Date	Better Payment Practice Code (by Value)	А	92%	Y	92%	•	84%	88%	98%	100%

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### **1b. Key Messages**

#### 1. Overall Financial Position

- At the end of December, the system has reported an overall **year to date surplus against plan of £0.1m** (YTD plan = £12.8m deficit, YTD actual = £12.7m deficit).
- The ICB is maintaining a forecast **a break-even financial position at year end**, both at system, and individual organisation level. At system level, the total level of risk to delivering the reported year-end position has been fully mitigated.

#### 2. Savings Delivery

- At the end of December, the system has delivered £33.3m of savings against a target of £45.2m (74%), a year to date shortfall of £10.9m
- Forecast in-year savings delivery stands at £48.8m (76% of this years plan), which represents a £0.1m improvement from that reported at Month 8. However, it should be noted that non-recurrent savings are projected to deliver £12.9m (26%) of this in-year position
- In order to maintain trajectories set out in the Systems Medium-term Financial Plan (MTFP), and not worsen the underlying position, it is key that plans to deliver recurrent savings of £61m (including Sirona) are in place by April next year. Current forecast suggests a £16.7m shortfall in recurrent savings identification (66% of target).
- Although the continued improvement should be noted, the forecast recurrent savings shortfall remains at a level where the ability to
  maintain the MTFP financial improvement trajectory is at risk of being compromised, including the affordability of currently planned
  revenue and capital investments.

## **1b. Key Messages (2)**

- 3. Capital Plan
- Providers are forecasting full delivery of their capital expenditure plans in line with the System Capital Expenditure Limit (CDEL) of £79.6m

#### 4. Other Emerging Risks & Mitigation

- Non-availability of workforce, high turnover, continued high levels of sickness, and unplanned escalation capacity are driving
  premium workforce costs which will need to be mitigated by implementation of controls on agency expenditure whilst maintaining
  patient safety
- BNSSG has been set a target to reduce premium agency usage by 21% from 2021/22 expenditure levels. At the end of December, total agency expenditure, when compared to the same period last year is currently £14.3m higher (26%).



## Finance, Estates and Digital Committee Minutes Thursday 27<sup>th</sup> October 2022. 13:00-15:00 via teams,

Members (Quoracy: Executive members; Officer)	Initials	
John Cappock	Audit Committee Chair – Chair	JC
Sarah Truelove	Deputy Chief Finance Officer and Chief Finance Officer	SaT
Joanne Medhurst	Executive Director of Medical	JM
Deborah El-Sayed	Executive Director for Transformation and Digital	DES
Brian Stables	Non-Executive Director – AWP	BS
Attending		
Jon Lund	Deputy Chief Finance Officer	JL
Tricia Down	Associate Director Strategic Estate Development and Sustainable Health – NBT	TD
Denise Moorhouse	Associate Director of Nursing and Quality	DM
Sabrina Smithson	Exec PA (Note Taker)	SS
Apologies		
Shane Devlin	Chief Executive Officer for ICB	SD
Richard Gaunt	Non-Executive Director - NBT	RG
Martin Sykes	Non-Executive Director - UHBW	MS
Nina Philippidis	S151 Officer	NP
Steve West	FED Committee Chair	SW

Number	Item	Action
2.0	Declarations of Interest	
	To consider declarations of interest and conflicts of interest arising from this agenda	
3.0	Minutes of the previous meeting	
	The minutes were agreed to be true and accurate	
4.0	Actions from Previous Meeting	
	The actions were reviewed and updated accordingly	
	To approve	
5.0	<b>Review &amp; Refresh Medium Term Financial Plan</b> A paper was circulated prior to the meeting ST was in attendance and gave a brief highlight. The MTFP was not been submitted for approval this month, but was shared as a working draft to provide context and assurance for the Committee to respond to requests for approval of major business cases, including Southmead Elective Centre; and the following questions/conversation arose:	
	BS observed the savings of 2.1% and queried the achievability when mindful of the workforce issues. BS continued to query on P20 of the paper, specifically where it states the focus has to be to delivering within our control. With the term excess inflation, AWPs inflation might be different to other providers excess inflation, is it worth defining that. You've talked about the difficulty of having a bit of 'seed' funding in your capital expenditure because of the limitations of the CDEL program. ST responded on Slide 13 we have the transformation saving assumptions which brings it up to 2.1%. so the 1.1% is the national efficiency requirement and then we've	

	at the underlying position of the system, understood where we stood against others in all of the benchmarking, understanding where there's lots of investment going in because there is some earmarked investment. And really this is about getting the benefits out of that investment in other parts of the system.	
	JC asked about the CDEL and capital investment and what the pipeline looks like, how far can we look and the extend of which it spends itself and where we have a degree of discretion. ST we're trying to run a number of things in parallel so we're trying to do a parallel process of capital prioritisation and we would've done the first medium term planof this in December. At the moment in terms of the capital and the system capital allocation, we anticipate for the next couple of years being around about £70million, with little discretion within that because most of that is the depreciation that the organisations are incurring each year. We've agreed a set of principle as a system, so we can take this from an organisational process to a system process so we're not missing the opportunity to deliver our strategy. JL added confirmation was received that NHSE will fund the capital charges of deprivation and national dividend profile for the next 3 years.	
5.1	Southmead Elective Centre A paper was circulated prior to the meeting TD was in attended and gave a brief highlight and the following questions/conversation arose:	
	ST nted that due to timeframes for submission to NHS England approval process a CEO to CEO letter, including UHBW, had been provided to NBT, offering ICB support for the case within the context of the emerging system strategy and wider Medium Term Financial Plan. The review by Ctte today would provide formal assurance and confirmation of that support to take business case to FBC stage.	
	JMed noted nationally we have a vast elective back-log which we need to speed through, and this supports these principals. Has there been any public/clinical consultation by those who are affected? TD responded this is the intention with the full business case, but has not been achieved currently due to pace of business case development. TD added we have had user groups in NBT who are happy with it but would like to talk to UHBW also. JM asked if it is 7 days a week across all fields. TD responded it will initially be split into 3 session days and 2 session days we wanted to put forward a case that was deliverable.	
	JM asked about the workforce, and how do we use the NHSE funding to support the population and the economy in the BNSSG system. TD advised it would depend on the additional kit that would be required and this will be reviewed in the tendering process.	
	DES asked regarding the 293 staff is this additional to where we are now and not redeployment. For the success of this business case, we need to make sure we're mindful of this. TD advised we're hoping to have a dedicated People Plan person to look at this. Destabilising risks with this we would look at roles across the patch/system. DES concluded by ensuring digital and data elements are included.	
	ST noted regarding the need for formal consultation we have had confirmation from the LA scrutiny committees we don't have to have public consultation, just engagement. ST continued that we're at the outlining business case stage now and we want to be clear we can start it. There is a part with staffing we may have to combine where we're not able to deliver quite as much of as we're hoping to as a new facility but it's a facility to allow deep counts as well.	
	BS noted culture for hot site and cold site works well. Are we talking to other trusts to check the learning, we want assurance we're not over-engineering and enhancing what we have.	
	TD replied we are due to visit a trust in the South to look at one of the schemes that were already working there, to get the learning from that in. BS asked further about the site being next to the ICU and assuring patients there is good clinical care. TD advised it would be an internal ambulance transfer and we've got drop off and pick up organised already with ambulances on site.	

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	JL explained to the committee for assurance the revenue funding side, links to both the workforce and medium term financial plan. We've set aside £15million, the revenue cost of this is £20 million, that's because of the repatriation of work from the independent sector. So that's effectively already funded in the CCG baseline.	
	JM requested that the Chief Medical Officer and Director of Nursing and Quality had reviewed a quality impact assessment within the final business case.	
	Committee approve the business outline case.	
	To Discuss	
6.1	The papers were circulated prior to the meeting ST was in attendance and gave a	
6.2 6.3	brief highlight and the following questions/conversation arose	
	M6 ICB Finance Report & approve quarterly FOT Refresh	
	ICB Savings Reports M6 NHS System Revenue & Capital Finance Report	
	JM reported the discussion in quality committee around the performance and D2A and virtual programmes being off their trajectories and not improving – same for their business cases. JM continued we have a task force who will start have weekly meetings as this doesn't just have a financial impact with winter coming it will be a safety element as well.	
6.4	<b>ICB Savings Deep Dive – Funded Care</b> A paper was circulated prior to the meeting DM was in attendance and gave a brief highlight. The committee commended the work of the team and no further questions were asked.	
	For Committee to Note	
7.0	Review forward work programme The committee noted the item	
7.1	Receive update from System DoFs Group	
7.2	The committee noted the item Receive update from System Estates Group	
1.2	The committee noted the item	
7.3	Receive update from System Digital Delivery Group	
	DES noted we are effectively reprocuring the entire GPS state and all of its digital	
	systems by March 2024.	
7.4	Corporate Risk Register & ICB Board Assurance Framework	
	The committee noted the item	
Ver	Any Other Business	
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and will make a tangible difference to our performance and the service that we provide to our population.

- Some big digital programmes are ongoing. No decisions as yet but to flag the scale of the replacement of the GP digital estate and supporting systems.

## Finance, Estates and Digital Committee Minutes Thursday 24<sup>th</sup> November 2022, 13:00-15:00 via teams

Members (Quoracy: Executive members; Officer)	Initials	
Steve West	FED Committee Chair	SW
John Cappock	Audit Committee Chair	JC
Sarah Truelove	Deputy Chief Finance Officer and Chief Finance Officer	SaT
Deborah El-Sayed	Executive Director for Transformation and Digital	DES
Nina Philippidis (until 14:00)	S151 Officer	NP
Attending		
Jon Lund	Deputy Chief Finance Officer	JL
Dan Offord	Head of Digital Transformation and Portfolios	DO
Samuel Davis	PMO Support Manager / GMTS Trainee	SD
Apologies		
Joanne Medhurst	Executive Director of Medical	JM
Richard Gaunt	Non-Executive Director - NBT	RG
Martin Sykes	Non-Executive Director - UHBW	MS
Brian Stables	Non-Executive Director – AWP	BS

Number	ltem	Action
2.0	Declarations of Interest	
	To consider declarations of interest and conflicts of interest arising from this agenda	
3.0	Minutes of the previous meeting	
	The minutes were agreed to be true and accurate	
4.0	Actions from Previous Meeting	
	The actions were reviewed and updated accordingly	
	To Approve	
See cl	osed minutes	
	To Discuss	
6.0	M7 ICB Revenue Finance Report & approve quarterly FOT Refresh ICB Savings Reports System Finance Report	
	The papers were circulated to the committee prior to the meeting with ST advising there were little changes. ST highlighted areas of the papers and the following discussions took place.	
	SW asked if there was an understanding within the system. ST advised the DoF's have been driving the message and having the medium term financial plan is really helping people to be able to demonstrate it. SW noted the capital to which ST agreed it was more challenging having looked forward to future years, it is fine in terms of this year.	
	ST wanted to alert the committee to the running costs issue going to be an in-year risk.	

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	JL reported CHC has seen a surge in cases over the summer, but the Denise	
	Moorhouse and the team believed that that was temporary and as they get on top of	
	more routine assessments the run rate will slow down.	
6.1	LA Financial position risk A paper was circulated to the committee prior to the meeting JL highlighted parts of the paper and the following discussing took place.	
	JL asked the committee if they should own the risk, as it has a financial element or if it should be placed at board level. ST suggested board level and highlighted it was important for the NHS to really consider the risk and address it as a wider system. SW concurred.	
	NP added some proportion of the funding is going to the local authorities, but there's a need to work together on how the funding is used to the best ability. There's a need to be quick and concise in the decision-making process as LA's set their budgets in February and legally they must balance budgets.	
	ACTION - The committee confirmed the risk will sit at board level as it impacts the system.	JL
6.2	<b>Review Medium Term Digital Plan</b> A paper was circulated to the committee prior to the meeting DO highlight parts of the paper and the following discussing took place.	
	SW first observed the number of moving parts and how the workforce pieces are just as important as the technology in the service model. SW queried at what point will the savings or the improvements that are expected be clear. DES advised existing business cases had been reviewed and we have identified before the investment was made. This gives us a baseline opportunity to go back and track and question the delivery. DO added we are developing a clear benefits framework with strategic drivers, clear benefits profiles, some workings, and metrics and this can return to the committee later.	
	ST asked about with the work that digital finance oversight group are undertaking and having a clearer summary page, aligning each scheme so that it shows the capital of revenue, the source of funding and the benefits. SW agreed.	
	ACTION – Flow map to be expanded with all columns (as discussed above)	DO/DES
	JC asked if there is an explicit digital workstream as this would be helpful to know that it is part of where we're trying to get to, with the early stages of the system planning also considering the challenge with digital and financial workforce. DES advised there is scarcity in terms of the digital workforce. ST added there are a lot of projects that are focused on trying to help flow. Some projects are on elective recovery, but we don't have much tackling the workforce issues, so using digital technologies differently might be a way we address our workforce challenges. NP asked after care homes and whether the technology investment will read across into the commissioning authorities as well. NP continued the feedback LA's receive from care homes and community based support providers is not necessarily having the technology that they need to ensure good flow through data. DO advised there is both the rapid proposed, rapid escalation and expansion of what is currently happening and we have been allocated significant national funding towards this. We've also been allocated some funding, to expand the capability of our care homes and One Care currently have a team for this. NP asked if this covered community- based support providers as well, to which DO confirm it did.	
	JL asked about the change management process and if it was the digital strategy leading or the workforce group. DES suggested this should be embedded everywhere.	
	SW raised concern that there were so many elements that needed to join up and concurred an overall map of all the work is desirable.	

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	JL flagged as we move towards more cloud-based type solutions, what digital cost	
	can get charged as a revenue expense versus a capital expense and there will be	
	more challenges like this that arises.	
	For Committee to Note	
7.0	Receive update from System DoFs Group	
	The committee noted the item	
	ST reported the Finance Staff Development day will take place on Friday 25th	
	November which is system wide for all finance staff.	
7.1	Receive update from System Estates Group	
	The committee noted the item	
7.2	Receive update from System Digital Delivery Group	
	DES provided a verbal update as per the items below	
	- Connecting care Orion contract wider procurement has commenced.	
	- Community diagnostic hubs had some queries about how it's packed and	
	systems and limb systems would link in to make sure that we integrate this	
	was endorsed by digital delivery board.	
	<ul> <li>Opportunity for an investment into a single packs radiology system for our</li> </ul>	
	acutes. That money was identified by the diagnostic network but has landed	
	in NBT. SW asked why there would not be single packs. DES advised the	
	ICB needs to recommend a position to the board and will be recommending a	
	single position.	
	- Cyber panel attendance and ToR was confirmed. NP asked if there was	
	business continuity for cyber-attacks. DES advised the LA's are finding it	
	more difficult to engage because there are other LGA cyber approaches and	
	they don't want to come to multiple, but we are working in an integrated way.	
7.3	Corporate Risk Register & ICB Board Assurance Framework	
	The committee noted the item	
	Any Other Business	
Key m	lessages for ICB Board	
-	Planning	
-	Ownership of risk at board level	
-	Savings	

# Finance, Estates and Digital Committee Minutes Thursday 22<sup>nd</sup> December 2022, 09:30-11:30 via teams

Members (Quoracy: 3 members required, including one of ICB Non- Executive members; and one of Chief Executive or Chief Finance       Initials         Officient       Control of the security of th			
Officer)			
Steven West	Finance, Estates and Digital Committee Chair Audit Committee Chair	SW JC	
John Cappock			
Sarah Truelove	Deputy Chief Finance Officer and Chief Finance Officer	SaT	
Deborah El-Sayed	Executive Director for Transformation and Digital	DES	
Martin Sykes	Non-executive Director - UHBW	MS	
Brian Stables	Non-executive Director - AWP	BS	
Christina Gray	Public Health	CG	
Attending			
Jon Lund	Deputy Chief Finance Officer	JL	
Sabrina Smithson	Exec PA (Note Taker)	SS	
Philip Harfield	Shared Data and Planning Programme Manager Healthier Together	PH	
Dan Offord	Head of Digital Transformation and Portfolios - ICB	DO	
Jenny Norman	Digital Programme Lead – ICB	JN	
Nicole Saunders	Associate Director System Planning, PMO &	NS	
	Assurance - ICB		
Rob Ayerst	Finance Lead - Healthier Together Office	RA	
Apologies			
Shane Devlin	CEO ICB		
Richard Gaunt	Non-executive Director - UHBW		
Nina Philipiddis	S151 Officer (SGC)		
Joanne Medhurst	Medical Director BNSS ICB		
Jonathan Lund	Deputy CFO BNSSG ICB		

Number	Item	Action
2.0	Declarations of Interest	
	To consider declarations of interest and conflicts of interest arising from this	
	agenda	
	Martin Sykes to be added	
3.0	Minutes of the previous meeting	
	The minutes were agreed to be true and accurate	
4.0	Actions from Previous Meeting	
	The actions were reviewed and updated accordingly	
	To Approve	
5.0	Business Cases & Digital developments	
	a) Digital - Cyber Security	
	A paper was submitted to the committee prior to the meeting. DES	
	highlighted areas of the paper and the committee agreed/approved.	
	e) Digital – Single System PACS	
	A paper was submitted to the committee prior to the meeting. DES	
	highlighted areas of the paper and the committee approved with SW	
	encouraging all the boards to expedite this.	
5.1	FED Committee Terms of Reference (ToR)	
	A paper was submitted to the committee prior to the meeting.	

	n membership as it includes the three non-execs the proposed edits they're dropping from	
	and estate content was featured in the ToR as nantly based around finance.	
ACTION – Comments above the next committee.	ve to be shared with Sarah Carr and reviewed at	SW/ST/SS
	To Discuss	
<ul> <li>6.1 ICB Savings Reports</li> <li>6.2 M8 NHS System Revenue &amp; A paper was submitted to t</li> </ul>	port & approve quarterly FOT Refresh Capital Finance Report he committee prior to the meeting. ST highlighted following discussion took place:	
the ICB report on the £1.9b allocation. ST advised that	bout how the finances work and elaborated when n, is this the system total for NHSE or an ICB is an ICB allocation and in the system, we're on health, but £1.9 billion of it now comes through	
Committee were happy with	n all the reports.	
	e finances and NHS finances. It was ame training session the NEDS undertook.	ST
	ndication on the financial plan being released. ST ing session from Julian Kelley that afternoon.	
	he committee prior to the meeting. DO highlighted following discussion took place:	
	o other ICB/ICS's in this space. DES advised it is under chmarking early next year.	
the placement of diagnostic ce sourced and used strategically	few weeks back on the estate strategy particularly and entres. MS Continued we know funding has to be v in the right way, to drive us in the right direction but as should be linked clearly to the direction of travel and the	
£1.2 million of revenue for the replacing existing order	plan was now set out but was still concerned with single order comms. But assumed that that would come systems and trust. Do confirmed and cost associated with it and contractually there sts up front to move.	
SW noted about the benefits the benefits materialise and		
7.0 Receive update from System	For Committee to Note	
The committee noted the p	·	

7.1	Receive update from System Estates GroupST provided a verbal update:We have been going between the System Estates group and DoF about the capitalprioritisation and really taking a system approach. We are well on track now tohave a sort of a multidisciplinary workshop in January 23 and we've got aclear process to get to prioritisation of system capital.DES asked about the Green agenda and if this included in the board.ST noted thesustainability group does report through to the Estates Steering Group and it would be		
	really good to give it some more visibility through the committee. BS asked about how the communications flows up across and back down again so the discussion points, especially around digital within the committee becomes a system discussion. DES most of papers/discussion points in the FED committee are previously discussed at the digital delivery board and that does have full representation.		
	Any Other Business		
Key me	essages for ICB Board		
	<ul> <li>Background work for digital business cases making sure they are coherent</li> </ul>		
	<ul> <li>Confidence levels for meeting saving targets are on the right path</li> </ul>		
	<ul> <li>Reflection the way in-which we are locking digital into the planning moving forward.</li> </ul>		