

Agenda item: 7.1

Report title: ICB Finance Report

Report on the financial performance for August 2024 (M5 – 2024/25)

1. Executive Summary

The annual allocation is £2,205.629m, initial allocation of £2,185.713m with prior month allocations of £18.699m and in month allocation of £1.217m.

At month 5 the ICB is reporting a year-to-date deficit of £0.044m (*£0.683m in month 4*), a positive movement of £0.639m. The cost pressure on the South West Ambulance Service NHS Foundation Trust (SWASFT) continues to impact the financial position however the over delivery of savings within medicines management and underspend on locum reimbursement costs is offsetting the year to date pressure.

The ICS is reporting a year-to-date deficit of £12.379m (*£13.047m in month 4*); the ICB deficit of £0.043m plus the provider position of £12.336m; £1.839m direct costs of industrial action, £11.800m slippage on savings, £3.400m ERF, £2.400m pay related costs and an offset of £7.103m on income and other items.

The ICB continues to forecast a breakeven position however there have been a number of significant forecast changes in month with the high-cost drugs and devices (HCDD) risk and additional savings on medicines management now reported in the position. Delivery of the forecast outturn continues to be dependent on budget holders delivering budgets and savings targets to plan and the delivery of forecast mitigations actions.

The ICS also continue to forecast breakeven, with local financial recovery actions in place at the acute providers and phase 2 of the forecast outturn change protocol triggered including the engagement of external peer review to provide assurance on financial delivery arrangements.

The September Performance and Recovery Board received a progress report from the acute providers with a revised forecast outturn to be reported in October.

Failure to deliver the system breakeven position will result in intervention by NHS England through the appointment of mandated management consultants to improve the financial performance through imposing spending controls.

2. Risks and mitigations

The risks and mitigations associated with the delivery of the ICB financial position, as continue to be reported in the directorate risk register, are summarised in the table below.

Risks	Mitigations	Open/Closed
The financial challenge faced by local authorities could impact social care costs in the ICB leading to unfunded cost pressures	Continued engagement with Local Authorities and commitment to work together to reduce the overall costs.	Open
Funded care and placements – management of in year costs and development and delivery of savings plans	Savings plan approved by the Executive team during June. Regular meetings between Deputy Chief Executive and Chief Finance Officer and Chief Nursing Officer to monitor performance.	Open
The non-emergency patient transport provider went into administration in August which could result in additional/premium costs causing an overspend.	The cost of interim arrangements across the system reviewed and assessed against funding provision. Liaise with the administrators and submit a claim for costs incurred.	Open
Budget setting pressures (e.g. SWASFT) not delivering as per budget setting assumptions which could result in an overspend or impact planned investments.	The Deputy CEO and CFO and Senior Finance team undertake a detailed review of the budget setting assumptions as part of the month end close process. The Heads of Finance and Budget holders liaise on a regular basis and report position through SDU, ODG and HCIGs.	Closed in M5 as now reported within the forecast outturn position.
HCDD emerging cost pressures based on month 10 horizon scanning reports (plan submission based on month 8 report)	Finance team working closely with medicines management team to assess and forecast potential impact. Monitored via the weekly ICS CFO meeting and reported to Performance and Recovery Board.	Closed in M5 as now reported within the forecast outturn position.

3. Financial duties and financial performance metrics

The in-month assessment of delivery against the ICB's financial duties are three on plan (green) and two at risk (amber).

Duty	RAG	Position
Maintain expenditure within the revenue resource limit <i>(Section 5)</i>	G	The ICB is reporting an adverse variance of £0.044m against a year-to-date budget of £928.598m and forecasting breakeven.
Ensure running costs are within the running cost resource limit. <i>(Section 5)</i>	A	The running costs are ahead of plan by £0.225m at month and forecasting to breakeven by year end. The ICB continues to actively review the required reduction in running costs allocations with a focus on identifying the required non pay reductions in 2025/26
Maintain capital expenditure within the delegated limit <i>(Section 7)</i>	G	The 2024/25 capital programme is £8.541m; £1.661m ICB allocation and £6.880m system CDEL prioritised capital. The ICB capital schemes have been submitted to NHSE with approval expected in August.
Maintain expenditure within the allocated cash limit <i>(Section 8)</i>	A	Cash draw down at the end of month 5 is ahead of monthly profile by 2.9%. The noncash transactions impacting the financial position (e.g. release of provisions) and anticipated NHSE allocations impact the year-to-date cash requirement.

Duty	RAG	Position
Ensure compliance with the better payment practice code (Section 9)	G	Performance target requires 95% of non-disputed invoices to be paid within 30 days. The ICB met the target in month.

4. Revenue allocation

The annual allocation has increased by £1.217m in month to £2,205.629m with the high value allocations in month relating to additional non recurrent programme funding, green social prescribing and digital histopathology acceleration.

Programme Area	Confirmed Initial ICB allocation £m	Prior Months Allocation Changes £m	Adjustments in Month		Baseline Allocation at 31-Aug-24 £m
			SDF/Other allocations £m	Internal Budget adjs £m	
Acute Contracts	1,090.937	5.439	0.199	0.115	1,096.690
Mental Health	220.492	1.125	-	-	221.618
Community Services	223.013	3.987	0.405	-	227.405
Delegated Primary Care	269.848	0.577	-	-	270.425
Medicines Management	163.374	0.063	0.002	-	163.439
Primary Care	34.965	2.200	0.092	-	37.257
Funded Care	130.812	-	-	-	130.812
Childrens Services	44.154	1.582	-	-	45.736
Support costs	8.279	0.250	0.199	0.38	9.104
Reserves	(15.689)	3.476	0.707	(0.491)	(11.997)
Commissioning Budget	2,170.185	18.699	1.604	-	2,190.488
Running Costs	15.528		(0.387)	-	15.141
Total Allocation 2024-25	2,185.713	18.699	1.217	-	2,205.629

5. Financial position August 2024 (Month 5)

At month 5 the ICB is reporting a year-to-date deficit of £0.043m and forecast breakeven position.

2024/25 August 2024 - Month 5	2024/25 Budget	Year To Date Budget	Year To Date Expenditure	Year To Date Variance		Forecast Outturn	Forecast Outturn Variance		Appendix Ref
Programme Area	£m	£m	£m	£m		£m	£m		
Acute	1,096.690	461.048	462.499	(1.451)	●	1,105.132	(8.443)	●	A1
Mental Health	221.618	92.783	93.260	(0.477)	●	223.521	(1.904)	●	A2
Community	227.405	94.883	95.065	(0.182)	●	227.829	(0.424)	●	A3
Delegated Primary Care	270.425	116.724	116.359	0.365	●	270.134	0.291	●	A5/A6
Medicines Management	163.439	68.136	66.489	1.647	●	160.474	2.965	●	A7
Primary Care	37.257	15.586	15.681	(0.095)	●	37.404	(0.147)	●	A4
Funded Care	130.812	54.505	56.129	(1.624)	●	131.505	(0.693)	●	A8
Childrens	45.736	19.054	18.983	0.071	●	45.557	0.179	●	A9
Support Costs	9.104	3.792	3.894	(0.102)	●	9.510	(0.406)	●	A10
Reserves	(11.997)	(4.266)	(6.296)	2.030	●	(20.578)	8.581	●	-
Running Costs	15.141	6.309	6.534	(0.225)	●	15.141	-	●	A11
BNSSG ICB Surplus/(Deficit)	2,205.629	928.554	928.598	(0.043)		2,205.629	-		
<u>Provider Surplus/Deficit</u>									
AWP	-	-	(0.025)	(0.025)		-	-		
NBT	-	(6.240)	(10.841)	(4.601)		-	-		
UHBW	-	-	(7.710)	(7.710)		-	-		
Provider Surplus/(Deficit)	2,205.629	(6.240)	(18.576)	(12.336)		2,205.629	-		
ICS Position	2,205.629	934.794	947.174	(12.379)		2,205.629	-		

Although the year-to-date position is reporting a small deficit of £0.043m there continue to be overspends over £1m in the acute and funded care programme areas due to the respective challenges in contract pressures for SWASFT and the profiled delivery of savings target later in the financial year. These pressures are being offset by over delivery of savings within medicines management, slippage on investments and release of provisions and reserves.

Programme status to date

The programme areas are rated on variance from budget with ,1% rated green, between 1% and 2% amber and over 2% red. The programme areas with amber and red ratings are reported below.

Funded Care (A8)

The year-to-date position presents an overspend of £1.624m (£1.870m in month 4), which continues to be attributable to the Adult Fully Funded CHC (£1.545m adverse). As reported last month the position was expected to improve as the full savings plan is implemented which can be seen this month with a small improvement of £0.245m.

This is anticipated to improve across the year as the full savings plan for 2024/25 is implemented. The position continues to include savings delivered from only four of the eight schemes planned for implementation this financial year (year-to date achievement, £1.675m).

Although the forecast outturn continues to report an overspend there has been a reduction of £0.106m in month from £0.799m to £0.693m. The run rate through to year end includes the delivery of savings on all schemes from October. Whilst opportunity exists to achieve a balanced position, further work is required to assure that the reported overspend can be mitigated in-year.

Support Costs (A10)

The year to date and forecast overspends are primarily driven by higher than budgeted charges from NHS Property Services and Community Health Partnerships in respect of the ICB's programme estates and void spaces. The forecast is based on charges received for the first two quarters of the financial year however the finance and estates teams are investigating to ensure these charges are accurate and appropriate.

Running Costs (A11)

There are significant ongoing legal fees relating to a procurement challenge which is having a significant impact on the year-to-date position. While these costs have not been budgeted in running costs or within programme a review is currently in progress to determine whether the costs should be recorded within programme. There is also the ongoing challenge to achieve the running cost pay targets with current year to date overspend of £0.255m (see table below) which is due to an overspend on externally funded roles within the structure. The finance and people teams are liaising with the respective directorates to confirm funding sources.

Forecast Outturn

The ICB continues to forecast a breakeven position however there has been a number of material assumption changes in month.

In previous months the ICB was reporting a risk of emerging cost pressures on HCDD and has been liaising with the acute providers to assess the potential impact. The cost pressure has been assessed in the region of £5.0m and the forecast has been updated accordingly. The ICB's Chief Pharmacist is engaging with the Health and Care Professionals Council to gain greater ownership of the HCDD budget and consider what choices could be brought back to System Executive Group and the ICB Board to reduce spend.

In previous months the efficiency position has been reporting an over delivery on medicines management schemes however the benefit had not yet been taken to the programme area forecast while additional monthly data and further assurance on the impact on all areas within medicines management was received. The data and assurance have now been received and the impact is a forecast underspend of £2.965m.

The net cost pressure is offset within reserves due to deferment of investments and release of provisions.

System position

The ICS is reporting a year-to-date deficit of £12.379m (*£13.047m in month 4*); the ICB deficit of £0.043m plus the provider position of £12.336m; £1.839m direct costs of industrial action, £11.800m slippage on savings, £3.400m ERF, £2.400m pay related costs and an offset of £7.103m on income and other items.

The current forecast outturn is breakeven across the system however local financial recovery actions are in place at the acute providers and phase 2 of the forecast outturn change protocol has been triggered including the engagement of external peer review to provide assurance on financial delivery arrangements.

The September Performance and Recovery Board will receive a progress report from the acute providers with a revised forecast outturn to be reported in October.

Full details of the financial position are reported in the attached System Finance Report.

Payroll overview

Included in the financial position are the pay costs, as summarised below. The funded establishment is currently underspent with a variance to date of £0.207m and the pay costs funded from other sources overspent by £0.193m generating a net overspend variance of £0.062m (£0.255m over on admin costs and £0.193m under on programme). The management accounts team continue to work with the people directorate and line managers to confirm the funding sources of all externally funded posts to ensure funding or recharge arrangements in place.

Source of funds	Admin/ Programme	Full year budget £m	YTD budget £m	YTD spend £m	YTD variance £m
Funded Establishment	Admin	10.900	4.451	4.541	(0.091)
	Programme	11.035	4.506	4.208	0.298
Total funded Establishment		21.934	8.957	8.749	0.207
Other Funding source	Admin	1.181	0.509	0.673	(0.164)
	Programme	1.846	0.726	0.831	(0.105)
Total Other funded posts		3.027	1.235	1.505	(0.269)
Grand total		24.961	10.192	10.254	(0.062)

		Full year budget £m	YTD budget £m	YTD spend £m	YTD variance £m
Analysed by	Admin	12.080	4.960	5.214	(0.255)
	Programme	12.881	5.232	5.039	0.193
Grand total		24.961	10.192	10.254	(0.062)

The in-year salary costs of redundant roles approved in 2023/24 are expected to be funded from the reversal of the redundancy provision.

6. Efficiencies

The total ICB savings plan is £32.966m per the planning submission.

Within the total savings target there is £11.393m of provider commissioning efficiencies which reflect the savings achieved through passing through the efficiency factor via contact price uplifts each year. These savings are all fully delivered via baseline contract and budget changes.

2024/25 Month 5	YTD planned net saving £ms	YTD actual net saving £ms	YTD Variance £ms	Planned Net Saving £ms	FOT Net Saving £ms	Variance to Plan £ms
ICB savings plan						
Running Costs/Support costs	1.259	1.259	-	3.022	3.022	-
Funded Care	1.489	1.675	0.186	6.473	6.953	0.480
Medicine Optimisation	2.188	4.666	2.478	5.252	7.761	2.509
Transformation Savings	1.083	0.668	(0.415)	2.600	2.693	0.09
Contract savings	1.761	1.761	-	4.226	4.226	-
Total ICB savings plan	7.780	10.029	2.249	21.573	24.656	3.083
Commissioning efficiencies						
NHS Providers inside system	4.406	4.406	-	10.574	10.574	-
NHS Providers outside of system	0.341	0.341	-	0.819	0.819	-
ICB Total Savings (per submission)	12.527	14.776	2.249	32.966	36.049	3.083
Annual Plan/IFR profiling adjustment	1.208	-	(1.208)			
ICB Savings per the monthly IFR	13.735	14.776	1.041			

At month 5 the ICB efficiency delivery was £10.029m against a plan of £7.780m, ahead of plan by £2.249m. The funded care and medicines optimisation profiles have been set at scheme level with a number of funded care schemes profiled to deliver later in the financial year. Transformation savings schemes continue to be assessed against investment plans to establish the net investment and savings impact for this financial year and the impact on future savings assumptions.

The medicine optimisation schemes are over delivering year to date and forecast due to additional savings on direct oral anticoagulants (Apixaban).

As reported in section 5 the funded care savings delivered to month 4 are from only four of the eight schemes planned for implementation this financial year with the forecast including the delivery of savings on all schemes from October.

7. Capital allocation

The ICB's total capital allocation is £8.541m; £1.661m recurring allocation and £6.880m prioritised from system Capital Departmental Expenditure Limit (CDEL) for additional minor improvement grants, capital grants to Sirona and GPs as part of the Central Weston development site and £3.000m to Connexus PCN practice developments.

All ICB capital allocations must be submitted to NHSE for approval. The ICB capital allocations and additional MIG schemes were submitted in June however approval has still not been received with the ICB chasing NHSE requesting approval as a matter of priority to ensure delivery within the financial year. Once approval is received the delivery plans will be finalised and profiled to deliver in the latter part of the financial year with expenditure not expected to be incurred until quarter 3.

2024/25 Schemes	Asset Owner	Capital Allocation	Planning Virement	Capital Allocation
		£m		£m
Minor Improvement Grant (MIG)	NHS England	0.331	-	0.331
MIG Equipping	NHS England	0.038	0.033	0.071
GPIT - BAU refresh	NHS England	0.942	-	0.942
GPIT - additional roles & PCN	NHS England	0.076	-	0.076
IT Corporate Refresh	BNSSG ICB	0.274	-	0.274
ICB Capital Allocation		1.661	0.033	1.694
System prioritisation schemes				
Additional MIG	NHS England	0.300	(0.149)	0.151
Central Weston	GP	2.580	-	2.580
Central Weston	Sirona	1.000	1.500	2.500
Connexus PCN	GP	3.000	(1.384)	1.616
Total system prioritisation		6.880	(0.033)	6.847
Total ICB capital allocation (excl. IFRS16)		8.541	-	8.541

8. Statement of Financial Position

The closing net asset position of the ICB is £91.428m, a year-to-date movement of £16.707m which primarily represents a decrease in payables of £23.099m that is offset by a decrease in cash and receivables of £0.755m and £10.261m respectively and a release of a contract dispute provisions of £4.762m.

Statement of Financial Position	Balance 31/03/2024 £m	Balance 31/08/2024 £m	Movement £m
Total Non Current Assets	3.024	2.869	(0.154)
<u>Current Assets</u>			
Cash & Cash Equivalents	0.174	(0.581)	(0.755)
Current Trade And Other Receivables	40.608	30.347	(10.261)
Total Current Assets	40.781	29.766	(11.016)
Total Assets	43.805	32.635	(11.170)
<u>Current Liabilities</u>			
Payables	(141.065)	(117.966)	23.099
Lease Liability	(2.595)	(2.578)	0.017
Provisions	(8.280)	(3.519)	4.762
Total Current Liabilities	(151.941)	(124.063)	27.877
Total Net Assets/(Liabilities)	(108.136)	(91.428)	16.707
<u>Taxpayers Equity</u>			
I&E Reserve - General Fund	(108.136)	(91.428)	16.707
Total Taxpayer Equity	(108.136)	(91.428)	16.707

The decrease in payables and receivables this month mainly relates to the payment of North Somerset and South Gloucestershire Council balances.

The closing cash at bank position was £1.314m however due to the timing of the final payment run of the month the closing cash balance on the ledger was £0.581m in credit.

NHSE monitor the ICB on the closing cash at bank balance (1.25% of monthly drawdown) which for month 5 equated to £2.188m. The ICB met this target in month.

At month end the ICB's cash utilisation was ahead of plan by 2.9% due to the timing of quarterly payments in advance, receipt of receivable payments, the clearance of the 2023/24 closing payables and the timing of anticipated allocations from NHSE. The ICB actively monitors the cashflow forecast and has identified that the cash run rate to year end is lower than the year-to-date position.

9. Better Payment Practice Code (BPPC)

The ICB is required to comply with the BPPC where all non-disputed invoices are to be paid within 30 days. The performance measure requires 95% or more of invoices, in terms of volume and value, to be paid within 30 days.

The ICB pays an average of 2,600 invoices a month and continues to meet the BPPC target for all NHS and Non-NHS invoices, as set out below.

Type	In month	Number	£m
NHS	Total bills paid in month	66	102.571
	Total bills paid within target	64	102.569
	% bills paid within target	96.97%	100.00%
Non NHS	Total bills paid in month	2,726	71.326
	Total bills paid within target	2,712	70.460
	% bills paid within target	99.49%	98.79%

Type	Year to date	Number	£m
NHS	Total bills paid in year	584	516.386
	Total bills paid within target	565	515.279
	% bills paid within target	96.75%	99.79%
Non NHS	Total bills paid in year	12,504	358.675
	Total bills paid within target	12,363	350.765
	% bills paid within target	98.87%	97.79%

10. Recommendations

The committee are asked to note the financial position as of month 5.

Appendix 1 – Analysis of spend within programme areas

A1 – Acute

Acute Services	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
University Hospitals Bristol and Weston NHS FT	484.556	201.739	201.739	-	489.556	(5.000)	
North Bristol NHS Trust	467.018	194.460	194.460	-	467.018	-	
South Western Ambulance Service NHS FT	55.429	23.095	24.224	(1.128)	58.137	(2.708)	
Independent Sector Treatment Centres	38.528	16.046	16.046	-	38.528	-	
Other Local Provider contracts (RUH, Glos, Somerset)	18.437	7.682	7.683	(0.001)	18.437	-	
Low Volume Activity	8.098	8.098	8.112	(0.014)	8.098	-	
Non Contracted Activity	0.920	0.383	0.687	(0.303)	1.632	(0.712)	
Other Acute Spend (incl SWAG cancer)	23.705	9.544	9.548	(0.005)	23.727	(0.023)	
Grand Total	1,096.690	461.048	462.499	(1.451)	1,105.132	(8.443)	

A2 - Mental Health

Mental Health & Learning Disabilities	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
MH - AWP Core Contract	145.516	60.560	60.560	-	145.516	-	
Mental Health Placements	22.090	9.204	9.726	(0.522)	23.073	(0.983)	
Learning Disability and Autism	9.947	4.144	3.961	0.184	9.875	0.072	
Mental Health Community	6.630	2.763	2.674	0.088	7.494	(0.864)	
Improved Access to Psychological Therapies (IAPT)	12.156	5.065	5.030	0.035	12.073	0.084	
Dementia	5.906	2.461	2.402	0.059	5.764	0.142	
Crisis Services	3.958	1.649	1.301	0.348	3.122	0.835	
ADHD	2.889	1.204	1.831	(0.627)	4.407	(1.519)	
Mental Health Low Volume Activity	0.880	0.880	0.896	(0.016)	0.896	(0.016)	
Mental Health SDF	10.900	4.542	4.542	(0.000)	10.447	0.453	
MH - S12 Doctors Private Sector	0.746	0.311	0.338	(0.027)	854.55	(0.108)	
Grand Total	221.618	92.783	93.260	(0.477)	223.521	(1.904)	

A3 – Community

Community	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
Adult Community Contract	148.406	61.837	61.652	0.185	148.081	0.326	
Joint Commissioned	33.187	13.828	13.828	-	33.187	-	
Discharge to Assess Services	10.883	4.534	5.255	(0.721)	12.525	(1.642)	
Joint Commissioned D2A	2.475	1.031	1.031	-	2.475	-	
Patient Transport Services (PTS)	6.618	2.757	2.758	(0.000)	6.618	(0.000)	
Community Equipment	6.948	2.895	2.948	(0.054)	7.076	(0.129)	
Hospices	4.235	1.765	1.723	0.042	4.135	0.101	
BIRU	3.320	1.383	1.424	(0.041)	3.418	(0.098)	
In-Year Investments	2.302	1.044	0.545	0.500	1.103	1.199	
Anticipatory Care	0.893	0.372	0.372	-	0.893	-	
Health Inequalities	1.775	0.740	0.740	0.000	1.775	-	
Prevention Fund	1.285	0.535	0.535	-	1.285	-	
Other Community	5.078	2.161	2.254	(0.093)	5.258	(0.181)	
Grand Total	227.405	94.883	95.065	(0.182)	227.829	(0.424)	

A4 – Primary Care

Primary Care	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
NHS 111/Out of Hours	19.067	7.945	7.999	(0.055)	19.214	(0.147)	
Local Enhanced Services	7.501	3.125	3.154	(0.029)	7.501	-	
GP Forward View	4.259	1.836	1.835	0.001	4.259	-	
Other Primary Care	6.430	2.679	2.692	(0.013)	6.430	-	
Grand Total	37.257	15.586	15.681	(0.096)	37.404	(0.147)	

A5 – Primary Care Delegated

Delegated Primary Care	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
GMS/PMS/APMS Contracts	110.254	45.939	45.909	0.030	110.182	0.072	
Primary Care Networks DES	33.901	17.885	17.791	0.094	33.547	0.354	
Premises Costs	17.082	7.117	7.130	(0.012)	17.112	(0.030)	
Quality Outcomes Framework (QOF)	14.867	6.194	6.194	-	14.867	(0.000)	
Locum Reimbursement Cost	2.215	0.923	0.636	0.287	2.308	(0.093)	
Other GP Services	2.085	0.869	0.956	(0.087)	2.223	(0.138)	
Prescribing & Dispensing Fees	1.545	0.644	0.644	-	1.545	0.000	
Designated Enhanced Services (DES)	1.326	0.552	0.593	(0.041)	1.424	(0.099)	
Delegated Primary Care Reserve	-0.583	-0.243	-0.161	(0.082)	-0.501	(0.082)	
Grand Total	182.691	79.881	79.693	0.187	182.707	(0.016)	

A6 – Primary Care Delegated POD

Pharmacy, Ophthalmology and Dental (POD) delegation	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
Delegated Pharmacy	19.810	8.542	8.124	0.417	18.863	0.947	
Delegated Primary Dental	38.302	15.959	15.959	-	38.302	-	
Delegated Secondary Dental	17.551	7.313	7.761	(0.448)	18.571	(1.020)	
Delegated Community Dental	2.778	1.158	1.158	-	2.778	-	
Delegated Primary Care IT	0.406	0.169	0.002	0.167	0.026	0.380	
Delegated Ophthalmic	8.887	3.703	3.662	0.041	8.887	0.001	
Grand Total	87.734	36.843	36.666	0.177	87.427	0.307	

A7 – Medicines Management

Medicines Management	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
Prescribing	161.779	67.445	65.820	1.624	158.587	3.191	
Medicines Management staff costs	1.660	0.692	0.669	0.023	1.887	(0.227)	
Grand Total	163.439	68.136	66.489	1.647	160.474	2.965	

A8 – Funded Care

Funded Care	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
Adult Fully Funded CHC	61.466	25.611	26.935	(1.324)	60.913	0.553	
Adult Fully Funded PHB	11.000	4.583	4.203	0.381	9.780	1.220	
Adult Joint Funded	0.730	0.304	0.296	0.009	0.665	0.064	
CHC Assessment and Support	0.542	0.226	0.244	(0.018)	0.598	(0.056)	
Funded Care Pay	5.063	2.110	1.859	0.250	5.063	-	
Children's CHC	4.214	1.756	1.599	0.157	3.837	0.377	
Children's PHB	0.665	0.277	0.277	-	0.665	-	
Fast Track	17.228	7.179	7.660	(0.481)	18.101	(0.873)	
FNC	29.903	12.460	13.057	(0.597)	31.882	(1.979)	
Grand Total	130.812	54.505	56.129	(1.624)	131.505	(0.693)	

A9 – Children's Services

Children's Services	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
CCHP Contract	17.817	7.424	7.424	-	17.817	-	
Child & Adolescent Mental Health (CAMHS)	16.115	6.715	6.722	(0.007)	16.132	(0.017)	
Childrens SDF	6.713	2.797	2.797	-	6.713	-	
Other	5.091	2.119	2.041	0.078	4.895	0.196	
Grand Total	45.736	19.054	18.983	0.071	45.557	0.179	

A10 – Support Costs

Support Costs	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
Chief Medical Office	1.233	0.514	0.535	(0.022)	1.345	(0.112)	
Chief Nursing Office	2.302	0.959	0.906	0.053	2.279	0.023	
Estates	2.300	0.958	0.991	(0.033)	2.724	(0.425)	
Other Support Costs	0.450	0.187	0.189	(0.001)	0.428	0.022	
Performance and Delivery	0.970	0.404	0.362	0.042	0.938	0.032	
Projects	1.819	0.756	0.897	(0.141)	1.766	0.053	
R&D Team	0.030	0.013	0.013	-	0.030	-	
Grand Total	9.104	3.792	3.894	(0.102)	9.510	(0.406)	

A11 – Running Costs

Running Cost	2024/25 Budget	YTD Budget	YTD Expenditure	YTD Variance	Forecast Outturn	Forecast Variance	
	£m	£m	£m	£m		£m	£m
Business, Strategy and Planning Directorate	4.100	1.709	1.863	(0.155)	3.807	0.293	
Chief Medical Office	0.576	0.240	0.227	0.013	0.563	0.013	
Chief Nursing Office	0.050	0.021	0.013	0.008	0.050	-	
CSU	2.351	0.980	0.985	(0.005)	2.351	-	
Intelligence, Transformation and Digital Directorate	2.483	1.035	1.090	(0.055)	2.531	(0.047)	
Office of the Chair & Chief Executive	3.139	1.308	1.310	(0.002)	3.343	(0.203)	
People Directorate	0.550	0.229	0.280	(0.051)	0.639	(0.089)	
Performance & Delivery Directorate	1.890	0.788	0.764	0.023	1.858	0.033	
Grand Total	15.141	6.309	6.534	(0.225)	15.141	-	

BNSSG System Finance Report (August 2024) M5

Finance, Estates & Digital Committee

1st October 2024



Key Messages

1. Overall Revenue Performance

- At the end of August (month 5), the system reported an overall **year to date deficit against plan of £12.4m** (planned deficit £6.2m, actual deficit £18.6m).
- In month therefore, the system delivered a slight surplus (£0.7m) against plan and avoided further deterioration of the total deficit against plan.
- At system level, the two key drivers of this deficit continue to be under-delivery against planned savings targets, and under-performance against planned levels of elective activity.
- The unfunded impact of Industrial Action included in the YTD position is £1.8m
- Total worked WTE numbers (including temporary staff) continue to be in excess of funded levels and this is driving a year to date overspend of £16.7m against total pay budgets.
- The system has maintained its forecast break-even position by the end of the financial year in line with plans submitted to NHS England

2. Efficiency Delivery

- The systems total efficiency plan for 2024/25 is £101.4m (of which £91.8m is planned to be delivered on a recurrent basis).
- There is a **£12.5m under-delivery against plan at the end of August, with 68% of planned efficiencies delivered** (£27.0m actual delivery v planned £39.5m).
- It should be noted that whilst plans are phased equally across the year (broadly in 12ths), there is a recognition that this is not reflective of likely delivery of some corporate savings, which is in-part contributing to the year-to-date under delivery.
- Expenditure levels related to the use of agency staff continue to fall, and at the end of Month 5, providers had delivered 120% of planned savings related to reduced agency expenditure.

3. Elective Recovery

- Elective Recovery targets for 2024/25 have been confirmed by NHS England, are in line with the targets set for each system in 2023/24 (prior to the impact of industrial action). This equates to a target of c.103% (of 2019/20 activity baselines) for the system.
- Financial plans assumed a level of performance over and above this target, and failure to deliver in line with plan in the first five months of this year is driving part of the reported financial deficit.
- Further work is underway to understand the impact of national changes to the calculation of baselines (and therefore targets), on planned levels of elective recovery funding, and further updates will be provided to future meetings.



Key Messages (2)

4. Capital Expenditure

- The system has submitted a capital expenditure plan for 2024/25 totalling £168m, of which £41.4m is funded through national allocations over and above the systems Operational Capital allocation.
- Planned spend counting against the systems Operational Capital Allocation (excluding IFRS16 expenditure) is £81.9m, in line with the total notified allocation.
- In addition, the system is planning to spend £43.5m on nationally funded capital programmes
- At Month 5 total capital expenditure is forecast to be £164.5m. The system has a potential £5.5m over-commitment against notified allocations relating to IFRS16 expenditure. In 2023/24, this was managed at a regional level and will continue to be monitored during the year.

5. Cash

- There is planned reduction in the overall system cash position of c.£82m in 2024/25, from a balance of £184m at the end of March 2024, to a planned balance of £101m at the end of the financial year.
- Current **cash balances are £4.7m higher (c.2.9%) than planned levels** at the end of August.
- Whilst it was not anticipated that any organisation would require cash support in this financial year at planning, the cash position will continue to be monitored closely, noting that the additional operational capital the system received as an incentive for delivering a break-even plan in 2024/25 (c.£13m) does not come with additional cash resource, and that there is a lengthy process that must be followed for organisations requesting additional cash support from NHS England. Therefore, cash support for capital may be required in year.

System Key Financial Performance Indicators (1)

	In Month	YTD TOTAL (NHS)	Prior Month	UH Bristol & Weston	North Bristol Trust	Avon & Wiltshire Partnership	NHS Provider Sector	BNSSG ICB
1. Year to Date Financial Performance		A		A	A	G	A	G
Actual Surplus / (Deficit)	£0.4m	(£18.6m)	(£19.1m)	(£7.7m)	(£10.8m)	(£0.0m)	(£18.6m)	(£0.0m)
variance to plan	£0.7m	(£12.4m)	(£13.0m)	(£7.7m)	(£4.6m)	(£0.0m)	(£12.3m)	(£0.0m)
variance (% of turnover)		(0.6%)	(0.8%)	(1.4%)	(1.1%)	(0.0%)	(1.1%)	(0.0%)
variance (% of ICB Allocation)		(1.3%)	(1.7%)	-	-	-	-	-
2. Forecast Surplus / (Deficit)								
Forecast Surplus / (Deficit)	-	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m
3. Risk to Forecast Out-turn		G		G	G	G	G	G
Net Unmitigated Risk		£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m
Net Unmitigated Risk (%)		0.0%	£0.0m	0.0%	0.0%	0.0%	0.0%	0.0%
4. Year to Date Savings Delivery		R		R	R	G	R	G
Savings Delivery (£)	£7.0m	£27.0m	£20.0m	£11.0m	£3.6m	£3.7m	£18.3m	£8.7m
Savings Delivery v plan	-£1.5m	-£12.5m	-£11.0m	-£5.6m	-£6.1m	-£0.4m	-£12.1m	-£0.4m
Savings Delivery (%)	82%	68%	65%	66%	37%	90%	60%	96%
Savings Delivery as a % of turnover		1.7%	1.4%	2.1%	0.9%	2.4%	1.7%	0.0%
5. Forecast Savings Delivery		G		A	G	G	G	G
Forecast Savings Delivery (£)		£99.0m	£97.8m	£36.5m	£28.7m	£8.9m	£74.1m	£24.9m
Forecast Savings Performance v plan		-£2.4m	-£3.6m	-£4.7m	+£0.0m	-£0.8m	-£5.5m	+£3.1m
Forecast Savings Delivery (%)		98%	96%	89%	100%	92%	93%	114%

System Key Financial Performance Indicators (2)

	In Month	NHS TOTAL	Prior Month		UH Bristol & Weston	North Bristol Trust	Avon & Wiltshire Partnership	NHS Provider Sector	BNSSG ICB
6. Charge against Capital Allocation (excluding impact of IFRS 16)		G			G	G	G	G	G
Total System Operational Capital Allocation		£81.9m	£81.9m		£38.1m	£32.1m	£3.1m	£73.3m	£8.5m
Forecast Charge Against Capital Allocation		£46.6m	£46.6m		£38.1m	£32.1m	£3.1m	£38.1m	£8.5m
Forecast variance to allocation		£0.0m	£0.0m	←	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m
Forecast variance to allocation (%)		0.0%	0%		0.0%	0.0%	0.0%	0.0%	0.0%
7. Charge against Capital Allocation (with impact of IFRS 16)		A							
Total System Operational Capital Allocation		£100.3m	£100.3m						
Forecast Charge against Capital Allocation (including IFRS 16)		£105.8m	£105.8m		£47.4m	£43.0m	£6.9m	£97.3m	£8.5m
Forecast capital overspend v plan		+£5.5m	+£5.5m	←					
Forecast variance to allocation (%)		5.5%	6%						
8. Current Cash Balance		G			G	R	G	G	-
Planned cash balance	(£3.6m)	£161.1m	£164.7m		£87.6m	£49.8m	£23.6m	£161.1m	-
Current cash balance	£3.0m	£165.8m	£162.8m		£96.4m	£39.2m	£30.3m	£165.8m	-
Year to date variance to plan	+£6.6m	+£4.7m	-£1.9m	↑	+£8.7m	-£10.6m	+£6.6m	+£4.7m	-
Year to date variance to plan (%)		2.9%	-1%		9.9%	-21.3%	28.1%	2.9%	-
9. Better Payment Practice Code (BPPC) - 95% target					A	A	G	-	G
Total Bills paid within 30 days (in-month)			0%		0%	0%	0%	-	0%
Total Bills paid within 30 days (year to date)		95%	96%	↓	90%	93%	100%	-	99%

System Financial Performance Overview

1. FINANCIAL PERFORMANCE:

YTD Variance : -£12.4m

A

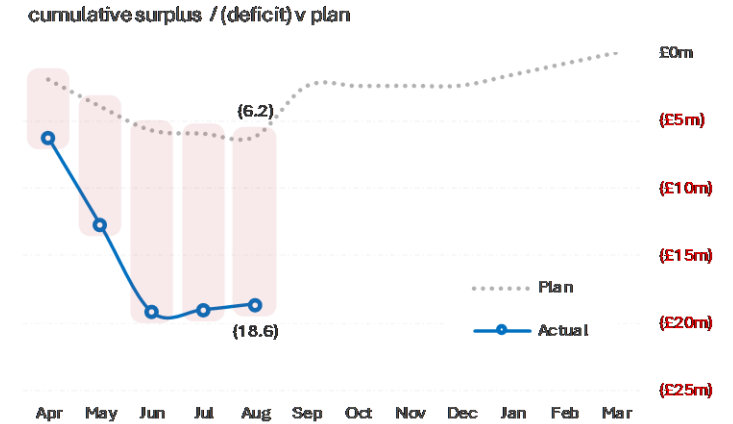
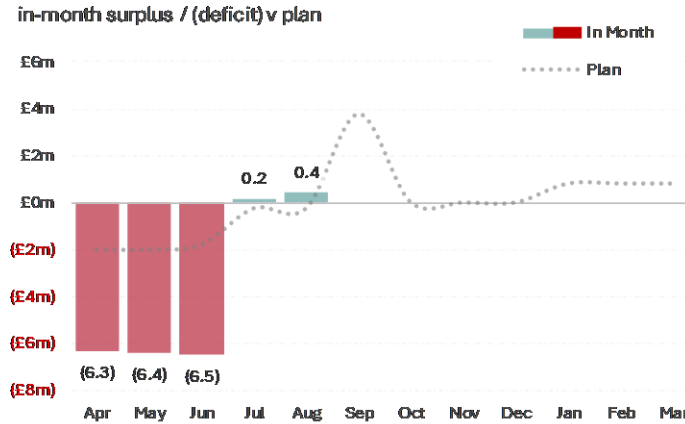
In-Month Variance : £0.7m

G

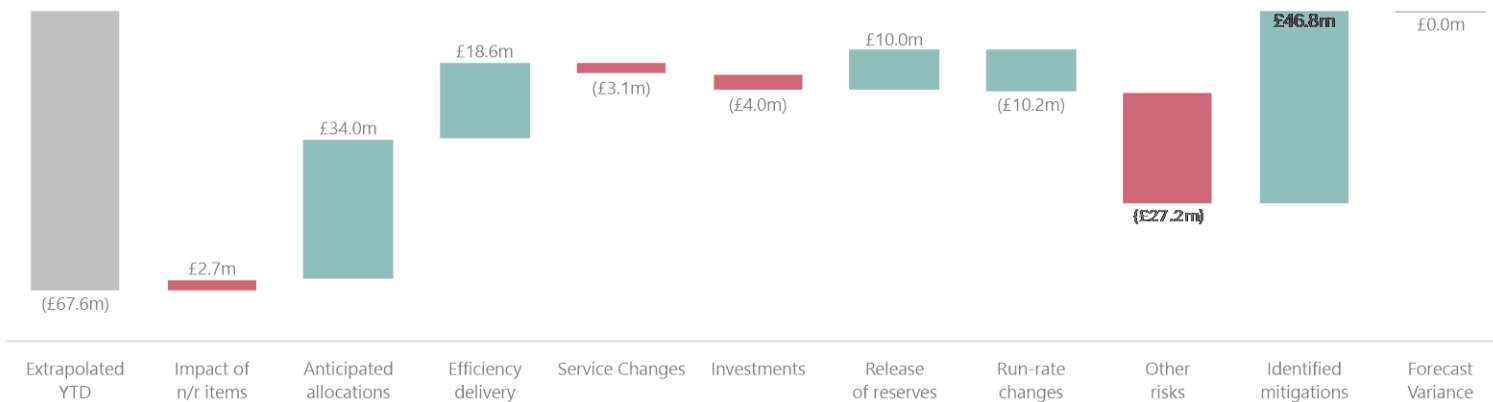
Forecast Surplus / (Deficit) : £0.0m

G

Organisation	YTD Plan	YTD Actual	YTD Variance to Plan	YTD Variance (%)	Forecast Surplus / (Deficit)
UHBW	0.0	(7.7)	(7.7)	-1.4%	0.0
NBT	(6.2)	(10.8)	(4.6)	-1.1%	0.0
AWP	0.0	(0.0)	(0.0)	-0.0%	0.0
Provider Total	(6.2)	(18.6)	(12.3)	-1.1%	0.0
BNSSG ICB	0.0	(0.0)	(0.0)	-0.0%	0.0
NHS Total	(6.2)	(18.6)	(12.4)	-0.6%	0.0
Sirona	0.0	0.0	0.0		0.0
System Total	(£6.2m)	(£18.6m)	(£12.4m)	-0.6%	£0.0m



2. RUN-RATE BRIDGE - Extrapolated Year to Date Variance to Forecast Variance



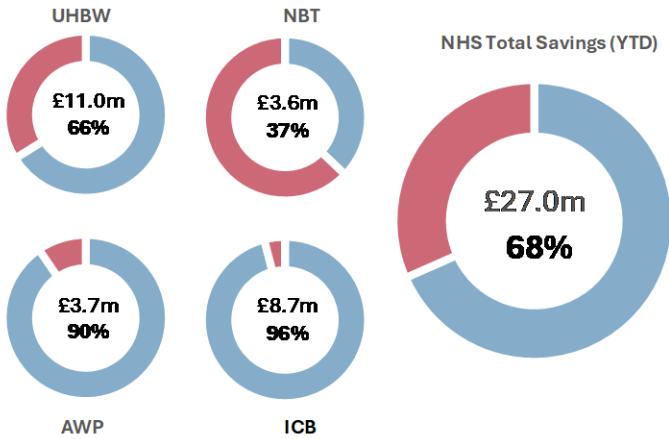
Extrapolated YTD	(£67.6m)
Impact of n/r items	£2.7m
Anticipated allocations	£34.0m
Efficiency delivery	£18.6m
Service Changes	(£3.1m)
Investments	(£4.0m)
Release of reserves	£10.0m
Run-rate changes	(£10.2m)
Other risks	(£27.2m)
Identified mitigations	£46.8m
Forecast Variance	£0.0m

System Financial Performance Overview (2)

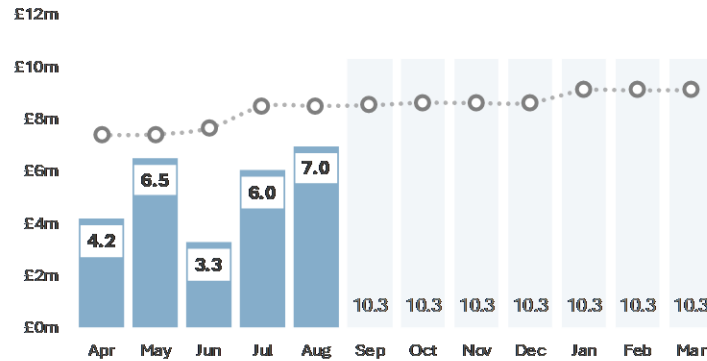
3. EFFICIENCY DELIVERY: YTD £27.0m (68% of plan) R

Avg. Monthly Savings (YTD): £5.4m required to hit forecast: £10.3m

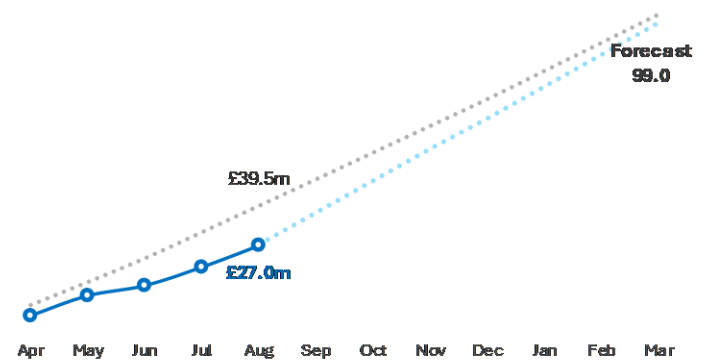
Forecast : £99.0m (98% of plan) G



in month savings delivery v plan



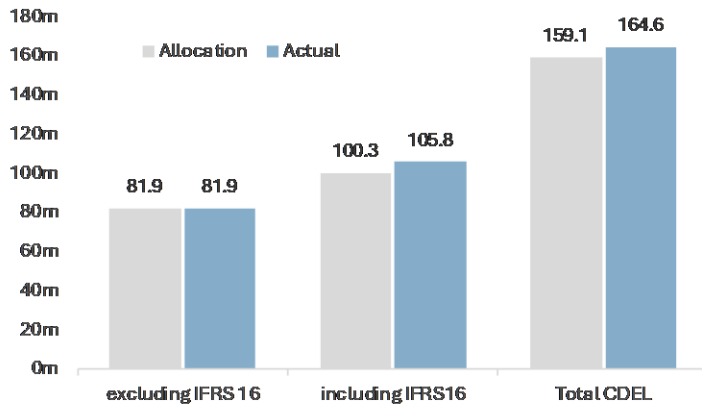
cumulative savings delivery & forecast v plan



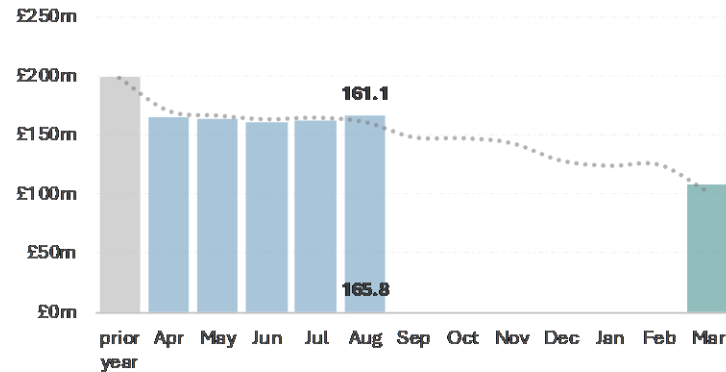
4. CHARGE AGAINST CAPITAL ALLOCATION +£5.5m G

5. CURRENT CASH BALANCE: YTD Variance : £4.7m G

6. BETTER PAYMENT PRACTICE: No. of Orgs missing target: 2



current cash balance v plan



% of invoices paid on time (95% target)



System Income & Expenditure Summary

(NHS Providers)

	YTD Plan £m	Actual £m	Variance £m	Full-Year Plan £m	Forecast £m	Forecast Variance £m
Combined Provider Income Sources						
NHS England	(323.6)	(337.0)	13.4	(775.8)	(781.5)	5.7
Integrated Care Boards	(557.7)	(564.2)	6.5	(1,338.2)	(1,344.5)	6.3
Other patient care income	(56.1)	(48.8)	(7.3)	(136.5)	(132.3)	(4.2)
Total income from patient care activities	(937.5)	(950.0)	12.6	(2,250.6)	(2,258.4)	7.8
Other operating income	(89.3)	(97.4)	8.1	(216.6)	(218.8)	2.2
Total Provider Operating Income	(1,026.8)	(1,047.5)	20.7	(2,467.2)	(2,477.2)	10.0
Combined Provider Expenditure						
Substantive staff including on-costs	579.7	586.6	(7.0)	1,385.9	1,378.9	7.0
Bank staff including on-costs	42.0	55.1	(13.2)	103.2	138.3	(35.1)
Agency / contract	24.8	21.2	3.6	59.9	45.8	14.1
Other Staff Costs	(0.4)	(0.4)	0.0	(0.9)	(2.1)	1.2
Other Operating Expenditure	365.5	378.4	(13.0)	872.6	870.3	2.2
Total Provider Operating Expenditure	1,011.6	1,041.0	(29.4)	2,420.7	2,431.3	(10.6)
Operating Surplus / (Deficit)	(15.2)	(6.5)	(8.7)	(46.5)	(45.9)	(0.6)
Net Finance Costs	(52.4)	(50.2)	(2.2)	(88.9)	(88.0)	(0.8)
Other Adjustments to Financial Performance	61.3	38.1	23.2	135.3	133.9	1.4
NHS Provider surplus / (deficit)	(6.2)	(18.6)	(12.3)	0.0	0.0	0.0
Total ICB Allocation	(928.6)	(928.6)	0.0	(2,205.6)	(2,205.6)	0.0
BNSSG ICB Expenditure						
Acute Services	463.8	465.3	(1.5)	1,103.3	1,111.8	(8.4)
Mental Health & LD Services	102.3	102.8	(0.5)	244.4	246.4	(1.9)
Community Health Services	101.7	101.8	(0.1)	243.7	243.9	(0.2)
Continuing Care Services	54.5	56.1	(1.6)	130.8	131.5	(0.7)
Primary Care Services	80.8	79.2	1.6	193.7	190.7	3.0
Other Programme Services	2.3	2.5	(0.1)	5.6	5.9	(0.3)
Other Commissioned Services	4.4	4.4	(0.0)	10.5	10.8	(0.2)
Delegated Primary Medical Services	80.0	79.7	0.4	183.1	182.7	0.4
Delegated Dental, Ophthalmic and Pharmacy Services	36.7	36.7	0.0	87.3	87.4	(0.1)
ICB Running Costs	6.3	6.5	(0.2)	15.1	15.1	0.0
Reserves / Contingencies	(4.3)	(6.3)	2.0	(12.0)	(20.6)	8.6
Total ICB Net Expenditure	928.6	928.6	(0.0)	2,205.6	2,205.6	(0.0)
ICB surplus / (deficit)	0.0	(0.0)	(0.0)	0.0	0.0	(0.0)
System Operating Surplus / (Deficit)	(6.2)	(18.6)	(12.4)	0.0	0.0	(0.0)

Efficiency Delivery

YTD & Forecast by Scheme

	YTD Plan £m	Actual £m	Variance £m	% delivery		Full-Year Plan £m	Forecast £m	Forecast Variance £m	% delivery	
Provider Pay Schemes										
Pay - Agency Cost Reduction	6.7	8.0	1.3	120%		16.6	19.3	2.7	117%	
Pay - E-Rostering / E-Job Planning	3.6	3.1	-0.6	84%		8.8	7.5	-1.4	85%	
Pay - Corporate services transformation	1.1	0.3	-0.9	22%		2.7	0.5	-2.2	19%	
Pay - Service re-design	3.4	3.5	0.1	104%		8.2	10.6	2.4	129%	
Pay - Other	1.8	1.1	-0.7	62%		4.4	2.8	-1.6	63%	
	16.6	16.0	-0.6	96%		40.7	40.7	-0.1	100%	
Provider Non-Pay Schemes										
Non-Pay - Medicines efficiencies	0.6	0.5	-0.1	86%		1.6	1.7	0.1	108%	
Non-Pay - Procurement	3.9	1.8	-2.2	45%		9.6	9.7	0.0	100%	
Non-Pay - Net zero carbon	1.2	0.0	-1.2	0%		3.0	1.3	-1.7	42%	
Non-Pay - Service re-design	3.3	0.0	-3.3	0%		8.0	4.1	-3.9	52%	
Non-Pay - Other	2.6	2.2	-0.4	86%		6.3	4.9	-1.4	78%	
	11.7	4.5	-7.1	39%		28.5	21.7	-6.9	76%	
Provider Income Schemes										
Provider Income	4.2	3.3	-0.9	79%		10.3	11.8	1.4	114%	
	4.2	3.3	-0.9	79%		10.3	11.8	1.4	114%	
NBT re-phasing adjustment	(2.1)	(5.5)	-3.4							
Total provider efficiencies	30.4	18.3	-12.1	60%	R	79.6	74.1	-5.5	93%	G
ICB efficiency programme										
Demand Management (referrals)	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
Evidence based interventions	1.9	1.9	0.0	100%		4.5	4.5	0.0	100%	
All-age Continuing Care	2.7	1.3	-1.4	47%		6.5	7.0	0.5	107%	
Medicines efficiencies	2.2	3.7	1.5	167%		5.3	7.8	2.5	148%	
Running cost review	1.3	1.3	-0.0	100%		3.0	3.0	0.0	100%	
Establishment reviews	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
Other	1.1	0.7	-0.4	62%		2.6	2.7	0.1	104%	
Unidentified	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
Total ICB efficiencies	9.1	8.7	-0.4	96%	G	21.8	24.9	3.1	114%	G
TOTAL SYSTEM EFFICIENCIES	39.5	27.0	-12.5	68%	R	101.4	99.0	-2.4	98%	G

Risks & Mitigations to Forecast Out-turn

	UHBW	NBT	AWP	Provider TOTAL	BNSSG ICB	System TOTAL
Risks						
Shortfall on efficiency delivery	(5.5)	(12.2)	(2.0)	(19.7)	(1.5)	(23.3)
Staffing overspends (net of vacancies)	(6.3)	(3.4)	(1.0)	(10.7)		(11.7)
ERF underperformance / activity costs	(0.5)	(2.2)	-	(2.7)		(2.7)
Activity related non-pay	(2.7)	(7.4)	-	(10.1)	(5.8)	(15.9)
Contract Risk	(1.1)	-	-	(1.1)	(2.7)	(3.8)
Inflationary Cost pressures	(1.9)	-	-	(1.9)		(1.9)
Other	-	(0.8)	-	(0.8)	(1.8)	(2.5)
Total Risks	(17.9)	(26.0)	(3.0)	(47.0)	(11.8)	(61.8)
Identified Mitigations						
Additional CIP to be identified (full achievement of	5.5		2.0	7.5		9.5
Financial Recovery Plan - actions	2.5	8.0		10.5		10.5
Balance Sheet mitigations		1.0		1.0	6.7	7.7
Additional Income		2.0		2.0		2.0
Impact of business cases			1.0	1.0		2.0
Investment Slippage				-	1.6	1.6
Uncommitted Reserves				-	3.6	3.6
Total Mitigations	8.0	11.0	3.0	22.0	11.8	36.8
Net Risk before additional mitigations	(9.9)	(15.0)	-	(25.0)	-	(25.0)
Further Recovery Actions						
ERF activity based cost review / productivity	2.3			2.3		2.3
Financial Recovery Plan - actions	7.7	15.0		22.7		22.7
Total Further Recovery Actions	9.9	15.0	-	25.0	-	25.0
Net Risk After Recovery Actions	-	-	-	-	-	-

System Capital Department Expenditure Limit (CDEL)

System Capital Allocation	system plan £m	Allocation adjustments £m	Revised System CDEL limit £m	Forecast £m	Forecast Variance to CDEL limit £m
2024/25 Capital Allocation (provider)	68.0		68.0		
Less transfer to the ICB Allocation	0.0		0.0		
Prior Year Revenue Performance Allocation	2.5		2.5		
23/24 Revenue Surplus Bonus	0.1		0.1		
24/25 Revenue Fair Shares Adjustment	11.2		11.2		
Total System Allocation (before IFRS16)	81.9	0.0	81.9		
Operational Capital Allocation to Organisations					
UHBW	36.7	1.4	38.1	38.1	+0.0
NBT	27.7	4.5	32.1	32.1	-0.0
AWP	9.0	(5.9)	3.1	3.1	+0.0
BNSSG ICB	8.5	0.0	8.5	8.5	+0.0
Total Charge against Capital Allocation (excluding impact of IFRS 16)	81.9	(0.0)	81.9	81.9	+0.0
Impact of IFRS16 (plan)					
Capital expenditure on lease remeasurements	10.0	(10.0)	0.0	4.3	+4.3
Capital expenditure on right of use assets	19.7	(19.7)	0.0	19.7	+19.7
IFRS 16 CDEL uplift allocation	0.0	18.4	18.4	0.0	-18.4
Total impact of IFRS 16	29.7	(11.3)	18.4	24.0	+5.5
Total Charge against Capital Allocation (including impact of IFRS 16)	111.6	(11.3)	100.3	105.8	+5.5
National Programme Funding (PDC)					
Diagnostic Digital Capability Programme	0.3	0.2	0.5	0.5	-0.0
Elective Recovery/Targeted Investment Fund	20.4		20.4	20.4	0
Mental Health	17.6		17.6	17.6	-0.0
STP Wave 3	3.0		3.0	3.0	+0.0
Front Line Digitisation	0.0	2.2	2.2	2.2	0
Total National Funding (PDC)	41.4	2.4	43.7	43.7	-0.0
PFI capital charges (e.g. residual interest)					
PFI capital charges	15.1		15.1	15.1	+0.0
Total System CDEL	168.0	(8.9)	159.1	164.6	+5.5

System Capital Expenditure

Year to Date & Forecast by Category

	UHBW Actual £m	NBT Actual £m	AWP Actual £m	BNSSG ICB Actual £m	System TOTAL Actual £m	UHBW Forecast £m	NBT Forecast £m	AWP Forecast £m	BNSSG ICB Forecast £m	System TOTAL Forecast £m
Internally Funded (owned assets)										
Routine maintenance (non-backlog)	1.0	0.0	0.2		1.3	7.8	0.0	3.6		11.3
Backlog Maintenance	1.9	0.6	0.0		2.5	4.8	5.1	0.0		10.0
New Build	1.4	0.2	0.0		1.6	12.4	18.1	0.0		30.5
Equipment	3.1	0.0	0.0		3.1	7.2	0.0	0.0		7.2
Plant and machinery	0.0	0.2	0.0		0.2	0.0	8.1	0.0		8.1
Fire Safety	1.0	0.0	0.0		1.0	2.5	0.0	0.0		2.5
IT	0.5	0.2	0.0	0.0	0.7	5.3	2.7	1.1	1.1	10.2
Fleet, Vehicles & Transport	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0
Other	0.0	0.0	0.0		0.0	0.0	0.0	0.0	7.5	7.5
Sub-Total	9.0	1.2	0.2	0.0	10.4	39.9	34.1	4.7	8.5	87.2
less donations	(0.3)	(0.2)	0.0		(0.5)	(1.9)	(0.5)	0.0		(2.4)
less disposals	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0
less PFI capital (IFRIC12)	0.0	(0.1)	(0.1)		(0.2)	0.0	(1.5)	(1.6)		(3.0)
Charge against Capital Allocation (before IFRS 16)	8.7	0.9	0.1	0.0	9.7	38.1	32.1	3.1	8.5	81.9
Capital expenditure on lease remeasurements	4.3	0.0	0.0		4.3	4.3	0.0	0.0		4.3
Capital expenditure on right of use assets	0.0	0.0	0.1		0.1	5.0	10.9	3.8		19.7
Total impact of IFRS 16	4.3	0.0	0.1	0.0	4.4	9.3	10.9	3.8	0.0	24.0
Total Charge against Capital Allocation (including IFRS 16)	13.0	0.9	0.3	0.0	14.1	47.4	43.0	6.9	8.5	105.8
PFI capital charges (e.g. residual interest)										
PFI capital charges	0.0	5.9	0.4		6.3	0.0	14.1	1.0		15.1
National Programme Funding (PDC)										
Diagnostic Digital Capability Programme	0.0	0.0	0.0		0.0	0.2	0.3	0.0		0.5
Front Line Digitisation	0.0	0.0	0.0		0.0	0.4	0.0	1.8		2.2
Elective Recovery/Targeted Investment Fund	0.0	6.5	0.0		6.5	0.0	20.4	0.0		20.4
Mental Health	0.0	0.0	2.2		2.2	0.0	0.0	17.6		17.6
STP Wave 3	0.0	0.0	1.8		1.8	0.0	0.0	3.0		3.0
Total National Programme Funding	0.0	6.5	4.0	0.0	10.5	0.6	20.7	22.5	0.0	43.7
Total Capital Department Expenditure Limit (CDEL)	13.0	13.2	4.6	0.0	30.8	47.9	77.8	30.3	8.5	164.6

Statement of Cash Flows (SoCF)

	UHBW			NBT			AWP		
	YTD Plan £m	Actual £m	Variance £m	YTD Plan £m	Actual £m	Variance £m	YTD Plan £m	Actual £m	Variance £m
Operating surplus/(deficit)	(0.8)	(3.6)	(2.8)	11.3	5.9	(5.3)	4.7	4.2	(0.5)
Non-cash income and expense:									
Depreciation and amortisation	17.9	18.1	0.2	12.1	10.6	(1.4)	3.6	3.7	0.1
Impairments and reversals	6.3	0.0	(6.3)	0.0	0.0	0.0	0.0	0.0	0.0
Income recognised in respect of capital donati	(0.7)	(0.3)	0.4	(0.2)	(0.1)	0.1	0.0	0.0	0.0
(Increase)/decrease in receivables	(2.9)	17.6	20.5	(1.5)	(7.2)	(5.7)	(5.8)	(4.2)	1.5
Increase/(decrease) in trade and other payable	(14.6)	(15.9)	(1.3)	7.0	(11.3)	(18.2)	5.5	14.3	8.8
Other	0.0	3.6	3.6	3.3	4.6	1.3	0.5	(0.2)	(0.7)
Net cash generated from / (used in) operatio	5.2	19.5	14.3	31.9	2.6	(29.3)	8.6	17.7	9.1
Cash flows from investing activities									
Purchase of property, plant and equipment	(8.8)	(15.5)	(6.7)	(30.5)	(10.9)	19.6	(8.2)	(10.1)	(1.9)
Interest received	1.5	2.3	0.9	0.8	1.5	0.7	0.3	0.8	0.5
Purchase of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.7	0.3	(0.4)	0.2	0.1	(0.1)	0.0	0.0	0.0
Net cash from/(used in) investing activities	(6.6)	(12.9)	(6.3)	(29.5)	(9.3)	20.1	(8.0)	(9.3)	(1.3)
Cash flows from financing activities									
Net Public dividend capital	0.0	0.0	0.0	8.6	7.3	(1.3)	3.2	1.9	(1.3)
Loans from Department of Health and Social C	(2.8)	(2.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital element of lease liability repayments	(3.3)	(3.0)	0.2	(0.6)	(0.7)	(0.2)	(0.7)	(0.6)	0.1
Interest	(1.2)	(1.1)	0.1	(15.8)	(15.8)	(0.0)	(2.4)	(2.4)	(0.0)
PDC dividend (paid)/refunded	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	(0.0)	(7.6)	(7.6)	(0.0)	(1.5)	(1.5)	0.0
Net cash from/(used in) financing activities	(7.3)	(7.0)	0.3	(15.3)	(16.8)	(1.5)	(1.4)	(2.5)	(1.2)
Increase/(decrease) in cash and cash equiva	(8.7)	(0.4)	8.3	(12.9)	(23.5)	(10.6)	(0.7)	5.9	6.6
Cash and cash equivalents at start of year	96.3	96.7	0.4	62.7	62.7	0.0	24.3	24.3	0.0
Cash and cash equivalents at end of period	87.6	96.4	8.7	49.8	39.2	(10.6)	23.6	30.3	6.6



Statement of Financial Position (SoFP)

	UHBW			NBT			AWP			BNSSG ICB		
	March 2024 £m	Current £m	In-Year Movement £m	March 2024 £m	Current £m	In-Year Movement £m	March 2024 £m	Current £m	In-Year Movement £m	March 2024 £m	Current £m	In-Year Movement £m
Non-current assets												
PFI/LIFT assets	0.0	0.0	0.0	302.2	299.6	(2.6)	34.3	34.3	0.0	0.0	0.0	0.0
Other property, plant and equipment	547.2	542.9	(4.3)	210.3	212.2	1.9	147.9	149.4	1.5	0.4	0.4	(0.0)
Right of use assets	111.1	111.9	0.8	9.7	9.0	(0.8)	18.8	18.4	(0.4)	2.6	2.5	(0.1)
Receivables due	1.5	1.5	0.0	1.1	1.1	0.0	0.2	0.2	0.0	0.0	0.0	0.0
Other non-current assets	18.0	16.5	(1.5)	15.1	13.6	(1.6)	1.8	1.4	(0.4)	0.0	0.0	0.0
Total non-current assets	677.8	672.8	(5.0)	538.4	535.4	(3.0)	203.1	203.7	0.7	3.0	2.9	(0.1)
Current assets												
Inventories	16.7	17.7	1.0	11.7	11.8	0.1	0.1	0.2	0.1	0.0	0.0	0.0
Receivables: due	71.4	54.4	(17.0)	59.5	67.3	7.9	16.7	20.9	4.2	40.6	26.0	(14.6)
Cash and cash equivalents	96.7	96.4	(0.4)	62.7	39.2	(23.5)	24.3	30.3	5.9	0.2	(8.6)	(8.8)
Other non-current assets	(6.4)	(7.0)	(0.6)	(9.6)	(9.8)	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0
Total current assets	178.4	161.4	(17.0)	124.2	108.5	(15.7)	41.1	51.4	10.3	40.8	17.4	(23.4)
Current liabilities												
Trade and other payables	(9.1)	(2.6)	6.5	(4.9)	(2.2)	2.8	(5.0)	(0.9)	4.2	(141.1)	(119.8)	21.3
Borrowings	(13.3)	(13.3)	0.0	(23.6)	(23.6)	0.0	(1.4)	(1.9)	(0.4)	0.0	0.0	0.0
Provisions	(0.4)	(0.3)	0.1	(4.4)	(4.2)	0.2	(3.7)	(3.7)	(0.0)	(8.3)	(3.5)	4.8
Other liabilities	(151.3)	(147.6)	3.7	(105.4)	(98.6)	6.8	(33.4)	(47.7)	(14.3)	(2.6)	(2.6)	0.0
Total current liabilities	(174.2)	(163.8)	10.3	(138.4)	(128.6)	9.8	(43.6)	(54.1)	(10.5)	(151.9)	(125.9)	26.1
Non-current liabilities												
Borrowings	(139.1)	(137.5)	1.6	(571.8)	(589.8)	(18.0)	(85.0)	(84.1)	0.9	0.0	0.0	0.0
Other non-current liabilities	(3.4)	(2.0)	(8.9)	(6.2)	(6.6)	(10.2)	(1.2)	(1.2)	10.6	0.0	0.0	0.0
Total non-current liabilities	(142.5)	(139.5)	3.0	(578.0)	(596.4)	(18.5)	(86.3)	(85.3)	1.0	0.0	0.0	0.0
Total net assets employed	539.5	530.9	(8.5)	(53.7)	(81.1)	(27.4)	114.3	115.7	1.4	(108.1)	(105.5)	2.6
Financed by												
Public dividend capital	333.5	333.5	0.0	485.2	492.5	7.3	151.0	153.0	1.9	0.0	0.0	0.0
Income and expenditure reserve	113.5	105.0	(8.5)	(610.8)	(645.5)	(34.7)	(113.7)	(113.3)	0.4	0.0	0.0	0.0
Revaluation reserve	92.4	92.4	(0.0)	71.9	71.9	0.0	77.0	76.0	(1.0)	0.0	0.0	0.0
Other	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I&E Reserve General Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(108.1)	(105.5)	2.6
Total taxpayers' and others' equity	539.5	530.9	(8.5)	(53.7)	(81.1)	(27.4)	114.3	115.7	1.4	(108.1)	(105.5)	2.6

Finance, Estates and Digital Committee (OPEN Session)

Minutes of the meeting held on Thursday 22 August 2024, 09:00 – 11:30am, via Microsoft Teams

Present		Initials
John Cappock	Audit Committee Chair, BNSSG ICB	JC
Amy Webb	Director of Corporate Services / S151 Officer, North Somerset Council	AW
Deborah El-Sayed	Chief Transformation and Digital Information Officer, BNSSG ICB	DES
Sarah Truelove	Deputy CEO & Chief Finance Officer, BNSSG ICB	ST
In attendance		
Catherine Cookson	Associate CFO, BNSSG ICB	CC
Seb Habibi	Deputy Chief Transformation and Digital Information Officer, BNSSG ICB (Item 8.2 only)	SH
Rachel Smith	Executive Assistant (notes)	RS

		Action
1	Welcome and Apologies Apologies were received from Steve West, UWE; Brian Stables, AWP; Richard Gaunt, NBT; Jo Medhurst, BNSSG ICB; and Martin Sykes, UHBW.	
2	Declarations of Interest There were no new Declarations of Interest for the Open Session.	
3	Minutes of the Previous meeting (25 July 2024) The minutes of the Open session held on 25 July 2024 were agreed as an accurate record of the meeting.	
4	Actions from previous meetings and matters arising The action log was reviewed and updated accordingly.	
5	Items for Approval There were no items for approval in the Open Session.	
6	Items for Discussion There were no items for discussion in the Open Session.	
7	Finance Report	
7.1	M4 System Report inc Capital Sarah Truelove (ST) introduced the report and advised that the position for M4 had improved slightly from M3, with no further deterioration of the deficit. It was anticipated that further improvements would be made when the FOT was reviewed again for M5, in terms of the risks. There was still significant work to be undertaken and a key focus would be to ensure ownership and engagement within the acute Trusts. ST reported on the ongoing work to develop a recovery plan for the 24/25 position but also that the development of 25/26 savings plans would be the next area of focus. ST clarified there would be national funding for the 24/25 pay awards, and there may also be funding for costs associated with industrial action (approximately £1.8m). Nationally, there are similar risks as those faced by BNSSG ICB and systems would continue to work with the national team to work through the issues.	

		Action
	<p>Catherine Cookson (CC) presented the M4 ICB Finance report, and the following was highlighted:</p> <ul style="list-style-type: none"> ➤ In-month assessment of delivery against the ICB's financial duties were noted. ➤ Heads of Finance continue to work with the operational leads to ensure ownership and engagement throughout the ICB. ➤ The Funded Care Team continue to work to reduce the gaps in their savings plans. ➤ Review underway of running costs which were currently ahead of plan at month-end. Additional programme spend was also expected, in relation to specialised commissioning, and would improve the position. ➤ Cash position: NHSE have acknowledged this is not drawn in equal payments throughout the year and are adjusting their profiling which would more accurately reflect the ICB cash position. The ICB cash position was closely monitored was forecasting to remain within its limits for year-end. <p>Amy Webb (AW) queried whether a different approach would be taken next year in terms of phasing of savings plans. ST confirmed that work on the savings plans for next year would commence in October to ensure schemes could start to be implemented from the beginning of the 25/26. Earlier implementation would also enable a clear plan for monitoring in-year delivery of savings plans.</p> <p>The improvements to the position and the continued challenges were noted.</p>	
8	Items to Note	
8.1	<p>System DoFs Group Discussed under item 7.1.</p>	
8.2	<p>Digital Delivery Board Deborah El-Sayed (DES) and Seb Habibi (SH) provided the following update:</p> <ul style="list-style-type: none"> ➤ NHS App: <ul style="list-style-type: none"> • Discovery phase concluded and work underway to ascertain how this would input into the design. This includes opportunities which could be unlocked fairly quickly but also others which would require engagement at a national level. • DES to attend a future DOFs meeting to discuss digital investments and benefits and would discuss with DOFs the potential re-modelling of app usage within in the acutes in order to reduce costs (by simplifying and shortening the text messages used). This has also been highlighted to other teams who use the NHS App for communicating with patients. • Actions have been identified which could result in up to £300k savings, with further work underway to identify additional actions in order to achieve the £650k savings target. • The Good News Foundation were not able to support the ICS as a delivery partner but had committed to sharing their learning free of charge. ➤ Improving Connecting Care: Annie Brendan working with the team on this as a potential area where more benefits could be identified, including significant opportunities to increase the user base. Work also underway around the integration of shared care plans for End Of Life Care and addressing challenges around reaching an agreement in relation to the funding required to support the integration. The ICB has therefore committed to provide non-recurrent funding until August 2026. Additional costs had also been identified to make the required changes to the PAS system within the acute Trusts, in addition to working with clinical staff to utilise the functionality. The significant challenges around this particular area were noted. ➤ Living Well with COPD: second pilot underway which has been designed with a potential bid for research funding. The pilot may realise some benefits that could connect to primary care. 	

		Action
	<ul style="list-style-type: none"> ➤ Working anywhere: significant progress, with 11 of the 14 sites now effectively working remotely without interruption. There was confidence that the remaining 3 would be compliant by the end of September. ➤ Two recurrent projects on hold and not incurring expenditure (Digital Academy and Advice & Guidance in Mental Health). Benefit savings was the key priority, even if this resulted in some projects not starting. ➤ DDB also approved the Intelligence Centre OBC. <p>DES also advised that following on from the Digital Portfolio update at last month's meeting, a number of projects had commenced but further work was still required to recover the benefits trajectory.</p>	
8.3	<p>System Estates Steering Group</p> <p>ST confirmed that the draft Infrastructure strategy had been submitted to NHSE; formal feedback would be received by October 2024. NHSE would then publish a national dataset to cover the key outputs from each of the 42 infrastructure strategies by the end of the year. An updated version of the ICS Infrastructure Strategy would be presented to the next Fed Committee, ahead of presentation to the ICB Board in October.</p>	
	<p>Date of Next Meeting</p> <p>** change of date**</p> <p>Tuesday 1 October 2024, 14:00 – 17:00, MS Teams</p>	