

## Bristol, North Somerset and South Gloucestershire (BNSSG) Joint capital resource use plan 2024/25

<b>Region</b>	South-West
<b>ICB / System</b>	Bristol, North Somerset and South Gloucestershire (BNSSG) Integrated Care Board (ICB)  Healthier Together Partnership: Bristol, North Somerset and South Gloucestershire Integrated Care System (ICS)
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## 1) Introduction

NHS Bristol, North Somerset and South Gloucestershire (BNSSG) Integrated Care Board (ICB) is responsible for the day-to-day running of the NHS for our local area, covering a population of around 1.1 million residents. We consider our local population's needs, arrange for the provision of services and manage the NHS budget.

The core mission of the Integrated Care Board (ICB) is to support the health and care system in achieving its primary goals. These goals are

- 🌈 **Improving outcomes in population health and healthcare:** This involves enhancing the overall health and well-being of the population through better healthcare services and preventive measures.
- 🌈 **Tackling inequalities in outcomes, experience, and access:** The ICB aims to address and reduce disparities in health outcomes, ensuring that all individuals have equal access to high-quality care and positive healthcare experiences.
- 🌈 **Enhancing productivity and value for money:** The focus here is on maximizing the efficiency and effectiveness of healthcare services, ensuring that resources are used wisely to deliver the best possible care.
- 🌈 **Supporting broader social and economic development:** The ICB recognizes the interconnectedness of health, social, and economic factors, and aims to contribute to

The ICB is part of the wider, regional BNSSG Integrated Care System (ICS), which also became a statutory entity in July 2022. It is comprised of 10 partner organisations, including the three Local Authorities in our area, NHS Trusts, the new Integrated Care Board and community and General Practice providers. It is also known as the Healthier Together Partnership.

Healthier Together Partnership organisations:

- 🌈 Avon and Wiltshire Mental Health Partnership NHS Trust (AWP)
- 🌈 Bristol City Council
- 🌈 Bristol, North Somerset, South Gloucestershire Integrated Care Board
- 🌈 North Bristol NHS Trust (NBT)
- 🌈 North Somerset Council
- 🌈 One Care
- 🌈 Sirona Care & Health
- 🌈 South Gloucestershire Council
- 🌈 South Western Ambulance Service NHS Foundation Trust (SWAST)
- 🌈 University Hospitals Bristol and Weston NHS Foundation Trust (UHBW)

Within our ICS, Integrated Locality Partnerships have also been established, operating at a 'place' level and responding to the specific needs of local populations.

Figure 1 - BNSSG System by Numbers

 <b>1 integrated care board</b>	 <b>3 local authorities</b>	 <b>2 acute hospitals (across 14 sites)</b>
 <b>1 community provider</b>	 <b>1 mental health trust</b>	 <b>1 ambulance trust</b>
 <b>20 primary care networks (PCNs)</b>	 <b>64 dental practices + 1 dental committee</b>	 <b>171 pharmacies + 1 pharmacy committee</b>
 <b>C. 50,000 health and care staff</b>	 <b>76 GP surgeries, 1 GP federation and 1 GP Collaborative</b>	 <b>1,000s of voluntary, community and social enterprise organisations</b>
 <b>101 opticians and 1 optometry committee</b>	 <b>1 academic health science centre</b>	 <b>278 care homes</b>
 <b>1 healthwatch</b>	 <b>6 locality partnerships</b>	 <b>56 children's centres</b>

## Geography and Demography

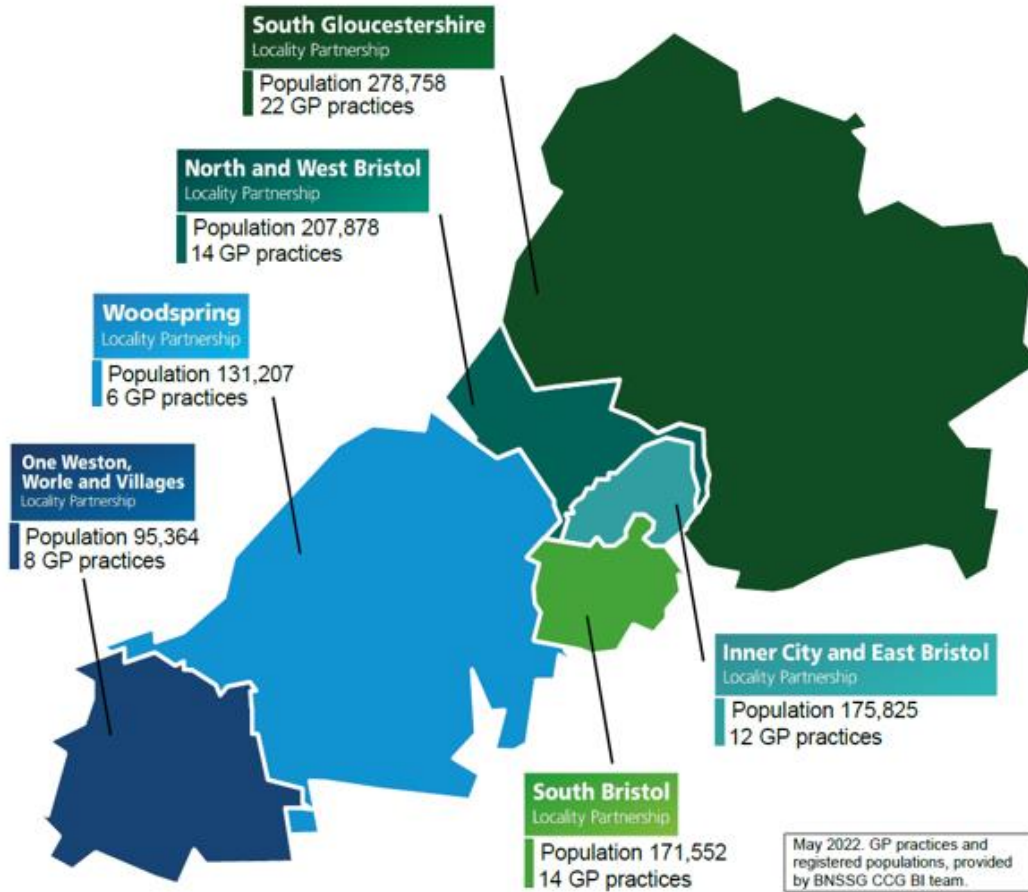
BNSSG has a population of around 1.1 million residents. Approximately half live in Bristol, whilst the remaining is split relatively evenly between North Somerset and South Gloucestershire. BNSSG collectively represents a diverse region with variations in population demographics and health needs, largely influenced by both urban and rural landscapes.

Bristol, as a predominantly urban area, has a slightly younger average population than the national average, 38% of its population aged 18-44 years. This demographic trend is largely attributed to the city's attraction to students and young professionals. North Somerset and South Gloucestershire, being more rural, tended to have older populations, with a higher proportion of residents aged 45 and above, comprising approximately 45% of the population.

The population in the BNSSG area is on the rise, with inbound migration exceeding outward movement. Mirroring national trends, BNSSG's population is projected to increase by approximately 16% between 2022 and 2040. 17% of the total population are now over 65 years old. It is projected that for the next two decades those groups aged over 65 and 85 years will continue to grow at the fastest rate.

Although overall the BNSSG Index of Multiple Deprivation is slightly better than the England average, there are pockets of extreme deprivation within certain neighbourhoods. Places like Weston Super Mare and parts of south Bristol rank among the top 10% highest deprivation areas in England, highlighting disparities within the region.

Figure 2 - Map of BNSSG

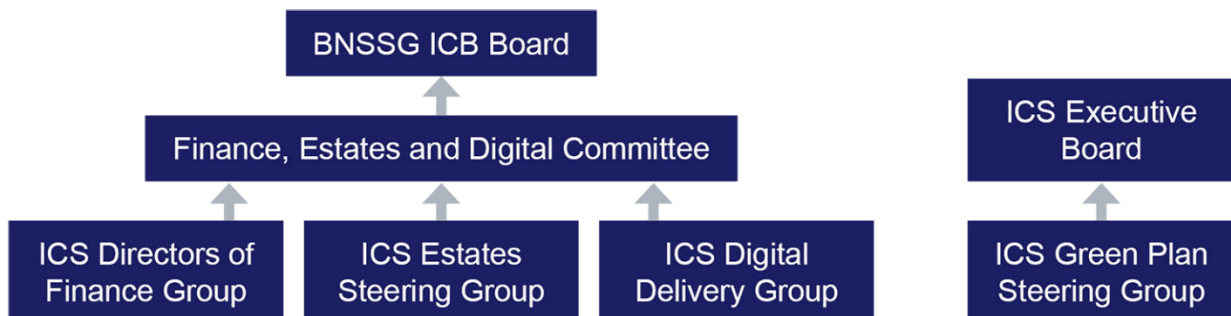


## Governance

The BNSSG ICB Estates Steering Group is responsible for ensuring that system estates projects and priorities are aligned, and objectives are progressed. This monthly steering group includes representatives from the estates function from key ICS partners. The Chair is the Deputy Chief Executive and Chief Finance Officer of BNSSG ICB.

The ICB Estates Steering Group regularly reports into the Finance, Estates and Digital (FED) Committee, which reports into the ICB Board.

Figure 3 - BNSSG Governance Structure Diagram



## 2) 2024/25 Capital Department Expenditure Limit (CDEL) & sources of funding

All financial information presented in this section and throughout the remainder of the document is consistent with the ICS Financial & Operational plan submission to NHS England on the 12<sup>th</sup> June 2024.

For the purposes of planning, systems were asked to submit financial plans excluding the impact of IFRS16 accounting changes, and against a notified Operational Capital allocation of £81.9m.

In addition to this, the system identified planned expenditure of £29.7m under “International Financial Reporting Standard (IFRS) 16, leases”, £41.3m of national programme funding awards, and £15.1m of other (technical accounting) capital expenditure.

The total planned CDEL spend for the system is £168m.

Table 2.1: 2024/25 CDEL Allocation and Funding Sources:

£m	Avon & Wiltshire Partnership Mental Health Trust	North Bristol Trust	University Hospitals Bristol & Weston NHS Foundation Trust	Bristol, North Somerset and South Gloucestershire ICB	System Total
<b>2024/25 CDEL Allocations</b>					
2024/25 Operational Capital Envelope (1)	9.0	27.7	36.7	8.5	<b>81.9</b>
Impact of IFRS16	3.8	10.9	15.0	-	<b>29.7</b>
Sustainability and Transformation Partnership (STP)	3.0	-	-	-	<b>3.0</b>
National Programmes (PDC Funded)	17.6	20.7	-	-	<b>38.3</b>
Other (technical accounting)	0.9	14.1	-	-	<b>15.1</b>
<b>Total CDEL</b>	<b>34.4</b>	<b>73.4</b>	<b>51.7</b>	<b>8.5</b>	<b>168.0</b>

<b>Funding sources of CDEL</b>					
Self financed - depreciation less PFI/lease liability repayments	1.9	8.0	35.9	-	<b>45.7</b>
Self financed - Other internal capital cash	7.1	19.7	6.6	-	<b>33.4</b>
Capital loan repayments	-	-	(5.8)	-	<b>(5.8)</b>
Normal Course of Business Loans	3.8	10.9	15.0	-	<b>29.7</b>
Diagnostic Digital Capability Programme	-	0.3	-	-	<b>0.3</b>
Elective Recovery/Targeted Investment Fund	-	20.4	-	-	<b>20.4</b>
Mental Health	17.6	-	-	-	<b>17.6</b>
STP Wave 3	3.0	-	-	-	<b>3.0</b>
PFI capital charges (e.g. residual interest)	0.9	14.1	-	-	<b>15.1</b>
ICB Operational Capital Allocation	-	-	-	8.5	<b>8.5</b>
<b>Net CDEL</b>	<b>34.4</b>	<b>73.4</b>	<b>51.7</b>	<b>8.5</b>	<b>168.0</b>

**Note:**

2024/25 Capital Allocation (excluding Prior Year Revenue Performance allocation)					68.0
Confirmed Prior Year Revenue Performance Allocation					2.5
Operational UEC Prior Year Q4 Performance					-
23/24 Revenue Surplus Bonus					0.1
24/25 Revenue Fair Shares Allocation Adjustment					11.2
(1) 2024/25 Operational Capital Envelope					<b>81.9</b>



### 3) Capital Prioritisation

Whilst national capital funding remains constrained, the system is committed to ensuring appropriate investment capital in agreed system priorities that align with its overall vision and strategy, ensure access to funding for the out of hospital sector, and contribute towards delivery of the ICS Green Plan (See Section 9).

To support this, the system has developed a mechanism by which the total operational capital allocation is initially divided into two funding ‘pots’:

- a) **‘retained’ provider funding** - predominately maintenance and replacement of existing infrastructure/equipment to ensure existing services can continue to operate, prioritised and allocated to providers using a risk-based approach.
- b) **System ‘strategic’ priorities** – including schemes that align with strategic priorities, out of hospital investment and delivery of the ICS Green Plan.

Table 3.1: Operational Capital allocation into ‘pots’

National Allocation	2024/25 National Allocation £m	a)‘retained’ provider funding (% share)	b)System ‘strategic’ priorities (% share)	a)‘retained’ provider funding (£m)	b)System ‘strategic’ priorities (£m)	Total
Provider Operational Allocation	66.3	80%	20%	53.1	13.3	66.3
Primary Care Operational Allocation	1.7	100%	-	1.7	-	1.7
Prior year revenue performance allocation	2.5	-	100%	-	2.5	2.5
Prior year revenue surplus bonus	0.1	-	100%	-	0.1	0.1
Revenue Fair Shares Allocation Adjustment	11.2	-	100%	-	11.2	11.2
	<b>81.9</b>			<b>54.7</b>	<b>27.1</b>	<b>81.9</b>
Adjustment after strategic prioritisation				6.9	(6.9)	-
	<b>81.9</b>			<b>61.7</b>	<b>20.2</b>	<b>81.9</b>

#### i. Retained provider funding / business as usual capital allocation (£67.1m)

Due to the limited CDEL budget (circa £70m annually before additional allocations linked to revenue performance), there is not enough capital to fund all capital schemes required by the system. Therefore, it has been agreed that the annual CDEL allocation should be first and foremost allocated for capital investments that address critical risks to the system, rather than for the delivery of strategic ambitions.

Trusts have the autonomy to prioritise their CDEL allocation according to their internal prioritisation processes. Although trusts independently prioritise their needs, all capital plans are shared and reviewed by system finance and estates partners to identify shared opportunities for joint initiatives. Throughout the year, organisations are responsible for managing their own capital plans, adjusting for any delays or new funding opportunities. However, major changes and any emerging risks will be communicated to the wider system partners for oversight.

## ii. System prioritised strategic investments (£17.2m)

In the 2-year capital plan covering 2023/24 and 2024/25, a portion of CDEL was allocated to primary and community care schemes in the absence of any national funding within the current 3-year spending review. This allocation was undertaken by prioritising bids for the highest risk schemes in primary and community care, such as two GP practices in urgent need of relocation.

Additionally, it was agreed to commit £7.5m of CDEL to enable delivery of a new £49.9m Elective Care Centre at Southmead Hospital, which will provide additional capacity for both NBT and UHBW to support each Trust’s elective recovery plans.

Table 3.2: 2024/25 strategic priorities

£m	Avon & Wiltshire Partnership Mental Health Trust	North Bristol Trust	University Hospitals Bristol & Weston NHS Foundation Trust	Bristol, North Somerset and South Gloucestershire ICB	System Total
BNSSG Elective Care Centre			7.5		7.5
Callington Road Redevelopment (BNSSG STP wave 3)	2.8				2.8
Minor Improvement Grants (MIGs)				0.3	0.3
Additional capacity in Connexus PCN				3.0	3.0
New GP facility on Central Weston Rugby Club site				2.6	2.6
New health facility on Central Weston Rugby Club site				1.0	1.0
<b>Total Operational Capital Allocation</b>	<b>2.8</b>	<b>-</b>	<b>7.5</b>	<b>6.9</b>	<b>17.2</b>

## iii. Net Zero sustainability schemes (£3.0m)

It has been agreed to allocate £3m CDEL per year for investment in sustainability schemes which contribute to the goal of reducing carbon emissions, improving local air quality, and staff/patient health. This has been agreed in recognition of the urgency of the threat that climate change poses to the health of our population, and the system’s commitment to a carbon neutrality target of 2030.

The allocation of these funds sits within the Green Plan Steering Group. The priority for this funding is to leverage in additional funding to the system such as government Salix Grants which require bidders to match funding, with the understanding that achieving carbon neutrality across the acutes would cost an estimated £150m which is unaffordable at present. Of the £3m allocated in 2024/25 capital plan, NBT, UHBW, and AWP have already been successful in obtaining Salix grant funding.

Table 3.2: 2024/25 sustainability schemes

£m	Avon & Wiltshire Partnership Mental Health Trust	North Bristol Trust	University Hospitals Bristol & Weston NHS Foundation Trust	Bristol, North Somerset and South Gloucestershire ICB	System Total
Solar PV	0.1				0.1
Heat pumps	0.3	1.0			1.3
Energy efficiency projects		0.9	0.5		1.4
Residences Gas Boiler Replacements			0.2		0.2
<b>Total Operational Capital Allocation</b>	<b>0.4</b>	<b>1.9</b>	<b>0.7</b>	<b>-</b>	<b>3.0</b>

## 4) Capital Planning

Table 4.1: 2024/25 Capital plan by expenditure type

£m	Avon & Wiltshire Partnership Mental Health Trust	North Bristol Trust	University Hospitals Bristol & Weston NHS Foundation Trust	Bristol, North Somerset and South Gloucestershire ICB	System Total
<b>Operational Capital by category (Provider)</b>					
Backlog Maintenance - Significant and high risk (CIR)	-	6.0	4.8		10.8
Routine maintenance (non-backlog) - Land, Buildings and dwellings	9.4	-	8.6		18.0
Equipment - clinical Other	-	-	6.4		6.4
Fire Safety	-	-	2.5		2.5
Fleet, Vehicles & Transport	1.2	-	-		1.2
IT - Cybersecurity, Infrastructure/Networking	-	-	5.3		5.3
IT - Hardware	1.1	-	-		1.1
IT - Other	-	1.6	-		1.6
New Build - Land, buildings and dwellings	-	9.7	-		9.7
New Build - Multiple areas/ Other	-	-	10.9		10.9
New Build - Wards	-	7.5	-		7.5
Other - including investment property	2.6		15.0		17.6
Plant and machinery	-	15.9	-		15.9
Donations	-	(0.5)	(1.9)		(2.4)
PFI capital (IFRIC12)	(1.6)	(1.5)	-		(3.1)
<b>Operational Capital by category (ICB)</b>					
GPIT	-	-	-	1.1	1.1
Other Acquisition	-	-	-	0.3	0.3
Improvement Grant	-	-	-	0.5	0.5
Other Capital Grant	-	-	-	6.7	6.7
<b>Total System Operational Capital</b>	<b>12.8</b>	<b>38.5</b>	<b>51.7</b>	<b>8.5</b>	<b>111.5</b>
<b>National Programmes (PDC Funded)</b>					
Callington Road Redevelopment (BNSSG STP wave 3)	3.0	-	-	-	3.0
BNSSG Elective Care Centre	-	20.4	-	-	20.4
Diagnostic Digital Capability Programme	-	0.3	-	-	0.3
Mental Health	17.6	-	-	-	17.6
<b>Other (technical accounting)</b>					
UK GAAP capital expenditure (residual/reversionary interest)	0.9	14.1	-	-	15.1
<b>Total System CDEL</b>	<b>34.4</b>	<b>73.4</b>	<b>51.7</b>	<b>8.5</b>	<b>168.0</b>



## 5) Overview of ongoing scheme progression

The following tables summarises the key strategic projects currently underway within BNSSG.

Project	Lead Organisation	Stage of Delivery	Status
Central Weston Health Hub	BNSSG ICB	Business Case Approved	Construction to commence Autum 2024
Callington Road	AWP	Construction	Construction commenced and completion due 14/2/25
Learning Disability and Autism Unit	AWP	Construction	Construction commenced and completion due 15/9/25
Elective Care Centre	NBT	Construction	TBC

## 6) Risks and contingencies

The key challenge faced in delivery of the system wide capital programme are managing dynamic programmes within the constraining rules around capital funding within the NHS. Specifically, the requirement for capital budgets to be spent within year and a degree of uncertainty the value of budgets in unconfirmed HMT Comprehensive Spending Review periods make managing multi-year projects where the profiling of spend is likely to change over time a challenge.

To mitigate these issues as best as possible, the BNSSG system has developed close working relationships between partners to jointly manage annual cost pressures and opportunities within budgets and joint governance arrangements to enable dynamic in-year reallocations of budget's to match requirements.

## 7) Business cases in 2024/25

### Thornbury Health Centre

Business Case for new Thornbury Health Centre currently being developed with DHSC STP Wave 4 funding of £14.4m. The proposal is for the existing health centre to be re-provided in a modern purpose build facility that will enable the people of Thornbury to benefit from the full range of General Practice and Primary Care Network services. The new building is intended to be located on the old Thornbury Hospital site adjacent to the existing health centre.

The previous sale of the old Thornbury Hospital site to the local authority South Gloucestershire Council has supported partnership working and wider community benefits, enabling the ICB to redevelop the primary care facility. South Gloucestershire Council are

now confirmed as the development partner and have appointed design team. Currently at RIBA stage 2.

## 8) Cross-system and collaborative working

AWP is the primary provider of healthcare for individuals with serious mental illness, learning disabilities, and autism within both BNSSG ICB and Bath and North East Somerset, Swindon and Wiltshire (BSW) ICB. The AWP CDEL allocation is channelled through BNSSG ICS, however, the total is allocated to AWP sites in both BNSSG and BSW localities, serving the population of both systems.




BNSSGs provide a range of specialised acute services to the population, serving patients from across the South West Region. The ICB will continue to discuss with NHS England the allocation of sufficient capital to meet the true needs of patients, including those accessing specialised services in the BNSSG area.

## 9) Net-zero carbon strategy

ICS partners across the system have been working to embed our ambitious sustainability goals and create a governance structure and delivery plan that sees us working together to achieve our immediate and future goals. This year has seen the publication of the ICS revised Green Plan, setting out our sustainability commitments and outcomes and confirming our aim to be a leader in delivering sustainable healthcare for our region.

All ICS partners have signed up to the Green Plan, aligning our efforts and amplifying our action and outcomes. The ICS has also developed a delivery plan to drive implementation and monitor progress against the Green Plan commitments.

The Green Plan sets out three clear outcomes that we are working towards:

<p><b>Improve the environment</b></p>  <p>We will improve the overall environmental impact and sustainability of our services, especially the damaging local impacts of air pollution. This will create a cleaner, safer, more ecologically sound environment locally and globally, including restoring biodiversity as much as possible</p>	<p><b>Address Net zero carbon targets</b></p>  <p>We particularly recognise the pressing urgency to address our carbon footprint and will reduce the impact of our services on the environment, by achieving net zero carbon across all our emissions, by 2030.</p>	<p><b>Generate a BNSSG-wide movement</b></p>  <p>Our sustainability behaviours, actions and innovations as anchor institutions, will support a cultural change amongst local citizens and businesses, resulting in wider improvements in air quality, biodiversity and quality of the natural environment</p>
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The ICS' organisations have committed to a net zero target of 2030 through the One City Plan and One City Climate Strategy, ahead of the national NHS target of achieving net zero carbon emissions by 2045. This ambitious target is supported by the actions outlined in our Green Plan delivery plan.

Embedding sustainability into decision-making and how we operate as a system is core to meeting the aims and objectives of our ICS, delivering a sustainable health and care system and the long-term health of our population. In developing our ICS, we aim to deliver a truly sustainable health and care system that will bring multiple mutually reinforcing benefits.

## 10) System CDEL

£m	Avon & Wiltshire Partnership Mental Health Trust	North Bristol Trust	University Hospitals Bristol & Weston NHS Foundation Trust	Bristol, North Somerset and South Gloucestershire ICB	System Total
<b>2024/25 Operational Capital Envelope</b>					
Provider	9.0	27.7	36.7		<b>73.3</b>
ICB				8.5	<b>8.5</b>
<b>Total System Operational Capital</b>	<b>9.0</b>	<b>27.7</b>	<b>36.7</b>	<b>8.5</b>	<b>81.9</b>
<b>Impact of IFRS16</b>					
Provider	3.8	10.9	15.0		<b>29.7</b>
ICB				-	<b>-</b>
<b>Sustainability and Transformation Partnership (STP)/ Upgrades Programme</b>					
STP Wave 3	3.0	-	-	-	<b>3.0</b>
<b>National Programmes (PDC Funded)</b>					
Elective Recovery/Targeted Investment Fund	-	20.4	-	-	<b>20.4</b>
Diagnostic Digital Capability Programme	-	0.3	-	-	<b>0.3</b>
Mental Health	17.6	-	-	-	<b>17.6</b>
<b>Other (technical accounting)</b>					
UK GAAP capital expenditure (residual/reversionary interest)	0.9	14.1			<b>15.1</b>
<b>Total System CDEL</b>	<b>34.4</b>	<b>73.4</b>	<b>51.7</b>	<b>8.5</b>	<b>168.0</b>