

BNSSG ICB Board Meeting

Date: Thursday 1st May 2025

Time: 12.45 – 15.35

Location: MS Teams

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| Agenda Number: | 9.1 |
| Title: | Financial Performance – March 2025 (Month 12) |
| Purpose: For Information | |
| Key Points for Discussion: | |
| <p>The assurance report covers:</p> <ol style="list-style-type: none"> 1. ICB Finance Report – ICB level budgets, statutory duty to breakeven, and ICB savings 2. System Finance Report – overall NHS sector of ICS, key performance metrics of System Oversight Framework and statutory duty to breakeven in year. <p>ICB Finance</p> <ul style="list-style-type: none"> • Financial performance: At month 12 the ICB is reporting a year-to-date breakeven position (breakeven in month 11). However, there have been a number of changes at the programme area level, as all risks and mitigations are crystalised at year end: <ul style="list-style-type: none"> ○ Acute position deteriorating by £4.5m predominately driven by further deficit support funding (of which £2.7m came from a reduction in AWP) as well as a reduction in allocation for cancer services of £0.8m which was previously reported as an underspend; offset by ○ Community improvement of £1.5m relating to recharges to local authority relating to P3 beds which had previously been held as a mitigation. ○ Improvement in reserves of £2.5m ○ Mental health has remained consistent overall but there are a further £2.8m of costs in placements and ADHD/autism assessment offsetting the further reduction in deficit support to AWP. • Financial Duties: The in-month assessment of delivery against the ICB's financial duties are that all have been met (maintain expenditure within the revenue limit, running costs and better payment practice code, capital expenditure and cash limit). <p>System Finance</p> <ul style="list-style-type: none"> • Revenue YTD: The ICS is reporting a year-to-date surplus of £0.2m (£3.7m improvement over prior month). Notwithstanding the above we have seen material | |

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| <p>shortfalls in recurrent savings offset by non-recurrent actions. Providers have reported capital spend within envelope on a collective basis</p> <ul style="list-style-type: none"> • Capital expenditure: outside of IFRS16, provider expenditure in line with allocation | |
| Recommendations: | To note the year-to-date financial position and the emerging risks and mitigations. |
| Previously Considered By and feedback: | ICB Finance report – summary to ICB Extended Leadership Team System Finance Report – System DoF's Group. |
| Management of Declared Interest: | Declarations of interest stated in meeting and recorded in Committee minutes. |
| Risk and Assurance: | In the current month the system reported a year-to-date breakeven. |
| Financial / Resource Implications: | This paper presents the financial position of NHS Bristol, North Somerset and South Gloucestershire ICB and ICS. The financial performance of the system is monitored via the Performance and Recovery Board where local and national escalation processes will be applied to system partners as appropriate. |
| 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 ICS are required to breakeven on a cumulative basis for the financial year 2024/25. If the system finance was to report an adverse forecast outturn to plan, then NHS England may enact additional financial controls |
| 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 Equality & diversity | 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 in relation to the Protected Characteristics. |
| Patient and Public Involvement: | BNSSG ICB has given a firm commitment that where annual operating plan and savings & transformation projects look to deliver services in a different way specific patient and public involvement programmes will be carried out to ensure direct involvement. |

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| Communications and Engagement: | <p>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 NHSE to review performance throughout the year.</p> <p>Planning, Savings and Transformation project leads are working with communication 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.</p> |
| Author(s): | <p>Matt Backler, Operational Director of Finance</p> <p>Matt Barz, Financial Projects and Planning Accountant</p> <p>Nick Tippet, Head of Management Accounts</p> |
| Sponsoring Director / Clinical Lead / Lay Member: | <p>Sarah Truelove, Deputy Chief Executive and Chief Finance Officer</p> |

Agenda item: 9.1

Report title: ICB Finance Report

Report on the financial performance for March 2025 (M12 – 2024/25)

1. Executive Summary

At month 12 the ICB is reporting a year-to-date breakeven position (*breakeven in month 11*). However, there have been a number of changes at the programme area level as all risks and mitigations are crystalised at year end:

- Acute position deteriorating by £4.5m predominately driven by further deficit support funding (of which £2.7m came from a reduction in AWP) as well as a reduction in allocation for cancer services of £0.8m which was previously reported as an underspend; offset by
- Community improvement of £1.5m relating to recharges to local authority relating to P3 beds which had previously been held as a mitigation.
- Improvement in reserves of £2.5m
- Mental health has remained consistent overall but there are a further £2.8m of costs in placements and ADHD/autism assessment offsetting the further reduction in deficit support to AWP.

The ICS is reporting a year-to-date surplus of £0.2m (£3.7m improvement over prior month). Notwithstanding the above we have seen material shortfalls in recurrent savings offset by non-recurrent actions. Providers have reported capital spend within envelope on a collective basis.

2. Risks and mitigations

The risks previously described were relating to achieving the 24/25 plan, as we have now reached year end this are no longer directly relevant and as such have been closed. A new set of risks relating to 25/26 have been identified (set out in the budget paper) and will be monitored throughout the year.

3. Financial duties and financial performance metrics

The in-month assessment of delivery against the ICB's financial duties are that all have been met.

| Duty | RAG | Position |
|---|-----|--|
| Maintain expenditure within the revenue resource limit (Section 5) | G | Breakeven position achieved |
| Ensure running costs are within the running cost resource limit. (Section 5) | G | Running costs have delivered within allocation |

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| Maintain capital expenditure within the delegated limit (Section 7) | G | Capital expenditure has been delivered within allocation |
| Maintain expenditure within the allocated cash limit (Section 8) | G | At the year end, the ICB's cash utilisation was behind plan by 0.23% (£5.5m). The main reason for not drawing down the total cash available in year was the late notice of an additional 12 allocation of £3.5m, meaning that it could not be cash transacted in year. A further late allocation was received in April of £1.4m, which also could not be cash transacted. |
| 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 continues to meet the target. |

4. Revenue allocation

Annual allocation has increased by £4.9m in month to £2,358.2m. This primarily related to support funding received for acute trusts.

| Programme Area | Confirmed Initial ICB allocation £m | Prior Months Allocation Changes £m | Adjustments in Month | | Baseline Allocation at 31-Mar-25 £m |
|---------------------------------|--|---------------------------------------|-----------------------------|----------------------------|--|
| | | | SDF/Other allocations £m | Internal Budget adjs £m | |
| Acute Contracts | 1,090.937 | 84.049 | 4.811 | - | 1,179.797 |
| Mental Health | 220.492 | 5.871 | - | - | 226.363 |
| Community Services | 223.013 | 20.594 | - | 0.200 | 243.806 |
| Delegated Primary Care | 269.848 | 20.724 | 0.186 | - | 290.758 |
| Medicines Management | 163.374 | 0.112 | - | - | 163.486 |
| Primary Care | 34.965 | 4.317 | 0.355 | - | 39.637 |
| Funded Care | 130.812 | 0.174 | - | - | 130.986 |
| Childrens Services | 44.154 | 2.782 | - | - | 46.937 |
| Support costs | 8.279 | 4.878 | 0.159 | 0.764 | 14.080 |
| Reserves | (15.689) | 22.149 | (0.662) | (0.964) | 4.834 |
| Commissioning Budget | 2,170.185 | 165.649 | 4.849 | - | 2,340.683 |
| Running Costs | 15.528 | 2.008 | - | - | 17.536 |
| Total Allocation 2024-25 | 2,185.713 | 167.657 | 4.849 | - | 2,358.219 |

5. Financial position March 2025 (Month 12)

At month 12 the ICB is reporting a year-to-date and forecast breakeven position.

| 2024/25 March 2025 - Month 12 | Year To Date Budget | Year To Date Expenditure | Year To Date Variance | | Appendix Ref |
|------------------------------------|------------------------|-----------------------------|--------------------------|---|-----------------|
| Programme Area | £m | £m | £m | | |
| Acute | 1,179.797 | 1,194.389 | (14.593) | ● | A1 |
| Mental Health | 226.363 | 226.296 | 0.068 | ● | A2 |
| Community | 243.806 | 243.894 | (0.088) | ● | A3 |
| Delegated Primary Care | 290.758 | 288.485 | 2.273 | ● | A5/A6 |
| Medicines Management | 163.486 | 160.716 | 2.770 | ● | A7 |
| Primary Care | 39.637 | 39.263 | 0.375 | ● | A4 |
| Funded Care | 130.986 | 139.299 | (8.313) | ● | A8 |
| Childrens | 46.937 | 47.001 | (0.064) | ● | A9 |
| Support Costs | 14.080 | 13.069 | 1.011 | ● | A10 |
| Reserves | 4.834 | (11.730) | 16.563 | ● | - |
| Running Costs | 17.536 | 17.512 | 0.024 | ● | A11 |
| BNSSG ICB Surplus/(Deficit) | 2,358.219 | 2,358.194 | 0.026 | | |
| <u>Provider Surplus/Deficit</u> | | | | | |
| AWP | - | 0.107 | 0.107 | | |
| NBT | - | 0.030 | 0.030 | | |
| UHBW | - | 0.042 | 0.042 | | |
| Provider Surplus/(Deficit) | - | 0.179 | 0.179 | | |
| ICS Position | 2,358.219 | 2,358.015 | 0.205 | | |

Although the year-to-date position is reporting a breakeven position there continues to be overspends over £1m in the acute (£14.6m) and funded care (£8.3m). The adverse variances are offset by over delivery of savings within medicines management (£2.8m), primary care £2.3m, slippage on investments and release of provisions and reserves (combined £16.6m).

In general, the main themes are consistent with reporting at M11 (and prior) and as such have not been set out in full detail as the position is now closed. However, major movements in M11 FOT compared to final position are:

- Acute position deteriorating by £4.5m predominately driven by further deficit support funding (of which £2.7m came from a reduction in AWP) as well as a reduction in allocation for cancer services of £0.8m which was previously reported as an underspend; offset by
- Community improvement of £1.5m relating to recharges to local authority relating to P3 beds which had previously been held as a mitigation.
- Improvement in reserves of £2.5m
- Mental health has remained consistent overall but there are a further £2.8m of costs in placements and ADHD/autism assessment offsetting the further reduction in deficit support to AWP.

System position

The ICS is reporting a year-to-date surplus of £0.2m (£3.7m improvement over prior month). Notwithstanding the above we have seen material shortfalls in recurrent

savings offset by non-recurrent actions. Providers have reported capital spend within envelope on a collective basis.

Payroll overview

Included in the financial position are the pay costs, as summarised below. The funded establishment underspent by £0.30m and the pay costs funded from other sources overspent by £0.20m generating a net underspend variance of £0.10m (£0.43m over on admin costs and £0.53m under on programme).

| Source of funds | Admin/ Programme | YTD funding £m | YTD spend £m | YTD variance £m |
|-----------------------------------|---------------------|-------------------|-----------------|--------------------|
| Funded Establishment | Admin | 11.485 | 11.772 | (0.287) |
| | Programme | 11.607 | 11.019 | 0.588 |
| Total funded Establishment | | 23.091 | 22.790 | 0.301 |
| Other Funding source | Admin | 1.670 | 1.812 | (0.142) |
| | Programme | 2.229 | 2.291 | (0.062) |
| Total Other funded posts | | 3.900 | 4.104 | (0.204) |
| Grand total | | 26.991 | 26.894 | 0.097 |

| | | YTD funding £m | YTD spend £m | YTD variance £m |
|--------------------|-----------|-------------------|-----------------|--------------------|
| Analysed by | Admin | 13.155 | 13.584 | (0.429) |
| | Programme | 13.836 | 13.310 | 0.526 |
| Grand total | | 26.991 | 26.894 | 0.097 |

6. Efficiencies

The total ICB savings plan is £33.0m per the planning submission. Within the total savings target there is £11.4m 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 12 | YTD planned net saving £ms | YTD actual net saving £ms | YTD Variance £ms |
|---|----------------------------------|---------------------------------|------------------------|
| ICB savings plan | | | |
| Running Costs/Support costs | 3.0 | 3.0 | - |
| Funded Care | 6.5 | 5.5 | (0.9) |
| Medicine Optimisation | 5.3 | 9.6 | 4.4 |
| Transformation Savings | 2.6 | 1.6 | (1.0) |
| Contract savings | 4.2 | 4.2 | - |
| Total ICB savings plan | 21.6 | 24.0 | 2.4 |
| Commissioning efficiencies | | | |
| NHS Providers inside system | 10.6 | 10.6 | - |
| NHS Providers outside of system | 0.8 | 0.8 | - |
| ICB Total Savings (per submission) | 33.0 | 35.4 | 2.4 |

At month 12 the ICB efficiency delivery was £35.4m against a plan of £33.0m:

- Running costs have delivered in line with plan.
- The medicine optimisation schemes continue to over deliver year to date (£4.4m) and forecast due to additional savings on direct oral anticoagulants (Apixaban).
- Funded care savings are £5.5m which is £0.9m behind plan
- Transformation savings are behind plan by £1.0m.

7. Capital allocation

The ICB's total capital expected allocation is £25.9m (; £1.7m recurring allocation, £6.9m 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 £17.4m for national schemes £3m for Central Weston and £14.4m for Thornbury Health Centre (noting Thornbury will be transacted directly by NHSE and will not therefore show on the ICB allocation but is reflected here for completeness).

| 2024/25 Schemes | Asset Owner | Capital Allocation £m | Planning Virement | Capital Allocation £m |
|--|-----------------|-----------------------------|----------------------|-----------------------------|
| Minor Improvement Grant (MIG) | NHS England | 0.331 | - | 0.331 |
| MIG Equipping | NHS England | 0.038 | - | 0.038 |
| 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 | - | 1.661 |
| System prioritisation schemes | | | | |
| Additional MIG | NHS England | 0.300 | (0.300) | - |
| Central Weston | GP | 2.580 | - | 2.580 |
| Central Weston | Sirona | 1.000 | 1.500 | 2.500 |
| Thornbury (system contribution) | Local Authority | - | 1.800 | 1.800 |
| Connexus PCN | GP | 3.000 | (3.000) | - |
| Total system prioritisation | | 6.880 | - | 6.880 |
| Other Capital Sources | | | | |
| Wave 4 STP - Thornbury | Local Authority | 1.123 | 13.277 | 14.400 |
| Wave 4 STP - Central Weston | Tbc | - | 2.985 | 2.985 |
| Total other capital sources | | 1.123 | 16.262 | 17.385 |
| Total ICB capital allocation (excl. IFRS16) | | 9.664 | 16.262 | 25.926 |

We are please to report that all transactions completed prior to year end as planned.

8. Statement of Financial Position

The draft closing net asset position of the ICB is £114.8m, a year-to-date movement of £6.7m which primarily represents:

- a decrease in debtors of £16.1m (noting that the debtors position at March 24 was unusually high).
- this is offset by a reduction in creditors of £3m and a release of provisions of £5.9m.
- the release in provisions was £8.1m last month. The in-month movement was caused by a new provision created in month to cover the potential settlement of our patient transport procurement challenge.

| Statement of Financial Position | Balance 31/03/2024 £m | Balance 31/03/2025 £m | Movement £m |
|---------------------------------------|-----------------------------|-----------------------------|-----------------|
| Total Non Current Assets | 3.024 | 3.101 | 0.078 |
| <u>Current Assets</u> | | | |
| Cash & Cash Equivalents | 0.174 | 0.377 | 0.203 |
| Current Trade And Other Receivables | 40.608 | 24.473 | (16.135) |
| <i>Total Current Assets</i> | <i>40.781</i> | <i>24.850</i> | <i>(15.931)</i> |
| Total Assets | 43.805 | 27.952 | (15.853) |
| <u>Current Liabilities</u> | | | |
| Payables | (141.065) | (137.919) | 3.146 |
| Lease Liability | (2.595) | (2.445) | 0.150 |
| Provisions | (8.280) | (2.429) | 5.852 |
| <i>Total Current Liabilities</i> | <i>(151.941)</i> | <i>(142.793)</i> | <i>9.148</i> |
| Total Net Assets/(Liabilities) | (108.136) | (114.841) | (6.706) |
| <u>Taxpayers Equity</u> | | | |
| I&E Reserve - General Fund | (108.136) | (114.841) | (6.706) |
| Total Taxpayer Equity | (108.136) | (114.841) | (6.706) |

NHSE monitor the ICB on the closing cash at bank balance compared to 1.25% of monthly drawdown, which for month 12 equated to £2.4m. The ICB hit this target, with a closing cash at bank balance of £0.4m. The cash in ledger position shown above matched the cash at bank balance.

At the year end, the ICB's cash utilisation was behind plan by 0.23% (£5.5m). The main reason for not drawing down the total cash available in year was the late notice of an additional 12 allocation of £3.5m, meaning that it could not be cash transacted in year. A further late allocation was received in April of £1.4m, which also could not be cash transacted.

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 met the BPPC target in 2024/25 for all NHS and Non-NHS invoices, as set out below. This is despite an increase in the average number of invoices paid in month to 2,700 (compared to a historic average of 2,600 invoices paid per month).

| Type | In month | Number | £m |
|---------|-----------------------------------|---------------|---------------|
| NHS | Total bills paid in month | 73 | 126.272 |
| | Total bills paid within target | 71 | 126.176 |
| | % bills paid within target | 97.26% | 99.92% |
| Non NHS | Total bills paid in month | 2,922 | 78.330 |
| | Total bills paid within target | 2,898 | 77.625 |
| | % bills paid within target | 99.18% | 99.10% |

| Type | Year to date | Number | £m |
|---------|-----------------------------------|---------------|---------------|
| NHS | Total bills paid in year | 1,265 | 1,324.977 |
| | Total bills paid within target | 1,230 | 1,322.719 |
| | % bills paid within target | 97.23% | 99.83% |
| Non NHS | Total bills paid in year | 31,747 | 857.922 |
| | Total bills paid within target | 31,457 | 848.106 |
| | % bills paid within target | 99.09% | 98.86% |

10. Recommendations

The committee are asked to note the financial position as of month 12.

Appendix 1 – Analysis of spend within programme areas

A1 – Acute

| Acute Services | YTD Budget | YTD Expenditure | YTD Variance | |
|--|------------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| University Hospitals Bristol and Weston NHS FT | 513.494 | 523.736 | (10.241) | ● |
| North Bristol NHS Trust | 498.171 | 502.994 | (4.823) | ● |
| South Western Ambulance Service NHS FT | 57.679 | 60.664 | (2.985) | ● |
| Independent Sector Treatment Centres | 45.979 | 47.417 | (1.438) | ● |
| Other Local Provider contracts (RUH, Glos, Somerset) | 18.499 | 18.812 | (0.313) | ● |
| Low Volume Activity | 8.371 | 8.408 | (0.037) | ● |
| Non Contracted Activity | 0.920 | 1.971 | (1.051) | ● |
| Other Acute Spend (incl SWAG cancer) | 36.682 | 30.387 | 6.295 | ● |
| Grand Total | 1,179.797 | 1,194.389 | (14.593) | |

A2 - Mental Health

| Mental Health & Learning Disabilities | YTD Budget | YTD Expenditure | YTD Variance | |
|---|----------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| MH - AWP Core Contract | 150.023 | 143.373 | 6.650 | ● |
| Mental Health Placements | 22.090 | 25.756 | (3.666) | ● |
| Learning Disability and Autism | 10.036 | 12.138 | (2.103) | ● |
| Mental Health Community | 5.463 | 6.443 | (0.980) | ● |
| Improved Access to Psychological Therapies (IAPT) | 12.505 | 12.386 | 0.119 | ● |
| Dementia | 6.077 | 5.935 | 0.142 | ● |
| Crisis Services | 3.970 | 3.571 | 0.398 | ● |
| ADHD | 2.889 | 5.472 | (2.584) | ● |
| Mental Health Low Volume Activity | 0.905 | 0.921 | (0.016) | ● |
| Mental Health SDF | 11.657 | 9.608 | 2.049 | ● |
| MH - S12 Doctors Private Sector | 0.750 | 0.693 | 0.057 | ● |
| Grand Total | 226.363 | 226.296 | 0.068 | |

A3 – Community

| Community | YTD Budget | YTD Expenditure | YTD Variance | |
|----------------------------------|----------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| Adult Community Contract | 161.369 | 161.089 | 0.280 | ● |
| Joint Commissioned | 33.187 | 33.187 | - | ● |
| Discharge to Assess Services | 10.883 | 12.930 | (2.048) | ● |
| Joint Commissioned D2A | 2.475 | 2.475 | - | ● |
| Patient Transport Services (PTS) | 6.618 | 6.939 | (0.321) | ● |
| Community Equipment | 7.010 | 7.336 | (0.326) | ● |
| Hospices | 4.359 | 4.263 | 0.096 | ● |
| BIRU | 3.440 | 3.692 | (0.253) | ● |
| In-Year Investments | 2.662 | 1.263 | 1.399 | ● |
| Anticipatory Care | 3.385 | 2.377 | 1.008 | ● |
| Health Inequalities | 1.775 | 1.350 | 0.425 | ● |
| Prevention Fund | 1.362 | 1.034 | 0.329 | ● |
| Other Community | 5.281 | 5.958 | (0.677) | ● |
| Grand Total | 243.806 | 243.894 | (0.088) | |

A4 – Primary Care

| Primary Care | YTD Budget | YTD Expenditure | YTD Variance | |
|-------------------------|---------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| NHS 111/Out of Hours | 19.650 | 19.841 | (0.191) | ● |
| Local Enhanced Services | 7.756 | 7.901 | (0.145) | ● |
| GP Forward View | 5.405 | 5.405 | - | ● |
| Other Primary Care | 6.827 | 6.116 | 0.711 | ● |
| Grand Total | 39.637 | 39.263 | 0.375 | |

A5 – Primary Care Delegated

| Delegated Primary Care | YTD Budget | YTD Expenditure | YTD Variance | |
|------------------------------------|----------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| GMS/PMS/APMS Contracts | 115.312 | 114.819 | 0.493 | ● |
| Primary Care Networks DES | 43.366 | 43.362 | 0.003 | ● |
| Premises Costs | 17.082 | 16.299 | 0.783 | ● |
| Quality Outcomes Framework (QOF) | 14.902 | 14.902 | - | ● |
| Locum Reimbursement Cost | 2.350 | 2.343 | 0.007 | ● |
| Other GP Services | 2.110 | 2.217 | (0.107) | ● |
| Prescribing & Dispensing Fees | 1.562 | 1.562 | - | ● |
| Designated Enhanced Services (DES) | 1.481 | 1.482 | (0.001) | ● |
| Delegated Primary Care Reserve | -0.583 | 0.549 | (1.132) | ● |
| Grand Total | 197.582 | 197.535 | 0.047 | |

A6 – Primary Care Delegated POD

| Pharmacy, Ophthalmology and Dental (POD) delegation | YTD Budget | YTD Expenditure | YTD Variance | |
|--|---------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| Delegated Pharmacy | 22.900 | 20.795 | 2.105 | ● |
| Delegated Primary Dental | 36.638 | 36.867 | (0.229) | ● |
| Delegated Secondary Dental | 21.486 | 21.894 | (0.408) | ● |
| Delegated Community Dental | 2.859 | 2.805 | 0.054 | ● |
| Delegated Primary Care IT | 0.406 | 0.027 | 0.378 | ● |
| Delegated Ophthalmic | 8.887 | 8.561 | 0.326 | ● |
| Delegated Property costs | 0.000 | 0.000 | - | ● |
| Grand Total | 93.176 | 90.950 | 2.226 | |

A7 – Medicines Management

| Medicines Management | YTD Budget | YTD Expenditure | YTD Variance | |
|----------------------------------|----------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| Prescribing | 161.490 | 158.798 | 2.692 | ● |
| Medicines Management staff costs | 1.996 | 1.919 | 0.077 | ● |
| Grand Total | 163.486 | 160.716 | 2.770 | |

A8 – Funded Care

| Funded Care | YTD Budget | YTD Expenditure | YTD Variance | |
|----------------------------|----------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| Adult Fully Funded CHC | 61.466 | 66.747 | (5.281) | ● |
| Adult Fully Funded PHB | 11.000 | 11.207 | (0.207) | ● |
| Adult Joint Funded | 0.730 | 0.736 | (0.006) | ● |
| CHC Assessment and Support | 0.542 | 0.779 | (0.236) | ● |
| Funded Care Pay | 5.237 | 4.848 | 0.389 | ● |
| Children's CHC | 4.214 | 3.345 | 0.869 | ● |
| Children's PHB | 0.665 | 0.024 | 0.641 | ● |
| Fast Track | 17.228 | 20.091 | (2.863) | ● |
| FNC | 29.903 | 31.521 | (1.618) | ● |
| Grand Total | 130.986 | 139.299 | (8.313) | |

A9 – Children's Services

| Children's Services | YTD Budget | YTD Expenditure | YTD Variance | |
|--|---------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| CCHP Contract | 18.962 | 18.866 | 0.096 | ● |
| Child & Adolescent Mental Health (CAMHS) | 15.961 | 15.996 | (0.035) | ● |
| Childrens SDF | 6.858 | 6.617 | 0.241 | ● |
| Other | 5.156 | 5.522 | (0.366) | ● |
| Grand Total | 46.937 | 47.001 | (0.064) | |

A10 – Support Costs

| Support Costs | YTD Budget | YTD Expenditure | YTD Variance | |
|--------------------------|---------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| Chief Medical Office | 1.251 | 1.318 | (0.067) | ● |
| Chief Nursing Office | 2.405 | 2.367 | 0.038 | ● |
| Estates | 2.566 | 3.144 | (0.578) | ● |
| Other Support Costs | 0.483 | 0.889 | (0.406) | ● |
| Performance and Delivery | 1.003 | 0.972 | 0.032 | ● |
| Projects | 6.090 | 4.091 | 1.999 | ● |
| R&D Team | 0.282 | 0.288 | (0.006) | ● |
| Grand Total | 14.080 | 13.069 | 1.011 | |

A11 – Running Costs

| Running Cost | YTD Budget | YTD Expenditure | YTD Variance | |
|--|---------------|--------------------|-----------------|---|
| | £m | £m | £m | |
| Business, Strategy and Planning Directorate | 6.314 | 5.941 | 0.374 | ● |
| Chief Medical Office | 0.595 | 0.570 | 0.025 | ● |
| Chief Nursing Office | 0.050 | 0.024 | 0.026 | ● |
| Intelligence, Transformation and Digital Directorate | 4.415 | 4.471 | (0.056) | ● |
| Office of the Chair & Chief Executive | 3.218 | 3.391 | (0.173) | ● |
| People Directorate | 0.989 | 1.050 | (0.061) | ● |
| Performance & Delivery Directorate | 1.954 | 2.065 | (0.110) | ● |
| Grand Total | 17.536 | 17.512 | 0.024 | |

Finance, Estates and Digital Committee (**OPEN Session**)

Minutes of the meeting held on Thursday 27th February 2025, 09:00 – 12:00, via Microsoft Teams

| Present | | Initials |
|----------------------|---|-----------------|
| Steve West | Finance, Estates and Digital Committee – Chair | SW |
| Deborah El-Sayed | Chief Transformation and Digital Information Officer, BNSSG ICB | DES |
| John Cappock | Non-Executive Director, BNSSG ICB | JC |
| Sarah Truelove | Deputy CEO & Chief Finance Officer, BNSSG ICB | SaT |
| Joanne Medhurst | Chief Medical Officer, BNSSG ICB | JM |
| Brian Stables | Non-executive Director, AWP | BS |
| Richard Gaunt | Non-executive Director, NBT | RG |
| In attendance | | |
| Matt Backler | Operational Director of Finance, BNSSG ICB | MB |
| Rob Ayerst | Associate Chief Finance Officer, BNSSG ICB | RA |
| Seb Habibi | Deputy Chief Transformation and Digital Officer, BNSSG ICB | SH |
| Kerrie Darvill | Intelligence Centre Programme Director, BNSSG ICB | KD |
| Sabrina Smithson | Executive PA - Note taker/admin, BNSSG ICB | SS |

| | | Action |
|------------|---|---------------|
| 1 | Welcome and Apologies Apologies were received from Martin Sykes - UHBW, Christina Gray - PHE | |
| 2 | Declarations of Interest No interest was declared. | |
| 3 | Minutes of the Previous meeting The minutes from the previous meeting were reviewed and approved. | |
| 4 | Actions from previous meetings and matters arising The action log was reviewed and updated accordingly. | |
| 5 | Items for Discussion | |
| 5.1 | <p>Impact of 25/26 allocation and planning guidance on MTFP and implications</p> <ul style="list-style-type: none"> Elective Recovery Funding: change of rules and suggested strategic approach <p>MB highlighted a substantial deficit of £68 million across all providers, driven by various pressures including non-elective services and high-cost drugs and devices. The ICB itself is facing a £15 million deficit, largely due to activity pressures outside of their control.</p> <p>SW acknowledged the tough financial situation and stressed the need for hard work to address these challenges. He also underscored the importance of having robust savings plans and ensuring that these plans are ready to go at the start of the year.</p> <p>RG pointed out the difficulty in achieving recurrent savings and the impact of pressures such as no criteria to reside on acute services. He expressed concerns about the ability to achieve the savings targets and the need for non-recurrent savings to fill the gap.</p> <p>BS raised an observation about the underachievement of recurrent savings last year and questioned the feasibility of achieving the current savings targets. SaT responded by highlighting the need for arrangements within trusts for delivering savings plans and the importance of executive teams being focused on solutions. She also noted the significant step up in savings delivery seen at Avon Wiltshire Partnership (AWP) and the need for similar improvements across other trusts.</p> | |

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| | <p>DES discussed the need for transformation and improvement in services, emphasizing the importance of engaging clinicians in this process. She pointed out that transformation is not just about money but about doing things differently to improve efficiency and outcomes. JM echoed this sentiment, stressing the need for clinical leaders to understand the financial challenges and the importance of making difficult decisions to achieve savings.</p> <p>JC raised concerns about the alignment of contracts with Commissioners outside of BNSSG and the risks associated with this. MB responded by explaining that the main gap is with spec Comm and that the risk with other ICB contracts is lower. He also mentioned efforts to work with other ICBs to speed up the process of providing envelopes.</p> | |
| 5.2 | <p>Programme of Deep Dives</p> <ul style="list-style-type: none"> - Summary of Savings Plans for 25/26 <p>MB provided an overview of the financial report, noting a discrepancy in the total savings figures due to timing and alignment issues with funded care. He explained that while the report shows £29 million, the actual savings are £33 million, with £10 million attributed to funded care. Key areas of savings include meds optimization (£6.4 million), High-cost drugs (£2.2 million), Funded Care (£10.4 million), Running Costs (£1.1 million), and Digital Investments (£3.3 million).</p> <p>SW and JC discussed the importance of scrutinising and overseeing providers, with plans for deep dives into each organisation starting in April or May. SaT confirmed that these deep dives are part of the agenda and mentioned the continuation of Executive Team meetings and Performance Recovery Board.</p> | |
| 5.3 | <p>Capital 25/26 – allocation and approach</p> <p>RA provided an update on the capital allocations for 2025-2026, explaining that the process this year is slightly different. The capital allocation is divided into two streams: the normal core allocation and a significant amount of national funding allocated upfront. The core allocation is £88 million, slightly less than the previous year due to a change in methodology.</p> <p>The national funding includes five main streams:</p> <ol style="list-style-type: none"> 1. £27 million for critical infrastructure risk. 2. £24.5 million to support the return to delivering constitutional standards, split between diagnostics, urgent emergency care, and elective care. 3. Funding for hospitals part of the national program for the eradication of RAP, specifically Bristol Eye Hospital. 4. £1.8 million for primary care utilisation and modernisation. <p>The system has already submitted an initial list of schemes for these funding streams and is awaiting feedback. The process involves prioritising schemes based on strategic system priorities and ensuring they are affordable and deliverable within the 2025-2026 timeframe.</p> <p>SW acknowledged the challenges of the process but emphasised that the system is well-prepared to respond quickly due to the established capital prioritisation process.</p> | |
| 5.4 | <p>Review forward work programme</p> <p>SaT discussed the program of deep dives, taking a risk-based approach and scheduling them over the next few months. The plan includes reviewing the infrastructure strategy and delivery, as well as understanding how resources are being spent, with a focus on addressing inequalities.</p> <p>SW stressed the importance of maintaining flexibility in the work programme to move things around based on urgency and readiness.</p> | |

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| | <p>JM highlighted the need to discuss financial mechanisms that enable shifts from hospital to community care and the prevention agenda. She suggested that having a framework for these mechanisms would be useful as a change catalyst. SaT acknowledged the importance of integrating this work into the "Healthier Together 2040" strategy and planning it for later in the year.</p> <p>SW concluded by stating that the work programme should remain iterative, allowing for adjustments.</p> | |
| 6 | Finance Report | |
| 6.1 | <p>M10 NHS System Revenue & Capital Finance Report</p> <p>MB mentioned that the system is now confident in achieving a break-even position by the year-end, supported by improvements in the acute sector and additional funding expected from the ERF. He also noted that the Thornbury case is expected to be approved later that day.</p> <p>SW expressed gratitude to the team for their efforts and accentuated the importance of recognising the system's ability to work together effectively. He highlighted that achieving both provider and ICB targets required significant effort and should give confidence for the next year.</p> <p>SaT reiterated the importance of the system working effectively together and learning from each year to continue delivering results. She re-iterated the need for broader ownership and collaboration to achieve future success. SW agreed and suggested injecting this positive outlook into the board to maintain confidence and motivation.</p> | |
| 7 | Items to Note | |
| 7.1 | <p>System DoFs Group</p> <p>SaT reported the DoF Group highlights were raised/discussed throughout the FED committee.</p> | |
| 7.2 | <p>System Estates Steering Group</p> <p>SaT provided an update on various capital projects currently underway. She highlighted two key projects: the Central Weston project, which has been signed off but still faces challenges in finalising the deal with investors, and the Broadmead Health Centre replacement, which has successfully secured £1.4 million in section 106 funding.</p> <p>SW acknowledged the progress and emphasised the importance of maximising resources coming into the system to improve infrastructure, particularly in primary care. He also noted that the hard work put in at the beginning to get everyone to work together is paying off.</p> | |
| | <p>Key Messages/Chair Conclusion:</p> <ul style="list-style-type: none"> - The team has demonstrated remarkable productivity and efficiency, achieving significant progress. A message will be sent up the line to acknowledge the accomplishments. There are a few items that will require further attention, including the digital piece and offline work at the centre. - Congratulations to everyone for their tremendous effort in delivering assurances for the financial year. When presenting to the board, it's crucial to maintain a positive outlook on the possibilities rather than focusing on the difficulties. This approach will facilitate progress. - We await the final decision from NHSE, even if there are changes. - Congratulations again to SaT in new job role. | |

Finance, Estates and Digital Committee (OPEN Session)

Minutes of the meeting held on Thursday 27th March 2025, 09:00 – 12:00, via Microsoft Teams

| Present | | Initials |
|------------------|---|----------|
| Steve West | Finance, Estates and Digital Committee – Chair | SW |
| Deborah El-Sayed | Chief Transformation and Digital Information Officer, BNSSG ICB | DES |
| John Cappock | Non-Executive Director, BNSSG ICB | JC |
| Sarah Truelove | Deputy CEO & Chief Finance Officer, BNSSG ICB | SaT |
| Shane Devlin | Chief Executive Officer – ICB | SD |
| In attendance | | |
| Matt Backler | Operational Director of Finance, BNSSG ICB | MB |
| Sabrina Smithson | Executive PA - Note taker/admin, BNSSG ICB | SS |

| | | Action |
|-----|--|--------|
| 1 | Welcome and Apologies Apologies were received from Martin Sykes - UHBW, Christina Gray – PHE, Joanne Medhurst – ICB, Richard Gaunt – NBT. | |
| 2 | Declarations of Interest No interest was declared. | |
| 3 | Minutes of the Previous meeting The minutes from the previous meeting were reviewed and approved. | |
| 4 | Actions from previous meetings and matters arising The action log was reviewed and updated accordingly. | |
| 5 | Items for Approval | |
| 5.1 | Forward Planner SW discussed the forward planner, highlighting the need for flexibility due to ongoing announcements. DES provided updates on the digital elements, including the intelligence centre procurement and the digital maturity assessment. DES explained that the procurement process for the Intelligence Centre had been paused, and the team was reassessing the risks and milestone. She also mentioned the transition of the Senior Responsible Officer (SRO) role for Connecting Care to Neil Darvill. The committee agreed on the importance of maintaining flexibility in the forward planner to accommodate any changes. | |
| 6 | Items for Discussion | |
| 6.1 | System Revenue and Capital Plan Submission SaT provided a detailed update on the System Revenue and Capital Plan submission. SaT began by explaining that the plan had been submitted with a break-even position, which required a significant step-up in savings delivery. She highlighted the risks and mitigations, including the Urgent and Emergency Care Flow and demand growth. SaT emphasised the importance of monitoring savings delivery and cash position. She mentioned that the plan included £33.7 million of unmitigated risk, which was just under 1% of the system's turnover. SaT also noted that the plan included £45 million of non-recurrent actions to achieve break-even. SW asked about the implications of the plan and the collaborative approach taken to achieve the break-even position. SaT responded that the plan had been built | |

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| | <p>collaboratively, with joint ownership of the delivery. She mentioned that the Performance and Recovery Board had reviewed the savings plans and felt confident about their deliverability. She mentioned that the plan included assumptions about the Elective Recovery Fund (ERF) cap and the impact of IFRS 16 on the treatment of Private Finance Initiative (PFI).</p> <p>BS raised a concern about the Cost Improvement Programmes (CIP) target of 5.8%, noting that it seemed high compared to other trusts. SaT responded that the target was based on benchmarking and triangulation with workforce plans. She mentioned that the plan included a focus on cash monitoring and savings delivery.</p> <p>JC asked about the national position and how the plan compared to other systems. SaT responded that the national position was coming in at a deficit of £2.7 billion, and she felt that the plan was one of the most robust in the country.</p> | |
| 6.2 | <p>ICB Revenue budget 25/26</p> <p>MB began by explaining that the ICB revenue budget for 2025/26 had been developed based on key assumptions and savings targets. He mentioned that the budget included a target of £58 million in savings, with £31 million coming from the efficiency factor. MB highlighted the risks associated with Funded Care, High-Cost Drugs, and Mental Health Placements. He mentioned that the budget included assumptions about growth, investments, and savings.</p> <p>SW asked about the risks and mitigations associated with the budget. MB mentioned that the budget included contingencies and mitigations to address these risks. MB also discussed the impact of the Elective Recovery Fund cap and the challenges associated with ADHD and Autism. He mentioned that the budget included assumptions about the split between the ICB and Local Authorities for Mental Health Placements.</p> | |
| 6.3 | <p>Digital Strategy Portfolio Quarterly report</p> <p>DES provided an update on the Digital Strategy Portfolio, highlighting achievements such as the growth in utilisation of Connecting Care and the digitisation of Social Care records. She mentioned that the utilisation of Connecting Care had grown by 17%, and 80% of Care Homes had digitised their social care records. DES also discussed the focus areas for the next year, including Infrastructure, Cyber Security, and Clinical Areas. She mentioned that the Digital Maturity Assessment would help guide the development of the digital strategy.</p> <p>SW asked about the alignment of digital initiatives with the overall strategy. DES responded that the digital strategy was aligned with the overall strategy and focused on delivering tangible benefits.</p> <p>JC endorsed the Digital Strategy, noting that it was focused and aligned with the overall strategy. He mentioned that the collaborative approach taken to develop the digital strategy was commendable.</p> <p>JC also asked about the lessons learned from the Project Gateway Audit report. DES responded that the lessons learned had been incorporated into the Digital Strategy, and the focus was on delivering tangible benefits.</p> <p>SW emphasised the importance of showcasing the achievements and progress made in the Digital Strategy.</p> | |
| Finance Report | | |
| 7.1 | <p>M11 NHS System Revenue & Capital Finance Report</p> <p>MB began by explaining that the finance report confirmed a break-even forecast for the year. He mentioned that the team was now very confident that this was achievable and that it would take some very surprising things to happen for them not to be able to land that position. MB highlighted that there were pressures within different programme areas, particularly Acute and Funded Care. These pressures were offset by savings in Medicines Management, non-recurrent items, and other reserves.</p> | |

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| | SW acknowledged the team's efforts and congratulated them on their work. He emphasised the importance of maintaining the momentum and ensuring that the collaborative approach taken during the meeting continued in the implementation of the plans and actions discussed. | |
| 8 | Items to Note | |
| 8.1 | System DoFs Group SaT provided an update on the System DoFs Group, mentioning the changes in personnel and the collaborative approach with the new Section 151 officers. She highlighted the importance of maintaining strong relationships with Local Authorities and ensuring effective communication. | |
| 8.3 | Digital Delivery Board DES flagged a clinical safety incident related to allergies on the Connecting Care product. She explained the root cause analysis and the mitigations in place. DES emphasised the importance of robust risk and governance processes to prevent similar incidents in the future. | |
| 8.2 | System Estates Steering Group Sarah Truelove discussed the progress on the Thornbury and Central Weston projects, noting that the documents were awaiting final signatures. She also mentioned the green plan refresh due in July. | |
| | Key Messages/Chair Conclusion: There were significant discussions on the system revenue and Capital Plan submission, the ICB revenue budget for 2025/26, and the Digital Strategy portfolio quarterly report. SW noted that these items were critical to the organisation's strategic objectives and required ongoing attention and monitoring. He encouraged the committee members to keep these priorities in mind and to continue working together to achieve the desired outcomes. SW also mentioned the importance of showcasing the achievements and progress made in the Digital Strategy, as this would help generate energy and support for the initiatives. He stressed the need for clear communication and transparency in all activities, ensuring that everyone was informed and engaged in the process. SW reiterated his appreciation for the team's efforts and expressed confidence in their ability to navigate the challenges ahead. | |