

BSW Integrated Performance Dashboard

FINANCE

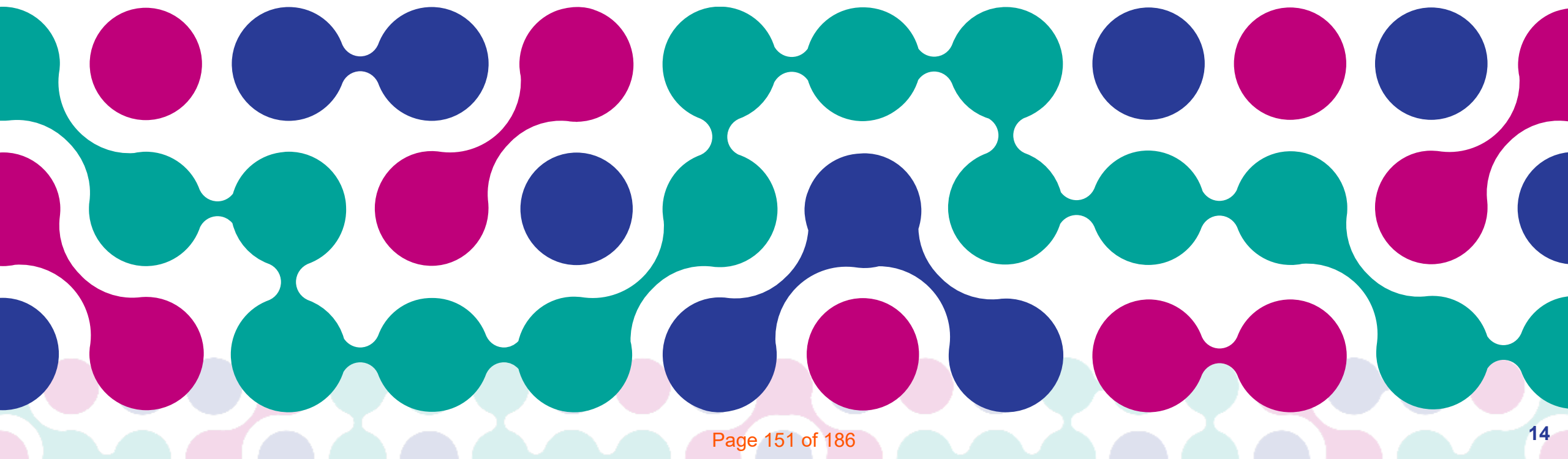
| Metric | Group | Provider | Latest Date | Previous Value (Activity) | Latest Value (Activity) | Change | Latest Value (Plan) | In Month (Activity v Plan) | Planning Target | Improvement Direction | Variation | Assurance |
|--|------------------------|----------|-------------|---------------------------|-------------------------|--------|---------------------|----------------------------|-----------------|-----------------------|-----------|-----------|
| Agency Spend vs agency ceiling (% over plan YTD) | ALL_ICB - ACUTE TOTAL | | Nov-24 | -7.0% | -4.0% | ▲ | | | 0.0% | ▼ | | |
| Agency Spend vs agency ceiling (% over plan YTD) | BSW NHS ICS - TOTAL | | Nov-24 | -7.0% | -4.0% | ▲ | | | 0.0% | ▼ | | |
| Efficiencies % recurrent Actual | ALL_ICB - ACUTE TOTAL | | Nov-24 | 84.0% | 83.0% | ▼ | | | 79.0% | ▼ | | |
| Efficiencies % recurrent Actual | BSW COMMISSIONER TOTAL | | Nov-24 | 100.0% | 86.0% | ▼ | | | 79.0% | ▼ | | |
| Efficiencies % recurrent Actual | BSW NHS ICS - TOTAL | | Nov-24 | 87.0% | 100.0% | ▲ | | | 79.0% | ▼ | | |
| Financial efficiency - variance from efficiency (?m YTD) | ALL_ICB - ACUTE TOTAL | | Nov-24 | £-5.5 | £-8.0 | ▼ | | | 0 | ▼ | | |
| Financial efficiency - variance from efficiency (?m YTD) | BSW COMMISSIONER TOTAL | | Nov-24 | £-2.1 | £-2.1 | ◀▶ | | | 0 | ▼ | | |
| Financial efficiency - variance from efficiency (?m YTD) | BSW NHS ICS - TOTAL | | Nov-24 | £-7.6 | £-5.9 | ▲ | | | 0 | ▼ | | |
| Financial stability - variance from plan (?m YTD) | ALL_ICB - ACUTE TOTAL | | Nov-24 | £-12.3 | £-16.6 | ▼ | | | 0 | ▼ | | |
| Financial stability - variance from plan (?m YTD) | BSW COMMISSIONER TOTAL | | Nov-24 | £1.0 | £3.3 | ▲ | | | 0 | ▼ | | |
| Financial stability - variance from plan (?m YTD) | BSW NHS ICS - TOTAL | | Nov-24 | £-11.3 | £-13.3 | ▼ | | | 0 | ▼ | | |
| Mental Health Investment - variance from plan (?m YTD) | BSW COMMISSIONER TOTAL | | Nov-24 | 0 | 0 | ◀▶ | | | £1.0 | ▲ | | |

SOF All metrics are SOF

BSW Commissioner Total – Performance against target for the ICB only

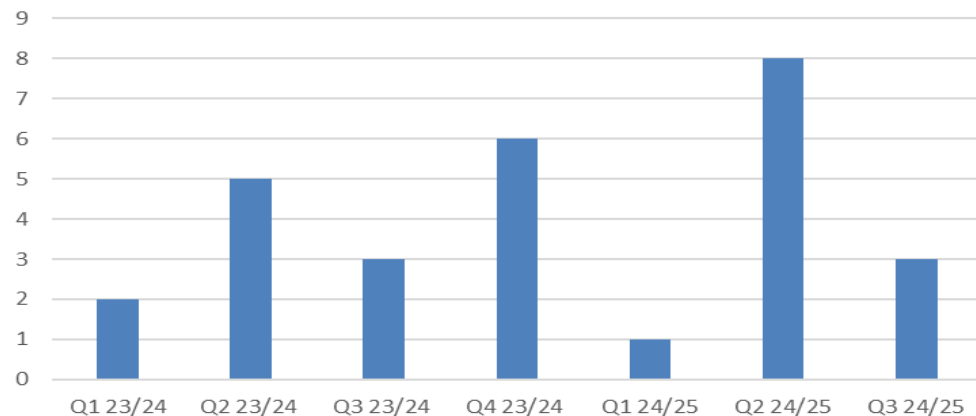
BSW NHS ICS Total – Performance against trajectory for the system (Acute trusts, plus ICB)

Quality and Patient Safety Exception Report

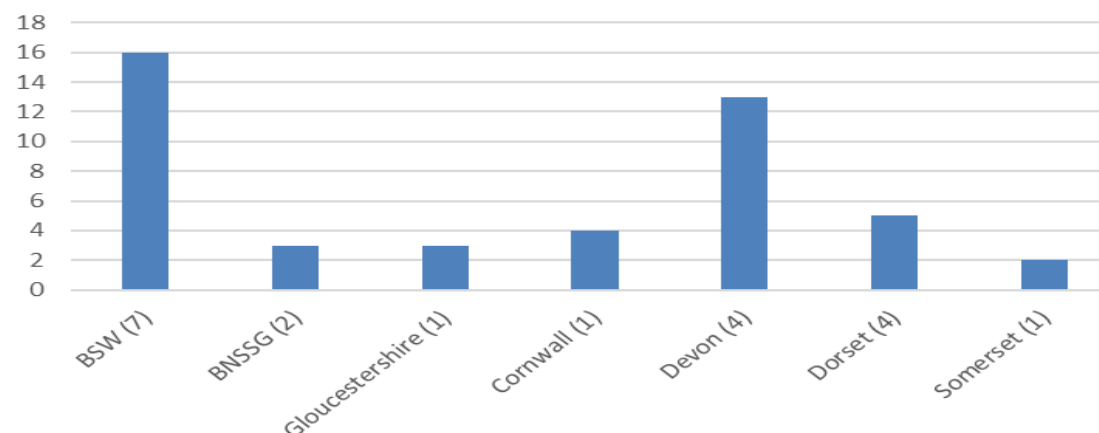


Never Events.

Never Events by Quarter



South West Never Events 23/24



Assure

In 23/24 BSW ICB reported a total of 16 Never Events to NHSE meeting the Never Event criteria across all acute and community services. In 24/25 as of end of December, 12 Never Events were reported. Learning from what goes wrong in healthcare is crucial to preventing future harm, it requires a culture of openness and honesty to ensure staff, patients, families and carers feel supported. The following assurances are in place:

- All Never Events (NE) are closely tracked and analysed by BSW ICB, ensuring immediate attention and action where necessary. This systematic approach enables us to maintain a high level of oversight and promptly address any areas of concern. Never Events are managed through Patient Safety Incident Investigations (PSIIs), ensuring a structured approach. Comprehensive action plans are developed, and their implementation and outcomes are closely monitored, providing assurance that appropriate measures are taken to improve safety and reduce future risks. Providers have shared evidence of the learning being disseminated within their organisation, and there are further qualitative WHO Surgical Checklist audits planned
- BSW Integrated Care System will be presenting at the South-West NHS England Learning from Incidents Event (Retained Foreign Object, Wrong Lens Insertion and Wrong Site Surgery) on the 21st January 2025. Other systems will also be presenting at the event, this will enable wider learning for BSW.
- The revised national guidance is expected to be published imminently and following this and the NHSE event, BSW ICB will plan a further event with BSW colleagues, to provide more opportunity for learning and improvement

Infection Prevention and Management

Alerts/Risks and Areas of Focus:

Seasonal Influenza –

National Surveillance data for England illustrates that seasonal influenza is circulating widely in the community. This has been notable in the BSW System, with rising rates of Influenza having been reported over recent weeks. There have been raised volumes of community acquired influenza reported, which has subsequently resulted in an increased number of primary care presentations, calls to NHS 111 services and acute hospital admissions. The BSW Integrated Care System's Infection Prevention and Control (IP&C) System toolkit has been utilised during this time to support clinically led risk-based decisions to maintain patient safety and support effective management of admissions and discharge processes.

In collaboration with UKHSA and Local Authority colleagues, support is also being offered to care homes where cases of suspected flu have been reported. Close monitoring of infection data is in place whilst cases of flu continue to be reported. Flu vaccinations are being offered within primary care and via vaccination hubs to those who are eligible, including to the health and care workforce.

As a system we are actively monitoring UKHSA reports on seasonal influenza and continue to be proactive in case management and outbreak prevention.

Norovirus - Norovirus activity has remained high during the start of the 2024/2025 season (winter), with levels more than double the 5-season average for the same 2-week period. Increased incidents of suspected and confirmed norovirus infection have been monitored closely, with ICB IPC team supporting acute trust and community colleagues with outbreak management plans including system wide discussions on the importance of effective environmental and equipment decontamination.

Close liaison with BSW ICB communications team is on-going to support the delivery of appropriate public messaging.

Mpox - UK risk remains low. Nil confirmed cases of clade I in BSW to date. High Consequence Infectious Disease (HCID) pathways have been stress tested successfully with suspected cases found to be negative. Mpox Clade 1 update and Winter preparedness webinar has been delivered across primary care settings.

Measles - cases have remained low in BSW. BSW ICS colleagues remain vigilant, with communications to healthcare workers and education settings on symptom recognition and importance of vaccination being maintained.

Minutes of the BSW Integrated Care Board – Finance and Infrastructure Committee Meeting

4 December 2024, 09:00-11:30hrs via MS Teams

Members present:

| | |
|--------------|--|
| Julian Kirby | Interim Finance Chair - BSW ICB Non-Executive Director for Public and Community Engagement |
| Gary Heneage | BSW ICB Chief Finance Officer |
| Amanda Webb | BSW ICB Chief Medical Officer |
| Sue Harriman | BSW ICB Chief Executive |

Attending:

| | |
|-----------------|---|
| Rachael Backler | BSW ICB Chief Delivery Officer to 09:58 |
| Stephanie Elsy | BSW ICB Chair |
| Laura Ambler | BSW ICB Executive Director of Place (BaNES) & LDAND, CYP |
| Caroline Holmes | Interim Executive Director (for item 5) from 09:04 to 09:21 |
| | BSW ICB Assistant Corporate Secretary (minutes) |
| | BSW ICB Associate Director of Finance |

Apologies:

| | |
|----------------|--|
| Sam Mowbray | Partner Member of the Board Local Authority Partner Member |
| Claire Feehily | BSW ICB Non-Executive Director for Audit |
| Alison Moon | BSW ICB Interim Non-Executive Director for Quality |
| Sarah Green | BSW ICB Chief People Officer |

1. Welcome and Apologies

- 1.1. The Chair welcomed members and officers to the meeting of the BSW Integrated Care Board (ICB) Finance and Infrastructure Committee.
- 1.2. As a result of the ICB Governance Review, committee proposals were provided to the September Board meeting. This follows further discussions at the ICB Review of Committee Effectiveness session on 20 June 2024, and the ICB Board Development Session on 18 July 2024. The approved terms of reference are presented at the meeting today noting membership is currently under review.
- 1.3. The above apologies were noted, the Chair noted that the meeting was quorate.

- 1.4. The meeting would be recorded to support the production of the minutes, the recording would be deleted in line with policy.

2. Declarations of Interest

- 2.1. The ICB holds a register of interests for all staff and Board members, no declarations were noted.

3. Minutes from the meeting held on 6 November 2024

- 3.1. The minutes of the meeting held on 6 November 2024 were **approved** as an accurate record.

4. Finance and Infrastructure Committee Action Tracker and matters arising

- 4.1. Two open items were noted on the action tracker.

5. Integrated Community Based Care (ICBC) Update

- 5.1. The Interim Executive Director provided an update regarding the Integrated Community Based Care to provide assurance on the mobilisation of the ICBC contract.
- 5.2. Oversight of the ICBC contract mobilisation and contract delivery will be provided by the Collaborative Oversight Forum (COF), which commenced its work on the 18 November 2024. The COF comprises the commissioners i.e. BSW ICB, the BSW Local Authorities and Somerset ICB; the commissioners ratified the COF Terms of Reference.
- 5.3. The committee noted the ICBC update. The committee further clarified that it had received this update as an interim measure until the Commissioning Committee would be mobilised (expected January 2025) and would receive the ICBC updates instead.

6. Finance and Infrastructure Terms of Reference

- 6.1. As per 1.2 the committee noted its refreshed Terms of Reference and pending amendments to membership.

7. Recovery Board Financial Recovery Progress

- 7.1. The Committee received and noted the Recovery Board Financial Recovery Progress report, incl. report on mitigations.

7.2. Areas of note include:

- There is a risk of the system entering the next tier of the NHSE Investigation & Intervention regime due to the current financial deficit, and the risks associated with forecast outturn.
Whilst the adverse variance to plan has improved at M7, the system is still behind its revised target.
- Increases in NEL activity have continued. NCTR shows a continued deteriorating position which is having an impact on flow in the system and an impact on acute costs.
- Workforce spend (bank) is over plan across the system and the whole time equivalent (WTE) planned workforce position is over plan by 236 WTE.

7.3. It was noted the position remains challenging but with traction in some areas. Elective Recovery Funding (ERF) continues above plan, key areas following dialog with region include tightening of investment decision criteria and workforce controls through the system vacancy control panel. Using the principles of Improving Together a 12 week improvement sprint has commenced in Non Criteria to Reside (NCtR) in Salisbury and Wiltshire.

7.4. The Advisor for NHS Systems on Financial Recovery and Delivery made recommendations for grip and control incl. triangulation of the system position, the driver in workforce numbers, NCtR, and bed base.

7.5. A highlight of the 3 priority recommendations from the Planning and Delivery Executive was shared in support of this year's financial position including NCtR, workforce and driving elective performance. The financial trajectories for month 8 to 12 were agreed with system partners as a best case scenario due to the challenging position. Month on month metrics are completed for workforce and NCtR. Still working on ERF and the bed base trajectories.

7.6. The group discussed demand pathways which was noted as higher compared to other systems in the SW. Focus for the next year will be on demand management activity in addition to improving flow out of hospital. Diagnostic coproduction mirrors what is going on in the South West and across the country, where top priorities are length of stay and processing times to enable discharge. There were opportunities for efficiencies in pathway management.

7.7. It was confirmed system partners understand the importance of the financial grip, though capability and capacity was noted a challenge. Dynamic risk assessments will need to be completed in order to address winter pressures.

7.8. To enable system traction, mitigations in bed base and NCtR need to take place with actions on the 3 priority areas until year end. Communications is being finalised

throughout all organisations. The BSW ICB is currently in I&I3+ which may move to I&I4 if there is a material movement in month 8 figures from the revised trajectories.

- 7.9. It was noted there were no changes to ERF for this financial year. The narrative shared from the NHS England team re priorities for the next year include protection of elective activity at the same rate as this year, emergency performance, and 12 hour ambulance handovers.
- 7.10. Formal planning guidance is not expected until mid to the end of December 2024. 2025/26 was expected to be exceedingly challenging with all options to be considered in order to live within the financial envelope for the year. It was noted should BSW not achieve the planned position the deficit funding may need to be repaid in 2024/25. Noted a potential cap on ERF funding, and potential deficit funding as part of the Mid Term Financial Plan for 2025/2026.
- 7.11. The committee recognised that it was paramount to achieve the planned position in order to avoid further regulatory intervention / placement in I&I4.
- 7.12. The group noted the update.

8. 2025 / 2026 Planning update

- 8.1. The Chief Delivery Officer and Chief Finance Officer presented the 2025 / 2026 planning update, which is a regular scheduled item to the committee as a result a request from the chair at the meeting in November 2024.
- 8.2. The committee received and noted the update and overview of the approach to planning and engagement that will be taken over the coming months to deliver a System Operational Plan. This included system planning approaches and principles, planning timetable, national implications of the current year finance and operating position on next year's plan, the role of organisations and delivery groups, the development of financial savings plans and next steps.
- 8.3. Planning guidance has not yet been released. Nevertheless the ICB is developing local BSW planning guidance and expects to issue this within the next weeks. The local planning guidance will be a significant shift in approach towards outcomes.
- 8.4. Finances are underpinning the planning approach. Local goals as well as constitutional standards will be taken into account in the operational plan.
- 8.5. The 10 delivery groups (aka programmes) were presented to the committee; these are in development with stretch aims and targets. The Planning and Delivery Executive Group (PDEG) will continue its work with the delivery groups SROs.

- 8.6. 2024/2025 exit run rates were discussed noting assumptions as part of the MTFP with recurrent CIPS, work is in development to confirm with leads alongside deliverables within the final months of the current financial year. Should targets slip within the remainder of this year this would have a direct impact on the exit run rate, work is being completed at pace to achieve.
- 8.7. The group discussed the reduction of funding available to the NHS through the spending review and the approach with current financial challenges. As part of the MTFP allocations for the next financial year, a 2.75% real time reduction has been included which is lower than previously completed, alongside sensitivity analysis should this percentage be further reduced with any resulting suggested actions through PDEG.
- 8.8. The group agreed the change in approach with resulting outcomes would be challenging to be approached through a change in strategy and clinical models to pivot the left shift approach. Enablers in this area include the Integrated Community Based Care (ICBC), the hospital group model and the Local Medical Community (LMC) working with primary care. This will be completed through a collaborative approach to manage finances and workforce through the MTFP.
- 8.9. The group **noted** the update.

9. Assessment of capital cases

- 9.1. [Discussion commercial in confidence]
- 9.2. The committee noted the contents of the report and reviewed the recommendations made regarding the capital schemes.

10. BSW ICB System Revenue Positions 2024/25

- a. ICB Position**
- b. ICS Position**
- c. System capital position month 7**

10.1. ICB Position

- 10.2. The Committee **received** and **noted** the report of the financial position of the ICB at month 7. In summary:
- £1m year to date surplus was noted due to profiling of EPR.
 - The expenditure plan requires receipt of c.£43m of national funding which is held within credit reserves.
 - There is £2m of net risk relating to placement pressures.
 - There is an increased risk that the ICS will not meet its breakeven plan.
 - The ICS has now confirmed funding for ERF for Month 1 4 which exceeds the target.

- The cost improvement programmes (CIP) gap has been mitigated in the ICB position.
- The ICB full year cash forecast is within the cash limit but depends on receipt of anticipated allocations.
- The full impact of the pay award is still be assessed.
- There is a potential upside to the position relating to prescribing.

10.3. The group noted the finance system update has been delayed due to national implementation with no confirmed date when this will take place, though this is usually completed in mid-year (October) or delayed until the start of the next financial year. The 'no purchase order – no pay' approach is being rolled out across the ICB. Users are being trained on the system.

10.4. The ICB reports a surplus in month 7 due to year to date ERF performance. There is an improvement to the ICB run rate which will require further review where the system benefit will be shown.

10.5. There is a noted associated risk of £2m with placements which could adjust depending on requirements, however the overall placement year to date forecast numbers are positive.

A new digital placement system is in place to improve workflow in contract and management of payment authorisation which is aimed to go live in April 2025.

10.6. Noted that ERF risks prevail and that this is being reported nationally in wider NHS finances, this has resulted in a full year forecast position which may bring additional cash processes as with other ICBs.

10.7. **ICS Position**

10.8. The committee noted the contents of the report which outlines the revised, intervention adjusted Month 8 to 12 forecast position for the system which is £9.8m adverse.

At Month 7, the system reported an £11.3m adverse position, projecting this position forward results in a run-rate adjusted outturn of £24.7m adverse.

10.9. **System capital position month 7**

10.10. The system capital position was deferred, the committee noted a regular capital update will be provided in future meetings.

11. **Commissioning and Business Cases Financial Assurance**

11.1. [Discussion commercial in confidence].

11.2. The Committee noted the update.

12. Investment Panel Update

- 12.1. The committee received and noted the Investment Panel update, the work undertaken and the plans to further develop and improve decision making throughout the system.
- 12.2. Following discussions from Recovery Board and agreement at the H2 meeting, an updated set of principles have been implemented for the Investment Panel to align investment decisions to our level of commitment to the financial recovery plan and workforce controls.
- 12.3. All cases have been requested to be reviewed and resubmitted against the revised principles.
- 12.4. Investment Panel Additional Short-Term Principles (until March 2025)
- ERF revenue is no longer relied on for the financial ROI in business cases given ERF risk
 - Invest to save cases resulting in an overall increase in headcount (i.e. without equivalent reduction in headcount elsewhere) will not be supported
 - No new investment cases should be put forward without an immediate clinical risk documented on the corporate risk register/board assurance framework
 - Any new investment case required as above should be aligned to an equivalent de-prioritisation to ensure ability to address the new and emerging risk
 - All cases require Group sign off before submission to panel
- 12.5. From the Recovery Board direction the additional short term principles provide increased controls to enable prioritisation within the new financial context. From a review of cases which were scheduled for the December Panel post new principles there were no cases resubmitted which met the new criteria. It was noted information may require further cascading within organisations in the context of ERF funding with the system decision for agreed parameters for investments.
- 12.6. The Committee **noted** the paper presented.

13. BSW ICB Finance and Infrastructure Committee Forward Planner

- 13.1. The forward planner included within the pack detailed the upcoming agenda items until March 2025. The Committee **noted** the item.

14. Any Other Business

14.1. No other business was raised prior or during the meeting.

14.2. There being no other business, the Chair closed the meeting at 10:33 hrs

Next meeting of the BSW ICB Finance and Infrastructure Committee:
Wednesday 8 January 2025 09:00-11:30hrs via MS Teams

DRAFT Minutes of the BSW Integrated Care Board – Finance and Infrastructure Committee Meeting

8 January 2025, 09:00-11:30hrs via MS Teams

Members present:

| | |
|--------------|--|
| Julian Kirby | Interim Finance Chair - BSW ICB Non-Executive Director for Public and Community Engagement |
| Gary Heneage | BSW ICB Chief Finance Officer |
| Amanda Webb | BSW ICB Chief Medical Officer <i>from 09:00-10:00 & 10:30-11:30</i> |
| Sue Harriman | BSW ICB Chief Executive <i>from 09:00-10:00 & 10:30-11:30</i> |
| Sam Mowbray | Partner Member of the Board Local Authority Partner Member to 11:29 |
| Alison Moon | BSW ICB Interim Non-Executive Director for Quality <i>joined at 09:08</i> |

Attending:

| | |
|-----------------|---|
| Rachael Backler | BSW ICB Chief Delivery Officer |
| Stephanie Elsy | BSW ICB Chair |
| Laura Ambler | BSW ICB Executive Director of Place (BaNES) & LDAND, CYP to 09:26 |
| | Deputy Chief Finance Officer |
| Cara Charles | Chief Executive Officer BSW Hospital Group <i>(for item 5) from 09:16 to 09:43</i> |
| - Barks | Director of Business Support <i>(for item 6) from 09:05 to 09:29</i> |
| | BSW ICB Programme Director (Special Projects) <i>(for item 11a) from 10:30 to 10:42</i> |
| | SFT Director of Corporate Development <i>(for item 11) from 10:32 to 10:42</i> |
| | SFT Chief Finance Officer <i>(for item 11) from 10:32 to 10:42</i> |
| | BSW ICB Associate Director of Finance <i>(for item 11b) from 11:18 to 11:27</i> |
| | BSW ICB Director of Primary Care <i>(for item 12) from 10:42 to 10:55</i> |
| | BSW ICB Assistant Corporate Secretary (minutes) |

Apologies:

| | |
|----------------|--|
| Claire Feehily | BSW ICB Non-Executive Director for Audit |
| Sarah Green | BSW ICB Chief People Officer |
| | BSW ICB Head of Capital |

1. Welcome and Apologies

- 1.1. The Chair welcomed members and officers to the meeting of the BSW Integrated Care Board (ICB) Finance and Infrastructure Committee.
- 1.2. The above apologies were noted, the Chair noted that the meeting was quorate.
- 1.3. The meeting would be recorded to support the production of the minutes, the recording would be deleted in line with policy.
- 1.4. The agenda was agreed to be restructured to adjust for availability of presenters.

2. Declarations of Interest

- 2.1. The ICB holds a register of interests for all staff and Board members, no declarations were noted.

3. Minutes from the meeting held on 4 December 2024

- 3.1. The minutes of the meeting held on 4 December 2024 were **approved** as an accurate record.

4. Finance and Infrastructure Committee Action Tracker and matters arising

- 4.1. Two open items were noted on the action tracker which are included on the agenda.

10. Investment Panel Update (item moved)

- 10.1. The committee received and noted the Investment Panel update, the work undertaken and the plans to further develop and improve decision making throughout the system.
- 10.2. As discussed in December 2024 an updated set of principles have been implemented for the Investment Panel to align investment decisions to our level of commitment to the financial recovery plan and workforce controls agreed by the Recovery Board and a result of the H2 meeting.
- 10.3. All cases have been requested to be reviewed and resubmitted against the revised principles, there have been no cases reviewed by the panel since the update in December 2024.
- 10.4. Advice and guidance payment as part of the elective reform guidance was discussed, this will be reviewed as part of the plan from April 2025 onwards.

10.5. The Committee **noted** the paper presented.

6. Integrated Community Based Care (ICBC) Update

6.1. An Integrated Community Based Care (ICBC) update was provided by the Director of Business Support to provide assurance on the mobilisation of the ICBC contract.

[Discussion commercial in confidence]

6.2. The committee **noted** the ICBC update was provided to the meeting as an interim measure until the Commissioning Committee formal meetings are in place, any future ICBC updates would be provided via the BSW Commissioning Committee.

5. BSW Hospital Group Governance (item moved)

5.1. The BSW Hospital Group Governance was presented by the BSW Hospital Group Chief Executive Officer.

[Discussion commercial in confidence]

5.2. The committee **noted** the update.

7. Recovery Board Financial Recovery Progress (item moved)

7.1. The Committee **received** and **noted** the Recovery Board Financial Recovery Progress and the mitigating actions being taken.

7.2. Areas of note include:

- The risk remains of the system entering the next tier of the NHSE Investigation & Intervention regime due to the current financial deficit
- Non Elective activity remains high, resulting in the Non Criteria to Reside (NCtR) continued challenged position which is having an impact on flow in the system and an impact on acute costs.
- Workforce (bank) spend is over plan across the system, in addition substantive staffing is above plan.
- The Whole Time Equivalent (WTE) planned workforce position is 105 WTE over revised plan.

7.3. Areas of focus from the Recovery Board include Non Criteria to Reside (NCtR) with the Sprint in Wiltshire which has taken place over a challenging winter period although positive changes have taken place for wider agreed implementation without which there would have been a further deteriorated position.

- 7.4. Continuation and strengthening of the workforce system vacancy control panel to triangulate with finances and challenge ways of working as a system.
- 7.5. Elective Recovery Funding (ERF) is over delivery noting challenges to possible capped future funding.
- 7.6. An NHS England regional led outpatient deep dive identified opportunities in the operating model, incl. resource and capacity to lead outpatient activity and estates. Providers will provide responses on how changes will be implemented at the next Recovery Board meeting on the 31 January 2025.
- 7.7. Provider organisations were showing a variance to plan at month 8. Salisbury NHS Foundation Trust (SFT) described a deterioration in the forecast beyond expected in H2. A formal letter was sent to SFT to outline concerns, offering support to explore the deterioration in the run rate position, and to provide assurance to NHS England in the ongoing work as a system.
- 7.8. At its meeting in January 2025, the SFT Board will consider the letter and the concerns raised, incl. reference to a similar deterioration at the end of 2023. The SFT Board considerations and intended responses will be reported back to the ICB Chief Executive Officer.
- 7.9. Month 8 noted RUH adverse variances were due to one off costs the. The SFT position is a concern, mitigations from the ICB and GWH resulted in variance to trajectory of £0.9M which although is off plan has reduced the run rate month on month.
- 7.10. From the H2 discussions all organisations provided most likely and best case positions. The best case position is reliant on NCtR, elective performance, and workforce reductions with further mitigations needed to achieve. Potential mitigations are under review from GWH and the ICB. The Committee discussed the impact and interventions from the Recovery Board priority areas of focus to achieve the year end position and planning for 2025 / 2026 with assurances to be provided.
- 7.11. The group model benefit was discussed in relation to aligning decision making in clinical services in future planning in line with the Medium Term Financial Plan (MTFP). In line with the Elective Reform Plan, which is specific in the expectations from a commissioner, further opportunities will be investigated in the collaborative delivery of specialities across the group to deliver the best value and outcomes for patients.
- 7.12. Workforce reductions are managed through the vacancy control panel which is clinically chaired but further assurance is required in relation to the workforce trajectory.

ACTION: RB & GH to provide an assessment of the pace and (if required) any missing elements in the achievement of the Recovery Board priorities by financial year end and 2025 / 2026 planning.

- Elective Recovery Funding (ERF), Non Criteria to Reside (NCtR) and reduction of workforce.

7.13. The group **noted** the update and considered the mitigating actions being taken.

11. Commissioning and Business Cases Financial Assurance (item moved)

11.1. [Discussion commercial in confidence].

11.2. The Committee **noted** the update.

12. Dental Spend Update (item moved)

12.1. The BSW ICB Director of Primary Care presented the current dental spend for 2024/2025. NHSE delegated responsibility for dental commissioning to the ICB in April 2023, at month 8 the position was noted as near breakeven. There is an expectation of £2M additional investment in the last 4 months of the year with an estimated delivery provided through Red, Amber, and Green rating.

12.2. £1.5M of the £2M additional investment is completed through the units of dental activity (UDA) premium to provide assurance on retaining activity through NHS dental contractors. The UDA rate for contractors who achieve over 50% in 2023/2024 is £30, achievement over 96% could have a further increased rate this was communicated to contractors.

12.3. Other areas being investigated around urgent care replacement services and stabilisation where regular dentists are not accessed. Recruitment has been completed to appoint a Chief Dental Officer to provide professional and clinical leadership engagement with contractors.

12.4. The Committee **noted** the update.

8. 2025 / 2026 Planning update (item moved)

8.1. The Chief Delivery Officer and Chief Finance Officer presented the 2025 / 2026 planning update noting planning guidance has been delayed however local plans continue to progress.

- 8.2. All organisations have agreed to use the 'BSW Planning Mandate' endorsed through the Planning and Delivery Executive Group for socialisation and agreement through each organisation, as the working basis of the planning round which details key principles and assumptions that will be used. This is based on a one system plan, which will be updated when planning guidance is received.
- 8.3. Details for planning assumptions are being developed by system delivery groups, this is to ensure ownership from all BSW organisations which is a key change from previous planning rounds an example in practice of collective Non Criteria to Reside assumptions.
- 8.4. Iterative financial assumptions are planned early to ensure delivery within the financial envelope whilst achieving operational performance, this will be considerations through the group lens to work collaboratively.
- 8.5. Due to the delayed guidance the financial assumption of £23M deficit plan was discussed, challenges noted include Elective Recovery Funding (ERF) implication as discussed in 7.5. At this stage, the system has not factored in the repayment of deficit funding and has been explicit with NHSE on this. If there is a requirement to pay this back, it is likely to be capped at 0.5% in 25/26.
- 8.6. It was noted this may be challenging in areas such as elective reform with expectations for a 5% improvement in Referral to Treatment (RTT), increased spend with the independent sector, repatriation whilst ensuring delivery within the financial envelope. This will be managed through the framework and parameters in which the group will be utilising, updates will be provided along with a revised timeline when planning guidance is received.
- 8.7. The Committee discussed organisational buy-in, further work on socialisation with wider partners will need to be considered. The expectation for organisations to cascade the Planning and Delivery Executive Group (PDEG) endorsed BSW Planning Mandate will initiate steps to enable cultural changes within the system. Operational Teams which are challenged to execute this approach are being supported through PDEG, alongside firm commissioning intentions with constructive direction which is an evolving process.
- 8.8. The committee **endorsed** the described approach in that the BSW Planning Mandate which will be used by all organisations, for development of one system plan and **noted** the update.

9. BSW ICB System Revenue Positions 2024/2025 (item moved)

- a. ICB Position**
- b. ICS Position**
- c. Capital Update**

9.1. The Committee **received** and **noted** the report of the financial position of the ICB at month 8. In summary:

- There is a £3.3m Year to date (YTD) surplus due to Elective Recovery Funding (ERF) profile, System benefits and the release of additional income benefits.
- The expenditure plan requires the receipt of c.£38m of national funding which is held within credit reserves.
- There are £1.5m of net risk relating to placement pressures/Cost Improvement Programs (CIP).
- There is an increased risk that the ICS will not meet its breakeven plan/trajectory due to in month performance at system level.
- There is a risk of clawback around dental and Service Development Funding (SDF).
- The potential system deficit of £9.8M is not shown in the system forecast, however this is a system net risk. We are awaiting guidance from NHSE on forecast movements.
- NHS continuing healthcare (CHC) and prescribing budgets assumptions have not seen large variances month on month, there is a year to date benefit on price in prescribing which will be reviewed in the forecast in month 10.
- The digital placement system is being rolled out at pace to pay NHS-funded Nursing Care (FNC) providers from February 2025.

9.2. The Committee discussed learning from efficiency savings which were not delivered as expected e.g. learning disability (LD) caseloads driven by unit delays. Although placements numbers have not changed this has been offset by lower transitional costs as a consequence. This will remain one of the schemes targeted in the next financial year.

b. ICS Position

9.3. The ICS Position was discussed as part of item 7.

c. Capital Update

9.4. The Capital update at month 8 was provided, in the year to date delivery there was noted slippage. Assurances have been provided from organisations this will be recovered and this will be reported in line in the full year position. IFRS 16 was noted as a possible exception which has been communicated with national colleagues due to profiling, full capital is expected to be used.

9.5. A capital investment expression of interest for expansion of community diagnostics centres has been completed, due to the short time frame this is yet to complete through the relevant governance routes. Once further detail has been received from NHS England the governance routes will be completed as required.

9.6. The committee **noted** the update.

11. Commissioning and Business Cases Financial Assurance

11.8. [Discussion commercial in confidence]

11.9. The Committee **noted** the update.

13. BSW ICB Finance and Infrastructure Committee Forward Planner

13.1. The forward planner included within the pack detailed the upcoming agenda items until March 2025. The Committee **noted** the item.

14. Any Other Business

14.1. No other business was raised prior or during the meeting.

14.2. There being no other business, the Chair closed the meeting at 11:29 hrs

Next meeting of the BSW ICB Finance and Infrastructure Committee:
Wednesday 5 February 2025 09:00-11:30hrs via MS Teams

| | | | |
|------------------|-----------------------------------|--------------|-----|
| Report to: | BSW ICB Board – Meeting in Public | Agenda item: | 10a |
| Date of Meeting: | 23 January 2025 | | |

| | |
|---------------------------|--|
| Title of Report: | BSW ICB and NHS ICS Revenue Position |
| Report Author: | Michael Walker, Head of Financial Accounting - Reporting |
| Board / Director Sponsor: | Gary Heneage, Chief Finance Officer |
| Appendices: | Month 8 Reporting Pack |

| | |
|----------------------------|---|
| Report classification | Please indicate to which body/collection of organisations this report is relevant. <i>Only one of the below should be selected (x)</i> |
| ICB body corporate | |
| ICS NHS organisations only | X |
| Wider system | |

| Purpose: | Description | Select (x) |
|------------|---|------------|
| Decision | To formally receive a report and approve its recommendations | |
| Discussion | To discuss, in depth, a report noting its implications | X |
| Assurance | To assure the Board that systems and processes are in place, or to advise a gap along with a remedy | X |
| Noting | For noting without the need for discussion | |

| BSW Integrated Care Strategy Objective(s) this supports: | Select (x) |
|--|------------|
| 1. Focus on prevention and early intervention | |
| 2. Fairer health and wellbeing outcomes | |
| 3. Excellent health and care services | |

| Previous consideration by: | Date | Please clarify the purpose |
|--|------------|----------------------------|
| ICB Finance and Infrastructure Committee | 08/01/2025 | Discussion and assurance |
| ICB Executive Management Meeting | 15/01/25 | Discussion |

| | |
|---|-----------------------|
| 1 | Purpose of this paper |
| The purpose of the paper is to provide an update on the financial position of BSW ICS at Month 8. | |

At M8 the system is reporting a £13.3m adverse position YTD against a breakeven plan. This is £0.9m off the internal system recovery trajectory agreed by the internal recovery board.

The system is continuing to report a formal FY forecast position in line with the breakeven plan, but delivery will be dependent on current net risks being fully mitigated and recovery interventions delivering in full over the remaining 4 months to reduce the current deficit run rate.

The net risks and forecast position will be rereviewed at M9.

The system YTD adverse variance of £13.3m is being driven primarily by:

- £5m related to higher bed use including NCTR above plan
- £8m related to challenges to delivery of efficiency plans due to operational demand pressures.
- £7m additional clinical supplies and drugs pressures
- (£7m) additional income from elective delivery and other income

Recovery actions are being pursued by all organisations and monitored via an internal recovery board.

2 Summary of recommendations and any additional actions required

The Board is asked to **note** the report and the financial position of the system.

3 Legal/regulatory implications

The system has an obligation to work together to deliver the submitted and approved system plan for the year and to work to delivery of a break-even position.

Each organisation also has individual statutory requirements to meet.

4 Risks

If the system doesn't deliver a breakeven position, then there is a risk that deficits will need to be repaid in 25/26 which will increase the future efficiency requirements. Non delivery will also lead to regulatory qualifications.

Deficits may mean that NHS providers will need to request additional cash support from NHSE which will lead to additional PDC charges.

5 Quality and resources impact

There is a risk to the delivery of a balance financial position without operational interventions.

The financial plan is contingent on the delivery of £141.9m of efficiency schemes.

| | |
|---|--------------|
| The information presented is an aggregation of GWH, RUH, SFT and ICB reporting metrics. | |
| Finance sign-off | Gary Heneage |

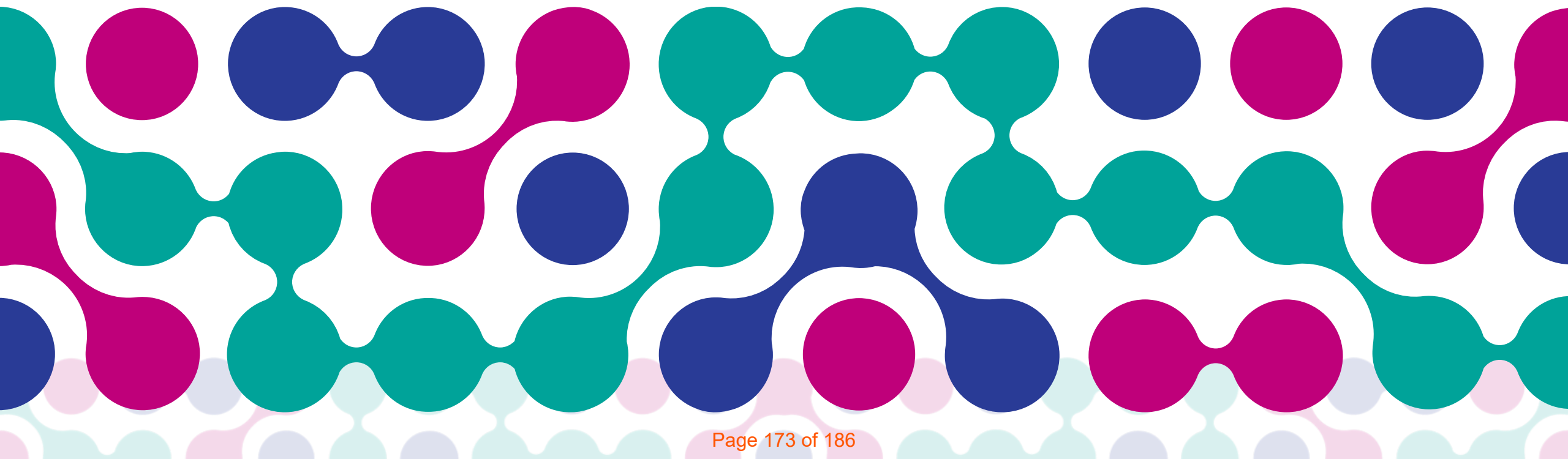
| | |
|-----|--|
| 6 | Confirmation of completion of Equalities and Quality Impact Assessment |
| N/A | |

| | |
|-----|--|
| 7 | Communications and Engagement Considerations |
| N/A | |

| | |
|---|--|
| 8 | Statement on confidentiality of report |
| The financial position noted within the reporting pack has been approved by all parties and reflects the position reported to their Boards. It is therefore sensitive but not confidential. | |

NHS BSW ICS Finance Report

November 2024 (Month 8)



Executive Summary



**Bath and North East Somerset,
Swindon and Wiltshire**

Integrated Care Board

- National reporting from Month 8 reflects the receipt of £30m deficit funding. Plans have been adjusted by organisation to report against the break-even position.
- Productivity continues to be above national levels.
- The M8 system position for BSW shows a £13.3m adverse variance against plan.
- We are awaiting guidance on formal reforecasting.
- At Month 8, the system full-year projected run-rate deficit position has improved but still requires material recovery actions across all organisations. On a straight-line run-rate basis, the system needs to deliver an improvement of £10m to hit the revised trajectories.

Key issues for escalation

Alert, Assure, Advise

| | |
|--------|--|
| Alert | <ul style="list-style-type: none">• M8 YTD adverse variance of £13.3m• Further mitigations are required to achieve the forecast outturn of no worse than £9.8m adverse• NCTR/Escalation continues to impact financial position.• The adverse variance at M8 represents a £0.9m divergence from the internal system recovery plan. |
| Assure | <ul style="list-style-type: none">• Ongoing deep dives in place.• Outpatients and non pay remain a focus.• The latest ERF information continues to show overperformance. |
| Advise | <ul style="list-style-type: none">• There is c.£32.9m of anticipated ERF income in the reported position and this is not yet confirmed.• An improvement in run-rate is required to deliver the revised trajectories. |

ICS Summary Position M8

| Year to Date | | | |
|-------------------------------------|------------|---------------|---------------|
| | Plan | Actual | Variance |
| | £m | £m | to plan |
| | | | £m |
| Great Western Hospital | 0.0 | (3.1) | (3.1) |
| Royal United Hospital | 0.0 | (4.2) | (4.2) |
| Salisbury Hospital | 0.0 | (9.3) | (9.3) |
| Provider surplus / (deficit) | 0.0 | (16.6) | (16.6) |
| BSW ICB surplus / (deficit) | 0.0 | 3.3 | 3.3 |
| ICS surplus / (deficit) | 0.0 | (13.3) | (13.3) |

At Month 8, the ICS has reported a **£13.3m adverse variance** year to date. No full year variances are being reported at M8.

- GWH's financial position has worsened by £0.2m, with the full-year straight-line run rate improving by £0.3m.
- RUH's financial position has worsened by £2.1m, with the full-year straight-line run worsening by £2.7m.
- SFT's financial position has worsened by £2.1m, with the full-year straight-line run worsening by £1.6m.

ICS revised in year financial trajectories



Bath and North East Somerset,
Swindon and Wiltshire
Integrated Care Board

Month 8:

| | GWH | | | | RUH | | | | SFT | | | | ICB | | | | System | | | |
|--------------------------|------------|--------|----------|-------|------------|--------|----------|-----|------------|--------|----------|-----|------------|--------|----------|-------|------------|--------|----------|-----|
| | Trajectory | Actual | Variance | RAG | Trajectory | Actual | Variance | RAG | Trajectory | Actual | Variance | RAG | Trajectory | Actual | Variance | RAG | Trajectory | Actual | Variance | RAG |
| Financial Position (£m)* | (2.9) | (3.1) | (0.2) | GREEN | (2.9) | (4.2) | (1.3) | RED | (7.9) | (9.3) | (1.4) | RED | 1.3 | 3.3 | 2.0 | GREEN | (12.4) | (13.3) | (0.9) | RED |

Month 8 Financial position vs Plan:

- The system is reporting a £13.3m deficit against a break-even plan (after the receipt of £30m deficit support funding).
- The actual deficit is therefore £43.3m YTD.
- Based on the current run-rate, the system will exceed the full year plan by £20m without planned interventions.
- This represents an adverse movement from Month 7 of £2m (M7 YTD £11.3m).

Month 8 Variance vs Revised trajectories

- A revised trajectory has been agreed for H2, but not reflected within the forecast.
- Against this a YTD deficit of £12.4m was expected, the system is £0.9m off trajectory.

| RAG Ratings | |
|-------------|--|
| RED | Over 15% deviation against YTD plan |
| AMBER | Between 5-15% deviation against YTD plan |
| GREEN | Between 0-5% deviation against YTD plan |

Risk to the year end forecast

| | Unmitigated (Gross) | Mitigated (Net) |
|-------------|------------------------|--------------------|
| System Risk | (18.4) | (9.8) |

- Net risk at M8 is being reported between £18.4m and £9.8m. This sits outside the reported forecast position at M8 (breakeven). We are reflecting a £13.3m deficit in the YTD.
- We are awaiting guidance on formal reforecasting.
- We are continuing to explore mitigations given the ytd position and the net risk.
- We are anticipating £32.9m of outstanding ERF allocation within our forecast.
- **H2 trajectories at M8 are based on the net risk of £9.8m.**

- The Committee's scope include all commissioned services including mental health and acute providers.
- Both the Chief Finance Officer and The Non-Executive Director Quality emphasised the need for the committee to address decommissioning, given the current financial constraints, and the importance of a robust evaluation process to evaluate the return on spend. The Chief Delivery Officer confirmed that there is a small evaluation team who working on an evaluation approach.

4. Ways of working, expectations of the Chair

- 4.1 The Chair discussed the importance of the committee's membership, emphasising the need for a diverse perspective and the ability to address difficult issues.
- 4.2 The Chair highlighted the importance of anyone bringing a paper to the committee must ensure that it includes all relevant information i.e. engagement responsibilities and the left shift.

5. AOB

- 5.1 The Committee discussed deputies attending the meeting as outlined in the ToRs, the Committee agreed that if deputies came to the meeting, they would need to be fully briefed and be in a position to represent the sector and not only their organisation.
- 5.2 The ICB Partner member VCSE advised the group that the voluntary sector had received a letter from the Chancellor stating that she will not change her mind in relation to the increase in employee national insurance. This will have significant impact on the both the voluntary sector and domiciliary care across the system, they queried as a commissioning principle if the ICB and Local authorities would consider uplifting contracts in April '25 to cover the additional cost. The Chief Delivery Officer agreed to follow-up with the CFO and Place Directors.
- 5.3 There being no other business, the Chair closed the meeting at 10:45.

Next meeting: Tuesday 11th February 2025, 09:30- 12:30 , MS Teams