









## Finance Report for the period to the end of 31 January 2023

### 1. ICS Headline Summary

This paper presents the financial position for the ICB and the ICS for the period to the end of January 2023 (Month 10).

As the ICB was statutorily established on 1 July 2022, the ICB position represents a combination of the CCG reported positions for Quarter 1, and the Month 4 to 10 reported position for the ICB, to provide a full position for the financial year-to-date position and forecast.

		HUMBER & NORTH YORKSHIRE - 2022/23 MONTH 10						YTD RAG	Forecast RAG
		Year to date			Full year				
		Plan	Actual	Variance (adverse)	Plan	Forecast	Variance (adverse)		
		£000s	£000s	£000s	£000s	£000s	£000s		
	System Envelope Performance	585	(11,519)	(12,104)	0	0	0	<span style="color: red;">●</span>	<span style="color: green;">●</span>
	Capital Expenditure - Total	121,478	78,209	43,269	206,328	199,927	6,401	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>
	Capital Charge against System CDEL (excl IFRS 16)	53,048	33,473	19,575	74,174	75,444	(1,270)	<span style="color: orange;">●</span>	<span style="color: green;">●</span>
	Capital Charge against System CDEL (Inc IFRS 16)	70,007	41,281	28,726	98,485	92,084	6,401	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>
	COVID expenditure	40,679	34,762	5,916	48,358	41,569	6,789	<span style="color: green;">●</span>	<span style="color: green;">●</span>
	Cash Balance (Providers)	193,161	176,224	(16,937)	220,279	204,748	(15,531)	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>
	Efficiency - ICB	31,250	31,083	(167)	37,505	38,376	871	<span style="color: orange;">●</span>	<span style="color: green;">●</span>
	Efficiency - Providers	87,222	87,359	137	106,207	113,153	6,946	<span style="color: green;">●</span>	<span style="color: green;">●</span>

### 2. ICB Financial Performance

Overall, the forecast outturn for the ICB is showing a breakeven position with no variance being reported against 2022/23 plans. The year-to-date position for the ICB is showing a small overspend of £133k relating to asylum seeker expenditure incurred to date. This variance is expected to be offset by an NHSE allocation in future months.

A breakdown of this position is also shown at individual place and ICB wide level. The variances at this level are mainly due to independent sector ERF costs, ARRS expenditure and forecast expenditure against Discharge Funding allocation:

- An ERF budget reserve for independent sector provider costs in excess of baseline budgets is held at ICB level. A significant proportion of this funding has been distributed

to places to support year to date positions at Month 10. The forecast outturn position will be closely monitored to manage any risks above funding held by the ICB.

- An element of ARRS funding is still held by NHSE. For monthly reporting ICBs are required to report forecast expenditure against this (£6.456m at M10) which is then offset at overall ICB level within template submissions.
- Forecast expenditure of £3.655m to be re-imbursed from discharge funding. For monthly reporting ICBs are required to report this forecast expenditure which is then offset at overall ICB level within template submissions.

The ICB continues to experience financial pressures in relation to the price and volume of CHC packages, prescribing inflation and contracting with the independent sector. These are currently being mitigated with non-recurrent flexibilities and ICB reserves.

Humber and North Yorkshire ICB						
Summary Income & Expenditure Position - 2022/23 Month 10						
ICB I&E Analysis	2022/23 Plan £'000	Year to Date Position			Forecast Outturn	
		YTD Budget	YTD Actual	YTD Variance	FOT	FOT Variance
		£'000	£'000	£'000	£'000	£'000
<b>System Revenue Resource Limit</b>	<b>(2,597,334)</b>	<b>(2,010,165)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,597,334)</b>
<b>ICB Expenditure</b>						
<b>Acute Services</b>	<b>1,342,359</b>	<b>1,042,256</b>	<b>1,046,289</b>	<b>(4,033)</b>	<b>1,350,075</b>	<b>(7,717)</b>
<i>of which is Intra-System</i>	<i>1,079,356</i>	<i>837,127</i>	<i>837,371</i>	<i>(243)</i>	<i>1,079,160</i>	<i>196</i>
<i>of which is Inter-System</i>	<i>189,845</i>	<i>147,628</i>	<i>149,548</i>	<i>(1,920)</i>	<i>189,977</i>	<i>(131)</i>
<i>IS, Blocks LVA &amp; Other Non NHS</i>	<i>73,157</i>	<i>57,500</i>	<i>59,370</i>	<i>(1,870)</i>	<i>80,939</i>	<i>(7,782)</i>
<b>Mental Health Services</b>	<b>262,283</b>	<b>203,413</b>	<b>207,742</b>	<b>(4,328)</b>	<b>269,206</b>	<b>(6,924)</b>
<i>of which is Intra-System</i>	<i>74,484</i>	<i>57,884</i>	<i>58,217</i>	<i>(333)</i>	<i>74,484</i>	<i>0</i>
<i>of which is Inter-System</i>	<i>99,729</i>	<i>77,721</i>	<i>77,723</i>	<i>(2)</i>	<i>99,790</i>	<i>(61)</i>
<i>IS &amp; Other Non NHS</i>	<i>88,069</i>	<i>67,808</i>	<i>71,802</i>	<i>(3,994)</i>	<i>94,932</i>	<i>(6,863)</i>
<b>Community Health Services</b>	<b>242,781</b>	<b>187,590</b>	<b>183,287</b>	<b>4,303</b>	<b>239,773</b>	<b>3,008</b>
<i>of which is Intra-System</i>	<i>78,438</i>	<i>60,858</i>	<i>60,865</i>	<i>(7)</i>	<i>78,453</i>	<i>(15)</i>
<i>of which is Inter-System</i>	<i>8</i>	<i>6</i>	<i>6</i>	<i>0</i>	<i>8</i>	<i>0</i>
<i>IS &amp; Other Non NHS</i>	<i>164,335</i>	<i>126,726</i>	<i>122,417</i>	<i>4,309</i>	<i>161,312</i>	<i>3,023</i>
<b>Continuing Care Services</b>	<b>139,180</b>	<b>107,790</b>	<b>111,833</b>	<b>(4,044)</b>	<b>143,318</b>	<b>(4,138)</b>
<b>Prescribing</b>	<b>239,620</b>	<b>187,372</b>	<b>199,607</b>	<b>(12,235)</b>	<b>249,702</b>	<b>(10,082)</b>
<b>Primary Care Services</b>	<b>39,691</b>	<b>31,825</b>	<b>24,936</b>	<b>6,889</b>	<b>37,747</b>	<b>1,944</b>
<b>Delegated Primary Care Commissioning</b>	<b>232,721</b>	<b>181,046</b>	<b>182,338</b>	<b>(1,292)</b>	<b>238,202</b>	<b>(5,482)</b>
Other Programme Services	20,956	16,061	16,601	(540)	20,829	127
Other Commissioned	7,057	5,520	5,553	(33)	7,103	(46)
Reserves / Contingencies	27,080	9,390	13,163	(3,773)	27,144	(64)
<b>Running Costs</b>	<b>26,464</b>	<b>20,759</b>	<b>19,153</b>	<b>1,606</b>	<b>25,089</b>	<b>1,375</b>
<i>of which is Pay</i>	<i>22,344</i>	<i>17,654</i>	<i>15,305</i>	<i>2,349</i>	<i>21,312</i>	<i>1,032</i>
<i>of which is Non-Pay</i>	<i>4,120</i>	<i>3,105</i>	<i>3,848</i>	<i>(743)</i>	<i>3,777</i>	<i>343</i>
<b>Total ICB NET EXPENDITURE</b>	<b>2,580,191</b>	<b>1,993,022</b>	<b>2,010,503</b>	<b>(17,482)</b>	<b>2,608,189</b>	<b>(27,998)</b>
<b>Allocation adjustment for reimbursable items</b>						
ARRS (NHSE Centrally Held Allocation)	0	0	0	0	6,581	6,581
Discharge Fund reimbursement	0	0	205	205	4,274	4,274
M1-3 CCG (combined) Surplus/(Deficit)	17,143	17,143	0	17,143	0	17,143
<b>TOTAL ICB SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>0</b>	<b>(134)</b>	<b>(134)</b>	<b>(0)</b>	<b>(0)</b>
<b>MEMO: ICB Surplus/(Deficit) Breakdown</b>						
East Riding Of Yorkshire Place	413,974	318,456	320,265	(1,809)	417,734	(3,760)
Hull Place	540,837	418,305	419,588	(1,282)	543,660	(2,824)
North East Lincolnshire Place	245,898	189,120	189,169	(49)	246,534	(636)
North Lincolnshire Place	257,373	198,007	198,543	(537)	258,615	(1,242)
North Yorkshire Place	661,507	511,146	513,728	(2,582)	666,535	(5,029)
York Place	447,044	347,728	350,191	(2,463)	451,704	(4,660)
ICB-Wide Expenditure	30,701	27,402	19,019	8,589	23,406	18,149
<b>TOTAL ICB SURPLUS/(DEFICIT)</b>	<b>2,597,334</b>	<b>2,010,165</b>	<b>2,010,503</b>	<b>(133)</b>	<b>2,608,189</b>	<b>0</b>

### 3. Revenue Financial Position for NHS Providers within ICS

The provider sector has reported a YTD deficit at month 10 of £11.970m, an improvement of £3.079m from Month9. All providers continue to forecast a break even position for the year.

Financial pressures are being felt by the acute sector for the funding of additional beds due to the number of patients in the bed base with no reason to reside. This is leading to additional pay pressures including the use of agency that was not in original plans. Price inflation continues to cause further pressures and the under delivery of efficiency programmes. These pressures are being partially offset by reduced costs associated with Trusts still not delivering elective activity at planned levels. Remedial action being taken are a focus on recruitment, retention, agency control, alternative workforce models, reducing bank premium rates and a focus on delivery of efficiency programmes.

Humber and North Yorkshire ICB Summary ICS Providers I&E Position - 2022/23 Month 10						
Organisation	2022/23 Plan £'000	Year to Date Position			Forecast Outturn	
		YTD Budget £'000	YTD Actual £'000	YTD Variance £'000	FOT £'000	FOT Variance £'000
<b>York and Scarborough Teaching Hospitals NHS FT</b>						
Income	663,803	553,190	571,829	18,639	688,602	24,799
Agency	(17,697)	(14,772)	(17,278)	(2,506)	(19,618)	(1,921)
Other pay	(410,243)	(341,950)	(366,108)	(24,158)	(437,430)	(27,187)
Pay	(427,940)	(356,722)	(383,386)	(26,664)	(457,048)	(29,108)
Non-Pay	(226,904)	(189,259)	(186,895)	2,364	(223,384)	3,520
Non Operating Items (exc gains on disposal)	(8,959)	(7,462)	(6,650)	812	(8,170)	789
<b>Provider Surplus/(Deficit)</b>	<b>0</b>	<b>(253)</b>	<b>(5,102)</b>	<b>(4,849)</b>	<b>0</b>	<b>0</b>
<b>Harrogate and District NHS FT</b>						
Income	289,165	240,969	257,422	16,453	345,669	56,504
Agency	(5,376)	(4,474)	(8,877)	(4,403)	(10,652)	(5,276)
Other pay	(192,784)	(160,669)	(181,883)	(21,214)	(218,260)	(25,476)
Pay	(198,160)	(165,143)	(190,760)	(25,617)	(228,912)	(30,752)
Non-Pay	(87,692)	(73,066)	(68,831)	4,235	(113,228)	(25,536)
Non Operating Items (exc gains on disposal)	(3,313)	(2,760)	(2,298)	462	(3,529)	(216)
<b>Provider Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>(4,467)</b>	<b>(4,467)</b>	<b>(0)</b>	<b>(0)</b>
<b>Northern Lincolnshire and Goole NHS FT</b>						
Income	485,158	404,239	417,606	13,367	502,260	17,102
Agency	(27,003)	(22,492)	(23,877)	(1,385)	(28,825)	(1,822)
Other pay	(295,046)	(245,951)	(260,070)	(14,119)	(310,597)	(15,551)
Pay	(322,049)	(268,443)	(283,947)	(15,504)	(339,422)	(17,373)
Non-Pay	(156,625)	(129,720)	(131,224)	(1,504)	(157,660)	(1,035)
Non Operating Items (exc gains on disposal)	(6,484)	(5,402)	(4,208)	1,194	(5,178)	1,306
<b>Provider Surplus/(Deficit)</b>	<b>0</b>	<b>674</b>	<b>(1,773)</b>	<b>(2,447)</b>	<b>0</b>	<b>0</b>
<b>Hull University Teaching Hospitals NHS Trust</b>						
Income	746,014	622,973	655,985	33,012	787,483	41,469
Agency	(11,044)	(9,231)	(8,673)	558	(10,465)	579
Other pay	(419,478)	(349,963)	(355,841)	(5,878)	(427,490)	(8,012)
Pay	(430,522)	(359,194)	(364,514)	(5,320)	(437,955)	(7,433)
Non-Pay	(301,256)	(251,718)	(280,353)	(28,635)	(336,422)	(35,166)
Non Operating Items (exc gains on disposal)	(14,236)	(11,802)	(11,067)	735	(13,106)	1,130
<b>Provider Surplus/(Deficit)</b>	<b>0</b>	<b>259</b>	<b>51</b>	<b>(208)</b>	<b>0</b>	<b>(0)</b>
<b>Humber Teaching NHS FT</b>						
Income	217,541	181,214	194,855	13,641	233,826	16,285
Agency	(7,634)	(6,689)	(7,213)	(524)	(8,347)	(713)
Other pay	(130,942)	(109,029)	(116,013)	(6,984)	(138,988)	(8,046)
Pay	(138,576)	(115,718)	(123,226)	(7,508)	(147,335)	(8,759)
Non-Pay	(76,351)	(63,418)	(69,806)	(6,388)	(84,198)	(7,847)
Non Operating Items (exc gains on disposal)	(2,614)	(2,173)	(1,918)	255	(2,293)	321
<b>Provider Surplus/(Deficit)</b>	<b>0</b>	<b>(95)</b>	<b>(95)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ICS PROVIDER SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>585</b>	<b>(11,385)</b>	<b>(11,970)</b>	<b>0</b>	<b>(0)</b>

#### 4. Revenue financial position for the ICS, including within system NHS providers.

The table below combines the results of the ICB and providers at sub place level.

Humber and North Yorkshire ICS Summary Surplus / (Deficit) Position - 2022/23 Month 10						
Organisation	2022/23 Plan	Surplus / (Deficit)			Surplus / (Deficit)	
		YTD Budget	YTD Actual	YTD Variance	FOT	FOT Variance
		£'000	£'000	£'000	£'000	£'000
East Riding Of Yorkshire Place	0	0	(1,809)	(1,809)	3,760	(3,760)
Hull Place	0	0	(1,282)	(1,282)	2,824	(2,824)
Hull University Teaching Hospitals NHS Trust	0	259	51	(208)	0	(0)
Humber Teaching NHS FT	0	(95)	(95)	0	0	0
<b>Hull and East Riding</b>	<b>0</b>	<b>164</b>	<b>(3,134)</b>	<b>(3,298)</b>	<b>6,584</b>	<b>(6,584)</b>
North East Lincolnshire Place	0	0	(49)	(49)	636	(636)
North Lincolnshire Place	0	0	(537)	(537)	1,242	(1,242)
Northern Lincolnshire and Goole NHS FT	0	674	(1,773)	(2,447)	0	0
<b>North and North East Lincolnshire</b>	<b>0</b>	<b>674</b>	<b>(2,358)</b>	<b>(3,032)</b>	<b>1,878</b>	<b>(1,878)</b>
North Yorkshire Place	0	(0)	(2,582)	(2,582)	5,029	(5,904)
York Place	0	0	(2,463)	(2,463)	4,660	(4,660)
York and Scarborough Teaching Hospitals NHS FT	0	(253)	(5,102)	(4,849)	0	0
Harrogate and District NHS FT	0	0	(4,467)	(4,467)	(0)	(0)
<b>North Yorkshire and York</b>	<b>0</b>	<b>(253)</b>	<b>(14,614)</b>	<b>(14,361)</b>	<b>9,688</b>	<b>(10,564)</b>
ICB-Wide Expenditure	0	0	8,588	8,588	(18,149)	18,149
<b>TOTAL ICS SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>585</b>	<b>(11,519)</b>	<b>(12,104)</b>	<b>0</b>	<b>(876)</b>
ICB Total	0	(0)	(8,721)	(8,721)	18,149	(18,149)
ICB-Wide Expenditure	0	0	8,588	8,588	(18,149)	18,149
ICS Provider Total	0	585	(11,385)	(11,970)	0	(0)
<b>TOTAL ICS SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>585</b>	<b>(11,519)</b>	<b>(12,104)</b>	<b>0</b>	<b>(0)</b>

#### 5. ICS Capital Position

The overall system position is showing significant slippage to date of £43.269m as at month 10. The forecast position is an underspend against plan of £6.401m. The forecast outturn variance is due to:

- CDEL overspend of £1.27m relating to Yorkshire Humber Care Records, this expenditure is covered by South Yorkshire who will reflect an offsetting value as an underspend in their position
- IFRS16 overspend of £0.519m at Humber Teaching Trust relating to a lease (£0.519m) which was not in the original plan.
- IFRS16 York & Scarborough Trust underspend (£8m) on various medical equipment.
- A small IFRS16 overspend of £145k at Northern Lincolnshire and Goole Trust small offset by a small underspend of £335k at Hull & East Yorkshire Hospitals.

The risks of any underspend against IFRS16 in 2022/23 against future years will need to be understood and managed.

**Humber and North Yorkshire ICS  
Capital Expenditure - 2022/23 Month 10**

System Capital	ICS Envelope and NET CDEL position				FOT	
	2022/23 Plan	Plan YTD	Actual YTD	YTD Variance	FOT	FOT Variance
	£'000	£'000	£'000	£'000	£'000	£'000
<b>ICS Envelope (Excluding IFRS 16)</b>						
Harrogate and District NHS FT	9,479	7,539	3,106	4,433	9,479	0
Hull University Teaching Hospitals NHS Trust	21,963	12,542	11,998	544	21,963	0
Humber Teaching NHS FT	6,925	5,115	3,936	1,179	8,195	(1,270)
Northern Lincolnshire and Goole NHS FT	13,972	12,786	6,287	6,499	13,972	0
York Teaching Hospital NHS FT	21,835	15,066	8,146	6,920	21,835	0
<b>Expenditure against ICS Envelope (exc IFRS16)</b>	<b>74,174</b>	<b>53,048</b>	<b>33,473</b>	<b>19,575</b>	<b>75,444</b>	<b>(1,270)</b>
<b>ICS Envelope (Including IFRS 16)</b>						
Harrogate and District NHS FT	9,479	7,539	3,106	4,433	9,479	0
Hull University Teaching Hospitals NHS Trust	22,929	13,406	12,629	777	22,594	335
Humber Teaching NHS FT	6,925	5,115	4,455	660	8,714	(1,789)
Northern Lincolnshire and Goole NHS FT	14,497	13,221	6,927	6,294	14,642	(145)
York Teaching Hospital NHS FT	44,655	30,726	14,164	16,562	36,655	8,000
<b>Expenditure against ICS Envelope (inc IFRS 16)</b>	<b>98,485</b>	<b>70,007</b>	<b>41,281</b>	<b>28,726</b>	<b>92,084</b>	<b>6,401</b>
<b>NET CDEL (including other)</b>						
Harrogate and District NHS FT	20,937	10,288	5,855	4,433	20,937	0
Hull University Teaching Hospitals NHS Trust	43,208	16,421	15,530	891	42,873	335
Humber Teaching NHS FT	8,755	6,322	5,662	660	10,544	(1,789)
Northern Lincolnshire and Goole NHS FT	44,833	32,061	22,611	9,450	44,978	(145)
York Teaching Hospital NHS FT	88,595	56,386	28,551	27,835	80,595	8,000
<b>NET CDEL (including other)</b>	<b>206,328</b>	<b>121,478</b>	<b>78,209</b>	<b>43,269</b>	<b>199,927</b>	<b>6,401</b>
<b>Primary Care Capital</b>						
	<b>2022/23 Plan</b>	<b>Primary Care Capital Summary</b>			<b>FOT</b>	<b>FOT</b>
	<b>£'000</b>	<b>Plan YTD</b>	<b>Actual YTD</b>	<b>YTD Variance</b>	<b>£'000</b>	<b>Variance</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Capital Acquisitions</b>	<b>2,007</b>	<b>799</b>	<b>799</b>	<b>0</b>	<b>2,007</b>	<b>0</b>
GPIT	2,007	799	799	0	2,007	0
<b>Capital Grants</b>	<b>3,337</b>	<b>183</b>	<b>121</b>	<b>62</b>	<b>3,337</b>	<b>0</b>
Improvement Grant	2,195	121	121	0	2,195	0
Other Capital Grant	1,142	62	0	62	1,142	0
<b>Total Charge against Capital Allocation (Exc IFRS16)</b>	<b>5,344</b>	<b>982</b>	<b>920</b>	<b>62</b>	<b>5,344</b>	<b>0</b>
<b>IFRS16</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>0</b>	<b>75</b>	<b>0</b>
IFRS16	75	75	75	0	75	0
<b>Total Charge against Capital Allocation</b>	<b>5,419</b>	<b>1,057</b>	<b>995</b>	<b>62</b>	<b>5,419</b>	<b>0</b>

## 6. ICB Cash Position

The ICB currently has a cash resource allocation of £2,569.8m for the 9 months to 31st March 2023. For the first 7 months to the end of January the ICB has used £1,955.3m (76.1%). Working on a straight-line basis for cash use, the ICB would be expected to have used no more than £1,998.7m (77.8%), so usage is below this by £43.4m (or just 1.7% of the full cash resource allocation).

Humber and North Yorkshire ICB Cash Position - 2022/23 Month 10									
	Opening Balance	Cash Drawn Down	scripti Drawn Down	Other Income	Cash Payments	Closing Balance	Closing Balance as % of Drawdown	Achieved Target?	
	£'000	£'000	£m	£'000	£'000	£'000			
Total Cash Drawdown Allocation £2,570m									
Monthly straight-line drawdown £286m									
July	1.67	236.91	22.22	4.89	(263.36)	2.33	0.98%	YES	
August	2.33	240.80	22.97	2.08	(266.84)	1.33	0.55%	YES	
September	1.33	283.00	23.72	2.36	(309.75)	0.67	0.24%	YES	
October	0.67	261.00	25.05	2.41	(287.15)	1.99	0.76%	YES	
November	1.99	258.00	23.71	4.12	(285.68)	2.14	0.83%	YES	
December	2.14	250.00	25.12	3.14	(279.17)	1.23	0.49%	YES	
January	1.23	257.00	25.79	3.00	(286.36)	0.66	0.26%	YES	
Cash drawn down to Date (actual)		1,955.30							Note: Target is 1.25%
Cash Drawdown Allocation (straight line)		1,998.73							
Difference		(43.44)							

## 7. Summary

Financial forecasts are being reviewed each month following a full assessment undertaken at Month 6. All organisations are still planning to deliver breakeven position but with some assumptions and risks. The acute provider sector risks relate to additional bed and pay pressures and agency costs. The ICB main risks relate to prescribing price inflation, the volume and price of continuing care packages and trading with the independent sector to support elective recovery.

In mitigation the following actions are being taken, recovery work on efficiency and waste reduction programmes, focus on reducing pay pressures through recruitment, retention, agency control, alternative workforce models and reducing bank premium rates and finally reviewing all technical efficiencies and reserves.

## 8. Recommendations

The ICB is asked to note:

- The revenue financial position for the ICB and ICS forecasting a breakeven position for 2022/23 consistent with plans.
- The ICS Capital Position and potential forecast outturn underspend of £6.401m