



**Humber and North Yorkshire**  
Health and Care Partnership



**Humber and  
North Yorkshire**  
Integrated Care Board (ICB)

# Integrated Finance Report for the period ending

**31st May 2023**

For presentation at the

ICB Board

Date: 12/07/2023

## Contents

1. Executive Financial Summary
2. System Financial Commentary
3. System Surplus / (Deficit) – Place Level
4. ICB Income & Expenditure
5. ICS Provider Income & Expenditure
6. System Efficiencies
7. System Risks and Mitigations
8. System Capital Summary
9. ICB Establishment Expenditure
10. Provider Agency Expenditure
11. ICB Cash Position
12. System BPPC Performance
13. Recommendations

# 1. Executive Financial Summary

The Humber and North Yorkshire NHS system delivered a breakeven financial position in 2022/23. For 2023/24 the system-wide financial plan is a deficit of £30m, with an expectation that the system continues to seek ways to bring the system into financial balance.

The following report describes the key financial indicators across both the ICB and NHS providers as at the end of May (month 2)

Humber and North Yorkshire ICS																				
Executive ICS Financial Summary - 2023/24 (M02)																				
	Plan YTD (£m)	Actual YTD (£m)	Variance YTD (%)	Plan 31/03/24 (£m)	Forecast 31/03/24 (£m)	Variance YTD (%)														
Key Financial Indicators	<b>ICS Financial Position - Surplus/(Deficit)</b>																			
	The ICS providers are reporting a £2.5m adverse variance against a M02 planned deficit of £10.4m. At this early stage in the financial year providers are forecasting to be in line with planned £30m deficit for 2023/24.																			
	(10.46)	(12.98)	(24.2%)	(30.00)	(30.00)	0.0%														
	The ICB is showing a small overspend of £0.28m against plan and a breakeven forecast position.																			
	0.28	0.00	100.0%	0.00	0.00	0.0%														
	<b>ICB QEP/Efficiency</b>																			
	The ICB reported a YTD position of £8.2m against £9.5m plan (£1.3m adverse). The ICB is forecasting to deliver the planned efficiency target of £72m at this stage.																			
9.46	8.19	(13.4%)	72.00	72.00	0.0%															
<b>NHS Provider QEP/Efficiency</b>																				
The ICS NHS providers reported a £13.8m YTD against a plan of YTD £18.9m plan (£5.1m adverse) and are forecasting to deliver the planned efficiency target of £160m at this stage.																				
18.94	13.82	(27.0%)	160.00	160.00	0.0%															
<b>ICS Capital Funding</b>																				
The ICS is reporting a forecast outturn against capital allocation of £0.607m underspend on provider capital after adjusting for the impact of IFRS 16. An £8.7m YTD actual underspend is also reported due to some leases starting later than planned.																				
16.27	7.57	53.5%	175.48	174.87	0.3%															
<b>ICB Running Costs Position</b>																				
The ICB is reporting a breakeven position on year to date and forecast outturn, which is in line with the submitted financial plan.																				
5.45	5.45	0.0%	32.68	32.68	0.0%															
ICS NHS Provider agency costs are £1.0m above target at month 2, with an expectation that the year-end position will be in line with plan.																				
11.82	12.83	(8.5%)	59.20	59.06	0.2%															
Other Financial Indicators	<b>Mental Health Investment Standard (MHIS)</b>																			
	The ICB MHIS target is 6.9% at M02. This will be updated in M03 to reflect the 2022/23 final position and impact of the 2023/24 pay award. The ICB achieved its target at M02.																			
	6.90%	6.90%	0.0%	6.90%	6.90%	0.0%														
	<b>Cash Management</b>																			
The M02 ICB cash balance is reported as 0.4% and within the NHSE cash drawdown target of 1.25%.																				
1.25%	0.40%	67.9%	1.25%	1.25%	0.0%															
<b>Better Payment Practice Code (BPPC) YTD</b>																				
To comply with the BPPC, all valid invoices must be paid within 30 days of receipt. The national target is 95%.																				
Under the Better Payment Practice Code (BPPC), NHS providers paid 93% of total bills (by value) and 91% (by volume) against the target on 95%.																				
The ICB achieved above the 95% NHSE national target across both metrics.																				
<p style="text-align: center;">Percentage of Invoices Paid Within 95% Target (Volume)</p> <table style="width: 100%; text-align: center;"> <tr> <td>NHS</td> <td>Non-NHS</td> <td>TOTAL</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td>87%</td> <td>91%</td> <td>91%</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td>100%</td> <td>99%</td> <td>99%</td> </tr> </table>						NHS	Non-NHS	TOTAL				87%	91%	91%				100%	99%	99%
NHS	Non-NHS	TOTAL																		
87%	91%	91%																		
100%	99%	99%																		

## **2. System Financial Commentary**

This report presents the financial position for the system, including NHS providers and the ICB for the period ended 31 May 2023.

### **2.1. System Financial Position**

The Month 2 position for the system is a deficit of £13.0m against a planned deficit of £10.2m, representing a year to date overspend of £2.8m.

The main reason for the adverse variance is slippage against efficiency targets, with delivery being £6.4m below plan as at month 2, impact of strikes and inflationary pressures. These pressures have been offset in part through budgeted expenditure starting later in the year than initially planned. At this early stage in the financial year, the system is forecasting to meet the planned £30m deficit.

However, there are significant risks to delivery of this plan that require management in year.

### **2.2. System Risk**

At Month 2, £65m of risk has been highlighted with £47m of risk with providers and £18m with the ICB. Provider risk is mainly on delivery against challenging efficiency targets, impact of strikes and bed pressures and the ICB risks relate to delivery against efficiency targets, continuing healthcare and high-cost mental health patients and primary care delegated cost pressures.

The system is working to ensure mitigating actions are in place to manage these risks in year.

### **2.3. System Efficiencies**

The system is reporting a £6.4m shortfall against an efficiency target of £28.4m at Month 2. This comprises of the providers delivering £13.8m against a £18.9m plan (£5.1m adverse) and the ICB delivering £8.2m against a £9.5m plan (£1.3m adverse). The forecast for the year is consistent with the 2023/24 plan and is to deliver £232.3m of savings with £160m by providers and £72m by the ICB.

There is a requirement for the system to focus on recurrent efficiency schemes to be in place in this financial year to support the in-year position and the recurrent underlying position of the ICS.

### **2.4. System Capital**

Capital Expenditure, including all funding streams and IFRS, is £8.7m underspent as at month 2. This reflects small underspend of £1.3m against system CDEL, £1.9m underspend against IFRS16 and £5.5m against provider specific schemes.

The 2023/24 forecast position for the ICS is that expenditure will align with plan, except for HUTH which is currently reporting an underspend of £0.6m.

## **2.5. ICB Establishment Costs**

The ICB is establishment budgets in on plan at month 2 and with a forecast to deliver the plan for the full year. This position includes an efficiency target of £8m that is required in 2023/24 in order to support the overall ICB financial position.

## **2.6. Mental Health Investment Standard**

The ICB is meeting the MHIS target of 6.9% at Month 2 and is forecasting delivery against the target for 2023/24.

## **2.7. Elective Services Recovery Fund (ESRF) clawback**

The system is assuming no clawback of ESRF at M02 in line with the reporting guidance.

## **3. Summary System Surplus / (Deficit)**

The ICS is reporting an actual £13.0m deficit against a planned deficit of £10.2m, giving a £2.8m adverse variance, £0.3m of the variance is reported at ICB level and £2.5m of the variance is being reported at provider level. The main cause of the adverse variance is the shortfall against efficiencies, with efficiency delivery being £6.4m below plan as at month 2. Other year to date pressures include the impact of strikes and inflationary pressures offset by delayed scheme expenditure.

To address the year-to-date variances and in year risks, NHS providers are focusing on recruitment and retention, control over premium pay, (in particular agency), alternative workforce models and maximising efficiencies.

Allowing for place deficits being offset by central ICB reserve for independent sector ERF, the North Yorkshire and York place has the largest deficit of £6.5m after 2 months which is £2m worse than plan. The North and North East Lincolnshire place has the next highest YTD deficit of £6.3m, but is better than plan by £1.4m mainly due to the 'back-end loading' of efficiency plans at NLAG.

### Summary ICS Surplus / (Deficit) - 2023/24 (M02)

Organisation	2023/24 Plan £'000	Surplus / (Deficit)			Surplus / (Deficit)	
		YTD Budget £'000	YTD Actual £'000	YTD Variance £'000	FOT £'000	FOT Variance £'000
East Riding Of Yorkshire Place	(5,546)	(924)	(1,203)	(279)	(7,436)	1,889
Hull Place	3,154	526	526	0	1,517	1,637
Hull University Teaching Hospitals NHS Trust	(7,231)	(612)	(2,458)	(1,846)	(7,231)	(0)
Humber Teaching NHS FT	0	0	0	0	(0)	0
<b>Hull and East Riding</b>	<b>(9,623)</b>	<b>(1,011)</b>	<b>(3,136)</b>	<b>(2,125)</b>	<b>(13,150)</b>	<b>3,527</b>
North East Lincolnshire Place	(4,056)	(676)	(735)	(59)	(4,056)	0
North Lincolnshire Place	(7,876)	(1,313)	(1,313)	(0)	(7,876)	0
Northern Lincolnshire and Goole NHS FT	(13,355)	(5,723)	(4,346)	1,377	(13,355)	0
<b>North and North East Lincolnshire</b>	<b>(25,287)</b>	<b>(7,712)</b>	<b>(6,394)</b>	<b>1,318</b>	<b>(25,287)</b>	<b>0</b>
North Yorkshire Place	(682)	(114)	(1,631)	(1,517)	(6,595)	5,913
York Place	(3,080)	(234)	(768)	(535)	(7,628)	4,549
York and Scarborough Teaching Hospitals NHS FT	(15,414)	(5,124)	(6,431)	(1,307)	(15,414)	0
Harrogate and District NHS FT	6,000	1,004	255	(749)	6,000	(0)
<b>North Yorkshire and York</b>	<b>(13,176)</b>	<b>(4,467)</b>	<b>(8,575)</b>	<b>(4,108)</b>	<b>(23,637)</b>	<b>10,461</b>
ICB Expenditure central	18,086	3,014	5,125	2,111	32,073	(13,988)
<b>TOTAL ICS SURPLUS/(DEFICIT)</b>	<b>(30,000)</b>	<b>(10,175)</b>	<b>(12,980)</b>	<b>(2,805)</b>	<b>(30,000)</b>	<b>0</b>
ICB Total	(0)	280	0	(280)	(0)	(0)
ICS Provider Total	(30,000)	(10,455)	(12,980)	(2,525)	(30,000)	0
<b>TOTAL ICS SURPLUS/(DEFICIT)</b>	<b>(30,000)</b>	<b>(10,175)</b>	<b>(12,980)</b>	<b>(2,805)</b>	<b>(30,000)</b>	<b>0</b>

#### 4. ICB Summary Income & Expenditure

The ICB is reporting a small overspend of £0.3m YTD and a forecast breakeven position consistent with financial plans.

The individual place positions reported are largely consistent with planned surplus/deficits. The main variances at place level relate to Independent Sector ERF reserve that is being centrally held and is therefore offset in the overall ICB position. Funding will be released to places quarterly based on actual expenditure.

There are pressures in continuing healthcare, high-cost MH inpatients and primary care delegated budgets in both the YTD and forecast position that is currently being offset through underspend in other expenditure and technical efficiencies.

Summary ICB Income & Expenditure - 2023/24 (M02)						
ICB I&E Analysis	2023/24 Plan £'000	Year to Date Position			Forecast Outturn	
		YTD Budget £'000	YTD Actual £'000	YTD Variance £'000	FOT £'000	FOT Variance £'000
<b>System Revenue Resource Limit</b>	<b>(3,641,852)</b>	<b>(618,250)</b>	<b>0</b>	<b>0</b>	<b>(308,291)</b>	<b>(3,333,560)</b>
<b>ICB Expenditure</b>						
<b>Acute Services</b>	<b>1,831,803</b>	<b>304,930</b>	<b>305,427</b>	<b>(497)</b>	<b>1,846,023</b>	<b>(14,220)</b>
<i>of which is Intra-System</i>	<i>1,436,361</i>	<i>239,393</i>	<i>239,543</i>	<i>(149)</i>	<i>1,436,361</i>	<i>0</i>
<i>of which is Inter-System</i>	<i>276,192</i>	<i>46,032</i>	<i>45,044</i>	<i>988</i>	<i>276,194</i>	<i>(2)</i>
<i>IS, Blocks LVA &amp; Other Non NHS</i>	<i>119,251</i>	<i>19,504</i>	<i>20,830</i>	<i>(1,326)</i>	<i>133,468</i>	<i>(14,218)</i>
<b>Mental Health Services</b>	<b>368,216</b>	<b>61,561</b>	<b>61,600</b>	<b>(39)</b>	<b>368,247</b>	<b>(31)</b>
<i>of which is Intra-System</i>	<i>95,363</i>	<i>15,894</i>	<i>15,896</i>	<i>(2)</i>	<i>95,363</i>	<i>0</i>
<i>of which is Inter-System</i>	<i>134,377</i>	<i>22,396</i>	<i>22,392</i>	<i>4</i>	<i>134,377</i>	<i>0</i>
<i>IS &amp; Other Non NHS</i>	<i>138,476</i>	<i>23,272</i>	<i>23,312</i>	<i>(41)</i>	<i>138,507</i>	<i>(31)</i>
<b>Community Health Services</b>	<b>324,488</b>	<b>54,636</b>	<b>54,359</b>	<b>278</b>	<b>323,098</b>	<b>1,390</b>
<i>of which is Intra-System</i>	<i>106,584</i>	<i>17,764</i>	<i>17,769</i>	<i>(5)</i>	<i>106,592</i>	<i>(8)</i>
<i>of which is Inter-System</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>IS &amp; Other Non NHS</i>	<i>217,904</i>	<i>36,872</i>	<i>36,590</i>	<i>282</i>	<i>216,506</i>	<i>1,398</i>
<b>Continuing Care Services</b>	<b>210,074</b>	<b>34,512</b>	<b>35,573</b>	<b>(1,060)</b>	<b>210,705</b>	<b>(631)</b>
<b>Prescribing</b>	<b>338,216</b>	<b>56,594</b>	<b>56,062</b>	<b>532</b>	<b>338,420</b>	<b>(204)</b>
<b>Primary Care Services</b>	<b>45,383</b>	<b>7,648</b>	<b>7,618</b>	<b>31</b>	<b>45,475</b>	<b>(92)</b>
<b>Delegated PC Comm (Excl. Dental,Ophthalmic &amp; Pharmacy Services)</b>	<b>328,549</b>	<b>54,709</b>	<b>54,561</b>	<b>148</b>	<b>327,840</b>	<b>710</b>
<b>Delegated Dental, Ophthalmic and Pharmacy Services</b>	<b>163,528</b>	<b>27,255</b>	<b>27,255</b>	<b>(0)</b>	<b>163,528</b>	<b>0</b>
<i>Other Programme Services</i>	<i>37,322</i>	<i>6,195</i>	<i>5,732</i>	<i>462</i>	<i>37,170</i>	<i>152</i>
<i>Other Commissioned</i>	<i>9,904</i>	<i>1,931</i>	<i>2,138</i>	<i>(206)</i>	<i>11,212</i>	<i>(1,308)</i>
<i>Reserves / Contingencies</i>	<i>(48,293)</i>	<i>2,555</i>	<i>2,482</i>	<i>72</i>	<i>(62,527)</i>	<i>14,234</i>
<b>Running Costs</b>	<b>32,684</b>	<b>5,447</b>	<b>5,447</b>	<b>0</b>	<b>32,684</b>	<b>0</b>
<i>of which is Pay</i>	<i>19,895</i>	<i>3,316</i>	<i>3,316</i>	<i>0</i>	<i>19,895</i>	<i>0</i>
<i>of which is Non-Pay</i>	<i>12,789</i>	<i>2,132</i>	<i>2,132</i>	<i>0</i>	<i>12,789</i>	<i>0</i>
<b>Total ICB NET EXPENDITURE</b>	<b>3,641,852</b>	<b>617,970</b>	<b>618,250</b>	<b>(280)</b>	<b>3,641,852</b>	<b>0</b>
<b>TOTAL ICB SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>280</b>	<b>0</b>	<b>(280)</b>	<b>0</b>	<b>0</b>
<b>MEMO: ICB Surplus/(Deficit) Breakdown</b>						
East Riding Of Yorkshire Place	548,842	92,620	93,823	(1,203)	556,278	(7,436)
Hull Place	658,244	112,882	112,357	526	656,727	1,517
North East Lincolnshire Place	324,867	55,877	56,613	(735)	328,923	(4,056)
North Lincolnshire Place	329,004	54,981	56,294	(1,313)	336,879	(7,876)
North Yorkshire Place	858,352	145,206	146,837	(1,631)	864,947	(6,595)
York Place	601,099	103,113	104,161	(1,048)	608,727	(7,628)
ICB Central	321,444	53,291	48,166	5,125	289,371	32,073
<b>TOTAL ICB SURPLUS/(DEFICIT)</b>	<b>3,641,852</b>	<b>617,970</b>	<b>618,250</b>	<b>(280)</b>	<b>3,641,852</b>	<b>(0)</b>

## 5. ICS Provider Income & Expenditure

The Month 2 position for the ICS NHS Providers is a deficit of £13.0m against a planned deficit of £10.4m, representing a year to date overspend of £2.5m

The adverse variance is due to slippage against efficiency targets, with delivery being £5.1m below plan as at month 2, impact of strikes and inflationary pressures. These pressures have been offset in part through budgeted expenditure starting later in the year than initially planned.

The most significant YTD deficit sits in York and Scarborough Trust at £6.4m. The Trust was subject to a national review at plan submission stage with a series of recommended actions which we are working with the Trust to monitor compliance.

If the YTD deficit of £13m was extrapolated for the full year, this would represent a deficit of £78m. All providers at the moment are forecasting delivery of plans which would result in a £30m deficit. NHSE have confirmed that they expect the ICB to continue to work to deliver a balanced position.

Summary ICS Provider I&E Position - 2023/24 (M02)						
Organisation	2023/24 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	699,882	116,656	117,838	1,182	692,226	(7,656)
Agency	(17,300)	(2,894)	(3,295)	(401)	(17,300)	0
Other pay	(457,910)	(77,678)	(78,699)	(1,021)	(450,254)	7,656
Pay	(475,210)	(80,572)	(81,994)	(1,422)	(467,554)	7,656
Non-Pay	(229,160)	(39,386)	(40,737)	(1,351)	(229,160)	0
Non Operating Items (exc gains on disposal)	(10,926)	(1,822)	(1,538)	284	(10,926)	0
<b>Provider Surplus/(Deficit)</b>	<b>(15,414)</b>	<b>(5,124)</b>	<b>(6,431)</b>	<b>(1,307)</b>	<b>(15,414)</b>	<b>0</b>
<b>Harrogate and District NHS FT</b>						
Income	331,158	55,196	53,701	(1,495)	326,903	(4,255)
Agency	(9,552)	(1,592)	(1,260)	332	(7,560)	1,992
Other pay	(223,739)	(37,290)	(38,684)	(1,394)	(227,904)	(4,165)
Pay	(233,291)	(38,882)	(39,944)	(1,062)	(235,464)	(2,173)
Non-Pay	(88,073)	(14,688)	(13,163)	1,525	(81,645)	6,428
Non Operating Items (exc gains on disposal)	(3,794)	(622)	(339)	283	(3,794)	0
<b>Provider Surplus/(Deficit)</b>	<b>6,000</b>	<b>1,004</b>	<b>255</b>	<b>(749)</b>	<b>6,000</b>	<b>0</b>
<b>Northern Lincolnshire and Goole NHS FT</b>						
Income	522,047	86,807	86,359	(448)	522,163	116
Agency	(16,524)	(4,512)	(4,890)	(378)	(16,524)	0
Other pay	(340,921)	(58,025)	(57,145)	880	(340,961)	(40)
Pay	(357,445)	(62,537)	(62,035)	502	(357,485)	(40)
Non-Pay	(170,967)	(28,831)	(27,935)	896	(171,043)	(76)
Non Operating Items (exc gains on disposal)	(6,990)	(1,162)	(735)	427	(6,990)	0
<b>Provider Surplus/(Deficit)</b>	<b>(13,355)</b>	<b>(5,723)</b>	<b>(4,346)</b>	<b>1,377</b>	<b>(13,355)</b>	<b>0</b>
<b>Hull University Teaching Hospitals NHS Trust</b>						
Income	792,055	131,871	130,984	(887)	791,314	(741)
Agency	(9,722)	(1,618)	(2,181)	(563)	(11,575)	(1,853)
Other pay	(443,425)	(73,438)	(75,212)	(1,774)	(449,781)	(6,356)
Pay	(453,147)	(75,056)	(77,393)	(2,337)	(461,356)	(8,209)
Non-Pay	(331,049)	(54,988)	(53,730)	1,258	(322,286)	8,763
Non Operating Items (exc gains on disposal)	(15,090)	(2,439)	(2,319)	120	(14,903)	187
<b>Provider Surplus/(Deficit)</b>	<b>(7,231)</b>	<b>(612)</b>	<b>(2,458)</b>	<b>(1,846)</b>	<b>(7,231)</b>	<b>0</b>
<b>Humber Teaching NHS FT</b>						
Income	230,038	38,318	39,697	1,379	236,856	6,818
Agency	(6,105)	(1,208)	(1,205)	3	(6,105)	0
Other pay	(137,658)	(22,846)	(23,818)	(972)	(145,601)	(7,943)
Pay	(143,763)	(24,054)	(25,023)	(969)	(151,706)	(7,943)
Non-Pay	(84,216)	(13,920)	(14,382)	(462)	(82,504)	1,712
Non Operating Items (exc gains on disposal)	(2,059)	(344)	(292)	52	(2,646)	(587)
<b>Provider Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>
<b>TOTAL ICS PROVIDER SURPLUS/(DEFICIT)</b>	<b>(30,000)</b>	<b>(10,455)</b>	<b>(12,980)</b>	<b>(2,524)</b>	<b>(30,000)</b>	<b>(0)</b>

## 6. System Efficiencies

The system is reporting a £6.4m shortfall against an efficiency target of £28.4m at Month 2. This comprises of the providers delivering £13.8m against a £18.9m plan (£5.1m adverse) and the ICB delivering £8.2m against a £9.5m plan (£1.3m adverse).



The forecast for the year is consistent with the 2023/24 plan and is to deliver £232.3m of savings with £160m by providers and £72m by the ICB.

Further work is required in year to review schemes to maximise on recurrent efficiency schemes.

ICS Efficiencies - 2023/24 (M02)						
System Efficiencies	2023/24	YTD	YTD	YTD	FOT	FOT
	Plan	Budget	Actual	Variance		Variance
	£'000	£'000	£'000	£'000	£'000	£'000
<b>ICB Efficiencies Planned for 2022/23 - by scheme</b>						
Demand Management (referrals)	200	0	0	0	200	0
Pathway transformation	27,000	3,062	2,999	(63)	27,000	250
All-age Continuing Care - Commissioning/Procurement	14,973	2,006	1,907	(99)	14,973	(275)
Mental Health - reducing out of area placements	4,711	694	470	(224)	4,711	(1)
Primary Care Prescribing	7,929	1,323	941	(382)	7,929	26
Transforming community-based primary care	2,577	26	0	(26)	2,577	3
GP IT transformation	266	26	26	0	266	1
Non-NHS Procurement	110	18	10	(8)	110	0
Estates / NHS property rationalisation	92	14	14	0	92	0
Establishment reviews	7,992	1,332	1,332	0	7,992	0
Other	1,808	248	495	247	1,808	(4)
Unidentified	4,586	712	0	(712)	4,586	0
<b>Total Efficiencies - by scheme</b>	<b>72,244</b>	<b>9,461</b>	<b>8,194</b>	<b>(1,267)</b>	<b>72,244</b>	<b>0</b>
<b>Recurrent / Non-Recurrent Split:</b>						
Recurrent	31,826	5,015	3,675	(1,340)	31,826	0
Non-recurrent	40,418	4,446	4,519	73	40,418	0
<b>Total ICB Efficiencies</b>	<b>72,244</b>	<b>9,461</b>	<b>8,194</b>	<b>(1,267)</b>	<b>72,244</b>	<b>0</b>
<b>Provider Efficiencies</b>						
<b>Recurrent</b>						
Harrogate And District NHS Foundation Trust	6,396	1,066	1,066	(0)	11,523	5,127
Hull University Teaching Hospitals NHS Trust	41,915	4,842	1,564	(3,278)	41,915	0
Humber Teaching NHS Foundation Trust	3,820	460	460	0	3,820	0
Northern Lincolnshire And Goole NHS Foundation Trust	11,633	1,221	1,117	(104)	11,633	0
York And Scarborough Teaching Hospitals NHS Foundation Trust	27,959	2,878	3,114	236	30,165	2,206
<b>Total provider recurrent efficiency</b>	<b>91,723</b>	<b>10,467</b>	<b>7,321</b>	<b>(3,146)</b>	<b>99,056</b>	<b>7,333</b>
<b>Non-Recurrent</b>						
Harrogate And District NHS Foundation Trust	14,436	2,407	120	(2,287)	9,310	(5,126)
Hull University Teaching Hospitals NHS Trust	12,048	2,008	3,963	1,955	12,048	0
Humber Teaching NHS Foundation Trust	7,796	1,266	1,266	0	7,796	0
Northern Lincolnshire And Goole NHS Foundation Trust	24,103	1,359	1,152	(207)	24,103	(0)
York And Scarborough Teaching Hospitals NHS Foundation Trust	9,955	1,430	0	(1,430)	7,749	(2,206)
<b>Total provider non-recurrent efficiency</b>	<b>68,338</b>	<b>8,470</b>	<b>6,501</b>	<b>(1,969)</b>	<b>61,006</b>	<b>(7,332)</b>
<b>Total provider efficiencies (Providers within system)</b>						
Recurrent	91,723	10,467	7,321	(3,146)	99,056	7,333
Non-Recurrent	68,338	8,470	6,501	(1,969)	61,006	(7,332)
<b>Total Provider Efficiencies</b>	<b>160,061</b>	<b>18,937</b>	<b>13,822</b>	<b>(5,115)</b>	<b>160,061</b>	<b>0</b>

## 7. System Risks and Mitigations

The value of key risks identified at Month 2 is £65m, £47m highlighted by providers and £18m at ICB level. The main risks relate to ability to deliver against planned efficiencies (£49m), impact of strikes (£3.9m), Bed Pressures (£1.7m), High-Cost

Mental Health Patients & S117 (£2.8m), Continuing Care Services (£3.3m) and Primary Care Co-Commissioning (£3.8m).

Mitigating actions include increased focus and development of recurrent savings opportunities at pace and use of technical efficiencies.

ICS Risks and Mitigations - 2023/24 (M02)			
Description of risk	Potential Financial Impact before mitigations	Mitigating actions being taken by system	Potential Financial Impact after mitigations
	£'000		£'000
<b>ICB Risks</b>			
Continuing Care Services - Increase in cases and care packages	(3,250)	NR actions/Increased focus and development of savings strategies	0
High Cost Mental Health Patients & S117	(2,818)	NR actions/Increased focus and development of savings strategies	0
Delivery of efficiency programme	(7,888)	NR actions/Increased focus and development of savings strategies	0
Primary Care Co-Commissioning	(3,782)	NR actions/Increased focus and development of savings strategies	0
<b>Provider Risks</b>			
Bed Pressures	(1,694)	NR actions/Increased focus and development of savings strategies	0
Strike impact	(3,900)	NR actions/Increased focus and development of savings strategies	0
NHSPS Premises	(600)	NR actions/Increased focus and development of savings strategies	0
Delivery of efficiency programme	(41,104)	NR actions/Identify additional CRES schemes	0
<b>Total ICS Risks and Mitigations</b>	<b>(65,036)</b>		<b>0</b>

## 8. System Capital Summary

At Month 2, there is an underspend of £8.7m across all funding streams including IFRS16. The IFRS16 underspend (£1.9m) against plan is due to a number of leases starting later than planned, most notably in York & Scarborough and HUTH. The other main variances are slippage against TIF schemes (£3.2m), Frontline Digitisation (£0.5m) and the Scarborough A&E/AAU scheme (£1.7m).

The forecast position at Month 2 for the ICS is that expenditure will align with plan, except for HUTH which is currently reporting an underspend of £0.6m on IFRS16 and Frontline Digitisation.

## ICS Capital Summary - 2023/24 (M02)

System Capital	ICS Envelope and NET CDEL					FOT	
	2023/24 Plan	Plan YTD	Actual YTD	YTD Var	FOT	FOT Var	
	£'000	£'000	£'000	£'000	£'000	£'000	
<b>ICS Envelope (Excluding IFRS 16)</b>							
Harrogate And District NHS Foundation Trust	9,999	1,638	880	758	9,999	0	
Hull University Teaching Hospitals NHS Trust	20,605	1,078	1,420	(342)	20,605	0	
Humber Teaching NHS Foundation Trust	7,628	454	985	(531)	7,628	0	
Northern Lincolnshire And Goole NHS Foundation Trust	19,106	2,950	941	2,009	19,106	0	
York And Scarborough Teaching Hospitals NHS FT	19,154	250	867	(617)	19,154	0	
<b>ICS Envelope (exc IFRS16)</b>	<b>76,492</b>	<b>6,370</b>	<b>5,093</b>	<b>1,277</b>	<b>76,492</b>	<b>0</b>	
<b>ICS Envelope (Impact of IFRS 16)</b>							
Harrogate And District NHS Foundation Trust	0	0	0	0	0	0	
Hull University Teaching Hospitals NHS Trust	2,104	1,306	112	1,194	1,604	500	
Humber Teaching NHS Foundation Trust	0	0	0	0	0	0	
Northern Lincolnshire And Goole NHS Foundation Trust	1,167	0	43	(43)	1,167	0	
York And Scarborough Teaching Hospitals NHS FT	7,255	1,000	270	730	7,255	0	
<b>ICS Envelope (IFRS 16)</b>	<b>10,526</b>	<b>2,306</b>	<b>425</b>	<b>1,881</b>	<b>10,026</b>	<b>500</b>	
<b>Additional Schemes/Allocations</b>							
Harrogate And District NHS Foundation Trust	16,026	2,674	339	2,335	16,026	0	
Hull University Teaching Hospitals NHS Trust	24,364	1,539	240	1,299	24,257	107	
Humber Teaching NHS Foundation Trust	1,958	120	0	120	1,958	0	
Northern Lincolnshire And Goole NHS Foundation Trust	27,468	62	98	(36)	27,468	0	
York And Scarborough Teaching Hospitals NHS FT	18,643	3,200	1,375	1,825	18,643	0	
<b>Expenditure against Additional Schemes</b>	<b>88,459</b>	<b>7,595</b>	<b>2,052</b>	<b>5,543</b>	<b>88,352</b>	<b>107</b>	
<b>Total Provider - Charge Against Allocation</b>	<b>175,477</b>	<b>16,271</b>	<b>7,570</b>	<b>8,701</b>	<b>174,870</b>	<b>607</b>	
<b>NET Provider CDEL</b>							
Harrogate And District NHS Foundation Trust	26,025	4,312	1,219	3,093	26,025	0	
Hull University Teaching Hospitals NHS Trust	47,073	3,923	1,772	2,151	46,466	607	
Humber Teaching NHS Foundation Trust	9,586	574	985	(411)	9,586	0	
Northern Lincolnshire And Goole NHS Foundation Trust	47,741	3,012	1,082	1,930	47,741	0	
York And Scarborough Teaching Hospitals NHS FT	45,052	4,450	2,512	1,938	45,052	0	
<b>Total Provider - CDEL</b>	<b>175,477</b>	<b>16,271</b>	<b>7,570</b>	<b>8,701</b>	<b>174,870</b>	<b>607</b>	

## 9. ICB Establishment Expenditure

Following on from the ICB's staff restructuring, the financial management of the ICB's establishment budgets has been brought in line to reflect the agreed structure and is set out below.

Establishment budgets have been centralised to improve reporting and control in a more consistent manner. As a result, the YTD performance has not been reported but will be reported in future when this exercise has been completely embedded.

There is an expectation the ICB establishment will underspend by £8m and this has been factored into the ICB efficiency plan. This is expected to be delivered through vacancy control in line with other NHS organisations.

Summary ICB Establishment Expenditure - 2023/24					
Establishment Expenditure	2023/24 Plan	Admin	Programme	Other	Total
	£'000	£'000	£'000		£'000
Clinical Directorate	15,141	232	14,909	0	15,141
Comms Directorate	1,805	1,805	0	0	1,805
COO Directorate	2,786	2,786	0	0	2,786
Corporate Affairs Directorate	7,732	7,732	0	0	7,732
Executive Management Team	1,943	1,943	0	0	1,943
Finance Directorate	7,274	7,274	0	0	7,274
People Directorate	1,307	1,307	0	0	1,307
Nursing Directotote	17,134	1,900	15,234	0	17,134
<b>Directorate Expenditure</b>	<b>55,121</b>	<b>24,978</b>	<b>30,143</b>	<b>0</b>	<b>55,121</b>
East Riding Of Yorkshire Place	1,556	0	1,556	0	1,556
Hull Place	1,412	0	1,412	0	1,412
North Lincolnshire Place	1,136	0	1,136	0	1,136
North Yorkshire Place	1,914	0	1,914	0	1,914
York Place	1,106	0	1,106	0	1,106
North East Lincolnshire Place	1,971	0	1,971	0	1,971
<b>Place Teams Expenditure</b>	<b>9,095</b>	<b>0</b>	<b>9,095</b>	<b>0</b>	<b>9,095</b>
Other	2,726	0	2,726	0	2,726
NEL LA Income	(1,342)	0	(1,342)	0	(1,342)
<b>Collaboratives &amp; Other Expenditure</b>	<b>1,384</b>	<b>0</b>	<b>1,384</b>	<b>0</b>	<b>1,384</b>
<b>Total Planned Expenditure before Efficiencies</b>	<b>65,600</b>	<b>24,978</b>	<b>40,621</b>	<b>0</b>	<b>65,600</b>
<b>QEP/Efficiencies</b>	<b>(7,992)</b>	<b>0</b>	<b>0</b>	<b>(7,992)</b>	<b>(7,992)</b>
<b>Total Planned Expenditure after Efficiencies</b>	<b>57,608</b>	<b>24,978</b>	<b>40,621</b>	<b>(7,992)</b>	<b>57,608</b>

## 10. Summary Provider Agency Expenditure

Agency costs are £1.0m above target as at month 2, with an expectation that these costs will be brought back in line with plan by the end of the year.

Summary Provider Agency Expenditure - 2023/24 (M02)						
	2023/24 Plan £'000	Year to Date Position			Forecast Outturn	
		YTD Budget £'000	YTD Actual £'000	YTD Variance £'000	FOT £'000	FOT Variance £'000
<b>Registered nursing, midwifery and health visiting staff</b>	<b>23,014</b>	<b>5,037</b>	<b>5,219</b>	<b>(182)</b>	<b>21,830</b>	<b>1,184</b>
Allied health professionals	2,046	347	380	(33)	2,078	(32)
Other scientific, therapeutic and technical staff	155	28	17	11	100	55
Healthcare scientists	0	0	0	0	0	0
<b>Healthcare scientists and scientific, therapeutic and technical staff</b>	<b>2,201</b>	<b>375</b>	<b>397</b>	<b>(22)</b>	<b>2,178</b>	<b>23</b>
Qualified ambulance service staff	0	0	0	0	0	0
Support to nursing staff	1,303	264	271	(7)	1,308	(5)
Support to allied health professionals	0	0	0	0	0	0
Support to other clinical staff	48	8	28	(20)	168	(120)
<b>Support to clinical staff</b>	<b>1,351</b>	<b>272</b>	<b>299</b>	<b>(27)</b>	<b>1,476</b>	<b>(125)</b>
<b>Total non-medical - Clinical staff agency</b>	<b>26,566</b>	<b>5,684</b>	<b>5,915</b>	<b>(231)</b>	<b>25,484</b>	<b>1,082</b>
Medical and dental agency	0	0	0	0	0	0
Consultants	19,995	3,906	4,065	(159)	18,918	1,077
Career/staff grades	2,879	495	688	(193)	3,933	(1,054)
Trainee grades	7,278	1,297	1,727	(430)	8,421	(1,143)
<b>Total medical and dental staff agency</b>	<b>30,152</b>	<b>5,698</b>	<b>6,480</b>	<b>(782)</b>	<b>31,272</b>	<b>(1,120)</b>
Non medical - non-clinical staff agency	0	0	0	0	0	0
NHS infrastructure support	2,473	440	420	20	2,221	252
Any others	12	2	15	(13)	87	(75)
<b>Total non medical - non-clinical staff agency</b>	<b>2,485</b>	<b>442</b>	<b>435</b>	<b>7</b>	<b>2,308</b>	<b>177</b>
<b>Total pay bill - agency &amp; contract staff excl. capitalised staff costs</b>	<b>59,203</b>	<b>11,824</b>	<b>12,831</b>	<b>(1,007)</b>	<b>59,064</b>	<b>139</b>
Capitalised staff costs	0	0	0	0	0	0
<b>Total pay bill - agency &amp; contract staff incl. capitalised staff costs</b>	<b>59,203</b>	<b>11,824</b>	<b>12,831</b>	<b>(1,007)</b>	<b>59,064</b>	<b>139</b>
<b>MEMO: Agency Expenditure by Provider</b>						
Harrogate and District NHS FT	9,552	1,592	1,260	332	7,560	1,992
Hull University Teaching Hospitals NHS Trust	9,722	1,618	2,181	(563)	11,575	(1,853)
Northern Lincolnshire and Goole NHS FT	16,524	4,512	4,890	(378)	16,524	0
York and Scarborough Teaching Hospitals NHS FT	17,300	2,894	3,295	(401)	17,300	0
Humber Teaching NHS FT	6,105	1,208	1,205	3	6,105	0
<b>Total Provider Agency Expenditure</b>	<b>59,203</b>	<b>11,824</b>	<b>12,831</b>	<b>(1,007)</b>	<b>59,064</b>	<b>139</b>

## 11. ICB Cash Position

The ICB currently has a cash resource allocation of £3,650m for the 12 months to 31st March 2024. For the 2 months to the end of May the ICB has used £590m (16.1%). Working on a straight-line basis for cash use, the ICB would be expected to have used no more than £609m (16.7%), so usage is below this by £19.1m (or just 0.5% of the full cash resource allocation).

ICB Cash Position - 2023/24 (M02)									
	Opening Balance	Cash Drawdown	Prescription & Dental Drawdown	Other Income	Cash Payment	Closing Balance	Closing Balance as % of drawdown	Achieved Target?	
	£'000	£'000	£m	£'000	£'000	£'000			
<b>Total Cash Drawdown Allocation £3,652m</b>									
<b>Monthly straight-line drawdown £304m</b>									
April	0.37	268.00	27.00	5.57	(299.76)	1.17	0.44%	YES	
May	1.17	263.00	31.60	4.21	(298.93)	1.06	0.40%	YES	
Cash drawn down to Date (actual)		589.60							Note: Target is <b>1.25%</b>
Cash Drawdown Allocation (straight line)		608.68							
Difference		(19.08)							

## 12. System BPPC Performance

Under the Better Payment Practice Code (BPPC), NHS providers paid 93% of total bills (by value) and 91% (by volume) against the target on 95%. It is expected that this will increase in future months to meet the target. The ICB achieved above the 95% NHSE national target across both metrics.

ICS BPPC Performance - 2023/24 (M02)						
Organisation	NHS		Non NHS		Total	
	Volume	Value	Volume	Value	Volume	Value
Harrogate and District NHS FT	92%	94%	93%	95%	93%	95%
Hull University Teaching Hospital NHS Trust	90%	96%	96%	86%	96%	88%
Humber Teaching NHS FT	88%	98%	96%	96%	96%	97%
Northern Lincolnshire and Goole NHS FT	94%	95%	94%	97%	94%	95%
York and Scarborough Teaching Hospitals NHS FT	76%	95%	83%	94%	83%	94%
<b>Total NHS Provider Performance</b>	87%	96%	91%	93%	91%	93%
<b>Total ICB Performance</b>	100%	100%	99%	97%	99%	99%

## 13. Recommendations

The Board is asked to:

- Note the system financial position for both year to date and forecast
- Note the level of risk identified that will need be managed to deliver planned/forecast position.