1. **Joint Capital Resource Template for 23/24**

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| **REGION** | **North East & Yorkshire** |
| **ICB / SYSTEM** | **Humber & North Yorkshire ICB** |

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| **Introduction**  *Guidance:*  *Please provide some high level commentary about the joint capital plan which should be developed between the ICB and partner NHS Trust and foundation trusts – key strategic priorities, key schemes throughout the year, background to what happened last year, overview funding sources etc.* |
| The joint capital resource plan was produced and agreed by all stakeholders and agreed through the ICB and individual provider organisations.  As the NHS moved to a three-year allocation, 23/24 constitutes year 2 of the 3 year plan agreed across the system. This has enabled some specific system schemes to be agreed such as the York Vascular Intervention Unit, Yorkshire Health Care Record and the Catterick Integrated Care Campus which would have been challenging to deliver with a single year allocation.  The approach taken was to focus on ensuring replacement of existing assets was a major priority for Operational capital (due to the scale of backlog maintenance) whilst also ensuring key strategic schemes were affordable over the life of the 3-year allocation.  Key schemes planned for in 23/24 are: -   * Complete the acute assessment units at Scunthorpe, Grimsby, and Scarborough * Target Investment Fund (TIF) schemes to enhance elective activity in all four acute providers * Catterick Integrated Care Campus a first in the country collaboration between the NHS and Ministry of Defence * Focus on CQC compliant estate * Significant digital investment, focusing around enhancing digital maturity and developing new Electronic Patient Record solutions and enhancing the care record * Progress towards 2028 decarbonation target |

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| **Assumed Sources of Funding for 2023/24**  *Guidance:*  *Please provide detailed of the overall funding envelopes to which the system will be working to.*  *Explain any assumptions (and related risks) associated with the assumed sources and quantum’s of funding for the ICB and Partner Trusts*  *Draft table inserted which can be expanded upon.* |
| The ICB funding sources in 23/24 are: -   * Operational Capital (effectively replacement of assets. Capital Spending Limit for providers utilising their own cash reserves) * Capital funding for IFRS16 type leases (accounting treatment, non cash) * National Programmes (eg digitisation, mental health, urgent care which provide cash and capital envelope funding)   There has been a significant over commitment against the available envelope of funding and consequently a prioritisation exercise has been undertaken to agree the apportionment of capital based on an agreed set of principles (see prioritisation section below.)  This has been developed by the ICB in partnership with the five provider organisations and primary care providers who fall within the boundary of the ICB. The NHS Trusts are Harrogate & District Hospital NHS Foundation Trust, York and Scarborough Hospitals NHS Foundation Trust, Humber Foundation Trust, Hull and East Riding NHS Trust and North Lincolnshire and Goole NHS Foundations Trust.   |  |  |  |  | | --- | --- | --- | --- | |  | **capital departmental expenditure limit (Capital Spending Limit)** | **Total** | **Narrative on the main categories of expenditure** | | **Full Year Plan** | | **£’000** | | Provider | Operational Capital | 76,492 | Replacement (depreciation) funding, York Vascular Intervention Unit, backlog maintenance | | ICB | Operational Capital | 5,567 | Catterick £2.5m, primary care capital | |  | **Total Op Cap** | **82,059** |  | | Provider | Impact of IFRS 16 | 10,526 | Medical equipment and estate leases | | ICB | Impact of IFRS 16 | 90 | Estate leases | | Provider | Upgrades & NHP Programmes | 10,865 | £9m Scarbourough General Hospital- UECC - AAU/A&E New Build and £2m for backlog maintenance relating to Scunthorpe and Grimsby Hospital AAU dept | | ProvideCr | National Programmes (diagnostics, Front line digitisation, Mental Health, TIF) | 76,150 | Main programmes consist of EPR £18m, TIF schemes £34m, CDC £17m and other diagnostics £6m | | Provider | Other (technical accounting) | 1,444 | PFI payments | |  | **Total system CDEL** | **181,134** |  | |

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| **Overview of Ongoing Scheme Progression**  *Guidance:*  *Please provide an overview of scheme progression. Probably should only be schemes above a certain level* |
| The ICB has an excellent track record of delivering the system capital programme within plan year on year, through system working and close management of the risks and mitigations.  The operational capital is phased over the course of the year with some of the national programmes being a continuation of prior year schemes. |

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| **Risks and Contingencies**  *Guidance:*  *Insert any notable risks and/or contingencies associated with the capital plan. Consider RAG rating risks also.* |
| The over commitment of schemes at planning stage has been managed through partnership working, to agree a system plan.  However, this leaves several risks   * The inability to deliver all the schemes required within the envelope of funding available * Inflationary pressures continue to be a major challenge for our system (as with other systems) and delivering schemes on budget remains challenging, however mitigated through value re-engineering and management of spend in year * The ICB is not carrying any central capital contingency. The management of slippage or overspends is through monthly monitoring and liaison across the system. This enables the ICB to manage alternative schemes where slippage is reported or look to manage overshoots through the slipping of other schemes to ensure delivery within the funding and capital envelope available. |

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| **Business Cases in 2023/24**  *Guidance:*  *Please insert detail of some of the key business cases in the ICB that are likely to be submitted in 2023/24.* |
| The major business cases are   * Scarborough General Hospital – Urgent Emergency Care £9m * Electronic Patient Record £18m * Targeted Investment Fund schemes for elective recovery £34m * Community Diagnostic Centres £17m * Other diagnostics £6m * Catterick Integrated Care Campus £2.5m |

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| **Cross System Working**  *Guidance:*  *If applicable, can you detail how your system capital plan is coordinated with other systems or providers located in other systems.* |
| We are cognisant of the need to work across health, care, and geographic boundaries. We have been supportive of the Friarage elective theatre replacement programme in S Tees Hospital and have transferred capital envelope to enable the development of the Catterick Integrated Care Campus with the Ministry of Defence. |

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| **Capital Planning & Prioritisation**  *Guidance:*  *Please detail how your system is prioritising available resources for investments which c*ontribute *to the wider local strategic priorities of the ICS, and maximise efficiencies within an affordable envelopes as well as how this aligns with and supports the ICS’ wider infrastructure strategy - in particular, priorities and plans for future use and development of its estate and assets.* |
| The capital prioritisation process within the ICB is detailed below: -   * A draft 3-year capital plan was provided by each partner organisation at the start of the 3-year cycle (22/23 – 24/25) * As there will be no separate emergency capital process outside of the envelope, emergency/essential capital investments will have to be the priority. These will need to be clearly set out in the organisation’s plan with a clear rationale to enable a peer review and agreement by the Partnership. * Investments that support the maintenance/replacement of existing assets will form the bulk of commitments against the ICS CDEL envelope (Depreciation) * ICS strategic priorities identified and agreed by the partnership (Vascular Intervention Unit for 22/23-25/26 & Catterick agreed 23/24 & 24/25) * Completion of partially completed schemes * Management of capital across multiple years to reflect individual organisation capital needs to complete specific schemes * If the total cost of planned capital investments in these categories exceeds the confirmed CDEL envelope, pro rata percentage reduction to each organisation to balance to the envelope of funding available |

Appendix 1 - Joint Capital Resource Use Plan – 2023/24



Individual Organisation plan in appendix 2

**Appendix 2– Detailed (provider) Joint capital resource use plan – 2023/24**

