



Agenda Item No:

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|--------------------------|---|
| <b>Report to:</b>        | Humber and North Yorkshire Integrated Care Board                |
| <b>Date of Meeting:</b>  | 14 August 2024  |
| <b>Subject:</b>          | <b>Month 3 Finance Report</b>                                   |
| <b>Director Sponsor:</b> | Emma Sayner, Interim Executive Director of Finance & Investment |
| <b>Author:</b>           | Dilani Gamble, Associate Director of Finance                    |

**STATUS OF THE REPORT:**

Approve  Discuss  Assurance  Information  A Regulatory Requirement

**SUMMARY OF REPORT:**

This report presents the financial position, including NHS providers and the ICB, that is available for the system for the period ended 30 June 2024.

The ICS reported a £47.8m deficit that was a £7.3m adverse variance to year-to-date plan at month 3. This position raised significant concerns within the system and with NHSE on the overall deliverability of the full year forecast position, particularly based on the run rate information year to date compared to the full year plan.

A series of escalation meetings have taken place with system Chief Executives, Chairs, Directors of Finance (DoFs) and Directors of Human Resources (HRDs) to review the system financial position with the focus on delivering the 2024/25 financial plan. The main resultant actions for the system have been:

- Proactively securing additional external capacity to strengthen programme management arrangements and assure the effectiveness of control processes.
- Agreeing workplan through joint DoFs and HRDs meeting to better align finance (efficiency) and workforce data and track delivery.
- Weekly Directors of Finance meetings including NHSE regional representation to review key actions on a weekly basis with focus on profile delivery of financial improvement through to the end of the financial year.

**System Financial Position - Revenue**

- The month 3 position for the system is a deficit of £47.8m against a year-to-date plan deficit of £40.5m. This is an adverse year to date variance to plan of £7.3m.
- The year-to-date variances reported at month 3 is mainly because of slippage/shortfall against efficiency plans, premium pay/agency costs, drugs and devices, and doctors in training costs offset by ERF delivery above planned levels.

**System Financial Position - Capital**

- The system Capital expenditure, including all funding streams and IFRS is forecasting £168.2m against a plan of £165.7m (£2.5m variance) at month 3. This is mainly a timing issue associated with additional allocation for RAAC schemes not currently reflected in the annual plan figures but confirmed as funded.

**RECOMMENDATIONS:**

Members are asked to:

- i. Note the month 3 system financial position for 2024/25.
- ii. Note the mitigating actions being pursued in year to deliver 2024/25 financial plan.

**ICB STRATEGIC OBJECTIVE**

|                            |                                     |
|----------------------------|-------------------------------------|
| Leading for Excellence     | <input type="checkbox"/>            |
| Leading for Prevention     | <input type="checkbox"/>            |
| Leading for Sustainability | <input checked="" type="checkbox"/> |
| Voice at the Heart         | <input type="checkbox"/>            |

**IMPLICATIONS**

|                              |   |
|------------------------------|---|
| Quality                      | Deploying our resources in a way that manages quality and safety risks and supports improvement.  |
| HR                           | Resources are deployed to facilitate effective deployment of workforce to deliver our agreed priorities.  |
| Legal / Regulatory           | NHS ICBs expected to operate within financial envelope and in line with formally approved financial plan.   |
| Data Protection / IG         | N/A   |
| Health inequality / equality | Allocation methodologies to support delivery of the ICS four aims and resource utilisation in a way that addresses equality, diversity, and inclusion issues. |
| Conflict of Interest Aspects | N/A   |
| Sustainability               | Ensure that resources deployed in a way that promotes environmental sustainability. Capital spend subject to strict carbon footprint regulations.             |

**ASSESSED RISK:**

Revenue overspends – each organisation is managing this risk in line with their internal financial governance systems and processes. Monthly reports are collated and reviewed by the ICB and reported through to NHS England. Financial forecasts continue to be reviewed monthly.

**MONITORING AND ASSURANCE:**

The financial position is monitored on a monthly basis with a detailed report taken through the Finance Performance and Delivery committee.

**ENGAGEMENT:**

N/A

**REPORT EXEMPT FROM PUBLIC DISCLOSURE**

No  Yes

If yes, please detail the specific grounds for exemption.