



**North East and North Cumbria Integrated Care
Board**

**North East and
North Cumbria**

Finance, Performance and Investment Committee

**Minutes of the meeting held on Thursday 1 December 2022, 10:00hrs at
Joseph Swan Suite, Pemberton House, Colima Avenue, Sunderland**

Present: Jon Rush, Chair
 Nic Bailey, Interim Executive Director of Place Based Delivery
 Ken Bremner, Chief Executive, South Tyneside and Sunderland NHS FT
 David Chandler, Interim Executive Director of Finance
 Dave Gallagher, Executive Director of Place Based Delivery
 Eileen Kaner, Vice Chair
 Lucy Topping, Deputy Locality Director, NHSE
 Rajesh Nadkarni, Executive Medical Director, CNTW

Apologies for absence: Samantha Allen, Chief Executive
 Graham Evans, Executive Chief Digital and Information Officer
 Annie Laverty, Executive Director of People
 Jacqueline Myers, Executive Director of Strategy and System Oversight
 Neil O'Brien, Executive Medical Director
 David Purdue, Executive Chief Nurse
 Aejaz Zahid, Executive Director of Innovation

In attendance: Richard Henderson, Director of Finance
 Jennifer Lawson, Governance Lead
 David Stout, ICB Audit Committee Chair
 Gillian Sheppard, Executive Assistant (minutes)

FPI/2022/12/01	Welcome and introductions The Chair welcomed everyone to the Finance, Performance and Investment Committee (FPIC) meeting.
FPI/2022/12/02	Apologies for absence Noted above.
FPI/2022/12/03	Declarations of interest There we no declarations of interest declared. The Chair highlighted that should a specific conflict of interest be evident during the course of the meeting for the two Provider representatives, they will be dealt with by the Chair as and when they occur.

FPI/2022/12/04	<p>Minutes of the previous meeting (3 November 2022)</p> <p>It was AGREED that the minutes accurately reflected the meeting.</p>
FPI/2022/12/05	<p>Matters arising from the minutes</p> <p>There were no matters arising from the minutes</p>
FPI/2022/12/06	<p>Action log update</p> <p>The actions were reviewed and updates provided on the action log.</p>
FPI/2022/12/07	<p>Notification of urgent items of any other business</p> <p>There were no urgent items of any other business raised.</p>
FPI/2022/12/08	<p>ICB Oversight Framework</p> <p>Lucy Topping provided a brief summary of the ICB Oversight Framework for information and assurance. This document has been presented and approved at the November 2022 ICB Executive Committee where the responsibility of maintaining effective operational oversight arrangement will remain.</p> <p>The new oversight arrangements are now moving into implementation phrase with the first meeting with Directors of Place and Trusts taking place on 12 December 2022. It was noted that the arrangements are more comprehensive than previously in place and may take time to embed by all partners in the system.</p> <p>David Chandler said the wording was incorrect in item 6.4 ICB Oversight Financial Arrangements of the current document as the Finance, Performance and Investment Committee is supported by a monthly ICS finance meeting which includes directors of finance from both the ICS and the ICB, where the financial position is reviewed collectively.</p> <p>ACTION: Lucy Topping to amend the wording of section 6.4 ICB Financial Oversight Arrangements within the framework documentation, to clarify that the FPIC is supported by a monthly ICS finance meeting which includes directors of finance from both the ICS and the ICB, where the financial position is reviewed collectively.</p> <p>Ken Bremner asked if the oversight arrangements was a live process or if smaller cohort of testing was being carried out with NUTH. He said that the amount of data requested needed to be proportionate for the level of tiering the organisation is placed in and feedback will be given once a number of the meetings has taken place. Lucy Topping confirmed that the process is being tested in advance with NUTH ahead of Q4 meetings with all other Trusts, and much of the data is being taken from each organisations tier related meeting.</p>

<p>FPI/2022/12/09</p>	<p>ICB Performance position update</p> <p>Lucy Topping presented a high-level update on the integrated quality and performance report for the North East and North Cumbria Integrated Care Board (ICB) and the Integrated Care System (ICS).</p> <p>The report was presented to the ICB Board on 29 November 2022, therefore only the changes within the last month on recent unpublished data was highlighted.</p> <ul style="list-style-type: none"> • Elective care – there are a number of Trusts that are identified as national outliers, which is significant and unusual for the ICS. Recent changes include South Tees coming out of tier 2. North Cumbria has made significant progress in the number of patients waiting beyond 62 days for cancer treatment, this was 331 people in September to 148 people as at 20 November 2022. This significant progress has meant that North Cumbria will move from tier 1 to tier 2 with an element of support still in place. • North Tees - has been moved into tier 2, there are some data issues with possible unintentional double counting of cancer patients. The Cancer Alliance is working with the trust to ensure visibility of patients is maintained but not double counted. • County Durham and Darlington – has been identified as a trust on the national watch list due to the deterioration of their 78ww position. They are currently at 179 against a plan of 132 and the number is increasing in recent weeks. National colleagues may contact the trust directly regarding this and any support needed. The ICB will be notified if the national team will contact the trust. • NUTH – is in tier 2 for both cancer and long waits. There has been some progress made but significant challenges remain and work is ongoing. <p>All trusts are undertaking work to address the waiting list challenges but continuing to review their pathways, maximise the use of the independent sector and obtain support from other trusts to address these challenges.</p> <p>All Trusts and provider collaboratives within tier 1 and tier 2 have been asked to complete a self-assessment with Elective Recovery Board sign off detailing the arrangements that should be in place.</p> <ul style="list-style-type: none"> • Urgent and Emergency care – there is little change in month and pressures are continuing with a high number of patients waiting 12 hrs from decision to admission into emergency department. Trusts are giving assurance that patients are as safe as possible during any delay. • Ambulance handover delays – this continues, with three Trusts reporting more that 140hrs lost as a result of handover delays which then impacts on ambulance response times. • Mental Health and Learning Disabilities – currently unable to update

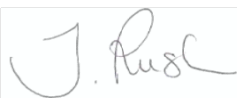
	<p>this as there is a problem nationally with the postcode data and unable to pinpoint the geography of the patient. Trusts have been approached to take part in 100 day discharge challenge, similar to the improvement process in acute trusts.</p> <ul style="list-style-type: none"> • Perinatal Mental Health access – the standards are not currently being met and a detailed analysis is to be carried out to understand the issues. <p>A general discussion took place on the focus for the committee between finance and performance, and it was agreed reports provided for the committee need to have an oversight of the whole system with a clear focus on how performance data relates to the financial pressures and risks to organisations and the action that can be taken to support this.</p> <p>Ken Bremner suggested that future performance update reports are clear which constitutional standards for trusts are still live and which are there for information.</p> <p><u>RESOLVED:</u> The committee RECEIVED the report for assurance.</p>
<p>FPI/2022/12/10</p>	<p>ICB Financial position update (enclosure 4)</p> <p>David Chandler presented a high-level update for the North East and North Cumbria Integrated Care Board (ICB) and the Integrated Care System (ICS) for the period to 31 October 2022, with the key points from the report highlighted.</p> <p>There is a forecast overspend of £26m on capital spending across the ICS, which is linked to the Capital Departmental Expenditure Limit (CDEL) allocation. Collaborative work with the providers to review relevant capital plans will continue.</p> <p>The ICB is currently reporting a forecast outturn deficit of £5.5m, prior to expected retrospective central funding of £11.2m relating to the Primary Care Additional Roles Reimbursement Scheme (ARRS). Once this funding is received, the ICB will report a forecast surplus of £5.7m against a planned surplus of £2.6m. The additional £3.0m surplus will offset a forecast deficit across relevant NHS providers, resulting in a balanced financial position across the ICS.</p> <p>The main ICB financial pressure is in acute Independent Sector (IS) activity related to the elective recovery programme and CHC and high-cost packages of care. There are potential risks to the wider ICS financial position at month 7 of £35m, this is associated with the pay award of £20m alongside risks relating to general cost pressures and delivery of cost savings in a number of trusts totalling £15m. There will be a meeting in mid December 2022 with ICS Directors of Finance to discuss surplus and deficits in more detail.</p> <p>The pay award will impact on providers forecast and risk, therefore the ICB is</p>

	<p>in discussions with ICB Directors of Finance to work out worse case assessment scenarios and will feedback to NHSE the impact on organisations forecasts.</p>
<p>FPI/2022/12/11</p>	<p>Historic Surpluses</p> <p>David Chandler provided a brief summary of the background to CCG historic surplus and deficit position, in brief:</p> <ul style="list-style-type: none"> • All CCGs were expected to deliver a cumulative surplus of at least 1% of funding allocation, which carried forward from one year to the next • At the end of 2021/22 the cumulative surplus across the eight former CCGs in the NENC totalled £38.16m • The 1% requirement amounted to £50.563m, leaving a net cumulative deficit of £12.4m as the opening position for the ICB. • NHSE have advised the deficit position of £12.4m can be written off if the ICB breaks even for 2 years. • A number of CCGs had historical agreements in place with NHSE guaranteeing drawdown in future years, which total £17.5m for future draw down, subject to business cases, national affordability and approval. <p>The main risk to the ICB is the cumulative deficit of £12.4m will be reinstated if a break-even position is not delivered over the next two financial years. This will be challenging and therefore to manage any risk it would be beneficial to bring the monies into the system as soon as possible to protect existing services.</p> <p>A discussion took place on the recommendations within the paper, and it was agreed that the draw down needs to occur in year one. The historical agreement guaranteeing CCG drawdown should be ringfenced to ensure each area and local community is resourced properly, but this could be reviewed by the ICB to ensure overall financial stability.</p> <p>ACTION: David Chandler to give advance notice to NHSE that the NENC ICB plan for 2022/23 will incorporate the £17.5m guaranteed drawdown from CCG historical agreements.</p>
<p>FPI/2022/12/12</p>	<p>Risk Management Report</p> <p>The FPIC received the risk management report for assurance, noting that there are five risks in total, three of which was transferred from former CCG risk registers and two new risks after a recent review of the register. The risks will be reviewed on an ongoing basis and will report back to the committee on a quarterly basis. If any risk increases this will be raised each month within the finance update.</p> <p>In response to a query, Jen Lawson confirmed that the threshold of risks being escalated to ICB Board is 12 and above, therefore risk NENC004 and</p>

	<p>NENC0031 has been discussed at Board.</p> <p>Lucy Topping referred to risk NENC007 'Delivery of NHS Constitutional Standards' and suggested this should be amended to include operational planning performance commitments given the potential risk to organisation reputation.</p> <p>ACTION: Lucy Topping to discuss with Jacqueline Myers to potential need to include operational planning performance commitments for risk NENC007 'Delivery of NHS Constitutional Standards' and update if necessary.</p>
<p>FPI/2022/12/13</p>	<p>FPIC Terms of Reference</p> <p>Jon Rush summarised the reviewed FPIC terms of reference and the proposed new membership discussed, this would include:</p> <ul style="list-style-type: none"> • Chair – non executive director (Jon Rush) • Vice Chair – non executive director (Eileen Kaner) • Executive Director of Finance (David Chandler) • Executive Director of Strategy and System Oversight (Jacqueline Myers) • Executive Director of Place Based Delivery (Dave Gallagher) • Executive Medical Director (Neil O'Brien) • ICB Board NHS FT Partner Member x 2 (or nominated deputy) <p>For quoracy there will be 50% of membership to attend, plus Chair/or Vice Chair and Executive director of Finance (or nominated deputy) to attend, with the name of a confirmed deputy required in advance of the meeting.</p> <p>Dave Gallagher said a conversation had taken place at a recent executive director meeting and confirmed that he will cover FPIC, whilst Nic Bailey will attend the Quality and Safety Committee and deputise for FPIC when required.</p> <p>ACTION: Gillian Sheppard to obtain nominated deputies details in advance of each meeting.</p> <p>All committee members agreed in the suggested changes.</p> <p>DECISION: FPIC members agreed to the amended terms of reference and to submit these to ICB Board for agreement and ratification.</p> <p>Jon Rush confirmed that the FPIC will operate on the above membership and quoracy until formally signed off at ICB Board.</p>
<p>FPI/2022/12/14</p>	<p>FPIC Cycle of Business</p> <p>The focus of January 2023 meeting will be on the 2023/24 planning guidance and month 9 update.</p>

<p>FPI/2022/12/15</p>	<p>Any Other Business</p> <p>Overspend protocol</p> <p>David Chandler provided a brief summary of the NHSE/I document detailing the protocol for changes to in-year revenue financial forecast. This information will be included in the finance update at January's committee.</p> <p>The paper details the number of steps an ICS needs to take should an organisation need to make a formal declaration to NHSE of a change in their outcome position. The paper details the process the system needs to follow and the timeframe required for completion of actions to fit with the monthly reporting timetable. Each relevant organisation must submit to the system a board assurance statement (BAS) signed by the chair, chief executive, chief financial officer, and a non-executive director such as the finance committee chair.</p> <p>There are consequences that need to be considered for any provider reporting a forecast deterioration to plan which will include a double lock sign off process for any revenue investments above £50,000 with sign-off required by the provider and the ICB.</p> <p>Should an ICB go out of balance then there is a triple lock sign-off process for any revenue investments above £100,000 with sign-off required by the organisation, system and NHS England regional team.</p> <p>It was noted that this new process will cause difficulty in planning with a possibility of organisations making conservative financial forecasts and a disincentive to deliver any planned underspends in the next financial year.</p> <p>David Chandler said there is a need to work out what the policy means in practice, how it is to operate and understand the consequences. The concerns of the ICS will be fed back to the report author at NHSE (Simon Curry) and the ICS Directors of Finance will meet in December 2022 to discuss ways of working across organisations and how to respond to the policy.</p>
<p>FPI/2022/12/16</p>	<p>Review of the Meeting</p> <p>Date of the next meeting confirmed as 10:00hrs on Thursday 5 January 2023 at Pemberton House, Sunderland.</p> <p>Close 12pm</p>

Signed:



Position:

Chair

Date:

05 January 2023

Official