



**North East and
North Cumbria**

NENC ICB

**Finance Report for the period ending
31st March 2025**

Executive Summary

M12 - March 2025			Outturn
Key Statutory Financial Duties	Overall ICS 2024/25 In Year Financial Position - (Surplus) / Deficit		
	For the financial year 2024/25 the ICS is reporting a small outturn surplus of £0.38m, against the revised breakeven plan (following receipt of non-recurrent deficit funding of £49.95m).	Plan	(£0.00) m
		Actual	(£0.38) m
		Variance	(£0.38) m
	Overall ICB 2024/25 In Year Financial Position - (Surplus) / Deficit		
	The ICB is reporting an outturn surplus of £12.19m, an improvement to plan of £8.59m, to offset pressures elsewhere in the ICS.	Plan	(£3.60) m
		Actual	(£12.19) m
		Variance	(£8.59) m
	2024/25 ICB Running Costs Position		
	The ICB is reporting an underspend against the running cost allowance of £6.0m for the year.	Plan	£54.94 m
		Actual	£48.95 m
		Variance	(£6.00) m
	Overall ICS 2024/25 Capital Funding		
	The ICS is reporting an outturn underspend against the capital allocation of £1.96m.	Allocation	£302.52 m
		Actual	£304.48 m
		Variance	£1.96 m
Other Financial Performance Metrics	Overall ICS 2024/25 Efficiency		
	The ICS is reporting efficiency savings of £515.90m, with the ICB delivering £120.67m, this is a £2.96m over-delivery against plan. Providers have reported an under-delivery of efficiencies by £7.86m overall.	Plan	£520.80 m
		Actual	£515.90 m
		Variance	(£4.90) m
	Overall 2024/25 Mental Health Investment Standard (MHIS)		6.71%
	The ICB has delivered the Mental Health Investment Standard, with growth in relevant spend of 6.71%, 0.11% in excess of the target 6.60%.		
	Cash		<1.25%
	The ICB cash balance for March is 0.12% and within the target set by NHS England of <1.25% of the monthly cash drawdown.		
	BPPC		by value
	The BPPC target is for 95% of NHS and Non NHS invoices to be paid within 30 days	NHS	100.00%
		Non NHS	99.29%

Overview of the Financial Position

This report summarises the financial performance of the ICB and wider ICS in the financial year 2024/25 for the period to 31st March 2025.

The final position shows the ICB to have achieved its key financial targets, although it should be noted that these are draft financial figures which are still subject to audit.

The overall ICS financial position is a small surplus of £0.38m, with the ICB reporting a surplus of £8.59m and providers reporting a deficit of £8.20m. The improvement in the ICBs position compared to plan was agreed to offset a deterioration in the overall provider position within the ICS.

The ICS capital position includes the impact of IFRS16 (lease accounting), resulting in a small outturn overspend of £1.96m which has been managed with NHSE at a regional level. £2.80m overspend relates to IFRS16 revaluations in Providers, partially offset by the underspend against the allocation by the ICB of £0.84m due to future connectivity and primary care estates schemes.

The ICB has delivered the Mental Health Investment Standard, with growth in relevant spend of 6.71%.

The financial plan of the ICB required an overall efficiency target of £117.71m and the ICB has delivered savings of £120.67m. Across the ICS, providers have delivered total efficiencies of £395.23m compared to a target of £403.08m. It should be noted there has been an under-delivery of recurrent efficiency schemes of £60.47m, partially offset by an over-delivery of £55.57m on non-recurrent efficiency schemes.

Considerable work has been undertaken over the past year, across both the ICB and in collaboration with NHS Provider Trusts across the ICS, to develop a medium-term financial plan for the system with a range of priority workstreams to support the ICS to live within its means going forward. Work will continue into 2025/26 as a priority across the system to manage the position and seek to mitigate risks and deliver the transformation required to address underlying recurrent financial pressures.

Table 1: Overall ICS (Surplus) / Deficit			
Month 12 - March 2025	Annual Plan (Surplus) / Deficit	Outturn (Surplus) / Deficit	Variance (Surplus) / Deficit
	£000s	£000s	£000s
NENC Commissioner (ICB)	(3,602)	(12,189)	(8,587)
Total In Year ICB Position	(3,602)	(12,189)	(8,587)
NENC Providers	3,602	11,806	8,204
Total Provider Position	3,602	11,806	8,204
Total ICS Financial Position 2024/25	(0)	(383)	(383)

Table 2: ICB Financial Position

Month 12 - March 2025	2024/25 Annual Plan	2024/25 Outturn	2024/25 Variance
	£000s	£000s	£000s
<u>Programme</u>			
Acute Services	4,033,742	4,034,157	414
Mental Health Services	974,136	977,001	2,865
Community Health Services	752,170	749,000	(3,170)
Continuing Care	500,926	521,813	20,887
Prescribing	613,847	635,300	21,453
Primary Care	115,892	113,822	(2,070)
Primary Care Co-Commissioning	656,548	667,976	11,428
Delegated – Pharmacy, Ophthalmic and Dental	366,538	354,389	(12,149)
Other Programme Services	(21,503)	(19,201)	2,303
Other Commissioned Services	32,380	30,514	(1,866)
Programme Reserves	42,684	0	(42,684)
Total ICB Programme Costs	8,067,360	8,064,770	(2,590)
<u>Admin</u>			
Running Costs	54,943	48,945	(5,998)
Total ICB Admin Costs	54,943	48,945	(5,998)
Total ICB Expenditure	8,122,303	8,113,716	(8,587)
Revenue Resource Limit	(8,125,905)	(8,125,905)	0
(Surplus) / Deficit	(3,602)	(12,189)	(8,587)

Table 3: ICS Efficiencies			
Month 12 - March 2025			
	2024/25 Annual Plan	2024/25 Outturn	2024/25 Variance
	£000s	£000s	£000s
1) Prescribing & MO Efficiencies	21,792	22,187	395
2) Continuing Healthcare & Packages of Care	18,672	18,672	0
3) Running Costs and Infrastructure	10,620	10,620	0
4) Local Delivery Team Programme	6,612	6,615	3
5) Internal Flexibilities	50,016	52,578	2,562
6) Internal Flexibilities - Stretch	10,000	9,997	(3)
Total ICB Efficiencies	117,712	120,669	2,957
Of Which:			
Recurrent	44,458	49,401	4,943
Non Recurrent	73,254	71,269	(1,986)
Total ICB Efficiencies	117,712	120,669	2,957
Providers within system	403,084	395,227	(7,857)
Total Provider Efficiencies (within system)	403,084	395,227	(7,857)
Of Which:			
Recurrent	260,225	194,813	(65,412)
Non Recurrent	142,859	200,413	57,554
Total Provider Efficiencies (within system)	403,084	395,227	(7,857)
Total ICS Efficiencies	520,796	515,896	(4,900)
Of Which:			
Recurrent	304,683	244,214	(60,469)
Non Recurrent	216,113	271,682	55,569
Total ICS Efficiencies	520,796	515,896	(4,900)
ICS Efficiencies key points			
The table above shows the efficiency targets set out in the ICS financial plan and delivery against those targets.			
The ICB has delivered efficiencies of £120.7m, against a target of £117.7m, over-delivery of £2.96m.			
Providers have delivered efficiency savings of £395.22m, against a target of £403.08m, an under-delivery of £7.86m in the main relating to two providers. All providers have under-delivered against their recurrent target largely offset with a non recurrent saving.			

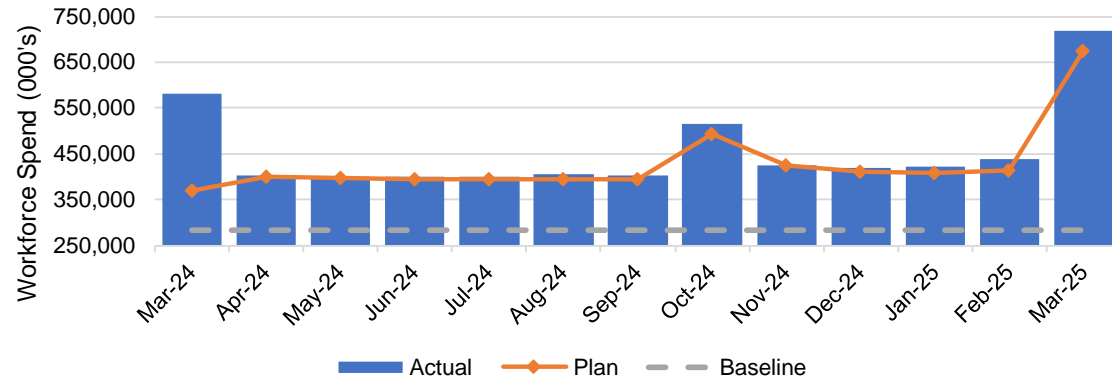
Table 4: ICS Capital Funding 2024/25

Month 12 - March 2025	2024/25 Capital Allocation	2024/25 Outturn	2024/25 Variance
	£000s	£000s	£000s
<u>Capital position excluding IFRS 16:</u>			
<u>Provider Capital</u>			
2024/25 Provider Capital Position excluding IFRS16	250,103	247,867	(2,236)
<u>ICB Capital (held by NHSE):</u>			
GPIT	4,000	4,000	0
Primary Care Estates Schemes	1,447	932	(515)
Other Capital - Future Connectivity	1,341	1,011	(330)
ICB allowable 'over-programming'	0	0	0
Total ICB Capital (held by NHSE)	6,788	5,943	(845)
Provider capital shown as ICB within plan	0	0	0
Total ICS Capital excluding IFRS 16	256,891	253,810	(3,081)
<u>Capital position including IFRS 16:</u>			
2024/25 Provider Capital Position including IFRS16	295,734	298,535	2,801
Total ICB Capital (held by NHSE)	6,788	5,943	(845)
Provider capital shown as ICB within plan	0	0	0
Total ICS Capital including IFRS 16	302,522	304,478	1,956
ICS Capital Spend key points			
Overall capital spend across the ICS is £304.48m and is an overspend of £1.96m against the total capital allocation for the year.			
For providers, the overspend of £2.80m relates to IFRS16 revaluations and has been agreed with NHSE. Whilst, the ICB is reporting an underspend of £0.84m relating to primary care estates schemes and future connectivity.			

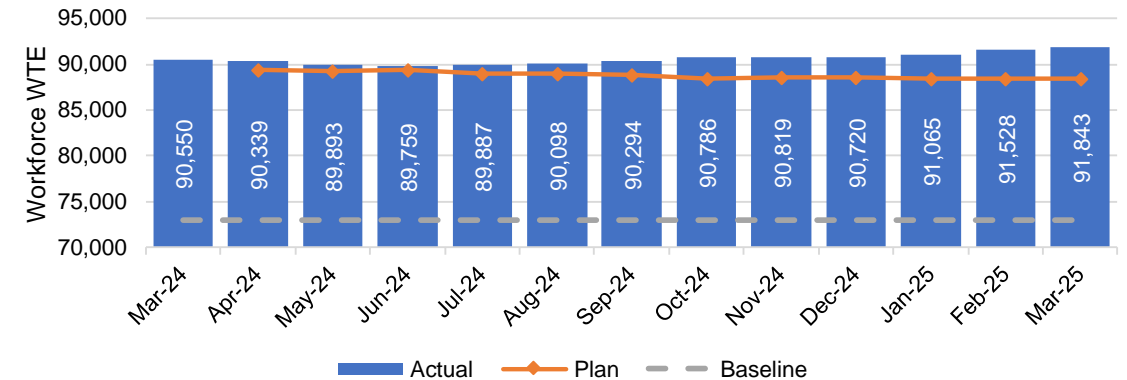


Table 5: NENC Workforce WTE - March 2025

Workforce Spend



Workforce WTE



Workforce Spend (000's)	Latest data	12 Months Previous		Baseline		Plan	
	Mar-25	Mar-24		Dec-19			
		Value	% Diff	Value	% Diff	Value	% Diff
Agency	5,971	8,308	-28.1%	6,446	-7.4%	6,454	-7.5%
Bank	16,779	18,227	-7.9%	10,433	60.8%	13,189	27.2%
Bank & Agency	22,751	26,536	-14.3%	16,879	34.8%	19,643	15.8%
Substantive	426,952	395,763	7.9%	267,722	59.5%	386,370	10.5%
Other	269,350	160,093	68.2%	39	682965.2%	269,703	-0.1%
Total	719,053	582,391	23.5%	284,641	152.6%	675,717	6.4%

Total Workforce Spend is 6.4% (43,336) above plan, total Workforce WTE is 3.9% above plan.
B&A Spend is 15.8% (3,107) above plan, B&A Workforce WTE is 13.7% above plan.
B&A accounts for 3.2% of all workforce spend and 4.5% of all workforce WTE.

Workforce WTE	Latest data	12 Months Previous		Baseline		Plan	
	Mar-25	Mar-24		Dec-19			
		Value	% Diff	Value	% Diff	Value	% Diff
Agency	625	787	-20.5%	754	-17.1%	516	21.2%
Bank	3,550	4,137	-14.2%	2,878	23.4%	3,155	12.5%
Bank & Agency	4,175	4,924	-15.2%	3,632	15.0%	3,671	13.7%
Substantive	87,667	85,626	2.4%	72,975	20.1%	84,736	3.5%
Total	91,843	90,550	1.4%	76,607	19.9%	88,407	3.9%

Substantive WTE is 3.5% (2,932) above plan.
Bank WTE is 12.5% (395) above plan.
Agency WTE is 21.2% (109) above plan.