



**North East and
North Cumbria**

North East and North Cumbria Integrated Care Board

Finance, Performance and Investment Committee

**Minutes of the meeting held on Thursday 6 April 2023, 10:00hrs
Via MS TEAMS**

Present: Jon Rush, Chair
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, Non Executive Director
Rajesh Nadkarni, Executive Medical Director, CNTW

In attendance: Richard Henderson, Director of Finance
David Stout, ICB Audit Committee Chair
Lucy Topping, Director of Performance and Improvement
Emma Ottignon-Harris, Executive Assistant (minutes)

FPI/2023/42	Welcome and introductions The Chair welcomed everyone to the Finance, Performance and Investment Committee (FPIC) meeting which, by exception, was held via MS teams.
FPI/2023/43	Apologies for absence Apologies for absence were received from: Jacqueline Myers, Executive Chief of Strategy and Operations Neil O'Brien, Executive Medical Director Jen Lawson (Governance Lead)
FPI/2023/44	Declarations of interest There were no declarations of interest.
FPI/2023/45	Minutes of the previous meeting (2 March 2023) It was AGREED that the minutes accurately reflected the FPIC meeting held on 2 March 2023.
FPI/2023/46	Matters arising from the minutes There were no matters arising from the minutes.

<p>FPI/2023/47</p>	<p>Action log update</p> <p>The action log was reviewed and the following updates were provided:</p> <p>FPI/2023/18/01: As the Executive Chief of Strategy and Operations was not at the meeting, it was agreed that the delivery work plan of the revision to the overall approach to the ICB performance position would be provided at the FPIC meeting in May.</p> <p>FPI/2023/38/01: FPIC revised Terms of Reference complete subject to Board approval. Action closed</p> <p>FPI/2023/24/01: Operational planning submission 2023/24 update on meeting agenda. Action closed</p> <p>FPI/2023/35/02: ICB Financial Performance Update: Director of Finance to include Better Payment Practice Code aggregate position for the ICB on a quarterly basis in the financial performance report. Data will be included in the Finance report from May 2023. A request was made to revise the narrative to indicate that it relates to the ICB only. Action closed.</p> <p>FPI/2023/37/01: Risk management: FPIC Chair to request further information regarding risk appetite and committee risk objectives. Defer to May meeting.</p>
<p>FPI/2023/48</p>	<p>Notification of urgent items of any other business</p> <p>There were no urgent items of any other business raised.</p>
<p>FPI/2023/49</p>	<p>Update on operational planning submission 2023/24</p> <p>The Executive Director of Finance provided a financial update and presentation which was circulated to the Committee after the meeting. Data was based on the submission from 29 March 2023.</p> <p>The Committee were made aware that more work will be required to achieve a position that NHS England (NHSE) would consider acceptable.</p> <ul style="list-style-type: none"> • A comparison chart of 23/24 deficits across the country highlighted that North East and North Cumbria (NENC) ICS was ranked with the fifth biggest deficit in absolute size at £167m. • The NENC deficit equated to 2.5% of allocation which was noted as a more positive deficit percentage versus other areas in the region. • The revenue plan surplus and deficit positions highlighted a total deficit position of £167m but did not include funding to allocate such as MHIS, DSF and Oncology. A breakeven position for the ICB is expected subject to cost improvements. • Provider total efficiencies was at 4.2% which was deemed above a normal level. • Planned £16m convergence factor at North Cumbria Integrated Care

	<p>Foundation (NCICFT) and a 5% loss on non-recurrent income at Gateshead Healthcare FT were highlighted as significant changes to revenue from M10.</p> <ul style="list-style-type: none"> • Provider cost growth above inflation was highlighted. NHSE have indicated that growth should generally be no more than 2.1% for pay and 5.5% for non-pay costs. It was noted that North East Ambulance Service (NEAS) had received £8.6m additional national funding to improve Category 2 performance. • A number of slides provided details of Provider gross pay growth and inflation over 4 years. There was a total average growth rate of 27% across NENC. Provider Trusts deemed above a reasonable value were highlighted and work is ongoing to identify the additional excess inflation costs. • The approximate excess inflation value for NENC is between £100m to £125m. Some Providers had reported additional pressures such as private finance initiative (PFI), energy, continuing healthcare (CHC), prescribing and mental health investment standard (MHIS) contracts which are in excess of inflation. • NHSE had queried the pay and WTE triangulation data from Providers that had been submitted. • A series of next steps before the final submission on 4 May was listed and feedback from NCICFT regarding increased convergence factors is expected. • A half day workshop with Directors of Finance (DoF's) has been scheduled which will focus on opportunities to improve short and medium term financial performance. <p>The Committee were asked for questions and comments:</p> <p>The Executive Director of Finance confirmed that agency staff were included in the data for pay increase.</p> <p>There was a discussion regarding the lack of information from NHSE for any potential excess inflation funding, or what might be considered an acceptable position. An estimated figure of a £100m gap was suggested but there has been no confirmation from NHSE.</p> <p>With regard to efficiency savings, Provider Trusts are hesitant to provide speculative financial data in cost improvement programmes due to a potential increase in scrutiny.</p> <p>The Committee discussed the potential trade-offs in order to achieve national targets and the extraordinary financial challenges faced to improve the financial position and growth funding.</p>
<p>FPI/2023/50</p>	<p>ICB financial performance update</p> <p>The Director of Finance presented the finance report for the financial year 2022/23 for the period to 28 February 2023 which included the Month 11</p>

	<p>financial position. A brief update for Month 11 key highlights was given and it was explained that in depth detail was available in the financial report.</p> <ul style="list-style-type: none"> • NENC ICB are on track to achieve a forecast revenue surplus of £2.7m against a planned surplus of £2.6m and an overall forecast revenue surplus of £0.4m for the ICS. • Increased prescribing costs and continuing healthcare were highlighted as risks to the final revenue position. • Work is underway with NHSE to alleviate the material underspend risk in Northumbria Health Care Foundation Trust (NHCFT) due to court case income in respect of building rectification work that may need to be accounted for in 22/23 accounts. This led to a query if other Provider Trusts could seek national support due to legal issues. It was explained that NHSE are informed of relevant cases which will be elevated to the next stage if deemed appropriate and that further information could be sought direct from NHSE regional teams. • A potential shortfall of £12m was highlighted for 22/23 pay award ICS allocation. Assurance was provided that NENC was in line with the rest of the region but there was no further information from NHSE on accruals. • A forecast capital underspend was reported against the confirmed ICS capital departmental expenditure limit (CDEL) allocation of £8m following receipt of CDEL funding for the Cedars development. <p>Assurance was given to the Committee that finance teams are working to manage the risks discussed.</p> <p>RESOLVED: The Finance, Performance and Investment Committee NOTED the content of the report for assurance.</p>
<p>FPI/2023/51</p>	<p>ICB Performance position update</p> <p>The Director of Performance and Improvement introduced the Integrated Delivery report which provided an ICS overview of quality and performance using data covering January 2023 for most metrics and February 2023 for others, unless otherwise stated.</p> <p>Key changes and points to note from the previous report highlighted were:</p> <ul style="list-style-type: none"> • Significant improvement in patients waiting more than 12 hours following decision to treat in A&E which had reduced from 1583 in January to 461 in February 2023 across NENC, although it was acknowledged that this performance level was still far below pre-Covid levels. • Improvement in Category 2 ambulance response times and handover delays although it was noted that this should be monitored closely as it could be linked to a reduction in system pressures and moving into the warmer Spring season. • Pressures remain ongoing in social care capacity and the impact to patient

flow.

- Approximately 160 patients were reported waiting in excess of 78 weeks; predominantly at Newcastle upon Tyne Hospitals NHF Foundation Trust (NuTHFT), a few cases in the independent sector and a national supply issue linked to corneal tissue supply was highlighted.
- 21 patients waiting in excess of 104 weeks was reported at end of March, this was within plan. It was acknowledged that further work is required in relation to complex spinal services.
- Continued reduction of the cancer backlog reported 872 patients waiting w/e 26 March which was on trajectory to achieve plan of 960.
- It was reported that NuTHFT had moved from Tier 2 to Tier 1 for elective care, this involves national team involvement in weekly meetings. Subject to evidence of sustainable plans it is anticipated that County Durham and Darlington NHS Foundation Trust (CDDFT) will move out of Tier 2 elective and North Cumbria Integrated Care Foundation (NCICFT) out of Tier 2 cancer.
- Further improvement work is required on waiting times for children and young people (CYP) entering treatment for mental health problems which has increased in NENC.
- A risk of being above trajectory on reducing reliance on inpatient care for people with learning difficulties was reported and it was noted that the final year end position was not available at that time.

The Committee were asked to note that the System Oversight meeting with South Tyneside and Sunderland NHS Foundation Trust (STSFT) had taken place recently which had resulted in actions regarding patients not meeting the criteria to reside and non-obstetric ultrasound (NOUS) related diagnostics pressures.

The Committee were asked for questions and comments:

A request was made to provide an update at a future meeting on the work underway to improve access for children and young people in mental health services and it was agreed that the Chair would progress this.

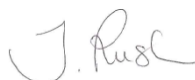
***ACTION:* Jon Rush (FCIP Chair) and Eileen Kaner (NED) to discuss agenda item for children and young people to mental health services for most appropriate NENC ICB committee in more detail outside of the meeting.**

A request was also made to include information regarding waiting lists and times for children and young people into mental health care services. In response it was clarified that some data such as eating disorders is national and work to collate a system based report is ongoing.

***ACTION:* Director of Performance and Improvement to follow up work to include an update on CYP waiting times and waitlists in future performance reports.**

	<p>The collaborative work to improve long wait list performance was acknowledged despite industrial action related challenges.</p> <p>There was a query if there had been any change to the outcome of achieving performance objectives for 2023/24 plan, which had been highlighted at the recent NENC ICB Board meeting. In response the Director of Performance and Improvement confirmed that planning submissions received from the trusts had not signified any changes. Key performance areas highlighted were 65 week waiters which had improved, although it was noted that this was subject to NuTHFT receiving mutual aid with support through Tier 1 and that the activity target had been met.</p> <p>Final national planning submissions are due on 4 May 2023 and there had been no feedback from NHSE on the performance planning submission to date.</p> <p>The Chair described the committee development session on Performance which had taken place prior to the meeting which had been very useful.</p> <p>Feedback to the recent System Oversight meeting between the ICB and STSFT was given which was positive as it had an appropriate agenda, was useful to receive data packs in advance and had resulted in understanding how the ICS can support the trust in areas of pressure.</p> <p>There was a brief discussion regarding the timing challenges involved in financial planning.</p> <p><u>RESOLVED:</u> The Finance, Performance and Investment Committee NOTED the content of the report for assurance.</p>
<p>FPI/2023/52</p>	<p>Any Other Business</p> <p>An update on Ophthalmology, Dentistry and Pharmacy was requested for the next meeting.</p> <p><i>ACTION:</i> Executive Director of Finance to provide an update on Ophthalmology, Dentistry and Pharmacy for the meeting scheduled on 4 May 2023.</p>
<p>FPI/2023/53</p>	<p>Meeting Review and date of Next Meeting</p> <p>Thursday 4 May 10.00am at Pemberton House</p>

Signed:



Position:

Chair

Date:

4 May 2023

Official